

Svenska Spel's games

Svenska Spel has a broad range of games: sports betting, number games, lotteries, gaming on Vegas VLTs, casino gaming and poker on svenskaspel.se. All games are subject to a minimum age limit of 18, except for casinos for which the age limit is 20.

Total net gaming revenue for 2010 was SEK 9,624 million (SEK 9,905), down SEK 281 million, or 2.8 %, from 2009.

Sports betting

Sports-based gaming consists of Oddset and the football-based Stryktipset, Europatipset, Måltipset and Topptipset. They can be played at retailers, on svenskaspel.se and to some extent via mobile phone. This gaming category has been hit hardest by competition from foreign Internet-based gaming companies.

Net gaming revenue for sports gaming in 2010 closed at SEK 1,440 million (1,477), accounting for some 15 % (15) of Svenska Spel's total net gaming revenue.

The Oddset game family – joint name for such games as Lången, Matchen, Bomben, Mixen and Powerplay – is the most popular sports gaming form. This offers an extensive range of choices. The player can bet on fixed odds (which apply from the start of the match to the end result), moving odds (that change as the stakes flow in) and also on live gaming during which the odds are set during the progress of the match. Match objects are drawn from a variety of sports, but primarily football and ice hockey.

Total net gaming revenue from Oddset in 2010 increased 3.1 % from the preceding year. However, this does not preclude certain parts of Oddset having a relatively low market share as result of competition from foreign-based Internet gaming companies who work under substantially more favourable

terms. On specific portions of the fixed-odds market, Svenska Spel has a share of about 25 % and in the live market (gaming in real time during a match/competition in progress) Oddset does not attain more than 6–7 % of the market share.

During 2010, the Olympic Games and the World Cup contributed to success for Oddset. The selection range for Lången was extended to 198 match objects and Powerplay (ice-hockey gaming) was extended to a greater number of occasions during the week. More gaming objects for Matchen and extended live gaming also received a positive response from players. Meanwhile, checks and risk management in respect of Oddset gaming were improved significantly. A number of match results favoured Svenska Spel, which also contributed to the positive revenues in 2010.

Net gaming revenue for the Stryktipset football coupon has declined over a number of years, and the trend continued in 2010. Hopefully, the increase in payback from 46 % to 65 % will reverse the trend in the foreseeable future, since the gross revenue rose sharply following the superior payback rate. The measures led to a twofold increase for 13 correct matches on the coupon. At the same time, a guarantee was introduced for players who are alone in getting 13 correct on the Stryktipset coupon. In 2010, a total of as many as 23 SEK 1 million winnings were paid out by Svenska Spel.

In addition to Swedish players, the Stryktipset and Europa pool includes players from Iceland. The trend for Måltipset is negative, while Europatipset – which was also subject to a higher payback – and Topptipset, which was introduced in 2007, reported continuing healthy growth.



Number games

Svenska Spel's lucky number games are Lotto, Keno, Joker, Viking Lotto and the internet games BingoLive and Pick'n'Click. The first three can be played in retail outlets as well as on svenskaspel.se. Viking Lotto is only available in-store, while BingoLive and Pick'n'Click are only available on svenskaspel.se. Lotto and Joker are also sold via subscription. Number games represent the largest gaming category, with net gaming revenue in 2010 amounting to SEK 2,879 million (2,888). They account for some 30 per cent (829) of Svenska Spel's total net gaming revenue.

In terms of net gaming revenue, Lotto is Svenska Spel's third single largest gaming form after Vegas and Triss. Gaming increased by 1.6 % in 2010, thanks to the effect of the "Dream Winnings" concept (seven correct number on Lotto plus at least two correct on the Joker on the same ticket). No fewer than seven Lotto players picked the right number of "Dream Winnings" over the course of 2010. One of them scooped the highest winnings in Swedish gaming history, SEK 214 million.

On 6 September, Lotto celebrated its 30th anniversary, which was highlighted in advertising campaigns, PR activities and a winner exhibition at the Park Hotel in Stockholm.

The supplementary game, Joker, is available on the Lotto and Stryktipset/Europatipset coupons. The highest participation rate for Joker is on the Lotto ticket and thus the trend in Joker participation largely tracks the variations in Lotto sales. In 2010, net gaming revenue for Joker increased 3.7 %.

Keno is the second largest number game. In 2010 net gaming revenue dipped 3.8 % compared with the preceding year. Keno at svenskaspel.se was revamped during the year, with the game being made clearer and easier for users through the visualisation of the selection range during the progress of the game.

The numbers game Viking Lotto is a cooperative venture between gaming companies in Sweden, Norway, Finland, Denmark, Iceland and Estonia.

It is a minor game in Sweden with a declining trend, but is progressing better in a number of the other countries.

Svenska Spel's own internet games on svenskaspel.se, BingoLive and Pick'n'Click reported net gaming revenue of a total of SEK 125 million (154) in 2010.

Lotteries

Svenska Spel's lotteries are Triss (with the DubbelTriss and Jättriss variations), Tia, Penning and the Skrap-Spel scratch range consisting of Skrap-Pyramid, Skrap-Kryss and Skrap-Bingo, plus

temporary campaign lotteries. The offering also includes a pre-packaged set of lottery tickets. Lotteries can be purchased at retailers and on svenskaspel.se. Triss and Tia can also be purchased via mobile phones. Svenska Spel provides a subscription service for Triss and sporting associations nationwide sell subscriptions.

Lotteries have come under increased competition, notably from PostkodLotteriet, but also from the sale of lottery tickets by NGOs and similar Internet-based organisations. Net gaming revenue for lotteries declined in 2010 to SEK 1,846 million (1,939), accounting for some 19 % (20) of Svenska Spel's total net gaming revenue.

By far the biggest lottery is Triss, in terms of net gaming revenue, number of customers, recognition and popularity. No other game has such high acceptance; Svenska Spel's 2010 survey indicated that about 4.5 million Swedes purchased Triss during the year. Net gaming revenues in 2010 totalled SEK 1,621 million (1,682).

Tia and Skrap-Spel displayed a negative trend, while Lottpaketet (pre-packaged lottery tickets) increased slightly.

Vegas

Vegas is a VLT game that includes a range of different games, such as wheel games with various themes, video poker and Keno. The maximum stake for Vegas gaming is SEK 5 and the highest winnings SEK 500.

Vegas net gaming revenue totalled SEK 2,039 million (2,081), representing 21 % (21) of Svenska Spel's total net gaming revenue.

Svenska Spel has a monopoly on VLTs in Sweden. Vegas is located only in selected licensed restaurants with an alcohol license or in bingo halls with bingo licences. A gaming location may not have more than five Vegas VLTs and their revenue must not dominate the business. The total number of VLTs that Svenska Spel can install nationwide is restricted to 7,500.

As Vegas is considered to be one of the games most likely to create gambling problems it is encompassed by many restrictions and requirements. The game is marketed on a highly limited basis and players must verify their age before they commence playing.

Casino games

Sweden has four casinos – in Stockholm, Gothenburg, Malmö and Sundsvall – all run by the Svenska Spel subsidiary Casino





Lotto **A 30-year-old success**

When Lotto was introduced in Sweden in 1980, the game became an instant success. Its popularity has not waned in thirty years. In 2010, Lotto was the country's fourth largest game in terms of net gaming revenue.

- The first Lotto draw was held on 6 September 1980 on the main stage of the Liseberg amusement park.
- In October 1980, the first SEK 1 million winning was paid out on a Lotto ticket. The historic winner was Kenneth Näslund, a shop assistant from Härnösand.
- During the 1980s, Roy Andersson produced four commercial films for Lotto, which won a number of national and international awards and gained a cult status.
- In 1983, Lotto was broadcast live on Swedish TV's Saturday night entertainment programme "Razzel".
- In 1984, the supplementary game Joker was added to the Lotto coupon.
- In 1988, the Lotto draw was shown on Swedish TV's programme "Zick Zack". The premiere showing caused shock media headlines as one of the drawn numbers (29) was picked off-camera.
- In 1990, SVT began to show the Lotto drawings each Saturday. In 1991, another draw was launched, Lotto 2.
- In 1998, the Wednesday Lotto was introduced as an extra mid-week game.
- In 2005 we saw the launch of "Dream Winnings", which are paid when a player gets seven correct numbers on the Lotto ticket and at least two correct on the Joker supplement on the same ticket and for the same draw.
- During 2010 the "Dream Winnings" were paid out in the amount of SEK 214,595,981, an all-time record winning in Swedish gaming.



Cosmopol AB. The casinos have table games (roulette, dice and card games) and slot machines.

Casino games had net gaming revenue in 2010 of SEK 1,190 million (1,198), accounting for some 12 % (12) of Svenska Spel's total net gaming revenue.

There is a high level of responsible gaming and security at the casinos. Gaming and responsible gaming information is displayed throughout the premises, including on large multimedia screens. Personnel have extensive training in matters relating to gambling problems. The marketing of the casinos is limited. Campaigns are run to promote the overall casino concept with gaming, restaurants and entertainment in central, culturally historic premises.

Svenska Spel's casinos and operators of restaurant casinos have sole rights to casino gaming in Sweden, but foreign-based internet companies provide casino gaming on their sites for Swedish players.

Poker

Svenska Spel offers poker gaming on svenskaspel.se and at the casinos. Net revenue in 2010 for poker on the Internet declined to SEK 231 million (305), representing some 2 % (3) of Svenska Spel's total net gaming revenue. Revenue from poker at the casinos is included in the total net gaming revenue for casino gaming.

During the past two years, interest in poker on the Internet has shown an overall decline. Svenska Spel uses the poker player William Thorson to contribute to ensuring that svenskaspel.se continues to be Swedish poker players' first choice.

The annual poker tournament, Poker-Swedish Championship online, beat all records with a total of 2,309 participants. The total prize package was larger than ever, at SEK 4,502,550. The ultimate winner received SEK 1,053,596, which was also a record.

Interest in poker continues to remain high at the casinos. Casino Cosmopol arranges poker tournaments, such as the popular Poker Swedish Championship, and "cash games". In 2010, all Casinos ran a poker academy in a new local variation and in cooperation with Casino Cosmopol and Svenska Spel's internet poker. Among other events, presentations are arranged on the subject of poker games; the poker personality of the year is nominated in each location, and a final poker tournament is organised. Responsible gaming information is displayed as an integral part of the event. ■

Svenska Spel's games, net gaming revenue and sales channels¹

SEK million	Net gaming revenue		Restaurants	Bingo halls	Casinos	Retail outlets	Associations	Internet	Mobile
	2010	2009							
Sports betting									
Oddset	790	766				●	●	●	●
Stryktipset ²	324	383				●	●	●	●
Europatipset ²	128	131				●	●	●	●
Måltipset	110	120				●	●	●	
Topptipset	87	77				●	●	●	●
Number games									
Lotto	1,610	1,585				●	●	●	●
Keno and KenoXpress	603	626				●	●	●	
Joker	496	478				●	●	●	●
Viking Lotto	45	45				●	●		
BingoLive and Pick'n'Click on svenskaspel.se	125	154						●	●
BingoLive in bingo halls (to 30 June 2009)	—	16		●					
Lotteries									
Triss	1,621	1,682				●	●	●	●
Tia	88	111				●	●	●	●
Skrap-Spel	99	110				●	●	●	
Penninglotten	9	10				●	●		
Lottery package	29	26				●	●		
VLTs									
Vegas	2,039	2,081	●	●					
Casino games									
	1,190	1,198			●				
Poker									
Poker on svenskaspel.se	231	305						●	
Live poker ³					●				
Total	9,624	9,905							

1. Svenska Spel also offers subscription services for some of the games via retailers, svenskaspel.se and associations.

Svenska Spel's Corporate sale is a service department to which companies can turn to buy lottery tickets.

2. Including Dubbelvinsten (Double winnings).

3. Included in casino games.

