

Auditor's report

To the annual meeting of the shareholders of AB Svenska Spel

Corporate Registration Number 556460-181

Report on the annual accounts and consolidated financial statements

We have audited the annual accounts and the consolidated financial statements of AB Svenska Spel for the financial year from 1 January 2011 to 31 December 2011, with the exception of the Corporate Governance Report on pages 48–57. The company's annual accounts and consolidated financial statements are included in the printed version of this document on pages 7–92 and page 94.

Responsibilities of the Board of Directors and the CEO for the annual accounts and consolidated financial statements

The Board of Directors and the CEO are responsible for the preparation and fair presentation of these annual accounts and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for the internal control deemed necessary by the Board of Directors and the CEO for the preparation of annual accounts and consolidated financial statements that are free from material misstatement, whether such misstatement is due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual accounts and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated financial statements. The auditor chooses such procedures based on such assessments as the risk of material misstatement in the annual accounts and consolidated financial statements, whether such misstatement is due to fraud or error. In making these risk assessments, the auditor considers internal control measures relevant to the company's preparation and fair presentation of the annual accounts and consolidated financial statements in order to design audit procedures that are appropriate taking the circumstances into account, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the CEO, as well as evaluating the overall presentation of the annual accounts and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2011 and its financial performance and cash flows for the year in accordance with the Annual Accounts Act, and the consolidated financial statements have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2011 and its financial performance and cash flows in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinion does not encompass the Corporate Governance Report on pages 48–52. The statutory administration report is consistent with the other parts of the annual accounts and consolidated financial statements.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated financial statements, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the CEO of AB Svenska Spel for the financial year from 1 January 2011 to 31 December 2011. We also performed a statutory review of the Corporate Governance Report.

Responsibilities of the Board of Directors and the CEO

The Board of Directors is responsible for the proposal concerning the appropriation of the company's profit or loss, and the Board of Directors and the CEO are responsible for administration and that the Corporate Governance Report on pages 48–57 was prepared under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal complies with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated financial statements, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the CEO is liable to the company. We also examined whether any member of the Board of Directors or the CEO has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In addition, we have read the corporate governance report and, based on this reading and our knowledge of the company, we believe we have sufficient basis for our statement. This means that our statutory examination of the corporate governance report has another orientation and a significantly smaller scope compared with the direction and scope that an audit in accordance with International Standards on Auditing and good accounting practise in Sweden has.

Statement

We recommend to the annual meeting of shareholders that the profit of the Parent Company is dealt with in accordance with the proposal in the administration report and that the members of the Board of Directors and the CEO are discharged from liability for the financial year. A corporate governance report has been prepared and its statutory information is compliant with the other sections of the Annual Report and the consolidated financial accounting.

Stockholm, 16 March 2012

Deloitte AB

Lars Egenäs

Authorised Public Accountant

Five-year summary, Svenska Spel Group

Condensed income statement, SEK million	2011	2010	2009	2008	2007
Net gaming revenue	9,687	9,624	9,905	9,804	9,598
Commissions	-1,973	-1,949	-2,020	-1,983	-1,916
Other revenue*	205	209	211	250	233
Net sales from gaming operations, etc.	7,919	7,885	8,096	8,071	7,915
Capitalised work for own account	28	3	15	11	20
Employee expenses	-1,011	-989	-971	-924	-895
Other external expenses	-1,710	-1,758	-1,890	-1,853	-1,695
Depreciation, amortisation and impairment of intangible assets, property, plant and equipment	-286	-346	-329	-320	-309
Operating profit	4,940	4,795	4,921	4,985	5,036
Other financial income and expenses	—	—	—	—	90
Interest and financial income	204	86	137	290	215
Interest and finance income and taxes	-138	-115	-81	-167	-92
Income for the year	5,007	4,766	4,977	5,108	5,247
Key indicators					
Operating margin, %	21,9	21,8	21,9	21,9	23,6
Earnings per share, SEK million	2,5	2,4	2,5	2,6	2,6
Equity ratio, %	61,8	63,7	62,2	64,6	65,9
Net revenue per employee, SEK million	4,5	4,5	4,6	4,7	5,0
Gaming and lottery retailers, number	6,210	6,604	6,758	6,811	6,385
Gaming locations with Vegas	2,254	2,230	2,187	2,229	2,248
Other information					
Paid to Swedish Sports Confederation**	—	—	500	1,338	1,394
Paid to Swedish National Board for Youth Affairs**	—	—	—	182	196
Proposed payment/Paid to the Swedish State	5,007	4,766	4,477	3,587	3,657

* Includes unclaimed winnings through September 2009.

** Svenska Spel's Articles of Association stipulate that the Group's unappropriated fund shall be allocated as prescribed by the Government. As of 2010, Svenska Spel's proceeds are paid to the Swedish Government and no direct payment has been made to the Swedish Sports Confederation or National Board for Youth Affairs.