

Interim Report 2 2011 – First Quarter  
January 1 – June 30, 2011

Cherryföretagen AB (publ)  
Stockholm, August 25, 2011



*Cherryföretagen's business concept is based on creating a fun and exciting gaming experience through physical gaming, Internet gaming, lotteries, events and competitions via its subsidiaries and partners.*

*All figures in this report are in SEK. Numbers in parenthesis indicate the corresponding period of the previous year.*

## Highlights

### Six month interim report - *Turnover increased with 31 percent and strong growth in online players*

- Group turnover increased with 31.2 percent and amounted to MSEK 207.1 (157.8).
- EBITDA amounted to MSEK 8.8 (9.3).
- EBIT amounted to MSEK 3.0 (3.6). EBIT was affected by non-recurring expenses of -3.7 million, in connection with the replacement of the CEO.
- Six month results rose to MSEK 5.6 (5.3) equivalent SEK 0.48 (0.46) per share after minority interests.
- The number of new online players rose by 96.1 percent, to 146 863 customers (74 884).
- Europe's biggest lottery with a daily draw, EuroLotto was launched in January with a minimum € 25 million progressive jackpot.
- Cherry has signed a beneficial agreement with Special Olympics regarding EuroLotto.

### Second quarter interim report – *Strong growth in online players and Emil Sunvisson appointed new CEO*

- Group turnover increased with 5.9 percent and amounted to MSEK 109.7 (103.6).
- EBITDA amounted to MSEK 2.2 (9.4).
- EBIT amounted to MSEK -0.7 (6.5). EBIT was affected by non-recurring expenses of -3.7 million, in connection with the replacement of the CEO.
- Second quarter results amounted to MSEK 1.8 (7.2) equivalent SEK 0.15 (0.63) per share after minority interests.
- The number of active clients rose during Q2 by 173.9 percent, to 37 181 customers (13 574).
- The number of new online players rose during Q2 by 214 percent, to 21 806 customers (6 944).
- Deposits increased with 18.1 percent and amounted to MSEK 155.0 (131.3).
- The Board of Cherry appointed Emil Sunvisson the new President and CEO.

### Important events after the period's close – *Marius Andersen appointed COO for business area Online Gaming*

- The Board of Cherry Malta Ltd and EuroSlots Ltd, subsidiaries of Cherry, has appointed Marius Andersen as COO for business area Online Gaming.
- Emil Sunvisson started his position as CEO August 1.

Key performance indicators	Q1 2011	Q2 2010	Jan-Juni 2011	Jan-Juni 2010	Helår 2010
Revenues	109,7	103,6	207,1	157,8	374,9
Operating profit/loss (EBIT)	-0,7	6,5	3,0	3,6	23,3
Profit per share (SEK)	0,48	0,63	0,48	0,46	1,63
<b>Online Spel:</b>					
Number of registered customers at end of period	146 863	74 884	146 863	74 884	89 934
*Number of active players during the period	37 181	13 574	37 181	13 574	17 502
Deposit amount (SEK million) during the period	155,0	131,3	307,0	282,8	563,0
<b>Restaurang- &amp; EventCasino:</b>					
Number of venues Cherry operates casino in Sweden	224	237	224	237	247
<b>Maritime Gaming:</b>					
Number of vessels Cherry operates Maritime Casinos on	68	70	68	70	68

## A Word from the CEO, Emil Sunvisson

With 48 years in the business, Cherry is a rather unique company in the young and emerging Swedish gaming wonder. During my first period I have earned an even greater respect for the great skill and commitment that Cherry's employees possess. There is a big responsibility to manage and develop Cherry in order to meet the new opportunities and challenges of the evolving gaming industry and I look with confidence to take on the role as CEO.

Cherry has entertained generations of guests with a moment of fun and excitement, in pubs and restaurants all over Sweden. Unfortunately, Casino at restaurants is a rapidly shrinking phenomenon. The conditions for conducting a profitable business have deteriorated dramatically, and the number of venues has dropped by 40%, only since 2005. Cherry has, by gaining market shares, retained its sales and is now a major employer for i.e. students and part-time unemployed. Cherry has approximately 700 employees, and we would like to hire many more. Reduced VAT for restaurants is a step in the right direction. Cherry has, for long, called for a raise in stakes, which with one stroke of the pen could create hundreds of new jobs in Sweden.

Some countries have recognized that gaming industry if handled correctly, can contribute positively to the economic development. Instead of preventing private actors and try to maintain a monopoly, we should be open to and embrace the rapidly evolving gaming industry. Cherry calls for a modern legislation where we are allowed to operate gaming with responsibility and being able to compete on equal terms.

Cherry offers casino on shore, off shore and over the internet. Our three business areas have great similarities, but also important differences in terms of regulatory framework and technical barriers. The respect for the player and the treatment of our customers are fundamental to our success, regardless of where we offer our services.

*Online Gaming - Good customer inflow but increased marketing costs*

The launch of EuroLotto has resulted in a very strong customer intake but also increased marketing costs. The previous lack of technical quality at EuroLotto was improved during the quarter. Sponsorship contracts have been signed with Special Olympics, the world's largest sports organization for people with disabilities, and also with rally driver Petter Solberg.

*Restaurant & Event Casino - Cherry has over 50% of the market*

For the first time Cherry reached a market share exceeding 50% of the number of places where restaurant casino is operated. We are very pleased that Cherry continues to capture market shares, albeit in a declining market. We see it as a confirmation that long-term relationships, well-trained croupiers and keeping things in order, pay off in the long run.

*Maritime Gaming - Careful recovery the number of passengers*

The number of passengers has, for some time, dropped as result of the financial crisis in Europe. We see a moderate recovery especially in the North Sea, while the situation in the Mediterranean Sea and in the English Channel remains challenging. Our hope is that in the long run be able to increase sales with new forms of gaming, and also to some extent through increased number of new clients.

## The Group

**Second quarter interim report;**

The Group's turnover increased by 5.9 percent and amounted to MSEK 109.7 (103.6). The increase in revenues is primarily related to business area Online Gaming.

EBITDA for the Group amounted to MSEK 2.2 (9.4) and EBIT amounted to MSEK -0.7 (6.5). The results has been impacted by the weak Euro rate and burden by high marketing cost related to the launch of EuroLotto and affected by non-recurring expenses of -3.7 million, in connection with the replacement of the CEO.

The groups consolidated profit after financial items amounted to MSEK 0.5 (5.3) and profit after tax amounted to MSEK 1.8 (7.2) equivalent of SEK 0.15 (0.63) per share after minority interest.

**Six-month interim report;**

The Group's turnover increased by 31.2 percent and amounted to MSEK 207.1 (157.8). The increase in revenues is primarily related to business area Online Gaming.

EBITDA for the Group amounted to MSEK 8.8 (9.3) and EBIT amounted to MSEK 3.0 (3.6).

The groups consolidated profit after financial items amounted to MSEK 4.4 (2.5) and profit after tax amounted to MSEK 5.6 (5.3) equivalent of SEK 0.48 (0.46) per share after minority interest.

Return on equity was 2 percent (3) and on total assets 1 percent (1). The Groups consolidated cash amounted to MSEK 15.1 (16.0) on June 30 and equity/assets ratio percent was 65 (65).

## Business Segments

**Cherry's operations are divided into three business segments and development projects**

- Online Gaming - Cherry operate online gaming from Malta through the sites SverigeAutomaten.com, NorgesAutomaten.com, DanmarksAutomaten.com, PlayCherry.com and EuroLotto.com.
- Restaurant- & EventCasino - traditional casino gaming (blackjack, roulette) operated in approximately 230 Swedish restaurants and nightclubs, and Event Casino for companies and private individuals.



- Maritime Gaming - carries games (Gaming machines and Table gaming) on 68 vessels including 11 in the Mediterranean Sea, 41 vessels in the Baltic Sea and 16 in the English Channel / North Sea and Irish Sea.
- Development Projects - the various development projects within the Group are aimed at creating new services and products to support Cherry's business concept and strategy. Until the product/service has been launched and established, the costs are taken centrally in the Group and are reported for the segment as "Development Projects" to make it transparent how much is being generated by the Group's business segments.

### Online Gaming - Second quarter/six-month interim report

During the second quarter of 2011, revenues rose with 32.2 percent and amounted to MSEK 55.0 (41.6) and EBIT amounted to MSEK 3.4 (7.1). In Q2/six-month interim period, Cherry Malta has made extensive marketing efforts for EuroLotto and the other gaming sites, which also has had a negative short-term effect on the profit. The launch of EuroLotto burdens the interim net profit sharply. The number of new customers increased during the second quarter with 214 percent and amounted to 21 806 (6 944) and number of registered customers within business segment Online Gaming amounted, on June 30, to 146 863 (74 884). Deposits in Q2 increased with 18.1 percent and amounted to MSEK 155.0 (131.3) and number of active clients rose by 173.9 percent, to 37 181 (13 574) customers. Cherry Malta has, during the six-month period, also strengthened the organization by hiring a number of key employees.

For the six-month interim period revenues amounted to MSEK 103.8 (41.6) and EBIT amounted to MSEK 8.6 (7.1).

Important events during second quarter and six-month interim report:

- The Board of Cherry Malta Ltd and EuroSlots Ltd, subsidiaries of Cherry, has appointed Marius Andersen as COO for business area Online Gaming.
- Cherry has received a claim from The Norwegian Gaming and Foundation Authority, where they demand Cherry to cease with the marketing and offering of the game EuroLotto.com to Norwegian players. Cherry has contested the demands of the Norwegian Gaming and Foundation Authority. The Norwegian Gaming and Foundation Authority pursue the matter on the Euro lottery, through to Lotterinemnda, (The Lottery Board).
- Cherry Malta Ltd has launched an affiliate portal; [www.CherryAffiliates.com](http://www.CherryAffiliates.com) which will increase marketing and strengthen our relationship with both customers and partners.
- Europe's biggest lottery with a daily draw, EuroLotto was launched with a minimum € 25 000 000 jackpot.
- EuroLotto is presented in 23 languages and is also offering various scratch cards with a largest possible jackpot of € 5 000 000.
- Cherry Malta has signed a beneficial agreement with the Special Olympics regarding EuroLotto.
- Cherry Malta and EuroLotto has signed a sponsor agreement with rally driver Petter Solberg.

### Restaurant- & EventCasino – Second quarter/six-month interim report

In the second quarter 2011, revenues amounted to MSEK 29.4 (30.5). EBIT amounted to MSEK 1.6 (2.2). For the six-month interim period revenues amounted to MSEK 58.4 (59.3) and EBIT amounted to MSEK 3.4 (4.2). The result has been affected by increased cost for the new cash register systems which come into law 1 of July 2010 and through less opening hours in nightclubs and restaurants affecting the revenue.

Important events during second quarter:

- Cherry's market leading position in the Restaurant Casino amounted 53 Percent (50), for the number of active gaming tables according to statistics from Lotteriinspektionen in June 2011.
- In Q2 2011, Cherry entered into 9 new agreement for restaurant casino operation among the following nightclubs/pubs in Sweden: Slagthuset (Malmö), Harrys (Kungshamn), Harrys (Lysekil) and Harrys (Kungsbacka). Cherry closed 16 gaming locations in Q2 2011 due to poor profitability. 8 gaming location is closed for the season (primarily related to winter ski-areas).

### Maritime Gaming - Second quarter/six-month interim report

During the second quarter of 2011, revenues decreased and amounted to MSEK 25.3 (31.6) and EBIT to amounted to MSEK -0.1 (-0.5).



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During the six-month interim period revenues amounted to MSEK 44.9 (56.1) and EBIT amounted to MSEK -1.3 (-1.8). The decrease in revenue is related both to the loss of the contract with Superfast 5 during Q1- 2010 as well as due to the stronger "SEK" and the continued weak profitability in the shipping industry, as a result of reduced freight volumes and spending per passenger. Since most of the Maritime sales are in EURO and GBP, this will have a direct impact on the Group's sales and earnings. Cherry will continue focus on new business, efficiency, cost reductions and new product offering.

Cherry is a market leader in Europe in Maritime gaming. Cherry is recognized as a market leader in Baltic Sea, with about 41 percent market share, measured in number of ships that currently has on board gaming. In the Mediterranean, Cherry estimates that the market share is about 18 percent, measured in number of vessels that now provide gaming on board its ships. In the English Channel / North Sea / Irish Sea, Cherry is recognized as the market leader, with a market share of approximately 25 percent, measured in number of ships that currently has gaming on board.

### Development projects

Cherry focuses on finding profitable products / services that support the Group's business concept and long-term strategy.

The Group has, during the period 2007-2011, launched a number of projects and acquisitions. The latest of Cherry's launches was Europe's biggest lottery with daily draws; EuroLotto.com and [www.CherryAffiliates.com](http://www.CherryAffiliates.com)

During the six-month interim period, revenues amounted to MSEK 0.0 (0.9) and EBIT to MSEK -0.1 (-2.1).

Cherry plans to continue investing in new development projects that support Cherry's business concept and long-term strategy.

### Cash, financing and financial position

The Group's consolidated cash amounted to MSEK 15.1 (16.0) on June 30. Cherry has during the second quarter paid dividend amounted to MSEK 9.6. Interest bearing liabilities amounted to MSEK 13.4 (20.0) on June 30.

### Staff and Organisation

The average number of employees for the Group (calculated as fulltime positions) during the period was 199 (204). The total number of employees at the end of the period was 684 (697).

### Risks and Uncertainties

For a description of the risks and uncertainties please see the 2010 Annual Report. Cherry has received a claim from The Norwegian Gaming and Foundation Authority, where they demand Cherry to cease with the marketing and offering of the game EuroLotto.com to Norwegian players. Cherry has contested the demands of the Norwegian Gaming and Foundation Authority 5 of May. The Norwegian Gaming and Foundation Authority pursue the matter on the Euro lottery July 8, through to Lotterinemnda in Norway, (The Lottery Board).

### The Parent Company

The parent company provides and sells internal services to other group companies in the areas of finance, accounting, administration and management, and also has some external licensing revenues. Sales for the six-month period totalled MSEK 0.9 (0.5) million and profit after financial items totalled MSEK -6.5 (-0.8). EBIT was affected by non-recurring expenses of -3.7 million, in connection with the replacement of the CEO. The parent company's investments in non-current assets totalled SEK 418 (41) thousand for the reporting period. Cash and cash equivalents amounted to SEK -12.1 (-3.3) million at the closing date.

### Outlook

In our opinion, the Restaurant Casino market is mature and is influenced by the economic situation, making it difficult to forecast future developments. The restaurant casino industry has, because of the Cash registers Act (2007:592) had to invest in new cash registers at all of the gaming tables. We believe that this investment needs to be financed through increased stakes. Cherry has still not yet received any reply to our request, in accordance with the gaming examiner's proposal, to raise the stakes in restaurant casino. Cherry sees the developments in the



Maritime Segment in a positive and long-term light. Expansion is expected to continue there, either through organic growth or acquisitions, even if the sector is sensitive to fluctuations in the economy to some extent. We will be launching new products and services through our development projects. Cherry expect to growth in line with the online gaming market. H2 Gambling Capital stated its estimation on 1 January 2011 that the European Internet gaming market will increase by 15.2 percent to USD 15.3 billion during 2011. High customer deposits and high activity in Cherrys gaming sites indicate continued healthy growth. Online Casino and online gaming is surrounded by tough competition and regulations that can differ from one European country to another.

The legal situation regarding online gaming is constantly changing in different geographical areas. There is continued pressure on countries in the EU to bring their legislation in line with applicable EC law, with unrestricted mobility for goods and services. A number of countries have reported that they are working on new legislation which will be compatible with EU requirements.

A report with proposals for new gaming legislation was presented in Sweden in December 2008. In the opinion of Cherry the proposed legislation is in breach of European law and will not be passed in its proposed form.

The European Court of Justice has recently ruled on Internet game (Carmen Media, Marcus Stoss, WinnerWetten and Engelman) which further strengthens the obligations for national monopolies to comply with applicable EU-law. The major purpose, today, for having national monopolies is to generate cash inflows to the states, and this leads to the fact that this limitation on the free movement of services created by the states is impossible to defend in compliance with applicable EU law. The conclusion is that, based on these new rulings, it will be more difficult for domestic courts to rule, within the “margin of appreciation” in favor for the monopolies.

Cherry has not issued a forecast for the full year 2011.

### Financial calendar 2011

Interim Report 3, 2011, November 10, 2011.

### Accounting principles

Cherry applies IFRS which is adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The Parent Company applies the same principles as the Group apart from the exceptions in paragraph of RFR 2; Reporting for legal persons. As of January 1, 2010, Cherry applies the revised IFRS 3 Business Combinations and IAS 27 Consolidated and Separate Financial Statements including consequential amendments to other standards. Information about the Group's accounting and valuation principles, the annual report 2010, published April 20th, 2011, is available on the company website.

This report has not been subject to examination by the company's auditors.

**Stockholm, August 25, 2011**

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### Cherry in brief

Cherry is a publicly traded Swedish gaming company with around 2,100 shareholders. Cherry's B share is listed on the AktieTorget Exchange. Cherryföretagen AB operates via its subsidiaries casino and machine gaming, as well as Internet gaming. The gaming operations are conducted via subsidiaries at restaurants in Sweden, on ships in northern Europe, the English Channel, the Irish Sea and the Mediterranean, and Internet gaming (PlayCherry.com, NorgesAutomaten.com, SverigeAutomaten.com, DanmarksAutomaten.com and EuroLotto.com) from Malta. Cherry has a workforce of around 700. [www.cherry.se](http://www.cherry.se)



Amounts in SEK million unless otherwise specified

<b>Consolidated income statement</b>	<b>Q2 2011</b>	<b>Q2 2010</b>	<b>Jan-Juni 2011</b>	<b>Jan-Juni 2010</b>	<b>Full year 2010</b>	<b>Full year 2009</b>	<b>Full year 2008</b>
<b>Revenues</b>	<b>109,7</b>	<b>103,6</b>	<b>207,1</b>	<b>157,8</b>	<b>374,9</b>	<b>269,0</b>	<b>228,2</b>
Operating expenses	-107,5	-94,2	-198,3	-148,5	-340,7	-254,2	-214,5
<b>Operating income (EBITDA)</b>	<b>2,2</b>	<b>9,4</b>	<b>8,8</b>	<b>9,3</b>	<b>34,2</b>	<b>14,8</b>	<b>13,7</b>
Depreciation and amortisation	-2,9	-2,9	-5,8	-5,7	-10,9	-11,6	-11,3
<b>Operating profit/loss (EBIT)</b>	<b>-0,7</b>	<b>6,5</b>	<b>3,0</b>	<b>3,6</b>	<b>23,3</b>	<b>3,2</b>	<b>2,4</b>
Financial items	1,2	-1,2	1,4	-1,1	-3,1	-0,1	0,1
<b>Profit before tax</b>	<b>0,5</b>	<b>5,3</b>	<b>4,4</b>	<b>2,5</b>	<b>20,2</b>	<b>3,1</b>	<b>2,5</b>
Tax	1,3	1,9	1,2	2,8	-0,2	-1,4	-2,1
<b>Profit after tax</b>	<b>1,8</b>	<b>7,2</b>	<b>5,6</b>	<b>5,3</b>	<b>20,0</b>	<b>1,7</b>	<b>0,4</b>
<b>Attributable to:</b>							
Parent company shareholders	2,0	7,4	6,2	5,9	20,9	2,1	-0,9
Minority interest	-0,2	-0,2	-0,6	-0,6	-0,9	-0,4	1,3
<b>Profit after tax</b>	<b>1,8</b>	<b>7,2</b>	<b>5,6</b>	<b>5,3</b>	<b>20,0</b>	<b>1,7</b>	<b>0,4</b>
<b>Profit per share (SEK), average number of shares</b>	<b>0,15</b>	<b>0,80</b>	<b>0,48</b>	<b>0,84</b>	<b>2,10</b>	<b>0,52</b>	<b>-0,24</b>
<b>Profit per share (SEK), number of shares end of the period</b>	<b>0,15</b>	<b>0,63</b>	<b>0,48</b>	<b>0,46</b>	<b>1,63</b>	<b>0,51</b>	<b>-0,24</b>
<b>Statement of total income</b>	<b>Q2 2011</b>	<b>Q2 2010</b>	<b>Jan-Juni 2011</b>	<b>Jan-Juni 2010</b>	<b>Full year 2010</b>	<b>Full year 2009</b>	<b>Full year 2008</b>
Profit/loss for the period	1,8	7,2	5,6	5,3	20,0	1,7	0,4
Translation gains/losses on consolidation, overseas operations	8,5	-0,6	5,6	-2,9	-35,4	-2,1	4,6
<b>Total income for the period</b>	<b>10,3</b>	<b>6,6</b>	<b>11,2</b>	<b>2,4</b>	<b>-15,4</b>	<b>-0,4</b>	<b>5,0</b>
<b>Group per segment/business area</b>	<b>Q2 2011</b>	<b>Q2 2010</b>	<b>Jan-Juni 2011</b>	<b>Jan-Juni 2010</b>	<b>Full year 2010</b>	<b>Full year 2009</b>	<b>Full year 2008</b>
<b>Revenues</b>							
Restaurant Casino	29,4	30,5	58,4	59,3	124,2	114,9	111,3
Maritime Gaming	25,3	31,6	44,9	56,1	116,0	150,3	115,7
Online Gaming	55,0	41,6	103,8	41,6	133,8	0,0	0,0
Group-wide	0,0	0,0	0,0	0,0	0,0	0,5	0,6
Development Projects	0,0	0,0	0,0	0,9	0,9	3,3	0,6
The Group	109,7	103,7	207,1	157,9	374,9	269,0	228,2
<b>Operating profit/loss (EBIT)</b>							
Restaurant Casino	1,6	2,2	3,4	4,2	10,1	10,4	9,1
Maritime Gaming	-0,1	-0,5	-1,3	-1,8	-1,7	1,4	3,1
Online Gaming	3,4	7,1	8,6	7,1	25,3	0,0	0,0
Group-wide	-5,6	-2,0	-7,6	-3,8	-8,1	-5,5	-5,9
Development Projects	0,0	-0,3	-0,1	-2,1	-2,3	-3,1	-3,9
The Group	-0,7	6,5	3,0	3,6	23,3	3,2	2,4

Amounts in SEK million unless otherwise specified

<b>Consolidated balance sheet</b>	<b>2011-06-30</b>	<b>2010-06-30</b>	<b>2010-12-31</b>
Intangible assets	364,8	391,4	360,2
Property, plant and equipment	28,5	33,2	29,2
Other long-term receivables	0,4	0,3	0,5
Deferred tax receivables	0,2	1,8	0,2
Inventories	1,0	1,3	1,1
Current receivables	57,3	47,4	54,5
Cash and cash equivalents	15,1	16,0	26,4
<b>Total assets</b>	<b>467,3</b>	<b>491,4</b>	<b>472,1</b>
Shareholders' equity	304,6	320,8	303,0
Long-term interest bearing liabilities	6,7	13,6	13,3
Other long-term liabilities	96,2	97,5	97,7
Deferred tax payables	1,2	3,1	1,4
Current interest bearing liabilities	6,7	6,7	6,7
Other current liabilities	51,9	49,7	50,0
<b>Total equity and liabilities</b>	<b>467,3</b>	<b>491,4</b>	<b>472,1</b>
<b>Consolidated cash flow statement</b>	<b>Jan-June 2011</b>	<b>Jan-June 2010</b>	<b>Full Year 2010</b>
Profit after financial items	4,4	2,5	20,2
Adjustments for non-cash items	4,1	5,2	11,2
Taxes paid	-1,4	-1,8	-1,7
<b>Cash flow from operating activities before changes in working capital</b>	<b>7,1</b>	<b>5,9</b>	<b>29,7</b>
Changes in working capital	1,6	-6,6	-1,0
<b>Cash flow from operating activities</b>	<b>8,7</b>	<b>-0,7</b>	<b>28,7</b>
Net investments	-3,9	45,9	-59,5
Change in long-term receivables	0,0	0,0	0,0
<b>Cash flow from investing activities</b>	<b>-3,9</b>	<b>45,9</b>	<b>-59,5</b>
New share issue	0,0	27,0	27,1
Dividend	-9,6	-	-
Change in long-term liabilities	-6,7	24,5	19,4
<b>Cash flows from financing activities</b>	<b>-16,3</b>	<b>51,5</b>	<b>46,5</b>
<b>Change in cash and cash equivalents</b>	<b>-11,5</b>	<b>4,9</b>	<b>15,7</b>
Cash and liquid assets at beginning of period	26,4	11,1	11,1
Exchange rate differences	0,2	0,0	-0,4
<b>Cash and liquid assets at end of period</b>	<b>15,1</b>	<b>16,0</b>	<b>26,4</b>
<b>Changes in Group equity</b>	<b>2011-06-30</b>	<b>2010-06-30</b>	<b>2010-12-31</b>
<b>Opening balance</b>	<b>303,0</b>	<b>57,7</b>	<b>57,7</b>
New share issue	0,0	260,7	260,7
Dividend	-9,6	-	-
Total profit/loss	11,2	2,4	-15,4
<b>Equity, end of period</b>	<b>304,6</b>	<b>320,8</b>	<b>303,0</b>
<b>Attributable to:</b>			
Parent company shareholders	300,5	315,5	298,4
Minority interest	4,1	5,3	4,6
<b>Total equity</b>	<b>304,6</b>	<b>320,8</b>	<b>303,0</b>



Amounts in SEK million unless otherwise specified

**Group key performance indicators**

	<b>Jan-June 2011</b>	Jan- June 2010	Full Year 2010	Full Year 2009	Full Year 2008	
	<b>2011-06-30</b>	2010-06-30	2010-12-31	2009-12-31	2008-12-31	
Number of outstanding shares at the end of the period (thousands)	12 803	12 803	12 803	4 001	3 955	
Average number of outstanding shares during the period (thousands)	12 803	7 038	9 944	3 971	3 955	
Number of own shares	0,0	0,0	0,0	0,0	0,0	
Number of registered shareholders	2 017	2 228	2 097	2 274	2 388	
Published price at the end of the period (SEK)	25,90	24,00	28,00	14,00	9,20	
Profit per share (SEK), average number of shares	0,48	0,84	2,10	0,52	-0,24	
Profit per share (SEK), number of shares end of the period	0,48	0,46	1,63	0,51	-0,24	
Cash flow per share (SEK)	-0,90	0,68	1,58	0,05	-1,27	
Equity per share (SEK)	23,79	25,06	23,67	14,43	14,57	
Dividend per share (SEK)	0,00	0,0	0,75	0,0	0,0	
Return on equity (percent)	2	3	12	4	-2	
Return on total capital (percent)	1	1	8	4	2	
Return on capital employed (percent)	1	2	12	6	3	
Operating margin (EBITDA, percent)	4,3	5,9	9,1	5,5	6,0	
Operating margin (EBIT, percent)	1,5	2,3	6,2	1,2	1,0	
Profit margin (percent)	2,1	1,6	5,4	1,2	1,1	
Equity/assets ratio (percent)	65	65	64	58	68	
Quick ratio (percent)	96	112	94	139	159	
Net investments (SEK million)	3,9	45,9	59,5	16,0	16,6	
Cash and liquid assets (SEK million)	15,1	16,0	26,4	11,1	10,9	
Average number of employees (full-time equivalents)	199	204	250	212	183	
Number of employees at end of period	684	697	730	752	625	
<b>Restaurang- &amp; EventCasino:</b>						
Number of venues Cherry operates casino in Sweden	224	237	247	247	210	
<b>Maritime Gaming:</b>						
Number of vessels Cherry operates Maritime Casinos on	68	70	68	71	53	
<b>Online Gaming:</b>	<b>Q2 2011</b>	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Number of registered customers at end of period	146 863	125 057	89 934	82 378	74 884	67 940
Number of new registered customers during the period	21 806	35 123	7 556	7 494	6 944	7 107
*Number of active players during the period	37 181	32 960	17 502	14 320	13 574	14 763
Deposit amount (SEK million) during the period	155,0	152,0	146,4	133,8	131,3	151,5

\*An active customer is defined as a customer who has played for money, during the last three months.

## The acquisition of AutomatGruppen

On January 28, 2010, Cherry signed an agreement for the acquisition of the Malta-based. The acquisition date was March 31, 2010. Cherry can benefit from the outcome of the AutomatGruppen from January 1, 2010, but it will be consolidated in the Cherry Group from the date of acquisition, in accordance with IFRS.

The total purchase price for the shares is shown below. In determining the portion of the purchase price paid by the issuance of shares, is the share price, at the date of exchange, used. Share price March 31, 2010 was SEK 36.50. The Issue consists of 100 000 A shares and 6,301,322 B shares. The acquisitions are expected to have the following effect on Cherry's assets and liabilities (TSEK, the purchase balances are not definitive):

	Fair Value
Intangible assets	1 075
Tangible assets	0
Current assets	16 573
Cash and bank balances	5 754
Deferred tax	0
Current assets	-14 106
<b>Identified net assets</b>	<b>9 296</b>
Goodwill	377 594
Purchase price including directly attributable costs	386 890
The additional purchase price is paid 2011 - 2013	-93 242
Betalas genom emission av egna aktier	-233 648
Liquid funds in acquired operations	-5 754
<b>Net effect on cash</b>	<b>54 246</b>