



Paradox Entertainment manages and develops its rights library by generating revenue from all forms of entertainment, including motion picture, television, gaming, publishing and toy industries. The Company's library consists of such well-known brands as Conan the Barbarian, Kull of Atlantis, Solomon Kane, and Mutant Chronicles. Paradox owns the works of Robert E. Howard, a prolific American storyteller who is best known for creating the Conan character.

Paradox Entertainment also represents third-party property owners expanding their IP into a variety of licensing categories. In addition, the company produces, co-produces and co-finances motion pictures aimed at the global market. The business is mainly carried out by Paradox Entertainment Inc., based in Los Angeles, California, USA.

FINANCIAL STATEMENT FOR PARADOX ENTERTAINMENT AB (PUBL) JANUARY – MARCH 2013

- **Revenue 1,660 KSEK (1,812)**
- **Operating income -2,178 KSEK (-2,447)**
- **Income after financial items -2,184 KSEK (-2,902)**
- **Net Income -2,577 KSEK (-3,459)**
- **Earnings per share -0.03 kr (-0.05 kr)**
- **Slow progress in finalizing Conan long-form contract with Universal, 2013 production start seen as unlikely**
- **New rights issue announced after period end**
- **Organizational changes announced after period end**
- **Re-launch of Mutant Chronicles property with new licensing contracts**
- **New co-production agreements for “Priority Run” and “Reclaim”**
- **Strained liquidity situation**

FINANCIAL SUMMARY

Group revenue was 1,660 KSEK (1,812). Operating income was -2,178 KSEK (-2,447). Income after financial items was -2,184 KSEK (-2,902) and net income was -2,577 KSEK (-3,459). Shareholders' equity was at period end 46,381 KSEK (54,412). The solvency was 68.6 % (58.4 %). Investments in intangible assets were 68 KSEK (110) during the period.

The vast majority of the operation is based in the United States, thus the financials are affected by the Swedish crown/U.S. dollar exchange rate. The exchange rate on January 1, 2013, was 6.5156 SEK per USD (6.9234) and on March 31, 2013, 6.5162 SEK per USD (6.6209). The average exchange rate for the period was 6.4333 SEK per USD (6.7495).

Comment from Fredrik Malmberg, President & CEO of Paradox Entertainment Inc

Even though some of the key financial variables are moving in the right direction, the Company continues to face a very strained cash position and continued negative cash flow. We are not expecting any larger revenues in the near future that would ease the situation, therefore the Company has made additional cuts in personnel and will propose a share issue to the Annual Meeting.

Revenue for the first quarter 2013 came in around 8 % below first quarter from prior year; however, Income after Financial Items improved by 25 % from prior year, primarily due to prior cost reductions related to operating and financial expenses. The solvency improved as a result of paying off a loan related to the co-finance investment on “Fire With Fire”.

We are in post-production on “Reasonable Doubt”, starring Samuel L. Jackson and Dominic Cooper, and we are on track for scheduled delivery to distributors in July. Among them are Lionsgate, E-One, Svensk Filmindustri, and our sales agent Voltage Pictures continues to sell at Cannes Film Market. The Company doesn’t expect any additional revenue from the film until the end of the year or early next year.

Creative work continued during the period with Christophe Gans for “Dark Agnes”, and with Chris Morgan and Universal Pictures on the creative take on the upcoming “The Legend of Conan”, however finalization of the long-form contract with Universal has been slow and it appears to be unlikely that start of production will happen in 2013.

Our licensing department successfully concluded agreements with Modiphius Games to relaunch the Mutant Chronicles RPG, as well as with Prodos Games to relaunch Warzone Resurrection, also in the same universe. These are our own original IPs and we believe it is the right time to bring them back into the marketplace. The same is true for our Swedish language IP Mutant, which was the second Swedish language role-playing game when it launched in 1984. We have licensed the rights to leading RPG publisher Fria Ligan, and we are now looking at other complementary partners to expand the popularity of this unique IP.

SIGNIFICANT EVENTS DURING THE PERIOD

Licensing

Conan Film

During 2012, the Company started negotiating a new Conan movie deal with Universal Studios in which Arnold Schwarzenegger returns in the role of Conan. The movie has the working title “The Legend of Conan”. Universal and Paradox agreed on the material deal terms in October 2012 and are presently in the process of finalizing long-form contract negotiations. The finalization has been slower than expected partly because of the ongoing process with the Stan Lee Media lawsuit (see further under the heading “Stan Lee Media lawsuit”).

The initial negotiated deal follows industry standard structure with fees for movie and sequel options, followed by a producer and a rights fee at the start of each production. Paradox will receive a customary moderate share of the back-end after each movie has reached cash break-even. Paradox retains the rights for movie-based and classic merchandise, sharing a portion of the revenues with Universal. A positive trend in that revenue stream is expected, but it is still too early to give any projections and is dependent on the success of the movie. This first movie is expected to have a budget of more than 100 MUSD.

Strategically this relationship with Universal will be very important for the Company. Even more so should Arnold Schwarzenegger return in the role as Conan. However, there are always uncertainties with these large productions, especially regarding timing but also regarding whether the project actually takes off. The Company has high expectations and Universal has been quick to start development of a new script. Should a major movie production take place, the Company can expect increased revenues directly from the film as well as from merchandising if the movie is successful. There is also a fair chance that there will be an increased interest in some of the other IPs, related to Conan (i.e. Kull), that the Company owns.

The Company is already being contacted by both its present licensors and new potential licensors after the announcement by Universal. However, except for the fee for the option, the rights fee and a portion of the producer fee, which will be due upon signing and starting of principal photography, the Company does not expect any increase in revenues due to this increased activity until the production of the movie is well under way. Should the present time table hold true, this would mean earliest during 2014. The final outcome of these additional revenue streams will also be highly dependent on the final success of the movie.

Mutant Chronicles

In February 2013, the Company entered into two new licensing agreements for Mutant Chronicles game rights: Modiphius the role-playing game (RPG) rights and Prodos Games for the miniature game rights (Warzone). Prodos Games is partially funding the development through Kickstarter, reaching their level of guaranteed funding, 35,000 GBP, in less than a week and at the end of the funding period on April 16 the pledged amount has reached 161 KGBP (approximately 1,609 KSEK). Paradox receives a percentage of this as an advance on future royalties.

Co-productions/Co-financing

Priority Run

In January the Company entered into an agreement with Arclight Films International Pty. Ltd. to finance and co-produce the feature film currently entitled “Priority Run”, based on an original screenplay by Terrance Milloy. The two companies are currently working on casting for the film which is anticipated for production in 2013.

Reclaim

In February the Company entered into a agreement with Arclight Films International Pty. Ltd., Garlin Pictures, Inc. and Origin Productions Pty Ltd to finance and co-produce the feature film currently entitled “Reclaim”, based on an original screenplay by Carmine Gaeta (with revisions by Luke Davies) and directed by Alan White. The parties are currently working on casting for the film which is anticipated for production in 2013.

Reasonable Doubt

“Reasonable Doubt” (formerly “The Good Samaritan”) is a co-production collaboration between Paradox, Bavariapool and Canadian South Creek Pictures which was announced in March 2012. “Reasonable Doubt” is written by Peter Dowling (“Flightplan”) and directed by Peter Howitt (“Sliding Doors”). Principal photography for the film was completed December 2012 in Winnipeg Canada and is expected to be delivered in the fall 2013.

Key Personnel

The Company hired Silvio Muraglia as President of Production, based in Los Angeles, to oversee all film development, production and co-production. The President of Production will report directly to the CEO of Paradox Entertainment Inc.

Incentive Program

The 1,050,000 stock options held by the former President of Production were forfeited upon his departure from the Company. The underlying warrants are held by Paradox Entertainment Inc and will be cancelled. The total number of warrants outstanding as of March 28 is 2,625,000.

KEY EVENTS AFTER THE END OF THE PERIOD

Share Issue

The Board has proposed a share issue with preferential rights to shareholders in order to raise capital due to a negative trend in earnings, despite lowered costs, due to the absence or delay of larger one-time revenues. The trend for the next two quarters, and likely also for the full year 2013, is estimated to be negative as these revenues are not guaranteed. The Company also needs to handle some short- and medium-term liabilities that are due this year, as well as have a certain financial buffer to handle the current situation.

Key Personnel

The Board announced in May that board member Carl Molinder will take the role of CEO of Paradox Entertainment AB. Fredrik Malmberg will remain President and CEO of Paradox Entertainment Inc and be able to focus solely on the US-based business. Fredrik Malmberg’s working contract has been formally terminated by the Company and a new contract is under negotiation.

The Company has also terminated the employment contract of the Executive Vice President of Licensing and has also decided to stop working with third-part licensing as revenues have been slow to pick-up. The Company has also made the decision to eliminate its Finance Department and use a part time consultant to handle the necessary work. As a consequence, the Company has also terminated the employment contract of the Chief Financial Officer.

OTHER INFORMATION

Press Releases

In 2012, the Company began issuing trade press releases in the U.S. as needed in the industry to announce new projects related to the Company. The press releases will also be issued simultaneously to the financial market in Sweden; however they are for information purposes only and typically will not include any financial information or implied results on the Company’s profitability.

Copyright and trademarks

The Company’s properties are protected by copyright and trademarks. Copyright is the strongest protection and many countries have adopted the same or similar copyright laws. Since Robert E. Howard died in 1936, more than 70 years ago, the copyright to Howard’s works in some countries has reached its end. The works then become public domain. However, it is possible in the U.S., which is the Company’s largest and most important market, to extend the copyright to 125 years or 90 years after first publication.

Since copyright has an end date, it is important to build and invest in trademarks, which don’t expire if continuously used. Although some works, in some countries, are public domain, they may still not be used freely as Paradox Entertainment’s trademarks, and related logos, characters, names, and distinctive likenesses thereof, cannot be used without the Company’s permission. This is the case even if one, several, or all the works featuring a certain character is public domain.

Protection of rights

For a company like Paradox Entertainment, the cost of legal services is a natural part of business. When the Company's rights are commercialized and become more popular, the risk of intrusion, such as plagiarism, increases. It is our policy to act firmly and promptly in such cases, which can sometimes lead to litigation. For more information on rights protection, see the latest Annual Report.

Stan Lee Media lawsuit

The legal action initiated in August, 2011, by Stan Lee Media, Inc. ("SLMI") in the United States District Court of the Central District of Los Angeles (the "Lower Court") which sought to overturn Paradox Entertainment's rightful acquisition of the Conan property was dismissed before trial by the Lower Court Judge in February 2012. SLMI had alleged that a Lower Court trial should be held to reconsider the 2002 bankruptcy court order on which Paradox relied when acquiring the Conan property.

SLMI filed a Notice of Appeal of the Lower Court's decision wherein it asked the Ninth Circuit Court of Appeals (the "Appeals Court") to reverse the Lower Court and to order that the case proceed to trial. SLMI perfected its appeal by filing the Lower Court record with the Appeals Court. The oral arguments have not yet been scheduled. We are informed that those arguments are likely to take place at the earliest in August, 2013, and at the latest during Q4 2013.

There is no predicting how long the Appeals Court will take after the arguments to issue its decision. While there are no guarantees as to how the Appeals Court will decide, Paradox Entertainment and its counsel continue to believe that the Lower Court reached the right result and that the Appeals Court will affirm the Lower Court decision.

Share capital

The company shares are traded on NASDAQ OMX First North since November 2008, and in the Premier segment since February 2009. First North Premier is for companies that meet higher standards of accounting and transparency than otherwise required in an unregulated market such as First North. The Company continually evaluates various listing options.

The shares have a nominal value of SEK 0.10. Per First North rules trades can be made down to individual shares and all shares have equal voting rights. The company ticker is PDXE and ISIN code SE0000598054.

There are 78,110,365 outstanding shares in Paradox Entertainment AB, of which 2,100,000 shares are restricted and vested in three equal parts on May 31 in 2013, 2014 and 2015. There were at period end 2,625,000 warrants in the Company. They will vest in three equal parts, on May 31 in 2013, 2014 and 2015, with an additional month after all warrants are fully vested, until June 30, 2015, to exercise. Also see "Incentive Program".

	Options	Issue price	Maturity
Incentive Program for senior management	2,625,000	0.40 kr	June 30, 2015

Financing

In March 2010 the Company borrowed, under normal market conditions, 8 MSEK for the purpose of discharging maturing short term loans and to open up the possibility for necessary investments in ongoing projects. The loan was with the credit market company Hoist Kredit AB where the Chairman of the Board, Mikael Wirén, is part-owner. The outstanding loan balance as of period end was 4,976 KSEK. The loan is secured by royalties from Funcom in the first place and secondly by the shares in Paradox Entertainment Inc. The Chairman of the Board, Mikael Wirén, did not participate in any of the decisions regarding the Hoist Kredit loan transaction.

In August 2011, Rogue Warrior LLC (the wholly owned subsidiary of Paradox Entertainment) entered into two development loan agreements in the amount of 1.7 MSEK each to finance pre-production costs for Rogue Warrior. The loans earn a flat financing fee of 20 %. The loans are secured by the investment in the film asset and will be repaid upon either start of principal photography or recoupment of costs.

Accounting principles

This report has been prepared in accordance with IAS 34. For a detailed description of the Group accounting policies, refer to the most recent Annual Report. This report has not been audited.

Effects of new standards which came into force in 2010

New or revised IFRS and IFRIC interpretations are not expected to have had any effect on the consolidated or parent company's financial position or results.

Outlook for 2013

The Company is currently running at a substantial loss including a negative cash flow. The Board has announced a new rights issue to address the current cash position. Given the delayed timing with finalizing the long-form contract with Universal Studios in regards to a new Conan movie, it appears unlikely that production of the movie will start production in the current year. Regarding the Company's own productions, several of these are in process and now waiting on casting. The Company's ability to change the current negative trend is dependent on the its ability to further reduce costs and initiate production on some of its own projects. Given the variety of uncertainties, the Company elects not to give an outlook for 2013 but is currently working hard to stop the negative cash flow.

INVESTOR RELATIONS

Upcoming financial statements

August 23, 2013 Interim Information, January-June 2013
November 22, 2013 Interim Information, January-September 2013

These reports will become available on the Company website at the time of publication.

Subscribe to press releases

The Company's press releases are available via e-mail when issued. Parties interested should enroll on the Company website, under Investor Relations / Subscribe.

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Stockholm, May 23, 2013

The Board of Directors, Paradox Entertainment AB (publ)

CONSOLIDATED KEY FIGURES

	03-31-2013	03-31-2012	12-31-2012
Revenue	1,660	1,812	10,558
Operating Income	-2,178	-2,447	-7,061
Income after Financial Items	-2,184	-2,902	-6,807
Net Income	-2,577	-3,459	-9,529
Total Assets	67,640	93,226	69,903
Operating Margin, %	-110.48	-115.20	-52.49
Profit Margin, %	-131.57	-160.13	-64.47
Solvency, %	68.57	58.37	70.11
Quick Ratio, %	89.18	108.20	110.62
Earnings per share, kr	-0.03	-0.05	-0.12
Earnings per share after dilution, kr	-0.03	-0.04	-0.12
Equity per share, kr	0.59	0.72	0.64
Equity per share after dilution, kr	0.57	0.70	0.61
Number of employees at period end	6	6	6
Number of shares at period end	78,110,365	78,110,365	78,110,365
Number of warrants outstanding at period end	3,625,000	3,625,000	3,625,000
Average number of shares during the period before dilution	78,110,365	76,010,365	77,060,365
Average number of shares during the period after dilution	81,435,365	78,185,365	79,985,365

<i>Operating Margin:</i>	Profit before depreciation as a percentage of revenue
<i>Profit Margin:</i>	Profit after financial items as a percentage of revenue
<i>Solvency:</i>	Adjusted equity as a percentage of total assets
<i>Quick Ratio:</i>	Current assets as a percentage of current liabilities
<i>Earnings per share:</i>	Earnings divided by the weighted average number of shares during the period
<i>Equity per share:</i>	Equity divided by the number of shares at end of period

CONSOLIDATED INCOME STATEMENT

KSEK	Jan-Mar 2013	Jan-Mar 2012	Full Year 2012
Operating income			
Revenue (note 1)	1,131	1,306	9,967
Other income (note 2)	529	506	591
	1,660	1,812	10,558
Operating expenses			
Other operating costs	-2,157	-2,698	-10,709
Staff costs	-1,337	-1,202	-5,391
Depreciation and Amortization	-344	-359	-1,519
	-3,838	-4,259	-17,619
Operating Income	-2,178	-2,447	-7,061
Financial income and expenses			
Interest Income and Similar Items	85	380	3,132
Interest Expense and Similar Items	-91	-835	-2,878
	-6	-455	254
Income After Financial Items	-2,184	-2,902	-6,807
Income Taxes (note 3)	-393	-557	-2,722
Net Income	-2,577	-3,459	-9,529
Earnings per share, kr	-0.03	-0.05	-0.12
Earnings per share after dilution, kr	-0.03	-0.04	-0.12
Average Number of Shares During the Period Before Dilution	78,110,365	76,010,365	77,060,365
Average Number of Shares During the Period After Dilution	81,435,365	78,185,365	79,985,365

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KSEK	Jan-Mar 2013	Jan-Mar 2012	Full Year 2012
Net Income	-2,577	-3,459	-9,529
Other Comprehensive Income			
Currency Translation Differences	-48	-859	-2,342
Tax on Unrealized Foreign Exchange Rate Changes	-1	-557	751
Comprehensive Income	-2,626	-4,875	-11,120

CONSOLIDATED BALANCE SHEETS

	KSEK	03-31-2013	03-31-2012	12-31-2012
ASSETS				
Fixed Assets				
Intangible Assets				
Rights and Trademarks (note 4)		53,323	55,264	53,586
Tangible Assets				
Equipment, Tools, Fixtures and Fittings		196	112	206
Financial Assets				
Deferred Tax Asset		5,810	7,564	6,204
Total Fixed Assets		59,329	62,940	59,996
Other Current Assets				
Accounts Receivable - Trade		1,045	1,111	1,329
Other Receivables (note 5)		6,525	25,660	7,481
Prepaid Expenses and Accrued Income		119	572	167
		7,689	27,343	8,976
Cash And Bank Balances		622	2,943	931
Total Current Assets		8,311	30,203	9,907
TOTAL ASSETS		67,640	93,226	69,903
EQUITY AND LIABILITIES				
Shareholders' Equity				
Share Capital		7,811	7,601	7,811
Other Contributed Equity		50,047	49,417	50,047
Reserves		-6,516	-6,292	-6,467
Retained Earnings		-2,384	7,145	7,145
Net Income		-2,577	-3,459	-9,529
		46,381	54,412	49,007
Long Term Liabilities				
Interest Bearing Liabilities (note 6)		3,968	3,331	3,968
Deferred Tax Liability		7,972	7,568	7,972
		11,940	10,899	11,940
Current Liabilities				
Accounts Payable – Trade		2,439	1,952	2,296
Interest Bearing Liabilities (note 6)		4,918	23,671	4,933
Other Liabilities		449	349	447
Accrued Expenses		1,513	1,943	1,280
		9,319	27,915	8,956
TOTAL EQUITY AND LIABILITIES		67,640	93,226	69,903

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	KSEK	03-31-2013	03-31-2012	12-31-2012
Shareholders' equity at beginning of year		49,007	59,244	59,244
Comprehensive income		-2,626	-4,875	-11,120
Incentive / warrants		0	43	43
Unregistered Capital Issued		0	0	840
Shareholders' equity at end of year		46,381	54,412	49,007

CONSOLIDATED CASH FLOW ANALYSIS

	KSEK	03-31-2013	03-31-2012	12-31-2012
Operating Activities				
Operating Income before Financial Items		-2,178	-2,447	-7,061
Other Adjustments For Non-Cash		344	404	2,800
Interest Income and Similar Items		3	380	1,574
Interest Expense and Similar Items		-85	-835	-2,992
Cash Flow from Operating Activities before Changes in Operating Assets and Liabilities		-1,916	-2,498	-5,679
Changes in Operating Assets and Liabilities				
Increase/(Decrease) in Accounts Receivable		284	-39	-257
Increase/(Decrease) in Other Receivables		1,004	6,786	25,124
Increase/(Decrease) in Accounts Payable		143	-1,663	-1,319
Increase/(Decrease) in Other Current Liabilities		235	-1,438	-876
Cash Flow from Operating Activities		-249	1,148	16,993
Investment Activities				
Acquisitions of Intangible Fixed Assets		-68	-110	-1,053
Acquisitions of Tangible Fixed Assets		0	0	-198
Cash Flow from Investment Activities		-68	-110	-1,251
Financing Activities				
Subscription Options		0	43	43
Paid in New Shares		0	0	840
Amortized Loans		-16	-1,273	-18,763
Cash Flow from Financing Activities		-16	-1,230	-17,880
Changes In Cash		-333	-192	-2,138
Cash and Cash Equivalents at Beginning of Period		931	3,117	3,117
Exchange Rate Differences on Cash and Cash Equivalents		24	18	-48
Cash and Cash Equivalents at End of Period		622	2,943	931

PARENT COMPANY INCOME STATEMENT

	KSEK	Jan-Mar 2013	Jan-Mar 2012	Full Year 2012
Operating income				
Revenue (note 1)		587	596	2,397
Other income (note 2)		529	0	591
		1,116	596	2,988
Operating expenses				
Other operating costs		-478	-754	-2,318
Staff costs		0	2	-8
Depreciation and Amortization		0	0	0
		-478	-752	-2,326
Operating Income		638	-908	662
Financial income and expenses				
Interest Income and Similar Items		1,223	1,118	5,374
Interest Expense and Similar Items		-72	-582	-1,855
		1,151	536	3,519
Income After Financial Items		1,789	-372	4,181
Income tax expense (note 3)		-392	-557	-1,395
Net Income		1,397	-929	2,786

PARENT COMPANY BALANCE SHEET

	KSEK	03-31-2013	03-31-2012	12-31-2012
ASSETS				
Fixed Assets				
Financial Fixed Assets				
Deferred Tax Asset		1,120	2,159	1,514
Shares in Group Companies		13,038	13,038	13,038
Receivables from Affiliated Companies		45,617	46,350	45,613
Total Fixed Assets		59,775	61,547	60,165
Other Current Assets				
Current Receivables				
Receivables from Subsidiaries		24,430	16,240	22,713
Other Receivables		50	110	29
Prepaid Expenses and Accrued Income		103	83	103
		24,583	16,433	22,845
Cash and Bank Balances		30	2,854	49
Total Current Assets		24,613	19,287	22,894
TOTAL ASSETS		84,388	80,834	83,059
EQUITY AND LIABILITIES				
Restricted Equity				
Share Capital		7,811	7,601	7,811
Statutory Reserve		35,677	35,677	35,677
Unrestricted Equity				
Premium Account		15,088	14,514	15,088
Fair Value		-2,271	-1,730	-2,274
Retained Earnings		20,085	17,299	17,299
Net Income		1,397	-177	2,786
Total Shareholders' Equity		77,787	73,184	76,387
Long-Term Liabilities				
Other Non-Current Liabilities		3,968	3,331	3,968
		3,968	3,331	3,968
Current Liabilities				
Accounts Payable - Trade		507	279	278
Interest Bearing Liabilities		1,008	2,992	1,024
Liabilities to Group Companies		99	99	99
Other Liabilities		330	349	330
Accrued Expenses and Deferred Income		689	600	973
		2,633	4,319	2,704
TOTAL EQUITY AND LIABILITIES		84,388	80,834	83,059

ADDITIONAL INFORMATION

Note 1 Segment Reporting Statement

	Conan	Parent Company & Other	Eliminations	Total Group
Revenue	960	-96	796	1,660
Operating Expenses	-806	-1,891	-796	-3,494
Depreciation and Amortization	-204	-140	0	-344
Operating Income	-50	-2,128	0	-2,178
Net Financial Items	0	-6	0	-6
Income After Financial Items	-50	-2,134	0	-2,184
Investment In Intangible Assets	52	16	0	68

Note 2 Other Income

Other Income consists of previously accrued directors' fees of the parent company which have been waived and returned to the Company.

Note 3 Taxes

The parent company has accrued taxes of 5,1 MSEK, which gives a book tax asset of 1,1 MSEK under the new tax rate of 22%. The Group's deferred tax asset at period end is 5,8 MSEK and a deferred tax liability of 8 MSEK.

The Company reported an estimated tax expense of 0,4 MSEK for the period Q1 2013, which relates to deferred tax. Tax related to changes in unrealized exchange rate fluctuations have affected the equity directly and are included under translation differences.

No current income tax is payable for the period.

Note 4 Intangible Fixed Assets

Intangible assets consist of the following for the period:

	KSEK
Value at 01-01-2013	53,586
Net Purchases	68
Net Sales	0
Net Amortization	-336
Net foreign currency translation	5
Value at 03-31-2013	53,323

Note 5 Other Receivables

Other receivables includes reimbursable capitalized expenses related to pre-production, including development of manuscripts for sale to motion picture studios as well as in-house produced productions. Net capitalized pre-production costs at period end was 6.5 MSEK which includes a provision for impairment in the amount of 2 MSEK.

Note 6 Interest Bearing Liabilities

Interest Bearing Liabilities consist of the following at period end:

	KSEK
Bank loan, secured by Funcom royalties and shares in the Paradox Entertainment, Inc., paid quarterly with a variable interest rate of STIBOR 3M +4 %. The loan matures March 2015.	4,976
Development loan for pre-production expenditures in the picture "Rogue Warrior". The loan balance includes a flat financing fee of 20 % and is due at the end of 2013, to coincide with financing of the picture. The loan is secured only by the investment in the film asset.	1,955
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Total Interest Bearing Liabilities	8,886
Less current portion	-4,918
Long term portion	3,968