UNIBET Group

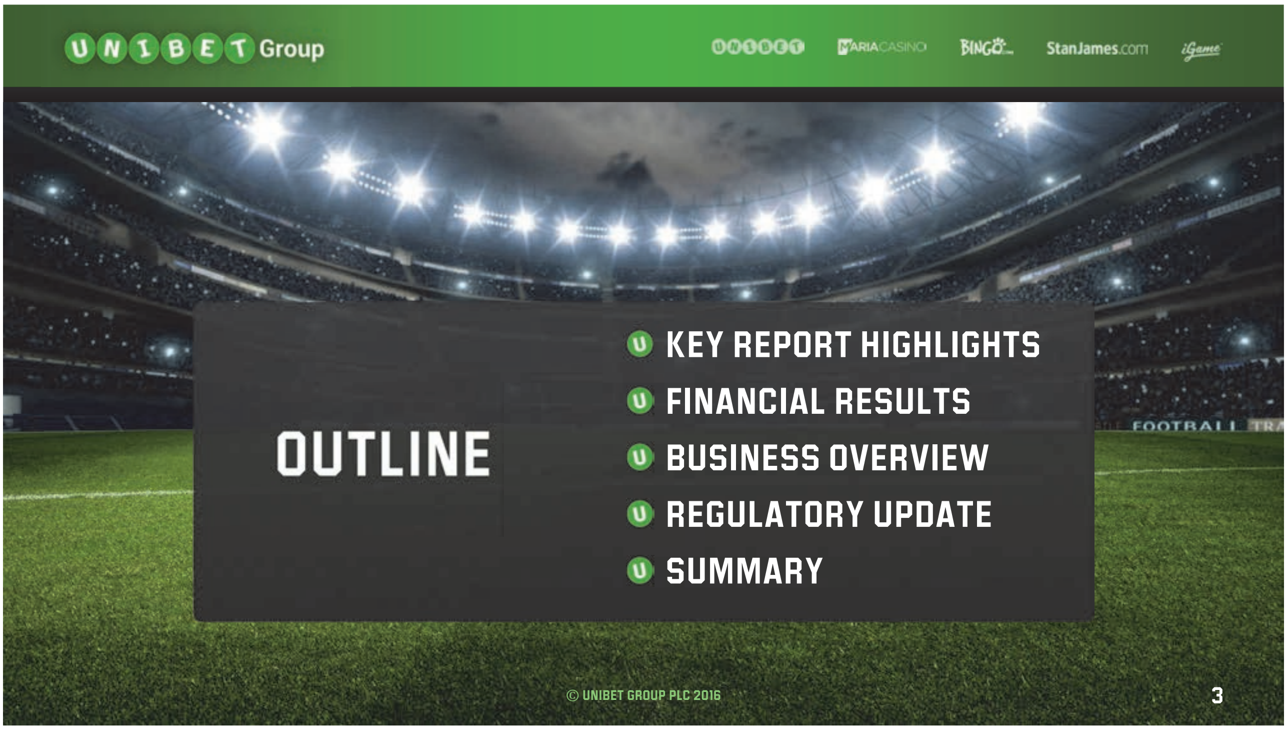
Q2 2016

27 JULY 2016

HENRIK TJÄRNSTRÖM
CEO

POSSIBILITY TO ASK QUESTIONS VIA EMAIL Q2@UNIBET.COM

TWITTER.COM/UNIBETGROUP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OUTLINE
KEY REPORT HIGHLIGHTS
FINANCIAL RESULTS
BUSINESS OVERVIEW
REGULATORY UPDATE
SUMMARY
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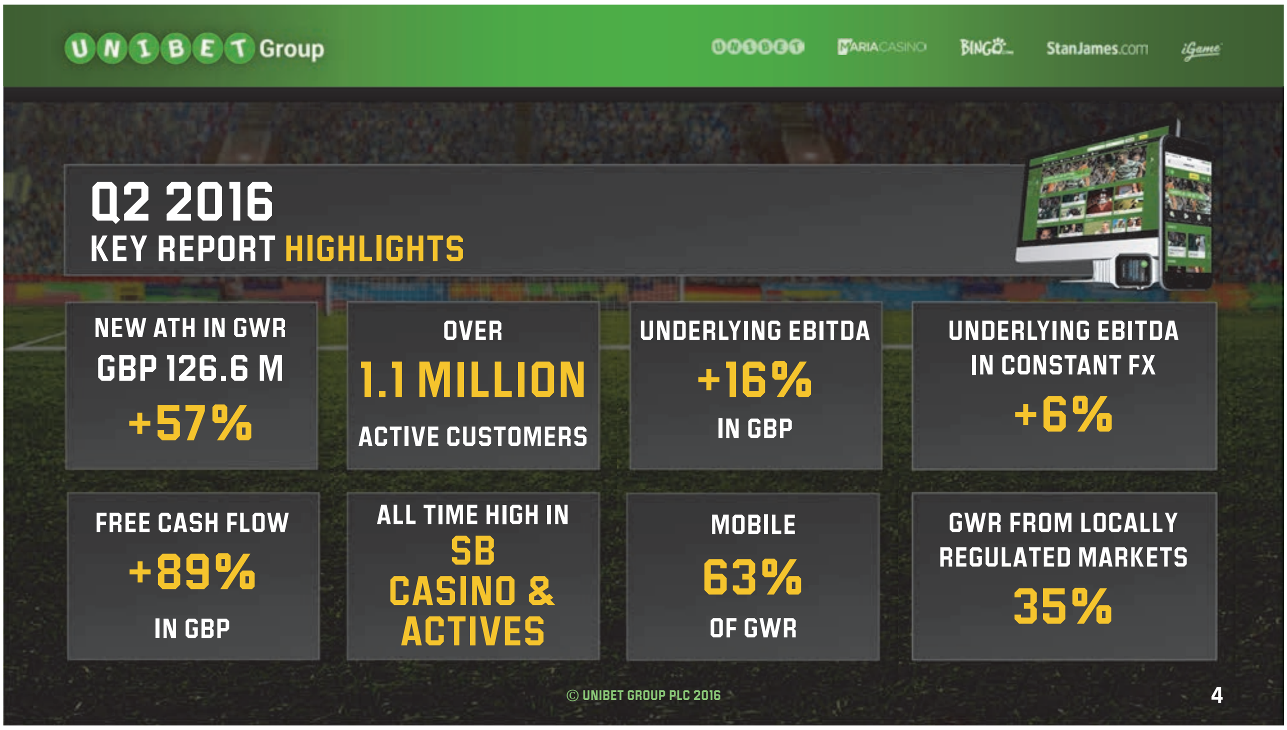
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Q2 2016
KEY REPORT HIGHLIGHTS
NEW ATH IN GWR
GBP 126.6 M
+57%
OVER
1.1 MILLION
ACTIVE CUSTOMERS
UNDERLYING EBITDA
+16%
IN GBP
UNDERLYING EBITDA
IN CONSTANT FX
+6%
FREE CASH FLOW
+89%
IN GBP
ALL TIME HIGH IN
SB
CASINO &
ACTIVES
MOBILE
63%
OF GWR
GWR FROM LOCALLY
REGULATED MARKETS
35%
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GEOGRAPHIC BALANCE – KEY REPORT HIGHLIGHTS

NORDICS

- +48% AS REPORTED IN GBP
- +21% ORGANIC IN CONSTANT CURRENCY

WESTERN EUROPE

- +71% AS REPORTED IN GBP
- +37% ORGANIC IN CONSTANT CURRENCY

EURO 2016

2016 euro football

LB T/O	GBP 51.2 M
TOTAL T/O	GBP 139.5 M
PRE-GAME MARGIN	17.1%
LB MARGIN	8.8%
COMBINED MARGIN	14.0%
JUNE GWR	GBP 11.9 M
JULY GWR	GBP 7.7 M
TOTAL GWR	GBP 19.6 M

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EURO 2016 FINANCIAL IMPACTS

- Overall margin much stronger in July than June
- If margin had been the same in Q2 and Q3, the GWR in Q2 would have increased by around GBP 3 million
- Double-impact in the French market - the combination of high turnover and low margin in June also drove high betting tax costs

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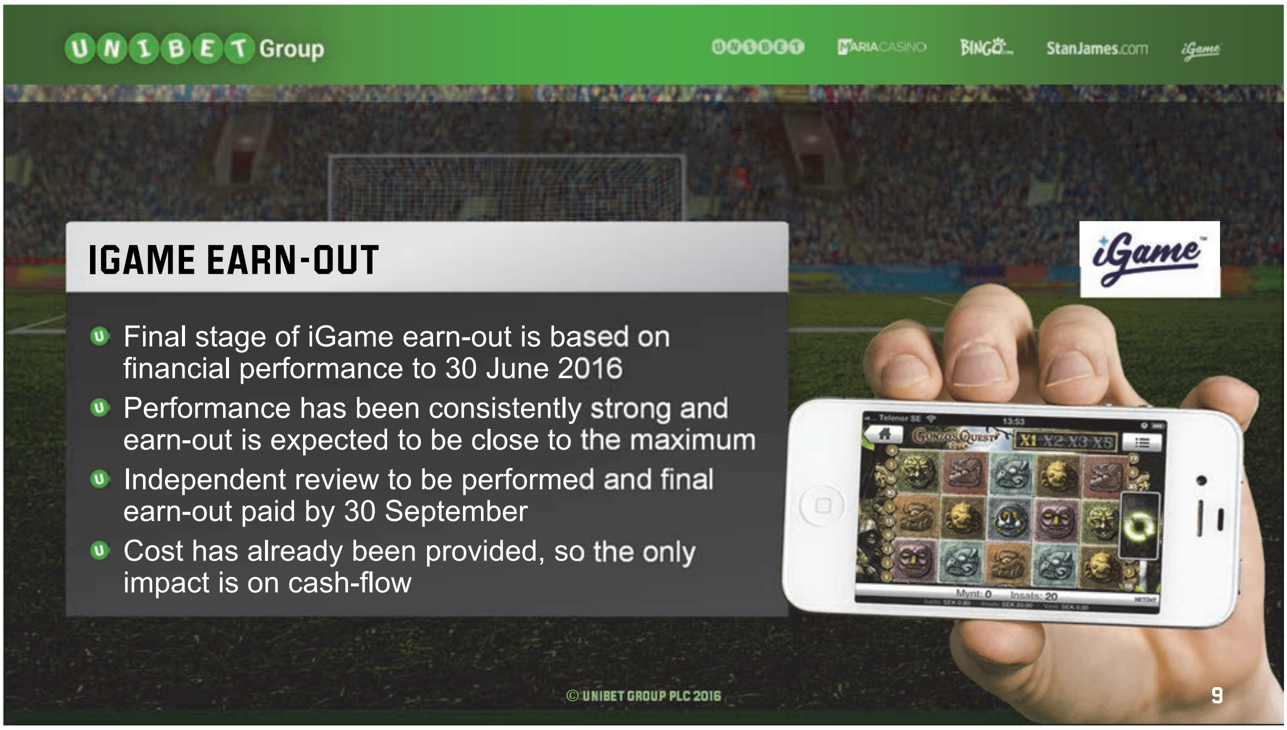
TOURNAMENT YEAR INVESTMENTS – SHORT TERM PAIN FOR LONG-TERM GAIN

REPORTED EBITDA Q1 V Q2 (GBPM)

	Q1	Q2	
2006	8.3	6.3	-24%
2008	13.0	8.3	-36%
2010	12.9	10.8	-16%
2012	15.3	11.0	-28%
2014	21.3	16.0	-25%
2016	27.6	21.1	-24%

Normal pattern of business development for a tournament quarter – the payback comes in the following quarters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IGAME EARN-OUT
Final stage of iGame earn-out is based on financial performance to 30 June 2016
Performance has been consistently strong and earn-out is expected to be close to the maximum
Independent review to be performed and final earn-out paid by 30 September
Cost has already been provided, so the only impact is on cash-flow
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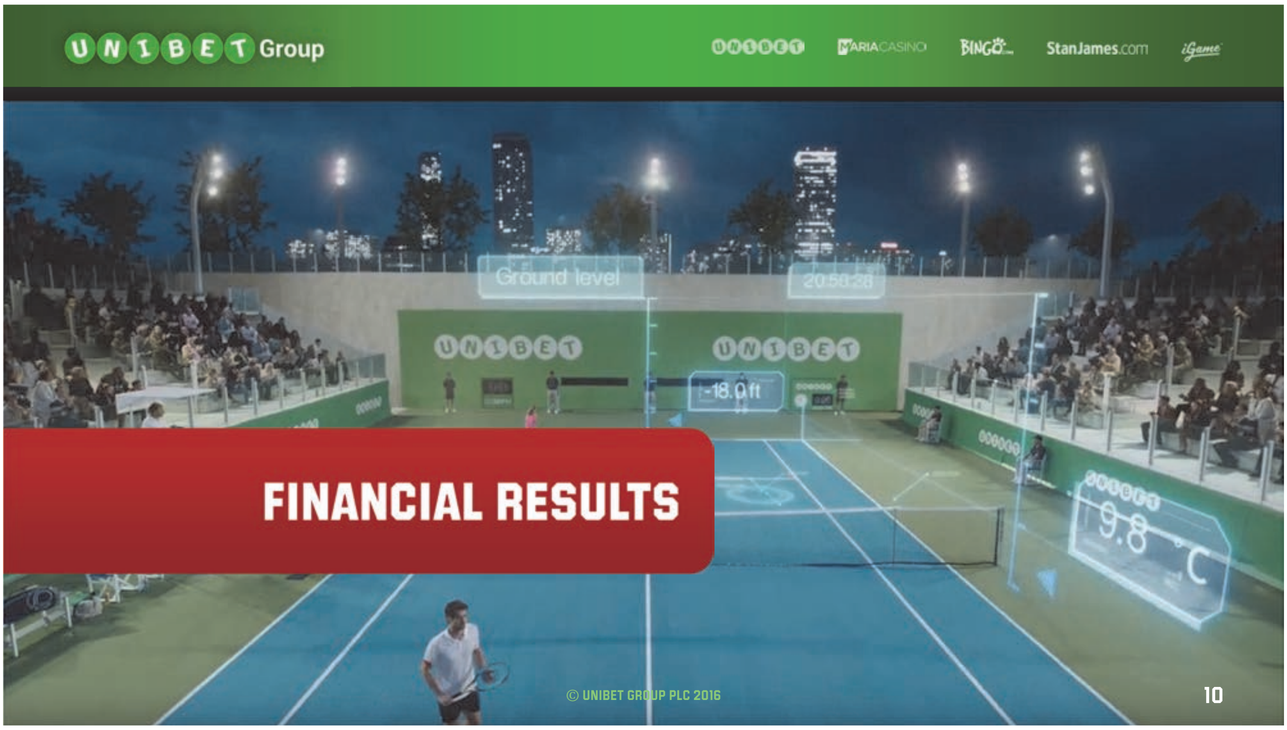
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Ground level
UNIBET
UNIBET
-18.0 ft
9.8 °C
FINANCIAL RESULTS
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Q2 2016 P&L FX IMPACT V Q2 2015

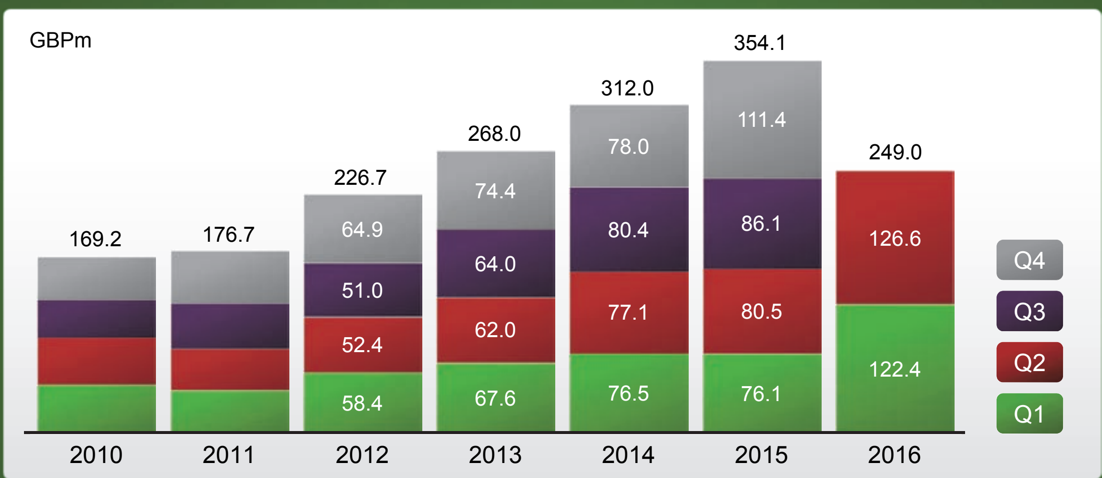
	Q2 16 Avg rate	Q2 15 Avg rate	Movement %
SEK	11.797	12.890	8.5
NOK	11.847	11.870	0.2
EUR	1.272	1.386	8.3
DKK	9.460	10.344	8.5
AUD	1.927	1.970	2.2

Weighted average movement in FX rates: 7%

	GBPm
GWR increased by approx.	8.3
CoS / Opex increased by approx.	-5.6
FX loss on operating items	-0.9
EBITDA FX impact Q2 2016	**1.8**

GWR & Cost impact is a translation effect from reporting in GBP. Realised FX is GBP 0.6m

GROSS WINNINGS REVENUE

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Q2 2016 CASINO & GAMES
TOTAL GWR
GBP 65.1 M
TOTAL GWR
+59%
GAMES OFFERED
600+
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CASINO NATIVE APP
Q2 VS Q1
Turnover +104%
Gross win +70%
Active players +40%
Register
Log In
Unibet Picks
New Games
Jackpots
Exclusives
Home
Browse Games
Roulette
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OTHER COSTS ANALYSIS
EXCL. NON-RECURRING ITEMS

GBPm	2012 FY	2013 FY	2014 FY	2015 FY	2016 Q2
Reported Other Costs	49.1	52.3	47.9	43.1	16.9
Depreciation & Amortisation	-17.4	-18.9	-16.8	-13.0	-5.5
FX loss on Opex	-1.0	-0.6	-1.8	-0.7	-0.9
Other Costs post D&A and FX	**30.8**	**32.8**	**29.3**	**29.4**	**10.5**
Share of GWR (as reported)	14%	12%	9%	8%	8%

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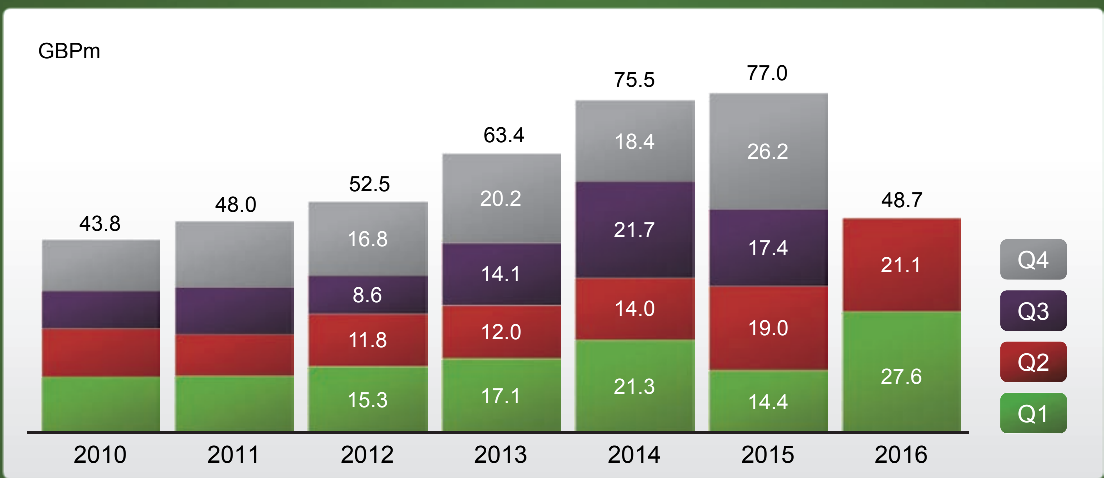
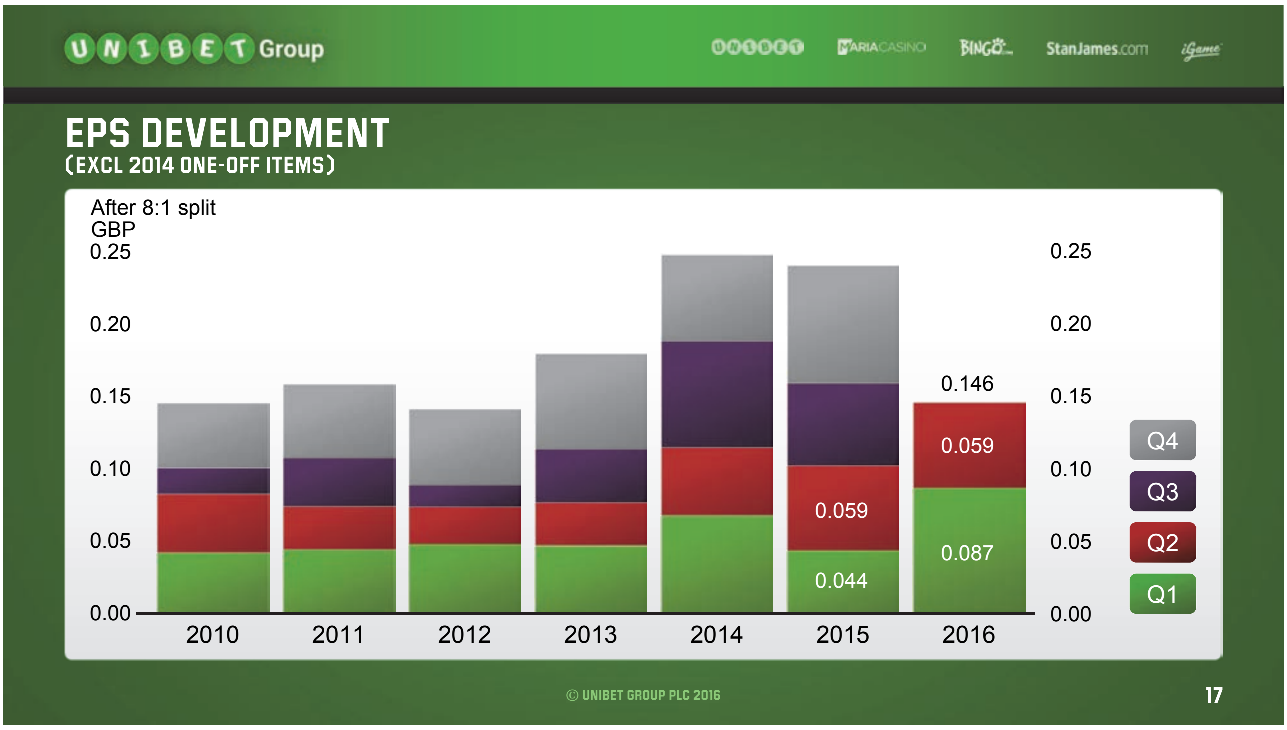
EBITDA
(EXCL 2014 KAMBI ONE-OFF ITEM)

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EPS DEVELOPMENT
(EXCL 2014 ONE-OFF ITEMS)
After 8:1 split
GBP
0.25
0.20
0.15
0.10
0.05
0.00
2010
2011
2012
2013
2014
2015
2016
0.146
0.059
0.059
0.087
0.044
Q4
Q3
Q2
Q1
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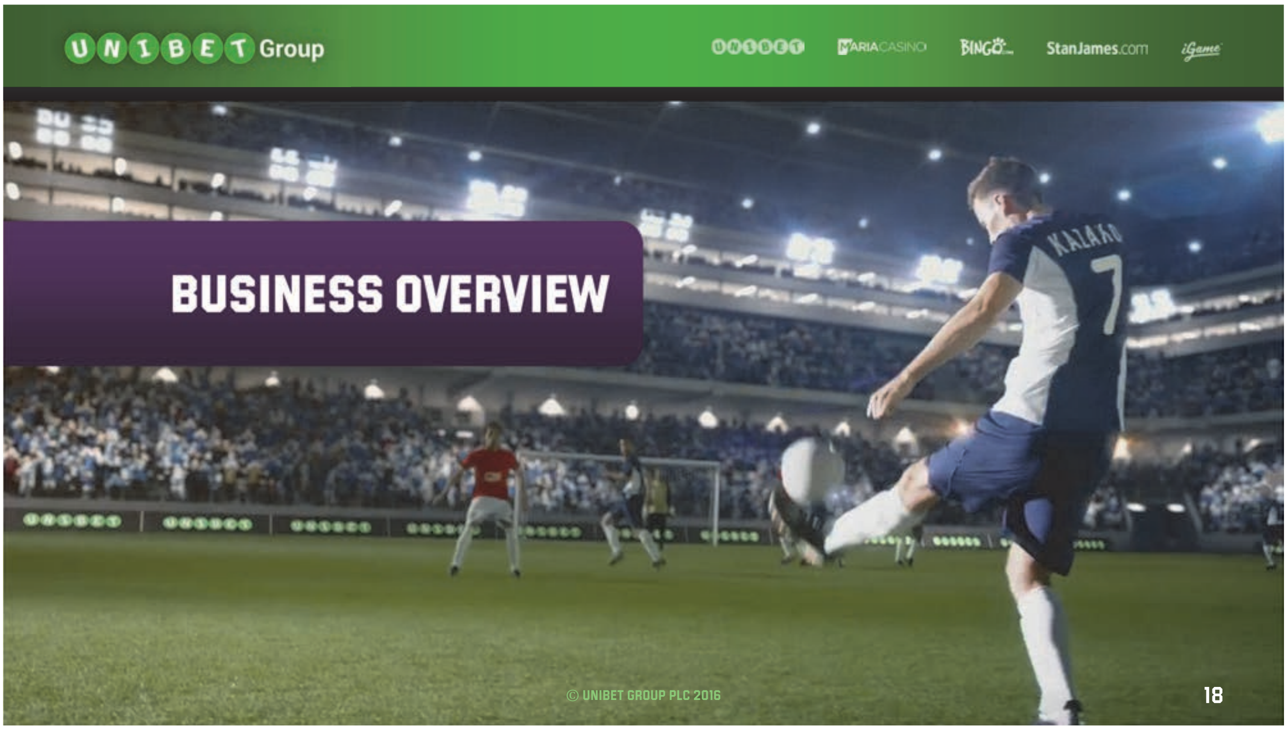
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BUSINESS OVERVIEW
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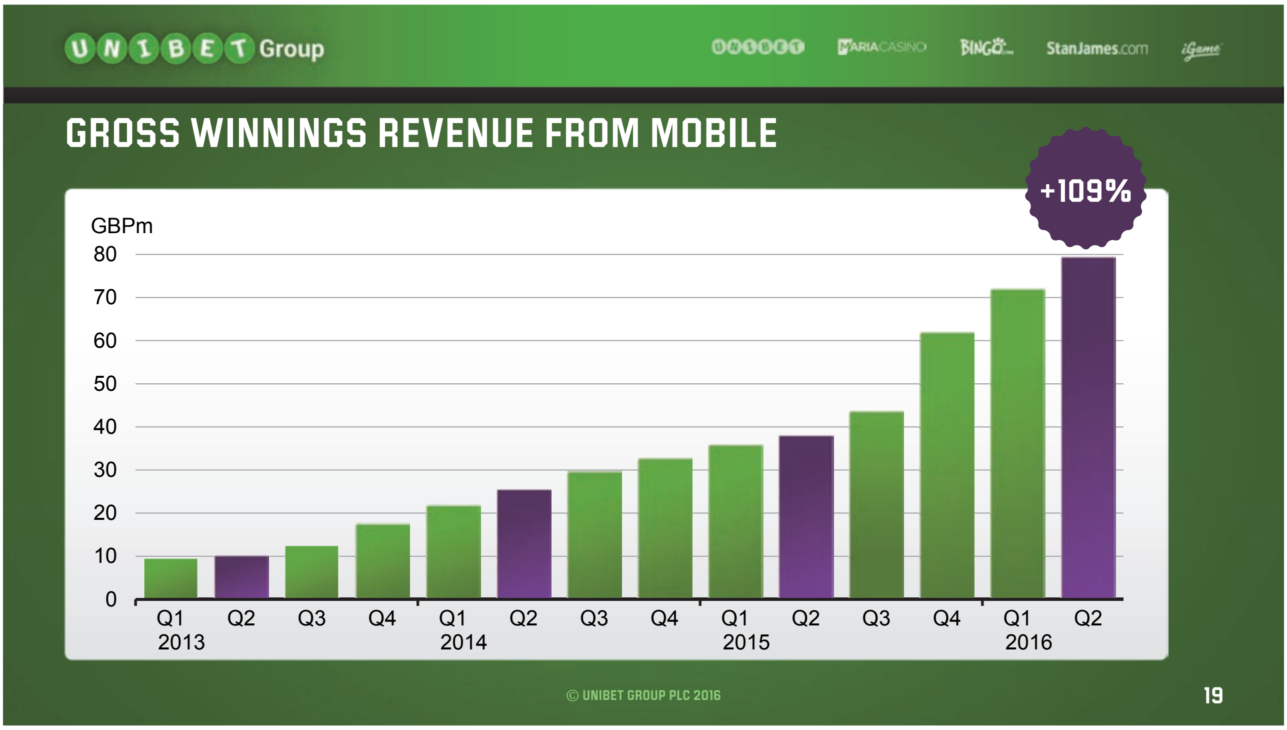
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GROSS WINNINGS REVENUE FROM MOBILE
+109%
GBPm
80
70
60
50
40
30
20
10
0
Q1 2013
Q2
Q3
Q4
Q1 2014
Q2
Q3
Q4
Q1 2015
Q2
Q3
Q4
Q1 2016
Q2
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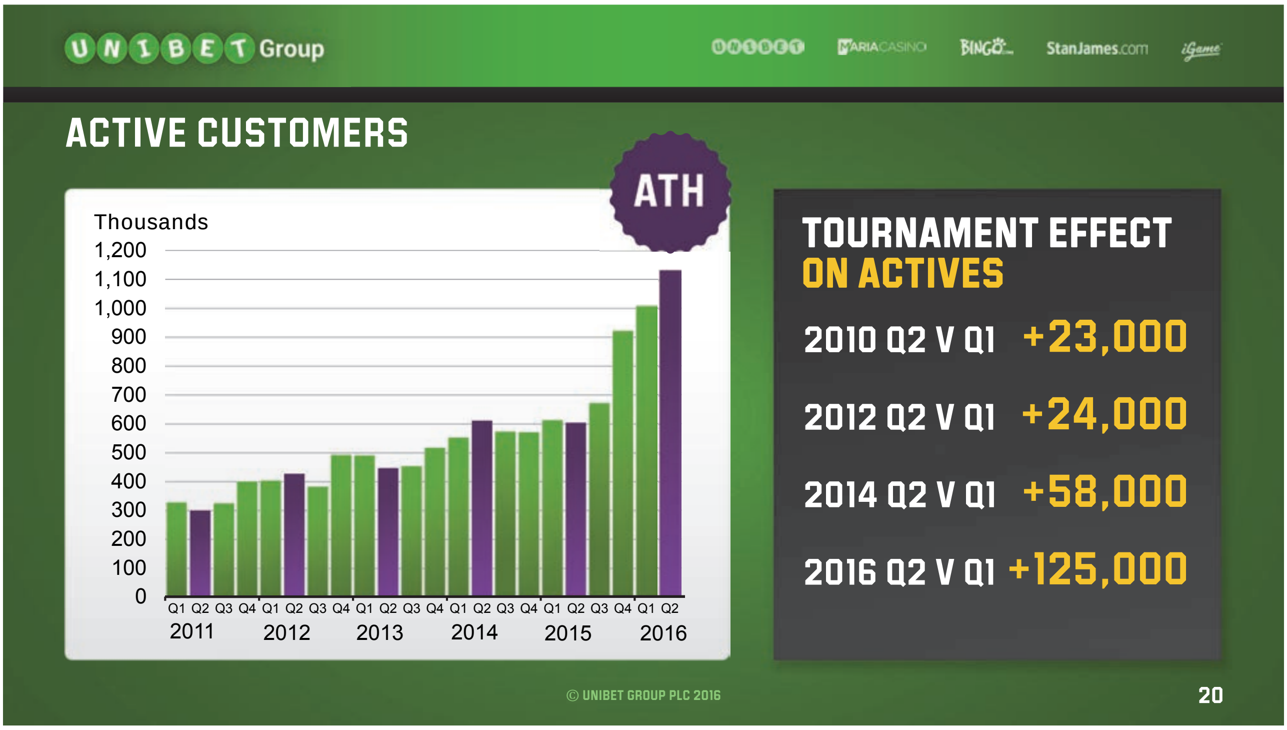
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ACTIVE CUSTOMERS
ATH
Thousands
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2
2011
2012
2013
2014
2015
2016
TOURNAMENT EFFECT
ON ACTIVES
2010 Q2 V Q1 +23,000
2012 Q2 V Q1 +24,000
2014 Q2 V Q1 +58,000
2016 Q2 V Q1 +125,000
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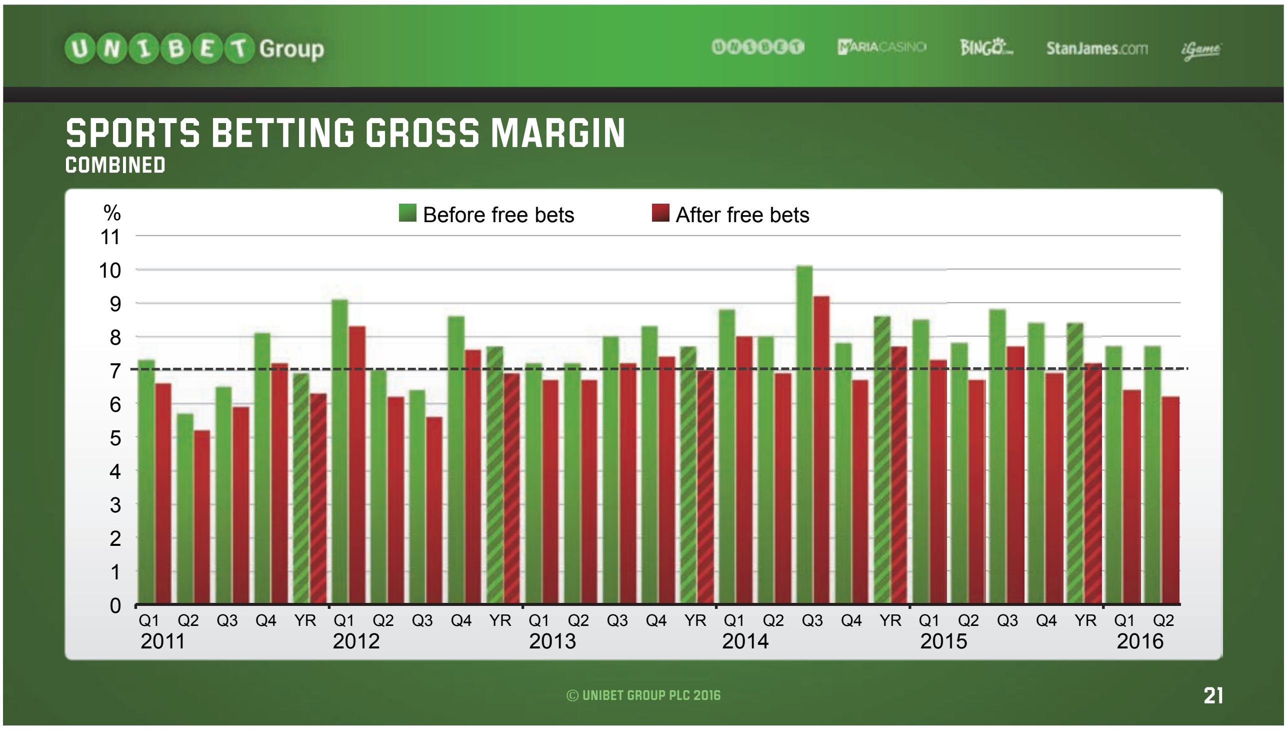
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SPORTS BETTING GROSS MARGIN
COMBINED
%
Before free bets
After free bets
11
10
9
8
7
6
5
4
3
2
1
0
Q1 Q2 Q3 Q4 YR Q1 Q2 Q3 Q4 YR Q1 Q2 Q3 Q4 YR Q1 Q2 Q3 Q4 YR Q1 Q2 Q3 Q4 YR Q1 Q2
2011 2012 2013 2014 2015 2016
© UNIBET GROUP PLC 2016
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SPORTS BETTING STAKES
+74%
GBPm
1000
900
800
700
600
500
400
300
200
100
0
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2
2011 2012 2013 2014 2015 2016
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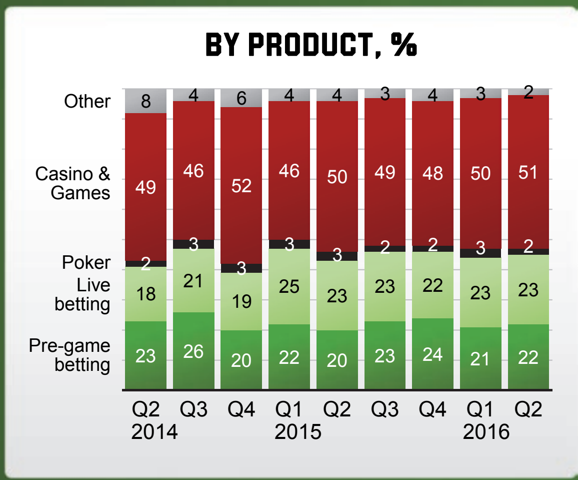
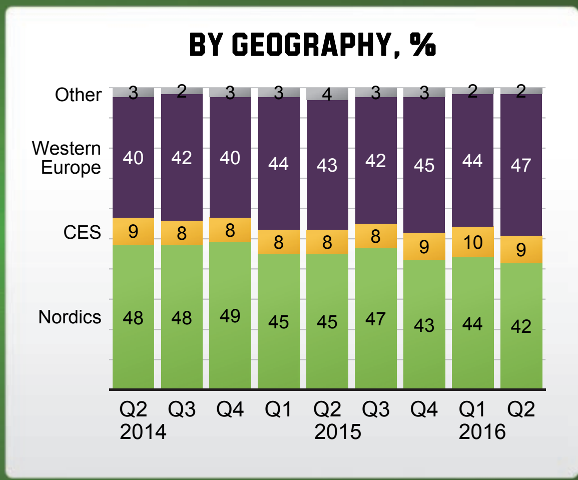
GEOGRAPHIC & PRODUCT BALANCE

GROSS WINNINGS REVENUE OVER TIME





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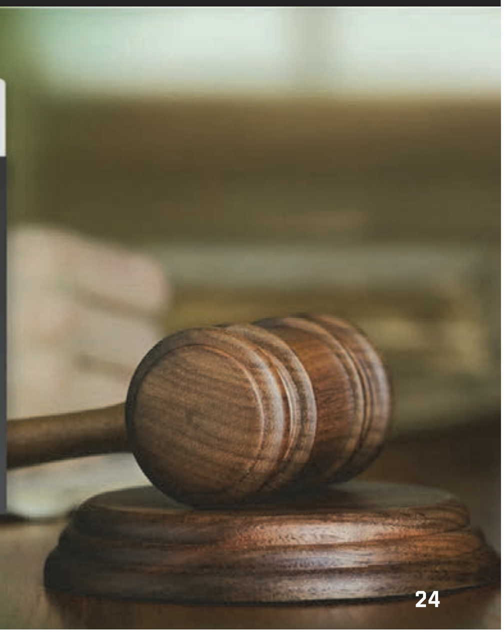
REGULATORY UPDATE – NETHERLANDS

- Online Gambling Bill adopted by the House of Representatives of the Dutch Parliament
- 29% tax on GGR, all products, evaluation on channelisation after regulation
- Voting in the Senate planned for Q4-2016
- Publication of secondary legislation early 2017
- Subject to Senate approval, go-live date Q1-2018



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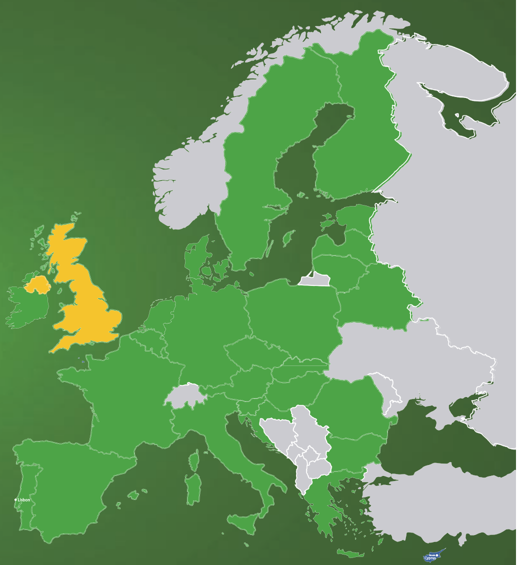
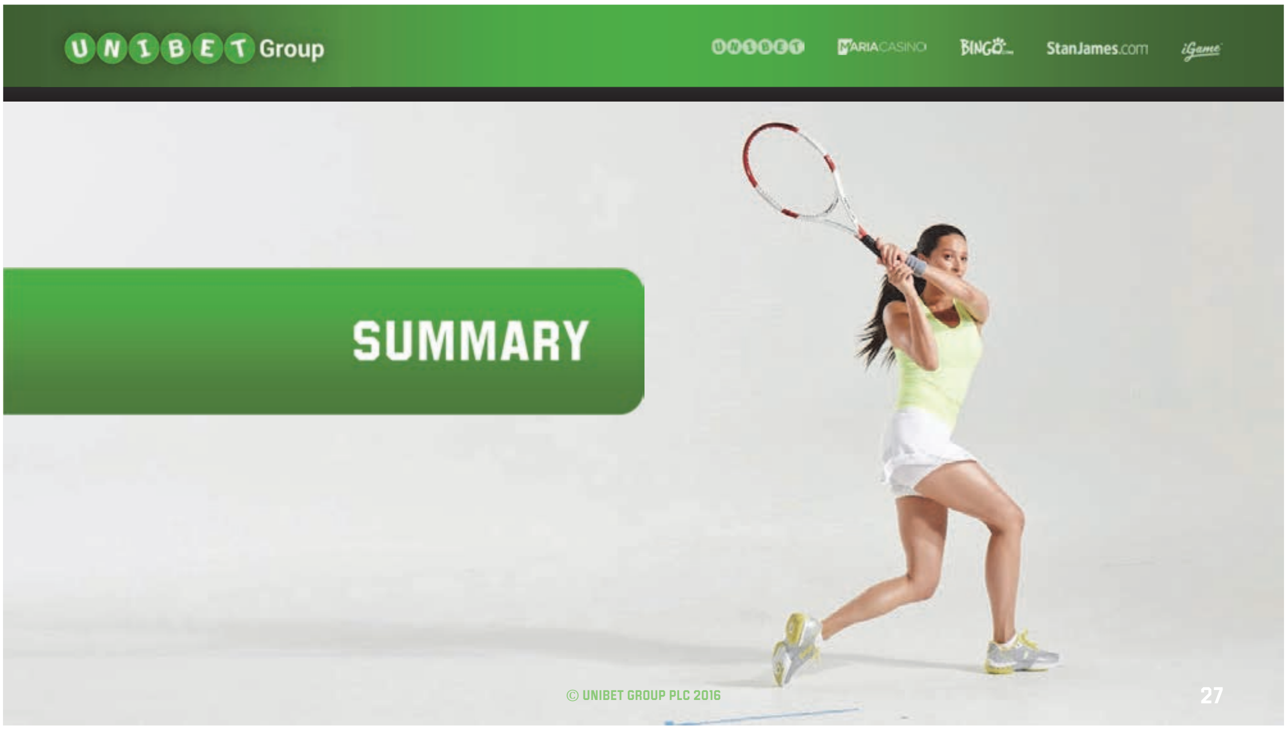
REGULATORY UPDATE – OTHER

- Sweden re-regulation:
  - Inquiry continues
  - Tax level of 15-20% discussed in Almedalen
- Belgium VAT:
  - Delayed until at least August 2016
  - Awaiting technical guidelines

BREXIT & UNIBET GROUP

- No short-term business disruption
- Significant benefit from FX movements – in July QTD the blended FX benefit is around 14% compared to same period in 2015
- Timetable for real regulatory changes will take some time to emerge but full Brexit could take 3-5 years
- Active risk management project to assess both direct and indirect impacts

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SUMMARY
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SUMMARY Q2 2016
Record intake and activity
Foundation for future growth
Very strong start to Q3
Good development across all brands
Significantly higher base going into Q3, Q4 and 2017
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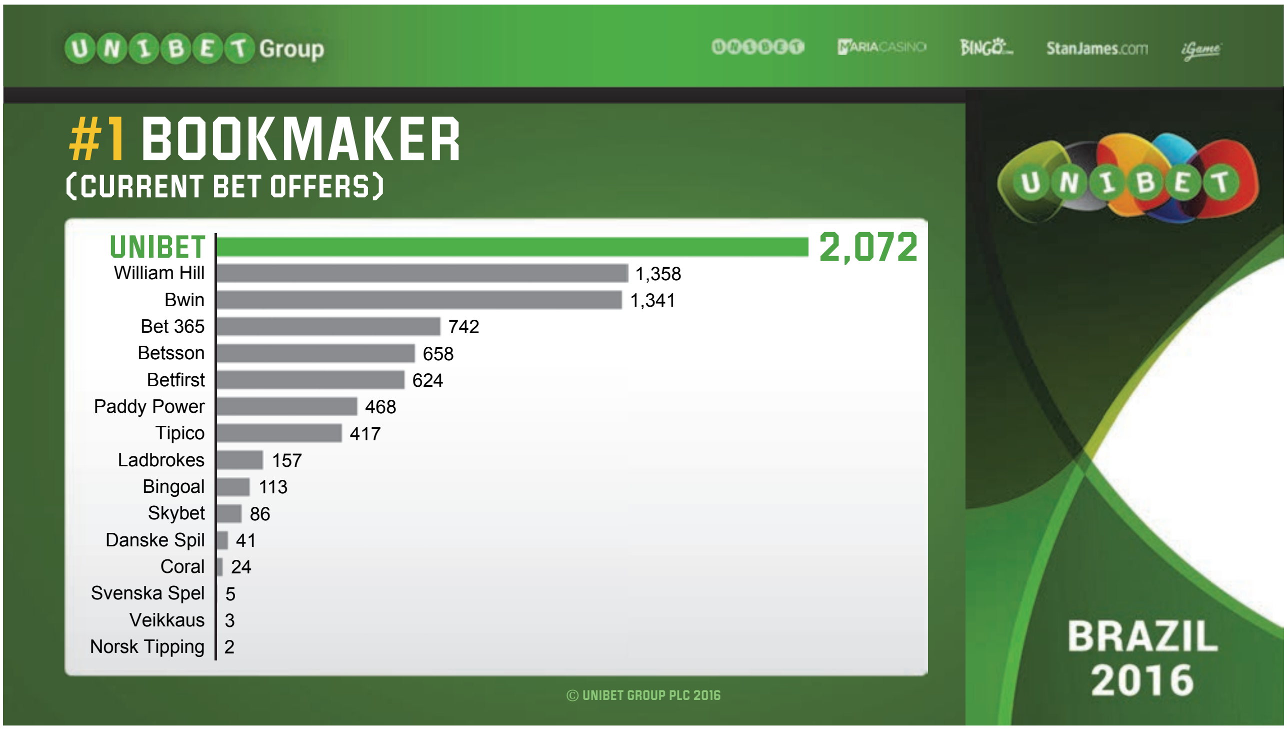

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#1 BOOKMAKER
(CURRENT BET OFFERS)
UNIBET 2,072
William Hill 1,358
Bwin 1,341
Bet 365 742
Betsson 658
Betfirst 624
Paddy Power 468
Tipico 417
Ladbrokes 157
Bingoal 113
Skybet 86
Danske Spil 41
Coral 24
Svenska Spel 5
Veikkaus 3
Norsk Tipping 2
BRAZIL
2016
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