



**Q3 2016**  
2 NOVEMBER 2016

**HENRIK TJÄRNSTRÖM**  
CEO

© UNIBET GROUP PLC 2016

1



**POSSIBILITY TO ASK QUESTIONS  
VIA EMAIL [Q3@UNIBET.COM](mailto:Q3@UNIBET.COM)**



**TWITTER.COM/UNIBETGROUP**

© UNIBET GROUP PLC 2016

2

# OUTLINE

- u KEY REPORT HIGHLIGHTS
- u FINANCIAL RESULTS
- u BUSINESS OVERVIEW
- u REGULATORY UPDATE
- u SUMMARY

© UNIBET GROUP PLC 2016

3

## Q3 2016 KEY REPORT HIGHLIGHTS



NEW ATH IN GWR  
GBP 142 M  
**+65%**

GWR  
**+42%**  
IN CONSTANT FX

ORGANIC GWR  
**+27%**  
IN CONSTANT FX

MOBILE  
**64%**  
OF GWR

UNDERLYING EBITDA  
**+72%**  
IN GBP

UNDERLYING EBITDA  
**+38%**  
IN CONSTANT FX

EPS  
**+60%**  
REPORTED IN GBP

GWR FROM LOCALLY  
REGULATED MARKETS  
**33%**

© UNIBET GROUP PLC 2016

4

## GEOGRAPHIC BALANCE – KEY REPORT HIGHLIGHTS

### NORDICS

U +57% AS REPORTED IN GBP

U +20% ORGANIC IN CONSTANT CURRENCY

### WESTERN EUROPE

U +74% AS REPORTED IN GBP

U +33% ORGANIC IN CONSTANT CURRENCY

### CES EUROPE

U +89% AS REPORTED IN GBP

U +48% ORGANIC IN CONSTANT CURRENCY

© UNIBET GROUP PLC 2016

5

## FINANCIAL RESULTS

© UNIBET GROUP PLC 2016

6

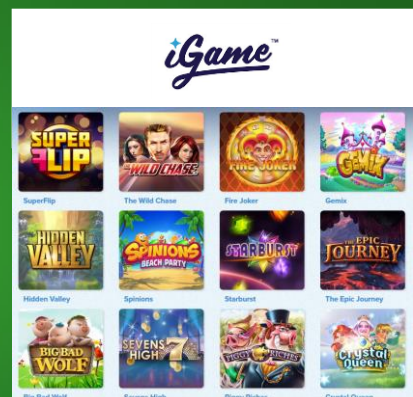
## IGAME EARN-OUT

- Maximum earn-out achieved based on strong results up to 30 June 2016
- Good momentum has continued in Q3 2016 all-time high quarterly results for iGame – EBITDA contribution in Q3 was 17% higher in constant currency than Q2, even though summer period is usually a seasonal low point
- Integration project on track



## IGAME FX IMPACT

- iGame acquisition was a EUR transaction and EUR is also the main trading currency
- Weakness of GBP means that the value of acquired assets has increased significantly – FX credit in translation reserve of GBP 2.7 million
- iGame profit contribution to the Group is also positively affected ( > GBP 0.5 m positive impact in additional EBITDA in Q3 2016)
- One-off FX impact of earn-out payment was GBP 2.2 million shown in financing cost





## Q3 2016 P&L FX IMPACT V Q3 2015

	Q3 16 Avg rate	Q3 15 Avg rate	Movement %
SEK	11.194	13.149	14.9
NOK	10.934	12.738	14.2
EUR	1.177	1.394	15.6
DKK	8.760	10.405	15.8
AUD	1.732	2.137	19.0
			GBpm
GWR increased by approx.			18.9
CoS / Opex increased by approx.			-12.3
FX loss on operating items			-0.7
<b>EBITDA FX impact Q3 2016</b>			<b>5.9</b>
FX loss on iGame earn out			-2.2
<b>PBT impact</b>			<b>3.7</b>

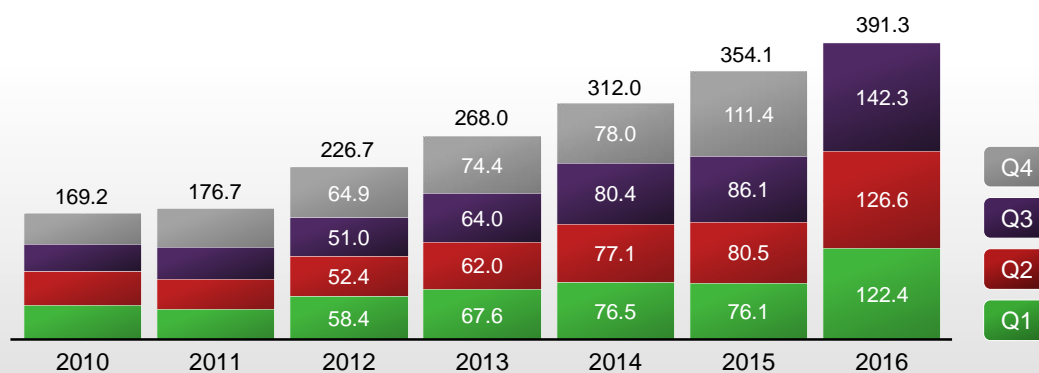
Weighted average movement  
in FX rates: 14.3%

© UNIBET GROUP PLC 2016

9

## GROSS WINNINGS REVENUE

GBPm



© UNIBET GROUP PLC 2016

10

## OTHER COSTS ANALYSIS

EXCL. NON-RECURRING ITEMS

GBPm	2012 FY	2013 FY	2014 FY	2015 FY	2016 Q3
Reported Other Costs	49.1	52.3	47.9	43.1	18.5
Depreciation & Amortisation	-17.4	-18.9	-16.8	-13.0	-6.0
FX loss on Opex	-1.0	-0.6	-1.8	-0.7	-0.7
<b>Other Costs post D&amp;A and FX</b>	<b>30.8</b>	<b>32.8</b>	<b>29.3</b>	<b>29.4</b>	<b>11.8</b>

Share of GWR (as reported)

14%

12%

9%

8%

8%

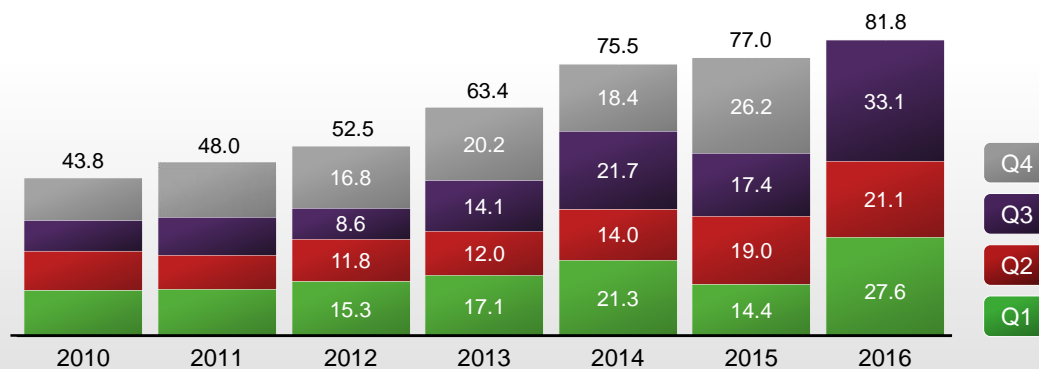
© UNIBET GROUP PLC 2016

11

## EBITDA

(EXCL 2014 KAMBI ONE-OFF ITEM)

GBPm

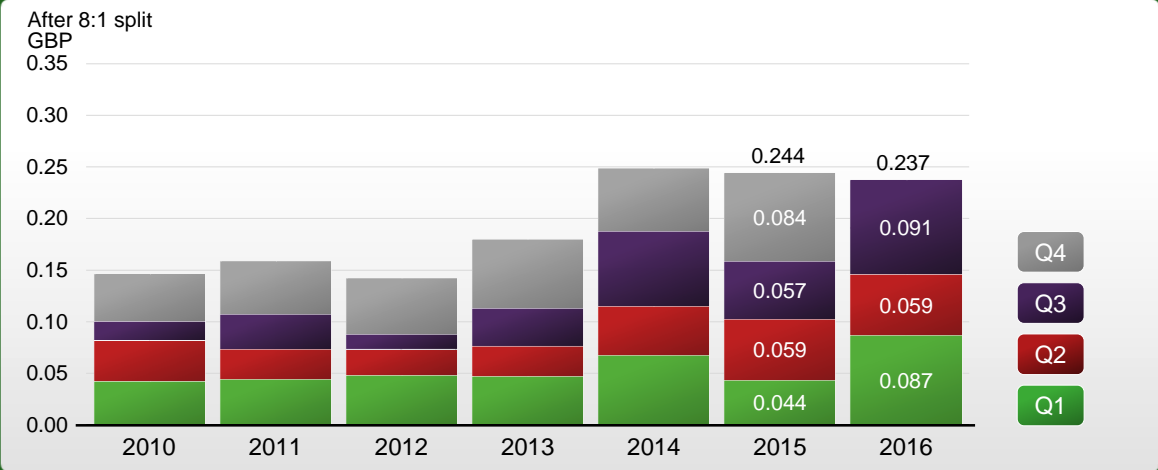


© UNIBET GROUP PLC 2016

12

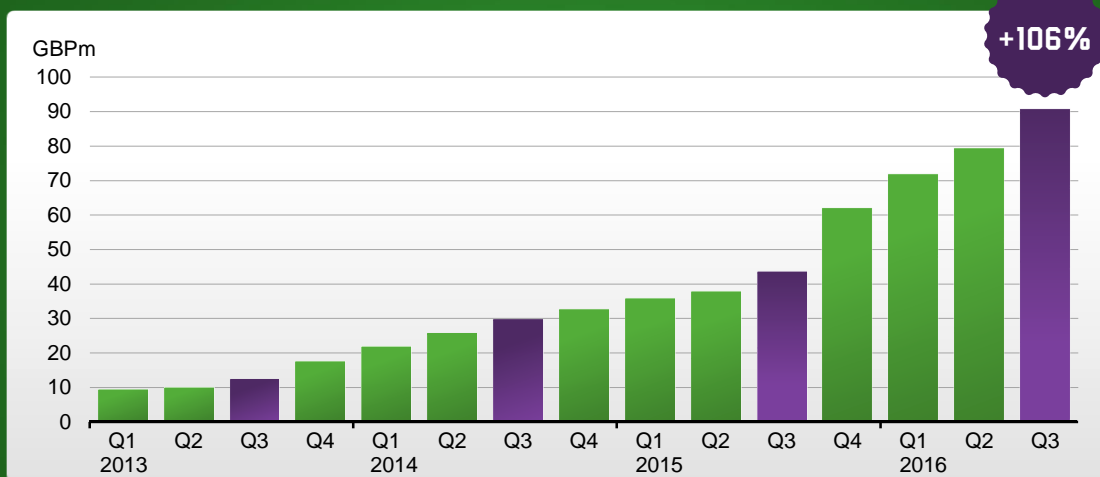
# EPS DEVELOPMENT

(EXCL 2014 ONE-OFF ITEMS)



# BUSINESS OVERVIEW

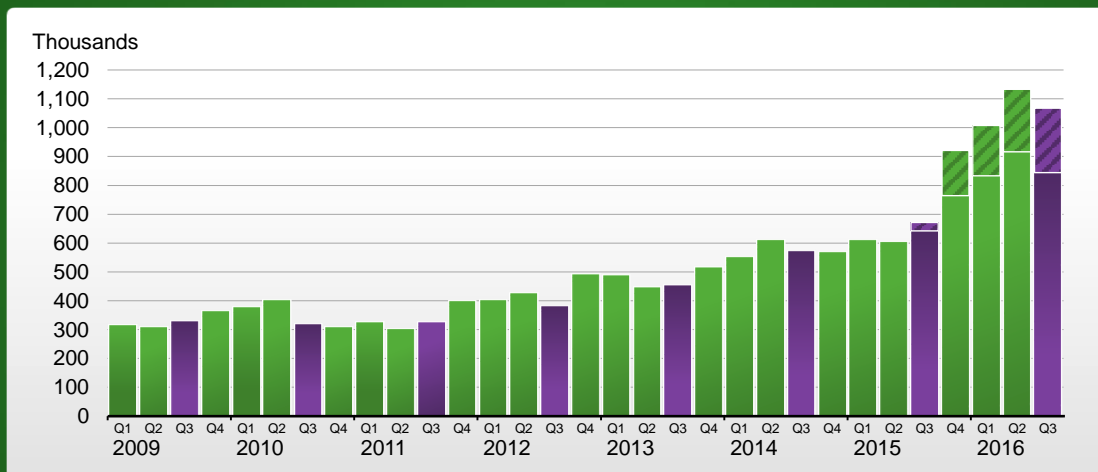
## GROSS WINNINGS REVENUE FROM MOBILE



© UNIBET GROUP PLC 2016

15

## ACTIVE CUSTOMERS

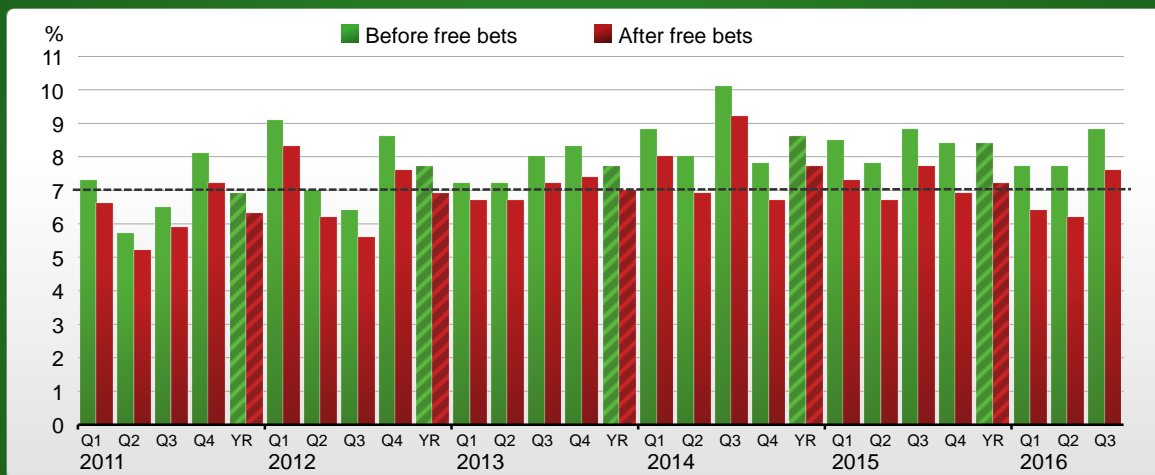


© UNIBET GROUP PLC 2016

16



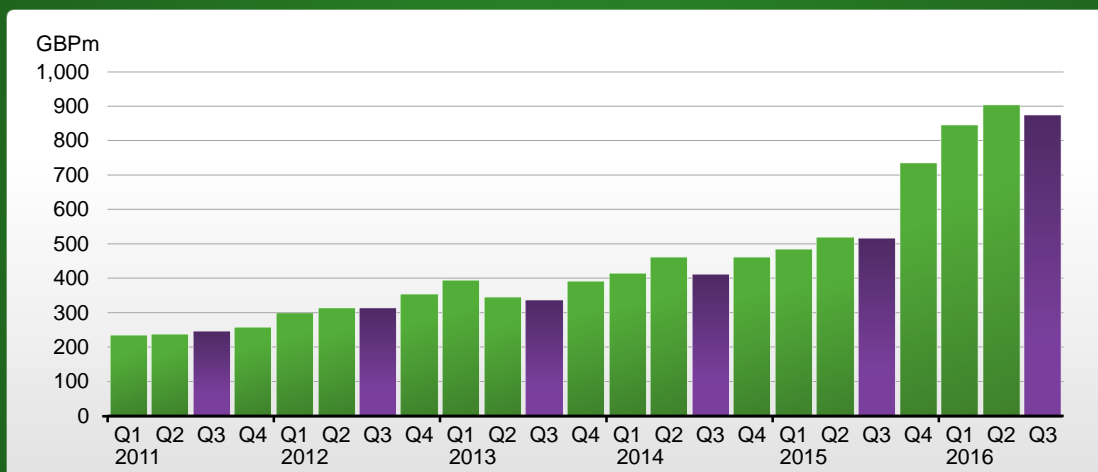
## SPORTS BETTING GROSS MARGIN COMBINED



© UNIBET GROUP PLC 2016

17

## SPORTS BETTING STAKES



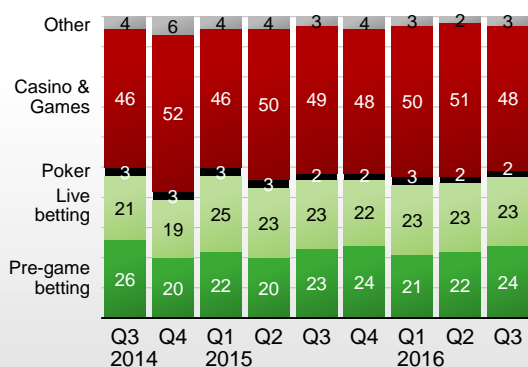
© UNIBET GROUP PLC 2016

18

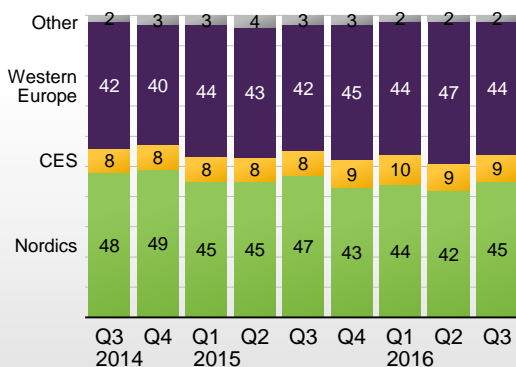
## GEOGRAPHIC & PRODUCT BALANCE

GROSS WINNINGS REVENUE OVER TIME

### BY PRODUCT, %



### BY GEOGRAPHY, %



© UNIBET GROUP PLC 2016

19

## CREATING RELEVANCE THROUGH TECHNOLOGY

- Personalisation & Automation
- Highly relevant messages through behavioral-based segmentation at the right time to the right customer
- Increased efficiency reflected in more and better targeted campaigns
- Tailored technology solutions to fulfill the Group's needs



© UNIBET GROUP PLC 2016

20

## INVESTING IN PLAYER SAFETY & CUSTOMER SECURITY

- u Digital ID Authentication & Verification
  - u MyDigipass in Belgium
  - u TUPAS in Finland
  - u BankID in Sweden
- u Improving Customer Verification and reducing friction with Optical Character Recognition Technology (OCR)
- u Giving customers greater flexibility in regulating their gambling through new tools such as different self-exclusion options and free Betfilter licences



© UNIBET GROUP PLC 2016

21

## REGULATORY UPDATE

- u Netherlands: Voting in the Senate planned for Q1-2017, subject to Senate approval, go-live date 2018
- u Sweden: Inquiry report end Q1 2017
- u Belgium: VAT paid from August 2016 – operators are challenging

© UNIBET GROUP PLC 2016

22

BoD to propose name  
change of holding  
company to  
Kindred Group plc
















Improved synergy,  
clarity and flexibility  
Creating better  
conditions for future  
growth



# EGM summoned for 6 December





## SUMMARY



© UNIBET GROUP PLC 2016

27

## SUMMARY Q3 2016

- ATH in GWR and EBITDA
- Group brands taking market share
- Organic growth Q3 = 27% in constant FX
- Average revenue growth reported by operators for Q3 = 15%\*

\*Clarion market insight



© UNIBET GROUP PLC 2016

28

