

Continuation of good momentum in Q3 2021 Confirmation of the 2021 outlook

Comments and variations for the third quarter are in relation to 2020, while those for the nine months to the end of September are in relation to 2019¹

- **Continuation of good momentum in Q3 compared with 2020**
 - Quarterly revenue of €529 million (+5%) and stakes of €4.5 billion (+4%)
 - Good trend in stakes at points of sale (+2%), driven by the reopening of the entire network from the beginning of June
 - Continuation of dynamic growth in online stakes (+20%), representing nearly 11% of total stakes
- **In the nine months to end-September, compared with 2019, revenue of €1,611 million (+8%) and stakes of €13.7 billion (+9%)**
- **Confirmation of the 2021 outlook**
 - Based on its revenue at the end of September, and with a stabilised health environment, FDJ confirms its outlook for 2021, namely revenue of €2.2 billion on the basis of stakes of approximately €18.8 billion, and an EBITDA margin greater than or equal to 22%

Boulogne-Billancourt (France), 14 October 2021 (5:45 p.m.) – La Française des Jeux (FDJ), France’s leading gaming operator, announces its revenue for the nine months to end-September 2021.

Stéphane Pallez, Chairwoman and CEO of FDJ, said: "The good recovery in our business seen in the second quarter has continued, both online and in our point-of-sale network, with a 5% increase in third-quarter revenue. We are confident that we will achieve our full-year objectives and we have faith in our sustainable growth strategy, which combines financial performance and responsible gaming commitment. In the meantime, FDJ Group has recently renewed its support for the most vulnerable groups, in the form of an exceptional €2 million programme in favour of young people hit hard by the health crisis."

Key figures (in millions of euros)

	9M 2021	9M 2020	9M 2019 ¹	2021/2019 ¹	Q3 2021	Q3 2020	Q3 2019 ¹	2021/2020
Revenue	1,611	1,352	1,498	+7.5 %	529	504	503	+5.1 %
Stakes	13,695	11,277	12,579	+8.9 %	4,536	4,378	4,126	+3.6 %

¹ 2019 data restated with full-year application of the new tax regime effective from 1 January 2020 and the consolidation of Sporting Group, but without restatement for long lottery cycles.

In Q3 2021, compared with 2020, revenue grew by 5% to €529 million, based on growth of 4% in stakes.

Revenue was up across all of the Group's businesses:

- For lottery games, the increase in revenue (+4%) was driven by that of stakes (+6%), with:
 - o Instant game stakes up 8% at €2.2 billion, notably with the success of the fourth edition of the Mission Patrimoine game;
 - o Draw games stakes up 2% at €1.4 billion, benefiting from favourable Loto events, including long cycles and a record jackpot of €26 million.
- For sports betting, revenue was up 7% on stakes down 3%. The contrasting trend is attributable to a decrease in the player payout (PPO) ratio.
 - o The decline in stakes is attributable to an unfavourable comparison base, as the third quarter of 2020 benefited from the rescheduling of numerous sporting competitions initially planned for the second quarter, such as the UEFA Champions League.
- Stakes were up across all distribution channels:
 - o +2% in points of sale, to more than €4 billion;
 - o +20% online, to nearly €0.5 billion. This trend reflects continued growth momentum in the wake of the health crisis, particularly for online lottery games, whose performance continues to be driven by growth in the number of players.

Player winnings totalled €3.1 billion, up more than 3%, representing a PPO ratio of 68.9%, compared with 69.3% in Q3 2020.

As such, gross gaming revenue (GGR: stakes less player winnings) increased by 5% to €1.4 billion, while net gaming revenue (NGR: GGR less contribution to public finances), which accounts for the bulk of the Group's revenue, was up 4% at €516 million; revenue from other activities rose by €3 million to €13 million.

Cumulatively at the end of September, compared with 2019, revenue was up 8% at €1.6 billion, with stakes up 9%.

Revenue was up for both lottery games and sports betting.

- For lottery games, the increase in revenue (+5%) was in line with that of stakes.
- For sports betting, revenue grew at a slower pace than stakes (+17% vs +25%) due to the increase in the PPO ratio.

Player winnings totalled €9.4 billion, based on a PPO ratio of 68.8%, compared with 68.2% in the nine months to end-September 2019.

As such, GGR was up 7% at €4.3 billion, and NGR up 7% at €1.6 billion; revenue from other activities amounted to €37 million (+€9 million).

2021 Outlook

In view of revenue at the end of September, and with a stabilised health environment, FDJ confirms its outlook for 2021, with:

- Revenue of €2.2 billion, based on stakes of approximately €18.8 billion;
- EBITDA margin greater than or equal to 22%; and
- Conversion of EBITDA into free cash flow² maintained at over 80%.

The Group's next financial communication

FDJ will report its 2021 revenue and earnings on Wednesday 16 February 2022 before the start of trading.

² Free cash flow: cash flow generated by operations after investments related to operations.

Forward-looking statements

This press release contains information on FDJ Group's objectives, as well as forward-looking statements. These statements do not reflect historical data and must not be interpreted as guarantees that the facts and data mentioned will occur. The information contained herein is based on what the Group considers to be reasonable data, assumptions and estimates. FDJ operates in a competitive and rapidly changing environment. The Group is therefore not in a position to anticipate all of the risks, uncertainties or other factors likely to impact its activity, the potential impact thereof on its activity, or even to what extent the materialisation of a risk or a combination of risks could present significantly different results from those mentioned in any forward-looking statements. The information contained herein is provided solely as at the date of the present press release. The Group makes no commitment to update these forward-looking statements or the assumptions on which they are based, aside from the fulfilment of any legal and regulatory obligations incumbent upon it. FDJ will disclose to the market any updates to information provided that are likely to have a significant impact on its activities, results, financial position or outlook, in accordance with applicable regulations, and will comply with the ongoing disclosure obligations applicable to all companies whose shares are listed for trading on the regulated market of Euronext Paris.

About FDJ Group

FDJ is the historical and unique lottery operator in France, the #2 in Europe and #4 worldwide. It offers a range of enjoyable, responsible games to the general public, both at points of sale and online: lottery games – draw games and instant games – and sports betting (Parions Sport). FDJ's performance is driven by a portfolio of iconic and recent brands, the #1 local sales network in France, a growing market, recurring investment and a strategy of innovation to make its offering and distribution more attractive with an enhanced gaming experience.

FDJ Group is listed on the regulated market of Euronext Paris (Compartment A – FDJ.PA) and is part of the SBF 120, Euronext Vigeo 20, STOXX Europe 600, MSCI Europe and FTSE Euro indices.

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Appendices

2019 data restated with full-year application of the new tax regime effective from 1 January 2020 and the consolidation of Sporting Group, but without restatement for long lottery cycles.

In € million	30.09.2021	30.09.2020	Change 09.2021 vs. 09.2020	30.09.2019 restated	Change 09.2021 vs. 09.2019 restated
Stakes*	13,695	11,277	+21.5 %	12,579	+8.9 %
Of which lotteries	10,480	9,188	+14.1 %	9,980	+5.0 %
Instant lottery games**	6,499	5,605	+15.9 %	6,015	+8.0 %
Draw games	3,982	3,583	+11.1 %	3,965	+0.4 %
Of which sports betting	3,189	2,060	+54.8 %	2,559	+24.6 %
Digitalised stakes***	3,852	2,489	+54.8 %	2,447	+57.4 %
Offline stakes	12,141	10,249	+18.5 %	11,766	+3.2 %

* Stakes reflect wagers by players, and do not constitute the revenue of the FDJ Group

** Mainly scratch games (point of sale and online)

*** Digitalised stakes include online and digitalised stakes at the point of sale, i.e. using a digital service/application for their preparation, prior to registration by the distributor

In € million	30.09.2021	30.09.2020	Change 09.2021 vs. 09.2020	30.09.2019 restated	Change 09.2021 vs. 09.2019 restated
Stakes	13,695	11,277	+21.5 %	12,579	+8.9 %
Prizes won	9,420	7,678	+22.7 %	8,574	+9.9 %
<i>Player payout ratio</i>	68.8 %	68.1%	+0.7 bp	68.2 %	+0.6 bp
Gross gaming revenue (GGR)	4,275	3,598	+18.8 %	4,005	+6.7 %
<i>GGR as % of stakes</i>	31.2 %	31.9 %	-0.7 bp	31.8 %	-0.6 bp
Net gaming revenue (NGR)	1,574	1,323	+19.0%	1,470	+7.1 %
<i>NGR as % of stakes</i>	11.5%	11.7%	-0.2 bp	11.7 %	-0.2 bp
Revenue	1,611	1,352	+19.1 %	1,498	+7.5%