



GVC Holdings PLC

Preliminary Results Presentation
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Kenneth Alexander, Chief Executive
Richard Cooper, Group Finance Director



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Key messages

- ♠ 2010 marketing investments paying off with strong Q4 and record start to 2011
- ♠ Two valuable brands in different stages of life-cycle:
 - ◆ CasinoClub – revenues growing again, media campaigns planned for 2011, profits stabilising.
 - ◆ Betboo – like for like revenues grew by 41%. Latam is huge potential market where GVC has early-mover advantage.
- ♠ Outstanding returns to shareholders continue to be delivered, 233% over last four years*

** Total shareholder return, assuming reinvestment of dividends, over the period 1 January 2007 to 24 March 2011*



2010 Financial summary (1 of 3)

- ♠ Net Gaming Revenue (“NGR”) increased 5% to €54.9 million (2009: €52.1 million)
- ♠ 18% increase on amounts staked on sports
- ♠ Cost base reflected additional €9.9 million (as previously announced) on:
 - ◆ €4.8 million of planned investments in marketing
 - ◆ €0.7 million of start-up costs for new sportsbook
 - ◆ €4.4 million of exceptional items
- ♠ Clean EBITDA €12.2 million (2009: €17.6 million)
- ♠ Profit before tax €4.1 million (2009: €14.0 million) reflecting the planned investment etc.
- ♠ Final dividend of 10 €cents in addition to interim dividend of 10 €cents and 50 €cents special dividend paid on 28 June 2010



2010 Financial summary (2 of 3)

	€000's		NGR		Clean Ebitda		<i>Comments</i>
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	
CasinoClub	29.4	27.5	18.4	13.9	<i>Investments made to stem decline</i>		
Betaland	20.5	22.2	1.7	1.9	<i>World Cup benefits in 2010</i>		
Betboo	2.2	5.2	0.1	(0.2)	<i>Poor sports in H1-10</i>		
Emerging markets:	-	-	-	(0.7)	<i>Start-up costs, live in Jan 2011</i>		
Central costs	-	-	(2.6)	(2.7)			
	<u>52.1</u>	<u>54.9</u>	<u>17.6</u>	<u>12.2</u>			



2010 Financial summary (3 of 3)

	€000's	<u>2009</u>	<u>2010</u>	<u>Comments</u>
Clean EBITDA		17.6	12.2	Lower CC revenues, marketing investment
Exceptional items		(1.5)	(4.4)	Boss, re-dom, cash settlement of share options
Share option charges		(0.2)	(0.5)	New options granted at £2.13
Depreciation & amortisation		(1.4)	(2.1)	Full-year for Betboo
Betboo deferred discount		(0.5)	(1.1)	Full-year for Betboo
Profit before tax		<u>14.0</u>	<u>4.1</u>	



Strategic objectives - overview

- ♠ **CasinoClub** – grow German revenues through increased marketing of €1.0 million
- ♠ **Betboo** – invest additional revenues back into marketing leading to further growth
 - ♠ €3.7 million of marketing investment for 2011
- ♠ **Emerging markets** – grow to become a significant generator of cash by H2-2012
- ♠ **Betaland** – maximise cash return to support dividend policy
- ♠ **Dividend policy** – 75% of net cash generated. Aim to maintain and as profits improve dividends should grow
 - ♠ Cash received by shareholders since January 2007 has been €56m (€1.80 per share)



CasinoClub



Historic

- ♠ Q4 2008 saw a sharp decline due to financial crisis
- ♠ Long-term embedded weaknesses includes poor third party software

Current

- ♠ 2010 marketing initiatives stemming the decline (Q4 2010 and Q1 2011 revenues showed growth)
- ♠ Ongoing EBITDA is expected to stabilise at close to current levels

Future

- ♠ Growth anticipated through planned additional €1.0 million media campaign in Germany in Q2 2011



CasinoClub - results

€000's	2009	2010	Q1-10	Q4-10
NGR	29,435	27,450	7,078	7,530
Contribution	20,640	16,510	4,483	4,448
Contribution %	70%	60%	63%	59%
Direct costs	(2,241)	(2,586)	(684)	(620)
Clean EBITDA	18,399	13,924	3,799	3,828



Betboo*



betboo

- ♠ Restructured earn-out to re-focus on revenue growth
- ♠ Local management locked-in until 2014
- ♠ €3.7 million of marketing investment via media channels planned for 2011 (2010: €0.6 million) to significantly grow revenues
 - ♠ Like-for-like revenues grew by 41% in 2010
- ♠ Aim to maintain break-even/small profit/loss with profitability expected in H2-2012
- ♠ Betboo uses in-house software for bingo and sports

* *acquired 1 July 2009*



Betboo – results

€000's	H2-09	H1-10	H2-10	FY-10
Sports Margin	9.3%	3.9%	8.2%	5.7%
Total NGR	2,180	2,163	3,067	5,230
Contribution	1,375	967	1,659	2,626
Contribution %	63%	45%	54%	50%
Direct costs	(1,272)	(1,284)	(1,531)	(2,815)
EBITDA	103	(317)	128	(189)

**NGR is the sports margin less chargebacks and similar items*



Emerging Markets

betboo

- ♠ Focus on Emerging Markets in order to generate longer-term cash returns
- ♠ Leveraging off the Betboo platform
- ♠ Experienced management team in place along with full operational team
- ♠ Went live on 5 January 2011
- ♠ Turnover has already exceeded management's expectations
- ♠ Recent KPIs (1 March 2011 to 22 March 2011)
 - ♠ €1.4 million of sports wagers
 - ♠ 56,000 bets placed
 - ♠ 1,100 users



Betaland



- ♠ Strong trading during FIFA World Cup
- ♠ Average of 10,000 monthly actives
- ♠ Improved product offering during 2010
- ♠ Working with local partners
- ♠ Aim to maximise cash generation – requires little investment



Betaland – results

€000's	2009	H1-10	H2-10	2010
Sports Margin	17.2%	13.7%	13.9%	13.8%
Total NGR	20,533	12,214	10,013	22,227
Contribution	4,151	2,209	1,996	4,205
Contribution %	20%	18%	20%	19%
Direct costs	(2,410)	(1,179)	(1,087)	(2,266)
EBITDA	1,741	1,030	909	1,939



Dividend policy

- ♠ 75% of net cash generated
- ♠ Four year history of dividend payments:
 - ♠ 2007 40 €cents (2 x 20)
 - ♠ 2008 40 €cents (2 x 20)
 - ♠ 2009 40 €cents (2 x 20)
 - ♠ 2010 60 €cents
 - ♠ 50 €cents paid 28 June 2010 as a special dividend
 - ♠ 10 €cents paid 28 October 2010 as an interim dividend

Total received by shareholders €1.80

- ♠ 2011 Final dividend for 2010, 10 €cents proposed



Regulatory and legal outlook

- ♠ The Interstate Treaty regarding gambling in Germany was passed on 1 January 2008 and expires 31 December 2011
- ♠ 24 March 2011 - EU started consultation to evaluate whether differing national regulatory models for gambling can co-exist
- ♠ 6 April 2011 – meeting between the Presidents of German Länder to discuss future framework for gaming in Germany
- ♠ Boss Media – cases pending
 - ♠ Malta* to opine on jurisdiction on 29 April 2011
 - ♠ Sweden* to opine on 22 June 2011

** separate legal entities*



2011 Q1 trading and Outlook for year

- ♠ Record start to year - average daily revenues €172k (Q1 2010: €157k)
- ♠ No World Cup so quieter summer expected
- ♠ Marketing initiatives start Q2 2011 in both CasinoClub and Betboo
- ♠ Pre-close trading update planned for 5 July 2011
- ♠ Outlook will be influenced by:
 - ♠ Direction taken by German Länder
 - ♠ Boss litigation
 - ♠ Success of marketing initiatives



Q1-2011 – average revenues per day

€000's	CasinoClub	Betaland	Betboo	Emerging Markets	TOTAL
Q1-11	83.3	67.5	19.1	2.2	172.1
Q4-10	81.8	48.4*	15.7	-	145.9
Q3-10	67.8	60.5	17.6	-	145.9
Q2-10	72.5	66.9	13.5	-	152.9
Q1-10	78.6	68.1	10.4	-	157.1

- ♠ New Sportsbook launched on 5 January 2011
- ♠ Sports wagers continue to grow. An average of €251k per day in Q1-11 (Q1-10: €212k)
- ♠ Sportsbook margin 17.0% in Q1-2011 (Q1-2010: 13.4%)

* 7.9% sports margin as a result of unfavourable football results



Outline calendar

- ♠ 28 Oct 2010 Interim dividend paid
- ♠ 15 April 2011 Record date
- ♠ 05 May 2011 AGM & Trading Update
- ♠ 19 May 2011 Final dividend payment
- ♠ Early July 2011 Interim Pre-close Trading Update



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