



GVC Holdings PLC

Preliminary Results Presentation
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Contents

- ♠ Key messages
- ♠ Financial summary
- ♠ Strategic objectives
- ♠ CasinoClub
- ♠ Betboo
- ♠ Emerging markets
- ♠ Betaland
- ♠ Dividend policy
- ♠ Regulatory and legal update
- ♠ Q1-2011 trading and Outlook



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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