GALA CORAL GROUP



Condensed Consolidated Interim Financial Information (unaudited)

Gala Coral Group Limited

Twenty eight week period ended 13 April 2013

Registered Number: 07254686

Forward Looking Statements

This report may include forward looking statements. All statements other than statements of historical facts included in this report, including those regarding Gala Coral's financial position, business and acquisition strategy, plans and objectives of management for future operations are forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Gala Coral, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.

The words "believe," "anticipate," "expect," "predict," "intend," "estimate," "plan," "aim," "assume," "forecast," "project," "will," "may," "should," "risk," "probable" and similar expressions, which are predictions or indications of future events and future trends, which do not relate to historical matters, identify forward-looking statements. All statements other than statements of historical facts included in this report including, without limitation, in relation to the Group's investment performance, results of operations, financial position, liquidity, prospects, growth potential, strategies and information about the macro-economic, industry and regulatory environment in which the Group operates are forward-looking. Readers of this report should not rely on forward-looking statements because, by their nature, such forward-looking statements involve known and unknown risks and uncertainties that could cause the Group's actual results, performance or achievements and the development of the industry in which it operates to be materially different from those expressed in, or suggested by, the forward-looking statements contained in this report.

These forward-looking statements are made as of the date of this report and are not intended to give any assurance as to future results. Neither the Group nor any of the Group's Directors or other officers undertake any obligation, except as required by law or by any appropriate regulatory authority, to report publicly any revisions or updates to these forward-looking statements to reflect events that occur, circumstances that arise or new information of which they become aware after the date of this report.

Use of Non-GAAP Financial Measures

The Group uses the EBITDA-based financial measure of EBITDA before exceptional items in this report. The Group defines EBITDA before exceptional items as financial result for the period before income tax expense, net finance costs depreciation and amortisation and exceptional items (including profit/(loss) on disposal of fixed assets). For a discussion of exceptional items, see "*Note 4: Exceptional Items*" herein. The Group utilises EBITDA before exceptional items for the Group and for all of its divisions.

This EBITDA-based measure is a non-U.K. GAAP measure. The Group uses EBITDA-based measures as internal measures of performance to benchmark and compare performance, both between its own operations and as against other companies. EBITDA-based measures are measures used by the Group, together with measures of performance under U.K. GAAP, to compare the relative performance of operations in planning, budgeting and reviewing the performances of various businesses. The Group believes EBITDA-based measures are useful and commonly used measures of financial performance in addition to operating profit and other profitability measures under U.K. GAAP because they facilitate operating performance comparisons from period to period and company to company. By eliminating potential differences in results of operations between periods or companies caused by factors such as depreciation and amortisation methods, financing and capital structures, taxation positions or regimes and exceptional items, the Group believes EBITDA-based measures can provide a useful additional basis for comparing the current performance of the underlying operations being evaluated. For these reasons, the Group believes EBITDA-based measures and similar measures are regularly used by the investment community as a means of comparison of companies in the Group's industry. Different companies and analysts may calculate EBITDA-based measures differently, so making comparisons among companies on this basis should be done very carefully. EBITDA-based measures are not measures of performance under U.K. GAAP and should not be considered in isolation or construed as substitutes for operating profit or net profit as an indicator of the Group's operations in accordance with U.K. GAAP.

In addition to this EBITDA-based measure, the Group has included other non-U.K. GAAP financial measures in this report, some of which the Group refers to as "key performance indicators". The Group believes that it is useful to include these non-U.K. GAAP measures as they are used by the Group for internal performance analysis and the presentation by its business divisions of these measures facilitates comparability with other companies in the Group's industry, although the Group's measures may not be comparable with similar measurements presented by other companies. These other non-U.K. GAAP measures should not be considered in isolation or construed as a substitute for U.K. GAAP measures in accordance with U.K. GAAP. For a discussion of certain of the Group's key performance indicators, see "*Overview for the Quarter and Year to date*".

Notice

These interim accounts have been prepared at the level of Gala Coral Group Limited.

As permitted by the bond indentures, the Group is allowed to prepare interim accounts at the level of either Gala Coral Group Limited or Gala Electric Casinos plc. In order to harmonise external reporting where possible for the Group, Gala Coral Group Limited is the preferred reporting entity.

From a profit and loss account perspective, the difference between accounts consolidated at Gala Coral Group Limited and those at Gala Electric Casinos plc is an immaterial amount of group interest payable. From a balance sheet perspective there is a small difference in net assets relating to the amount due in respect of subordinated group debt (the GCGL loan notes) and there are some classification differences in capital and reserves.

Overview of the quarter

The key trading highlights for the twelve weeks ended 13 April 2013 were:

- Turnover and gross profit were ahead of prior year by 9% and 6% respectively. EBITDA (pre-exceptionals) also increased by £2.4 million or 3% compared to last year.
- Coral Retail gross win was 7% ahead of last year. Favourable football results and a successful Grand National drove a strong OTC gross win margin of 20.6%, 1.3pp above that of last year, resulting in an 8% improvement in gross profit.
- Coral Interactive's second quarter of trading following the re-launch of the online and mobile sites continued to show strong growth, demonstrated by a 116% increase in active player numbers, a 120% increase in amounts staked and a 110% increase in gross win.
- Italy EBITDA (pre-exceptionals) increased by 24%, with sports betting market share up 1.3pp in retail to 7.5% and 1.4pp online to 8.4%.
- Gala Retail gross profit declined by 3% due to reduced admissions. Costs were tightly controlled leaving EBITDA (pre-exceptionals) 6% behind last year. After excluding the impact of poor weather, the decline was only £0.5 million.
- Gala Interactive active player numbers increased by 43%, and staking levels by 35%, resulting in a 27% increase in EBITDA (pre-exceptionals).
- Covenant net debt of £1,292.4 million has improved by £29.7 million since the year end primarily due to underlying cash conversion, a net inflow of cash in the period from VAT refunds and the sale of the Piccadilly Casino licence.
- The sale of 19 UK Casinos to The Rank Group Plc for total proceeds of £179.0 million completed on 12th May 2013. A prepayment of Term Loan B debt of £113.1 million has been made, leaving net debt post the disposal of £2,080.0 million and improving the net debt/EBITDA (pre-exceptionals) LTM covenant by 0.4x to 4.7x on a pro-forma basis.

Overview of the quarter by division

Coral Retail

Gross win in the quarter was £10.5 million or 7% higher than last year at £166.5 million. EBITDA (pre-exceptionals) of £49.7 million was £3.9 million or 9% higher than last year.

OTC stakes were £8.7 million or 2% higher than last year. Adjusting for the impact of the Aintree festival, OTC stakes were £11.8 million or 3% lower than last year.

OTC gross win was £6.9 million or 9% higher than last year, helped by the movement of the Grand National from Q3 last year. Margin performance in football was 4.0pp ahead of last year, supported by favourable results and a range of new products driving a structural improvement. This was partially offset by weaker greyhound and lottery results. Horse racing gross win was in line with last year, as was the gross win attributable to the Cheltenham festival.

Machines gross win increased by £3.6 million or 5.0% compared to last year. The roll-out of the new Infinity cabinets is now complete.

Operating costs were £5.4 million or 7% higher than last year, primarily as a result of estate development, increased shop TV content costs and increased irrecoverable VAT resulting from the introduction of MGD that came into effect on the 1st February 2013. The average number of LBOs increased by 43 units compared to the same quarter last year.

Overview of the quarter by division (continued)

Coral Interactive

Coral Interactive saw strong volume growth in the quarter. Sport actives increased by 103% to 208.8 thousand. Gaming actives increased by 114% to 75 thousand. New depositors were up 201% vs. last year. Mobile has seen significant growth and over 50% of actives now use the mobile platform.

Following the success of the Sprinter Sacre offer during the Cheltenham festival significant technical problems with the website disrupted customer service. These issues were subsequently addressed and the site performance was substantially improved for the Grand National. Nonetheless, there are still improvements to be made.

Gross profit was £2.8 million or 76% ahead of last year at £6.5 million. In line with expectations, operating costs were £5.4 million or 162% higher than the prior year at £8.8 million reflecting the "bow-wave" of marketing investment (£3.6 million higher than the same period last year) necessary to underpin future growth. Accordingly EBITDA (pre-exceptionals), excluding Telebet, of £(2.3) million was £2.6 million behind last year.

Coral Telebet incurred an EBITDA (pre-exceptionals) loss of £0.1 million compared with a loss of £0.5 million in the same quarter last year. This channel continues to decline as customers migrate online.

Italy

Eurobet Italia had another strong quarter with EBITDA (pre-exceptionals) ahead of last year by £1.1 million or 24% at £5.7 million. Overall sports stakes were £3.7 million or 6% ahead at £61.1 million, driven by a 19% increase online. LBO sports gross win was £0.5 million or 5% ahead of last year due to a 0.9pp increase in gross win margin to 27.1%, and Online sports gross win was £0.5 million or 17% ahead. Operating costs were £0.2 million or 6.0% higher than last year at £3.3 million. The favourable exchange rate resulted in a £0.4 million credit versus last year which is recorded under Administrative expenses.

The business continues to benefit from the prompt relocation of underperforming licences and, as a result, made significant market share gains in the period. LBO sports market share now stands at 7.5% (prior year 6.2%) while online sports market share now stands at 8.4% (prior year 7.0%).

Eurobet has been successful in its tender application for 500 shop licences. These licences provide the business with a significant growth opportunity and it is expected that the first new shops will be operational by the start of the next financial year, with all licences operating by the end of FY14. The capital outlay for the licences will be €27.0 million and Letters of Credit to support the licences will increase by €25.0 million from July this year.

Gala Retail

Net Income for the quarter was 7% below last year. There were, on average, five fewer clubs trading during the quarter than there were last year.

The 9% fall in LFL admissions in the second quarter is consistent with the trend in Q1, reflecting both the impact of poor weather during the quarter and weak consumer confidence. A trial of new Mainstage product pricing aimed at addressing the admissions decline is in the very early days but indications to this point are encouraging.

There was a slight decline in overall LFL spend per head in the quarter. However machines LFL spend per head grew by 10% compared to the same period last year following the roll out of new formats in some clubs.

Margins were ahead for all products resulting in gross profit being only £1.4 million or 3% behind the prior year despite lower admissions.

Costs savings initiatives resulted in a £0.5 million reduction in operating costs compared to the same period last year, primarily due to a 6% reduction in payroll costs. EBITDA (pre-exceptionals) of £15.4 million was £0.9 million or 6% lower than last year. The adverse weather experienced during March is estimated to have reduced EBITDA (pre-exceptionals) by £0.4 million. Adjusting for this, underlying EBITDA (pre-exceptionals) was £0.5 million or 3% below that of the prior year. This is an improvement on the previous quarter when underlying EBITDA (pre-exceptionals) was down 13%.

Overview of the quarter by division (continued)

Gala Interactive

Total gross win in the quarter increased by £6.1 million or 49% to £18.3 million with EBITDA (pre-exceptionals) increasing by £1.4 million or 27% to £6.6 million. This represents a continuation of the strong growth evidenced in Q1 and the positive performance generated by our new websites.

A high profile marketing campaign associated with the hit ITV show "Saturday Night Takeaway" helped drive Galabingo.com actives, as did the hard launch of the new mobile app at the beginning of the quarter, although this also diluted spend per head. Galabingo.com stakes increased by £33.6 million or 18% to £219.0 million with a strong margin resulting in gross win increasing by £4.3 million or 38% to £15.6 million.

Galacasino.com stakes increased by £40.4 million or 149% to £67.5 million with gross win increasing by £1.8 million or 200% to £2.7 million.

Overall gross profit increased by £2.7 million or 28% to £12.3 million, supported by increased marketing costs.

Gala Casino

Following the end of the second quarter, on the 12th May, the Group completed the sale of 19 of its 24 casinos to The Rank Group Plc for a consideration of £179.0 million. The Casino division as a whole delivered EBITDA (pre-exceptionals) in the quarter of £6.0 million (an improvement of £0.5 million or 9% year-on-year and £13.0 million in the first half of the year (an improvement of £0.3 million or 3%). These results are split between the disposed casinos and the retained casinos as follows:

P&L	Twelve weeks ended 13 April 2013 £m	Twelve weeks ended 7 April 2012 £m	Year on year variance
Retained Casinos gross profit	4.3	4.8	(10)%
Retained Casinos EBITDA (pre-exceptionals)	1.2	1.0	20%
Disposed Casinos gross profit	20.8	22.5	(4%)
Disposed Casinos EBITDA (pre-exceptionals)	4.8	4.5	9%

Going forwards the retained Casinos will be operated as part of the Gala Retail division and reported accordingly.

The LTM EBITDA (pre-exceptionals) for the disposed Casinos was £16.2 million, after associated overhead cost savings, resulting in an exit multiple of 10.7x for this business. For accounting purposes the Group incurred a loss on disposal of this business as a result of having to write-off historic goodwill and trading potential (non-cash items).

Overview of the quarter

Group turnover for the second quarter increased by £26.9 million or 9% to £311.3 million (2012: £284.4 million), with statutory gross profit of £232.1 million (2012: £220.6 million) representing growth of 6%.

Group EBITDA (pre-exceptionals) increased by £2.4 million to £74.2 million (2012: £71.8 million).

Central overheads (excluding other income) in the quarter (before depreciation and amortisation) were £0.1 million lower than in FY12 at £3.8 million.

A depreciation charge (including trading potential write down) of £17.6 million (2012: £16.5 million) and an amortisation charge of £4.2 million (2012: £4.4 million) were incurred in the quarter.

The profit on disposal of fixed assets of £8.2 million in the quarter (2012: loss of £0.1 million) includes the profit on disposal of a freehold property disposed of in Gala Propco Three Limited and a profit in relation to the disposal of a licence in the casino division.

Overview of the quarter (continued)

On 12 May 2013 the Group completed the sale of 19 of its UK casinos to The Rank Group Plc for total proceeds of £181.3 million plus certain adjustments for working capital. Based on management's initial calculations of the total net proceeds likely to be received, this will result in a loss on disposal of £58.0 million. This loss reflects the under realisation of goodwill and trading potential that has historically been carried against our casino division following the Group restructuring in 2003. This loss is a non-cash charge and only arises at a consolidated group level and does not affect the standalone statutory entities nor have a detrimental effect on financial covenants.

As a result of the above the profit before interest and tax is £18.2 million in the second quarter of 2013 (2012: £44.2 million).

Interest payable has increased from £52.1 million in the second quarter of 2012 to £54.5 million in the second quarter of 2013, primarily reflecting the roll-up of interest on the GCGL loan notes. Key elements of the interest charge include loan and bond interest of £30.3 million (2012: £30.8 million), of which £5.0 million (2012: £5.0 million) relates to the Gala Propco Three Limited loan, and non-cash interest on GCGL loan notes of £21.8 million (2012: £18.9 million). Interest payable also includes £2.3 million of costs (2012: £2.4 million) associated with the amortisation of debt issue costs and amortisation costs of interest rate cap premia. In addition the quarter included the payment of break fees amounting to £0.1 million on the early repayment of a portion of the Gala Propco Three Limited loan following a property disposal.

Other finance costs in the quarter were £1.5 million (2012: £1.2 million) associated with the unwinding of discount on provisions and finance costs in relation to the pension scheme.

The overall result after taxation for the second quarter is a loss of £39.1 million, compared to a loss of £12.1 million in the prior year.

Cash generated from operations in the quarter

During the quarter net cash inflow from operations was £88.1 million (2012: £71.0 million). This included exceptional cash inflows of £3.2 million mainly driven by VAT rebates and £2.6 million of additional pension contributions.

Of the cash inflows, £14.7 million (2012: £29.4 million) was reinvested in the Group to fund capital expenditure. In addition, the Group acquired a number of LBOs in the quarter for £3.6 million.

The Group received £10.3 million in net receipts (2012: £0.4 million) from the sale of tangible assets in the quarter of which £1.2 million was received as a result of a freehold property disposal in Gala Propco Three Limited and £7.4 million from the sale of a licence in the casino division.

In the quarter £16.3 million of cash outflows was utilised to meet interest and other financing costs (2012: £17.6 million) with a further £3.4 million (2012: £1.1 million) repaid on the Gala Propco Three Limited loan, following the sale of a freehold property.

Unlevered free cashflow for the quarter (cash available to pay net cash interest costs and service financing) was £77.2 million (2012: £41.2 million).

Total cash inflow for the quarter was £61.8 million (2012: £22.5 million).

Net Debt and Liquidity

The Group's funding and liquidity position is in line with expectations. Net debt for covenant purposes was £1,292.4 million (net of issue costs), prior to the casino disposal, versus £1,322.1 million as at 29 September 2012, mainly as a result of a net inflow of cash in the period.

Total net debt of £2,249.5 million (29 September 2012: £2,241.2 million) has increased since the year end due to the roll up of non-cash interest on subordinated loans from the ultimate parent company (GCGL loan notes) offset by the cash inflow. Total net debt includes the GCGL loan notes of £668.5 million and the Gala Propco Three Limited loan of £340.5 million which is ring fenced from the trading group.

Cash at bank and in hand of £173.5 million includes cash for covenant purposes of £146.0 million.

Overview of the quarter (continued)

Exceptional items in the quarter

Exceptional items in the quarter amounted to a credit of £14.9 million (FY12: £6.6 million debit). The primary components of this were costs associated with corporate simplification projects that are focused on ensuring the businesses can operate on a stand-alone basis, current year share-based payments charge (non-cash), the write-down on two Bingo clubs which closed during the period and residual costs associated with the launch of our new online businesses. These costs have been offset by the release of certain provisions associated with onerous leases that are in the process of being resolved.

Exceptional cash inflows in the period were £3.2 million (FY12: £2.7 million). This is lower than the P&L credit of £14.9 million due to the non-cash element of the reduction in onerous lease provisions.

Overview of the year to date

The key trading highlights for the twenty eight weeks ended 13 April 2013 were:

- Turnover and gross profit are ahead of prior year by 5% and 3% respectively.
- EBITDA (pre-exceptionals) decreased by £2.4 million compared to last year, as a result of poor weather conditions during the period (£3.5 million) and the phasing of certain costs compared to the prior year (£4.0 million). This phasing impact is expected to unwind over the remainder of the year.
- Total cash inflow for the period was £37.6 million (2012: outflow of £1.6 million).

Overview of the year to date by division

Coral Retail

Turnover for the year to date was £26.7 million or 8% higher than last year at £349.2 million. EBITDA (pre-exceptionals) of £94.1 million was £0.5 million or 1% lower than last year.

OTC stakes were £39.1 million or 4% lower than last year, primarily as a result of management action to withdraw ineffective concessions (enhanced pricing) that were being offered in Quarter 1 of the prior year. This decline has been partially offset by the timing of the Grand National.

OTC Gross win was £13.9 million or 8% higher than last year driven primarily by margin performance in football which was 4.8pp ahead of last year.

Machines stakes were £144.1 million or 3% lower than last year, however higher margin products drove an overall increase in gross win of £5.1 million or 3% compared to last year.

Operating costs were £10.5 million or 6.0% higher than last year, as a result of estate development, increased shop communications costs, and increased irrecoverable VAT costs. The average number of LBOs increased by 37 units compared to the same period last year, and this accounted for £3.5 million of the cost increase.

Coral Interactive

Sports actives increased by 126.7 thousand or 103% to 249.6 thousand compared to the same period last year, while Gaming actives increased by 50.4 thousand or 91% to 105.5 thousand.

Turnover in the year to date at £16.6 million was £3.5 million or 27% ahead of the same period last year. Gross profit was £3.7 million or 37% ahead of last year at £13.8 million with operating costs £8.8 million or 103% higher than the prior year at £17.4 million. This is in line with expectations and reflects the “bow-wave” of marketing investment (£5.2 million higher than the same period last year) necessary to create future growth. The increased spend resulted in an EBITDA (pre-exceptionals) including Telebet of £(5.0) million which was £5.6 million behind last year.

Overview of the year to date by division (continued)

Italy

Turnover year to date was ahead of last year by £3.9 million or 10%. Combined sports stakes were £17.2 million or 14% ahead of last year at £142.7 million with gross win margin down 0.4pp at 22.0%, leaving sports gross win £3.3 million or 12% up at £31.4 million. Other gross win was up £0.6 million or 5% at £13.0 million. Operating costs increased by £0.5 million or 7% to £7.5 million it, leaving EBITDA (pre-exceptionals) up by £2.0 million or 21% at £11.5 million.

Gala Retail

Turnover for the year to date was 5% below last year primarily driven by club closures. A £0.6 million reduction in operating costs resulted in EBITDA (pre-exceptionals) £4.1 million or 12% lower than last year. The year to date impact on EBITDA (pre-exceptionals) of adverse weather is estimated at £1.3 million. Adjusting for this, EBITDA (pre-exceptionals) was £2.8 million or 8% below the prior year.

Gala Interactive

Turnover in the year to date increased by £8.3 million or 35% to £31.6 million, and gross profit increased by £6.2 million or 29% to £27.8 million. An increase in operating costs of £3.4 million or 36% to £12.8 million, as a result of a £3.8 million increase in marketing costs, resulted in an EBITDA (pre-exceptionals) of £15.5 million which is £3.3 million or 27% ahead of last year.

Unique active players increased by 57.9 thousand or 29% to 255.8 thousand. Galabingo.com stakes increased by £73.7 million or 18% to £498.3 million and Galacasino.com stakes increased by £81.3 million or 128% to £144.8 million. Galabingo.com gross win increased by £9.5 million or 37% to £34.9 million and Galacasino.com gross win increased by £3.6 million or 176% to £5.6 million.

Gala Casino

Turnover for the year to date was £1.1 million or 1% lower than the prior year at £72.8 million, with gross profit £3.1 million or 5% lower than prior year. Operating costs were £3.4 million or 7% lower than last year resulting in a 3% increase in EBITDA (pre-exceptionals) to £13.0 million.

Admissions were 11% lower at 1,574 thousand. Cash drop per head was 9% higher and gross win margin was in line with last year. This resulted in a 4% drop in net income.

Overview of the year to date

Group turnover for the period increased by £33.8 million or 5% to £671.0 million (2012: £637.2 million), with statutory gross profit of £506.0 million (2012: £492.1 million) representing growth of 3%.

Group EBITDA (pre-exceptionals) decreased by £2.4 million to £147.8 million (2012: £150.2 million) driven primarily by the phasing of certain costs in Coral Retail.

Central overheads, including bonus provision but excluding other income (before depreciation and amortisation) were £1.9 million lower than in the prior year at £12.1 million (2012: £14.0 million).

A depreciation charge (including trading potential write down) of £40.8 million (2012: £36.9 million) and an amortisation charge of £9.4 million (2012: £10.2 million) were incurred in the year to date.

The profit on disposal of fixed assets of £10.2 million in the period (2012: loss of £0.3 million) includes the profit on disposal of three freehold properties disposed of in Gala Propco Three Limited and a profit in relation to the disposal of a licence in the casino division.

The provision for loss on disposal of a subsidiary of £58.0 million in the period has been discussed as part of the quarterly review.

As a result of the above the profit before interest and tax is £61.4 million in the period (2012: profit of £46.0 million).

Overview of the year to date (continued)

Interest payable has increased from £120.4 million in 2012 to £126.4 million in 2013, primarily reflecting the roll-up of interest on the GCGL loan notes. Key elements of the interest charge include loan and bond interest of £70.9 million (2012: £71.9 million), of which £11.4 million (2012: £11.7 million) relates to the Gala Propco Three Limited loan, and non-cash interest on GCGL loan notes of £49.8 million (2012: £43.1 million). Interest payable also includes £5.3 million of costs (2012: £5.4 million) associated with the amortisation of debt issue costs and amortisation costs of interest rate cap premia. In addition the period included the payment of break fees amounting to £0.4 million on the early repayment of a portion of the Gala Propco Three Limited loan following certain property disposals.

During the period the Group received interest of £6.0 million (2012: £nil) on VAT refunds from HMRC on 'Condé Nast' claims.

Other finance costs in the period were £3.5 million (2012: £3.0 million) associated with the unwinding of discount on provisions and finance costs in relation to the pension scheme.

The overall result after taxation for the period is a loss of £68.0 million, compared to a loss of £81.3 million in the prior year.

Cash generated from operations in the year to date

During the period net cash inflow from operations was £132.0 million (2012: £126.9 million). This included exceptional cash payments of £12.8 million and additional cash payments to the pension scheme of £2.6 million.

Of the cash inflows, £30.9 million (2012: £57.3 million) was reinvested in the Group to fund capital expenditure. In addition, the Group acquired a number of LBOs in the quarter for £3.6 million.

The Group received £13.7 million in net receipts (2012: £0.2 million) from the sale of tangible assets in the period of which £4.4 million was received as a result of three freehold property disposals in Gala Propco Three Limited and £7.4 million from the sale of a licence in the casino division.

In the period £67.1 million of cash outflows was utilised to meet interest and other financing costs (2012: £69.3 million) with a further £8.4 million (2012: £2.1 million) repaid on the Gala Propco Three Limited loan, of which an amount was repaid early due to the sale of three freehold properties.

Unlevered free cashflow for the period (cash available to pay net cash interest costs and service financing) was £106.5 million (2012: £69.6 million).

Total cash inflow for the period was £37.6 million (2012: outflow of £1.6 million).

Current trading

Trading in the five weeks since the end of the quarter has been challenging, primarily as a result of adverse football and horse racing results, which have impacted performance in all bookmaking businesses. Cost efficiencies in Gala Retail have partially offset the continued lower admission levels, while both Coral Interactive and Gala Interactive continue to show positive year on year growth in active users and stakes.

	Notes	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 As restated £m
Turnover	3		
Continuing operations		608.0	573.0
Discontinued operations	2	63.0	64.2
		671.0	637.2
Cost of sales		(165.0)	(145.1)
Gross profit		506.0	492.1
Administrative expenses		(398.9)	(447.8)
Operating profit before other operating income		107.1	44.3
Operating profit before other operating income, analysed as:			
Before exceptional items		98.1	101.2
Impairments	4	(2.6)	(0.1)
Casino disposal	4	-	(1.9)
FRS 20 'Share Based Payment' charge	4	(3.3)	(45.3)
Release/(creation) of onerous leases	4	19.5	(2.1)
Other restructuring costs and VAT rebates	4	(4.6)	(7.5)
Operating profit before other operating income		107.1	44.3
Other operating income		2.1	2.0
Operating profit	3		
Continuing operations		101.9	41.7
Discontinued operations	2	7.3	4.6
		109.2	46.3
Profit/(loss) on disposal of fixed assets	4	10.2	(0.3)
Provision for the loss on disposal of subsidiary	4	(58.0)	-
Profit before interest and tax		61.4	46.0
Interest receivable and similar income	5	6.6	0.2
Interest payable and similar charges	5	(126.4)	(120.4)
Other finance costs		(3.5)	(3.0)
Loss on ordinary activities before tax		(61.9)	(77.2)
Tax on loss on ordinary activities	6	(6.1)	(4.1)
Loss for the financial period		(68.0)	(81.3)

There are no material differences between the loss on ordinary activities before tax and the loss for the financial periods at their historical cost equivalents.

The prior period results have been restated to reflect the FRS 20 'Share Based Payment' charge.

Gala Coral Group Limited
Group Statement of Total Recognised Gains and Losses and Reconciliation of Movement in Total Group Shareholders' Funds

Group Statement of Total Recognised Gains and Losses

	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 As restated £m
Loss for the financial period	(68.0)	(81.3)
Net foreign exchange adjustments offset in reserves	1.5	(2.3)
Actuarial loss on pension schemes	(11.1)	(8.5)
Deferred tax credit relating to pension scheme	2.5	2.5
Current tax credit relating to pension scheme	0.6	-
Total recognised gains and losses for the period	(74.5)	(89.6)

Reconciliation of Movement in Total Group Shareholders' Funds

	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 As restated £m
Total recognised gains and losses for the period	(74.5)	(89.6)
FRS 20 'Share Based Payment' charge	3.3	45.3
Opening shareholders' funds	165.1	242.4
Closing shareholders' funds	93.9	198.1

Gala Coral Group Limited
Group Balance Sheet

	Notes	Unaudited 13 April 2013 £m	Unaudited 7 April 2012 £m	Audited 29 September 2012 £m
Fixed assets				
Intangible assets		505.3	521.6	513.8
Tangible assets		2,046.4	2,037.2	2,062.0
		2,551.7	2,558.8	2,575.8
Current assets				
Stocks		4.0	3.3	3.6
Debtors		82.6	73.6	69.8
Cash at bank and in hand		173.5	140.1	135.9
		260.1	217.0	209.3
Creditors: amounts falling due within one year	7	(222.5)	(196.9)	(204.7)
Net current assets		37.6	20.1	4.6
Total assets less current liabilities		2,589.3	2,578.9	2,580.4
Creditors: amounts falling due after more than one year	8	(2,417.6)	(2,331.8)	(2,372.0)
Provisions for liabilities	9	(100.4)	(75.4)	(73.9)
Net assets excluding net pension asset		71.3	171.7	134.5
Net pension asset		22.6	26.4	30.6
Net assets including net pension asset		93.9	198.1	165.1
Capital and reserves				
Called up share capital		213.3	213.3	213.3
Merger reserve		1.6	1.6	1.6
Capital contribution reserve		1,723.5	1,723.5	1,723.5
Profit and loss account		(1,844.5)	(1,740.3)	(1,773.3)
Total shareholders' funds		93.9	198.1	165.1

The condensed consolidated interim financial statements on pages 10 to 24 were approved by the Board of Directors on 24 May 2013 and are signed on its behalf by:

P Bowtell
Director

Gala Coral Group Limited
Group Cash Flow Statement

	Notes	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 £m	Audited year ended 29 September 2012 £m
Net cash inflow from operating activities	10(a)	132.0	126.9	244.7
Returns on investments and servicing of finance				
Interest received		6.6	0.2	0.6
Interest paid and similar charges		(67.1)	(69.3)	(136.3)
Purchase of new interest rate caps		-	-	(3.3)
Net cash outflow from returns on investments and servicing of finance		(60.5)	(69.1)	(139.0)
Taxation				
Corporation tax paid		(1.7)	(0.2)	(0.7)
Capital expenditure and financial investment				
Payments to acquire tangible and intangible fixed assets		(30.9)	(57.3)	(99.5)
Net receipts from sale of tangible fixed assets		13.7	0.2	1.7
Net cash outflow for capital expenditure and financial investment		(17.2)	(57.1)	(97.8)
Acquisitions and disposals				
Purchase of subsidiary undertakings		(3.6)	-	(8.4)
Cash acquired with subsidiary undertakings		-	-	0.1
Net costs on sale of subsidiary		(3.0)	-	-
Net cash outflow from acquisitions and disposals		(6.6)	-	(8.3)
Net cash inflow/(outflow) before financing		46.0	0.5	(1.1)
Financing				
Repayment of the Gala Propco Three Limited loan		(8.4)	(2.1)	(4.7)
Net cash outflow from financing	10(b)	(8.4)	(2.1)	(4.7)
Increase/(decrease) in cash	10(b)	37.6	(1.6)	(5.8)

Reconciliation of Group Net Cash Flow to Movement in Group Net Debt

	Notes	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 £m	Audited year ended 29 September 2012 £m
Increase/(decrease) in cash		37.6	(1.6)	(5.8)
Net repayment of long-term loans		8.4	2.1	4.7
Change in net debt resulting from cash flows		46.0	0.5	(1.1)
Non-cash movements	10(b)	(54.3)	(47.8)	(91.1)
Movement in net debt		(8.3)	(47.3)	(92.2)
Opening net debt	10(b)	(2,241.2)	(2,149.0)	(2,149.0)
Closing net debt	10(b)	(2,249.5)	(2,196.3)	(2,241.2)

1. Basis of Preparation

The condensed consolidated interim financial information, which is unaudited, is prepared in accordance with the recognition and measurement requirements of United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and, with the exception of tax (see note 6), in accordance with the accounting policies applied in the financial statements for the year ended 29 September 2012 and therefore should be read in conjunction with those annual financial statements, which can be obtained from Gala Coral Group Limited, New Castle House, Castle Boulevard, Nottingham, NG7 1FT. The condensed consolidated interim financial statements do not include all the information or disclosures required in the annual financial statements as they have been prepared for the provision of interim information.

Accounting Estimates

The preparation of the condensed consolidated interim financial information in accordance with UK GAAP requires the Group to make estimates, judgements and assumptions that may affect the reported amounts of assets, liabilities, turnover and expenses and the disclosure of contingent assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review of the audited statutory accounts for the year ended 29 September 2012. The key risks and uncertainties facing the Group along with its financial risk management objectives and processes are also set out therein.

The directors have continued to review the Group's cash flow forecasts, trading budgets and loan repayment terms and after making appropriate enquiries, have formed the view that the Group is operationally and financially robust and will generate sufficient cash to meet its ongoing requirements for at least the next 12 months from the signing of this report. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

General Information

The condensed consolidated interim financial information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Audited statutory accounts for the year ended 29 September 2012 were approved by the Board of Directors on 6 December 2012, have been filed with the Registrar of Companies and are available on the Group website: www.galacoral.co.uk. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under either Section 498(2) or 498(3) of the Companies Act 2006.

2. Discontinued Operations

On 12 May 2013 the Group sold Gala Casino 1 Limited, a wholly owned subsidiary, for a consideration of £179.0 million. Gala Casino 1 Limited operated 19 of the Group's 24 UK casinos. The disposal represents a material reduction in the Group's presence in the Casino market and as a result, it has been treated as a discontinued operation in the profit and loss account.

	2013			2012		
	Continuing operations £m	Discontinued operations £m	Total Group £m	Continuing operations £m	Discontinued operations £m	Total Group £m
Turnover	608.0	63.0	671.0	573.0	64.2	637.2
Cost of sales	(151.5)	(13.5)	(165.0)	(131.8)	(13.3)	(145.1)
Gross profit	**456.5**	**49.5**	**506.0**	**441.2**	**50.9**	**492.1**
Administrative expenses	(356.7)	(42.2)	(398.9)	(401.5)	(46.3)	(447.8)
Operating profit before other operating income	**99.8**	**7.3**	**107.1**	**39.7**	**4.6**	**44.3**
Other operating income	2.1	-	2.1	2.0	-	2.0
Operating profit	**101.9**	**7.3**	**109.2**	**41.7**	**4.6**	**46.3**

3. Segmental Analysis

The Group operates six segments – Coral Retail, Coral Interactive (Coral Int), Italy, Gala Retail, Gala Interactive (Gala Int) and Gala Casino. The Interactive segments operate online sports betting, casinos and other gaming products. The Italy segment comprises betting shops and online sports betting in Italy.

The revenue of Coral Retail and Gala Retail arises solely within the United Kingdom. The Gala Casino revenue arises in the United Kingdom and Gibraltar. The revenue of the Interactive segments arises in Europe. Its customers are primarily located in the United Kingdom and mainland Europe. Due to the nature of the Interactive segment, it is not possible to split the net assets by geographical category. The revenue of the Italy segment arises solely in Italy.

The prior year divisional EBITDA (pre-exceptionals) has been restated to include an element of costs which were previously identified as central costs ("allocated divisional costs"). This restatement has been made to appropriately reflect the cost analysis of the current organisational structure and the way the business is managed. The current and prior year allocation of central costs has been undertaken on a consistent basis.

3. Segmental Analysis (continued)

Turnover, Group operating profit and net assets are analysed as follows:

Unaudited twenty eight weeks to 13 April 2013

	Coral Retail £m	Coral Int £m	Italy £m	Gala Retail £m	Gala Int £m	Gala Casino £m	Group £m
Turnover	349.2	16.6	44.4	156.4	31.6	72.8	671.0
Divisional EBITDA	**92.9**	**(5.0)**	**11.5**	**29.9**	**15.5**	**13.0**	**157.8**
Other operating income	1.2	-	-	0.4	-	-	1.6
EBITDA post other operating Income	**94.1**	**(5.0)**	**11.5**	**30.3**	**15.5**	**13.0**	**159.4**
Unallcoated other operating income							0.5
Central costs							(8.6)
Bonus							(3.5)
Group EBITDA (pre-exceptionals)							**147.8**
Depreciation and amortisation							(47.6)
Exceptional items							9.0
Group operating profit							**109.2**

Segment operating profit by division for the year was:

	Coral Retail £m	Coral Int £m	Italy £m	Gala Retail £m	Gala Int £m	Gala Casino £m
Segment operating profit[1]	77.6	(7.1)	8.2	16.3	13.4	8.9

[1] Segment operating profit is stated before bonus, group amortisation and exceptional items.

3. Segmental Analysis (continued)

Unaudited twenty eight weeks to 7 April 2012

	Coral Retail £m	Coral Int £m	Italy £m	Gala Retail £m	Gala Int £m	Gala Casino £m	Group As restated £m
Turnover	322.5	13.1	40.5	163.9	23.3	73.9	637.2
Divisional EBITDA	**93.4**	**0.6**	**9.5**	**34.0**	**12.2**	**12.5**	**162.2**
Other operating income	1.2	-	-	0.4	-	0.2	1.8
EBITDA post other operating income	**94.6**	**0.6**	**9.5**	**34.4**	**12.2**	**12.7**	**164.0**
Unallcoated other operating income							0.2
Central costs							(10.2)
Bonus							(3.8)
Group EBITDA (pre-exceptionals)							**150.2**
Depreciation and amortisation							(47.0)
Exceptional items							(56.9)
Group operating profit							**46.3**

Segment operating profit by division for the year was:

	Coral Retail £m	Coral Int £m	Italy £m	Gala Retail £m	Gala Int £m	Gala Casino £m
Segment operating profit[1]	78.7	(1.1)	5.6	21.1	10.6	7.3

[1] Segment operating profit is stated before bonus, group amortisation and exceptional items.

The prior year has been restated to appropriately split the trading results of Gala Interactive and Coral Interactive and includes the FRS 20 'Share Based Payment' charge.

4. Exceptional Items

Exceptional Items (Credited)/Charged to Operating Profit

Exceptional items in the quarter amounted to a credit of £9.0 million (7 April 2012: £56.9 million debit). The primary components of this were costs associated with corporate simplification projects that are focused on ensuring the businesses can operate on a stand-alone basis, current year share based payments charge (non-cash), the write down on two Bingo clubs which closed during the period and residual costs associated with the launch of our new online businesses. These costs have been offset by the release of certain provisions associated with onerous leases that are in the process of being resolved.

Exceptional cash outflows in the period were £12.8 million (7 April 2012: £16.5 million). This is higher than the profit and loss account credit of £9.0 million due to the non-cash element of the reduction in onerous lease provisions.

4. Exceptional Items (continued)

Exceptional Items (Credited)/Charged after Operating Profit

1) Profit/(loss) on Disposal of Fixed Assets

The profit on disposal of £10.2 million in the period (7 April 2012: loss of £0.3 million) includes the profit on disposal of freehold properties (including three disposals in Gala Propco Three Limited) and a licence in the casino division.

2) Provision For Loss on Disposal of Subsidiary

On 12 May 2013 the Group completed the sale of 19 of its UK casinos to The Rank Group Plc for total proceeds of £179.0 million plus certain adjustments for working capital. Based on management's initial calculations of the total net proceeds likely to be received, this will result in a loss on disposal of £58.0 million. This loss reflects the under realisation of goodwill that has historically been carried against our casino division following the Group restructuring in 2003. This loss is a non-cash charge and only arises at a consolidated group level and does not affect the standalone statutory entities nor have a detrimental effect on financial covenants.

3) Exceptional Interest

Exceptional interest receivable in the period of £6.0 million (7 April 2012: £nil) relates to interest receivable from HMRC on 'Condé Nast' claims.

During the period the Group paid £0.4 million (7 April 2012: £nil) of break fees on Gala Propco Three Limited loan repayments following the disposal of certain properties in Gala Propco Three Limited.

5. Interest

	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 £m
Loan and bond interest and similar charges	(59.5)	(60.2)
Gala Propco Three Limited loan interest	(11.4)	(11.7)
GCGL loan note interest	(49.8)	(43.1)
Amortisation of debt issue costs and senior notes discount	(4.5)	(4.7)
Amortisation of interest rate cap premia	(0.8)	(0.7)
	(126.0)	(120.4)
Exceptional interest payable (note 3):		
Break fees on Gala Propco Three Limited loan	(0.4)	-
Interest payable and similar charges	(126.4)	(120.4)
Interest on deposits and money market funds	0.6	0.2
Exceptional interest receivable (note 3)	6.0	-
Interest receivable and similar income	6.6	0.2
Net interest payable	(119.8)	(120.2)

Loan interest payable and similar charges include amounts payable on the senior secured credit facilities, senior secured notes and senior notes. Actual amounts paid in the period in relation to the Gala Propco Three Limited loan amounted to 10.9 million (7 April 2012: £11.0 million).

In the period interest receivable on the Gala Propco Three Limited cash balance was £nil (7 April 2012: £nil).

6. Tax on Loss on Ordinary Activities

Taxation is recognised based on management's best estimate of the average annual effective rate expected for the full financial year. Any charges and credits shown relate to deferred tax and overseas corporation tax.

7. Creditors: Amounts Falling Due Within One Year

	Unaudited 13 April 2013 £m	Unaudited 7 April 2012 £m	Audited 29 September 2012 £m
Current instalments due on loans	6.2	5.2	5.8
Loan, senior secured notes and senior notes interest	30.1	28.7	25.5
Trade creditors	22.8	27.6	47.3
Corporation tax	3.1	0.1	0.7
Other taxation and social security	41.6	31.3	29.2
Other creditors	14.8	11.2	13.9
Accruals and deferred income	103.9	92.8	82.3
	222.5	196.9	204.7

8. Creditors: Amounts Falling Due After More Than One Year

	Unaudited 13 April 2013 £m	Unaudited 7 April 2012 £m	Audited 29 September 2012 £m
Gala Propco Three Limited loan	334.3	345.5	342.7
Senior secured credit facilities	809.6	806.7	808.1
Senior secured notes	342.6	341.2	341.8
Senior notes	261.8	259.7	260.7
Gala Coral Group Limited ("GCGL") loan note	668.5	578.1	618.0
Other creditors	0.8	0.6	0.7
	2,417.6	2,331.8	2,372.0

The Gala Propco Three Limited loan of £340.5 million (7 April 2012: £350.7 million, 29 September 2012: 348.5 million), including amounts of £6.2 million (7 April 2012: £5.2 million, 29 September 2012: £5.8 million) falling due within one year, is presented net of unamortised issue costs of £0.6 million (7 April 2012: £1.4 million, 29 September 2012: £1.0 million). The loan is owed by Gala Propco Three Limited and is ring-fenced from the trading group. The Gala Propco Three Limited loan matures in April 2014, is secured on certain properties which it owns and carries a fixed rate of interest of 6.1672%.

8. Creditors: Amounts Falling Due After More Than One Year (continued)

The principal terms of the current borrowings are as follows:

	Amount £m	Interest rate %	Maturity
Issued by Gala Group Finance plc:			
Senior secured credit facilities			
Term loan	825.0	LIBOR + 5	27 May 2018
Revolving credit facility	100.0	LIBOR + 4	27 May 2017
Senior secured notes	350.0	8.875	1 September 2018
Issued by Gala Electric Casinos plc:			
Senior notes	275.0	11.5	1 June 2019

The senior secured credit facilities and the senior secured notes are secured on the assets of the Group. The Group incurred costs relating to the raising of these borrowings and the senior notes were issued at a discount to their nominal value. The issue costs and discount have been deferred and are being amortised over the term of the borrowings. At 13 April 2013 the senior secured credit facilities, senior secured notes and senior notes are presented net of unamortised issue costs (and in respect of the senior notes, also the discount to nominal value) of £15.4 million (7 April 2012: £18.3 million, 29 September 2012: £16.9 million), £7.4 million (7 April 2012: £8.8 million, 29 September 2012: £8.2 million) and £13.2 million (7 April 2012: £15.3 million, 29 September 2012: £14.3 million) respectively.

In addition to the margin payable on the senior secured credit facilities, the Group pays a 1.5% (2012: 1.5%) facility fee in respect of the unused portion of the revolving credit facility. The revolving credit facility is available to finance working capital requirements and for general corporate purposes. Whilst no amounts have been drawn down on the revolving credit facility, £26.6 million (7 April 2012: £17.4 million, 29 September 2012: £16.8 million) has been utilised through the issuance of letters of credit.

The senior secured credit facilities loan agreement requires the Group to comply with certain financial and non-financial covenants. The Gala Propco Three Limited loan agreement requires Gala Propco Three Limited to comply with certain financial and non-financial covenants.

The GCGL loan notes have been issued to its parent company, GCG Manager SA Luxco SCA as part of the financial restructuring which completed in June 2010. GCGL loan notes are unsecured, were issued with a duration of 10 years, accruing interest of 15.0625%, only payable on maturity on 27 October 2020. Interest accrued rolls up into the principal amount on 27 October each year until redemption. As at 13 April 2013 issue costs of £2.4 million (7 April 2012: £3.7 million, 29 September 2012: £3.1 million) are netted off against the GCGL loan note.

9. Provisions

The movement in provisions from the year end of £26.5 million is driven by a release of the vacant lease provision following the reassessment of the provision required for certain vacant properties offset by the provision for the loss on disposal of Casinos as discussed in note 2.

10. Notes to the Group Cash Flow Statement

a) Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 As restated £m	Audited year ended 29 September 2012 £m
Operating profit	109.2	46.3	118.8
Depreciation, amortisation, impairment and write downs	50.2	47.1	89.3
Increase in debtors	(15.6)	(11.0)	(5.0)
Increase in stocks	(0.4)	-	(0.3)
Increase in creditors	14.4	5.8	0.9
Decrease in provisions	(26.5)	(4.6)	(7.7)
Pension contributions in excess of profit and loss charge	(2.6)	(2.0)	(2.9)
FRS 20 'Share Based Payment' charge	3.3	45.3	51.6
Net cash inflow from operating activities	132.0	126.9	244.7

b) Analysis of Net Debt

	At 29 September 2012 £m	Cash Flow £m	Transfers Between Categories £m	Other Non-cash Movements £m	At 13 April 2013 £m
Cash at bank and in hand	135.9	37.6	-	-	173.5
Debt due within one year	(5.8)	8.4	(8.8)	-	(6.2)
Debt due after one year	(2,371.3)	-	8.8	(54.3)	(2,416.8)
Total debt	(2,377.1)	8.4	-	(54.3)	(2,423.0)
Net debt	(2,241.2)	46.0	-	(54.3)	(2,249.5)

Non-cash movements comprise amortisation and write off of debt issue costs and senior notes discount of £4.5 million and an accrual of interest on the GCGL loan notes of £49.8 million.

Cash at bank and in hand as at 13 April 2013 includes the Gala Propco Three Limited balance of £7.2 million (7 April 2012: £9.4 million, 29 September 2012: £9.6 million), the cash in hand balance of £20.3 million (7 April 2012: £20.9 million, 29 September 2012: £20.5 million) and the cash provided as collateral of £nil (7 April 2012: £0.3 million, 29 September 2012: £0.4 million).

10. Notes to the Group Cash Flow Statement (continued)

c) Cash Flows relating to Exceptional Items (note 4)

	Unaudited twenty eight weeks to 13 April 2013 £m	Unaudited twenty eight weeks to 7 April 2012 £m	Audited year ended 29 September 2012 £m
Included within operating cash flow:			
Restructuring and reorganisation costs	(21.8)	(16.5)	(36.3)
VAT refunds net of duty	9.0	-	-
	(12.8)	(16.5)	(36.3)
Net disposal proceeds of tangible fixed assets	13.7	0.2	1.7
Net cash outflow	0.9	(16.3)	(34.6)

VAT refunds net of duty relate to a repayment of input VAT on Coral capital expenditure and refunds associated with successful 'Conde Nast' claims. Proceeds from the disposal of tangible fixed assets include £7.4 million in relation to the disposal of a licence in the casino division and £4.4 million in relation to three freehold properties disposed by Gala Propco Three Limited.

The group also made a one off pension contribution of £2.6 million during the period as part of the agreed deficit funding arrangement (2012: £2.0 million) and paid £3.0 million of costs for the disposal of 19 UK casinos.