

FULL YEAR 2013 RESULTS

20 February 2014



Agenda

HIGHLIGHTS

- ALAN JACKSON, CHAIRMAN

FINANCIAL REVIEW

- RON HOFFMAN, CFO

STRATEGIC REVIEW

- MOR WEIZER, CEO

Q&A

Highlights

- First results as Chairman
- Impressive full year financial performance
 - total revenue up 16%
 - adj. EBITDA* up 17%
 - adj. net profit* up 26%
- Sale of stake in William Hill Online for £424m
- Total shareholder distribution for 2013 c.€188.5m
 - special dividend in sterling of £100 million (c.34.1 pence)
 - recommended final dividend of €45.2 million (15.4 € cents)
 - Interim dividend of €22.8 million (7.8 € cents)

* Excluding WHO SOP 2012/2013

Agenda

HIGHLIGHTS

• **ALAN JACKSON, CHAIRMAN**

FINANCIAL REVIEW

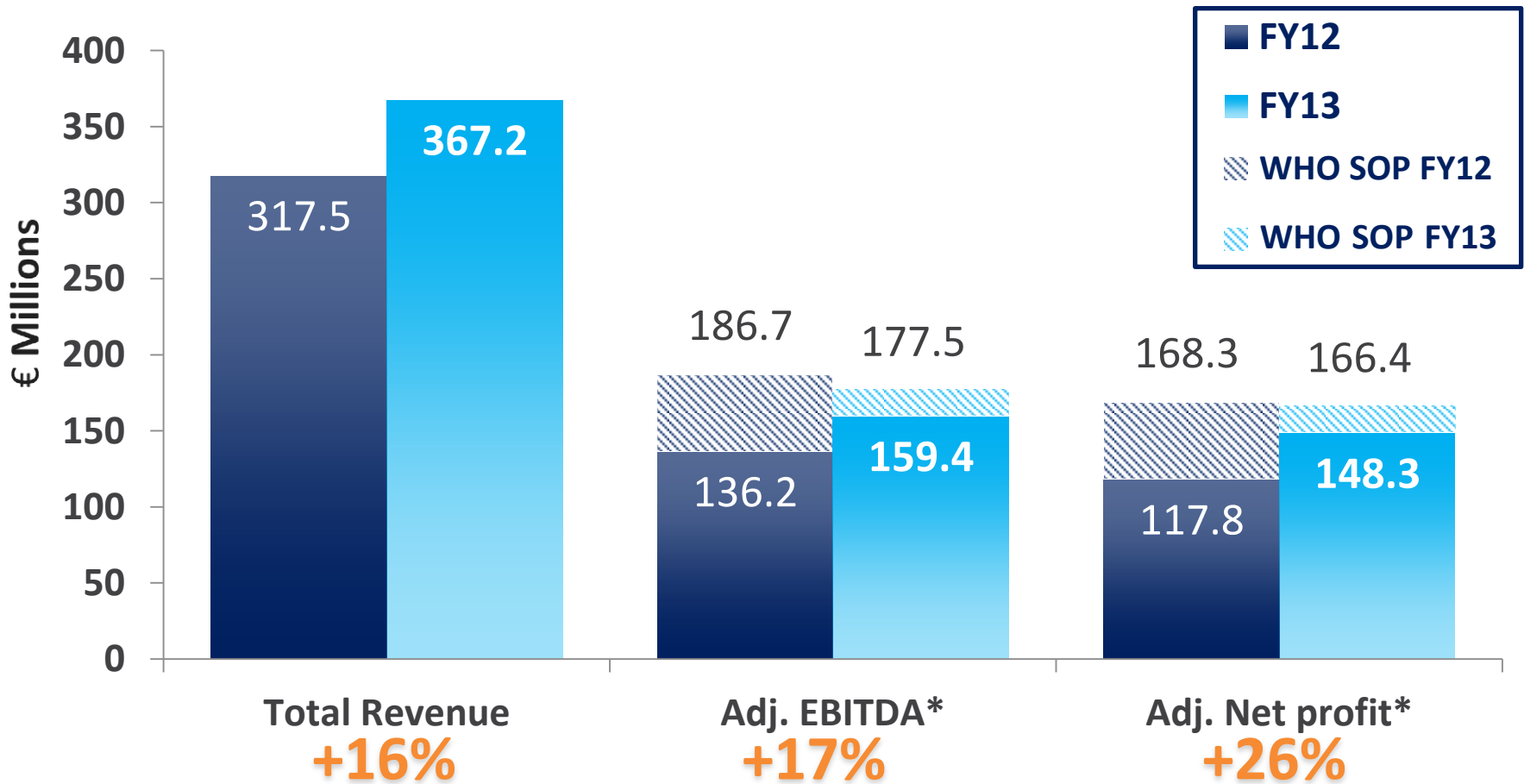
• **RON HOFFMAN, CFO**

STRATEGIC REVIEW

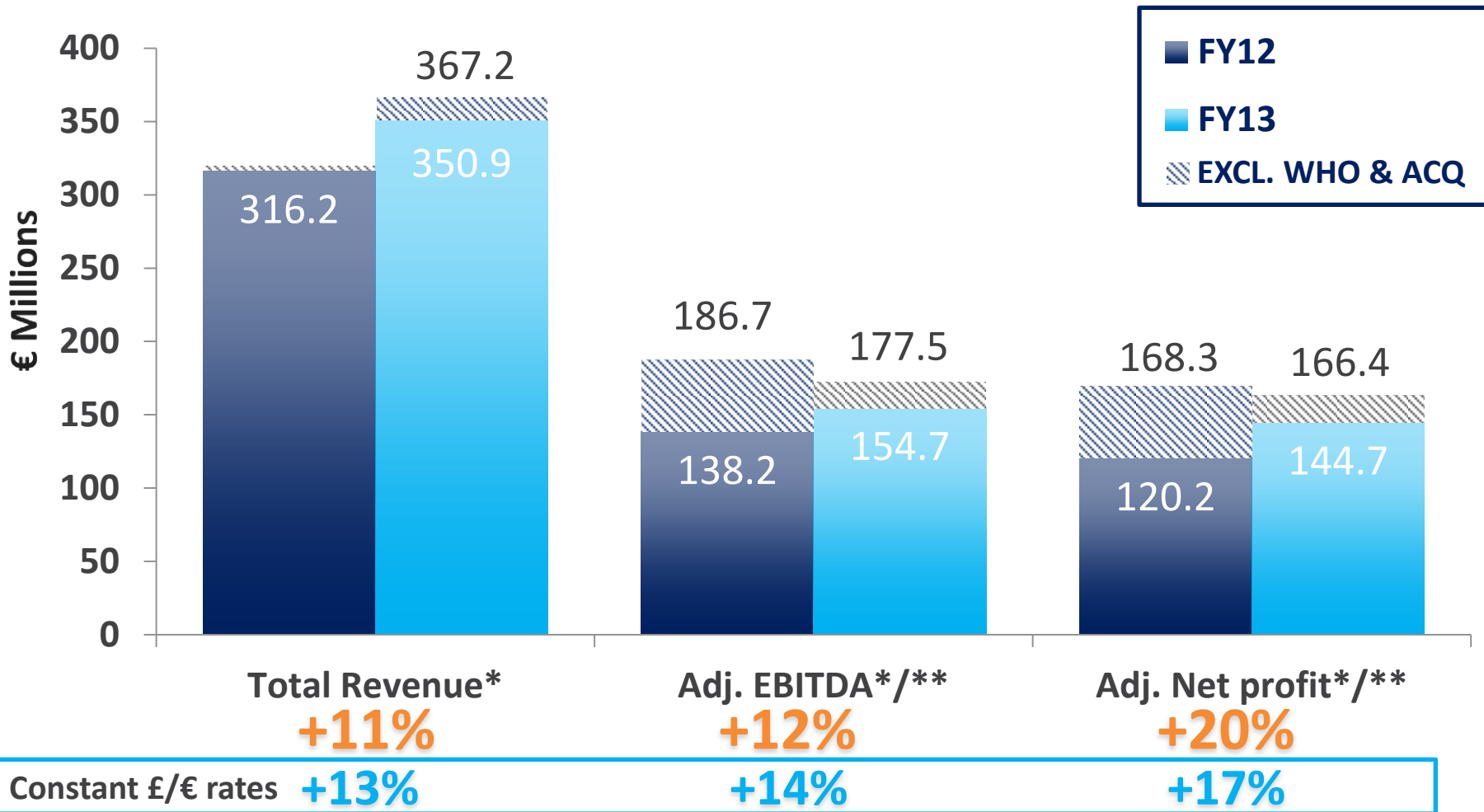
• **MOR WEIZER, CEO**

Q&A

Results summary (both including and excluding WHO SOP)



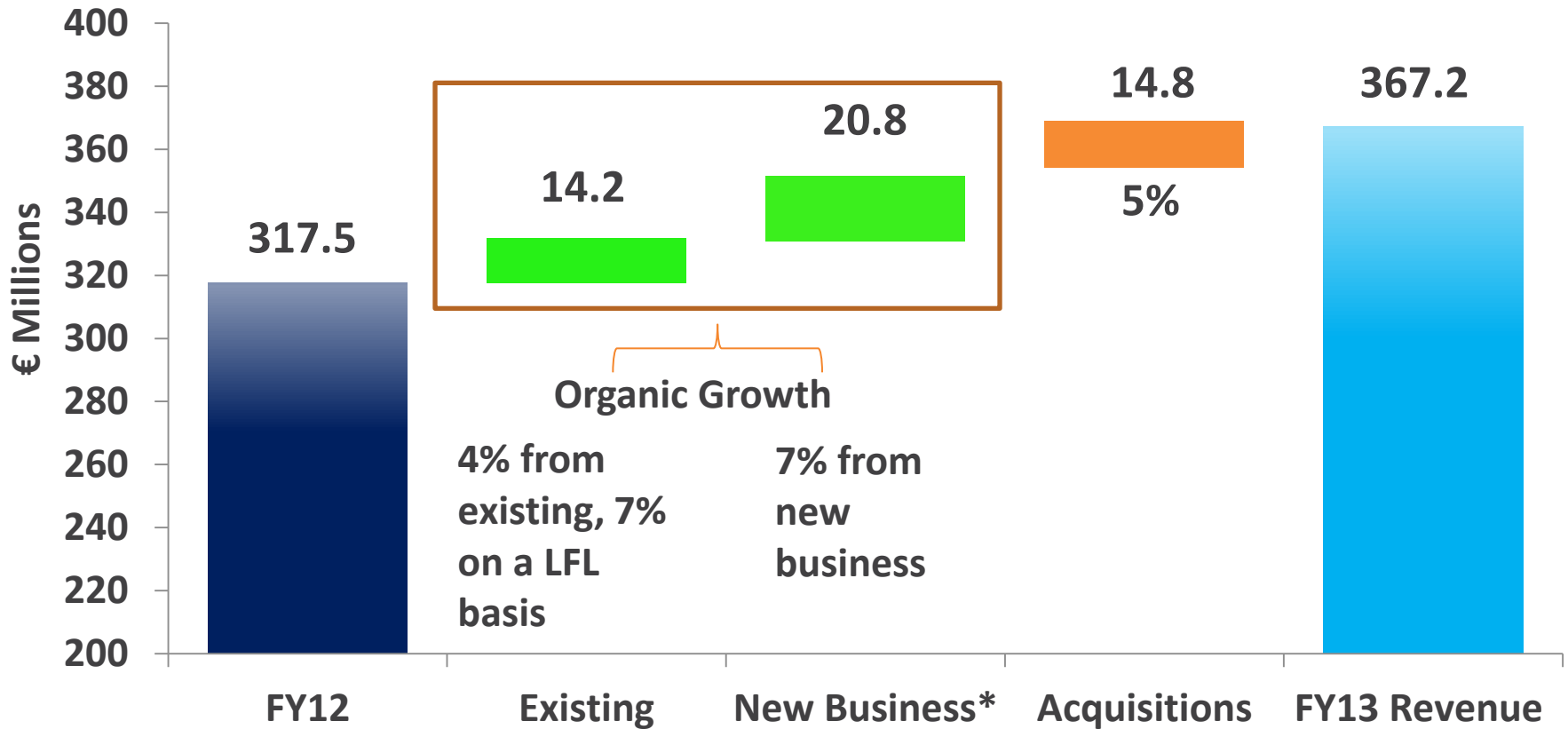
Underlying results summary



*Results exclude acquisitions made in the last 24 months

**Results exclude 3.5 months WHO SOP for 2013 & 12 months for 2012

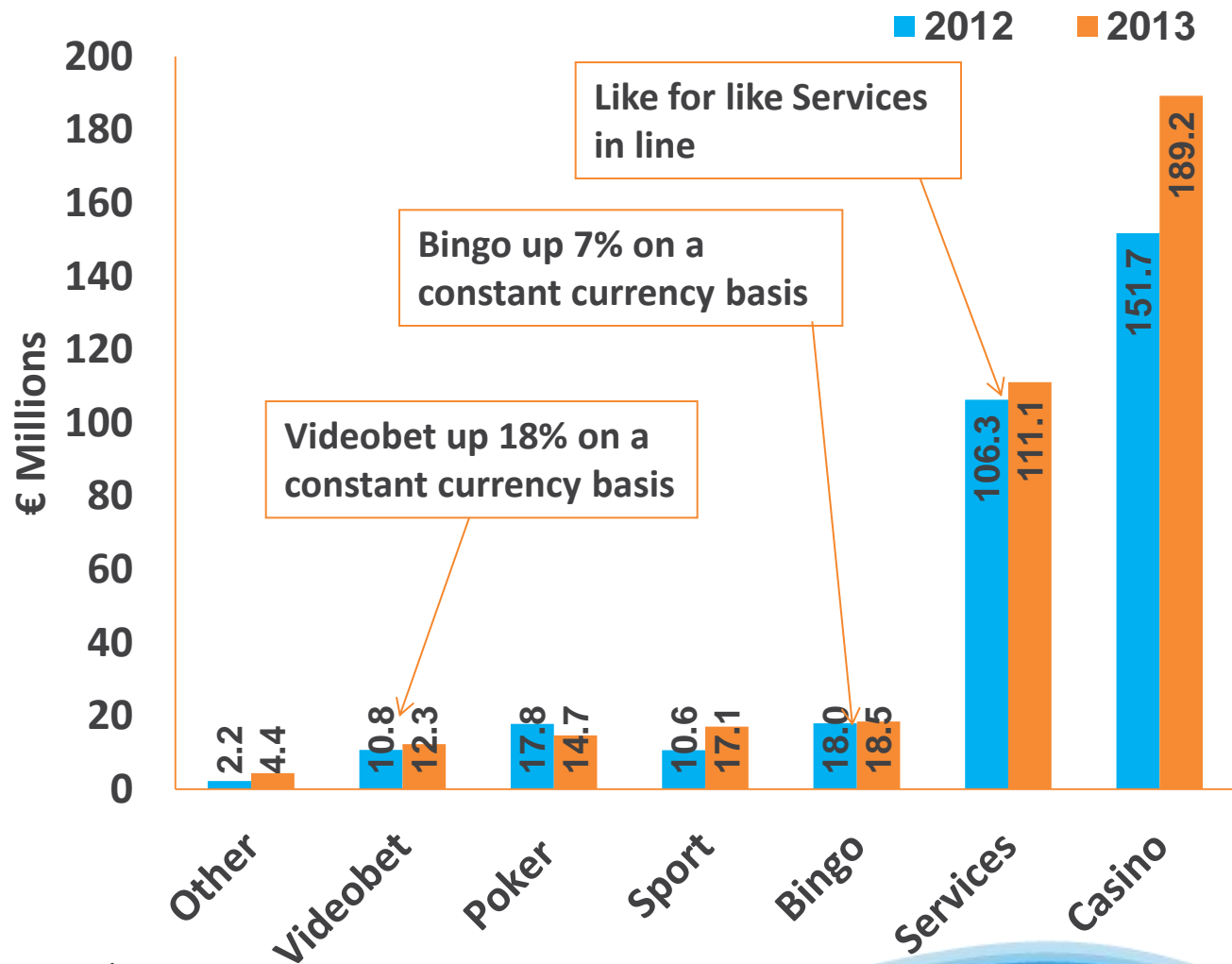
Revenue bridge



*New Business defined as new licensees **or** new products that were launched in the past 18 months

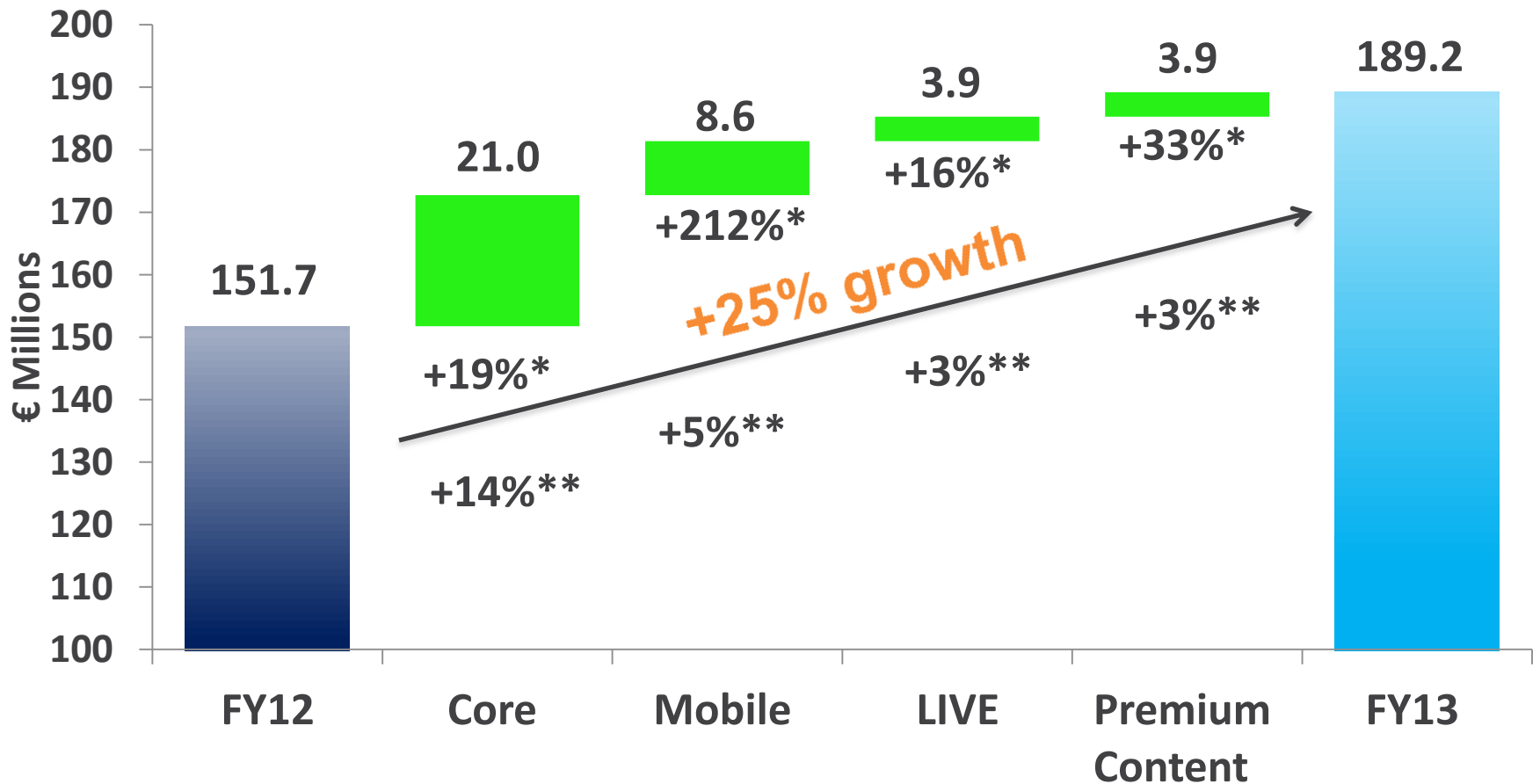
Revenue breakdown

- Casino up 25%
- Services up 5%
- Bingo up 3%
- Sport up 61%
- Poker down 18%
- Videobet up 14%



*On a pound sterling constant currency basis

Casino breakdown



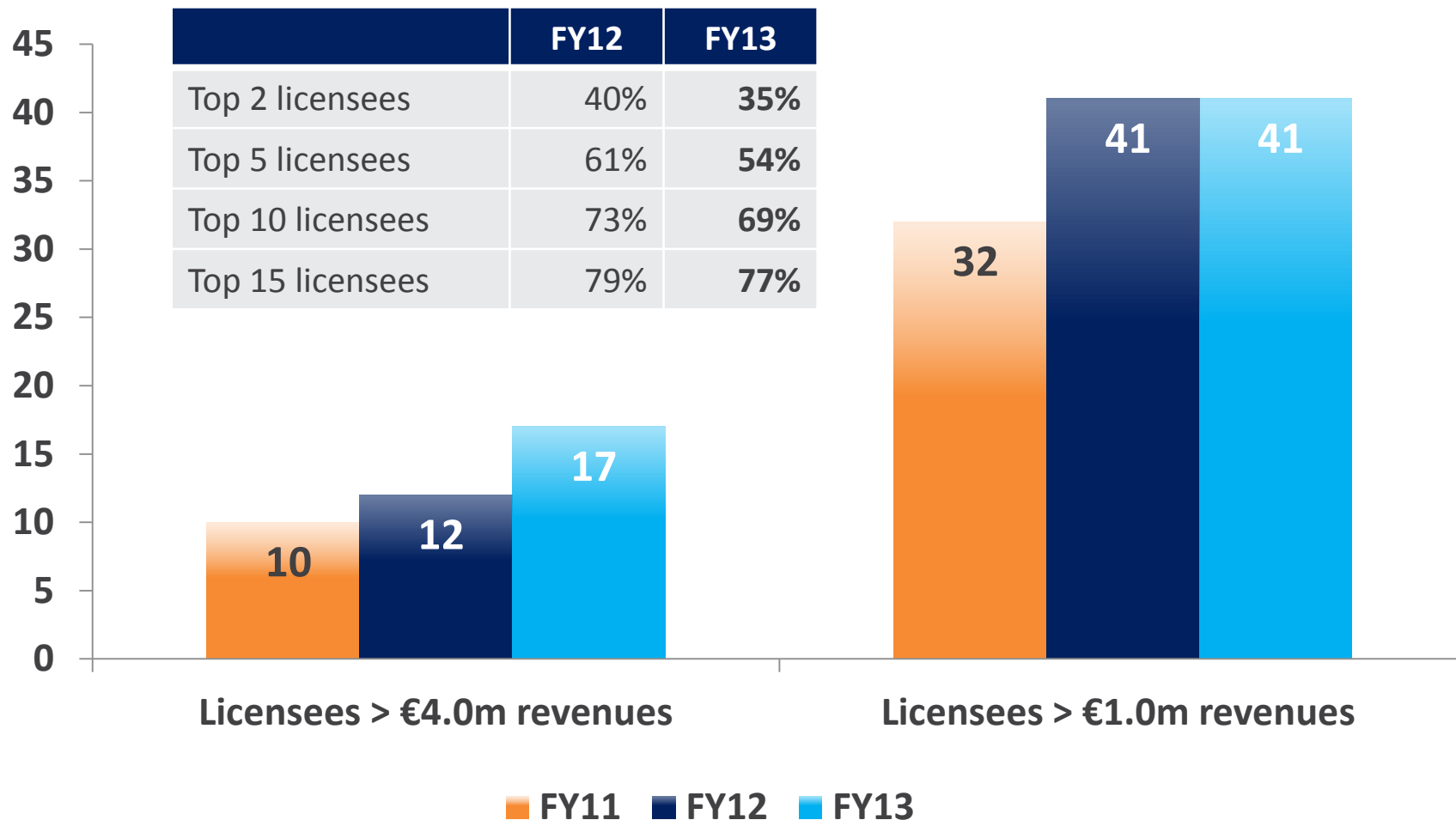
*Growth of each segment

**Proportion of overall casino growth

Mobile growth

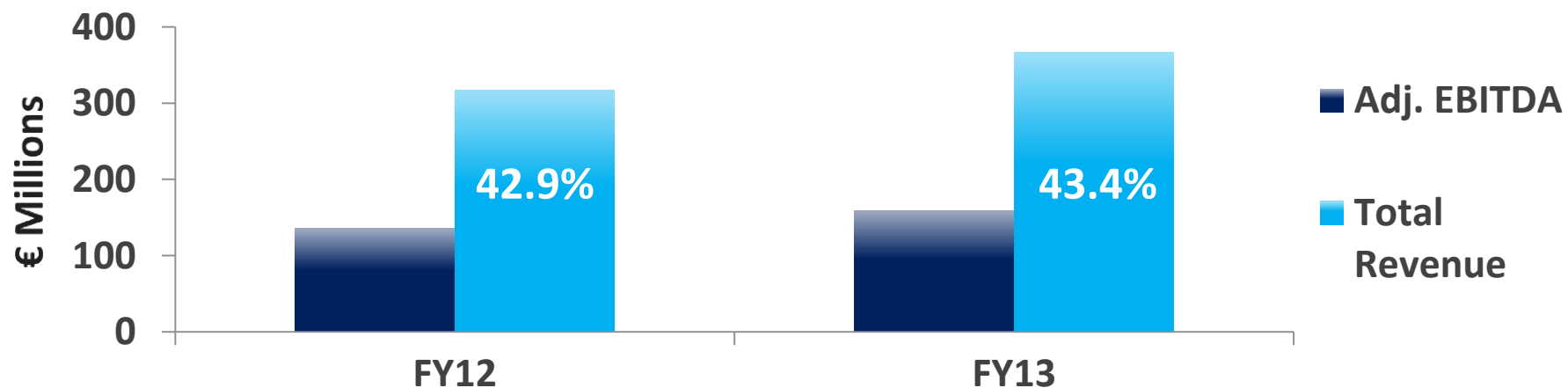
| €m | 2012 | 2013 | % |
|--------------|-------------|-------------|-------------|
| Casino | 4.1 | 12.7 | 212% |
| Sports | 9.1 | 14.7 | 61% |
| Bingo | 0.5 | 2.0 | 297% |
| Total | 13.7 | 29.4 | 115% |

Customer concentration

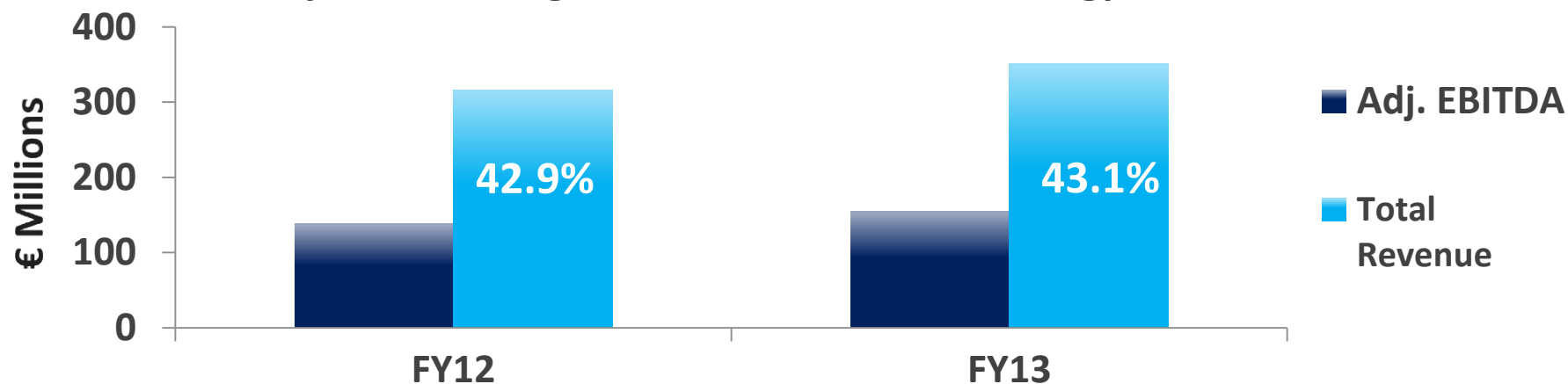


Adj. EBITDA margin

Adj. EBITDA margin excl. WHO



Adj. EBITDA margin excl. WHO and PokerStrategy



Analysis of costs and expenses

| €m | 2012 | | 2013 | |
|---|-------|-------|--------------|--------------|
| Adj. operational costs | 181.3 | | 207.8 | |
| Revenue-driven costs | 36.2 | 11.4% | 37.9 | 10.3% |
| Adj. operating expenses exc. revenue-driven costs | 145.1 | | 169.9 | |
| Employee-related costs | 99.9 | 68.8% | 111.0 | 65.3% |
| Administration and office costs | 15.5 | 10.7% | 17.7 | 10.4% |
| Travel, exhibitions & marketing | 6.8 | 4.7% | 8.9 | 5.2% |
| Cost of services | 11.7 | 8.1% | 17.4 | 10.3% |
| Other | 11.2 | 7.8% | 14.9 | 8.8% |
| Total | | 100% | | 100% |

Summary cash flow

| €m | 2012 | 2013 |
|--|--------------|----------------|
| Cash from operating activities | 112.8 | 200.0 |
| Cash (used in)/provided by investing activities | (128.9) | 343.0 |
| Payment of deferred consideration (Mobenga and PTTS) | (118.0) | (85.8) |
| PokerStrategy acquisition | - | (37.7) |
| Other | (25.1) | (5.4) |
| Acquisition of subsidiaries (net of cash acquired) | (143.1) | (128.9) |
| Net proceeds from sale of WHO stake | - | 492.5 |
| Net change in available for sale investments | (7.7) | 13.0 |
| Other | 21.9 | (33.6) |
| Cash used in financing activities | (27.8) | (136.5) |
| Dividends | (70.4) | (67.9) |
| Repayment of bank borrowings | (33.8) | (69.2) |
| Proceeds from bank borrowings | 75.0 | - |
| Other | 1.4 | 0.6 |
| Closing cash | 120.9 | 527.4 |

Balance sheet highlights

**Cash
balance**

€527.4m

(31 Dec 2012: €120.9m)

**Total
assets**

€1.07bn

(31 Dec 2012: €784.5m)

**Total
equity**

€921.0m

(31 Dec 2012: €514.2m)

- Debt free at year end
- No deferred consideration from January 2014 onwards
- Forex gains on cash held in Sterling

Agenda

HIGHLIGHTS

• ALAN JACKSON, CHAIRMAN

FINANCIAL REVIEW

• RON HOFFMAN, CFO

STRATEGIC REVIEW

• MOR WEIZER, CEO

Q&A

Highlights

- Completion of 29% stake in WHO
- LAD flagship deals - migration on target
- Acquisition of PokerStrategy
- Geneity gaining traction ahead of World Cup
- Accelerated rollouts of mobile solutions
- Convergence of land-based/online creating multi-channel opportunities

IMS

- IMS becoming industry standard infrastructure enables maximum returns on operator's marketing budgets creates the ultimate player journey
- Advanced tools provide increased visibility through the player acquisition process
- Combination of IMS and new advanced front end capabilities allow automation and personalization
- Roll out of Game Advisor BI system



Casino

- Continued strong organic growth led by LIVE and mobile
- Mobile NGM technology streamlines development work and rollout of new games on all platforms
- Number of mobile game to be increased through 2014



Bingo

- Strong launch programme through 2013
 - launched Spanish network
 - new licensees – including media brands
- New branded mini games
- Mobile bingo improved
 - tablet version launched at ICE
- Open platform launched



Sport

- Industry transitioning to new technologies
- Unique multi-channel (retail/online), cross-platform (online/mobile) fully integrated solution
- Geneity recognised as best technology
- Mobile continues to outperform
- Significant opportunities in regulated markets



Poker

- Acquisition of PokerStrategy
- Launch of Betclic and Betfair on iPoker
- Launch of iPoker on mobile using multi-platform support (HTML 5, Native iOS and Android)
- Mobile poker iOS app approved in France
- Launch of the most advanced tablet poker



Videobet

- UK market leader
- 2,800 machines added in 2013
- New jurisdictions – non-UK up to 18% of Videobet revenue
- Significant test progressing
- Convergence of retail and online



Mobile

- Mobile royalties (non-sport) grew 220%
- Making significant progress
 - NGM delivering
- Mobile Hub creates cross-product opportunity driven by tablet applications
 - single application incorporating single account & wallet



Industry dynamics

- New regulated markets expected within 18-24 months
- Co-operation with regulators
- Convergence between retail and online creates multi-channel opportunity
- Operators want to offer a better player journey and experience
- Operators put more focus on CRM and player value

Building blocks

- As a B2B supplier we MUST have new products under development at all times
- Social Gaming
 - soft launch Q4/13
 - full launch expected H1/14
- Casual Gaming
 - internal initiative led by industry experts
 - complements social gaming

Building blocks

- Financial Betting
 - developed by market leading professionals
 - appeals to operators
 - accelerating growth
- Virtual Sports
 - developed internally
 - cutting edge
- Videobet

Structured agreements

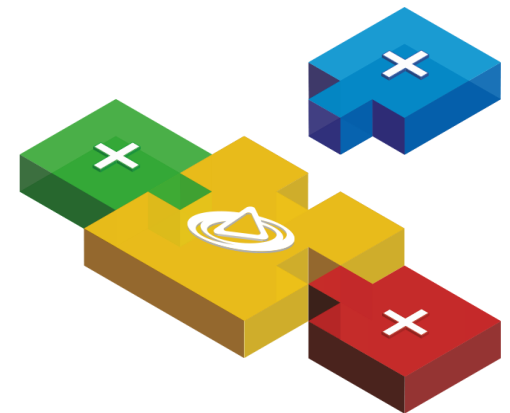
- Ladbroke's landmark agreements
- Flexible approach from outsourced turnkey through BOT model (Built, Operate, Transfer) to full JV
- Agreements always come with an extended software agreement
- Strongest pipeline ever – some in advanced stages – will lead to significant growth
- 100% regulated markets

Growth opportunities

- Expand licensee base
 - organic growth by improving products and platforms
 - new licensees/jurisdictions
- Further JVs/structured agreements – Mexico, Italy, Holland, South Africa ...
- New products – social, casual, financial betting, virtual sports
- M&A

M&A

- Targeting regulated markets
- High cash generation/attractive multiple
- Core or highly synergistic
- Product and content are key
- Continue to seek transformational, significant opportunities as well as bolt-on acquisitions



Current trading

Playtech has made a strong start to 2014, with daily average revenues for the first seven weeks of 2014 up over 15% on Q1 2013 (up over 8% after excluding the acquisition of PokerStrategy) and over 4% on Q4 2013

Agenda

HIGHLIGHTS

- ALAN JACKSON, CHAIRMAN

FINANCIAL REVIEW

- RON HOFFMAN, CFO

STRATEGIC REVIEW

- MOR WEIZER, CEO

Q&A