

Press Release

(pursuant to art. 114 of Italian Legislative Decree 58/1998)

Snai S.p.A.: Shareholders' Meeting approves 2013 financial statements

- **2013 consolidated revenue equal to Euro 478 million (-6.9% compared to the 514.4 of 2012)**
- **Consolidated Ebitda up at Euro 92.6 million (+43% compared to the 64.5 of 2012)**
- **Net loss of Euro 94.5 million, Euro 65.7 million of which due to settlement of litigation with the Court of Auditors**
- **2013 financial statements approved for parent company Snai S.p.A.: revenues amounting to Euro 465.7 million, Ebitda at Euro 94.4 million.**
- **New Board of Statutory Auditors appointed for 2014-2016 three-year period.**

Milan, 29 April 2014 – Snai S.p.A.'s Ordinary shareholders' meeting, meeting today in Milan under the Chairmanship of Giorgio Sandi, approved the annual Financial statements and reviewed the Consolidated financial statements as of 31 December 2013.

The Shareholders' meeting also appointed the members of the company's Board of Statutory Auditors, and approved the Remuneration Report and a proposed remuneration plan for the Chairman and Managing Director.

2013 Key economic and financial data

In 2013, several activities were concluded which we summarize below:

- the payout on sports betting settled at 78.9%, and therefore turned out to be lower than the average registered by the other concessionaires ; the results were achieved also thanks to the effects of the new contractual agreement with betting shops and the improvement of automatic controls on the acceptance of sports bets .
- Installation of the 5,052 VLT rights acquired by SNAI was concluded;
- Virtual Events were launched in December
- A total amount of Euro 65.7 million (including interest) was paid as a settlement of the appellate proceedings pending against judgment no. 214/2012 issued by the Court of Auditors concerning the operation of the new-slot network, amounting to 30% of the damages quantified in the judgment of first instance;
- Cost optimization actions were continued.

Snai Group earned revenues amounting to Euro 478.8 million compared to the Euro 514.4 million of 2012. The decrease in revenues can mainly be attributed to the combined effect of the increased revenues from sports bets and VLT and, in the other direction, to the concurrent drop in the revenues of the AWP's together with the increase in the taxation rate on bets collection by the Entertainment Machines.



Despite the drops in revenues, Group EBITDA gained + 43.5% compared to the previous year, from Euro 64.5 million to Euro 92.6 million.

The non-recurring costs amounted to Euro 77.5 million during 2013 as compared to Euro 7.1 million the previous year and they are mainly related to the costs incurred in order to comply with the ruling on appeal of the first degree ruling 214/2012, relative to the operation of the new slot network, which was 30% of the damage calculated in the first degree, or Euro 63 million. Due to the impact of these non-recurring items, the Group's EBIT is negative by Euro 41.8 million as compared to Euro -13.9 million in 2012.

The net result for the Group in fiscal year 2013 is negative in the amount of Euro 94.5 million.

The net financial indebtedness of the SNAI Group as of 31 December 2013 was equal to Euro 443.4 million, with an increase of 73.8 million as compared to Euro 369.6 million figure at the end of 2012. The increase is mainly due to the payment made following the conclusion of the appeals process against ruling 214/2012, relative to the operation of the new-slot network with the Court of Auditors setting the amount at 30% of the damage calculated in the first degree ruling, for a total of Euro 65.7 million (including interest). A portion of the remaining increases is connected to the payment of taxes and penalties relative to PREU 2010 and the Single Tax of 2009-2010 defined during 2013.

The parent company SNAI S.p.A., the financial statements of which were approved by the Shareholders' meeting, generated revenues of Euro 465.7 million, down by 6.4% compared to Euro 497.7 million in 2012. EBITDA is equal to Euro 94.4 million (Euro 67.2 million in 2012), while EBIT is negative by Euro 34.5 million (Euro -7.4 million in 2012). The result for the year is negative by Euro 94.3 million (Euro -46.1 million in 2012) to be attributed essentially to the reasons already stated with regard to the Group's results of operations.

The Shareholders' meeting, upon proposal by the Snai S.p.A.'s Board of Directors, resolved to cover the losses through the use of available reserves.

Remuneration Report

The Ordinary shareholders meeting approved the Remuneration Report prescribed by art. 123 *ter* of Italian Legislative Decree 58 dated 24 February 1998, (the so-called "Finance Consolidation Act") and successive amendments, as regards the illustrative section of the company policy in matters of remuneration and procedures used to adopt and implement said policy.

The Shareholders' meeting also approved a proposed remuneration plan for the Chairman and Managing Director.

Appointment of the Board of Statutory Auditors

The Ordinary shareholders meeting appointed the new Board of Statutory Auditors, which will remain in office until approval of the 2016 Financial Statements. Acting auditors were appointed as follows: Maria Teresa Salerno, Chairman of the Board of Statutory Auditors, Massimo Gallina and Maurizio Maffeis, and Alternative auditors Enzo Bermani and Marzia Tremolada, drawn from the only list, presented by the majority shareholder Global Games S.p.A.,

The *curricula vitae* of the Statutory Auditors are available on the website www.snai.it, in the section Group Info – Investor Relations – Shareholders' meeting of 29 April 2014.



Snai Spa, a company listed in the Milan stock exchange (Borsa) with Snai shares (symbol SNA.MI), is one of the leading Italian market players in games and betting. It holds the largest market share in sports and horseracing bets, and significant shares in other market segments (videolotteries, new slot, poker, online skill and casino games, online slot and bingo). A subsidiary of Global Games S.p.A.

The executive responsible for the preparation of the corporate and accounting documents, Mr. Marco Codella declares pursuant to art. 154 bis, paragraph 2 of the Finance Consolidation Act that the financial disclosure set forth in this document corresponds with the data contained in the accounting documents and records.

Milan, 29 April 2014

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Investor Relations

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All press releases issued by Snai S.p.A. pursuant to art. 114 of Italian Legislative Decree 58 dated 24 February 1998 and the implementing regulations are also available on the company website at www.grupposnai.it