



## **Snai Group, 9M 2015 Results**

Milan, November 12<sup>th</sup> 2015



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# Today's Speakers



## **Gabriele Del Torchio, Chairman and *CEO***

- 2015 – Present: Chairman and CEO of SNAI, previously served on Snai's BOD from 2011 to 2014
- 2013 – 2014: Chairman and CEO of Alitalia – Compagnia Aerea Italiana S.p.A.
- 2007 – 2013: CEO of Ducati Motor Holding S.p.A.
- 2005 – 2007: CEO of Ferretti Group S.p.A.
- 2003 – 2005: CEO of Carraro Group S.p.A.



## **Marco Codella, *CFO***

- 2011 – Present: CFO of SNAI
- 1999 – 2011: CFO of Sigma Tau , a leading research & pharmaceutical company operating in Europe and US
- 1994 – 1999: Finance, Operations and IT Director in Crown, Cork & Seal Closures Italia

# Today's Agenda

Business Update

9M 2015 Results

Q&A

# Business Update

Sports betting performance below expectations and PY mainly due to higher payout (PO 82% vs 77.2% at the end of Q3 2014) and lower wagers from retail distribution network

Wagers and MS from retail sports betting down mainly due to competition of additional 950 new shops and as a result of some problems affecting a part of the distribution network , which led to temporary closure of some POS which are now back to full operations

Wagers from on line sports betting up by 39% vs Q3 2014 representing 26,9% of total collection in the quarter

Good Gaming Machines performance mainly driven by the increase in number of operational machines (AWPs) and average coin in. Positive effects of VLTs' relocation plan and lower payout.

Low performance in betting on Virtual Events vs Q3 2014 mainly due to maturity and consolidation of the market , as well as temporary closure of a certain number of POS, which are now back to full operations  
Virtual Events below expectations due to delays from ADM in approving increase of number of events available per day

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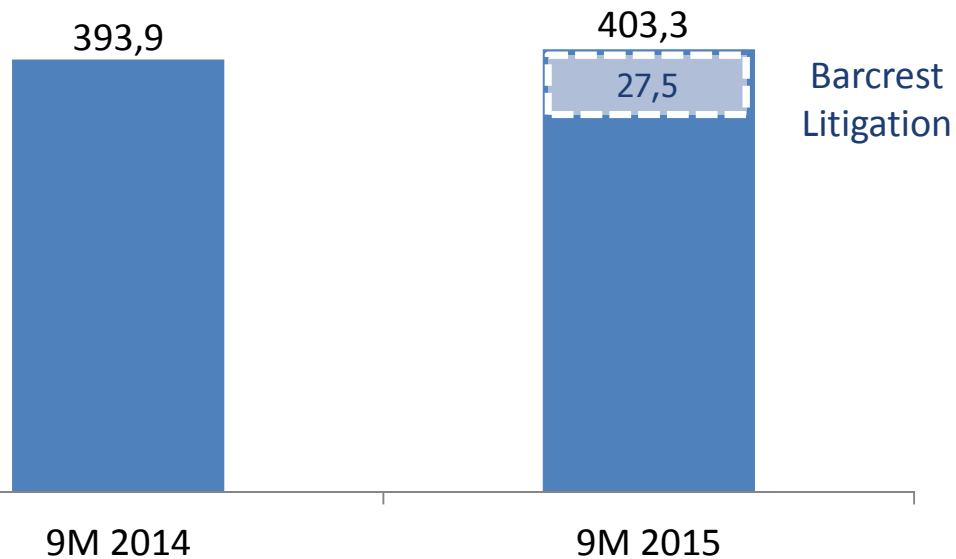
Business Update

9M 2015 Results

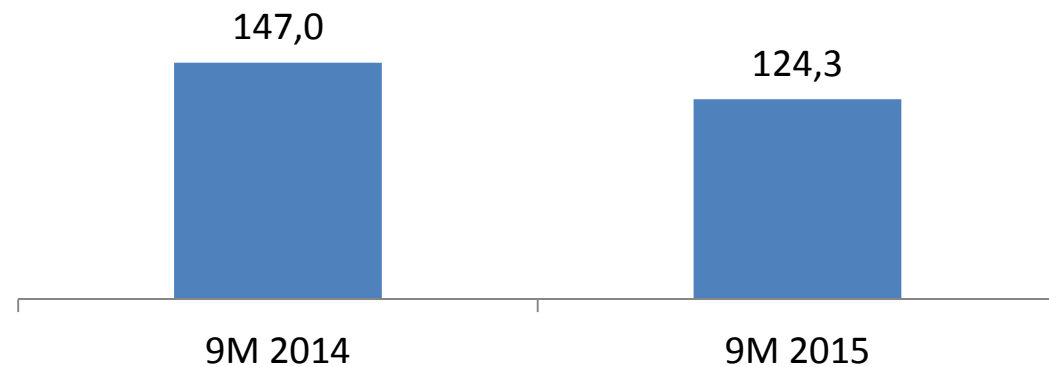
Q&A

# 9M 2015 Financial Highlights

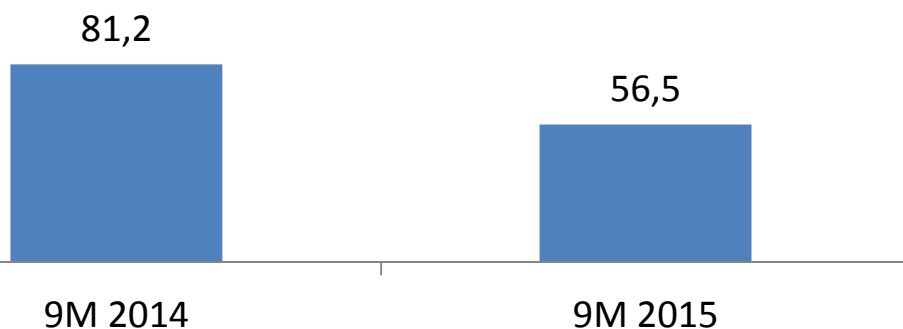
## Revenues



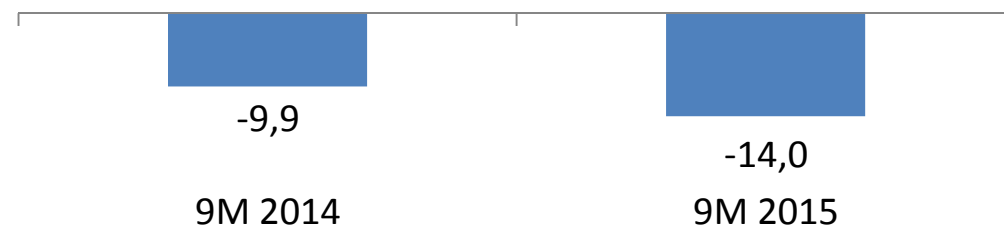
## Contribution Margin



## EBITDA



## Net Income



# 9M 2015 KPI

## 9M 2014-2015 KPI

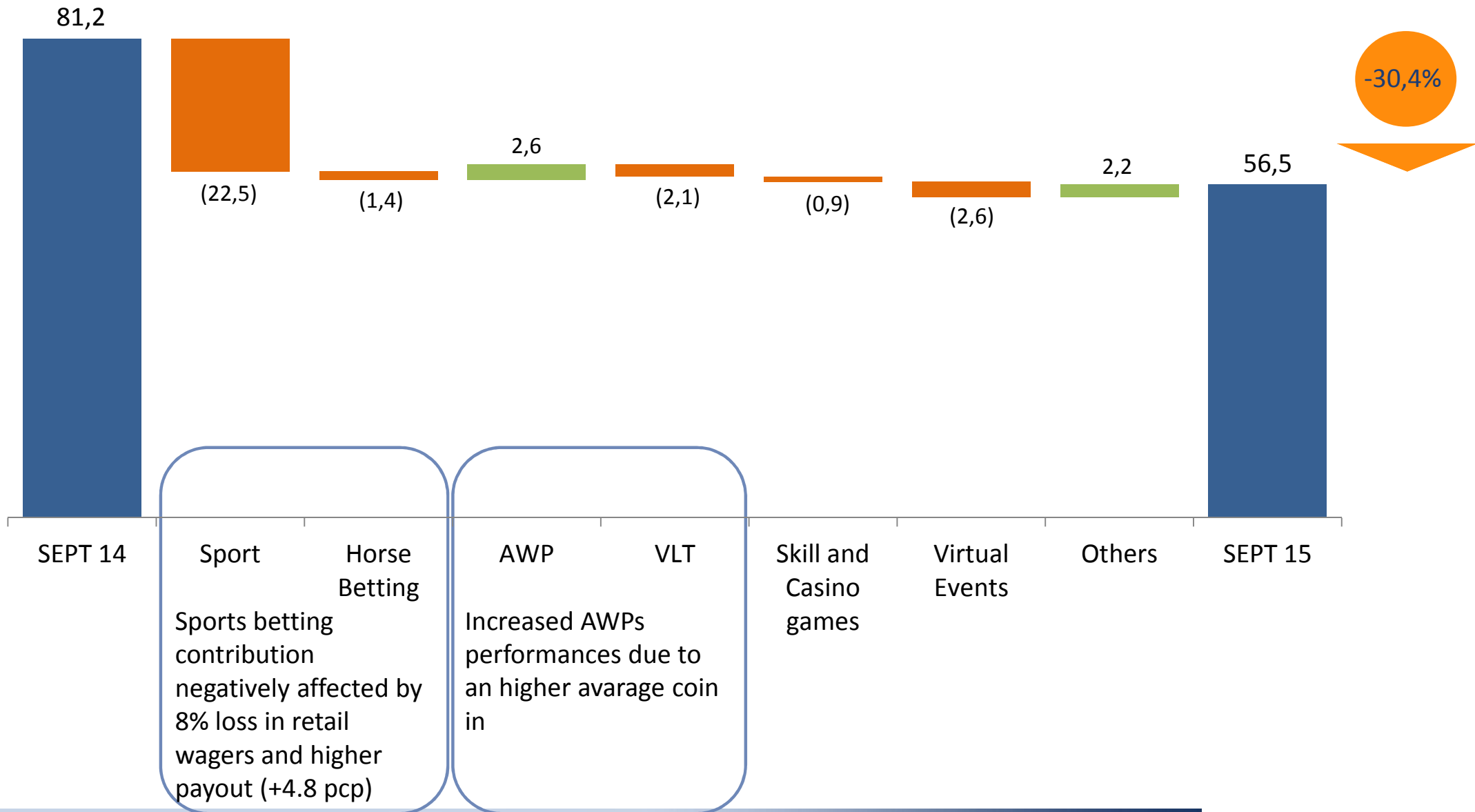
| (euro/mn)                         | 9M 2014       | 9M 2015       | % Change    |
|-----------------------------------|---------------|---------------|-------------|
| Tot Revenues                      | 393,9         | 403,3         | 2%          |
| <b>Contribution Margin</b>        | <b>147,0</b>  | <b>124,3</b>  | <b>-15%</b> |
| <b>EBITDA</b>                     | <b>81,2</b>   | <b>56,5</b>   | <b>-30%</b> |
| <b>ADJ EBITDA</b>                 | <b>86,6</b>   | <b>59,6</b>   | <b>-31%</b> |
| EBIT                              | 35,3          | 33,1          | -6%         |
| Pre Tax profit                    | -9,8          | -9,2          | -7%         |
| <b>Reported Net Income (loss)</b> | <b>-9,9</b>   | <b>-14,0</b>  | <b>41%</b>  |
| Capex                             | 11,9          | 12,3          | 3%          |
| Cash Flow                         | 19,4          | 17,6          | -9%         |
| <b>NFP</b>                        | <b>-424,0</b> | <b>-401,4</b> | <b>-5%</b>  |

Revenues in 2015 are inclusive of 27.5M € related to Barcrest Litigation. In like for like figure revenues are decreasing 4,5%



# 9M 2015 Results

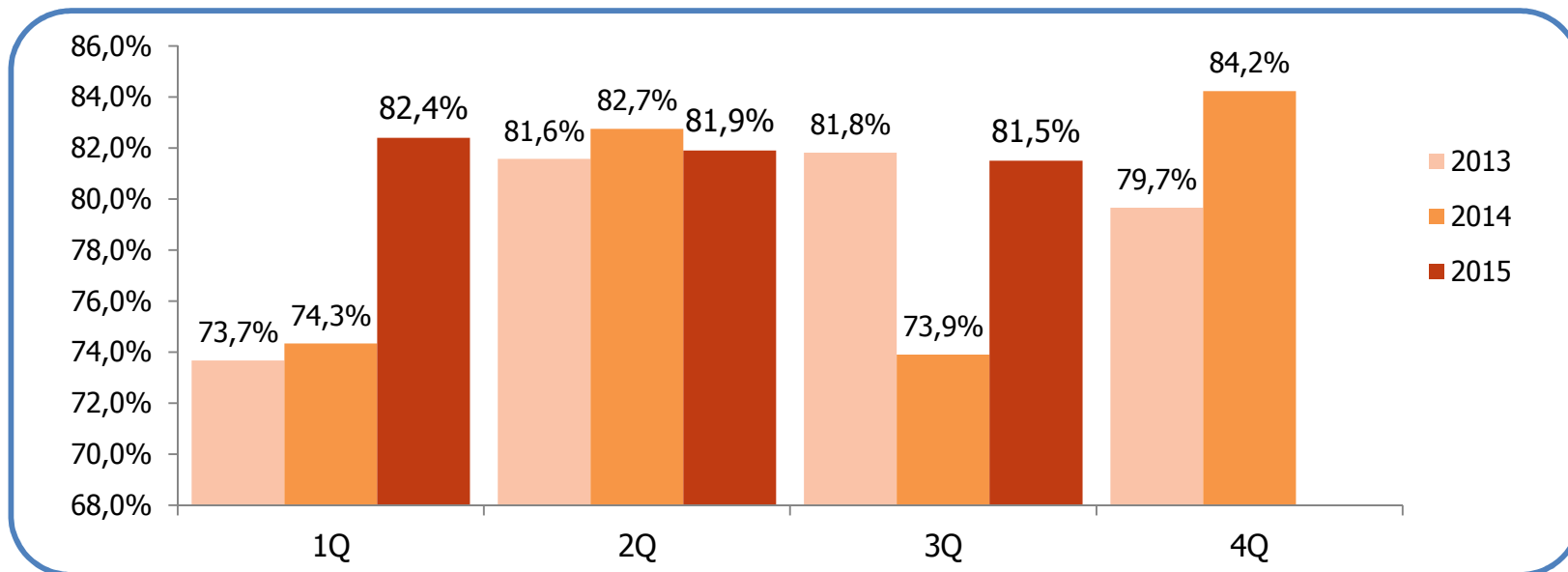
## 2014-2015 EBITDA Evolution



# 9M 2015 Results

## Payout Trend

|            |             | March | June  | Sept  | Dec   |       |       |           |
|------------|-------------|-------|-------|-------|-------|-------|-------|-----------|
| <b>LTM</b> | <b>2015</b> | 81,3% | 81,0% | 82,6% |       |       |       |           |
|            | <b>2014</b> | 79,2% | 79,4% | 77,9% | 79,1% |       |       |           |
|            |             | 1Q    | 2Q    | 1H    | 3Q    | 4Q    | 2H    | Full year |
| <b>ACT</b> | <b>2015</b> | 82,4% | 81,9% | 82,2% | 81,5% |       |       |           |
|            | <b>2014</b> | 74,3% | 82,7% | 78,3% | 73,9% | 84,2% | 79,9% | 79,1%     |
|            | <b>2013</b> | 73,7% | 81,6% | 77,2% | 81,8% | 79,7% | 80,6% | 78,9%     |



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