



Leading provider of B2B and B2C services to
the online gaming and sports betting markets



Acquisition of Sportingbet plc
(By means of a Scheme of Arrangement)

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A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Takeover Panel's (the "**Panel**") website at www.takeoverpanel.org.uk. "Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities. Terms in quotation marks used above are defined in the Takeover Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

This presentation cross references to the Prospectus. These cross references are indicated as ppr ("prospectus page reference') followed by a number. e.g. ppr54 this being the first page that the item appears in the Prospectus. The Prospectus, can be found at www.gvc-plc.com/archive/takeover_code/Prospectus_dated_January_2013.pdf

About this presentation

- GVC releases Prospectus and circular to its shareholders outlining the proposal with William Hill plc to acquire Sportingbet plc
- This presentation should be read alongside the Prospectus, available at www.gvc-plc.com
- [All readers of this presentation should read the disclaimer in this presentation](#)
- This presentation is a summary of the proposal

Deal summary

GVC financing and the Retained Business

Timetable and process

What is being acquired by GVC

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GVC – Historical Financial Information (“HFI”)

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1. Allocation of Offer price

2. Loan facilities

Deal summary

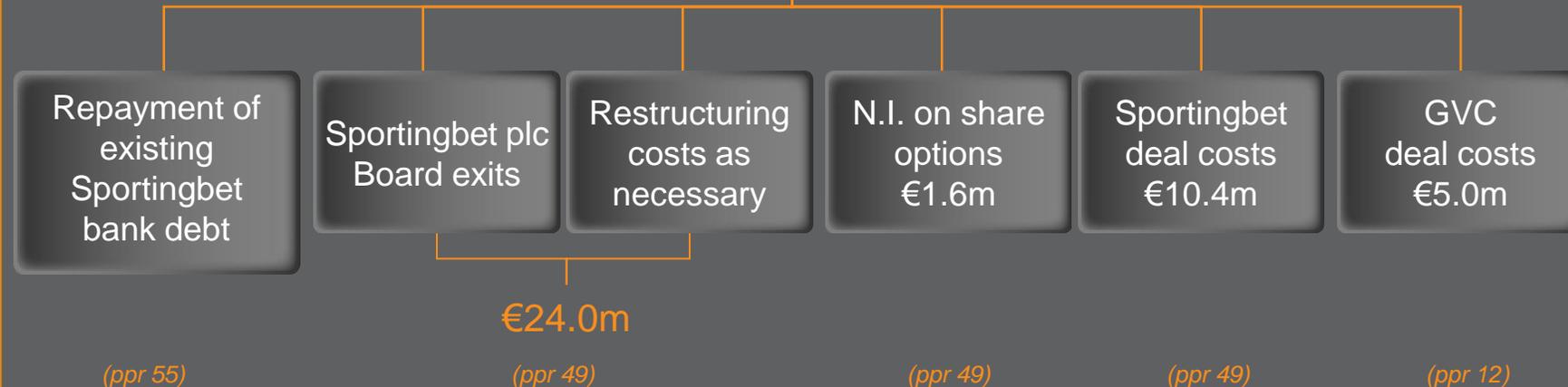


* See Appendix 1

GVC financing & the Retained Business

£67.8m of New GVC Shares issued
for acquisition
+
£36.5m *(ppr 55)* capital contribution from
William Hill
+
Loan facilities*

* See Appendix 2



2012

- 19 September - Announcement of talks
- 16 October - Suspension of GVC shares
- 20 December - Announcement that terms agreed

(ppr 41 and 42)

2013

- 25 January - Issue of GVC Prospectus
- 28 January - Expected lifting of suspension of GVC shares
- 21 February - GVC EGM
- 21 February - Sportingbet General Meeting
- 19 March – GVC Holdings plc gains control of Sportingbet
- 20 March - Admission occurs and trading in New GVC Shares commences

The shares of Sportingbet plc

- Subject to a UK Court approved Scheme of Arrangement, and reduction of capital which will separate out for William Hill: *(ppr 46)*
 - Sportingbet Australia (including Centrebet)
 - 8 Guernsey properties
 - Miapuesta brand
- William Hill also has an option to acquire the Spanish business after six months *(ppr46)* (although GVC get the commercial benefit for months 1-6 and are indemnified for losses thereafter).
- In summary, GVC acquires: *(ppr 66)*
 - range of branded websites targeting 24 countries
 - notable jurisdictions include: Brazil, Bulgaria, Czech Republic, Germany, Greece, Poland, Russia and the United Kingdom
 - key brands include: Sportingbet.com and ParadisePoker

Sportingbet HFI – Retained Business *(Part 8 of the*

prospectus)

(extracts for year end 31 July 2012)



Clean EBITDA / (x) = Loss

All figures in € millions

Europe	(€15.6)	<i>(ppr 296)</i>
Central	(€9.5)	<i>(ppr 296)</i>
Sub Total	(€25.1)	
Spain (“discontinued activity”)	€7.1	<i>(ppr 300)</i>
 Turkey*		
113 days from 1 August 2011 to 21 November 2011, being 100% of Turkey prior to sale of brand to EPC	€12.0	<i>(ppr 300)</i>
253 days from 22 November 2011 to 31 July 2012 being 75% of deferred consideration from EPC	€20.2	<i>(ppr 296)</i>

** The deferred consideration payable by EPC to Sportingbet over the period 22 November 2011 to 31 July 2012 was €20.2 million. Of that amount, €15.8 million has been recorded as other operating revenue for the provision of B2B services under a transitional service agreement, and €4.4 million has been recorded as profit on the adjustment of the carrying amount of the deferred contingent consideration, following revision of Sportingbet's assessment of estimated receipts for the sale of the Superbahis business*

- GVC mitigates the Turkish earn-out to £0 *(ppr 49)*
 - €27.3 million for the year ended 31 Dec 2012 *(ppr 63)*
 - €8.42 million for the 4th quarter *(ppr 63)*
- Leverage platform and trading team *(ppr 49)*
- Leverage under-utilised Sportingbet web domains *(ppr 49)*
- Enhanced cash generation as two businesses are integrated *(ppr 49)*

- 29,018,660* new ordinary shares are likely to be issued representing 47.88% *(ppr 13)* of enlarged share capital
- Cash contribution from William Hill of £36.5 million
- Additional loan facilities from William Hill (see appendix 2)
- Sportingbet shareholders ‘rolling over’ include: *(ppr 53)*
 - The founders of Sportingbet, sports.com and ParadisePoker.com
 - Henderson Investors

** Assuming that no Sportingbet Convertible Bondholders convert their Sportingbet Convertible Bonds into Sportingbet Shares and that no options or awards under the Sportingbet Share Plans are exercised prior to the Court’s sanction of the Scheme. *(ppr 54)**

Certain Sportingbet shareholders <i>(ppr 53)</i>	}	63,460,735	→	14,947,925
		Sportingbet shares		
		<hr/>		
		£2.335*		
Henderson				2,379,721
Bonaire Investment Holdings Ltd				1,100,000
				<hr/>
				18,427,646
Underpinning				
Henderson			<i>(ppr 53)</i>	5,000,000
Ora Capital			<i>(ppr 53)</i>	2,496,787
				<hr/>
				25,924,433
				<hr/>

* Price of GVC shares at suspension date – 16 October 2012

Strategy *(ppr 62)*

- invest in highly cash generative gaming brands
- provide services to third parties for a revenue share
- run multiple brands across diversified jurisdictions
- incentivise and motivate managers and employees
 - opportunities for many Sportingbet employees *(ppr 57)*
 - restructuring likely to lead to some redundancies *(ppr 57)*

Cash generation and distribution to shareholders *(ppr 9)*

- 7€c dividend per share payable on 1 March 2013
- moratorium until November 2013 to allow unimpeded restructuring
- quarterly thereafter
- recent dividend history...
 - Between 2009 and 2012, GVC distributed €45.6 million to its Shareholders via dividends. This equates to €1.45 per share, or approximately £1.17 per share (at an exchange rate of £1 = €1.24). *(ppr 94)*

- GVC incorporated in Isle of Man with key operations in Israel, Malta and Dublin *(ppr 59)*
- B2C brands include CasinoClub and Betboo *(ppr 59)*
- B2B operation, principally third party support contract for EPC (which acquired the Superbahis brand from Sportingbet in November 2011) *(ppr 59)*
- Regulated in Malta and Curacao *(ppr 69)*
- Experienced management team – all key executives and managers held previous positions in the gaming industry (several ex-Sportingbet) *(ppr 337 & 338)*
- Directors incentives:
 - Executive Directors and Chairman bought (not gifted) shares in the Company *(ppr 343)*
 - Bonuses entirely linked to payment of dividends
 - Dividend thresholds (based on what is paid, not declared) for additional bonuses are: *(ppr 354)*
 - 2013: 27.99€c per share
 - 2014: 35.99€c per share
 - 20% of post tax dividend bonuses are required to be re-invested in GVC shares *(ppr 355)*
 - Directors must hold ALL shares until they leave the Company *(ppr 345)*

GVC – Historical financial information

(Part 7 of the prospectus)



Data source: (ppr 7 and 8)

	Year end 31 December			6 months to 30 June	
	2009*	2010*	2011*	2011*	2012*
	€m	€m	€m	€m	€m
Revenue	31.6	32.7	44.3	19.8	29.1
<i>Contribution</i>	22.0	19.1	20.6	9.6	17.0
Clean EBITDA <i>(before exceptional items and share option charges)</i>	15.9	10.2	8.4	4.2	7.7

* *excludes discontinued activities*

Key 'year one' tasks and requirements

- Pay off Sportingbet bank debts, board termination arrangements, NI on share option costs
- Work with existing regulators
- Start restructuring to improve financial performance of Sportingbet
(ppr 57)

- Proposed acquisition subject to shareholder votes and Court approval
- Proposed acquisition has unanimous approval of the boards of GVC, William Hill and Sportingbet *(ppr 46)*
- Significant advantages for GVC although with restructuring challenges
- Capital and loan contributions from William Hill
- Deal expected to complete in mid-March 2013

AVC Holdings

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Appendices

Appendix 1 – Allocation of Offer Price

Deal components	Shares	Options	Bonds*
Shares in issue (or to be issued)	667,095,640 <i>(ppr 311)</i>	21,703,993	195,121,951
Agreed offer price <i>(ppr 12)</i>	44.8p/ 0.0435 GVC shares	55p <i>(ppr 47)</i>	55p
Value (£ millions)	366.6	11.9	107.4



485.9 *(ppr 46)*

William Hill

GVC

£418.1m

£67.8m

29,018,660 *(ppr 13)* shares @ 233.5p *(ppr 46)*

Expected New shares in issue = 60,610,832 *(ppr 43)*

* £80 million principle amount, redemption price £134,146 per £100,000 bond. *(ppr 47)*

Facilities *(ppr 55)*

- Loan facility of up to £15 million*[^] at the Effective Date
- Additional facility of up to £5[^] million

Conditions: *(ppr 367)*

- To cover expected working capital fluctuations and other cash commitments
- Repayable in three equal instalments not earlier than 31 December 2014 and not later than 30 June 2016
- Interest free unless repaid late
- Immediate repayment if there is a change of control of GVC, GVC delists or undertakes share buybacks

* Can be reduced by up to £7.2 million if there is a Shortfall *(ppr 383)* after the application of the cash underpinning arrangements

[^] Subject to a cash adjustment mechanism reflecting the cash at the Effective Date