GALA CORAL GROUP

RESULTS FOR THE YEAR ENDED 28 SEPTEMBER 2013

KEY FINANCIALS FOR THE FULL YEAR

FULL YEAR	FY13	FY12 Rebased{2}	Euro 2012/ Week 53	FY12
	£m	**£m**	£m	£m
Gross Profit {1,3}	**822.0**	**801.5**	17.9	819.4
Continuing Opco EBITDA {1,4}	**208.2**	**228.9**	7.7	236.6
Discontinued Operations EBITDA {4}	**10.5**	**15.8**	0.2	16.0
Propco rent	**27.7**	**27.1**	0.5	27.6
Total Group EBITDA{4,5}	**246.4**	**271.8**	8.4	280.2

{1} Results include all revenue and expenses for the continuing "Opco" Group and exclude the disposed casinos
{2} The FY12 comparatives have been adjusted to exclude the impact of Euro 2012 and week 53 to aid comparability between years
{3} Represents management accounts gross profit rather than statutory gross profit and excludes a cost of £0.6m of free bets in Casinos for FY12
{4} Pre-exceptional items
{5} Includes disposed casinos and Propco rent

HIGHLIGHTS FOR THE FULL YEAR

The key trading highlights for the Continuing Operations {1/2} for the year ended 28 September 2013 were as follows:

- Turnover was 6% ahead of last year and gross profit was £20.5m or 3% ahead of last year, reflecting growth in all continuing businesses except Gala Retail.
- EBITDA (pre-exceptionals) was £20.7m or 9% behind last year, primarily as a result of difficult trading in Q4 (down £16.7m) in our UK Retail divisions which were impacted particularly by sports results and the hot weather.
- Coral Retail gross profit was £8.7m or 2% ahead of last year, driven by new shop openings, and the launch of new products and initiatives including the rollout of new Infinity machines.
- Eurobet Retail gross profit was £2.0m or 15% ahead of last year. Sports stakes were £17.5m or 13% higher, as a result of the relocation of underperforming licences to areas with higher footfall.
- Gala Retail gross profit declined by 7% due to continued lower admissions.
- The online businesses demonstrated strong gross profit growth, up £25.8m or 38% versus last year. Actives grew across all websites, with 81% growth on Coral.co.uk, 40% on Eurobet.it, 21% on Galabingo.com and 186% on Galacasino.com.
- Despite lower year on year EBITDA (pre-exceptionals), the Group delivered strong free cashflow for the year of £37.0m (2012: outflow of £1.0m).
- The sale of 19 UK Casinos to the Rank Group Plc for total proceeds of £179.0m completed on 12 May 2013. A prepayment of the Term Loan B debt of £113.1m was made, leaving covenant net debt at the end of FY13 of £1,149.2m, an improvement of £172.8m since the year end, and reducing the net debt/EBITDA (pre-exceptionals) LTM covenant by 0.4x on a pro-forma basis to 5.1x. The Group has also reclassified its residual 4 UK casinos as discontinued operations as the disposals of these assets are expected to complete in the coming weeks.

Carl Leaver, Group Chief Executive of Gala Coral Group, commented:

"In light of the difficult trading conditions, especially in Q4, the Group posted a satisfactory performance in the year, with gross profit ahead in all our businesses with the exception of Gala Retail. Performance in the year to Q3 was resilient, but a prolonged period of abnormally hot weather in Q4 resulted in reduced footfall in the UK Retail businesses. This, combined with poor sports results (primarily football), resulted in a material adverse impact on Q4 EBITDA (pre-exceptionals). These trends are consistent with those highlighted by our competitors. However, trends in the new financial year have been more positive with results and customer volumes returning to more normal levels, and encouraging growth in our Online businesses."

KEY FINANCIALS FOR QUARTER 4

QUARTER 4	FY13 £m	FY12 Rebased{2} £m	Week 53 £m	FY12 £m
Gross Profit {1,3}	**177.4**	**176.4**	15.0	191.4
Continuing Opco EBITDA {1,4}	**33.6**	**50.3**	5.4	55.7
Discontinued Operations EBITDA {4}	**(0.6)**	**3.1**	0.2	3.3
Propco rent	**6.5**	**6.3**	0.5	6.8
Total Group EBITDA{4,5}	**39.5**	**59.7**	6.1	65.8

{1} Results include all revenue and expenses for the continuing "Opco" Group and exclude the disposed casinos
{2} The FY12 comparatives have been adjusted to exclude the impact of Euro 2012 and week 53 to aid comparability between years
{3} Represents management accounts gross profit rather than statutory gross profit and excludes the cost of certain free bets
{4} Pre-exceptional items
{5} Includes disposed casinos and Propco rent

HIGHLIGHTS FOR QUARTER 4

As initially announced on 12 November 2013, Q4 was a difficult quarter, as reported by many of our competitors. The key trading highlights for the Continuing Operations {1/2} for the twelve weeks ended 28 September 2013 were as follows:

- OTC performance in Coral Retail was adversely impacted by poor sports results, in particular football at the start of the new season, where gross win margin was 13.8pp behind last year.
- Eurobet Retail sports stakes were £7.5m or 31% ahead, driven by the opening of 176 of the 500 new shops and strong volumes in the base business following the relocation of underperforming licences.
- Coral.co.uk continued to show strong year on year growth with actives increasing by 118.6k or 108% to 228.5k. Sports stakes were 124% ahead, benefitting from an extended range of BiP products.
- Eurobet.it actives increased from 41.8k to 64.4k. Sports stakes were 30% ahead and gross win margin was 3.1pp ahead following the particularly poor football results at the start of last year's Serie A. Online sports market share in Italy now stands at 8.5%.
- Galabingo.com and Galacasino.com also saw year-on-year growth in the quarter with actives increasing by 21% and 49% respectively. Stakes were 33% ahead in Galabingo.com and 53% ahead in Galacasino.com, resulting in gross win £5.7m or 40% up.
- Gala Retail suffered with poor admissions, although towards the end of the quarter our Price Smash initiative started to have an encouraging impact on customer volumes, albeit at a lower spend per head.

CURRENT TRADING

Over the first seven weeks of the new financial year we have seen an improvement in trading in almost all areas of the business.

In Coral Retail, OTC staking levels are down 3%, in-line with the previous 52 weeks, but we have seen an improvement in margin at over 19%. Machines gross win is up 7% compared to 3% in the previous 52 weeks, as we continue to benefit from the mix change, with B2 declining and B3 growing strongly.

Eurobet Retail continues to show strong growth with sports stakes up 32% reflecting the rollout of the new licences.

We have seen significant growth across all our websites. Coral.co.uk actives are up 132% with stakes 158% ahead reflecting the strength of our new site. Sports gross win margin has also improved to 7.4%. Eurobet.it has experienced a slight slowdown in active recruitment compared to the previous 52 weeks but is still growing at 20%, with staking levels up 26%. Galabingo.com and Galacasino.com have also seen strong growth in actives (up 30% and 168% respectively) with Galacasino benefiting from the site makeover in September.

Gala Retail has seen an improvement in admissions which is being driven primarily by the Price Smash initiative. Whilst we are still behind in the first seven weeks, the run rate shows a considerable improvement on last year and in the last three weeks admissions have been in year-on-year growth. Gross profit is still negative 5% but we anticipated a lag before this picks up.

GROUP PERFORMANCE

Following the completion of the second phase of divisionalisation of certain activities that were previously managed centrally, divisional EBITDA (pre-exceptionals) is now stated on a stand-alone basis inclusive of Propco rental charges. For comparative purposes FY12 has been restated on the same basis. The Appendix on page 14 provides restated quarterly information for FY12 and FY13.

FULL YEAR: CONTINUING OPERATIONS {1}	Gross profit FY13	Gross profit[2] FY12	EBITDA FY13	EBITDA[2] FY12
	£m	£m	£m	£m
RETAIL				
Coral Retail	501.0	492.3	148.5	159.0
Eurobet Retail	15.5	13.5	9.4	8.2
	516.5	505.8	157.9	167.2
ONLINE				
Online	94.3	68.5	25.3	27.7
GALA				
Gala Retail Bingo	204.6	219.4	25.2	38.4
Gala Retail Casino {3}	6.6	7.8	2.5	2.9
	211.2	227.2	27.7	41.3
CORPORATE				
Corporate costs			(2.7)	(7.3)
TOTAL {4}	**822.0**	**801.5**	**208.2**	**228.9**

QUARTER 4: CONTINUING OPERATIONS {1}	Gross profit FY13	Gross profit[2] FY12	EBITDA FY13	EBITDA[2] FY12
	£m	£m	£m	£m
RETAIL				
Coral Retail	107.5	109.3	24.0	33.6
Eurobet Retail	1.4	0.3	0.0	(0.3)
	108.9	109.6	24.0	33.3
ONLINE				
Online	22.0	14.7	4.7	7.3
GALA				
Gala Retail Bingo	44.9	50.3	4.3	10.4
Gala Retail Casino {3}	1.6	1.8	0.6	0.7
	46.5	52.1	4.9	11.1
CORPORATE				
Corporate costs			0.0	(1.4)
TOTAL {4}	**177.4**	**176.4**	**33.6**	**50.3**

{1} Results include all revenue and expenses for the continuing "Opco" Group and exclude the disposed casinos
{2} The FY12 comparative has been adjusted to exclude the impact of Euro 2012 (gross profit £2.9m, EBITDA (pre-exceptionals) £2.3m) and week 53 (gross profit £15.0m, EBITDA (pre-exceptionals) £5.4m) to aid comparability between years
{3} Gala Retail Casino gross profit represents management accounting gross profit rather than statutory gross profit and therefore differs for the classification of certain free bets
{4} Pre-exceptional items

GROUP PERFORMANCE

The main factors impacting year on year movements in EBITDA (pre-exceptionals) and Gross Profit were as follows:

CONTINUING OPERATIONS{1}	Quarter 4		Year to date	
	£'m	£'m	£'m	£'m
FY12 EBITDA (pre-exceptionals)		**55.7**		**236.6**
FY12 Week 53		(5.4)		(5.4)
Euro 2012		-		(2.3)
FY12 EBITDA (pre-exceptionals) rebased		**50.3**		**228.9**
Gross Profit Movements:				
Underlying Improvements	3.1		26.5	
Weather Adjustment	(4.1)		(6.0)	
Cost Phasing	2.0		-	
		1.0		20.5
Cost Movements:				
Online Marketing	(5.7)		(18.6)	
MGD	(3.9)		(14.2)	
"New Openings"	(2.0)		(7.8)	
Underlying Costs	(6.1)		(0.6)	
		(17.7)		(41.2)
FY13 EBITDA (pre-exceptionals)		**33.6**		**208.2**

{1} Results include all revenue and expenses for the retained "Opco" Group and exclude the disposed casinos

Gross Profit Movements

After adjusting for the impact of Week 53 and the 2012 European football championships, underlying gross profit improvements totalled £26.5m for the year, reflecting growth in the retained businesses with the exception of Gala Retail.

Hot-weather during Q4 is estimated to have adversely impacted Coral Retail and Gala Retail by £4.1m as a result of lower footfall. Combined with the adverse impact of snowfalls during the first half of the year, the total estimated impact of adverse weather for the full year is £6.0m

The phasing of certain costs within gross profit in Coral Retail resulted in £6.0m of additional cost being recognised in Q1 in FY13 compared to the same period last year. £4.0m of this cost variance has reversed during Q2 and Q3, and the remaining £2.0m adverse variance reversed in Q4.

Cost Movements

Marketing spend in the Online businesses was £5.7m higher in Q4 and £18.6m higher in the year, reflecting the continued investment in customer acquisition, the benefits of which will be felt in FY14. This investment will increase further into FY14 as the businesses scale up and become able to support higher levels of marketing spend.

Other cost increases totalled £12.0m in quarter 4 and £22.6m in the full year. The increase in both the quarter and year is primarily as a result of increased irrecoverable VAT in Coral Retail and Gala Retail (Q4: £3.9m, FY13 £14.2m) resulting from the introduction of MGD that came into effect on the 1st February 2013 and costs associated with new openings in Coral Retail (Q4:£2.0m, FY13, £7.8m).

Underlying costs were adverse in quarter 4 primarily as a result of one-off product launches in Coral Retail.

	52 weeks ended 28 September 2013	Adj 52 weeks 2012 {3}	Year on Year variance	*53 weeks ended 29 September 2012*
KPIs {1}				
OTC				
Gross win margin (%)	17.9%	17.3%	0.6pp	*17.2%*
Average number of LBO's	1,764	1,721	3%	*1,721*
Machines				
Average number of machines	7,029	6,867	2%	*6,867*
Gross win/machine/week (£)	928	920	1%	*920*
P&L {1}				
OTC amount staked	1,736.6	1,789.3	(3%)	*1,840.4*
Machines amount staked	9,105.0	9,277.4	(2%)	*9,460.4*
Total stakes	**10,841.6**	**11,066.7**	**(2%)**	***11,300.8***
OTC gross win	310.2	308.9	-	*316.7*
Machines gross win	339.2	328.1	3%	*334.9*
Total gross win	**649.4**	**637.0**	**2%**	***651.6***
Divisional gross profit	**501.0**	**492.3**	**2%**	***503.6***
Operating costs {2}	(352.5)	(333.3)	(6%)	*(339.7)*
EBITDA {4}	**148.5**	**159.0**	**(7%)**	***163.9***

{1} Results are for the total estate unless otherwise stated

{2} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including employee bonus costs). Operating costs also include sub-let rental income

{3} FY12 has been restated to exclude the impact of the Euro 2012 football championships and week 53 to aid comparability

{4} EBITDA is stated pre-exceptional items

Coral Retail EBITDA (pre-exceptionals) was £10.5m or 7% behind last year, with gross profit growth of £8.7m or 2% offset by a £19.2m or 6% increase in costs primarily as a result of new openings, MGD and content costs.

OTC stakes were £52.7m or 3% behind last year. Horse racing stakes were 6.7% down partially due to the withdrawal of ineffective concessions (enhanced pricing) that were being offered in Q1 of the prior year (whilst these offers drove higher stakes, they damaged profitability). OTC football stakes continued to grow benefitting from the roll out of 985 Self Service Betting Terminals (SSBTs) and new product launches such as the "Football Jackpot", a pool bet guaranteeing a £1.0m pay-out to the first unique winner. Virtual racing and lottery stakes also grew strongly.

OTC gross win margin was 0.6pp ahead of last year at 17.9%, despite the poor Q4 (see page 6). Football margins were 2.6pp ahead supported by favourable results during the 2012/2013 football season with the range of new products helping to drive structural margin improvement. The overall margin improvement resulted in OTC gross win £1.3m ahead of last year.

Machines gross win was £11.1m or 3% ahead of last year. Gross win margin was 0.2pp ahead due to a significant change in mix from B2 to B3 games. During the year we rolled out over 7,000 new Infinity machines and this rollout contributed to a market leading gross win per machine per week of £928.

The adverse weather in the winter (three separate snowfall periods) and the summer heat-wave were estimated to have impacted EBITDA (pre-exceptionals) by £2.5m, as a result of fixture cancellations and reduced footfall.

Operating costs were £19.2m or 6% higher than last year, primarily as a result of estate development (£7.8m), increased shop TV content costs (£5.7m) and increased irrecoverable VAT (£10.7m) due to the introduction of MGD.

Note: All year on year variances are stated against FY12 excluding Euro 2012 and week 53 to aid comparability.

	12 weeks ended 28 September 2013	Adj 12 weeks 2012{3}	Year on Year variance	*13 weeks ended 29 September 2012*
KPIs {1}				
OTC				
Gross win margin (%)	15.9%	17.7%	(1.8pp)	*17.5%*
Average number of LBO's	1,786	1,732	3%	*1,732*
Machines				
Average number of machines	7,129	6,906	3%	*6,906*
Gross win/machine/week (£)	899	901	(0%)	*901*
P&L{1}				
OTC amount staked	388.4	379.2	2%	*413.1*
Machines amount staked	2,049.3	2,024.3	1%	*2,207.2*
Total stakes{3}	**2,437.7**	**2,403.5**	**1%**	***2,620.3***
OTC gross win	61.7	67.2	(8%)	*72.3*
Machines gross win	77.0	74.1	4 %	*80.9*
Total gross win	**138.7**	**141.3**	**(2%)**	***153.2***
Divisional gross profit	**107.5**	**109.3**	**(1%)**	***118.3***
Operating costs{2}	(83.5)	(75.7)	(10%)	*(81.7)*
EBITDA {4}	**24.0**	**33.6**	**(29%)**	***36.6***

{1} Results are for the total estate unless otherwise stated
{2} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including employee bonus costs). Operating costs also include sub-let rental income
{3} FY12 has been restated to exclude the impact of week 53 to aid comparability
{4} EBITDA is stated pre-exceptional items

Coral Retail's underlying EBITDA (pre-exceptionals) of £24.0m was £9.6m or 29% lower than last year primarily as a result of poor results, particularly football, with OTC gross win down £5.5m or 8%. The hot weather in the quarter also impacted footfall with stakes lower than expected, albeit still up on FY12.

Operating costs were £7.8m or 10% higher than last year due to one-off launch costs for new products, new openings, content costs and MGD.

On average there were 56 more shops open in the quarter compared to last year.

Note: All year on year variances are stated against FY12 excluding week 53 to aid comparability.

	52 weeks ended 28 September 2013	Adj 52 weeks 2012{3}	Year on Year variance	*53 weeks ended 29 September 2012*
KPIs{1}				
LBO sports gross win margin (%)	21.6%	20.4%	1.2pp	*19.8%*
Average number of licences	376	348	8%	*348*
P&L{1}				
LBO sports stakes	154.1	136.6	13%	*147.4*
Other stakes	123.1	120.1	3%	*122.0*
Total amounts staked	**277.2**	**256.7**	**8%**	***269.4***
LBO sports gross win	33.2	27.8	19%	*29.2*
Other gross win	7.2	8.2	(12%)	*8.3*
Total gross win	**40.4**	**36.0**	**12%**	***37.5***
Total gross profit	**15.5**	**13.5**	**15%**	***13.7***
Operating costs{2}	(6.1)	(5.3)	(15%)	*(5.2)*
EBITDA{4}	**9.4**	**8.2**	**15%**	***8.5***

{1} Results are for the total estate unless otherwise stated
{2} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including employee bonus costs)
{3} FY12 has been restated to exclude the impact of the Euro 2012 football championships and week 53 to aid comparability
{4} EBITDA is stated pre-exceptional items

Eurobet Retail EBITDA (pre-exceptionals) of £9.4m was £1.2m or 15% ahead of last year.

Sports stakes were £17.5m or 13% ahead of last year, driven by the relocation of underperforming licences to areas with higher footfall, and the opening of the first new tender shops towards the end of the year.

Sports margin was 1.2pp ahead of last year at 21.6% resulting in gross win £5.4m or 19% ahead.

As a result of relocating licences, Eurobet Retail continued to achieve significant market share gains with a sports market share of 8.9% in September 2013, 1.9pp ahead of the same time last year. This increase was also supported by high profile marketing campaigns including sponsorship of the Serie B football league. The retail estate continued to play a significant role in the acquisition of online players for Eurobet Italia with 65% of all online acquisition achieved through the retail channel.

Net operating costs were £0.8m or 15% higher than last year, due to increased payroll costs, driven by increased headcount in the enlarged post-tender business, and a higher bonus cost accrual than last year.

Eurobet Italia was successful in its application for 500 new licences and was the first operator to receive its licences on the 8 July. The first shops were operational at the end of July, with 176 shops open at the end of the financial year. All shops are expected to be open by February 2014. Early results from the new licences are encouraging. Expanding the retail footprint through these new licences will also help to accelerate the recruitment of online players.

Note: All year on year variances are stated against FY12 excluding Euro 2012 and week 53 to aid comparability.

	12 weeks ended 28 September 2013	Adj 12 weeks 2012[3]	Year on Year variance	*13 weeks ended 29 September 2012*
KPIs[1]				
LBO sports gross win margin (%)	13.1%	5.8%	7.3pp	*6.3%*
Average number of licences	427	342	25%	*342*
P&L[1]				
LBO sports stakes	31.6	24.1	31%	*28.5*
Other stakes	22.6	32.2	(30%)	*32.2*
Total amounts staked	**54.2**	**56.3**	**(4%)**	***60.7***
LBO sports gross win	4.1	1.4	193%	*1.8*
Other gross win	1.3	2.0	(35%)	*2.0*
Total gross win	**5.4**	**3.4**	**59%**	***3.8***
Total gross profit	**1.4**	**0.3**	**367%**	***0.3***
Operating costs[2]	(1.4)	(0.6)	(133%)	*(0.5)*
EBITDA[4]	**0.0**	**(0.3)**	n/m	***(0.2)***

{1} Results are for the total estate unless otherwise stated
{2} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including employee bonus costs)
{3} FY12 has been restated to exclude the impact of week 53 to aid comparability
{4} EBITDA is stated pre-exceptional items

Eurobet Retail EBITDA (pre-exceptionals) was £0.3m ahead of last year.

Gross win was £2.0m or 59% ahead of last year. Sports gross win margin of 13.1% was 7.3pp ahead of last year as a result of improved football results, albeit still below expectations. Sports stakes were £7.5m or 31% ahead driven by the opening of 176 of the 500 new shops, where stakes are already ahead of expectations, and strong volumes in the base business.

Operating costs were up by £0.8m as a consequence of increased payroll costs, driven by increased headcount in the enlarged post-tender business, and a higher bonus cost accrual than last year.

Note: All year on year variances are stated against FY12 excluding week 53 to aid comparability.

ONLINE – FULL YEAR

	52 weeks ended 28 September 2013	Adj 52 weeks 2012{2}	Year on Year variance	*53 weeks ended 29 September 2012*
KPIs				
Actives – Coral.co.uk ('000)	468.1	258.5	81%	*260.8*
Actives – Eurobet.it ('000)	114.2	81.6	40%	*82.9*
Actives – Galabingo.com ('000)	321.5	266.7	21%	*270.5*
Actives – Galacasino.com ('000)	75.2	26.3	186%	*26.7*
Sports Gross Win Margin - Coral.co.uk (%)	5.9%	6.9%	(1.0pp)	*6.9%*
Sports Gross Win Margin – Eurobet.it (%)	13.5%	13.3%	0.2pp	*13.2%*
P&L{1}				
Total amounts staked	**3,077.0**	**2,142.9**	**44%**	***2,188.7***
Total gross win	**157.5**	**108.1**	**46%**	***111.1***
Total gross profit	**94.3**	**68.5**	**38%**	***70.7***
Operating costs{1}	(34.3)	(24.7)	(39%)	*(25.3)*
Marketing	(34.7)	(16.1)	(116%)	*(16.4)*
EBITDA{3}	**25.3**	**27.7**	**(9%)**	***29.0***

{1} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including employee bonus costs). Online businesses include Coral.co.uk, Eurobet.it, Galabingo.com, Galacasino.com and Coral Telebet.
{2} FY12 has been restated to exclude the impact of the Euro 2012 football championships and week 53 to aid comparability
{3} EBITDA is stated pre-exceptional items
{4} EBITDA of £25.3m is made up of Coral.co.uk (£8.9m), Coral Telebet £1.0m, Eurobet.it £3.9m and Galabingo.com and Galacasino.com £29.3m

Online EBITDA (pre-exceptionals) of £25.3m was £2.4m or 9% behind last year primarily as a result of an increase in marketing costs of £18.6m. Following the launch of the Coral and Gala websites we have invested heavily in marketing to drive active players and this spend (particularly in the second half of the year) will not deliver a return on the investment until FY14. Gross profit was up £25.8m or 38%.

All websites delivered a significant growth in actives during the year, with Coral.co.uk actives increasing by 209.6k or 81%, Eurobet.it by 32.6k or 40%, Galabingo.com by 54.8k or 21% and Galacasino.com by 48.9k or 186%.

Coral.co.uk's first full year of activity following its launch on 11 October 2012 saw a year-on-year improvement in gross win of £22.5m or 99%. Sports stakes were £146.7m or 121% ahead of last year driven by new TV advertising and other high profile marketing campaigns. The sportsbook product offering continues to improve, particularly BiP. Sports gross win margin was 1.0pp behind at 5.9% resulting in gross win £7.4m or 87% ahead. Actions have been taken to address the gross win margin throughout the year, including the removal of many unprofitable customer accounts, improvements to data feeds and settlement, and we are confident of significant margin improvements in FY14.

Coral.co.uk gaming gross win was £15.1m or 104% ahead; an excellent performance, reflecting superior content post launch and the benefits of a single wallet.

Eurobet.it gross win was £5.2m or 23% ahead of last year with Sports stakes £18.5m or 28% ahead. Gaming stakes were 6% ahead driven by the introduction of new slots content which helped offset a market-wide decline in poker stakes.

Galabingo.com and Galacasino.com gross win was £25.2m or 46% ahead of last year, representing a successful first full year following the launch in late FY12. Stakes were 22% and 100% ahead respectively driven by strong customer acquisition and high profile marketing campaigns including a tie-up with the hit ITV show "Saturday Night Takeaway". A successful multi-channel initiative with Gala Retail also contributed with the acquisition of over 30k new actives.

Mobile penetration grew across all sites, with over 50% of UK actives and 30% of Eurobet actives now accessing the sites through a mobile device.

Operating costs (excluding marketing) were £9.6m or 39% higher than last year, which was in-line with expectations and reflects the increased size of the new businesses.

Note: All year on year variances are stated against FY12 excluding Euro 2012 and week 53 to aid comparability.

ONLINE – QUARTER 4

	12 weeks ended 28 September 2013	Adj 12 weeks 2012{2}	Year on Year variance	*13 weeks ended 29 September 2012*
KPIs				
Actives – Coral.co.uk (‘000)	228.5	109.9	108%	*114.1*
Actives – Eurobet.it (‘000)	64.4	41.8	54%	*44.3*
Actives – Galabingo.com (‘000)	130.1	107.9	21%	*111.7*
Actives – Galacasino.com (‘000)	17.1	11.5	49%	*11.8*
Sports Gross Win Margin - Coral.co.uk (%)	4.1%	5.6%	(1.5pp)	*5.4%*
Sports Gross Win Margin – Eurobet.it (%)	11.3%	8.2%	3.1pp	*8.9%*
P&L{1}				
Total amounts staked	**798.6**	**479.0**	**67%**	***516.6***
Total gross win	**38.4**	**25.9**	**48%**	***28.2***
Total gross profit	**22.0**	**14.7**	**50%**	***16.4***
Operating costs	(7.6)	(3.4)	(124%)	*(3.7)*
Marketing	(9.7)	(4.0)	(143%)	*(4.3)*
EBITDA{3}	**4.7**	**7.3**	**(36%)**	***8.4***

{1} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including employee bonus costs). Online businesses include Coral.co.uk, Eurobet.it, Galabingo.com, Galacasino.com and Coral Telebet.
{2} FY12 has been restated to exclude the impact of the Euro 2012 football championships and week 53 to aid comparability
{3} EBITDA is stated pre-exceptional items
{4} EBITDA of £4.7m is made up of Coral.co.uk (£4.1m), Coral Telebet £0.1m, Eurobet.it £0.6m and Galabingo.com and Galacasino.com £8.1m

Online EBITDA (pre-exceptionals) was £2.6m or 36% behind last year as a result of poor sports book margins on Coral.co.uk and continued investment to support the ongoing growth of the businesses, with marketing up £5.7m and operating costs up £4.2m.

Note: All year on year variances are stated against FY12 excluding week 53 to aid comparability.

	52 weeks ended 28 September 2013	Adj 52 weeks 2012{3}	Year on Year variance	*53 weeks ended 29 September 2012*
KPIs {1}				
Admissions ('000)	15,086	16,440	(8%)	*16,732*
Spend per head (£)	35.24	34.82	1%	*35.92*
P&L{2}				
Net income	**291.3**	**303.1**	**(4%)**	***308.7***
Total gross profit	**204.6**	**219.4**	**(7%)**	***223.3***
Operating costs {4}	(137.7)	(140.2)	2%	*(142.0)*
Rent (including propco rent)	(41.7)	(40.8)	(2%)	*(41.5)*
EBITDA {5}	**25.2**	**38.4**	**(34%)**	***39.8***

{1} KPIs are stated on a like for like basis due to the number of closures year on year
{2} P&L results are for the total estate
{3} The FY12 comparatives have been restated to exclude the impact of week 53 to aid comparability
{4} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including employee bonus costs). Operating costs also include sub-let rental income
{5} EBITDA is stated pre-exceptional items

EBITDA (pre-exceptionals) of £25.2m was £13.2m or 34% behind the prior year as a result of a decline in admissions.

Admissions across the industry were down, not helped by the severe snow in Q2 and the abnormally hot weather in Q4. In Gala's case, this decline was due to a lower frequency of visit rather than a reduction in the number of active members.

An 8% reduction in admissions led to a gross profit decline of £14.8m or 7% behind the prior year. Machines held up (relatively) well with spend per head increasing by 7% on the prior year resulting in gross profit only £1.4m or 2% down on a like-for-like basis.

Q4 saw the launch of our 'Price Smash' initiative in which prices have been reduced and fixed prize boards introduced in order to attract admissions. Early results have been positive and a wider roll-out is underway.

Through tight cost control, management reduced operating costs by £6.0m (primarily payroll). However, this saving was mostly offset by the introduction of MGD (£3.5m) and inflationary cost pressures on property and utility costs.

Note: All year on year variances are stated against FY12 excluding week 53 to aid comparability.

	12 weeks ended 28 September 2013	Adj 12 weeks 2012{3}	Year on Year variance	*13 weeks ended 29 September 2012*
KPIs {1}				
Admissions ('000)	3,371	3,666	(8%)	*3,957*
Spend per head (£)	34.54	34.49	(0%)	*34.59*
P&L {2}				
Net income	**65.6**	**67.7**	**(3%)**	***73.3***
Total gross profit	**44.9**	**50.3**	**(11%)**	***54.2***
Operating costs {4}	(31.3)	(30.7)	(2%)	*(32.5)*
Rent (including propco rent)	(9.3)	(9.2)	(1%)	*(9.8)*
EBITDA {5}	**4.3**	**10.4**	**(59%)**	***11.9***

{1} KPIs are stated on a like for like basis due to the number of closures year on year
{2} P&L results are for the total estate
{3} The FY12 comparatives have been restated to exclude the impact of week 53 to aid comparability
{4} FY12 and FY13 operating costs have been restated to include costs that were previously managed centrally (including bonus costs). Operating costs also include sub-let rental income
{5} EBITDA is stated pre-exceptional items

EBITDA (pre-exceptionals) of £4.3m was £6.1m or 59% behind last year.

Admissions trends had improved during Q3 following a difficult start to the year. However, the abnormally hot weather through July and August hit Q4 admissions which were down 8%, in line with the full year performance.

Operating costs (excluding rent) in the quarter were £0.6m or 2% higher than the prior year.

Note: All year on year variances are stated against FY12 excluding week 53 to aid comparability.

CASINO DISPOSAL

The Group completed the sale of 19 of its 24 casinos to the Rank Group Plc on the 12 May for total proceeds of £179.0m and expects to complete on the sale of its remaining 4 UK casinos prior to Christmas having exchanged on 31st August. The results of these casinos have been classified as a discontinued operation and are excluded from the results of the continuing Group. The results of the casino division for the period for which they were owned by the Gala Coral Group are disclosed below:

P&L	**52 weeks ended 28 September 2013 £m**	**Adj 52 weeks 2012{3} £m**	***53 weeks ended 29 September 2012 £m***
Casinos gross profit{1,2}	69.7	101.8	*103.7*
Casinos EBITDA (pre-exceptionals) {1,3}	10.5	15.8	*16.0*

{1} Includes 8 periods of trading for the 19 casinos sold to Rank and 13 periods of trading for the remaining 4 casinos for which completion is anticipated within 3 months of the year end.

{2} Reflects statutory gross profit

{3} EBITDA (pre-exceptionals) is stated after charging Propco rent

CORPORATE COSTS

Corporate costs for the year of £2.7m (before depreciation and amortisation) were £4.6m lower than in FY12 following a reduction in bonus costs and a higher level of VAT rebates received compared to last year. During the quarter corporate costs were £nil as a result of the release of the bonus provision that was held at Q3. Without these benefits Corporate Costs would have been around £5m.

EXCEPTIONAL ITEMS

Exceptional items in the year amounted to a £72.9m charge (FY12: £74.2m).

Within this charge is a £59.1m cost associated with the Gaming Machines VAT claim which has been provided for following the recent ruling against Rank by the Court of Appeal. Whilst the directors are confident that an appeal will ultimately find in favour of the gaming operators, they have deemed it prudent to provide against the potential exposure within the 2013 financial statements.

The other elements of the charge relate to 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) and costs associated with the restructuring of our UK retail businesses. These costs have been partially offset by Conde Nast receipts and a reassessment of onerous lease provisions on certain properties.

FINANCING

Net debt for covenant purposes was £1,149.2m (net of issue costs). The reduction of £128.9m since the previous year end is as a result of freecash flow generation of £37m and the proceeds received from the Casino disposal. Total Group net debt of £2,139.9m (29 September: £2,241.2m) also includes the Gala Propco Three Limited debt of £337.7m and GCGL loan notes of £712.7m. The Gala Propco Three Limited debt is ring-fenced from the trading Group.

Cash at bank of £216.3m includes cash for covenant purposes of £196.0m.

APPENDIX: RESTATED COMPARATIVES

The table below sets out restated divisional EBITDA (pre-exceptionals) numbers in a format that is consistent with the figures on page 3. In order to enable comparability year on year the FY12 figures have been adjusted for FY12 Aintree Festival (Q2 and Q3), Euro 2012 (Q3) and week 53 (Q4).

EBITDA {1}	**FY12 Q1 £m**	**FY12 Q2 £m**	**FY12 Q3 £m**	**FY12 Q4 £m**	**FY13 Q1 £m**	**FY13 Q2 £m**	**FY13 Q3 £m**	**FY13 Q4 £m**
RETAIL								
Coral Retail	45.2	47.4	32.8	33.6	42.1	47.0	35.4	24.0
Eurobet Retail	3.6	3.3	1.6	(0.3)	4.9	3.5	1.0	0.0
	48.8	**50.7**	**34.4**	**33.3**	**47.0**	**50.5**	**36.4**	**24.0**
ONLINE								
Online	8.9	6.2	5.3	7.3	7.2	4.8	8.6	4.7
GALA								
Gala Retail Bingo	8.9	9.5	9.6	10.4	6.0	8.3	6.6	4.3
Gala Retail Casino	1.0	0.6	0.6	0.7	0.6	0.9	0.4	0.6
	9.9	**10.1**	**10.2**	**11.1**	**6.6**	**9.2**	**7.0**	**4.9**
CORPORATE								
Corporate costs	(2.4)	(1.5)	(2.0)	(1.4)	(0.9)	(0.9)	(0.9)	0.0
TOTAL (FY12 REBASED)	**65.2**	**65.5**	**47.9**	**50.3**	**59.9**	**63.6**	**51.1**	**33.6**
Non-comparable events	-	(4.0)	6.3	5.4	-	-	-	-
TOTAL OPCO	**65.2**	**61.5**	**54.2**	**55.7**	**59.9**	**63.6**	**51.1**	**33.6**
Propco rental income	8.2	6.2	6.3	6.9	8.5	6.4	6.5	6.3
TOTAL RETAINED GROUP	**73.4**	**67.7**	**60.5**	**62.6**	**68.4**	**70.0**	**57.6**	**39.9**
Disposed casinos	5.0	4.1	3.7	3.2	5.2	4.2	1.7	(0.6)
TOTAL GROUP	**78.4**	**71.8**	**64.2**	**65.8**	**73.6**	**74.2**	**59.3**	**39.3**

{1} Pre-exceptional items

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Forward Looking Statements

This press release may include forward looking statements. All statements other than statements of historical facts included in this release, 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 release 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 release 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 release.

These forward-looking statements are made as of the date of this release 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 release 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 release.

Notice

The accounts for the 16 weeks ended 13 April 2013 have been prepared at the level of Gala Coral Group Limited. 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. The differences between balance sheets consolidated at Gala Coral Group Limited and Gala Electric Casinos plc are an immaterial difference in net assets relating to the amount due in respect of subordinated group debt and immaterial classification differences in capital and reserves.