

GVC Holdings PLC
 (“GVC”, the “Group” or the “Company”)

Q3 Trading update

GVC Holdings PLC (LSE: GVC), the multinational sports-betting and gaming group, is pleased to announce a trading update for the period 1 July 2018 to 30 September 2018.

Key highlights Q3¹:

- Continued strong growth and market share gains in all major territories
- Online NGR +28%
 - Sports brands NGR +31%
 - Games brands NGR +19%
- UK Retail like-for-like (“LFL”)² NGR -2% helped by a good second half of the World Cup
- European Retail NGR +24% with strong growth in Italy
- Total Group NGR +14%
- Integration of the Ladbrokes Coral businesses progressing well

Key highlights year-to-date¹:

- Group NGR +10% with Online NGR +21% and European Retail NGR +28%
- The Group remains in-line with its expectations for the year

	Q3 growth (1 July 2018 to 30 September 2018) ¹				YTD growth (1 January 2018 to 30 September 2018) ¹			
	Total NGR	Total NGR CC ³	Sports Wagers	Sports Margin	Total NGR	Total NGR CC ³	Sports Wagers	Sports Margin
Online								
Sports brands	31%	31%	16%	+0.8pp	23%	24%	11%	+1.1pp
Games brands	19%	18%			15%	16%		
B2B	10%	8%			25%	27%		
Total Online	28%	29%			21%	23%		
UK Retail (LFL)²	(2%)	(2%)	(4%)	(0.2pp)	(3%)	(3%)	(5%)	(0.1pp)
European Retail	24%	22%	18%	+0.9pp	28%	24%	10%	+2.4pp
Other	2%	2%			(15%)	(14%)		
Total Group	14%	14%			10%	10%		

Kenneth Alexander (CEO) said:

“The Group’s performance in the quarter was very pleasing with momentum continuing across the Online and European Retail divisions. As highlighted in our H1 results, we will look to consolidate our position in markets where we are taking market share through the reinvestment of excess returns, and the board is confident in its full year expectations. We believe our sports-betting joint venture with MGM is best placed to be the market leader in the US and we have taken the first steps on that journey with

the soft-launch of our sports-betting app in New Jersey. We have also recently announced a series of CSR measures including a multi-million pound commitment to responsible gambling initiatives and a call for a pre-watershed ban of TV advertising in the UK around football and other live sports.

The industry continues to evolve and whilst there are challenges there are also many exciting opportunities. Through our proprietary technology, portfolio of brands, leading product and talent, GVC is well placed to continue to deliver shareholder value.”

Q3 Trading commentary:

Online:

Online NGR was 28% ahead driven by strong growth across all major territories and helped by a good end to the World Cup. After adjusting for the estimated impact of the World Cup and the acquisition of Crystalbet, Online NGR was 21% ahead.

Sports brands NGR grew 31%, with sports wagers 16% ahead and sports margin up 0.8pp. Legacy GVC brands continued their strong growth with NGR +43% driving significant market share gains across our major territories; NGR was 30% ahead in Germany (+29% cc), +14% ahead in Italy (+13% cc) and 13% ahead in Brazil (+39% cc), driven by leading product, good customer user experience and innovative brand marketing. The Crystalbet business continues to grow strongly contributing 10pp to the legacy GVC sports brands NGR growth and 4pp to overall sports brands NGR growth. Growth in the acquired Ladbrokes Coral brands was also strong; in the UK both Ladbrokes.com +23% and Coral.co.uk +29% posted very pleasing NGR growth with sports wagering 9% ahead, and sports margin +1.3pp helped by a particularly strong margin in September. In Italy, Eurobet.it NGR was 21% ahead (+19% cc) while in Australia, Ladbrokes.com.au staking growth of 17% (+24% cc) was offset by a softer margin (-0.7pp) resulting in NGR growth of 5% (+11% cc).

Games brands NGR was 19% ahead with partypoker +43% benefiting from its extensive live event tournaments and continued marketing investment. Gala brands NGR and GVC casino brands NGR were both +18% driven in part by strong levels of first-time-depositors.

UK Retail (LFL²):

UK Retail LFL NGR was 2% behind last year. LFL OTC wagers were 4% behind, and after adjusting for the World Cup, were around 6% behind, while OTC gross win margin was 0.2pp behind last year. Machines LFL NGR was 1% ahead.

European Retail:

European Retail NGR was 24% ahead of last year (+22% cc) with growth in all regions. Eurobet Retail NGR was 33% (+31% cc) ahead of last year helped by the World Cup (contributing 6pp of growth) and by good underlying wagering growth of 17% (+15% cc) excluding the World Cup.

US:

During the quarter the joint venture between GVC and MGM Resorts soft-launched its New Jersey Android mobile app. The launch of an iOS version is imminent (and is currently awaiting Apple Store approval). Upon iOS launch, a full “playMGM” marketing campaign will commence.

The joint venture has also signed a market access agreement with the United Auburn Indian Community which in the event that California legislates sports-betting, will enable the joint-venture to access the Californian market with its brands.

Triennial Review:

We expect the Government to provide an update on its plans to increase Remote Gaming Duty in the Budget on 29 October 2018. We also expect clarity on the implementation date for the cut in B2 stakes to £2. We anticipate that the Triennial Review legislation will be enacted this year.

CFO succession planning:

The Group has today announced that Rob Wood has been appointed Deputy Chief Financial Officer with immediate effect, prior to succeeding Paul Bowtell as GVC's Chief Financial Officer ("CFO") following his decision to step down from the Board on 5 March 2019.

After seven years as CFO of first Gala Coral, then Ladbrokes Coral plc and now GVC, Paul Bowtell has decided to leave the Company in order to take up a role with Alchemy Partners, the private equity firm. He will step down on 5 March 2019, when GVC expects to announce its 2018 annual results. Rob Wood has been with the Group for six years and is the CFO of the Ladbrokes Coral UK Retail business, the largest division in GVC.

Notes

- (1) The Group's proforma results are presented as if the current Group, post the acquisition of the Ladbrokes Coral Group plc, had existed since 1 January 2017. As such, it excludes the results of the Turkish business which was discontinued during 2017 and the 360 shops that the Ladbrokes Coral Group plc was required to divest on the merger of Ladbrokes PLC and the Coral Group. The results of Crystalbet are included from the date of acquisition (11 April 2018) and the results of Kalixa are excluded from the date of disposal (31 May 2017)*
- (2) UK Retail numbers are quoted on a LFL basis. During the period there were an average of 3,495 shops in the estate, compared to an average of 3,581 in the same period last year*
- (3) Growth on a constant currency basis is calculated by translating both current and prior year performance at the 2018 exchange rates*

- ends -

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Call Details:

GVC will host a conference call on 18 October 2018 at 8.30 am (London time). Participants may join the call by dialing one of the following numbers, approximately 10 minutes before the start of the call.

UK toll-free dial in: 08082370040

International numbers: http://events.arkadin.com/ev/docs/FEL_Events_International_Access_List.pdf

Participant PIN Code: 48892211#

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Forward looking statements:

This announcement contains certain statements that are forward-looking statements. They appear in a number of places throughout this announcement and include statements regarding our intentions, beliefs or current expectations and those of our officers, directors and employees concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the business we operate. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this announcement and, unless otherwise required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements. Nothing in this announcement should be construed as a profit forecast. The Company and its directors accept no liability to third parties in respect of this document save as would arise under English law.

About GVC Holdings PLC:

GVC Holdings PLC is one of the world's largest sports-betting and gaming groups, operating both online and in the retail sector. The Group owns a comprehensive portfolio of established brands; Sports Brands include bwin, Coral, Crystalbet, Eurobet, Ladbrokes and Sportingbet; Games Brands include CasinoClub, Foxy Bingo, Gala, Gioco Digitale, partypoker and PartyCasino. The Group owns proprietary technology across all of its core product verticals and in addition to its B2C operations provides services to a number of third-party customers on a B2B basis. GVC acquired Ladbrokes Coral Group plc on 28 March 2018 and is now the UK's largest high street bookmaker, with over 3,500 betting shops. The Group, incorporated in the Isle of Man, is a constituent of the FTSE 100 index and has licences in more than 20 countries, across five continents.

For more information see the Group's website: www.gvc-plc.com