

**GVC Holdings PLC**  
("GVC", the "Group" or the "Company")

**2018 Post close trading update**

GVC Holdings PLC (LSE: GVC), the multinational sports-betting and gaming group, is pleased to announce a post close trading update for the year to 31 December 2018. Following a strong final quarter, the Group expects full year 2018 proforma underlying EBITDA<sup>1/2</sup> to be in the range of £750m-£755m, ahead of current market consensus<sup>3</sup>.

**Full year trading highlights<sup>1</sup>:**

- Proforma underlying Group EBITDA<sup>2</sup> ahead of expectations<sup>3</sup> at £750m to £755m
- Strong growth in Online with NGR +19%
- UK Retail like-for-like ("LFL")<sup>4</sup> NGR -3%
- European Retail NGR +16% with strong growth in Italy NGR +18%
- Total Group NGR +9%

**Q4 trading highlights<sup>1</sup>:**

- Continued momentum in Online, despite very tough comparatives, and market share gains in all major territories
- Group NGR +5% with Online NGR +15%

	Proforma <sup>1</sup> Q4 growth (1 October 2018 to 31 December 2018)				Proforma <sup>1</sup> 2018 Full Year growth (1 January 2018 to 31 December 2018)			
	Total NGR	Total NGR CC <sup>5</sup>	Sports Wagers	Sports Margin	Total NGR	Total NGR CC <sup>5</sup>	Sports Wagers	Sports Margin
<b>Online</b>								
Sports brands	14%	15%	18%	(1.5pp)	20%	22%	13%	+0.4pp
Games brands	18%	18%			16%	16%		
B2B	(3%)	(5%)			17%	18%		
<b>Total Online</b>	<b>15%</b>	<b>15%</b>			<b>19%</b>	<b>21%</b>		
<b>UK Retail (LFL<sup>4</sup>)</b>	(3%)	(3%)	(7%)	(0.7pp)	(3%)	(3%)	(6%)	(0.2pp)
<b>European Retail</b>	(7%)	(8%)	11%	(3.6pp)	16%	14%	11%	+0.8pp
<b>Other</b>	24%	24%			(6%)	(6%)		
<b>Total Group</b>	<b>5%</b>	<b>6%</b>			<b>9%</b>	<b>9%</b>		

Kenneth Alexander (CEO) said:

"The Group's performance in 2018 has been excellent with the strong momentum reported at Q3 continuing into Q4. We are materially outperforming the market and taking share in all of our major territories. As the Group carries this momentum forward into the new year, and starts to deliver the opportunities provided by both the Ladbrokes Coral integration and our sports-betting joint-venture in the US with MGM Resorts, the Board is confident that the Group is very well placed for a successful 2019."

## **Q4 Trading commentary:**

### Online:

Online NGR growth of 15% was very strong despite the high sports gross win margin in the comparative period last year.

Sports brands NGR was up 14%; sports wagers growth of 18% was largely offset by a sports gross win margin of 10.7% which was 1.5pp behind last year, while gaming NGR was 35% ahead. Growth remained impressive across all major territories with legacy GVC sports brands NGR 21% ahead and legacy Ladbrokes Coral sports brands NGR 9% ahead, including 12% NGR growth in the UK sports brands.

Games brands NGR was 18% ahead with partypoker +43%, Gala brands +18% and legacy GVC casino brands +13%.

Total Online marketing costs as a % of NGR in the quarter was 22% (Full year: 23%).

### UK Retail (LFL<sup>4</sup>):

UK Retail LFL NGR was 3% behind last year. LFL OTC NGR was 10% behind driven by LFL OTC gross win margin down 0.7pp and LFL OTC wagers 7% behind. LFL machines NGR was 3% ahead.

### European Retail:

Belgium Retail NGR was 15% ahead of last year and Republic of Ireland Retail NGR 8% ahead. Overall European Retail NGR was 7% behind the prior year, due to a lower OTC gross win margin in Eurobet Retail, which was 7.4pp down on last year's exceptionally high level. However Eurobet Retail OTC wagers grew by 15%.

## **Full Year Results announcement:**

The Group intends to release its preliminary FY18 results on 5 March 2019.

### Notes

- (1) *The Group's results and growth rates are unaudited and presented on a proforma basis 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) *Stated pre separately disclosed items and shared based payments*
- (3) *2018 consensus underlying EBITDA is £739.0m based on Bloomberg consensus as at 16 January 2019*
- (4) *UK Retail numbers are quoted on a LFL basis. During Q4, there were an average of 3,474 shops in the estate, compared to an average of 3,565 in the same period last year. In the full year, there were an average of 3,524 shops in the estate, compared to an average of 3,618 in the same period last year*
- (5) *Growth on a constant currency basis is calculated by translating both 2018 and 2017 performance at the 2018 exchange rates*

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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 3,400 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](http://www.gvc-plc.com)