



# FY2017 Financial Results

March 29<sup>th</sup>, 2018

***intralot***

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# Presentation Participants



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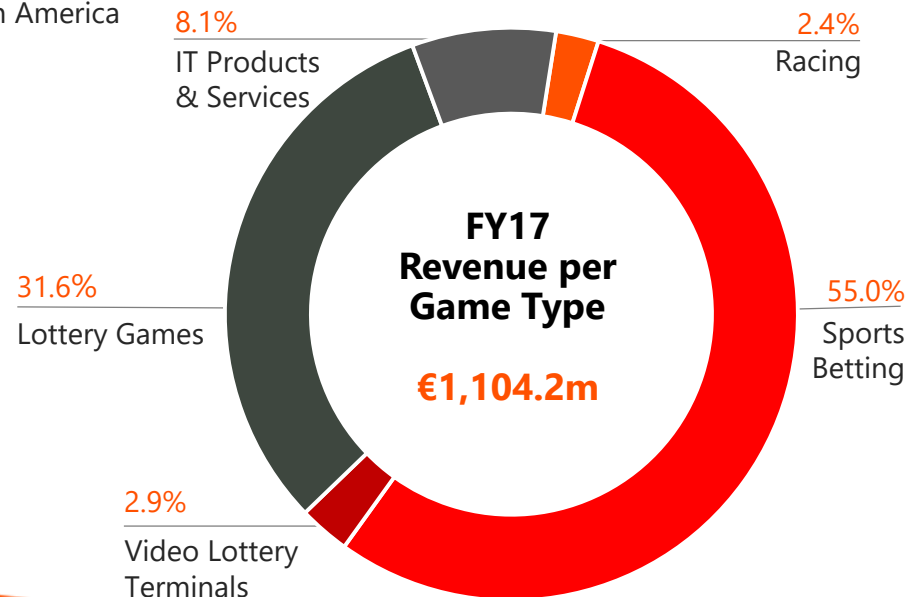
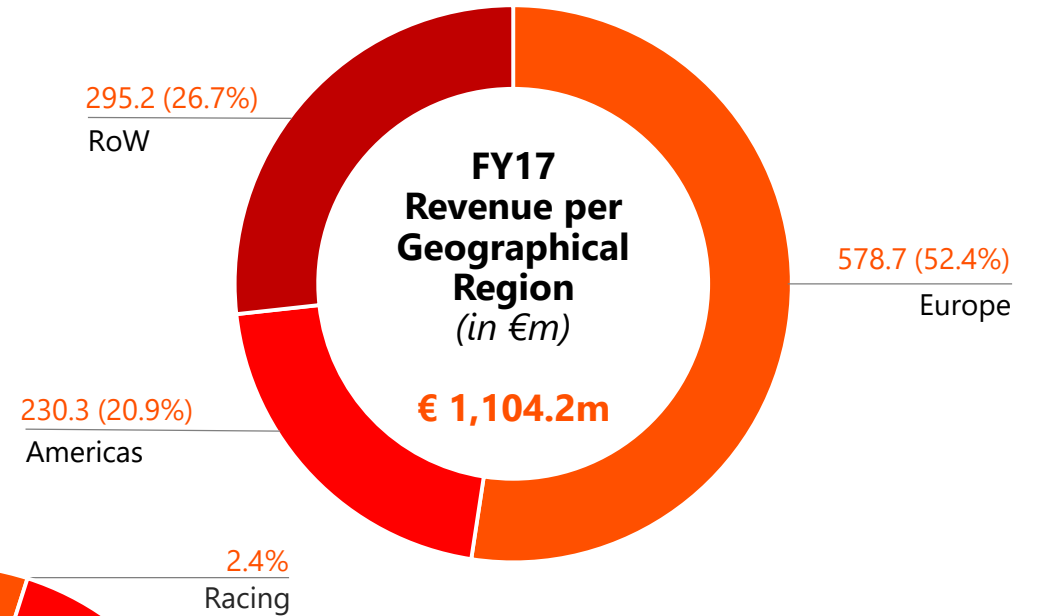
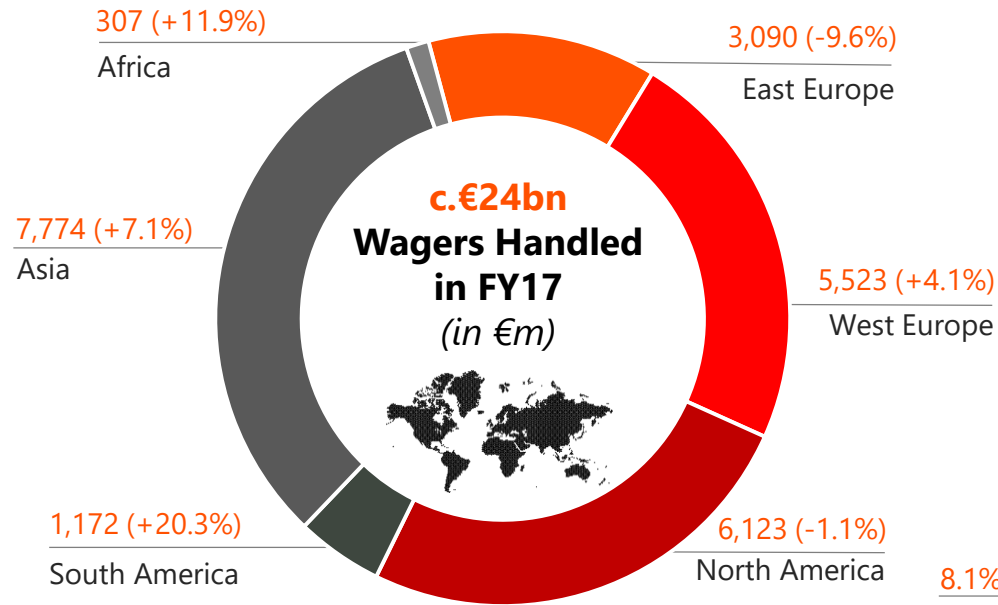
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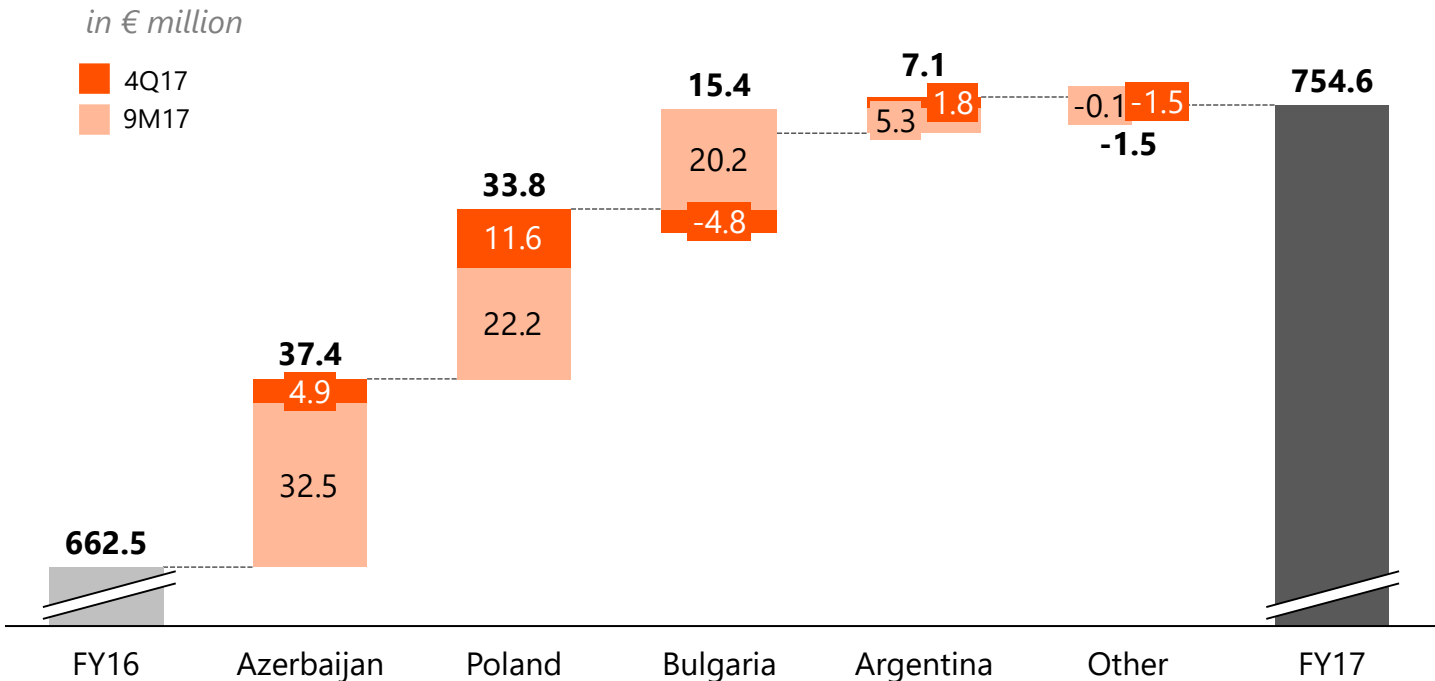
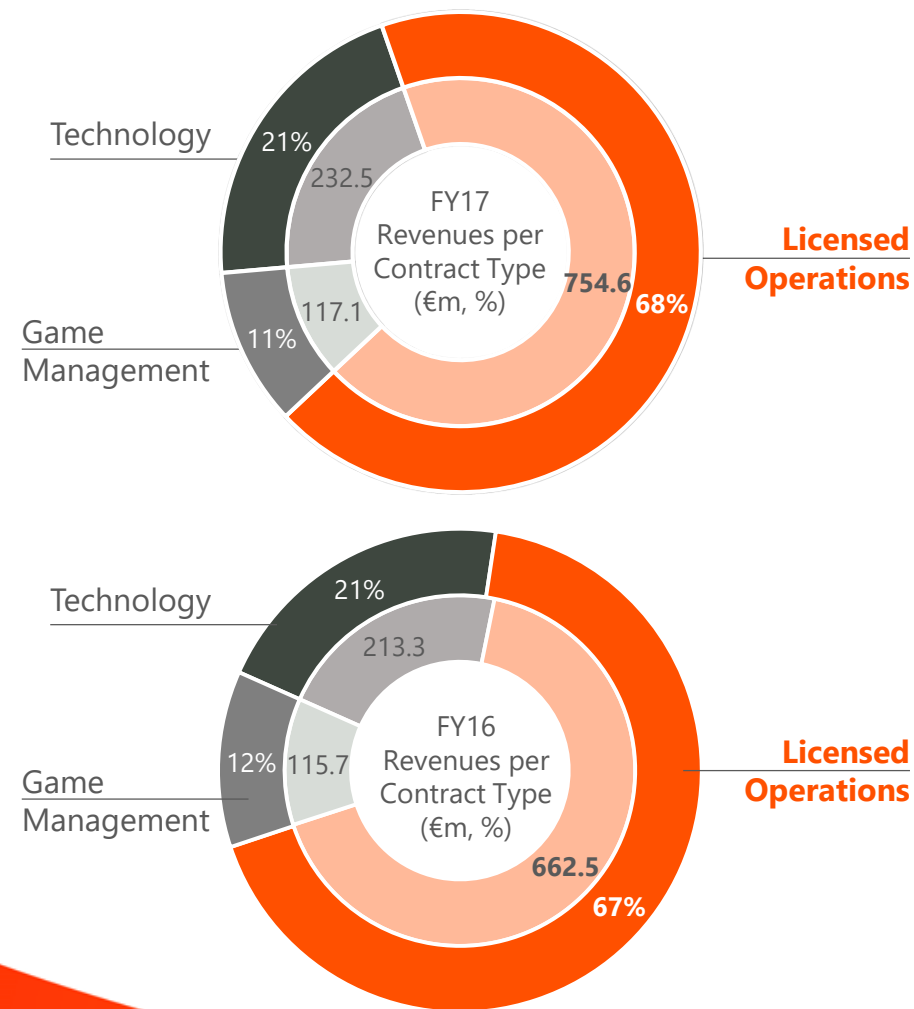
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# Wagers Handled & Revenues<sup>1</sup>



1. Excluding discontinuing operations

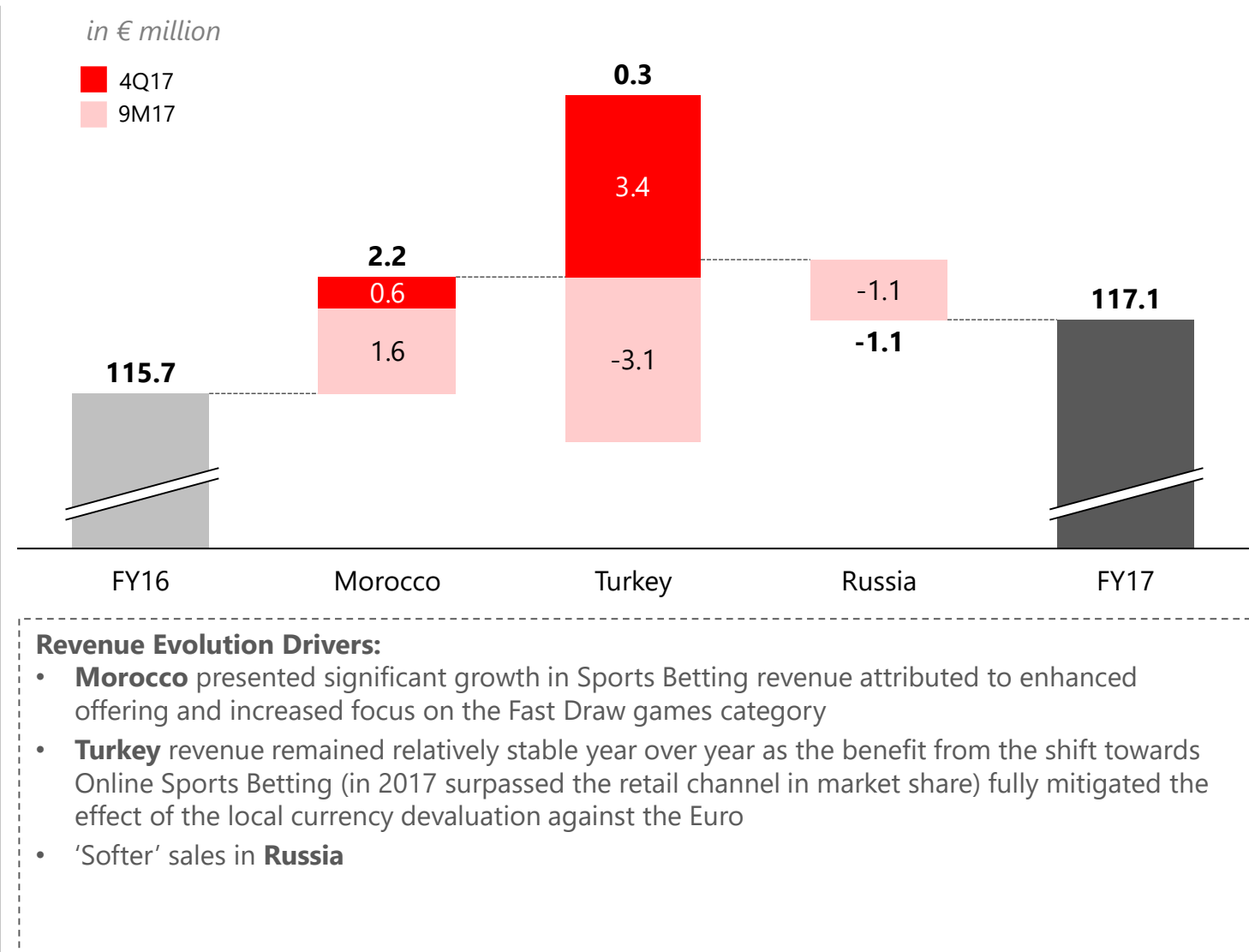
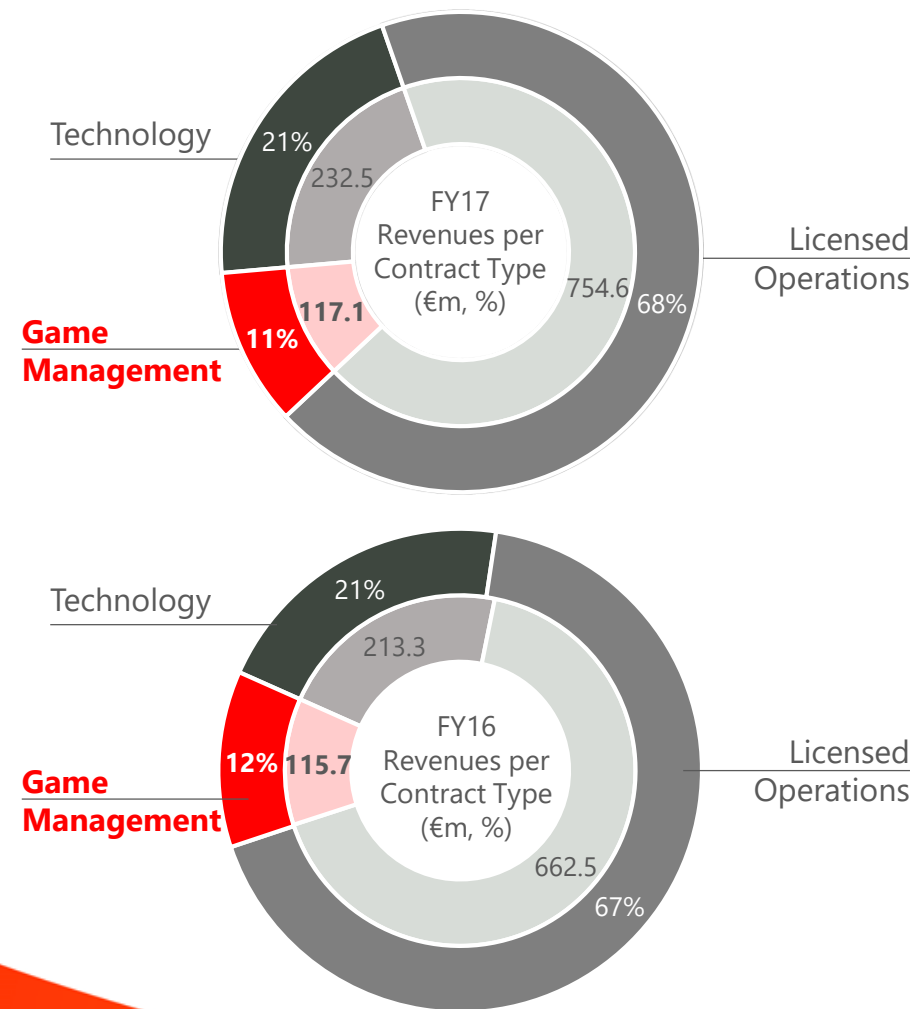
# Licensed Operations - Revenue Evolution



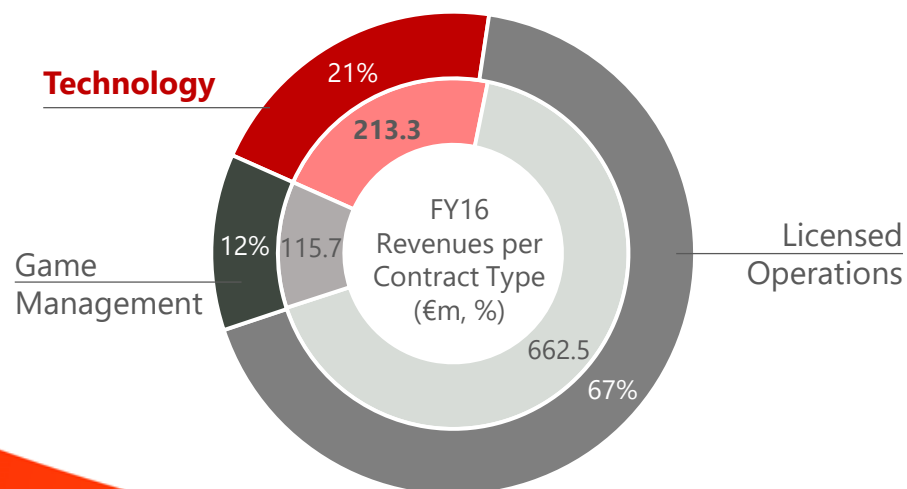
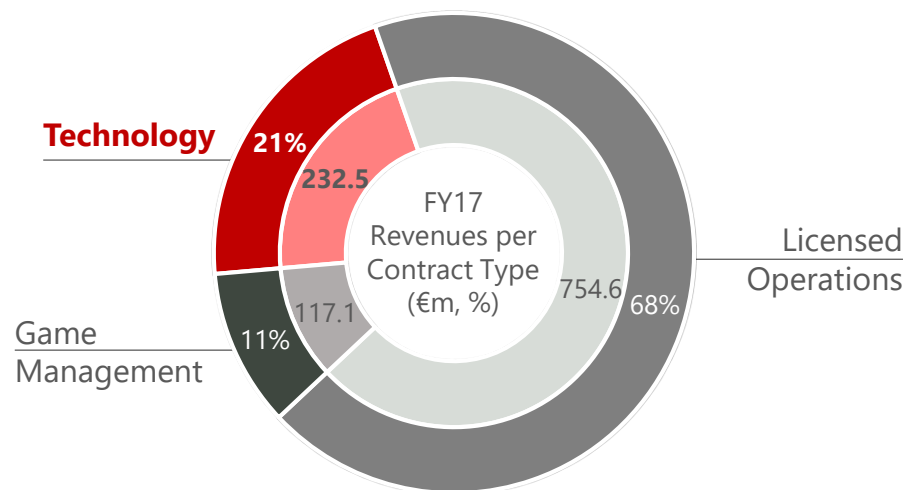
## Revenue Evolution Drivers:

- Azerbaijan** presented significant growth in Sports Betting and Greyhounds Racing, driven by enhanced product offering and retail-oriented initiatives, only partially offset by unfavorable performance in Numerical Games and Horse Racing
- Poland** following the recent regulatory changes
- Bulgaria** due to Eurobet's full year effect which has been partially offset by the lower sports betting revenue in Bulgaria due to shift towards Online Betting, and conservative payout strategy, partially offset by the continuing growth performance of Virtual Sports, and
- Argentina's** Sports Betting business boosted by favorable FX movement

# Game Management Contracts - Revenue Evolution

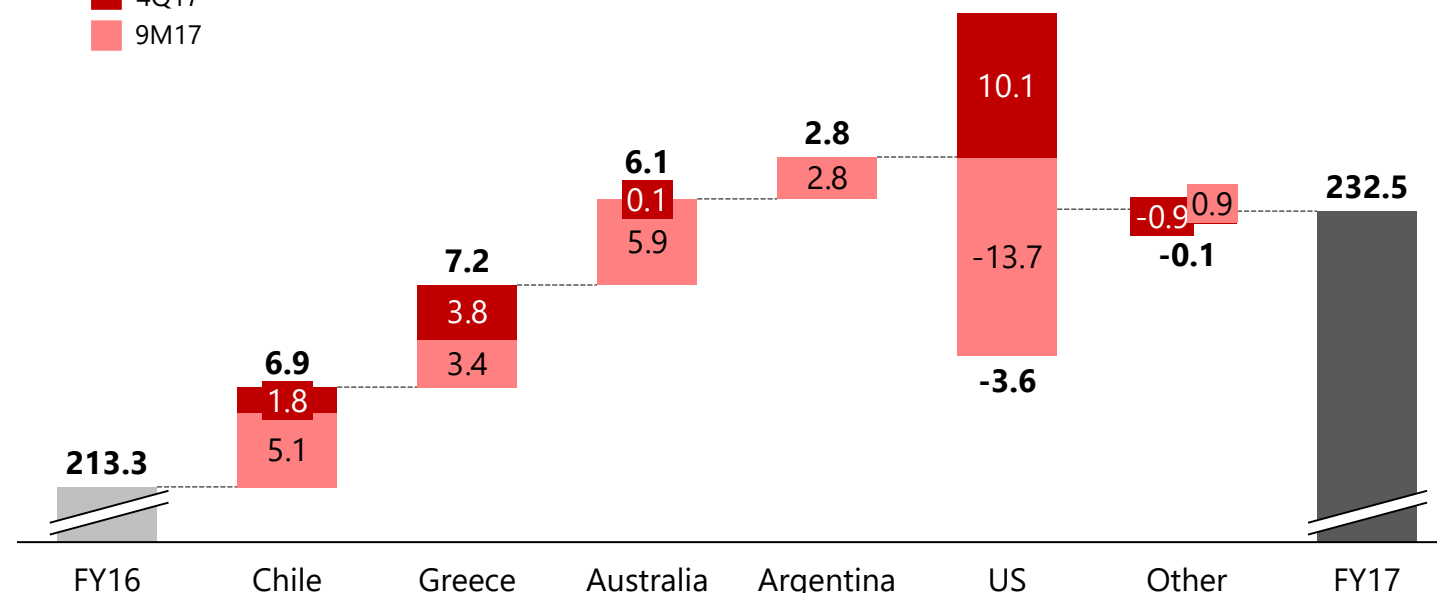


# Technological Contracts - Revenue Evolution



in € million

■ 4Q17  
■ 9M17



## Revenue Evolution Drivers:

- **Chilean** new contract uptake
- **Greece's** increased top line contribution as a result of Peru's new contract full year effect as well as due to a Hellenic Lotteries' project one-off fee of €+3.0m
- Sale of software license right in **Australia**
- **Argentina's** Numerical Games portfolio business boosted by favorable FX movement
- Softer performance of our **US** operations impacted by last year's record Powerball and less equipment sales in 2017 vs. 2016

# Consolidated Financial Statements for FY17 and 4Q17

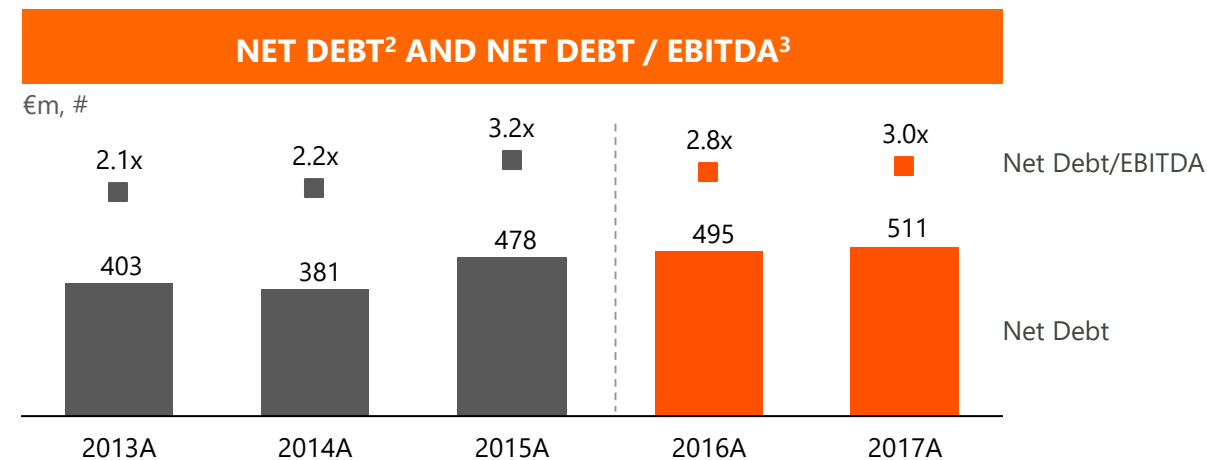
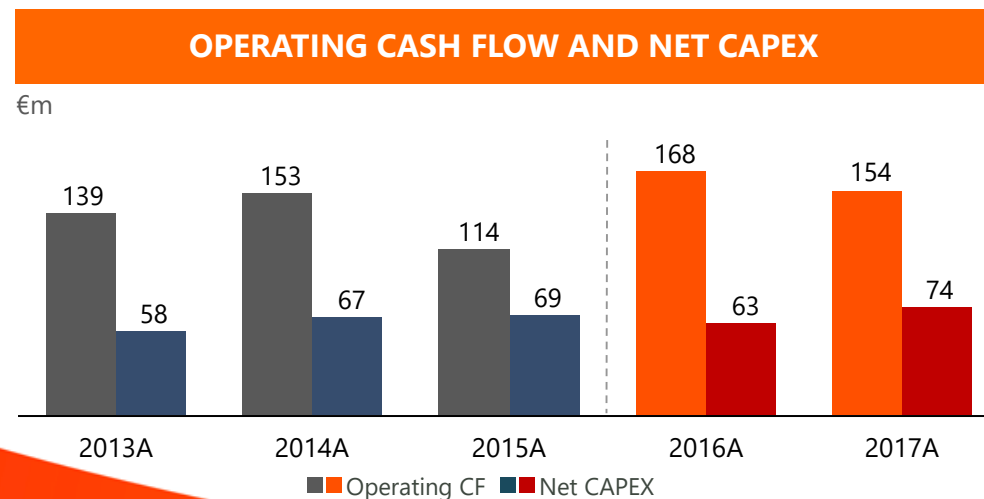
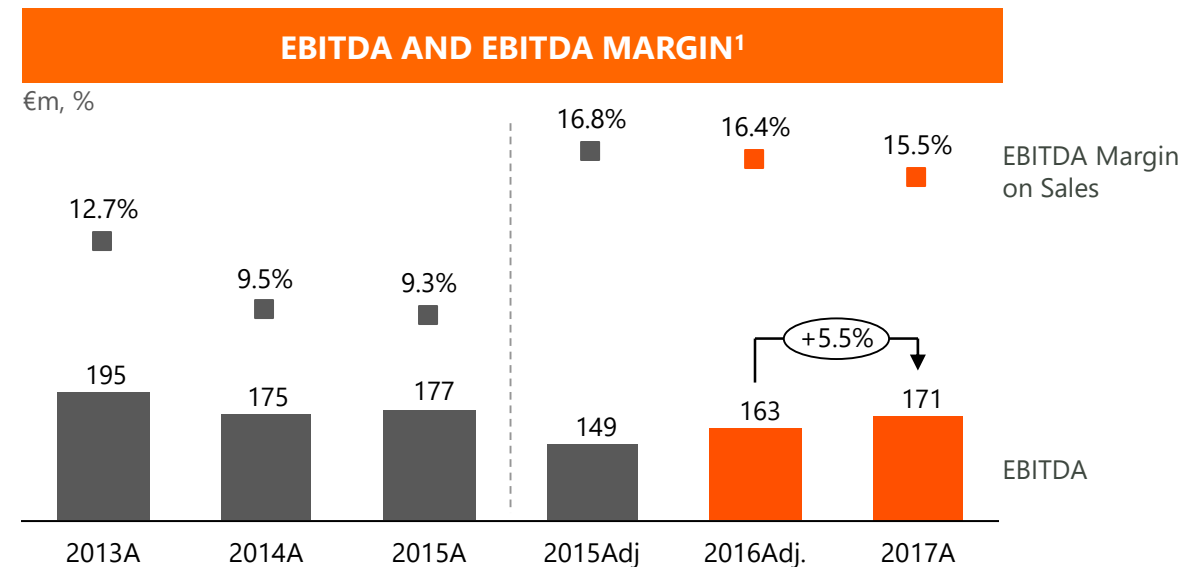
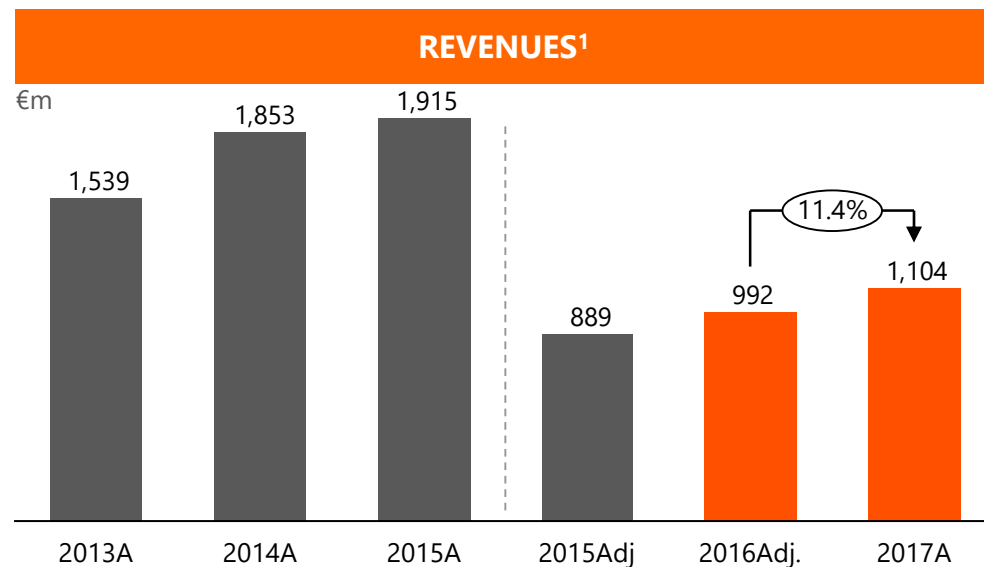


(in € million)

	FY17	FY16	% Change	4Q17	4Q16	% Change
<b>Revenues (Turnover)</b>	<b>1,104.2</b>	<b>991.5</b>	<b>11.4%</b>	<b>309.5</b>	<b>278.7</b>	<b>11.1%</b>
Technology, Management & Rest Contracts	354.9	336.6	5.4%	106.7	88.4	20.7%
Licensed Operations (Payout related)	749.3	654.9	14.4%	202.8	190.3	6.6%
Payout (%)	70.1%	70.9%	-0.8pps	68.8%	71.7%	-2.9pps
<b>GGR</b>	<b>579.2</b>	<b>527.2</b>	<b>9.9%</b>	<b>169.9</b>	<b>142.3</b>	<b>19.4%</b>
nGGR	458.4	417.8	9.7%	137.2	111.4	23.2%
Gross Profit	241.9	203.8	18.7%	78.5	58.0	35.3%
Gross Profit Margin (%)	21.9%	20.6%	+1.3pps	25.4%	20.8%	+4.6pps
<b>EBITDA</b>	<b>171.5</b>	<b>162.5</b>	<b>5.5%</b>	<b>48.4</b>	<b>48.4</b>	<b>-</b>
EBITDA Margin (% Sales)	15.5%	16.4%	-0.9pps	15.6%	17.4%	-1.8pps
EBITDA Margin (% GGR)	29.6%	30.8%	-1.2pps	28.5%	34.0%	-5.5pps
<b>EBT</b>	<b>10.3</b>	<b>-7.6</b>	<b>-</b>	<b>-14.7</b>	<b>-17.5</b>	<b>-16.0%</b>
EBT Margin (% Sales)	0.9%	-0.8%	+1.7pps	-4.7%	-6.3%	+1.6pps
<b>NIATMI from Continuing Operations</b>	<b>-58.6</b>	<b>-74.2</b>	<b>-21.0%</b>	<b>-35.9</b>	<b>-39.0</b>	<b>-7.9%</b>
NIATMI from Total Operations	-53.4	0.9	-	-21.4	-0.9	-



# Overview Of Key Financial Metrics



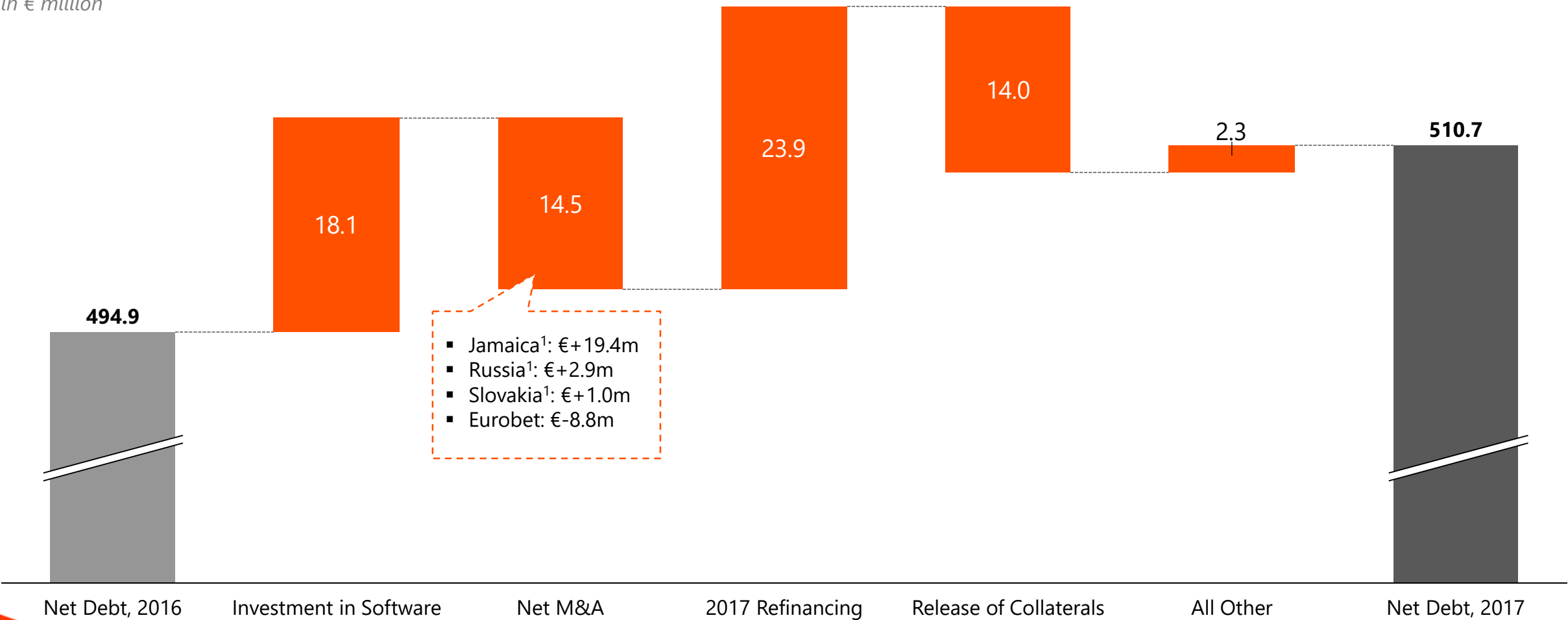
1. 2015Adj. 2016Adj. & 2017A results do not include discontinued operations in Italy, Peru, Russia, Jamaica and Slovakia

2. Net debt calculated as Long-term debt plus Short-term debt and current portion of long-term debt plus Financial Leases less Cash and cash equivalents

3. Calculated as Net debt divided by LTM EBITDA

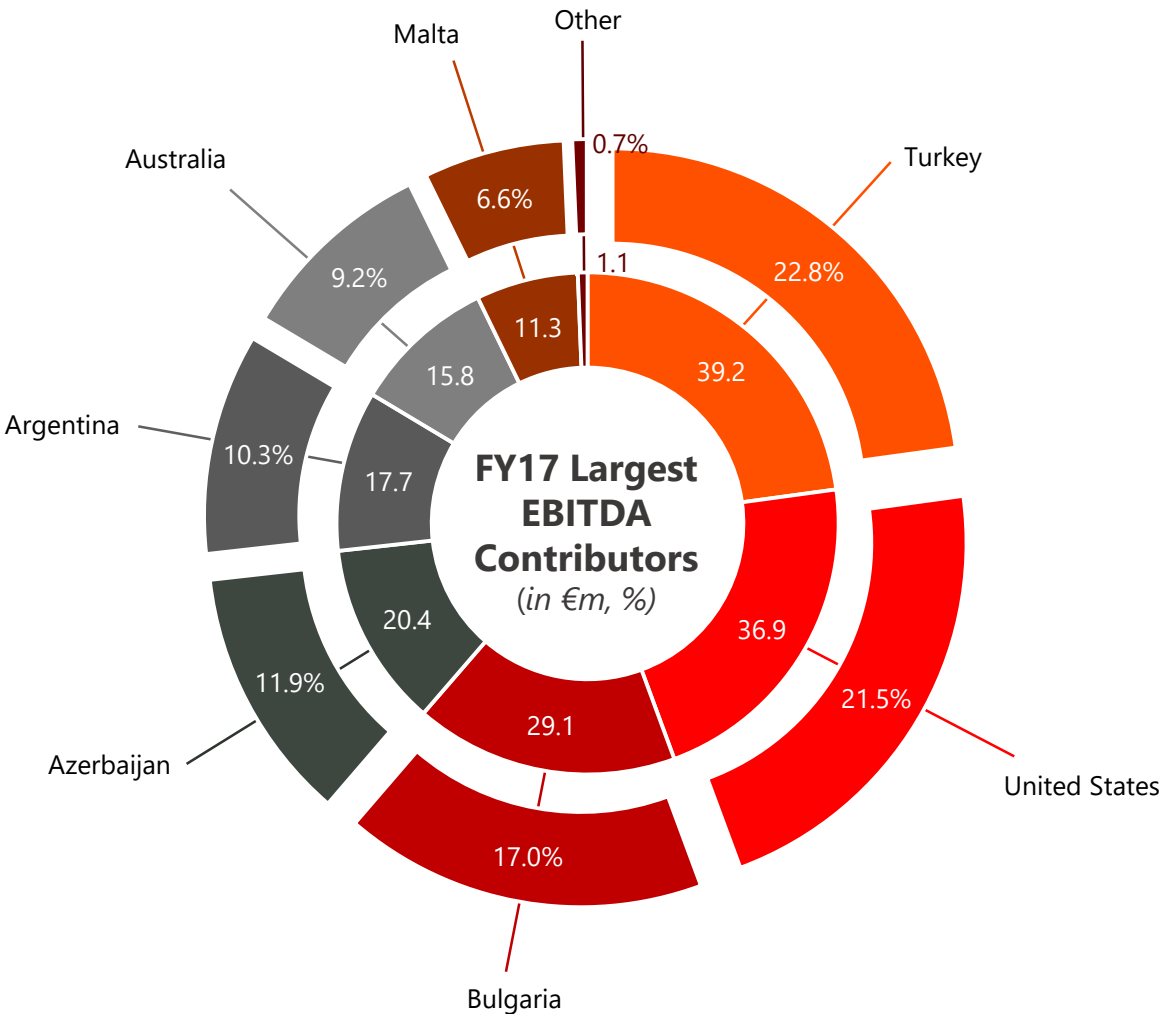
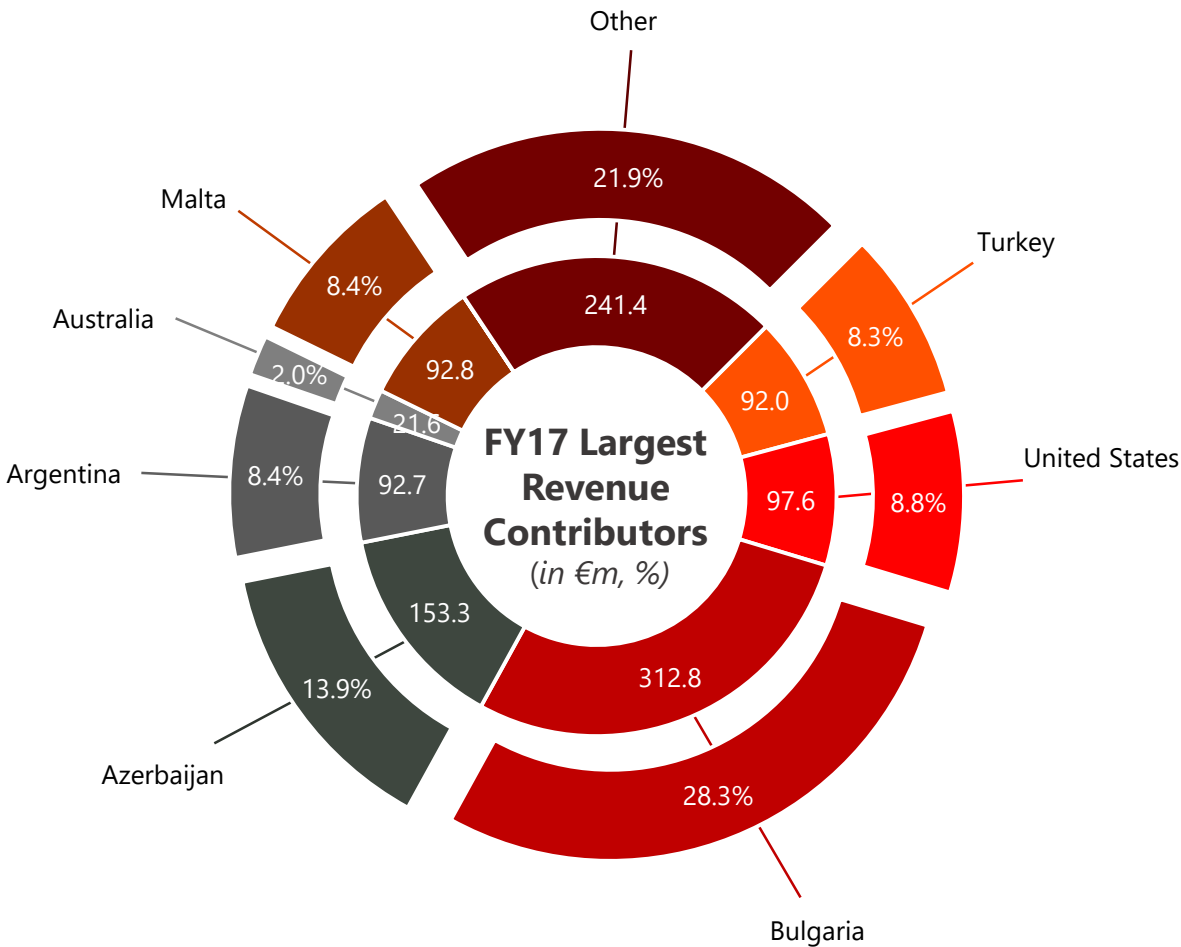
# Net Debt Movement

in € million









1. Amounts refer to the net cash impact of the transactions (i.e. cash consideration received/ given less cash held at the entity at the disposal/ acquisition date)

# Key Revenue and EBITDA Contributors<sup>1,2</sup>



1. Country Revenue and EBITDA figures include all operating and non-operating entities  
2. USA metrics include also the Philippines project contribution

# Contribution from Partnerships

Partnership		Stake	FY17 EBITDA Contribution	FY16 EBITDA Contribution
	Inteltek <sup>1</sup>	45.00%	14%	18%
	Bilyoner <sup>1</sup>	50.01%	9%	8%
	Eurofootball Group <sup>2</sup>	49.00% + option for additional 2.00%	13%	13%
	Eurobet Group <sup>2</sup>	49.00% + option for additional 2.00%	4%	2%
	Azerinteltek <sup>2</sup>	22.95%	12%	9%
	Tecno Accion Group <sup>3</sup>	50.01%	10%	10%
<b>Total Partnership Contribution</b>			<b>62%</b>	<b>60%</b>
<b>Intralot's Portion of EBITDA</b>			<b>63%</b>	<b>64%</b>

1. Management Contract

2. Licensed Operation

3. 12 Facilities Management (IT) Contracts with State Lottery and 1 Licensed Operation

"Our performance in FY2017 reflects progress in all major strategic goals of INTRALOT and towards a stable and predictable future of our company. During FY2017 we achieved a 5.5% EBITDA growth reflecting operational improvements while the successful pricing of €500m senior notes with 7-year maturity period at a reduced 5.25% coupon was a major contribution towards the extension of the average debt maturity period, providing a stable financing horizon. This issue allowed us to repay all of our syndicated loans and was a great vote of confidence from the major global investment houses. We achieved further progress with the refocus of our activities following divestments from emerging markets and the shift of emphasis in AAA markets. In the United States we renewed five old contracts and signed a new flagship technology contract with CAMELOT for the Illinois State Lottery. In Greece we extended our cooperation with our oldest client, OPAP, in numerical games. Last but not least we made major investments in the development of new products such as a next generation omnichannel sportsbook and the completion of the acquisition of Bit8, the company that designed our CRM product suite, PULSE. In spite of one-off refinancing costs and significant Forex headwinds, our improved cash flows reflect reductions of interest costs as a result of previous rounds of refinancing."

# APPENDIX

## SUMMARY OF FINANCIAL STATEMENTS

# FY17 – Group Income Statement



<i>(in € million)</i>	FY17	FY16	% Change
<b>Revenues</b>	<b>1,104.2</b>	<b>991.5</b>	<b>11.4%</b>
Gross Profit	241.9	203.8	18.7%
Other Operating Income	17.2	32.5	-47.1%
Opex	-150.5	-139.8	7.7%
<b>EBITDA</b>	<b>171.5</b>	<b>162.5</b>	<b>5.5%</b>
<i>Margin</i>	15.5%	16.4%	-0.9pps
<b>EBIT</b>	<b>108.6</b>	<b>96.5</b>	<b>12.5%</b>
Interest Expense (Net)	-62.9	-75.9	-17.1%
Exchange Differences	-5.9	3.1	-
Other	-29.5	-31.3	-5.8%
<b>EBT</b>	<b>10.3</b>	<b>-7.6</b>	<b>-</b>
<b>NIATMI</b>	<b>-53.4</b>	<b>0.9</b>	<b>-</b>
NIATMI Continuing	-58.6	-74.2	-21.0%
NIATMI Discontinuing	5.2	75.1	-

# FY17 – Group Statement Of Financial Position



(in € million)

	FY17	FY16
Tangible Assets	102.8	133.0
Intangible Assets	324.5	329.6
Other Non-current Assets	178.6	231.9
Inventories	31.5	32.3
Trade Receivables	84.2	84.8
Other Current Assets	300.3	249.5
<b>Total Assets</b>	<b>1,021.9</b>	<b>1,061.1</b>
Share Capital	47.7	47.7
Other Equity Elements	10.1	79.9
Non-controlling Interests	32.0	68.9
<b>Total Shareholders Equity</b>	<b>89.8</b>	<b>196.5</b>
Long-term Debt	729.4	644.6
Provisions / Other Long Term Liabilities	29.6	49.6
Short-term Debt	19.3	14.7
Other Short-term Liabilities	153.8	155.7
<b>Total Liabilities</b>	<b>932.1</b>	<b>864.6</b>
<b>Total Equity And Liabilities</b>	<b>1,021.9</b>	<b>1,061.1</b>



# FY17 – Group Cash Flow

(in € million)

	FY17	FY16
<b>EBT From Continuing Operations</b>	<b>10.3</b>	<b>-7.6</b>
<b>EBT From Discontinuing Operations</b>	<b>15.1</b>	<b>96.9</b>
Plus/Less Adjustments	162.7	100.2
Decrease/(Increase) Of Inventories	-5.1	2.8
Decrease/(Increase) Of Receivable Accounts	-13.7	-9.2
(Decrease)/Increase Of Payable Accounts	20.9	11.2
Income Tax Paid	-36.2	-26.2
<b>Net Cash From Operating Activities</b>	<b>154.0</b>	<b>168.1</b>
Net Capex	-73.8	-62.8
(Purchases) / Sales Of Subsidiaries & Other Investments	18.3	4.5
Interest Received	6.8	7.7
Dividends Received	2.4	1.0
<b>Net Cash From Investing Activities</b>	<b>-46.3</b>	<b>-49.6</b>
Subsidiary Share Capital Return	0.0	-3.3
Repurchase of Own Shares	-0.4	-1.2
Cash Inflows From Loans	587.2	303.8
Repayment Of Loans	-509.5	-388.4
Bond Buybacks	0.0	-3.7
Repayment Of Leasing Obligations	-3.2	-6.8
Interest And Similar Charges Paid	-51.8	-83.5
Dividends Paid	-38.6	-42.2
<b>Net Cash from Financing Activities</b>	<b>-16.3</b>	<b>-225.3</b>
<b>Net Increase / (Decrease) In Cash For The Period</b>	<b>91.4</b>	<b>-106.8</b>
Exchange Differences	-17.8	-5.4
Cash At The Beginning Of The Period	164.4	276.6
<b>Cash At The End Of The Period From Total Operations</b>	<b>238.0</b>	<b>164.4</b>



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