

WILLIAM HILL PLC FINAL RESULTS FOR THE 52 WEEKS ENDED 31 DECEMBER 2013

RALPH TOPPING, CHIEF EXECUTIVE

NEIL COOPER, GROUP FINANCE DIRECTOR

28 FEBRUARY 2014



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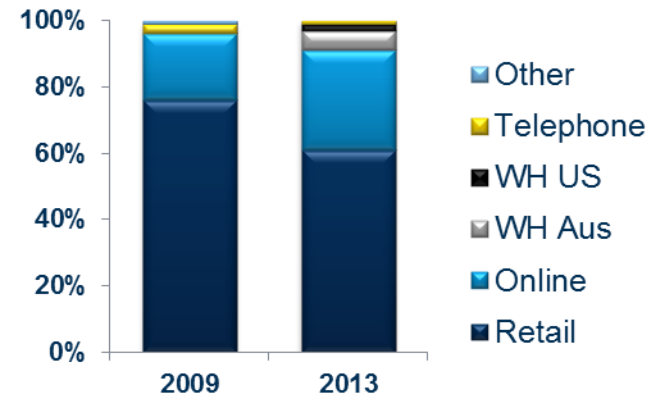
Agenda

- **Overview**
Ralph Topping, Chief Executive
- Financial highlights
Neil Cooper, Group Finance Director
- Delivering on our strategy
Ralph Topping, Chief Executive
- Q&A

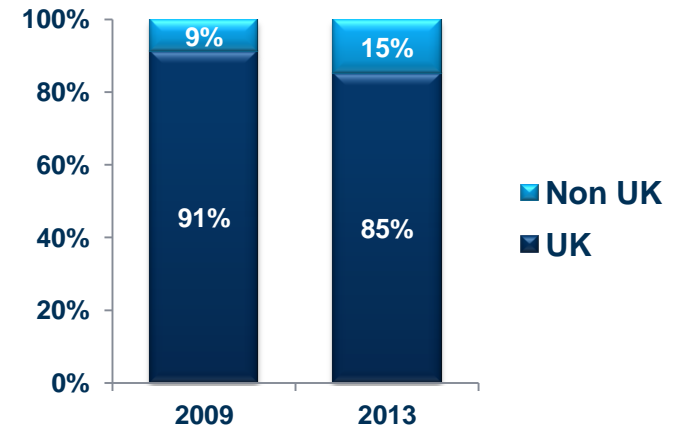
Strategic progress

- Diversifying revenue streams
- Acceleration of Sportsbook growth
- Investing in mobile gaming
- International expansion
 - Second home market in Australia
 - Profitability achieved in US
 - Share gains in Italy and Spain

Online/Australian contribution increased from 20% to 36% of net revenue



International contribution increased from 9% to 15% of net revenue



Positive 2013 performance

2013 performance^{1,2}

Group net revenue	+12%
Group Operating profit	+3%
Basic, adjusted EPS	+7%
<hr/>	
Online net revenue	+12%
Online Operating profit	+4%
<hr/>	
Retail net revenue	+2%
Retail Operating profit	-7%

- Outstanding growth in Sportsbook amounts wagered
- Mobile gaming net revenue +175%
- Retail net revenue resilience
- US amounts wagered +47%³
- £12m part-year profit contribution from William Hill Australia

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Strategic developments shape growth

	52 wks to 31 Dec 2013 £m	53 wks to 1 Jan 2013 £m	% change 52 wks vs 53 wks	% change 52 wks vs 52 wks
Amounts wagered ¹	7,800.8	5,884.8	+33%	+36%
Net revenue	1,486.5	1,276.9	+16%	+18%
Operating profit²	335.0	330.6	+1%	+3%
Amortisation	(10.9)	(5.0)	+118%	+122%
Net finance costs	(44.3)	(32.9)	+35%	+37%
Tax	(32.2)	(48.2)	-33%	-32%
Non-controlling interest	(15.3)	(42.5)	-64%	-63%
Retained profit	232.3	202.0	+15%	+16%
Basic, adjusted EPS (p)³	28.8	27.2	+6%	+7%
Net debt for covenant purposes	796.0	338.5	+135%	-
Dividend per share (p)⁴	11.6	10.4	12%	

Numbers are presented on a pre-exceptional basis.

1. Amounts wagered comprises the gross takings in OTC, Telephone, US, Australia and Online Sportsbook, and net revenue in Retail gaming machines and Online gaming products.
2. Operating profit is defined as pre-exceptional profit before interest and tax, before the amortisation of specifically identified intangible assets recognised on acquisitions, amounting to £10.9m in 2013 (2012: £5.0m).
3. Basic, adjusted EPS is based on profit for the period before exceptional items and amortisation of intangible assets arising on acquisitions. Basic adjusted EPS is based on 838.3million average shares for 2013 and 757.9 million average shares for 2012, restated following the rights issue in April 2013.
4. Dividend per share for 2012 is on a restated basis, adjusted for the rights issue.



Exceptional items

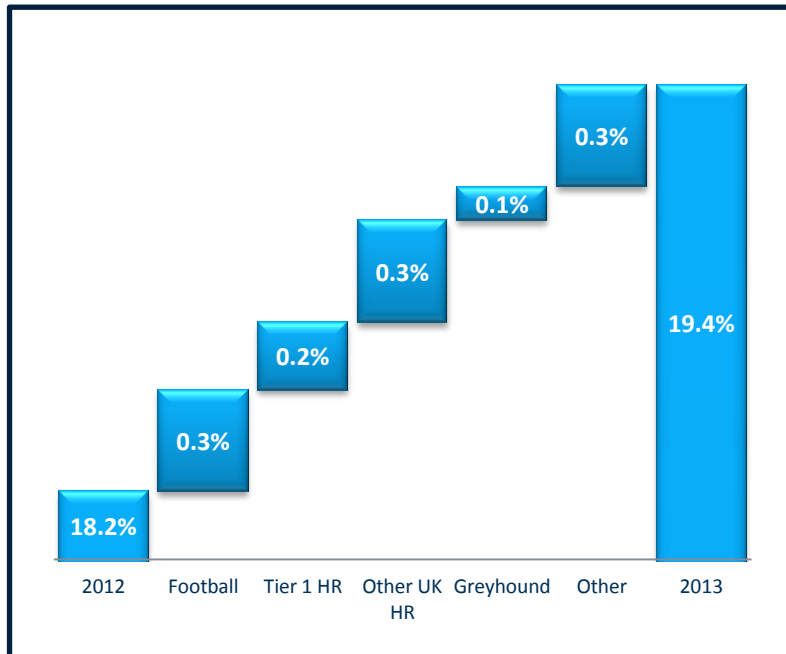
Item	£m
Sportingbet acquisition	(13.5)
Repayment of VAT refund	(5.6)
tomwaterhouse.com acquisition	(2.0)
Write-off of fees on bridge loan	(1.7)
Pre-tax	(22.8)
Tax	1.7
Post-tax	(21.1)

Resilient Retail impacted by increased duty

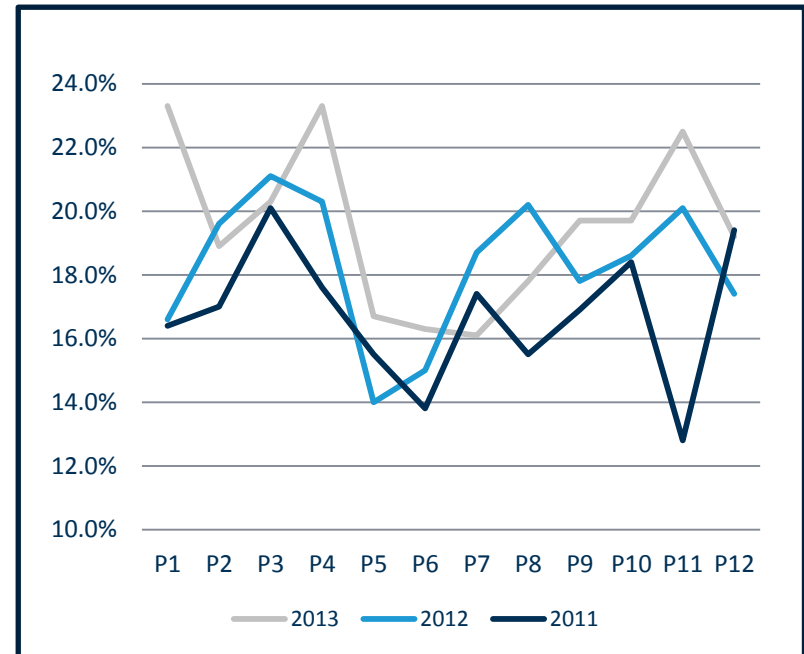
	52 wks to 31 Dec 2013 £m	53 wks to 1 Jan 2013 £m	52 wks vs 53 wks Change %	52 wks vs 52 wks Change %
OTC amounts wagered	2,439.9	2,582.4	-6%	-3%
OTC gross win	472.8	468.8	+1%	+2%
<i>OTC gross win margin</i>	<i>19.4%</i>	<i>18.2%</i>	<i>+1.2 ppts</i>	<i>+1.1 ppts</i>
Machines gross win	440.0	444.1	-1%	+1%
Total gross win	912.8	912.9	0%	+2%
Net revenue¹	907.0	837.9	+8%	+10%
Cost of sales	(203.3)	(137.1)	+48%	+51%
Gross profit	703.7	700.8	0%	+2%
Operating costs	(507.4)	(489.3)	+4%	+6%
Operating profit²	196.3	211.5	-7%	-7%

Retail: positive margin trend continues

Improved margin in both football and racing across the year as a whole...

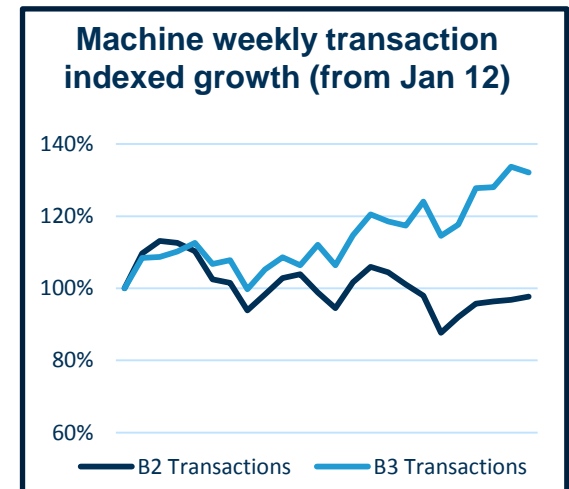
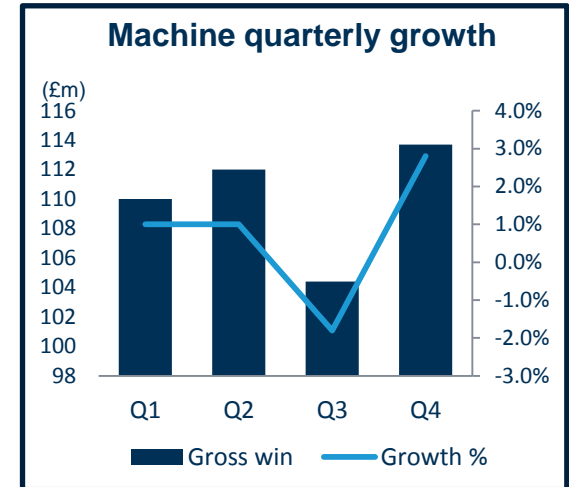


...with substantial fluctuations through the year



Retail: 1% growth in machines gross win¹

	52 wks to 31 Dec 13	53 wks to 1 Jan 13	Change %
Average number of LBOs	2,401	2,375	+1%
Average number of machines	9,431	9,195	+3%
Machine density	3.93	3.87	+2%
Gross win per machine per week	£897	£911	-2%
Machine gross win margin	3.37%	3.32%	+0.05ppts

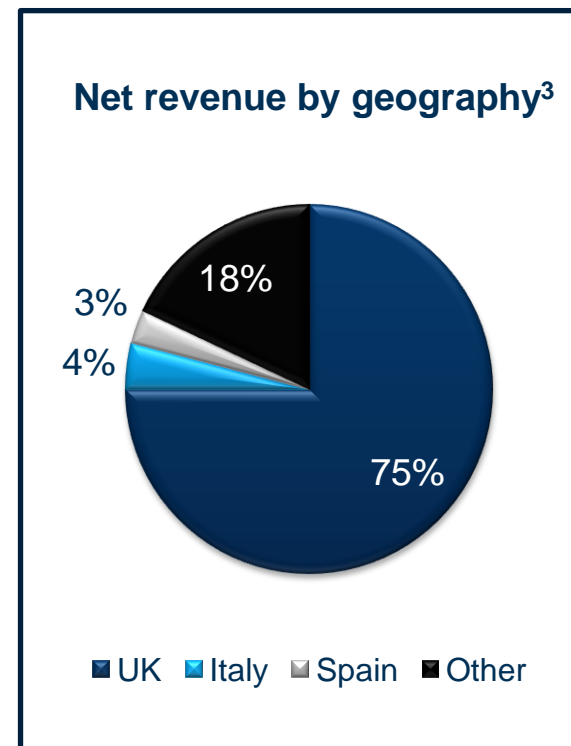


Retail: cost causal



Online: outstanding Sportsbook growth

	52 wks to 31 Dec 2013 £m	53 wks 1 Jan 2013 £m	52 wks vs 53 wks change %	52 wks vs 52 wks change %
Sportsbook	212.9	166.7	+28%	+29%
Casino	191.0	194.4	-2%	+1%
Poker	18.2	20.4	-11%	-9%
Bingo	24.2	25.2	-4%	-2%
Gaming net revenue	233.4	240.0	-3%	0%
Net revenue	446.3	406.7	+10%	+12%
Cost of sales ²	(40.2)	(35.6)	+13%	+15%
Gross profit	406.1	371.1	+9%	+12%
Operating costs	(258.3)	(225.8)	+14%	+17%
Operating profit¹	147.8	145.3	+2 %	+4%



1. Operating profit is defined as pre-exceptional profit before interest and tax, before the amortisation of specifically identified intangible assets recognised on acquisitions.
2. 2012 cost of sales includes c£2m credit related to Greek gaming duty.
3. Excluding Australia which is reported separately.

Online: strong actives drives growth

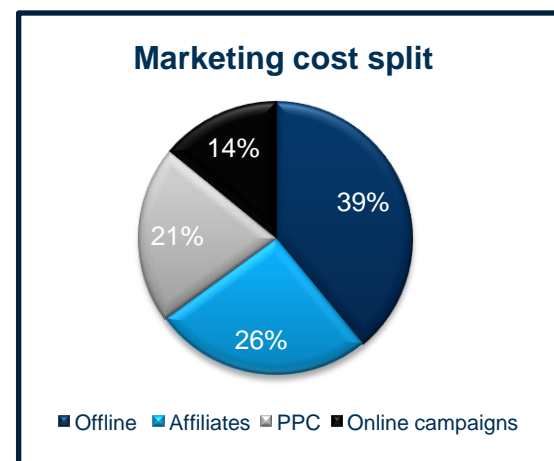
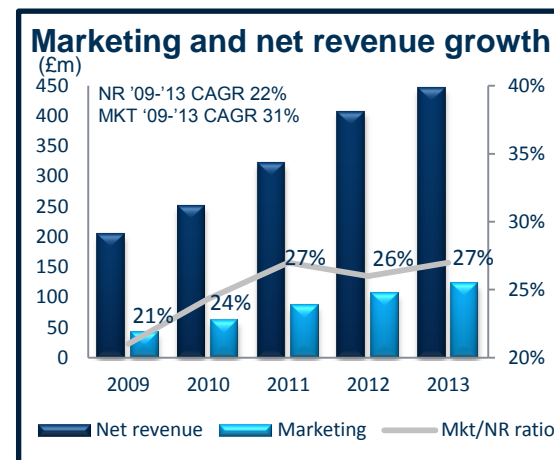
	52 wks to 31 Dec 2013	53 wks to 1 Jan 2013	52 wks vs 53 wks change %	52 wks vs 52 wks change %
Unique active players ('000) ¹	2,360.7	1,793.1	+32%	
Revenue per unique active player (£)	189.1	226.8	-17%	
New accounts ('000) ²	1,141.0	1,064.2	+7%	
Average cost per acquisition (£) ³	107.4	100.1	+7%	
Sportsbook amounts wagered (£m)	2,931.7	2,258.5	+30%	+33%
- Pre-match amounts wagered (£m)	1,724.5	1,305.3	+32%	+36%
- In-play amounts wagered (£m)	1,207.2	953.2	+27%	+29%
Sportsbook gross win margin	8.1%	7.9%	+0.2ppts	+0.2ppts
- Pre-match gross win margin	10.0%	10.1%	-0.1ppts	-0.2ppts
- In-play gross win margin	5.3%	4.8%	+0.5ppts	+0.4ppts

Online: net revenue margin evolution

	FY 2013	H2 2013	H1 2013	FY 2012
Sportsbook amounts wagered (£m)	2,931.7	1,548.2	1,383.5	2,258.5
Gross win (£m)	236.8	112.2	124.6	177.7
<i>Gross win margin (%)</i>	<i>8.1%</i>	<i>7.2%</i>	<i>9.0%</i>	<i>7.9%</i>
Free bets and other fair value adjustments (£m)	(23.9)	(15.3)	(8.6)	(11.0)
<i>As % of sportsbook amounts wagered (%)</i>	<i>0.8%</i>	<i>1.0%</i>	<i>0.6%</i>	<i>0.5%</i>
Net revenue (£m)	212.9	96.9	116.0	166.7
<i>Net revenue margin (%)</i>	<i>7.3%</i>	<i>6.3%</i>	<i>8.4%</i>	<i>7.4%</i>

Online business growth drives costs

	52 wks to 31 Dec 2013 £m	53 wks to 1 Jan 2013 £m	Change %
Employee costs	(45.1)	(38.5)	+17%
Marketing	(122.5)	(106.4)	+15%
Finance charges	(16.6)	(14.8)	+12%
Depr. and amortisation ¹	(18.9)	(12.3)	+54%
Other costs incl. recharges	(55.2)	(53.8)	+3%
Operating costs	(258.3)	(225.8)	+14%



Australia: good operational progress

Ownership period	2013 (£m)	2012 ² (£m)	Change (%)
Amounts wagered	1,177.1	1,304.7	-10%
Gross win	92.5	93.0	-1%
<i>Win margin</i>	<i>7.9%</i>	<i>7.1%</i>	<i>+0.8ppts</i>
Net revenue	86.7	87.2	-1%
Cost of sales	(20.2)	(19.6)	+3%
Gross profit	66.5	67.6	-2%
Operating costs	(54.5)	(60.9)	-11%
Operating profit¹	12.0	6.7	+79%
<i>Sportingbet Australia</i>	<i>15.2</i>	<i>10.8</i>	<i>+41%</i>
<i>tomwaterhouse.com</i>	<i>(3.2)</i>	<i>(4.1)</i>	<i>+22%</i>
Unique active players ('000)	247.9	217.9	+14%
Revenue per unique active (£)	349.7	400.2	-13%
New accounts ('000) ³	95.9	101.6	-6%
Average cost per acquisition (£) ³	298.7	292.9	+2%

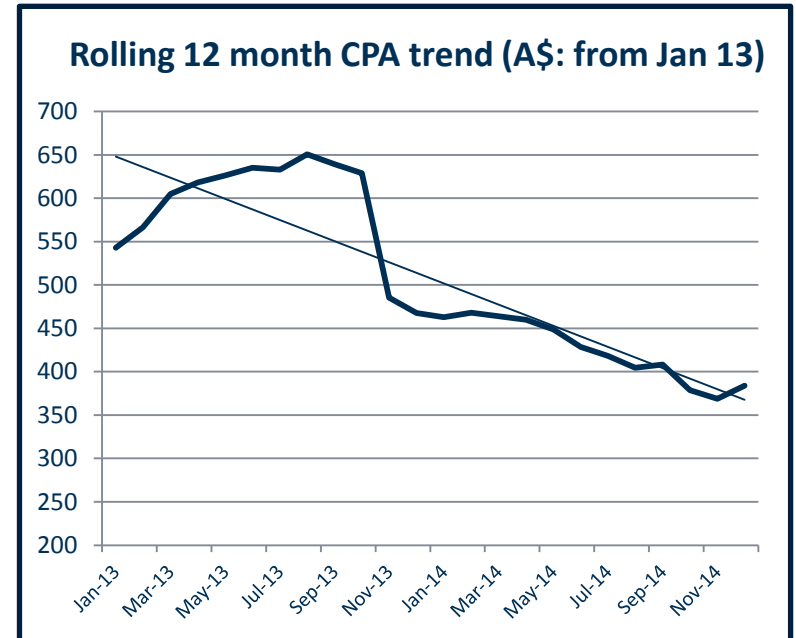
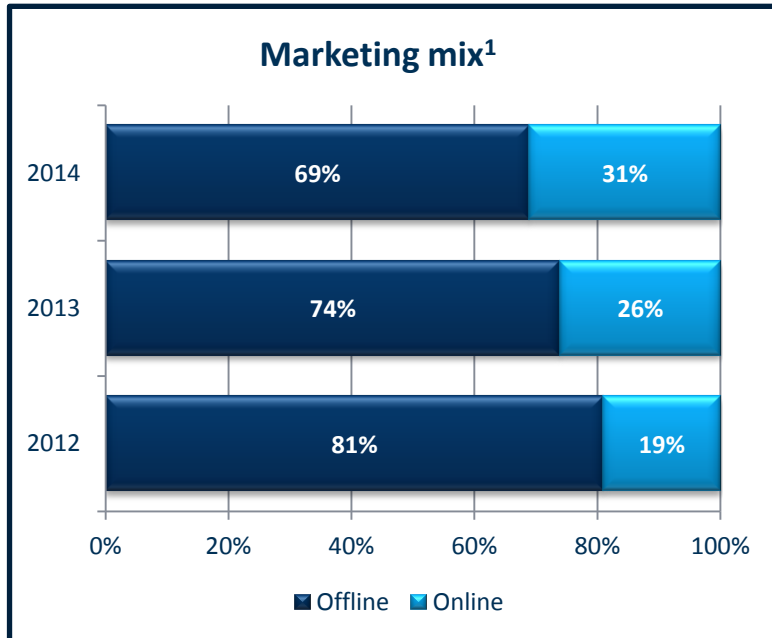
1. Operating profit/(loss) is defined as pre-exceptional profit/(loss) before interest and tax, before the amortisation of specifically identified intangible assets recognised on acquisitions.
2. Based on constant currency exchange rate £1:A\$1.54
3. Reporting methodology aligned with Online in H2. This changes the previously reported new accounts decline in H1 from -41% to -30% and the CPA from £724 to £630



Australia: delivering on our plan

Rebalancing marketing mix from offline to online....

....drives lower cost per acquisition, which is expected to continue to fall in 2014



1. 2013 figures were for ownership period only

William Hill US

	52 wks to 31 Dec 2013 £m	27 wks to 1 Jan 2013 ² £m	Change %
Amounts wagered	310.2	132.2	+135%
<i>Gross win margin</i>	7.3%	6.7%	+0.6ppts
Net revenue	22.7	8.9	+155%
Cost of sales	(2.0)	(0.9)	+122%
Gross profit	20.7	8.0	+159%
Operating cost	(15.8)	(8.6)	+84%
Operating profit¹	4.9	(0.6)	

Mobile wagering grew 263% in 2013³, accounting for 31% of total amounts wagered (2012: 16%)

Capex and working capital

	52 wks to 31 Dec 2013 £m	53 wks to 1 Jan 2013 £m
Retail development ¹	38.8	37.9
Online	31.9	19.9
Australia	2.8	-
US	2.6	1.2
Other (including IT)	8.5	7.3
Total cash capital expenditure	84.6	66.3

- Estate grew by a net 40 shops to 2,432 (59 openings, 19 closures, 14 re-sites)
- 2014 cash capex expected to be £90m, with Retail reduction, Online in line, increase in US and addition of Australia versus 2013
- Working capital outflow was £12.5m due mainly to a reduction in accruals linked to staff incentives, and the impact of the Australian acquisition

Other finance matters

- Effective pre-exceptional income statement tax rate of 11.5% and cash tax rate of 20.0%
 - Reduction in deferred tax liabilities driven by enacted statutory tax rate reductions from 23% to 20%
 - Lower effective tax rate of Online
 - Effective full-year income statement rate expected to be c17% in 2014 and c18% in 2015, effective cash tax rate expected to be c18% in 2014 and c19% in 2015
- Final dividend of 7.9p per share, giving full-year dividend of 11.6p per share +12%¹
- Formal three-year actuarial pension valuation process underway

Balance sheet reflects strategic agenda

- Debt levels increase, but remain comfortable
 - Net debt of £796m on bank covenant basis at 31 December 2013
 - Net debt/EBTIDA at 2.0x against 3.5x maximum covenant, up from 1.0x at 2012 YE
- Corporate financing activity through the year maintains comfortable gearing levels and diversifies funding base
 - £875m of acquisitions funded 43% from equity and 57% from debt
 - £373m (net) raised via rights issue with >98% take-up by shareholders
 - Short-term acquisition debt re-financed via £375m long-term bond at 4.25%, twice over-subscribed
- As at 31 December 2013, the Group had balanced spread of debt maturities
 - 75% of gross debt fixed, rather than floating
 - No debt maturity in 2014

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Delivering on our targets

	FY 2012	FY 2013
Sportsbook stakes to equal OTC stakes by 2014 World Cup	→ 87%	120%
Sportsbook mobile weekly average stakes of £15m a week by mid-2013	→ £10.9m	£22.2m
Mobile to be 40% of Sportsbook stakes by end 2013	→ 26%	39%
Mobile to be 40% of Online gaming net revenue by mid-2015	→ 6%	17%

UK regulatory update

- ABB Code for Responsible Gambling implemented
- Problem gambling prevalence
 - Reduced to 0.5% in English Health Survey
 - Unchanged at 0.7% in Scottish Health Survey
- Stakes and prizes review completed in Oct, 2013
 - B2 limits unchanged awaiting the conclusion of longer term research
- Responsible Gambling Trust / NatCen research ongoing
 - Reviewing how people behave playing high stake/prize machines
 - Expected to report autumn 2014
- Experienced legal and regulatory team

Delivering strategic progress



Developing a wider product range

- Eclipse rolled out to 1,159 LBOs
- Additional feeds and models for Online
- AccaInsurance and other innovative offers
- Cash In My Bet rolled out to mobile
- Accelerated Online gaming releases in H2



Driving greater multi-channel usage

- SSBTs in 507 LBOs
- 1.5 million Sportsbook app downloads
- Mobile gaming platform development



Selective international expansion

- Italy: product expansion, mobile launched
- Spain: miapuesta acquisition
- US: product expansion, mobile growth
- Australia: Sportingbet and tomwaterhouse.com acquisitions

Continued operational progress in Retail



- Continued investment and expansion
- 59 LBOs opened, new design in 200 shops
- >700 SSBTs, 270 eight-screen video walls
- Enhanced gaming offer with Eclipse rolled out to 1,159 shops
- ABB Code for Responsible Gambling implemented in all shops

Online innovation...

PRODUCT — USER EXPERIENCE — MARKETING



- More models and feeds
- Five minute markets
- Vegas app
- Accelerated gaming launches in H2

- Single sign on
- Multi payments
- Balance transfer

- Opta stats
- AccaInsurance
- Push notifications

...driving online growth

+33% growth in Sportsbook amounts wagered¹

+175% growth in mobile gaming net revenue¹

64% proportion of accas in 90-minute pre-match football stakes²

Continuing development in 2014

- Structural evolution:
 - Embedding mobile into operations
 - IT embedded into product teams
 - Shoreditch development team
- API / service layers
- Bonusing
- New mobile products in Italy and Spain

Well positioned ahead of Point of Consumption

Strong competitive position

- Market share increased from 10% in 2009 to 15% in 2012
- Scale operator with attractive margins
- Highly competitive product range and user experience
- Substantial marketing investment

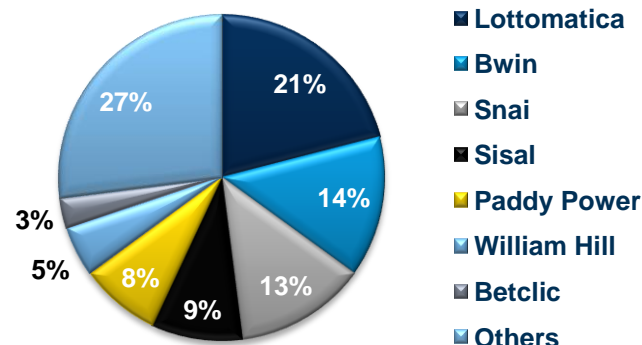
Our approach

- Differentiate through combination of product / UX / marketing
- Continue to invest to take advantage of changing market place
- Mitigation: £15-20m target cost savings versus expected cost base

Gaining market share in Italy

- Market growing at c9% pa 2014-2016¹
- 8% market share in Casino, Sportsbook share increased from 3% to 7% over 2013
- Good progress with four-year programme
 - Strong customer and revenue growth
 - Mobile Sportsbook launched 8 Jan 14
 - Mobile Casino launch in March
 - Operating loss² of c£4m in 2013
- Regulatory update
 - Virtual betting
 - Possible restrictions on advertising
 - Lobbying for change to gross profits tax

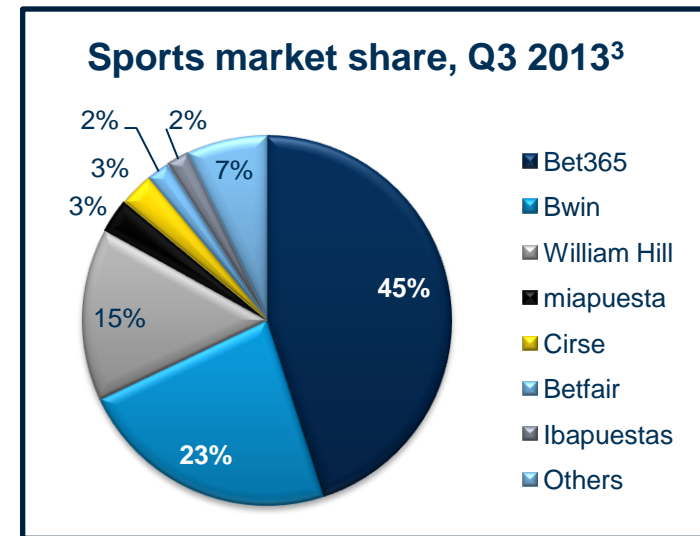
Sports betting market share, 2013



Sports net revenue	+249%
Casino net revenue	+85%
New accounts	+38%
Unique active users	+61%
Cost per acquisition	-10%

Spain: successful miapuesta migration

- Online market growing at c6% pa 2014-2016¹
- No.3 in sports with 15% market share
- On track with three-year programme
 - Strong Sportsbook performance with net revenue +107%
 - Mobile Casino and Sportsbook launches planned for H1 2014
 - Operating loss⁴ of c£5m
- Potential for slots regulation in 2014



Net revenue	+55%
New accounts	+19%
Unique active users	-12%
Cost per acquisition	+8%

1. H2GC
2. Year-on-year comparisons for Spain are affected by the closure of our existing Spanish business, particularly in gaming, prior to the launch of williamhill.es in May 2012
3. DGOJ Q3 2013 GGR report
4. Operating profit/loss is defined as pre-exceptional profit/loss before interest and tax, before the amortisation of specifically identified intangible assets.

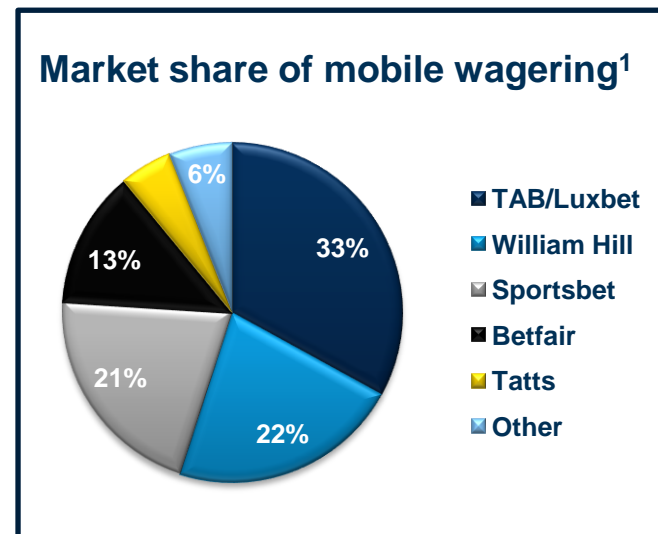
William Hill US delivers profit



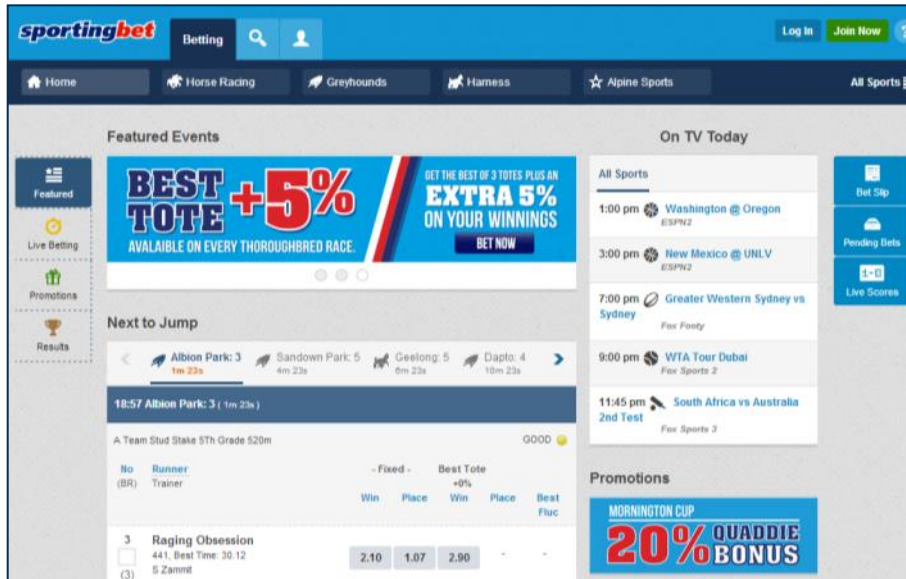
- 47% increase in amounts wagered over the same period
- Mobile increased to 31% of amounts wagered (2012: 16%)
- In-play for all NFL and NBA games, plus some NCAA football and basketball
- >700% increase in in-play amounts wagered in football season (Sep to Dec)
- 20 further remodelling projects completed
- Record year in Delaware

Australia: good progress on business improvement plans

- William Hill Australia established as one of the leading corporate bookmakers
- Good progress made against half-year KPIs
- Good progress on key improvement areas
 - Digitalisation
 - User experience
 - Marketing
- tomwaterhouse.com migration planned for H1 2014



Website upgrade to improve experience



- First use of responsive design
- HTML5-based design, optimises content for desktop, tablet and mobile
- Strong user experience
- Benefiting from Project Trafalgar

Current trading

- 'Black swan' results in week 2
 - Retail gross win margin 0.2%
 - Online gross win margin -7.0%
- Strong volume growth: recycling and customer confidence plus weather rollover
- Benefit of mobile improvements with gaming net revenue +21%
- Board confident in underlying growth trends

7 weeks to 18 February 2014¹

Group net revenue	+2%
Online net revenue	+0%
- Sportsbook net revenue	-18%
- Gaming net revenue	+21%
Retail net revenue	-8%
- OTC net revenue	-20%
- Machines net revenue	+5%

Strategic progress, delivering results

- Operational progress in Retail
- Online delivering mobile and international growth as well as outstanding Sportsbook performance
- US profitability achieved with product and user experience improved
- Australia on track to see improvements in H2 2014

APPENDICES

Performance by division

	52 wks to 31 Dec 13 (£m)	53 wks to 1 Jan 13 (£m)	Change vs 1 Jan 13 (%)	52 wks to 25 Dec 12 (£m)	Change vs 25 Dec 12 (%)
- Retail net revenue ¹	907.0	837.9	+8%	825.0	+10%
- Online net revenue	446.3	406.7	+10%	398.5	+12%
- Telephone net revenue	16.5	16.0	+3%	16.2	+2%
- William Hill Australia net revenue	86.7	-	-	-	-
- William Hill US net revenue	22.7	8.9	+155%	7.9	+187%
- Other net revenue	7.3	7.4	-1%	7.3	0%
Group net revenue¹	1,486.5	1,276.9	+16%	1,254.9	+18%
- Retail Operating profit	196.3	211.5	-7%	210.2	-7%
- Online Operating profit	147.8	145.3	+2%	142.1	+4%
- Telephone Operating profit	0.0	0.5	-	1.0	-
- William Hill Australia Operating profit	12.0	-	-	-	-
- William Hill US Operating profit/(loss)	4.9	(0.6)	-	(1.3)	-
- Other Operating profit	0.2	0.5	-60%	0.5	-60%
- Corporate expenses (including associate income)	(26.2)	(26.6)	-2%	(26.1)	+0%
Operating profit²	335.0	330.6	+1%	326.4	+3%
Amortisation	(10.9)	(5.0)	+118%	(4.9)	+122%
Profit before interest, tax and exceptional items	324.1	325.6	0%	321.5	+1%
Exceptional items	(22.8)	(15.0)	+52%	(15.0)	+52%
Net interest cost	(44.3)	(32.9)	+35%	(32.3)	+37%
Profit before tax	257.0	277.7	-7%	274.2	-6%

1. Group and Retail net revenue are flattered by the transition from VAT and AMLD to Machine Games Duty (MGD) on 1 February 2013.
2. Operating profit /(loss) is defined as pre-exceptional profit /(loss) before interest and tax, before the amortisation of specifically identified intangible assets recognised on acquisitions.

Net revenue summary

		52 wks to 31 Dec 2013 £m	53 wks to 1 Jan 2013 £m	Change %
Retail	OTC	472.8	468.8	+1%
	Machines ¹	434.2	369.1	+18%
	Retail total²	907.0	837.9	+8%
Online	Sportsbook ¹	212.9	166.7	+28%
	<i>Gaming – Casino</i>	191.0	194.4	-2%
	<i>Gaming – Poker</i>	18.2	20.4	-11%
	<i>Gaming – Bingo</i>	24.2	25.2	-4%
	Gaming total¹	233.4	240.0	-3%
	Online total	446.3	406.7	+10%
Telephone	16.5	16.0	+3%	
William Hill Australia	86.7	-		
William Hill US	22.7	8.9	+155%	
Other	7.3	7.4	-1%	
Total net revenue²	1,486.5	1,276.9	+16%	

1. Group and Retail net revenue are flattered by the transition from VAT and AMLD to Machine Games Duty (MGD) on 1 February 2013.

Net operating expenses by division¹

	52 wks to 31 Dec 13 £m	53 wks to 1 Jan 13 £m	Change %
Retail	(507.4)	(489.3)	+4%
Online	(258.3)	(225.8)	+14%
Telephone	(16.5)	(17.8)	-7%
Australia	(54.5)	-	-
US	(15.8)	(8.6)	+84%
Other	(6.2)	(6.0)	+3%
Corporate	(29.6)	(30.3)	-2%
Group net operating expenses	(888.3)	(777.8)	+14%

Net operating expenses by cost category¹

	52 wks to 31 Dec 13 £m	53 wks to 1 Jan 13 £m	Change %
Employee costs	(327.1)	(312.9)	+5%
Property costs	(119.2)	(111.4)	+7%
Depreciation	(55.3)	(43.7)	+27%
Pictures and data	(65.1)	(61.6)	+6%
Marketing	(165.0)	(122.3)	+35%
Finance charges	(24.6)	(21.6)	+14%
Communications	(11.9)	(11.5)	+3%
Other	(120.1)	(92.8)	+29%
Group net operating expenses	(888.3)	(777.8)	+14%

Retail cost split

	52 wks 31 Dec 2013 £m	53 wks 1 Jan 2013 £m	Change %
Employee costs	(199.9)	(195.6)	+2%
Property costs	(102.8)	(98.3)	+5%
Content costs	(64.3)	(59.9)	+7%
Depreciation	(28.4)	(27.0)	+5%
Other costs incl. recharges	(112.0)	(99.0)	+13%
52 week basis operating cost	(507.4)	(479.8)	+6%
53 rd week	-	(9.5)	-
Operating costs	(507.4)	(489.3)	+4%

Telephone

	52 wks to 31 Dec 13 £m	53 wks to 1 Jan 13 £m	Change %
Amounts wagered	252.0	279.2	-10%
Gross win	17.4	16.9	+3%
<i>Gross win margin</i>	6.9%	6.1%	+0.8 ppts
Net revenue	16.5	16.0	+3%
Cost of sales	0.0	2.3	-
Gross profit	16.5	18.3	-10%
Staff costs	(1.7)	(1.7)	0%
Marketing costs	(2.4)	(2.0)	+20%
Other costs incl. recharges	(12.4)	(14.1)	-12%
Operating costs	(16.5)	(17.8)	-7%
Operating profit¹	0.0	0.5	-

Interest

	52 wks to 31 Dec 13 £m	53 wks to 1 Jan 13 £m
Interest receivable	(1.1)	(0.6)
Bank loan interest	10.6	7.3
Bond interest	30.4	21.7
Amortisation of finance fees	3.7	2.2
Net interest on pension scheme net liability	0.7	1.4
Revaluation of amounts due to non-controlling interest	-	0.9
Total pre-exceptional net interest	44.3	32.9

Cash flow

	52 wks to 31 Dec 13 £m	53 wks to 1 Jan 13 £m
EBITDA ¹	399.2	384.9
Working capital / other	(16.4)	13.4
Capital expenditure net of disposals	(82.8)	(65.0)
Cash from operations	300.0	333.3
Cash taxes	(55.9)	(52.0)
Net interest	(40.2)	(39.8)
Distributions to non-controlling interests	(21.6)	(38.5)
Free cashflow	182.3	203.0
Dividends	(87.1)	(71.1)
Exceptional items	(16.0)	(9.6)
Acquisitions and investments	(881.4)	(19.4)
Bank loans	120.0	(67.5)
Bond issue	375.0	-
Rights issue net of expenses	373.4	-
Other financing flows	(4.5)	2.0
Net cashflow	61.7	37.4
Net debt for covenant purposes	796.0	338.5
Net debt:EBITDA (covenant basis)	2.0 times	1.0 times

Net debt for covenant purposes

	As at 31 Dec 13 £m	As at 1 Jan 13 £m
Bank loans	230.0	110.0
Corporate bonds	675.0	300.0
Finance leases	-	0.2
Cash	(206.7)	(151.7)
Net debt	698.3	258.5
Obligations under bank guarantees	3.0	0.6
Restricted cash – client balances	85.8	57.7
Restricted cash – non-controlling interest share of cash balances	-	12.8
Other restricted cash	8.9	8.9
Net debt for covenant purposes	796.0	338.5

- Net debt:EBITDA of 2.0x vs maximum covenant of 3.5x
- EBITDA:net cash interest of 10.0x vs minimum covenant of 3.0x
- BB+/Ba1 stable outlook credit ratings from S&P/Moody's

Restatement of EPS and DPS

TERP post 2 for 9 rights issue

	Shares	Price (p)	Value
Holding	9	407.4	3,666.6
Rights	2	245.0	490.0
Net holding	11		4,156.6
TERP			377.9p

Bonus factor

Closing price on 18 Mar 13	407.4p
TERP	377.9p
Bonus factor	1.078

2012 basic, adjusted EPS restatement

Basic adjusted EPS (pre rights)	29.4p
Bonus factor	1.078
Rebased basic adjusted EPS	27.2p

2012 basic EPS restatement

Basic EPS (pre rights)	27.0p
Bonus factor	1.078
Rebased basic EPS	25.0p

2012 DPS restatement

Dividend per share	11.2p
Bonus factor	1.078
Rebased dividend per share	10.4p

Amortisation

	2014	2015	2016	2017
Sportingbet ¹	7.2	7.2	3.6	2.1
US	2.4	2.0	1.7	1.5
Online	1.2	1.2	1.2	1.2
Total	10.8	10.4	6.5	4.8

1. Amortisation of Sportingbet intangible assets is estimated. Owing to fluctuations in the sterling/Australian dollar exchange rate, the reported amortisation may vary against the numbers shown here.
2. Amortisation of Online is related to the miapuesta brand in Spain

Machine MGD reconciliation

	2012 reported ¹ (£m)	Adjustments (£m)	2012 adjusted ² (£m)	2013 actual (£m)	2013 vs 2012 reported (£m)	2013 vs 2012 adjusted (£m)
OTC gross win	462.0	0.0	462.0	472.8	+2%	+2%
Machine gross win	436.8	0.0	436.8	440.0	+1%	+1%
VAT	(73.8)	68.1	(5.7)	(5.8)	-	+2%
Machine net revenue	363.0	68.1	431.1	434.2	+20%	+1%
Retail net revenue	825.0	68.1	893.1	907.0	+10%	+2%
MGD	0.0	(80.6)	(80.6)	(81.1)	-	1%
AML D	(22.5)	20.6	(1.9)	(2.1)	-	11%
Other costs	(112.5)	(4.4)	(116.9)	(120.1)	+7%	+3%
Cost of sales	(135.0)	(64.4)	(199.4)	(203.3)	+51%	+2%
Gross profit	690.0	3.7	693.7	703.7	+2%	+1%
Operating cost excl. VAT recovery	(493.1)	0.0	(493.1)	(508.5)	+3%	+3%
VAT recovery	13.3	(12.2)	1.1	1.1	-	0%
Operating cost	(479.8)	(12.2)	(492.0)	(507.4)	+6%	+3%
Operating profit	210.2	(8.5)	201.7	196.3	-7%	-3%

Australia performance in local currency

	Ownership			Full year (pro forma)		
	2013 A\$m	2012 A\$m	Change %	2013 A\$m	2012 A\$m	Change %
Amounts wagered	1,930.0	2,009.3	-4%	2530.3	2536.6	-0%
Gross win	151.7	143.2	+6%	211.0	184.9	+14%
<i>Win margin</i>	<i>7.9%</i>	<i>7.1%</i>	<i>+0.8ppts</i>	<i>8.3%</i>	<i>7.3%</i>	<i>+1.0ppts</i>
Net revenue	142.9	134.3	+6%	200.5	174.7	+15%
Cost of sales	(33.7)	(30.2)	+12%	(46.5)	(38.0)	+22%
Gross profit	109.2	104.1	+5%	154.0	136.7	+13%
Operating costs	(90.6)	(93.8)	-3%	(133.6)	(119.7)	+12%
Operating profit¹	18.6	10.3	+81%	20.4	17.0	+20%
<i>Sportingbet Australia</i>	<i>24.2</i>	<i>16.6</i>	<i>+46%</i>	<i>37.5</i>	<i>29.2</i>	<i>+28%</i>
<i>tomwaterhouse.com</i>	<i>(5.6)</i>	<i>(6.3)</i>	<i>-11%</i>	<i>(17.1)</i>	<i>(12.2)</i>	<i>+40%</i>
Unique active players ('000)	247.9	217.9	+14%	282.1	236.7	+19%
Revenue per unique active (A\$)	576	617	-7%	711	738	-4%
New accounts ('000)	95.9	101.6	-6%	136.8	124.9	+10%
Average cost per acquisition (A\$)	460	451	+2%	468	479	-2%