

William Hill PLC

Trading update and Online review
23 March 2016

Trading update

- Online performance behind expectations
 - £20-25m projected full-year impact from time-outs and automatic self-exclusions
 - Gross win margins 1.9 ppts below expectations at 6.2%
- Review of Online being undertaken by Crispin Nieboer
- Broader William Hill Group trading well
- Group operating profit for 2016 expected to be in the range of £260-280m
- In advanced discussions with a partner to invest in OpenBet
- Board remains committed to share buyback programme previously announced

My observations: overview

The positives

- Long-term customer trends
- Mobile player values vs CPAs very attractive
- Large-scale marketing investment
- Brand consideration among competitors' customers

The negatives

- Marketing is focused on desktop and acquisition
- Desktop values are declining
- Lack of localised mobile product for international markets
- Lack of commercial focus in technology / innovation

Priorities

UX / product

- UX operations, benchmarking and roadmap
- Sportsbook priorities
 - UK optimisation
 - Desktop
- Gaming operations and cross-sell

Marketing

- Move from volume to value model
- Incentivise increased loyalty
- Improve reporting and accountability / governance
- Focus on mobile acquisition and Retail cross-sell

International

- Three key markets identified as focus for in 2016
- Build dedicated teams, products and marketing for priority markets
- Other language versions of mobile web and apps