



RESULTS FOR THE SIX MONTHS ENDED

30 JUNE 2016

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AGENDA

Itai Frieberger

| Our H1 2016

Aviad Kobrine

| Financial Review

Itai Frieberger

| Operational Review & Summary

Q&A

- Exceptional growth in casino and sport
- Regulated markets represent a majority of revenues and growing faster than .com
- Euro 2016 was the first 888sport main event – performed very well
- Business is well diversified across major gaming verticals, markets and platforms
- H1 2016 marks seven half years of LFL growth





AVIAD KOBRINE, CFO | FINANCIAL REVIEW

2016 H1 HIGHLIGHTS

- Revenue H1 2016, up **19%**
- B2C Revenue up **21%**
- Casino and Sport leads growth:
 - Casino Revenue up **31%**
 - Sport Revenue up **63%**
- Five consecutive quarters of revenue growth with record performances in Q1 and Q2 2016
- Revenue from regulated markets – fastest growing segment, up **29%**
- Regulated markets represent **63%** of group Revenue, in-line with strategy
- Adjusted EBITDA¹ up **8%** to **\$44m** (H1 2015: \$41m), up **16%** at constant currency²
- Newly introduced gaming duties
- Profit after tax up **40%** to **\$22m** (H1 2015: \$15.7m)
- Basic EPS¹ at **6.1c** (H1 2015: 4.4c), up **39%**
- Interim Dividend of **3.8c** per share (H1 2015: 3.5c)

¹ As defined in H1 2016 interim report.

² See footnote 2 to the financial summary of H1 2016 interim report.

PROFIT AND LOSS ACCOUNT ¹

\$m	H1 2016	H1 2015	% Change
Revenue	262.0	220.0	19%
Operating expenses ²	67.5	60.8	
Gaming duties ³	30.2	21.8	
Research and development expenses	15.8	16.4	
Selling and marketing expenses	90.3	67.1	
Administrative expenses ⁴	14.1	13.0	
Adjusted EBITDA^{3,4}	44.1	40.9	8%
Depreciation and Amortisation	9.7	9.4	
Share benefit charges, finance and other	3.9	1.0	
Exceptional acquisition costs & retroactive gaming duty	2.7	10.5	
Profit Before Tax	27.8	20.0	39%
Taxation	5.8	4.3	
Profit After Tax	22.0	15.7	40%
Basic EPS⁵	6.1 ¢	4.4 ¢	39%

¹ Totals in this presentation may not sum due to rounding.

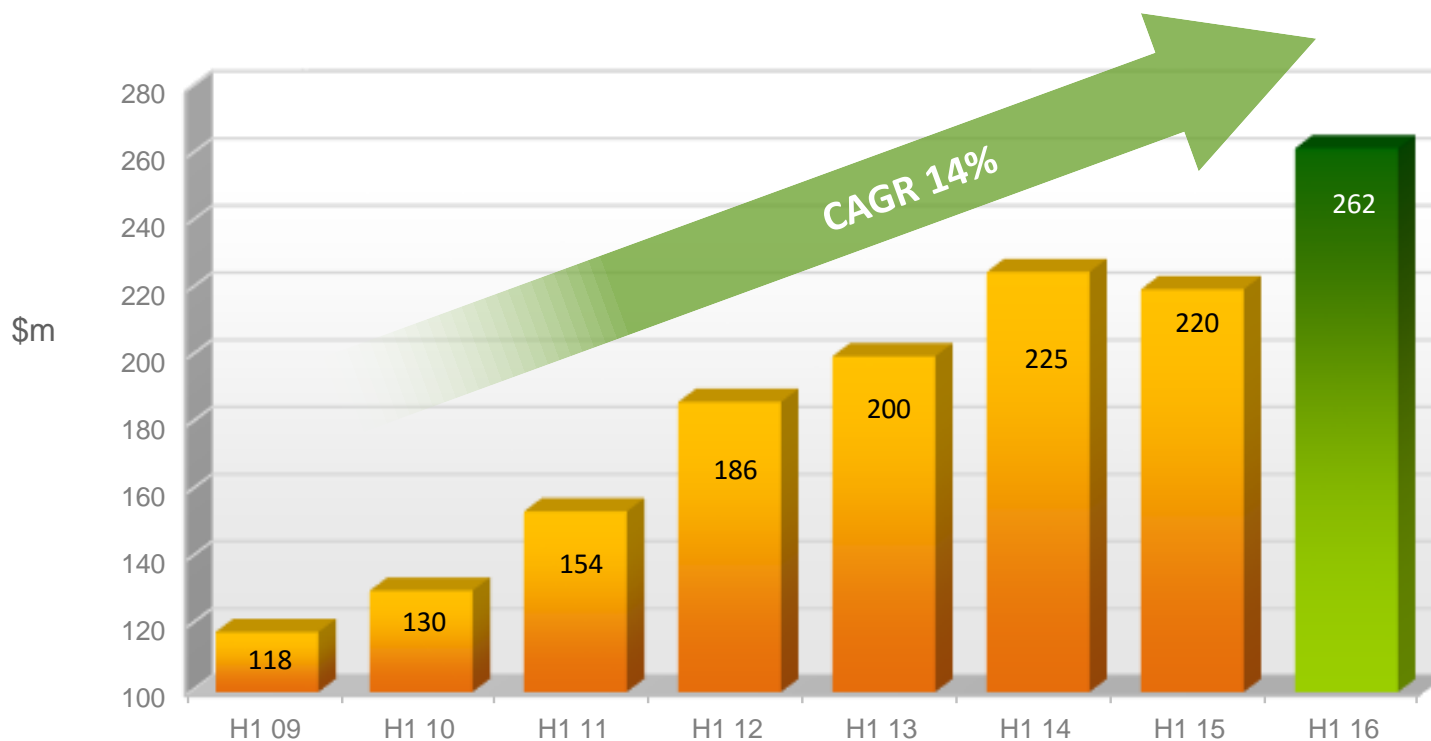
² Excluding depreciation of \$3.9 million (H1 2015: \$4.5 million) and amortisation of \$5.8 million (H1 2015: \$4.9 million). ³ Excludes retroactive duties and associated charges of \$2.7m (H1 2015: \$3.5m)

⁴ Excluding share benefit charges of \$3.2 million (H1 2015: \$2.4 million) ⁵ As defined in H1 2016 Interim report

GROUP REVENUE

- Revenue up **19%** to **\$262m** (H1 2015: \$220m), driven by Casino, Sport and regulated markets
- Impressive **14%** half yearly CAGR since H1 2009
- Like for like* growth at **22%**, adjusting for lower Sterling**

Revenue H1 2009 – H1 2016 (\$m)



*Life-for-like: Adjusting H1 2016 figures to H1 2015 average exchange rates per month

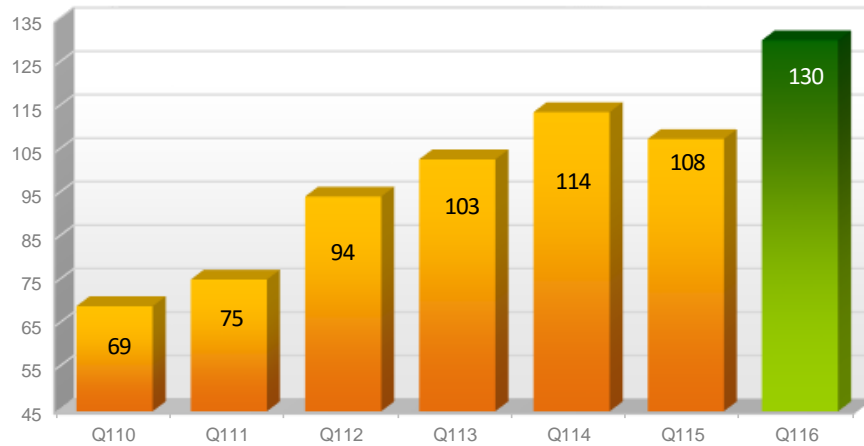
**Sterling dropped as of mid-February when referendum was announced in UK, intensified further as of June 23rd when the decision to exit the EU was set

GROUP REVENUE

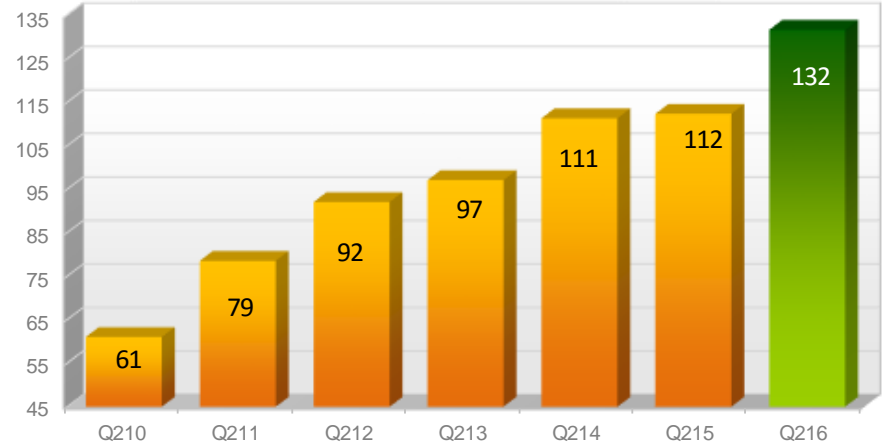
- Outstanding quarterly increases despite adverse currency headwind

Quarterly Revenue Q1, Q2 (\$m)

Q1 (\$m)



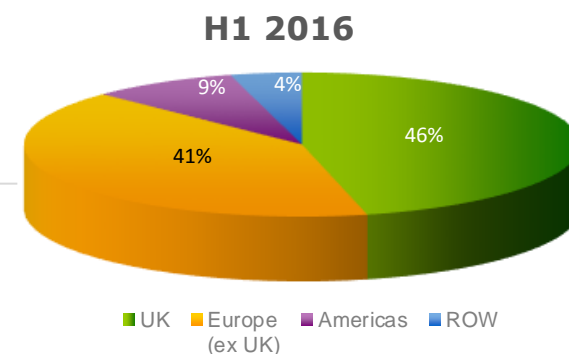
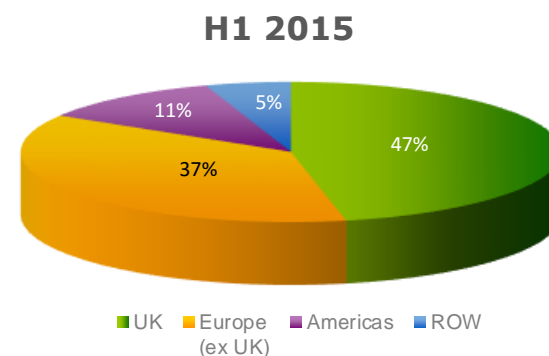
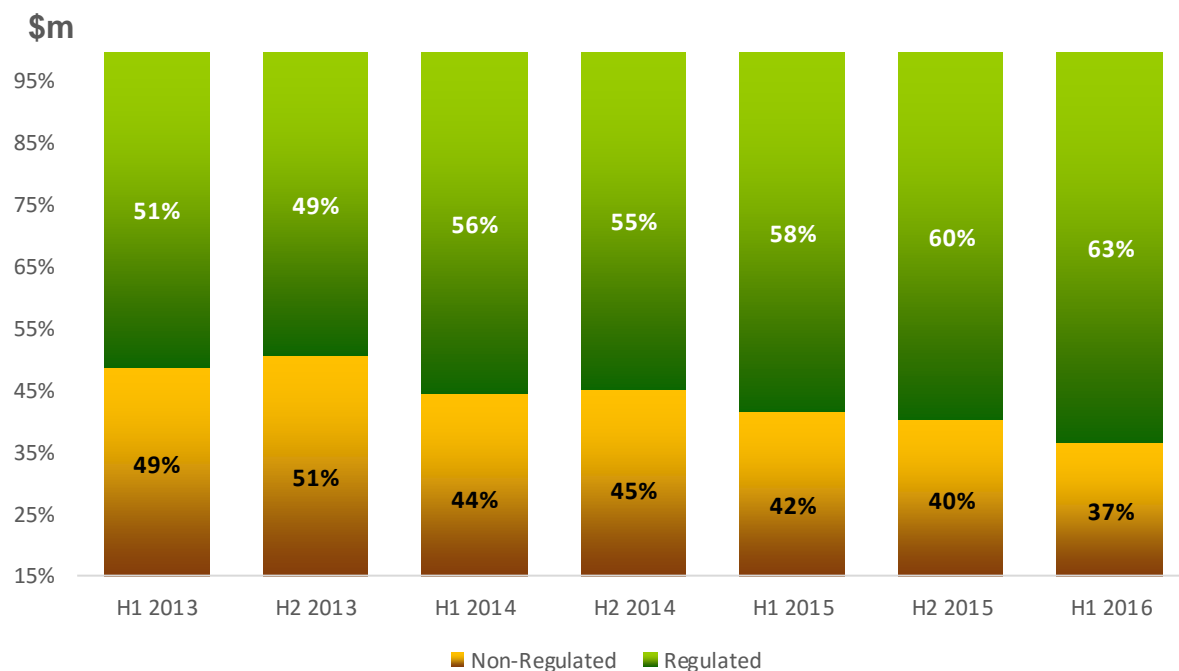
Q2 (\$m)



GEOGRAPHICAL SEGMENTATION

- Regulated markets* represents **63%** of Revenue, consistently increasing over time per our strategy to expand in regulated markets
- UK and Europe (excl. UK) represent **87%** of Revenue
- UK up **18%** and Europe (excl. UK) up **32%**

Geographic Segmentation H1 2013 - H1 2016

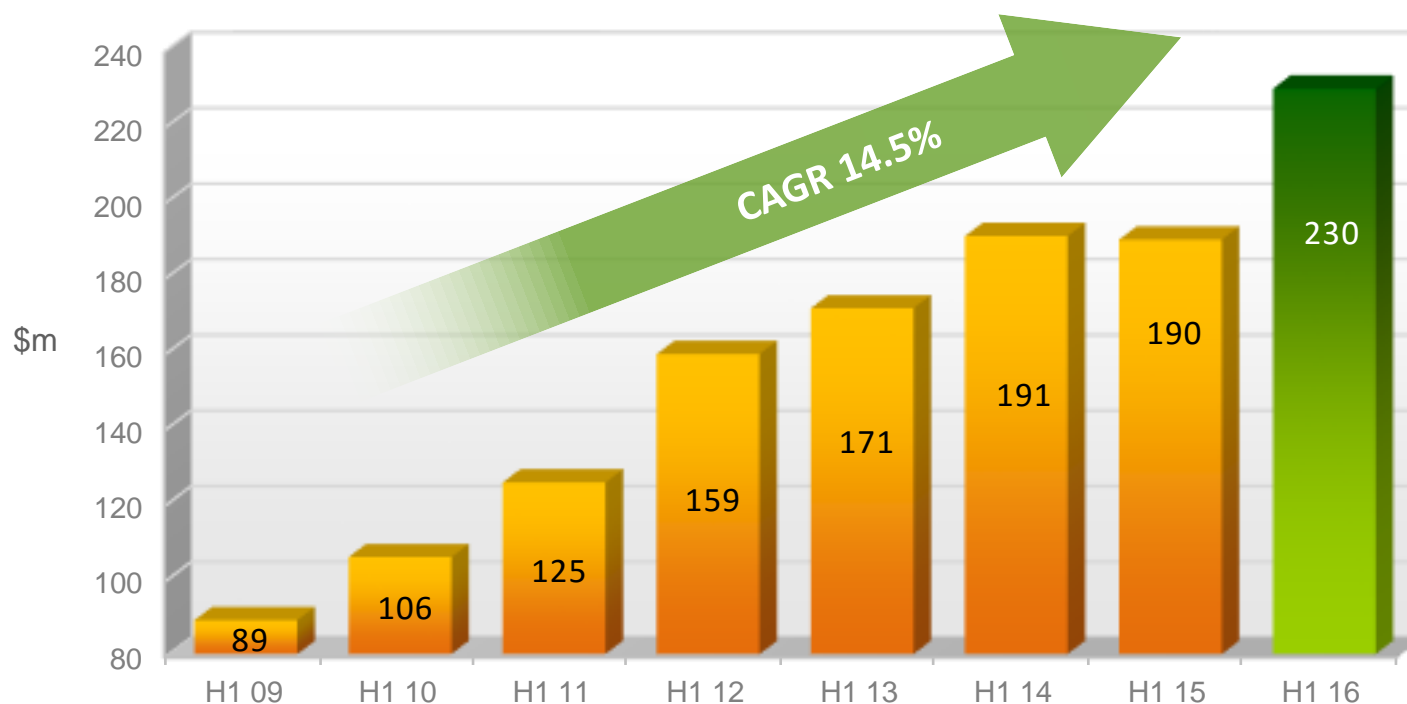


* UK, Spain, Italy, USA (non Social), Denmark, Romania and Ireland Sport

REVENUE B2C

- Revenue up **21%** to **\$230m** (H1 2015: \$190m)
- Strong performance led yet again by Casino and Sport
- Regulated markets continue strong growth
- **14.5%** half yearly CAGR since H1 2009

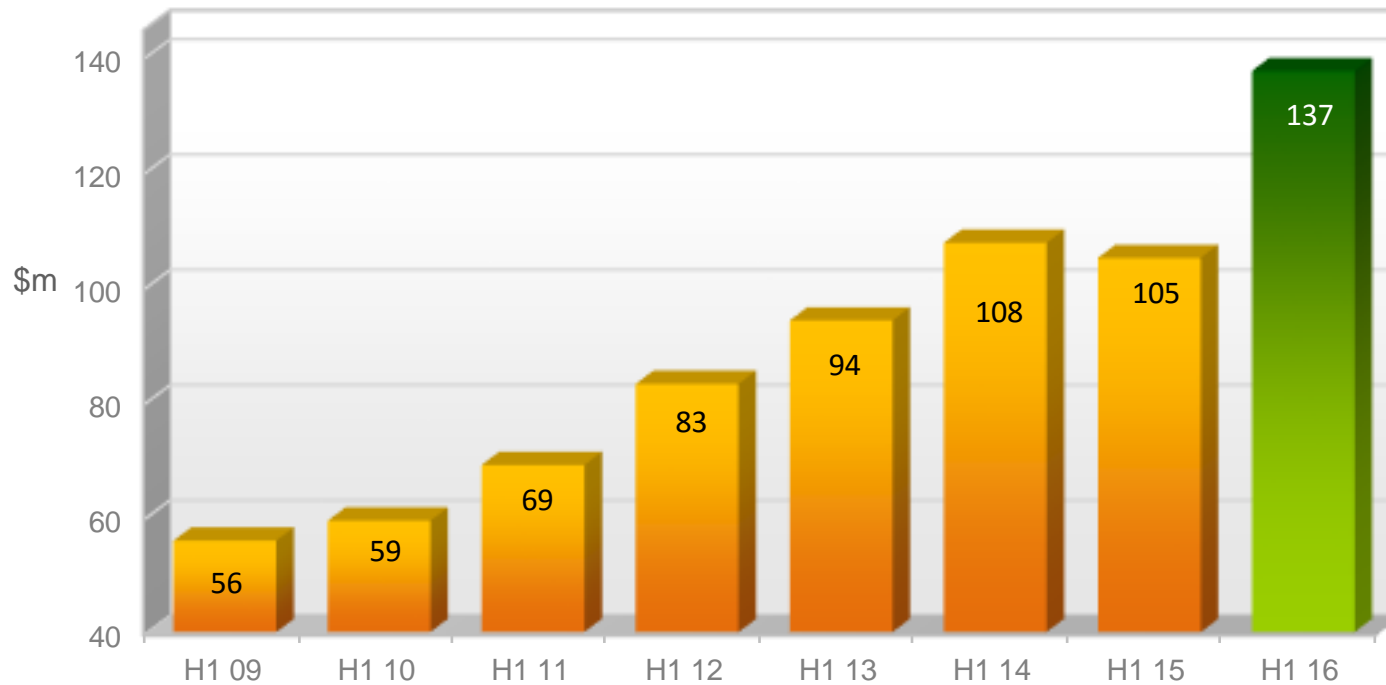
Revenue B2C H1 2009 – H1 2016 (\$m)



REVENUE CASINO B2C

- Casino up **31%** to **\$137m** (H1 2015: \$105m)
- Growth is driven by enhanced offering, multi platform and outstanding CRM
- Further contributors to the success included 777 brand launch, continued momentum of Slots in Spain and additional new volume in Denmark

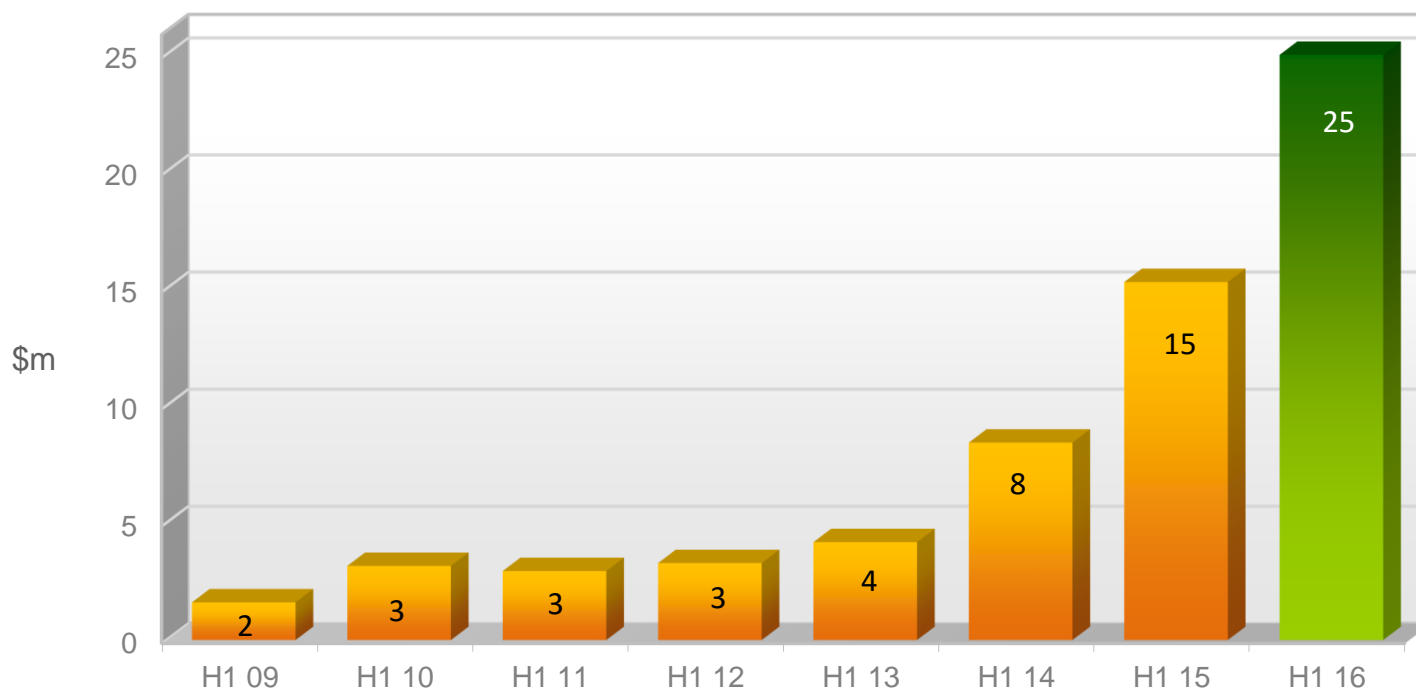
Revenue Casino B2C H1 2009 – H1 2016 (\$m)



REVENUE SPORT B2C

- Stellar Sport progress, already 10% of Group Revenue, up **63%** to **\$25m** (H1 2015: \$15m)
- Revenue increase is a result of our strategic focus and marketing investment
- New customer recruitment up **82%**

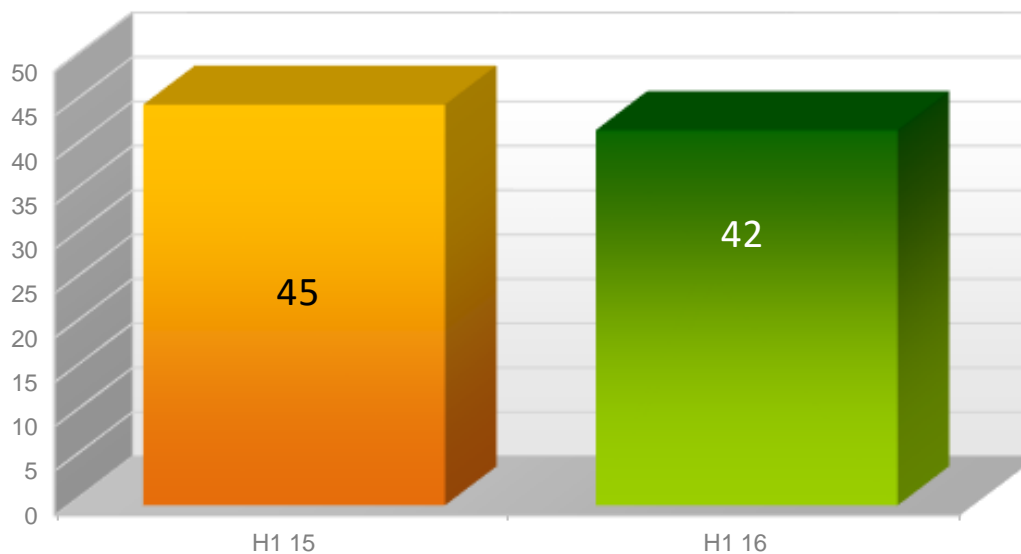
Revenue Sport B2C H1 2009 – H1 2016 (\$m)



REVENUE POKER B2C

- No. 2 position in global poker rankings*, outperformed market in relative liquidity
- Increased focus on Poker schedule optimisations, cross-selling to other products and exciting big tournaments
- Poker Revenue down only 6% to **\$42m** (H1 2015: \$45m) despite challenging market and adverse currency movement

Revenue Poker B2C H1 2016 vs. H1 2015 (\$m)

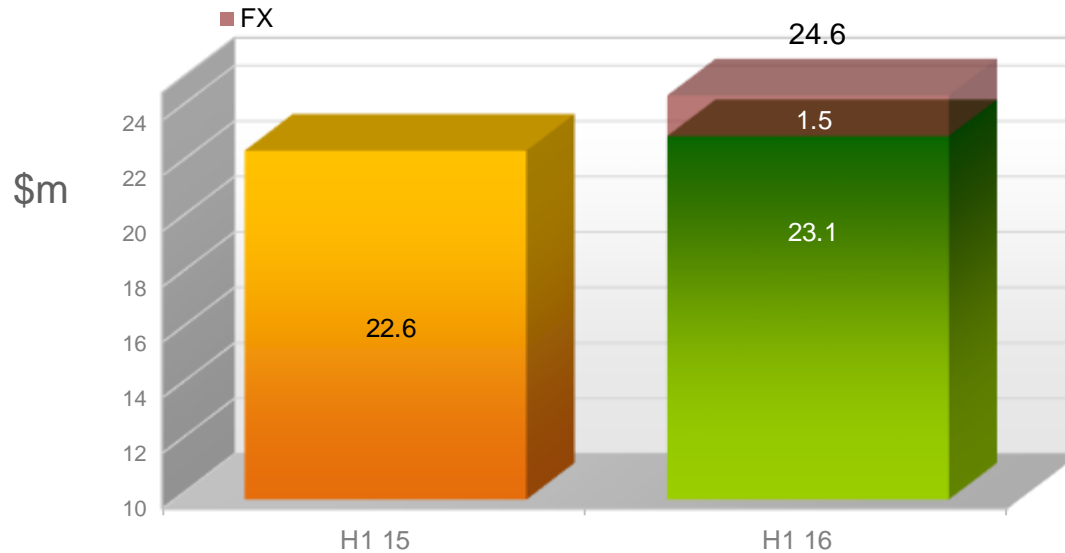


* Source Pokerscout.com July 2016

REVENUE BINGO B2C

- Revenue up **2%** to **\$23m** (H1 2015: \$23m)
- Optimisation efforts and further instant games content supported Bingo progress
- Adjusting for currency we see Bingo turnaround continues with H1 2016 **9%** higher than parallel period

Revenue Bingo B2C H1 2016 vs. H1 2015 (\$m)

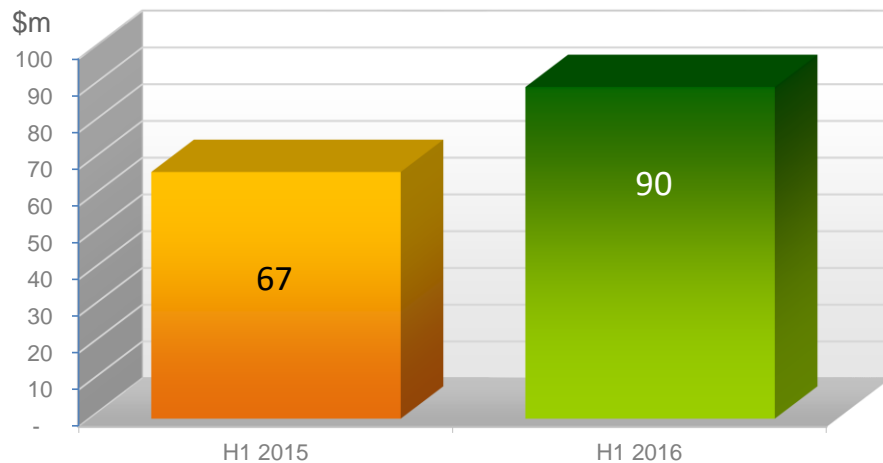


MARKETING COST

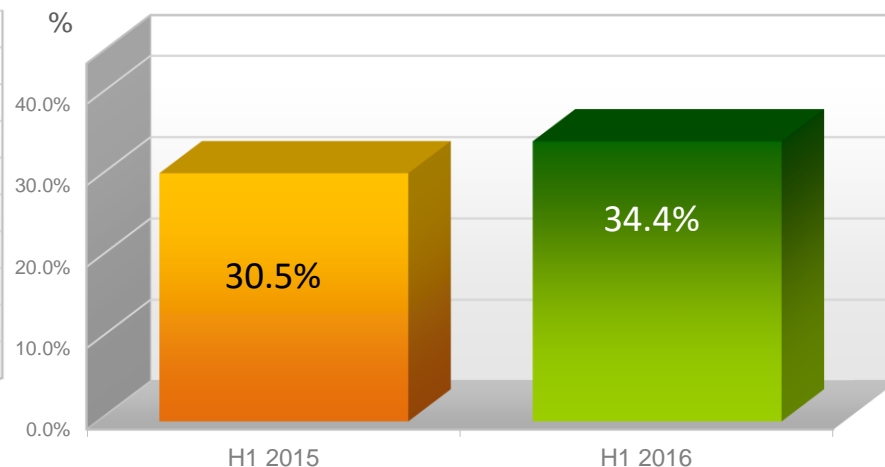
- Increased marketing supports revenue growth, with **22%** new player increase, and **19%** Revenue increase
- Marketing increase is driven mostly by Sport strategic investment and Casino growth
- Investment is expected to drive further volume throughout the rest of the year

Marketing Cost H1 2016 vs. H1 2015

Marketing Costs



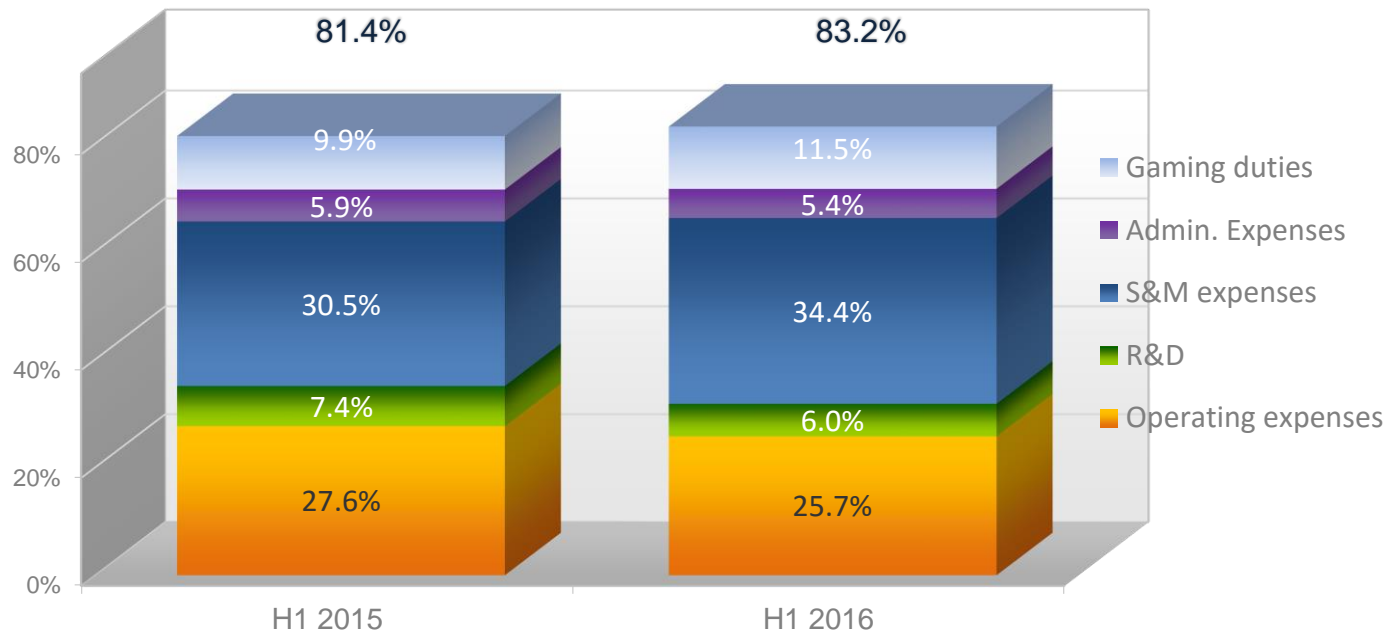
Marketing Costs % of Revenue



COST STRUCTURE

- Cost ratio to Revenue at **83%** (H1 2015: 81%)
- Lower operational cost
- Increased ratio only in growth generating components (Marketing and Gaming duties)

Cost as a % of Total Revenue H1 2016 vs. H1 2015 *

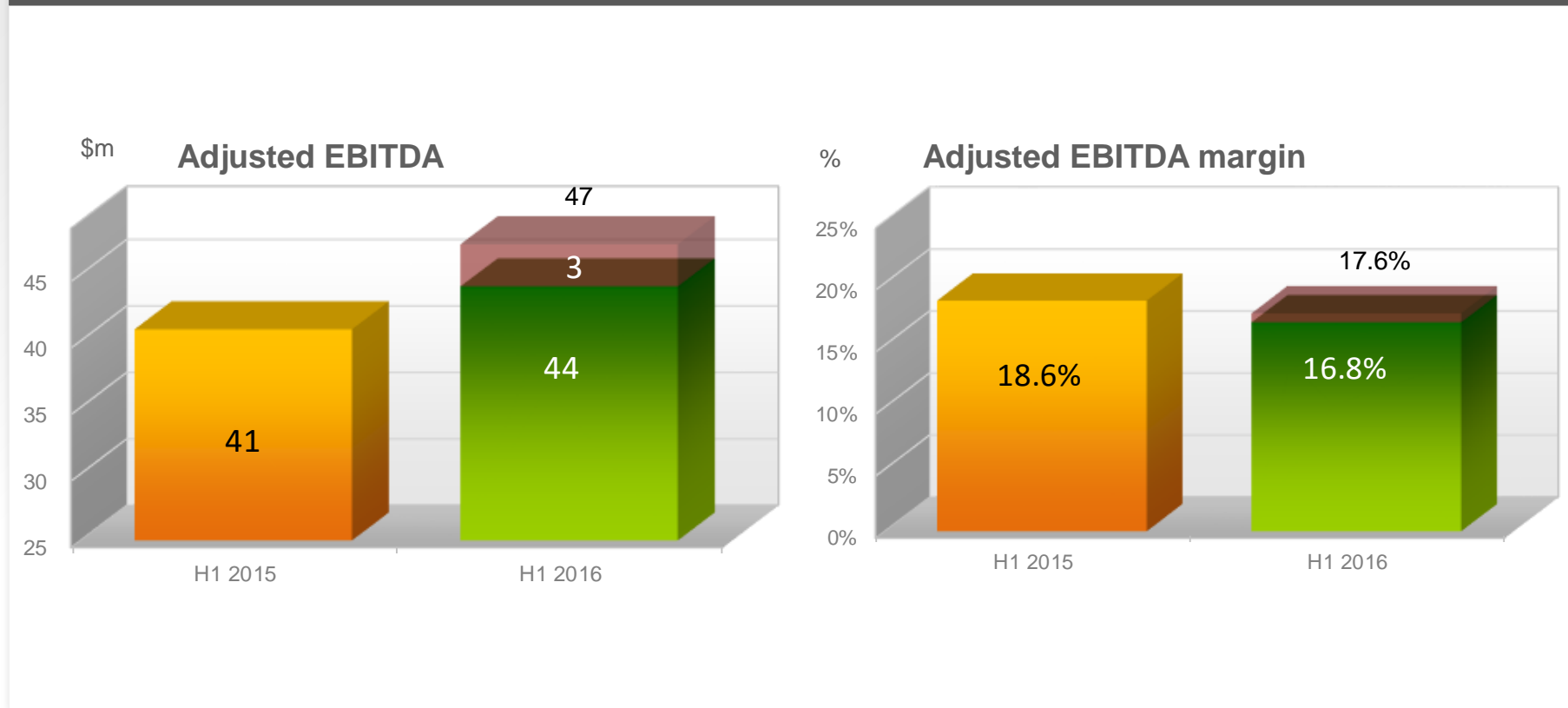


* Excluding share benefit charges, depreciation and amortisation, retroactive gaming duties and exceptional M&A costs

ADJUSTED EBITDA AND MARGIN

- Adjusted EBITDA up **8%** to **\$44m** (H1 2015: \$41m)
- Newly introduced gaming duties adverse impact
- Adjusted EBITDA up **16%** at constant currency*, with margin at constant FX **17.6%**

Adjusted EBITDA H1 2016 vs. H1 2015

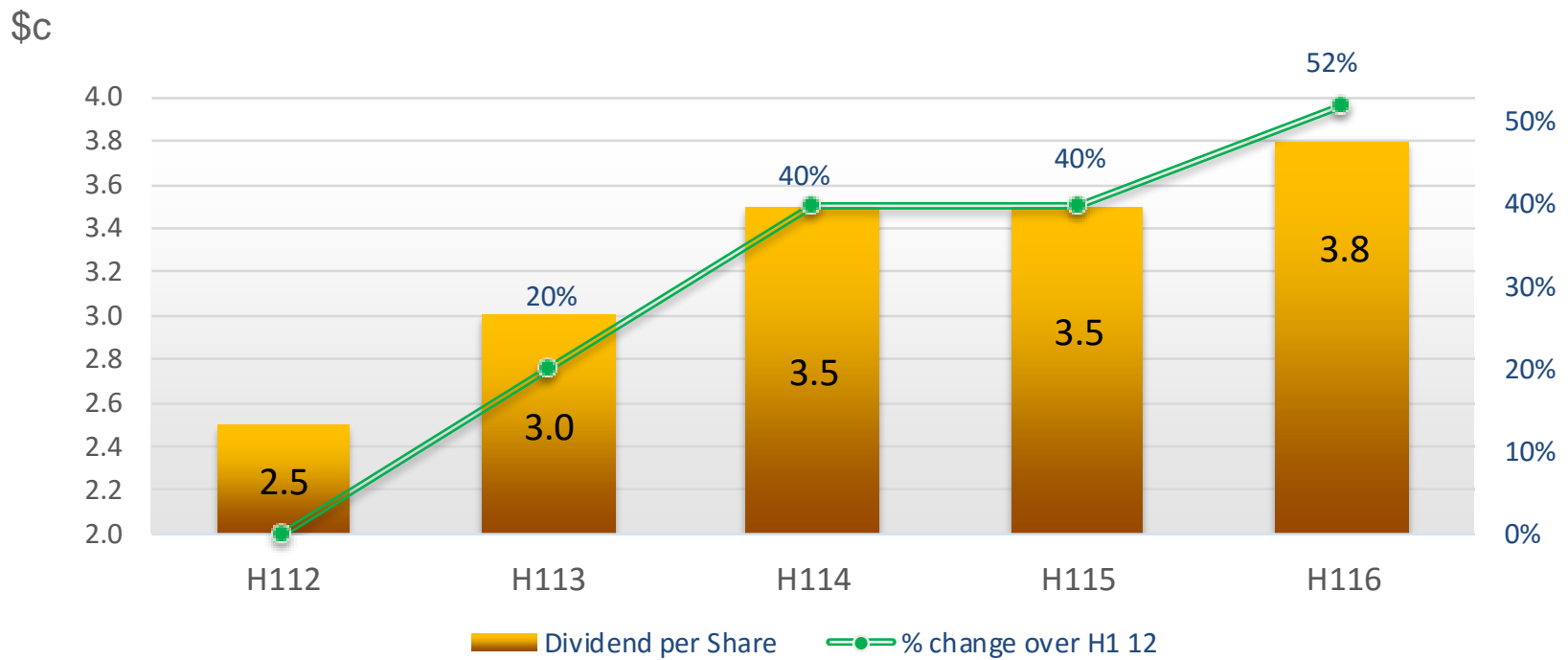


* See footnote 2 to the financial summary of H1 2016 interim report.

DIVIDEND

- High dividend payout ratio continues
- **3.8c** per share interim dividend
- **52%** increase compared to H1 2012

DIVIDEND PER SHARE (\$c) H1 2012 – H1 2016



BALANCE SHEET

\$m	30-Jun-16	30-Jun-15
Non-current assets		
Goodwill and other Intangible assets	159.3	159.1
Property, plant and equipment	8.9	13.7
Other non-current assets	2.0	2.2
Investments	1.5	1.7
	171.7	176.7
Current assets		
Cash and cash equivalents	143.0	141.6
Trade and other receivables	38.2	37.2
Total Assets	352.9	355.5
Equity		
Share capital and share premium	6.3	4.9
Retained earnings and reserves	139.2	155.4
Total equity attributable to equity holders	145.5	160.3
Liabilities		
Current liabilities		
Trade and other payables	126.8	116.6
Customer deposits	78.6	76.6
Non-current liabilities		
Deffered tax liabilities	2.0	2.0
Total equity and liabilities	352.9	355.5

CASH FLOW STATEMENT

\$m Period Ended 30 June	H1 2016	H1 2015
Cash flows from operating activities		
Profit before income tax	27.8	20.0
Share benefit charges	3.2	2.4
Depreciation and amortisation	9.7	9.4
Change in current assets and liabilities	(17.6)	5.7
Other non cash adjustments	(0.3)	(2.7)
Cash generated from operations	22.8	34.8
Income tax paid	(7.3)	(4.1)
Net cash generated from operating activities	15.5	30.7
Purchase of property, plant and equipment	(1.6)	(2.8)
Internally generated intangible assets	(5.9)	(4.7)
Acquisition of intangible assets	(1.9)	(2.0)
Investment	0.3	(1.3)
Net cash used in Investing Activities	(9.1)	(10.8)
Issue of shares	0.9	0.4
Dividends paid	(43.0)	(41.0)
Net decrease in cash and cash equivalents	(35.7)	(20.7)
Cash and cash equivalents - beginning of period	178.6	163.1
Effects of currency translation	0.1	(0.8)
Cash and cash equivalents - end of period	143.0	141.6



ITAI FRIEBERGER, CEO | OPERATIONAL REVIEW

TOTAL | GROUP REVENUE



\$200M
H1 2013

\$225M
H1 2014

\$225M
H1 2015*

\$267M
H1 2016*

B2C | NEW DEPOSITORS



100%
JUL 2015

125%
OCT 2015

145%
FEB 2016

148%
APR 2016

SPORT | BETS



100%
JAN 2015

117%
AUG 2015

137%
DEC 2015

191%
JUN 2016

CASINO | BET



100%
JAN 2015

113%
AUG 2015

128%
NOV 2015

136%
JUN 2016

CASINO | ACTIVES



100%
JAN 2015

124%
AUG 2015

131%
NOV 2015

138%
JUN 2016

SPAIN | DEPOSIT



100%
JAN 2015

139%
DEC 2015

145%
FEB 2016

163%
JUN 2016

ITALY | NEW DEPOSITORS



100%
JAN 2015

107%
DEC 2015

182%
FEB 2016

259%
JUN 2016

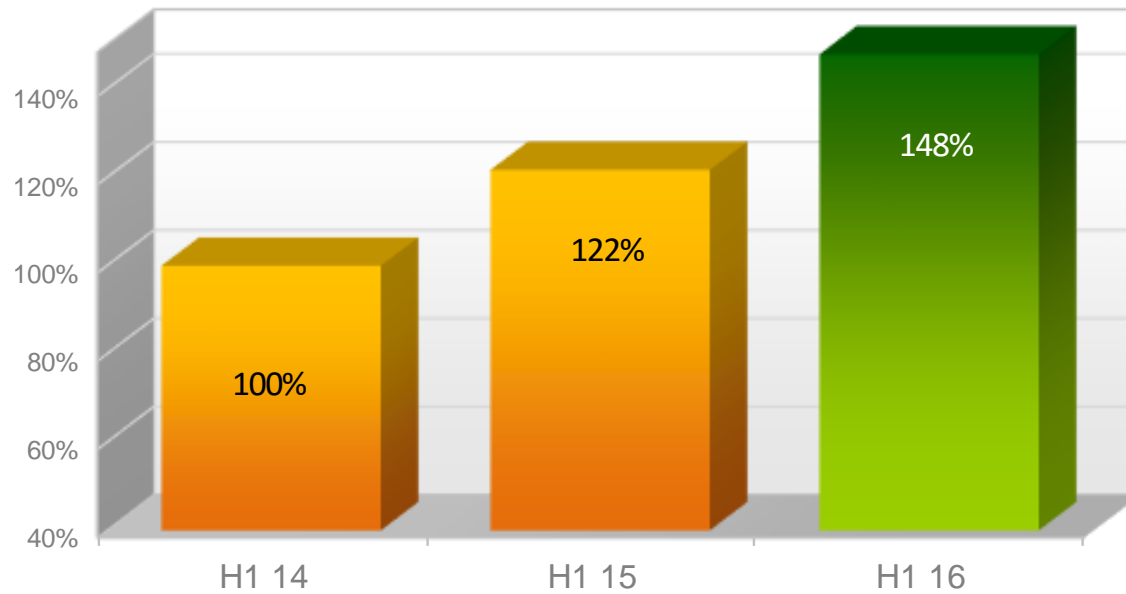
THE ONLINE BUSINESS CYCLE



ACQUISITION

- Constant traffic optimisation continues, only profitable acquisition channels pursued

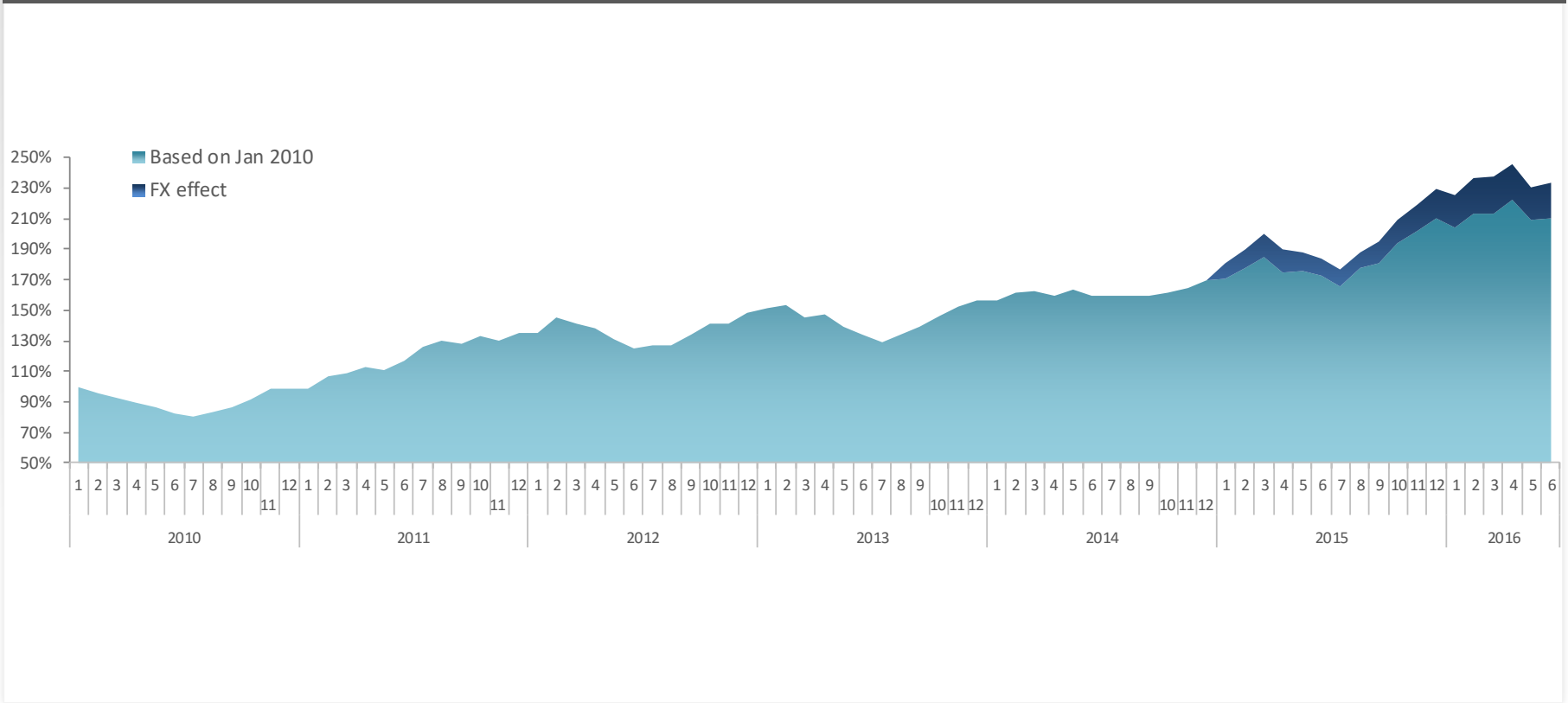
First Time Depositors H1 2014 – H1 2016



* H1 14 as base

FUELING FUTURE GROWTH

B2C DEPOSIT TREND

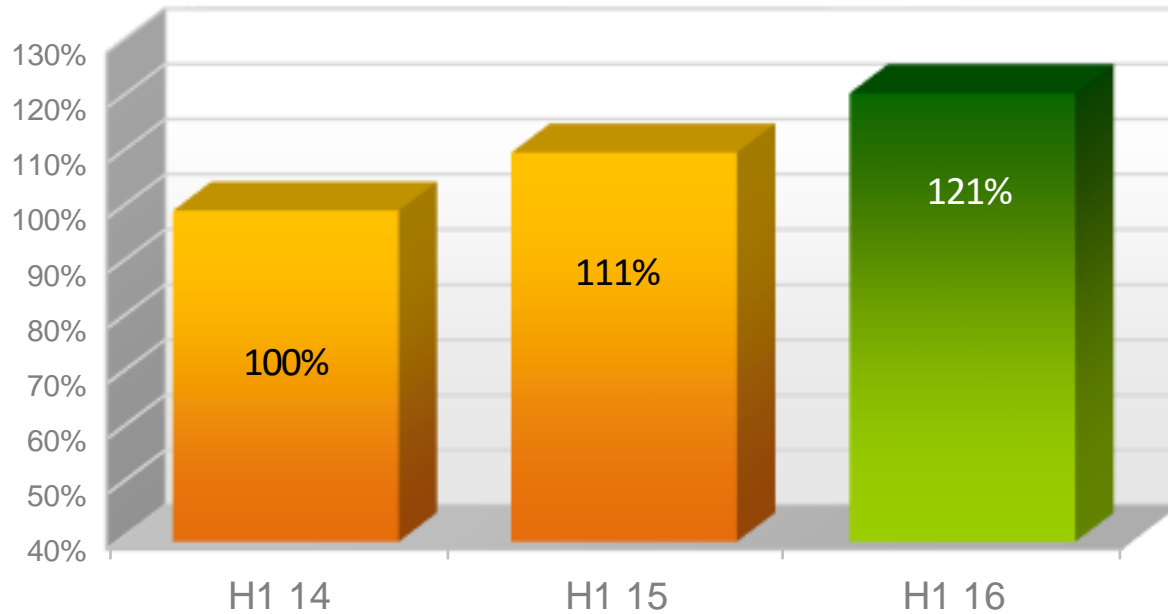


* FX takes Jan 2015 – June 2016 Deposits at the average 2014 rates

ACTIVES

- Increased activity supports growth and retention efforts

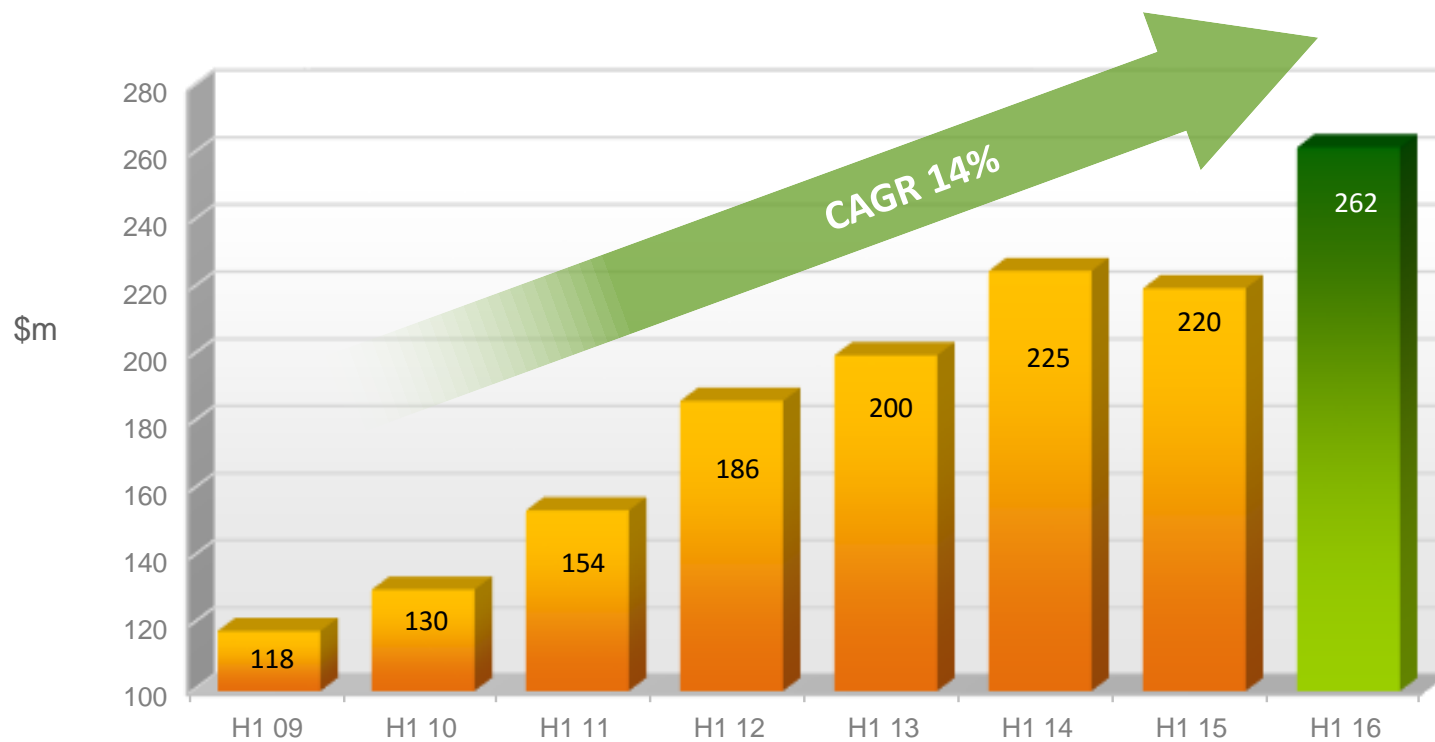
Actives H1 2014 - H1 2016



* H1 14 as base

REVENUE TREND

Revenue H1 2009 – H1 2016 (\$m)



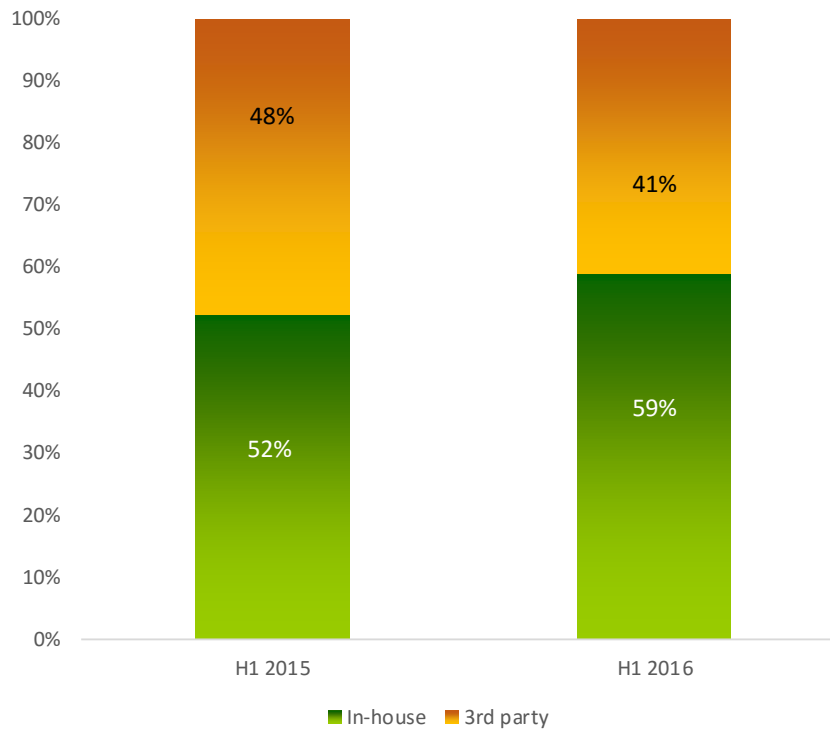
CASINO



CASINO CONTENT

- Unique internally developed content continues to dominate our growing Casino platform
- Offered alongside well known content, thus enabling a unique and rich experience that is constantly updated

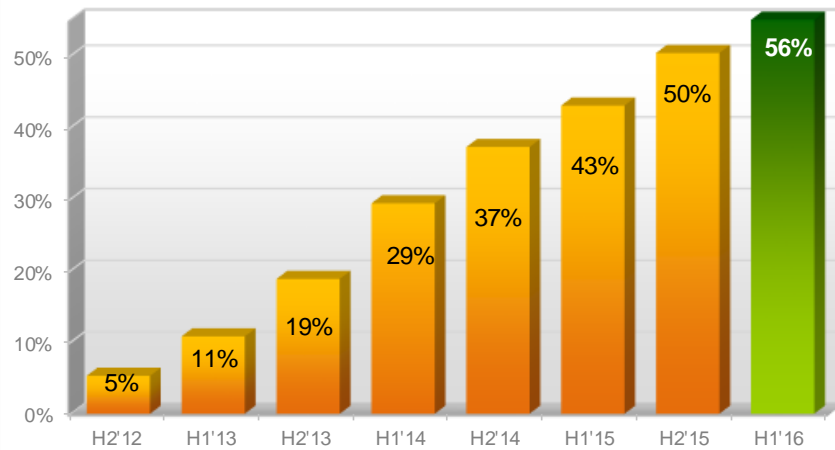
• In House developed content continue to dominate our VS arena



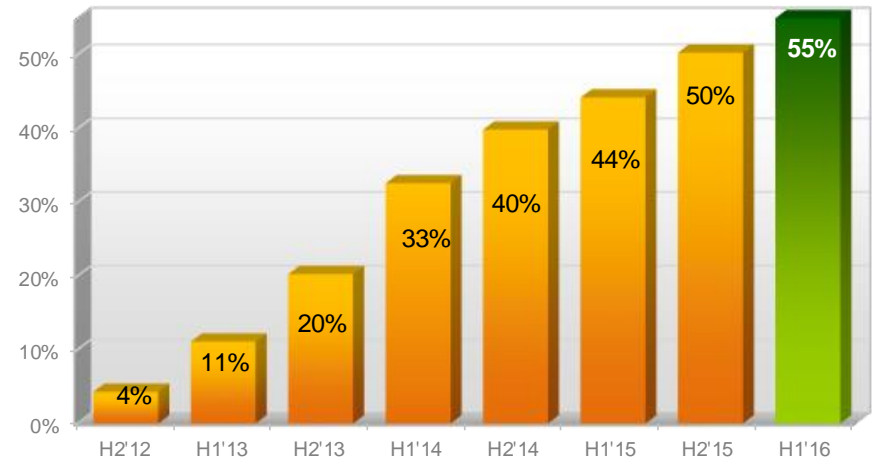
Data presented is per Gross Profit ratios

UK Mobile Share B2C H2 2012 – H1 2016

UK Mobile Revenue Share



UK Mobile Deposit Share



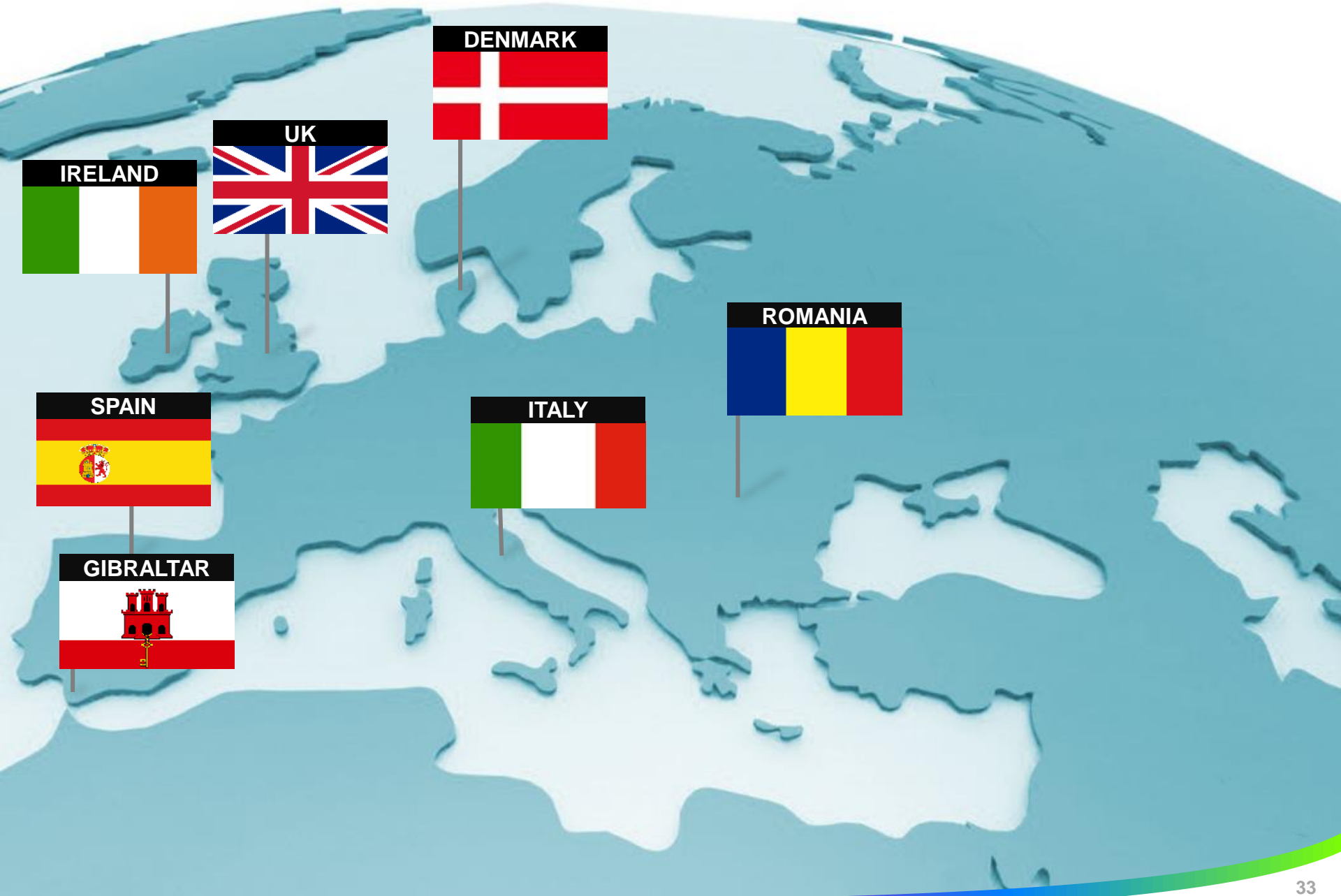
POKER REINVENTED



POKER

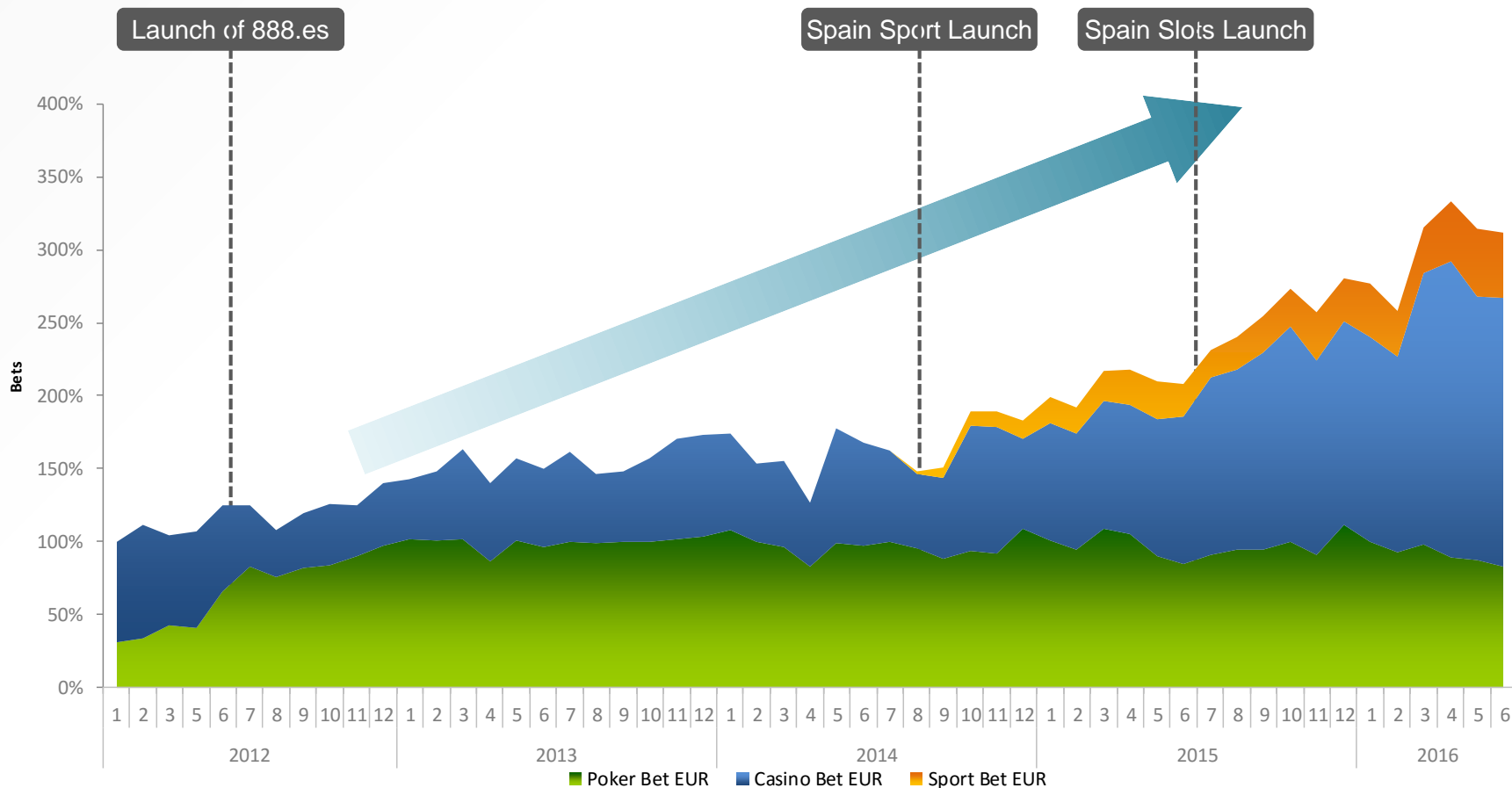


REGULATED MARKETS



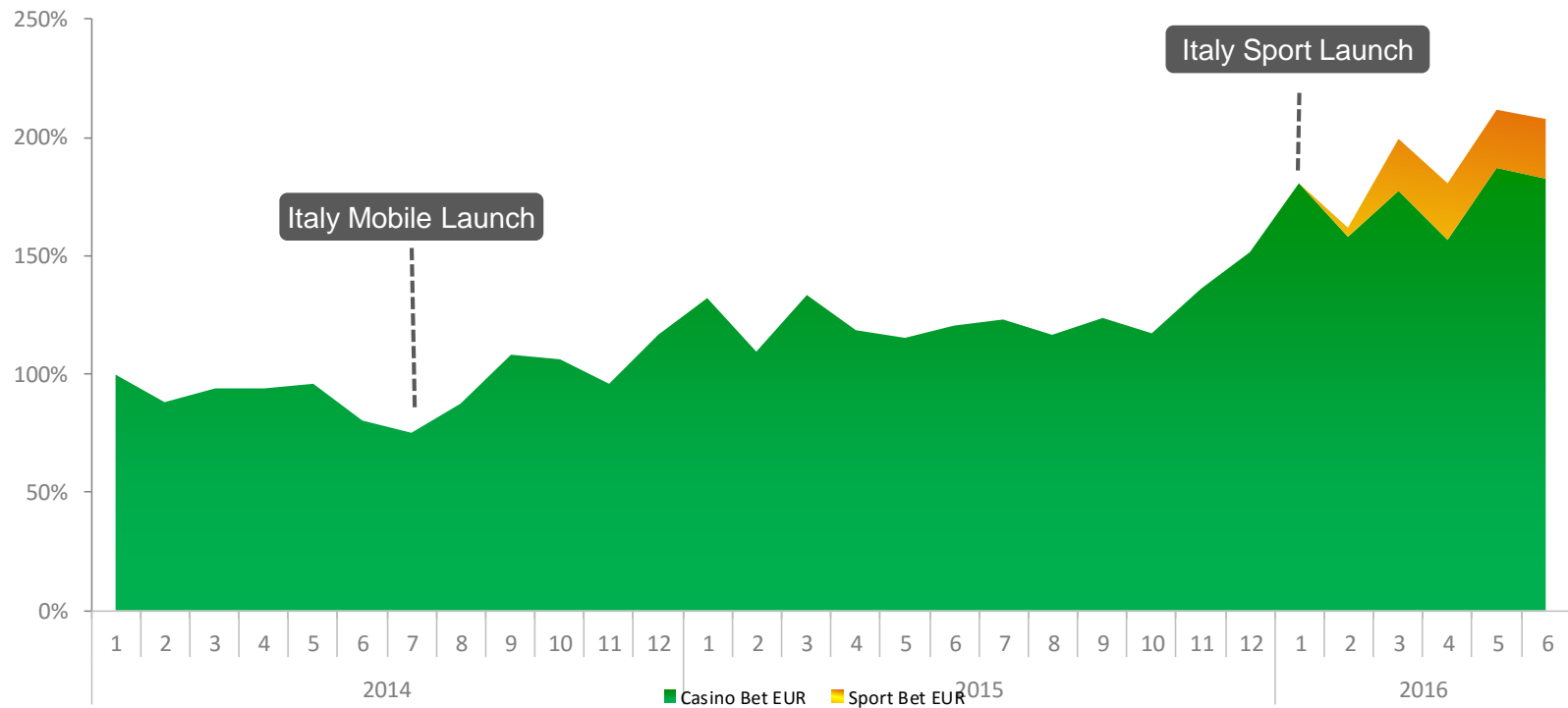
888.ES GGR TREND (Euro Based)

Revenue growth fueled by increased offerings and content



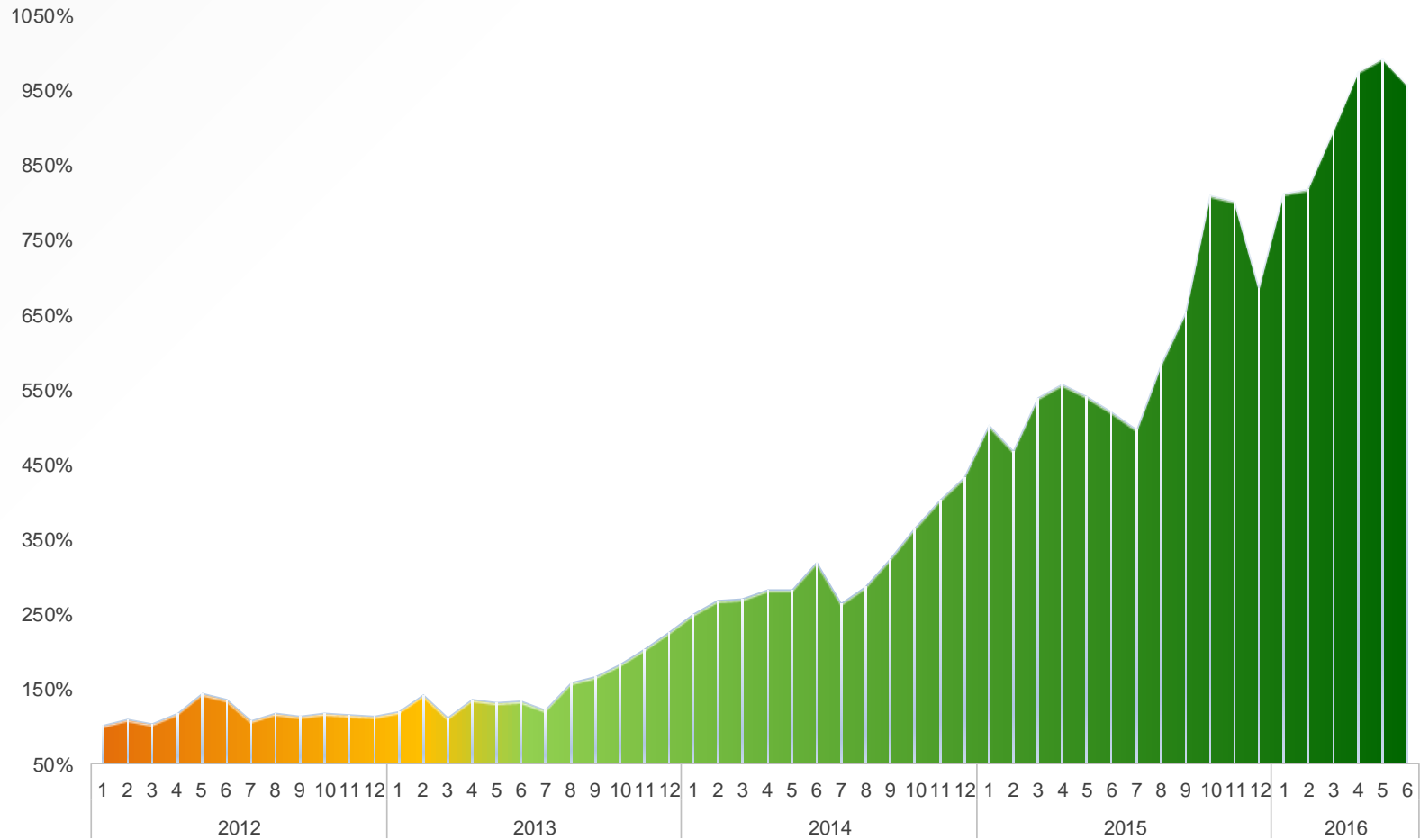
888.It BET TREND (Euro Based)

o Sport launch driving additional volume



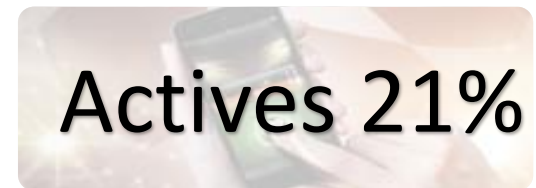
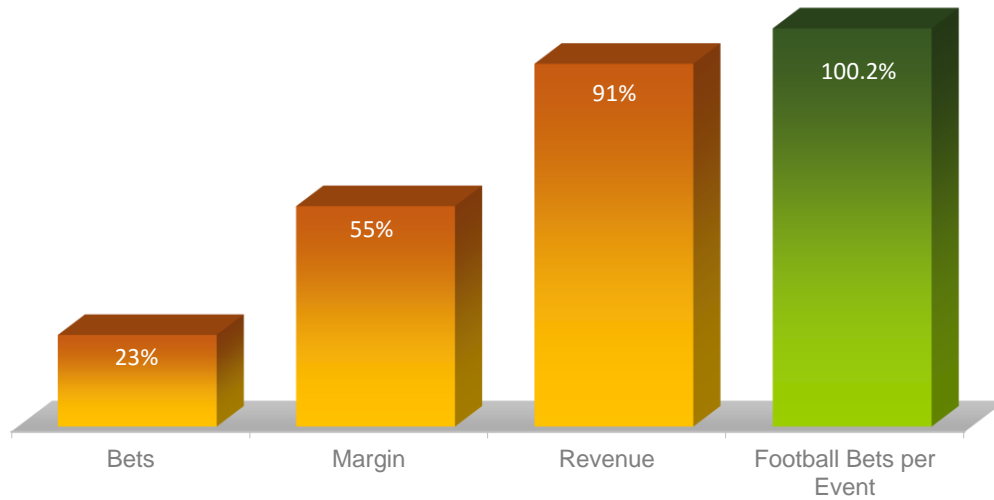


• Sport bets continue to rise



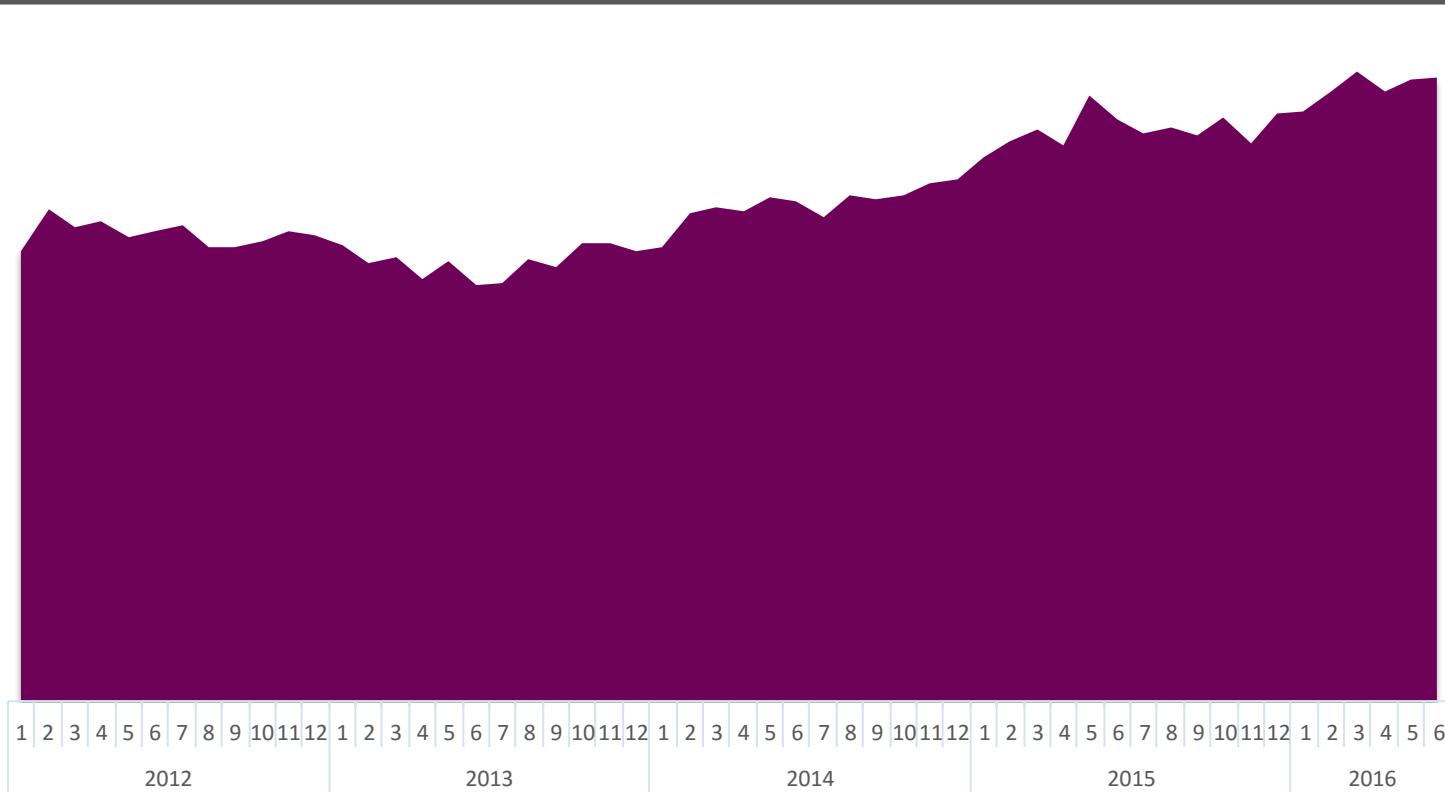
Based on average daily Bets

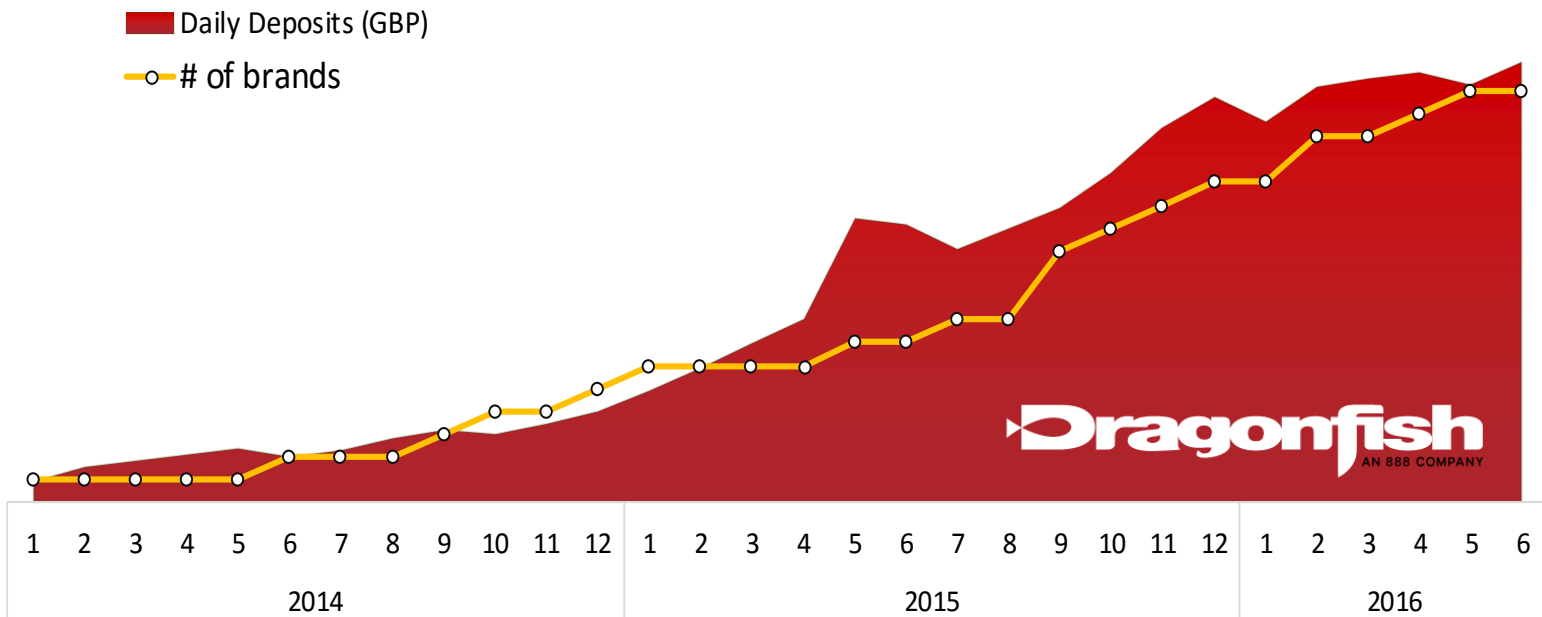
Euro 2016 football event drives uplift





Bingo Bet Trend GBP 2012 – 2016





SUMMARY

- Positive trends across a healthy business
- Organic growth remains our #1 priority
- Continued investment in platform and content is paying off (again)
- Existing regulation adaptations alongside new regulated markets
- M&A represents incremental value opportunity
- Strong current trading, remain confident of meeting expectations





Q&A