

William Hill Online teach-in

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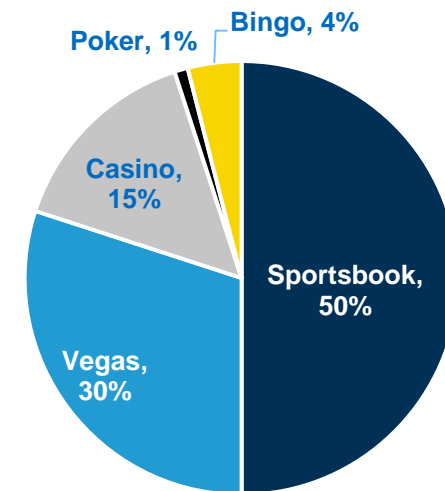
4 October 2016



Overview – our strengths

- Competitive position in rapidly growing online gambling markets
- Top 3 positions in core regulated markets – UK, Italy, Spain
- Track record of differentiation supported by proprietary technologies
 - Sportsbook product (Trading)
 - Vegas product suite (UK no.1)
 - New platform enables rapid front-end development and differentiation
- Large-scale investment in marketing
- High brand awareness / consideration

80% of H1 16 revenues from proprietary platforms



Our current issues

1. Gaming

- Historic under-investment on player funnel, UX and cross sell
- Lack of dedicated tech resource vs Sportsbook
- Delayed game releases (reality checks)
- Reduced marketing (given UX/funnel issues)

2. Marketing/Conversion/Retention

- In H1 acquisition was down 17%, actives down 4%
- Drop inflated by higher level of bonus abusers / loss-leading acquisition last year
- But other challenges have included:
 - Long tail impact of launch of project Trafalgar in Oct 2015
 - Lack of differentiated product to advertise until EURO 2016
 - Delays in moving media mix to more targeted / trackable media (programmatic)
 - Lack of dedicated team for improving player funnel journeys

Overview: Core focus areas YTD

PRODUCT / UX

- UK mobile sports product now market leading again with multiple unique features
- Two gaming verticals relaunched (Games and Integrated) and returned to growth
- Mobile Sportsbook translated into five languages

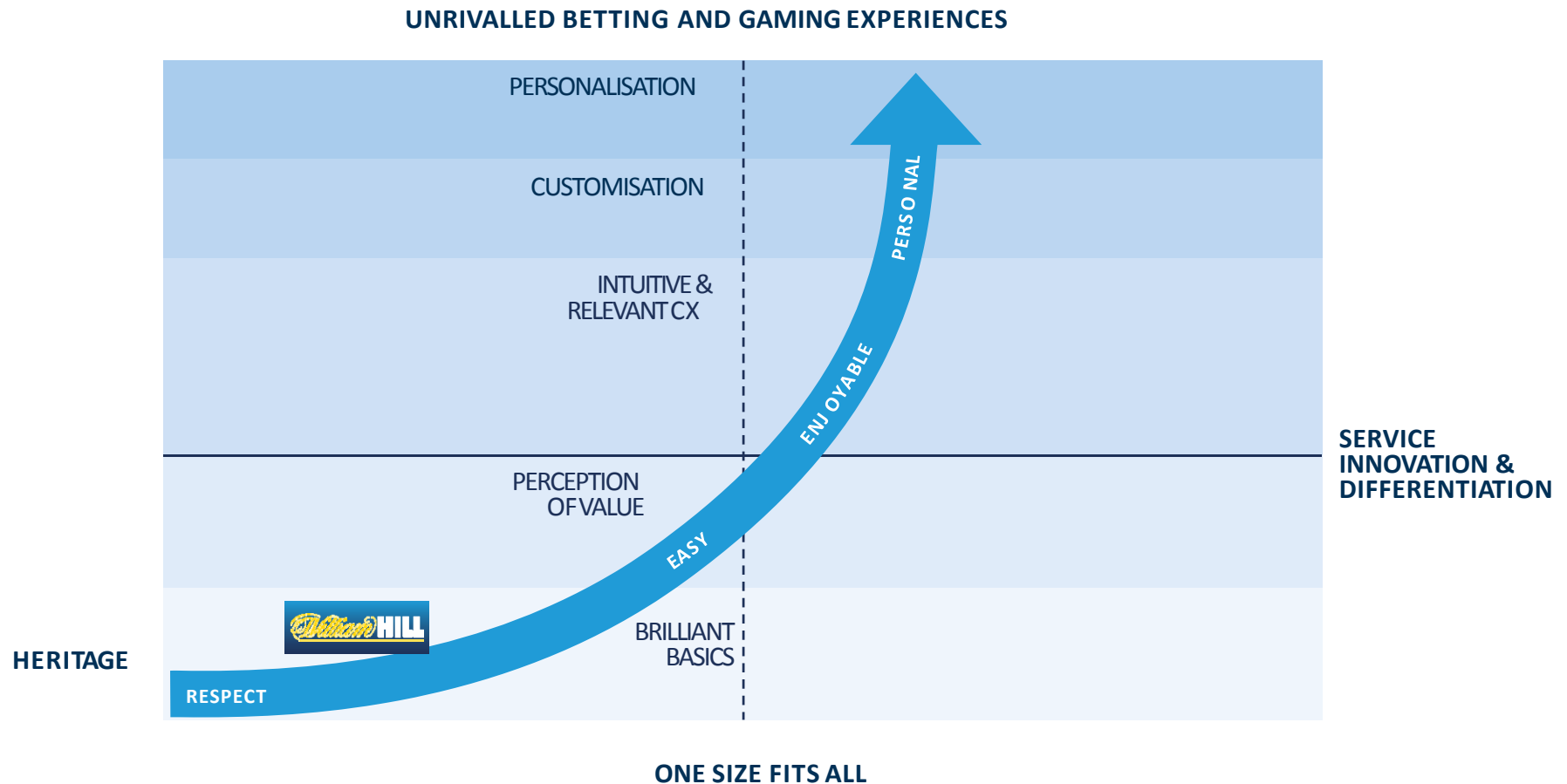
MARKETING

- Loss-leading online campaigns removed
- Bonus abuse reduced
- First tests of “programmatic” media started
- “Offer Club” campaign introduced
- Customer registration journey improved
- Quality of customer base improved
- Improved retention and higher spend per active

PEOPLE

- P&L accountability increased
- Reporting systems being improved
- Key leadership appointments made

Vision: moving from one-size-fits all to personalised e-commerce excellence



What our customers want

What do gamblers want?

Top 10 Factors in Choosing an Online Brand



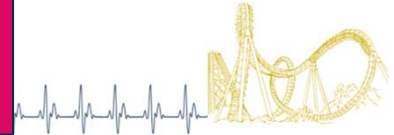
Base: U&A May'16 – Online Gamblers Monthly + (1,556)
 *Statements added in May'16



- Slick, Simple, navigation
- Fast loading times
- Works every time
- No obstacles in log on, deposit, betting
- Logical journeys from search
- Offers and rewards automatic



- Love sport, love gaming: this is not insurance
- Bets and games that give me a ride
- Keep me engaged: scores, streaming, banter, results
- Celebrate my wins



- Know me, show me more of what I like!
- Get me straight to the games I play
- Tailor offers / rewards to what I do
- Let me customise things further

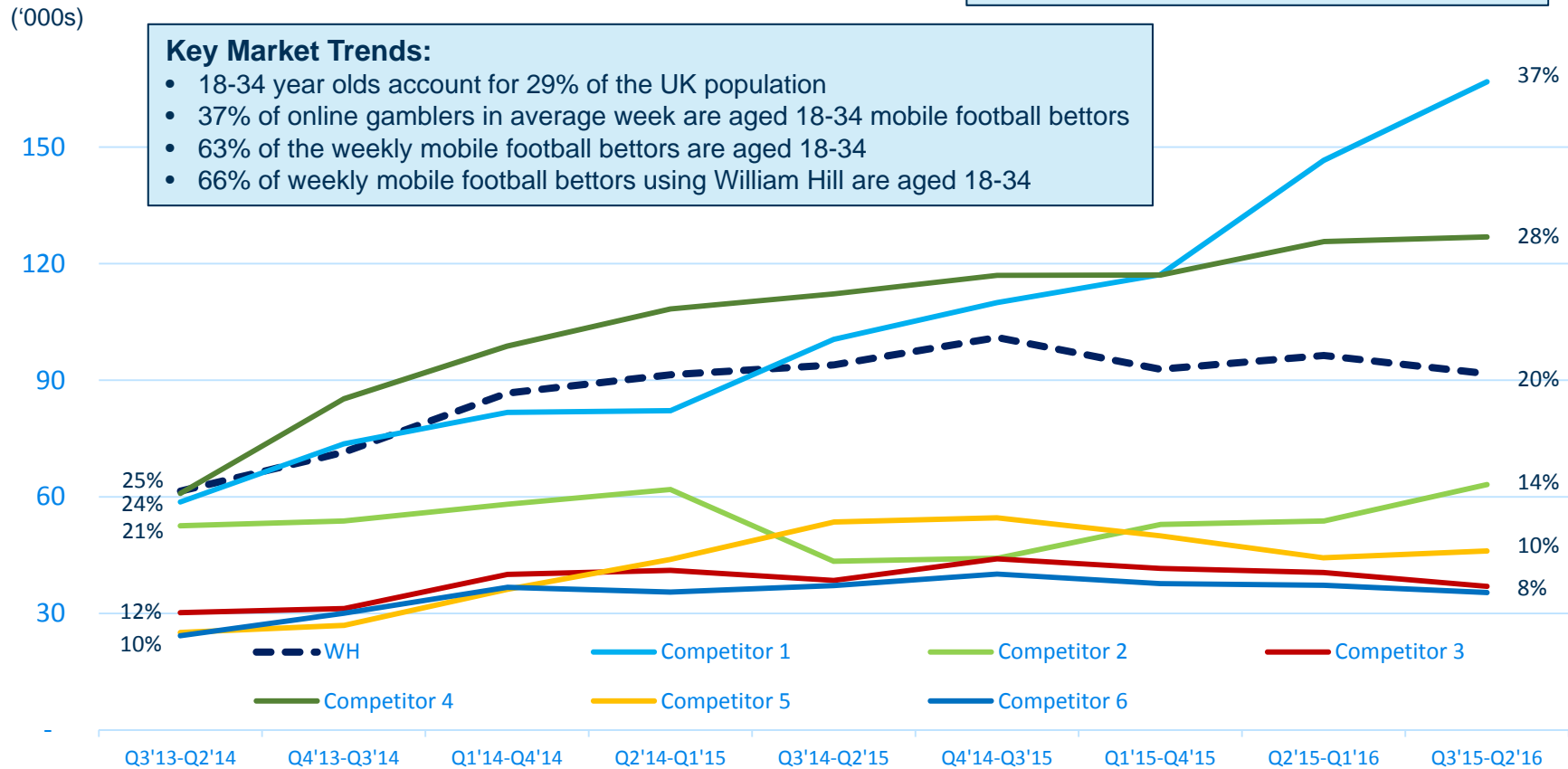


- Give me fair prices and offers
- Don't make me guilty until proven innocent
- I'm loyal – give me something back
- Speak to me in a friendly way
- Protect me

Target improvement in Net Promoter Score

The battleground for growth

How to Read: 20% of 18-34 year old weekly mobile football bettors are using William Hill via a mobile device to place sports bets monthly, this equates to 92,000 people.



Product / UX: new Sportsbook launched Q2

Enhanced UX across the whole mobile site



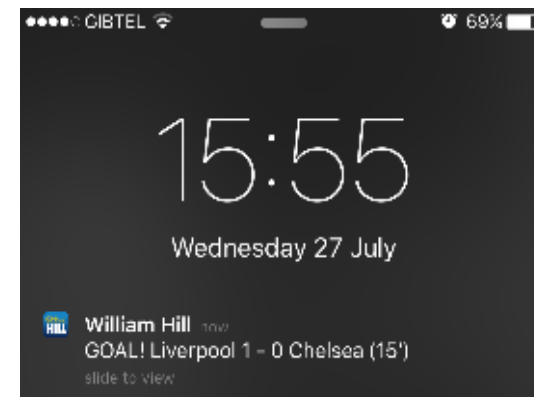
Bet Suggestions in new football scorecard



In-app messaging and tracking



Live score pushes

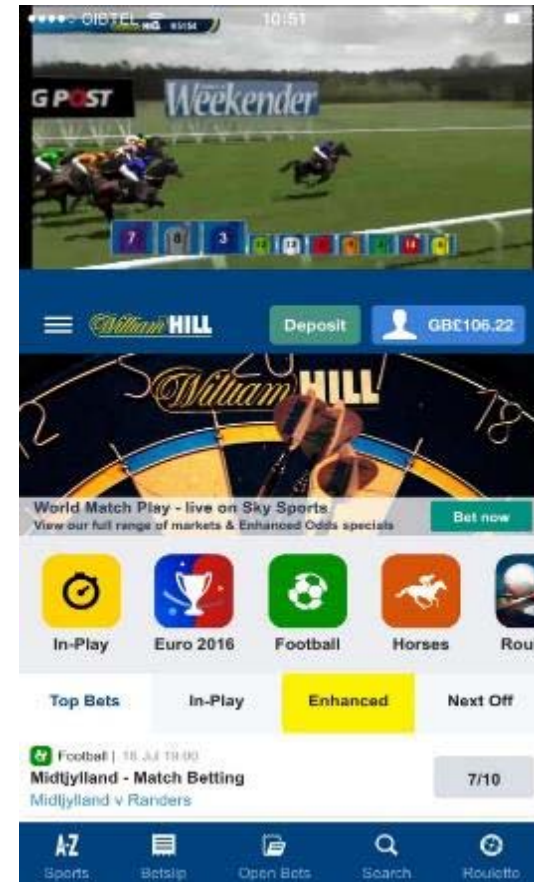


Product / UX: new Sportsbook launched Q2

Cross-sell



Betting shop TV



Product / UX: new Sportsbook launched Q2

Cash In / Search / Enhanced / Languages

36,000 partial
Cash-Ins in six weeks



40k Cash-Ins on Sat 24th
Sept, +33% ave. Sat

926,000 searches in
15 weeks



61,700 Enhanced Bets
in Q2, up 20% on Q1

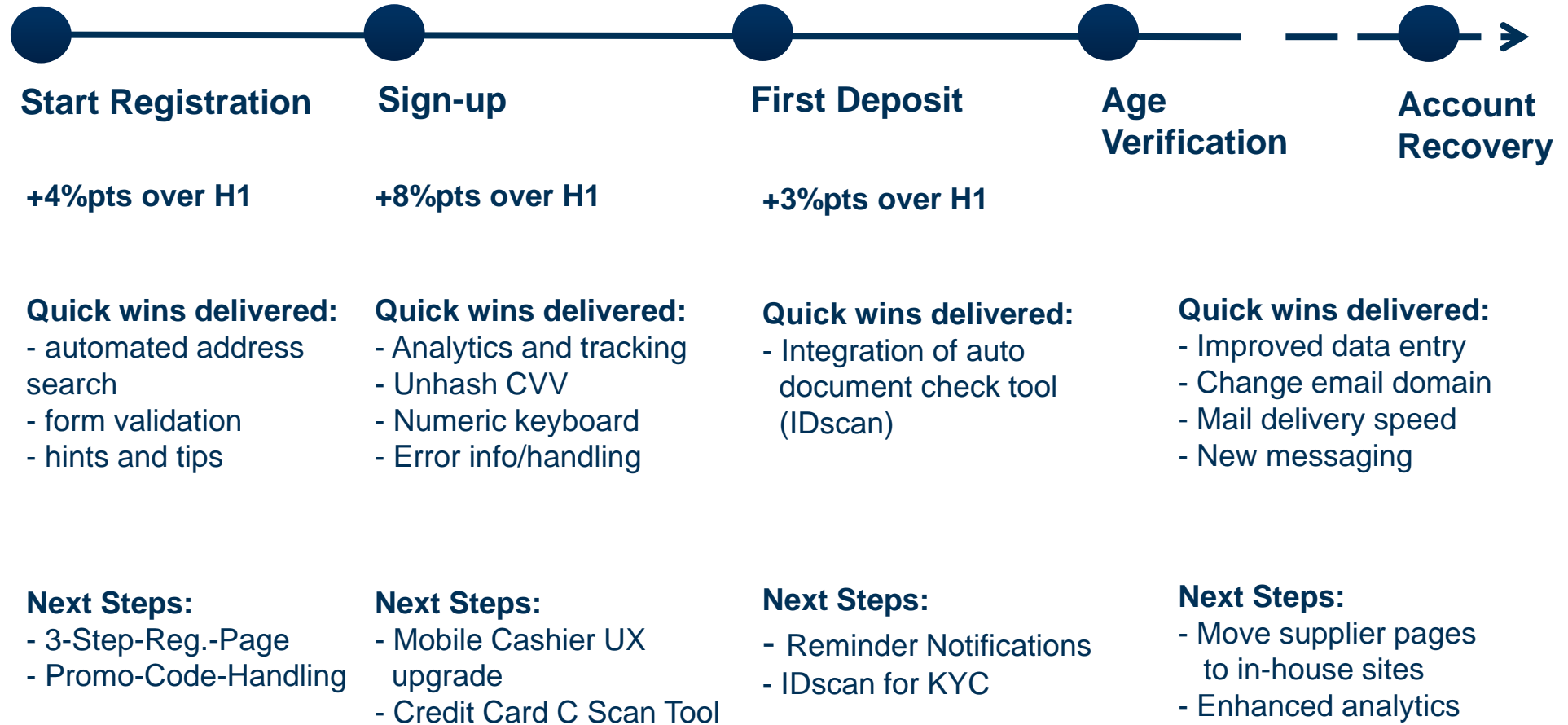


8,532 App downloads for
language sites in 5 weeks



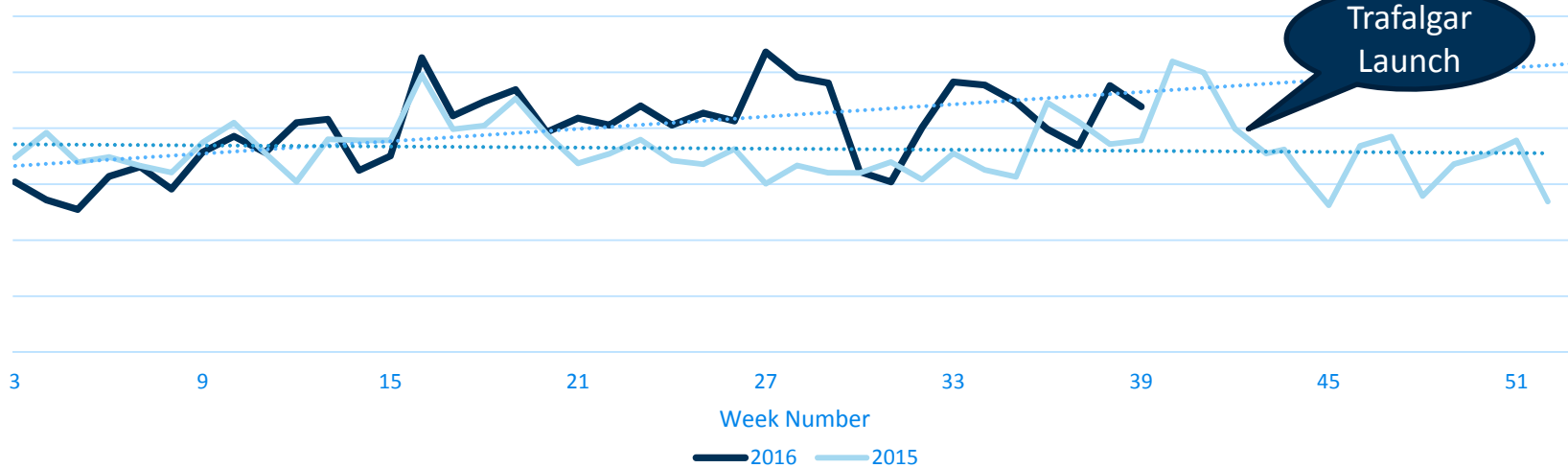
Product / UX: customer funnel optimisation

Funnel conversion rates and account recovery



Sportsbook Native App download to sign-up conversion surpassing pre-Trafalgar levels

Download to Signup YoY Comparison



Note: Weeks 1 & 2 removed due to app being pushed on rankings via download in 2016. Trafalgar App released week 42 2015

A)

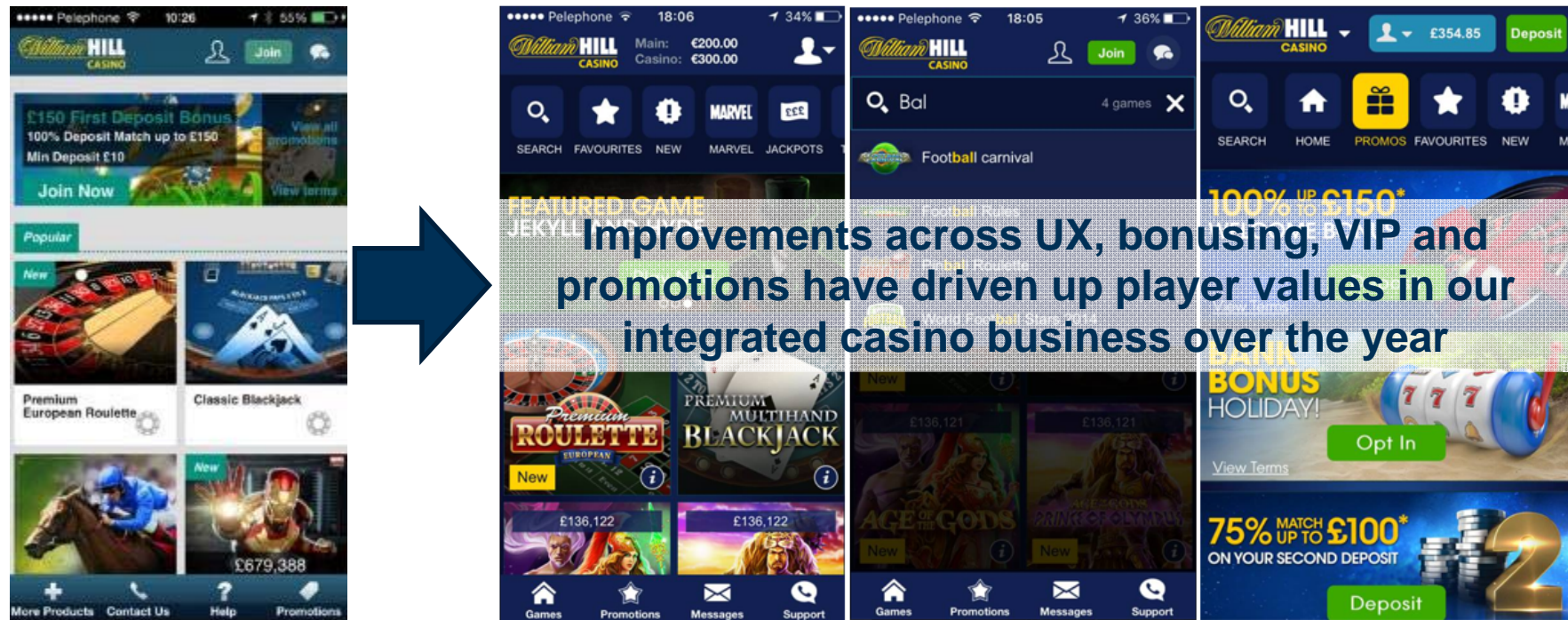
B)

C)

- Coordinated team efforts across
- A) Marketing** for ASO (App Store Search Optimisation)
 - B) Product** for First Time User flow in app
 - C) Central Services** for Reg. Page Optimisation

Product / UX: integrated Casino improvements

- Wholesale improvements across mobile UX, bonusing, VIP, content management, x-sell, promotions
- Uplift in product stickiness resulting in c10% more games launched
- 23 percentage point increase in sign up to deposit conversion rates
- 10% increase in new player values after one month of play
- Desktop facelift due in Q4



Marketing: acquisition, retention, player quality, ROI

- Removed a number of unprofitable bonus codes
- Removed worst offending e-wallets from sign up bonus offers
- Changed minimum odds requirements
- Rolled out predictive LTV modelling in acquisition
- Developed more robust monitoring tools
- Fixed key tech tools
- New rules to identify duplicate accounts and bonus abusers
- Block high risk deposits and withdrawals using new fraud prevention tool



Decline in actives, particularly in short-tenure segments



Noticeable improvement in customer quality



Value of new sign-ups is now the highest in over two years

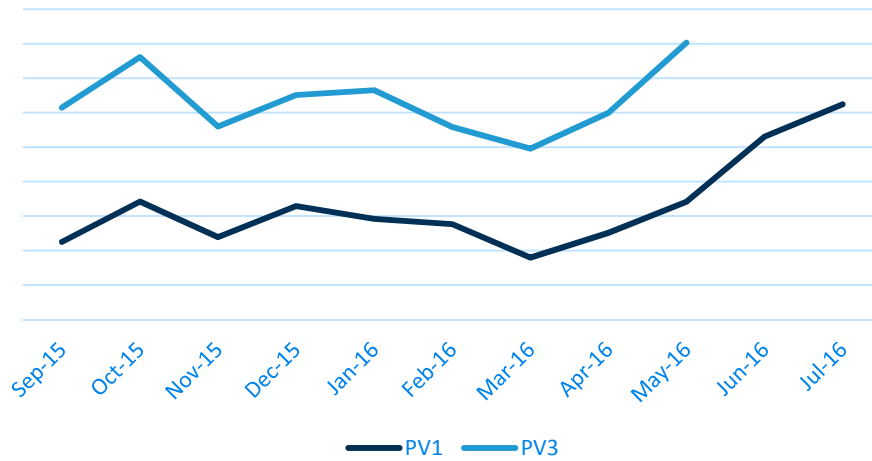


Retention of new sign-ups is 15%pts higher in Q3 than in Jan 16

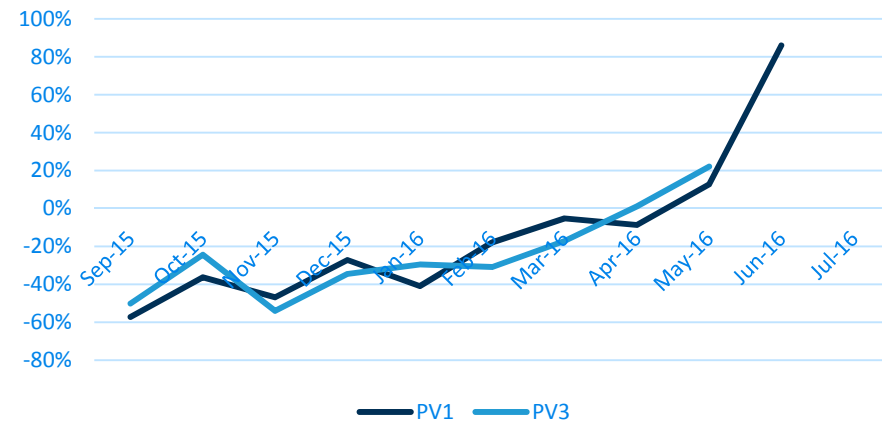
Marketing: acquisition, retention, player quality, ROI

The value of new sign ups (in terms of revenue) is now the highest in over two years

Player Value within 1 & 3 months of acquisition

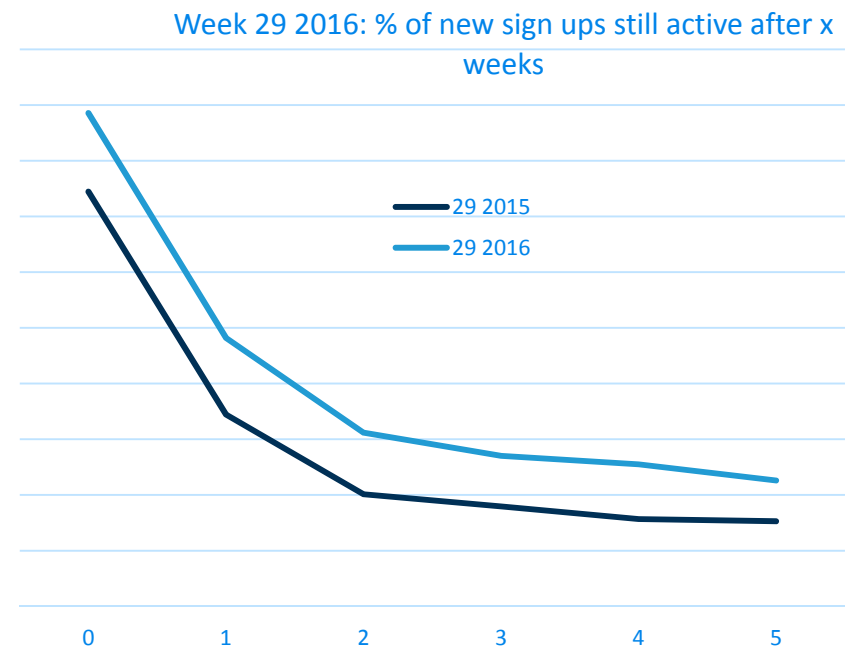
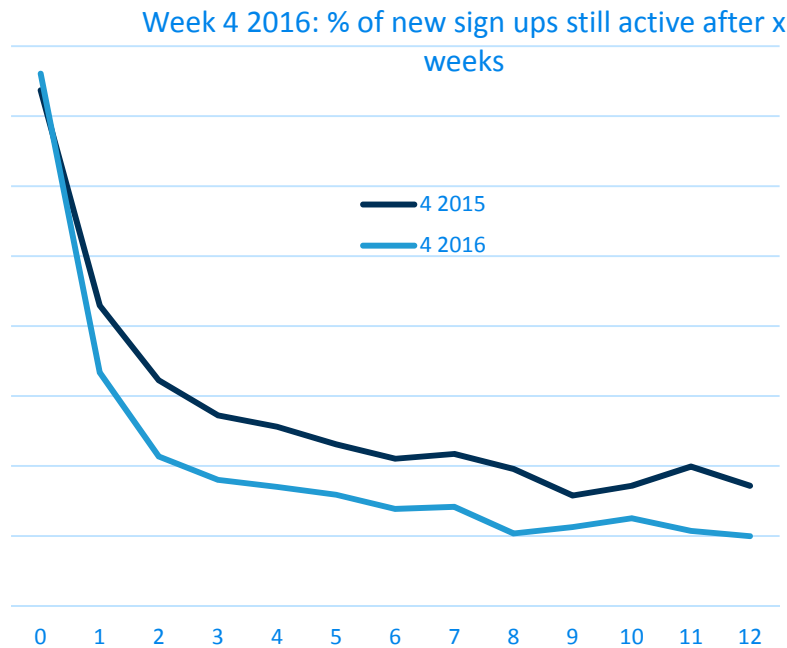


YoY Player Value within 1 & 3 months of acquisition



Marketing: acquisition, retention, player quality, ROI

The retention of new sign ups has improved significantly. The number of customers still active after 1 week has increased by 15 percentage points from week 4 of this year to week 29 of this year.



Note: The data above compares two similar weeks (pay cycle, sporting events etc.) but these two weeks are broadly representative of the trends across both Q1 2016 and Q3 2016



Our priorities for the next six months

Gaming

- Improve the UX / user journey (Grand Parade)
- Improve cross-sell journey from sports
- Improve game loading times
- Get back to more regular game releases
- Increase effective marketing (as product improves)

Marketing / player funnel / retention

- Driving efficiencies in existing digital marketing streams (e.g. PPC)
- Adjusting marketing mix towards targeted / trackable media (programmatic)
- Improving deposit conversion journey via new “Central Services” function
- Developing exclusive customer-facing tools to drive loyalty / lifetimes