

# FORTUNA

## Fortuna Entertainment Group NV

### H1 2013 Financial Results

August 29, 2013



# Agenda

**Introduction**

**H1 2013 Financial Highlights**

**Fortuna Lottery in H1 2013**

**External Debt Overview**

**Outlook & Summary**

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# Fortuna - Leading CEE Betting Operator



Pop. 38.5 million  
89k registered users  
No. 1 market position  
Retail & Online

Pop. 10.5 million  
228k registered users  
No. 2 market position  
Retail & Online &  
Lottery

Pop. 5.4 million  
90k registered users  
No. 2 market position  
Retail & Online

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# Financial Highlights H1 2013

## *growing in all financial parameters*

- ▶ **Group Amounts Staked increased to EUR 275.9 million (+20.4%)**
- ▶ **Gross Win EUR increased to EUR 57.4 million (+4.1%)**
- ▶ **EBITDA increased to EUR 12.9 million (+27.4%)**
- ▶ **Net Profit growing 34.5% to EUR 7.6 million**
- ▶ **No. of registered active customers increased by 27%**
- ▶ **Group Gross Win from on-line sports betting EUR 24.3 million (+37.0%)**
- ▶ **EBITDA Lottery loss EUR 258 thousand in line with guidance**  
(1H 2012: EUR 3 mil. loss)

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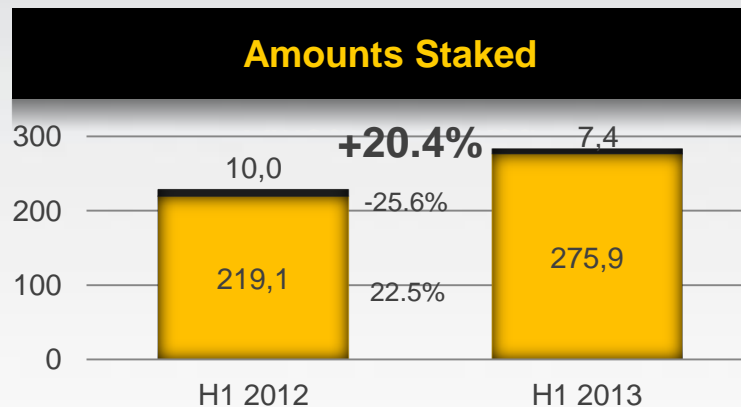
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# H1 2013 Financial Performance

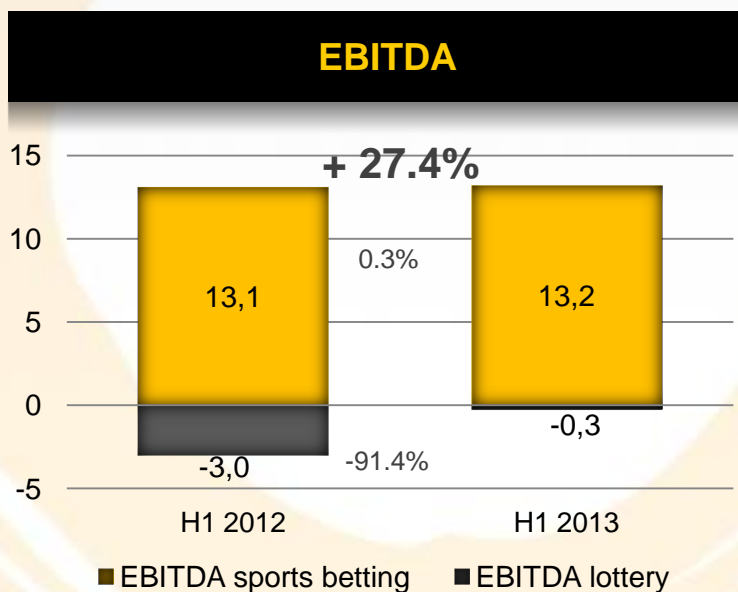


# Financial results H1 2013

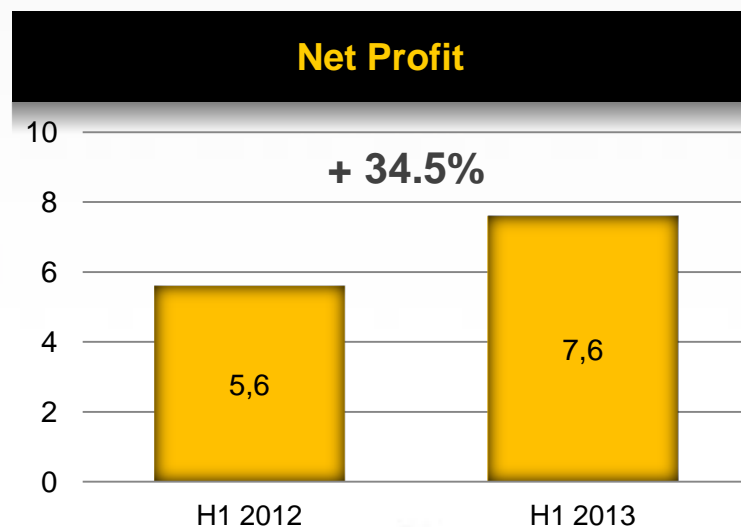
- ▶ Amounts Staked EUR 275.9 mil. (+20.4%)
- ▶ Gross Win EUR 57.4 mil. (+4.1%)
- ▶ EBITDA EUR 12.9 mil. (+27.4%)
- ▶ EBIT EUR 11.2 mil. (+32.7%)
- ▶ Net profit EUR 7.6 mil. (+34.5%)



■ Amount Staked sports betting ■ Amount Staked lottery



■ EBITDA sports betting ■ EBITDA lottery

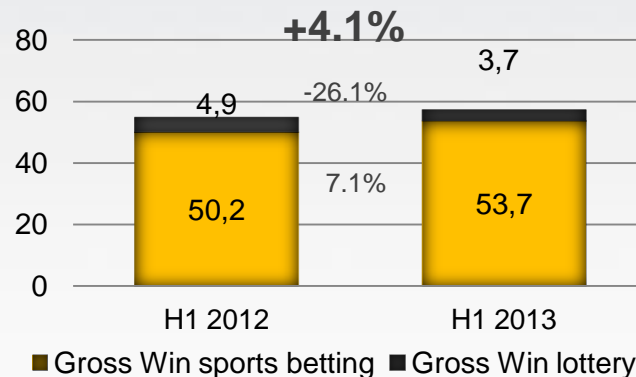


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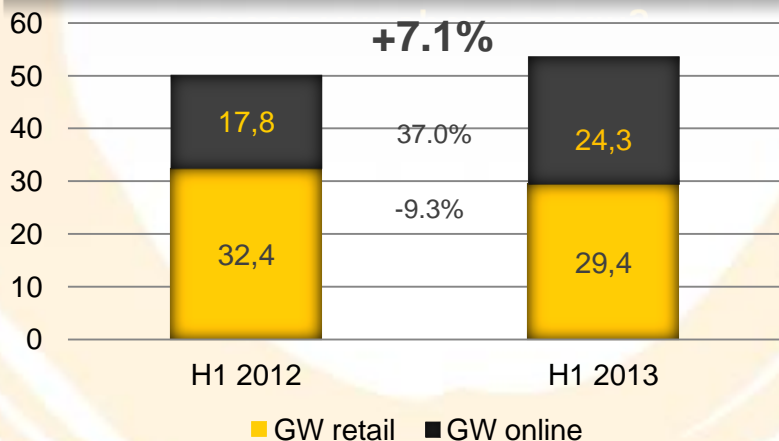
# Financial results H1 2013 cont.

- ▶ Total Gross Win EUR 57.4 mil. (+4.1%)
- ▶ Gross Win lottery EUR 3.7 mil. (-26.1%)
- ▶ Gross Win sports betting online EUR 24.4 mil. (+37.0%)
- ▶ Gross Win sports betting retail EUR 29.4 mil. (-9.3%)

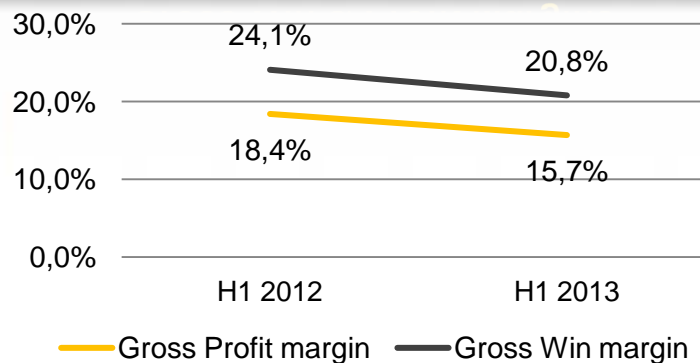
## Gross Win



## Gross Win Sports Betting



## Gross Win & Profit Margins



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# Sports betting in regions



- ▶ H1 2013 Amounts Staked growing by double digit
- ▶ Increase in volumes due to service fee abolishment on internet betting
- ▶ Over 50% of Gross Win now generated by on-line and live betting
- ▶ Gross Win from on-line showing a double digit growth
- ▶ Gross Win from retail betting continues declining



- ▶ H1 2013 Amounts Staked showed a double digit growth
- ▶ Strong Gross Win performance supported by a stable retail betting
- ▶ Gross Win from on-line showing a double digit growth
- ▶ Retail betting stabilized and volumes retained



- ▶ H1 2013 Amounts Staked growing by high single digit
- ▶ Gross Win increased at the back of a rapid on-line expansion
- ▶ On-line betting in Poland doubled in 1H 2013
- ▶ Retail betting declined on yoy comparison but still generates most volumes

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# Fortuna Lottery in H1 2013



# Lottery EBITDA in line with guidance

In EUR million	H1 2012	H1 2013	change %
Amounts Staked Lottery	10.0	7.4	(25.6%)
Gross Win Lottery	4.9	3.7	(26.1%)
Revenues Lottery	5.0	3.7	(26.2%)
EBITDA Lottery	(3.0)	(0.3)	(91.4%)
EBIT Lottery	(3.3)	(0.5)	(84.6%)

- ▶ Strategic options are now being discussed by the management
- ▶ Fortuna is seeking production and distribution expertise as well as cost sharing
- ▶ Additional information about strategic development should be announced in the next couple of months
- ▶ Sale of a 8% stake in the lottery business to E-INVEST finalized in July 2013

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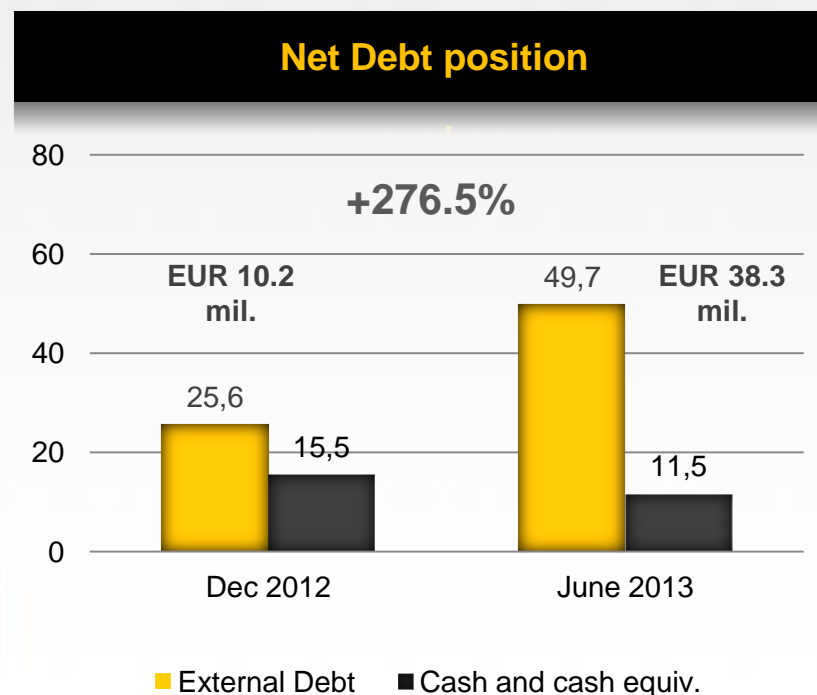
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## External Debt Overview



# Refinancing

- ▶ In June 2013, Fortuna obtained a 6-year multicurrency credit facility in the amount of EUR 50 million from Česká spořitelna
- ▶ The facility consists of:
  - **Amortizing loan up to EUR 25 mil.**
  - **Non-amortizing loan of up to EUR 20 mil.**
  - **Revolving loan of up to EUR 5 mil.**
- ▶ New financing has been used for: existing debt refinancing, dividend pay-out in 2013, new investments in development of product and services in sports betting
- ▶ The total interest rate is based on 3-month EURIBOR/ PRIBOR and margin of 1.75% - 3% p.a. depending on Net Debt/ EBITDA ratio
- ▶ Interest costs savings through favourable IRS



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# Summary & Outlook



# 2013 Outlook



## Wider Product Range in Sports Book

- ▶ Developing a new trading platform
- ▶ Cooperation with bwin.party on expanding sport on-line content and offer even further
- ▶ Focus on ensuring the 24/7 live betting coverage



## Multichannel Expansion

- ▶ Faster and better access for mobiles and tablets
- ▶ Develop & launch Mobenga application
- ▶ Control retail decline and improve profitability of shops



## Controlled Lottery

- ▶ Estimated FY 2013 EBITDA EUR 1 mil. loss
- ▶ Control costs and manage lottery decline
- ▶ Focus on scratch cards (acquisition of GAMESTAR)

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# IR Calendar & Contacts

Event	Date
Q3 2013 Interim Report	November 7, 2013

## IR Contacts

Klára Klímová  
IR Consultant  
e-mail: [klara.klimova@fortunaeg.nl](mailto:klara.klimova@fortunaeg.nl)

[www.fortunagroup.eu](http://www.fortunagroup.eu)

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