



## **Snai Group, 9M 2014 Results**

Milan, November 7<sup>th</sup> 2014



# Disclaimer

This presentation includes certain forward looking statements, projections, objectives and estimates reflecting the current views of the management of the Company with respect to future events. Forward looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal" or "target" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation those regarding the Company's future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Company participates or is seeking to participate. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements as a prediction of actual results. The Company's ability to achieve its projected objectives or results is dependent on many factors which are outside management's control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

All forward-looking statements included herein are based on information available to the Company as of the date hereof. The Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.

# Today's Speakers



## **Giorgio Sandi, *CEO and President***

- 2012 – Present: President and CEO (2013) of SNAI
- 2010 - Present: CEO and President of Headbangers Motor Company
- 1991 – 2008: CEO of Sisal



## **Marco Codella, *CFO***

- 2011 – Present: CFO of SNAI
- 1999 – 2011: CFO of Sigma Tau , a leading research & pharmaceutical company operating in Europe and US
- 1994 – 1999: Finance, Operations and IT Director in Crown, Cork & Seal Closures Italia

# Today's Agenda

Business Update

9M 2014 Results

Q&A

# Business Update 9M 2014

Very good results from betting on virtual events (€33,4m revenues)

Solid sports betting performance (PO 77,2% vs 78,6% in 9M 2013)

Wagers from sports betting down mainly due to additional 950 new shops (2013 new concessions ) and CTD aggressive competition, despite good results from World Cup

Machine Gaming performance improved by VLTs (completed roll out) and AWP revenues reaching 2013 figures

VLT performance lower than expected due to late availability of low payout games and technical updates required by ADM

Reduced volatility : fixed payout games 58% of contribution margin vs. 51% in 9M 2013

Effective cost saving activities

# Today's Agenda

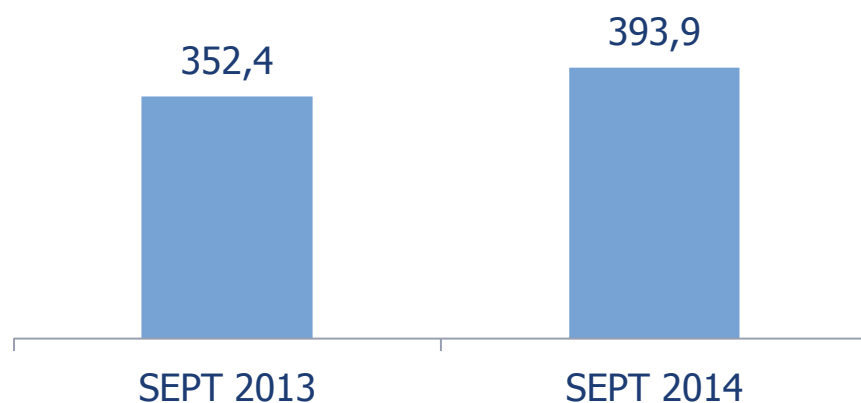
Business Update

**9M 2014 Results**

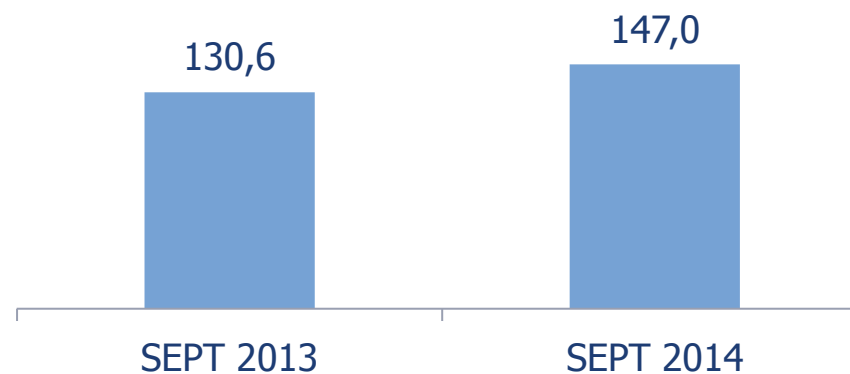
Q&A

# 9M 2014 Financial Highlights

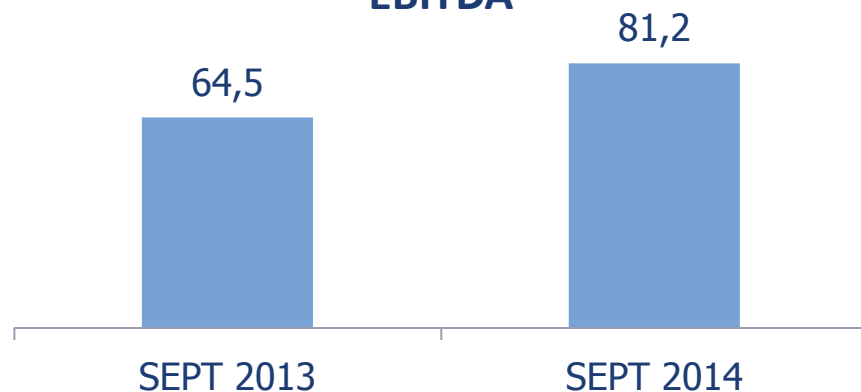
## Revenues



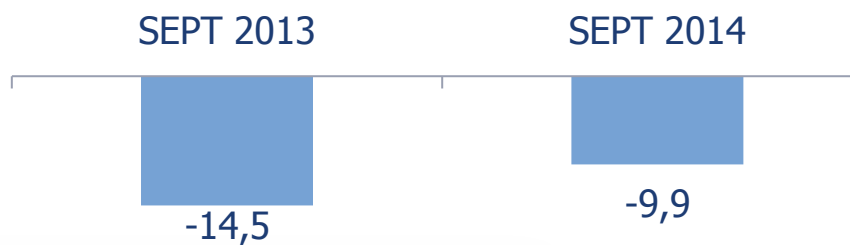
## Contribution Margin



## EBITDA



## Net Income



# 9M 2014 KPI

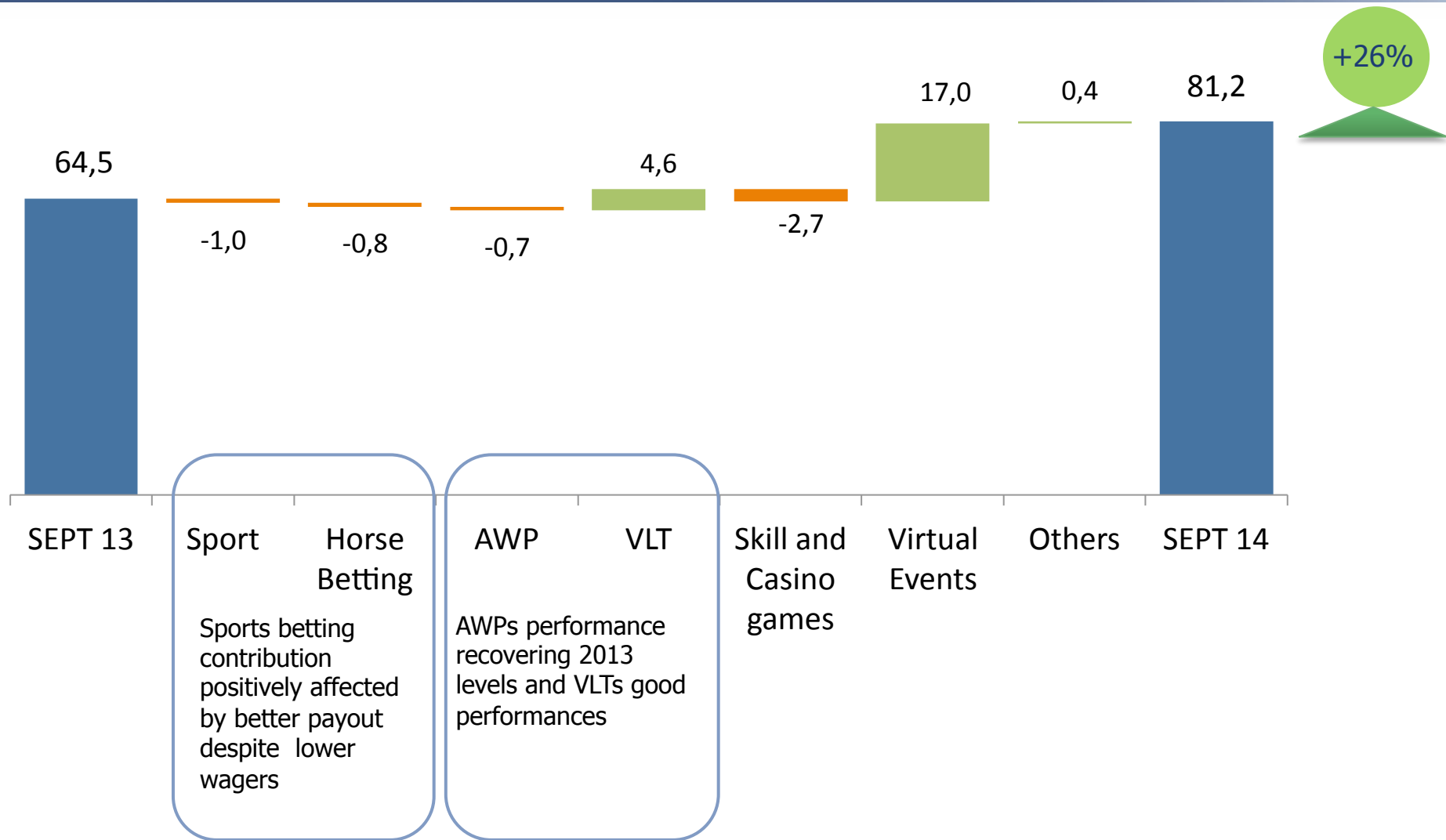
## 9M 2013-2014 KPI

(euro/mn)	SEPT 2013	SEPT 2014	% Change
Tot Revenues	352,4	393,9	12%
<b>Contribution Margin</b>	<b>130,6</b>	<b>147,0</b>	<b>13%</b>
<b>EBITDA</b>	<b>64,5</b>	<b>81,2</b>	<b>26%</b>
<b>ADJ EBITDA</b>	<b>69,5</b>	<b>86,6</b>	<b>25%</b>
EBIT	17,9	35,3	97%
Pre Tax profit	-14,4	-9,8	-32%
<b>Reported Net Income (loss)</b>	<b>-14,5</b>	<b>-9,9</b>	<b>-31%</b>
Capex	32,8	11,9	-64%
Change in NFP	-4,2	19,4	>100%
<b>NFP</b>	<b>-373,8</b>	<b>-424,0</b>	<b>13%</b>



# 9M 2014 Results

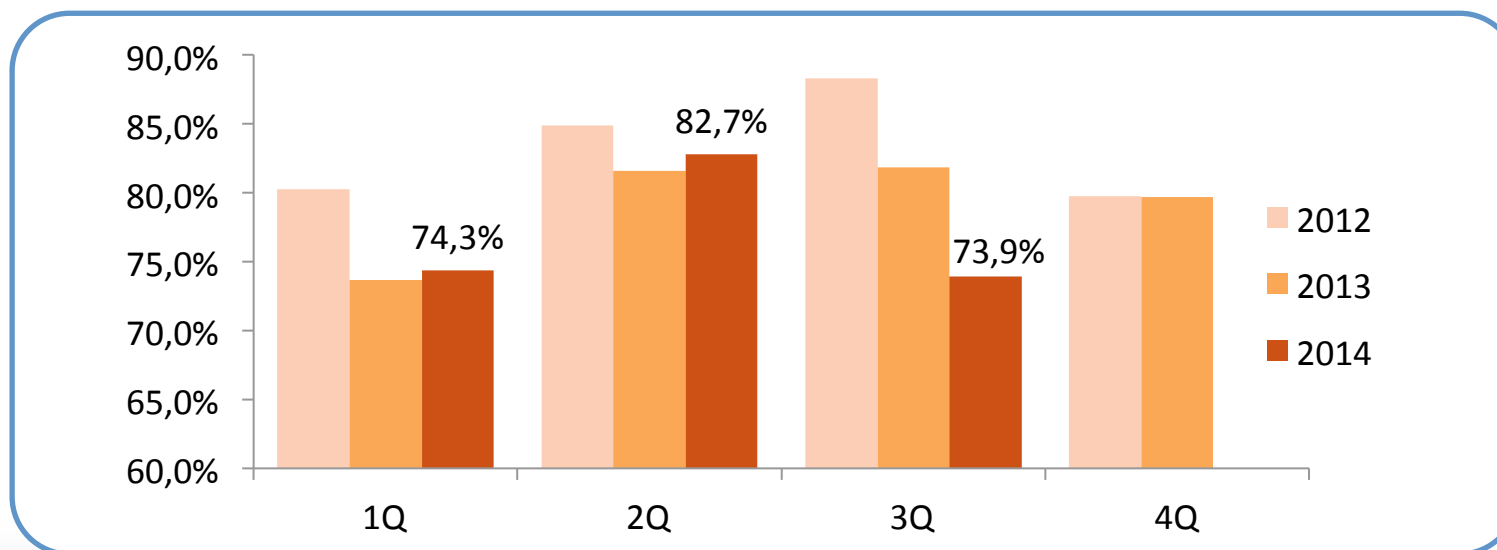
## 2013-2014 EBITDA Evolution



# 9M 2014 Results

## Payout Trend

		March	June	Sept	Dec			
<b>LTM</b>	<b>2014</b>	79,2%	79,4%	77,9%				
	<b>2013</b>	81,0%	80,2%	78,9%	78,9%			
		1Q	2Q	1H	3Q	4Q	2H	Full year
<b>ACT</b>	<b>2014</b>	74,3%	82,7%	78,3%	73,9%			
	<b>2013</b>	73,7%	81,6%	77,2%	81,8%	79,7%	80,6%	78,9%
	<b>2012</b>	80,2%	84,8%	82,4%	88,3%	79,7%	83,0%	82,7%



# Today's Agenda

Business Update

9M 2014 Results

Q&A