



# Q1- 2013 Key Financial Results Overview

*Deutsche Bank Leveraged Finance Conference*

13<sup>th</sup>- 14<sup>th</sup> June 2013, London

***We inform that by the end of June 2013, the condensed consolidated interim financial statements as of and for the 3 month period ended March 31, 2013 will be submitted to Sisal Holding Istituto di Pagamento S.p.A. Board of Directors for approval***

***After the Board of Directors' approval, the above mentioned document will be posted on Sisal web site***

# Disclaimer

*This presentation is not an offer to sell or a solicitation of an offer to purchase any security in the United States or elsewhere and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which, or to any person to whom such an offer, solicitation or sale would be unlawful. No securities have been registered under the U.S. Securities Act of 1933, as amended, and no securities may be offered or sold within the United States or to U.S. persons absent registration or an applicable exemption from registration requirements.*

*This presentation is provided to you for information purposes only and should not be relied upon by you and no liability, responsibility, or warranty of any kind is expressed, assumed or implied by Sisal for the accuracy, inaccuracy, interpretation, misinterpretation, application, misapplication, use or misuse of any statement, claim, purported fact or financial amount, prediction or expectation.*

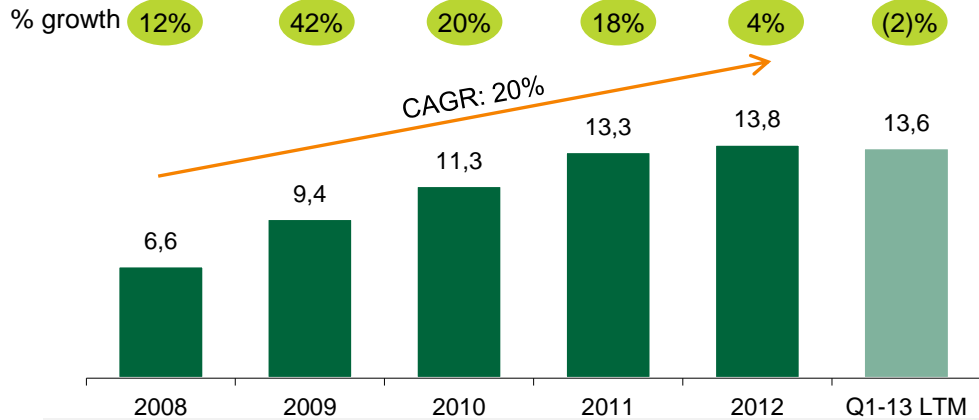
*This presentation contains “forward-looking statements” regarding Sisal, its subsidiaries and their businesses. Such statements are not historical facts and may include opinions and expectations about management’s confidence and strategies as well as details of management’s expectations regarding Sisal’s future financial position and results of operations, Sisal’s strategy, plans, objectives, goals and targets, future developments in the markets in which Sisal participates or is seeking to participate or anticipated regulatory changes in the markets in which Sisal operates or intends to operate. Although Sisal believes its opinions and expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, not all of which will be explored in this presentation or elsewhere. Accordingly, you should not regard such statements as representations as to whether such anticipated events will occur nor that expected objectives will be achieved.*

*You are reminded that all forward-looking statements in this presentation are made as of the date hereof and for the avoidance of doubt Sisal does not undertake to update any such statement made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. For the avoidance of doubt, Sisal does not accept any liability in respect of any such forward-looking statements.*

*This presentation may contain references to certain non-GAAP financial measures, such as EBITDA or Adjusted EBITDA. These supplemental financial measures should not be viewed in isolation as alternatives to measures of Sisal’s financial condition, results of operations or cash flows as presented in accordance with IFRS in its consolidated financial statements. The non-GAAP financial measures used by Sisal may differ from, and not be comparable to, similarly titled measures used by other companies.*

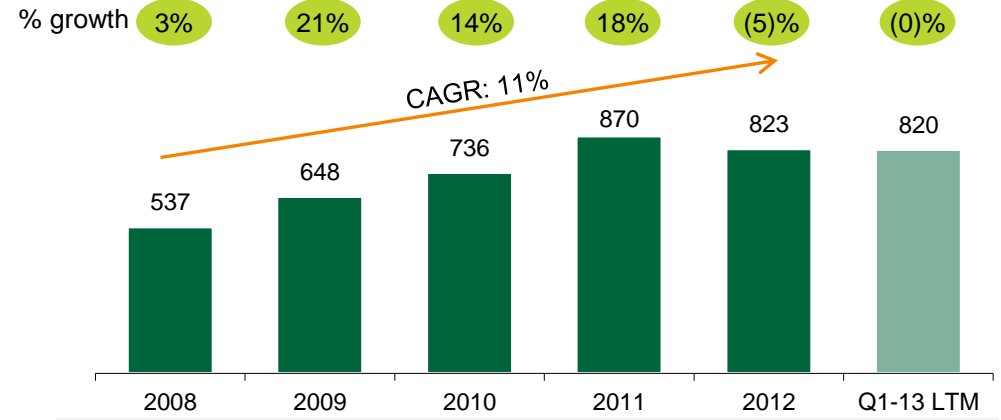
# Strong financial performance since the buy-out

## Turnover (€bn)



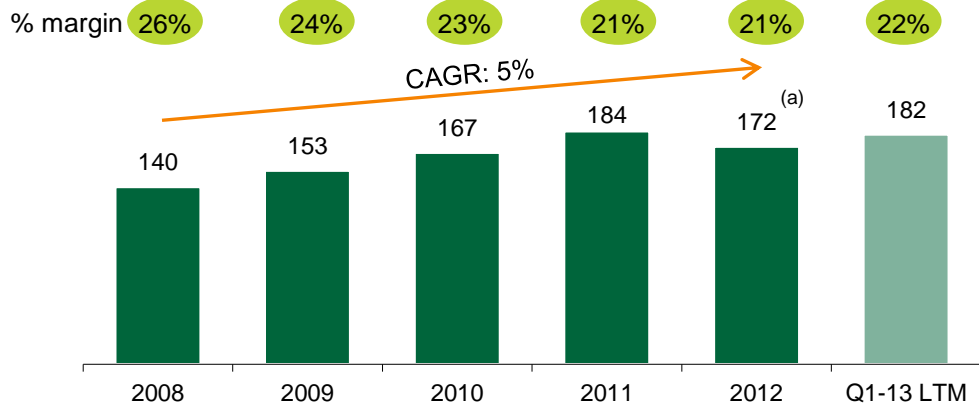
Over 2x increase in turnover

## Revenues and income (€m)



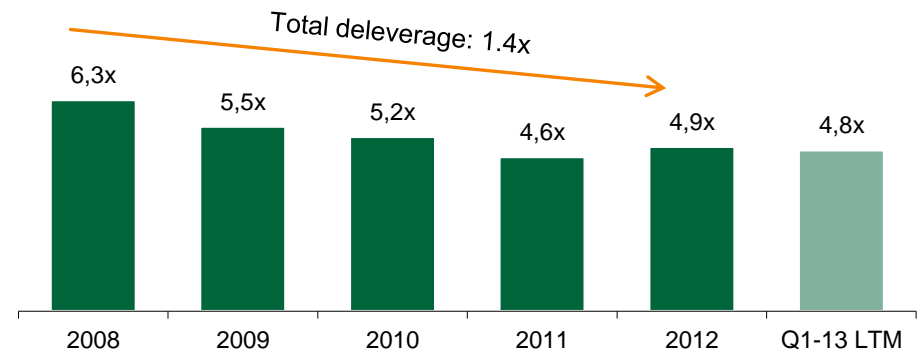
Double digit CAGR growth in revenues

## Adjusted EBITDA (€m)



Sustained EBITDA growth

## Leverage<sup>(b)</sup>



Deleveraging while growing fast

(a) Adds €2m pro forma cost savings to Adjusted EBITDA of €170m

(b) Leverage calculated as SHIP net debt and GI net debt divided by Adjusted EBITDA

# Q1 2013 trading performance

## P&L and simplified cash flow

(€m)	Q1-13	Q1-12	Change
<b>Turnover</b>	<b>3,492</b>	<b>3,733</b>	<b>(6.5)%</b>
<b>Revenues</b>	<b>209.6</b>	<b>212.6</b>	<b>(1.4)%</b>
<i>Entertainment</i>	133.9	133.3	0.4%
<i>Digital Games &amp; Services</i>	50.0	45.6	9.5%
<i>Lottery</i>	25.6	33.2	(22.8)%
<i>Other</i>	0.1	0.4	(76.4)%
<b>Gross Profit</b>	<b>69.3</b>	<b>58.7</b>	<b>18.0%</b>
<b>Adjusted EBITDA</b>	<b>49.8</b>	<b>38.7</b>	<b>28.7%</b>
<i>% margin</i>	23.8%	18.2%	
Change in trade W/C	(33.5)	20.6	
Change in other assets and liabilities <sup>(a)</sup>	(13.3)	(33.2)	
Capex	(1.9)	(14.1)	
Acquisitions	(1.5)	(0.6)	
Cash taxes	0.0	0.0	
Cash interest	(9.2)	(5.8)	
<b>Total</b>	<b>(9.7)</b>	<b>5.7</b>	

- Higher profit margin in sport betting partially offset by soft turnover and tax increase in Slot and VLT

- Higher profit margin in the online sport betting and successful launch of new online games

- Continued effect of low SuperEnalotto Jackpot and delay in approving games rejuvenation

- Working capital:** cash absorption primarily due to timing of convenience services trade payables, turnover softness and a lower cost base. Change in other assets and liabilities primarily related to the deposits made with AAMS and gaming taxes

- Capex:** Q1-12 affected by ~€10m investment in Microlot terminals

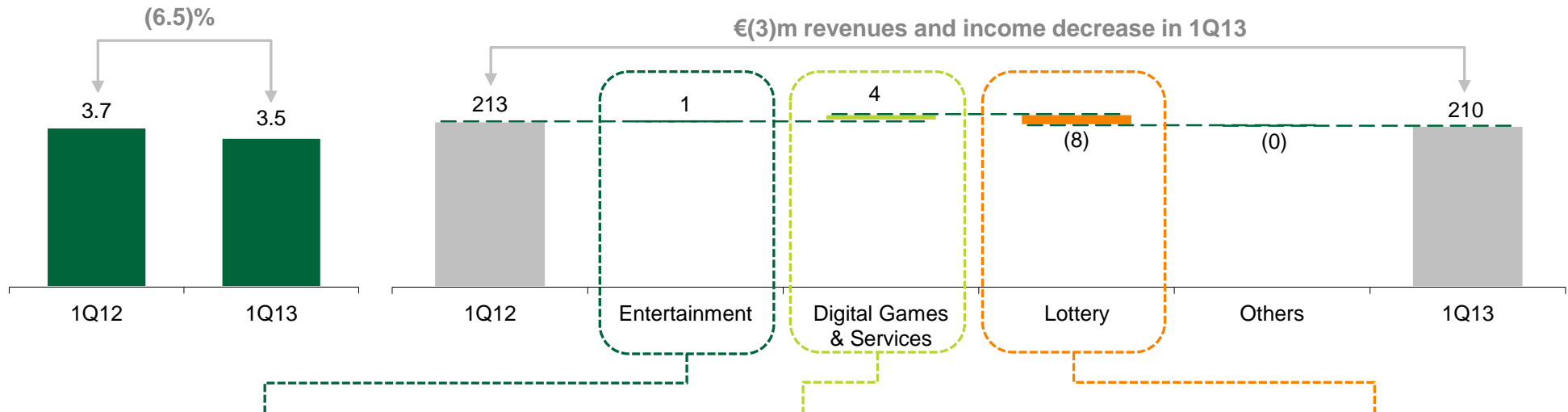
- Acquisitions:** Q1-13 acquisition spend associated with the Friulgames acquisition (net of cash)

(a) Excludes the impact of movements in other current liabilities related to winnings (due to offsetting in restricted cash balance) and in other provisions

# Q1 2013 vs Q1 2012 comparison: Revenues

## Turnover (€bn)

## Revenues and income (€m)



	€m impact	Primary drivers
<b>Gaming machines</b>	<b>(9.0)</b>	<ul style="list-style-type: none"> <li>Slightly softer turnover and 1% turnover tax increase</li> </ul>
<b>Betting<sup>(a)</sup></b>	<b>9.6</b>	<ul style="list-style-type: none"> <li>Higher profit margin in fix odd sport betting</li> </ul>

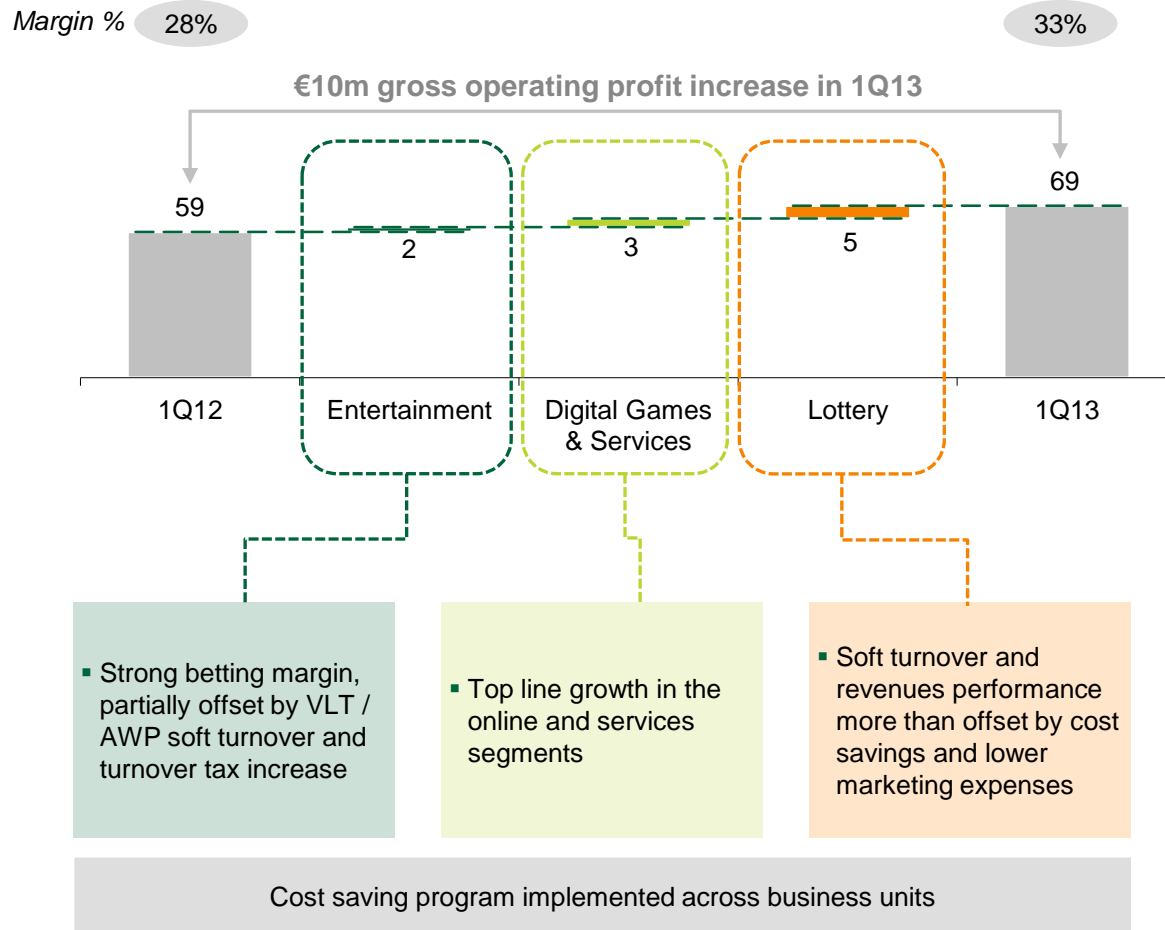
	€m impact	Primary drivers
<b>Services</b>	<b>0.0</b>	<ul style="list-style-type: none"> <li>Relatively flat</li> </ul>
<b>Point of Sale fees</b>	<b>1.7</b>	<ul style="list-style-type: none"> <li>Increase driven by services turnover</li> </ul>
<b>Digital games</b>	<b>(0.1)</b>	<ul style="list-style-type: none"> <li>Successful launch of digital slot games partially offset by the weak poker games market trend</li> </ul>
<b>Betting online</b>	<b>2.7</b>	<ul style="list-style-type: none"> <li>Higher profit margin in fix odd online sport betting</li> </ul>

	€m impact	Primary drivers
<b>Lottery</b>	<b>(5.4)</b>	<ul style="list-style-type: none"> <li>Low SuperEnalotto Jackpot during the period reducing game appeal to customers and delay in approving games rejuvenation</li> </ul>
<b>Point of Sale fees</b>	<b>(2.1)</b>	<ul style="list-style-type: none"> <li>Decrease driven by Lottery turnover</li> </ul>

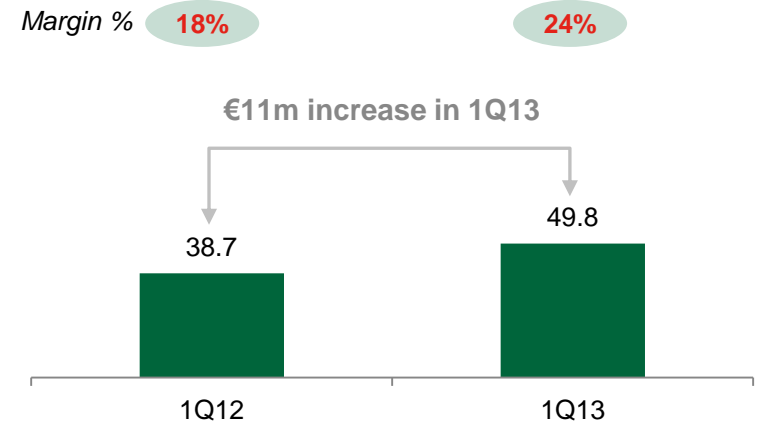
(a) Includes other revenues

# Q1 2013 vs Q1 2012 comparison: Profitability

## Gross operating profit<sup>(a)</sup> (€m)



## Adjusted EBITDA (€m)



- Adjusted EBITDA margin improvement mainly driven by:
  - strong performance of betting
  - top line growth in the online and services segments
  - lower marketing expenses
  - successful implementation of cost saving initiatives (especially for the Lottery business)

(a) Before corporate costs and reclassification differences between management and statutory reporting