

Kindred Group plc

Year end report January – December 2016 (unaudited)

Fourth quarter and full year highlights

- **New all-time high in Gross winnings revenue of GBP 152.8 (111.4) million for the fourth quarter of 2016, and GBP 544.1 (354.1) million for the full year 2016.**
- **Underlying EBITDA for the fourth quarter of 2016 was GBP 39.3 (27.1) million, and GBP 123.7 (80.8) million for the full year 2016.**
- **Profit before tax for the fourth quarter of 2016 amounted to GBP 30.1 (21.3) million. Profit before tax for the full year 2016 amounted to GBP 92.8 (62.2) million.**
- **Profit after tax for the fourth quarter of 2016 amounted to GBP 29.4 (19.4) million. Profit after tax for the full year 2016 amounted to GBP 83.9 (55.7) million.**
- **Earnings per share for the fourth quarter of 2016 were GBP 0.129 (0.084) and GBP 0.366 (0.244) for the full year 2016.**
- **Number of active customers at the end of the quarter was 1,150,027 (921,150).**
- **The Board of Directors propose a dividend of 0.310 (0.235) per share/SDR, which is approximately SEK 3.46 (2.87) per share/SDR and amounts to a proposed distribution to shareholders of GBP 71.4 (54.0) million.**
- **AGM to be held on Tuesday 16 May 2017 in Stockholm.**

“Another very strong quarter with EBITDA up 48 per cent and EPS up 54 per cent despite betting duties increasing by 67 per cent.”

“High volumes of activity and strong growth across all products have continued in the fourth quarter bringing a new all-time high in Gross winnings revenue of GBP 152.8 million, up 37 per cent on last year (+ 16 per cent in constant currency). Despite some favorites winning in December, the sportsbook margin after Free Bets was in line with prior year”

“EBITDA grew by 48 per cent in GBP to 38.9 million. It represents an all-time high and continues to prove the scalability of our business model and our ability to face and absorb the impact of regulatory changes. Betting duties increased by 67 per cent compared to the same period last year.”

“Of the Group’s Gross winnings revenue 35 per cent was from locally regulated markets. Gross winnings revenue from the mobile channel grew by 74 per cent and accounted for 71 per cent of total Gross winnings revenue in the fourth quarter.”

“The strong performance of the Group resulted in an increase in free cash flow of 57 per cent in the fourth quarter. The Board is proposing a cash dividend of GBP 0.310, a growth of 32 per cent compared to the previous year.”

“In the period up to 12 February 2017, average daily Gross winnings revenue in GBP was 36 per cent higher compared to the same period in 2016. Adjusting for the impact of exchange rate changes, the growth was 21 per cent,” says Henrik Tjärnström, CEO of Kindred Group.

Today, Tuesday 14 February 2017, Kindred Group’s CEO Henrik Tjärnström will host a presentation in English at FinancialHearings, Tändstickspalatset, Västra Trädgårdsgatan 15, in Stockholm at 9.00 CET.

Please go to www.financialhearings.com/event/6517 to sign in. The presentation is also webcast live on www.kindredplc.com.

For those who would like to participate in the telephone conference in connection with the presentation, the telephone number is UK: +44 20 3008 9804 or in the USA: +1 855 831 5946.

The Kindred Group companies hold local gambling licences in UK, France, Belgium, Denmark, Germany (Schleswig-Holstein), Italy, Australia, Ireland, Romania and Estonia. The Kindred Group also holds international gambling licences in Malta and Gibraltar. The Kindred Group pays betting duties in all markets in accordance with applicable local laws

Q4 AND FULL YEAR SUMMARY

This table and the contents of this announcement are unaudited.

GBP	Q4		Full Year	
	2016 GBPm	2015 GBPm	2016 GBPm	2015 GBPm
Gross winnings revenue	152.8	111.4	544.1	354.1
EBITDA ¹	38.9	26.2	120.7	77.0
Underlying EBITDA ²	39.3	27.1	123.7	80.8
Profit before tax	30.1	21.3	92.8	62.2
Profit after tax	29.4	19.4	83.9	55.7
Net cash ³	38.6	46.0	38.6	46.0
Bank debt	54.6	56.7	54.6	56.7
	GBP	GBP	GBP	GBP
EBITDA ¹ per share	0.171	0.114	0.527	0.337
Earnings per share	0.129	0.084	0.366	0.244
Net cash ³ per share	0.168	0.200	0.168	0.200

SEK	Q4		Full Year	
	2016 SEKm	2015 SEKm	2016 SEKm	2015 SEKm
Gross winnings revenue	1,716.9	1,435.1	6,300.7	4,562.9
EBITDA ¹	437.1	337.5	1,397.7	992.2
Underlying EBITDA ²	441.6	349.1	1,432.4	1,041.2
Profit before tax	338.2	274.4	1,074.6	801.5
Profit after tax	330.3	249.9	971.6	717.8
Net cash ³	430.7	576.0	430.7	576.0
Bank debt	609.2	709.9	609.2	709.9
	SEK	SEK	SEK	SEK
EBITDA ¹ per share	1.921	1.470	6.101	4.347
Earnings per share	1.452	1.088	4.241	3.145
Net cash ³ per share	1.871	2.503	1.871	2.503
	No.	No.	No.	No.
Active customers	1,150,027	921,150		
Registered customers (million)	16.5	13.5	16.5	13.5

Currency rate Q4 16 average: 1GBP = 11.236 SEK, Q4 15 average: 1GBP = 12.882 SEK, FY 16 average: 1GBP = 11.580 SEK, FY 15 average: 1GBP = 12.886 SEK, 31 December 2016: 1GBP = 11.157 SEK, 31 December 2015: 1 GBP = 12.521 SEK

The Kindred Group reports in GBP and the SEK figures presented above at period end rates are for information only and do not necessarily comply with IFRS.

¹ EBITDA = Profit from operations before depreciation & amortisation.

² Underlying EBITDA = Profit from operations before depreciation, amortisation and items affecting comparability (excluding amortisation of acquired intangible assets and foreign currency differences on operating items).

³ Net cash = Total cash at period end less customer balances.

Significant events during the fourth quarter of 2016

On 3 October 2016, the Group utilised SEK 130 million of the Revolving Credit Facility.

On 4 October 2016, Therese Hillman notified the Board of Unibet Group plc (now Kindred Group plc) of her resignation because of her new employment.

On 20 October 2016, the Group signed a cooperation agreement with the FIFA subsidiary Early Warning System GmbH (EWS) in order to help safeguard the integrity of sports and betting. Under the agreement, the Group will exchange information with EWS and co-operate on efforts to improve prevention measures and education in the field of sports betting integrity.



On 14 November 2016, the Group was the first gambling operator to integrate the electronic authentication system BankID on the Unibet and MariaCasino sites for the Swedish market.

On 28 November 2016, the Group was awarded the awards “Operator of the Year”, “Socially Responsible Operator” and “Best Marketing Campaign” at the 2016 EGR Operator Awards.

On 6 December 2016 at an Extraordinary General Meeting, shareholders approved the proposed change of the name of the holding company Unibet Group plc to Kindred Group plc. The first day of trading under Kindred Group plc was 12 December 2016.

On 19 December 2016, the Group repaid EUR 20 million of the Revolving Credit Facility.

Significant events after the period end

On 16 January 2017, the Kindred Group became the first operator to successfully complete an external audit against the official 2014 EU Recommendation on Consumer Protection and Responsible Gambling (2014/478/EU). The independent audit was conducted by eCOGRA, a leading audit body accredited in several countries.

On 18 January 2017, the Kindred Group launched a new online casino brand directed towards high rollers in the Norwegian and Swedish market: storspiller.com and storspelare.com.

On 18 January 2017, the Group repaid EUR 8 million of the Revolving Credit Facility.

On 6 February 2017, the Group was awarded “Bingo Operator of the Year” at the IGA awards.

Capital Market Day 31 May 2017

On 31 May 2017, Kindred Group is organising a Capital Markets Day in Stockholm for investors, analysts and financial media. Kindred Group’s CEO Henrik Tjärnström together with key managers will present current industry trends and how these impact the Group’s operational activities. No new financial information will be disclosed. The presentations will be in English.

More information about the event will follow in connection with the report for the first quarter 2017.

Market

The Kindred Group is one of Europe’s leading providers of moneytainment, operating in 20 different languages in more than 100 countries. The Group offers pre-game and live Sports betting, Racing, Poker, Casino & Games and Bingo through several subsidiaries and brands. While the Group’s core markets are in Europe and Australia, it addresses global markets excluding only territories that it has consistently blocked for legal reasons such as the USA, Turkey and similar markets. The Kindred Group is a founding member of the European Gaming and Betting Association, the Remote Gambling Association in the UK and is audited and certified by eCOGRA in relation to the pan-European CEN standard on consumer protection and responsible gaming.

Current products

Sports betting

The Kindred Group’s pre-game sports betting and live betting service offers a comprehensive range of odds on a variety of international and local sports events, to a worldwide customer base (excluding restricted markets as described above) 24 hours a day, 7 days a week. Bets are placed via the Group’s websites and mobile apps.

The Group offered 39,839 live betting events in the fourth quarter of 2016 and streamed 9,554 events on desktop and mobile devices.

The majority of the Kindred Group’s business is largely determined by the seasons for key sports such as the major football leagues in Europe, major golf and tennis tournaments, ice hockey leagues in the Nordic countries and North America and sports and racing in Australia. The seasonality of these events results in fluctuations in the Group’s quarterly performance, especially in terms of the amounts staked. However, quarterly results can also vary widely, due to the volatility of Gross winnings margins in sports betting. Please also refer to page 5 for more information about the margin.



Casino & Games

The Kindred Group's Casino offering has a choice of over 700 games from more than 40 software providers. Of these, players have access to a number of exclusive titles only available to the Kindred Group's brands. In close collaboration with a casino supplier, the game "Orient Express" was exclusively released to our customers this quarter and proved to be an instant success.

Poker

The Kindred Group's Poker product is the fastest growing licensed poker network in the industry. Bespoke software has created a sustainable home for poker players looking for both action and entertainment and the Group released version 2 of its popular product during the quarter. The Unibet brand is the home of the live event series Unibet Open and the next stop will be London in February, kicking off its tenth consecutive year.

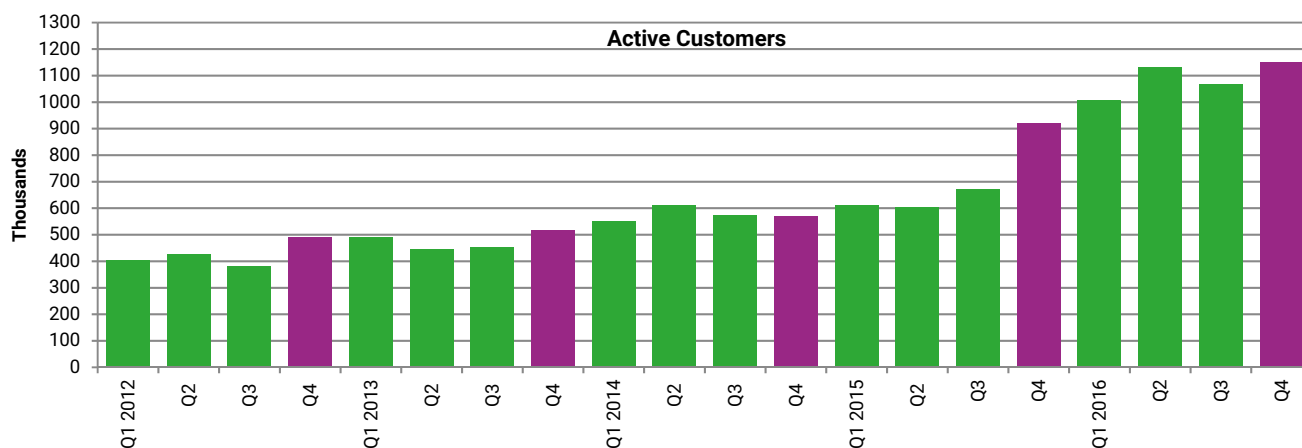
Bingo

The Kindred Group's bingo product offers several different game types, big jackpots and exciting mini games. Players can access games around the clock across different devices and platforms. Since the launch of the Group's bespoke bingo product last summer, the bingo network has continued to grow thanks to great software and innovative campaigns. During the quarter, the Group has continued to refine the product and expanded its mini games offering.

Customers

The total number of registered customers has continued to increase and amounted to 16.5 (13.5) million at 31 December 2016, whilst at 30 September 2016, over 15.8 million customers were registered.

For the fourth quarter of 2016 the number of active customers amounted to 1,150,027 (921,150), compared with 1,067,910 for the third quarter of 2016. An active customer is defined as one placing a bet in the last three months.



Financial review

The financial information within this report has been presented in accordance with International Financial Reporting Standards as adopted by the European Union. The accounting policies remain unchanged from the last published Annual Report and Accounts for the year ended 31 December 2015.

Throughout the report where a comparative number is stated in brackets, this relates to the comparative of the period specified.

Gross winnings revenue

Gross winnings revenue on sports betting represents the net receipt of bets and payouts for the financial period, as reduced for Free Bets granted. Free Bets are bonuses granted or earned in connection with customer acquisition.

Gross winnings revenue for sports betting amounted to GBP 68.5 (51.0) million for the fourth quarter of 2016. For the full year 2016, Gross winnings revenue for sports betting amounted to GBP 245.5 (161.2) million.



In the fourth quarter of 2016, live betting accounted for 60.8 (59.8) per cent of turnover on sports betting and 51.0 (46.9) per cent of Gross winnings revenue on sports betting.

Gross winnings revenue for other products amounted to GBP 84.3 (60.4) million for the fourth quarter of 2016. For the full year 2016, Gross winnings revenue for other products amounted to GBP 298.6 (192.9) million.

Please refer to pages 13 and 14 for more information on Gross winnings revenue per region and products.

Gross margin on sports betting

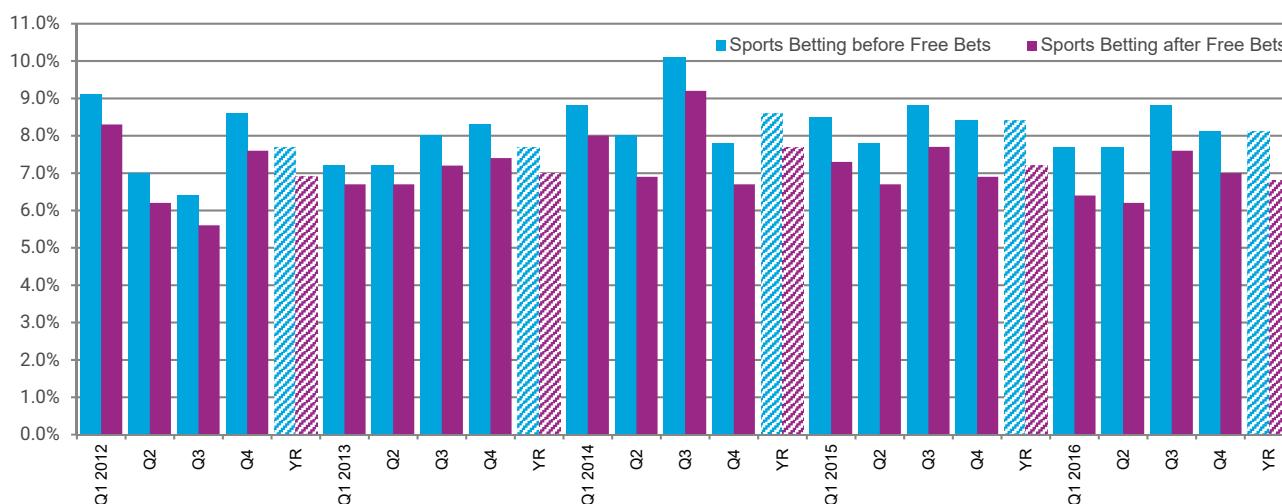
The gross margin for pre-game sports betting before Free Bets for the fourth quarter of 2016 was 10.1 (11.1) per cent.

The gross margin for total sports betting for the fourth quarter of 2016 before Free Bets was 8.1 (8.4) per cent. The gross margin for total sports betting for the fourth quarter of 2016 after Free Bets was 7.0 (6.9) per cent.

Please refer to page 14 for more information on sports betting margins.

Sports betting gross margins can vary quite significantly from one quarter to the next, depending on the outcome of sporting events. However, over time these margins will even out. This can be seen in the table below. The bars show total sports betting gross margin by quarter and full year.

Sportsbetting Gross Win % (before and after Free Bets)



Cost of sales

Cost of sales includes betting duties, marketing revenue share and other costs of sales. For the fourth quarter of 2016 betting duties were GBP 20.2 (12.1) million and marketing revenue share amounted to GBP 7.9 (6.1) million. The betting duties for the full year 2016 were GBP 67.7 (35.0) million and marketing revenue share for the full year 2016 amounted to GBP 29.8 (19.7) million.

Gross profit

Gross profit for the fourth quarter of 2016 was GBP 98.6 (73.4) million. Gross profit for the full year 2016 was GBP 344.8 (233.3) million.

Operating costs (marketing and administrative expenses)

Operating costs include all indirect costs of running the business and are a combination of activity-related and fixed costs such as marketing, salaries and other administrative expenses.

During the fourth quarter of 2016, operating costs were GBP 65.0 (48.8) million. Of the operating costs in the fourth quarter of 2016, GBP 30.9 (23.4) million were marketing costs and GBP 16.3 (13.5) million were salaries. During the full year 2016, operating costs were GBP 236.1 (163.6) million. Of the operating costs in the full year 2016, GBP 114.7 (78.5) million were marketing costs and GBP 60.8 (44.5) were salaries.



FX rates

The following FX rates are those used for translation of the Group's SEK, NOK, EUR, DKK and AUD Balance Sheet and Income Statement items into GBP:

Balance sheet rates:

Rate to GBP	31-Dec-15	31-Dec-16	YoY Delta
SEK	12.521	11.157	10.9%
NOK	13.084	10.613	18.9%
EUR	1.362	1.168	14.2%
DKK	10.168	8.683	14.6%
AUD	2.030	1.705	16.0%

Income statement averages for the quarter:

Rate to GBP	Avg Q4 15	Avg Q4 16	YoY Delta
SEK	12.882	11.236	12.8%
NOK	12.936	10.409	19.5%
EUR	1.385	1.152	16.8%
DKK	10.334	8.568	17.1%
AUD	2.105	1.657	21.3%

EBITDA and Profit from operations

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the fourth quarter of 2016 was GBP 38.9 (26.2) million and for the full year 2016, was GBP 120.7 (77.0) million.

Profit from operations for the fourth quarter of 2016 was GBP 31.6 (21.5) million. Profit from operations for the full year 2016 was GBP 96.9 (63.0) million.

Development and acquisition costs of intangible assets

In the fourth quarter of 2016 development expenditure of GBP 5.0 (3.5) million has been capitalised, bringing the total for the full year 2016 to GBP 19.2 (11.1) million. Capitalised development costs during 2016 are driving economic benefit through customer experience improvements, local licensing requirements, data analytics and information mining.

Finance costs/income

Net finance costs for the fourth quarter of 2016 were GBP 1.5 (0.2) million. Net finance costs for the full year 2016 were GBP 4.3 (0.7) million.

Profit before tax

Profit before tax for the fourth quarter of 2016 was GBP 30.1 (21.3) million. Profit before tax for the full year 2016 was GBP 92.8 (62.2) million.

Profit after tax

Profit after tax for the fourth quarter of 2016 was GBP 29.4 (19.4) million. Profit after tax for the full year 2016 was GBP 83.9 (55.7) million.

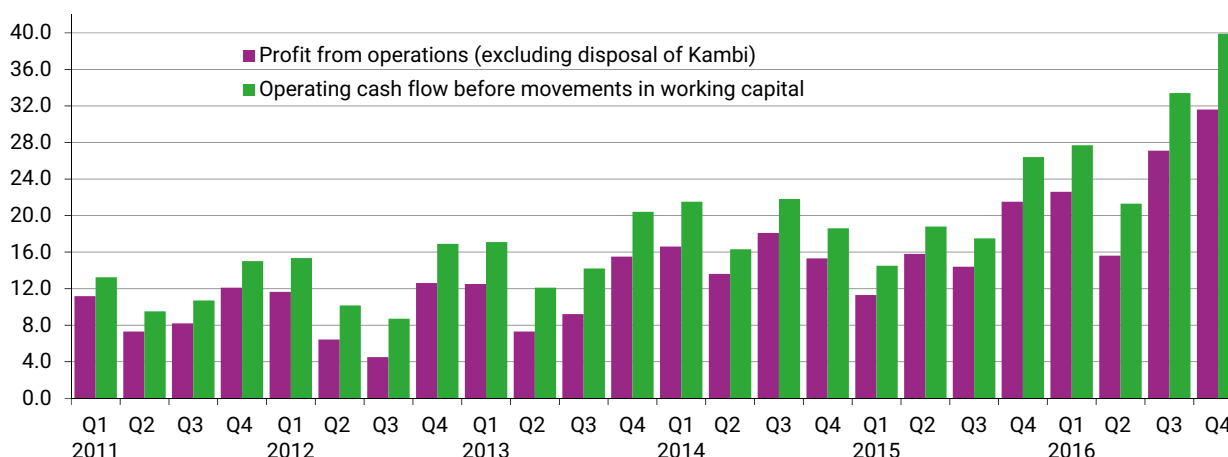
Financial position and cash flow

The cash in hand position at the end of the fourth quarter of 2016 stood at GBP 89.4 (83.4) million while at the beginning of the quarter it was GBP 70.9 (69.3) million.

The net cash inflow for the fourth quarter of 2016 was GBP 18.9 (13.7) million with significant cash movements being the utilisation of SEK 130 million of the Revolving Credit Facility and repayment of EUR 20 million. As at 31 December 2016, GBP 54.6 (56.7) million of the Revolving Credit Facility was utilised.

GBP 39.9 (26.4) million was generated from operating activities before movements in working capital. The quarterly profit from operations and operating cash flow before movements in working capital is shown in the table on the next page.



Profit and operating cash flow before movements in working capital (GBP million)**Dividend**

The Board of Directors proposes a dividend of GBP 0.310 (0.235), which is approximately SEK 3.46 (2.87) at the exchange rate 11.165 GBP/SEK at 13 February 2017 per ordinary share, to be paid to holders of ordinary shares and SDRs. If approved at the AGM, the dividend is expected to be distributed on 22 May 2017 and amounts to a total of GBP 71.4 (54.0) million, which is approximately 75 per cent of the Group's free cash flow for 2016. The Board has reviewed the projected cash requirements for 2017 and is proposing to increase the dividend above 50 per cent of free cash flow. This is in line with the dividend policy to distribute surplus cash.

No dividend will be paid on the shares/SDRs held by the company as a result of the share buy-back programme.

Employees

The Kindred Group had 1,162 (1,038) employees at 31 December 2016, compared with 1,167 employees at 30 September 2016.

Share based incentive programme

As reported in the Interim Report for the third quarter 2016, the share awards granted in 2013 to senior management and key employees as part of the "2013 Performance Share Plan" have vested in November 2016. As a result of the achievement of the business performance targets over the three financial years 2013-2015 and continued employment, the number of share awards vested is 196,274.

In September 2016, the Kindred Group Board approved a long-term incentive plan in order to meet demand for wider employee share ownership. As a result, on 3 October 2016 1,474,761 share awards have been granted to all employees including the executive management team ("20+20 All Employee Share Plan" and "20+20 Executive Management Incentive Scheme"). These grants will vest after December 2020 and are subject to achieving business performance targets over the four financial years 2017-2020 and continued employment. The targets have been set and approved by the Remuneration Committee and the Board of Directors in December 2016. The total amount expensed is recognised over the vesting period of the plan, which is four years. A charge of approximately GBP 0.5 million impacted the fourth quarter of 2016.

Principal risks

The Kindred Group manages strategic, operational and financing risks on a group-wide basis. The principal risks affecting the Group are market risks, foreign exchange risks, credit risks and legal risks. Further details of the Group's risk management and risks arising from the legal environment can be found on pages 24 to 29 of the Annual Report for the year ended 31 December 2015 available from www.kindredplc.com. There have been no changes in any risks identified since the prior year end.

Next AGM and Nomination Committee

The 2017 Annual General Meeting of Kindred Group plc will be held on Tuesday 16 May 2017 in Stockholm. In view of the scheduled date for publishing the Notice of the Annual General Meeting, proposals have to be received by the



Company and the Nomination Committee not later than Wednesday 1 March 2017 in order to have sufficient time for including them in the Notice and the meeting's agenda.

The Nomination Committee consists of Evert Carlsson, Swedbank Robur Fonder (chairman), Jonas Eixmann, Andra AP-fonden, Olof Jonasson, Första AP-fonden, Yvonne Sörberg, Handelsbanken Fonder, and Anders Ström, chairman of the Board of Directors. The nomination committee can be contacted at the following address: Kindred Group plc, "Fawwara Bldgs", Msida Road, Gzira GZR1405, Malta, or by email to: Nomination@kindredplc.com.

Annual Report

Kindred Group plc's Annual Report for the 2016 financial year will be available on the website www.kindredplc.com as from 13 March 2017. The 2015 figures in this report have been extracted from the 2015 audited consolidated financial statements.

Forthcoming financial reporting timetable

Interim Report January – March 2017	26 April 2017
Interim Report January – June 2017	26 July 2017
Interim Report January – September 2017	1 November 2017
Full Year Report 2017	7 February 2018

The Board of Directors and the CEO certify that the interim report gives a fair reflection of the Group's operations, financial position and results of operations, and describes significant risks and uncertainties facing the Group.

Malta, 14 February 2017

Henrik Tjärnström
CEO

For further information please contact:

Inga Lundberg, Investor Relations	+44 788 799 6116
Henrik Tjärnström, CEO	+46 723 878 059

This report is unaudited.

Kindred Group plc
"Fawwara Bldgs", Msida Road, Gzira GZR1405, Malta
Registered office: c/o Camilleri Preziosi, Level 2, Valletta Buildings, South Street, Valletta, Malta.

Registered in Malta.

Company number C 39017



CONSOLIDATED INCOME STATEMENT GBP 'm	Unaudited Q4 2016	Unaudited Q4 2015	Unaudited Full year 2016	Audited Full Year 2015
Continuing operations:				
Gross winnings revenue	152.8	111.4	544.1	354.1
Betting duties	-20.2	-12.1	-67.7	-35.0
Marketing revenue share	-7.9	-6.1	-29.8	-19.7
Other cost of sales	-26.1	-19.8	-101.8	-66.1
Cost of sales	-54.2	-38.0	-199.3	-120.8
Gross profit	98.6	73.4	344.8	233.3
Marketing costs	-30.9	-23.4	-114.7	-78.5
Administrative expenses	-34.1	-25.4	-121.4	-85.1
Underlying profit before items affecting comparability:	33.6	24.6	108.7	69.7
M&A costs	-	-	-	-0.7
Management incentive costs relating to acquisitions	-0.4	-0.9	-3.0	-0.9
Impact of Bonza acquisition	-	-	-	-0.6
Settlement of prior period betting duties and licence costs	-	-	-	-1.6
Amortisation of acquired intangible assets	-2.7	-1.8	-8.2	-2.2
Foreign currency gain/(loss) on operating items	1.1	-0.4	-0.6	-0.7
Profit from operations	31.6	21.5	96.9	63.0
Finance costs	-1.6	-0.2	-4.5	-0.9
Finance income	0.1	0.0	0.2	0.2
Share of profit/(loss) from associates	0.0	0.0	0.2	-0.1
Profit before tax	30.1	21.3	92.8	62.2
Income tax expense	-0.7	-1.9	-8.9	-6.5
Profit after tax	29.4	19.4	83.9	55.7
Earnings per share (GBP)	0.129	0.084	0.366	0.244
Weighted average number of outstanding shares	227,471,148	229,612,052	229,096,939	228,237,047
Fully diluted earnings per share (GBP)	0.129	0.084	0.365	0.239
Weighted average number of fully diluted outstanding shares	227,947,741	230,146,889	229,737,902	232,806,853
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME GBP 'm	Unaudited Q4 2016	Unaudited Q4 2015	Unaudited Full year 2016	Audited Full Year 2015
Profit for the year	29.4	19.4	83.9	55.7
Other comprehensive income				
Currency translation adjustments taken to equity	-3.1	3.1	16.1	-4.4
Total comprehensive income for the period	26.3	22.5	100.0	51.3



CONSOLIDATED BALANCE SHEET GBP 'm	Unaudited 31 Dec 2016	Audited 31 Dec 2015
Assets		
Non-current assets		
Goodwill	184.9	172.0
Other intangible assets	93.9	85.9
Investment in associates	1.6	1.4
Property, plant and equipment	12.7	7.6
Deferred tax assets	8.8	7.1
Convertible bond	6.6	5.6
Other non-current assets	2.2	1.6
	310.7	281.2
Current assets		
Trade and other receivables	30.6	23.3
Taxation recoverable	20.5	11.6
Cash and cash equivalents	89.4	83.4
	140.5	118.3
Total assets	451.2	399.5
Equity and liabilities		
Capital and reserves		
Share capital	0.1	0.1
Share premium	81.5	81.5
Currency translation reserve	14.7	-1.4
Reorganisation reserve	-42.9	-42.9
Retained earnings	190.1	175.8
Total equity	243.5	213.1
Non-current liabilities		
Deferred tax liabilities	4.2	3.4
	4.2	3.4
Current liabilities		
Borrowings	54.6	56.7
Trade and other payables	60.0	65.7
Customer balances	50.8	37.4
Deferred income	4.2	3.0
Tax liabilities	33.9	20.2
	203.5	183.0
Total liabilities	207.7	186.4
Total equity and liabilities	451.2	399.5



CONSOLIDATED CASH FLOW STATEMENT GBP 'm	Unaudited Q4 2016	Unaudited Q4 2015	Unaudited Full Year 2016	Audited Full Year 2015
Operating activities				
Profit from operations	31.6	21.5	96.9	63.0
Adjustments for:				
Depreciation of property, plant and equipment	1.6	0.9	5.1	2.9
Amortisation of intangible assets	5.7	3.8	18.7	11.1
Loss on disposal of intangible assets	0.1	-	0.1	0.0
Loss on disposal of property, plant & equipment	0.1	0.0	0.2	0.1
Impact of Bonza acquisition	-	-	-	-0.3
Share-based payments	0.3	0.2	0.6	0.6
Equity settled employee benefit plan	0.5	0.0	0.7	0.3
Foreign exchange on dividend	-	-	-	-0.5
Operating cash flows before movements in working capital	39.9	26.4	122.3	77.2
Decrease/(increase) in trade and other receivables	1.0	-1.8	-7.8	-7.9
(Decrease)/increase in trade and other payables, including customer balances	-7.3	-1.1	13.7	15.8
Cash flows from operating activities	33.6	23.5	128.2	85.1
Net income taxes paid	-2.1	-2.8	-6.5	-5.8
Net cash generated from operating activities	31.5	20.7	121.7	79.3
Investing activities				
Acquisition of subsidiaries, net of cash acquired	-	-0.9	-	-56.3
Settlement of contingent consideration	-	-	-16.7	-
Interest received	0.0	0.0	0.2	0.2
Interest paid	-0.2	-0.2	-0.8	-0.3
Purchases of property, plant and equipment	-2.4	-2.6	-10.4	-5.9
Proceeds from sale of property, plant and equipment	0.0	-	0.5	-
Development and acquisition costs of intangible assets	-5.0	-3.5	-19.2	-11.1
Net cash used in investing activities	-7.6	-7.2	-46.4	-73.4
Financing activities				
Dividend paid	-	-	-54.0	-46.7
Disposal of treasury shares	-	0.1	0.2	0.3
Proceeds of issue of new shares for share options	-	0.1	0.0	3.4
Treasury share buy-back	-	-	-17.1	-
Proceeds from borrowings	11.8	-	51.7	56.9
Repayment of borrowings	-16.8	-	-58.8	-
Net cash (used in)/generated from financing activities	-5.0	0.2	-78.0	13.9
Net increase/(decrease) in cash and cash equivalents	18.9	13.7	-2.7	19.8
Cash and cash equivalents at beginning of period	70.9	69.3	83.4	67.0
Effect of foreign exchange rate changes	-0.4	0.4	8.7	-3.4
Cash and cash equivalents at end of period	89.4	83.4	89.4	83.4



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY GBP 'm	Unaudited Q4 2016	Unaudited Q4 2015	Unaudited Full Year 2016	Audited Full Year 2015
Opening balance at beginning of period	216.4	189.2	213.1	202.9
Comprehensive income				
Profit for the period	29.4	19.4	83.9	55.7
Other comprehensive income:				
Translation adjustment	-3.1	3.1	16.1	-4.4
	26.3	22.5	100.0	51.3
Transactions with owners				
Share options - value of employee services	-0.2	0.2	0.1	0.6
Treasury share buy-back	-	-	-17.1	-
Equity settled employee benefit plan	0.5	0.0	0.7	0.3
Deferred tax credit relating to share option scheme	-	1.0	-	1.0
Proceeds from shares issued	-	0.1	0.0	3.4
Disposal of treasury shares	0.5	0.1	0.7	0.3
Dividend paid	-	-	-54.0	-46.7
	0.8	1.4	-69.6	-41.1
Closing balance at end of period	243.5	213.1	243.5	213.1

KEY RATIOS

This table is for information only and does not form part of the condensed financial statements.

	Unaudited Q4 2016	Unaudited Q4 2015	Unaudited Full Year 2016	Audited Full Year 2015
Operating margin (Profit from operations/gross winnings revenue for the period)	21%	19%	18%	18%
Return on total assets (Profit after tax/average of opening and closing assets for the period)	7%	5%	20%	16%
Return on average equity (annualised) (EBIT/average of opening and closing equity for the period)	55%	43%	42%	30%
Equity:assets ratio	54%	53%	54%	53%
EBITDA margin	25%	24%	22%	22%
Net cash/EBITDA (rolling 12-month basis)	0.320	0.597	0.320	0.597
Employees at period end	1,162	1,038	1,162	1,038
Gross cash per share (GBP) (cash at end of period/number of shares at end of period)	0.388	0.362	0.388	0.362
Net cash less debt per share (GBP) (total cash at period end less customer liabilities and borrowings/number of shares at end of period)	-0.070	-0.046	-0.070	-0.046
Operating cash flow before movements in working capital per share (GBP)	0.175	0.115	0.534	0.338
Earnings per share (GBP)	0.129	0.084	0.366	0.244
Fully diluted earnings per share (GBP)	0.129	0.084	0.365	0.239
Number of shares at period end ¹	230,126,200	230,117,040	230,126,200	230,117,040
Fully diluted number of shares at period end	230,520,323	230,575,697	230,520,323	230,575,697
Weighted average number of outstanding shares	227,471,148	229,612,052	229,096,939	228,237,047
Weighted average number of fully diluted outstanding shares	227,947,741	230,146,889	229,737,902	232,806,853

¹ As at 31 December 2016 the total issued shares was 230,126,200. Of these 2,585,266 shares are held by the Group as a result of previous repurchase programmes. The intention of the Board is either to cancel the shares (requires further shareholder approval), use as consideration for an acquisition, or issue to employees under share option programmes.



NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

This table is for information only and does not form part of the condensed financial statements.

Gross winnings revenue by region (based on country of residence of customer)
(GBP 'm)

SPORTS BETTING BY REGION	2016	2016	2016	2016	2015	2015	2015	2015	2016	2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	FY	FY
Gross winnings revenue										
Nordics	21.3	23.5	17.2	18.3	16.4	15.1	13.5	13.2	80.3	58.2
Western Europe	39.5	35.1	32.9	29.0	27.7	19.7	16.9	17.6	136.5	81.9
Central, Eastern and Southern Europe	5.0	5.3	4.2	4.8	4.4	2.7	2.2	2.8	19.3	12.1
Other	2.7	2.8	1.9	2.0	2.5	2.3	2.3	1.9	9.4	9.0
Total	68.5	66.7	56.2	54.1	51.0	39.8	34.9	35.5	245.5	161.2
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	30%	56%	27%	39%	27%	-1%	11%	1%	38%	9%
Western Europe	43%	78%	95%	65%	94%	4%	4%	9%	67%	25%
Central, Eastern and Southern Europe	14%	96%	91%	71%	144%	4%	-15%	-3%	60%	22%
Other	8%	22%	-17%	5%	39%	77%	156%	138%	4%	88%
Total	34%	68%	61%	52%	66%	4%	9%	8%	52%	21%
OTHER PRODUCTS - CASINO, POKER, & OTHER GAMES BY REGION	2016	2016	2016	2016	2015	2015	2015	2015	2016	2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	FY	FY
Gross winnings revenue										
Nordics	46.5	40.4	36.8	35.9	32.2	25.6	23.1	21.2	159.6	102.1
Western Europe	30.8	27.7	26.5	25.0	22.6	16.4	17.9	15.5	110.0	72.4
Central, Eastern and Southern Europe	6.2	6.8	6.6	6.8	5.3	3.7	4.1	3.6	26.4	16.7
Other	0.8	0.7	0.5	0.6	0.3	0.6	0.5	0.3	2.6	1.7
Total	84.3	75.6	70.4	68.3	60.4	46.3	45.6	40.6	298.6	192.9
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	44%	58%	59%	69%	26%	10%	-7%	-11%	56%	5%
Western Europe	36%	69%	48%	61%	37%	10%	24%	17%	52%	23%
Central, Eastern and Southern Europe	17%	84%	61%	89%	13%	-5%	0%	-14%	58%	-1%
Other	167%	17%	0%	100%	-40%	100%	-74%	-86%	53%	-65%
Total	40%	66%	54%	68%	28%	9%	1%	-7%	55%	8%
TOTAL BY REGION	2016	2016	2016	2016	2015	2015	2015	2015	2016	2015
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	FY	FY
Gross winnings revenue										
Nordics	67.8	63.9	54.0	54.2	48.6	40.7	36.6	34.4	239.9	160.3
Western Europe	70.3	62.8	59.4	54.0	50.3	36.1	34.8	33.1	246.5	154.3
Central, Eastern and Southern Europe	11.2	12.1	10.8	11.6	9.7	6.4	6.3	6.4	45.7	28.8
Other	3.5	3.5	2.4	2.6	2.8	2.9	2.8	2.2	12.0	10.7
Total	152.8	142.3	126.6	122.4	111.4	86.1	80.5	76.1	544.1	354.1
Share of total %										
Nordics	45%	45%	42%	44%	43%	47%	45%	45%	44%	45%
Western Europe	46%	44%	47%	44%	45%	42%	43%	44%	45%	44%
Central, Eastern and Southern Europe	7%	9%	9%	10%	9%	8%	8%	8%	9%	8%
Other	2%	2%	2%	2%	3%	3%	4%	3%	2%	3%
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	40%	57%	48%	58%	27%	6%	-1%	-7%	50%	6%
Western Europe	40%	74%	71%	63%	63%	7%	14%	13%	60%	24%
Central, Eastern and Southern Europe	15%	89%	71%	81%	49%	-2%	-6%	-10%	59%	7%
Other	25%	21%	-14%	18%	22%	81%	0%	-27%	12%	10%
Total	37%	65%	57%	61%	43%	7%	4%	-1%	54%	13%



NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

These tables are for information only and do not form part of the condensed financial statements.

Gross winnings revenue by product (after Free Bets)
(GBP 'm)

TOTAL BY PRODUCT	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 FY	2015 FY
Gross winnings revenue										
Sports Betting	68.5	66.7	56.2	54.1	51.0	39.8	34.9	35.5	245.5	161.2
Casino & Games	74.9	68.5	64.7	61.3	53.8	42.3	40.6	34.9	269.4	171.6
Poker	3.5	3.2	2.6	3.2	2.2	1.3	1.9	2.2	12.5	7.6
Other	5.9	3.9	3.1	3.8	4.4	2.7	3.1	3.5	16.7	13.7
Total	152.8	142.3	126.6	122.4	111.4	86.1	80.5	76.1	544.1	354.1

Share of total %	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 FY	2015 FY
Sports Betting	45%	47%	45%	44%	46%	46%	43%	47%	45%	46%
Casino & Games	49%	48%	51%	50%	48%	49%	50%	46%	50%	48%
Poker	2%	2%	2%	3%	2%	2%	3%	3%	2%	2%
Other	4%	3%	2%	3%	4%	3%	4%	4%	3%	4%

Quarterly Year-on-Year & Year-on-Year growth %	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 FY	2015 FY
Sports Betting	34%	68%	61%	52%	66%	4%	9%	8%	52%	21%
Casino & Games	39%	62%	59%	76%	34%	15%	8%	-1%	57%	15%
Poker	59%	146%	37%	45%	-4%	-35%	12%	-8%	64%	-10%
Other	34%	44%	0%	9%	-6%	-23%	-48%	-41%	22%	-32%

Sports Betting gross margins
(GBP 'm)

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 FY	2015 FY
Sports Betting Stakes	976.1	874.9	901.5	845.1	734.0	513.8	517.6	483.5	3,597.6	2,248.9
<i>Sports Betting Gross winnings revenue:</i>										
Live Betting	40.4	37.2	35.6	33.8	28.9	23.1	21.5	21.6	147.0	95.1
Live Betting margin	6.8%	6.7%	6.4%	6.3%	6.6%	6.5%	6.0%	6.8%	6.5%	6.5%
Live Betting share	51.0%	48.4%	51.1%	52.2%	46.9%	50.9%	53.2%	52.4%	50.6%	50.4%
Pre-game Betting	38.8	39.6	34.0	31.0	32.7	22.3	18.9	19.6	143.4	93.5
Pre-game Betting margin	10.1%	12.5%	9.8%	10.1%	11.1%	14.3%	11.8%	11.8%	10.5%	12.0%
Pre-game Betting share	49.0%	51.6%	48.9%	47.8%	53.1%	49.1%	46.8%	47.6%	49.4%	49.6%
Total before Free Bets	79.2	76.8	69.6	64.8	61.6	45.4	40.4	41.2	290.4	188.6
Sports Betting margin (before FB)	8.1%	8.8%	7.7%	7.7%	8.4%	8.8%	7.8%	8.5%	8.1%	8.4%
Free Bets	-10.7	-10.1	-13.4	-10.7	-10.6	-5.6	-5.5	-5.7	-44.9	-27.4
Total after Free Bets	68.5	66.7	56.2	54.1	51.0	39.8	34.9	35.5	245.5	161.2
Sports Betting margin (after FB)	7.0%	7.6%	6.2%	6.4%	6.9%	7.7%	6.7%	7.3%	6.8%	7.2%

Total margins (all products)
(%)

	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2016 FY	2015 FY
Total margin all products* (before FB)	4.7%	4.7%	4.6%	4.6%	4.8%	4.8%	4.5%	4.6%	4.7%	4.7%

* Includes Sports Betting and Casino & Games, but excludes Poker rakes and Other revenues.

