



PERFORM

SPORTS CONTENT & MEDIA

FIRST QUARTER RESULTS 2016

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1. Trading update
2. Financial review
3. Looking ahead - 2016
4. Q&A

TRADING UPDATE



Restricted Group

- Q1 2016 Revenue and Adjusted EBITDA reported in line with Board expectations
- Positive momentum in Content offsetting continued softness in Media
- Revenue mix trending towards Content, as evidenced in Q4 2015 and Q1 2016

Content

- Positive start to 2016 building on success of 2015
- Continued positive momentum on WTA broadcast sales – latest deals announced in Italy, Czech Republic and Slovakia
- FIBA partnership - first broadcast contract signed with Sky Italia
- 4 year Opta data partnerships signed with Australian Rugby Union and International Cricket Council
- 4 new Watch & Bet clients added in Q1 2016 in Italy, Australia, Romania and Russia

Media

- Digital advertising still growing but becoming increasingly competitive – Google and Facebook now have > 50% market share
- Evolving digital advertising landscape continuing to present challenges particularly in US (viewability and pricing)
- We are progressing with our strategy, but longer term visibility is limited and likely to remain volatile in the short term



FINANCIAL REVIEW



Q1 Financial Results

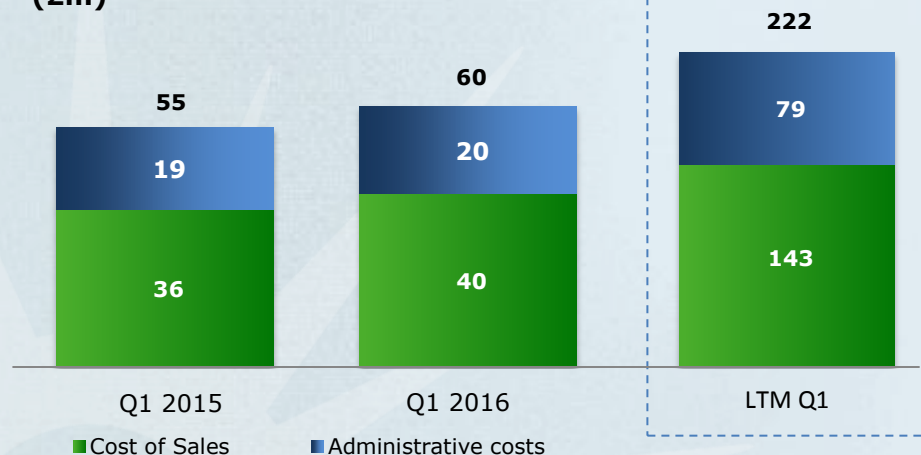
- Results below comprise Restricted Group only (excluding the OTT business)
- Revenues in Q1 2016 up 7% (£4.3 million) vs Q1 2015:
 - Content revenues up 15% reflecting continued growth in both betting and data products
 - Media revenues down 14% (£2.2 million) due to ongoing challenges in the US advertising market
 - Other revenues up £0.5 million as we launch the “Sports Cloud” product
- Adjusted EBITDA down £1.1 million to £6.7 million reflecting:
 - Increased production costs to support the growth in Content revenues over the last 15 months
 - The predictable seasonality of the Media business, exacerbated by soft Q1 2016
- Cash of £75.5 million at 31 March 2016, ahead of expectation, as a result of strong momentum in working capital

Q1 Financial Results

		3 months to 31 March 2016 £'m	3 months to 31 March 2015 £'m	Growth vs. 2015 £'m	LTM to 31 March 2016 £'m
Content		46.4	40.4	6.0	176.5
Media		13.1	15.3	(2.2)	64.9
Other		7.1	6.6	0.5	24.0
Total revenue		66.6	62.3	4.3	265.4
Costs		(59.9)	(54.5)	(5.4)	(222.0)
Adjusted EBITDA		6.7	7.8	(1.1)	43.4
Adjusted EBITDA margin		10.1%	12.5%		16.4%

Costs

(£m)



Cost of sales

- +11% vs Q1 2015
- Includes rights, publisher shares, technical and production costs
- Increased content and production costs to support 15% revenue growth in Content division

Administrative costs

- Administrative costs includes staff costs, rent, overheads and professional fees

Free cash flow

	3 months to 31 March 2016 £'m	3 months to 31 March 2015 £'m	Growth £'m	LTM to 31 March 2016 £'m
Adjusted EBITDA	6.7	7.8	(1.1)	43.4
Change in working capital	15.3	(5.3)	20.6	2.0
Capex	(5.3)	(5.2)	(0.1)	(21.6)
<i>% of revenue</i>	<i>8%</i>	<i>8%</i>		<i>8%</i>
Free cash flow	16.7	(2.7)	19.4	23.8
Tax	(2.3)	(0.8)	(1.5)	(5.7)
Exceptional items	(0.4)	(2.6)	2.2	(2.2)
Cash flow (post tax and exceptional items)	14.0	(6.1)	20.1	15.9

- Working capital inflow in Q1 2016 reflects strong cash collection and advance receipts for 2017 WTA revenues
- Capital expenditure 8% of revenue
- Earlier corporation tax payments on account made in 2016

Cash flow

	3 months to 31 March 2016 £'m	3 months to 31 March 2015 £'m	LTM to 31 March 2016 £'m
Cash flow (post tax and exceptional items)	14.0	(6.1)	15.9
Acquisitions & related	-	(30.9)	(9.2)
Net borrowings / repayments	-	47.5	117.8
Net interest & related	(0.6)	(0.5)	(1.6)
Funding of OTT	-	-	(94.0)
Cash flow	13.4	10.0	28.9
Cash b/f	61.1	36.2	45.9
Effect of FX on cash	1.0	(0.3)	0.7
Cash c/f	75.5	45.9	75.5

- Prior year acquisition costs related to acquisition of non controlling interest in Perform Sporting News ("PSN")
- Net borrowings in Q1 2015 related to drawdown under previous revolving credit facility, principally to fund PSN
- OTT business funded £94.0 million from the proceeds of the bond in Q4 2015
- Cash of £75.5 million at 31 March 2016

LOOKING AHEAD - 2016



Looking ahead - 2016

- Full year trading expected to be in line with Board's expectations overall, but revenue mix continuing to shift towards Content
- Content
 - Continued growth in core products – growing ahead of expectations
 - W&B renewals – will update in Q4
 - 2016 European Championships
 - Gearing up for start of WTA (10yrs) and FIBA (17yrs) partnerships in 2017
- Media
 - Reduced FY visibility
 - EMEA and APAC tracking in line with expectations
 - US digital market remains volatile and will take time to settle, impacting US revenue growth in 2016
 - Strategy unchanged with focus on:
 - Programmatic distribution
 - Sports niche
 - Semantic, relevant content

Q&A

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