

# William Hill PLC Trading Statement



## A year of transition, delivering operating profit ahead of expectations

13 January 2020

William Hill PLC (LSE: WMH) (William Hill or the Group) announces a trading statement for the unaudited 52 weeks ended 31 December 2019.

The Group's full-year adjusted operating profit<sup>1</sup> for 2019 from continuing operations is expected to be in the range of £143m to £148m, ahead of market and management expectations<sup>2</sup>, driven by favourable sporting results through the year end.

- The Retail business, having executed the remodelling strategy, generated operating profit above the guided range of £50-70m as we experienced particularly favourable sporting results in December, above the long term gross win margin range. Gaming also performed ahead of expectations.
- Online UK grew in line with the market for the third consecutive quarter; weakness in gaming net revenue was offset by a strong sporting gross win margin. Online International performance was mixed with net revenue expected to be broadly flat on a pro forma basis<sup>3</sup> during the fourth quarter; sports book net revenue was weak while a good performance in gaming was driven by Mr Green.
- The US business continued to generate strong growth during the fourth quarter, driven by wagering growth and disciplined investment. We now expect to be breakeven for the US business overall in 2019, compared to the guided range of \$0m to -\$20m.

During the year the Group made good progress towards delivering its long term ambition to become a digitally led and internationally diversified business of scale while continuing to embed a culture of responsible gambling.

### Ulrik Bengtsson, CEO, commented:

"The Group has delivered a strong operating performance, ahead of our expectations and against a challenging regulatory backdrop. We made good progress on a number of fronts, including our Retail business, Online and in the US, enabling us to deliver on our long term strategic ambitions. We look forward to building on these efforts in 2020 with a strong focus on customer, team and execution."

The Group's 2019 final results will be announced on Wednesday, 26 February 2020.

### Notes

1. Adjusted operating profit is defined as profit from continuing operations before interest and tax, excluding exceptional items and other defined adjustments.
2. Consensus operating profit referred to here is based on Bloomberg estimates as at 10 January 2019 of £130.0m
3. Where pro forma results are stated, this assumes Mr. Green was consolidated into the group at the end of January 2018, in order to provide a more meaningful comparator period. The Q4 number is on a LFL 13 week basis given 2018 was a 53 week year.

OAM: Additional Regulated Information  
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## **About William Hill**

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William Hill PLC is one of the world's leading betting and gaming companies, employing c.12,300 people. Its origins are in the UK where it was founded in 1934, and where it is listed on the London Stock Exchange. The majority of its £1.6bn annual revenues are still derived from the UK, where it has a national presence of licensed betting offices and one of the leading online betting and gaming services. William Hill's European Online business is headquartered in Gibraltar and Malta, and is licensed online in 10 countries following the acquisition of Mr Green & Co AB in January 2019. In 2012, it established William Hill US with a focus on retail and mobile operations in Nevada and became the largest sports betting business in the US. Following the ruling in May 2018 by the Supreme Court that the federal ban on state sponsored sports betting was unconstitutional, William Hill US has expanded and continues to expand as new states regulate sports betting. It is now operating in nine states: Delaware, Indiana, Iowa, Mississippi, Nevada, New Mexico, New Jersey, Rhode Island and West Virginia in addition to Washington DC. Eldorado Resorts, Inc. currently owns shares representing 20% of the share capital of William Hill US Holdco, Inc., the holding company of William Hill US.

## **Cautionary note regarding forward-looking statements**

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This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "goal", "target", "aim", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout these results and the information incorporated by reference into these results and include statements regarding the intentions, beliefs or current expectations of the directors, William Hill or the Group concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of William Hill and the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond William Hill's ability to control or predict. Forward-looking statements are not guarantees of future performance. The Group's actual results of operations, financial condition, liquidity, dividend policy and the development of the industry in which it operates may differ materially from the impression created by the forward-looking statements contained in these results and/or the information incorporated by reference into these results. In addition, even if the results of operations, financial condition, liquidity and dividend policy of the Group and the development of the industry in which it operates, are consistent with the forward-looking statements contained in these results and/or the information incorporated by reference into these results, those results or developments may not be indicative of results or developments in subsequent periods. Other than in accordance with its legal or regulatory obligations (including under the Market Abuse Regulation (596/2014), the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules), William Hill does not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.