

Strong recovery: Trading update to 9 June 2020

16 June 2020

William Hill PLC (LSE: WMH) ("William Hill" or the "Group"), one of the world's leading betting and gaming companies, provides a trading update for the unaudited six weeks to 9 June 2020.

We have been delighted to see a strong recovery in recent weeks with the easing of COVID-19 restrictions and the progressive return of sporting events. Our swift actions have enabled us to respond competitively while enhancing customer protection and delivering against our product development goals. We expect the trading backdrop to remain uncertain but are encouraged to see both Online and the US performing ahead of our initial expectations.

Since our update on 15 May 2020 our monthly cash outflow has reduced and we have repaid the outstanding £203m on the 2020 bond. We now have unrestricted liquidity in excess of £500m and a line of sight to generating positive cash flow from our operations in the second half of the year.

On 20 May 2020 we announced that we expected a material refund of VAT which had been incorrectly applied to certain gaming machines. Following further engagement with HMRC and our legal advisors, we now expect this refund to be received in the second half of 2020 and for it to be roughly equivalent to the value of the bond repayment.

Divisional performance

Operating performance: 23 weeks to 9 June 2020

In GBP¹

Total net revenue growth (YoY)	Weeks 1-23	Weeks 1-10 Pre-Coronavirus	Weeks 11-17 Coronavirus	Weeks 18-23 Coronavirus
Online	-1%	+16%	-21%	-3%
Online UK	-10%	+7%	-33%	-8%
Online International	+17%	+35%	+5%	+7%
Retail Like-for-like ²	-50%	-3%	-85%	-100%
US	-24%	+30%	-90%	-62%
Group	-32%	-5%	-57%	-50%

Notes

1. Growth rates are based on statutory results unless stated otherwise.
2. Like-for-like (LFL) presents the cumulative results for the period on a same-shops basis (excluding those permanently closed in the prior and current year but including those temporarily closed due to Covid-19).

During the six weeks to 9 June 2020, Group total net revenue has improved following the steady recovery of the sports calendar, albeit behind closed doors.

Online sports wagers improved significantly throughout the period, benefitting from the resumption of horseracing and the German Bundesliga. During March and April customers continued to place bets on alternative products such as table tennis and we are pleased to note that activity has remained high alongside the return of horseracing and football. New product development launches continued to gain traction with a robust performance from the new gaming front end deployed in the UK.

Retail is 'powering up' the estate in phases now Licensed Betting Offices are permitted to re-open in England, coinciding with horse racing at Royal Ascot and the resumption of English football. We will be implementing measures to ensure social distancing requirements are adhered to, protecting our customers and colleagues. We will be opening the retail estate gradually, with a deliberate focus on those sites that we anticipate will have the most profitable footfall.

US sports staking benefitted significantly from the availability of alternative sports and the resumption of UFC and NASCAR in May. Although many casinos remained closed we operated drive-through sportsbooks in Nevada, a state where our customers must sign up in person to use the William Hill app. This initiative proved popular and generated considerable re-engagement online. Our tech teams continued to press ahead with development plans and we are on track to launch online gaming in New Jersey upon receipt of regulatory approval.

Outlook

We have gained greater visibility of the sporting calendar. Horseracing has returned behind closed doors and the English Premier League is scheduled to return on 17 June 2020. We continue to monitor developments in the US as casinos re-open across several states and note the NBA has approved a plan to resume the 2019-20 season under a 22 team format.

While we remain cognisant that sports betting activity and retail footfall are likely to remain uncertain throughout the rest of 2020 and into 2021, our mitigation strategies have reduced costs, retained liquidity and ensured that capital expenditure related to growth plans has been preserved. Our product development plans remain a priority, especially in the US, where they have accelerated to ensure we emerge from this period of disruption in a stronger competitive position.

Ulrik Bengtsson, CEO, commented:

"The return of sporting events has driven a strong recovery in our online volumes. Our UK Online business is in a better place than ever and our international business is displaying solid growth. In the US we have used this period of lockdown wisely to move our product forward and we are now in a strong position to capitalise on the US growth opportunity that lies ahead".

OAM: Additional Regulated Information
William Hill LEI: 213800MDW41W5UZQIX82

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About William Hill

William Hill PLC is one of the world's leading betting and gaming companies, employing c.12,000 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.

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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.