

Kindred Group plc

Interim report January – September 2017 (unaudited)

Third quarter and the period January to September highlights

- **New all-time high in Gross winnings revenue of GBP 193.6 (142.3) million for the third quarter of 2017, and GBP 513.4 (391.3) million for the period January to September 2017.**
- **Underlying EBITDA for the third quarter of 2017 was GBP 46.8 (33.9) million, and GBP 110.5 (84.4) million for the period January to September 2017.**
- **Gross winnings revenue contribution from 32Red was GBP 18.6 million and underlying EBITDA was GBP 3.7 million.**
- **Profit before tax for the third quarter of 2017 amounted to GBP 35.0 (24.8) million, and GBP 76.1 (62.7) million for the period January to September 2017. For the first nine months, this includes non-cash fair value adjustments of GBP 3.1 million relating to discontinued brands.**
- **Profit after tax for the third quarter of 2017 amounted to GBP 29.9 (21.0) million and GBP 66.6 (54.5) million for the period January to September 2017.**
- **Earnings per share for the third quarter of 2017 were GBP 0.131 (0.091) and GBP 0.293 (0.237) for the period January to September 2017.**
- **Underlying earnings per share for the third quarter of 2017 were GBP 0.137 (0.095) and GBP 0.325 (0.249) for the period January to September 2017.**
- **Number of active customers during the quarter was 1,219,761 (1,067,910). Of these, 120,171 were customers of 32Red.**

"A record quarter for revenue and profit, supported by the acquisition of 32Red"

"I am delighted to report record revenues and profitability for Kindred Group in the third quarter of 2017 driven by strong growth across our major markets and solid cost control."

"Despite the absence of a major football events this quarter, the organic Gross winnings revenue growth in constant currency was 17 per cent compared to the same period last year, which demonstrates that we continue to gain market share. 32Red contributed GBP 18.6 million of Gross winnings revenue and GBP 3.7 million of underlying EBITDA. This acquisition also brings new expertise into our teams and additional locally regulated revenue and opportunities for future revenue and cost synergies. In the third quarter of 2017, 41 per cent of the Group's Gross winnings revenue came from locally regulated markets."

"Our underlying EBITDA reached a new all-time high at GBP 46.8 million for the third quarter, up 38 per cent compared to the same period last year. The underlying organic EBITDA in constant currency was up 20 per cent."

"Our focus on mobile strategy has enabled us to remain at the forefront of industry developments. In the third quarter, Gross winnings revenue from mobile grew by 51 per cent compared to the third quarter last year and amounted to 71 per cent of our total Gross winnings revenue."

"In the period up to 22 October 2017, with approximately 50 per cent higher than normal sports book margins, average daily Gross winnings revenue in GBP was 68 per cent higher compared to the same period in 2016. Adjusting for the acquisition of 32Red and the impact of exchange rate changes, the growth was 57 per cent," says Henrik Tjärnström, CEO of Kindred Group.

Today, Friday 27 October 2017, Kindred Group's CEO Henrik Tjärnström will host a presentation in English at FinancialHearings, Tändstickspalatset, Västra Trädgårdsgatan 15, in Stockholm at 9.00 CEST.

Please go to financialhearings.com to sign in. The presentation is also webcast live on www.kindredgroup.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 9807 or in the USA: +1 855 752 2235.

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.

The information in this report is such that Kindred Group plc is required to disclose under the EU Directive of Market Abuse Regulation,

Q3 AND JAN-SEP SUMMARY

This table and the contents of this announcement are unaudited.

GBP	Q3		Jan - Sep		Full Year	Rolling
	2017 GBPm	2016 GBPm	2017 GBPm	2016 GBPm	2016 GBPm	12 months ⁵ GBPm
Gross winnings revenue	193.6	142.3	513.4	391.3	544.1	666.2
EBITDA ¹	46.6	33.1	106.5	81.8	120.7	145.4
Underlying EBITDA ²	46.8	33.9	110.5	84.4	123.7	149.8
Profit before tax	35.0	24.8	76.1	62.7	92.8	106.2
Profit after tax	29.9	21.0	66.6	54.5	83.9	96.0
Net cash ³	83.7	20.0	83.7	20.0	38.6	
Bank debt	247.8	60.2	247.8	60.2	54.6	
	GBP	GBP	GBP	GBP	GBP	GBP
EBITDA ¹ per share	0.205	0.144	0.468	0.356	0.527	0.638
Underlying EBITDA ² per share	0.206	0.148	0.485	0.368	0.540	0.658
Earnings per share	0.131	0.091	0.293	0.237	0.366	0.421
Underlying earnings per share ⁴	0.137	0.095	0.325	0.249	0.379	0.455
Net cash ³ per share	0.364	0.087	0.364	0.087	0.168	
SEK	Q3		Jan - Sep		Full Year	Rolling
	2017 SEKm	2016 SEKm	2017 SEKm	2016 SEKm	2016 SEKm	12 months ⁵ SEKm
Gross winnings revenue	2,061.5	1,592.9	5,641.2	4,576.6	6,300.7	7,365.3
EBITDA ¹	496.2	370.5	1,170.2	956.7	1,397.7	1,611.2
Underlying EBITDA ²	498.3	379.5	1,214.2	987.1	1,432.4	1,659.5
Profit before tax	372.7	277.6	836.2	733.3	1,074.6	1,177.5
Profit after tax	318.4	235.1	731.8	637.4	971.6	1,065.9
Net cash ³	915.9	223.5	915.9	223.5	430.7	
Bank debt	2,711.7	672.7	2,711.7	672.7	609.2	
	SEK	SEK	SEK	SEK	SEK	SEK
EBITDA ¹ per share	2.180	1.614	5.141	4.167	6.101	7.075
Underlying EBITDA ² per share	2.189	1.653	5.334	4.300	6.253	7.287
Earnings per share	1.399	1.024	3.215	2.776	4.241	4.680
Underlying earnings per share ⁴	1.460	1.063	3.569	2.909	4.392	5.052
Net cash ³ per share	3.980	0.971	3.980	0.971	1.871	
	No.	No.	No.	No.	No.	No.
Active customers	1,219,761	1,067,910				
Registered customers (million)	20.7	15.8	20.7	15.8	16.5	

Currency rate Q3 17 average: 1 GBP = 10.648 SEK, Q3 16 average: 1 GBP = 11.194 SEK, FY 16 average: 1 GBP = 11.580 SEK, 2017

YTD average: 1 GBP = 10.988 SEK, 2016 YTD average: 1 GBP = 11.696 SEK, 30 September 2017: 1 GBP = 10.943 SEK, 30 September 2016: 1 GBP = 11.174 SEK, 31 December 2016: 1 GBP = 11.157 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.

Definition of Alternative Performance Measures

¹ EBITDA = Profit from operations before depreciation & amortisation.

² Underlying EBITDA = EBITDA less M&A costs and management incentive costs relating to acquisitions.

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

⁴ Underlying earnings per share = Profit after tax less M&A costs, management incentive costs & finance costs relating to acquisitions, divided by the weighted average number of outstanding shares for the period.

⁵ Rolling 12 months consists of the 12 months ended 30 September 2017.



Significant events during the third quarter of 2017

On 4 July 2017, Kindred Group's brand Unibet signed as Aston Villa Football Club's new principal partner.

On 10 July 2017, Kindred Group repaid SEK 30 million (GBP 2.7 million) of the Revolving Credit Facility.

On 11 September 2017, Kindred Group repaid SEK 100 million (GBP 9.5 million) of the Revolving Credit Facility.

On 26 September 2017, a Unibet Belgium customer won the pooled Mega Moolah Jackpot of EUR 7,742,016. This is now the biggest ever winner Kindred Group has had.

On 28 September 2017, Kindred Group was awarded the Return on Customer Experience Gold Award for 2017. The award was presented during the 2017 UK Customer Experience Awards, hosted by Awards International. The ceremony recognises and celebrates the skills that are involved in creating a quality customer service experience.

Significant events after the period end

No significant events after the period end.

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 including 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 48,158 live betting events in the third quarter of 2017 and streamed 9,555 events on desktop and mobile devices.

The majority of the Kindred Group's business is 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 has a well-developed and balanced casino offering across all markets and brands. As usual, focus has been on refining the offering by working with current and new suppliers, for instance adding Red Tiger Gaming with a new jackpot functionality that went live in mid-October. During the quarter, Kindred Group has expanded on its exclusive casino content with games from NetEnt, Relax Gaming and StakeLogic, grown its live casino offering with nine additional tables to support more brands, worked on supplier integrations and gone live with NYX Open Gaming System in Italy and a direct integration to Realistic Games.

Poker

The Kindred Group's poker product is the fastest growing licensed poker network in the industry. In the third quarter, the poker offering has been strengthened by a number of product improvements including mobile enhancements. In addition, the Unibet Open has continued to celebrate successes and the Group hosted a big live event tournament in the Gambling Capital of the World, attracting 673 players.



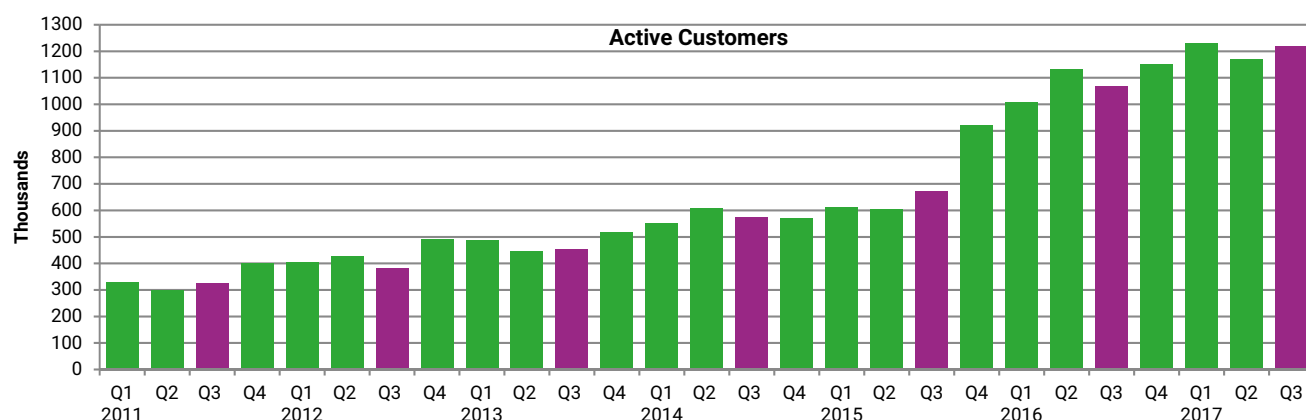
Bingo

The Kindred Group's bingo product offers several different game types, including big jackpots and a wide range of mini games. The past quarter's focus has been on refining the bingo schedule, introducing a new bingo variant, raising the level of guaranteed prizes and adding more mini games to the offering. Since the introduction of the new bingo product in 2015, the Kindred Group has continuously taken market share and re-energized online bingo.

Customers

The total number of registered customers has continued to increase and amounted to over 20.7 (15.8) million at 30 September 2017, whilst at 30 June 2017, over 20.2 million customers were registered.

For the third quarter of 2017 the number of active customers amounted to 1,219,761 (1,067,910), compared with 1,171,166 for the second quarter of 2017. Of these, 120,171 are customers of 32Red. 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 2016.

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 85.7 (66.7) million for the third quarter of 2017. For the period January to September 2017, Gross winnings revenue for sports betting amounted to GBP 225.3 (177.0) million.

In the third quarter of 2017, live betting accounted for 63.0 (63.9) per cent of turnover on sports betting and 51.3 (48.4) per cent of Gross winnings revenue on sports betting.

Gross winnings revenue for other products amounted to GBP 107.9 (75.6) million for the third quarter of 2017. For the period January to September 2017, Gross winnings revenue for other products amounted to GBP 288.1 (214.3) million.

Please refer to pages 22 and 23 for more information on Gross winnings revenue per region and products.



Gross margin on sports betting

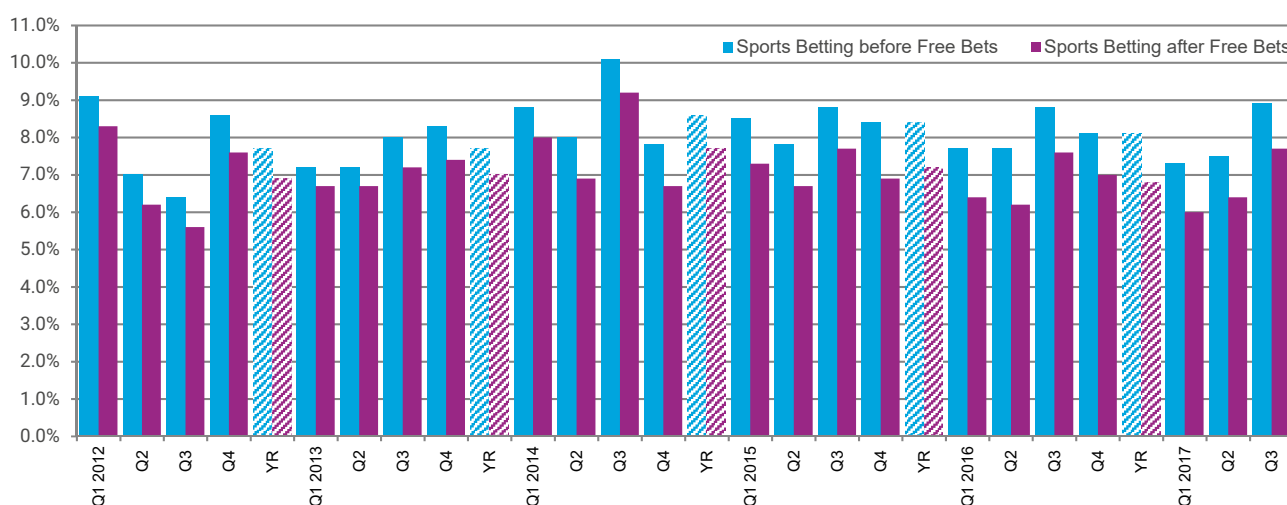
The gross margin for pre-game sports betting before Free Bets for the third quarter of 2017 was 11.7 (12.5) per cent.

The gross margin for total sports betting for the third quarter of 2017 before Free Bets was 8.9 (8.8) per cent. The gross margin for total sports betting for the third quarter of 2017 after Free Bets was 7.7 (7.6) per cent.

Please refer to page 23 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 third quarter of 2017 betting duties were GBP 28.8 (17.6) million and marketing revenue share amounted to GBP 10.7 (7.8) million. The betting duties for the period January to September 2017 were GBP 76.4 (47.5) million and marketing revenue share for the period January to September 2017 amounted to GBP 29.4 (21.9) million.

Gross profit

Gross profit for the third quarter of 2017 was GBP 121.1 (89.8) million. Gross profit for the period January to September 2017 was GBP 317.3 (246.2) 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 third quarter of 2017, operating costs were GBP 79.0 (59.3) million. Of these operating costs, GBP 35.6 (27.7) million were marketing costs and GBP 19.3 (15.9) million were salaries. During the period January to September 2017, operating costs were GBP 221.5 (171.1) million. Of these operating costs, GBP 105.3 (83.8) million were marketing costs and GBP 53.9 (44.5) million 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	30-Sep-17	30-Sep-16	YoY Delta
SEK	10.943	11.174	2.1%
NOK	10.674	10.437	-2.3%
EUR	1.134	1.161	2.3%
DKK	8.440	8.654	2.5%
AUD	1.710	1.702	-0.5%

Income statement averages for the quarter:

Rate to GBP	Avg Q3 17	Avg Q3 16	YoY Delta
SEK	10.648	11.194	4.9%
NOK	10.416	10.934	4.7%
EUR	1.114	1.177	5.4%
DKK	8.287	8.760	5.4%
AUD	1.658	1.732	4.3%

EBITDA and Profit from operations

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the third quarter of 2017 was GBP 46.6 (33.1) million and for the period January to September 2017, was GBP 106.5 (81.8) million.

Underlying EBITDA for the third quarter of 2017 was GBP 46.8 (33.9) million and for the period January to September 2017, was GBP 110.5 (84.4) million.

Profit from operations for the third quarter of 2017 was GBP 36.4 (27.1) million. Profit from operations for the period January to September 2017 was GBP 79.7 (65.3) million.

Development and acquisition costs of intangible assets

In the third quarter of 2017 intangible assets of GBP 4.6 (4.2) million have been capitalised, bringing the total capitalised for the period January to September 2017 to GBP 14.7 (14.2) million. Intangible assets comprise development costs and computer software. Capitalised development costs during 2017 are driving economic benefit through customer experience improvements, local licensing requirements, data analytics and information mining.

Finance costs/income

Net finance costs for the third quarter of 2017 were GBP 1.2 (2.3) million. Net finance costs for the period January to September 2017 were GBP 1.9 (2.8) million.

Profit before tax

Profit before tax for the third quarter of 2017 was GBP 35.0 (24.8) million. Profit before tax for the period January to September 2017 was GBP 76.1 (62.7) million.

Profit after tax

Profit after tax for the third quarter of 2017 was GBP 29.9 (21.0) million. Profit after tax for the period January to September 2017 was GBP 66.6 (54.5) million.



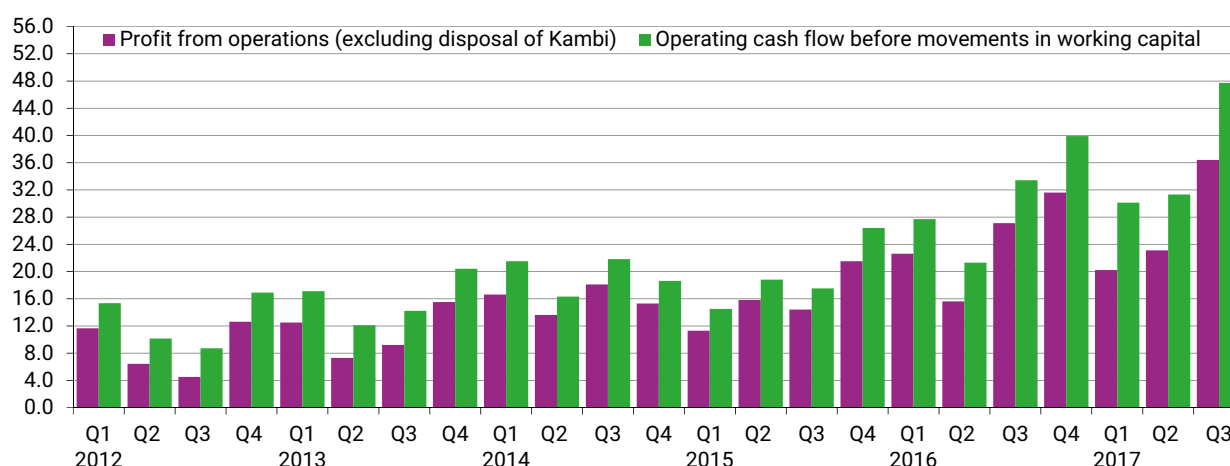
Financial position and cash flow

The cash in hand position at the end of the third quarter of 2017 stood at GBP 153.8 (70.9) million while at the beginning of the quarter it was GBP 107.1 (78.7) million.

The net cash inflow for the third quarter of 2017 was GBP 46.9 (outflow of 10.4) million with significant cash movements being the repayment of SEK 130.0 million (GBP 12.2 million) of the Revolving Credit Facility. As at 30 September 2017, GBP 247.8 (60.2) million of the term and revolving facilities was utilised out of a total of GBP 269.7 million. For further information on the term and revolving facilities, please refer to page 90 of the 2016 Annual Report.

GBP 47.7 (33.4) 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 below.

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



Employees

The Kindred Group had 1,350 (1,167) employees at 30 September 2017, compared with 1,339 employees at 30 June 2017. Of these 117 were employed by 32Red.

Share based incentive programme

In September 2014 the Kindred Group made the second grant of performance share rights to senior management and key employees ("2014 Performance Share Plan"). The grants are subject to achieving business performance targets over the three financial years 2014-2016 and continued employment. The assessment of the actual business performance against the target conditions demonstrated that all targets over the three financial years 2014-2016 have been achieved at greater than 100 per cent. This entails that the full value of the 2014 Performance Share Plan grant should vest. The number of share awards granted in 2014 and outstanding as at 30 September 2017 is 179,568. These will vest in November 2017.

Performance targets	Target achieved
EBITDA	109%
Gross Contribution	111%
Free Cash Flow	111%

The weighted average number of outstanding shares in Kindred Group plc as at 30 September 2017 was 227,647,938: 230,126,200 ordinary shares with a par value of GBP 0.000625 of which 2,478,262 are from the Share buy-back programmes initiated in 2007, 2011 and 2016 which continue to be held by the Group.

No share awards have vested during the third quarter of 2017.



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 26 to 29 and pages 43 to 44 of the Annual Report for the year ended 31 December 2016 available from www.kindredgroup.com. There have been no changes in any risks identified since the prior year end.

Next AGM and Nomination Committee

The 2018 Annual General Meeting of Kindred Group plc will be held on 15 May 2018 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 no later than 1 March 2018 in order to have sufficient time for including them in the Notice and the meeting's agenda.

The Nomination Committee for the 2018 AGM consists of Evert Carlsson, Swedbank Robur Fonder (chairman), Jonas Eixmann, Andra AP-fonden, Olof Jonasson, Första AP-fonden, Caroline Sjösten, Skandia Liv, 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 GZR1402, Malta, or by email to: Nomination@kindredgroup.com.

Forthcoming financial reporting timetable

Full Year Report 2017	14 February 2018 NB: New date not to coincide with trade show.
Interim Report January – March 2018	25 April 2018
Interim Report January – June 2018	25 July 2018
Interim Report January – September 2018	26 October 2018
Full Year Report 2018	13 February 2019

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, 27 October 2017

Henrik Tjärnström
CEO

For further information please contact:

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Henrik Tjärnström, CEO	+46 723 878 059

This report is unaudited.

This document is the English original. In the event of any discrepancy between the original English document and the Swedish translation, the English original shall prevail.

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



Independent review report to Kindred Group plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed the condensed consolidated interim financial statements, defined below, in the Interim report of Kindred Group plc for the nine months ended 30 September 2017. Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the requirements of NASDAQ Stockholm.

What we have reviewed

The condensed consolidated interim financial statements, which are prepared by Kindred Group plc, comprise:

- the Consolidated Balance Sheet as at 30 September 2017;
- the Consolidated Income Statement and Statement of Comprehensive Income for the period then ended;
- the Consolidated Cash Flow Statement for the period then ended;
- the Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements included in the Interim report January – September 2017 have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the requirements of NASDAQ Stockholm.

As disclosed in note 2, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the condensed consolidated interim financial statements and the review

Our responsibilities and those of the directors

The Interim report for the nine months ended 30 September 2017 including the condensed consolidated interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the Interim report for the nine months ended 30 September 2017 in accordance with the requirements of NASDAQ Stockholm.

Our responsibility is to express to the company a conclusion on the condensed consolidated interim financial statements in the Interim report for the nine months ended 30 September 2017 based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the NASDAQ Stockholm and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of condensed consolidated financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



We have read the other information contained in the Interim report for the nine months ended 30 September 2017 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
27 October 2017
1 Embankment Place,
London,
WC2N 6RH

- (a) The maintenance and integrity of the Kindred website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- (b) Legislation in Malta and Sweden governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



CONSOLIDATED INCOME STATEMENT GBP 'm	Unaudited Q3 2017	Unaudited Q3 2016	Unaudited Jan - Sep 2017	Unaudited Jan - Sep 2016	Audited Full Year 2016
Continuing operations:					
Gross winnings revenue	193.6	142.3	513.4	391.3	544.1
Betting duties	-28.8	-17.6	-76.4	-47.5	-67.7
Marketing revenue share	-10.7	-7.8	-29.4	-21.9	-29.8
Other cost of sales	-33.0	-27.1	-90.3	-75.7	-101.8
Cost of sales	-72.5	-52.5	-196.1	-145.1	-199.3
Gross profit	121.1	89.8	317.3	246.2	344.8
Marketing costs	-35.6	-27.7	-105.3	-83.8	-114.7
Administrative expenses	-43.4	-31.6	-116.2	-87.3	-121.4
Underlying profit before items affecting comparability:	42.1	30.5	95.8	75.1	108.7
M&A costs	-	-	-3.2	-	-
Management incentive costs relating to acquisitions	-0.2	-0.8	-0.8	-2.6	-3.0
Accelerated amortisation of acquired intangible assets	-1.0	-	-3.1	-	-
Amortisation of acquired intangible assets	-3.5	-1.9	-7.9	-5.5	-8.2
Foreign currency loss on operating items	-1.0	-0.7	-1.1	-1.7	-0.6
Profit from operations	36.4	27.1	79.7	65.3	96.9
Finance costs	-1.3	-2.4	-2.1	-2.9	-4.5
Finance income	0.1	0.1	0.2	0.1	0.2
Foreign currency loss on loan	-0.4	-	-2.2	-	-
Share of profit from associates	0.2	0.0	0.5	0.2	0.2
Profit before tax	35.0	24.8	76.1	62.7	92.8
Income tax expense	-5.1	-3.8	-9.5	-8.2	-8.9
Profit after tax	29.9	21.0	66.6	54.5	83.9
Earnings per share (GBP)	0.131	0.091	0.293	0.237	0.366
Weighted average number of outstanding shares	227,647,938	229,619,412	227,616,467	229,593,148	229,096,939
Fully diluted earnings per share (GBP)	0.131	0.091	0.291	0.237	0.365
Weighted average number of fully diluted outstanding shares	228,514,384	230,050,527	228,496,717	230,238,826	229,737,902
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME GBP 'm	Unaudited Q3 2017	Unaudited Q3 2016	Unaudited Jan - Sep 2017	Unaudited Jan - Sep 2016	Audited Full Year 2016
Profit for the period	29.9	21.0	66.6	54.5	83.9
Other comprehensive income					
Currency translation adjustments taken to equity	-0.1	5.6	3.4	19.2	16.1
Total comprehensive income for the period	29.8	26.6	70.0	73.7	100.0



CONSOLIDATED BALANCE SHEET GBP 'm	Unaudited 30 Sep 2017	Unaudited 30 Sep 2016	Audited 31 Dec 2016
Assets			
Non-current assets			
Goodwill	284.6	185.1	184.9
Other intangible assets	166.8	95.0	93.9
Investment in associates	2.1	1.6	1.6
Property, plant and equipment	20.3	12.0	12.7
Deferred tax assets	9.6	7.1	8.8
Convertible bond	6.7	6.5	6.6
Other non-current assets	1.7	2.0	2.2
	491.8	309.3	310.7
Current assets			
Trade and other receivables	40.0	31.7	30.6
Taxation recoverable	20.5	11.6	20.5
Cash and cash equivalents	153.8	70.9	89.4
	214.3	114.2	140.5
Total assets	706.1	423.5	451.2
Equity and liabilities			
Capital and reserves			
Share capital	0.1	0.1	0.1
Share premium	81.5	81.5	81.5
Currency translation reserve	18.1	17.8	14.7
Reorganisation reserve	-42.9	-42.9	-42.9
Retained earnings	188.6	159.9	190.1
Total equity	245.4	216.4	243.5
Non-current liabilities			
Borrowings	45.0	-	-
Deferred tax liabilities	6.0	3.2	4.2
	51.0	3.2	4.2
Current liabilities			
Borrowings	202.8	60.2	54.6
Trade and other payables	93.9	64.0	60.0
Customer balances	70.1	50.9	50.8
Deferred income	5.4	4.5	4.2
Tax liabilities	37.5	24.3	33.9
	409.7	203.9	203.5
Total liabilities	460.7	207.1	207.7
Total equity and liabilities	706.1	423.5	451.2



CONSOLIDATED CASH FLOW STATEMENT GBP 'm	Unaudited Q3 2017	Unaudited Q3 2016	Unaudited Jan - Sep 2017	Unaudited Jan - Sep 2016	Audited Full Year 2016
Operating activities					
Profit from operations	36.4	27.1	79.7	65.3	96.9
Adjustments for:					
Depreciation of property, plant and equipment	1.8	1.3	5.1	3.5	5.1
Amortisation of intangible assets	8.4	4.7	21.7	13.0	18.7
Loss on disposal of intangible assets	-	-	-	0.0	0.1
Loss on disposal of property, plant & equipment	0.1	-	0.1	0.1	0.2
Share-based payments	0.5	0.2	1.1	0.3	0.6
Equity settled employee benefit plan	0.5	0.1	1.4	0.2	0.7
Operating cash flows before movements in working capital	47.7	33.4	109.1	82.4	122.3
Increase in trade and other receivables	-2.9	-2.5	-7.1	-8.8	-7.8
Increase in trade and other payables, including customer balances	28.9	0.0	36.5	21.0	13.7
Cash flows from operating activities	73.7	30.9	138.5	94.6	128.2
Net income taxes paid	-3.1	-2.3	-6.8	-4.4	-6.5
Net cash generated from operating activities	70.6	28.6	131.7	90.2	121.7
Investing activities					
Acquisition of subsidiary, net of cash acquired	-	-	-155.6	-	-
Settlement of contingent consideration	-	-10.8	-	-16.7	-16.7
Interest received	0.0	0.0	0.2	0.2	0.2
Interest paid	-1.5	-0.2	-2.6	-0.6	-0.8
Purchases of other non-current assets	-0.1	-	-6.9	-	-
Refund of long-term deposits	0.8	-	0.8	-	-
Purchases of property, plant and equipment	-6.1	-3.4	-11.7	-8.0	-10.4
Proceeds from sale of property, plant and equipment	-	-	-	0.5	0.5
Development and acquisition costs of intangible assets	-4.6	-4.2	-14.7	-14.2	-19.2
Net cash used in investing activities	-11.5	-18.6	-190.5	-38.8	-46.4
Financing activities					
Dividend paid	-	-	-70.6	-54.0	-54.0
Disposal of treasury shares	-	-	-	0.2	0.2
Proceeds of issue of new shares for share options	-	-	-	0.0	0.0
Treasury share buy-back	-	-17.1	-	-17.1	-17.1
Proceeds from borrowings	-	-	233.7	39.9	51.7
Repayment of borrowings	-12.2	-3.3	-43.2	-42.0	-58.8
Net cash (used in)/generated from financing activities	-12.2	-20.4	119.9	-73.0	-78.0
Net increase/(decrease) in cash and cash equivalents	46.9	-10.4	61.1	-21.6	-2.7
Cash and cash equivalents at beginning of period	107.1	78.7	89.4	83.4	83.4
Effect of foreign exchange rate changes	-0.2	2.6	3.3	9.1	8.7
Cash and cash equivalents at end of period	153.8	70.9	153.8	70.9	89.4



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY GBP 'm	Unaudited Q3 2017	Unaudited Q3 2016	Unaudited Jan - Sep 2017	Unaudited Jan - Sep 2016	Audited Full Year 2016
Opening balance at beginning of period	214.6	206.6	243.5	213.1	213.1
Comprehensive income					
Profit for the period	29.9	21.0	66.6	54.5	83.9
Other comprehensive income:					
Translation adjustment	-0.1	5.6	3.4	19.2	16.1
	29.8	26.6	70.0	73.7	100.0
Transactions with owners					
Share options - value of employee services	0.5	0.2	1.1	0.3	0.1
Treasury share buy-back	-	-17.1	-	-17.1	-17.1
Equity settled employee benefit plan	0.5	0.1	1.4	0.2	0.7
Proceeds from shares issued	-	-	-	0.0	0.0
Disposal of treasury shares	-	-	-	0.2	0.7
Dividend paid	-	-	-70.6	-54.0	-54.0
	1.0	-16.8	-68.1	-70.4	-69.6
Closing balance at end of period	245.4	216.4	245.4	216.4	243.5



Notes to the condensed financial statements

1: General information

Kindred Group plc ('the Company') and its subsidiaries (together, 'the Group') is an online gambling business with over 20.7 million registered customers worldwide as at 30 September 2017 and is one of the largest publicly quoted online gambling operators in the European market.

The Company is a limited liability company incorporated and domiciled in Malta. The Group's most significant subsidiaries can be found in Malta, the United Kingdom, Sweden, France, Italy, Gibraltar and Australia.

The Company is only listed on the NASDAQ Stockholm.

This condensed consolidated interim financial information was approved for issue on 27 October 2017.

2: Basis of preparation

This condensed interim financial information for the nine-month period ended 30 September 2017 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim condensed financial report should be read in conjunction with the annual financial statements (Annual Report) for the year ended 31 December 2016.

The next annual financial statements will be prepared in accordance with IFRS as adopted by the European Union and drawn up to the year ending 31 December 2017.

Following the acquisition of 32Red the Group's borrowings increased significantly, however the Directors consider the Group to be a going concern as it is performing strongly and has sufficient funds to repay these borrowings as they fall due.

3: Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these consolidated interim financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2016, except for:

- Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings, in line with IAS 12.

IFRS 13 requires management to identify a three-level hierarchy of financial assets and liabilities at fair value. The financial assets at fair value are immaterial and financial liabilities at fair value have been measured using inputs based on unobservable market data (defined as level three by IFRS 13). The financial liabilities at fair value through profit and loss consist of deferred income relating to unsettled bets at balance sheet date. The fair value amount of the deferred income as at 30 September 2017 and 31 December 2016 is reported in the consolidated balance sheet on page 12. A reasonable change in assumptions would not give rise to a material change in value.

There are no new International Financial Reporting Standards or Interpretations implemented during the period that had a material effect on these consolidated interim financial statements.

For detail of accounting standards that have been issued but are not yet effective and have not been early adopted by the Group, please refer to page 65 of the Annual Report for the year ended 31 December 2016.



4: Items affecting comparability

The Group defines items affecting comparability as those items which, by their size or nature in relation to both the Group and individual segments, should be separately disclosed in order to give a full understanding of the Group's underlying financial performance, and aid comparability of the Group's results between periods.

Items affecting comparability include, to the extent they are material, merger and acquisition transaction costs, management incentive costs relating to acquisitions, amortisation of acquired intangible assets, and foreign currency losses on operating items.

GBP 'm	Nine months ended 30-Sep-17	Nine months ended 30-Sep-16	Full Year 2016
M&A costs	-3.2	-	-
Management incentive costs relating to acquisitions	-0.8	-2.6	-3.0
Accelerated amortisation of acquired intangible assets	-3.1	-	-
Amortisation of acquired intangible assets	-7.9	-5.5	-8.2
Foreign currency loss on operating items	-1.1	-1.7	-0.6
Total	-16.1	-9.8	-11.8

Merger and acquisition costs are one-off costs associated with the acquisition of 32Red.

Management incentive costs relating to acquisitions refer to costs in connection with the acquisitions of iGame and Stan James Online in 2015.

Amortisation of acquired intangible assets is the charge on IFRS 3 Business combination acquired assets over the useful economic life of the asset, and is included as part of the Group's total amortisation charge.

As a result of the rationalisation of its brands, the Kindred Group has taken a non-recurring, non-cash amortisation charge of GBP 3.1 million for the nine months ended 30 September 2017 to write down the value of the discontinued brands. These fair value adjustments will have no impact on free cash flow or the dividend payment capacity of Kindred Group plc.



5: Operating Segments

(a) Reconciliation of segment revenues to profit from operation

For the nine months ended 30 September 2017 GBP 'm	Nordic Region	Western Europe	Central, Eastern & Southern Europe	Other	Total
Gross winnings revenue as reported	213.4	254.1	34.9	11.0	513.4
Cost of sales	-60.9	-111.4	-14.2	-9.6	-196.1
Gross profit	152.5	142.7	20.7	1.4	317.3
Marketing costs					-105.3
Administrative expenses					-116.2
Items affecting comparability					-16.1
Profit from operations					79.7

For the nine months ended 30 September 2016 GBP 'm	Nordic Region	Western Europe	Central, Eastern & Southern Europe	Other	Total
Gross winnings revenue as reported	172.1	176.2	34.5	8.5	391.3
Cost of sales	-51.5	-74.1	-13.4	-6.1	-145.1
Gross profit	120.6	102.1	21.1	2.4	246.2
Marketing costs					-83.8
Administrative expenses					-87.3
Items affecting comparability					-9.8
Profit from operations					65.3

(b) Product revenues by principal product groups

GBP 'm	Nine months ended 30-Sep-17	Nine months ended 30-Sep-16
Sports Betting (after Free Bets)	225.3	177.0
Casino	261.0	194.5
Poker	10.6	9.0
Other	16.5	10.8
Total Gross winnings revenue	513.4	391.3



6: Intangible assets and property, plant & equipment

Nine months ended 30 September 2017 GBP 'm		Goodwill	Other intangible assets	Property, plant & equipment
Opening net book amount 1 January 2017		184.9	93.9	12.7
Additions		-	14.7	11.7
Additions - through business combinations		97.5	78.6	0.8
Disposals		-	-	-0.1
Currency translation adjustment		2.2	1.3	0.3
Amortisation / depreciation		-	-21.7	-5.1
Closing net book amount at 30 September 2017		284.6	166.8	20.3

Nine months ended 30 September 2016 GBP 'm		Goodwill	Other intangible assets	Property, plant & equipment
Opening net book amount 1 January 2016		172.0	85.9	7.6
Additions		-	14.2	8.0
Disposals		-	-0.0	-0.6
Currency translation adjustment		13.1	7.9	0.5
Amortisation / depreciation		-	-13.0	-3.5
Closing net book amount at 30 September 2016		185.1	95.0	12.0

7: Convertible bond

In May 2014, the Group subscribed to a GBP 6.0 million convertible bond issued by Kambi as part of the disposal. The bond has an embedded contingent option to provide change of control protection to both the Group and Kambi. The option can only be exercised on the occurrence of limited trigger events. The fair value of the option at 30 September 2017 is GBP 0.1 (0.2) million.

8: Share capital and share premium

GBP 'm	Number of shares (millions)	Share capital	Share premium	Total
Opening balance 1 January 2017	230.1	0.1	81.5	81.6
Increase in issued shares	-	-	-	-
At 30 September 2017	230.1	0.1	81.5	81.6

GBP 'm	Number of shares (millions)	Share capital	Share premium	Total
Opening balance 1 January 2016	230.1	0.1	81.5	81.6
Increase in issued shares	0.0	-	0.0	0.0
At 30 September 2016	230.1	0.1	81.5	81.6



9: Borrowing and loans

GBP 'm	30-Sep-17	30-Sep-16
Non-current	45.0	-
Current	202.8	60.2
Total	247.8	60.2

Movements in borrowings are analysed as follows:

GBP 'm	Borrowings
Opening balance 1 January 2017	54.6
Drawdown of borrowings	233.7
Repayment of borrowings	-43.2
Translation loss on borrowings	2.7
At 30 September 2017	247.8
Opening balance 1 January 2016	56.7
Drawdown of borrowings	39.9
Repayment of borrowings	-42.0
Translation loss on borrowings	5.6
At 30 September 2016	60.2

10: Dividend

A dividend of GBP 0.310 (0.235) per ordinary share was approved at the AGM on 16 May 2017 and was paid on 23 May 2017.

11: Related party transactions

Related party transactions during the period ended 30 September 2017 totalled GBP 67,019 (241,879).

- GBP 11,923 (105,876) relates to marketing services provided by Football United International Limited, a company of which some of the Kindred Group's board members are non-Executive Board members. The balance due to Football United International Limited was GBP 1,885 (11,636) as at 30 September 2017.
- GBP 46,667 (136,003) relates to consultancy services provided by Kindred Group plc's Board of Directors. As at the period end, GBP 13,000 was owed to the Directors in respect of these services.
- GBP 8,430 relates to legal services provided from Hodgson Bilton. A former non-executive Director in 32Red plc is also a partner in Hodgson Bilton. All amounts due to Hodgson Bilton were settled as at 30 September 2017.
- In 2015, 32Red provided an interest free loan of GBP 84,000 to a member of its senior management team, to assist with a property purchase in Gibraltar. At 30 September 2017, the remaining balance owed to the Group was GBP 60,000.

12: Contingent liabilities

Currently the Group has not provided for potential claims arising from the promotion of gaming activities in certain jurisdictions. Based on current legal advice the Directors do not anticipate that the outcome of proceedings and potential claims, if any, will have a material adverse effect upon the Group's financial position. Further details can be found in the General Legal Environment section of the 2016 Annual Report, on pages 43 and 44.



13: Business combinations

On 6 June 2017, the Kindred Group acquired 100 per cent of the issued share capital of 32Red Group plc and its subsidiaries ("32Red"), a specialist online gambling operator incorporated in Gibraltar, for a cash consideration of GBP 175.6 million. The results of 32Red have been consolidated since this date.

The transaction is consistent with the Kindred group's multi-brand strategy and will further enhance the Group's position in the fast-growing online casino market in the UK.

In line with relevant accounting standards, the figures outlined below are considered provisional.

The net assets of 32Red at the date of acquisition were GBP 78.1 million and, accordingly, goodwill of GBP 97.5 million has been recognised on the Kindred Group's balance sheet.

Since the acquisition date 32Red has contributed GBP 23.3 million of Gross winnings revenue and GBP 4.9 million of underlying EBITDA.

The balance sheet of 32Red at the date of acquisition is set out below:

GBP 'm	Carrying values pre-acquisition	Provisional fair value
Intangible assets	7.5	78.5
Property, plant & equipment	1.0	0.8
Trade and other receivables	4.0	2.5
Cash	12.7	12.7
Trade and other payables	-6.6	-11.7
Customer balances	-2.9	-2.9
Deferred tax liabilities	-	-1.8
Net assets acquired	NA	78.1
Provisional goodwill	NA	97.5
Consideration	NA	175.6

Goodwill represents the result of expected synergies from combining operations of the acquire and the acquirer.

Intangible assets represent immediate access to the 32Red brands and customers within the Western and Southern European markets, which represents one of the key differences between the pre-acquisition carrying values and the subsequent provisional fair values in the table above.

The intangible assets acquired as part of the acquisition of 32Red can be analysed as follows:

GBP 'm	Provisional fair value
Software platform	0.5
Brands	62.7
Customer database	15.3
	78.5

Acquisition related costs of GBP 3.2 million have been charged to the income statement and disclosed as items affecting comparability.



KEY RATIOS

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

	Unaudited Q3 2017	Unaudited Q3 2016	Unaudited Jan - Sep 2017	Unaudited Jan - Sep 2016	Audited Full Year 2016
Operating margin (Profit from operations/gross winnings revenue for the period)	19%	19%	16%	17%	18%
Return on total assets (Profit after tax/average of opening and closing assets for the period)	4%	5%	12%	13%	20%
Return on average equity (annualised) (EBIT/average of opening and closing equity for the period)	63%	51%	43%	41%	42%
Equity:assets ratio	35%	51%	35%	51%	54%
EBITDA margin	24%	23%	21%	21%	22%
Net cash/EBITDA (rolling 12-month basis)	0.576	0.185	0.576	0.185	0.320
Employees at period end	1,350	1,167	1,350	1,167	1,162
Gross cash per share (GBP) (cash at end of period/number of shares at end of period)	0.668	0.308	0.668	0.308	0.388
Net cash less debt per share (GBP) (total cash at period end less customer liabilities and borrowings/number of shares at end of period)	-0.713	-0.175	-0.713	-0.175	-0.070
Operating cash flow before movements in working capital per share (GBP)	0.210	0.145	0.479	0.359	0.534
Earnings per share (GBP)	0.131	0.091	0.293	0.237	0.366
Fully diluted earnings per share (GBP)	0.131	0.091	0.291	0.237	0.365
Number of shares at period end ¹	230,126,200	230,126,200	230,126,200	230,126,200	230,126,200
Fully diluted number of shares at period end	230,988,710	230,549,094	230,988,710	230,549,094	230,520,323
Weighted average number of outstanding shares	227,647,938	229,619,412	227,616,467	229,593,148	229,096,939
Weighted average number of fully diluted outstanding shares	228,514,384	230,050,527	228,496,717	230,238,826	229,737,902

¹ As at 30 September 2017 the total issued shares was 230,126,200 . Of these 2,478,262 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	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 YTD	2016 FY	2015 FY
Gross winnings revenue										
Nordics	26.6	20.4	21.6	21.3	23.5	17.2	18.3	68.6	80.3	58.2
Western Europe	49.6	44.8	37.0	39.5	35.1	32.9	29.0	131.4	136.5	81.9
Central, Eastern and Southern Europe	6.5	5.9	5.0	5.0	5.3	4.2	4.8	17.4	19.3	12.1
Other	3.0	2.1	2.8	2.7	2.8	1.9	2.0	7.9	9.4	9.0
Total	85.7	73.2	66.4	68.5	66.7	56.2	54.1	225.3	245.5	161.2
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	13%	19%	18%	30%	56%	27%	39%	16%	38%	9%
Western Europe	41%	36%	28%	43%	78%	95%	65%	35%	67%	25%
Central, Eastern and Southern Europe	23%	40%	4%	14%	96%	91%	71%	22%	60%	22%
Other	7%	11%	40%	8%	22%	-17%	5%	18%	4%	88%
Total	28%	30%	23%	34%	68%	61%	52%	27%	52%	21%
OTHER PRODUCTS - CASINO, POKER, & OTHER GAMES BY REGION	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 YTD	2016 FY	2015 FY
Gross winnings revenue										
Nordics	49.8	47.4	47.6	46.5	40.4	36.8	35.9	144.8	159.6	102.1
Western Europe	51.1	39.0	32.6	30.8	27.7	26.5	25.0	122.7	110.0	72.4
Central, Eastern and Southern Europe	5.8	5.6	6.1	6.2	6.8	6.6	6.8	17.5	26.4	16.7
Other	1.2	1.4	0.5	0.8	0.7	0.5	0.6	3.1	2.6	1.7
Total	107.9	93.4	86.8	84.3	75.6	70.4	68.3	288.1	298.6	192.9
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	23%	29%	33%	44%	58%	59%	69%	28%	56%	5%
Western Europe	84%	47%	30%	36%	69%	48%	61%	55%	52%	23%
Central, Eastern and Southern Europe	-15%	-15%	-10%	17%	84%	61%	89%	-13%	58%	-1%
Other	71%	180%	-17%	167%	17%	0%	100%	72%	53%	-65%
Total	43%	33%	27%	40%	66%	54%	68%	34%	55%	8%
TOTAL BY REGION	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 YTD	2016 FY	2015 FY
Gross winnings revenue										
Nordics	76.4	67.8	69.2	67.8	63.9	54.0	54.2	213.4	239.9	160.3
Western Europe	100.7	83.8	69.6	70.3	62.8	59.4	54.0	254.1	246.5	154.3
Central, Eastern and Southern Europe	12.3	11.5	11.1	11.2	12.1	10.8	11.6	34.9	45.7	28.8
Other	4.2	3.5	3.3	3.5	3.5	2.4	2.6	11.0	12.0	10.7
Total	193.6	166.6	153.2	152.8	142.3	126.6	122.4	513.4	544.1	354.1
Share of total %										
Nordics	40%	41%	45%	45%	45%	42%	44%	42%	44%	45%
Western Europe	52%	50%	46%	46%	44%	47%	44%	49%	45%	44%
Central, Eastern and Southern Europe	6%	7%	7%	7%	9%	9%	10%	7%	9%	8%
Other	2%	2%	2%	2%	2%	2%	2%	2%	2%	3%
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	20%	26%	28%	40%	57%	48%	58%	24%	50%	6%
Western Europe	60%	41%	29%	40%	74%	71%	63%	44%	60%	24%
Central, Eastern and Southern Europe	2%	6%	-4%	15%	89%	71%	81%	1%	59%	7%
Other	20%	46%	27%	25%	21%	-14%	18%	29%	12%	10%
Total	36%	32%	25%	37%	65%	57%	61%	31%	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	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 YTD	2016 FY	2015 FY
Gross winnings revenue										
Sports Betting	85.7	73.2	66.4	68.5	66.7	56.2	54.1	225.3	245.5	161.2
Casino & Games	99.3	84.3	77.4	74.9	68.5	64.7	61.3	261.0	269.4	171.6
Poker	3.0	3.9	3.7	3.5	3.2	2.6	3.2	10.6	12.5	7.6
Other	5.6	5.2	5.7	5.9	3.9	3.1	3.8	16.5	16.7	13.7
Total	193.6	166.6	153.2	152.8	142.3	126.6	122.4	513.4	544.1	354.1
Share of total %										
Sports Betting	44%	44%	43%	45%	47%	45%	44%	44%	45%	46%
Casino & Games	51%	51%	51%	49%	48%	51%	50%	51%	50%	48%
Poker	2%	2%	2%	2%	2%	2%	3%	2%	2%	2%
Other	3%	3%	4%	4%	3%	2%	3%	3%	3%	4%
Quarterly Year-on-Year & Year-on-Year growth %										
Sports Betting	28%	30%	23%	34%	68%	61%	52%	27%	52%	21%
Casino & Games	45%	30%	26%	39%	62%	59%	76%	34%	57%	15%
Poker	-6%	50%	16%	59%	146%	37%	45%	18%	64%	-10%
Other	44%	68%	50%	34%	44%	0%	9%	53%	22%	-32%

Sports Betting gross margins
(GBP 'm)

	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 YTD	2016 FY	2015 FY
Sports Betting Stakes	1,117.4	1,151.5	1,115.9	976.1	874.9	901.5	845.1	3,384.8	3,597.6	2,248.9
<i>Sports Betting Gross winnings revenue:</i>										
Live Betting	51.0	45.4	43.6	40.4	37.2	35.6	33.8	140.0	147.0	95.1
<i>Live Betting margin</i>	7.2%	6.4%	6.5%	6.8%	6.7%	6.4%	6.3%	6.7%	6.5%	6.5%
<i>Live Betting share</i>	51.3%	52.3%	53.7%	51.0%	48.4%	51.1%	52.2%	52.3%	50.6%	50.4%
Pre-game Betting	48.5	41.4	37.6	38.8	39.6	34.0	31.0	127.5	143.4	93.5
<i>Pre-game Betting margin</i>	11.7%	9.4%	8.4%	10.1%	12.5%	9.8%	10.1%	9.8%	10.5%	12.0%
<i>Pre-game Betting share</i>	48.7%	47.7%	46.3%	49.0%	51.6%	48.9%	47.8%	47.7%	49.4%	49.6%
Total before Free Bets	99.5	86.8	81.2	79.2	76.8	69.6	64.8	267.5	290.4	188.6
<i>Sports Betting margin (before FB)</i>	8.9%	7.5%	7.3%	8.1%	8.8%	7.7%	7.7%	7.9%	8.1%	8.4%
<i>Free Bets</i>	-13.8	-13.6	-14.8	-10.7	-10.1	-13.4	-10.7	-42.2	-44.9	-27.4
Total after Free Bets	85.7	73.2	66.4	68.5	66.7	56.2	54.1	225.3	245.5	161.2
<i>Sports Betting margin (after FB)</i>	7.7%	6.4%	6.0%	7.0%	7.6%	6.2%	6.4%	6.7%	6.8%	7.2%

Total margins (all products)
(%)

	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1	2017 YTD	2016 FY	2015 FY
<i>Total margin all products* (before FB)</i>	4.7%	4.6%	4.5%	4.7%	4.7%	4.6%	4.6%	4.6%	4.7%	4.7%

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

