



# William Hill Australia update

June 2016

*"William Hill, the official betting partner of the Australian Open, is the first bookmaker to sponsor a Grand Slam tennis tournament. The image shows the ultimate winner Novak Djokovic in the final against Andy Murray."*

**William HILL**

# Agenda

1. William Hill Australia update
2. Looking forward
3. Business performance
4. Brand strategy
5. Flexible marketing budget
6. Making product a competitive advantage
7. Regulatory update

# William Hill Australia Update

## What we delivered in 2015

- ✓ Moved to **one brand**
- ✓ Launched **in-play**
- ✓ **Client management** changes
- ✓ Changed **skill mix** in business
- ✓ Up-weighted spend significantly in **IT / Product**

# Looking forward

## Proprietary technology

- Leverage our own technology platform to enable the fastest and hard to replicate product delivery in the market

## Onshore v offshore

- Efficient use of resources across multiple locations in the region, taking advantage of talent and cost

## Flexible marketing budget

- Equipped with data management and media mix modelling, budget is directed towards most efficient channels, with the lowest ratio CPA / Life Time Value

## One global brand

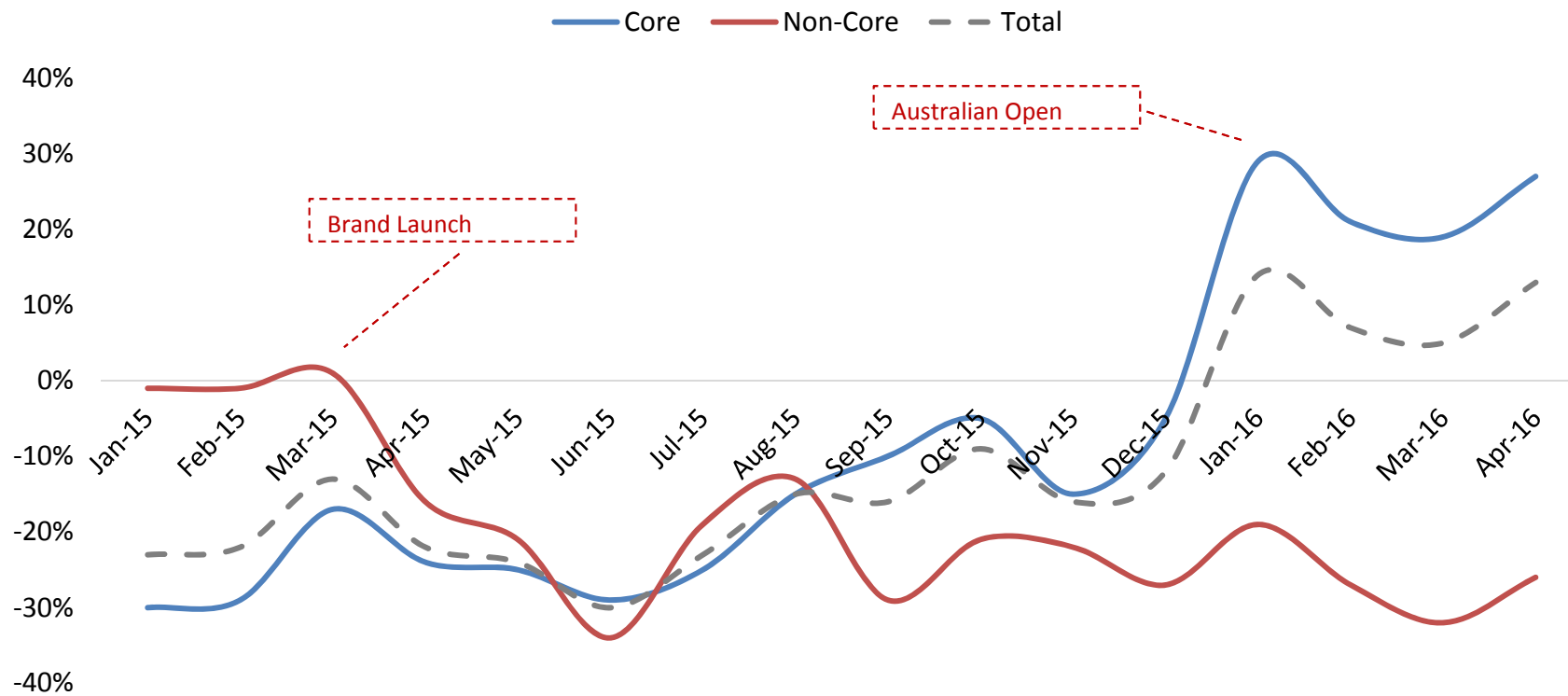
- One global brand unlocks valuable opportunities for economies of scale in marketing investment, not accessible to every operator

## Scale wins

- Increase in product fees and shift to digital (auction-base) scale of spend is increasingly important

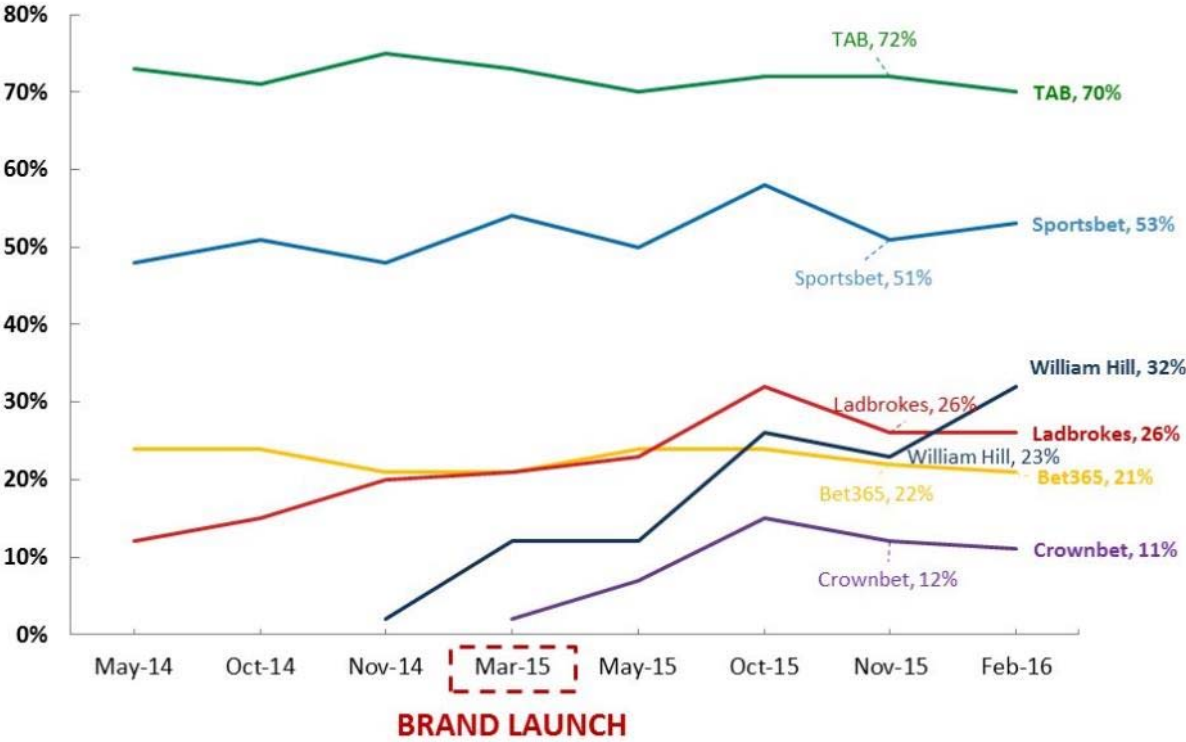
# Core business performance

## Core v Non-Core YoY Growth (turnover)



1. Core includes Sportingbet customers, tomwaterhouse.com and BDM as if they had been under the William Hill brand throughout 2015. Centrebet customers are included in 'Non-Core'.

# Brand strategy



- ✓ Brand launched Mar 2015
- ✓ Challenger brand
- ✓ Strongly positioned as number 3 in <12 months
- ✓ Spontaneous awareness increased from 2% to 32% in <12 months
- ✓ Outperforming all other recent entrants including Bet365, Ladbrokes, Crownbet

# Flexible and competitive marketing budget

- Changed marketing mix to compete in Australia
- Up-weighted digital spend
- Strategy to enter 2016 with less contracted spend so we can be more flexible/tactical
- Ability to be agile and up-weight digital spend around product releases and when campaigns are performing well

## Committed / contracted budget %

FY 2015	FY 2014
52%	67%

# Making product a competitive advantage

- ✓ Proprietary technology platform enables rapid product release
- ✓ Anytime releases with zero downtime to customers
- ✓ Cash Card launched on schedule, Cash Out in Q2 2016
- ✓ 12 concurrent streams of work
- ✓ Over 40 initiatives planned in six months

							
<b>Core systems</b>	Anytime	6 months*	3-6 months	2-4 weeks	2-4 weeks	2-4 weeks	3-6 months
<b>Web</b>	Anytime	1 week	4 weeks	1 week	2 weeks	2 weeks	4 weeks
<b>Mobile apps</b>	2 weeks	4-8 weeks	>8 weeks	4-8 weeks	2 weeks	4-8 weeks	>8 weeks

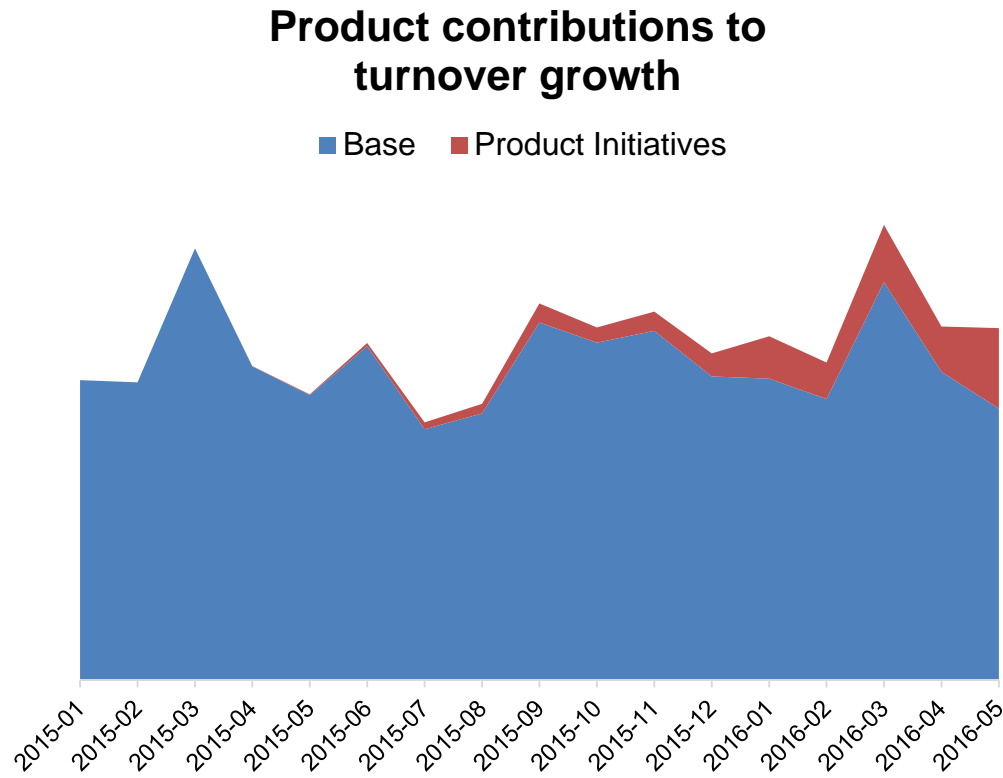
\* Reliant on synchronizing releases with OpenBet which is up to six months



# H1 roadmap delivery

	January	March	May	MIDAS
Revenue-generating product	US Sports Optimisation (NBA)	Twenty20 (GTP - in-play)	Verify Online	TW Migration
	Player Props (Cricket)	Cash Card	Tablet Wrapper	Menu, market and event ordering
	Jockey Challenge (iOS)	Racing Redesign (An)	Web to Native 3	GTP Tennis
	QuickBet (iOS)	Late Bet Tolerance		Summer Tennis Integration
	Web to Native 1 (iOS)	Price Tolerance (in-play)		NRL/ AFL in-play markets
	Player Props (AFL)	Intercom		iPhone app
	Player Props (NFL)	Registration Abandonment		Deposit/ withdrawal optimisation
	Derived Markets (AvB)	Derived Markets 2 (w/o; Insurance)		Racecard Navigation
		Reverse Withdrawal (An)		Next To Jump
		Facebook SDK		Exotics Navigation
				Sports streaming

# Contribution of product



- Product investments have delivered great ROI (<6 months)
- Major product releases so far
  - ✓ a new mobile app (iOS and Android)
  - ✓ Cash Card
  - ✓ iOS Quick Bet
  - ✓ Cash Out
- Innovation and optimization is at the centre of our product development process, with a pipeline of 200+ product ideas

# Regulatory update

- Government response to O'Farrell review of illegal offshore wagering
- Strategy focusing on non-levy sports, particularly in-play

## O'Farrell review

- In-play
- Credit betting

## Product fees

- Racing and sports fees