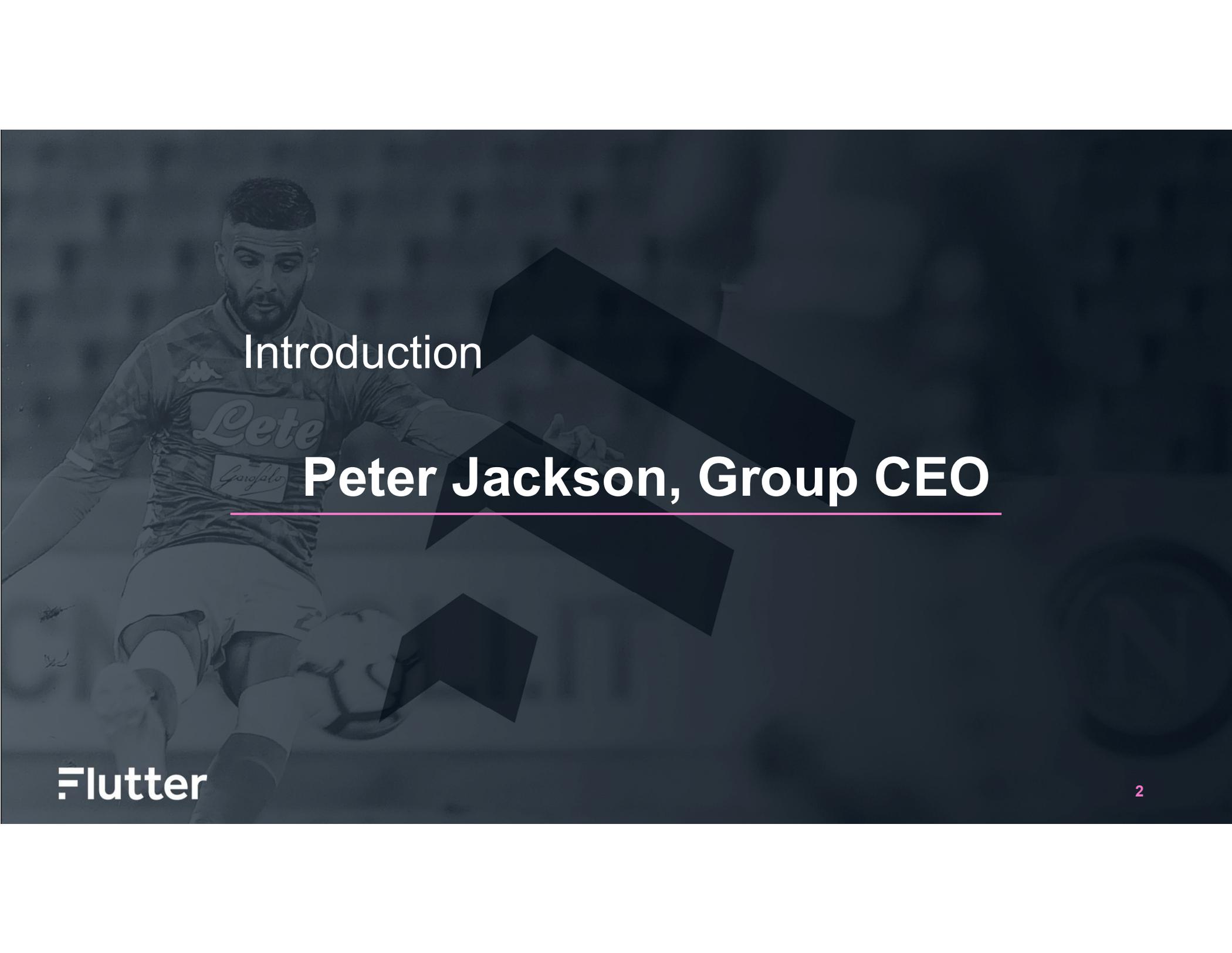


Interim Results 2019



Introduction

Peter Jackson, Group CEO

Flutter

Today's Agenda

- Progress year-to-date against four pillar strategy
- Financial review
- Operating review
 - PPB
 - Australian market and Sportsbet (Barni Evans, CEO Sportsbet)
 - US market and FanDuel

Progress YTD on four pillar strategy

Growing a more diversified and sustainable business

Maximise profitable growth in core markets

- 1) **UK & Ireland:** PP growing recreational customer base
- 2) **Australia:** Sportsbet driving standout performance
- 3) **Protecting customers** through enhanced responsible gambling measures

- Grow market share
- Sustainable cash generation

Grow Betfair in rest of world

- 1) **Localisation:**
 - Country specific pricing
 - Currencies
 - Content
- 2) **Investing** in more streamlined back-end capability to create flexibility

- Increase diversification
- Access to additional growth markets

Attain podium positions in additional regulated markets

- 1) **Acquisition of 51% controlling stake in Adjarabet:** Market leader in Georgia with growing presence in Armenia

Pursue US opportunity rigorously

- 1) **Leading** with 50% market share in New Jersey in H1 2019
- 2) **Expanding** online presence. Live in NJ and PA for NFL season
- 3) **Cross-sell** to casino helping to drive c.100% growth in H1 2019 gaming revenues

- Huge opportunity
- Create long-term value

Financial Review

Jonathan Hill, CFO

Key Financial Highlights

		H1 2019	H1 2018	YOY%
Revenue	Revenue	1,020	867	+18%
Profitability	Underlying EBITDA (Pre-IFRS 16)	196	217	-10%
	Underlying Profit before tax	140	172	-23%
	Reported Profit before tax	81	106	-24%
	Underlying Earnings per share	148.0p	173.6p	-15%
	Earnings per share	97.8p	103.7p	-6%
Financial position	Net (debt) / cash	£(356)m	£148m	
	Net debt / LTM EBITDA	0.8x	-0.3x	
Shareholder returns	Interim dividend per share	67p	67p	

- Strong revenue increase from organic growth and acquisitions
- Underlying EBITDA lower due to impact of tax, regulatory changes and market switch offs.
 - +15% excluding tax and regulatory changes
- Share buybacks benefitting EPS
- Interim dividend maintained at 67p per share

EBITDA Bridge – Proforma Group (ex US)

Underlying EBITDA: +£25m / +15%



- Underlying EBITDA +15% in H1 2019
 - +18% adjusting for impact of market switch offs
- Significant impact of tax and regulatory changes

¹ EBITDA impact of revenue growth estimated using average 2019 cost of sales %

² Includes increased underlying cost of sales and operating costs

Group P&L Summary

£m	H1 2019	H1 2019 Pre-IFRS 16	H1 2018	YOY %
Revenue	1,020	1,020	867	+18%
Gross profit	719	719	657	+9%
Underlying EBITDA	216	196	217	-10%
Depreciation & amortisation	(69)	(51)	(43)	+18%
Underlying operating profit	147	145	174	-17%
Underlying net interest	(7)	(5)	(2)	+323% ¹
Separately disclosed items (SDIs)	(59)	(59)	(66)	-11% ¹
Profit before tax	81	82	106	-24%¹
Tax	(13)		(18)	-26% ¹
Profit after tax	68		88	-23%¹
Non-controlling interest	9		-	-
Profit attributable to equity holders of the company	77		88	-13%¹

¹ YOY % growth shown on a post-IFRS 16 basis

- Limited IFRS16 impact on PBT
- D&A increasing with investment in technology and product improvements
- Increase in interest charge reflects Group's debt position
- SDIs relate to amortisation of acquired intangibles on 2016 merger, FanDuel and Adjarabet acquisitions
- Non-controlling interest comprises earnings attributable to FanDuel & Adjarabet minority shareholders

Online

£m, Pre-IFRS 16	H1 2019	H1 2018	YOY
Sportsbook stakes	2,682	2,735	-2%
<i>Sportsbook net revenue %</i>	<i>7.7%</i>	<i>7.5%</i>	<i>+20bps</i>
Sports revenue	334	335	Flat
Gaming revenue	163	127	+29%
Total revenue	497	462	+8%
Cost of sales	(138)	(109)	+26%
<i>Cost of sales net revenue %</i>	<i>27.7%</i>	<i>23.6%</i>	<i>+410bps</i>
Gross profit	359	353	+2%
<i>Gross margin %</i>	<i>72.3%</i>	<i>76.4%</i>	<i>-410bps</i>
Sales & marketing costs	(128)	(128)	Flat
Contribution	231	225	+3%
<i>Contribution margin %</i>	<i>46.5%</i>	<i>48.7%</i>	<i>-220bps</i>
Other operating costs	(92)	(83)	+10%
Underlying EBITDA	139	142	-2%
<i>EBITDA margin %</i>	<i>28.0%</i>	<i>30.7%</i>	<i>-270bps</i>

- Stake reduction reflects introduction of sportsbook country specific pricing in international markets
- International sportsbook revenues up 30% year-on-year stripping out World Cup and market switch offs
- Net revenue margin 20 bps ahead of expected margin in H1
- Gaming growth +8% ex Adjarabet
- Marketing flat in H1 YOY notwithstanding £17m we spent on World Cup in H1 last year
- Cost of sales increase primarily due to increased taxes in UK and Ireland
- Total operating costs flat ex Adjarabet

Australia

£m, Pre-IFRS 16	H1 2019	H1 2018	YOY	YOY CC
Sportsbook stakes	2,114	1,935	+9%	+12%
<i>Sportsbook net revenue %</i>	9.8%	9.4%	+40bps	+40bps
Revenue	207	182	+14%	+16%
Cost of sales	(83)	(51)	+63%	+67%
<i>Cost of sales net revenue %</i>	40.2%	28.0%	+1,220bps	+1,220bps
Gross profit	124	131	-6%	-3%
<i>Gross margin %</i>	59.8%	72.0%	-1,220bps	-1,220bps
Sales & marketing costs	(34)	(40)	-15%	-13%
Contribution	90	91	-1%	+1%
<i>Contribution margin %</i>	43.1%	49.7%	-660bps	-660bps
Other operating costs	(33)	(32)	+1%	+4%
Underlying EBITDA	57	59	-3%	-1%
<i>EBITDA margin %</i>	27.4%	32.2%	-480bps	-480bps

- Revenue growth benefits from growing active customers and improvements in net revenue margin
- Net revenue margin in line with expected margin
- Reduction in marketing reflecting additional investment made last year ahead of POC
- EBITDA growth 64% excluding impact of tax and regulatory changes

US

£m, Pre-IFRS 16, Proforma ¹	H1 2019	H1 2018 ²	YOY	US\$ YOY
Sports revenue	140	94	+49%	+40%
Gaming revenue	20	9	+116%	+103%
Total revenue	160	103	+55%	+46%
Cost of sales	(44)	(19)	+139%	+124%
<i>Cost of sales net revenue %</i>	<i>27.7%</i>	<i>18.0%</i>	<i>+970bps</i>	<i>+970bps</i>
Gross profit	116	85	+37%	+29%
<i>Gross margin %</i>	<i>72.3%</i>	<i>82.0%</i>	<i>-970bps</i>	<i>-970bps</i>
Sales & marketing costs	(48)	(33)	+45%	+37%
Contribution	68	52	+31%	+23%
<i>Contribution margin %</i>	<i>42.4%</i>	<i>50.0%</i>	<i>-760bps</i>	<i>-770bps</i>
Other operating costs	(65)	(42)	+55%	+46%
Underlying EBITDA	3	9	-73%	-75%

- Excluding sportsbook; double digit contribution growth in line with expectations
- Gaming benefits from cross-sell from sportsbook
- EBITDA of the US business highly seasonal

¹ Proforma results include the FanDuel fantasy sports business as if it had always been part of the Group

² Difference due to rounding

Retail

£m, Pre-IFRS 16	H1 2019	H1 2018	YOY
Sportsbook stakes	907	875	+4%
<i>Sportsbook net revenue %</i>	<i>12.5%</i>	<i>12.4%</i>	<i>+10bps</i>
Sports revenue	113	108	+5%
Gaming revenue	43	54	-21%
Total revenue	156	162	-4%
Cost of sales	(36)	(36)	Flat
<i>Cost of sales net revenue %</i>	<i>23.0%</i>	<i>22.2%</i>	<i>+80bps</i>
Gross profit	120	126	-5%
<i>Gross margin %</i>	<i>77.0%</i>	<i>77.8%</i>	<i>-80bps</i>
Sales & marketing costs	(3)	(3)	+2%
Contribution	117	123	-5%
<i>Contribution margin %</i>	<i>74.8%</i>	<i>75.7%</i>	<i>-90bps</i>
Other operating costs	(91)	(89)	+3%
Underlying EBITDA	26	34	-26%
<i>EBITDA margin %</i>	<i>16.3%</i>	<i>21.2%</i>	<i>-490bps</i>

- 6% revenue growth in Ireland
- UK sportsbook revenue growth of +5% driven by increase in stakes
- H1 FOBT impact on UK gaming revenue -21% with Q2 impact -44%
- Well positioned to take advantage of competitor flux due to high quality estate

Cash flow (Pre-IFRS 16)

£m	H1 2019 ¹	H1 2018
Underlying EBITDA	196	217
Capex	(55)	(50)
Working capital	22	(42)
Corporation tax	(22)	(37)
Underlying free cash flow	141	88
Cash flow from separately disclosed items	(2)	20
Free cash flow	139	108
Dividends paid	(104)	(114)
Adjarabet acquisition	(102)	-
Share buyback	(87)	(87)
Legacy Greek and German tax	(40)	-
Interest and other borrowing costs	(3)	(2)
Other	2	-
Net proceeds from issue of new shares	-	2
Net decrease in cash	(194)	(93)
Net (debt)/cash at start of period	(162)	244
Foreign currency exchange translation	(1)	(3)
Net (debt)/cash at period end	(356)	148

¹ Differences due to rounding

- Capital expenditure increase reflects growth in US investment
- Working capital benefitted from
 - Unwind of material prepayments made in 2018 relating to European marketing assets
 - Timing of H1 payments made in 2018
- Buyback completed in February 2019 returning £500m in total to shareholders

Financial guidance

Group outlook

Group (ex US)

- Full year 2019 (pre-IFRS 16) EBITDA expected to be between £420m and £440m

US

- Expected (pre-IFRS 16) EBITDA loss of around £55m based on investment in customer acquisition

Other Financial guidance

Regulatory

- H2 revenue and EBITDA impact of international market switch offs expected to be £10m and £7m respectively

Marketing

- PPB Online marketing spend in H2 2019 expected to be £10m lower than H2 2018
- Sportsbet sales and marketing spend as a % of revenues expected to be similar in H2 to H1

FX

- At current spot FX rates, FX will be a c. £4m headwind in H2 2019 versus H2 2018

Tax

- Group (ex-US) underlying effective tax rate for FY 2019 still expected to be 12-14%.
- Group underlying effective tax rate including US expected to be 16-18% for FY19

Operating Review

Peter Jackson, Group CEO
Barni Evans, CEO Sportsbet

Leading by example on Responsible Gambling

Core to Group strategy is to grow a more sustainable business by:

Protecting customers through machine learning:

- Customer Activity Awareness Program refined ('CAAP')
- Real time reaction to triggers by monitoring >100 behaviours



Collaborating with industry bodies:

- Committed to working with variety of organisations
- Funding research and supporting initiatives promoting safer environment for customers



Collaborating as operators:

- Key operators designed a package of measures including:
 - 1% GGR contribution to problem gambling funds
 - Promote safer advertising
 - Use technology to protect customers
 - Work closer and share data to aid the above
- All operators have agreed to report on progress

Taking a company wide approach:



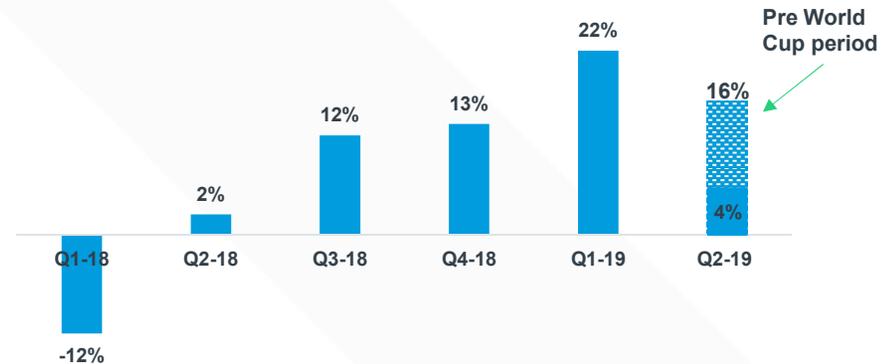
Paddy Power: Growing recreational customer base

Investment in brand and promotional generosity



Continuing to drive customer acquisition and engagement

YoY growth in Paddy Power average daily active customers



- Innovative and distinctive brand continuing to attract new customers to Paddy Power
- Targeted customer generosity more than doubled Paddy's Rewards Club sign ups with Rhodri campaign and expansion to gaming
- Increased access to market leading gaming content

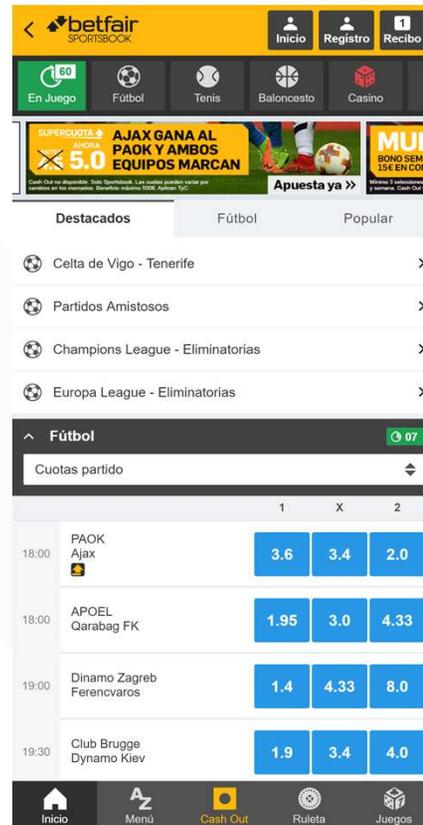
Betfair: Enhancing customer experience with product and promotion

Improving product

- Sportsbook country specific pricing rolled out
- More to come...
 - More languages
 - More currencies
 - More payment methods
 - More localised content

Rewarding loyalty efficiently

- My Betfair Rewards increasing customer engagement
- Expanded generosity on exchange
 - More competitive with low margin sportsbooks
 - Improved value perception



Betfair International

- Regulatory changes resulting in market switch offs
- Underlying growth demonstrating solid foundation for future expansion
- Betfair International sportsbook revenues +30% excluding impact of switch offs and the World Cup





Australian and Sportsbet update

Barni Evans, CEO Sportsbet

What are the drivers of Sportsbet's success?

Proven scalable business model built through investment in...

Product

- Personalisation
- New product

Value

- Targeting
- Innovation

Marketing

- Brand
- Marketing technology

Underpinned by excellence in execution...

- Analytics

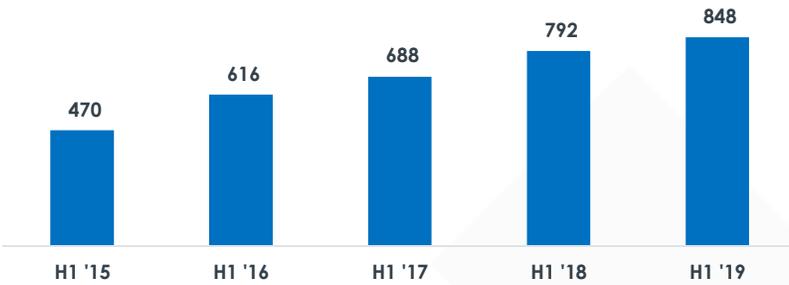
- Automation

- Efficiency

A long track record of success...

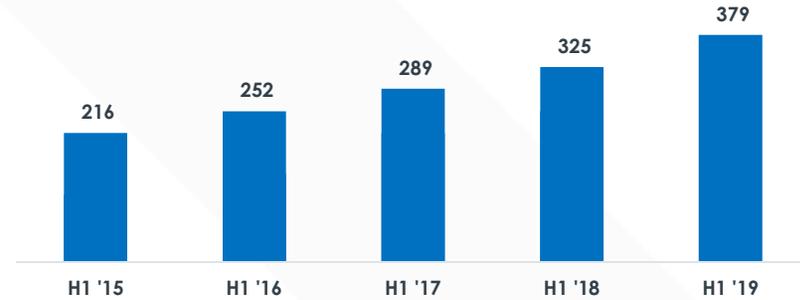
Active customers

H1 2019 (A\$m) CAGR +16%



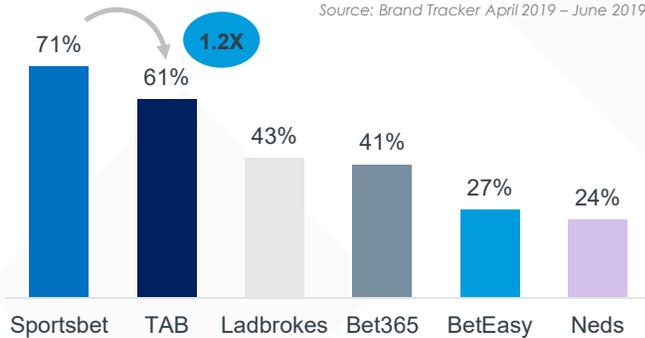
Net revenue

H1 2019 (A\$m) CAGR +15%



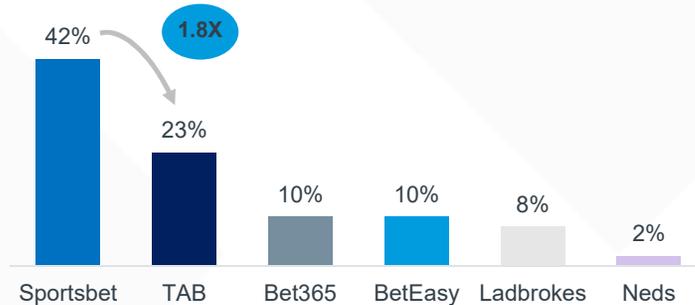
Spontaneous brand awareness

Source: Brand Tracker April 2019 – June 2019



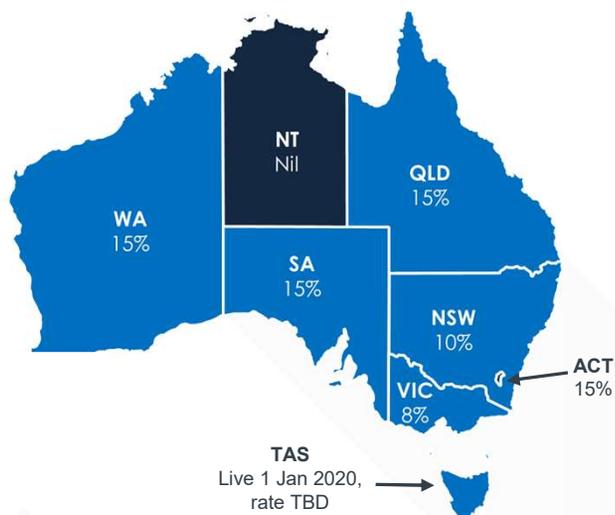
Main mobile account used

Source: Brand Tracker April 2019 – June 2019



Tax & regulatory update: 2019 a year of significant change

Point of consumption tax



- First year of POC in all states (excl. TAS and NT)
- Blended rate in H1 2019 c.11% of gross revenue
- Greater impact on sub scale competitors

Other regulatory considerations

- Product fee increases
- National Consumer Protection Framework:
 - Prohibition of sign-up offers
 - All customers offered deposit limits
- NSW advertising restrictions

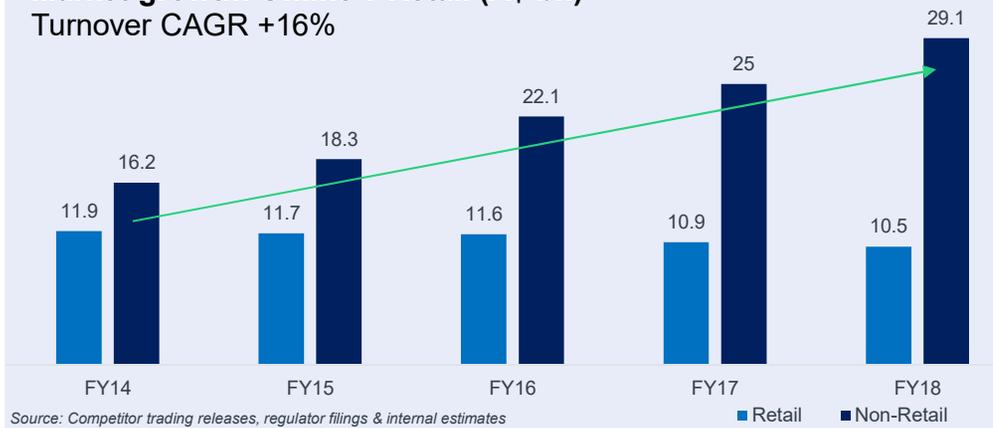
Response to date

- Market remains very competitive overall
- Sportsbet's increased marketing investment during 2018 has generated good levels of customer engagement
- Corporates behaving rationally so far; some digital media asset deflation with certain assets given up

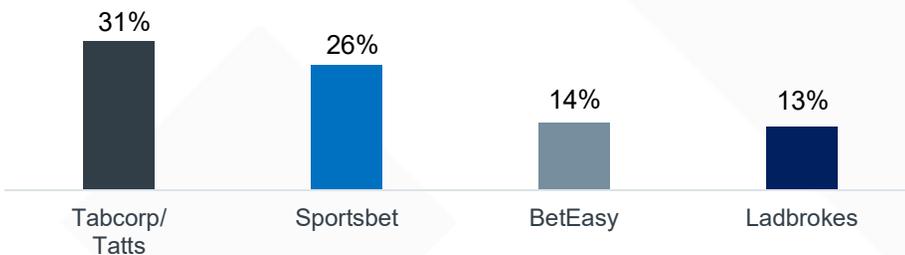
Market remains attractive for scale players

Market growth: Online v Retail (A\$'bn)

Turnover CAGR +16%



Market share non-retail revenue



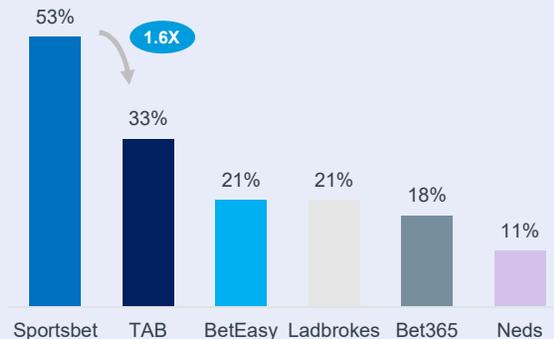
Source: Competitor filings and Internal Estimates Non-retail – Online and Telephone

- Significant opportunity for growth driven by shift from retail to online and traditional tote betting to fixed odds
- Sector consolidation driven by regulatory and tax changes
 - Tabcorp merged with Tatts Q4 2017
 - Stars Group acquired Crownbet and William Hill in 2018 (rebranded to BetEasy)
 - Ladbrokes acquired Neds Q4 2018
- Sportsbet consistently growing market share
 - Market share grown from c.21% in CY14 to c.26% in CY18

Current initiatives – product, value and brand

Product and Personalisation

- Enhanced personalised experiences
- Improving speed and choice
- Empowering customers to create new ways to bet
- Easiest to use brand in the market



Value strategy

- Market leading value proposition
- Targeted generosity to customers, key sports and higher margin products
- Justice refunds and early payouts to reinforce value proposition and drive brand awareness



Superior brand proposition

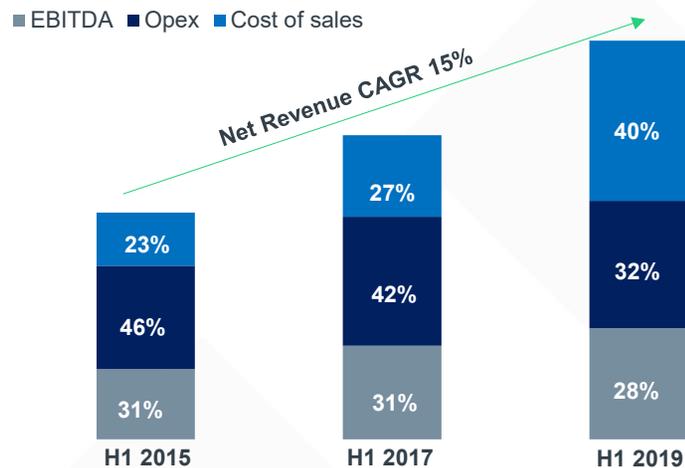
- Creating key strategic partnerships
- Leveraging marketing technology to drive conversion of customers
- Improving marketing efficiency
 - Increasing payback while maintaining buying power
 - Superior acquisition channel mix



sportsbet

Operating leverage track record gives us confidence for the future

P&L breakdown as a % of net revenue¹



EBITDA (AUS\$): \$66m \$89m \$104m

¹In local currency

- Cost of Sales as % of revenue has increased from 23% to 40% over last 4 years
- Increase due to taxes and product fees
- Much of this has been successfully offset through improved efficiency within the business
- With good growth prospects we remain confident in our future outlook

FanDuel is well positioned to succeed in the US

- An **established sports-focused brand** with high national awareness
- An extensive and growing national customer base with **over 8.5 million registered customers**
- Unique **cross-sell opportunities** across four distinct product verticals
- Substantial **scale, resources** and **operational expertise** (established locally & supported by Group)

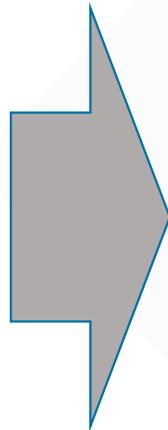
Proven delivery on brand and leveraging fantasy database in NJ

National scale

- National footprint with >8.5m customers
- 4 Products for cross-sell
- Operating leverage

Brand

- \$400m+ invested in FanDuel brand
- High national awareness
- Proven ability to drive growth



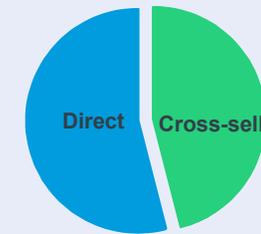
50% market share in NJ in H1 2019



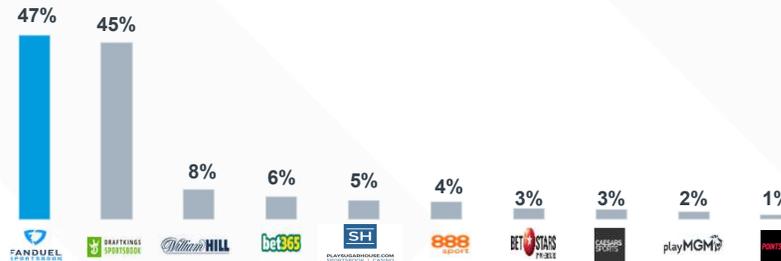
Source: DGE monthly reports

Successful Fantasy cross-sell

Source of Sportsbook customers



Leading brand awareness



Source: Beall Research. 2Q19. Survey of NY/NJ/PA prospective bettors

Leading expansion of online sports betting

People & Resources

- 800+ employees, c. 300 in Product Development
- Access to Flutter global resources
- Healthy balance sheet with access to capital

Product & Technology

- Heritage of proprietary tech from the fantasy business
- Access to Flutter global technology
- Digital + gambling DNA

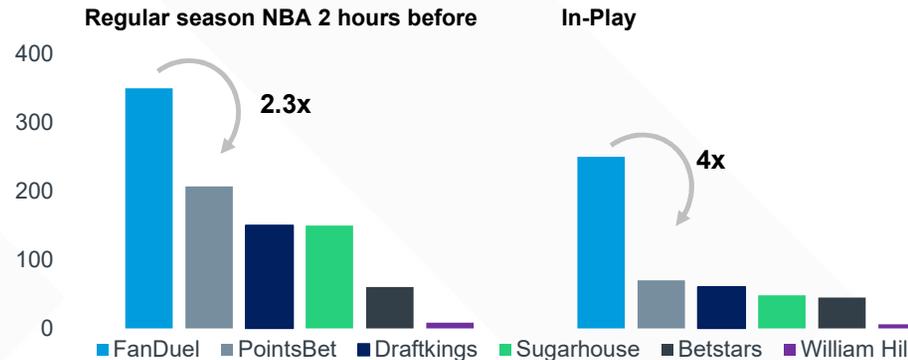
Leading product proposition

- Easy to use app, live in NJ & PA
- First to market with US specific betting methods (e.g. teasers; round-robins; action-listed pitcher in baseball)
- Further features in pipeline for NFL season

First app to launch in PA in the Apple store



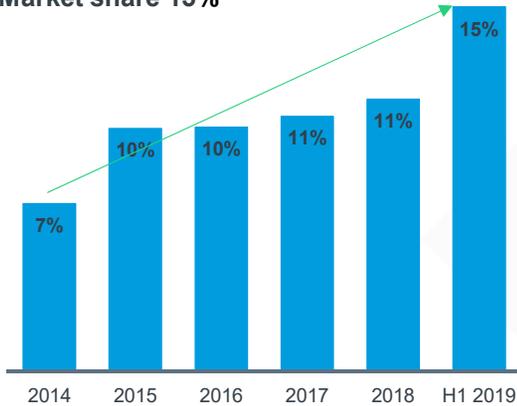
Significantly more betting markets



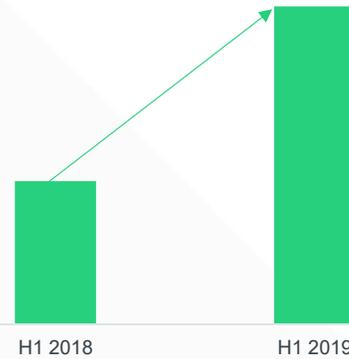
US Casino growth materially accelerated by cross-sell

Casino growth

Market share 15%



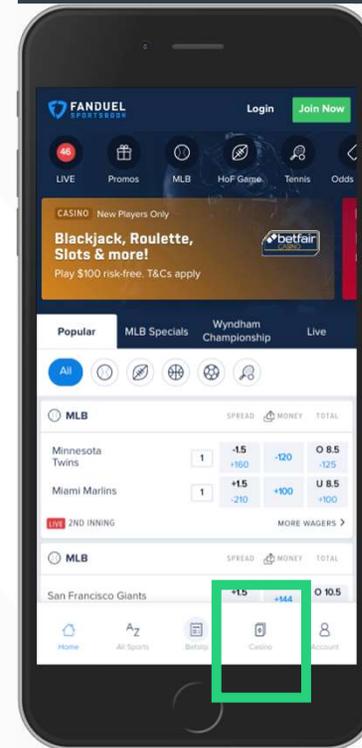
Revenue Growth +103%



Source: DGE monthly reports and internal data

- Strong, direct growth over last 3 years
- Accelerated growth since launching sportsbook cross-sell in Dec'18
- c.15% of the overall market share in H1 2019
- 103% revenue growth in H1 2019

Casino cross-sell



- Continuing to enhance the cross-sell journey
- Launch of embedded content which accelerated growth in Europe

Embedded casino content now live

Encouraging online regulatory momentum

Legislation enabling online betting passed in 10 states since PASPA repealed

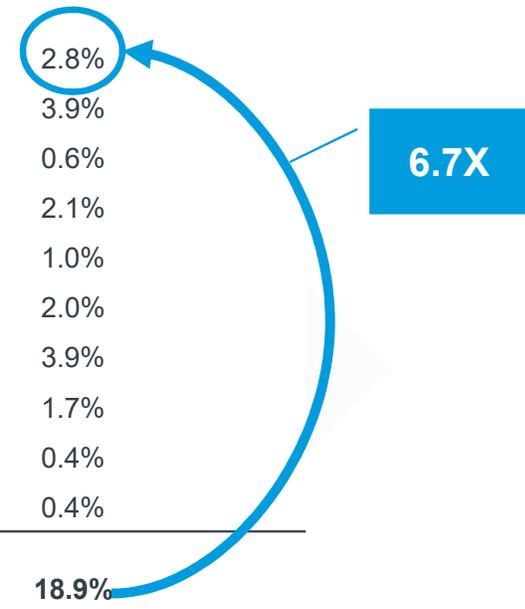
States legislated	Online sportsbook	Online casino	Retail sportsbook	Date of online legislation	Population as % of US
New Jersey	Yes	Yes	Yes	Q2 2018	2.8%
Pennsylvania	Yes	Yes	Yes	Q2 2018	3.9%
West Virginia	Yes	No	Yes	Q2 2018	0.6%
Tennessee	Yes	No	No	Q2 2019	2.1%
Iowa ¹	Yes	No	Yes	Q2 2019	1.0%
Indiana	Yes	No	Yes	Q2 2019	2.0%
Illinois ¹	Yes	No	Yes	Q2 2019	3.9%
Colorado ²	Yes	No	Yes	Q2 2019	1.7%
Maine ³	Yes	No	No	Q2 2019	0.4%
New Hampshire ⁴	Yes	No	No	Q3 2019	0.4%

¹Initial in-store sign-up period followed by untethered mobile

²Subject to ballot referendum in November 2019

³Bill passed with legislation becoming effective from 1 January 2020 (subject to Governor not exercising veto in January 2020)

⁴Legislation enables lottery to award sports betting contracts to operators



Already 2/3 of the way to a 10x NJ market size

Here is the illustration we showed you in March...

	\$bn
Sports Market GGR at 10x New Jersey ¹	~6.0
Potential Market Share ²	20%
Gross Revenue	1.2
Bonuses at 20%	(0.2)
Net Revenue	<u>1.0</u>
Contribution at 40% Margin	0.4
Contribution from Existing Businesses	0.2
Total Contribution³	\$0.6bn

And here is where we are today...

	Population % of US	Multiple of NJ	Implied market size \$bn
Live today	6.7%	2.4x	1.4
Upcoming	12.2%	4.3x	<u>2.6</u>
	18.9%	6.7x	\$4.0

- Based on regulatory progress to date our 10x market size illustration could quickly be surpassed
- FanDuel very well positioned to take advantage of this market opportunity

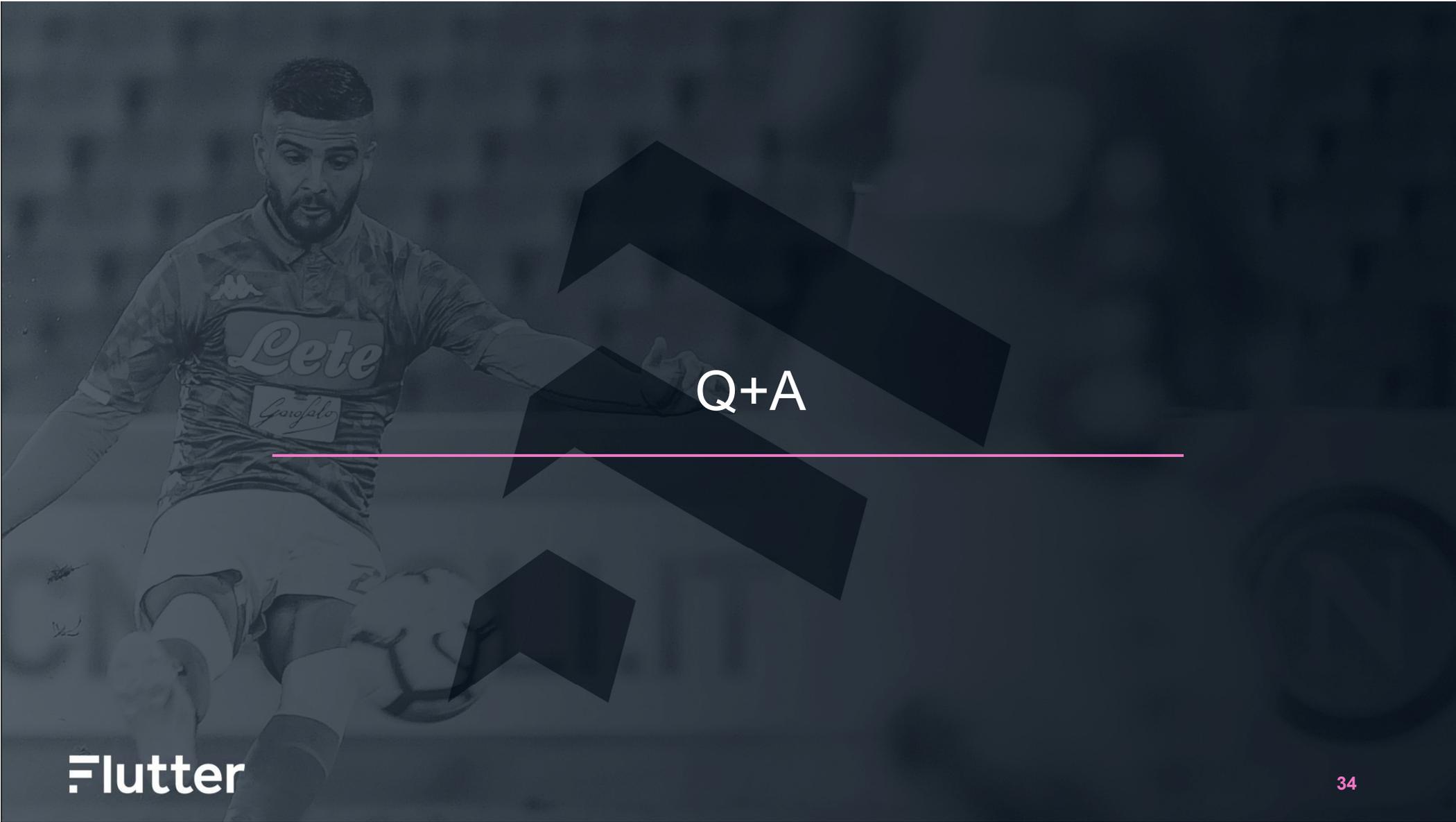
¹ Value at maturity based on probability assumptions for various US states per management in March 2019

² In H1 2019 market share in New Jersey was 50%

³ 2018 contribution of PPB Europe \$625m

In summary...

- Very productive first half
- Good underlying performance across the business
- Focus remains on growing a more diversified and sustainable business
- Confident we can make further progress in the second half



Q+A

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Appendix I - IFRS 16 impact on reporting

£m	Online		Australia			Retail			US			Group			
	Pre IFRS 16 H1 2019	IFRS 16 Impact	Reported H1 2019	Pre IFRS 16 H1 2019	IFRS 16 Impact	Reported H1 2019	Pre IFRS 16 H1 2019	IFRS 16 Impact	Reported H1 2019	Pre IFRS 16 H1 2019	IFRS 16 Impact	Reported H1 2019	Pre IFRS 16 H1 2019	IFRS 16 Impact	Reported H1 2019
Operating costs	(220)	3	(217)	(67)	2	(65)	(95)	11	(83)	(113)	2	(111)	(523)	20	(503)
Underlying EBITDA	139	3	142	57	2	58	26	11	37	3	2	4	196	20	216
Depreciation & amortisation	(22)	(2)	(24)	(10)	(1)	(12)	(10)	(11)	(21)	(8)	(2)	(10)	(51)	(19)	(69)
Underlying operating profit	118	-	118	47	-	47	15	1	16	(6)	-	(6)	145	2	147
Net interest expense													(5)	(2)	(7)
Profit before tax													82	(1)	81
Net debt / LTM EBITDA													0.8x		1.1x

- IFRS 16 applies from 1 January 2019
- Statutory accounts are prepared under modified retrospective approach with no restatement of 2018
- Financial review numbers presented on pre-IFRS 16 basis, consistent with 2018
- Group target leverage of 1-2x EBITDA on a pre-IFRS 16 basis