



Flutter Entertainment Plc Preliminary Results 2020

2 March 2021

 Flutter



Introduction

Peter Jackson, Group CEO

Agenda

- 2020 Highlights
- Financial review
- Business update
- Conclusion

Highlights

- Transformational year for Group:
 - TSG merger providing unparalleled scale and diversification
 - Accelerated FanDuel buy-out at compelling valuation
 - Balance sheet well capitalised
- Protecting customers and colleagues during Covid
- Excellent momentum and recreational player growth
- Significant progress on integration, synergy guidance upgraded
- US leadership position maintained



Financial Review

Jonathan Hill, Group CFO

Key financial highlights

Pro forma ¹		FY 2020	FY 2019	YOY CC
Revenue	Sports revenue	£3,000m	£2,400m	+25%
	Gaming revenue	£2,264m	£1,743m	+32%
	Total revenue	£5,264m	£4,144m	+28%
Profitability ²	Adjusted EBITDA Group	£1,231m	£1,089m	+16%
	Adjusted EBITDA Group ex-US	£1,401m	£1,170m	+23%
	Adjusted operating profit	£990m	£869m	+18%
	Adjusted EPS	497p	416p	+19%
Financial position	Increase in cash pre-equity raises ³	£817m		
	Net debt	£2,814m		
	Net debt / LTM EBITDA	2.3x		

- Excellent financial performance, benefitting from scale and diversification
- Revenue growth supporting reinvestment across the Group
- Uplift in sales and marketing investment of 36%
- Highly cash generative business
- Leverage of 2.3x (3.2x at merger completion), driven by strong financial performance and equity raise

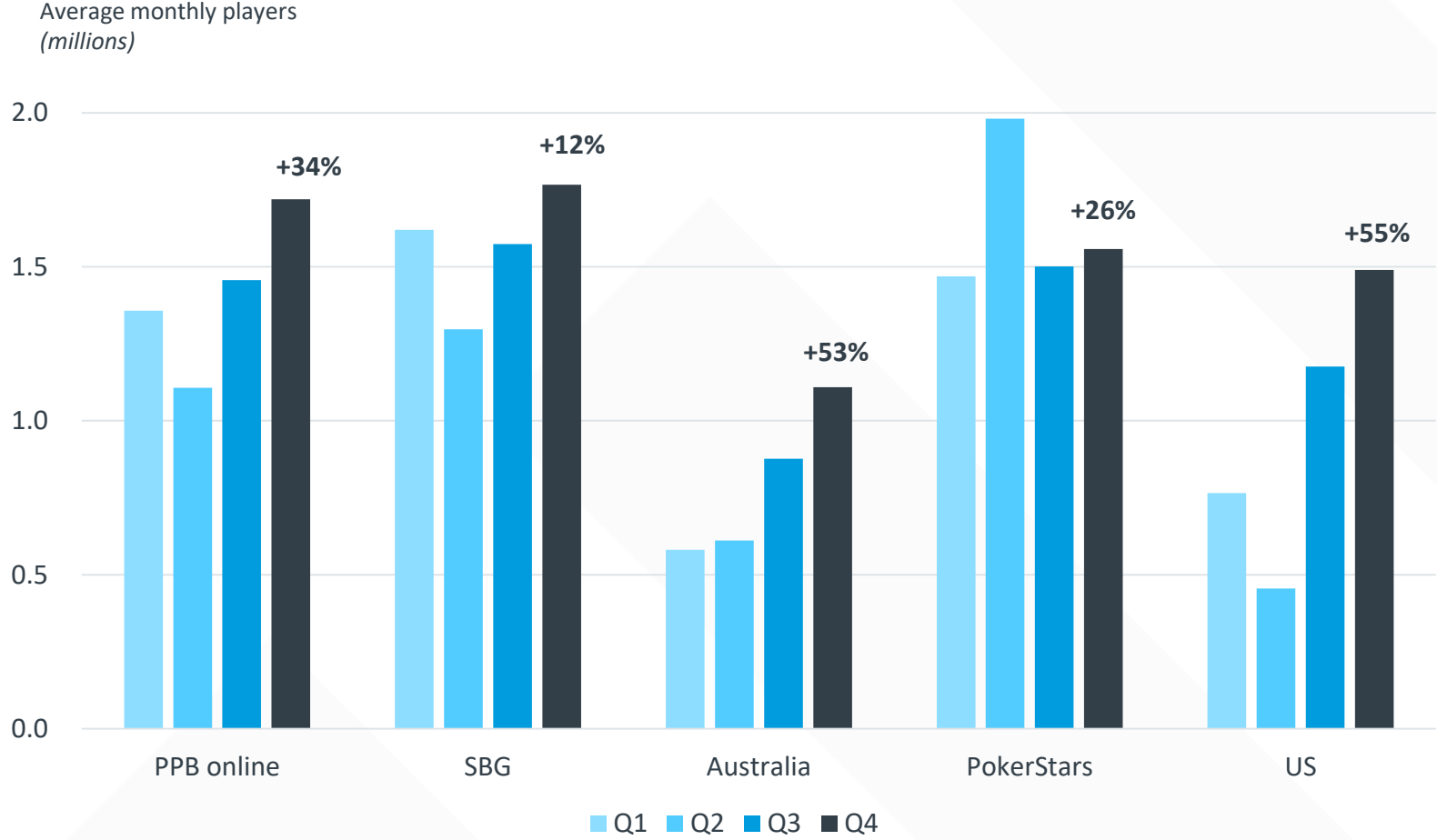
Statutory Group P&L

£m Reported	FY 2020	FY 2019	YOY
Revenue	4,398	2,140	+106%
Gross profit	2,859	1,490	+92%
Adjusted EBITDA	889	425	+109%
Depreciation & amortisation	(213)	(145)	+47%
Adjusted operating profit	676	281	+141%
Adjusted net interest expense	(110)	(14)	+673%
Separately disclosed items (SDIs)	(565)	(131)	+332%
Profit before tax	1	136	-99%
Tax	(36)	(24)	+50%
Profit/(loss) after tax	(35)	112	-131%
Non-controlling interest	(73)	(32)	+126%
Profit attributable to equity holders of the company	38	144	-74%
Adjusted basic EPS	403p	298p	+35%

- TSG inclusion from May 5 leading to high year on year variances
- TSG debt assumed from May 5 increasing interest expense
- SDIs¹ consist of:
 - Non-cash items primarily amortisation of acquired intangibles (£432m)
 - Cash items: transaction fees, restructuring and integration costs
- Pro forma 2020 effective tax rate was 13.2% (Pro forma Group ex-US: 10.4%)
- Non-controlling interest mainly comprises earnings attributable to FanDuel minorities
- Positive adjusted EPS growth of 35%

¹ See slide 36 for further details

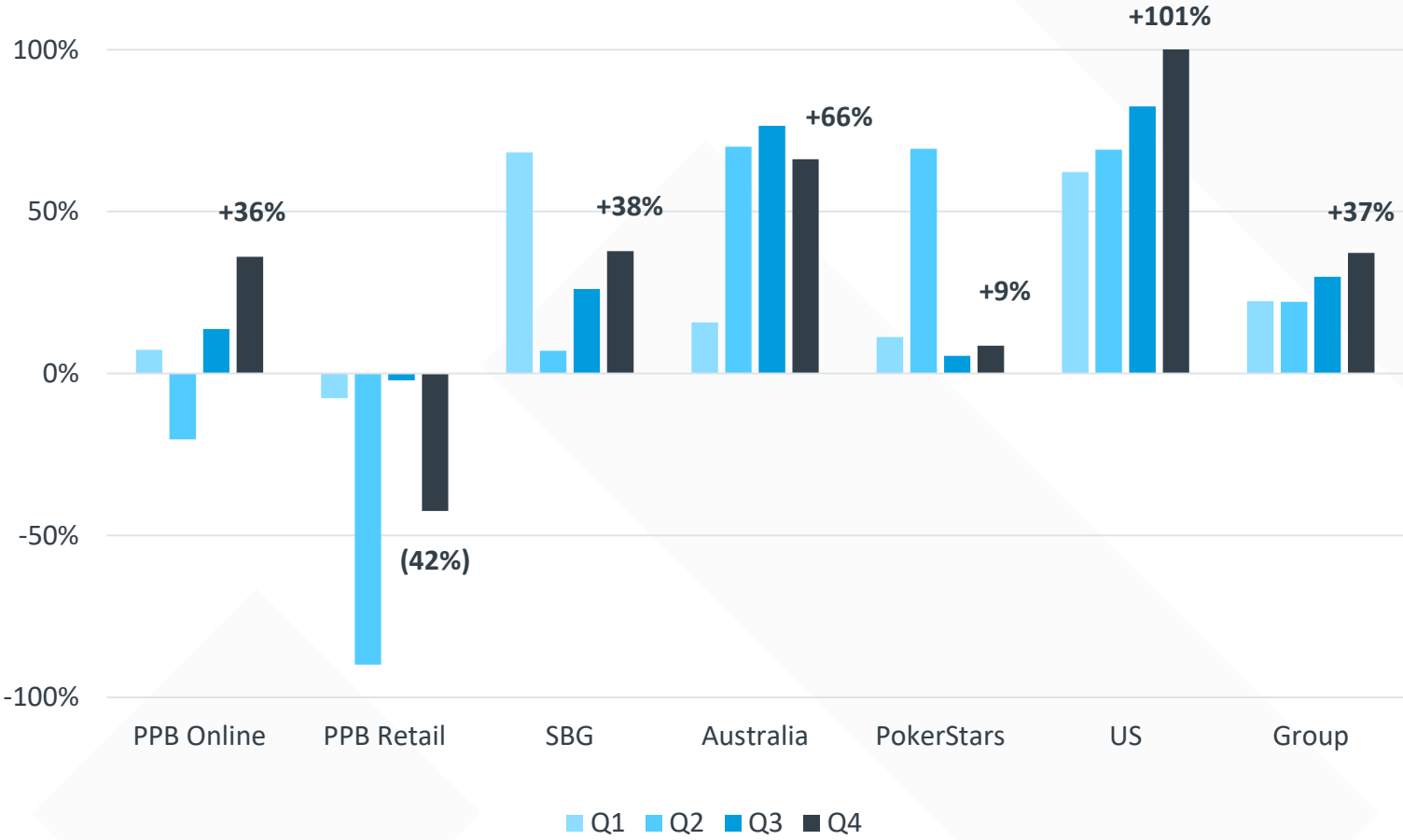
Growth in average monthly players across all divisions



- Reporting average monthly players (AMP) quarterly (see Appendix for data)
- Group online AMP of 5.6m and 7.1m in H1 and H2 respectively, growth of 6% and 32% year on year
- Sports brands in core markets benefitting from retail to online migration
- Marketing and generosity investment in H2 driving PPB online and PokerStars growth
- US players almost double from Q1 to Q4

Divisional revenue momentum growing through 2020

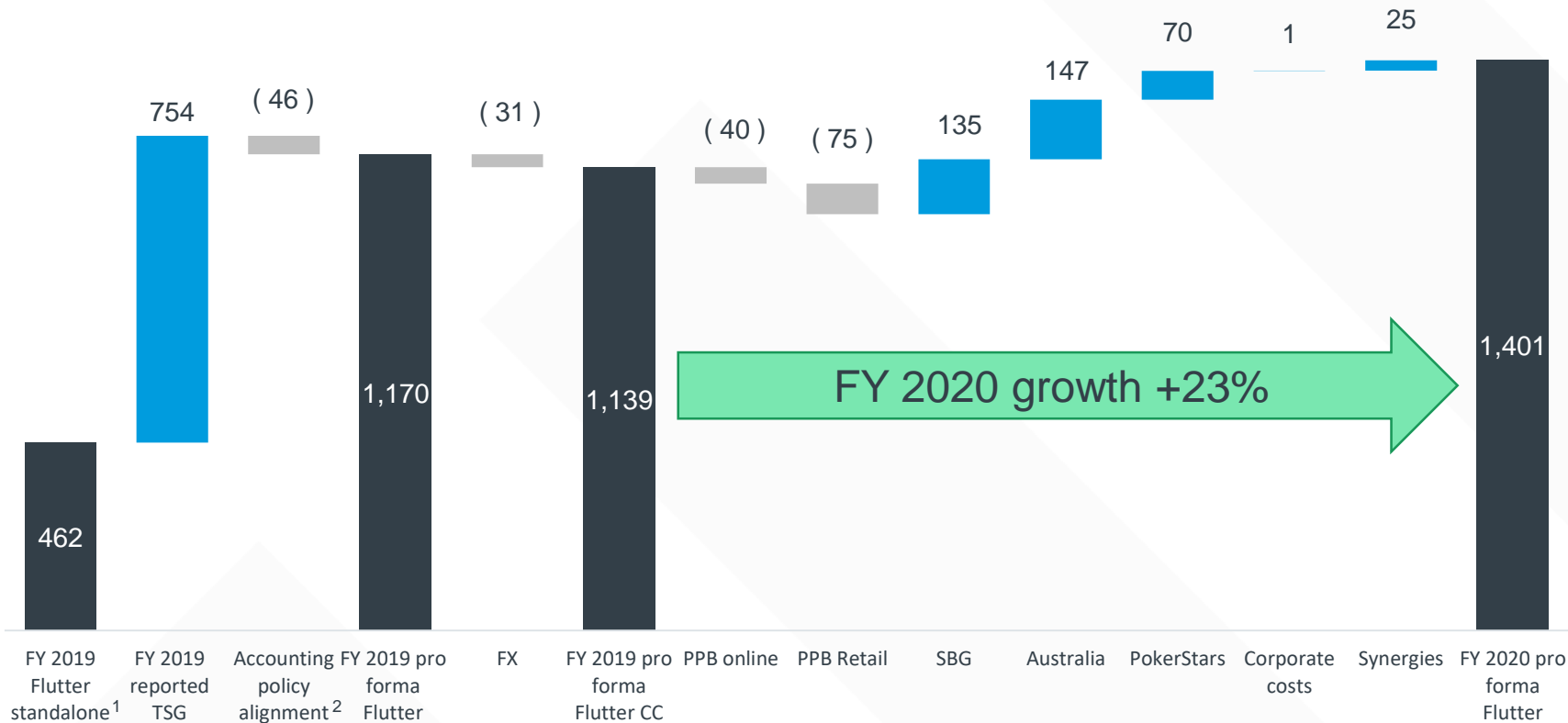
Pro forma revenue growth
(YoY% CC)



- **PPB online:**
 - Exchange materially impacted by event cancellations in Q2
 - Improving performance through H2
- Retail shut for 38% of year
- SBG: Material sports results benefit, particularly in Q1, combined with excellent customer engagement
- Australia: Outperformance primarily from customer growth
- PokerStars: Q2 peak during lockdown with positive H2 performance
- US: Acceleration in pace of growth across 2020
- **Very strong momentum into 2021 for online divisions**

Adjusted EBITDA bridge (ex-US)

£m



- Pro forma growth of 23%
- SBG and Australia driving profit growth
- PPB online weak H1 followed by EBITDA uplift in H2, even after significant investment
- PPB retail impact clear
- PokerStars excellent H1 with major investment in H2

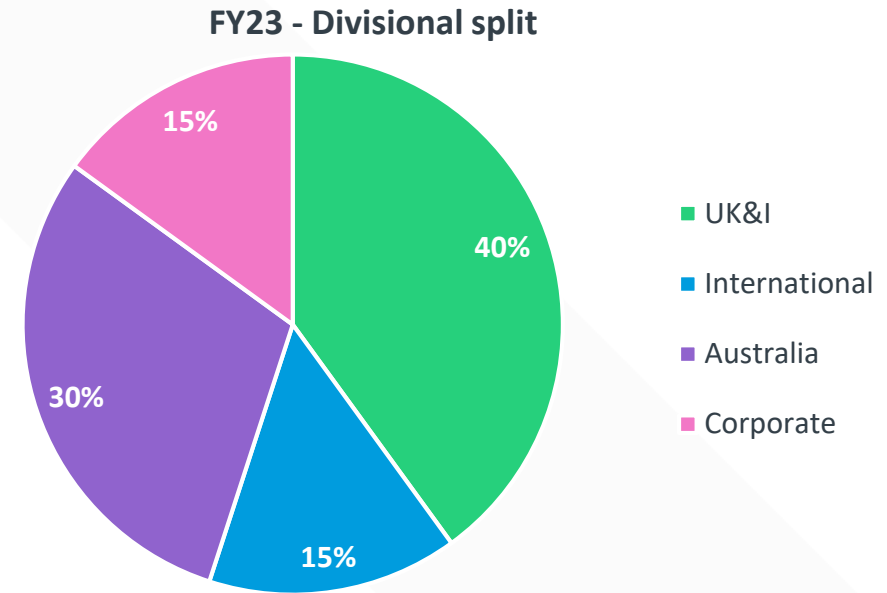
Diversification and scale benefits clear

Pro forma	Adjusted EBITDA (£m)			Adjusted EBITDA margin (%)		
	FY 2020	FY 2019	YoY CC	FY 2020	FY 2019	YoY
PPB	271	390	(30%)	21%	29%	(9%)
<i>Online</i>	269	314	(13%)	25%	31%	(6%)
<i>Retail</i>	2	76	(98%)	1%	24%	(24%)
SBG	391	253	55%	40%	34%	6%
Australia	318	161	98%	30%	24%	6%
PokerStars	545	503	15%	45%	49%	(5%)
Corporate costs	(125)	(137)	(9%)			
Group (ex-US)	1,401	1,170	23%	31%	31%	0%
US	(170)	(82)	115%	(24%)	(21%)	(3%)
Group	1,231	1,089	16%	23%	26%	(3%)

- Significant operating leverage in SBG and Australia
- Lower margin in PokerStars as we invest
- Corporate includes synergy benefit
- US investment loss within guided range. Marketing investment +110% to £348m with other operating costs controlled

Synergy guidance upgraded by annualised £30m

Cost synergy by financial year (£m)	
FY 2020	25
FY 2021	90
FY 2022	140
FY 2023	170



- Synergy guidance increased to £170m from £140m at merger announcement, due to single brand strategy in Australia
- Integration substantially complete in Australia and Corporate. UK&I and International phased over 3 years
- Incremental £20m capex synergy from platform consolidation and Australian technology infrastructure

Positive cash flows in 2020

Pro forma £m	FY 2020
Adjusted EBITDA	1,231
Capex	(252)
Working capital	310
Corporation tax	(93)
Adjusted free cash flow	1,197
Cash flow from separately disclosed items (SDI)	(120)
Free cash flow	1,077
Interest cost	(177)
Other borrowing costs	(24)
Settlement of swaps	(36)
Lease liabilities paid and other costs	(23)
Net increase in cash before equity raise and FanDuel acquisition	817
Proceeds from equity raise	1,921
Acquisition of further interest in FanDuel	(1,546)
Net increase in cash	1,192
Net debt at start of year¹	(3,827)
Foreign currency exchange translation	(20)
Change in fair value of hedging derivatives	(159)
Net debt at 31 December 2020	(2,814)

- Excellent conversion of EBITDA to adjusted free cash flow
- Pro forma capex increase £6m
- Working capital favourable due to:
 - Revenue growth driving increased creditors, particularly around direct cost of sales
 - Expected to partially unwind in 2021
- Cash SDIs primarily from TSG integration and deal fees
- Pro forma interest £48m lower in 2020 from debt repayment and reduced cost of debt
- Proceeds from equity raise in December (£1.1bn) used for FanDuel minority acquisition

Robust balance sheet with potential finance cost savings

As at 31 December	Underlying currency	£m
Term Loan A (GBP)	950	940
Term Loan B (USD)	1,456	1,043
Term Loan B (EUR)	507	449
Senior Notes (USD)	1,000	707
Carrying amount including interest		3,139
Derivatives held for hedging		186
Fair value adjustments/issue costs		92
Gross debt		3,417
Cash (excl. customer balances)		(603)
Net debt		2,814
LTM pro forma Adjusted EBITDA		1,231
Leverage ratio		2.3x

Borrowing ²	Principal	Interest rate	Maturity
TLA (GBP)	£950m	GBP LIBOR +175bps	2025
TLB (USD)	\$1,456m	USD LIBOR +350bps	2025
TLB (EUR)	€507m	EURIBOR +375bps	2025
Senior Notes ³	\$1,000m	Coupon 7%	2026

- Leverage of 2.3x at 31 December 2020, materially reduced from 3.2x at merger completion
- Equity raise in H1 and cash generative nature of business helped deleverage
- Significant liquidity with cash of £603m and undrawn RCF¹ of £377m
- Material covenant headroom; earliest debt maturity in 2025
- Weighted average cost of debt reduced 72bps to 4.18%. Further potential finance cost savings on over £2bn of debt (Senior Unsecured Notes and TLB)

2021: Current trading/technical guidance

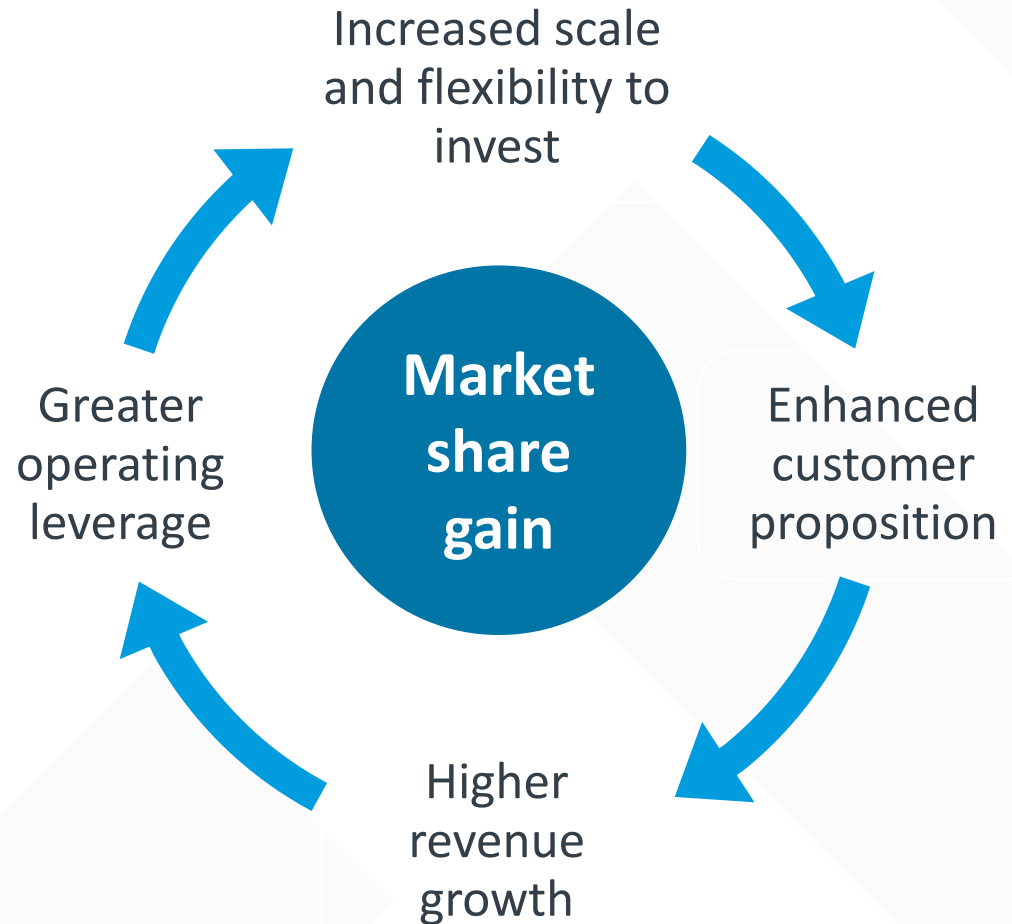
Current trading	<ul style="list-style-type: none">• Strong trading YTD¹ with year on year revenue growth of 36%• Driven by good customer growth globally and favourable sports results versus expectations, particularly in UK & Ireland
Retail	<ul style="list-style-type: none">• Retail estate expected to remain closed until at least mid-April in UK and May in Ireland• Estimated monthly EBITDA loss of approximately £5m in the UK and £4m in Ireland for each month closed
Germany	<ul style="list-style-type: none">• Proposed introduction of a 5.3% turnover tax on online poker and slots from July 1st 2021• Likely to make both unviable for regulated operators. Contribution impact would be £15m-25m in 2021
Capex	<ul style="list-style-type: none">• Capex expected to c.£300m in 2021
Tax	<ul style="list-style-type: none">• 2021 Group ex-US effective tax rate expected to be 15-17%, with increase due to changing geographic mix of profits
2021 reporting	<ul style="list-style-type: none">• Move to reporting on a 4 division basis (UK&I, International, Australia, US) from Q1 2021



Business update

Peter Jackson, Group CEO

Enhanced scale creating virtuous circle



- Flutter is the global leader in the online gaming sector today
- Largest player achieves superior economics in digital markets
- Our experience in our core markets validates this thesis
- While podium position is important, we must strive to achieve and maintain number one in our key markets

Accelerated delivery of Group strategy in 2020

1

Maximise profitable growth in core markets

- Vastly increased scale in UK&I and Australia
- Materially benefitting from online migration
- Clear path to generate efficiencies
- Well positioned for regulatory change

2

Grow our business in rest of world

- TSG merger provided additional podiums
- Significantly enhanced scale and diversification through larger customer base and broader product mix
- International strategy defined
- Investing for future growth across people, brand, technology and product
- Pursue bolt-on opportunities in growth markets

3

Attain podium positions in international markets

4

Grow US leadership position

- Ownership of US market leader increased through FanDuel buyout
- Path to profitability evident in early customer cohorts
- Attained significant scale

Enabled by combination of:

People

Product

Brand

Safer gambling

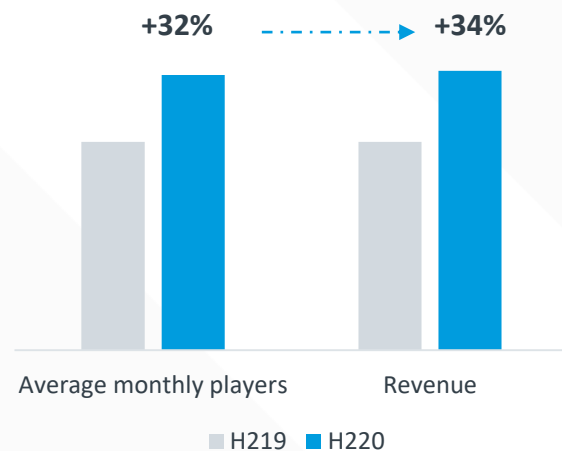
Significantly enhanced scale in all our markets fueling our future growth

Safer gambling continues to be a top priority

Continuous global improvement...

- Expanded safer gambling ('SG') teams and increased investment in SG technology Group wide
- Advocating an 'Affordability triple-step' approach to customer protection
- Improved SG framework in 2020
 - Tracking more customer behaviours via our UK&I, Australia and PokerStars predictive models
 - Enhanced cross-product SG capabilities in US
 - Increased SG interactions improving customer experience. 33% of PPB customers we interacted with subsequently used a safer gambling tool

...ensuring recreational growth



- Recreational customer engagement continued into H2 with customer volumes growing revenues
- c. 40% of SBG revenue came from customers with a deposit limit in place in 2020

Effective regulation key to sustainability

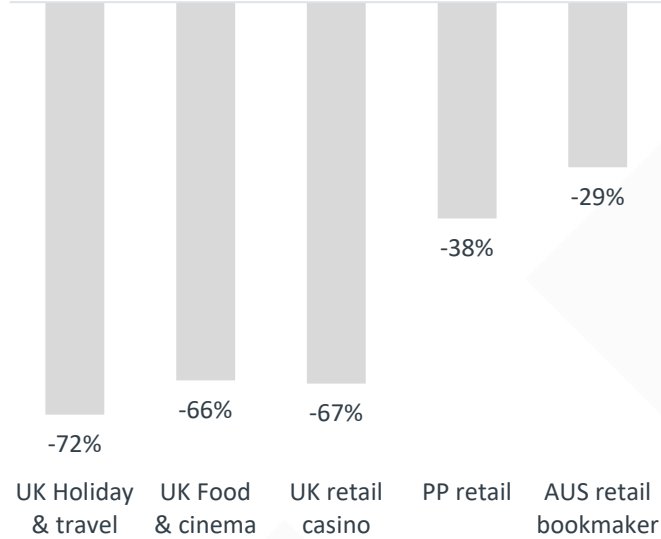
- Gambling Act review commenced and we welcome an evidence based outcome
- Substantial internal resources allocated to review, led by Ian Proctor



Core: Structural shifts creating opportunity

Traditional spend patterns disrupted...

2020 revenue decline in travel and leisure companies¹
(YoY %)



...and recreational appeal of our brands...



...driving online customer growth

Average monthly players (YoY %)



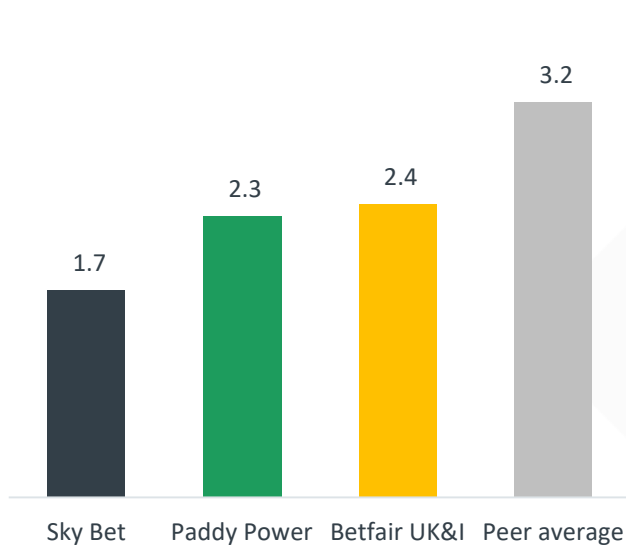
- During 2020, acceleration in structural shift from retail to online. Overall consumer leisure spend options significantly reduced
- Flutter brands attracted over 40% of migrating UK retail sports customers H2 2020, despite only owning 5% of UK betting shops
- Continued investment in product to retain customers, e.g. single gaming proposition for PPB brands, personalised generosity in Sportsbet

¹ Average FY 2020 or H2 2020 actual/consensus (as of 12/2/21) year on year revenue declines of FTSE300 or Australian stock exchange listed companies.

Core: Scale benefits to drive future efficiencies

'Complement and compete' in UK&I...

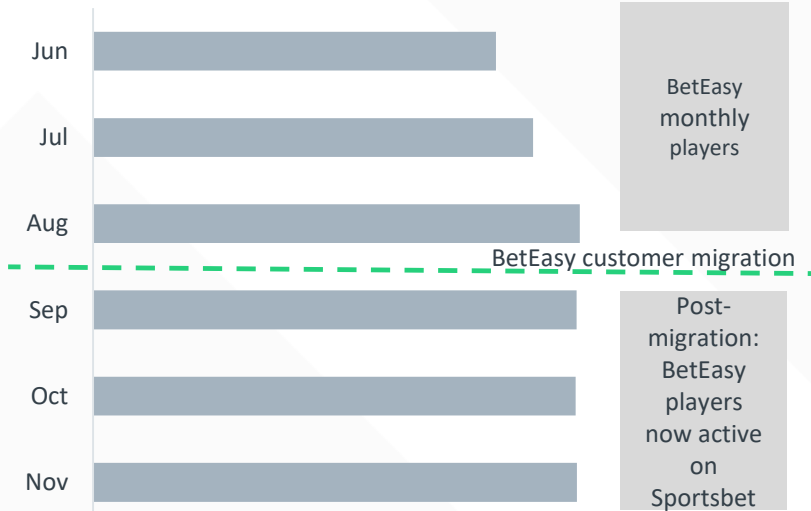
Number of sports betting brands used monthly¹



- Low levels of player overlap between brands
- Customer growth in 2020 demonstrates potential for two recreational brands
- Combining resources to operate efficiently

...and seamless Australian integration...

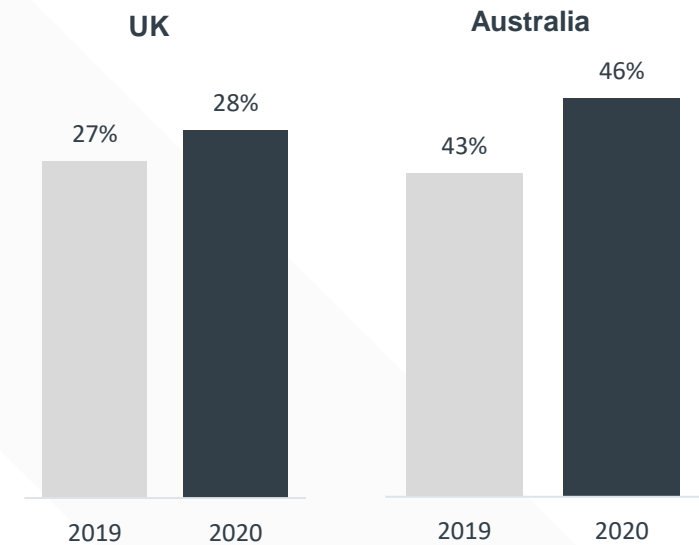
Monthly number of players



- Migrated >90% BetEasy customers by value, completed within 90 days
- Focus on product parity post migration e.g. personalised value via tokenised generosity
- Incremental synergy from single brand

...enabling market share gains

Online share by market²



- Volume led growth creating sustainable market share gains
- Increased scale enabling greater investment in customer proposition
- Shared learning between divisions

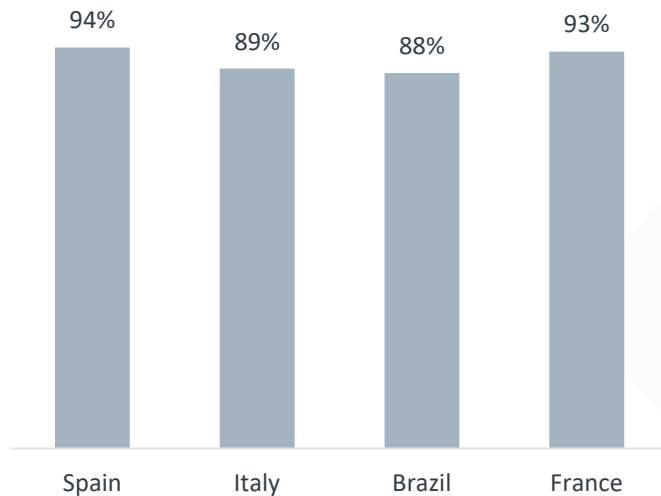
¹ Average number of sports betting accounts held by customers of each brand

² UK: total online market (sports and gaming), Australia: online sports

International: Investing to revitalise PokerStars

PokerStars: our #1 International brand

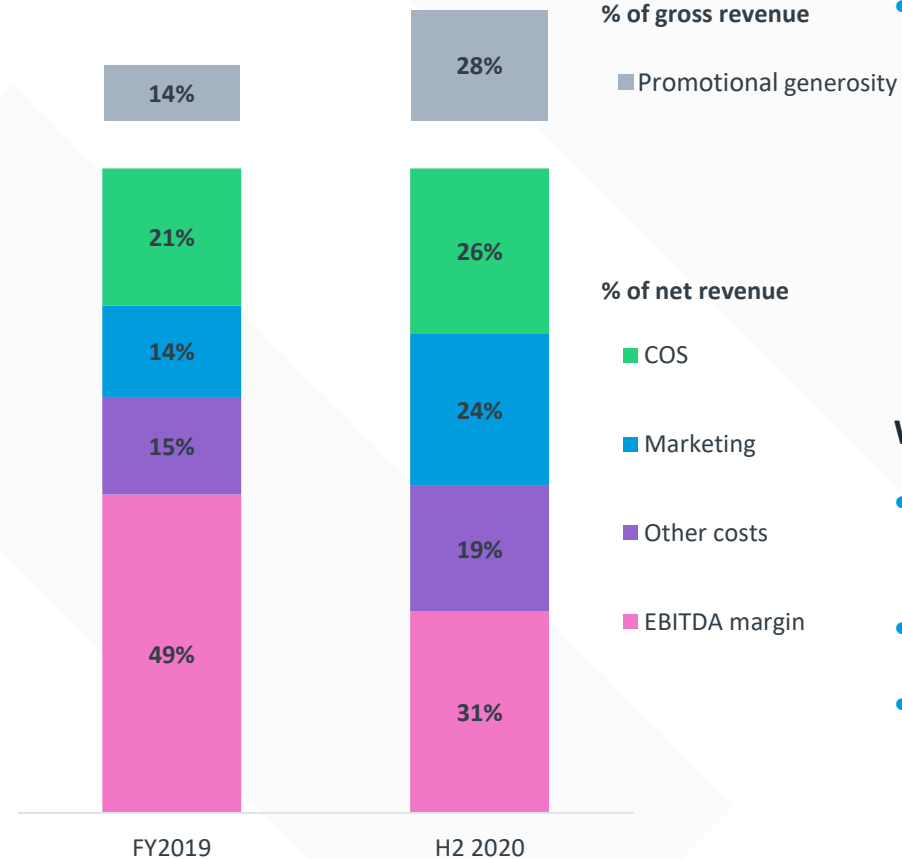
PokerStars brand awareness by country¹



- PokerStars has greater market share and 3x the number of customers vs. Betfair in international markets
- Sports-led Betfair brand also promoted in Spain, Italy and LatAm

Reassert leadership through brand and product

PokerStars P&L breakdown



- Multi-year investment to correct foundational tech challenges:
 - Stabilise tech platform
 - Modernise poker product
 - Simplify customer journeys
 - Improve digital marketing capabilities

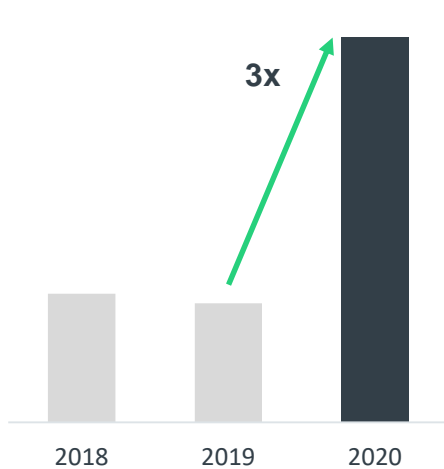
Work commenced in H2 2020:

- Marketing investment significantly increased
- New Poker app launched
- Improved customer onboarding journeys

International: Expanding our addressable market

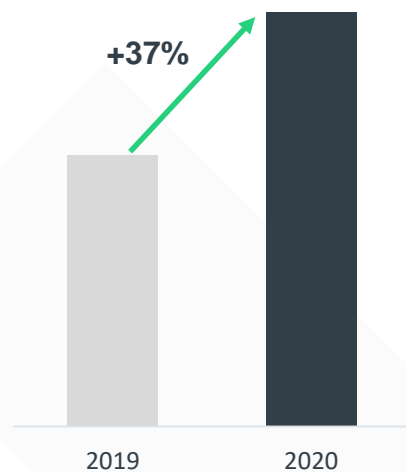
Invest in direct casino acquisition

New direct casino players



Quality of casino product driving higher retention rates and revenue growth

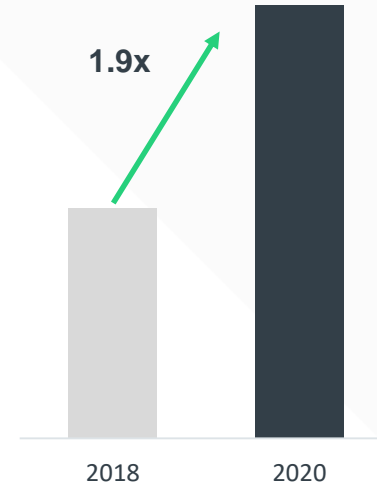
PokerStars casino revenue growth (YoY %)



- >1,500 titles available incl. 100 proprietary from 2 internal studios
- Leverages scale to offer unique promotions embedded in product experience, e.g. \$1m monthly casino races

Pursue bolt-on opportunities in growth markets

Adjarabet revenue growth



Find the next Adjarabet:

- Georgian market leader with significant competitive advantages
- Georgia market growth at 20%+
- Post-acquisition expansion into Armenia
- Group providing operational expertise and incremental product

- Junglee Games 50.1% stake acquired in Jan'21 for £48m
- Options to acquire 100% in 2025
- Indian online rummy and DFS operator

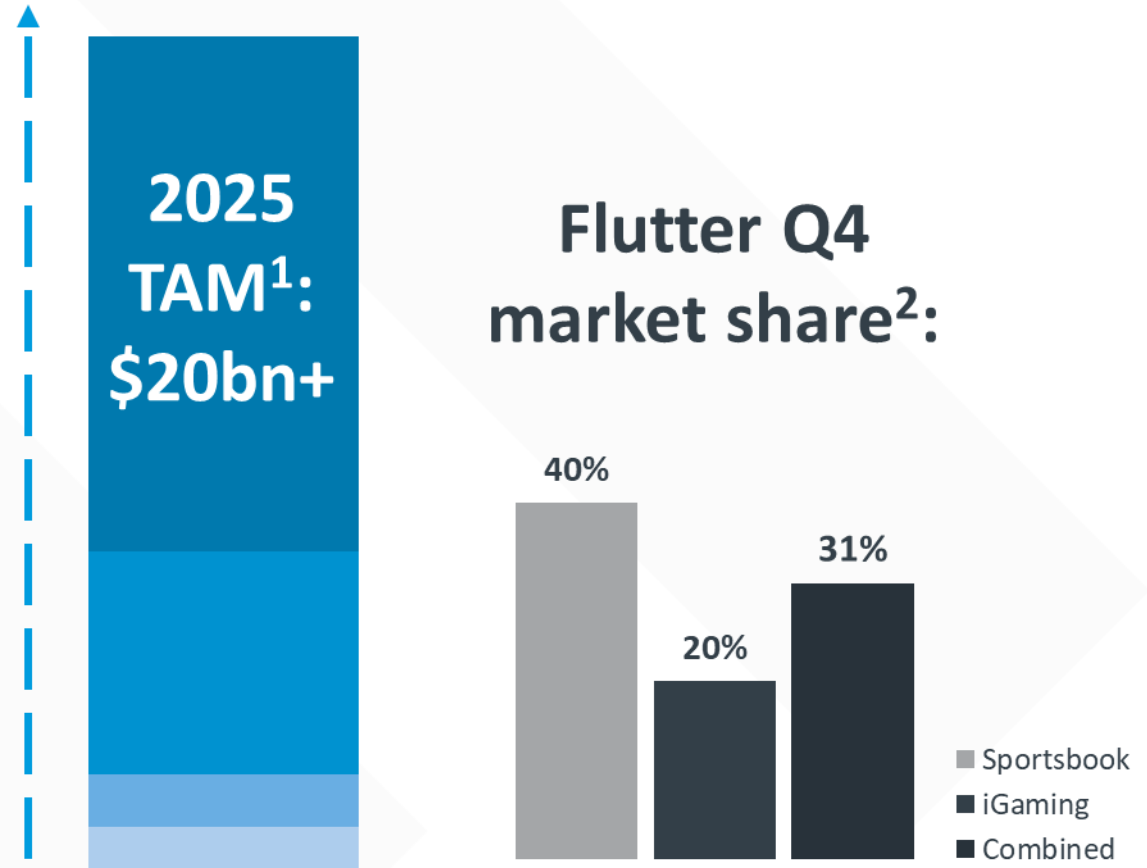


US: Market opportunity significant and growing

Increase in Flutter total addressable market ('TAM')

- TAM now expected to exceed \$20bn in 2025; over 60% already legislated
- Upgrade due to:
 - Higher customer values
 - Increase in addressable population; now includes Texas
- Further upside brings potential TAM to \$34bn+
 - Value of states to continue to grow beyond 2025
 - California and Florida would add >\$3.5bn
 - Canadian TAM could exceed \$2.8bn
- Leadership position delivers scale benefits and greater growth opportunity

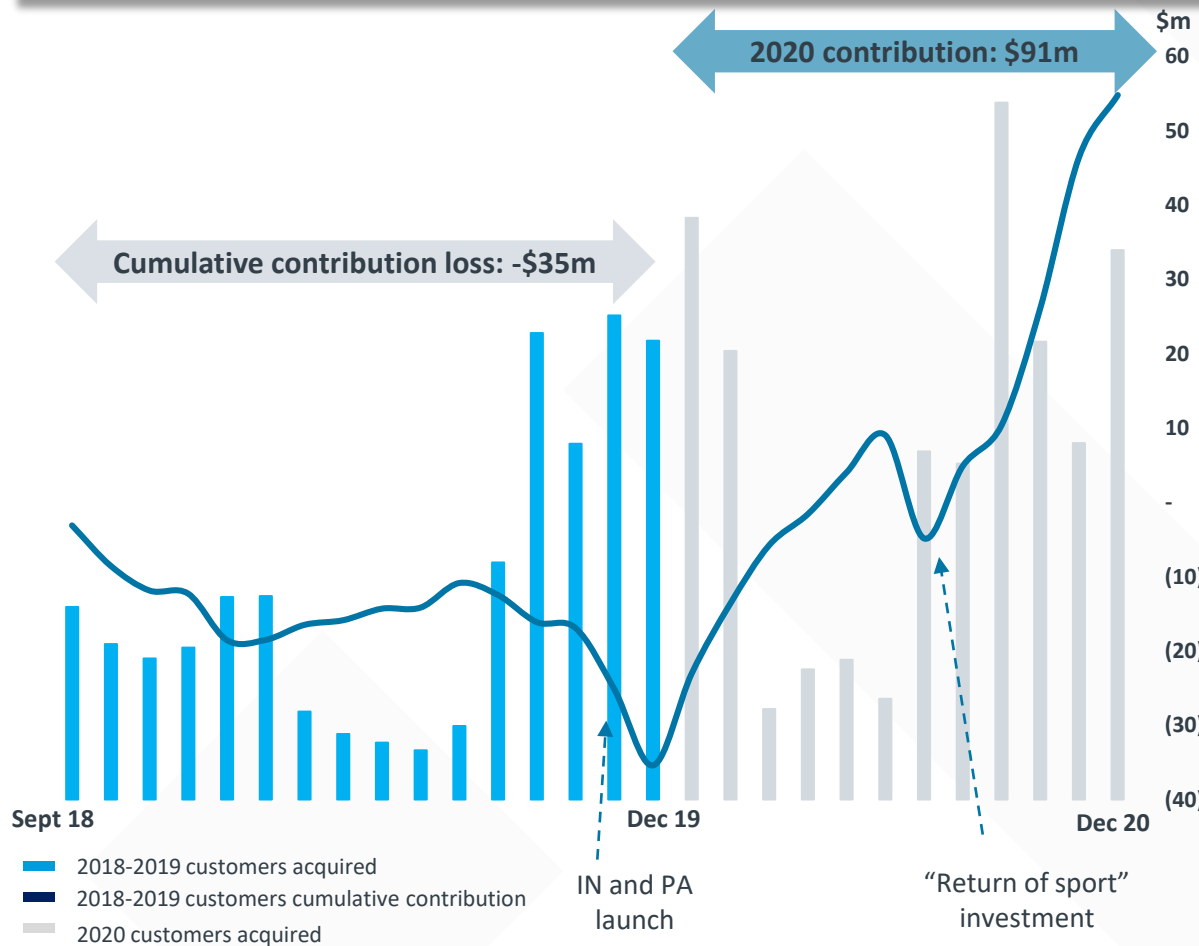
... Flutter in #1 position to maximise opportunity



US: Early customers funding further growth

Cumulative contribution from 2018-2019 customers¹...

...demonstrates strength of business model



- Early customer cohorts generated \$91m in contribution in 2020 driven by:
 - High volume of early customers acquired
 - Product leadership improving retention and lifetime values
 - 12 month retention rates 1.8x our more mature brands²
- Early customer profitability fuels further opportunities for investment in acquisition:
 - Doubled our sportsbook and iGaming customer base across NJ, PA, IN and WV in 2020
 - Still delivered overall positive contribution

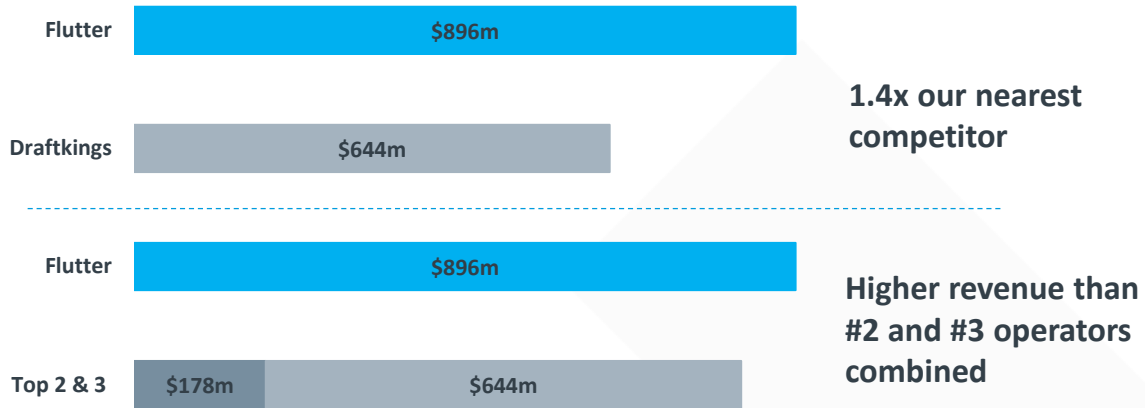
¹ Chart shows profitability of 2018-2019 FanDuel customers in NJ, PA, IN and WV only. Does not include 2020 contribution from 2020 cohorts in those states

² Average retention rates of newly acquired sports customers in Paddy Power, Betfair and SBG after 12 months

US: Size of US business unparalleled

Flutter clear scale advantage...

Revenue 2020



- Most extensive product portfolio in the market
 - Record breaking year for TVG doubling market share to 20%
 - DFS benefitting from FanDuel brand investment; 23% more activations and monthly players up 15% in H2 2020
 - Super 6 registrations now over 4.4m players

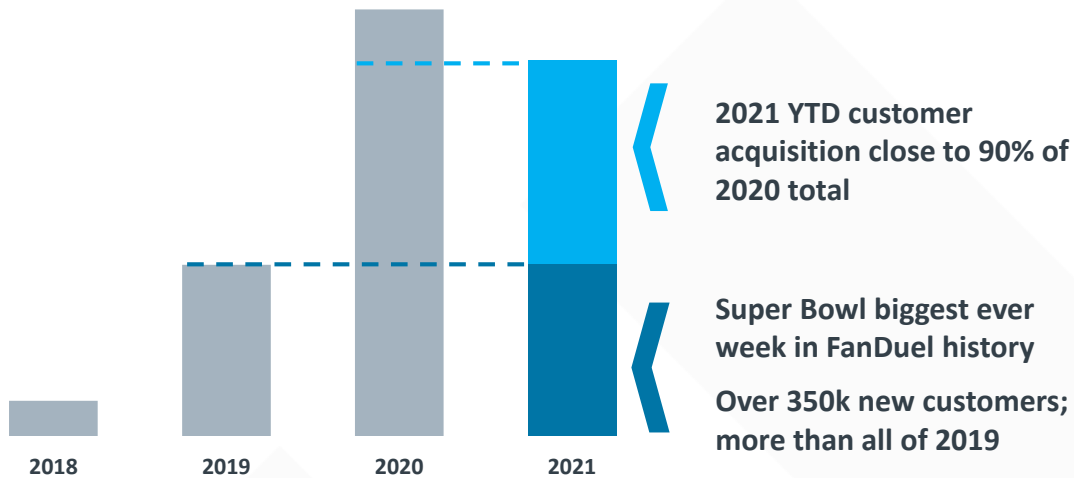
...with product leadership lead and more to come

- Continuous product innovation
 - First-to-market sports betting products such as Same Game Parlay™ leveraging Flutter in-house capabilities
 - Ability to proactively meet evolving customer preferences while achieving structural margin benefits
 - Increased personalisation in iGaming content
- Proprietary technology unlocks scalability, reliability and access to Flutter feature factory
 - FanDuel account and wallet technology improved cross-sell during 2020
 - Migration to in-house betting platform before NFL

US: Proven model to deliver further success

Efficient acquisition at scale continuing in 2021...

Sportsbook and iGaming customer acquisition¹



41%

Sportsbook customers since September 2018 from DFS

...with the year kicking off ahead of expectations

- FanDuel launched mid January in Michigan and Virginia
 - Significant volume of pre-live registrations
 - Greater number of active customers in February on Michigan online casino than in either New Jersey or Pennsylvania
 - Cross-sell from daily fantasy sports enabling efficient acquisition
- Super Bowl week the biggest ever week for acquisition in FanDuel history
 - >350k sportsbook and iGaming customers acquired
 - >100k in states launched pre 2020
 - Over 1m customers active on our online sportsbooks and casinos on Super Bowl Sunday

Conclusion

- Transformational year for Group
- Investing to build and maintain momentum
- Well placed for further growth opportunities
- Continue to evolve our safer gambling measures
- 2021 has started strongly



Appendix

KPI: Average monthly players

Average monthly players Pro forma ('000s)	Q1	Q2	Q3	Q4	H1	H2	FY
Group	5,793	5,451	6,584	7,642	5,622	7,113	6,367
PPB Online	1,358	1,107	1,457	1,719	1,232	1,588	1,410
SBG	1,621	1,297	1,574	1,766	1,459	1,670	1,564
Australia	581	611	876	1,109	596	992	794
PokerStars	1,469	1,981	1,501	1,558	1,725	1,530	1,627
US	765	455	1,176	1,490	610	1,333	972
YoY %							
Group	9%	3%	32%	32%	6%	32%	19%
PPB Online	1%	-25%	22%	34%	-13%	28%	6%
SBG	4%	-17%	12%	12%	-6%	12%	3%
Australia	9%	-2%	39%	53%	3%	46%	26%
PokerStars	5%	57%	25%	26%	30%	25%	28%
US	57%	18%	111%	55%	40%	75%	62%

Pro forma £m	ONLINE			RETAIL		
	FY 2020	FY 2019	YOY	FY 2020	FY 2019	YOY
Average monthly players ('000s)	1,410	1,327	+6%			
Sportsbook stakes	4,848	5,189	-7%	998	1,793	-44%
<i>Sportsbook net revenue margin</i>	9.7%	8.1%	+160bps	14.3%	12.8%	+150bps
Sports revenue	670	667	+1%	143	230	-38%
Gaming revenue	424	344	+23%	57	82	-30%
Total revenue	1,094	1,011	+8%	200	312	-36%
Cost of sales	(339)	(285)	+19%	(44)	(70)	-38%
<i>Cost of sales as a % of net revenue</i>	30.9%	28.2%	+280bps	21.8%	22.4%	-60bps
Gross profit	756	726	+4%	156	242	-35%
Sales & marketing costs	(281)	(241)	+16%	(6)	(7)	-11%
Contribution	475	485	-2%	150	235	-36%
Other operating costs	(206)	(172)	+20%	(148)	(159)	-7%
Adjusted EBITDA	269	314	-14%	2	76	-98%
<i>Adjusted EBITDA margin</i>	24.6%	31.0%	-640bps	0.9%	24.5%	-2,360bps
Depreciation and amortisation	(52)	(50)	+4%	(43)	(43)	-1%
Adjusted operating profit	217	263	-18%	(41)	33	-223%

Online

- Sportsbook revenue +12%:
 - Strong H2 on return of sports
 - Favourable sports results (+140bps)
- Exchange -19% in line with reduction in markets offered due to event cancellations
- Gaming momentum building through the year (Q1 +9%; Q4 +29%)
- Cost of sales % increase from higher gaming mix and racing fees
- Marketing and other cost increases reflect incremental product launches and investment to drive customer growth

Retail

- Revenue decline in line with average period estate closed (38%)
- Limited cost saving as staff paid throughout

Pro forma £m	FY 2020	FY 2019	YOY
Average monthly players ('000s)	1,564	1,525	+3%
Sportsbook stakes	4,173	4,578	-9%
<i>Sportsbook net revenue margin</i>	13.6%	9.1%	+450bps
Sports revenue	590	442	+34%
Gaming revenue	385	295	+31%
Total revenue	975	736	+32%
Cost of sales	(278)	(203)	+37%
<i>Cost of sales as a % of net revenue</i>	28.5%	27.6%	+90bps
Gross profit	697	533	+31%
Sales & marketing costs	(160)	(156)	+3%
Contribution	537	377	+43%
Other operating costs	(146)	(124)	+18%
Adjusted EBITDA	391	253	+55%
<i>Adjusted EBITDA margin</i>	40.1%	34.4%	+570bps
Depreciation and amortisation	(28)	(22)	+28%
Adjusted operating profit	364	232	+57%

- Favourable sports margin movement:
 - Sports results +330bps
 - Racing mix and pricing refinement
- Staking impacted by results, H2 +13% reflective of underlying performance
- Gaming +31% due to player volume growth
- Marketing efficiencies from cancelled H1 spend and positive sports results
- **Adjusted EBITDA +55%, material operating leverage benefit**

Australia

Pro forma £m	FY 2020	FY 2019	YOY	YOY CC
<i>Average monthly players ('000s)</i>	794	629	+26%	
Sportsbook stakes	9,713	6,751	+44%	+46%
<i>Sportsbook net revenue margin</i>	11.1%	10.1%	+100bps	+100bps
Revenue	1,075	681	+58%	+59%
Cost of sales	(520)	(299)	+74%	+76%
<i>Cost of sales as a % of net revenue</i>	48.4%	43.9%	+450bps	+450bps
Gross profit	555	382	+45%	+47%
Sales & marketing costs	(129)	(124)	+4%	+5%
Contribution	426	258	+65%	+66%
Other operating costs	(108)	(96)	+12%	+14%
Adjusted EBITDA	318	161	+97%	+98%
<i>Adjusted EBITDA margin</i>	29.6%	23.7%	+590bps	+570bps
Depreciation and amortisation	(30)	(30)	+1%	+2%
Adjusted operating profit	288	131	+119%	+119%

- Retail to online channel shift drove 46% player growth in H2
- Staking +46% reflective of high levels of engagement
- Sports results (80bps) benefit in revenue margin
- Marketing investment partly offset by £5m synergy from move to single brand
- **Adjusted EBITDA almost doubled to £318m, with excellent operating leverage achieved**

PokerStars

Pro forma £m	FY 2020	FY 2019	YOY	YOY CC
Average monthly players ('000s)	1,627	1,275	+28%	
Sportsbook stakes	748	755	-1%	+1%
<i>Sportsbook net revenue margin</i>	8.5%	7.5%	+100bps	+100bps
Sports revenue	64	57	+12%	+13%
Gaming revenue	1,161	961	+21%	+24%
Total revenue	1,225	1,018	+20%	+23%
Cost of sales	(282)	(217)	+30%	+29%
<i>Cost of sales as a % of net revenue</i>	23.0%	21.3%	+170bps	+100bps
Gross profit	943	801	+18%	+22%
Sales & marketing costs	(206)	(144)	+43%	+46%
Contribution	737	657	+12%	+16%
Other operating costs	(191)	(154)	+24%	+21%
Adjusted EBITDA	545	503	+8%	+15%
<i>Adjusted EBITDA margin</i>	44.5%	49.4%	-490bps	-340bps
Depreciation and amortisation	(47)	(42)	+13%	+14%
Adjusted operating profit	498	461	+8%	+15%

- Revenue growth +23% broadly aligned to player growth of +28%
- Q2 restrictions drove material H1 outperformance on gaming of +43%
- Customer retention focus in H2:
 - Poker -6%: compliance measures offsetting improved player engagement
 - Casino +24%: higher player volumes via direct acquisition and cross-sell
- Cost of sales % increase due to higher proportion of revenues coming from gaming
- Investment in brand and product driving cost growth

Pro forma £m	FY 2020	FY 2019	YOY	YOY CC
<i>Average monthly players ('000s)</i>	972	598	+62%	
Sportsbook stakes	4,411	2,396	+84%	+86%
<i>Sportsbook net revenue margin</i>	4.6%	4.3%	+30bps	+30bps
Sports revenue	458	325	+41%	+42%
Gaming revenue	237	61	+288%	+292%
Total revenue	695	386	+80%	+81%
Cost of sales	(319)	(124)	+157%	+160%
<i>Cost of sales as a % of net revenue</i>	46.0%	32.2%	+1,380bps	+1,390bps
Gross profit	376	262	+43%	+44%
Sales & marketing costs	(348)	(168)	+107%	+110%
Contribution	28	94	-70%	-71%
Other operating costs	(198)	(175)	+13%	+14%
Adjusted EBITDA	(170)	(82)	+108%	+115%
<i>Adjusted EBITDA margin</i>	-24.4%	-21.1%	-330bps	-380bps
Depreciation and amortisation	(37)	(29)	+28%	+30%
Adjusted operating profit	(207)	(110)	+87%	+92%

- Sportsbook revenue growth of 101%:
 - 4 new state launches (FanDuel 4, FOX Bet 1)
 - Continued strong growth in existing states
 - Structural margin increase due to demand for higher margin products
- TVG growth more than offset impact of event cancellation on fantasy sports
- Gaming growth from January launch in Pennsylvania and Poker
- COS % increase from change in revenue mix to higher cost sportsbook and gaming
- Marketing doubled to support new state launches and return of sport
- Significant scale efficiencies generated in operating costs
- **2020 New Jersey contribution >\$50m**

Separately disclosed items

£m	FY 2020	FY 2019
Amortisation of acquisition related intangible assets	(432)	(113)
Acquisition fees and associated costs	(33)	(18)
Restructuring and integration costs	(96)	
Impairment	(23)	
VAT refund	11	
Operating profit impact of separately disclosed items	(573)	(131)
Financial Income	79	
Financial Expense	(71)	
Profit before tax impact of separately disclosed items	(565)	(131)
Tax credit on separately disclosed items	58	19
Total separately disclosed items	(507)	(112)

Pro forma results reconciliation

FY 2019

Adjusted EBITDA								
TSG segment	Reported (US\$m)	TSG US transferred to Flutter US (\$m)	Align Flutter accounting policies (\$m)	Flutter basis (US\$m)	Flutter pro forma (£m)	Flutter segment	Add legacy Flutter pro forma (£m)	Total Flutter pro forma (£m)
						PPB	390	390
UK	325	-	(2)	322	253	SBG	-	253
International	605	37	(0)	641	503	PokerStars	-	503
Australia	44	-	(1)	43	34	Australia	127	161
US	-	(38)	(19)	(57)	(45)	US	(36)	(82)
Corporate	(53)	2	(55)	(106)	(82)	Central costs	(55)	(137)
Group	921	-	(77)	844	663	Group	426	1,089

- FOX Bet moved from International and Corporate to US
- Reclassification of share based payments along with some professional fees and legal & lobbying costs from SDIs to ongoing operating costs, to align with Flutter accounting policies



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