

FULL YEAR RESULTS

June 2011

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INTRODUCTION

David Yu – Chief Executive Officer

FINANCIAL HIGHLIGHTS

- **Group (as reported)**

- 15.4% revenue growth to £393.3m (FY10: £340.9m)
- 49.0% adjusted EBITDA growth to £79.7m (FY10: £53.5m)⁽¹⁾

- **Core Betfair**

- 7.8% revenue growth to £330.0m (FY10: £306.0m)
- 28.9% Adjusted EBITDA growth to £80.2m (FY10: £62.2m)⁽¹⁾
- Adjusted EBITDA margin increased to 24.3% (FY10: 20.3%)⁽¹⁾

- **Cash at 30 April of £155.0m and no debt (FY10 £150.9m)**

(1) Excludes exceptional costs and equity-settled share based payments

OPERATIONAL HIGHLIGHTS

Strong foundations for future growth

- Exchange activity has continued to grow rapidly
- Customer loyalty and retention remains high
- Rapid growth in mobile channel
- Casino and Poker migrated to new platforms
- Marketing efficiency significantly improved
- New data centre and Gibraltar licence
- IPO

FY11 CHALLENGES

- **Execution can be improved**

- Delivered margin improvement and EBITDA growth ahead of plan
- Revenue growth below expectations

- **Our response**

- Stabilised Poker
- New content and products for horseracing
- Focus on product delivery
- Solved site issues

PLAN TO DELIVER SHAREHOLDER VALUE

1

Accelerate growth

2

Deliver further margin improvement

3

Return excess cash to shareholders

FINANCIAL RESULTS

Stephen Morana – Chief Financial Officer

GROUP INCOME STATEMENT: UNDERLYING

		FY11 (£m)	FY10 (£m)	YoY%
Underlying Revenue	- Core Betfair	330.0	306.0	
	- Other investments	38.6	34.9	
Underlying Group revenue		368.6	340.9	+8.1%
Underlying EBITDA	- Core Betfair	80.2	62.2	
	- Other investments	(7.0)	(8.7)	
Underlying EBITDA^(1,2)		73.2	53.5	+36.9%
Depreciation and amortisation		(31.4)	(26.2)	
Underlying operating profit^(1,2)		41.8	27.2	+53.4%
Finance income		1.5	2.4	
Share of profit of equity accounted investments		(0.9)	(3.0)	
Underlying profit before tax^(1,2)		42.4	26.6	+59.6%
Taxation		7.3	3.9	
Underlying profit after tax^(1,2)		35.1	22.7	+54.5%
Underlying basic EPS		33.9p	21.7p	+56.2%
Underlying diluted EPS		33.0p	20.7p	+59.4%

(1) Excluding exceptional items and equity settled share based payments

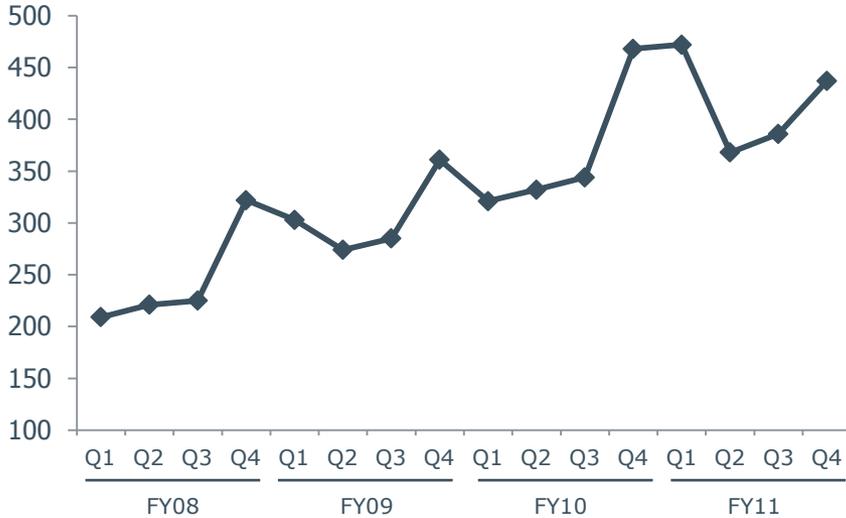
(2) Excluding discontinued High Rollers segment

CORE BETFAIR: REVENUE GROWTH

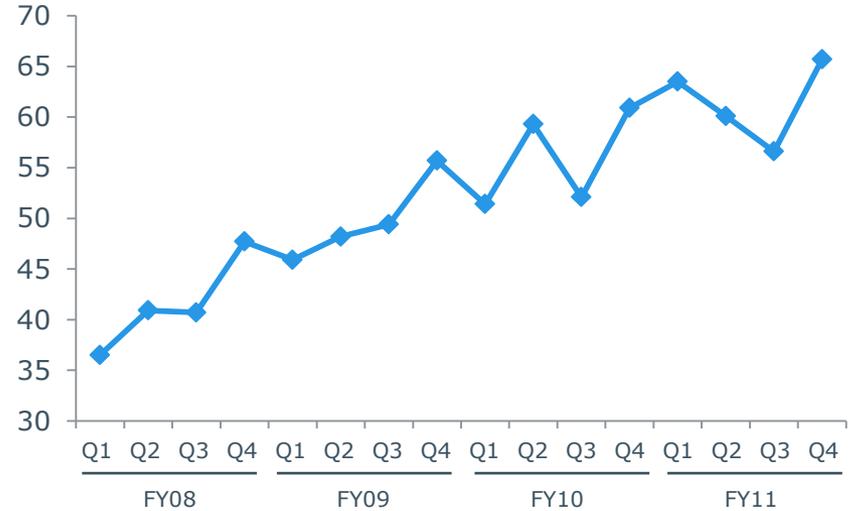
	Q1FY10 – Q1FY11	Q2FY10 – Q2FY11	Q3FY10 – Q3FY11	Q4FY10 – Q4FY11	FY10 – FY11
Sports	+23.6%	+1.4%	+8.6%	+8.0%	+9.9%
Games	+26.1%	+8.9%	+8.2%	-6.9%	+8.6%
Poker	+3.3%	-15.8%	-20.5%	-22.5%	-14.4%
Total net gaming revenue	+22.3%	+1.2%	+5.9%	+2.8%	+7.6%
Revenue from management of client funds	+11.1%	+59.6%	+36.0%	+23.7%	+30.9%
Core revenue	+21.7%	+2.0%	+6.1%	+3.0%	+7.8%

CORE BETFAIR: SPORTS

Actives by quarter (k)



Net Gaming Revenue by quarter (£m)



ARPU by quarter (£)



Robust Growth in Sports (+9.9%)

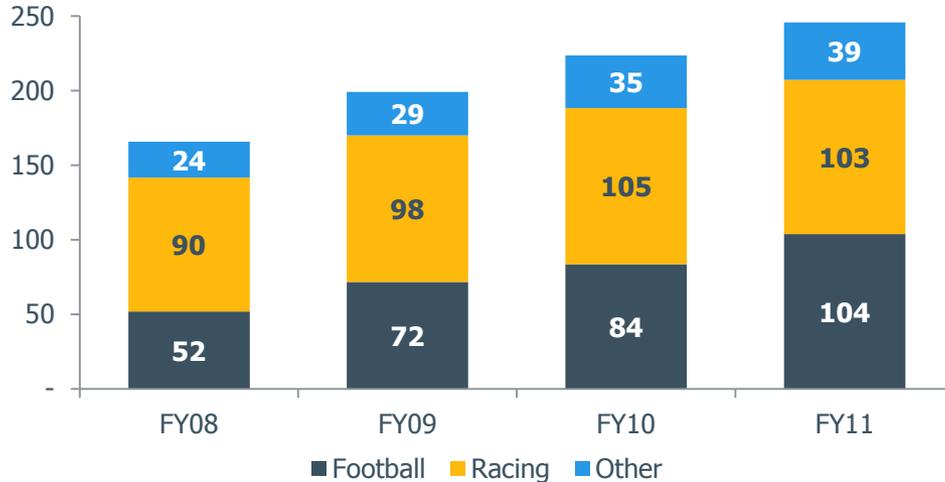
- World Cup benefit in Q1, particularly actives
- Q4 actives down y-o-y due to more focused marketing
- ARPU trend improving



The World's Biggest Betting Community

CORE BETFAIR: SPORTS

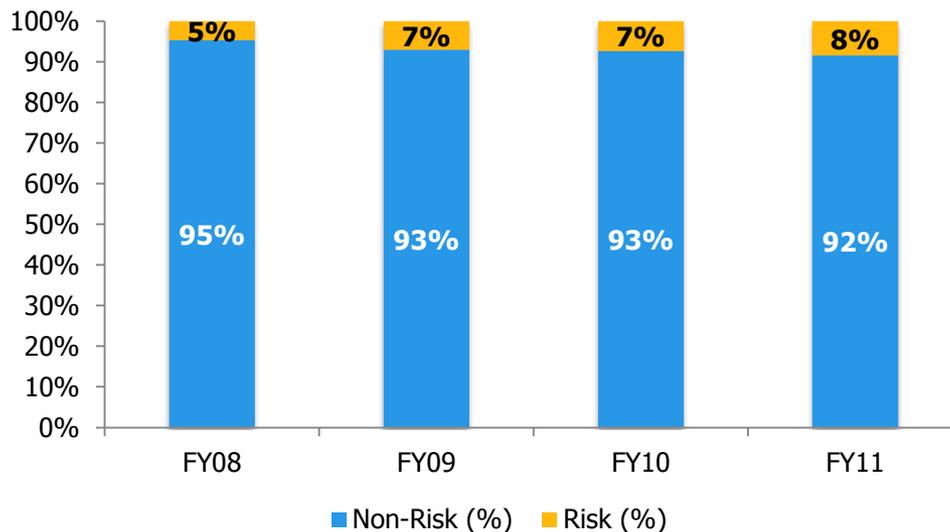
Sports revenue by product (£m)



Football grows as share of sports

- Successful focus on football resulted in 24% growth
- Football revenues higher than racing
- Racing revenues fell 1%

Non-risk versus risk revenue

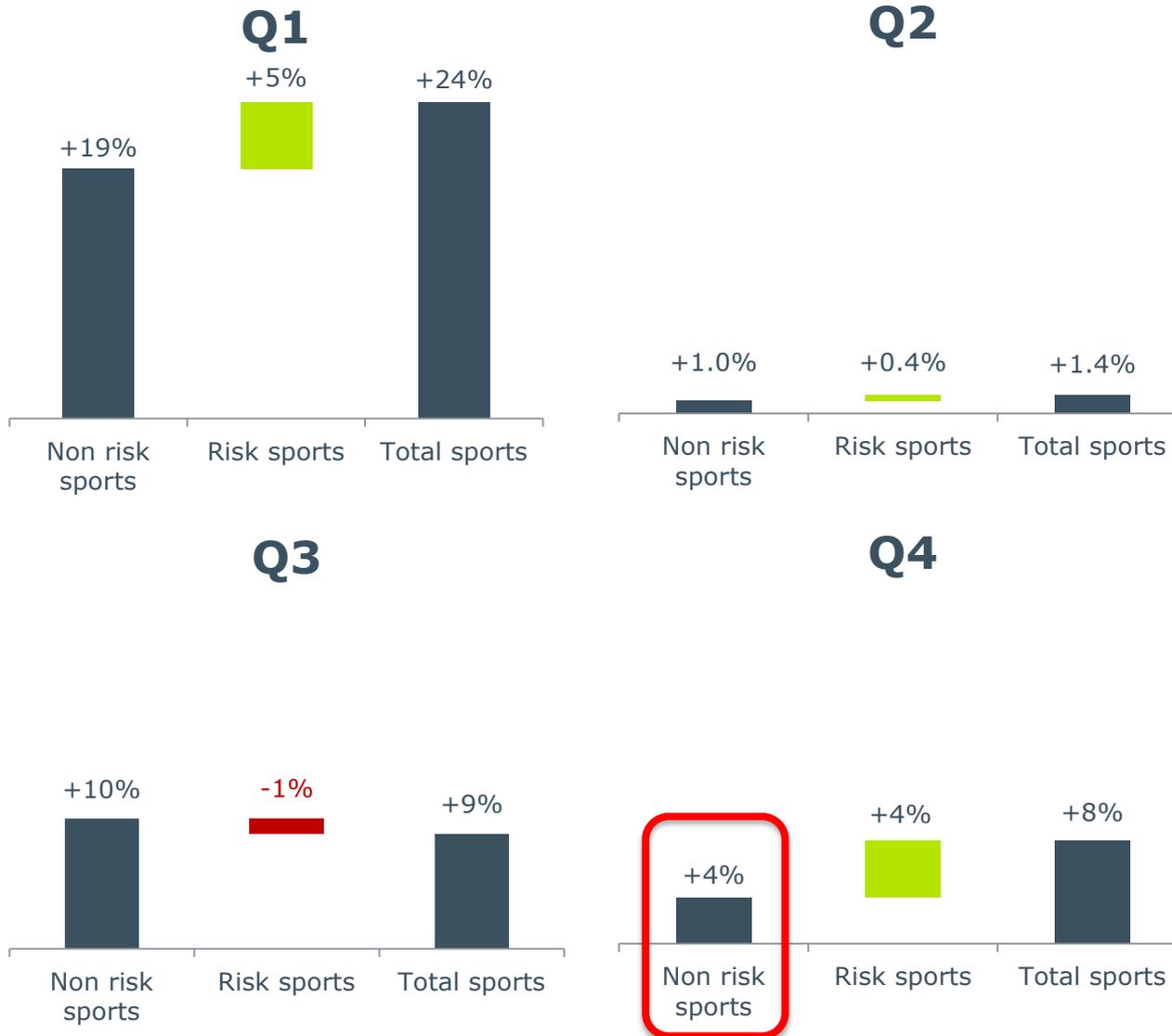


Sports revenue dominated by risk free exchange

- Risk product includes multiples, telephone sportsbook and Italian sportsbook
- Risk volume increased 34%
- Margin decreased slightly to 8.7% (FY10: 9.0%)

CORE BETFAIR: RISK VS NON-RISK PERFORMANCE

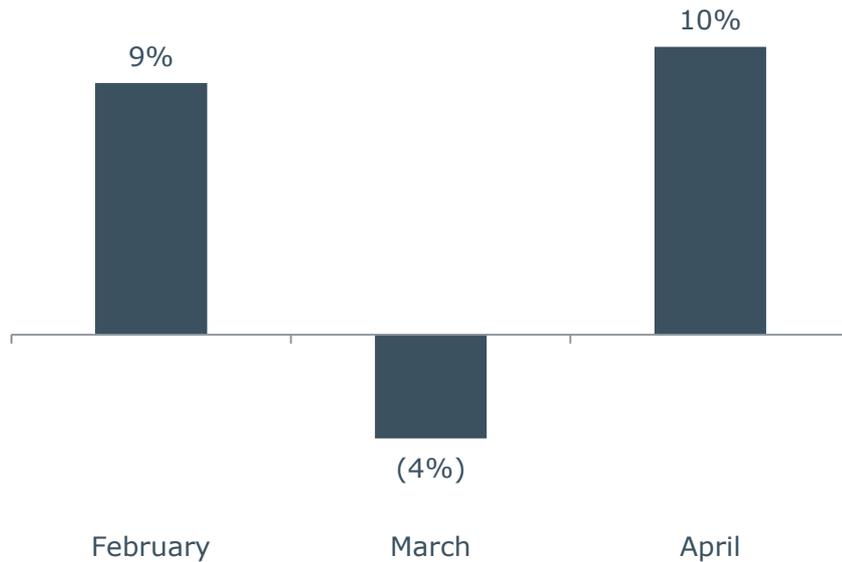
Risk vs non-risk contribution to sports NGR growth (%)



- Performance of risk sports is volatile due to margin fluctuations
- Can have an impact on total sports growth

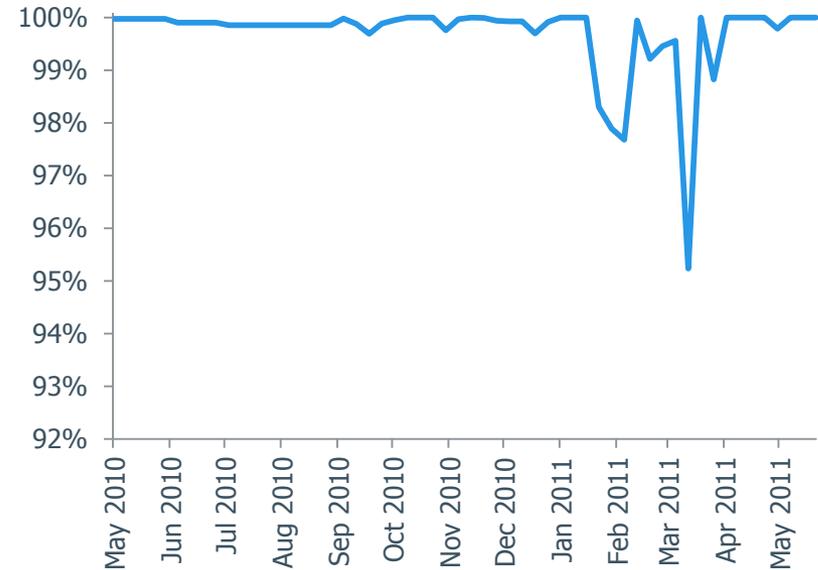
CORE BETFAIR: Q4 SPORTS PERFORMANCE

Effect of outage in Q4 on non-risk sports revenue (YoY %)



- Growth in Q4 negatively impacted by outage

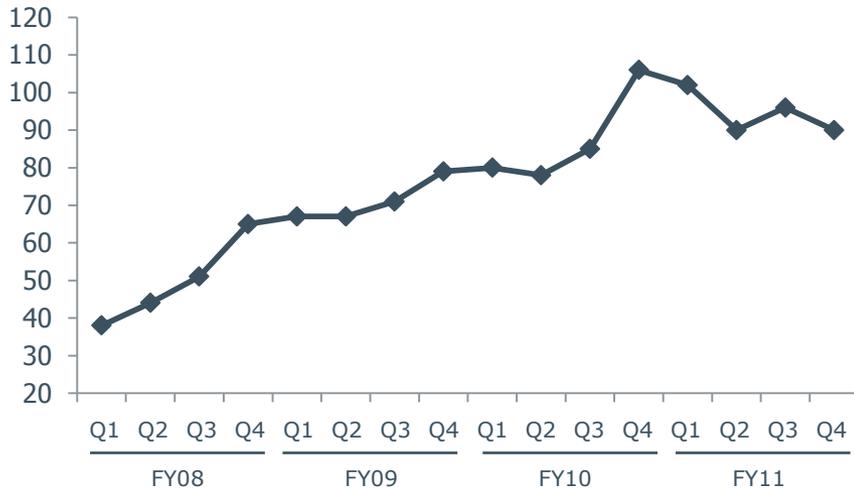
Weekly Exchange Uptime FY11 (%)



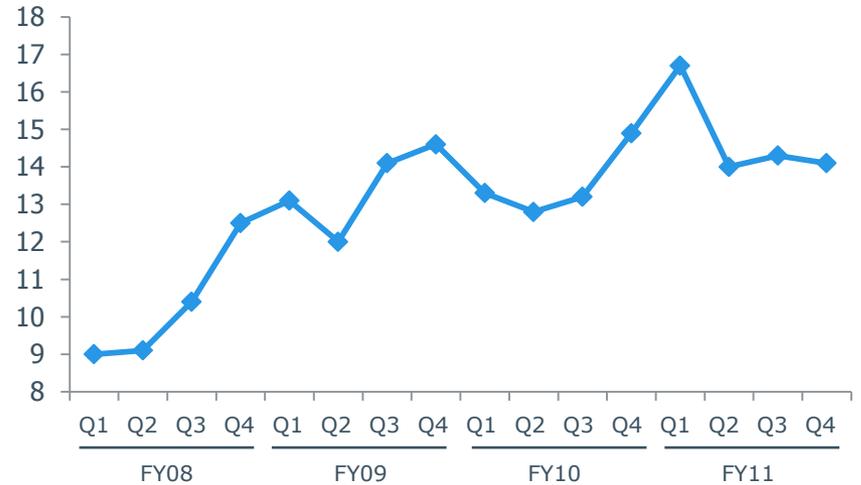
- Technology issues now resolved

CORE BETFAIR: GAMES

Actives by quarter (k)



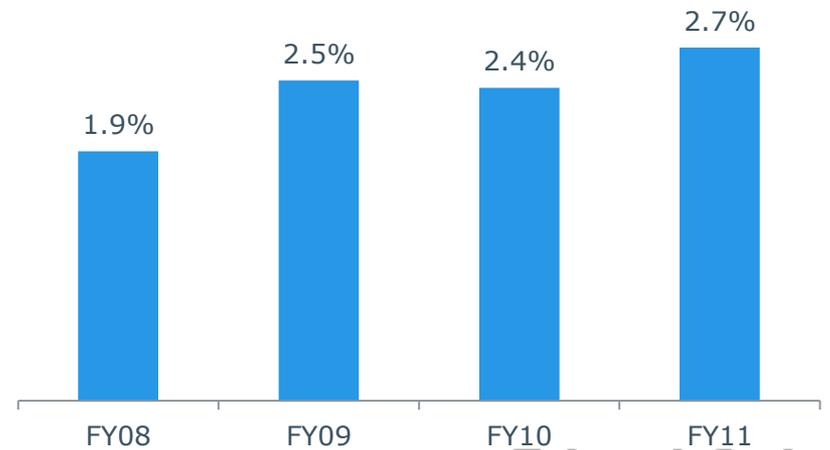
Net Gaming Revenue by quarter (£m)



ARPU by quarter (£)

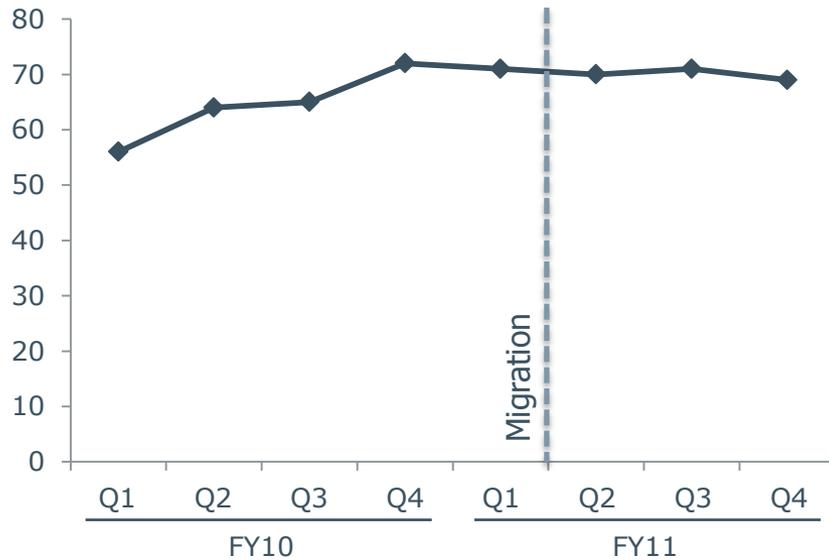


Games gross gaming yield (%)

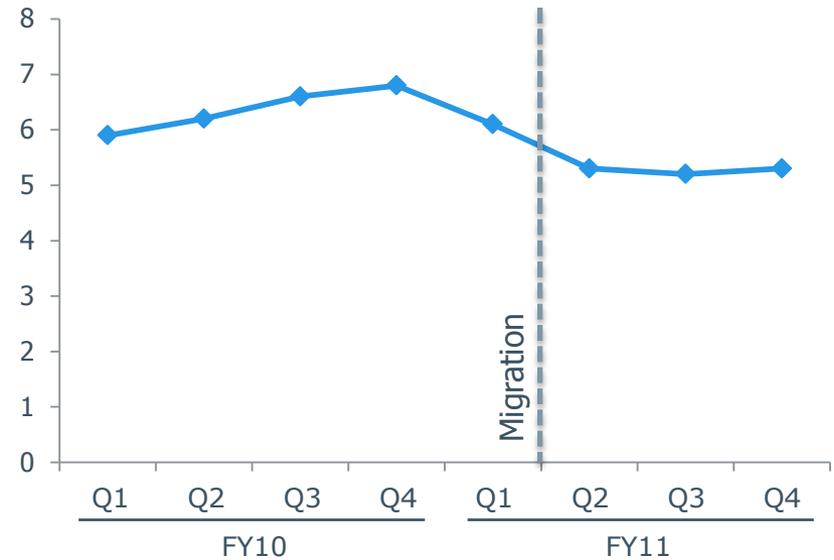


CORE BETFAIR: POKER

Actives by quarter (k)



Net Gaming Revenue by quarter (£m)



Trends stabilising

- Completed migration to Ogame platform in July 2010
- Lost a small number of high value customers
- Total number of actives improved
- Browser based client and side games have stabilised revenues
- Sustainable base for future growth

CORE BETFAIR: EBITDA DEVELOPMENT

	FY11 (£m)	FY10 (£m)	YoY %
Net Gaming Revenue	326.6	303.5	+7.6%
Revenue from management of customer funds	3.3	2.5	+30.9%
Revenue	330.0	306.0	+7.8%
Variable costs	(47.1)	(47.4)	-0.7%
Gross profit	282.9	258.6	+9.4%
Administrative expenses ⁽¹⁾	(202.7)	(196.4)	+3.2%
Adjusted EBITDA ⁽¹⁾	80.2	62.2	+28.9%
<i>Adjusted EBITDA margin (%) ⁽¹⁾</i>	<i>24.3%</i>	<i>20.3%</i>	

(1) Excluding exceptional items and equity settled share-based payments

CORE BETFAIR: ADMINISTRATIVE EXPENSES

	Administrative expenses ⁽¹⁾ (£m)		As % of Core Betfair revenue	
	FY11	FY10	FY11	FY10
Commercial & Marketing	79.3	87.3	24.0%	28.5%
Technology & Product	62.4	55.2	18.9%	18.0%
Operations	19.0	17.4	5.7%	5.7%
Corporate	42.0	36.5	12.7%	11.9%
Total	202.7	196.4	61.4%	64.2%

- Commercial and marketing spend returned to normalised levels
- Increased technology and product spend due to platform investment
 - Completion due in FY12
- Operations costs unchanged as % of revenue
- Corporate costs increased due to costs associated with being a listed company

(1) Excluding exceptional items and equity settled share-based payments

OTHER INVESTMENTS: BETFAIR US

Betfair US	FY11	FY10
Revenue	£35.2m	£32.0m
Adjusted EBITDA ⁽¹⁾	£(1.2)m	£(5.0)m
Cash cost	£3.3m	£5.3m

- **TVG**

- Revenue growth of 7%⁽²⁾
- Handle growth of 18%⁽²⁾ while overall US market handle declined 7.2%
- Actives growth of 12%

- **Betfair US**

- New product development in anticipation of exchange wagering licences

(1) Excludes £2.1m exceptional credit from release of surplus provision

(2) Based on local currency terms

OTHER INVESTMENTS: LMAX

LMAX	FY11	FY10
Revenue	£3.5m	£2.9m
Adjusted EBITDA	£(5.8)m	£(3.7)m
Cash cost	£12.7m	£6.3m

- **Launch in October 2010**
 - Revenue from existing “Tradefair” white label financial spread betting business

GROUP INCOME STATEMENT: UNDERLYING

		FY11 (£m)	FY10 (£m)	YoY%
Underlying EBITDA	- Core Betfair	80.2	62.2	+28.9%
	- Other investments	(7.0)	(8.7)	+19.5%
Underlying EBITDA^(1,2)		73.2	53.5	+36.9%
Depreciation and amortisation		(31.4)	(26.2)	
Underlying operating profit		41.8	27.2	+53.7%
Finance income		1.5	2.4	
Share of profit of equity accounted investments		(0.9)	(3.0)	
Underlying profit before tax		42.4	26.6	+59.4%
Taxation		7.3	3.9	
Underlying profit after tax		35.1	22.7	+54.6%
Underlying basic EPS		33.9p	21.7p	+56.2%
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(1) Excluding exceptional items and equity settled share based payments

(2) Excluding discontinued High Rollers segment

CAPEX AND CAPITALISED DEVELOPMENT EXPENDITURE

	FY11 (£m)			FY10 (£m)		
	Core	Other	Total	Core	Other	Total
Capex – Tangible Assets	21.4	1.2	22.6	9.7	3.5	13.2
Capex – Other Intangibles	13.7	0.6	14.3	7.7	0.3	8.1
Capitalised DEVEX (Internal)	17.5	7.4	25.0	11.7	3.4	15.1
Capitalised DEVEX (External)	4.0	-	4.0	-	-	-
Total	56.6	9.2	65.9	29.1	7.2	36.4

Includes significant investment

	<u>FY11 (£m)</u>
New Data Centre	10
Platform Investment	7
Oracle Licences	6
Total	23

- FY12 Group capex/devex similar level to FY11, and D&A of c.£45m
- Sustainable medium term Group capex/devex of £40m

CASH FLOW

	FY11 (£m)	FY10 (£m)
Core Betfair		
Operating after tax cash flow	72.1	61.1
Capex / Devex	(52.8)	(26.3)
Core Betfair net cash flow	19.3	34.8
Other Investments		
Operating cash flow	(7.0)	(5.8)
Capex / Devex	(9.3)	(6.3)
Other Investments net cash flow	(16.3)	(12.1)
Financing and other activity	1.1	(5.2)
Group net cash flow	4.1	16.7
<hr/>		
Cash and cash equivalents	155.0	150.9
Customer funds⁽¹⁾	305.6	284.0

(1) Client funds held in a ring fenced trust account

RETURN OF EXCESS CASH

- **Strongly cash generative business**
 - Able to fund investment in business alongside cash return
 - Will return excess cash to shareholders as appropriate

- **Two mechanisms to return cash**
 - Final dividend of 5.9p per share
 - Represents 2/3rds of full year dividend
 - Full year dividend equivalent to 20% payout of underlying Core Betfair earnings
 - Share repurchase of up to £50m over next 12 months

FULL YEAR FINANCIAL SUMMARY

- **Sports growth robust in H2, although impacted by outage in Q4**
- **Games growth improved year on year**
- **Poker stabilised following migration**
- **Margin and EBITDA performance was strong**
- **Investment programme funded by strong cash generation**
- **Dividend and share repurchase initiated**

DELIVERING SHAREHOLDER VALUE

David Yu – Chief Executive Officer

THE EXCHANGE MODEL IS BETTER

1 Better value

- Betfair offers customers significantly better value

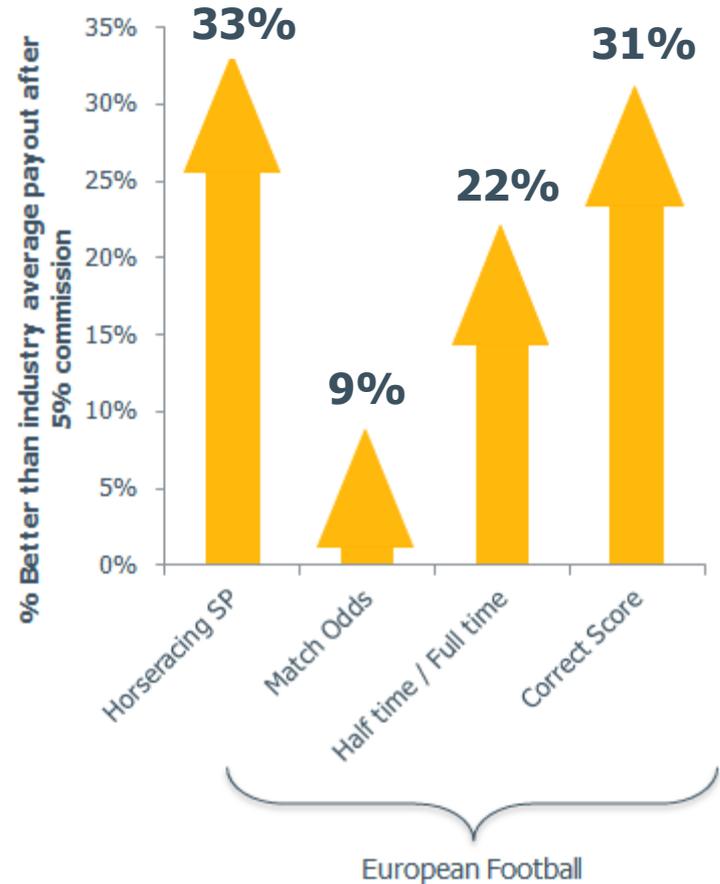
2 Better choice

- Customers set own odds
- Ability to back or lay
- Dynamic in-play betting
- Winners welcome

3 Better flexibility

- Trading and arbitraging strategies
- Automated trading through API

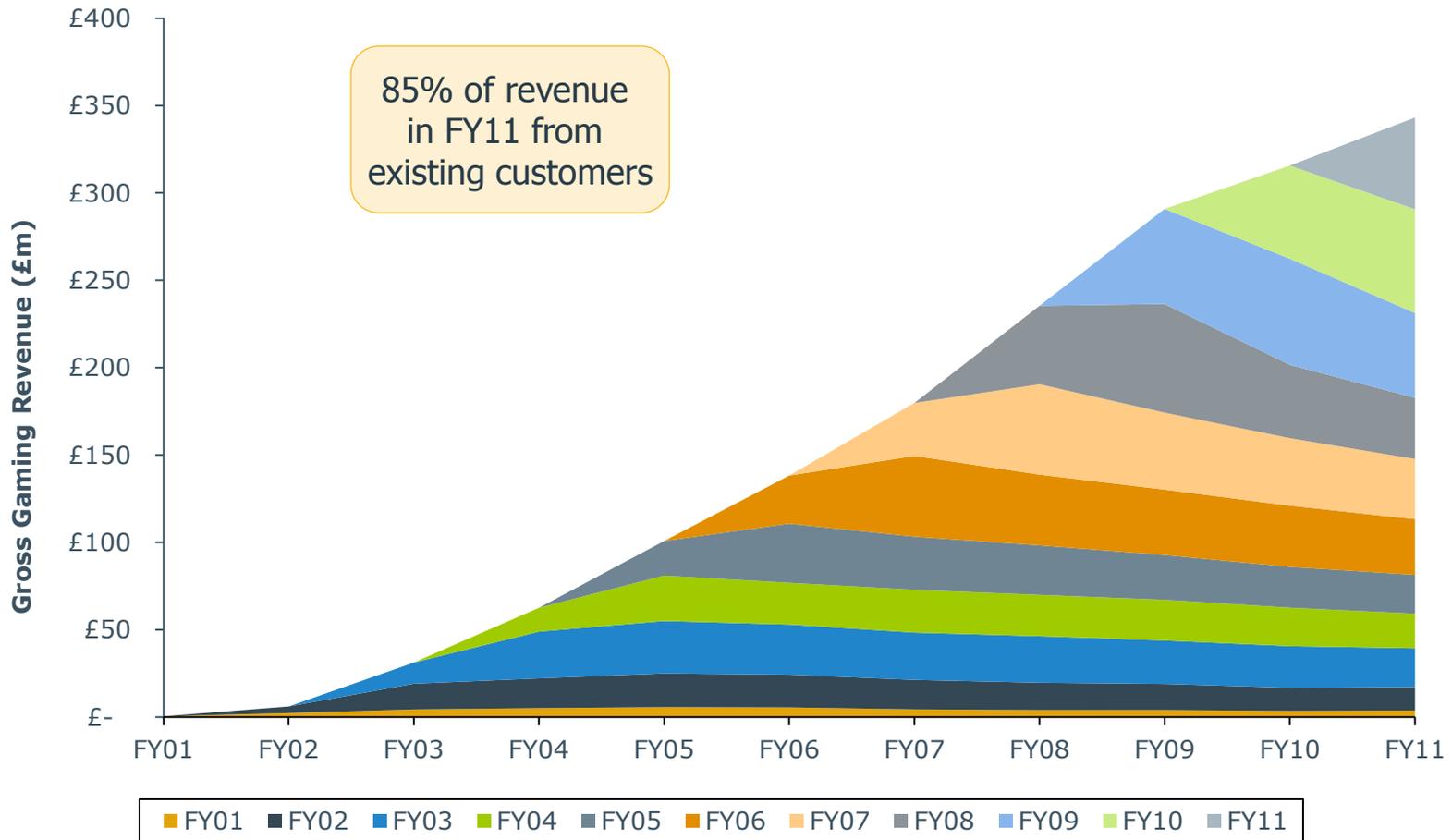
Betfair's Better Value⁽¹⁾



(1) Data collected by Grandparade. Horseracing compares Betfair SP versus industry SP on winning runners since 1 January 2011. Football compares the average payout from 11 competitors on £10 bet staked on the winning outcome in all markets in the 2010/11 season of all major European football leagues. Betfair payout includes a deduction of 5% commission.

BETFAIR CUSTOMERS REMAIN VERY LOYAL

Core Betfair Revenue by year customer joined



THE EXCHANGE ECOSYSTEM IS VIBRANT

Number of bets matched

+20%

Amount of matched volume

+17%

Total net losses

+26%

Betfair exchange revenue

+8%

Year on Year change FY11 vs FY10

DELIVERING SHAREHOLDER VALUE

1

Accelerate growth

2

Deliver further margin improvement

3

Return excess cash to shareholders

1

ACCELERATING GROWTH

- Exchange remains best proposition in online betting
- Opportunity for significant growth remains intact
- Clear plan to deliver growth in 5 areas



Sports



Portfolio



Channels



Geographies



**New Markets
& New
Verticals**



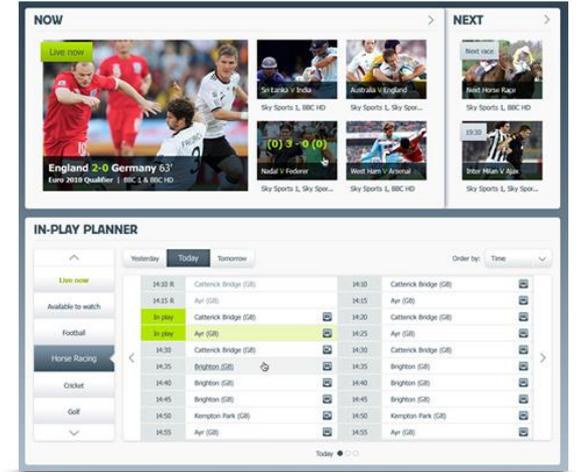
SPORTS: GROWTH

What we have delivered

- Significant increase in in-play football matches, from 800 to 1800 per month
- Cash Out feature launched for football
- Exclusive content and new products for racing

What we have coming for the future

- Improved customer experience (speed, look and feel, navigation)
- Integrated exchange and sportsbook capability
- Better monetisation



In-play homepage

Exclusive Paul Nicholls content, user generated blog sites



New football in-play page and Cash Out



SPORTS: IMPROVED CUSTOMER EXPERIENCE

New site enhancements

- Substantial speed increase
- Improved navigation
- More community content
- Richer data and statistical information

The screenshot shows the Betfair website interface. At the top, there is a search bar and a navigation menu with options: Home, Sports, Poker, Casino, Games, Community, Sports news, and My Betfair. A large banner features the match 'ARSENAL V CHELSEA' with the text 'Bets on Arsenal to win' and an image of a player. Below this, there are sections for 'Most Popular' (listing Premier League, Champions League, and Sport on TV), 'Beta apps' (System bet, Football predictor), 'News' (Man Utd takeover, King Kenny returns), and 'Big events coming up' (Cheltenham, Champs Lge, The Ashes, US Open). The main section is 'Football', which includes a table of upcoming matches with odds for Home, Draw, and Away, and a '+24' button for each. At the bottom, there are links for 'Betfair Poker', 'Arcade', 'Games', and 'Football News', and a 'Horse Racing' section with a table of events at Ascot, Newbury, Wincanton, and Wolverhampton. The footer shows 'My bets 6', 'Favourites 12', and 'Help'.

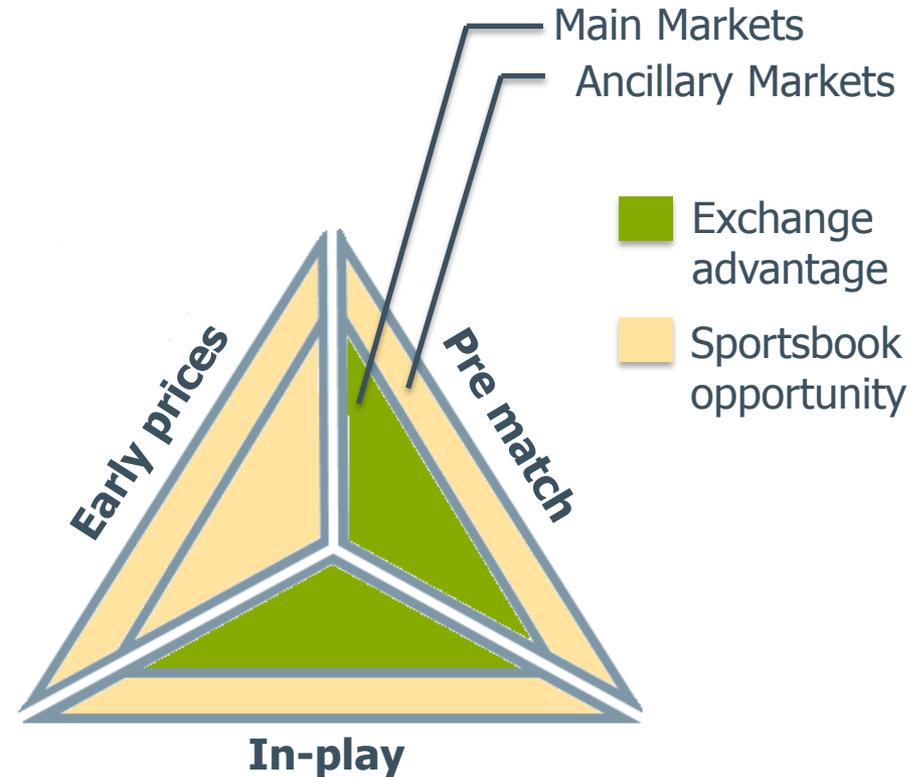
	Home	Draw	Away	
42" Chelsea v Arsenal	3.2	1.2	4.9	+24
42" Man City v Wolverhampton	3.2	1.2	4.9	+24
42" Stoke v Bolton	3.2	1.2	4.9	+24
42" West Brom v Blackpool	3.2	1.2	4.9	+24
15:00 Wigan v Fulham	3.2	1.2	4.9	+24
15:00 West Ham v Arsenal	3.2	1.2	4.9	+24
15:00 MK Dons v Plymouth Argyle	3.2	1.2	4.9	+24
15:00 Swansea v Crystal Palace	3.2	1.2	4.9	+24
15:00 Bristol City v Middlesbrough	3.2	1.2	4.9	+24
15:00 Burnley v QPR	3.2	1.2	4.9	+24



SPORTS: INTEGRATED EXCHANGE & SPORTSBOOK

Improving sports product with earlier liquidity and more in-play markets

- Exchange provides best value proposition on liquid markets
- Exchange does not support all bet types
- We already offer some non-Exchange bets to customers e.g. multiples, tote
- Now extend sports product range to cover more bet types e.g. more in-play markets, early prices
- Integrated Exchange and sportsbook





SPORTS: IMPROVING MONETISATION

- **Betfair revenue did not grow in-line with exchange ecosystem activity**

- Exchange activity grew c. 20%
- Exchange revenue grew 8%

- **Two actions to improve monetisation of activity**

- Ensure winning customers pay appropriately
- Keep money in ecosystem for longer
 - › Make losing customers “better bettors”
 - › Increase number of trades
 - › More commission for Betfair



Pricing adjustments



Customer Education

- More statistics
- More analytics
- More tips/pundits



PORTFOLIO GROWTH

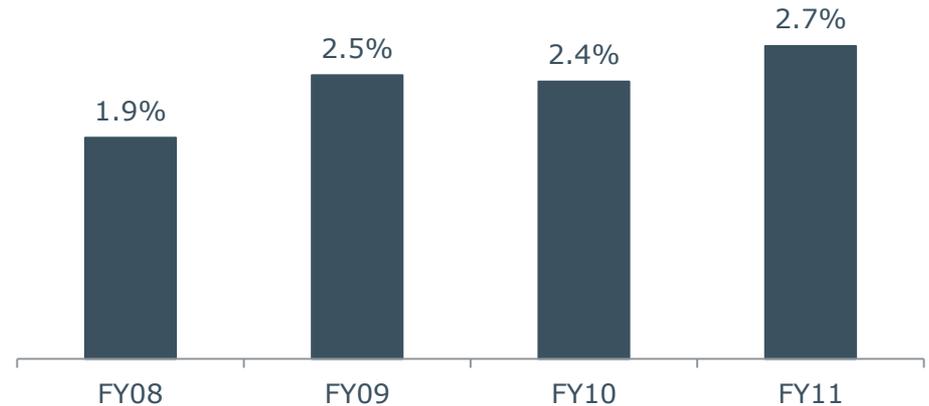
What we have delivered

- Platform work completed for Games and Poker
 - Delivered increased yield

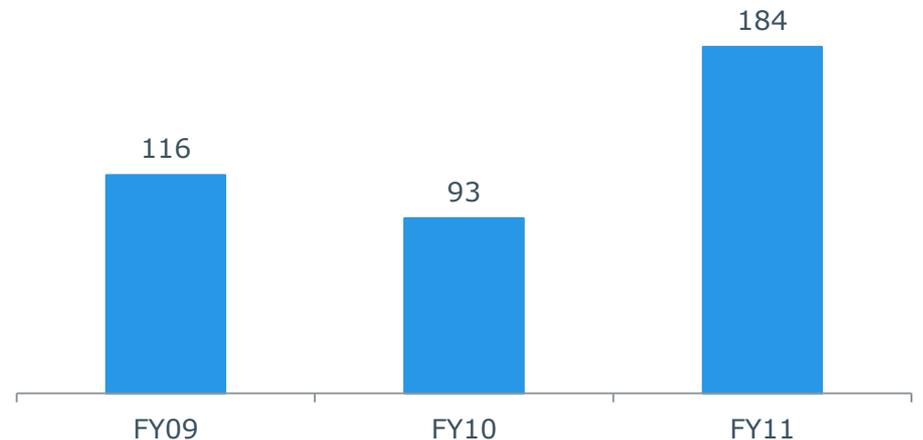
What we have coming for the future

- FY12 focus on increasing average active player days
 - Faster refresh rate for Games
 - Increase promotional and marketing activity

Games gross gaming yield (%)



New games releases on web per year





CHANNELS GROWTH

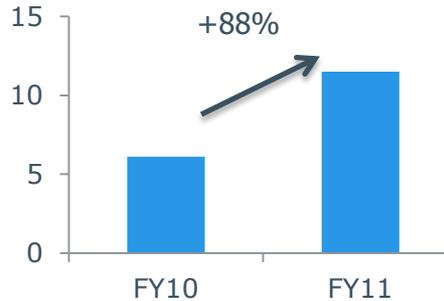
What we have delivered

- Apps on iPhone, iPad, Android, HTML5 and J2ME
- 12 languages, 14 local App stores
- Rapid growth on mobile

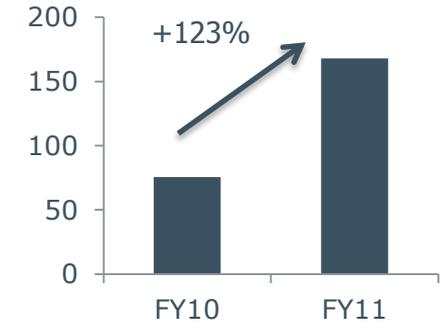
What we have coming for the future

- Stronger in house mobile development team to drive innovation
- Extend mobile products beyond exchange
- Specific promotions for mobile customers
- New developer program for third party apps

Mobile Revenue (£m)



Mobile Actives (k)



Mobile Bets Settled (m)



The World's Biggest Betting Community



GEOGRAPHIES

- Betfair offers the best products for customers with international appeal
- Momentum towards regulated environment in Europe
- Presents risks to business in near-term
 - Adaptability of exchange enables response to regulatory developments
 - Additional flexibility through integrated Exchange / sportsbook will help mitigate risk
- In medium-term, still expect geographic expansion to provide Betfair with significant opportunities.



NEW MARKETS: BETFAIR US

What we have delivered

- Handle and ADW market share gains
- More joined up marketing and TV content
- Restructured operations to improve efficiency
- Continued to invest in TVG website – new beta version released

What we have coming for the future

- California and New Jersey legislation in place
- Technology investment for anticipated introduction of exchange wagering
- Continued lobbying efforts





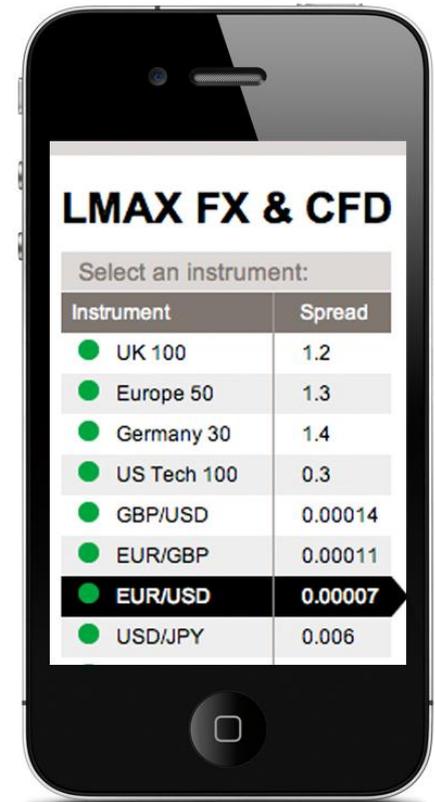
NEW VERTICALS: LMAX

What we have delivered

- Key elements for an attractive customer proposition
 - Speed
 - Quality of execution
 - Reliability
 - Competitive pricing
- However, registrations significantly behind plan

What we have coming for the future

- Change in management
- Restructured marketing channel to strengthen direct sales
- Plan to broaden product appeal with increased focus on liquid FX, index and commodity markets and high frequency trading



The World's Biggest Betting Community

2

MARGIN IMPROVEMENTS

- **Significant margin improvement in FY11**
 - Adjusted EBITDA in Core Betfair of increased to 24.3% (FY10: 20.3%)
- **Focused programmes to deliver further margin improvement**
 - High value customer focus
 - Pricing adjustments
 - Marketing and operations efficiencies
 - Technology re-architecture project ending in FY12
 - Positive impact of Gibraltar licence from FY12

MANAGEMENT TEAM

- **Taken steps to strengthen the management team**
- **Senior appointments in key areas of the business:**
 - Technology
 - Marketing
 - Mobile
- **Ian Chuter joined the executive board as Group Operations Director**
 - 30 years of industry experience

CURRENT TRADING AND OUTLOOK

- **Current Trading (first 8 weeks)**

- Non-risk Sport, Games, Poker in line with our expectations
- Risk Sport below expectation due to adverse margin in May
- As anticipated, year to date revenue is lower than the prior year due to the strong comparable period (World Cup, pre Poker migration)

- **Outlook**

- FY12 is an important year for new product delivery
- Expect progress in the year and acceleration of growth in future years
- Timing and impact of regulatory change uncertain, but well placed to react
- Further margin improvement in FY12 in Core Betfair

DELIVERING SHAREHOLDER VALUE

1

Accelerate growth

- Clear plan to deliver growth in five areas

2

Deliver further margin improvement

- Specific programmes to drive efficiency

3

Return excess cash to shareholders

- Dividend and share repurchase

Q&A

APPENDICES

APPENDICES

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Reported Group Income Statement and Adjustments

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Additional Income Statement Information

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A5

Balance sheet

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A1: KPIs

A1: KPIs – BY PRODUCT, BY YEAR

Core Betfair Net Gaming Revenue development By product segment

By Year

Actives (k)	FY08	FY09	FY10	FY11
Sports	459	572	713	810
Games	128	183	232	258
Poker	114	129	147	161
Total	522	652	823	949

Net ARPU (£)	FY08	FY09	FY10	FY11
Sports	361	348	314	304
Games	320	294	233	228
Poker	234	233	174	136
Total	447	434	369	344

Net Gaming Revenue (£m)	FY08	FY09	FY10	FY11
Sports	165.8	199.2	223.7	245.9
Games	41.1	53.8	54.2	58.9
Poker	26.6	29.9	25.6	21.9
Total	233.4	283.0	303.5	326.6

A1: KPIs – BY PRODUCT, BY HALF YEAR

Core Betfair Net Gaming Revenue development By product segment

By Half Year

Actives (k)	H1 FY08	H2 FY08	H1 FY09	H2 FY09	H1 FY10	H2 FY10	H1 FY11	H2 FY11
Sports	279	375	382	438	437	563	579	558
Games	64	93	106	120	126	156	155	153
Poker	67	82	88	83	88	102	105	104
Total	315	421	435	491	499	639	654	650

Net ARPU (£)	H1 FY08	H2 FY08	H1 FY09	H2 FY09	H1 FY10	H2 FY10	H1 FY11	H2 FY11
Sports	277	236	246	240	253	201	213	219
Games	283	247	237	239	207	181	198	185
Poker	177	180	176	174	137	131	108	101
Total	341	300	310	302	298	242	253	247

Net Gaming Revenue (£m)	H1 FY08	H2 FY08	H1 FY09	H2 FY09	H1 FY10	H2 FY10	H1 FY11	H2 FY11
Sports	77.5	88.3	94.1	105.1	110.8	113.0	123.6	122.3
Games	18.1	23.0	25.1	28.7	26.1	28.1	30.7	28.2
Poker	11.8	14.8	15.5	14.4	12.1	13.4	11.4	10.5
Total	107.4	126.1	134.8	148.2	149.0	154.6	165.7	161.0

A1: KPIs – BY PRODUCT, BY QUARTER

Core Betfair Net Gaming Revenue development
By product segment

By Quarter

Actives (k)	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09
Sports	209	221	225	322	303	274	285	361
Games	38	44	51	65	67	67	71	79
Poker	45	48	54	58	64	59	57	57
Total	233	248	256	355	340	311	322	398

Net ARPU (£)	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09
Sports	175	185	181	148	152	176	174	154
Games	240	207	206	192	195	180	197	186
Poker	127	126	139	123	119	135	138	115
Total	220	226	229	190	196	219	221	193

Net Gaming Revenue (£m)	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09
Sports	36.5	40.9	40.7	47.7	45.9	48.2	49.4	55.7
Games	9.0	9.1	10.4	12.5	13.1	12.0	14.1	14.6
Poker	5.7	6.1	7.5	7.2	7.6	8.0	7.8	6.5
Total	51.3	56.1	58.7	67.4	66.6	68.1	71.3	76.9

By Quarter

Actives (k)	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11
Sports	321	332	344	468	472	368	386	437
Games	80	78	85	106	102	90	96	90
Poker	56	64	65	72	71	70	71	69
Total	364	375	390	522	526	416	450	490

Net ARPU (£)	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11
Sports	160	179	151	130	134	164	146	150
Games	166	165	156	141	163	156	148	155
Poker	105	97	101	95	86	75	74	76
Total	194	209	184	158	164	191	169	173

Net Gaming Revenue (£m)	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11
Sports	51.4	59.3	52.1	60.9	63.5	60.1	56.6	65.7
Games	13.3	12.8	13.2	14.9	16.7	14.0	14.3	13.9
Poker	5.9	6.2	6.6	6.8	6.1	5.3	5.2	5.3
Total	70.6	78.4	71.9	82.7	86.3	79.3	76.1	84.9

A1: KPIs – BY GEOGRAPHY, BY YEAR

Core Betfair Net Gaming Revenue development
By geographic segment

By Year

Actives (k)	FY08	FY09	FY10	FY11
UK	350	403	474	487
Europe	161	237	335	441
RoW	11	12	14	21
Total	522	652	823	949

Net ARPU (£)	FY08	FY09	FY10	FY11
UK	390	387	345	358
Europe	522	472	373	309
RoW	1,154	1,266	1,046	787
Total	447	434	369	344

Net Gaming Revenue (£m)	FY08	FY09	FY10	FY11
UK	136.4	155.8	163.6	174.0
Europe	84.1	111.7	125.0	136.2
RoW	12.9	15.5	14.9	16.4
Total	233.4	283.0	303.5	326.6

A1: KPIs – BY GEOGRAPHY, BY HALF YEAR

Core Betfair Net Gaming Revenue development
By geographic segment

By Half Year

Actives (k)	H1 FY08	H2 FY08	H1 FY09	H2 FY09	H1 FY10	H2 FY10	H1 FY11	H2 FY11
UK	205	290	276	308	298	375	349	348
Europe	102	123	150	175	192	254	292	289
RoW	8	7	8	8	9	10	14	14
Total	315	421	435	491	499	639	654	650
Net ARPU (£)	H1 FY08	H2 FY08	H1 FY09	H2 FY09	H1 FY10	H2 FY10	H1 FY11	H2 FY11
UK	320	244	276	259	273	219	259	241
Europe	349	393	342	345	312	256	227	242
RoW	760	947	863	977	809	721	668	533
Total	341	300	310	302	298	242	253	247
Net Gaming Revenue (£m)	H1 FY08	H2 FY08	H1 FY09	H2 FY09	H1 FY10	H2 FY10	H1 FY11	H2 FY11
UK	65.7	70.7	76.1	79.7	81.4	82.2	90.3	83.8
Europe	35.7	48.4	51.4	60.3	60.0	65.0	66.3	69.9
RoW	5.9	7.0	7.3	8.2	7.6	7.3	9.1	7.3
Total	107.4	126.1	134.8	148.2	149.0	154.6	165.7	161.0

A1: KPIs – BY GEOGRAPHY, BY QUARTER

Core Betfair Net Gaming Revenue development
By geographic segment

By Quarter

Actives (k)	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09
UK	157	161	165	253	226	194	195	260
Europe	70	81	86	96	108	111	121	131
RoW	6	6	5	5	6	6	6	6
Total	233	248	256	355	340	311	322	398

Net ARPU (£)	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09
UK	205	207	199	149	172	192	194	161
Europe	233	239	265	266	228	241	244	234
RoW	498	570	569	730	519	682	650	690
Total	220	226	229	190	196	219	221	193

Net Gaming Revenue (£m)	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09
UK	32.3	33.5	33.0	37.8	38.8	37.3	37.9	41.8
Europe	16.3	19.4	22.7	25.7	24.6	26.8	29.6	30.7
RoW	2.7	3.2	3.0	4.0	3.2	4.1	3.9	4.4
Total	51.3	56.1	58.7	67.4	66.6	68.1	71.3	76.9

By Quarter

Actives (k)	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11
UK	230	223	223	317	291	225	239	277
Europe	128	146	159	197	225	182	202	203
RoW	7	7	7	8	10	9	9	10
Total	364	375	390	522	526	416	450	490

Net ARPU (£)	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11
UK	172	188	171	139	163	191	165	160
Europe	215	224	189	176	152	177	164	181
RoW	533	585	513	489	475	484	396	369
Total	194	209	184	158	164	191	169	173

Net Gaming Revenue (£m)	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11
UK	39.6	41.8	38.1	44.1	47.4	42.9	39.5	44.3
Europe	27.5	32.6	30.2	34.8	34.1	32.2	33.0	36.8
RoW	3.5	4.0	3.6	3.8	4.8	4.2	3.5	3.8
Total	70.6	78.4	71.9	82.7	86.3	79.3	76.1	84.9

A2: REPORTED GROUP INCOME STATEMENT AND ADJUSTMENTS

A2: AS REPORTED GROUP INCOME STATEMENT

		FY11 (£m)	FY10 (£m)
Revenue	- Core Betfair	330.0	306.0
	- Other investments	38.6	34.9
	- High rollers	24.7	-
Group revenue		393.3	340.9
Adjusted EBITDA	- Core Betfair	80.2	62.2
	- Other investments	(7.0)	(8.7)
	- High rollers	6.5	-
Adjusted EBITDA⁽¹⁾		79.7	53.5
Exceptional Items		(17.0)	(4.6)
Equity settled share-based payments		(6.4)	(4.2)
EBITDA		56.3	44.7
Group operating profit		24.8	18.4
Profit after tax		23.1	15.1
Basic EPS		22.6p	14.4p
Diluted EPS		22.0p	13.8p

(1) Excluding exceptional items and equity settled share based payments

A2: ADJUSTMENTS

- **Exclusions from reported financials required to reach underlying performance**
 - High rollers
 - Exceptional items
 - Equity settled share-based payments
 - Profit on disposal of financial asset
 - Tax effect of above items

A2: RECONCILIATION OF ADJUSTMENTS

Year ended 30 April 2011

	Revenue £m	EBITDA £m	Operating profit £m	Profit before tax £m	Profit after tax £m
Reported	393.3	56.3	24.8	26.6	23.0
Adjustments for:					
- High rollers	(24.7)	(6.5)	(6.5)	(6.5)	(6.5)
- Exceptional items	-	17.0	17.0	17.0	17.0
- Equity settled share-based payments	-	6.4	6.4	6.4	6.4
- Profit on disposal of financial asset	-	-	-	(1.2)	(1.2)
- Tax effect of adjustments	-	-	-	-	(3.7)
Underlying	368.6	73.2	41.8	42.4	35.1
Basic EPS (underlying)					33.9 p
Diluted EPS (underlying)					33.0 p

A3: ADDITIONAL INCOME STATEMENT INFORMATION

A3: UNDERLYING GROUP INCOME STATEMENT

	FY11 (£m)	FY10 (£m)
Underlying EBITDA	73.2	53.5
Depreciation and amortisation	(31.4)	(26.2)
Underlying operating profit	41.8	27.2
Finance income	1.5	2.4
Share of profit of equity accounted investments	(0.9)	(3.0)
Underlying profit before tax	42.4	26.6
Taxation	7.3	3.9
Underlying profit after tax	35.1	22.7
Underlying basic EPS	33.9p	21.7p
Underlying diluted EPS	33.0p	20.7p

	FY11 (£m)	FY10 (£m)
Net interest receivable	1.1	0.8
Net foreign exchange gain	0.4	1.6
Finance income	1.5	2.4

A3: UNDERLYING GROUP INCOME STATEMENT

	FY11 (£m)	FY10 (£m)
Underlying EBITDA	73.2	53.5
Depreciation and amortisation	(31.4)	(26.2)
Underlying operating profit	41.8	27.2
Finance income	1.5	2.4
Share of profit of equity accounted investments	(0.9)	(3.0)
Underlying profit before tax	42.4	26.6
Taxation	7.3	3.9
Underlying profit after tax	35.1	22.7
Underlying basic EPS	33.9p	21.7p
Underlying diluted EPS	33.0p	20.7p

Betfair Australia

- 11% revenue growth⁽¹⁾
- Gross margin improvement from Racing Queensland settlement and reduced GPT on Tasmanian licence
- Offset by ongoing New South Wales legal fees

(1) Based on local currency terms

A3: UNDERLYING GROUP INCOME STATEMENT

	FY11 (£m)	FY10 (£m)
Underlying EBITDA	73.2	53.5
Depreciation and amortisation	(31.4)	(26.2)
Underlying operating profit	41.8	27.2
Finance income	1.5	2.4
Share of profit of equity accounted investments	(0.9)	(3.0)
Underlying profit before tax	42.4	26.6
Taxation	7.3	3.9
Underlying profit after tax	35.1	22.7
Underlying basic EPS	33.9p	21.7p
Underlying diluted EPS	33.0p	20.7p

Taxation

- Underlying tax expense £7.3m
- Effective tax rate 17%
- Sustainable tax rate 17%

A4: CASH FLOW

A4: CASH FLOW

Twelve months ended 30 April	FY11	FY10
	(£m)	(£m)
Net cash flow from operations	60.6	55.9
Taxation paid	(3.0)	(2.9)
Acquisition of subsidiary net of cash acquired	(0.2)	(3.3)
Capital expenditure – property, plant and equipment	(21.6)	(12.5)
Capital expenditure – other intangibles	(12.6)	(5.5)
Capitalised development expenditure	(27.9)	(14.7)
Disposal/(acquisition) of financial assets	3.8	(2.0)
Proceeds from issue of share capital	6.6	1.9
Proceeds from issue of subsidiary share capital	4.8	-
Proceeds from the sale of shares	-	-
Purchase of own shares	(7.2)	-
Other	0.8	0.7
Net cash flow in period	4.1	17.6

A5: BALANCE SHEET

A5: BALANCE SHEET

	FY08 (£m)	FY09 (£m)	FY10 (£m)	FY11 (£m)
Current assets				
Cash	111	133	151	155
Trade and other receivables	11	16	22	22
Other assets	-	2	-	-
Total current assets	122	152	173	177
Non current assets				
Plant, property and equipment	22	23	24	33
Intangible assets	30	77	89	110
Other	20	14	10	8
Total non current assets	72	114	123	151
Liabilities	(76)	(101)	(115)	(112)
Net assets	118	165	181	216