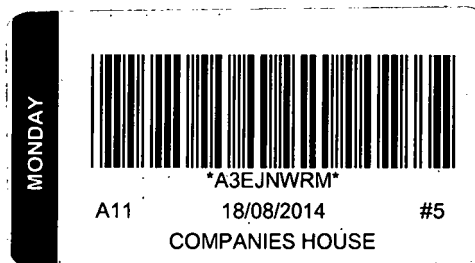


Company Registration No. 03534726 (England and Wales)

SPORTINGBET PLC
INTERIM UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
19 March 2013



Sportingbet Plc
DIRECTORS AND ADVISERS

Directors	Richard Cooper (appointed 19 th March 2013) Kenneth Alexander (appointed 19 th March 2013)
Registered office	3 rd Floor 45 Moorfields London EC2Y 9AE
Company number	03534726
Solicitors	Addleshaw Goddard LLP Milton Gate 60 Chiswell Street London, EC1Y 4AG
Statutory auditor	Grant Thornton UK LLP Chartered accountants Statutory Auditor 1020 Eskdale Road Winnersh Wokingham

Sportingbet Plc
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Sportingbet Plc

DIRECTORS' REPORT

INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

The Directors present their report for Sportingbet Plc and unaudited financial statements for the period ended 19 March 2013 for the purpose of demonstrating sufficient distributable reserves in order for the Directors to declare a dividend. These have been prepared in accordance with sections 395 to 397 of the Companies Act 2006.

Directors

The Directors who held office during the year were:

K Alexander (appointed 19th March 2013)

R Cooper (appointed 19th March 2013)

P F Dicks (resigned 19th March 2013)

B B Harns (resigned 19th March 2013)

R P Macnamara (resigned 19th March 2013)

C F Moss (resigned 19th March 2013)

A R McIver (resigned 19th March 2013)

M A Stevens (resigned 19th March 2013)

J H Wilkinson (resigned 19th March 2013)

On behalf of the Board



Richard Cooper

Director

30 April 2013

Sportingbet Plc
PROFIT AND LOSS ACCOUNT
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

		Period ended 19 March 2013	Year ended 31 July 2012
	Notes	£000's	£000's
Turnover		-	4,142
Cost of sales		-	-
Gross profit		-	4,142
Administrative expenses		(29,200)	(22,500)
Operating loss		(29,200)	(18,358)
Operating loss before share option charge and exceptional items		(3,027)	(6,366)
Share option charge		-	(636)
Exceptional items		(26,173)	(11,356)
Operating loss		(29,200)	(18,358)
Profit on disposal of investments		189,127	-
Financial income	3	146,067	3,690
Financial expense	3	(25,292)	(7,090)
Profit / (loss) on ordinary activities before taxation		280,702	(21,758)
Tax on profit / (loss) on ordinary activities		-	-
Profit / (loss) for the financial period / year	9	280,702	(21,758)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains or losses other than the profit as above for the financial period.

The notes on pages 5 to 10 form an integral part of these financial statements.

Sportingbet Plc**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013**

	Period ended 31 March 2013	Year ended 31 July 2012
Notes	£000's	£000's
Profit / (Loss) for the financial period / year	280,702	(21,758)
Loss on settlement of equity element of compound financial instrument	(11,709)	-
Total recognised gains and losses relating to the period / year	268,993	(21,758)

The notes on pages 5 to 10 form an integral part of these financial statements.

Sportingbet Plc
BALANCE SHEET
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

		At 19 March 2013 £000's	At 31 July 2012 £000's
	Notes		
Fixed Assets			
Investments	2	87,564	221,885
Current assets			
Debtors	5	398,863	88,190
Cash at bank and in hand		-	32
		<u>398,863</u>	<u>88,222</u>
Creditors: amounts falling due within one year	6	<u>(45,377)</u>	<u>(45,467)</u>
Net current assets		<u>353,486</u>	<u>42,755</u>
Creditors: amounts falling due in more than one year	7	-	(72,578)
Net Assets		<u>441,050</u>	<u>192,062</u>
Capital and reserves			
Called up share capital	8	667	667
Share premium	9	59,641	59,641
Other reserves	9	62,309	62,252
Equity portion of convertible bond		-	12,200
Profit and loss account		<u>318,433</u>	<u>57,302</u>
Total shareholders' funds	9	<u>441,050</u>	<u>192,062</u>

The financial statements on pages 2 to 10 were approved by the Board of Directors on 30th April 2013 and were signed on their behalf by:



Richard Cooper – Director
Company Registration No. 03534726 (England and Wales)

The notes on pages 5 to 10 form an integral part of these financial statements.

Sportingbet Plc
NOTES TO THE INTERIM FINANCIAL STATEMENTS
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

1. Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Companies Act 2006, under the historical cost convention and on the going concern basis.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of Section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following accounting policies have been applied consistently throughout the year in relation to the Company's financial statements.

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction, except, where the transaction is settled at a contracted rate, the contracted rate is used.

Cash flow statement

The Company became a wholly owned subsidiary of GVC Holdings PLC on the 19 March 2013. Prior to the 19 March 2013 it prepared group consolidated accounts and the Company accounts were included in the consolidated financial statements of Sportingbet Holdings PLC, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised 1996), "Cash Flow Statements".

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Convertible bonds

The net proceeds received from the issue of convertible bonds are split between a liability element and an equity component at the date of issue. The fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible bonds and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in equity and is not re-measured. The liability component is carried at amortised cost.

Issue costs are apportioned between the liability and equity components of the convertible bonds based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

Sportingbet Plc
NOTES TO THE INTERIM FINANCIAL STATEMENTS
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

The finance cost on the liability component is calculated by applying the prevailing market interest rate, at the time of issue, for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible bonds.

Going concern

The accounts are prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

2. Investments

Investments in subsidiaries are recognised at cost less any impairment.

	Period ended 19 March 2013	Year ended 31 July 2012
	£000's	£000's
As at 1 August	221,885	89,092
Acquisitions*	125,074	132,522
Disposals^	(259,395)	-
Options used	-	271
As at 19 March and 31 July	87,564	221,885

*The company acquired by dividend in specie from Sportingbet Holdings Limited an investment in Sportingbet Australia Holdings PTY Limited in the period to 19 March 2013.

^The company disposed of its investment in Sportingbet Australia Holdings PTY Limited, Sportingbet Intragroup Financing. (Guernsey) Limited to William Hill PLC for consideration of £448.5 million in the period to 19 March 2013. The profit on disposal of investments has been shown in the profit and loss account.

The following principal subsidiaries were wholly owned at 19 March 2013:

<u>Company</u>	<u>Country of Incorporation</u>	<u>% owned</u>	<u>Activity</u>
Interactive Sports (C.I) Limited	Alderney	100%	Online betting
Sporting Odds Limited	England	100%	Online betting
Sportingbet Holdings Limited	England	100%	Holding company
Sportingbet (Management) Services Limited	England	100%	Administrative services
Sportingbet (IT) Services Limited	England	100%	Software development and IT related services
Sportingbet (Product) Services Limited	England	100%	Project management and web design services
MLB Limited	Ireland	100%	Contract call centre
Spread Your Wings Limited	Malta	100%	Online betting
Spread Your Wings Italy Limited	Malta	100%	Online betting
Spread Your Wings Germany Limited	Malta	100%	Online betting
SBT Software Operations (SA) (Pty) Limited	South Africa	100%	Online betting

Sportingbet Plc
NOTES TO THE INTERIM FINANCIAL STATEMENTS
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

3. Finance income/(expense)

	Period ended 19 March 2013	Year ended 31 July 2012
	£000's	£000's
Dividends received from group undertakings	145,824	-
Inter-company interest received	-	3,645
Other income and interest receivable	243	45
	146,067	3,690
Loan note interest	(5,544)	(7,050)
Other interest	(117)	(40)
Loss on disposal of convertible bonds	(19,631)	-
	120,775	(3,400)

4. Taxation

	Period ended 19 March 2013	Year ended 31 July 2012
	£000's	£000's
Current taxation charge	-	-
Prior year adjustment	-	-
	-	-

5. Debtors

	Period ended 19 March 2013	Year ended 31 July 2012
	£000's	£000's
Other debtors	41,967	300
Prepayments and accrued income	20	408
Owed by group undertakings	356,876	87,482
	398,863	88,190

Sportingbet Plc
NOTES TO THE INTERIM FINANCIAL STATEMENTS
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

6. Creditors: amounts falling due within one year

	Period ended 19 March 2013	Year ended 31 July 2012
	£000's	£000's
Bank loans	-	2,000
Trade creditors	-	-
Owed to group undertakings	41,048	33,554
Other creditors	-	3,500
Accruals and deferred income	4,329	6,413
	45,377	45,467

7. Creditors: amounts falling due after more than one year

	Period ended 31 December 2013	Year ended 31 July 2012
	£000's	£000's
Bank loans	-	6,005
Convertible bonds*	-	66,573
	-	72,578

* On 8 June 2011, the Company issued £65.0m of 7% fixed rate convertible bonds, raising cash of £62.0m net of issue costs. Interest on the debt proportion, after the deduction of issue costs of £2.5m, was charged to the profit or loss using an effective rate of 12.63% on the June 2011 bond issue, and 15.11% on the May 2012 bond issue. The equity portion of the convertible bond issue was included within reserves. On 25 May 2012, the Company issued a further £15.0m of 7% fixed rate convertible bonds, raising cash of £13.3m net of issue costs. The £80m of bonds were convertible into ordinary shares of the Company at a conversion price of £0.504 on 8 June 2016 unless otherwise redeemed.

Interest was payable semi-annually in arrears.

During the period the bonds were redeemed for £141 for every £100 bond in issue, the total payable to bondholders was £112,800,000. The loss on redemption was £43,483,000 (see note 9), of this £23,852,000 has been recognised in equity, with the remainder as a financial expense in the profit and loss account, see note 3.

Sportingbet Plc
NOTES TO THE INTERIM FINANCIAL STATEMENTS
INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

8. Share capital

	Period ended 19 March 2013	Year ended 31 July 2012
	£000's	£000's
Authorised		
1,000m ordinary shares at 1p each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
As at 31 July	667	660
Issues in respect of exercised options	-	7
As at 19 March 2013 and 31 July 2012	<u>667</u>	<u>667</u>

9. Profit and loss account

	Share capital	Share Premium	Other Reserves	Equity portion of convertible bond	Profit and loss account	Total
	£000's	£000's	£000's	£'000's	£000's	£000's
At 1 August 2011	660	59,641	62,252	10,339	58,681	191,573
Retained loss for the year	-	-	-	-	(21,758)	(21,758)
Dividends	-	-	-	-	19,743	19,743
Equity portion of convertible bond	-	-	-	1,861	-	1,861
Issue of shares from share plan	-	-	-	-	-	-
Exercise of share option	7	-	-	-	-	7
Share option charge	-	-	-	-	636	636
At 31 July 2012	<u>667</u>	<u>59,641</u>	<u>62,252</u>	<u>12,200</u>	<u>57,302</u>	192,062
At 1 August 2012	667	59,641	62,252	12,200	57,302	192,062
Retained profit for the year	-	-	-	-	280,178	280,178
Settlement of the equity portion of convertible bonds (see note 10)	-	-	57	(12,200)	(11,709)	(23,852)
Dividends	-	-	-	-	(7,338)	(7,338)
At 19 March 2013	<u>667</u>	<u>59,641</u>	<u>62,309</u>	<u>-</u>	<u>318,433</u>	441,050

10. Related party transactions

Financial Reporting Standard (FRS) 8, "Related Party Disclosures", requires the disclosure of the details of material transactions between the reporting entity and related parties. The Company has taken advantage of exemptions under FRS 8 not to disclose transactions between group companies which are 100% owned.

Sportingbet Plc

NOTES TO THE INTERIM FINANCIAL STATEMENTS

INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 19 MARCH 2013

11. Ultimate parent undertaking

The immediate parent undertaking and ultimate controlling party is GVC Holdings PLC, a company incorporated in The Isle of Man. Copies of the financial statements of GVC Holdings PLC can be obtained from the Company Secretary at the Company's registered office at Milbourn House, St. Georges Street, Douglas, Isle of Man, IM1 1AJ or from the Investor Relations section of the Company's website at www.gvc-plc.com.