

Revenue up 4% in nine months

Acquisition of ZEturf completed at the end of September Acquisition of PLI to be completed in early November

- **Revenue to end September of €1,875m. On a like-for-like basis¹, revenue rose by +1% and by 5% excluding Amigo and Euromillions, a solid performance in line with the first half.**
 - The lottery recorded sales of €1,407m, down 1% but up 3% excluding Amigo and Euromillions. The decrease in Amigo revenue since June is linked to the new game formula, revised at the request of the regulator, and that of Euromillions to a sharp drop in the number of high jackpot² draws, particularly in the 3rd quarter, reflecting the inherent nature of the game
 - Competitive sports betting and online gaming open to competition continue to perform well, with revenue up 9% to €360m
- **The acquisitions of ZEturf and Premier Lotteries Ireland (PLI) will strengthen FDJ's model from Q4 onwards**
 - With the integration of the ZEturf Group and its horse betting business, FDJ has completed its online gaming offering to become the 4th largest operator in the sports betting and online gaming open to competition market in France, with a market share of over 10%
 - The acquisition of PLI, authorised by the Irish lottery regulator at the beginning of October, should be finalised in early November. The strategic plan currently being drawn up jointly aims to accelerate PLI's growth and increase its profitability
- **2023 targets: revenue growth of around 5%, or between 1.5% and 2% on a like-for-like basis, with the current EBITDA margin maintained at around 24% thanks to tight costs control**
 - The Group will also benefit from a high level of financial income, expected to almost double the figure recorded at the end of June, and reiterates its commitment to distribute between 80% and 90% of its consolidated net income

Boulogne-Billancourt (France), 19 October 2023 (5:45 p.m.) - La Française des Jeux (FDJ), France's leading gaming operator, announces its revenue for the nine months to end September 2023.

Stéphane Pallez, Chairwoman and CEO of FDJ Group, said: "Our growth remains solid, with strong players' demand, even though it has been affected by the low number of Euromillions high jackpot draws. At the same time, the completion of the acquisition of ZEturf at the end of September and the forthcoming closing of Premier Lotteries Ireland acquisition in November illustrate our strategy of internationalisation and diversification. We are delighted that the teams of these two operators are joining FDJ and that these operations will contribute to the Group's sustainable and profitable growth."

¹ On a 2022 basis including L'Addition and Aleda over comparable periods -i.e €2,514m in FY

² More than €75m

- **Revenue to end September of €1,875 million, up 3.9% and 1.3% on a like-for-like basis**

At the end of September, gross gaming revenue (GGR) stood at €4,808 million, stable compared with 2022. After €3,044 million in public levies, net gaming revenue (NGR)³ totalled €1,771 million, up 0.8% based on a 2.0% increase in stakes.

Including income from other activities of €103 million, up more than 10% on a like-for-like basis, Group revenue to end September 2023 came to €1,875 million, up 3.9%.

On a like-for-like basis, sales rose by 1.3%. It rose 4.6%, in line with the first half, excluding Euromillions, which was particularly affected by the low number of high jackpot draws, especially in the 3rd quarter, and excluding Amigo, which was relaunched at the beginning of June with a revised formula in accordance with the regulator's decision.

In the 3rd quarter, revenue totalled €586 million, down 1% and 3% on a like-for-like basis.

- **By distribution channel and activity**

- **By distribution channel**

Stakes in points of sale increased 0.8% to €13,278 million, supported by sports betting and instant games, and despite Amigo and Euromillions impact.

Digital stakes are continuing to grow, driven by all businesses. They were up 10.6% to €2,011 million, a performance attributable in large part to the increase in the number of players. Excluding Euromillions, online lottery stakes rose by more than 12%. Online stakes account for more than 13% of total stakes.

- **Lottery**

Lottery revenue totalled €1,407 million down 1.2%, based on a slight increase in stakes, but up 3% excluding Amigo and Euromillions.

Driven in particular by the success of launches and relaunches, such as Carré Or in January and Numéro Fétiche in May, instant games stakes rose by more than 4%.

The almost 6% drop in the stakes for draw games is attributable to the lower number of high jackpot Euromillions draws (19 at 2023 September-end compared to 32 at 2022 September-end), particularly noticeable in the third quarter, and the full impact of the new Amigo draw launched at the beginning of June and in line with the decision of the French National Gaming Authority.

Excluding Euromillions and Amigo, draw stakes are up 1% and lottery stakes more than 3% compared with 2022, an "exceptional" year for draw games, especially Euromillions with stakes up by almost +20% to the end of September 2022. Overall, the appeal of this game remains strong, with stakes up by almost +10% compared with 2019, following its relaunch in the first quarter of 2020.

The discrepancy between growth in stakes and growth in revenue is mainly due to Euromillions, which has a high rate of conversion of stakes into revenue.

- **Sports betting and online gaming open to competition**

Revenue of sports betting and online gaming open to competition totalled €360 million, an increase of 9.3% in line with growth in stakes. The player payout ratio in the third quarter is very close to that at the end of June and that recorded at the end of September 2022.

Business growth, strong both at the point of sale and online, benefited from the continuing momentum of the FIFA World Cup at the end of 2022, despite a slightly less favourable football calendar in the 3rd quarter of 2023.

³ Net Gaming Revenue (NGR) corresponds to the GGR net of public levies. It represents FDJ's remuneration for its gaming activities.

The acquisitions of ZEturf and Premier Lotteries Ireland (PLI) strengthen FDJ's model

- **ZEturf completes FDJ's online gaming offering, making it the 4th largest operator in the French sports betting and online gaming open to competition, with a market share of over 10%**

ZEturf is the 2nd largest online horse betting operator in France, with a market share of around 20%. This acquisition enables the FDJ Group to become the 4th largest competitive online gaming operator in France (sports betting, horse betting and poker), with a market share of over 10%. Finalised at the end of September, this acquisition has been consolidated in FDJ's accounts since 1 October.

In order to benefit fully from the potential of the merger with ZEturf and the synergies within its online business open to competition, and in accordance with the commitments made to the French Competition Authority, FDJ will adopt a new organisation for this business.

With 2022 revenue exceeding €50 million, ZEturf:

- Doubles the revenue of FDJ's online gaming business open to competition;
- And will have an accretive effect on the sports betting and online gaming open to competition BU's contribution margin from 2025.

- **PLI: First step in the international B2C lottery with strong prospects**

The acquisition of Premier Lotteries Ireland, the Irish national lottery operator, is a major step in the deployment of the FDJ Group's international strategy. On 3 October, the Irish lottery regulator gave the go-ahead for the deal, which is due to be finalised in early November, when PLI will be consolidated by FDJ.

In 2022, Premier Lotteries Ireland recorded gross gaming revenue (GGR) of €399 million and revenue of €140 million, with an EBITDA margin comparable to that of FDJ.

The strategic plan currently being drawn up jointly aims to accelerate PLI's growth and increase its profitability, based on sharing best practice between the two operators in order to:

- Capitalise on FDJ's experience to drive PLI's instant games portfolio;
- Boost the player base for draw games;
- And continue to improve the digital experience for Irish players.

2023 Outlook

In Q4, the Group expects:

- In sports betting and online gaming open to competition, sales virtually unchanged, reflecting the continued momentum since the start of the year, with a high basis for comparison due to the FIFA World Cup at the end of 2022;
- And for the lottery, sales growth driven by non-Amigo draw games, with several events including the launch of the EuroDreams draw game, and by instant games.

For 2023 as a whole, FDJ is targeting revenue growth of around 5%, i.e. between 1.5% and 2% on a like-for-like basis, with a current EBITDA margin rate maintained at around 24% thanks to tight control of costs.

- At the end of July, the Group had announced 2023 revenue growth targets of over 5%, and over 3% on a like-for-like basis, with a current EBITDA margin maintained at around 24%.

The Group will also benefit from a high level of financial income, expected to almost double the figure recorded at the end of June, and reiterates its commitment to distribute between 80% and 90% of its consolidated net income.

The Group's next financial communication

The Group will report its 2023 results on Thursday, 15 February 2024, before market opening.

Appendix

In millions of euros	Q3 2023	Q3 2022	Var.
Stakes	4,802	4,945	-2,9%
o/w online stakes	679	643	+5,6%
Revenue	586	592	-1,1%*
o/w lottery	449	478	-6,0%
o/w sports betting and online gaming open to competition	103	97	+6,4%

*-3.4% vs. Q3 2022 pro forma, including the acquisitions of Aleda and L'Addition

About FDJ Group

France's leading gaming operator and one of the industry leaders worldwide, FDJ offers responsible gaming to the general public in the form of lottery games (draws and instant games), sports betting (through its *ParionsSport point de vente* et *ParionsSport en ligne* brands) and poker. FDJ's performance is driven by a large portfolio of iconic brands, the leading local sales network in France, a growing market, and recurring investments. The Group implements an innovative strategy to increase the attractiveness of its gaming and service offering across all distribution channels, by offering a responsible customer experience.

FDJ Group is listed on the regulated market of Euronext Paris (Compartment A – FDJ.PA) and is part of the SBF 120, Euronext 100, Euronext Vigeo 20, EN EZ ESG L 80, STOXX Europe 600, MSCI Europe and FTSE Euro indices.

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