



NOVOMATIC AG

Investor Relations Newsletter

1st Half-Year 2019



NOVOMATIC Headquarters | Gumpoldskirchen

TABLE OF CONTENTS

4

Foreword
by the CEO

6

Organization
of the NOVOMATIC-Group

8

Overview of Key Figures

10

Highlights
1st Half-Year 2019

12

Business Performance

14

Segment Analysis

20

Abstract Interim Financial Statement



Harald Neumann | Chief Executive Officer, NOVOMATIC AG

GLOBAL SUCCESS WITH PASSIONATE DEDICATION OUR VISION

Dear Ladies and Gentlemen,

In the first half-year 2019, NOVOMATIC recorded increases in the core markets Austria, Spain and the Netherlands. In Great Britain, sales in the segment rose by 14.7 percent to EUR 85.1 million. The Group, which is active in more than 70 countries, also saw a significant increase in betting revenues, which rose by 15.4 percent as compared to the previous year.

In total, at EUR 1,264.7 million, the NOVOMATIC Group's sales revenues saw a slight reduction of 1.8 percent from the previous year (H1 2018: EUR 1,287.3 million). 63 percent of revenues came from the Gaming Operations and 37 percent from the Gaming Technology segment. The reporting period was affected by changing legal framework conditions in NOVOMATIC core markets such as Germany and Italy.

In January 2019, NOVOMATIC AG redeemed a bond issued on January 28, 2013 (emissions volume of EUR 250.0 million).

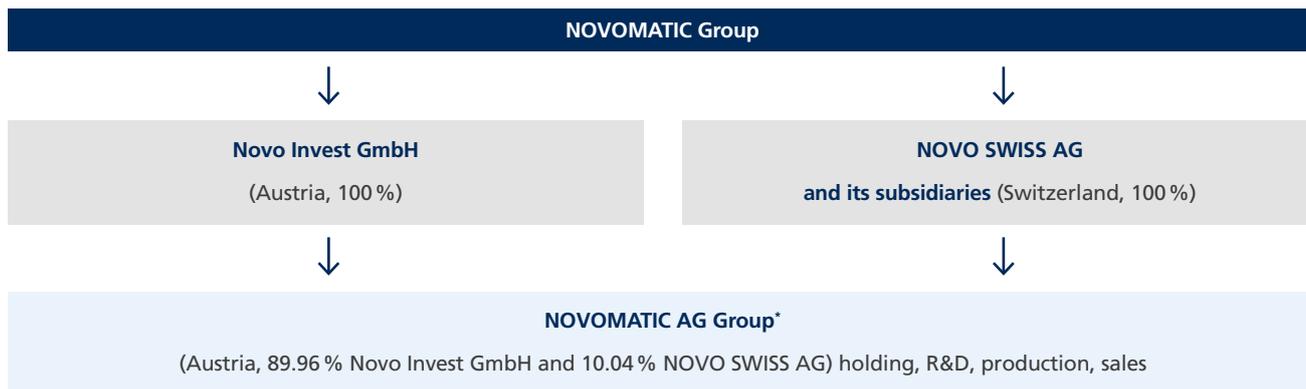
In the first half-year, cash flow from operating activities reached EUR 242.6 million, an increase compared with the previous year (H1 2018: EUR 167.7 million). A particular highlight is the strong positive free cash flow after acquisitions to the amount of EUR 186.2 million (H1 2018: EUR -297.0 million). EBITDA also remained stable on the previous year's level at EUR 297.1 million (H1 2018: EUR 313.0 million) due to the amended statement in accordance with IFRS 16.

After rapid growth over the last few years, particularly through the acquisition of companies, NOVOMATIC will continue to optimize internal processes and structures at an international level. In doing so, the gaming technology group hopes to increase company efficiency and achieve strong synergies between the various shareholdings. In the second half of 2019, the bulk of the existing technology business in the United Kingdom is to be sold, once all regulatory requirements have been met.

Best regards,



Harald Neumann
CEO, NOVOMATIC AG



* Selection of main subsidiaries. The NOVOMATIC AG Group is a part of the NOVOMATIC Group and is represented by 220 consolidated subsidiaries around the world.



Prof. Johann F. Graf
 Founder and
 Majority Shareholder

🇬🇧 GREAT BRITAIN

Luxury Leisure Ultd.

(100 %) gaming facility operator

Talarius Ltd.

(100%) gaming facility operator

🇳🇱 NETHERLANDS

NOVOMATIC Netherlands B.V.

(100 %) R&D, production, sales

🇪🇸 SPAIN

NOVOMATIC Gaming Spain S.A.

(100 %) R&D, production, sales

Admiral Operations Spain S.L.

(100 %) gaming facility operator

GiGames S.L.

(100%) production, sales

OTHER MARKETS

🇦🇺 AUSTRALIA

Ainsworth Game Technology Ltd.

(52.90 %) R&D, production, sales

🇺🇸 USA

NOVOMATIC Americas Sales LLC

(100 %) R&D, sales

🇮🇹 ITALY

NOVOMATIC Italia S.p.A.

(100 %) R&D, sales

Allstar S.r.l.

(100 %) gaming facility operator

Admiral Gaming Network S.r.l.

(100%) concessionaire, networking technology

NOVOMATIC Group

The NOVOMATIC Group includes Novo Invest GmbH, the NOVOMATIC AG Group, as well as NOVO SWISS AG, which is owned by Prof. Johann F. Graf.

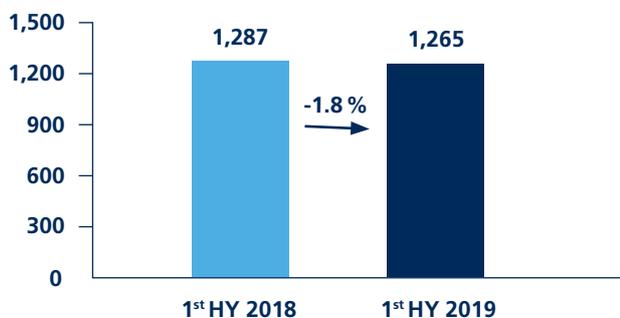
NOVOMATIC AG Group

The NOVOMATIC AG Group is a part of the NOVOMATIC Group and includes the main subsidiaries listed on this page. In addition to this, the NOVOMATIC AG Group is active via additional subsidiaries in Germany, Great Britain, Italy and Spain, as well as other CEE and SEE countries.

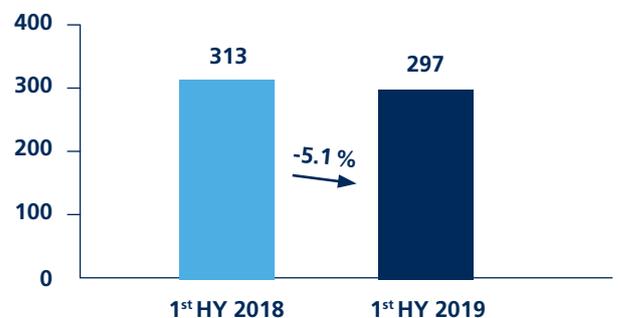
1ST HALF-YEAR 2019

OVERVIEW OF KEY FIGURES

Revenues
(EUR m)

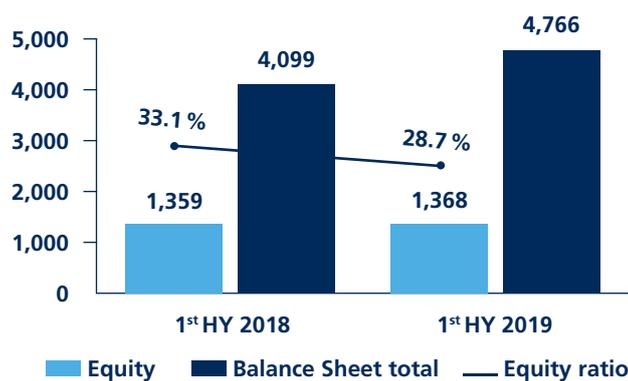


EBITDA
(EUR m)



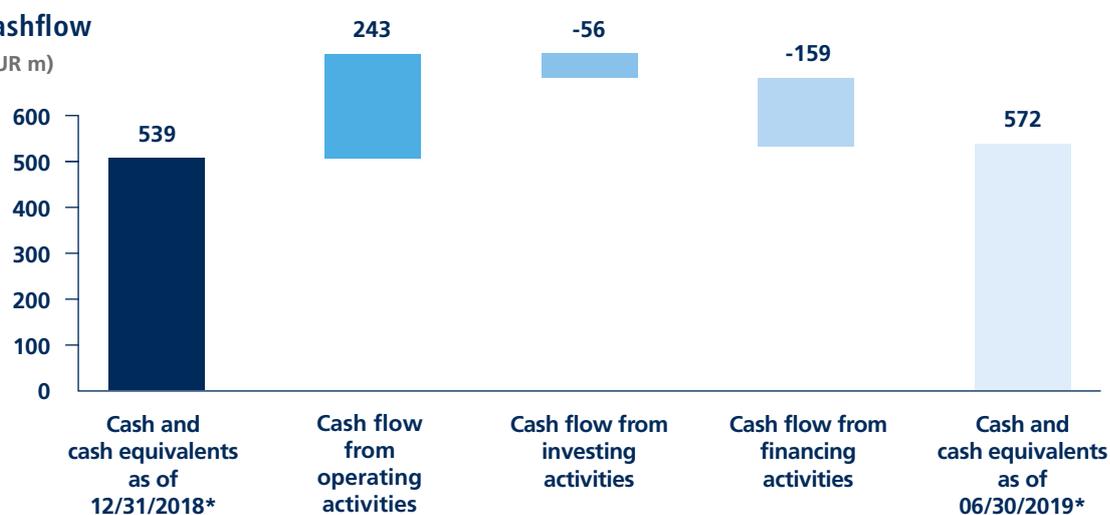
EBITDA-Marge
1st HY 2018: 24.3 %
1st HY 2019: 23.5 %

Equity ratio
(in percent/EUR m)



Cashflow

(EUR m)



*including currency adjustments and consolidation-related changes in cash and cash equivalents

EUR m	Change			
	01-06/2019	01-06/2018	million	%
Revenues	1,264.7	1,287.3	-22.6	-1.8 %
EBITDA	297.1	313.0	-15.9	-5.1 %
Operating profit (EBIT)	47.5	158.2	-110.7	-70.0 %
Profit for the period	34.3	109.9	-75.7	-68.8 %
EBITDA-Margin (EBITDA/revenues)	23.5 %	24.3 %		
Free cash flow before acquisitions	146.0	-3.1	+149.1	
Free cash flow after acquisitions	186.2	-297.0	+483.3	

EUR m	Change			
	06/30/2019	12/31/2018	million	%
Balance sheet total	4,766.2	4,099.1	+667.1	+16.3 %
Shareholders' equity	1,367.9	1,358.6	+9.3	+0.7 %
Equity ratio (equity/balance sheet total)	28.7 %	33.1 %		
Number of employees (average)	22,642	23,495		-3.6 %

1ST HALF-YEAR 2019

OUR

HIGHLIGHTS



February 6

NOVOMATIC presents latest gaming technology in London

From February 5 to 7, 2019, Austria's leading gaming company from Gumpoldskirchen will present itself with more than 20 subsidiaries at the world's largest gaming fair, ICE Totally Gaming, in London. The offerings at the NOVOMATIC stand range from various games, high-tech casino equipment, systems and cash management solutions to sports betting as well as online, mobile and social gaming.



February 8

Internationally recognized: NOVOMATIC is once again "Casino Supplier of the Year"

Consecutive victory at the Global Gaming Awards on the sidelines of the world's largest gaming fair, ICE Totally Gaming. NOVOMATIC came in first place as "Casino Supplier of the Year" for the second time. "We operate around 2,100 electronic casinos and casinos around the world and have 28 technology centers in 16 countries," says NOVOMATIC CEO, Harald Neumann.



March 7

NOVOMATIC: 60 percent women on the Supervisory Board

“At NOVOMATIC, several women hold top positions. This begins with our five-member Supervisory Board, which has long had a 60 percent share of female members, and continues in various group companies in Austria where women hold executive positions. At NOVOMATIC, 34 percent of all executive positions are now held by women,” explains Harald Neumann, CEO of NOVOMATIC AG. The general women’s quota of NOVOMATIC is 54 percent, well above the industry average. Because according to Eurostat only 30 percent of all those working in science and technology in Austria are female.



May 7

ADMIRAL: Monika Racek elected “CEO of the Year” in London

The Global Regulatory Awards is an annual event recognizing gaming operators and suppliers for outstanding achievements in compliance management and a commitment to responsible gaming. First place in the category “CEO of the Year” went to Dr. Monika Racek, CEO of NOVOMATIC’s subsidiary ADMIRAL Casinos & Entertainment AG.



June 26

NOVOMATIC wins the World Exhibition Stand Award again

The NOVOMATIC exhibition stand at the ICE emphatically won over the entire jury of 26 experts. With around 28,000 visitors counted at the NOVOMATIC stand, this was by far the most popular hotspot of the guests said the jury, explaining the result. It was this impressive display that convinced the jury to present NOVOMATIC with the Gold Award. With an area of more than 5,000 m², the stand was the largest anywhere on the grounds of the ExCeL exhibition site.

BUSINESS PERFORMANCE

General business development in the reporting period

For NOVOMATIC, the first half of 2019 was dominated by the adopted course of consolidation. In addition, the reporting period was impacted by consequences of changes in the legal frameworks in important NOVOMATIC core markets. Overall, declines in sales revenues in individual markets caused by regulatory challenges were almost entirely offset at the Group level. At approximately EUR 1.3 billion, group revenues were slightly below the previous year's level.

In Germany, the most important market for NOVOMATIC, industry-related framework conditions (State Treaty Amendment on Gaming, accompanying state laws on gaming arcades, amendment of the Gaming Ordinance) led to a substantial reduction in the market. In particular, due to the resulting decline in gaming terminals leased by NOVOMATIC in Germany by around 13,900 units, the rental portfolio at Group level decreased by nearly 11,500 units compared to the same period of the previous year to approximately 154,100 devices by the end of the first half of 2019. In addition, the income generated by the gaming devices in Germany has - as was to be expected - fallen significantly since the conversion carried out in November 2018, however they are recovering towards the previous year's level. In particular, the conversion to the new technical directive (TR 5.0) resulted in significantly higher own work capitalized in the amount of EUR 75.2 million in the previous year. In addition to the decline in own work capitalized compared to the previous year, higher depreciation, amortization and impairment charges had a negative impact on earnings in the first half of 2019.

Italy was impacted by further legal changes in the first half of 2019. Both the increase in stake-dependent gaming fees, which were raised several times at the beginning of 2019 and in the subsequent months, as well as tougher regulatory requirements for gaming operators (distance regulations, etc.), had a significant impact on the development of revenues and earnings.

In the United Kingdom, the maximum stakes for fixed-odds betting terminals (FOBTs) in licensed betting offices (LBOs) reduced from GBP 100 to GBP 2 as of April 1, 2019, bringing them in line with the maximum stakes in adult gaming centers (AGCs). This change in the law has already resulted in numerous closures of LBOs, which has had a positive effect on the revenue generation of AGCs. NOVOMATIC is the market leader in the operation of AGCs in the United Kingdom.

Due to performance problems in its home market of Australia, Ainsworth Game Technology Ltd. recorded a decline in revenues compared to the previous year.

The above-mentioned challenges caused the operating profit (EBIT) to decline. Accordingly, an EBIT of EUR 47.5 million was achieved in the first half of 2019. This represents a decrease of EUR 110.7 million compared to the previous year.

Important events

In addition to measures to optimize costs and increase efficiency, the consolidation strategy also resulted in the disposal of various investments that did not meet economic expectations. Following the sale of the I-NEW Group in the 2018 fiscal year, the Croatian subsidiaries, the OTIUM Group with operations in Spain and Latin America, and two Spanish casino companies were sold in the first half of 2019. In the second half of 2019, the bulk of the existing technology business in the United Kingdom is to be sold, once all regulatory requirements have been met.

In the first half of 2019, several smaller companies in Germany and Eastern Europe, primarily with a focus on the operation of slot arcades, were acquired. The purpose of these acquisitions is to further establish and expand the Group's market position in its European core markets.

In January 2019, a bond issued on January 28, 2013 (issue volume of EUR 250.0 million) was redeemed in the amount EUR 246.0 million. In the first half of 2019, the revolving credit line of a total volume of EUR 1.0 billion was drawn down by a further EUR 230.0 million. As of June 30, 2019, EUR 430.0 million had been utilized.

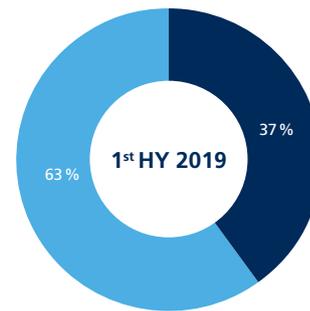
The international rating agency Standard & Poor's has rated NOVOMATIC AG's creditworthiness as BB+ with a stable outlook.

The companies of the NOVOMATIC Group are required to apply the provisions of IFRS 16 for the first time in the financial statements for the first half of 2019. For this reason, the effects of the application of IFRS 16 on existing financing agreements were analyzed back in 2018. This resulted in a need for adjustment, particularly in the area of financial covenants. As a result, all material financing agreements were adjusted.

SEGMENT ANALYSIS

Revenue split (functional)

(EUR m)

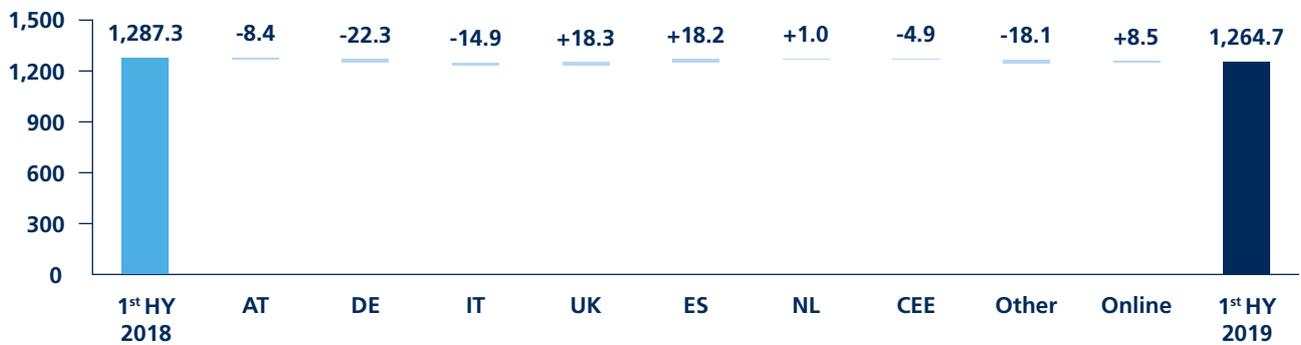


*Gaming Technology includes the segments "Gaming Technology" and "Other"

■ Gaming Operations ■ Gaming Technology*

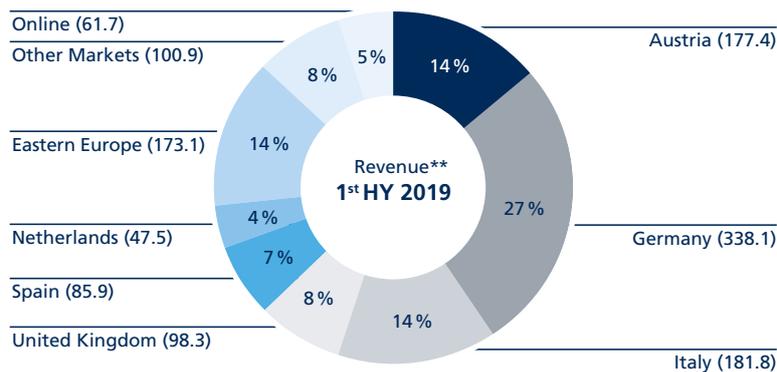
Revenue split (geographic)

(EUR m)



Revenue split (country)

(EUR m)



**Due to the rounding of individual values and percentages, minor discrepancies may arise.

Segment Reporting Contents

NOVOMATIC's segment reporting follows the Group's integrated market strategy.

The Gaming Technology segment comprises the business segment focusing on the development, production, leasing and sale of gaming devices, gaming content and gaming technology. The Gaming Technology segment also includes Group activities in the areas of online and mobile gaming, sports betting and lottery technology, to the extent this relates to the B2B area.

The Gaming Operations segment comprises the self-operated locations, covering slot arcades, casinos, sports betting outlets and bingo halls. The Gaming Operations segment also includes Group activities in the areas of online and mobile gaming as well as sports betting, to the extent this relates to the B2C area.

The Other segment includes all activities not included in the Group's core business areas. This segment mainly comprises of holding companies.

Gaming Technology

External revenues in the Gaming Technology segment amounted to EUR 469.4 million in the reporting period. This represents a decrease of EUR 10.4 million against the previous year.

The segment result (operating result) of Gaming Technology declined from EUR 106.2 million to EUR 17.3 million. This drop was mainly attributable to the core markets of Austria and Germany.

Austria

The companies in Austria included in the Gaming Technology segment generated revenues of EUR 36.2 million in the first half of 2019. This corresponds to a decline of EUR 16.2 million or 31.0 percent compared to the previous year. NOVOMATIC AG's sales revenues were down EUR 10.0 million in the first half of 2019, which was due to lower demand compared with the previous year. In addition, revenues of the NOVOMATIC lottery group declined by EUR 7.9 million against the previous year. In 2018, the lottery group had generated extraordinary revenues through license agreements.

Germany

The focus of the German Group companies in the Gaming Technology segment is on the area of gaming machine rental. The provisions and new regulations of the State Treaty Amending the Gaming Act, which came into force on July 1, 2012, had to be applied from July 1, 2017. Since November 11, 2018, only devices corresponding to the new technical directive 5.0 are allowed to be operated.

In addition to the costs resulting from the gaming devices conversion, this regulatory change also resulted in a reduction in the number of gaming machines rented in Germany by around 13,900 units compared to the same period of the previous year. In the course of the conversion of gaming devices to TR 5.0, the rental rate was raised to the current market level for the first time in more than 10 years. As a result, revenues increased by EUR 9.7 million (+7.6 percent) to EUR 138.0 million.

Italy

Revenues of the Italian companies falling into the Gaming Technology segment reached a level of EUR 90.2 million in the first half of 2019, compared to EUR 95.3 million in the previous year.

The decline in the AWP market during the 2018 fiscal year and the continuous increase in the stake-dependent gaming fees had a negative impact on revenues. For the reasons outlined above, rental revenues in particular declined by EUR 12.3 million year-on-year. While around 42,500 units were leased to third parties in the first half of the previous year, this number had fallen to around 40,900 units in the first half of 2019. Sales revenues, on the other hand, increased by approximately EUR 7.6 million year-on-year to EUR 10.2 million. This increase results from the higher demand for CPU units with an adjusted payout ratio in line with the stake-dependent gaming fee increase. The current tax rate is 7.9 percent for VLT devices and 21.6 percent for AWP devices.

United Kingdom

Revenues of the companies in the United Kingdom falling into the Gaming Technology segment which are to remain a part of the Group amounted to EUR 13.2 million. This corresponds to an increase in revenues by EUR 7.5 million (+132.6 percent) compared to the previous year and is attributable to the increased demand for NOVOMATIC products in the casino segment as a result of more attractive contract terms for customers.

The remaining business activities consist of the sale of casino equipment as well as the sale of Ainsworth equipment in the European market.

Spain

The Spanish market is one of the largest gaming markets in Europe and therefore represents an important target market for the NOVOMATIC Group.

Revenues of the Spanish companies falling into the Gaming Technology segment reached a level of EUR 41.6 million in the first half of 2019, compared to EUR 28.1 million in 2018. The increase by 48.2 percent is attributable to the higher demand for NOVOMATIC devices in the growing slot arcade sector as well as in the pub sector.

Netherlands

The revenues of those companies in the Netherlands falling into the Gaming Technology segment amounted to EUR 5.4 million during the reporting period, which represents a decline of EUR 1.6 million (-22.3 percent) against the previous year. The decline is due to the delayed market launch of new devices.

Eastern Europe

This region includes Eastern and South-Eastern Europe. In total, the companies falling into the Gaming Technology segment generated revenues of EUR 40.2 million, which was the same as the previous year.

Other markets

The Gaming Technology revenues of the companies included in the Other Markets region amounted to EUR 100.0 million in the first half of the 2019 fiscal year, compared with EUR 118.2 million in the previous year. The decline is mainly attributable to Ainsworth Game Technology Ltd. The Australian producer recorded a decline in revenues by EUR 20.1 million (-21.8 percent), in particular due to falling revenues in its home market of Australia.

Online (B2B)

This segment comprises all companies of the NOVOMATIC Group allocated to the area of online and mobile gaming (B2B). This relates to the Greentube Group, a leading international provider of online games and platforms. Games are offered to both licensed operators of real cash online casinos (regular gaming with payout of winnings) and operators of social casinos (with no payout of winnings). Furthermore, the Greentube Group develops system solutions and makes these available to licensed online gaming companies. The range on offer can be scaled as desired by the customer.

In the first half of 2019, revenues of the NOVOMATIC Group contributed by the online B2B area increased by EUR 0.4 million to EUR 4.6 million.

Gaming Operations

The external revenues in the Gaming Operations segment amounted to EUR 794.3 million in the reporting period, representing a decline of EUR 12.3 million against the previous year (EUR 806.6 million). This decline is mainly attributable to the modified legal framework conditions due to TR 5.0 in Germany (EUR -31.9 million) and the tax increase in Italy (EUR -9.8 million). A significant decline was prevented by the good performance of gaming machines in other core markets.

The segment result (operating result) of Gaming Operations declined from EUR 55.2 million to EUR 36.6 million. This development is attributable in particular to the weak equipment performance in Germany and the tax increases in Italy.

Austria

Revenues of all Austrian gaming and betting companies of the NOVOMATIC Group reached a level of EUR 141.2 million in the first half of 2019, compared to EUR 133.4 million in the previous year. The increase is primarily attributable to higher gaming machine revenues (EUR 4.0 million higher than in the previous year) as well as higher betting revenues (EUR 7.4 million higher than in the previous year). The online betting business, in particular, made a strong contribution (EUR 16.8 million higher than in the previous year). It should be noted that sales reductions increased by EUR 3.8 million due to various advertising campaigns.

Germany

The major part of the revenues in the German market is generated by the Group companies in the area of commercial electronic gaming. Through the slot arcade operators ADMIRAL ENTERTAINMENT GmbH, BPA Freizeit und Unterhaltungsbetriebe GmbH, Admiral Play GmbH and the Casino Royal Group, NOVOMATIC enjoys a strong presence in this market.

After the implementation of the State Treaty Amending the Gaming Act began in 2017, the market for commercial electronic gaming was expected to decline, but at a slower pace than the legislature had anticipated due to strong legal resistance to the closure of slot arcades and concession reductions. In addition, since November 11, 2018, only devices corresponding to the new technical directive 5.0 are allowed to be operated. The necessary conversion in the slot arcades of the German operating companies began in May 2018 and was completed by November 11, 2018, as required by law. As expected, during the first months since the installation of the TR 5.0 devices, guests were reluctant with the new gaming machines. After a phase of acclimatization, however, the now-rising average checkouts per gaming machine show that the gaming guests are gradually getting used to the changes and positively accept the ongoing optimization of the gaming operations.

The NOVOMATIC Group also has nine casinos in Germany. With the venerable Spielbank Berlin, NOVOMATIC operates one of the highest revenue-generating live casinos in Germany. In the first half of 2019, NOVOMATIC's German casinos were able to increase revenues by a total of around EUR 9.7 million to EUR 48.8 million.

In total, the companies in the operating segment generated revenues of EUR 200.1 million. This corresponds to a decrease of 13.8 percent against the previous year.

Italy

In the first six months of the current fiscal year, the NOVOMATIC Group's Italian gaming operations were able to increase the number of own locations compared to the previous year. While the number of AWP machines operated has declined marginally due to legal changes, the number of VLT machines operated has increased slightly.

Revenues of the Italian companies falling into the Gaming Operations segment amounted to EUR 91.6 million in the first half of 2019, compared to EUR 101.4 million in the previous year. Despite the increasing number of operated locations and devices, the increases in the stake-dependent gaming fees, in particular, had a negative impact on sales development compared to the previous year.

United Kingdom

The revenues of the companies included in the Gaming Operations segment amounted to EUR 85.1 million in the reporting period, representing an increase of EUR 10.9 million (14.7 percent). In addition to the improvement in the mix of gaming devices, regulatory developments in the UK market also had a significant impact on this increase. These include, in particular, the extended night opening hours and the closure of a large number of LBOs due to the reduction of the maximum stakes for FOBTs from GBP 100 to GBP 2.

Spain

As a result of the opening of a total of 31 new locations since June 2018 and the continuous improvement in the performance of existing facilities, revenues in the Spanish Gaming Operations segment rose from EUR 39.6 million in the first half of 2018 to EUR 44.2 million in the year under review. The Spanish casinos, which were sold at the end of June, generated revenues of EUR 5.0 million in the reporting period (previous year: EUR 5.1 million).

The Netherlands

Revenues of the Dutch companies falling into the Gaming Operations segment increased by EUR 2.5 million (+6.4 percent) year-on-year to EUR 42.1 million. This growth was mainly attributable to an increase in the performance of existing devices and the roll-out of additional gaming machines.

Eastern Europe

In aggregate, the companies in the Eastern Europe included in the Gaming Operations segment generated revenues of EUR 132.9 million in the first half of 2019, compared with EUR 137.5 million in the first half year of 2018. This decline of EUR 4.6 million is mainly due to the ban on electronic casinos in Albania as of January 1, 2019. In the reporting period of the previous year, electronic casinos in Albania had generated revenues of EUR 15.1 million. The decline in revenues was mitigated by the improving performance of various other markets in this region.

Online (B2C)

The online/mobile B2C market is divided into the segments Operation of Social Casinos (no payout of winnings) and Cash Casinos (regular gaming with payout of winnings). While a phase of consolidation is under way in the Social Casinos market and revenues are stagnating, the area of Cash Casinos continues to display a positive development. The main reason for this lies in the prevailing trend to regulate online gaming in many countries around the world. The expanded offer of Cash B2C products is driving out the Social B2C segment in the regulated markets. There is also currently a trend towards customers moving more from desktops to mobile devices (smartphones, tablets, etc.) and playing games there.

In the first half of 2019, the Greentube Group, which is part of the NOVOMATIC Group, was able to increase its revenues to EUR 57.1 million, compared to EUR 49.0 million in the previous year. This increase in revenue of EUR 8.1 million (16.6 percent) was attributable to the improved performance of various platforms.

Other

The Other segment mainly comprises of smaller holding companies.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated Balance Sheet as of June 30, 2019

EUR m	06/30/2019	12/31/2018
ASSETS		
Non-current assets		
Intangible Assets	834.3	854.5
Right-of-use assets	699.7	0.0
Property, plant and equipment	1,097.0	1,148.8
Investment property	14.5	14.7
Investments in associated companies	1.4	2.9
Financial assets	321.8	326.0
Deferred tax assets	114.0	121.2
Other non-current assets	101.0	108.1
	3,183.6	2,576.3
Current assets		
Inventories	305.2	294.5
Trade receivables, other receivables and assets	470.8	437.7
Current tax receivables	48.0	52.5
Current financial assets	32.7	33.5
Cash and cash equivalents	571.7	538.5
Non-current assets and disposal groups held for sale	154.2	166.0
	1,582.6	1,522.7
Total ASSETS	4,766.2	4,099.1

EUR m	06/30/2019	12/31/2018
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	26.6	26.6
Capital reserves	85.4	85.4
Retained earnings	1,051.0	1,042.2
Revaluation reserve	82.4	82.2
Currency translation adjustment	-90.8	-89.9
	1,154.6	1,146.4
Non-controlling interests	213.3	212.2
	1,367.9	1,358.6
Non-current liabilities		
Non-current financial liabilities	1,782.0	1,574.0
Non-current lease liabilities	605.7	1.5
Non-current provisions	84.2	95.7
Deferred tax liabilities	133.3	140.6
Other non-current liabilities	10.8	17.6
	2,615.9	1,829.5
Current liabilities		
Current financial liabilities	39.4	287.4
Current lease liabilities	118.0	0.9
Current provisions	61.9	65.9
Current tax liabilities	47.4	43.2
Trade payables and other liabilities	452.3	461.1
Liabilities directly related to non-current assets and disposal groups held for sale	63.3	52.4
	782.3	910.9
Total EQUITY AND LIABILITIES	4,766.2	4,099.1

Consolidated Income Statement

EUR m	01-06/2019	01-06/2018
Revenues	1,264.7	1,287.3 ¹
Gaming taxes and betting fees	-148.7	-146.3 ¹
Revenues after deduction of gaming taxes and betting fees	1,116.0	1,141.0
Changes in inventories of finished goods and work in progress	12.5	19.8 ¹
Own work capitalized	40.8	75.2 ¹
Other operating income	40.7	33.9 ¹
Cost of material and other purchased services	-172.8	-173.9 ¹
Personnel costs	-390.4	-384.9 ¹
Amortization, depreciation, impairment and reversal of impairment for intangible assets, property, plant and equipment, and investment property	-186.3	-154.8 ¹
Amortization, depreciation, impairment and reversal of impairment for right-of-use assets	-63.3	0.0
Other operating expenses	-349.7	-398.1 ¹
Operating profit	47.5	158.2
Share in the result of associated companies	-1.2	-1.6
Interest income	4.4	5.3 ¹
Other financial income	8.2	9.9
Interest expenses	-15.0	-18.3 ¹
Interest expenses for leases	-9.8	0.0
Other financial expenses	-4.9	-4.2 ¹
Currency exchange gains/losses from intra-group financing	0.7	6.0
Financial result	-17.6	-3.0
Earnings before taxes	29.9	155.3
Tax expenses	-15.2	-36.1 ¹
Net result for the period from continued operations	14.7	119.2
Result from discontinued operations	19.5	-9.2 ¹
Result for the period	34.3	109.9
thereof attributable to non-controlling interests	6.7	9.4
thereof attributable to shareholders of the parent (net profit)	27.5	100.5

¹ Adjustment of previous year's figures according to IAS 8 "Accounting Policies"

Consolidated Statement of Comprehensive Income

EUR m	01-06/2019	01-06/2018
Result for the period	34.3	109.9
Amounts that will be reclassified to profit and loss account in subsequent periods		
Currency translation	4.2	-14.5
Currency translation for discontinued operations	0.6	0.0
Amounts that will not be reclassified to profit and loss account in subsequent periods		
Financial assets measured at fair value through other comprehensive income (equity instruments)	0.2	-8.4
Attributable income tax	0.0	2.2
Other comprehensive income after taxes	5.0	-20.7
Total comprehensive income	39.3	89.2
thereof attributable to non-controlling interests	7.3	5.3
thereof attributable to shareholders of the parent (net profit)	32.0	83.9

Consolidated Cash Flow Statement

EUR m	01-06/2019	01-06/2018
Operating profit	47.5	158.2¹
Result from discontinued operations	19.5	-9.2 ¹
	67.1	149.0
Losses (+) / gains (-) from the disposal of fixed assets	-5.9	-5.8
Depreciation (+) / Appreciation (-) of fixed assets	249.5	169.6 ²
Other non-cash income and expenses	4.6	-0.4
Interest received and interest-related income	4.9	5.8
Taxes paid	-7.2	-67.9 ¹
	313.0	250.3
Increase (-) / Decrease (+) in inventories	-10.0	-57.8
Increase (-) / Decrease (+) in receivables	-53.4	12.0
Increase (+) / Decrease (-) in provisions	-4.6	-20.4
Increase (+) / Decrease (-) in liabilities	-2.5	-16.4
Cash flow from operating activities	242.6	167.7
Proceeds from the disposal of fixed assets (excluding financial assets)	62.0	45.7
Proceeds from the disposal/repayment of financial assets	3.1	2.8
Proceeds from the sale of consolidated companies, net of cash	40.4	15.1
Acquisition of intangible assets, property, plant and equipment	-158.5	-216.6
Acquisition of financial assets and other financial investments	-0.6	-1.4
Acquisition of consolidated companies, net of cash	-8.4	-319.3
Results from associated companies and investments	5.9	8.9
Cash flow from investing activities	-56.3	-464.8
Dividend payments	-29.3	-29.9
Proceeds from shareholders	0.3	0.6
Expenditures from change in interests in subsidiaries (without change of control)	0.0	-2.4
Expenditures from the repayment of bonds	-246.0	0.0
Proceeds from bank loans and financial liabilities	228.3	15.7
Payouts from bank loans and financial liabilities	-18.1	-104.2
Payouts from leasing obligations	-59.3	0.0
Interest paid and interest-related expenses	-34.5	-23.6
Cash flow from financing activities	-158.6	-144.0
Net change in cash and cash equivalents	27.7	-441.0
Currency translation adjustments	0.4	3.7
Changes in cash and cash equivalents due to changes in scope of consolidation	5.2	0.2
Net change in cash and cash equivalents	33.3	-437.2
Cash and cash equivalents at the beginning of the period	538.5	899.7
Cash and cash equivalents at the end of the period	571.7	462.5
Net change in cash and cash equivalents	33.3	-437.2

¹ Adjustment of previous year's figures according to IAS 8 "Accounting Policies"

² Including depreciation in earnings from discontinued operations



Spielbank Berlin | Germany 2019

CONTACT AND IMPRINT

In order to improve readability, some terminology is used only in its masculine form. Nevertheless, all passages refer equally to members of both genders.

We have prepared this newsletter with the utmost care and have checked the data therein. Nevertheless, errors arising from rounding, typesetting or printing cannot be excluded. The aggregation of rounded amounts and percentages may result in rounding differences due to the use of automated computational aids.

This newsletter is also available in German. In the event of disputes, the German version shall take precedence.

Owner, editor and publisher

NOVOMATIC AG

Wiener Strasse 158, 2352 Gumpoldskirchen

Tel. +43 (0) 2252 606 0

E-Mail: ir@novomatic.com

www.novomatic.com/ir

Design

Kobza and the Hungry Eyes GmbH (KTHE)

Photos

Joachim Haslinger; Michael Königshofer; Krischanz & Zeiler OG; Sonja Kadlec, MA; Thomas Meyer Photography; Frank Helmrich; Leadersnet.at/G. Langegger; Honza Klein/Spielbank Berlin; Sebastian Philipp; Gabriel Popa

NOVOMATIC AG

www.novomatic.com