



Acquisition of BGT

Driving the digitalisation of retail

BGT is at the vanguard of retail gaming technology in the wagering industry and leads the way as an innovator and provider of sport betting services worldwide.

In July 2016, Playtech announced that it had acquired Best Gaming Technology GmbH (BGT) for €138 million*. The consideration was paid from Playtech's existing cash resources.

Headquartered in Vienna, BGT was founded in 2005 and is the leading provider of sports betting software and solutions for gaming and sports betting operators. Its customer base includes, amongst others, some of the most well established bookmakers in the UK and Spain, such as Betfred, Codere, Coral,

Ladbrokes, Paddy Power Betfair and William Hill.

BGT's business model is based on a revenue share of the gross win margin from each SSBT. At the end of FY2016, BGT provided more than 27,000 machines with its betting software to licensed operators with this number forecast to increase significantly over the coming years driven primarily by the roll-out of new SSBTs, compact terminals and tablets as bet entry devices as well as by increased usage of existing SSBTs.

27,000

Installed machines globally

* For a 90% share of ownership.



Platform features

- Smart pricing: set and manage prices across various channels within a single risk system
- Integrated services: accounting systems (SAP, ProAlpha), bank services (HalCash), third-party protocols (NXCS casino protocol)
- Innovative survey and marketing tools for content management, bonus and promotion schemes, and reporting on big data as well as customer tracking
- Incredibly powerful omni-channel solution when coupled with the Playtech ONE infrastructure
- Pricing flexibility with dynamic risk management
- Early cash out: customers can cash out their bets at any time on all channels
- Maximum ARPU from multi-channel customers

BGT's technology

BGT's main product is its proprietary software for self-service betting terminals (SSBTs). Its offering combines class-leading technology with a digital terminal that revolutionises the traditional over-the-counter experience, at times generating more than double the volumes of other SSBT providers. Other products include ePOS and till systems for betting operators and an omni-channel web/mobile betting platform. In addition to supplying many of the most profitable bookmakers in the UK, the acquisition will provide Playtech with greater penetration into the Spanish and Italian markets with several significant potential new customers in the pipeline.

Benefits of the transaction

SSBTs and ePOS systems that digitise retail betting businesses form one of the fastest growing areas for betting companies and one of the most important elements of a true omni-channel offering. BGT's product portfolio will enhance the Playtech ONE omni-channel offering, which enables players to enjoy a seamless, anywhere-anytime gaming experience across any product, channel and device, all using a single account and wallet.

We believe that the future of gaming is for retail operators to digitise their offering, creating a simple and intuitive experience for customers as well as creating an opportunity to extend beyond retail and into online, including web and mobile.

This follows the same trends we see in other commercial sectors around the world with the modernisation and digitalisation of betting shops not only improving the retail experience but also adding a whole new channel as it integrates into an online offering.

BGT is the leading provider of sports betting software and solutions for gaming and sports betting operators in what is one of the fastest growing verticals of our industry. BGT offers the market's most sophisticated retail sports solution which is also both modularised and flexible, allowing Playtech to quickly integrate with its own platform. As the only company that will offer FOBTs and SSBTs, all integrated with the world's leading online platform and products, Playtech will realise the potential of a true omni-channel offering for the benefit of both consumers and operators.

Mor Weizer
Chief Executive Officer

The opportunity in sports

When I founded BGT in Vienna, Austria, in mid-2005 I had the vision of a high-end provider for the sports betting industry with a focus on self-service systems. Whilst other suppliers focused on online and digital, I focused BGT on land-based technology.

Having worked through some challenging years in the beginning, BGT has become the number one sports betting technology provider for land-based products worldwide, founded on our goals of making sports betting fun, providing high-end technology, being a reliable partner and offering best in class services to our customers.

BGT is at an inflexion point in its development as we penetrate into new markets whilst upgrading our products at a phenomenal speed. I believe that becoming part of the Playtech family will allow Playtech and BGT to take omni-channel to the next level.

Armin Sageder
Chief Executive Officer
of Playtech BGT Sports

