



## Intertain Releases Strong Preliminary Third Quarter Financial Results

### Confirms 2016 Full Year Financial Guidance

**TORONTO, November 7, 2016** - The Intertain Group Limited (“Intertain”) (TSX:IT), the largest online bingo-led operator in the world, today announced its preliminary financial results for the three and nine months ended September 30, 2016. Intertain also confirmed its full year financial guidance for 2016. All amounts are stated in Canadian dollars unless otherwise noted.

### Preliminary Third Quarter Financial Results

Intertain currently expects to report the following:<sup>1</sup>

- **Gaming Revenue:** Gaming revenue of approximately \$113.5 million for the three months and approximately \$357 million for the nine months ended September 30, 2016. On a constant currency basis, these preliminary results represent an expected increase in gaming revenue of 10% and 18% (on a pro forma basis), respectively, over the relevant prior year period.
- **Operating cash flow:** Operating cash flow of between \$30 million and \$32 million for the three months and between \$116 million and \$118 million for the nine months ended September 30, 2016. Included in operating cash flow for the quarter ended September 30, 2016 is a one-time severance payment of \$10.5 million to Intertain’s former President and CEO.
- **Average Active Customers per month:** Average Active Customers per month of 231,000, as compared to 208,000 for the quarter ended September 30, 2015, representing an expected increase of 11%.

Andrew McIver, Intertain’s President and CEO, noted “Our strong preliminary financial results speak to the continued performance and high quality of our core business assets, particularly when considered on a constant currency basis.”

Mr. McIver continued, “These results also strongly support our contention that the recent pressure on Intertain’s share price is the result of certain market circumstances and is not a reflection of the performance or prospects of the company’s underlying businesses.

We are working hard to complete the listing of the ordinary shares of Jackpotjoy plc in London, England and these strong preliminary results also support our continued belief in our UK-centred strategic initiatives, including the London listing.”

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<sup>1</sup> These expected results are based on management’s review of Intertain’s operations and performance for the quarter and nine months ended September 30, 2016. They do not include all results expected to be reported, and are subject to completion of Intertain’s customary quarterly review procedures.

## 2016 Full Year Financial Guidance

Intertain confirms its 2016 full year financial guidance on:

- Total revenue of \$460 million to \$500 million;
- Total Adjusted EBITDA of \$175 million to \$195 million;<sup>(2)</sup>
- Total Adjusted Net Income of \$140 million to \$160 million;<sup>(2)</sup> and
- Diluted Adjusted Net Income Per Share of \$1.87 to \$2.13,<sup>(2)</sup>

(together, the “**Guidance**”) for the quarter ended September 30, 2016, with no changes to the ranges provided nor any material changes to the business performance assumptions used to determine the Guidance. The Guidance was initially provided in Intertain’s earnings release on March 9, 2016

Intertain notes that the Guidance was expressed in Canadian dollars and prepared based on a USD/CAD exchange rate of 1.33, a GBP/CAD exchange rate of 1.90, and a EUR/CAD exchange rate of 1.46, each as of March 7, 2016. As at the close of trading on November 4, 2016, the USD/CAD exchange rate was 1.34, the GBP/CAD exchange rate was 1.67, and the EUR/CAD exchange rate was 1.48. As such, Intertain expects that its annual financial results (reported in Canadian dollars) will trend towards the lower end of the range provided in the Guidance. The Guidance represents forward-looking information and users are cautioned that actual results may vary.

## 2016 Third Quarter Financial Statements and MD&A; Earnings Conference Call

Intertain will release its financial statements, notes to the financial statements and MD&A for the three and nine months ended September 30, 2016 after the close of trading on November 14, 2016 and these will be made available under Intertain’s profile on SEDAR at [www.sedar.com](http://www.sedar.com), as well as on Intertain’s website at [www.intertain.com](http://www.intertain.com).

Intertain will host the related earnings conference call with members of the investment community to discuss its third quarter 2016 financial results on November 15, 2016 at 8:00 a.m. (Toronto time). A question-and-answer session will follow the presentation.

To participate, interested parties are asked to dial (647) 427-7450, 1 (888) 231-8191 (North America) or 0 800 051 7107 (UK), 10 minutes prior to the scheduled start of the call. A replay of the conference call will be available until November 29, 2016 by dialing 1 (855) 859-2056 or (416) 849-0833 and using the password 10096468. A transcript will also be made available on Intertain’s website.

## Defined Operating Measures

Intertain defines “Gaming Revenue” as net revenue plus affiliate revenue, each as detailed in Intertain’s audited consolidated financial statements for the year ended December 31, 2015. “Average Active Customers per Month” is defined by Intertain as being the active users per month, averaged over a three-month quarterly period.

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<sup>2</sup> These are non-IFRS financial measures. For additional details, including with respect to the relevant reconciliations for these non-IFRS financial measures, see Intertain’s MD&A for the three and nine months ended September 30, 2016, which Intertain will release after the close of trading on November 14, 2016.

## **About The Intertain Group Limited**

Intertain is an online gaming company that provides entertainment to a global consumer base. Intertain currently offers bingo and casino games to its customers using the InterCasino ([www.intercasino.com](http://www.intercasino.com)), Costa ([www.costabingo.com](http://www.costabingo.com)), Vera&John ([www.verajohn.com](http://www.verajohn.com)), Jackpotjoy ([www.jackpotjoy.com](http://www.jackpotjoy.com)), Starspins ([www.starspins.com](http://www.starspins.com)) and Botemania ([www.botemania.es](http://www.botemania.es)) brands. For more information about Intertain, please visit [www.Intertain.com](http://www.Intertain.com).

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### ***Cautionary Note Regarding Forward-Looking Information***

*This release contains certain information and statements that may constitute “forward-looking information” within the meaning of Canadian securities laws. Often, but not always, forward-looking information can be identified by the use of words such as “expects”, “intends” and “anticipates”, or the negative of such words or other variations or synonyms for such words, or state that certain actions, events or results “may” or “will” be taken, occur or be achieved. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements or developments to be materially different from those anticipated by Intertain and expressed or implied by the forward-looking information.*

*Forward-looking information contained in this release includes, but is not limited to, statements with respect to: (i) the operations, business, financial condition, expected financial and operating results, performance, valuation, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Intertain (including any expectation of reporting gaming revenue, operating cash flow and*

*average active customers per month); (ii) the UK-centred strategic initiatives; (iii) the listing of the ordinary shares of Jackpotjoy plc in London, England; (iv) Intertain's expectation that its annual financial results for the 2016 fiscal year will trend towards the lower end of the range provided in the Guidance; and (v) Intertain's intention to file its interim financial statements for the quarter ended September 30, 2016 on November 14, 2016 (and the timing of the related earnings call).*

*These statements reflect Intertain's current expectations related to future events or its future results, performance, achievements, developments, actions and future trends affecting Intertain. All such statements, other than statements of historical fact, are forward-looking information. Such forward-looking information is based on a number of assumptions which may prove to be incorrect, including, without limitation, that the Intertain Risk Factors (as defined below) will not cause actual results, performance, achievements or developments to differ materially from those described in the forward-looking information. Such forward looking information could also be materially affected by risks, including, but not limited to: (i) that FCA, TSX and other regulatory approvals and/or that the other conditions to completion of the listing of the ordinary shares of Jackpotjoy plc in London, England and the UK-centred strategic initiatives will be satisfied or waived on terms satisfactory to Intertain or at all; (ii) that the costs of management time and money may adversely affect Intertain's business; and (iii) that market volatility or changes in the share price of Intertain do not adversely affect Intertain's ability to implement the UK-centred strategic initiatives. The foregoing risk factors are not intended to represent a complete list of factors that could affect Intertain. Additional risk factors are discussed in Intertain's annual information form dated March 30, 2016 and in the management information circular dated August 19, 2016, in each case, under the heading "Risk Factors". All such risk factors are referred to collectively as the "Intertain Risk Factors". Although Intertain has attempted to identify important factors that could cause actual results, performance, achievements or developments to differ materially from those described in the forward-looking information, there may be other factors that cause actual results, performance, achievements or developments not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results, performance, achievements or developments are likely to differ, and may differ materially, from those expressed in or implied by the forward-looking information contained in this release. Accordingly, readers should not place undue reliance on forward-looking information. While subsequent events and developments may cause Intertain's expectations, estimates and views to change, Intertain does not undertake or assume any obligation to update or revise any forward-looking information, except as required by applicable securities laws.*

*The forward-looking information contained in this release should not be relied upon as presenting Intertain's expectations, estimates and views as of any date subsequent to the date of this release. All of the forward-looking information in this release are expressly qualified by this cautionary note.*