



# International Simulcast Update

## PMU – French Racing

Franck Rousseau - International Strategy Manager | December 9, 2015

# France, a nation of horse lovers

## ■ The racing sector

- ✓ 242 racecourses : 50% of all tracks in Europe
- ✓ More than 15,000 races (trotting, flat and jumps)
- ✓ 2014 prize money : €190 million for flat and Jump races and €250 million for trotting
- ✓ World famous racing events : Prix de l'Arc de Triomphe and Prix d'Amérique

## ■ The equine sector

- ✓ 1 million equine animals
- ✓ Over €14 billion turnover\*
- ✓ 180,000 jobs e.g. 0.6% of active population



- Sales of the final products of the « Racing » and « Leisure and Sport » economic sectors, plus associated activities (e.g.- horse feed, veterinaries cares...)

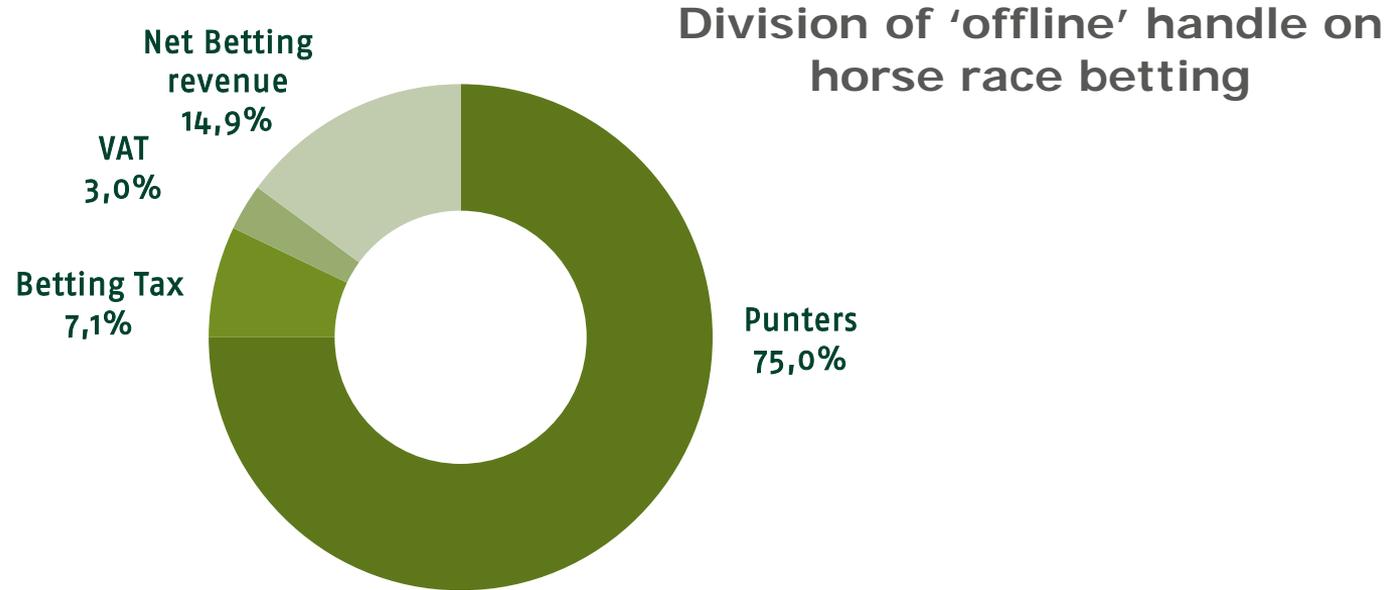


# PMU Facts and Figures

- 6 million customers in France
- 12,200 retail outlets
- PMU.fr the n°1 online betting site in France with 363,700 active accounts
- 6 billion betting transactions per year
- €10,552,310 : record winning Quinté+ in October 2011



# €10 billion handle in 2014



In 2014 PMU paid €850m to Racing Associations, funding 80% of the French Equine sector



# PMU's international activity

## Import

Foreign races offered to French punters complement the domestic program

2,793 foreign races from 28 countries in 2014

€647 million handle (+13%)



## Export

French races simulcast abroad to foreign markets

### In common pool :

34 BtoB partners in 19 countries in 2014

€728 million handle (+14%)

### In separate pool:

38 BtoB partners in 27 countries

>€1 billion estimated turnover

# PMU's international activity



PMU's subsidiary



BtoB Common pool



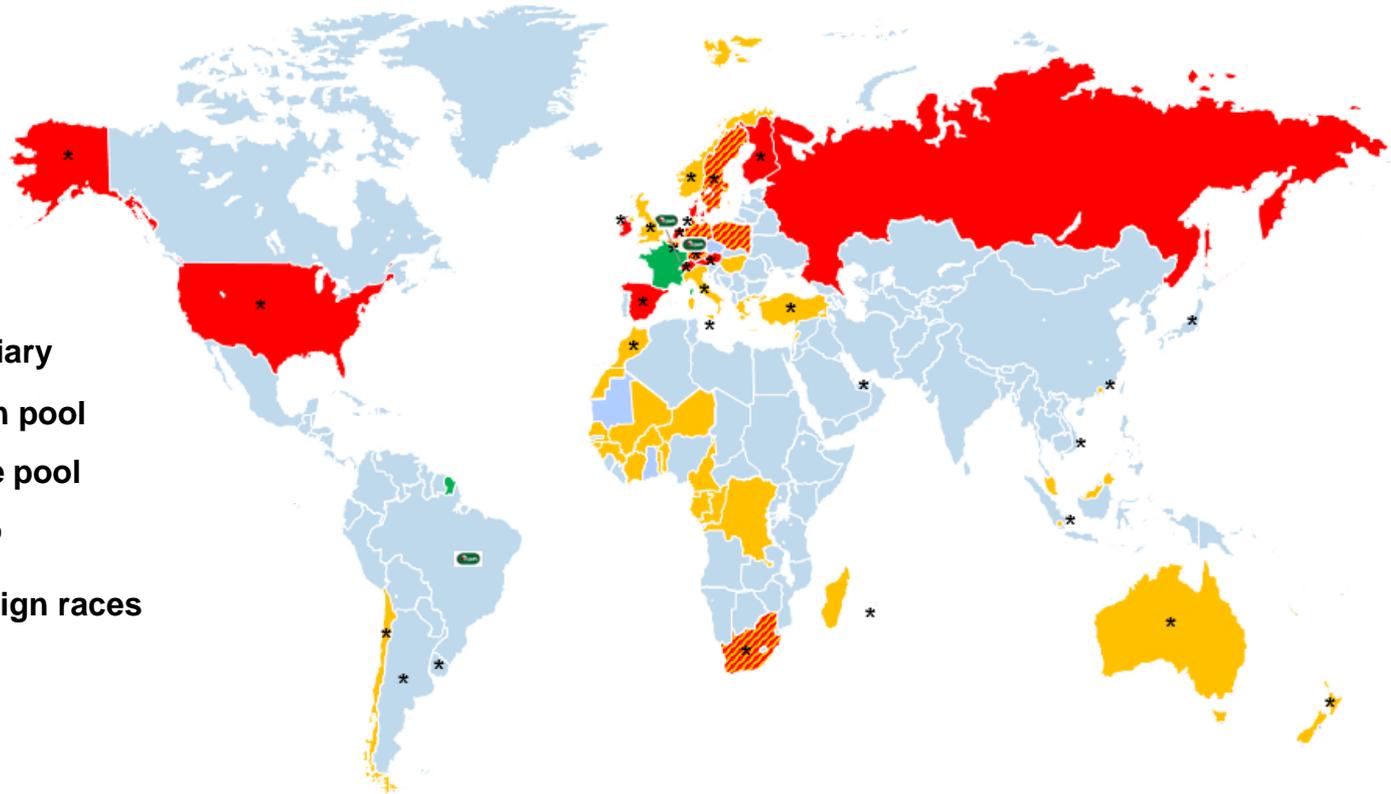
BtoB Separate pool



BtoB CP & SP

\*

Import of foreign races



# PMU's international activity

- PMU has historically developed international markets through BtoB partnerships
- Since 2010, PMU has also undertaken BtoC developments and investments in strategic markets
- The long term goal of PMU is to generate 10% of its international revenue by 2020 (BtoC)
- A first step was made in 2013 with the purchase of a Belgian operator, **EURO TIERCE**
- In 2015, PMU moved further with the launch of BtoC operations in Germany and Brazil



# German Tote



- In August 2015, PMU bought a 51% share in German Tote, the leading German pari-mutuel operator owned by the German thoroughbred Racing Industry (BGG)
  - ✓ BtoB partner of PMU since 2002 – €236 million handle in 2014
  - ✓ 74 betting outlets including 7 owned by the company - 3 websites
- **PMU wants to take advantage of its expertise in horserace betting organization and commercial networks management to reinvigorate horserace betting in Germany**
  - ✓ Modernize and develop sales networks
  - ✓ Rejuvenate and improve the image of horse racing and betting in Germany
  - ✓ Increase the revenues of German and French racing industries



# PMU Brasil

- In October 2015, PMU's subsidiary PMU Brasil signed with the Jockey Club Brasileiro (JCB) a 10 year partnership agreement to develop their revenue from betting activities in Rio and the rest of the country.
- The purpose is to increase funding to Brazilian horseracing Industry and improve the quality and exportability of its races
- Organization and distribution of betting will be optimized using PMU's know-how
- PMU Brasil will also offer simulcasting of foreign races
- Through this new partnership, PMU wants to show its ability to succeed on a new and promising continent



# Exporting French racing to North America

- **Separate B-pool betting offered on Prix de l'Arc de Triomphe since 2002**
- **Daily common pool betting launched in November 2011**
  - ✓ Numerous tote, data and picture issues to resolve
  - ✓ Perfect links for ITSP compliant bet types
  - ✓ Seven USA betting partners (predominately online and mobile)
- **Common pool betting offered on Prix de l'Arc de Triomphe since 2012**
  - ✓ Time of day (early morning in USA) always a hurdle to overcome
  - ✓ Up to 55 USA betting partners
- **Looking ahead**
  - ✓ Expand play on French harness racing with USA-style data feeds and PPs
  - ✓ Launch live broadcast service (in English) aimed at North American market
  - ✓ Development of interfaces that handle French "super exotic" bet types



# Importing foreign races into France

- Among the agreements signed by France Galop and LeTrot, the following have proven especially successful thanks to the cooperation of foreign partners adapting to French requirements :
  - ✓ Flat racing : Argentina, Chile, Uruguay
  - ✓ Trotting : Netherlands, Spain, Yonkers (USA)
  - ✓ Both disciplines : Belgium, Germany, Switzerland





**Merci!**

**Franck Rousseau**

[Franck.Rousseau@pmu.fr](mailto:Franck.Rousseau@pmu.fr)