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KKCG AND EMMA CAPITAL WON THE LICENSE TO OPERATE LOTTO

Italian authorities issued today a provisional award about the new operator of the Lotto lottery.

Italian authorities issued today a provisional award under which the new operator of the Lotto lottery will be a consortium of Italian Gaming Holding a.s. (a subsidiary of KKCG and EMMA Capital), Lottomatica, Novomatic Italia S.p.A., and Arianna 2001 S.p.A. The consortium's bid under a tender for the operator of Lotto was submitted on 16 March 2016, and the evaluation committee of the Italian Customs and Monopoly Agency announced the award of the license to the consortium today.

"We are delighted about the prospect of being a part of the largest privately managed lottery in Europe with annual wagers in excess of seven billion euros. Together with our partners, we will bring to Lotto our expertise, experience with both day-to-day and strategic management of the lottery business, and strong financial resources. The goal of the consortium is to further strengthen Lotto's position on the Italian market," said Štěpán Dlouhý, the Sazka Group's Investment Director who is responsible for lotteries and gaming.

The bid based on which the consortium has been awarded a nine-year license to operate Lotto amounted to EUR 770 million. An additional 130 million euros will be invested into an upgrade of Lotto's technological infrastructure.

The shares in the registered capital held by members of the consortium that won the license to operate Lotto are Italian Gaming Holding – 32.5%, Lottomatica – 61.5%, Arianna 2001 – 4%, and Novomatic Italia – 2%.

"Lotteries and sportsbetting are the key pillar of our business. The transaction is another step on the path to fulfilling the SAZKA Group's strategy to build Europe's largest lottery and sportsbetting operator," explained Dlouhý