



Paf distributes €20 million to public good

The Åland-based gaming company Paf made a profit of €22.7 million in the 2015 financial year, with its revenue amounting to €110.0 million. It is proposed that €20.0 million of the year's profit should be allocated to Åland's local government for distribution to public good.

"After a period of decreasing revenue, Paf returned to growth during the second half of 2015. The total revenue amounted to €110 million, the highest in the 50-year history of Paf. The acquisition of the Italian online gaming company Winga at the end of 2014 was a strong contributing factor in the revenue growth," says Johan Rothberg, Paf's Acting CEO.

The revenue from online gaming amounted to €76.4 million, an increase of 17 per cent compared with the previous year. Revenue from Land and Ship based gaming amounted to €33.6 million, an increase of 2 per cent.

The Group's total revenue during the financial year increased by 12 per cent compared with the previous year and amounted to €110.0 million. Total profit increased from €17.2 million to €22.7 million, which includes a one-time payment of €2.5 million. The Group's operating profit increased by 19 per cent, from €16.8 million to €20.0 million. The operating margin was 18.2 per cent.

"Regarding the costs, substantial investments were made during the financial year in the continued development of our own games and online operation and in the development of a new, fully responsive gaming site which was launched in December. That is the reason behind the increased development costs during 2015," says Johan Rothberg.

The Board of Directors of Paf has proposed payment of €20 million as a dividend from the annual profits and previous earnings to the Åland local government for distribution to public good. In addition to the profits that Paf allocates as a dividend, the Åland local government will receive €11.1 million in repaid gaming tax arrears from the Finnish state.

"Our already ongoing international expansion into new markets must continue if we want to be able to contribute to good causes in the future on the same scale as today. This concerns mainly online gaming but also ship-based gaming where we must reach out beyond the Baltic Sea in order to grow. This requires direct buy-outs, increased marketing efforts and increased investment in existing and new technical equipment with the aim of strengthening our offering", says Johan Rothberg.

In January 2016, the Board of Directors of Paf decided to discharge the company's CEO Anders Ingves. Paf's Finance Director Johan Rothberg has stepped in as acting CEO. The company is currently recruiting a new CEO.

Paf's annual report and financial statements for 2015 are available in full via the following link: <https://www.paf.com/press-room>

Selected highlights of 2015

- The two Swedish subsidiaries Lottercentralen AB and Paf Nöjesspel AB were sold during the year in order to focus the Group's operation. The Group earned a capital gain amounting to €2.5 million from the sale.
- In June, Paf was granted a licence for online slot machines in Spain. Paf made online slot machines available for its Spanish customers during the same month.
- In September, Paf organised the second Paf Responsible Gaming Summit, an international conference on responsible gaming held in Mariehamn, Åland. The objective of the conference is to increase the knowledge about gaming responsibility and responsible gaming.
- In September, Paf invested €320,000 in a research project in cooperation with the Department of Psychology at Stockholm University. This is a four-year research project about online gaming and gaming problems, focusing on limit setting, customer contact and feedback on gaming habits.
- The new Paf gaming site was launched in December. The new site is built as a fully responsive platform that automatically adapts to the screen used by the customer, regardless whether the site is visited via a computer, a tablet or a mobile phone.

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