

Betting on horseracing in 2010



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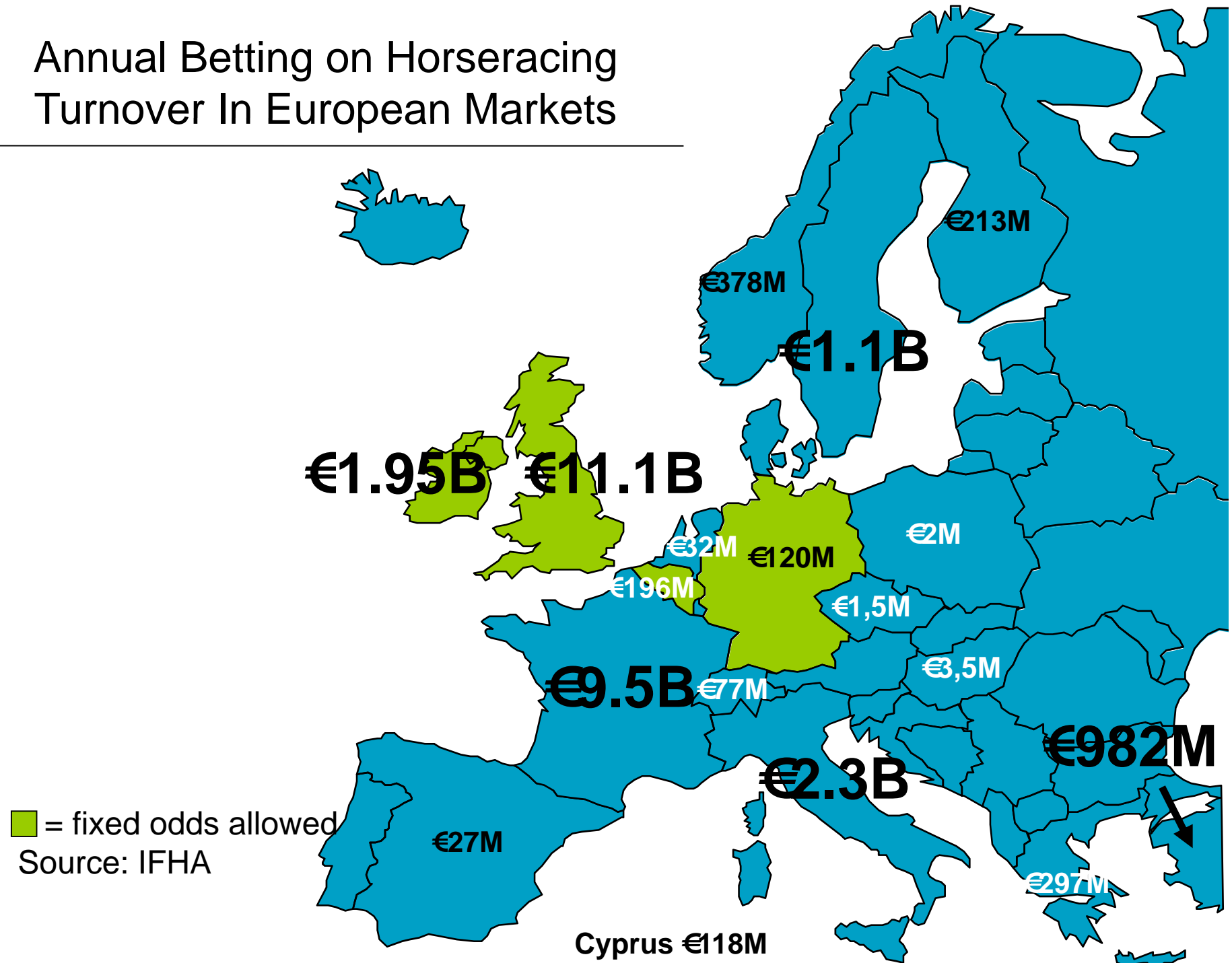
The logo for Ridens Consulting features the company name in a bold, blue, sans-serif font. Below the text is a stylized orange graphic consisting of two curved lines that form a shape reminiscent of a horse's head or a smile.

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Annual Betting on Horseracing Turnover In European Markets



Trends in the Racing & Betting Product

- Deregulation of betting
 - Terrestrial
 - Online
- Increased distribution through:
 - TV
 - Cable
 - Mobile
 - International bookmakers
- Consolidation of int'l operators
- Increasing liquidity



Betting on Horseracing Strenghts I

- Frequency

	# races*	min./race**
Italy	21 299	9.2
France	17759	11
Sweden	9718	20.2
UK	8877	22.2
Germany	6082	32.4
Norway	4738	41.6
Turkey	3526	55.9
Ireland	2397	82.2
Total	74396	2.6

\$\$\$ Reinvestments! \$\$\$

* Figures IFHA, EPMA, 2007

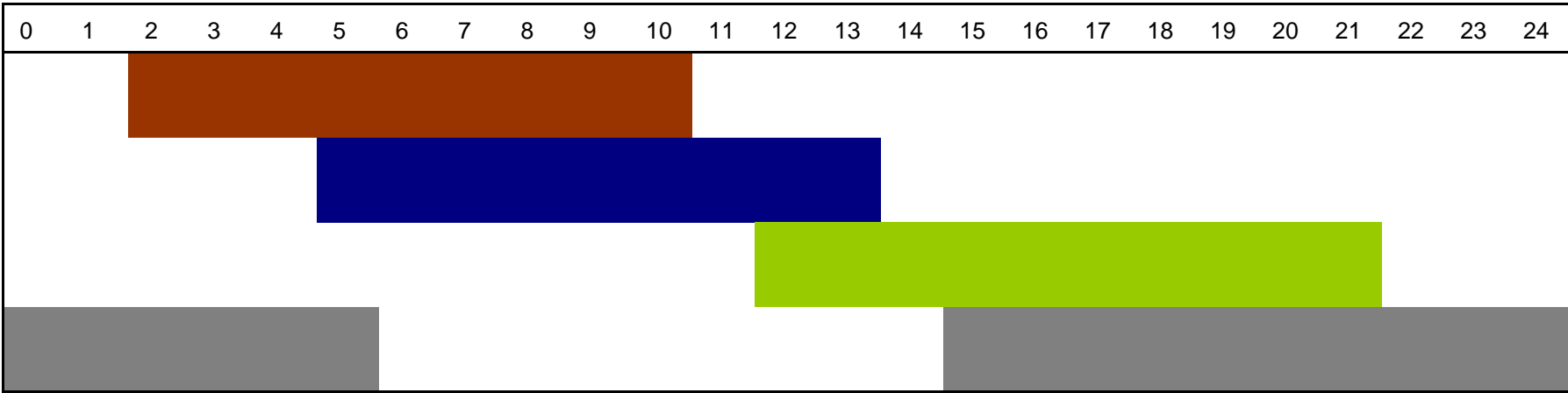
**Minutes between races, based on 12AM-9PM, 365 days







Betting on Horseracing Strenghts II

24/24 Proposition: One horserace takes place each 4 minutes around the clock (365/7/24). This offers continuous betting markets, which is particularly interesting for online operators.

Time in Brussels



	Australia
	S'pore/HK
	Europe/Africa
	US/S.America

Assuming horseracing from 12 to 9PM

Betting on Horseracing Strenghts III

- Multiple Participants
 - Better odds in both bookmaking and tote betting
 - Possibility of combination tote betting (see expl.)



Tote example: field of 12 horses	
Win	12
Place	24
Pick 3	1320
Pick 4	11880
Quinté+	95040



Jackpots !



Betting on Horseracing Strengths – Summing Up

- Continuous offer, also when sports markets are unavailable
- Maximise use of existing infrastructure, land-based or online
- Increased offer and distribution will increase betting volume, which will attract new customers who increase betting volume, etc.
- Horserace bettors are returning customers with high average spending

Practical

- Betting
 - Fixed odds in foreign markets complicates odds compiling
 - Parimutuel betting in many markets only option
 - Need to create own pools
 - Commingling
 - Still many betting monopolies in place around the world
 - Horseracing not as popular as football or tennis
 - « Easy access » formulas needed
 - Sports-racing transfer of customers
 - Bettors' bet-type preferences differ from market to market

Practical

- Contents
 - Live images multiplies betting volume
 - Customer requires reliable and consistent data
 - Value added content through agreements with rights holders
 - Rights are often decentralised by geography and/or contents and/or platform
 - Programming of races and bets is a mastercraft
 - Promotion of racing benefits all

Practical

- Legal
 - Parimutuel betting still represents over 80% of total world betting, while bookmaking is still banned in most countries
 - Opening markets like France and Italy continue to allow parimutual betting only
 - EU law reasonably clear on gambling, but application by member states will continue to raise questions
 - Betting diversity will offer great opportunities in most countries
 - Good betting laws allow both betting and racing operators to thrive

Practical

- Technical
 - Data and image streams should guarantee both user experience and integrity
 - The frequency of markets (see above) require quick pay-out systems to allow reinvestments by bettors
 - Pari-mutuel betting and commingling with other pools may be mandatory in some countries and will offer particular opportunities in others. This requires a whole set of tote and communications technologies.

Next

- **ridens** can contribute in making your next steps a success:
 - Identify market opportunities in various jurisdictions
 - Advise and represent on selling and buying contents
 - Advise on gaming laws and regulations around the EU and in other parts of the world
 - Promotion, sales and follow up on your service in various markets

Please contact Maurits Bruggink to find out more about our services.

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www.ridensconsulting.com