

NOVOMATIC: Standard & Poor's confirms "BBB-" rating with a stable outlook

Subtitle: The international rating agency Standard & Poor's (S&P) has recently published a research update for NOVOMATIC AG, which is listed on the Vienna Stock Exchange with bonds. The rating of "BBB-/A-3" with a stable outlook was confirmed, making NOVOMATIC one of the industry leaders.

Gumpoldskirchen, November 20, 2018 (OTS) - In a recent research update, Standard & Poor's analyzed the strengths and risks of NOVOMATIC – and compared it with international competitors. As one of Austria's leading companies, NOVOMATIC benefits from its strong European presence, its vertically integration as a producer and operator of gaming machines and less leverage compared to its global peers.

"The good rating confirms our fundamental strategy: We think over longer periods of time and focus on the international consolidation of the group of companies," says NOVOMATIC CEO Harald Neumann. "We began this process of consolidation a few months ago, which also includes moderate acquisitions and the evaluation of various companies with regard to their optimization potential." Following the rapid growth of recent years, the time has now come to optimize internal processes and structures across international borders and "ultimately to make decisions about the future positioning of the company in the various markets and divisions," Neumann explains.

NOVOMATIC is an important contributor to the Austrian economy

The fact that NOVOMATIC makes an important contribution to Austria's economic performance was recently demonstrated by a study conducted by the renowned "Economica Institute for Economic Research". The results show that NOVOMATIC generated a gross production value of EUR 1.3 billion in 2017. At around EUR 2.5 billion, the overall effect for Austria's economy is almost twice as high – triggered by intensive interdependencies regarding preliminary work with domestic companies and a low import share. The gross production value comprises the value of all goods and services covered by the production process.

Two additional jobs outside the Group are linked to each job at NOVOMATIC through the integration with domestic suppliers as well as through consumption and investment effects. "Besides our vertical integration of more than 90 percent, we also are a reliable customer and partner for numerous companies in Austria," continues Harald Neumann.

In addition, NOVOMATIC is one of the largest taxpayers in the country. The Group's activities contributed a total of EUR 439.7 million directly and indirectly to tax revenue in



Austria in 2017. The largest tax items: about 45.9 percent of total fiscal revenue was spent on wage-related taxes and social security contributions. Taxes on products accounted for 19.7 percent and VAT for 18.2 percent.

NOVOMATIC also focuses on employee satisfaction. “This ranges from setting up our own training tracks, such as the Corporate Coding Academy, to initiatives that underscore our responsibility as an employer,” says Neumann, alluding to the “Nestor Gold” seal of approval for age-appropriate work and the “berufundfamilie” quality seal awarded by the Ministry of Family Affairs for family-friendly employers.

About NOVOMATIC AG

The NOVOMATIC AG is one of the biggest international producers and operators of gaming technologies and employs more than 25,500 staff worldwide. Founded by entrepreneur Professor Johann F. Graf in 1980, the Group has locations in more than 50 countries and exports high-tech electronic gaming equipment and solutions to more than 75 countries. The Group operates around 260,000 gaming terminals and video lottery terminals (VLTs) in its some 2,100 plus gaming operations as well as via rental concepts.

Through its numerous international subsidiaries, the NOVOMATIC AG Group is fully active in all segments of the gaming industry and thus offers a diversified Omni-channel product portfolio to its partners and clients around the world. This product range includes land based gaming products and services, management systems and cash management, online/mobile and social gaming solutions as well as lottery and sports betting solutions together with a range of sophisticated ancillary products and services.

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