

A Poker-First Company

Analyzing Amaya in 2017



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Amaya: A Poker-First Company

An in-depth look at Amaya's key performance indicators, and an analysis of future risk and growth opportunities.

Amaya is the world's largest online poker operator, generating close to a billion dollars in revenue from real money online poker in 2016.

The company, along with much of the industry, has experienced flat or slightly declining revenue in the last two years. For Amaya, this has been heightened by the rollout of its online casino vertical, which has helped grow the group's revenue substantially while diversifying its revenue stream. The downside is this has led to expected cannibalization of its poker product.

However, the company is upbeat about the potential for growing its online poker revenue, and its latest figures show positive signs: Its online poker revenue has grown for the first time in five quarters, and its number of active poker players has hit a three-year high.

While ex-CEO David Baazov's plan to double poker revenue in five years may have been overly ambitious, there are positive indicators, both internal and external, that there is still growth potential for Amaya in online poker.

"PokerStars has been and will continue to be the home of poker. We love this game, we are passionate about poker and we play it ourselves, in all its variants. We want everyone to enjoy the game of poker as much as we do. We are grateful and inspired by every customer that has taken the time to become a poker player and we have an obligation to provide a world-class poker experience in every aspect. We recognize that we must adapt as an organization to provide the customer with the experiences they are seeking. We have a responsibility for the future of poker and we intend to continue to ensure we manage a well-balanced and secure eco-system while focusing on innovation. We believe that our success means poker's success."

Amaya CEO Rafi Ashkenazi, during the Q1 2017 earnings call.