

3 October 2006

**PartyGaming Plc**

**Interim dividend**

Following the decision taken by the Board to suspend all real money gaming business with US residents upon the Safe Port Act being signed into law by President Bush, which is expected within the next two weeks, the Board has today decided to cancel the Company's interim dividend that was due to be paid on 31 October 2006.

The Board believes that cancellation of the interim dividend will allow the Company to take advantage of the many attractive opportunities in the sector that will emerge over the coming months. In due course the Board will review the appropriate dividend policy for the ongoing Group.

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*This announcement includes statements that are, or may be deemed to be, "forward-looking statements". By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this announcement reflect PartyGaming's view with respect to future events as at the date of this announcement. Save as required by law or by the Listing Rules of the UK Listing Authority, PartyGaming undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this announcement that may occur due to any change in its expectations or to reflect events or circumstances after the date of this announcement.*