

27 June 2005

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**PartyGaming Plc**  
**(“PartyGaming” or the “Company” and, together with its subsidiaries, the “Group”)**

**Announces Offer Price of 116 pence per Share**

PartyGaming, one of the world’s leading online gaming companies, today announces the successful pricing of its offer of existing ordinary shares (“Shares”) to institutional investors (the “IPO” or the “Offer”).

- The offer price has been set at 116p per ordinary share (the “Offer Price”).
- Based upon the Offer Price, the market capitalisation of PartyGaming at the commencement of conditional dealings will be £4.64 billion. Conditional dealings are expected to commence on the London Stock Exchange at 8:00am today under the ticker symbol PRTY. Supplementary listing particulars are expected to be published later today.
- The Offer consists of 781.6 million existing PartyGaming ordinary shares (prior to the exercise of the over-allotment option of up to 115.3 million Shares).
- It is expected that admission of PartyGaming’s ordinary shares to the Official List of the London Stock Exchange (“Admission”) will become effective and unconditional dealings will commence at 8:00am on 30 June 2005.
- Dresdner Kleinwort Wasserstein Limited is acting as sponsor to PartyGaming in relation to the Offer and Dresdner Kleinwort Wasserstein Securities Limited (“DrKW”) is acting as sole global co-ordinator and bookrunner. Calyon, Commerzbank Corporates & Markets, Enskilda Securities, HVB Corporates & Markets, ING Wholesale Banking and Mediobanca - Banca di Credito Finanziario S.p.A., are acting as co-lead managers.

**Richard Segal, Chief Executive, commented:**

“We are delighted that the IPO has received an excellent response from major UK and international institutional investors. The listing will reinforce the Group’s position as one of the world’s leading online gaming companies and enhance the Group’s profile as we seek to expand internationally.”

**Contacts:**

**PartyGaming Plc**  
Richard Segal, Chief Executive Officer  
Martin Weigold, Group Finance Director  
Peter Reynolds, Director of Investor Relations

**On 27 June 2005: 020 7831 3113**  
**Thereafter: +350 78700 (Gibraltar)**

**Dresdner Kleinwort Wasserstein**  
Chris Airey, Equity Capital Markets  
Chris Treneman, Corporate Finance & Origination

**020 7623 8000**

Photographs of the management team can be downloaded from [www.vismedia.co.uk](http://www.vismedia.co.uk)

## OFFER STATISTICS

<b>Offer Price</b>	116p
<b>Number of existing Shares being offered<sup>(1)(2)</sup></b>	781,629,050
<b>Number of Shares subject to the Over-allotment Option</b>	115,260,000
<b>Percentage of issued share capital being offered in the Offer<sup>(1)(3)</sup></b>	20.6 per cent.
<b>Number of Shares in issue on Admission<sup>(4)</sup></b>	4,000,000,000
<b>Number of Shares to be held by the employee trust on Admission<sup>(5)</sup></b>	197,416,450
- Number of Shares subject to unvested or unexercised options	120,145,350
- Number of unallocated Shares available for future grants of options	77,271,100
<b>Market capitalisation of PartyGaming at the Offer Price<sup>(4)</sup></b>	£4.64 billion

1. Not including any Over-allotment Shares that may be sold pursuant to the Over-allotment Option.
2. Consisting of 755,200,000 Shares to be sold by existing shareholders and 26,429,050 Shares to be sold by the employee trust in respect of options which will be exercised upon Admission. The Company will not receive any proceeds from the Offer.
3. Excluding 197,416,450 Shares to be held by the employee trust on Admission, in respect of which the trustee has waived all dividend and voting rights.
4. Including 197,416,450 Shares to be held by the employee trust on Admission, in respect of which the trustee has waived all dividend and voting rights. Application for Admission has been made in respect of all 4,000,000,000 Shares.
5. Excluding Shares to be sold by the employee trust in the Offer. The trustee has waived all dividend and voting rights in respect of these 197,416,450 Shares.

*The contents of this announcement, which have been prepared by and are the sole responsibility of PartyGaming, have been approved solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 by Dresdner Kleinwort Wasserstein Limited of 20 Fenchurch Street, London EC3P 3DB. Dresdner Kleinwort Wasserstein Limited, which is authorised and regulated by the Financial Services Authority, is acting for PartyGaming in connection with the Offer and for no one else and will not be responsible to anyone other than PartyGaming for providing the protections afforded to customers of Dresdner Kleinwort Wasserstein Limited or for providing advice in relation to the Offer, the contents of this announcement or any matters referred to herein.*

*The Offer is being made in the United Kingdom by means of an institutional offer. The Offer and the distribution of this announcement and other information in connection with the Offer in certain jurisdictions may be restricted by law and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.*

*This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities and any purchase of, or application for, securities of PartyGaming pursuant to the Offer should only be made on the basis of the information contained in the formal listing particulars issued in connection with the Offer on 14 June 2005 and the supplementary listing particulars expected to be issued in connection with the Offer today. The price and value of securities may go up as well as down. Persons needing advice should contact a professional adviser.*

*Shares in PartyGaming have not been and will not be registered under the US Securities Act of 1933 (as amended) or the applicable securities laws of Australia, Canada or Japan and may not be offered or sold within the United States, Australia, Canada or Japan or to, or for the account or benefit of, US persons or citizens or residents of Australia, Canada or Japan.*

*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.*

*Information in this announcement or any of the documents relating to the Offer cannot be relied upon as a guide to future performance.*

*Stabilisation / FSA*

## **Terms and Conditions of the Offer**

### **1 Introduction**

These terms and conditions apply to persons making an offer to purchase Shares under the Offer and any person confirming agreement to purchase Shares on behalf of an Investor.

References in these terms and conditions to Shares shall be deemed, where the context requires, to include references to the depositary interests (the "Depositary Interests") in respect of the underlying Shares, details of which are set out in Part 9 of the supplementary listing particulars to be issued by the Company on or around 27 June 2005 (the "Supplementary Listing Particulars"). Successful applicants in the Offer will be allocated Depositary Interests.

Each person to whom these conditions apply, as described above, who confirms his agreement to purchase Shares under the Offer (the "Investor") hereby agrees with each of Dresdner Kleinwort Wasserstein Securities Limited, Dresdner Bank AG (London Branch), the Company, the Selling Shareholders (as defined in the Supplementary Listing Particulars) and the Company's registrar (the "Registrar") to be bound by these terms and conditions as being the terms and conditions upon which Shares will be sold under the Offer. An Investor shall, without limitation, become so bound if Dresdner Kleinwort Wasserstein Securities Limited confirms to such Investor (i) the Offer Price and (ii) its allocation.

The Supplementary Listing Particulars consist of the text of the listing particulars relating to the Company dated 14 June 2005 (the "Listing Particulars") updated to take account of the determination of the Offer Price, the number of Shares to be sold in the Offer by the Selling Shareholders and certain other matters as described therein.

### **2 Agreement to Acquire Shares**

Conditional on (i) Admission occurring and becoming effective by 8.00 a.m. on or prior to 30 June 2005 (or such later date as the Company, certain of the Selling Shareholders and Dresdner Bank AG (London Branch) may agree (not being later than 10 July 2005)) and (ii) the confirmation mentioned under paragraph 1 above, the Investor agrees to purchase from the Selling Shareholders, at the Offer Price, the number of Shares allocated to it under the Offer in accordance with the arrangements described in Part 8 of the Supplementary Listing Particulars and the terms and conditions set out in this announcement. Settlement of such purchases shall be effected by the issue to Investors of Depositary Interests. To the fullest extent permitted by law, each Investor acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights such Investor may have.

### **3 Payment for Shares**

Each Investor undertakes to pay the Offer Price for the Shares sold to such Investor in such manner as shall be directed by Dresdner Kleinwort Wasserstein Securities Limited. Other than as a result of any breach of paragraph 4.10 below, no Investor will be liable for any UK stamp duty and/or SDRT in respect of the sale to such Investor of such Shares (or the issue of Depositary Interests in respect of such Shares).

In the event of any failure by an Investor to pay the Offer Price as so directed by Dresdner Kleinwort Wasserstein Securities Limited, the relevant Investor shall be deemed hereby to have appointed Dresdner Kleinwort Wasserstein Securities Limited or any nominee of Dresdner Kleinwort Wasserstein Securities Limited to sell (in one or more transactions) any or all of the Shares in respect of which payment shall not have been made as so directed and to have agreed to indemnify on demand Dresdner Kleinwort Wasserstein Securities Limited in respect of all costs, damages, losses, expenses and liabilities incurred by Dresdner Kleinwort Wasserstein Securities Limited arising out of or in connection with such failure.

## **4 Representations and Warranties**

Upon becoming bound to purchase Shares allocated to it under the Offer, each Investor and, in the case of paragraphs 4.10, and 4.12 below, any person acting on behalf of an Investor, is deemed to:

- 4.1** represent and warrant that, in agreeing to purchase Shares under the Offer, the Investor is relying only on the Listing Particulars, the Supplementary Listing Particulars and further supplementary listing particulars (if any) issued by the Company, and not on any other information or representation concerning the Company or the Offer. Each Investor agrees that none of the Company, the Selling Shareholders, the Registrar, Dresdner Kleinwort Wasserstein Securities Limited, Dresdner Bank AG (London Branch) or any of their respective affiliates, officers or directors will have any liability for any such other information or representation;
- 4.2** represent and warrant that, such Investor is a person falling within:
  - 4.2.1** paragraph 3(a) of Schedule 11 of the Financial Services and Markets Act 2000 ("FSMA"), being a person whose ordinary activities involve the acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; or
  - 4.2.2** Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001, as amended and undertakes that it will acquire, hold, manage or dispose of any Shares acquired by it for the purposes of its business;
- 4.3** represent and warrant that it has not offered or sold and, prior to Admission, will not offer or sell any Shares to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulation 1995, as amended;
- 4.4** represent and warrant that it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the purchase of the Shares in, from or otherwise involving the United Kingdom;
- 4.5** represent and warrant that it is entitled to purchase the Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees and other consents which may be required thereunder and complied with all necessary formalities and none of the parties mentioned under paragraph 4.1 above will infringe any laws as a result of such Investor's agreement to purchase Shares or any actions arising from such Investor's rights and obligations under the Investor's agreement to purchase Shares or under the Articles of Association of the Company (the "Articles");
- 4.6** acknowledge that the Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the applicable securities legislation of Australia, Canada or Japan;
- 4.7** represent and warrant that:
  - 4.7.1** it is not, and at the time the Shares are purchased, will not be purchasing on behalf of a US citizen or a citizen or resident of Australia, Canada, India, Gibraltar or Japan;
  - 4.7.2** it is not in the United States (within the meaning of Regulation S of the Securities Act ("Regulation S")), Australia, Canada, India, Gibraltar or Japan;

- 4.7.3 it is purchasing the Shares in an offshore transaction in accordance with Regulation S;
- 4.8 acknowledge that the Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority;
- 4.9 acknowledge the participation in the Offer is on the basis that for the purposes of the Offer it is not and will not be a client or customer of Dresdner Kleinwort Wasserstein Securities Limited and that Dresdner Kleinwort Wasserstein Securities Limited has no duties or responsibilities to it for providing advice in relation to the Offer;
- 4.10 represent and warrant that the Investor is not, and is not applying as nominee or agent for, a person which is, or may be, mentioned in any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services);
- 4.11 represent and warrant that it has complied with its obligations relating to money laundering under the Criminal Justice Act 1993 and the Money Laundering Regulations (1993) (the "Regulations") and, if it is making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
- 4.12 in the case of a person who confirms to Dresdner Kleinwort Wasserstein Securities Limited on behalf of any Investor an agreement to purchase Shares, represent and warrant that he has authority to do so on behalf of the Investor as provided under paragraph 1 above;
- 4.13 if the Investor is a natural person, represent and warrant that such Investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such Investor's agreement to purchase Shares under the Offer and will not be any such person on the date any such offer is accepted; and
- 4.14 acknowledge and understand that Dresdner Kleinwort Wasserstein Securities Limited, Dresdner Bank AG (London Branch), the Company, the Selling Shareholders and the Registrar and others will rely upon the truth and accuracy of the foregoing representations, warranties and acknowledgements.

## **5 Supply and Disclosure of Information**

If any of Dresdner Kleinwort Wasserstein Securities Limited, Dresdner Bank AG (London Branch), the Company, any of the Selling Shareholders and the Registrar or any of their agents request any information about an Investor's agreement to purchase Shares, such Investor must promptly disclose it to them.

## **6 Miscellaneous**

The rights and remedies of Dresdner Kleinwort Wasserstein Securities Limited, Dresdner Bank AG (London Branch), the Company, the Selling Shareholders and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

Each Investor who is a discretionary fund manager may be asked to disclose, in writing or orally, to Dresdner Kleinwort Wasserstein Securities Limited the jurisdiction in which the funds are managed or owned.

Any documents sent to Investors in connection with the purchase of the Shares will be sent at the Investor's risk. They may be sent by post to such Investor at an address notified to Dresdner Kleinwort Wasserstein Securities Limited.

Each Investor agrees to be bound by the Articles (as amended from time to time) and the deed poll relating to the Depositary Interests (as described in Part 9 of the Supplementary Listing Particulars) once the Shares which such Investor has agreed to purchase have been transferred to such Investor.

The contract to purchase Shares and the appointments and authorities mentioned herein will be governed by, and construed in accordance with, the laws of England. For the exclusive benefit of the parties mentioned under paragraph 1 above, each Investor irrevocably submits to the exclusive jurisdiction of the English courts in respect of these matters. This does not prevent an action being taken against an Investor in any other jurisdiction.

In the case of a joint agreement to purchase Shares, references to an "Investor" in these terms and conditions are to each of such Investors and such Investors' liability is joint and several.

Dresdner Kleinwort Wasserstein Securities Limited, Dresdner Bank AG (London Branch), the Company and the Selling Shareholders expressly reserve the right to modify the terms and conditions of the Offer at any time before an Investor's agreement to purchase Shares becomes binding in accordance with paragraph 1 above.