

21 October 2005

PartyGaming Plc

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

Third Quarter Key Performance Indicators and Trading Update

Highlights

- Group revenues in Q3 up 32% to \$220.0 million (2004 : \$166.1 million)
- Total active player days up 53% to 12.2 million (2004 : 8.0 million)
- Very encouraging results from recent launch of new platform
- Strong current trading with uplift in both poker and casino
- Group remains comfortable with market expectations for 2005

Commenting on today's announcement, Richard Segal, Chief Executive, said:

“Revenues for the third quarter were in line with consensus expectations and I am pleased to report that, since the end of the third quarter, there has been a material uplift in performance across all of the Group's activities.

“Moving PartyPoker.com on to a stand-alone platform, with increased customer functionality, has contributed to an encouraging increase in poker revenue. Further, the initial response to cross-selling our casino games to PartyPoker.com customers has been much stronger than anticipated. Accordingly, the Group remains comfortable with consensus forecasts for revenue and EBITDA before share option and IPO costs for the current financial year.

“We remain on target to launch a fully integrated, Party-branded platform featuring a shared purse and the first of our new games in the first half of 2006. We remain confident about the Group's prospects.”

Poker – Key Performance Indicators

Three months to 30 September	2005	2004
Active Player Days	12,037,464	7,838,774
Daily average players	130,842	85,204
Yield per Active Player Day	\$16.6	\$18.9
New real money sign-ups	209,372	183,065
Unique active players during the period	671,750	412,804
Unique active players in September	443,307	298,622
Average daily rake	\$2,167,619	\$1,611,575

Nine months to 30 September	2005	2004
Active Player Days	34,381,147	18,893,086
Daily average players	125,938	68,953
Yield per Active Player Day	\$17.4	\$19.1
New real money sign-ups	610,040	414,839
Unique active players during the period	1,077,240	560,671
Unique active players in September	443,307	298,622
Average daily rake	\$2,185,542	\$1,316,152

During the period, poker revenues (including skins) were up by 38% compared with the previous year to \$209.1m and up by 4% compared with the second quarter. Substantial numbers of new real money players continued to be recruited to PartyPoker.com with over 209,000 new players added during the quarter (2004 : 183,000). While active player days increased by 54% compared with 2004 and by 6% versus the second quarter to 12.0 million, yield per active player day fell to \$16.6, resulting in average daily rake in the period of \$2.2million (2004 : \$1.6million).

On 8 October 2005 the Group announced that as part of its strategy to launch an integrated systems platform, PartyPoker.com had been separated from the original poker system and re-launched on its own platform with a number of new features including Blackjack and Side Bets as well as a new poker school. Following the launch of the new platform and introduction of these new products, trading has been very encouraging.

Customer acquisition and retention continue to be core areas of focus. While the poker market remains competitive, the Group has been successful in reducing customer acquisition costs compared with the first half of the year.

Casino – Key Performance Indicators

Three months to 30 September	2005	2004
Active Player Days	184,881	170,806
Daily average players	2,010	1,857
Yield per Active Player Day	\$59.2	\$82.1
New real money sign-ups	19,991	13,073
Unique active players during the period	30,743	25,813
Unique active players in September	14,302	11,843
Average daily revenue	\$119,033	\$152,517

Nine months to 30 September	2005	2004
Active Player Days	517,959	496,436
Daily average players	1,897	1,812
Yield per Active Player Day	\$70.3	\$76.7
New real money sign-ups	54,480	43,242
Unique active players during the period	63,275	56,653
Unique active players in September	14,302	11,843
Average daily revenue	\$133,270	\$138,992

Casino revenues were \$11.0 million in the period which was \$2.1 million below that achieved in the previous quarter. Despite an increase in new sign-ups to almost 20,000 in the period, which boosted the overall level of active player days by 12% compared with the second quarter, lower activity levels by some high value players at StarluckCasino.com reduced the yield per active player day to \$59.2.

Current Trading

Since the end of September there has been a marked improvement in poker and casino. Launching the new platform and introducing new features for PartyPoker.com has had a significant and positive impact and, since the launch, daily gross poker revenue (excluding skins) has increased by 10% versus the average for the third quarter. Moreover, the initial response from customers to playing casino games using their PartyPoker.com account has been very positive. The Group remains comfortable with consensus forecasts for revenue and EBITDA before share option and IPO costs for the current financial year.

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Conference call

Friday 21 October 2005

For analysts and investors there will be an opportunity to put questions to Richard Segal, Chief Executive, and Martin Weigold, Group Finance Director, by way of a conference call. The details of the call are as follows:

9.20 am Please call +44(0) 20 7162 0125 (UK) or +1 866 803 8344 (US)

Password: PartyGaming

9.30 am Conference call starts

A recording of the conference call will be available for a period of seven days from 21 October 2005. To access the recording please dial one of the following replay telephone numbers:

Replay no: +44(0) 20 7031 4064 (available for 1 week) (UK)

Replay passcode: 679344

US Replay no: +1 954 334 0342 (available for 1 week) (US)

Replay passcode: 679344

All times are BST.