

8 December 2005

**PartyGaming Plc**

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

**Trading Update  
for the two months ended 30 November 2005**

- **Strong current trading in both poker and casino**
- **Average daily gross poker revenue up 14% to \$2.7 million versus Q3**
- **Daily gross casino revenue up strongly following the launch of blackjack**
- **Substantial cross-selling with approximately 40% of PartyPoker players now playing both blackjack and poker**
- **Revenue and EBITDA for the full year likely to be ahead of consensus market expectations**

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

“Our business has continued to perform well across the board during the fourth quarter with both our poker and casino businesses showing strong growth. Launching blackjack and other new games has underlined the importance of both the breadth and quality of the product offering.

“Our casino business has performed particularly well. The increase in revenues following the introduction of blackjack to our PartyPoker.com customers has been substantial and has exceeded our expectations.

“PartyGaming is delivering on the strategy set out at the time of our IPO and we are delighted with the results from cross-selling one of our casino products to our large customer base. We are looking forward to raising the stakes again with the launch of our fully integrated, Party-branded platform and the addition of the first of our new games in the first half of 2006.”

**Current Trading**

PartyPoker.com has performed strongly since the end of September. Average new player sign-ups of 2,455 per day were in line with our expectations and we remain confident of achieving our target of 800,000 real money poker sign-ups for the full year. The number of unique active players increased from 443,000 in September to 487,000 in November and the daily average number of players increased from 131,000 in the third quarter to 138,000 during the two months ended 30th November 2005.

Average daily gross poker revenue in the period of \$2.67<sup>1</sup> million was 14% above that achieved in the third quarter and 32% above the same period in 2004. Active player days in the period were 8.4 million, a 38% increase over the same period in 2004.

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<sup>1</sup> \$2.65 million excluding the impact of the Multipoker and Intertops transactions in November 2005.

The casino business is experiencing a marked uplift in performance following the introduction of blackjack on to PartyPoker.com on 8th October 2005. Approximately 40% of PartyPoker.com active players are now playing both blackjack and poker. Whilst this has reduced the poker revenue generated by these players, the overall revenue generated by them during the period has increased substantially. The cross-selling of blackjack to PartyPoker.com customers contributed to a substantial increase in active player days for casino which increased to 1.6 million during the period. Excluding the first week following launch, the gross revenue in casino for the period since the launch of blackjack has ranged between \$0.8 million and \$1.2 million per day, which is between five and seven times higher than the average for the third quarter. We expect blackjack to continue to deliver a substantial amount of revenue in future periods, although this is unlikely to be at the levels attained in October and November which benefited from an element of novelty factor.

Distribution costs have remained in line with expectations and we expect the ratio of distribution costs as a proportion of revenue for the full year to be similar to that seen in the first half of the year.

On the back of the strength in current trading, the Group believes that both revenue and EBITDA before share option and IPO costs for the full year are likely to be ahead of consensus market expectations.

Key Performance Indicators for the fourth quarter of 2005 will be announced on 27 January 2006.

#### **Contacts:**

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#### ***Conference call***

##### ***Thursday 8 December 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 0025 (UK) or +1 877 491 0064 (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 8 December 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: 685590

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

Replay passcode: 685590

All times are GMT.