

PRESS RELEASE

3 February 2010

PartyGaming Plc

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

Fourth Quarter Key Performance Indicators and Trading Update

Highlights

- **Group revenue¹ up 32% versus the prior year and up 17% versus the previous quarter to \$132.2m (2008: \$100.4m) making \$446.2m for the full year (2008: \$472.9m)**
- **Strong performance in casino and a return to growth in all product verticals were key factors in the quarter resulting in higher Clean EBITDA margins than expected**
- **Clean EBITDA for the year ended 31 December 2009 expected to be slightly ahead of the Board's expectations**
- **PartyPoker now the largest poker liquidity pool excluding US-facing sites**
- **January trading in-line with the Board's expectations**

Commenting on the Group's full year revenue and fourth quarter KPIs, Jim Ryan, Chief Executive Officer, said:

"We enjoyed a strong fourth quarter with a return to growth in all four product verticals but with a particularly strong performance in casino and sports betting. Having recaptured the number one spot in the world in terms of poker liquidity² and with our integration of Cashcade and the World Poker Tour ('WPT') well on track, our performance in the first four weeks of 2010 has been in-line with the Board's expectations and we remain confident about our prospects for the full year.

"With the introduction of ring game poker, casino and bingo anticipated in Italy in the first half of 2010, the opening of the French market later this year and Denmark in 2011, we believe the outlook remains positive. Whilst the regulatory picture in some countries remains uncertain, the momentum towards creating commercially viable and regulated markets is strong. With some of the world's largest gaming sites in poker, casino and bingo, and opportunities to further consolidate the online gaming sector, we are confident about our future prospects."

Consolidated Key Performance Indicators (excluding network services and WPT)

Three months to 31 December	2009	%	% change	2008
		change	versus	
		versus	Prior year	
		Q3 2009		
Active player days (m)	7.8	7%	24%	6.3
Daily average players (000)	85.2	8%	24%	68.9
Yield per active player day (\$)	16.7	8%	6%	15.8
Yield per unique active player in the quarter (\$)	180.4	17%	5%	171.7
New real money sign-ups (000)	213.7	3%	27%	168.0
Unique active players during the period (000)	727.1	0%	24%	584.3
Average daily revenue (excluding skins) (\$000)	1,425.8	17%	31%	1,090.8
Total revenue (\$m)	131.2	17%	31%	100.4

¹ Including network services revenue of \$0.3m and revenue from the World Poker Tour of \$0.7m

² Excluding US-facing sites – source: Pokerscout.com

Group revenue was \$132.2m in the fourth quarter of 2009, an increase of 32% over the prior year and 17% over the previous quarter. Excluding Cashcade and WPT that were acquired on 23 July 2009 and 9 November 2009 respectively, revenue increased by 16% versus the previous quarter and by 12% versus the prior year. The key drivers behind the improvement included a strong performance in casino, that benefited from an improving games mix and the recycling of a major jackpot win during December, as well as sports betting where we saw an increase in gross turnover as well as gross win margin due to operational improvements and favourable results.

New player sign-ups increased by 3% versus the previous quarter to over 213,000 (2008: 168,000), driven by marketing initiatives and seasonality. The addition of Cashcade and higher player retention as a result of more effective promotions as well as improved loyalty and VIP programmes, meant that active player days increased by 7% versus Q3 09 and by 24% versus the prior year. The impact was to increase total net revenue (including network services and WPT) by 17% versus the previous quarter to \$132.2m (2008: \$100.4m) or \$1,437,300 per day (2008: \$1,090,800).

Bonus costs and other fair value adjustments to poker revenue were 23% during the fourth quarter, slightly better than the targets that we communicated at the time of the half year results. In the other product verticals, bonus costs were reduced on the back of successful initiatives to remove unprofitable players. Combined with the strong growth in casino, this meant that the average yield per active player day increased by 8% versus the previous quarter to \$16.7 (2008: \$15.8). The net impact of all of these factors was that total average net revenue per day in the fourth quarter of 2009 was up 32% to \$1,437,300 (2008: \$1,090,800) which was also 17% over that achieved in the third quarter of 2009 and the highest daily average since the enactment of the UIGEA in October 2006.

Clean EBITDA for the year ended 31 December 2009 is likely to be slightly ahead of the Board's expectations.

Full details of all of the Group's historic quarterly KPI data by segment is available for download at the Group's website at <http://www.partygaming.com/investor/documentation.html>.

Trading update

Trading in January has been in-line with the Board's expectations and the Board is confident about the full year outlook.

The Group's results for the year ended 31 December 2009 will be announced on 4 March 2010.

Contacts:

PartyGaming Plc

Peter Reynolds, Group Director of Corporate Affairs
John Shepherd, Director of Corporate Communications

+44 (0)20 7337 0100

Conference call

Wednesday 3 February 2010

For analysts and investors there will be an opportunity to put questions to Jim Ryan, Chief Executive Officer and Martin Weigold, Group Finance Director, by way of a conference call at 09.30 GMT. The details of the call are as follows:

Dial-In No:	+44 (0) 20 3037 9236
Replay (available for 1 week):	+44 (0) 20 8196 1998
Replay passcode:	7624724#

Appendix

Poker* – Key Performance Indicators

Three months to 31 December	2009	% change versus Q3 2009	% change versus prior year	2008
Active player days (m)	4.8	4%	(2%)	4.9
Daily average players (000)	51.7	3%	(4%)	53.6
Yield per active player day (\$)	10.3	6%	(8%)	11.2
Yield per unique active player in the quarter (\$)	112.1	8%	(8%)	121.4
New real money sign-ups (000)	125.7	5%	7%	117.7
Unique active players during the period (000)	438.4	1%	(3%)	453.8
Average daily revenue (excluding skins) (\$000)	534.0	9%	(11%)	599.1
Total poker revenue (\$m)	49.1	9%	(11%)	55.1

*includes Emerging Games segment but excludes network services and the World Poker Tour

Casino – Key Performance Indicators

Three months to 31 December	2009	% change versus Q3 2009	% change versus prior year	2008
Active player days (000)	1,025.7	6%	2%	1,010.3
Daily average players (000)	11.1	5%	1%	11.0
Yield per active player day (\$)	56.2	11%	42%	39.5
Yield per unique active player in the quarter (\$)	337.6	18%	78%	189.9
New real money sign-ups (000)	23.2	1%	(4%)	24.1
Unique active players during the period (000)	170.7	(1%)	(19%)	210.3
Average daily revenue (excluding skins) (\$000)	626.3	17%	44%	434.0
Total casino revenue (\$m)	57.6	17%	44%	39.9

Bingo – Key Performance Indicators

Three months to 31 December	2009	% change versus Q3 2009	% change versus prior year	2008
Active player days (000)	1,730.8	19%	1663%	98.2
Daily average players (000)	18.8	20%	1609%	1.1
Yield per active player day (\$)	10.0	5%	(31%)	14.4
Yield per unique active player in the quarter (\$)	94.8	30%	41%	67.2
New real money sign-ups (000)	37.2	(23%)	994%	3.4
Unique active players during the period (000)	182.7	(4%)	770%	21.0
Average daily revenue (\$000)	188.3	26%	1123%	15.4
Total bingo revenue (\$m)	17.3	25%	1136%	1.4

*Excludes network services

Sports Betting – Key Performance Indicators

Three months to 31 December	2009	% change versus Q3 2009	% change versus prior year	2008
Active player days (000)	916.8	19%	(3%)	945.9
Daily average players (000)	10.0	19%	(3%)	10.3
Yield per active player day (\$)	7.8	44%	90%	4.1
Yield per unique active player in the quarter (\$)	83.0	52%	77%	46.8
New real money sign-ups (000)	27.7	67%	21%	22.8
Unique active players during the period (000)	85.7	11%	3%	83.0
Average daily revenue (\$000)	77.3	69%	83%	42.3
Total sports betting revenue (\$m)	7.1	69%	82%	3.9