

22 December 2009

888 Holdings Plc
('888' or 'the Company')

Acquisition of Wink Online Bingo and Pre-Close Trading Update

888, one of the world's most popular online gaming entertainment companies, announces that it has entered, through a wholly owned subsidiary, into an agreement to acquire the assets comprising the Wink Online Bingo business ("**Wink Bingo**") from Daub Limited.

The transaction marks a further expansion of 888's B2C emerging offering segment. The segment grew by 99% during the first three quarters of 2009.

Wink Bingo runs several online bingo networks including Wink Bingo, Posh Bingo and Bingo Fabulous. The network is operated on the Dragonfish bingo infrastructure. Wink Bingo was launched in early 2008, and now has over 60,000 active players in October 2009, making it one of the most popular sites for online bingo.

During the 11 month period ended 30 November 2009, Wink Bingo had revenue of £15 million and profit before tax of £1.3 million. As at 30 November 2009 Wink Bingo and its subsidiaries had gross assets of £1.6 million.

The consideration payable to vendor consists of (i) base price and (ii) earn-out subject to certain adjustments. The base price of £11.0 million will be paid in cash to the vendor at completion. The earn-out payment will be performance based between five and six times earnings before interest, tax, depreciation and amortisation of Wink Bingo during the 12 month period ended 31 March 2011 and will be paid in cash. The earn-out payment is expected to be made during the second quarter of 2011. The total maximum consideration payable by 888 to the vendor is capped at £59.7 million. Completion of the transaction is subject to satisfaction of various closing conditions, which include, among others, obtaining certain required consents.

Pre-Close Trading Update

In addition, 888 reports on trading prior to entering the close period in respect of its final results for the 2009 financial year. Further to the Q3 KPIs and Interim Management Statement, trading remains strong and is in line with management's expectations. The Company remains confident about its prospects for the full year.

Gigi Levy, CEO of 888 Holdings, said:

"We are delighted to announce the Wink Bingo acquisition as an expansion of our B2C online Bingo footprint in the lucrative UK market. The Wink team has a proven track record of excellence in marketing, CRM and execution and will be a great addition to our growing Bingo business. In addition the transaction is financially attractive and will be earnings enhancing."

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