

**WEDNESDAY 17TH NOVEMBER 2010**  
**PADDY POWER PLC - INTERIM MANAGEMENT STATEMENT**

Following its interim results for the six months to 30 June 2010 announced on 25 August, Paddy Power is today updating the market on trading in the period from 1 July to 15 November 2010 (“the period”).

During the period, our international online businesses and UK Retail activities have continued to grow strongly as a consequence of ongoing significant investment and momentum from the first half of the year. The Group’s retail, online and telephone channels serving Irish customers, which account for approximately one third of Group operating profit, have performed broadly in line with our expectations, however Irish economic conditions have become more challenging during the period. In addition, sportsbook gross win percentages have remained above the mid-point of the expected ranges, in contrast with percentages below those ranges in the equivalent period last year. Accordingly, we now expect to achieve underlying diluted EPS growth in 2010 of 35% to 40% versus 2009, subject, as ever, to the volatility that could arise from sporting results over the remainder of the year.

Comparisons of the period with the equivalent period last year in constant currency by division:

<b>Division</b>	<b>Increase / (Decrease)</b>
<b>Online (ex Australia)</b>	
Sportsbook amounts staked	+34%
Gaming/B2B gross win	+33%
<b>Australia*</b>	
Amounts staked - total	+6%
Amounts staked - online	+22%
Gross win - online	+70%
<b>UK Retail</b>	
Amounts staked over-the-counter - like-for-like	+1%
Total gross win (net revenue) - like-for-like	+17%
New shops opened year to date	+28
<b>Irish Retail</b>	
Amounts staked - total	(5%)
Amounts staked - like-for-like	(8%)
Gross win - like-for-like	+9%
<b>Telephone (ex Australia)</b>	
Amounts staked	0%

\* Australian growth including IAS from the anniversary of its acquisition on 1 October only

**Financial Position**

As at 31 October, the Group had net cash of €137m or €94m excluding customer balances.

Commenting on the results Patrick Kennedy, Chief Executive, Paddy Power plc, said:

"The strong growth in Group profitability in the first six months has continued into the second half, with a particularly strong performance in our international online businesses and UK Retail activities.

We are also continuing to invest in our scale and capabilities to position the Group well for 2011 and beyond in its existing and potential future markets. In this context, we are also today announcing the creation of 1,440 new jobs in Ireland, the UK and Australia, to be in place by December 2013.”

ENDS

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