

15 November 2007



TRADING UPDATE FOR THE FOUR MONTHS ENDED 31 OCTOBER 2007

Profit* for the four months ended 31 October 2007 increased by 84% reflecting continued contribution from Telephone High Rollers, which significantly offset a below target performance in the UK Retail business. Profit* excluding High Rollers and the cost of our recent TV advertising campaign** decreased by 12%.

Total gross win increased by 33% including High Rollers (up 7% excluding High Rollers).

UK Retail gross win increased by 4%:

- Machine gross win increased by 25% with average weekly gross win per Gaming Machine*** of £586 compared to £467 for the same period in 2006. The replacement of our Amusement With Prizes (AWP) machines is complete and there are now 8,217 Gaming Machines deployed throughout the shop estate.
- Over The Counter (OTC) gross win declined by 5% with lower amounts staked on horses in July and August partly due to record race cancellations in July (23 lost meetings), before an improvement in the trend in September and October following the commencement of winter evening opening.
- While football comparatives were tough in July due to last year's World Cup, amounts staked on football since the start of the 2007/2008 season were significantly higher than last year. However the margin was poor due to unfavourable results.
- The UK Retail cost**** increase of 8.5% was lower than originally planned, due to a continuing focus on cost control which has partially offset the impact of winter evening opening and Amusement Machine Licence Duty (AMLD).

Ireland and Belgium Retail gross win increased by 10%.

eGaming net revenue grew by 5%. Customer sign ups grew 21% and unique active customers grew 11% despite the impact of the World Cup in 2006. New player numbers were boosted by an advertising campaign for Ladbrokes Bingo and customer growth was experienced across all products. Net revenue grew in Sportsbook, Casino and Games but this growth was partially offset by slightly weaker margins and lower Poker net revenue in a very competitive market.

Telephone Betting net revenue was £91.8 million reflecting strong High Rollers' activity, which has continued into November.

In Italy, 17 shops have been acquired and are now trading satisfactorily and the Italian management team are active in the rollout of new licences. We expect our Italian local language website to launch shortly.

In Spain, premises are being fitted out in anticipation of receiving an operating licence in the Madrid region in the near future.

The 47th levy scheme was referred to DCMS for determination at the end of October and the impasse with Turf TV over UK horse picture rights for 31 of the 59 tracks continues.

Ladbrokes commenced its share buyback programme on 10 August 2007 and to date has purchased just over 8 million shares at a total cost of £33.4 million. Net debt at 31 October was £922.8 million.

On 7 November, Ladbrokes announced the conditional disposal of Vernons for cash consideration of £51 million, of which £45 million will be payable on completion, with a further £3 million payable in each of the two years following completion.

Outlook

Christopher Bell, Chief Executive, said, "Early trading in November has seen the continuation of High Rollers' Telephone activity and, encouragingly, reached into double digit year on year growth in UK Retail gross win. Ladbrokes remains focused on growing its established businesses, whilst developing the new opportunities in Italy and Spain."

* Profit from continuing operations, before interest and tax. This excludes results from Vernons which have been treated as discontinued operations.

** Ladbrokes' £4.7 million TV advertising campaign commenced in October and costs of £3.7 million have been recognised in Corporate costs in the period.

*** Since the introduction of the Gambling Act on 1 September, Ladbrokes no longer offers the traditional Fixed Odds Betting Terminal (FOBT) and Amusements With Prizes (AWP) products and instead runs Gaming Machines which offer both B2 content (primarily roulette) and B3 content (jackpot games), all of which offer a maximum payout of £500. Consequently (FOBT) gross win per terminal per week will no longer be disclosed. Gaming Machine gross win per terminal per week is outlined below.

UK Retail	2007		2006			2005		
	4 months to Oct 2007	H1 2007	FY 2006	4 months to Oct 2006	H1 2006	FY 2005	4 months to Oct 2005	H1 2005
Gross win per terminal per week £								
FOBTs (as previously disclosed)	N/A	651	538	524	548	545	536	576
Total Gaming machines (new disclosure)	586	572	481	467	492	487	480	513

**** Operating costs excluding gross profits tax, VAT, free bets, promotions and bonuses

Note: The figures in this trading update are unaudited.

Enquiries

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A conference call for analysts and investors will be held at 8am (GMT) today. To participate in the conference call, dial +44 (0) 20 7162 0025 ahead of 8am and ask for 'Ladbrokes Plc trading update'. A recording of the call will be available until midnight, 22 November 2007 on +44 (0) 20 7031 4064 (access code 769215).

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