

## 32Red Plc ("32Red" or "the Company")

### Trading Update

32Red Plc, the award-winning online gaming operator, is pleased to provide an update on trading for the year ended 31 December 2010.

### 2010 Summary

The strong trading performance reported in the first half has continued during the second half of the year and has yielded record revenues of £16.9m, up 33% on 2009.

Revenue	2010	2009	
32Red Casino	£14.8m	£11.5m	+29%
32Red other products	£1.3m	£1.3m	+3%
<b>Total excluding acquisitions</b>	<b>£16.1m</b>	<b>£12.8m</b>	<b>+26%</b>
Acquired casinos	£0.8m	-	
<b>Total Revenue</b>	<b>£16.9m</b>	<b>£12.8m</b>	<b>+33%</b>

The Company's principal business, the 32Red casino, is the over-riding driver for the Group's growth and this performance has been delivered through:-

- Improved customer retention with active casino players totaling 30,933 up 23% on 2009. Casino player yield totaled £479 per player (2009: £458)
- Increased new customer recruitment with total new casino players totaling 21,853, up 14% on 2009, attracted at a cost per acquisition of £119 (2009: £95)

The strong trading performance is likely to see the Company deliver profits that are ahead of current market expectations for 2010.

### Current Trading

Trading in 2011 to date has been strong across the Company's products and the Board looks forward to a successful and exciting year. Preliminary results for the year ended 31 December 2010 will be announced in early March 2010.

Commenting on the performance, Ed Ware, CEO of 32Red, said:

"The strong 2010 performance is particularly pleasing in times of continued economic uncertainty in our primary market, the UK. The strong recruitment of new players and our improved customer retention are a tribute to the strength of the 32Red brand and to the continued excellent levels of service provided to our players.

We will continue to focus the 32Red brand in the UK and maintain a close watching brief on regulatory developments in Europe and the Rest of the World."

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