

THE TAKEOVER PANEL

LADBROKES PLC (“LADBROKES”)

PROPOSED MERGER WITH CERTAIN BUSINESSES OF GALA CORAL GROUP LIMITED (“GALA CORAL”)

On 24 July 2015, Ladbrokes and Gala Coral announced that they had agreed the terms of a recommended merger (the “Merger”) between Ladbrokes and certain businesses of Gala Coral.

On 30 October 2015, Ladbrokes sent a circular to its shareholders in connection with the Merger, which, *inter alia*, convened a general meeting to be held on 24 November 2015 at which shareholders will consider certain resolutions in respect of the Merger (the “Circular”).

Under the terms of the Merger, Ladbrokes has agreed to acquire certain businesses from Gala Coral in exchange for new shares in Ladbrokes representing approximately 48.25 per cent. of the enlarged issued share capital of Ladbrokes at the time of the announcement of the Merger (the “Consideration Shares”). The Panel Executive (the “Executive”) has agreed in principle to grant a waiver of the obligation to make a mandatory offer which would otherwise arise under Rule 9.1 of the Takeover Code as a result of the issue of the Consideration Shares to Gala Coral as part of the Merger, subject to compliance with the requirements of Note 1 of the Notes on Dispensations from Rule 9 (a “whitewash”).

On 16 November 2015, the Executive received a complaint from Mr. Dermot Desmond, a shareholder in Ladbrokes, alleging that certain contracts which are summarised in the Circular are material contracts entered into in connection with the Merger and that such contracts should therefore have been published on a website by Ladbrokes in accordance with Rule 26.3(d) of the Takeover Code.

On 20 November 2015, the Executive ruled that such contracts were not material contracts entered into in connection with the Merger which are required to be published on a website by Ladbrokes pursuant to Rule 26.3(d) of the Takeover Code. Mr. Desmond has requested that this ruling be reviewed by the Hearings Committee of the Panel.

A hearing of the Hearings Committee has been convened for 26 November 2015 to review this decision.

Ladbrokes and Gala Coral have agreed with the Executive that, if (i) the ruling is successfully reviewed and (ii) it is determined as part of that successful review that the failure to publish the relevant contracts on a website was sufficiently material that a further general meeting of Ladbrokes should be convened in respect of the whitewash, they will accept that decision and Ladbrokes will convene such a general meeting.

Each of Ladbrokes, Gala Coral and Mr. Desmond has agreed to the release of this announcement.

23 November 2015