



TRADING UPDATE FOR THE FOUR MONTHS ENDED **30 APRIL 2006**

The first four months of 2006 were positive for Ladbrokes plc. Profit* increased during the period by 5%, and total gross win rose by 11%, benefiting from good horseracing results at Cheltenham and Aintree, continuing growth in eGaming and an improvement in Telephone Betting.

European Retail** gross win increased by 7%, despite 37 lost race meetings, more than double the number during the same period in 2005. Total costs increased by 12% in line with expectations, driven by acquisitions and new licences, in addition to utility and energy costs. Like for like costs increased by 4%.

In eGaming, gross win increased by 26%, with a 32% rise in operating costs driven by planned customer recruitment campaigns around major sporting events and in anticipation of the World Cup.

Total gross win in Telephone Betting rose by 43% (up 4% excluding high rollers), with total operating cost growth of just 1%.

The successful sale of Hilton International to Hilton Hotels Corp for £3.3bn was completed on 23 February, 2006. Prior to the payment of a special dividend of 233.4p per share on 25 April, interest income of £24m was earned on the proceeds received on the sale of hotels division.

Commenting on the update, Christopher Bell, CEO Ladbrokes plc said: "We have had a positive start to the year and are trading in line with our expectations. As we approach the busiest part of the sporting year, with the Epsom Derby meeting, the World Cup in Germany and Royal Ascot to look forward to, I am confident about the prospects for the business."

* Profit from continuing operations, before interest and tax

** European Retail includes Vernons

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A conference call for UK analysts and investors will take place at 8am (BST) today. To participate in the conference call dial +44 (0) 20 7162 0125 and ask for 'Ladbrokes plc trading update'. A second call for US analysts and investors will be held at 3pm (BST) today. To participate in the conference call dial +44 (0) 20 7162 0025 and ask for 'Ladbrokes plc trading update'.

FOR FURTHER INFORMATION ON LADBROKES PLC, PLEASE VISIT OUR CORPORATE WEBSITE AT WWW.LADBROKESPLC.COM. HIGH RESOLUTION IMAGES ARE AVAILABLE TO DOWNLOAD FROM THE MEDIA CENTRE SECTION UNDER THE HEADING 'IMAGE LIBRARY'.