

14 June 2010

**888 Holdings Public Limited Company
("888")**

Acquisition of Mytopia

888, one of the world's most popular online gaming entertainment and solutions providers, announces that it has entered, through a wholly owned subsidiary, into an agreement to acquire the assets comprising the Mytopia social games development studio from Real Dice Inc.

The assets acquired comprise:

- a games development studio, specialising in developing cross-platform social games for smartphones, mobile handsets and social networking platforms including Facebook
- numerous games, including "Bingo Island 2" (one of the top Bingo applications on Facebook) and a social poker application using the "Pacific Poker" brand
- a real-time multiplayer mobile Poker application available for iPhone, Android, BlackBerry, Windows Mobile and J2ME handsets which has been installed by more than 1,000,000 users globally
- a technology platform for hosting and operating real-time social games on social networks and mobile
- a software licence for Particle Code™, a cross-platform application development framework for mobile devices and tablets

The assets acquired will form the cornerstone of 888's social gaming and mobile strategy, offering a seamless experience across different platforms. Social network and smartphone gaming applications will also be offered to Dragonfish B2B partners, allowing them to take advantage of this fast-growing area.

During the year ended 31 December 2009 the assets subject of the acquisition generated an unaudited pro-forma loss of \$0.1 million before tax. The target assets have no significant book value.

The consideration payable to the vendor consists of a base price and additional earn-out adjustments. The base price of \$18 million will be paid as follows: \$12 million cash payment upon completion and an additional \$6 million payable in cash upon meeting certain milestones connected to the mobile and social networking games prior to 31 December 2011. An additional earn out payment in cash will be made calculated on the basis of net profit for the calendar year 2011. The total maximum consideration payable by 888 to the vendor is capped at \$48 million. Completion of the transaction is subject to satisfaction of various closing conditions.

Gigi Levy, CEO of 888 Holdings, said:

"This is a very exciting deal for 888, and builds on our aim of providing a variety of entertainment destinations where people can enjoy a truly interactive experience on a multitude of platforms. Mytopia is one of the leading publishers of cross-platform social-games and this acquisition gives us an immediate footprint in the fast-growing social gaming arena, complementing our core offering and giving us access to millions of customers."

"Improvements in mobile technology now mean more people are comfortable using applications on the move, and we expect significant growth in this area. The acquisition extends 888's reach and market share in the fast growing social networks and smart mobile devices, such as iPhone and Android powered handsets, and leaves us well positioned to take advantage of this growth."

Guy Ben-Artzi, CEO of Real Dice, said:

"888 understands where the market is going. Mytopia will thrive with 888's infrastructure and expertise behind it and bring to 888 new revenue streams from virtual goods and micro-transactions on social networks and mobile devices. We both believe that an advanced social gaming creative and operational capability, along with technology to move faster in critical smartphone and emerging platforms like iPad, is the best way to connect with the next-generation of players."

Analyst and Investor Conference Call

Gigi Levy, Chief Executive Officer and Aviad Kobrine, Chief Financial Officer, will be hosting an analyst and investor conference call at 11.00am (BST) today.

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Notes to Editors

Real Dice was founded to develop multiplayer games for social networks and next-generation mobile devices like PalmOS, Windows Mobile, BlackBerry and Symbian platforms. Its focus is on creating rich, immersive games that enable users to play together across multiple platforms in real-time.

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These statements contain the words "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty since they relate to future events and circumstances. Forward-looking statements may and often do differ materially from actual results. All statements, other than statements of historical facts included in this announcement, including, without limitation, those regarding 888's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to 888's products and services) are forward-looking statements that are based on current expectations. Such forward-looking statements are based on numerous assumptions regarding 888's operating performance, present and future business strategies, and the environment in which 888 will operate in the future. Any forward-looking statements in this announcement reflect 888's view with respect to future events as at the date of this announcement. Save as required by law or by the Listing Rules of the UK Listing Authority 888 expressly disclaims any obligation or undertaking, to disseminate any updates or revisions to any forward-looking statements, contained herein to reflect any change in its expectations, with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Past performance cannot be relied upon as a guide to future performance.