

16 November 2011 - Paddy Power acquires Bulgarian games developer

Paddy Power plc (“Paddy Power”) announces today the acquisition of CT Networks Limited (“Cayetano”), a games developer headquartered in the Isle of Man. Cayetano has developed a range of games for the online and mobile gaming markets, using its team of software developers and graphic designers located in Sofia, Bulgaria.

Cayetano was acquired this month from its founding shareholders and management team, who will remain with the company. The consideration is capped and the majority of that maximum consideration is payable subject to performance over the next number of years. At 31 October 2011, Cayetano had gross assets of £0.20m and net assets of £0.16m.

Patrick Kennedy, Chief Executive, Paddy Power plc, said:

“Cayetano is one of the best developers of its kind in the egaming sector and its acquisition will provide Paddy Power with a compelling range of online gaming products as well as a new internal source of gaming development expertise.

Paddy Power has built strong in-house IT and product development capability, with our proprietary sports betting models a great example of that success. Cayetano is a natural extension of this existing capability, reflecting Paddy Power’s evolving product mix.”

Nick Maughan, CEO, Cayetano, added:

“This is a great step for Cayetano and its team. We’re all excited at the prospect of being part of Paddy Power, a business whose success in this market has been built on an exceptional understanding of online customers and product trends.”

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Notes to Editors:

Cayetano was founded in 2009 by Nick Maughan, CEO. Prior to becoming involved in the gaming sector, Nick worked in the technology development and financial services sectors.