

William Hill PLC

Interim Management Statement

30 April 2009

William Hill PLC (William Hill or the Group) (LSE: WMH) announces the interim management statement for the 17 weeks ended 28 April 2009 (the period).

Overview

The Group has made good progress during the period, with net revenue increasing by 6.5% against a strong comparator period in 2008. This includes results from the expanded online business in 2009, which is compared with our standalone William Hill interactive business in 2008.

Overall performance during the period remained resilient. Horse racing had a significant influence on performance with bad weather leading to the cancellation of approximately one third of scheduled UK horse race meetings at the start of the year and, in March, horse racing results going strongly in the customers' favour, including during the Cheltenham festival. However, in April, horse racing results swung back in favour of the bookmakers, helped by a good Grand National result. Both Cheltenham and Aintree proved to be as popular as in previous years. The period also saw a continued strong performance in football betting and gaming machines.

Ralph Topping, Chief Executive of William Hill, commented:

"Although the economic and competitive environment remains challenging, our results show continuing resilience. Integration of our online business is progressing, with an encouraging increase in the number of customer accounts, and we look forward to reaping the full benefits of this developing business."

Operating update

(a) Retail

Retail gross win increased by 2%. Over-the-counter gross win fell by 5%, reflecting the horse race cancellations and results described above. However, gross win margin was comparable with that experienced in 2008, primarily as a result of a strong football performance. Gaming machines maintained the strong growth reported in the first eight weeks and delivered a 14% increase in gross win.

(b) Online

Net revenue from the expanded William Hill Online business increased by 50% in the period, compared with the standalone William Hill interactive business in 2008, following the completion of the acquisition of online gaming, marketing and customer service assets on 30 December 2008. On an unaudited pro forma basis, taking into account the performance of the acquired assets in the comparator period, net revenue increased by approximately 10%. Our strong focus is on integrating these assets into our existing business. Integration is on track.

We launched our new Sportsbook on the Orbis technology platform in December 2008 to provide an improved offering in a very competitive marketplace. Net revenue was similar to the comparable period in 2008. However there has been encouraging growth in customer accounts and, in the later weeks of the period, we saw double-digit growth in the number of slips and in turnover following a substantial increase in the number of markets and products offered to customers on the Sportsbook.

Overall net revenue from gaming increased by 77% and on a pro forma basis by approximately 13%. In January and February, we launched our stand-alone casino and poker websites on Playtech's software and the iPoker network and both are performing in line with expectations. All our poker is now run on Playtech's i-Poker network and we expect to migrate the main William Hill casino to Playtech software later in the year.

(c) Telephone

Telephone gross win fell by 31% in the period, again as a result of the poor horse racing results, particularly at Cheltenham. These had a disproportionate effect as horse racing continues to represent approximately 70% of the business in this channel. Telephone has also seen increased competition from overseas organisations operating from favourable tax environments. This channel still represents only approximately 3% of the Group's net revenue.

(d) Costs

Operating costs have increased in line with management expectations.

Material events, transactions and financial position

In February, we announced that we had entered into new bank debt facilities that, together with our £250m existing bank facility, led to an aggregate funding of £838.5m. At the same time, we announced a proposed one-for-one rights issue to raise £350m net of expenses. Together, the new debt facilities and the rights issue are intended to meet our total funding requirement.

The rights issue was successfully completed on 8 April. Acceptances received from shareholders represented approximately 97.41% of the total number offered to shareholders, and the remaining 2.59% of shares were placed in the market at a price of 191.81p per share.

Interim results

William Hill will issue its interim financial statements for the 26 weeks ended 30 June 2009 on Tuesday, 4 August 2009.

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Notes to editors:

William Hill is one of the UK's leading betting and gaming companies. It is one of the UK's largest bookmakers, and also operates in Ireland, with a total of approximately 2,300 LBOs in the UK that provide betting opportunities on a wide range of sporting and non-sporting events and, in the UK, offer gaming machines. The Group's online business, William Hill Online, is one of the leading European online betting and gaming business by profitability, providing sports betting, casino games, poker, bingo, numbers betting and skill games.