



GALA CORAL GROUP RESPONDS TO CMA'S APPROVAL OF MERGER WITH LADBROKES

26 OCTOBER 2016

Gala Coral Group welcomes today's decision by the Competition & Markets Authority (CMA) to give final approval to its proposed Merger with Ladbrokes plc.

On 26 July 2016, the CMA published its final conclusions into the Merger in which it stated that the Merger could proceed subject to the divestment of 350 to 400 shops, and that completion of the Merger could occur when the shop divestment process was substantially complete. On 15 and 16 October Gala Coral Group and Ladbrokes announced the sale of 322 shops to Betfred and 37 shops to Stan James, subject to completion of the merger, with one shop remaining unsold. Gala Coral Group and Ladbrokes have subsequently exchanged contracts on the remaining shop with Bet 21.

The CMA has now approved the disposal of the shops to Betfred, Stan James and Bet 21 and has given its consent for the Parties to complete the Merger.

Following receipt of this approval, Ladbrokes will publish a prospectus in relation to the readmission of the enlarged group to the premium listing segment of the Financial Conduct Authority's Official List and to trading on the London Stock Exchange. It is expected that completion of the Merger will take place in the very near future.

Commenting on the sale Carl Leaver, CEO of Gala Coral said:

"I am delighted that the CMA has given its approval to our merger with Ladbrokes. The final hurdle has now been cleared and we can begin to realise the significant value available to both company's shareholders."

ENDS

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