

Company Arena Leisure PLC
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ARENA LEISURE PLC

INTERIM MANAGMENT STATEMENT

Arena Leisure Plc ('Arena' or the 'Group'), the UK's leading operator of horseracing fixtures which owns and operates seven racecourses in the UK comprising Doncaster, Royal Windsor, Folkestone, Lingfield Park, Southwell, Wolverhampton and Worcester, today announces its Interim Management Statement for the period from 1 January 2009 to 18 May 2009 (the 'period').

Trading Update

Trading in the period has been in line with expectations and at a similar level to the same period in 2008. This is a creditable performance in view of the poor weather conditions experienced in the early part of the year which heavily impacted much of the racing industry. Arena's portfolio of all-weather tracks (three out of the Group's seven racecourses) enabled us to sustain our racing programme with limited disruption and also to benefit from additional transferred fixtures from other non-Arena racecourses. Whilst public attendances remain relatively resilient to the prevailing economic conditions, pressure on hospitality packages continues.

During the four months to 30 April 2009 Arena hosted 142 fixtures (2008: 152) including 15 additional unscheduled fixtures. Seven race meetings were abandoned due to weather conditions. Of the 15 unscheduled meetings, 12 were as a result of Great Leighs Racecourse entering administration in January 2009 and being unable to race since that date. Arena had previously managed racing operations at Great Leighs under contract and the additional fixtures have compensated for both the loss of income from this contract and the lost income from the abandoned fixtures. In the same period in 2008, 16 Great Leighs fixtures were hosted at Arena courses and a higher number of Winter evening fixtures were scheduled compared to 2009.

Total attendance at Arena racecourses in the four months to 30 April 2009 was 131,000 (2008: 133,000). The average attendance for the four months was 5% ahead of the same period in 2008 at 920 (2008: 873). As the Winter months typically have lower attendances, this is a good indication that the public continues to come racing reflecting the quality, value proposition at the Group's racecourses. This trend is supported by preliminary industry statistics that show a similar 5% increase in average attendances over the four months, although this includes a comparison to 2008 where one day of the Cheltenham festival was abandoned. Corporate and private hospitality business in the four months to 30 April 2009 is around 15% below 2008 levels; however the majority of this income segment is weighted to the Summer months. As anticipated, forward booking

patterns for the Summer season and the St Leger festival in September so far indicate much shorter lead times and reduced levels of interest compared to 2008.

Media rights income from BAGS has been ahead of 2008 levels reflecting a contractual increase (4.0% for the year) and an improvement in the number of races with eight or more declared runners to 74% (2008: 67%). The Group has increased its focus on attracting owners and trainers to its racecourses which, coupled with increased prize money at Winter all-weather fixtures, has resulted in improved field sizes. Arena maintains an ongoing focus on managing its cost base whilst continuing to deliver customer service and quality. This is clearly recognised by customers of our in-house catering business which continues to deliver to a high standard and improve its profitability. Operational costs have been reduced in line with our previously disclosed intentions.

In April an agreement was reached by the Horseracing Betting Levy Board on the terms of the 2010/11 Levy at the same headline 10% level as the current scheme. We are delighted that such early agreement has been reached and see this as a positive step for future cooperation between racing and the bookmaking industry.

Arena signed up Newton Abbot Racecourse as an associate member. Under the terms of the agreement, Newton Abbot will benefit from the expertise and experience within Arena and inclusion in Arena Group negotiations and transactions, as well as having access to the many in-house operations in which Arena specialises. This model could potentially be replicated with other independent UK racetracks should the opportunity arise.

Development Projects

The Lingfield Park Marriott Hotel and Country Club development is progressing to budget and on schedule for the planned opening in Spring 2010. The status of all other development projects remains as disclosed in previous announcements.

Funding

A scheduled repayment of £0.75m was made in the period bringing the total available facilities to £60.25m. The Group has complied with all banking covenants and the earliest debt maturity is of a £10m facility in October 2010.

Outlook

With trading in the period having been in line with both expectations and the same period in 2008, we anticipate this pattern continuing, despite some uncertainty over the outlook for the hospitality business through the important Summer period. The Group will continue to benefit from increased BAGS income and the reductions in place on the operating cost base.

Arena's performance in the period demonstrates the Group's excellent operational experience as well as proving that the fundamentals of the business remain sound in these difficult market conditions.

The Annual General Meeting of Arena Leisure Plc will take place at Lingfield Park Racecourse on 20 May 2009 at 12.00pm.

19 May 2009

Enquires:

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Forward-looking statements

This report may contain certain statements about the future outlook for Arena. Although we believe our expectations are based on reasonable assumptions, any statements about future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.

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