

NO GOING BACK ON THE NEW RUSSIAN GAMING LAWS

Russian President Dmitry Medvedev, at the end of a meeting with top executives from the Federal Tax System, stated that there will be no review of the new gaming zones act which, accordingly, will come into operation in July.

Medvedev insisted that he would tolerate no further delays in the move of the Casinos to the four special regions in the Azov Sea, the Far East, Altai and Kaliningrad.

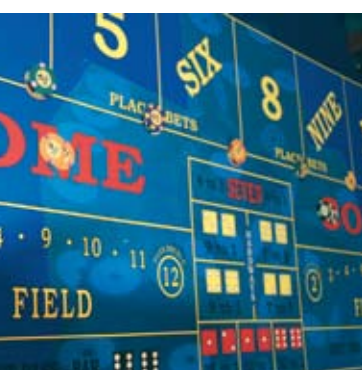
"That is the State position. The Federal Tax Service is entrusted with overseeing the process and all activities in gaming establishments must end on 30 June", he finalised.

Casino owners are quick to point out that these new gaming zones do not have the necessary infrastructure for the completion of the new Casinos in the given time. They also complain that they are going to have to convert their current establishments into restaurants, concert halls or even poker clubs in order to remain in Moscow, the main market with over 500 gaming establishments.

If the government's plans are followed through, there will be a severe drop in State revenue through gaming taxes. When there is no money to fix the roads or build new hospitals, who will explain this impulsive and unfounded decision to the Russian public?



Casino Paris, in the centre of Moscow, considered one of the most elegant in Europe, will be just one of the many victims of the erroneous Russian gaming plan



UKRAINE DECLARES WAR ON GAMING

The Supreme Rada of Ukraine at its session of 15 May approved Act 4268 "on the prohibition of the gambling business".

This new law prohibits the organisation and performance of public games of chance for profit, until special legislation is passed to allow it in specially-created gaming zones. The Law contemplates stopping granting permits for gambling-related activities in Ukraine. Permits granted until the date the act comes into force are cancelled. It also gives the Cabinet a three-month period to present a Bill on the organisation and performance of games of chance in special gaming zones.

If the measure is implemented, over 200,000 will be laid off and a great many businesses will be forced to shut down.

We had no idea that Ukraine was such an economic, social and infrastructural paradise that its leaders could waste time on matters of this ilk, more suited to the Middle Ages than to the 21st century.

EUROPEAN PARLIAMENT CONFIRMS THE IMPORTANCE OF SUBSIDIARITY AND THE COUNTRY OF DESTINATION PRINCIPLE IN GAMBLING SERVICES

The European Parliament's Resolution on the integrity of online gambling has been adopted by the vast majority of the Members of the European Parliament. The

Resolution stresses the special nature of gambling services due to their inherent social and public order aspects and takes a clear stance against the application of Internal Market principles to this highly sensitive sector.

Ron Goudsmit, Chairman of the European Casino Association, said: "The European Parliament has always placed social and public order concerns over purely economic interests. The Resolution acknowledges that Member States are best placed to ensure consumer protection and fraud prevention through the regulation and control of their individual gambling markets and their right to do so has been repeatedly confirmed by the European Courts".

The Resolution calls in particular on the Commission to carry out research into the risks of online gambling, take appropriate measures to combat illegal online gambling services and aggressive gambling advertising, and to come forward with proposals for an EU approach to regulating online gambling.



Ron Goudsmit, Chairman of the European Casino Association

HOLLAND CASINO REVENUES DOWN

Holland Casino witnessed an 83 % fall in net profits last year as the monopoly operator was battered by a combination of economic recession, the new smoking ban, tax reforms and increased competition from internet gambling.

Operating profits from the company's 14 casino venues in the Netherlands fell to EUR 14.3 million in 2008, Holland Casino confirmed, down 83.2 % from EUR 85.6 million the previous year.

Holland Casino said it saw over half a million fewer visitors at its Casinos over the year, down to 6.9 million, though average spend per visit remained constant.

The company attributed the weaker performance to the economic recession combined with the impact of a public smoking ban that came into force in July, as well as increased competition from foreign-based internet gambling services.



Eddie Morales, MEI Business Development Manager Southern Europe

GRAN MADRID CASINO GROUP SPECIFIES MEI CASHFLOW® SC83

MEI has reported that the Gran Madrid Casino Group is specifying MEI Cashflow SC for all slot purchases. Casino management made the decision to specify MEI after closely measuring the product attributes such as excellent first-time acceptance rates, utmost security, minimal service requirements, no calibration requirements in the field and, most importantly, the additional amount of money in the cashbox generated by implementing the MEI Cashflow SC83 in slots.

The Gran Madrid Casino Group has three Casinos. The flagship is based in Torreldones, on the outskirts of Madrid, the trio being completed by the prestigious Casino de Torrequebrada in Málaga and Gran Casino Cartagena in Cartagena. The importance of the slots continues to grow in these three Casinos, with more than 370 in operation to date. Casino Gran Madrid plays a leading role in implementing new technologies and Casino management on the entire Iberian Peninsula shows a keen interest in all new developments in the Group's Casinos.

Eddie Morales, MEI Business Development Manager Southern Europe, stated, "This is very good news. We thank management and staff at Casino Gran Madrid for accepting our invitation to trial our note reader. The combination of an unbeatable product with excellent service underlines our company philosophy. We are proud to cite Casino Gran Madrid as one of the growing number of Casinos and Casino groups specifying the CASHFLOW SC83 in Europe".

METRONIA STRENGTHENS ITS POSITION ON THE UK MARKET

Spanish firm Metronia has teamed up with Beacon Bingo to create World Bingo Tech Ltd., a company which has already received the approval of the UK Gambling Commission.

Beacon has trialled a series of stand-alone bingo terminals developed by Metronia with sensational results. The British market is one of the most promising in Europe, with over 600 bingo clubs.

Marcos Marugán, Metronia Operations Manager in the UK



BIG DROP IN GPI REVENUES

According to sources in the company, in the first quarter of 2009 GPI had takings of US\$ 8.9 million, 26% down from the same period in 2008. Gross earnings amounted to US\$ 2.4 million, compared to US\$ 3.6 million for the previous year.

Christophe Leparoux, International Sales & Marketing Manager of GPI



GREAT TURNOVER FOR CIRSA IN 2008

CIRSA saw takings of EUR 1704 million in 2008, and operating profits of EUR 193 million, an increase of 17.2% over 2007.

Revenues for the Casino division increased by 10%, thanks to the optimisation of its fleet of slots and tables, combined with growth in Argentina, Venezuela, Ecuador, the Dominican Republic and, particularly, Panama.

The company's plans for the coming months include terminating the first phase of the renovation of Casino de Marbella in Spain; expansion in Mexico, where the number of establishments and tables continues to increase; and the inauguration of a new complex in Rosario, Argentina, comprising a hotel, conference centre and Casino, in a total area of almost 1.400 square feet.



Manuel Lao Gorina, CIRSA Vice President

POKER IS THE STAR AT CASINO GRAN MADRID

In the first quarter of 2009, poker continued to play a star role at Casino Gran Madrid, where a series of highly successful tournaments were staged.

In February the Casino inaugurated a splendid 9000 sq. ft 25-table poker room, unique of its kind in Europe, and in the first four months of this year, Casino Gran Madrid has handed out almost EUR 500,000 in prizes.

Because of the enormous interest shown, the Casino has come to a deal with Spanish TV channel to broadcast the first Pokerstars Spanish Championship, to be held at the Casino in June. The winner will represent Spain in the Pokerstars Caribbean Adventure and the final of the European Poker Tour.

On a different note, the Casino has also held a series of festive events to celebrate its Thousand and One Nights. Almost 16 million guests have visited the Casino, where 43 million roulette balls were thrown, over 25 million cards were dealt, and 67 million games of blackjack, 14 million of punto y banca and around 2 million poker hands were played.



Atmosphere at a tournament



The poker room at Casino Gran Madrid



Raúl Dotor, winner of one of the poker tournaments