



8 October 2007

Queenco Leisure International Limited

Finalises Constanta Concession Agreement

Queenco Leisure International Limited ("QLI" or the "Company"), the emerging markets casino developer and operator, is pleased to announce that it has finalised the terms of the Concession Agreement (the "Agreement") with Constanta Municipality, Romania, granting the Company concession rights over a historic building in the city, which the Company intends to renovate and operate as "Casino Constanta".

The Agreement is for an initial period of 49 years, but grants QLI the option to extend the terms for a further 24 years, subject to the consent of both the Company and Constanta Municipality. Under the terms of the Agreement, QLI will invest an approximate total of €10.0 million and pay gross annual royalties of €140,000 to Constanta Municipality.

The building covers an area of 801m² and is located on Constanta's beachfront. It was built in 1909, and declared a national architectural treasure in 1956. As Romania's second largest city, Constanta has a population of approximately 310,000, is the main Romanian port and the largest on the Black Sea. Constanta is also the most popular destination for summer holidays in Romania for both the national and the international market because of its beachfront and cultural attractions.

QLI plans to open Casino Constanta in the second half of 2009, which will operate approximately 24 gaming tables and 250 slot machines. The Company also intends to develop the casino as a comprehensive leisure venue with restaurants and other entertainment facilities. In addition to local visitors, QLI believes it will benefit from the high volume of tourists visiting the destination each year, and will also focus on developing a VIP customer base as part of its high roller strategy.

Commenting of the announcement, Dror Mizeretz, CEO of QLI, said:

'I am delighted we have finalised the terms of the Concession Agreement in Constanta, and look forward to working closely with the Municipality over the coming years. We believe that the Constanta concession, upon completion, will generate excellent returns for our shareholders and will be another key step in Queenco's strategy of expanding our casino portfolio in emerging markets to capitalise on their superior growth.'

For further information please visit www.queencoleisure.com or contact:

Queenco Leisure International Ltd.

Dror Mizeretz, CEO
Effy Aboudy, CFO
Tel: +972 375 45555

ING

Chris Godman
Tel: +44 (0)20 7767 6896

Cardew Group

Tim Robertson
James Milton
David Roach
Tel: + 44 (0)20 7930 0777

About Queenco Leisure

- QLI is an emerging markets casino developer and operator. QLI operates and manages two of Greece's nine licensed casinos, Casino Palace in the centre of Bucharest and Casino Beograd in Belgrade.
 - Club Hotel Casino Loutraki ('Casino Loutraki'), is believed by the Company to be Greece's leading casino by drop and win with almost one million visits each year, and is located approximately 80 kilometers from Athens.
 - Casino Rodos, the only casino on the island of Rhodes, which was recently ranked one of the top ten casinos in Europe¹.
 - Casino Palace is located in the centre of Bucharest in one of the City's most historic buildings.
 - Casino Beograd is located in the Hotel Jugoslavia in Belgrade and has an exclusivity licence within city limits for the next ten years.
- As at 18 June 2007, the Company operates approximately 1,400 slot machines and 130 gaming tables, and employs 2,470 people.
- The Company seeks to use the established highly cash generative market leading operations in Greece and Romania as a base from which to expand its casino portfolio in emerging markets.

QLI has an attractive pipeline of investment prospects, primarily in Central and Eastern Europe. These include the development of a nightclub and slot machine hall (with approximately 60 slot machines) in Prague. This is planned to open for business in late 2007, with the expectation of developing it into a full casino once the regulatory environment has become more developed.

- Currently the Company is at various stages of planning in a number of development projects in strategically advantageous markets, including Romania, Bulgaria and Cambodia.
- The Company's business model is based on operating land-based casinos and associated leisure industries. It has no presence in, or intention of entering, the online gaming market.

¹ ISA Casinos Guide