

Plaza increases ownership in 4,000 slot Hungarian project



Plaza Centers, a leading emerging markets property developer, and its partner MKB Bank bought a further 27 per cent stake in its Dream Island project in Budapest, Hungary, from CP Holdings, a company controlled by Sir Bernard Schreier.

Plaza and its 50:50 joint venture partner MKB Bank, a leading Hungarian commercial bank which is a subsidiary of the German Bayerische Landesbank, together previously held 60 per cent in the project and have acquired the additional 27 per cent stake for around E21.4m.

Totalling over 350,000 sqm of gross built area, Dream Island will include approximately 3,000 hotel

rooms in several hotels of different categories as well as approximately 1,000 leisure apartments, a convention centre accommodating 3,500 delegates, a 1,500 seat opera house, a 3,500 seat multi-purpose theatre, a marina with an anchorage for 300 vessels, a shopping and entertainment centre including a prestigious 'Designer avenue', a Roman cultural museum, and parking facilities for approximately 5,500 vehicles, as well as a 40,000 square meter casino. It is located at the southern end of Obuda Island on the Danube River in central Budapest.

An exclusive casino licence has been granted to Plaza and its Consortium partners for 20 years from the date of opening of the casino, with a ten year extension option, during which



time no further major casino licences will be granted by the Hungarian government in the area of Budapest. The

casino will have over 200 gaming tables and over 4,000 slot machines, and is expected to be the largest

and most prestigious destination of its kind in Europe, where currently no other resort and leisure facility of

this magnitude exists.

Ran Shtarkman, CEO of Plaza Centers, said: "Plaza is uniquely placed to take advantage of opportunities in the current market, given its strong balance sheet and its expertise in developing assets across central and eastern Europe. We therefore saw this as a good opportunity, as CP Holdings were looking to restructure their investment portfolio, to acquire a further stake in one of the most important and high profile developments in Europe. In conjunction with our joint venture partners, MKB Bank, this acquisition shows our ongoing commitment to this exciting project. With excavation well underway on site, the detailed planning and design process continues, with phases of completion staggered between 2012 and 2014."