



SUN INTERNATIONAL 'DELIGHTED' AT GAUTENG GAMBLING BOARD DECISION

Sun International said today that it was delighted at the approval by the Gauteng Gambling Board to permit the relocation of its licence at Morula Casino and Hotel in Mabopane to Menlyn Maine, near Pretoria.

Sun International CE Graeme Stephens said that the decision, following a prescribed public participation process in terms of the Gauteng Gambling Act, would enable the company to build a R3-billion urban entertainment destination at Menlyn Maine.

"The relocation of the licence makes a lot of sense for everyone. Morula Casino and Hotel has for some time experienced a decline in revenues due primarily to its relatively inaccessible location and the growth of non-casino gambling activities in its catchment area.

"Menlyn Maine is in an area that is closer to source markets and is well serviced by highway access. This will maximize the potential of the licence for all stakeholders, including employees, Sun International shareholders and provincial and national government in terms of gambling taxes.

"Importantly, Sun International's "Time Square at Menlyn Maine" will act as a major catalyst for the entire precinct and will bring to the area an urban entertainment facility on a scale that it warrants and deserves, to serve both local residents and visitors."

The company expects that in addition to significant job creation, the development will also generate considerably more revenue for both provincial and national government by way of taxes and gaming levies. It is anticipated that some R1.7-billion in gaming taxes and VAT would be generated in the first five years of operation at Menlyn Maine and the total estimated revenue to Government from the project over a five year period is estimated at R2.7-billion. The benefit for the City of Tshwane is immense. It will gain a new integrated entertainment destination, one that will become an icon for the City and complement its development and growth objectives.

The multiplier effect of the R3-billion investment far exceeds the impact that is generated by the current Morula casino licence and Sun International expects the project to deliver cumulative contribution to GDP of as much as R19-billion during construction and over the first 5 years of operations.

A primary concern for Sun International with relocating to Menlyn Maine is for existing staff at Morula, and the impact the move could have on the surrounding communities of Mabopane and Soshanguve. The staff will be offered employment at the new facility, with appropriate transport arrangements implemented. As regards the community, the company will be establishing a Hotel School and Gaming Academy at Morula through a collaborative venture with local tertiary institutions, existing hotel schools and an international university.

"We believe this to be a very compelling proposition because while thousands of people are employed in the South African gaming industry, there is no independent educational institution that offers training in gaming specialist courses. Hospitality schools in Gauteng do not have adequate "live environment" training facilities that allow their students to complete their practical training. We will also offer post-graduate programmes in "Gaming" that are internationally accredited.



“We also plan to preserve the entertainment facility at Morula, without the casino, for the local and surrounding communities.”

“Time Square at Menlyn Maine is a unique and exciting opportunity to provide Tshwane with a high-end, urban entertainment centre that will be set in a vibrant, secure and people-oriented precinct”, says Stephens.

Stephens added that he would like to thank the Gauteng Gambling Board for the transparent and robust engagement in the processing of the application over the past year.

ABOUT THE NEW DEVELOPMENT

Time Square at Menlyn Maine will offer a 5-star hotel and conference centre with 100 luxury rooms and 10 suites to cater to the diplomatic travel market, support the business traveller, encourage overnight stays in Tshwane and accommodate gambling patrons over weekends. It will also boast a world class indoor entertainment arena seating 8,000 people for international and local entertainment, concerts, sports events and provide a much-needed convention and exhibition facility for Tshwane residents.

In addition to the most recent innovations in gaming, the casino will open with 2,000 slot machines and 60 tables. Other attractions will include a diverse range of retail shopping, bars and restaurants that will draw visitors from around the Province, with parking for 2,785 vehicles.

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