

Stanley open to offers as casino deal falls through

Stanley Leisure said yesterday it was still open to a merger deal after the company it was in discussions with was snapped up by a larger rival.

Harrah's Entertainment – the world's largest gaming company – has agreed a GBP 279.3m deal for London Clubs International, effectively ending talks between Liverpool-based Stanley and LCI.

Stanley had announced in June that it was mulling over a GBP 634m merger with LCI, but a spokesman for the Dale Street-based operator said yesterday that „all talks have terminated“ between the two casino companies.

Las Vegas-based Harrah's Entertainment, which owns or manages 37 casinos under brands including Caesars and Horseshoe, has bought LCI to get a foothold in the UK casino market.

LCI owns four high-profile sites in London, as well as casinos in Southend and Brighton.

A newspaper report earlier this month indicated that Harrah's wanted to buy both LCI and Stanley, although it was not known at the time whether it would strike before or after the completion of any merger agreement.

Last night, Stanley, which is the UK's biggest casino operator, told the Daily Post it „didn't know anything“ about a possible approach from Harrah's, but indicated it was open to other offers.

A spokeswoman said: „Stanley has always grown through acquisition, and if the opportunity arises then we will look at it and decide what is in the best interest for the

shareholders.

„It depends what comes along.“

Consolidation of the industry has been on the cards in the UK since the shake-up of gaming laws paved the way for international operators to run new super-casinos.

A bid to establish a proposed super-casino is currently being considered by the Government.

Yesterday's statement from Harrah's makes no mention of Malaysian gaming conglomerate Genting, which will have a key role in the success of the bid as it owns 29.9% of LCI and 21% of Stanley Leisure.

The offer caused LCI shares to jump 34%, while Stanley Leisure was up 6% on the hopes of an approach from Harrah's as it looks to consolidate its position in the UK.