

Casinos Austria International reports higher Half-Year Profit Result

Profit before tax and minority interest was \$ 6.9 million. Income tax was \$ 1.6 million while minority interests were \$ 1.0 million.

Casinos Austria International Limited (CAIL) a subsidiary of the Austrian Gaming Group, Casinos Austria, today announced a net profit after tax of \$ 4.3 million for the six months ended 30 June 2003 compared with \$ 3.0 million for the same period last year. Profit before tax and minority interest was \$ 6.9 million. Income tax was \$ 1.6 million while minority interests were \$ 1.0 million.

Earnings per share in the first half-year was 2.4 cents compared with 1.7 cents last year.

In line with past practise, no interim dividend will be declared for the half year ended 30 June 2003.

Mr Ben Macdonald, Executive Chairman said, Our three flagship casino operations continued to perform solidly despite recent negative events such as the Iraq war and SARS. He added, CAILs geographical diversity is unique in the casino industry.

The Great Blue Heron Casino located just outside of Toronto continues to post solid results following the operation of the casino on a round the clock 24 hour basis. This is partly anticipatory and partly in response to increased patron demand. CAIL's management fee is based on profit sharing for table games and a percentage of revenues for gaming machines.

CAIL's 31% share of the Reef Casino Trusts profits has increased due to a 44% increase in the profits of the Trust

despite the Iraq War and the SARS crisis.

Higher gaming revenues were recorded by the three South African casino operations particularly the Gold Reef Resort Casino in Johannesburg. In addition, CAIL's fourth casino operation in Mossel Bay contributed to earnings for the first time during this first half-year.

Despite the devastating Canberra City bush fires, Casino Canberra posted improved results.

However, CAIL's Maritime operations based in Florida remained weak and have not fully recovered from the post September 11 downturn. The two Egyptian casinos posted lower revenues due to the Iraq War.

The Oasis Casino in Jericho, Palestinian Authority remained closed during the first-half year. There is some hope that the situation there might improve should the „road map“ to peace hold.

CAIL continues to seek opportunities around the world.

The directors expect the second half-year's operating profit of CAIL to be similar to that of the first half.