

Novomatic takes over NSM-LÖWEN ENTERTAINMENT GmbH in Germany

Novomatic now one of Europe's 3 largest producers of gaming technology

(Bingen/Gumpoldskirchen) With the takeover of the second largest manufacturer of slot machines, fun games and amusement devices in Germany, namely NSM-LÖWEN ENTERTAINMENT GmbH, based in Bingen on the river Rhine, NOVOMATIC GROUP OF COMPANIES is now definitely one of Europe's three largest manufacturers of gaming technology. This European gaming giants' merger orchestrated by NOVOMATIC founder and main shareholder Prof. Johann F. Graf and NSM-LÖWEN ENTERTAINMENT GmbH's General Manager Uwe Christiansen comes as a result of many years of successful cooperation between the two companies and must certainly be considered a milestone in the history of gaming in Europe.

„The takeover of the reputed NSM-LÖWEN ENTERTAINMENT GmbH means a de facto doubling of production revenues and a market share in the German slot machine industry of a size that virtually makes that market our home market. At the same time we are taking over and providing secure employment for an excellent staff profoundly experienced in slot manufacturing,“ emphasizes Prof. Johann F. Graf adding that NSM will not become merely a contractor of Austria-based NOVOMATIC, which is the world market leader in interactive live games and multi-player installations and leading developer of high-tech slot gaming technology on a global scale. „On the contrary. We have developed a common strategy for the future to create completely new slot machines for the German and international markets and thereby to secure the operation of NSM-LÖWEN ENTERTAINMENT GmbH on a long-term basis,“ as Uwe Christiansen

points out.

Novelties for the German market

NSM-LÖWEN ENTERTAINMENT GmbH currently employs more than 500 highly qualified people and with a recent annual turnover of around 95 million Euros occupies rank number two among German slot machine manufacturers. The core business is the production of slot machines, fun games and amusement machines and this is where Prof. Johann F. Graf comes in with his future strategy: „Our manufacturing division, Austrian Gaming Industries invests 10 percent of its annual revenues in research and development, which is an exemplary percentage on an international scale. The enormous innovative potential together with the „Lions‘ “ many years of experience in the German market puts us in a position to develop absolute novelties for our new home market,“ says the founder of NOVOMATIC. And the market potential in Germany is enormous: The German market comprises some 200 000 slot machines and another nearly 100 000 fun games and is set to develop new dynamics in the future.

The synergies resulting from the takeover will benefit both companies with respect to such areas as research and development, production and distribution and will have a cost reduction effect that will do more than just ensure that NSM will continue operation on a long-term basis at Bingen, Germany. In addition, the two companies are connected by long-lasting friendship ties on management level, namely between Prof. Johann F. Graf and NSM-LÖWEN ENTERTAINMENT GmbH's General Manager Uwe Christiansen, who will continue to work in the company's management: „Building on mutual trust and based on many years of excellent cooperation between the two companies, this merger means a quantum leap in the European gaming industry and is another proof of the efficiency of Austrian enterprises. In particular, if they are run by an experienced and dedicated management as is the case of NOVOMATIC“, concludes Prof. Johann F. Graf.

NSM-LÖWEN ENTERTAINMENT GmbH

NSM was founded in 1952 in Braunschweig, Germany by Herbert Nack, Gerhard W. Schulze and Wilhelm Menke. The business lines of the company comprised the development and the production of slot machines and music boxes. The distribution was organised through Löwen Automatendienst. In 1956, both companies moved to Bingen on the river Rhine and merged in 1984. Subsequently, the distribution division Löwen Automaten Gerhard W. Schulze GmbH was hived off. In 1990, NSM was turned into a non-listed joint stock company. In 1999 the development and production activities of NSM AG were incorporated into Löwen Automaten Gerhard W. Schulze GmbH, the until then pure distribution company, which was subsequently renamed LÖWEN ENTERTAINMENT GmbH on 1 January 2000. In 2001 the subsidiary and gaming hall operator Löwen Play GmbH & Co. KG was sold to ABN Amro Capital. In 2003 LÖWEN ENTERTAINMENT GmbH was merged with NSM AG and, undergoing a change of its legal form, was renamed NSM-LÖWEN ENTERTAINMENT GmbH.

NOVOMATIC GROUP OF COMPANIES

NOVOMATIC GROUP OF COMPANIES was founded by Prof. Johann F. Graf and since then continually expanded to become one of the largest integrated gaming groups world-wide, deriving revenues of 280 million Euros in the previous business year, with 330 million Euros (without NSM-LÖWEN ENTERTAINMENT GmbH) expected for this year, generated by approximately 2,700 people world-wide employed in the production of high-tech casino equipment and slot machines, the operation of more than 30 casinos around the world as well as the market leadership in sports betting offices in Austria.

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