
Press Release

14th August 2006

HERMES PRIVATE EQUITY BACKS MAYFAIR GAMING TO ACQUIRE BEACON BINGO CLUBS AND THE SHOWBOAT ADULT GAMING CENTRES

Hermes Private Equity, together with Mayfair Gaming, has acquired Thomas Estates, the owner of three large Beacon Bingo clubs, and twenty four Showboat adult gaming centres (AGCs), from the Thomas family. Deloitte and Linklaters advised Hermes Private Equity and Mayfair. Debt facilities were provided by The Royal Bank of Scotland's Thames Valley Corporate and Structured Finance team. The price was not disclosed.

The Mayfair Gaming business, which was acquired by Hermes Private Equity in an MBO led by CEO Simon Hannah in April this year, already owns 8 bingo clubs. The combined group will be a leading bingo club operator in the UK with around 250,000 members. The Showboat AGC business is the fourth largest operator in the UK. The combined group will have 700 employees.

The Beacon Bingo clubs include the largest bingo club in the UK, located at Cricklewood, as well as substantial clubs in Northampton and Loughborough. Beacon will remain a separate brand.

Simon Hannah, CEO of Riva Gaming, commented: "This acquisition is transformational, accelerating our progress by providing both significant growth and a solid infrastructure. Going forward the enlarged group should provide a strong platform for continued growth both organically and by acquisition."

Justin Ward, Director of Hermes Private Equity, commented:

"This combination of the two businesses will provide critical mass and the group will benefit significantly from this increased scale. Good progress has been made by Mayfair Gaming under Simon Hannah since we acquired the business in April. We believe this acquisition creates a range of growth drivers and should open up a number of interesting opportunities in the gaming sector as it deregulates."

-ends-

For further information:

Hermes Private Equity

Justin Ward

020 7702 0888

Riva Gaming

Simon Hannah

07786 706 543

Hogarth Partnership

Nick Denton

0207 357 9477

Notes to editors

Hermes Private Equity (HPE), the private equity arm of Hermes Pensions Management, is a distinctive private equity firm. HPE has c £1 billion committed to private equity, both as an active investor in external private equity partnerships, and through its own direct investment activity. The direct investment activity held a closing of its second fund HPEP II for £250 million in 2005. The fund is focused on the UK and European medium-sized buy-out market. HPE has led the management buy-outs of Walbrook, Merlin Entertainments, Oyezstraker Group, Elec-Track Installations, The Works, Ashworth Mairs Group and Mayfair Gaming. www.hermesprivateequity.co.uk

Riva Gaming is a fast growing business that operates eight bingo clubs throughout the UK with around 250 employees. The business was acquired in an MBO led by Simon Hannah, backed by Hermes Private Equity in April 2006. www.rivabingo.co.uk