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COMP/M.4014 - GLB/LUMINAR/JV

SECTION 1.2

Description of the concentration

The proposed transaction consists of the creation of a full-function joint venture in the casino sector in Great Britain by a British company LUMINAR PLC (“LUMINAR”) and the French company GROUPE LUCIEN BARRIERE S.A.S. (“GLB S.A.S.”).

GLB S.A.S. is a company held by the DESSEIGNE-BARRIERE FAMILY (51%), ACCOR S.A. (“ACCOR”) (34%) and various entities held directly and indirectly by affiliates of COLONY CAPITAL, LLC (15%)¹.

As a result of the proposed transaction, GLB S.A.S. and LUMINAR will each hold 50% of the share capital and voting rights of the new entity. The name of the new entity will be WATERIMAGE LIMITED.

The economic rationale behind this transaction is the combination of the experience of LUMINAR in the provision of late-night entertainment services and of GLB S.A.S. in the operation of casinos in France and in several other European countries.

None of the parties involved in the transaction is active in the British casino market.

LUMINAR has a very limited activity in the operation of Gaming Machines, in that it currently operates some 700 Amusement with Prize Machines (AWPs) in its nightclubs in Great Britain.

Although AWPs are a form of Gaming Machine, it is submitted that they form a discrete market and are not related to the operation of casinos in Great Britain.

Casinos are entitled to operate Gaming Machines with higher limits on pay-outs (known as Jackpot Machines) than AWPs and so do not generally tend to operate AWPs. That situation is expected to continue.

¹ The creation of GLB S.A.S. was notified to the Commission on 19 April 2004 (case n° COMP/M.3373 - ACCOR/COLONY/DESSEIGNE-BARRIERE/JV). On 4 June 2004, the Commission cleared the transaction with respect to certain markets and referred the case to the French competition authorities for the remaining markets that were not covered by its decision. On 28 July 2004, the French competition authorities approved the transaction with respect to the markets that were referred to them.