



## PROPOSAL FOR AN INITIAL PUBLIC OFFERING





# PROPOSAL FOR AN INITIAL PUBLIC OFFERING

2009





Mendoza



Puerto Varas



Pucón



Pucón





Coquimbo



Antofagasta

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# LETTER FROM THE CHAIRMAN

Dear Investors:

The Enjoy origins go back in time to year 1975, when I was in charge of the Viña del Mar gaming casino concession management. At that time I felt certain of the much bigger role that this emerging activity would secure in decades to come, both in Chile and abroad.

By year 1995, while a new generation was joining this family business venture, we kicked off with an expansion drive that to this day is still going strong. The first milestone was Coquimbo, later we opened up in Pucón and then our operations went international - to Panama. At the same time, the business model started to evolve, first with the addition of hotels and thereafter culminating with the definition of a business model based on the overall amusement and leisure concept. The creation of the Enjoy brand name gave a distinctive shape to our endeavours.

The steady efficiency improvements and the company's sustained growth became feasible thanks to our professional management stance, the implementation of leading edge technology and, last but not least, our knowledge of the customers' requirements through our Enjoy Club customer loyalty programme. The latter has combined nicely with our customers' distinct preference and loyalty.

Nowadays Enjoy is a world-class company which operates seven gaming casinos and six hotels. It is rated as a business leader when it comes to the management of gaming casinos which are regarded as within the main leisure companies throughout Chile. Its staff complement exceeds 5,000 fully trained and professional personnel.

The Company is actively involved in an industry that has shown one of the highest growth and profit generation rates worldwide. As far as Chile is concerned, the gaming industry is regarded as a model of business development that has already been granted a world recognition status. The industry is also governed by a regulation framework that truly reflects the activity boost advocated by the Government and which is aimed at ensuring - for this business altogether - an overall highest transparency and stability status. In this respect, the industry now offers many opportunities and is showing a significant growth potential alike.

Nowadays we are completing a three-year substantial investment plan and it is our wish to get started with a new initiative aimed at consolidating our Company's international presence while also setting a good example for the industry as a whole. Our challenge is to continue securing a good profit return for our existing operations and to boost further the prospects for new business endeavours and development. As regards the latter, we are constantly seeking new opportunities where our business model could become further entrenched. We are also prepared to look into new investment prospects where our management skills could generate a substantial difference within the gaming industry.

With a view to securing the above goals, our focus will go to the design of suitable processes and the training of our staff. These two key factors should allow us to deliver a distinctive service quality that is clearly identified by our customers. All this would be implemented on the basis of our business model, our reputation which extends for over 34 years, a professional management, a team of experienced and committed executives, a high-quality service and, above all else, the preference of our customers.

Our invitation is to invest in Enjoy, the first Chilean company in the leisure and entertainment industry that opens up to capital market influences. This is a company that has sound foundations that are allowing it to face future opportunities in a remarkably good shape. In short this is a world-class company offering a great investment opportunity to all those who are interested.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Antonio Martinez', with a stylized, flowing script.

Antonio Martinez  
Chairman

# I. SUMMARY

Enjoy S.A. (hereinafter to be referred to as “Enjoy” or “the Company”) is the leading operator within the gaming casino business and holds the pole position amid the leisure and entertainment industry in Chile.

The entertainment and leisure industry is showing one of the highest growth and profit generation rates worldwide. As far as Chile is concerned, and thanks to the new regulation framework and the expansion of the total number of gaming casino licences that have been awarded, this industry is undergoing a significant development.

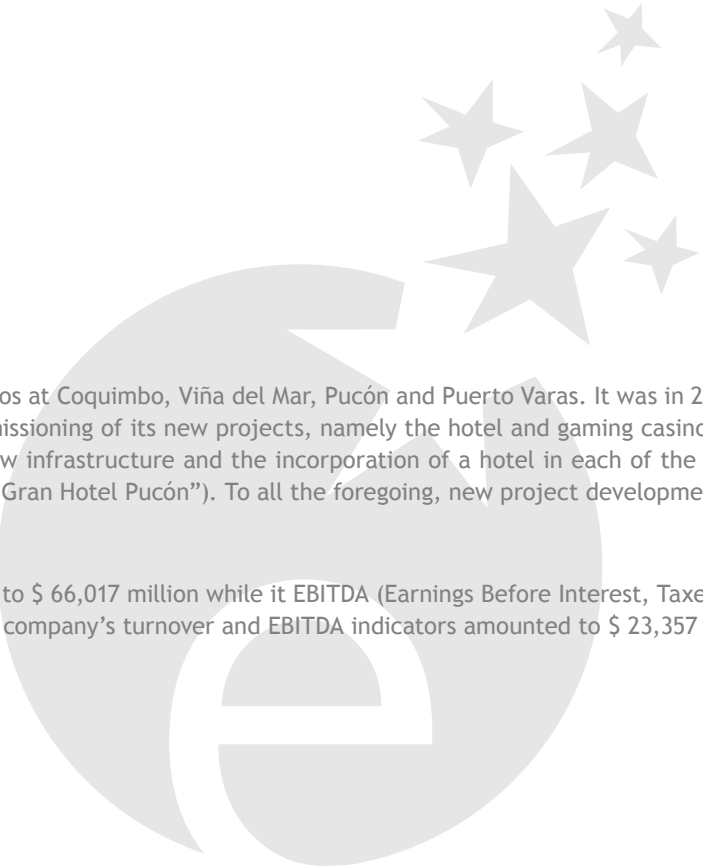
It was in December 2006 when Enjoy began the implementation of a significant investment plan that encompassed seven new operations, with five of them representing some \$ 150,000 million worth of outlays, all which were finally commissioned during 2008.

Nowadays, the company operates seven gaming casinos and six hotels furnished with 644 rooms and 121 apartments altogether. Within the casino premises there are 4,321 slot machines, 290 gaming tables and 1,000 bingo positions. Furthermore, the company owns and operates 31 restaurants, 15 bars and 7 convention centres. This list would not be complete without the mention of theatrical halls, discotheques, spas, business centres, art exhibition saloons, live showrooms, children amusement arcades, a ski resort and a tourism services’ department.

Enjoy, through its diversified leisure products and services’ portfolio, became a pioneer in Chile and Latin America alike in the development of comprehensive leisure centres. Nowadays, Enjoy offers its customers the possibility of experiencing pleasant leisure and entertainment experiences by means of a responsible, profitable and efficient entertainment proposal. The foregoing is based on a permanent training and development policy aimed at ensuring such customers a thorough access to the Company’s customary quality service.

As regards its business model the Company has been developing, in the past few years, a policy aimed at deeply entrenching it while also seeking to ensure an expansion of its geographical coverage. In Chile, once the industry becomes consolidated, the company will own and operate some 35% of the slot machines and gaming tables altogether. Furthermore, it began an international expansion drive through the development of a leisure project in Mendoza. The consolidation of the business model in the new operations will represent for the Company the best opportunity for future growth and profit generation potential.





Until year 2007, Enjoy operated only the gaming casinos at Coquimbo, Viña del Mar, Pucón and Puerto Varas. It was in 2008 when Enjoy began the implementation of a significant growth drive thanks to the final commissioning of its new projects, namely the hotel and gaming casino in Antofagasta, another hotel and gaming casino in Mendoza, a gaming casino in Colchagua, new infrastructure and the incorporation of a hotel in each of the existing premises in Coquimbo and Puerto Varas and the acquisition of another hotel in Pucón (“Gran Hotel Pucón”). To all the foregoing, new project developments are likely to be added - including Enjoy Chiloé and the expansion of the Croatia operation.

Enjoy’s consolidated net sales in year 2008 amounted to \$ 66,017 million while its EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) reached \$ 12,085 million. During the first quarter of 2009, the company’s turnover and EBITDA indicators amounted to \$ 23,357 and \$ 7,854 million respectively.

enjoy®

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Casino & Resort

# II. GENERAL BACKGROUND ON THE COMPANY AND ITS INTENDED SHARE ISSUE

## 1. General background on the company

Share issuer: Enjoy S.A.

Activity: Enjoy is an active operator in the leisure and entertainment market. Going further into specifics, its main area of business is the operation of gaming casinos that are also supplemented with related activities ranging from the operation of hotels and restaurants, convention centres, live showrooms to tourism and cultural initiative businesses.

Corporate office address: Presidente Riesco 5711, piso 15, Las Condes, Santiago.

Telephone: (56 2) 770 5000.

Website: <http://www.enjoy.cl>

## 2. Main features of the intended share issue

Current number of Enjoy shares issued and totally paid up: 1,078,011,160

Number of shares to be issued and sold: up to 462,004,782

Dispersal rate: up to 30.0%

Registration type: Share Market for Emerging Companies.

Share risk classification:

First Class, Level 4 (as per risk classification agents known as Fitch Chile Clasificadora de Riesgo Ltda.).

First Class, Level 4 (same as above: Feller Rate Clasificadora de Riesgo Ltda.).

Brokerage agents:

The Stock Exchange brokers known as Larraín Vial S.A. Corredora de Bolsa.

Market maker: Larraín Vial S.A., same as above.

Sponsor:

Larraín Vial S.A. same as above

Legal advisors:

The law firm known as Guerrero, Olivos, Novoa, Errázuriz Abogados.

### 3. Specific purpose of the capital increase

The funds secured through this intended share issue will be allocated to strengthening the company's financial position, pay off outstanding liabilities and tackle new growth and development opportunities.

### 4. Existing equity structure

Inversiones Cumbres S.A. - Taxpayer Identification Number (R.U.T.) N° 88,403,100-1  
Equity holding: 198,439,112 shares, equivalent to 18.4079%.

Inversiones e Inmobiliaria Almonacid Limitada - R.U.T. N° 78,422,870-3  
Equity holding: 825,671,054 shares, equivalent to 76.5921%.

Pier-Paolo Zaccarelli Fasce - R.U.T. N° 8.334.529-2.  
Equity holding: 53,900,994 shares, equivalent to 5.0000%.

### 5. Dividend payment policy

The Company will pay annual money dividends to its shareholders equivalent to, at least, 30% of the net profits for the same annual accounting period.



Sr. Antonio Martínez Ruiz Chairman	Sr. Antonio Martínez Seguí Vice President	Sr. Darío Calderón González Director	Sr. Juan José Cueto Plaza Director	Sra. Cecilia Martínez Seguí Director	Sra. Ximena Martínez Seguí Director	Sr. Pablo Turner González Director
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graph TD; GM["General Manager  
Sr. Javier Martínez"] --- L1_Line; L1_Line --- L2_Line; L2_Line --- L3_Line; L2_Line --- L4_Line; L2_Line --- L5_Line; L2_Line --- L6_Line; L3_Line --- SPM["Sra. Susana García  
Personnel Manager"]; L4_Line --- JFM["Sr. Juan Fco. Muñoz  
Development and Technology Manager"]; L5_Line --- PZ["Sr. Pier-Paolo Zaccarelli  
Business Manager"]; L6_Line --- AA["Sr. Andrés Astaburuaga  
Commercial Manager"]; L7_Line --- RL["Sr. Rodrigo Larráin  
Finance and Investment Manager"]; L2_Line --- LEMCA["Sr. Ignacio de la Cuadra  
Management and Risk Control Manager"]; L2_Line --- LCA["Sra. Sofía Moreno  
Manager for Corporate Affairs"]; L2_Line --- LEA["Sr. Percy Ecclefield  
Legal Affairs"];
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The organizational chart illustrates the Senior Management Structure. At the top is the General Manager, Sr. Javier Martínez. Reporting directly to him are three managers: Sr. Percy Ecclefield (Legal Affairs), Sra. Sofía Moreno (Manager for Corporate Affairs), and Sr. Ignacio de la Cuadra (Management and Risk Control Manager). Below these, the structure branches into five main functional areas, each managed by a dedicated manager: Personnel (Sra. Susana García), Development and Technology (Sr. Juan Fco. Muñoz), Business (Sr. Pier-Paolo Zaccarelli), Commercial (Sr. Andrés Astaburuaga), and Finance and Investment (Sr. Rodrigo Larráin).











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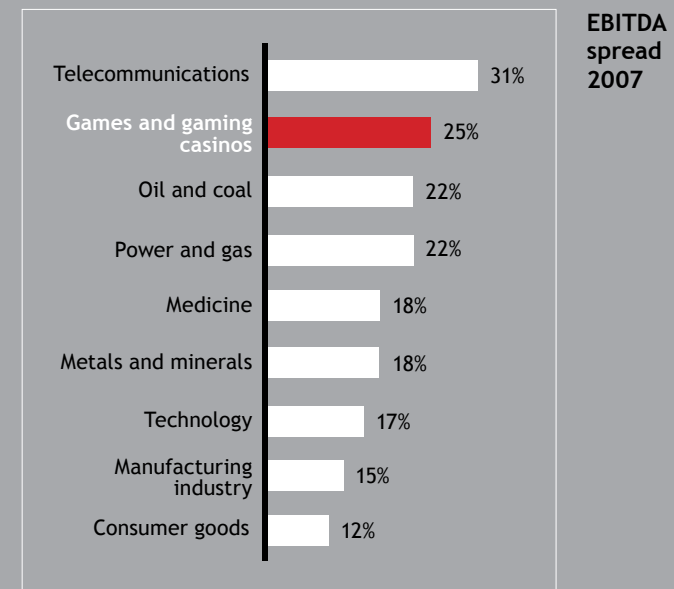
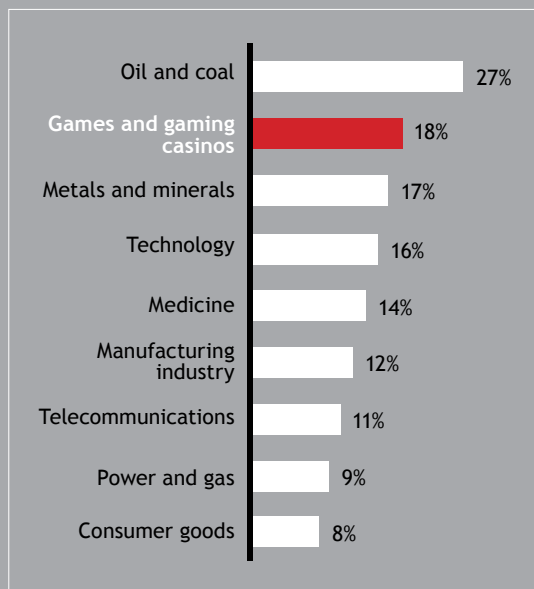
# III. INVESTMENT CONSIDERATIONS

## 1. Plus factors and opportunities

### The Industry

#### a. An industry showing an attractive growth coupled with excellent operational spreads or mark ups

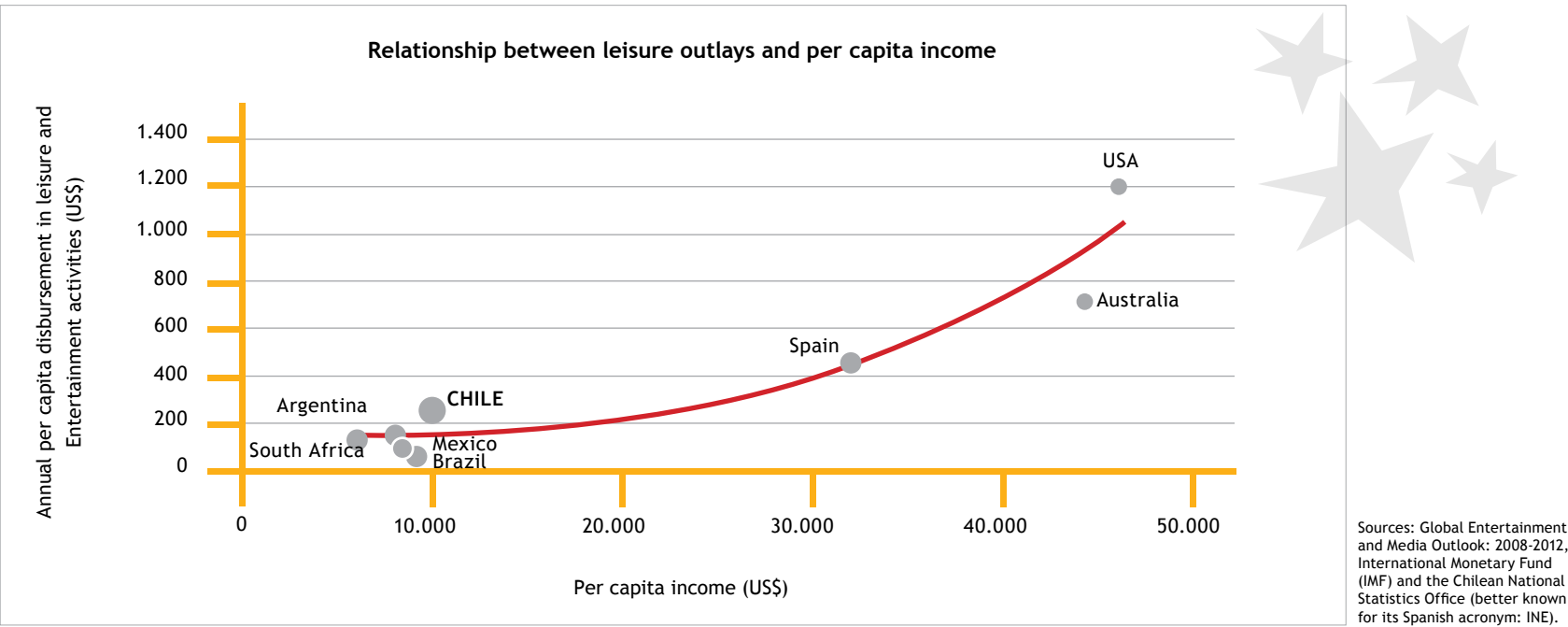
The entertainment industry is the one showing the highest growth and best profit generation rates worldwide, with emerging markets becoming the most noteworthy boosters for such.



Sources: Company Reports (Sampling of 471 companies whose shares are transacted in the Santiago Stock Exchange).

**b. Increase of entertainment and leisure disbursements as a result of the increase shown by the per capita income indicator**

Bearing in mind that whenever basic needs are met, families tend to allocate a growing fraction of their surplus money to leisure and spare time activities such as those included in our Company portfolio.



**c. A suitable regulation framework currently enforced in Chile**

The new Law on Gaming Casinos as enacted in year 2005, sets up for Chile a sound regulation framework that ensures the basis for a steady development, transparency and profitability for the overall industry. This law also ensured that Chile would become one of the most attractive markets in Latin America when it comes to decide on investments in gaming casinos.

The bidding process for the awarding of gaming casino concessions implemented in period 2006 - 2008 generated a great deal of interest and translated into specific proposals for projects in excess of US\$ 4,500 million.

d. Transformation of the industry in Chile

The transformation of the industry encompassed, thanks to the new regulation framework, the awarding of 18 new gaming casino concessions - thus trebling the number of such premises that became accessible to the public. Even after the opening of new gaming casinos, the total number of gaming positions per capita will only be a third of the equivalent figure currently available in developed markets such as the United States. It can be concluded from this key indicator that, at this end, there is a current a high growth potential. The experience of markets such as the United States and Macao suggest that a supply growth brings along a significant surge in demand. As a matter of fact, the supply increase focused on the relevant market for the population resident in the Santiago Metropolitan<sup>1</sup> Area that brought a 49.7% surge in turnover during the first quarter of 2009 over the figure recorded in the comparable period a year earlier.



e. Steady profit generation of the business in Chile

The large number of suppliers and customers combined with the lack of relevant substitutes at the spots where Enjoy has a presence coupled with the specific ban applied to the operation of other casinos at least 70 kilometres around our premises, does indeed cater for attractive business margins along time.

<sup>1</sup> Estimation based on Enjoy Viña del Mar data and the Financial Statements of San Francisco Investment S.A. disclosed by the Stock and Insurance Companies' Superintendence\*



# The Company

## a. Enjoy, a Chilean market leader

Nowadays, the Company is a leader within the gaming industry with a proven experience track record spanning over 34 years. The Company has come a long way from being merely a casino operator to become a developer of a comprehensive leisure and entertainment model; all this while becoming an industry reference point within Latin America. Enjoy, with its gaming casino operations and associated business model throughout Chile, has managed to position itself as a market leader and standard bearer of a powerful brand name. These achievements are reflected in the implementation of remarkably good

commercial and operational practices coupled with a distinguishing management style in relation to its collaborators, customers and community alike.

The following charts and tables evidence the Chilean market leadership secured by Enjoy both prior to and after the start up of the new gaming licenses. Such leadership has been measured along the main parameters customarily used by the gaming industry.

A breakdown of the gaming industry

	2006		Projection to 2010	
	Industry	% Enjoy	Industry	% Enjoy
Licences	7	57%	25	28%
Slot machines	3,946	79%	12,785	33%
Gaming tables	227	83%	752	34%

Source: Enjoy

Projection up to year 2010 and referred to the relative size of the gaming casino operators			
	Slot machines	Gaming Tables	Number of jobs
Enjoy	33%	34%	35%
CVC-Pacífico Sur Group	21%	20%	15%
SUN International-Novomatic-IGGR	12%	11%	8%
Latin Gaming	7%	8%	10%
Valmar	6%	7%	8%
IVISA	2%	2%	8%
Others	19%	18%	16%

Sources: Gaming Casino Superintendence (whose Spanish acronym is SCJ), Enjoy and Larrain Vial



## **b. The Company consolidation**

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Enjoy has completed a significant investment plan in excess of \$ 150,000 million and which encompassed seven new operations both in Chile and abroad. As a result, the Company now operates seven gaming casinos and five hotels furnished with 644 rooms, 31 restaurants, six convention centres, six spas and three discotheques. The new addition to all the above will be in 2010, chiefly in the form of a hotel and gaming casino in Castro, Chiloe plus a revamping drive for the existing premises and facilities.

## **c. Operational Diversification**

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Enjoy has a diversified geographic coverage encompassing northern, central and southern Chile positions plus an international operation in Mendoza (Argentina). A diversified geographic coverage reduces the exposure risk to a particular area, thus pre-empting changes in the economic, regulatory, competitive and climatic conditions that may have some adverse effect on the stability of the Company flows.

## **d. Quality licenses**

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The location of a gaming casino is crucial if we are to secure the project success with such factor likely to secure a steady influx of customers. The population concentrations, the economic activity within the area, its potential as a tourism point of attraction and its genuine prospects of becoming an attractive place to open up a convention centre are the key elements that will influence the project's success or otherwise. Enjoy has a presence in urban locations with high purchasing power such as Antofagasta, Coquimbo, Valparaíso and Mendoza. On the other hand, Enjoy is also found at the main Chilean tourism spots, namely Coquimbo, Viña del Mar, Pucón, and Puerto Varas and soon further South, in Chiloé. Furthermore, the breakdown of its operations shows a good combination of mature/well-developed gaming locations such as Viña del Mar, Coquimbo and Mendoza with other new locations showing a high growth potential, such as Antofagasta.



#### e. Business knowledge

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In the past 15 years, the rate of real and composite annual growth in Enjoy's turnover has exceeded 13%<sup>2</sup>. To secure this, the Company focused its efforts in the implementation of the best international practices for the operation of casinos combined with a steady innovation drive encompassing the industry's breakthrough technologies. Last but not least, the overall package also entailed sophisticated customer loyalty programmes and well-focused marketing practices. The business knowledge, combined with a professional and rigorously objective stance when it comes to investment decision-taking processes, was reflected in the recent bidding process for gaming casino licenses in Chile. In the end, Enjoy was awarded three of the seven licenses for which it applied in the bidding process; each one entailing bids with sound profit generation rates.



#### f. First class management and partners who are fully committed with the business

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Enjoy has a team of experienced professionals whose business knowledge is undoubted. The human quality of its management team, the commitment of the shareholders and the best practices when it comes to the management of human resources, have contributed to an excellent labour relationship within the Company. In turn the reciprocity for this harmonious factor has shown up in the form of a strong identification of all staff with the Company endeavours.

#### g. Brand positioning

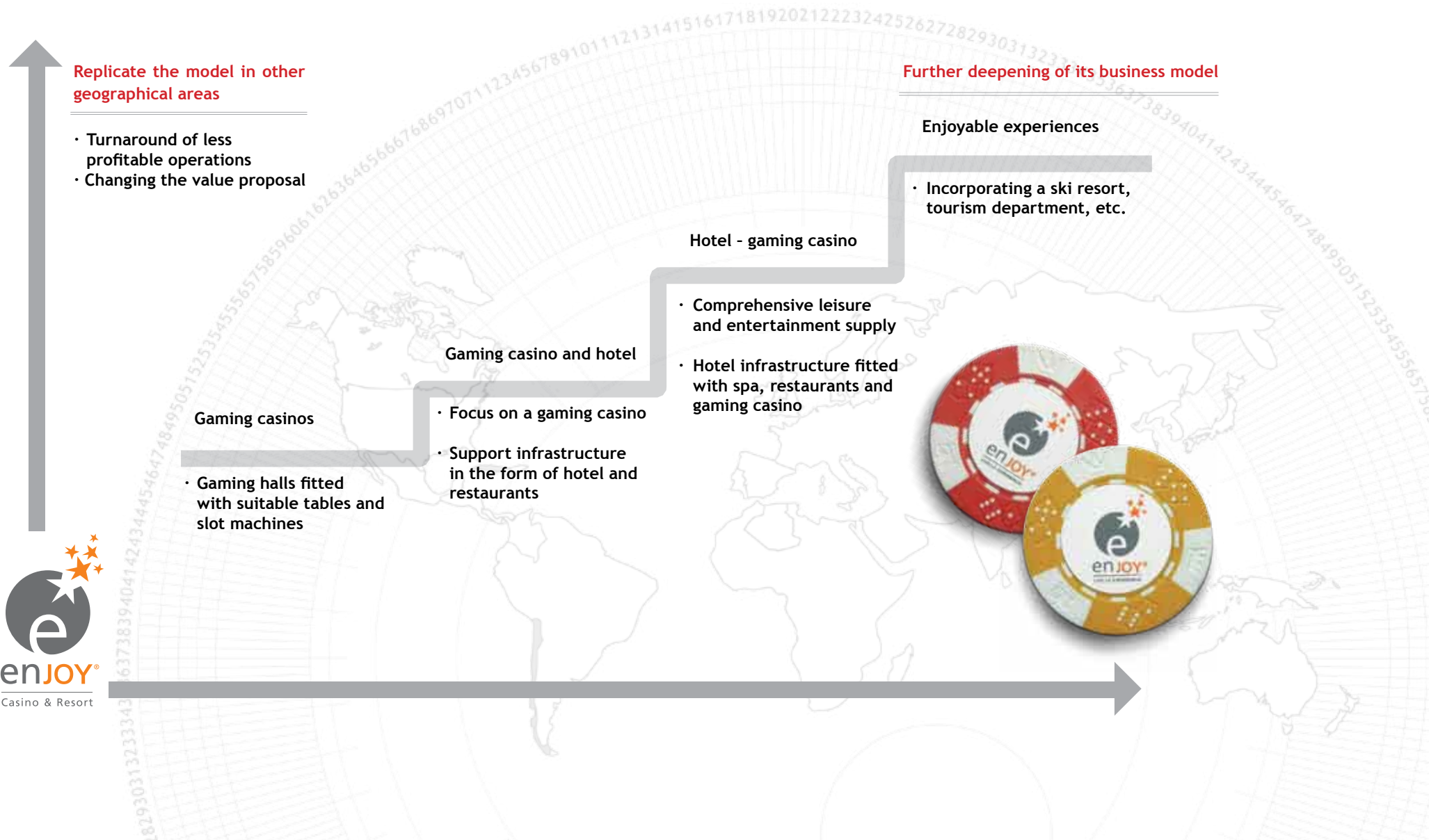
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Enjoy is the main brand within the national gaming industry with such factor boosting the attractiveness of all products and services' portfolio. To secure such goal, the Company has developed a unique and powerful brand that is currently enjoying an excellent perception and presence in the marketplace. The remarkable infrastructure, degree of service and superior quality combined with the experience we pass onto our customers and the comprehensive supply of a leisure and entertainment package have thoroughly shaped up the Enjoy brand.

<sup>2</sup> Calculated on the basis of the turnover figures reported by the Enjoy operations.

## h. Growth model

Enjoy has significant growth prospects based on (i) a further deepening of its comprehensive leisure and entertainment model, chiefly by innovating and incorporating complementary services aimed at extending the enjoyable experiences of its customers and (II) a steady replication of its business model in other attractive markets



## 2. Risk factors\*

### a. Risks associated to a higher/stiffer competition in the gaming casino business

With the coming on stream of the new gaming casino licenses it is predictable that a higher degree of competition would be introduced to the industry, chiefly in the form of new operators. Amid the noteworthy risks associated to this higher degree/stiffer competition outstand the following:

#### (i) Reduced influx of people

A higher number of gaming casinos may well entail the Enjoy customers opting for other alternatives. However, the transformation of the industry should translate into an expansion of the market potential thanks to the incorporation of new customers. On the other hand, the quality of the Enjoy locations and projects does sustain the competitiveness of the Company's own gaming casinos. Furthermore, the influx of people visiting our premises is mainly due to the market features of the adjacent districts and constituencies plus the area tourism activities. The influx of visitors into the Enjoy gaming casinos has remained almost unchanged, with the exception being our Coquimbo premises where we have seen an increase as a result of the new hotel opened there in May 2008. Until the first quarter in 2009, the opening of new gaming casinos has not had any worthwhile negative impact on the influx of public visiting the Company's premises.

#### (ii) The need to increase the outlays associated to marketing and promotions

The enhanced competition may well entail an increase in the marketing outlays aimed at capturing new customers and to retain the existing ones; thus likely to affect the Company results. That said we can also be adamant in stating that the successful marketing campaign undertaken by the Company has positioned Enjoy as a high-quality operator. Elaborating further on this, and vis-à-vis a much more intense competition, Enjoy is already benefiting from a significant advantageous factor represented by its quality brand recognition and its undisputed market leader position.

#### (iii) Shortage of specialist staff

It is predictable that a much enhanced availability of gaming casinos could affect the Company operations, particularly if other operators were to start hiring staff currently serving with Enjoy. It is also predictable that the surge in demand for qualified staff should increase the average wages payable to staff serving at gaming casinos and associated premises. However, the law stipulates that two gaming casinos must be at least 70 kilometres apart; a fact that in real life does inhibit staff mobility. Furthermore, the Company is also relying on the degree of in-house competence for selecting and training its specialist staff. Our steadily applied good practices concerned with human resources pays off handsomely as it has developed a significant degree of commitment to the Company by most, if not all, of our staff.

Although the new regulatory framework will generate a remarkable surge in the supply of gaming casinos, the per capita indicators in Chile are still low when compared with those recorded in the United States and other countries where the gaming industry has managed to consolidate itself. Therefore, there is a significant development potential to be tackled by all the companies operating throughout the country.

\* For a better understanding of the Company contingencies, restrictions and guarantees, this information pamphlet must be read in conjunction with the Financial Statements of Enjoy S.A. and our Prospectus lodged with the Chilean Stock and Insurance Companies' Superintendence (locally known for its Spanish acronym: SVS). The latter publication was presented to the SVS within the framework of the Company's compulsory requirement to register its shares, as stipulated in the General Regulations Notice 118 issued by such Superintendence.





**b. The sensibility of Company results when exposed to economic activity effects**

Irrespective of the fact the leisure and tourism industries in Chile have shown positive growth rates, they are not immune to downturns in the economic cycle. Any change in the average level of income of the Chilean consumers could result in a period of economic contraction, which in turn will most likely affect the level of entertainment and tourism expenditure trends; not to mention the influx of people to gaming casinos, hotels and restaurants alike and therefore adversely affecting our Company results. During the last quarter of 2008 and the first of 2009, the meagre results shown by the Chilean economy have chiefly affected the average amount spent by the slot machine players whereas the other factors such as the influx of visitors, bets at the gaming tables plus hotel and restaurant occupancy rates have remained at satisfactory levels.

Cumulative figure to April 2009	Change in the influx of people	Real change in the average bet amount vs. the April 2008 figure for slot machines
Coquimbo	28%	-8%
Viña del Mar	-3%	-17%
Pucón	0%	-13%
Puerto Varas	-6%	-9%

Source: Enjoy.



c. Renewal of gaming casino licences

The municipal licenses and the new licenses granted within the framework of the new gaming casino law are awarded to the operators for specifically limited periods of time. The municipal licenses that Enjoy currently operates include those for our premises at Coquimbo, Viña del Mar, Pucón and Puerto Varas; all of which are to remain valid until 31 December 2015. Although Enjoy will be able to bid in the licence renewal round in due course, it will have to compete with other gaming casino operators and thus will be facing a non-renewal risk. Nevertheless, Enjoy relies on both its total investments exceeding \$ 150,000 million and its market knowledge as the key factors that would allow the company to reapply to the licence with a good chance of success vis-à-vis any potential competitors. Furthermore, the diversification drive already implemented by the Company in the form of new licences and the branching into new businesses alike should reduce the relevance of these licenses in the context of a much more consolidated Enjoy operation.

	Net fixed assets: (expressed in millions of Chilean Pesos - March 2009)	plot land allocated to business expansion
Coquimbo	45,545	11,733 square metres
Pucón	27,813	9,171 square metres
Puerto Varas	18,226	5,191 square metres
Total	89,584	26,095 square metres

Source: Enjoy.



#### **d. Loss of licences due to lack of fulfilment**

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In line with the stipulations of the Gaming Casino Law, the operational permit granted by the Chilean State to operate a casino can be revoked by the Gaming Casino Superintendence (SCJ), by means of a resolution spelling out the reasons for such decision. Such resolution will be issued on every occasion that one or more of the reasons stipulated in the law as penalized with a licence cancellation has been incurred in. The cancellation of a licence entails a serious breach incurred by the operator in what has to do with its compelling obligation to operate the license in strict observance of the Gaming Casino Law stipulations. When confronted with likely a transgression breach, the SCJ is entitled to initiate the operational licence revoking procedure which must culminate - as indicated above - in a detailed resolution spelling out the circumstances or reasons rated as licence infringements. Such resolution can be objected and appealed upon by means of a properly documented presentation to be lodged with the relevant Chilean Court of Appeal. Likewise, the gaming casino concession contracts subject to municipal control until year 2015 also encompass termination, cancellation or lapsing clauses whenever a serious transgression of its obligations has been incurred by the concessionaire. Such reasons and penalties must be thoroughly accredited by the relevant Municipality.

#### **e. Political, economic and currency risks associated to international operations**

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The Company's branching out into foreign markets could expose it to political, economic and currency risks as well as legal and judicial contingencies usually linked to operations undertaken in foreign countries. The Company, as far as all its international operations is concerned, relies on the assistance and support provided by local partners who are experienced enough when it comes to develop similar or compatible industry projects.

#### **f. Regulations**

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Any likely changes in the regulations introduced by either the administrative or municipal authorities could affect the operation of the gaming casinos and, particularly, the Company's income. Nevertheless, the setting up of a Gaming Casino Superintendence and the enacting of the new law are regarded as evidences of the firm Chilean State commitment with the gaming industry.



#### **g. Calamities and natural disasters**

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There is always a risk that some of the Enjoy operations may be damaged on account of force majeure or natural disasters. This risk is partly mitigated by the Company's own insurance cover that caters for this type of risks.

#### **h. Risks associated to construction projects**

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The hotel and gaming casino projects developed by the Company are subject to the risks to which all construction projects become exposed to. However, in real life all the Enjoy investments have come through their construction phases with no significant difficulties, thus actually reducing the relevance of this specific risk. Needless to say, the Company has developed a wealth of experience when it comes to developing this type of projects.









# THE INDUSTRY

## The leisure and entertainment industry

The leisure and entertainment industry groups together a set of companies and institutions whose main economic activity is the production of entertainment activities in exchange of a lucrative aim. At a world-wide level, the estimates on annual disbursements on entertainment activities are in the region of US\$ 1.6 billion<sup>3</sup>, whereas in Chile such estimates are close US\$ 4,000 million<sup>4</sup>. This industry entails cultural events, live entertainment, restaurants, cinemas, television, radio, music, printed entertainment means, Internet, betting and gaming centres, theme parks, sports and other similar businesses.

The following table shows that in Chile, as far as the favourite places that people invariably choose for entertainment purposes, the predominance goes to restaurants bars and cinemas. While on this, it is relevant to highlight also the increase in the amount of available income that has been allocated in period 2004 - 2008 as expenditure to be disbursed when visiting gaming casinos. Such establishments are now being rated by the public as suitable venues that meet their newly acquired entertainment requirements.

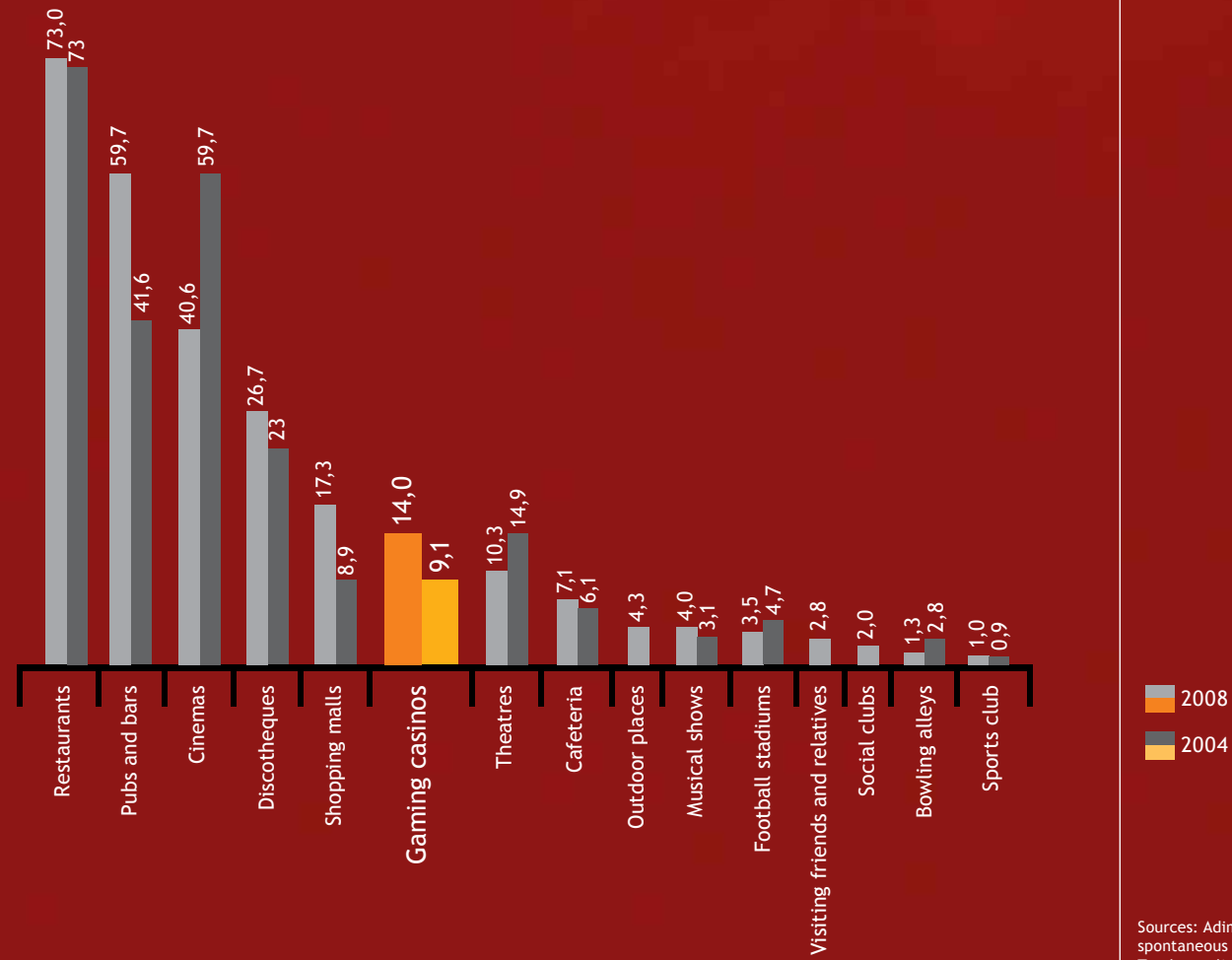


<sup>3</sup> Source: Global Entertainment and Media Outlook: 2008-2012. One billion equates 1 million million.

<sup>4</sup> Sources: Larrain Vial, Chilean National Statistics Office (INE).



¿Which are the places in which people envisage having fun, either as couples or in the company of other adults?



Sources: Adimark survey,  
spontaneous mention  
Total sampling: 1,836

Some of the main changes shown by the leisure and entertainment industry are:

- a. The increase in the per capita income of the population has translated into greater outlays of entertainment money. This is simply due to the fact that with an increasing number of consumers that have sorted out their basic needs, it becomes hardly surprising to note an increase in their level of expenditure going to meet their leisure and entertainment requirements.
- b. The greater supply of entertainment means has entailed a growth in demand. Furthermore, the consumers are better informed than ever before, thus their expectations and requirements concerning the quality of the services supplied to them have been given a further and greater boost.
- c. The development and technological innovation have now become development pillars for the leisure and entertainment business overall. This is very much valid in all its areas ranging from the space allocated to the interaction with the customers to the development of the business support and management areas.
- d. The greater availability of spare time and the expected surge for higher requirements posed by the consumer when it comes to the type of entertainment expected, have generated a greater demand for such more sophisticated services. This trend has been coupled with the introduction of changes within the leisure and entertainment industry itself that have left the companies with no choice but to change and adapt to the new reality.



A breakdown of spare time showing the type of interest/inclination

	1990	2006	Difference
Family	85%	90%	5%
Work	75%	62%	-13%
<b>Spare time</b>	<b>33%</b>	<b>47%</b>	<b>14%</b>
Religion	51%	40%	-11%
Friends	19%	24%	5%
Politics	14%	6%	-8%

Source: Worldwide Value Survey 2006.

These changes will be the trendsetters for the industry in coming years. If we bear in mind the market requirements, the companies are now competing on the basis of the following elements:

- a. Implementation of new technology as well as innovation with new products and services.
- b. Development of large infrastructure projects; mainly in the form of imposing and eye-catching facilities aimed at attracting the customers, be those gaming casinos, stadiums, theatres and amusement parks to name a few.
- c. Company alliances, mergers and acquisitions.
- d. Shared service centres: the large operators are centralizing their processes with a view to securing scale economies.

## The gaming industry and the casino industry

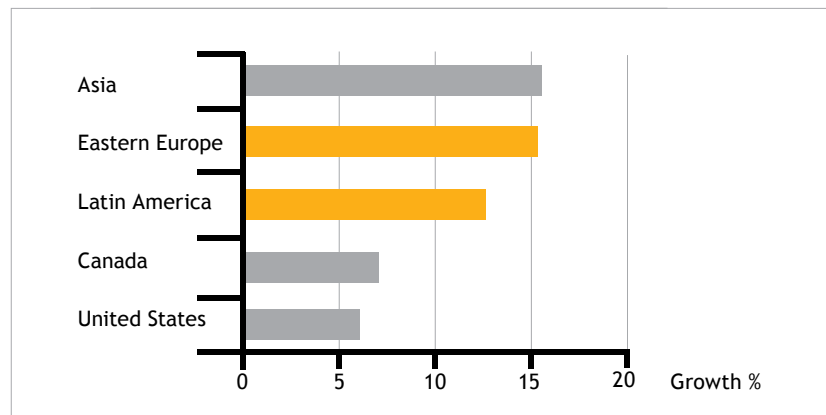
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The world gaming and game industry encompass all the legal betting activities undertaken either at casinos, coin betting machine halls, race courses and/or all other animal racing activities as well as those arranged via sport and lottery bet booking entities and through the Internet.

The gaming industry provides entertainment means and, as such, it is aimed at capturing a fraction of the so-called “conspicuous or extra disbursements”. Within such gaming alternatives the noteworthy ones are casinos and lotteries. The latter have been one of the main gaming alternatives in the past, mainly due to the fact that they are accessible to all kinds of people. In turn this factor has entailed that their attraction capability reaches most of the socioeconomic segments. However in recent years, and because lotteries are a static and gaming activity, they have lost ground to other options.

The gaming industry is one of the most attractive worldwide, mainly due to its high operational margins combined with the recent years’ highest growth rates ever recorded before then. It is expected that these growth rates will be upheld in coming years, mainly due to the growth experienced in emerging markets; chiefly Asia, Eastern Europe and Latin America.

Forecast of annual growth for period 2007 - 2011

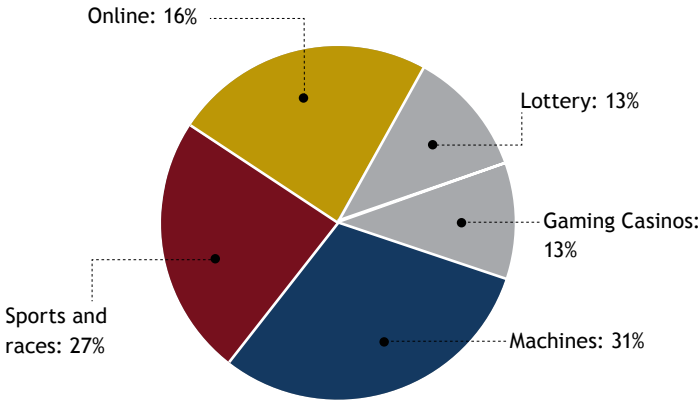


Sources: Global Entertainment and Media Outlook: 2007-2011 and Datamonitor.

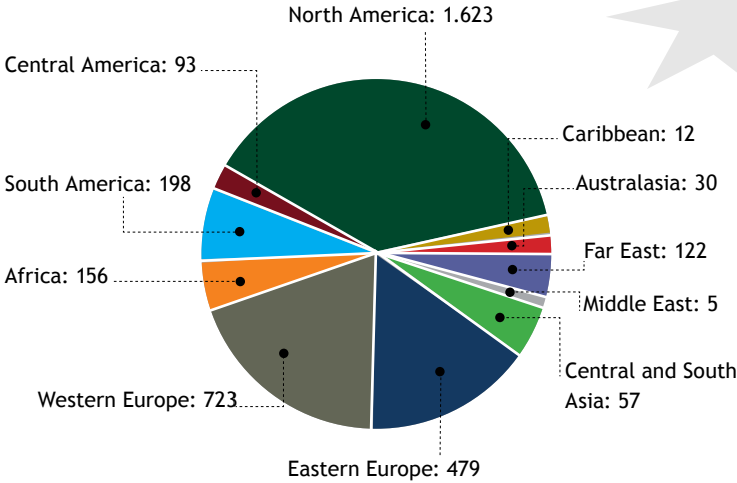
Within the overall gaming industry, slot machines have secured a relevant role in recent years and now generate 30% of total revenue. On the other hand, gaming casinos have also secured a prime position within the entertainment and amusement alternatives. The industry, both at worldwide and local levels, has evolved from a business focused on a small niche market of people with a high purchasing power - large scale bet players - onto a massive business focused on people looking for an amusement and entertainment alternative at an affordable cost.

North America is the region hosting the largest number of gaming casinos worldwide with 46% of all such facilities. During the past 20 years, in common with trends recorded elsewhere in the world, the gaming practices and casinos in the United States underwent a significant transformation and sizeable development alike. Two decades ago there were two states that allowed the operation of gaming casinos within their respective territories, namely New Jersey and Nevada. Thereafter, in the nineties, the income growth was due to the geographic expansion of the total number of gaming casinos and the investments undertaken to furnish such facilities in locations such as Las Vegas. Nowadays, more than 48 states within the United States have granted legal recognition to betting practices and gaming casinos alike.

Games and gaming broken down by business areas



Gaming casinos broken down by region



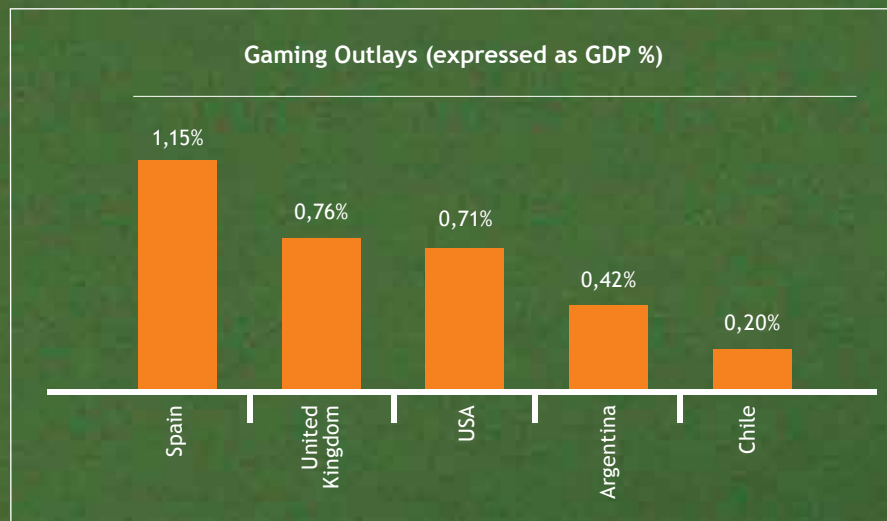
Source: Datamonitor.

Source: The 2008 Global Gaming Bulletin.



Some of the factors that influence the gaming outlays are GDP and consumption growth, the number of daily working hours, the demographic changes, the gaming options available and the market degree of maturity. On the other, the industry structure is mostly set by regulations and the taxation structure.

The gaming outlay levels in relation to GDP will set the growth development potential of both the industry and the national economy. The following chart shows the degree of maturity of the sundry gaming markets.



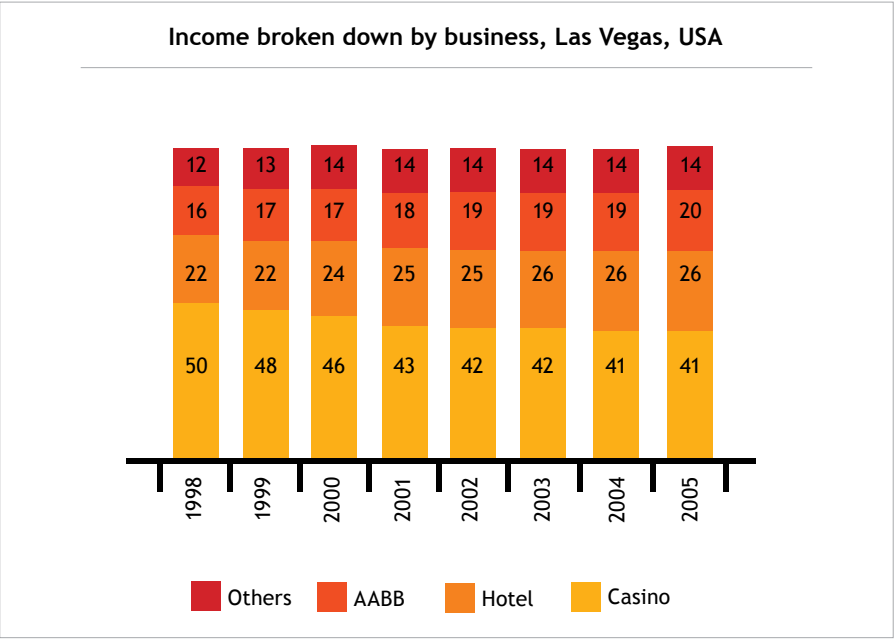
Source: Larraín Vial, GPBC

In Las Vegas, the estimates on gaming outlays range between 40 and 50% of the whole gaming casino income. On the other hand, the sources of income not associated to gaming - hotel operation, food, drinks and others related items represent some 55% to 60% of total disbursement.

The breakdown of a gaming casino income in Las Vegas shows the following structure:

Business		Income (as % of total income)
Type of gaming		
Tables		15% - 20%
Machines		25% - 30%
Total		40% - 50%
No-gaming related		
Hotel		25% - 30%
Food and drinks		20% - 25%
Others		5% - 10%
Total of no-gaming related		55% - 60%

Source: Larrain Vial, on the basis of information available in the specific area.

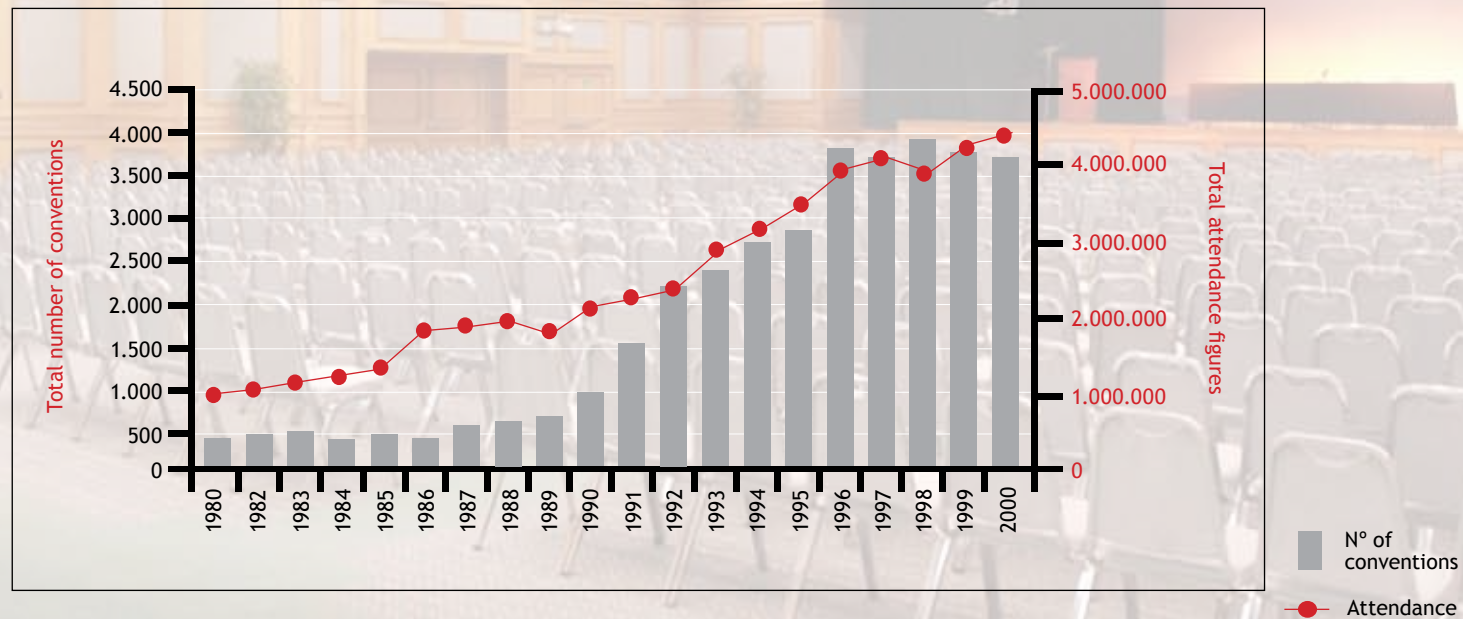


Sources: Nevada Gaming Control Board, US Bureau of Labour Statistics.



The surge in the total number of annual conferences and conventions that are organised in Las Vegas has boosted the gaming casino business even further. In the past few years, the income growth at Las Vegas has been secured a new impetus thanks to the transformation of this centre from a place exclusively devoted to gaming and entertainment onto a venue suitable for conferences and conventions. This new focus has allowed for a transformation of the gaming business into a sort of retail outlet where sales are conducted seven days a week and showing leading indicators as far as public flows and average expenditure outlays in the area are concerned.

Evolution in the number of conventions taking place at Las Vegas USA, and their attendance rates

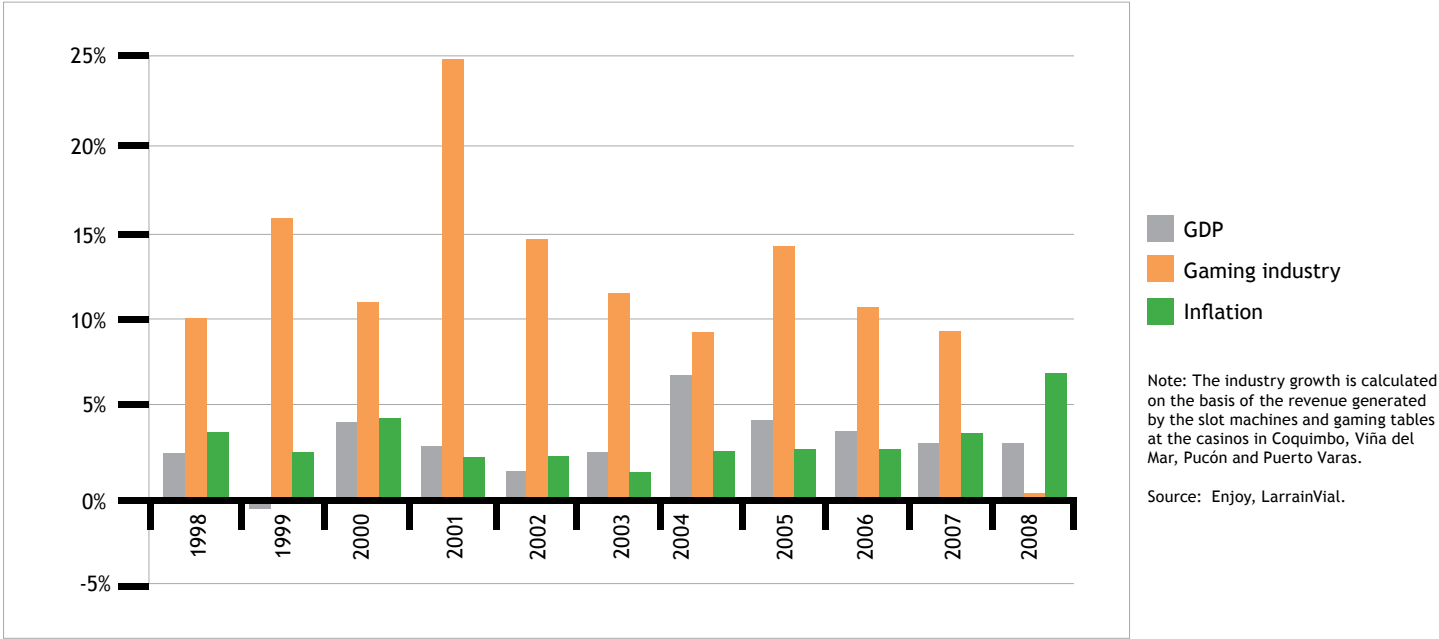


Source: Las Vegas Convention and Visitors Authority.

The Chilean gaming industry

During 2008, the gross income of the gaming casinos at Coquimbo, Viña del Mar, Pucón and Puerto Varas exceeded the \$ 92,000 million<sup>5</sup>. It is estimated that these casinos represented some 80% of the overall industry of municipal casinos in Chile with a 2008 total turnover in the region of \$ 115,000 million. Since then, new casinos have come on stream with combined turnovers exceeding \$ 15,000 million. The growth of the Chilean gaming industry is attributed to the growth in the per capita income, which in turn has brought about a surge in the already quoted “conspicuous or extra disbursements”. Furthermore, in the context of an increased supply of leisure and entertainment facilities, gaming casinos have benefited from the generation of a supply which is more appealing and focused on a wider segment of the population. The industry has benefited also from the incorporation of new technologies and infrastructure which in turn have enabled a more competitive supply of all leisure and entertainment alternatives. All the foregoing has translated into an industry growth which is far higher than the Chilean GDP growth. The annual GDP real composite growth and the gaming industry<sup>6</sup> in Chile during the past 11 years has been 3.7% and 13.7%, respectively.

The real growth of the Chilean gaming industry and GDP



<sup>5</sup> These sales encompass the whole gaming turnover recorded by these casinos  
<sup>6</sup> It considers the industry as including the casinos at Coquimbo, Viña del Mar, Pucón and Puerto Varas, all which are owned and operated by Enjoy.

During year 2005 the Chilean government enacted Law # 19,995 with a view to giving the gaming industry a definite push. The law laid down the general conditions for granting specific operation permits/concessions and the overall supervision of gaming casinos throughout Chile.

With the new law, a total of 18 new gaming casino licences were issued for the same number of new establishments to be built, furnished and commissioned. 15 of such new concessions were granted in year 2006 and the other 3 were issued in August 2008. As a result, there will be gaming casinos in all Chilean Regions but the Metropolitan one. Furthermore, the law also created the Gaming

Casino Superintendence as the regulatory entity ("Watch Dog"). The latter also will also exercise its supervision authority over the existing gaming casinos. All gaming casinos must register also with the Stock and Insurance Companies' Superintendence and abide by its regulations.

Nowadays, there are 25 legally authorised gaming casinos in Chile with seven operating on the basis of municipal licences issued via special laws enacted between years 1928 and 1990, with the other 18 establishments operating on the basis of permits and concessions approved by the Gaming Casino Superintendence.

License type	Licenses	Enforcement and commissioning
Municipal	Arica, Iquique, Coquimbo, Viña del Mar, Pucón, Puerto Varas and Puerto Natales.	The new regulations have set the expiry date for all existing municipal licences at 31 December 2015. It follows therefore that under the existing legislation, a total of seven new concessions will be the subject of a bidding contest and subsequent granting of licences.
New law - bidding contest 2006	Antofagasta, Copiapó, Rinconada de Los Andes, San Antonio, San Francisco de Mostazal, Santa Cruz, Talca, Pinto, Talcahuano, Los Ángeles, Temuco, Valdivia, Osorno and Punta Arenas.	Each of the licences will have a validity period of 15 years from the date when the gaming casino establishment comes on stream.
New law - bidding contest 2008	Ovalle, Castro y Coyhaique.	





The new regulations set at three the maximum number of gaming casinos that can operate in each Region. It also sets a geographic restriction by stating that gaming casinos must be located over 70 road kilometres apart from each other, Irrespective of the Region they happen to be located. The greater degree of competition between all interested operators takes place during the license awarding process.

Chile is a good example of the positive impact on the national economy generated by the gaming and betting industry. The bidding process managed to bring together 40 projects with investment commitments in excess of US\$ 4,500 million. The investment commitments for the winning projects amounted to US\$ 711 million<sup>7</sup>, with 71% of such figure rated as foreign capital. These new projects entail the construction of hotels, convention centres and cultural projects. It is estimated that these investments can lead the industry to generate an annual turnover in excess of US\$ 700 million. Another added benefit would be the generation of some 9000 new jobs that would handsomely supplement the existing 3000 ones.

The awarding process attracted 8 international operators with 4 managing to materialize their access to the local market. These were Egasa, Ivisa, Sun International and Casinos de Austria. The Chilean companies that secured licenses were Enjoy, Group South Pacific and Hotel Somontur. Other licenses were awarded to joint ventures whose capital origins are both in Chile and abroad; the noteworthy names here are Salguero Hotels and Clairvest - Valmar.



Considering the new licenses granted then the Chilean gaming industry will entail the following licenses:

Operators by region and district		
Region	District	Operator
XV	Arica	Latin Gaming
I	Iquique	CVC
II	Antofagasta	Enjoy - Simunovic
II	Calama	Latin Gaming
III	Copiapó	Egasa - Nervión
IV	Coquimbo	Enjoy
IV	Ovalle	Casinos de Austria
V	Viña del Mar	Enjoy
V	San Antonio	Ivisa
V	Los Andes	Salguero Hotels
VI	San Fco. de Mostazal	Sun International-Novomatic-IGGR
VI	Santa Cruz	Cardoen - Enjoy
VII	Talca	Persolar S.A.C.
VIII	Los Ángeles	Casinos de Austria
VIII	Pinto	Hotelera Somontur
VIII	Talcahuano	Clairvest - Valmar
IX	Temuco	Grupo Pacífico Sur
IX	Pucón	Enjoy
XIV	Valdivia	Grupo Pacífico Sur
X	Osorno	Latin Gaming - Clairvest
X	Puerto Varas	Enjoy - Grupo Pacífico Sur
X	Castro	Enjoy
XI	Coyhaique	Grupo Pacífico Sur
XII	Puerto Natales	Carlos Osbén - Rubén Solórzano
XII	Punta Arenas	Grupo Pacífico Sur

Sources: Gaming Casinos Superintendence (SCJ) and Enjoy.

<sup>7</sup> Source: Gaming Casinos Superintendence.





The main operators within the gaming industry are:

(i) Enjoy whose premises are located at Antofagasta, Coquimbo, Viña del Mar, Santa Cruz, Pucón, Puerto Varas and Castro.

(ii) Grupo Pacífico Sur, owned and controlled by the Chilean businessmen Claudio and Humberto Fischer. Their facilities are based at Temuco, Valdivia, Punta Arenas and Coyhaique. The Puerto Varas operation is owned and operated in partnership with Enjoy. Reports indicate that they have agreed to a partnership agreement with the Grupo Pacífico Sur and CVC, or are the owners of the gaming casino at Iquique.

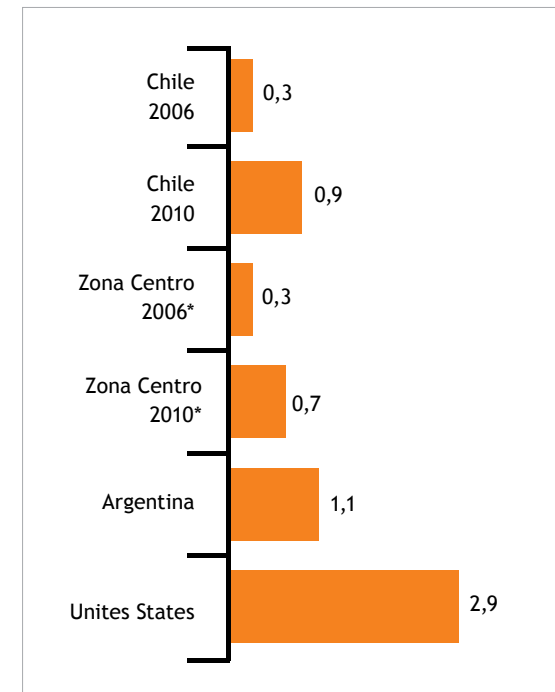
(iii) Sociedad SUN International (a South African gaming casino company) -Novomatic (European based operator of gaming casinos and manufacturer of betting machines) - IGGR (casino operator with assets in Egypt, France, Ecuador and Chile), owners and operators of the San Francisco de Mostazal casino.

(IV) Latin Gaming, a gaming casino operator with assets in Panama, Ecuador and Chile, currently holding the Arica, Calama and Osorno licenses. The new Gaming Casino Law will generate a qualitative jump towards a much larger supply of gaming, game and entertainment activities in Chile. This feature is illustrated with the surge from 4,700 to 16,560 projected gaming positions<sup>8</sup> by year 2010. The gaming casino market saturation is neither anticipated nor expected, even despite the important expansion generated by the awarding of licences under the umbrella of the new law. Suffice to say that in the United States there are 2.9 gaming positions for each 1,000 people, a figure equivalent to three times the number of gaming positions per capita that will be available in Chile after all the recently announced new gaming casino projects do come on stream.

Depending on the geographic location and the proximity to other casinos the competition could become even more intense, being the population of the Metropolitan Region the most interesting market to consider. Given its size and purchasing power we must bear in mind the fact that the existing legislation precludes a casino from setting up in the Metropolitan Region. In spite of the interest generated by the Metropolitan Region, the stipulations contained in the bidding calls issued by the Gaming Casinos Superintendence (SCJ) the gaming positions per capita in the central Chile area would still be lower to those available throughout the rest of the country and those specified in international parameters alike.

<sup>8</sup> Calculated as the addition of slot machines and chairs available at each gaming table.

Gaming positions for each 1,000 people



\*It takes into account the gaming casinos at Viña del Mar, San Francisco de Mostazal, Los Andes and San Antonio, as well as the population of the cities of Santiago, Viña del Mar, Valparaíso, Rancagua, Los Andes and San Antonio.

Sources: Gaming Casinos Superintendence (SCJ) and Larraín Vial.



As regards the Chilean hotel industry, in the past few years we have witnessed an increase in the number of four and five-star quality hotels that are coming on stream. On the other hand, the new Law of Gaming Casinos, the development of new all-inclusive projects and the strengthening of the Chilean position as a worldwide tourist attraction market have influenced a far greater and better supply of high standard hotels throughout the Chilean regions. This trend is very consistent with Enjoy's growth strategy, simply because five-star hotels are crucial when it comes to developing a better supply of the comprehensive leisure and entertainment concept.

On the other hand, the worldwide tourism market has shown high growth rates that have started to peter out as the result of the current international financial

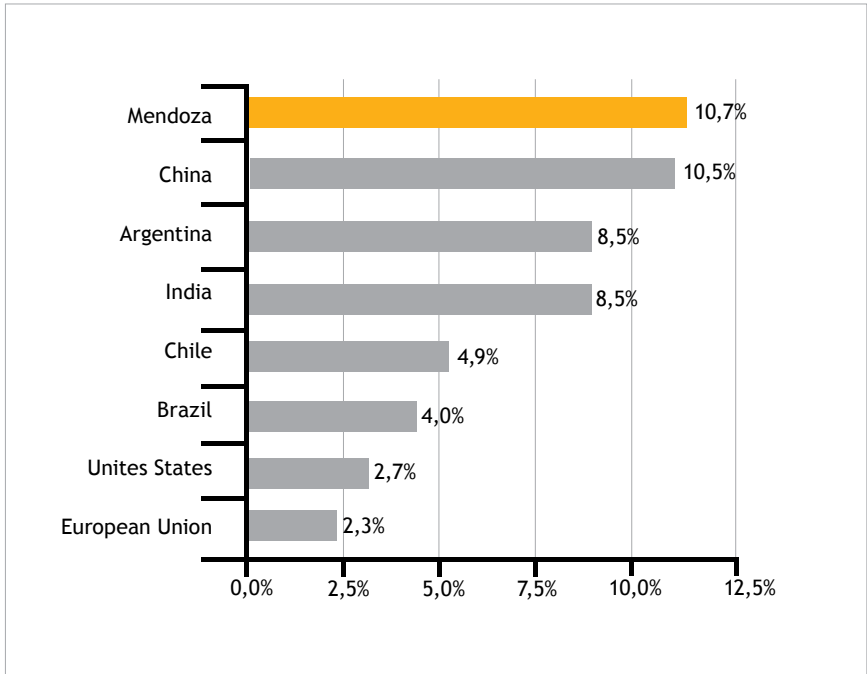
crisis. Although the worldwide tourism industry generates some US\$ 8 trillion a year, in the past few years its main thrust has come from emerging markets and developing economies. As far as Chile is concerned, the total influx of international tourists has reached 2.5 million each year.

Despite the good results achieved by the tourism industry, some programmes are currently underway throughout the country and aimed at promoting Chile abroad as a good destination well worth a visit and highlighting its features. The ultimate goal is to securing tourism as one of the main pillars of Chile's future economic development. The first step in that direction is to receive more than three million foreign visitors during 2010.

The gaming industry in Mendoza

The Argentinean province of Mendoza encompasses some 2 million people with 848.000 residing in its metropolitan area which now ranks fourth amid the largest Argentinean cities. Its economic growth during period 2003-2008 exceeded the average growth for Argentina as a whole and was above most of the emerging economies worldwide. The per capita income in the region is close to US\$ 6,000 and its rate of unemployment has remained below the average levels recorded elsewhere in Argentina for the past few years.

Composite annual growth 2003-2008



Sources: International Monetary Fund - Dirección de Estadística e Investigaciones Económicas del Gobierno de Mendoza (Statistics Directorate and Economic Research - Government of Mendoza).









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# V THE COMPANY

## 1. Historical summary

In year 1975, Antonio Martinez Ruiz, founder of the Company started to operate the Viña del Mar gaming casino license. During the nineties the Company expanded its operations and new executives were brought in to run the business. This factor allowed for a modernization of the whole set of game types and the associated machine park.

It year 1997, the Hotel del Lago Casino & Resort complex was opened in Pucón. Next to the premises housing the modern assortment of slot machines and gaming tables were added a five-star hotel, a convention centre, restaurants, a spa, a cinema and a tourism services operator.


The nineties signalled also the internationalization of the group. For some 10 years the Company was actively involved in the gaming casino business in Panama City. The experience was successful and culminated with the sale of its assets, chiefly with a view to recouping the investment yield once the partnership's market share had grown from 10% to 30%.

Over the period spanning over 34 years to date, the Company has evolved from merely operating the gaming casino license awarded by the Municipality of Viña del Mar to become the leader of the gaming casino market in Chile. Another noteworthy accomplishment was the implementation of an internationalization drive based on Enjoy's overall leisure and entertainment model.

The Company was the first operator in Chile to implement the overall leisure and entertainment concept and thereafter advocate it throughout Latin America. This formula, developed for the first time in Las Vegas, was adapted to the

local market conditions; first in Enjoy Pucón, thereafter in Enjoy Viña del Mar and followed suit in all the projects developed by Enjoy. The net result for the Company was the opportunity to become a significant contributor to the development of all such cities.





### Consolidation and international drives

**2008**

Taking the business further into depth. Start up of the model's international expansion.

- Mendoza
- Croatia

### Enjoy's comprehensive models

further deepening of the entertainment model

**2005**

Chain development under the "Enjoy" brand

Launch of the Enjoy Club. Development of the new comprehensive model

**2008**

Launching of new comprehensive leisure models:

Enjoy Coquimbo, Colchagua Casino, Enjoy Antofagasta

Allocation of license for the Chiloe project

Acquisition of the Grand Hotel in Pucón

### Casino and hotel

Development of know-how in the expansion of the commercial proposal

**1997**

Opening of the Hotel del Lago, Pucón

**2000**

Start up of the Puerto Varas operation

**2002**

Inauguration of Hotel del Mar, the first five-star hotel in Region V

### Casino

Consolidación en el negocio del juego

**1975**

Operational start up of the Viña del Mar **gaming casino**

**1994**

Start up of the gaming casino in Coquimbo

**1995**

Start up of the gaming casino in Pucón

**1998**

Start up of the 3 gaming casinos in Panama



## 2. Vision, mission and values

### Vision

To be recognized within the leisure and entertainment industry as a world class company, by its customers due to the sound management of experiences, for its profit generation on behalf of its shareholders, for its mutual loyalty extended to its collaborators and by the ethics that rule all its actions.

### Mission

We will improve our customers well-being through a genuine concern for their amusement, enjoy and care; chiefly by generating memorable and comprehensive experiences in all what has to do with games, hotel services, gastronomy and tourism. We will perform against a cultural background of efficiency, profitability and responsibility.

### Values

We perform with Integrity and  
**TRANSPARENCY**

Our style favours  
**EXCELLENCE**

We value **WARMTH** in all our  
relationships

**MERIT** is at the centre of our  
concern for the development of  
our people

**PASSION** is what drives our  
wish to serve our customers

We are a **COMMITTED** team

### 3. Business model

Enjoy has a differentiating value proposal that seeks to put to good use the advantages of providing an overall entertainment package. This is achieved by offering a series of enjoyable experiences within the confines of a single physical space. The Company offers its customers the experiences for “Enjoying Life”; all such are consistent with a proposal of entertainment that is responsible, profitable and efficient.

The Enjoy offer includes a large assortment of entertainment alternatives that cater for a product and service diversification. This initiative is aimed, in terms of targeted consumers, at men, women, adults, young people and children alike as well as family groups, couples or groups of friends. In this way it becomes feasible, therefore, to gain access to entertainment and relaxing alternatives ranging from games, gastronomy, hotel services, and tourism packages to congresses and seminars; not to mention live shows, children playgrounds, discotheques and spa facilities.



The Enjoy model, by having to hand an attractive and comprehensive entertainment proposal, is in a position to:

- Attract a greater influx of customers onto the highest yield gaming business.
- Diversify and expand the targeted customers and sources of revenue.
- Generate cross product sales and services.

The foregoing generates a greater degree of knowledge of customers and the business alike, chiefly through a direct operation of all areas.





## Enjoy's competitive advantages

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Enjoy's success is based on a series of competitive advantages:

### a. Distinctive Business model

- A comprehensive model aimed at the customers' enjoyment and amusement that has embedded attractive returns.
- A knowledge of the business secured through an own operation approach encompassing all its areas.
- Corporate management that boosts the synergies' capture in terms of costs, income and the efficient administration of all resources.
- Better corporate practices aimed at obtaining steady improvements and innovation in the model, its operation and the customer service aspects alike.



### b. Implementation capacity

- Knowledge and experience in the development of projects with international quality, comfort and security standards.
- Experience in developing complete projects in emerging locations, including commissioning and scale operation aspects.
- World class gaming and management systems in the business areas that maximize operational efficiency, security, easy scalability and fast, flexible and effective decision making initiatives.

### c. Brand and differentiating commercial capabilities

- Enjoy has already been positioned as a national leading brand within the entertainment and leisure category and has become a brand easy to place in the international arena.
- A thorough knowledge of the customers which is further boosted by a robust customer fidelity programme. The latter also allows the Company to provide a superior experience.

### d. A team of people with a deep knowledge and experience in the business

- Permanent and consistent selection, training and development systems in line with the attitudes and competence required for ensuring memorable experiences to our customers.
- Search and development of key talents for the business.
- An exacting labour culture based on merit and performance.
- Constant analysis and follow-up of people management best practices applied worldwide.

### e. Reputable track record within the industry

- Prestige and reputation for transparency and commitment, all which are based on a wealth of experience in managing gaming casinos and extending for more than 34 years to date.

## Synergies

---

Enjoy's corporate strategy allows for a swift value adding approach to the business units, chiefly by capturing income, cost and resource management synergies.

### a. Income synergies

Enjoy's commercial proposal strengthens the entertainment chain concept which encompasses all the products and services offered in diverse locations. This factor generates synergies in:

- The Enjoy Club customer loyalty.
- The Enjoy brand.
- The sale channels.
- The enhancement of the hotel and gaming casino operational practices.

### b. Cost synergies

The entertainment centres' fully integrated operation generates wide ranging benefits and efficiencies in:

- Centralized services ranging from accounting, corporate personnel, recruitment, corporate treasury to audit and information technologies.
- Greater scale benefits when it comes to consider purchases of slot machines and other fixed assets. This factor also gives the Company a stronger purchasing power for consumables such as food and beverages.

### c. Resource synergies

A proper resource management guarantees the availability of highly qualified staff that will support the various Company business areas. Furthermore, the consolidated management of its financial resources enables the company to secure better terms from the financial system. On the same token, synergies are also forthcoming when drawing up Company transversal strategies and plans.





## 4. Current operations

The Company has allocated more than 220,000 square metres to entertainment and leisure activities. Such facilities are located in the cities of Antofagasta, Coquimbo, Viña del Mar, Santa Cruz, Pucón, Puerto Varas, Mendoza, Croatia and soon in Castro, Chiloé.

Nowadays, the company operates seven gaming casinos and six hotels furnished with 644 rooms and 121 apartments altogether. Within the casino premises there are 4,321 slot machines, 290 tables and 1,000 bingo positions. Furthermore, the company owns and operates 31 restaurants, 15 bars and 7 convention centres. This list would not be complete without the mention of theatrical halls, discotheques, spas, business centres, art exhibition saloons, live show rooms, children amusement arcades, a ski resort and a tourism services department.

### Enjoy 2010

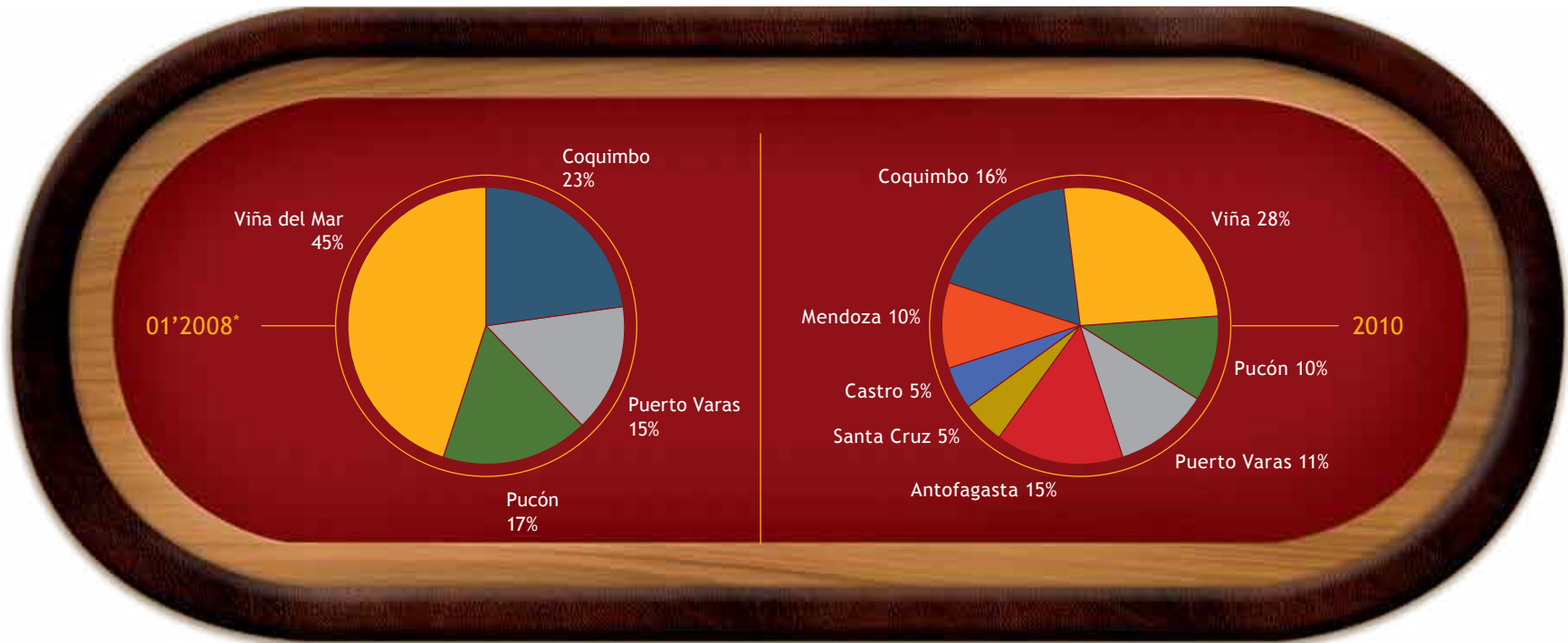
9 gaming casinos	684 rooms	7 spas
4.557 slot machines	121 apartments	1 ski resort
306 gaming tables	35 restaurants	6 show halls
1.072 bingo positions	19 bars	6 tourism departments
6 hotels	7 convention centres with 9,000 square metres	3 discotheques



a. Description of the Enjoy operations and projects

Enjoy has a diversified geographic coverage encompassing northern, central and southern Chile positions plus international operations in Mendoza and Croatia. The location of a gaming casino is crucial if we are to secure the project success. The population concentrations, the economic activity within the area, its potential as a tourism point of attraction and its genuine prospects of becoming an attractive convention centre are the key elements that will influence the project’s success or otherwise. The locations currently owned and operated by Enjoy and its projects need all the foregoing factors.

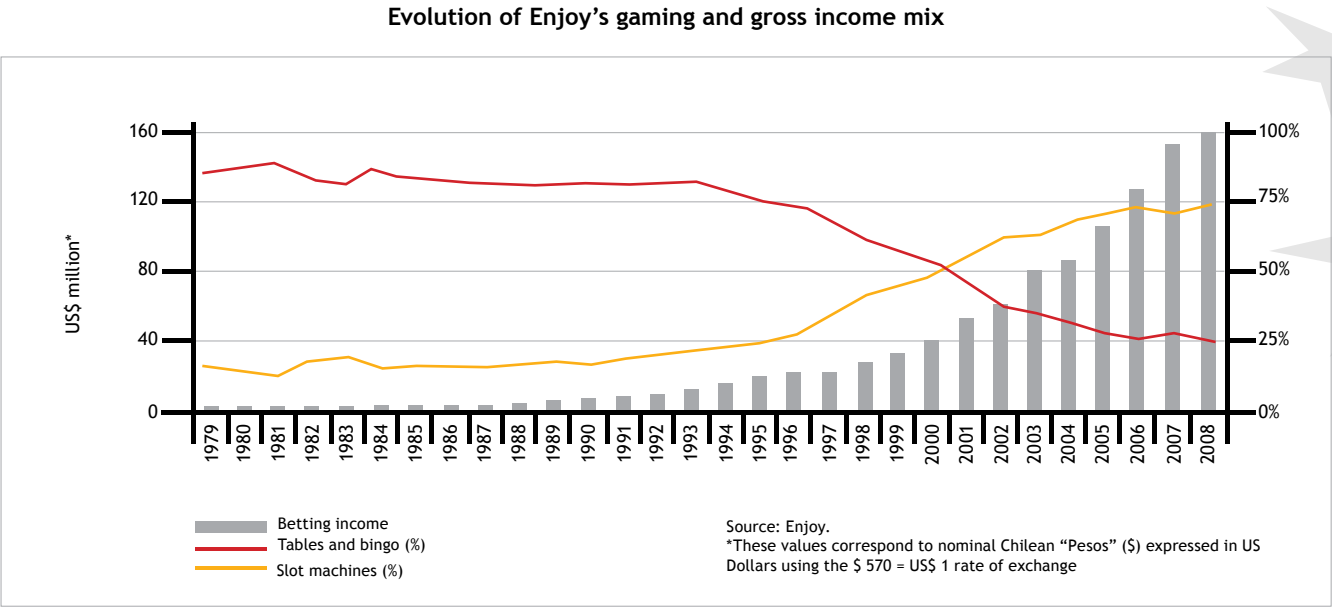
Analysis of the distribution of slot machines broken down by casino premises  
Diversification of the operation as broken down by new projects



Source: Enjoy.

\* The rates at 01-2008 are equivalent to the breakdown of slot machines by casino premises following the coming on stream of the new gaming casino facilities.

An important trend already noted in Chile and abroad is the slot machines' relevance within the entertainment and leisure options mix. Within the Enjoy operations, the slot machine and gaming table mix has changed in the past few years with the best option being allocated to the slot machines. This new product combination is less risky than the previous one, simply because it is based on a larger number of players and a smaller betting amount required from each customer.



Within the gaming casino environment, Enjoy acted as a pioneer in the introduction of the slot machines to the Chilean market at a time they were hardly known here. In period 1994 - 2008, the composite real annual growth of the gaming casino machines' "win per day"<sup>9</sup> indicator reached the 9.7% mark. Furthermore, and in line with international standards and the ever-changing customer tastes and inclinations, the Company has been constantly adding new games and renewing their assortment. The foregoing factors, combined with steady investments in infrastructure and the incorporation of state-of-the-art technologies have managed to turn the Enjoy casinos into the most modern facilities of this kind to be found in Latin America.

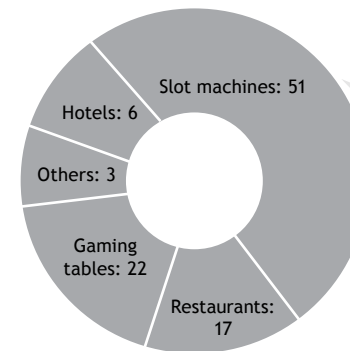
<sup>9</sup> Win per day: daily earnings of a coin betting machine. See annex 7.





The following graph shows the Enjoy income broken down into business areas.

#### Seasonal Enjoy income in period 2005-2008\*

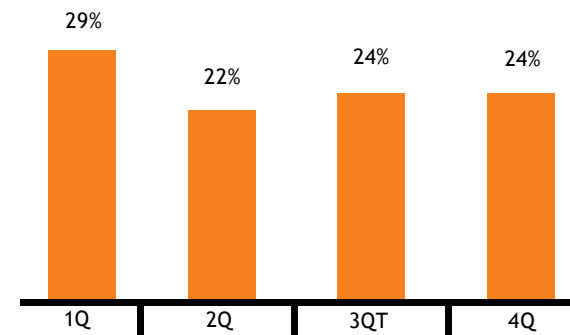


Source: Enjoy.

\* Este cuadro considera el Hotel Del Mar y el segundo semestre del Hotel De La Bahía y del Gran Hotel Pucón.

The seasonal effect on the operational income varies for each of the operational centres of the Company, being Pucón the gaming casino showing the highest seasonal variation. This is hardly surprising if we bear in mind its tourist centre nature and its relative idleness from large urban areas.

#### Breakdown of the Enjoy earnings in 2008\*



Source: Enjoy.

\* These percentages are based on the seasonal effect in years 2005, 2006, 2007 and 2008. It is for this reason that they do not include the relevant percentages for Antofagasta and Mendoza. These two operations entail a lower turnover during the first quarter.











# ENJOY ANTOFAGASTA

The Northern Chile city of Antofagasta is one of the main conurbations with almost 300.000 people and showing a strong economic development during the past two years. This factor has placed Antofagasta as the regional area showing the highest per capita income in Chile.

Its main economic activity is mining. For that reason, Antofagasta is the host city for a number of the main mining companies. Within their most noteworthy ones outstands Minera Escondida, Antofagasta Minerals and SQM.

The activities that boost the regional growth and which generate the highest regional per capita to the point of being twice as much the average Chilean equivalent figure are mining, commerce and real estate development. The mining industry was once rated as the main source of work in the region but now has given way to commerce and is no longer included among the first two providing the largest number of job opportunities.





### Enjoy Antofagasta

★ Gaming Casino: 700 slot machines, 41 gaming tables, and 320 bingo positions.	Dalmacia Segunda S.A., two companies owned by local entrepreneur
★ Hotel Del Desierto: The first five-star a hotel in the region with 92 rooms altogether.	Sr. Iván Simunovic (25%).
★ Restaurant and Bar: Six restaurants and three bars.	★ Main building features: A nine-story-high building with total useful surface of 32,091 square metres located on a plot whose total surface is 23,420 square metres. Its construction and furnishing was arranged via a financial leasing.
★ Staff complement: 893.	
★ Other facilities: A Convention Centre whose total surface exceeds 800 square metres, OVO discotheque, a Natura Vitale spa, art gallery, Play & Kids arcade and a business centre.	★ Expiry date for the gaming casino concession: 11 November 2023.
★ Equity holding structure: Enjoy (75%), Inversiones Dalmacia Primera S.A. and Inversiones	



# ENJOY COQUIMBO

Coquimbo, located in the Central North Chile area, is one of the main tourist attractions to be found in Chile. Within its territorial coverage are well-known and attractive seaside resorts. The region has a population close to 700,000 with nearly 50% living in the Coquimbo-La Serena conurbation.

The regional economy is based on mining, agriculture and fishing activities. During the past few decades, tourism has become one of the most important economic activities in the region, with the most significant development spots being the Elqui valley and real estate developments close to the coastal areas.





**Enjoy Coquimbo**

★ Gaming Casino: 800 slot machines, 41 gaming tables and 200 bingo positions.	★ Equity holding structure: Enjoy (100%).
★ Hotel De la Bahía: The first five-star a hotel in the region with 111 rooms altogether.	★ Main building features: A fourteen-story-high building with total useful surface of 35,497 square metres located on a plot whose total surface is 42,077 square metres;
★ Restaurant and Bar: Five restaurants and three bars.	both totally owned by Enjoy. Its construction and furnishing was arranged via a
★ Staff complement: 823.	financial leasing.
★ Other facilities: A Convention Centre whose total surface exceeds 1,200 square metres, OVO discotheque, a Natura Vitale spa, art gallery, Play & Kids arcade and a business centre.	★ Expiry date for the gaming casino concession: 31 December 2015.

# ENJOY VIÑA DEL MAR

Viña del Mar, a Central Chile coastal city, is one of the five districts of the Great Valparaíso area. It is the most populated of them all with a third of the 900,000 people resident in the area.

Viña del Mar is rated as the tourist capital of Chile, on account of the fact that it is the most frequently visited city on account of its proximity to Santiago. It is fitted with numerous tourist attraction points including beaches and green areas alike.







## Enjoy Viña del Mar

★ Gaming Casino: 1,261 slot machines, 87 gaming tables and 420 bingo positions.	partnership company. In this case the partners are Antonio and Francisco Javier Martínez Segui.
★ Hotel Del Mar: The first five-star a hotel in Viña del Mar with 60 rooms altogether.	Enjoy, via the partnerships known as Slots S.A. and Masterline S.A., operates the slot machines and
★ Restaurant and Bar: Six restaurants and three bars.	food/drinks business. These are masterminded through a sub concession contract with Antonio Martinez
★ Staff complement: 1,592.	y Compañía. The contractual arrangements specify that this sub concession will remain valid as long as
★ Other facilities: A Convention Centre whose total surface exceeds 900 square metres,	the latter company retains the casino concession.
OVO discotheque, a Natura Vitale spa, art gallery plus a Play & Kids arcade.	★ Main building features: A building with a total useful surface of 34,893 square metres owned by the
★ Equity holding structure: The Viña del Mar gaming casino concession belongs to Antonio	Municipality of Viña del Mar.
Martinez y Compañía. This is a requirement of the concession contract with the Viña	★ Expiry date for the gaming casino concession: 31 December 2015.
del Mar Municipality which calls for the concession and operation to be managed by a	

# CASINO COLCHAGUA

The city of Santa Cruz is located in the Colchagua Valley in Region VI, also known as “Región del General Libertador Bernardo O’Higgins”. The overall area is well known for its Chilean folklore traditions and farming activities. The total population in the Santa Cruz area exceeds 200,000 with the regional total being close to 850,000 people.

Some other tourist attractions in the area are the folklore traditions, the Santa Cruz Museum and a wine tasting visiting circuit (better known for its Spanish name: “Ruta del Vino”), with a number of vineyards offering a first-class portfolio of tourist services.







### Casino Colchagua

★ Gaming casino: 230 slot machines, 17 gaming tables and 60 bingo positions.	★ Main building features: Its total useful surface is 4,026 square metres, totally owned by the Cardoen Group.
★ Bar: One bar.	★ Expiry date for the gaming casino concession: 12 September 2023.
★ Staff complement: 184.	
★ Equity holding structure: Enjoy (40%), Inversiones Colchagua S.A. (60%), the latter being a subsidiary of the Cardoen Group.	

# ENJOY PUCÓN

Pucón, located in Southern Chile and next to the Villarrica Lake, is part of the Region known as “Region de la Araucanía”. This is a significant tourist attraction area whose main feature, as one of the most important lakeside holiday resorts in Chile, is that it attracts a significant number of visitors during the summer months. Its immediate surroundings encompass some important tourist attractions that supplement its lake shores such as thermal spas and ski lodges.

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### Enjoy Pucón

★ Gaming casino: 498 slot machines and 44 gaming tabs.	★ Other facilities: A Convention Centre, a spa, Play & Kids arcade, business centre and the Villarrica ski resort.
★ Hotel: Gran Hotel Pucón with 151 rooms and 121 apartments.	★ Equity holding structure: Enjoy (100%).
★ Restaurants and Bars: seven restaurants and two bars.	★ Main building features: Its total useful surface is 34,771 square metres. Its construction and furnishing was arranged via a financial leasing.
★ Staff complement: 616.	★ Expiry date for the gaming casino concession: 31 December 2015.

# ENJOY PUERTO VARAS

Puerto Varas is located in the Province of Llanquihue, part of the “Region de los Lagos” (Lake Region) and right on the shores of the Llanquihue lake.

The city has always been associated with tourism; its nearby areas encompass beautiful natural landscapes, good food, natural beaches, parks, fly fishing and other sporting activities as well as the proximity of thermal spa resorts.

Puerto Montt, the regional main city with a population in excess of 200,000, is located 20 km to the south of Puerto Varas.







### Enjoy Puerto Varas

★ Gaming casino: 532 slot machines and 36 gaming tables.	exceeding 600 square metres.
★ Hotel: A five-star hotel with 50 rooms. To be inaugurated in July 2009.	★ Equity holding structure: Enjoy (50%) and Grupo Pacífico Sur (50%).
★ Restaurants and Bars: The project envisages four restaurants and two bars.	★ Main building features: A building with 5,000 square metres plus a project for 15,000 square metres with 50% of it being Enjoy's contribution.
★ Staff complement: 355.	
★ Other facilities: The project entails a Convention Centre with a total surface	★ Expiry date for the gaming casino concession: 31 December 2015.



# ENJOY CHILOÉ

Castro is in the central area of the Chiloé Island, an area with plenty of tourist attraction potential located in the southernmost area of Chile. The total population in the Castro district is close to 50,000 with a total population in the island in being in the region of 155.000. The main economic activity within Castro is fishing and supplemented with farming activities.





## Enjoy Chiloé

★ Gaming casino: The project entails 230 slot machines, 16 gaming tables and 72 bingo positions.	★ Equity holding structure: Enjoy (100%).
★ Hotel: A five-star hotel project with 40 rooms and apartments.	★ Main building features: A building with 14,150 square metres on a land plot of 33,615 square metres.
★ Other facilities: The project entails three restaurants and two bars, a cinema, a convention centre and an OVO discotheque.	Expiry date for the gaming casino concession: 15 years from the date it comes on stream - expected to be sometime in August 2010.



# ENJOY MENDOZA

The main industries boosting the Mendoza economy are agriculture (chiefly its wine production), mining and tourism. Argentina is the fifth world wine producer after France, Italy, Spain and the United States; with Mendoza providing 80% of her total output. The investment figures for this business area in the past five years have exceeded the US\$ 1,500 million mark.



### Enjoy Mendoza

- ★ Gaming casino: 300 slot machines and 24 gaming tables. An expansion project envisages another 212 slot machines.
- ★ Hotel: A five-star hotel managed by Sheraton and fitted with 180 rooms.
- ★ Restaurants and Bars: Three restaurants and two bars.
- ★ Staff complement: 359.
- ★ Other facilities: A Convention Centre and one art gallery. Equity holding structure:
- ★ Enjoy (53%) and Grupo Camsen (47%)\*.
- ★ Main building features: A building with 40,254; with Enjoy having a 50% ownership.
- ★ Expiry date for the gaming casino concession: Indefinite concession that will remain valid as long as it is kept operational and within the hotel premises it is currently located.

\*Enjoy, despite having most of the economic rights, has not consolidated this joint-venture prospect mainly due to the shareholder agreement and the buyback option for 3% of the company owned by the local partner.



# ENJOY CROACIA

During 2008, Croatia had almost 11 million tourists with 80% being foreign subjects. The total number of overnight-stay sales peaked at 56 million, of which 50 million were taken up by foreigners. Most of the tourist influx originated in Germany, Russia, Italy, Slovenia, Austria, The Czech Republic, Hungary, Holland, France, Poland and Slovakia. Total sales for tourist goods and services during 2008 are estimated at € 7,000 million.







## Enjoy Croacia

★ Gaming casino: Gaming hall in Zagreb the capital city. And other gaming casino projects elsewhere within Croatia.	GMBH.
★ Equity holding structure: Enjoy (46.53%) and Anstalt Hotel Chain (46.53%) with the balance owned by the Austrian company HSF Delta Immobilienentwicklung	★ Expiry date for the gaming casino concession: The license expires on 15 January 2010. The Company has already started with the proceedings for renewing such license for a new 5-year period as stipulated in the currently enforced legislation.

Antofagasta



Viña del Mar



Colchagua



Coquimbo







Pucón



Puerto Varas



Mendoza



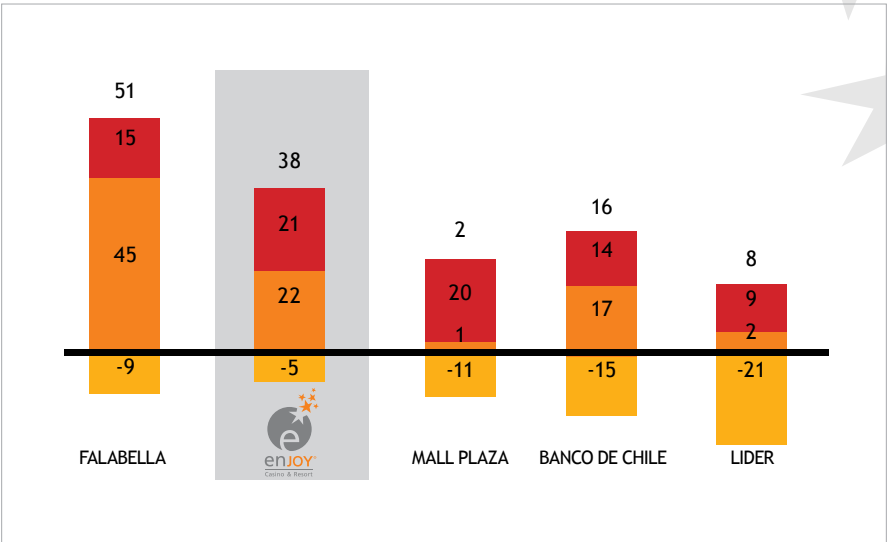
Chiloé

5. The Enjoy brand concept

In a matter of a few years, Enjoy has managed to position itself as a unique, different, innovative and stylish brand with a high degree of recognition throughout Chile. The Company launched the Enjoy brand in year 2005 with the support of a successful marketing campaign that managed to secure a good perception between its customers, the financial system and the general public alike. It is fair to assume that the campaign has helped to set in place the comprehensive leisure and entertainment concept offered by Enjoy.

Willingness to recommend the brand

Source: Millward Brown / Cadem Advertising; Survey, Brand Image and Status, May 2008. Total number of interviews in 2008: 700.



Would recommend that has not done so yet	Has recommended already	Would not recommend it at all
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## 6. Customer loyalty programme: Enjoy Club

Enjoy Club has successfully managed to consolidate itself like a customer loyalty program which enables the company to become aware and timely meet the customer's requirements.

Understanding the consumption profile and performance of the Enjoy customers in what has to do with their gaming, hotel and restaurant services' requirements, becomes of utmost importance if we are to ensure an effective focusing of the marketing efforts.

The gaming casino operators worldwide have focused on the development of customer loyalty programs with a view to capturing customer's data and registering, among other things, the following:

- The average time and outlays on gaming and consumption
- The visiting frequency
- The gaming preferences of the customers as well as their favourite options for the other components of the comprehensive supply package.

The foregoing allows for the implementation of a focused marketing strategy combined with an efficient and effective use of the funds earmarked for attracting and retaining the customers.

Enjoy Club is a management and marketing tool, whose specific objectives are:

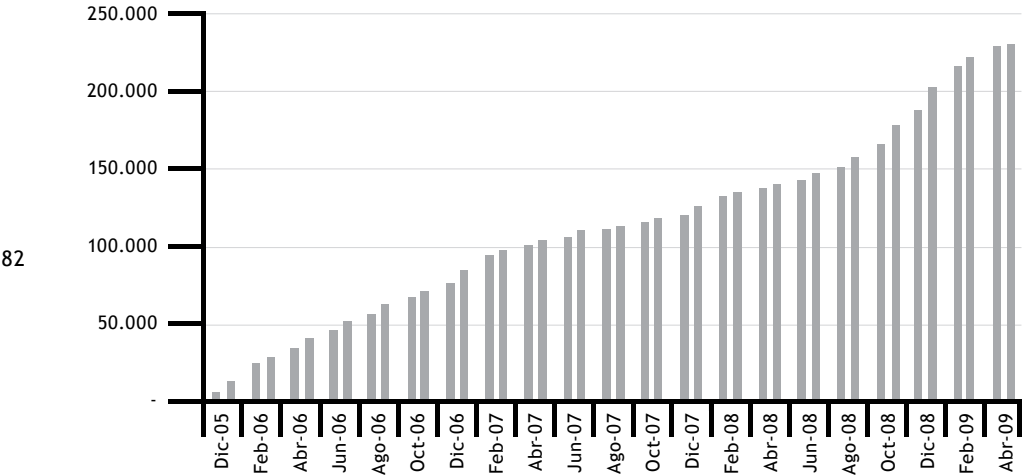
- Increase the value of the Enjoy customers' portfolio
- Increase the frequency of visits, stay and crossed sales in our premises
- Identify the factors that bear weight on the customers' loyalty and preferences.



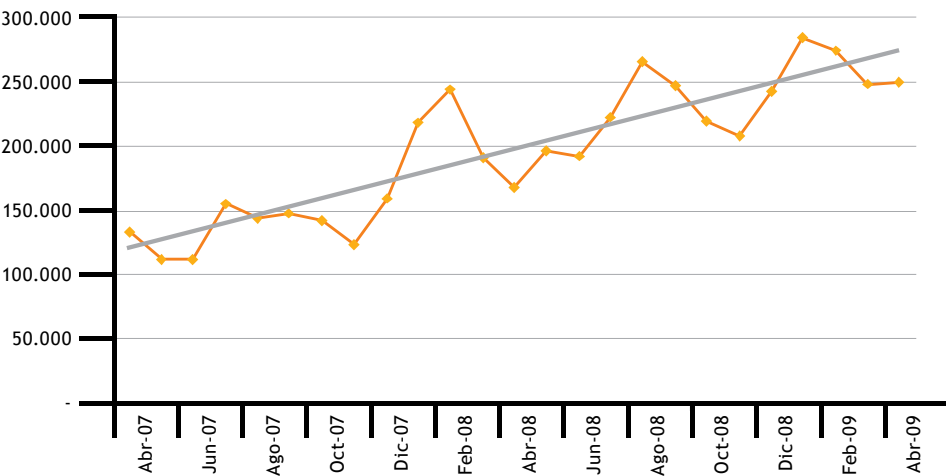
The Enjoy Club programme kicked off in December 2005 and to date it encompasses a customer base in excess of 220,000. The use of the membership card allows to perform a significant follow up of the Enjoy earnings, which in the case of slot machines, is well in excess of 40% of total earnings recorded by these machines.

The programme valuation by the customers is reflected in the high rate of point exchanges, which it is in the region of 65%. That said it can be assumed that this programme has managed to almost duplicate the customers monthly income after their joining the programme and staying in it for 24 months altogether.

Number of customers in the Enjoy Club programme



Enjoy earnings per customer\* - expressed in the Chilean Pesos (\$) parity for each period



Source: Enjoy.  
\*Note: Enjoy earnings per customer within a sampling universe of 9,881 customers in the Enjoy Club programme.



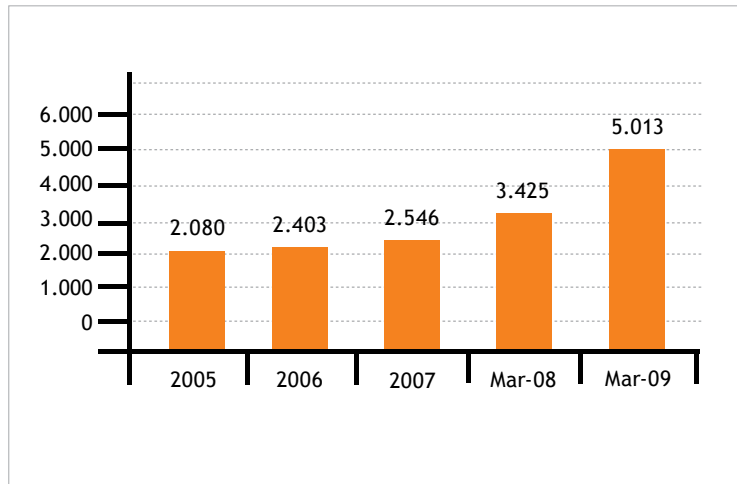
## 7. The Company and its employees

The service quality is directly linked to the performance of Enjoy's staff. Due to this, the Company has adopted active care/retention policies aimed at ensuring the staff will conclude that their work is a source of comprehensive growth, be it in their personal and professional life/interests alike. This allows Enjoy's staff to feel satisfied and motivated with their work which, in turn, translates into a circle of internal and external satisfaction and virtues. Such feeling should reflect itself also in a long term and profitable relationships with the customers.

### Staff complement

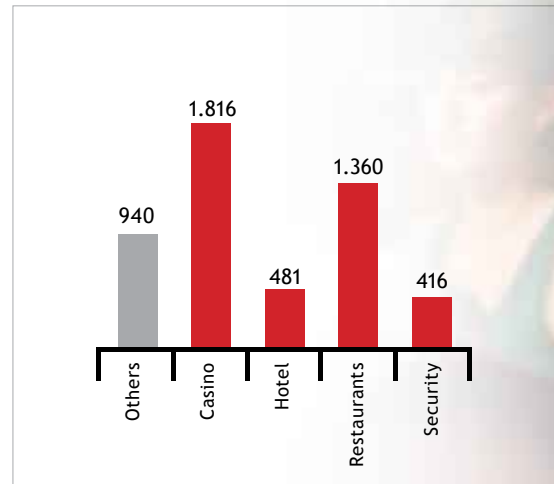
It has grown fast during the last year due to new business and project developments undertaken by the Company in the past year. This has encompassed a significant effort in recruitment, selection and training of new staff members across all levels within the organisation.

Enjoy's Staff Complement



Source: Enjoy.

An area breakdown of all our staff



Source: Enjoy.

## Training and Development

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Enjoy has developed a comprehensive competence development schedule for all the Company's staff. Such schedule covers specific areas concerned with each of the positions as well as transversal aspects of the Company as a whole. Behind this effort lies the Company's deep-rooted conviction that training is a key factor if we are to ensure a sound developing of the people's performance.

As stated in its business philosophy, for Enjoy the individual performance is the key for a career and personal development open to each and everyone serving with the Company. All our staff members are subject to periodic performance evaluations based on goals and competence evolution factors.

## Compensation and Retribution Model

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Enjoy systematically ensures the competitiveness of its staff salaries and wages vis-à-vis the market and internal equality with special care being allocated to key staff members and Company talents. Needless to say, all these factors are pondered against a background where merit and performance are key elements for ensuring a career development.

## Company Working Environment

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This aspect is measured twice a year and the results have shown a consistent improvement over time. This is expressed in a trade union membership participation rate being slightly over 15% coupled with the good level of relationship with the trade unions concerned. One of the factors which ensure such good relationship is maintained along time is the Company's policy of active communications policy with all its staff members.





## 8. Technology

Development and technology innovation have become main pillars in the overall leisure and entertainment industry, both at its interaction space with its customers as well as in the business management and backup areas.

Enjoy has decided to be a user of these world class technologies rather than becoming a mere applications' technology developer for its sundry management areas. Nowadays, 92% of our slot machines are online, a fact which allow us to identify our customers and deploy our customer loyalty strategies while adding value to our entertainment proposals. Likewise, such machines are also fitted with online failure monitoring tools online which allows us to become proactive in our problem sorting stance.

In the hotel and restaurant business areas, the Company has in place a system allowing for the implementation of a revenue and price management procedure as well as securing higher efficiencies in what has to do with consumables' management issues.

The backup/support system to our management and logistics functions allow us

to exercise an efficient control on such activities while lending support to the Company's growth.

As far as the future is concerned, Enjoy's technology strategy considers a fine balance between our two steady goals: to achieve an operational continuity and add value to our business.

The technology developments which support the customer's experience allow us to enhance quality and proactive stances in our customer's service capabilities, together with the knowledge of each of their options and preferences.

This strategy is based on current and robust IT management processes drawn up in line with international standards, all which are used in an environment catering for a proper stimulation and care of the available talents. Such IT platform is fitted with enough indicators allowing us to measure their management and progress alike, as well as ensuring for us the development and maintenance of long term relationships with our main suppliers.









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# VI. INVESTMENT PLAN

Enjoy has defined two main growth alleys: a further entrenching of its business model and replicating it in other locations.

When it comes to take our business model to further depths, our goal here is to broaden our target audience, generating an influx of public into our gaming casinos and entertainment centres chiefly by increasing their stay and loyalty while also increasing the value of our real estate assets.

On the other hand, Enjoy's business model can be developed elsewhere. Based on this feature, the Company now has the opportunity to creating value by developing its entertainment proposal abroad, with either new projects or improving existing but less profitable operations.

The recent opening of five hotels and six gaming casinos is part of our operations portfolio diversification drive in Chile and abroad that we initiated in the nineties.





Enjoy is completing a significant investment plan encompassing seven new projects. A significant share of them came on stream during 2008.

Until 2007, Enjoy operated the gaming casinos at Coquimbo, Viña del Mar, Pucón and Puerto Varas. The current management focus is to make our current operations more profitable, particularly those that have just come on stream.

**Investment Plans (expressed in Chilean Peso (\$) million)**

	Operations start up	Implemented as March 2009	Total investment
Antofagasta	November 2008 casino and hotel	51.015	51.015
Coquimbo	September 2007 casino May 2008 hotel	49.761	49.761
Viña del Mar	Casino furnishing	1.881	1.881
Santa Cruz*	September 2008	2.508	2.508
Pucón	December 2007 casino July 2008 Gran Hotel	21.432	21.432
Puerto Varas	Third quarter 2009	10.032	19.950
Castro	August 2010 casino August 2011 overall project	1.995	19.551
Mendoza**	October 2008	16.822	16.822
<b>Total</b>		<b>155.446</b>	<b>182.920</b>

Fuente: Enjoy.

\* This is the 40% of the investment at the Casino de Colchagua S.A.

\*\*This is the amount invested in the purchase of the 50% of the hotel and gaming casino company (CELA S.A.) and which is subject to a price adjustment clause.

# VII. FINANCIAL BACKGROUND

In the past two years, Enjoy sales' real composite annual growth rate exceeded 14%. Until June 2007 the Company achieved and maintained high efficiency levels for all its operations, which were reflected on EBITDA margins in excess of 40%. From that date onward, Enjoy started to unfold its investment plan, with seven projects altogether and valued over \$ 150,000 million and which has had a number of consequences on the Company's financial standing.

**Assets:** The new projects, most of them implemented in the past two years, reflect the Company's remarkable increase of its assets. Within the main infrastructure work outstand the building of the new gaming casinos and hotels in Coquimbo, Antofagasta and Mendoza, along with the re-construction of the gaming casino and the purchase of the Gran Hotel in Pucón, the new gaming casino in Colchagua and the purchase of a gaming casino's licence in Croatia.

**Liabilities:** With a view to meeting the challenge posed by these investments Enjoy structured its long term financing with banks in connection with the Antofagasta, Coquimbo and Pucón projects altogether as well as other corporate financial commitments. This accounts for the Company's indebtedness expansion in period 2007 - 2008.

It is relevant to quote that on 30 April 2009 the Enjoy's shareholders subscribed and paid a fraction of the capital increase agreed to during a specifically-convened Board Meeting held on 28 April 2009. Such increase amounted to \$ 11.000 million and was secured via a capitalization of the Enjoy S.A. accounts receivable.



**Start-up expenses:** Derived from a number of management and marketing aspects plus the need to select, hire and train the relevant staff team months ahead of the coming on stream of our commercial operations, the Company had to incur in significant one-time disbursements. In line with Chilean accountancy principles, these outlays cannot be rated as an asset and must be registered in the books for the same period in which they were incurred. This explains Enjoy's significant increment in operational expenses and other expenses not linked to its operational costs in period 2007 - 2008 and the inherent temporary drop in the corporate profit margins, particularly those for year 2008.

In line with the Company's estimations, the total outlays incurred to ensure the operational coming on stream during year 2008 totalled \$ 7,529 million. The noteworthy figures are the expenses associated to the Antofagasta project (\$ 3,062 million); the outlays linked to the transversal support area for the various

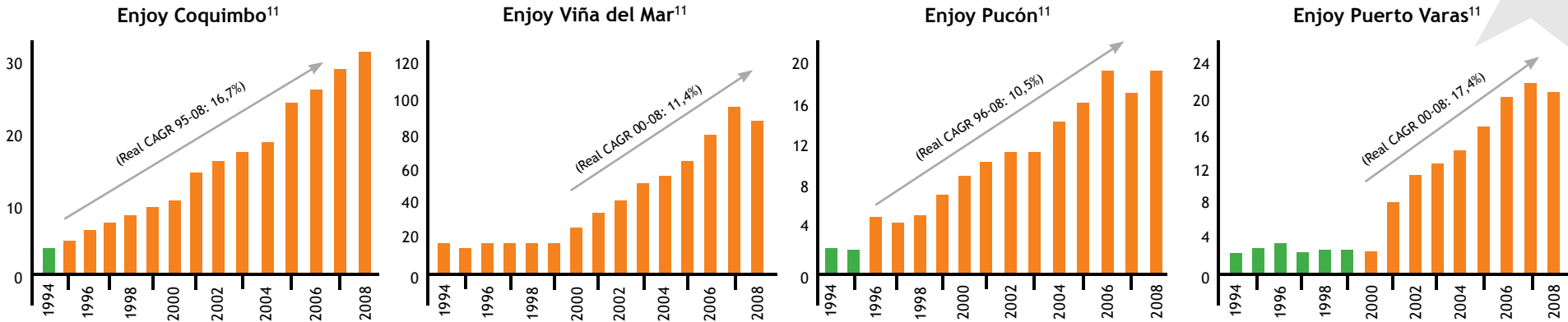
projects (Enjoy Gestión) and estimated at \$ 2,090 million, the disbursements allocated to the start up of both Hotel Coquimbo and Gran Hotel Pucón - valued at \$ 726 and \$ 1,039 million respectively - plus the commissioning expenses of the Mendoza project totalling \$ 612 millions.

**Turnover:** There is a new project maturity period in which the local market will require a period of time to develop itself and reach its full potential. In the case of new markets, usually this period tends to be more protracted on account of the need to change existing entertainment habits or create new ones almost from scratch.

The following is an evolution of the gross income for some of the gaming casinos managed by Enjoy and which reflect the increase of demand for entertainment within their respective areas of influence.

Evolution of gross earnings at the Enjoy gaming casinos (expressed in US\$ million)

Source: Enjoy. T/C 570



As the new operations reach maturity Enjoy should progressively improve its operational margins. To this beneficial effect should be added the prospects of securing better efficiencies and profits alike. These additions can be expected thanks to the synergies and scale economies which cater for the availability of a higher number of operations.

<sup>11</sup> Enjoy took on the Coquimbo gaming casino operations in year 1995 / Enjoy started its operations at the Viña del Mar gaming casino in year 2000 / Enjoy took on the Pucón gaming casino operations in 1996 / Enjoy took on the Puerto Varas gaming casino operation in year 2000.

### Enjoy Consolidated Balance Sheet

Million of Pesos at March 2009	31-12-2006	31-12-2007	31-12-2008	31-03-2008	31-03-2009	31-03-2009*
<b>Assets</b>						
Quick assets	22,845	33,094	31,042	31,689	27,816	27,816
Fixed assets	58,656	65,848	138,755	83,801	143,682	143,682
Other assets	27,246	23,755	51,390	24,767	50,861	50,861
<b>Total assets</b>	<b>108,747</b>	<b>122,697</b>	<b>221,187</b>	<b>140,258</b>	<b>222,359</b>	<b>222,359</b>
<b>Liabilities</b>						
Quick liabilities	31,179	64,378	135,131	72,165	117,248	106,248
Long term liabilities	38,826	29,355	56,803	35,470	79,179	79,179
Minority interest	18,252	9,599	8,101	9,134	8,362	8,362
<b>Patrimony</b>	<b>20,489</b>	<b>19,363</b>	<b>21,152</b>	<b>23,489</b>	<b>17,570</b>	<b>28,570</b>
<b>Total liabilities and patrimony</b>	<b>108,747</b>	<b>122,697</b>	<b>221,187</b>	<b>140,258</b>	<b>222,359</b>	<b>222,359</b>

Source: Enjoy.

\*Proforma Balance Sheet up to March 2009. It encompasses the capital increase by \$ 11,000 million subscribed by the shareholders on 30 April 2009 by means of the capitalization of Enjoy S.A. accounts receivable.





The following are the Company's summarised financial statements for years 2006, 2007 and 2008 and the first quarter of years 2008 and 2009

**Enjoy Consolidated profit and Loss Statements**

Million of Pesos at March 2009	31-12-2006	31-12-2007	31-12-2008	31-03-2008	31-03-2009
Operational income	49,242	49,339	64,499	19,029	23,357
Operational costs	-24,454	-24,803	-48,721	-11,189	-16,974
<b>Gross margin</b>	<b>24,787</b>	<b>24,535</b>	<b>15,779</b>	<b>7,840</b>	<b>6,383</b>
Gross margin	50.3%	49.7%	24.5%	41.2%	27.3%
Management and sales overheads	-10,386	-14,050	-12,661	-2,597	-2,279
As % of operational income	-21.1%	-28.5%	-19.6%	-13.7%	-9.8%
<b>Operational results (Ebit)</b>	<b>14,400</b>	<b>10,485</b>	<b>3,118</b>	<b>5,243</b>	<b>4,104</b>
Operational mark up	29.2%	21.3%	4.8%	27.6%	17.6%
<b>Non operational result</b>	<b>4,469</b>	<b>4,081</b>	<b>-3,796</b>	<b>-362</b>	<b>-6,839</b>
Financial income	76	145	588	260	16
Profits of investment in sister companies	0	0	0	0	40
Other non-operational income	8,443	16,016	299	253	731
Losses of Investment in sister companies	0	0	-937		-201
Amortization of investments' reduced value	0	0	-331		-194
Financial outlays	-1,973	-2,801	-10,089	-1,972	-4,186
Other non-operational income	-824	-12,204	-1,351	-85	-601
Monetary correction	0	2,890	8,297	1,035	-3,182
Exchange rate variation	-1,254	35	-271	147	739
<b>Result before taxes</b>	<b>18,869</b>	<b>14,566</b>	<b>-678</b>	<b>4,881</b>	<b>-2,735</b>
Income tax	-2,734	-3,403	-1,051	-1,043	627
<b>Result prior to minority interest</b>	<b>16,134</b>	<b>11,163</b>	<b>-1,729</b>	<b>3,838</b>	<b>-2,108</b>
Minority interest	-7,767	-6,897	-2,349	-1,156	-260
<b>Profit for the period</b>	<b>8,367</b>	<b>4,267</b>	<b>-4,078</b>	<b>2,682</b>	<b>-2,366</b>
Net margin	17.0%	8.6%	-6.3%	14.1%	-10.1%
<b>EBITDA</b>	<b>20,063</b>	<b>17,556</b>	<b>11,809</b>	<b>7,236</b>	<b>7,854</b>
<b>EBITDA margin</b>	<b>40.7%</b>	<b>35.6%</b>	<b>18.3%</b>	<b>38.0%</b>	<b>33.6%</b>

Source: Enjoy.

### Operational margins

	31-12-2006	31-12-2007	31-12-2008	31-03-2008	31-03-2009
Exploitation margin	50.3%	49.7%	24.5%	41.2%	27.3%
Operational margin	29.2%	21.3%	4.8%	27.6%	17.6%
EBITDA margin	40.7%	35.6%	18.3%	38.0%	33.6%

Source: Enjoy.

During the first quarter of 2009, the exploitation revenue real increase amounted to 22.7% as opposed to the comparable period a year earlier and recorded \$ 23,357 million. This is due to increases in revenue at the Coquimbo and Pucón operations by 31% and 23% respectively plus the coming on stream of the new operation in Antofagasta.

Along with the revenue increment, the EBITDA for the first quarter of 2009 increased by 8.5% as opposed to the comparable period a year earlier. Nonetheless, the EBITDA margin over revenue dropped by 33.6% because the operator and real estate company in Antofagasta generated a consolidated income

of \$ 2,707 million with a 7% EBITDA margin which generated a drop in the Company's consolidated margin.

The non operational loss of \$ 6,839 million incurred in the first quarter of 2009 is chiefly explained by the financial outlays and the monetary correction valued at \$ 4,186 million and \$ 3,182 million respectively. Furthermore, the growth of financial outlays is due to the surge in the level of liabilities associated to the new projects and the rise in the short term interest rates on account of the renovation implemented in the last quarter of 2008 which was a period of great volatility and a distinct lack of liquidity within the

financial markets.

The exploitation revenue during 2008 grew by 30.7% as opposed to the comparable period a year earlier. This is due to the new operations coming on stream. In period 2006 - 2007 the revenue remained almost unchanged in spite of the fire which affected Hotel del Lago in Pucón. Had this fire not happened, the Company believes that the real income growth rate would have been 7.0% in 2007. This event not only had an adverse effect on the revenue but also on the Company's EBITDA margin.

### Financial reasons

	31-12-2006	31-12-2007	31-12-2008	31-03-2008	31-03-2009	31-03-2009*
Financial outlay's coverage <sup>(1)</sup>	10,2	6,3	1,2	4,0	1,0	1,0
Current liquidity <sup>(2)</sup>	73%	51%	23%	44%	24%	26%
Indebtedness ratio <sup>(3)</sup>	1.8	3.2	6.6	3.3	7.6	5.0
Long term debt / total debt <sup>(4)</sup>	55%	31%	30%	33%	40%	43%

Source: Enjoy.

(1) Financial Expenses Coverage: EBITDA U12M / financial expenses U12M.

(2) Quick liquidity: quick assets / quick liabilities.

(3) Indebtedness ratio: (total quick liabilities plus total long term liabilities) / (total patrimony plus minority interests).

(4) Long term debt / total debt: total long term liabilities / (quick liabilities plus long term liabilities)

## Profit And Loss Proforma Statement

With a view to securing an even comparison we disclose below the Enjoy S.A. proforma results which reflect the current partnership structure applied to the results for the 2006 and 2007 annual accounting periods. The adjustments introduced were:

i) The acquisition of a 40% of the equity held by Slots S.A. (slot machine operator at the Viña del Mar gaming casino) which now is added to the previous 50% equity held by the Company.

ii) The increased Enjoy's equity within the Coquimbo gaming casino joint venture company which went from 62.5% to its current 100% ownership. The foregoing differences have an impact on the minority interest and, as a result, the Company's net profits.

## Enjoy Consolidated Profit and Loss Statement

Million of Pesos at March 2009	31-12-2006	31-12-2007	31-12-2008	31-03-2008	31-03-2009
Operational income	49,242	49,339	64,499	19,029	23,357
Operational cost	-24.454	-24.803	-48.721	-11.189	-16.974
<b>Gross margin</b>	<b>24,787</b>	<b>24,535</b>	<b>15,779</b>	<b>7,840</b>	<b>6,383</b>
Management and sales overheads	-10,386	-14,050	-12,661	-2,597	-2,279
<b>Operational results</b>	<b>14,400</b>	<b>10,485</b>	<b>3,118</b>	<b>5,243</b>	<b>4,104</b>
Operational margin	29.2%	21.3%	4.8%	27.6%	17.6%
<b>Non operational result</b>	<b>4,468</b>	<b>4,081</b>	<b>-3,796</b>	<b>-362</b>	<b>-6,839</b>
Result before taxes	18,868	14,566	-678	4,881	-2,735
Income tax	-2.734	-3.403	-1.051	-1.043	627
<b>Results before minority interests</b>	<b>16,134</b>	<b>11,163</b>	<b>-1,729</b>	<b>3,838</b>	<b>-2,108</b>
Minority interest	-4,332	-3,339	-2,349	-1,156	-260
<b>Profit for the period</b>	<b>11,802</b>	<b>7,824</b>	<b>-4,078</b>	<b>2,682</b>	<b>-2,366</b>
Net margin	24.0%	15.9%	-6.3%	14.1%	-10.1%

Source: Enjoy.

The financial data used for this analysis are the same ones which were used in compiling the Company's financial statements. The calculations were performed in line with the accounting principles accepted in Chile. Such process was verified by Messrs Ernst & Young, the Company's external auditors.

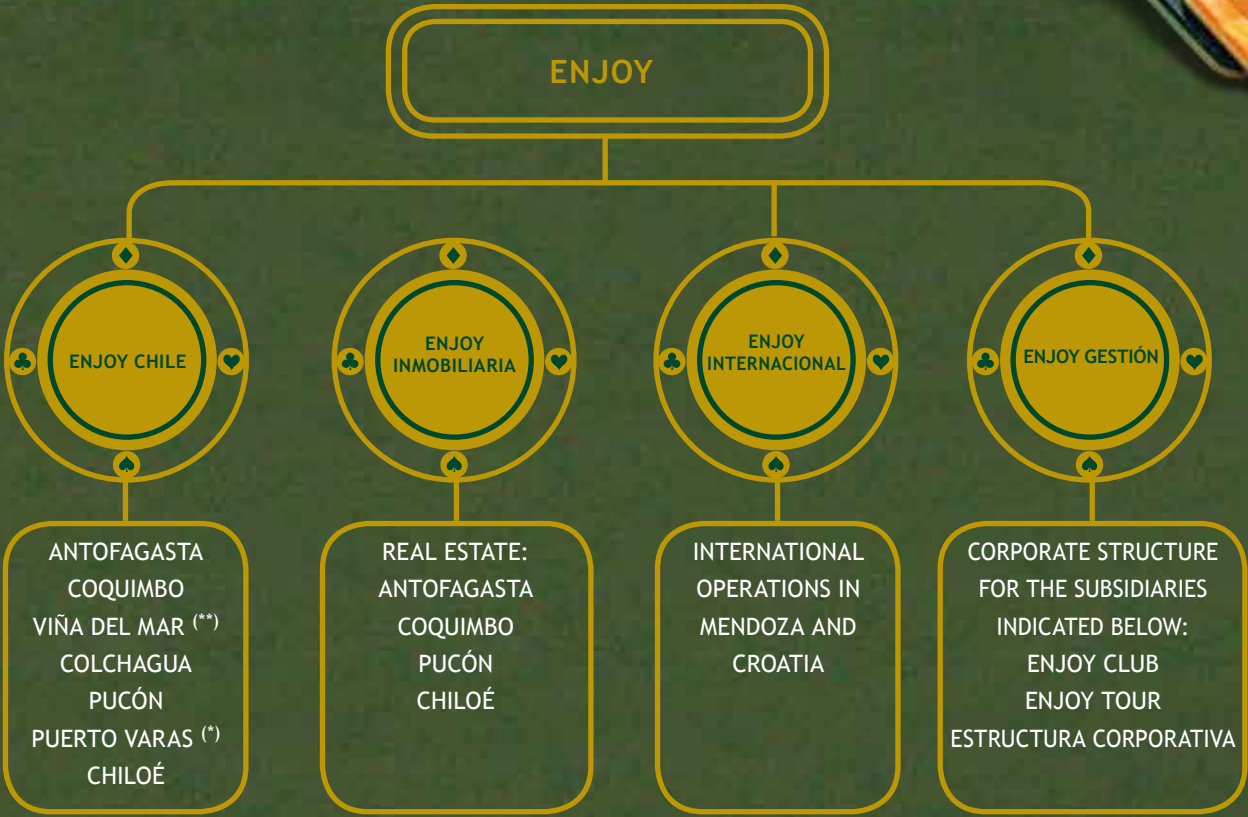






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Enjoy's subsidiaries structure



Enjoy S.A. owns and operates four subsidiaries altogether, each one being in charge of a specific geographic location or business area: a) The Chilean market area of gaming casinos, hotels, gastronomy and live shows is undertaken by Enjoy Chile Ltda., b) The real estate business is undertaken by Enjoy Inmobiliaria SpA, c) The international operations are conducted by Enjoy Internacional Ltda., and finally d) The operational management, consultancy, services and tourism operations are the responsibility of Enjoy Gestión Ltda.

12 Notes:  
(\*) The real estate assets at the Puerto Varas gaming casino are owned by the same company that owns the casino license.  
(\*\*) The Viña del Mar gaming casino business and which are consolidated at Enjoy are referred to the rental of the slot machine and hotel / restaurants' operations. All such links arrangements are managed via a sub-letting contract.

## Enjoy Chile

The operations undertaken in Chile and concerning the gaming casinos, hotels, restaurants and entertainment business are developed by the sister company Enjoy Chile Ltda. On one hand, there are partnerships referred to “Comprehensive Operators” which are in charge of the everyday running of the hotel, restaurant and live show areas. On the other hand there are the “Gaming Casino Operators”, which are the partnership companies operating the gaming tables, bingo and slot machines. These partnership companies are either owners of the concessions or operational licenses for each gaming casino. These businesses are being developed by the following Enjoy Chile Ltda. subsidiaries:

1. The partnership company Slots S.A. owns the slot machines fitted at the Viña del Mar casino. By virtue of an operation and maintenance contract, this partnership company has supplied the such machines for them to be used by the Viña del Mar gaming casino concessionaire - Antonio Martínez y Cía., - in exchange of 92.5% of the net income generated by the machines - that is once VAT and the municipal contributions have been deducted.

2. The partnership company Masterline S.A. is the sub-concessionaire of the food and beverage business for the Viña del Mar hotel. By virtue of the existing contractual link with Antonio Martínez y Cía., Masterline S.A. pays the former an annual lease valued at 80,000 Inflation Accounting Units (better known for its Spanish acronym = UF).

3. The partnership company Kudén S.A. is the operator of the Pucón gaming casino and the adjacent Gran Hotel Pucón.

4. The partnership company Plaza Casino S.A. is

the operator of the Puerto Varas gaming casino and the future operator of the hotel currently under construction.

5. The partnership company Campos del Norte S.A. is the operator of the Coquimbo gaming casino and other services ranging from hotel, food and beverages, spa and convention centre.

6. Inversiones Vista Norte S.A. is the operator in charge of the hotel management, food/beverages and other complementary services on behalf of Enjoy Antofagasta.

7. The partnership company Operaciones El Escorial S.A. is the license holder for operating the Antofagasta gaming casino.

8. The partnership company Casino de Colchagua S.A. is the license holder for operating the Santa Cruz gaming casino. Enjoy holds a 40% holding of this partnership.

9. The partnership company Operaciones Turísticas S.A. operates the ski centre located on the Villarrica volcano slope. It also provides tourism services such as passenger transport and tours to name a few.

10. Finally, Operadora Integral Isla Grande S.A. - as the comprehensive services' operator and Rantrur S.A. as the gaming casino operator - were awarded on 11 August 2008 a license for running a gaming casino and associated services on Chiloé island.



## 2. Enjoy Inmobiliaria (Real Estate)

The real estate area is developed by Enjoy Inmobiliaria S.A. and its following subsidiaries:

1. The partnership company Inmobiliaria Proyecto Integral Coquimbo S.A. hires the real estate facilities where the Coquimbo gaming casino and the attached Hotel de la Bahía are located. Such arrangement was agreed within the framework of a financial leasing contract with Banco Santander-Chile.

2. The partnership company Inmobiliaria Kudén S.A. is both the owner and tenant of the real estate facilities where the existing Pucón gaming casino is located. Furthermore, Inmobiliaria Kudén

S.A. leases out within the framework of a leasing contract with Corpbanca, the real estate facilities of the Gran Hotel Pucón and adjacent premises as well as other nearby facilities allocated to hotel and time share business. A similar arrangement, within the framework of a financial leasing contract, was agreed with Corpbanca and encompassing a group of assets allocated to the commercial exploitation of the Villarrica-Pucón Ski Centre on the slopes of the Villarrica volcano. Such real estate and related assets are sublet to the Kudén S.A. subsidiaries and to Operaciones Turísticas S.A., respectively. Furthermore, it also retains the asset - in the form of the land plot where the fire-damaged Hotel del Lago is located.

3. The partnership company Inmobiliaria Proyecto Integral Antofagasta S.A. hires the real estate facilities housing the Enjoy Antofagasta casino. Such arrangement was agreed within the framework of a financial leasing contract with Banco de Crédito e Inversiones and Banco de Chile. Such real estate assets are sublet to Inversiones Vista Norte S.A.

4. The partnership company Inmobiliaria Proyecto Integral Castro S.A. owns the real estate that will house the gaming casino yet to be commissioned in the southern Chilean city of Castro and thus is in a position to implement the operational license awarded to its subsidiary (Rantrur S.A.).

## 3. Enjoy Internacional

The international business of Enjoy S.A. is undertaken by its subsidiary known as Enjoy Internacional Limitada.

On 27 March 2008, Enjoy signed a reference agreement aimed at purchasing 50% of the shares of the Argentinean stock companies Cela S.A. and K-Bin S.A. This transaction was subject to certain conditions and pacts which were materialised during 2008. Cela S.A. owns a five-star hotel fitted with 180 rooms that, as a result of an assistance contract agreement with the Starwood Hotel & Resorts Worldwide Inc. chain, is operated under the Sheraton brand. Cela is also the holder and operator of a gaming casino license awarded in the context of the laws and regulations enforced in the Mendoza province. Cela is also the recipient of advisory services from Enjoy in line with the terms of a brand management and licensing agreement. The shareholder is known as Andes Entretenimiento Limitada, an Enjoy Internacional Limitada subsidiary company.

On 26 March 2008, Enjoy Internacional Limitada set up in Croatia the joint venture entity known as Latino Usluge d.o.o. aimed at developing - together with the hotelier company Hotelera Anstalt - a gaming casino business in Croatia.





#### 4. Enjoy Gestión (Management)

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The management, services and operational areas are masterminded via Enjoy Gestión Ltda. and implemented by the following subsidiary companies:

1. The partnership known as Enjoy Club S.A. looks after the Enjoy Club customer's loyalty fidelity programme.
2. Operaciones Turísticas S.A. is in charge of providing the array of tourism services, chiefly those related to the hotel business and ranging from passenger transport and tours. Furthermore, this company operates the Villarrica-Pucón Ski Centre on the Villarrica volcano hillside.
3. In its business generation role, Enjoy Gestión Ltda. provides comprehensive advisory services aimed at the sound management and administration of gaming casinos plus an array of supplementary services and back office support to all the Enjoy-related subsidiaries.



## Annex 2

### Senior Enjoy Executives

Javier Martínez Seguí (1970)  
General Manager

Javier Martínez has served with the Company since 1994. In period 1996 - 1997, he led the development and implementation of the gaming Pucón gaming casino and attached Del Lago resort facilities. This was a significant landmark project within the Chilean gaming industry and set in motion Enjoy's comprehensive leisure and entertainment model. In year 2000 he undertook the development of the Puerto Varas casino project and by year 2004 was appointed Development Manager, with his remit being the management of the Group's expansion initiatives throughout Chile. His performance at the time was undertaken against the background of the new Gaming Casino Law. From year 2006 to date he has served as Enjoy's General Manager.

Sr. Javier Martínez is a Business Administrator graduated from the Adolfo Ibáñez University and holds a Taxation Management Degree from the same university.

Pier-Paolo Zaccarelli Fasce (1962)  
Chief Business & Operations Officer

Pier-Paolo Zaccarelli joined the Company in 1985 as the Administration and Finance Manager of Antonio Martínez y Compañía, the Viña del Mar gaming casino concessionaires at the time. During period 1995 - 2006, he served as General Manager of this same casino and was entrusted with the construction and furnishing of the Hotel del Mar, the first five star hotel in Region V. The main features of his management performance are the innovation and contribution to an overall business development while serving also on a number of trade association boards ranging from the National Chamber of Commerce, Production, Services and Tourism, Vice President of the National Tourism Council (better known for its Spanish acronym = Consetur) to Chairman of the Valparaiso Chamber of Commerce to name a few. Since 2006 he has served as Enjoy's Corporate Business Manager.

Sr. Pier-Paolo Zaccarelli is a Business Administrator graduated from the University of Santiago and holds a Master Degree in Business Management awarded by the Adolfo Ibáñez University.



**Percy Ecclefield Arriaza (1947)**  
**Legal Affairs**

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Percy Ecclefield has been with the Group since 1995 and in charge of Legal Affairs. Prior to joining us he served as Chief Legal Prosecutor at the Chilean state Bank (BancoEstado) for 24 years. On the academic front he holds an extensive track record as Lecturer on Law Theory with Chilean universities such as the University of Chile, Universidad del Desarrollo, Universidad Central de Chile and Universidad Gabriela Mistral. Currently he holds the Chairmanship of the Peñuelas Race Course and is member of the Chilean Law College.

Sr. Percy Ecclefield is a Lawyer graduated from the Valparaíso Catholic University and holds a Taxation Management Master Degree awarded by the Adolfo Ibáñez University.

**Rodrigo Larraín Kaplán (1971)**  
**Chief Financial Officer**

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Rodrigo Larraín joined Enjoy on May 2006 as Finance Manager, While serving this position he renegotiated the Group's main liabilities and structured the new projects' financial arrangements. From January 2007 to June 2008 he took over the Corporate Development and Infrastructure Management and led the implementation of the Enjoy Antofagasta, Coquimbo, Santa Cruz, Puerto Varas and Pucón projects, together with Enjoy's international investments in Argentina and Croatia. Prior to joining us, and for 8 years, he was actively involved in business and financial structuring projects for corporate customers to Citibank Chile, BBVA Chile and Credit Suisse, Nueva York.

Rodrigo Larraín is an Industrial Engineer graduated from the Catholic University and holds a MBA Degree awarded from Ross School of Business, University of Michigan.





**Susana García Echazú (1972)**  
**Personnel Manager**

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Susana García joined Enjoy in 2006 to lead the then newly created Personnel Management Office. From this position she started a corporate cultural change process. Her approach was in the form of a systematic work focused on subjects such as training, leadership, compensations, internal communications and working environment to name the most noteworthy ones. She also has led the whole employee recruitment and training process in line with Enjoy's new project requirements.

When it comes to the management of human resources, her style encompasses a multi-discipline vision. This is thanks to her 10 year-long work at VTR where - prior to taking on her current position with us - was in charge of key areas ranging from Customer Service, Operations, Projects and Management Control. Susana García is an Industrial Engineer graduated from the University of Chile.

**Andrés Astaburuaga Lagos (1970)**  
**Corporate Commercial Manager**

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Andrés Astaburuaga joined Enjoy in 2008, after forming a specialist company active in the audiovisual, digital communications and advertisement areas. Prior to such own initiative, he was Corporate Marketing Manager at the D&S supermarket chain and with LAN Airlines as Manager in charge of Loyalty and Direct Marketing schemes. In period 1993 - 2001 he developed his career at the Unilever transnational concern, where he served in both national and international positions culminating as a Brand Manager based in London. He had just left university when he was hired by Banco de Chile to work on their New York money desk.

Sr. Andrés Astaburuaga is a Business Administrator graduated from the Catholic University of Chile.

**Juan Francisco Muñoz Venturelli (1970)**  
**Corporate Development and Technology Manager**

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Juan Francisco Muñoz joined Enjoy in 2008. Prior to then he worked for 6 years for VTR Globalcom's Southern Area Manager. In period 2005 - 2007 he was Vice President in charge of Systems and Supply Chains with his specific remit being the Vice-presidency specific requirements and doubling as Process and Business Continuity Manager. In 2006 he was a Board Member of "La Gran Guía" Directory publications and, at an international level served as member of both the CIO and Procurement Boards. In 2007 he was appointed Vice President in charge of Operations and Systems. Prior to that - in period 1994-2001 - he performed as Administration and Finance Manager and also as Technical Division and Projects Manager for a Chilean company known as Quimetal Industrial.

Sr. Juan Francisco Muñoz is an Industrial Engineer graduated from the University of Chile and holds a Finance Diploma awarded by the Catholic University of Chile.





**Ignacio de la Cuadra Garretón (1974)**  
**Management and Risk Control Manager**

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Ignacio de la Cuadra joined Enjoy in December 2007 after working for nine years at Empresas CMPC with the first four allocated to marketing positions. Afterwards he joined the Sales area and led a team of professionals focused on managing a cross section of key customers including store chains with national coverage and supermarket associations. His management style features at the time encompassed the implementation of strategies that enabled a combined profit enhancement approach with customers keen to identify common goals and gains alike. In year 2004 he was appointed Deputy Manager in charge of Management Control. His specific remit then was to mastermind the Management Analysis, Budget, Control and Internal Audit areas. At a later stage, his remit was expanded to include Human Resources' functions ranging from Internal Communications to Compensation issues.

Sr. Ignacio de la Cuadra is a Business Administrator graduated from the Universidad de Los Andes and holds an MBA degree awarded by ESE.

**Sofía Moreno Sorolla (1964)**  
**Manager for Corporate Affairs**

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Sra. Sofía Moreno joined Enjoy in April 2004 as Commercial Manager. From this position she led the launch of the Enjoy brand and also the development of the Enjoy Club programme. In October 2006 she was appointed Manager for Corporate Affairs with the specific remit to manage issues referred to Enjoy's corporate image and reputation, corporate social responsibility (locally known for its Spanish acronym RSE), communications and public relations alike. In period 1999 - 2004 she worked as Deputy Commercial Manager for the Mall Plaza shopping arcade developers and was actively involved in an implementation drive encompassing a number of projects for large-sized shopping malls/arcades. Prior to that she served as Product and Procurement Manager for the D&S supermarket chain and later on, and for 2 years, was the Commercial Manager at the MTS hardware and tool wholesale company.

Sra. Sofía Moreno is a Business Administrator and holds post graduate degrees and diplomas awarded by the Business School of the Santa Maria University, the Valparaíso Business School and the Adolfo Ibáñez Foundation.



## Annex 3

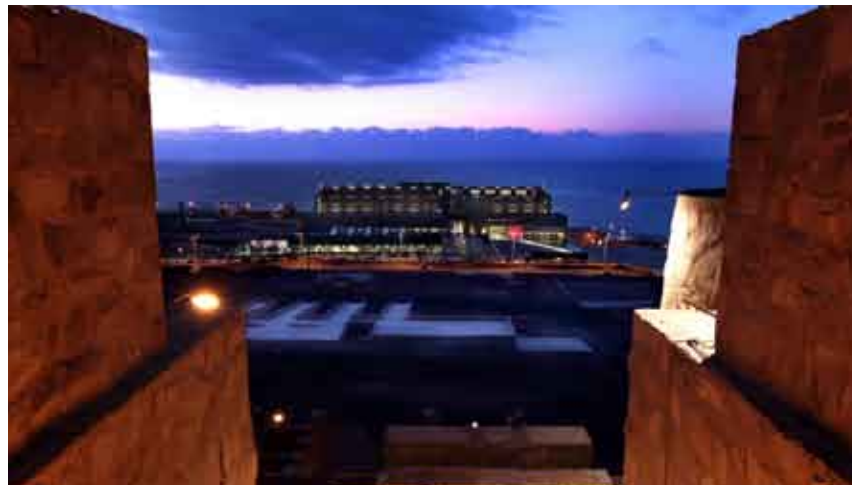
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### Corporate Social Responsibility

For Enjoy, to have a future is synonymous to a sense of transcendence; to be a company capable of sustaining itself along time irrespective of the fact that this goal could be very demanding at times. If we are to nurse a realistic aspiration to social and economic development in Chile, one of these demands has much to do with exerting leadership, chiefly with a view to securing a subsequent generation of wealth and employment alike. Another exacting demand is to achieve this goal in a proper way while keeping a strict observance of our values.


In year 2008 - and with the foregoing aims in mind - the Company designed its Corporate Social Responsibility plan aimed at adding value to the organization. While on this, another noteworthy objective we agreed on was to cater for a continuity element in all our efforts for securing a harmonising and distinctive mark affixed on all the Company's endeavours and the way it conducts its business.

This programme, based on the Company's values and philosophy is embedded in the Responsible Entertainment concept and defines its 5 pillars, Such pillars are all transversal to the various areas in which the Company is actively involved and whose common goal is to secure an overall sustainable development.



The Atacama Desert and Huanchaca Ruins Museum - Antofagasta

## Enjoy and its sustainable development: A Company business philosophy reflected in five pillars

Permanence Vocation		Leave behind a transcendent record of our harmonious presence		Take on and implement our commitments	
Our endeavours	Our people	Our customers	Our community	Our environment	
<b>Transparency and integrity</b>	<b>Our collaborators do feel proud and “better persons”</b>	<b>Customers that enjoy life through ever lasting and safe experiences</b>	<b>The community is a co-actor of Enjoy’s work and prosperity</b>	<b>An organization which is environmentally friendly</b>	
<ul style="list-style-type: none"> <li>★ Corporate Government</li> <li>★ Values’ management</li> </ul>	<ul style="list-style-type: none"> <li>★ Excellence organization</li> <li>★ Training</li> <li>★ Quality of work life</li> </ul>	<ul style="list-style-type: none"> <li>★ Physical security</li> <li>★ Mental and emotional security</li> <li>★ Enjoyment replication</li> </ul>	<ul style="list-style-type: none"> <li>★ Tourism and socio-economic development</li> <li>★ Cultural and sports development</li> </ul>	<ul style="list-style-type: none"> <li>★ Energy efficiency</li> <li>★ Environmental practices</li> <li>★ Environmentally friendly operations</li> </ul>	
<p>Integrity, transparency and honesty are the principles that have shown and will continue to show the way for the Company’s work. For Enjoy it is of the utmost importance to promote an organizational culture based on the Company’s vision, mission and values.</p> <p>In this pursuit, the Company has implemented several campaigns seeking to strengthen the corporate philosophy, intensifying the sense of belonging and commitment and grant recognition to whom currently represents these Enjoy values.</p>	<p>Our staff is one of the Company’s main focus. One of Enjoy’s permanent concerns is to contribute to an improvement in their quality of life, promote their professional and personal development as well as encouraging their excellence and commitment throughout their daily affairs. To count with the services of committed staff that, above everything else, does find a joy in their work has become a Company’s crucial and priority factor.</p> <p>The training programme together with all the different actions implemented so far and aimed at benefitting our staff are illustrations of some of the CSR actions that Enjoy has developed for all its collaborators alike.</p>	<p>Our customers are Enjoy’s raison d’être. For this reason, the Company wants its customers to literally “enjoy” in a responsible and safe way and for a long time our entertainment and leisure package supply. The Customer Care Programme is part and parcel of the CSR initiatives focused on this target group. Further to the point, this programme encompasses as one of its main axis the Programme known as “Jugados por Ti” (“Totally on Your Side”) that calls for the prevention of addictive behaviour concerning alcohol and gaming amid the company customers. This is chiefly considered as showing our willingness to support those in need for it.</p>	<p>To settle our presence in the cities in which Enjoy currently located becomes an essential element in the Company’s culture. The goal here is to become, not only a reliable partner of the community that is always keen to contribute to its economic, social and cultural development. The tourism plan developed for Pucón, the creation of the “Parque Cultural Ruinas de Huanchaca” in Antofagasta, the permanent support afforded to charity and welfare institutions such as “Hogar de Cristo” or “Un Techo para Chile” and to corporate volunteer initiatives are some of the noteworthy illustrations.</p>	<p>Our daily endeavour is to ensure our company is an environmentally friendly one. Paper and glass recycling initiatives as well as other actions undertaken at the hotels are focused on both the promotion of good practices amid our customers as well as the procurement of products which, from an environmental viewpoint, are more sustainable. These are some noteworthy illustrations of Enjoy’s endeavours on the crucial environmentally friendly angle.</p>	

## Annex 4

### Chilean regulations

#### a. Gaming Casino Law

On 4 of January 2005 a new regulation was enacted in the form of Law # 19,995 (better known as the Gaming Casino Law), that created the Gaming Casino Superintendence as the only government entity responsible for awarding, renewing and revoking gaming casino operational permits throughout the country, as well as being empowered to supervise their activities.

The transitory clauses of the Gaming Casino Law stipulated that the Gaming Casinos which were operating at the time of this Law's enactment will continue to abide by the legal, management and contractual regulations applicable from the time of their inception and until the lapsing date of the relevant licence contract, its extension or renewal which cannot extend any further than 31 December 2015 unless it has previously come to a close for whatever reason. Irrespective of the foregoing, when it comes to matters referred to supervision and fines, the Gaming Casino Law clauses will apply.

As far as the Enjoy case is concerned, the municipal licenses for Coquimbo, Viña del Mar, Pucón and Puerto Varas were renewed by the respective town councils with all their expiry dates set at 31 December 2015.

In line with the stipulations of the Gaming Casino Law, the new licenses are awarded on the basis of an investment project bidding procedure lodged with GCS. The latter's Resolution Council being in charge of allocating the new licenses. The main objective of this procedure is to select those projects that will generate the highest impact when it comes to economic, social, tourist and cultural development of each community or region where such gaming casinos will be based.

The license awarding mechanism entails a points' system that takes into account the features of each project. The members of the Resolution Council will analyse in detail the reports issued on all the projects that, as a result of a prior technical revolution, have been valued at least with 1,200 points within a

maximum of 2,000. This point system ensures that no licence can be granted to a consortium that has not met the foregoing minimum points' requirement.

In general terms, the Gaming Casino Law sets three basic restrictions: i) the possibility of establishing gaming casinos in the Metropolitan Region is specifically excluded; ii) the maximum number of gaming casinos that can be located on any one Region throughout Chile is 3; and iii) there must be an exclusion radius of 70 road kilometres in between either the new gaming casinos or the ones currently in operation.

Likewise, the law stipulates that each license operator must be a stock company whose shares are freely transacted in the Stock Exchange and whose single business objective is the operation of a specific gaming Casino. Furthermore, the casino operator is subject also to the same degree of supervision than any other stock companies whose shares are transacted in the Stock Exchange.

On the other hand, the districts or constituencies which have a gaming casino currently operating within their territorial area have a preferential right to be the host districts or constituencies for a gaming casino when one of the proposed projects matches the best average score for another proposed project but considered for a different district or constituency.

As regards the applicable taxation, In addition to the income tax, sales & services tax (VAT) plus all the other taxes which are levied on Chilean-based companies, the Gaming Casino Law stipulates that a concessionaire company must pay an specific 20% fix rate tax applicable to its gross income (with 10% going to the regional government and 10% to the corresponding municipality), plus a tax equivalent to 0.07 Unidades Tributarias Mensuales (Monthly Inflation Accounting Units) applied to all admission tickets issued when admitting the public into the gaming halls.



## **b. Supervision of the Gaming Casino Superintendence applied to Enjoy's shareholders**

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The Enjoy statutes were amended to ensure they become in line with the Gaming Casino Superintendence stipulations, chiefly to ensure the latter could exercise its supervision faculties. The statute amendments now specify that any share acquisitions arranged by an individual or company, by means of one or more transactions and equivalent to 5% or more of the issued and paid-up capital of the Company, must be reported to the above Gaming Casino Superintendence. The notification must be done within the term of 10 days following the date the Company becoming aware of such share limit being reached or exceeded. The purpose of this notification is to ensure that, in due course, the Superintendence can exercise its supervision entitlements specified in the Gaming Casino Legislation.

Likewise, the law also stipulates whenever a shareholder who, by virtue of one or more transactions, has managed to purchase 5% or more of the total issued and paid-up capital of the company will have his/her/its right to vote left in abeyance or constrained during the next Shareholder Meetings - be those general or extraordinary ones alike. This restriction will apply to those shares which exceed the foregoing percentage and while the Gaming Casino Superintendence has yet to specify that such shareholder meets the requirements stipulated in the Gaming Casino Legislation. It is also stipulated that in the case the Gaming Casino Superintendence concludes that the shareholder that have just procured the shares in question does not meet the requirements demanded by the Gaming Casino Superintendence, the shareholder concerned must arrange for the sale of the shares that exceed the 5% mark within the term of six months from the date he/she/it was notified of the resolution issued by the above Superintendence. During such six-month-period the constrained right to vote as well as the period allowed for selling the shares must be registered in the Company's Shareholder Registrar.

On the other hand, it is also stipulated that the foregoing will be applicable also to those persons that - either directly or through third parties (the those other individuals or companies alike) - have managed to secure the ownership of 10% or more of the issued capital; and which in line with the stipulations of article 12 of the Stock Companies Law, must report such transactions to the Stock and Insurance Companies' Superintendence. This notification must be issued within the term of two working days following the transaction(s) concerned. To this effect - and within the same period of time - a similar acquisition report must be addressed to the Gaming Casino Superintendence for them to exercise their supervision faculties in line with the stipulations of the foregoing paragraphs.

Last but not least, what is stipulated in the foregoing paragraphs will not be applicable to institutional investors, being such those defined in the Stock Market Law and other applicable legal texts.



Annex 5

The Gaming industry in Croatia

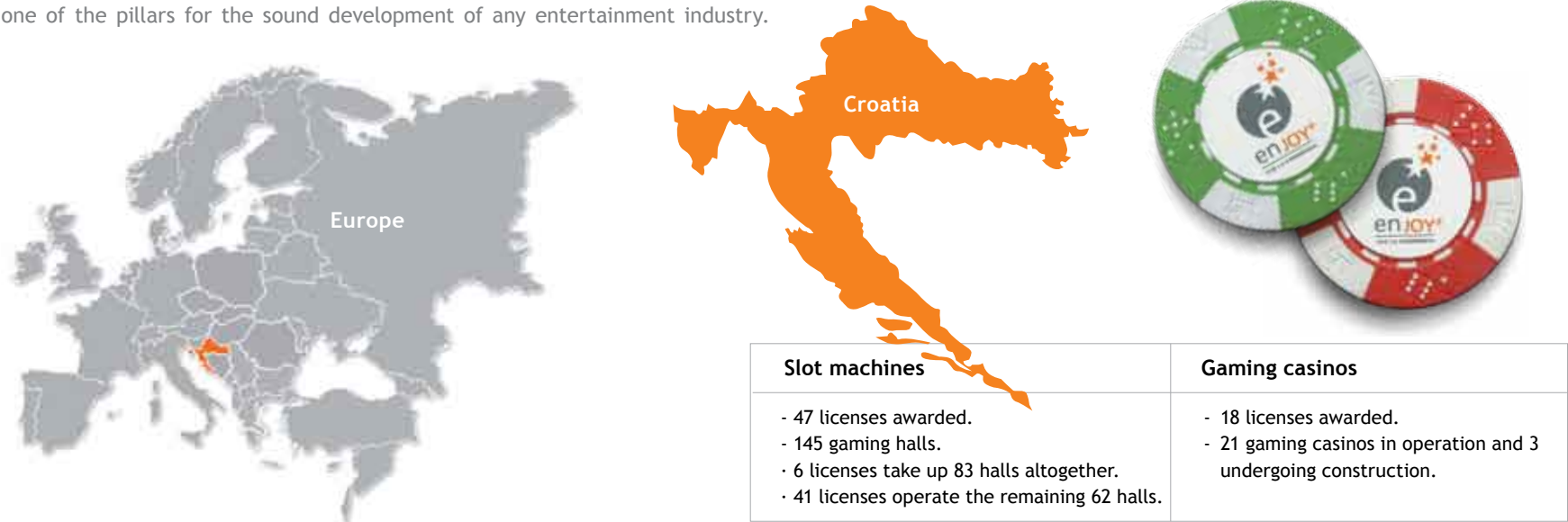
Croatia has a population of 4.4 million people and is expected to join the European Union by year 2010 or 2011 at the latest.

Unlike those gaming casinos based in the United States and in some Asian countries, most of those based in Europe are small-sized and have not become large tourist attractions. In fact, in most cases such gaming casinos are associated to private clubs or restricted-access resorts.

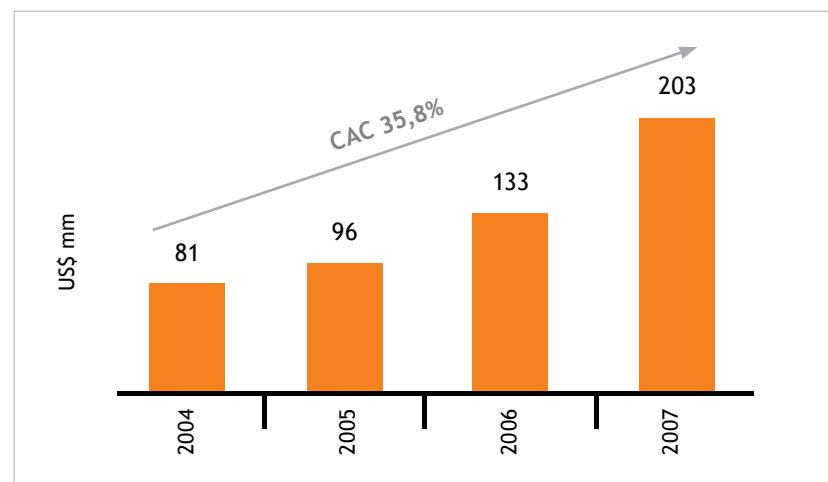
Within Croatia, and in common with most other European countries, the gaming industry has kept its small-size format and, as a result, has not generated any significant impact on tourism. Also their incorporation of state-of-the-art technologies and furnishing formats is limited. Although Eastern Europe leads the gaming casino growth trend, Croatia is one of the countries showing the best projections in terms of tourism landmarks which, needless to say, are one of the pillars for the sound development of any entertainment industry.

The gaming industry is very fragmented and, as far as the presentational and appearance sake is concerned, most of the gaming establishments are and look substandard with some showing a distinct poor quality which is in stark contrast with international standards that are commonplace elsewhere in the world.

The gaming law in Croatia structures the gaming industry through a licence-based system which allows a right to set up in gaming casino operations without any restriction in terms of quantity. The regulating entity awards are licenses which can be transacted there after being secondary markets. In 2003 the gaming casino taxes were dropped from 48.5% to 15%, thus placing such tax rate as the lowest in Europe nowadays. This decision lent a boost to the fast development of gaming casinos along the Croatian coastline and focused on tackling the prospect stemming from the large number of tourists crowding the area.



### Evolution of the Gaming industry and slot machine halls in Croatia



Source: Finance Ministry in Croatia, Cubus Lux plc: Acquisition of Plava Vala; Oanda.

Croatian macro economy indicators	2008
GDP	US\$ 69,332 million
GDP per capita	US\$ 15,628
GDP per capita (PPP)	US\$ 18,554
Population	4.4 million

Source: International Monetary Fund.

★ Passion



★ Commitment



★ Merit



★ Excellence



★ Warmth



★ Integrity







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Casino & Resort



## Credits

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