

20 December 2007 – HK

**China LotSynergy Acquisition of 67% Equity Interest in TIHK and
Disposal of 50% Equity Interest in TIHK to GTECH
Formation of a Joint Venture with GTECH**

**China LotSynergy is the Platform of Choice
for Leading Global Players Entering China**

新聞稿

China LotSynergy Holdings Limited (“China LotSynergy” or the “Company”) is pleased to announce that on 19 December 2007 China LotSynergy Limited (“CLSL”), a wholly-owned subsidiary of China LotSynergy, acquires the remaining 67% equity interest in Tabcorp International Hong Kong Limited (“TIHK”) from Tabcorp International No.1 Pty Ltd, a wholly-owned subsidiary of Tabcorp Holdings Limited, for a consideration of AU\$15 million (equivalent to approximately US\$13 million) (the “Acquisition”). After the Acquisition, China LotSynergy owns 100% equity interest of TIHK.

Immediately after the Acquisition, GTECH Corporation (“GTECH”) through its subsidiary, Global Services Corporation Ltd., acquires 50% equity interest in TIHK from CLSL for a consideration of US\$20 million (the “Disposal”). After completion of the Disposal, the joint venture with GTECH was formed, under which TIHK was owned as to 50% by CLSL and as to 50% by GTECH (“the Joint Venture”). TIHK will be renamed to CLS-GTECH Company Limited (集太華彩有限公司). The business focus of TIHK is currently KENO operations on a nationwide business in China, and will be expanded to other lottery products. The establishment of the Joint Venture and the new business development is expected to bring profound positive impact on China welfare lottery industry.

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TIHK provides lottery system, equipment and technology for the KENO Project to 中彩在線(Beijing Lottery Online Technology Co., Ltd). At present, the trial run of KENO has shown satisfactory business prospect. The management of China LotSynergy anticipates that the long-term business revenue of the TIHK will be increased once KENO is publicly rolled out nationwide in the PRC on a significant scale. The Acquisition and the formation of Joint Venture with GTECH are consistent with China LotSynergy’s development strategy and will enhance the Company’s leading position in the high frequency lottery games in China.

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GTECH together with its parent company, Lottomatica, S.P.A., is the world's largest lottery company and one of the largest gaming solution providers. GTECH provides leading gaming technology, and is a vertically integrated full services lottery company. GTECH's online instant lottery transaction processing systems which integrate full services, covering systems, terminals, printing, logistics and distribution, is operating in 45 countries worldwide. GTECH is also the largest provider of KENO systems to operators worldwide. Lottomatica, S.P.A. is listed on the Stock Exchange of Milan under the trading symbol LTO, with over US\$ 5 billion in market value as at 18 December 2007.

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China LotSynergy is the Platform of Choice for Global Players Entering China

China lottery market has significant capacity and growth potential

Sales of the China lottery market is expected to be approximately RMB100 billion in 2007, representing a significant increase from the previous year. China LotSynergy, together with its subsidiaries and TIHK ("China LotSynergy Group"), possess extensive experience in China lottery market operations, and is an important player in the China welfare lottery industry value chain. In addition to being the exclusive provider of the nationwide Video Lottery Terminal ("VLT") and KENO lottery system and terminals in the China Welfare Lottery market, China LotSynergy Group is also one of the three largest suppliers in China which specialize in the provision of lottery system and equipment to the provincial welfare lottery issuing authorities.

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"We are impressed by China LotSynergy's market position, integrity, responsible attitude towards the society as well as its professional management team." said Mr. Jaymin B. Patel, GTECH President and incoming Chief Executive Officer. "China lottery market is one of the most desired and fastest growing emerging markets to GTECH. The alliance with China LotSynergy will open a new chapter for GTECH in China. We will commit GTECH best global resources and talents to serve clients in China."

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The cooperation with world-leading gaming companies reflects China LotSynergy's development strategy

The alliance with GTECH is China LotSynergy's second international cooperation with global leaders in the industry. China LotSynergy had previously formed a strategic alliance with International Game Technology ("IGT"), through entering into a Subscription Agreement and a Technical Cooperation Agreement on 1 May 2007, following which, IGT became a strategic investor in China LotSynergy.

IGT is the largest gaming system, equipment and content provider in the world, and GTECH is the world's largest system provider for KENO and instant computerized lottery tickets. The Company believes that cooperating with the two parties will facilitate the healthy development of the China lottery market, as well as strengthen China LotSynergy's current business positions, and extend its business to new growth areas such as scratch cards and computerized lottery tickets.

Mr. David CHAN, Chairman of China LotSynergy stated, "We are honored to bring in GTECH to participate in the on-going lottery projects in China, and with combined resources from China LotSynergy and GTECH, we are very optimistic to speed up the long-term development of the project. The alliance between GTECH and China LotSynergy is one of its kinds and will bring in the best leading international technology and management expertise to China welfare lottery industry and also aims to build profound impacts on the long-term healthy development to the lottery industry and is consistent with China LotSynergy's development strategy to maximize value for our shareholders."

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About KENO

KENO is an instant lottery game highly recognized around the world.

KENO lottery is a modified version of KENO game approved by the Ministry of Finance of China and is sold through a unified national sales network by the China Welfare Lottery Issuance and Management Centre.

KENO lottery integrates the features of the KENO game and is drawn every five minutes. Players may select groups of one to ten numbers from 1 to 80 to try their luck. Each group is one bet. The computer system randomly draws 20 numbers as the winning numbers. When the numbers so picked fall within the 20 winning numbers, there is a payout, the amount of which will depend on how many numbers picked match the winning numbers. Ordinary bet is RMB1 per entry and the maximum prize amounts to RMB200, 000. An alternative bet derived is the draw of lucky number and the entry is RMB2 each. The last number drawn out of the 20 numbers becomes the lucky number. Apart from normal prizes, players may win an extra reward. The maximum reward for a single entry of RMB2 matching the ordinary numbers and the lucky number is RMB700,000.

KENO game is an embodiment of leisure, entertainment and social welfare.

About China LotSynergy Holdings Limited (“China LotSynergy”)

China LotSynergy, a company incorporated in Bermuda with limited liability and listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, is principally engaged in investment, project development and the provision of technologies and equipments and consultancy services in public welfare lottery business and related sectors in China. China LotSynergy is added to the list of constituents of MSCI Hong Kong Small Cap Indices, effective 31 May 2007.

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