



ENTERTAINMENT GROUP

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**FOR IMMEDIATE RELEASE**

**SBE ENTERTAINMENT GROUP AND STOCKBRIDGE REAL ESTATE FUNDS ENTER INTO AGREEMENT WITH GORDON GAMING CORPORATION TO ACQUIRE LAS VEGAS' LEGENDARY SAHARA HOTEL & CASINO**

(Las Vegas – March 2, 2007) – SBE Entertainment Group, LLC ("SBE"), its partner Stockbridge Real Estate Funds ("Stockbridge") and Gordon Gaming Corporation ("Gordon Gaming") announced today that SBE and Stockbridge have reached an agreement with Gordon Gaming to acquire Las Vegas' renowned Sahara Hotel & Casino. SBE and Stockbridge intend to utilize their extensive redevelopment experience to reinvigorate the property and the Las Vegas Strip. The announcement was made by SBE's CEO, Sam Nazarian; Terry Fancher, the Managing Partner of Stockbridge, and Gordon Gaming's CEO, Al Hummel.

Upon the closing of the transaction, SBE will manage the hotel and its associated food and beverage operations via its operating subsidiaries, SBE Hotel Group and SBE Restaurant and Nightlife Groups. Sahara's casino will be operated by Larry Woolf's Navegante Group under a lease arrangement.

"The Sahara is one of the last remaining original properties on the Las Vegas strip, and we are thrilled with the possibilities that it presents," commented Mr. Nazarian. "Our plan is to reposition this legendary property for a new generation of travelers, while preserving its existing scale. We look forward to making the Sahara the most important property on the North end of the Strip. We are equally excited to be partnered with Terry Fancher and the Stockbridge team to make this vision a reality."

"We are very pleased to turn over the Sahara to this fresh and exciting partnership. We trust that SBE and Stockbridge will carry on the legacy of the Bennett family in creating a premier entertainment destination for the 21st century," noted Mr. Hummel. "We are especially thankful to our friends at Northern Trust for overseeing this process on behalf of the Bennett family."

Added Mr. Fancher, "We are very pleased to be entering the Las Vegas hotel market in partnership with SBE. As a private equity investor, we look for a combination of factors in deciding to make a particular investment. The Sahara represents many of these characteristics. It is a property with a proud tradition of appealing to visitors from throughout the world. It is also a property that will clearly benefit from a substantial capital investment. Our operating partner, SBE, is well-suited to execute this investment given their enormous creativity and other strengths. The strong fundamentals of the Las Vegas hotel market also should help assure the success of this investment."

Originally built in 1952, the Moroccan-themed Sahara is the Northern-most resort on the famed Las Vegas Strip. The last remaining "Rat Pack" resort, the Sahara was the setting for the original "Ocean's Eleven" film, and has played host to nearly every big-name performer and a veritable "who's who" of Las Vegas royalty since its opening.

The parties would like to acknowledge and thank their advisors who assisted with the transaction. For Gordon Gaming, SG Americas Securities, LLC acted as Exclusive Financial Advisor and Joint Transaction Advisor, along with CB Richard Ellis' Global Gaming Group (Las Vegas). Gordon Gaming was represented primarily by Latham & Watkins, LLP (Orange County and San Diego) and Brownstein Hyatt Farber Schreck, P.C. (Las Vegas). SBE and Stockbridge were represented primarily by Davis Polk & Wardwell (New York and Menlo Park), Pillsbury Winthrop, LLP (Los Angeles), Lionel, Sawyer & Collins (Las Vegas), Lewis and Roca (Las Vegas), and Kamer Zucker Abbott (Las Vegas).

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## **ABOUT SBE ENTERTAINMENT GROUP**

Founded in 2002, the Los Angeles-based SBE Entertainment Group (SBE) brings exquisite balance to the interrelated worlds of modern hospitality, real estate development and independent film production. As a privately-held parent organization founded and helmed by CEO Sam Nazarian, SBE acquires, develops and manages exceptional projects through its specialized subsidiaries – SBE Hotel Group, SBE Restaurant and Nightlife Group, Bolthouse Productions, SBE Real Estate Group and Element Films—and its exclusive partnership with leading creative talents, including Philippe Starck. With a mission to redefine standards of excellence and innovation, Nazarian and his team draw on a wealth of institutional expertise and entrepreneurial know-how to create valuable synergies and unique alliances between these divisions, providing a complete lifestyle experience for SBE clients, whether they are staying in SBE properties, dining at SBE restaurants or enjoying Element's motion pictures. The result: quality products rich in detail and originality, each created for a discriminating and diverse clientele. For more information, visit [www.sbeent.com](http://www.sbeent.com).

## **ABOUT STOCKBRIDGE REAL ESTATE FUNDS**

Stockbridge Real Estate Funds are a series of real estate investment funds capitalized by major public and private pension funds and high net-worth individuals. It is managed by Stockbridge Real Estate Partners, LLC. Since 1994, the principals of Stockbridge have invested approximately \$7.6 billion in major institutional real estate holdings on behalf of Stockbridge Real Estate Funds and Paine Webber Group, Inc.

## **ABOUT THE SAHARA / GORDON GAMING CORPORATION**

The Sahara Hotel and Casino, home of the NASCAR Entertainment Center, opened its doors in the early 1950's. This legendary institution has hosted virtually every major star as a performer or guest, including, Johnny Carson, Tina Turner, Buddy Hackett, The Beatles, Dean Martin and Jerry Lewis. The Sahara Hotel and Casino is the best stop on the Las Vegas monorail line. The entertainment at this resort cannot be beat. It is home to the "The Scintas" one of the best shows in Las Vegas. Trent Carlini also stars in "The Musical History of the King" along with musical concerts by THE PLATTERS, Cornell Gunter's COASTERS and Beary Hobb's DRIFTERS." The Sahara's world famous Casbar Theatre Lounge has been awarded "Best of Las Vegas" honors by the Las Vegas Review-Journal. For room reservations, call the Sahara Hotel and Casino at (888) 696-2121.

## **ABOUT NORTHERN TRUST**

Northern Trust Corporation (Nasdaq: [NTRS](http://www.northerntrust.com)) is a leading provider of investment management, asset and fund administration, fiduciary and banking solutions for corporations, institutions and affluent individuals worldwide. Northern Trust, a multibank holding company based in Chicago, has a growing network of 84 offices in 18 U.S. states and has international offices in 13 locations in North America, Europe and the Asia-Pacific region. As of December 31, 2006, Northern Trust had assets under custody of \$3.5 trillion, and assets under investment management of \$697 billion. Northern Trust, founded in 1889, has earned distinction as an industry leader in combining high-touch service and expertise with innovative products and technology. For more information, visit <http://www.northerntrust.com>.