Danubius Hotels Nyrt.
hereby informs its shareholders and other participants of the capital market that
CP Holdings Ltd. has sent the following notification to the Board of Directors:

Announcement of CP Holdings Ltd. on increasing interest in Danubius Hotels Nyrt.

CP Holdings Ltd. (seat: 12 York Gate, London NW1 4QS, UK, registration nr.: 580471), in accordance with Section 67 of the Act CXX of 2001 on Capital Market, hereby announces that it has acquired 953,258 pieces of ordinary shares of Danubius Hotels Nyrt. by way of transactions on the stock exchange and outside the stock exchange since the last announcement made on 22nd February 2007.
As a result of the latest transactions made on 16th May 2007, the combined direct interest of CP Holdings Ltd., Interag Holding Zrt. (seat: 1051 Budapest, Hungary, Szent István tér 11., registration nr.: 01-10-040998) and Israel Tractors and Equipment Co. Ltd. (seat: 4 Ramot Yam, Herzelia, Israel, registration nr.: 51-005310-1) reached 75.14% in Danubius Hotels Nyrt.

Prior to these transactions, CP Holdings Ltd. held 2,050,407 pieces of ordinary shares of Danubius Hotels Nyrt., representing a 25.92% direct interest, taking into account the 374,523 pieces of treasury shares of Danubius Hotels Nyrt.
After the transactions, it holds 3,003,665 pieces of ordinary shares, representing a 37.97% direct interest in Danubius Hotels Nyrt.

Considering the ownership connections between CP Holdings Ltd., Interag Holding Zrt. and Israel Tractors and Equipment Co. Ltd., the three companies together held 4,991,196 pieces of ordinary shares of Danubius Hotels Nyrt., representing 63.09% combined direct interest prior to the transactions.
Following the transactions mentioned above, CP Holdings Ltd., Interag Holding Zrt. and Israel Tractors and Equipment Co. Ltd. altogether hold 5,944,454 pieces of ordinary shares of Danubius Hotels Nyrt., representing 75.14% combined direct interest in Danubius Hotels Nyrt.

London, 17th May 2007

CP Holdings Ltd.