



**MEDIA RELEASE  
FOR IMMEDIATE RELEASE  
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## **PBL ANNOUNCES SPLIT INTO SEPARATE LISTED GAMING AND MEDIA COMPANIES**

**SYDNEY: Publishing and Broadcasting Limited (ASX: PBL)** today announced its intention to split its businesses into two publicly listed companies: a gaming company (“Crown”) and a media company (“Consolidated Media Holdings”).

PBL believes the split will better facilitate recognition of the value of the underlying assets in the group, and will create two “pure-play” companies with attractive investment characteristics:

- **Crown** will own a diversified portfolio of market-leading gaming assets, including full ownership of Crown and Burswood casinos, a 41.4% stake in Melco PBL Entertainment Limited (MPEL) and investments in other international gaming assets. Its experienced management team will have significant financial flexibility to drive Crown’s continued investment in gaming assets worldwide.
- **Consolidated Media Holdings (CMH)** will hold investments in a diversified portfolio of market-leading media assets including PBL Media (50%), Foxtel (25%), Fox Sports (50%), Seek (27.1%) and Ticketek (100%), with approximately 65% of earnings being generated from high-growth new media assets.

UBS, financial advisers to PBL, expect Crown to hold a position in the S&P / ASX 50, and CMH a position in the S&P / ASX 100.

In addition to shares in Crown and CMH, shareholders will also receive cash of approximately A\$2 billion (equivalent to \$3.00 per share) as part of the restructure.

In announcing the transaction, the Executive Chairman of PBL, Mr James Packer, said:

“Over the past 12 months we have successfully recapitalised our investment in PBL Media and at the same time we have seen strong earnings growth in our new media businesses including our Pay TV interests.”

“Having consolidated Crown’s leading position in the Australian market with the successful acquisition of Burswood in late 2004, our focus turned to leveraging our gaming expertise offshore with the Group’s significant investment in Macau, and more recent investments in the UK and North America.”

“It is now time to let these two successful businesses prosper in their own right. Investors will have the opportunity to invest in a strong and growing pure play media company and also in a world class gaming company.”

Commenting on the restructure, PBL Chief Executive John Alexander said:

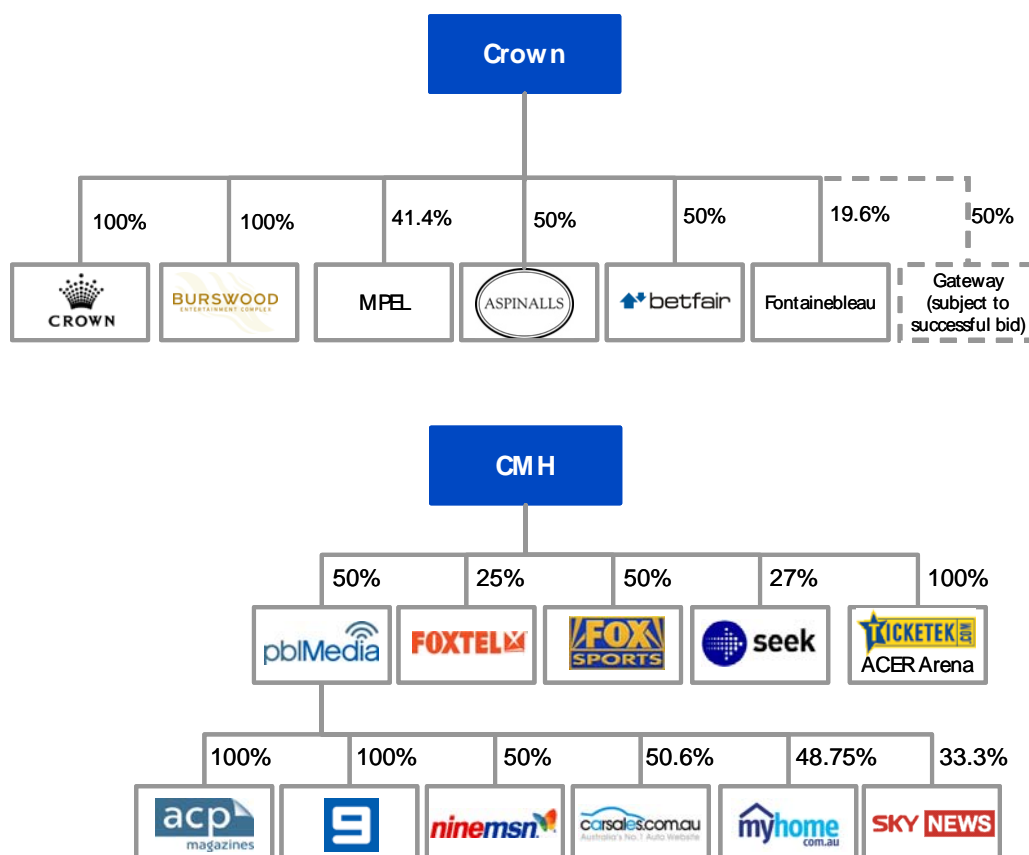
“The gaming and media businesses have different operating characteristics and capital requirements. The Board and management believe that separating the businesses is the best way to create shareholder value through harnessing the significant growth opportunities available to each business.”

“The restructure will offer shareholders a clear choice of investment, providing each business with improved flexibility, a clear mandate, and an appropriate cost of capital. It will also provide shareholders a more direct and efficient avenue to access our exciting investments in Foxtel and FoxSports.”

Both businesses will be operated separately, each with its own Board of Directors. James Packer will become the Executive Chairman of Crown and the Deputy Chairman of CMH. John Alexander will become the Executive Chairman of CMH and the Deputy Chairman of Crown. Rowen Craigie will become the Chief Executive Officer & Managing Director of Crown, which will be based in Melbourne.

### Proposed business structure post restructure

After the restructure is implemented PBL’s existing assets will be separated between Crown and CMH as set out below:



As part of the proposed restructure PBL will look to sensibly monetize its ownership interests in Hoyts and New Regency.

## **Implementation**

The restructure is intended to be implemented through schemes of arrangement in PBL and Crown.

Standard consideration received through the schemes of arrangement will comprise one share in each of Crown and CMH plus \$3.00 cash for each PBL share held.

Shareholders will be able to elect to receive a greater proportion of the consideration in cash or in shares. The actual consideration mix for those shareholders electing to receive more cash or shares will depend on the elections of all shareholders as the total share and cash consideration will be fixed. Shareholders will hold the same number of shares in Crown and CMH after the schemes are fully implemented.

Consolidated Press Holdings Limited, a 37% shareholder in PBL, has indicated an intention to elect to receive the standard consideration under the PBL Scheme. Accordingly, it will maintain its current percentage interest in both Crown and CMH.

The PBL scheme of arrangement is expected to be put to PBL shareholders for approval in August 2007. In addition to shareholder and Court approvals, the restructure is conditional on various government and regulatory approvals (both from Australia and overseas regulators), a number of waivers being granted by the ASX, a satisfactory ruling being received from the ATO, relevant third party consents or waivers being received including under PBL's existing financial arrangements and Crown obtaining third party finance to fund the cash payments under the PBL Scheme.

Further details on the proposal will be provided to shareholders in a Scheme Booklet, expected to be distributed in July 2007.

PBL is being advised on the restructure by UBS, Gilbert + Tobin and Ernst & Young.

**-ENDS-**

## **COPIES OF RELEASES**

Copies of previous media and ASX announcements issued by PBL are available on the company website at [www.pbl.com.au](http://www.pbl.com.au)