



PBL OFFER TO CLOSE ON WEDNESDAY 28 JULY 2004 UNLESS CERTAIN REQUIREMENTS ARE MET

**MEDIA & ASX RELEASE
FOR IMMEDIATE RELEASE
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SYDNEY: Publishing and Broadcasting Limited (ASX Code: PBL) announced last Friday that its wholly owned subsidiary PBL (WA) Pty Limited (**PBL**) will extend its offer for Burswood shares by 12 days so that the offer will close at 7.00pm (Sydney time) on Wednesday 28 July 2004.

PBL offer to close unless certain requirements are met

PBL will not extend its offer beyond 28 July 2004 unless:

- (i) before 12 noon (Sydney time) on Wednesday 28 July 2004, the number of Burswood shares in which PBL has a relevant interest together with the number of Burswood shares the subject of acceptance instructions deposited into a newly established Institutional Acceptance Facility (operated by UBS Investment Bank) (see below for further details) exceeds 50% of all Burswood shares; or
- (ii) before 5pm (Sydney time) on Friday 23 July 2004, the Burswood Board makes a public announcement unanimously and unconditionally¹ recommending that Burswood shareholders accept PBL's offer.

PBL urges Burswood's Board to recommend the offer

As at 16 July 2004, PBL had a relevant interest in 37.02% of Burswood shares.

PBL previously announced that it would increase its effective offer price by 6 cents to \$1.36 cash per Burswood share (considering the 10 cent extraordinary dividend declared by Burswood) in the event that, on or before the close of the offer, PBL acquires a relevant interest in at least 90% of Burswood shares and the Board of Burswood unanimously recommends PBL's offer.

An Institutional Acceptance Facility has been established by UBS Investment Bank to assist certain institutional shareholders to accept PBL's offer and to provide the Burswood Directors with additional comfort in relation to PBL's offer.

The Executive Chairman of Publishing and Broadcasting Limited, Mr James Packer, said, "We have taken into account the concerns of the Burswood Directors in relation to our offer, and accordingly, an Institutional Acceptance Facility has been established to allow institutions to support our offer. We believe that the establishment of this facility should give the Burswood Board sufficient confidence to recommend acceptance of our offer."

¹ Other than a unanimous recommendation which is expressed to be subject to there being no higher or superior offer from a third party.

PBL's 90% acceptance requirement

PBL reiterated its position that its final offer price reflects additional value for achieving the level of acceptances required for PBL to move to 100% ownership of Burswood. PBL will not consider waiving, or announcing an intention to waive, this 90% acceptance requirement until after the directors of Burswood have made a public announcement unanimously and unconditionally² recommending that Burswood shareholders accept the offer.

Mr James Packer added, "Burswood shareholders can maximise the chances of PBL's offer being extended, and the prospect of receiving an additional 6 cents per share, by accepting PBL's offer now."

Burswood's share price is expected to fall once PBL's bid closes

Recently the Burswood Board reiterated its view in a letter to Burswood shareholders that the Burswood share price is likely to fall once PBL's offer closes.

No extension of the offer if Burswood declares another dividend

Following the Burswood Directors' decision to cause Burswood to pay a 10 cent extraordinary dividend, Burswood's retained earnings have been reduced significantly to only 2.8 cents per Burswood share³ and its net debt has increased significantly (by more than \$49 million) in order to fund the payment of the dividend.

Given the substantial increase in the financial risk profile of Burswood following the payment of the extraordinary dividend, in a step to protect its position as a major shareholder in Burswood, PBL will not extend its offer for Burswood beyond 28 July 2004 if the Burswood Directors declare or announce an intention to declare another dividend or any other distribution.

Offer terms

Under the terms of PBL's offer, the cash consideration payable to Burswood shareholders who have not yet accepted PBL's offer is:

- (i) \$1.30 cash per share (considering the 10 cent extraordinary dividend declared by Burswood), which will be paid within seven days of acceptances being processed by PBL's share registry; and
- (ii) an additional 6 cents cash per share in the event that PBL acquires a relevant interest in at least 90% of Burswood shares and the Burswood Board unanimously recommends PBL's offer.

Mr James Packer commented, "Our final offer price reflects a full and fair price for acquiring 100% of Burswood shares, particularly when compared to the Burswood share price about twelve months ago of only \$0.78 per share."

² Other than a unanimous recommendation which is expressed to be subject to there being no higher or superior offer from a third party.

³ The 2.8 cents per Burswood share is based on retained earnings as at 23 May 2004 of \$62.7 million (as disclosed on page 21 of Burswood's Target's Statement) less \$49.0 million associated with the payment of the extraordinary dividend declared by Burswood and 490.13 million Burswood shares on issue as at 23 May 2004 (as disclosed in Burswood's Target's Statement).

This is before any further reduction associated with the introduction of International Financial Reporting Standards (as foreshadowed by the Burswood Directors in the Target's Statement (page 21)) and any adjustment to the carrying value of Burswood's assets.

Institutional Acceptance Facility

PBL encourages all Burswood shareholders to accept its offer now and receive the cash payment on an accelerated basis – as set out above.

PBL recognises that there may be some Burswood institutional shareholders who are supportive of PBL's offer, but may not be able to accept PBL's offer at this time.

Accordingly, UBS Investment Bank has established an Institutional Acceptance Facility in relation to PBL's offer to hold acceptance instructions on behalf of certain institutional shareholders. These acceptance instructions will be lodged as formal acceptances of PBL's offer once the total number of Burswood shares the subject of acceptance instructions held in the facility together with the total number of Burswood shares in which PBL has a relevant interest equal 90% of Burswood shares on issue and the Board of Burswood unanimously recommends PBL's offer (or these requirements are waived by PBL).

Further questions or information

If Burswood shareholders have questions in relation to the PBL offer, or wish to obtain a replacement acceptance form, they should call the PBL offer information line on 1800 132 009 (international callers should call +61 2 8280 7324).

ENDS

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