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# Publishing and Broadcasting Ltd

## BRIEFING PACK BURSWOOD ACQUISITION



# THE OFFER



**PBL(WA)'s offer is for 100% of Burswood. A cash offer of \$1.40 per Burswood share**

## Summary of the Offer

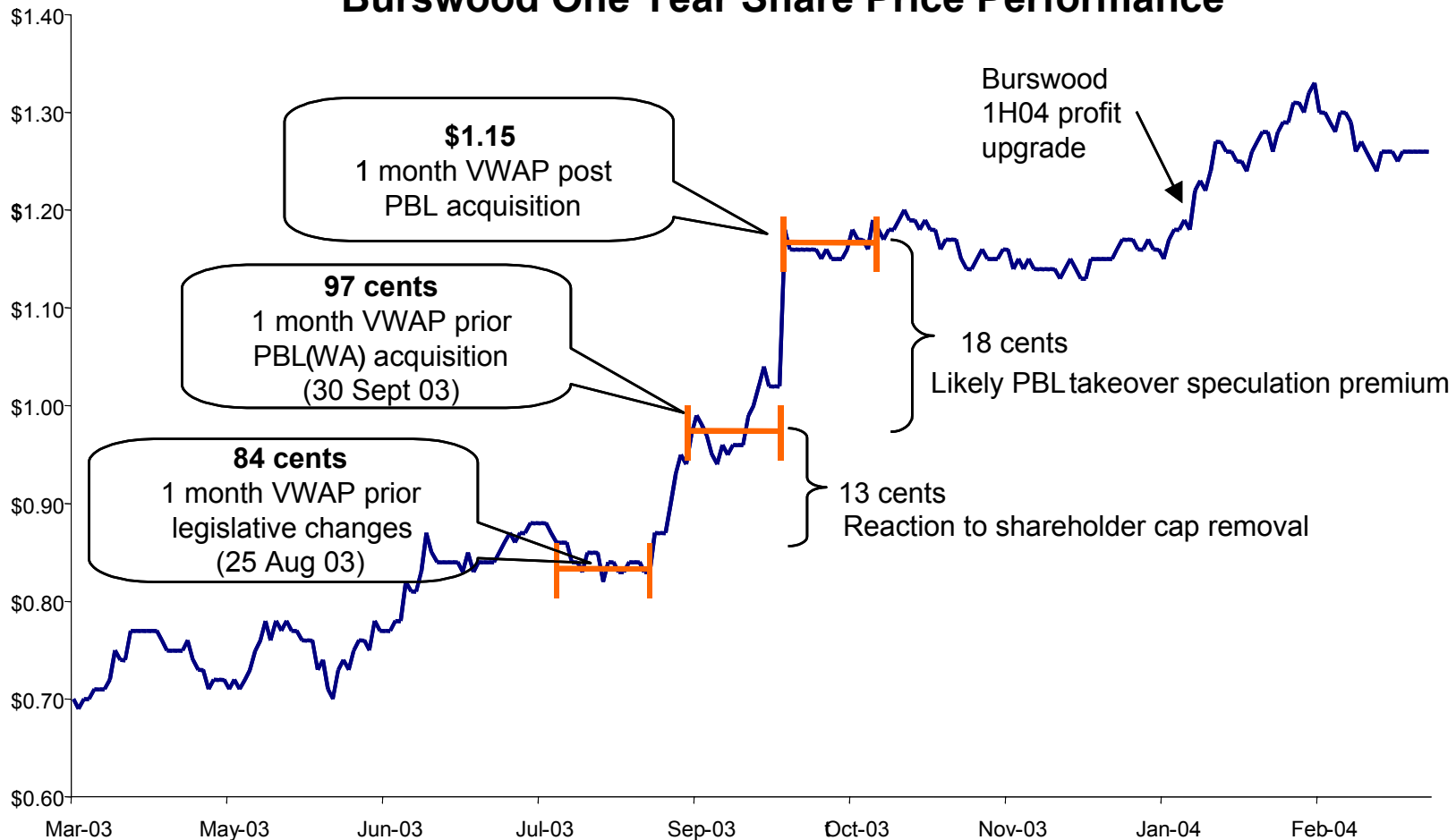
<b>Price</b>	\$1.40 per share
<b>Consideration</b>	Cash
<b>Structure</b>	Off-market
<b>Bidder</b>	PBL (WA), a wholly owned subsidiary of PBL
<b>Key Conditions</b>	Minimum acceptance of 50.1%
(see announcement)	S&P/ASX200 not dropping more than 15%
	Other general protection conditions for PBL

# DRIVERS OF CHANGE IN BIR SHARE PRICE



It is likely Burswood's share price has been inflated as a result of speculation that has occurred since PBL (WA)'s acquisition of its strategic stake in September 2003

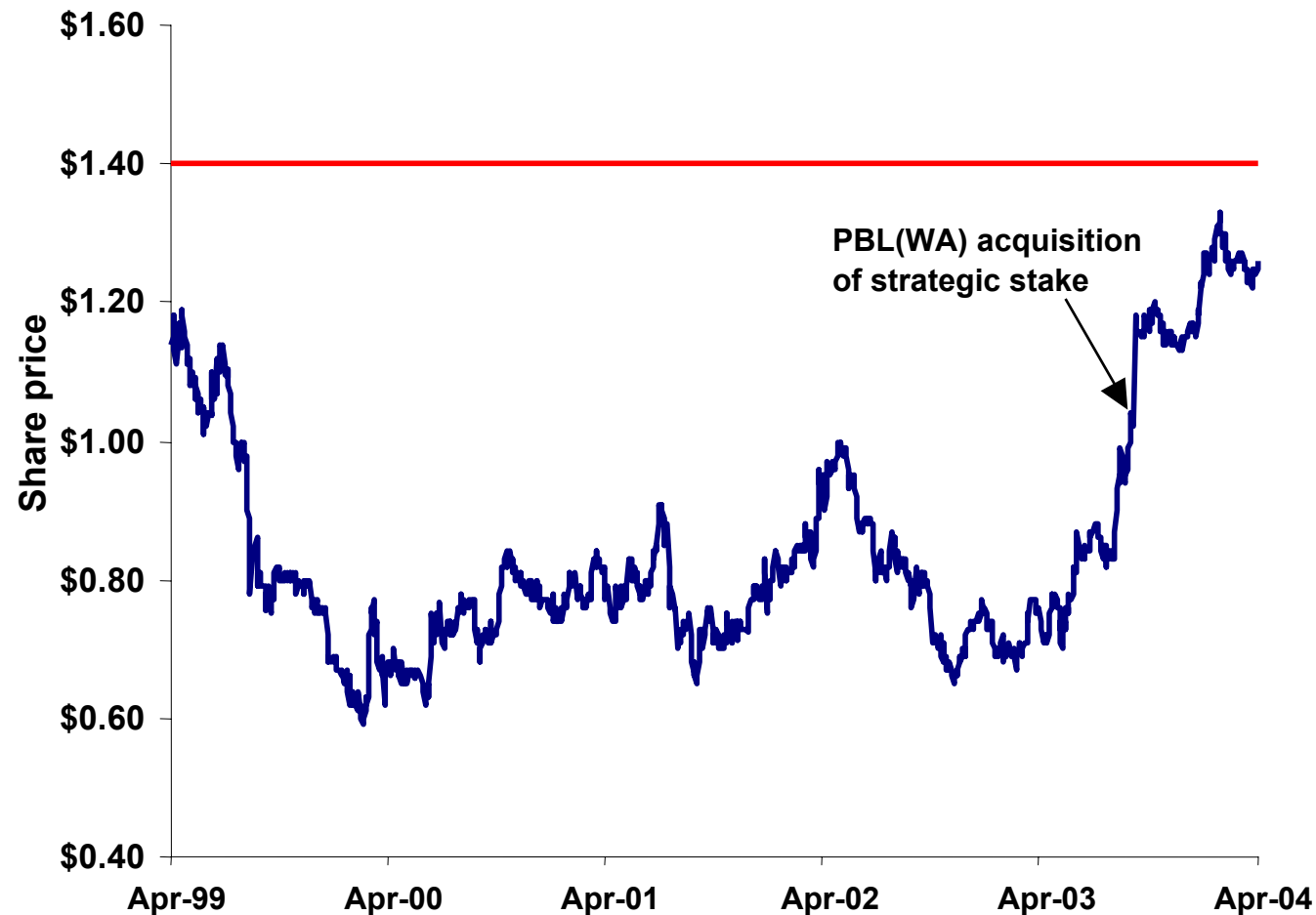
## Burswood One Year Share Price Performance



# BURSWOOD SHARE PRICE HISTORICAL



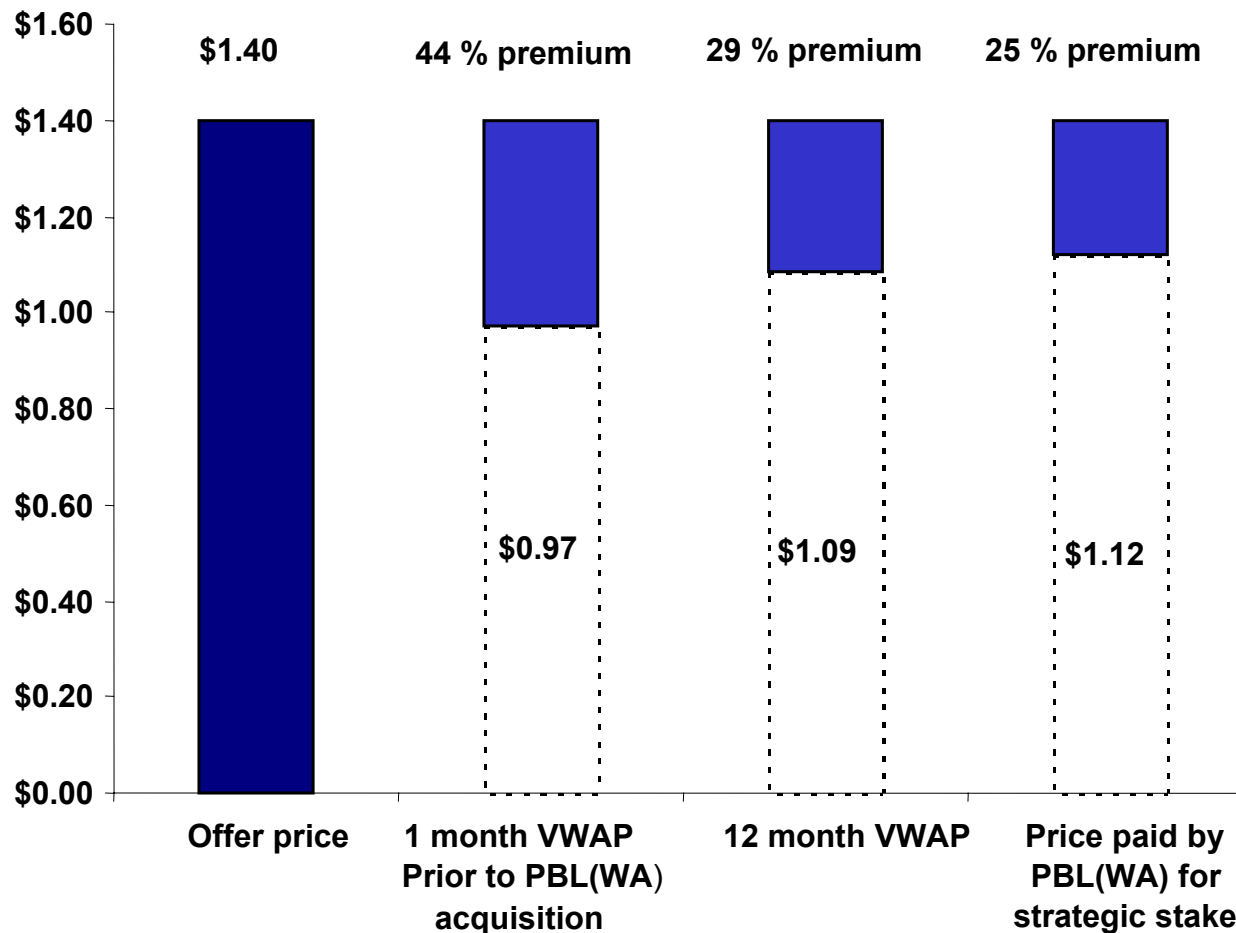
The Offer price of \$1.40 per Burswood share is higher than any price shares in Burswood have traded at in the past five years



# THE OFFER PREMIUM



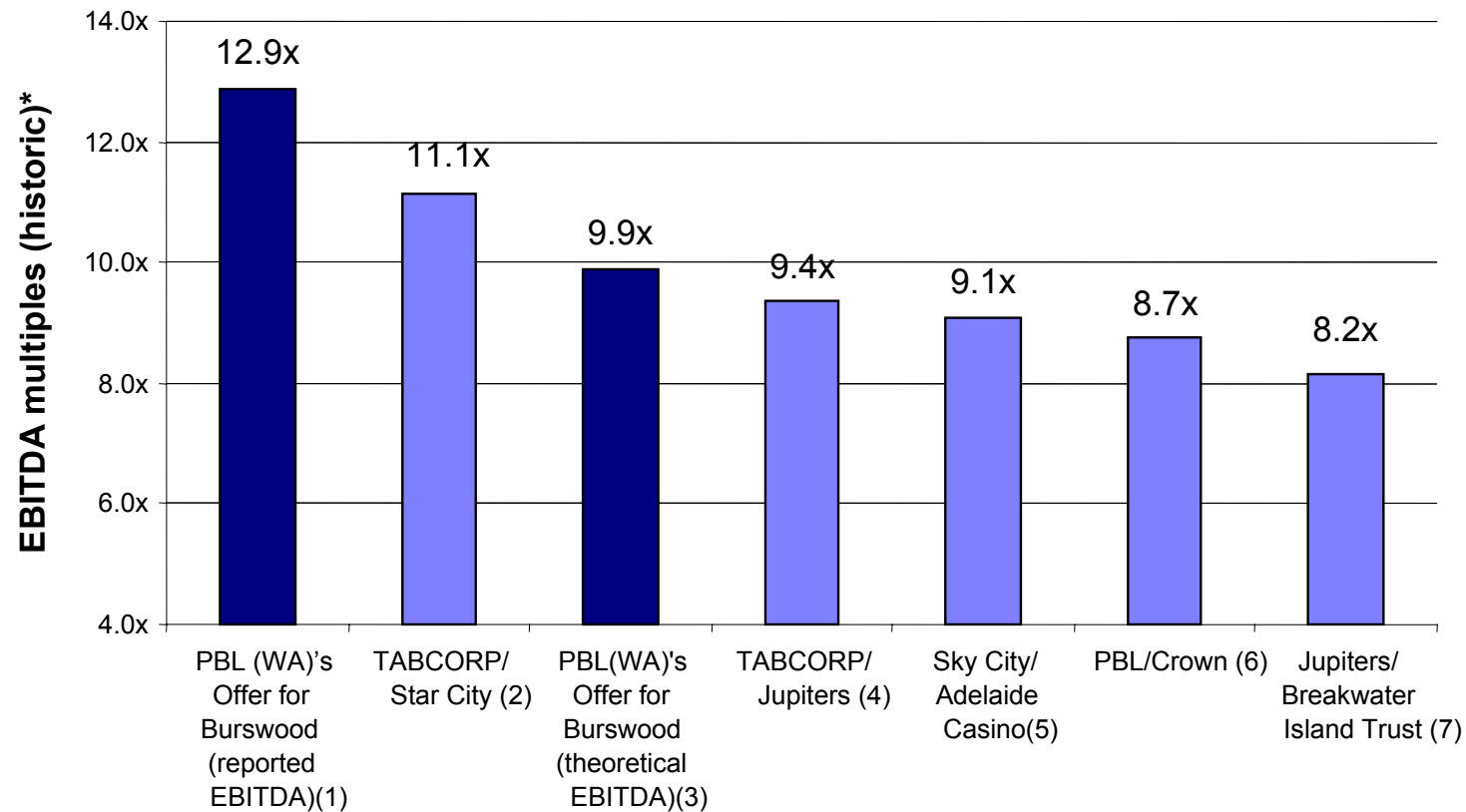
**PBL(WA)'s Offer represents an attractive premium to Burswood's trading prices in recent times**



# COMPARISONS TO OTHER TRANSACTIONS



The Offer price represents an attractive multiple of earnings relative to other successful casino transactions in Australia



\*PBL/Crown EV/EBITDA multiple based on independent expert assessment of maintainable EBITDA  
•FOOTNOTES IN RELATION TO THIS SLIDE SEE OVERLEAF

# COMPARISONS TO OTHER TRANSACTIONS

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## FOOTNOTES

1. Assuming Burswood has 490.1m shares on issue, net debt as of 31 December 2003 of \$183.3m and EBITDA for the year end 30 June 2003 of \$67.5m.
2. Implied enterprise value excludes consideration paid for 85% of Star City casino management and service agreement; based on TAH share price of \$9.95 as at 26 October 1999 at time TAH shares issued; based on reported FY98 EBITDA of \$135.1m.
3. Burswood reports that its theoretical win rate on its international commission business is 1.35%.
4. Excludes proceeds from Centrebet; consideration based on TAH share price of \$11.28 at time of merger implementation; based on reported FY03 EBITDA of \$178.7m.
5. Purchase price of \$183.45m announced at completion; based on reported FY99 EBITDA of \$20.2m.
6. Based on PBL share price of \$7.48 at 12 Jan 1999 as used in Explanatory Statement to the Scheme, and maintainable EBITDA of \$200m as derived by independent expert for Crown, Grant Samuel. Due to its significant international VIP gaming operations, Crown's reported FY98 EBITDA of \$109.9m was significantly impacted by the Asian economic crises and a below theoretical win rate of 0.98% for FY98. The implied EV/EBITDA multiple based on reported FY98 EBITDA is 15.9x. Had Crown achieved its theoretical win rate of 1.30% for its VIP gaming operations, the theoretical EBITDA for FY98 would have been approximately \$174.1m, implying an EV/EBITDA multiple of 10.1x.
7. Based on FY02 EBITDA of \$5.52m ; implied enterprise value based on an all cash offer, and independent expert's estimates of surplus assets and net debt.

# GOOD STRATEGIC FIT FOR PBL

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**Burswood is a good strategic fit with PBL's existing gaming business**

- ✓ **Good strategic fit with PBL's existing gaming business**
- ✓ **Existing casino management expertise (Crown Casino)**



## THIS ACQUISITION IS GOOD FOR WESTERN AUSTRALIA

- ✓ **PBL will further develop Burswood into a first class entertainment venue**
- ✓ **This will benefit the people of Perth as well as attracting international and interstate tourist dollars**



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