



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
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PBL/Melco Joint Venture to Issue up to US\$250M of Exchangeable Bonds

SYDNEY: Publishing and Broadcasting Limited (ASX: PBL) announced today that it had formed a 50:50 special purpose vehicle (“SPV”) with Melco International Development Limited (“Melco”) for the principal purpose of issuing exchangeable bonds (“Exchangeable Bonds”) with an aggregate principal amount of US\$200 million plus up to an additional US\$50 million issuable pursuant to an over-allotment option. The Exchangeable Bonds will initially be guaranteed jointly and severally by Melco and Crown Melbourne Limited (a wholly-owned subsidiary of PBL and the operating company for the Crown casino) and Burswood Limited (a wholly-owned subsidiary of PBL and the owner of the operating company for the Burswood casino) and subsequently by Crown Limited (which would comprise all of current PBL’s gaming assets) or PBL depending on the outcome of PBL’s reorganisation. The Exchangeable Bonds will be offered and sold to institutional investors outside the United States pursuant to Regulation S of the U.S. Securities Act of 1933, as amended. An application will be made to list the Exchangeable Bonds on the Singapore Exchange Securities Trading Limited (SGX-ST).

The SPV has entered into a subscription agreement with Merrill Lynch International on completion of which Merrill Lynch will subscribe for the Exchangeable Bonds. Completion of the subscription agreement is subject to the satisfaction and/or waiver of certain conditions precedent. In addition, the subscription agreement may be terminated under certain circumstances.

The issue date for the Exchangeable Bonds is expected to be on or about 30 August 2007.

The SPV intends to use the net proceeds of the issue of the Exchangeable Bonds to fund a share purchase program for the purchase of American Depositary Shares (“ADSs”) of Melco PBL Entertainment (Macau) Limited (“MPEL”), listed on The NASDAQ Global Market (NASDAQ). As long as the Exchangeable Bonds remain outstanding, any proceeds that have not been used to purchase ADSs will be required to be kept within the issuing company, either in the form of cash or permitted liquid investments. Under the stock purchase program, purchases of MPEL ADS’s may be made by the SPV in an amount up to the net proceeds of the Exchangeable Bond offering in the open market and negotiated purchases over a period of up to the five year term of the Exchangeable Bonds. These purchases will be made in compliance with the U.S. SEC’s Rule 10b-18, subject to market conditions, applicable legal requirements and other factors. This program will not obligate the

SPV to acquire any particular amount of ADS's and the program may be suspended or terminated at any time at the SPV's discretion. Securities purchased will be used to provide ADS's deliverable on exercise of the exchange rights conferred by the Exchangeable Bonds.

The Exchangeable Bonds will mature in 2012 and will bear a coupon rate of 2.40% per annum. The Exchangeable Bonds will be exchangeable into ADSs of MPEL from one year after their issue date at an initial exchange price of US\$17.19 per ADS, subject to certain adjustments. Each ADS represents three of MPEL's ordinary shares. The Exchangeable Bonds will be non-callable for 3 years; thereafter, the Exchangeable Bonds will be callable in whole or in part provided that the price of the MPEL ADS's on each of the 30 consecutive trading days immediately prior to the date on which notice of such redemption is published is at least 130% of the exchange price.

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This announcement is not an offer of securities for sale in any jurisdiction, including the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the issuer, the guarantors, MPEL and their management, as well as financial statements.

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