



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
23 November 2007**

**PUBLISHING AND BROADCASTING LIMITED
PBL SCHEME MEETING – 23 NOVEMBER 2007**

**MR JAMES PACKER, EXECUTIVE CHAIRMAN
CHAIRMAN'S ADDRESS**

This meeting has been convened in accordance with orders made by the Federal Court of Australia on 17 October 2007 and is for you to consider, and if you think fit, to approve the first step in the proposal to split PBL into two separately listed companies. A gaming company – **Crown**, and a media investments company, Consolidated Media Holdings, or **CMH** for short.

This meeting has been a long time coming. We announced the proposal to demerge PBL via two schemes of arrangement in **May** this year. The demerger was delayed in large part due to our ongoing discussions with the Australian Tax Office on the treatment of the cash portion of the PBL Scheme **consideration**.

The ATO has indicated that the **cash** portion of the consideration of the PBL Scheme of arrangement will be treated as **capital proceeds** for tax purposes. This is a **good** outcome for our shareholders.

The purpose of this morning's meeting is for you to **consider**, and if you wish to do so, **approve** the PBL Scheme of Arrangement.

If the required number of shareholders vote **FOR** the PBL Scheme of Arrangement, and it is subsequently approved by the Federal Court of Australia, the following will occur:

- **Crown** Limited will acquire all of the PBL Shares on the PBL share register;
- Unless you have sent in your election form indicating you would like to receive "maximum shares" or "maximum cash" as consideration, you will receive **1 Crown Share** and **\$3 cash** for each PBL share you hold at the record date; and
- Crown will then own all of the shares in PBL and will be the new parent entity, and **you will be a shareholder in Crown**. You will no longer hold shares in PBL.

If the vote today is cast **AGAINST** the PBL Scheme of Arrangement, then Crown will not acquire your PBL Shares and you will not receive any Crown shares or cash but will continue to hold shares in PBL.

After considering the advantages, disadvantages and risks of the PBL Scheme of Arrangement and the Recommended Proposal as a whole, we, your directors, unanimously recommend that you vote **FOR** the PBL Scheme of Arrangement.

It is also very **important** that you vote **FOR** the financial assistance resolution at the PBL Annual General Meeting, which will follow this meeting, if you want the PBL Scheme to proceed, as it is a **condition** of the PBL Scheme that this resolution is also **passed**. Again, this is our unanimous recommendation.

It is a condition of the Demerger Scheme proceeding that the PBL Scheme is approved. We believe that splitting PBL into Crown and CMH, two **pure-play** independently listed companies under the Demerger Scheme, will allow you, our shareholders, greater investment choice and it will provide the most **efficient** structure for both companies to grow. It is our view that this will **drive shareholder value**.

You will have seen from the summary in your Scheme Booklet that the **Independent Expert**, KPMG, has also concluded that the PBL Scheme is in the **best interests of PBL Shareholders**.

If you approve the PBL Scheme, there are a number of resolutions at our AGM we will ask you to consider which will give effect to the Recommended Proposal, in particular the **demerger** of CMH out of Crown.

The eight Crown Shareholders, who we have termed the "Crown Initial Shareholders" and who are executives of PBL and lawyers at Gilbert + Tobin, will be asked to vote on the **Demerger Scheme of Arrangement** this afternoon.

You can direct these shareholders how to vote by voting FOR or AGAINST the Demerger Scheme Advisory Resolution and the Financial Assistance Resolution. It is therefore very important that you vote in favour of these resolutions at the PBL Annual General Meeting, which follows this meeting, if you want the demerger scheme to proceed.

- If you vote **FOR** the Demerger Scheme Advisory Resolution, you are directing the Crown Initial Shareholders to vote **for the demerger scheme**. In this event, under the Demerger Scheme you will receive **1 CMH Share** for every Crown Share that is issued to you under the PBL Scheme; and
- If you vote **AGAINST** the Demerger Scheme Advisory Resolution, you are directing the Crown Initial Shareholders to vote against the demerger scheme. In this event, CMH will **not be demerged** from Crown and you will **not receive any shares** in CMH.

At the AGM following this meeting, you will also be asked to consider 3 other resolutions connected with the Recommended Proposal: namely the **Financial Assistance Resolution**, the **Capital Reduction Resolution** and the **Name Change Resolution**.

The **Financial Assistance Resolution** seeks your approval to permit PBL and certain PBL subsidiaries to financially assist Crown in acquiring all the PBL Shares.

The **Capital Reduction Resolution** seeks your approval for PBL to reduce its capital as part of the reorganisation of PBL into the two separately listed companies.

The **Name Change Resolution** seeks your approval to change PBL's name from PBL to Consolidated Media Holdings, or CMH.

I will cover each of these resolutions in more detail at the AGM, which will take place **immediately** follow this meeting.

The end result, if you approve the PBL Scheme of Arrangement and the resolutions to give effect to the Recommended Proposal and the Court approves the Schemes, will be the two separately listed companies.

These two separately listed companies will be strong, focused companies with the **aim of creating shareholder value**. Each company has the management focus, balance sheet strength and appropriate capital structure to drive significant growth in the years ahead.

Crown Limited will **house PBL's gaming assets** – which include our two Australian casinos **Crown Melbourne** and **Burswood in Perth**, and our various international gaming investments. These investments are in **Macau**, the United Kingdom and the **United States**. We have also recently received approval from regulators on our bid with Macquarie Bank for **Gateway Casinos in Canada** and that acquisition has closed.

Crown will also hold the investment in Betfair, an online betting exchange and, as we announced to the ASX earlier this week, we are also in the final weeks of **considering a major acquisition** of an overseas gaming business.

PBL's current media investments will be held by **CMH**. The PBL corporate entity will continue, and we will ask you to **approve** it changing its name to CMH at our AGM today.

The media investments – 25% of **FOXTEL**, 50% of **FOX SPORTS**, 27% of listed company **SEEK** and 25% of **PBL Media** – all have strong management teams.

In the **unanimous view of your board**, the Recommended Proposal - which will result in these two separately listed companies – **is in the best interests of PBL shareholders**. We therefore unanimously recommend that you **vote in favour** of the PBL Scheme Resolution to be considered today.

We also believe that the PBL Scheme alone is in the best interests of PBL Shareholders for the reasons we explained in the PBL Scheme Booklet.

ENDS

COPIES OF RELEASES

Copies of previous media and ASX announcements issued by PBL are available at PBL's website at www.pbl.com.au.