

# PBL Macau casino refinancing hit by credit crisis

The financing of Publishing and Broadcasting Ltd's (PBL) Macau casino joint venture has been restructured as a consequence of the global credit crunch.

Melco PBL Entertainment Ltd (MPEL) says it has signed a USD 1.75 billion senior debt facility with a syndicate of six major international banks rather than the original USD 2.75 billion finance deal announced in June.

„The recent adverse change in credit market conditions in the United States resulted in a restructuring of the USD 2,750,000,000 commitment secured by MPBL Gaming in June 2007 into the facilities as announced today,“ MPEL said in a statement.

„The facilities provide MPBL Gaming with financing sufficient to meet the projected cost of constructing and developing the first phase of City of Dreams.“

The majority of the funds, USD 1.5 billion, will be a seven year term loan facility, to finance construction of the City of Dreams casino and entertainment resort.

The remaining USD 250 million will form a five year revolving credit facility, available for contingencies and other working capital requirements.

The facilities are non recourse to PBL. However, PBL and Melco International Development Limited (which owns 41.4% of MPEL along with PBL) have each undertaken to provide a Letter of Credit for USD 125 million which will be able to be used, if necessary, to support completion of the City of Dreams should the facilities be insufficient to fund completion.

The banking syndicate that will provide the funds includes ANZ Banking Group Limited, Bank of America Securities Asia Limited, Barclays Capital, Citigroup Global Markets Asia Limited, Deutsche Bank AG and UBS AG Hong Kong Branch as coordinating lead arrangers.