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US\$460m debt raising in the US private placement market by Echo Entertainment Group

Tabcorp Holdings Limited ("Tabcorp") today confirmed that Echo Entertainment Group Limited ("Echo"), the proposed new holding company of Tabcorp's casinos business, has entered into an agreement to raise US\$460 million of debt from the US private placement market.

The debt raising is conditional upon the proposed demerger of Tabcorp's casinos business proceeding. Tabcorp's shareholders are scheduled to vote on the demerger proposal on 1 June 2011.

Tabcorp's Chief Financial Officer Matt Bekier said: "We're delighted with the response from the US private placement market. The transaction diversifies Echo's sources of debt and provides for an attractive debt maturity profile."

The debt raising by Echo will involve the issue of US\$100 million of notes maturing in 7 years and US\$360 million of notes maturing in 10 years.

The issue proceeds will be converted into Australian dollars and the size of Echo's A\$1,400 million syndicated bank facility will be reduced.

If the demerger proceeds, the debt maturity profile of the Echo group will be as set out below.

	Amount	Maturity
Syndicated bank facility	A\$480 million	FY2014
Syndicated bank facility	A\$480 million	FY2016
US private placement	A\$ equivalent of US\$100 million	FY2018
US private placement	A\$ equivalent of US\$360 million	FY2021

UBS and Commonwealth Australia Securities acted as joint placement agents for Echo.

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Media Release