



Form Version 2.0

General Announcement

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Submitting Merchant Bank (if applicable) : COMMERCE INTERNATIONAL MERCHANT BANKERS BERHAD
Submitting Secretarial Firm Name (if applicable) :
* Company name : RESORTS WORLD BHD
* Stock name : RESORTS
* Stock code : 4715
* Contact person : CHARMAINE CHEE
* Designation : MANAGER

* Type : Announcement Reply to query

* Subject :
RESORTS WORLD BHD (“RESORTS WORLD”)

Proposed issuance of RM1.1 billion nominal value 2-year convertible notes due 2008 (“Proposed Notes Issue”)

* **Contents :-**

Please refer to the attachment for the full text of the announcement on the Proposed Notes Issue.

This announcement is dated 7 September 2006.



Ann-01.pdf

Tables Section - This section is to be used to create and insert tables. Please make the appropriate reference to the table(s) in the Contents of the Announcement:

RESORTS WORLD BHD (“RESORTS WORLD”)

Proposed issuance of RM1.1 billion nominal value 2-year convertible notes due 2008 (“Proposed Notes Issue”)

* Contents :-

1. On behalf of Resorts World, Commerce International Merchant Bankers Berhad (“**CIMB**”) is pleased to announce that Resorts World proposes to issue RM1.1 billion nominal value convertible notes due 2008 (“**Notes**”). The Notes are convertible into ordinary shares of RM0.50 each in Resorts World (“**Resorts World Shares**”) in accordance with the terms and conditions of the Notes (“**Terms**”). The pricing and placement of the Notes will be carried out through a book-building process.
2. The Notes will be offered to investors falling within Section 38(1)(b) or Schedule 2, Section 39(1)(b) or Schedule 3 and Section 66(3) or Schedule 5 of the Securities Commission Act, 1993.
3. The Notes may be converted at the option of the holders of the Notes (“**Noteholders**”) into Resorts World Shares, at a conversion price to be determined later. However, Resorts World may at its option, satisfy its obligation following a conversion, in whole or in part, by paying the Noteholders in cash. Any Note which is not redeemed, converted or purchased and cancelled before the maturity date will be redeemed in cash on the maturity date.
4. Resorts World will determine and announce the final Terms after the book-building process, which is expected to complete by 8 September 2006.
5. The Notes will be issued in accordance with the Rules on the Scripless Securities under the Real Time Electronic Transfer of Funds and Securities system of Bank Negara Malaysia (“**BNM**”), and will be reported on the Fully Automated System for Issuing/Tendering system of BNM. The Notes will not be listed on any stock exchange.
6. The new Resorts World Shares to be issued upon conversion of the Notes will, upon issue and allotment, rank equal in all respects with the then existing Resorts World Shares except that they will not entitle their holders to any dividend, right, allotment and/or other distributions, the entitlement date of which is before the date of allotment of the new Resorts World Shares. The Resorts World Shares will be listed and quoted on Bursa Malaysia Securities Berhad (“**Bursa Securities**”).
7. Resorts World intends to use the proceeds from the Proposed Notes Issue (after defraying the expenses relating to the Proposed Notes Issue) for working capital and/or investments or acquisitions (including the repayment of borrowings taken to make such investments or acquisitions, if any) in areas related to Resorts World’s principal businesses in the leisure, hospitality and gaming sectors, as and when such opportunities arise.
8. Resorts World does not expect any subscription for the Notes by any of its related parties. Accordingly, Resorts World does not expect any of its directors or major shareholders, and/or persons connected to them, to have any interest in the Proposed Notes Issue.
9. The Proposed Notes Issue will not have any effect on Resorts World’s share capital and substantial shareholders’ shareholdings.

The proforma effects of the Proposed Notes Issue on Resorts World’s consolidated net assets and earnings per share, and proforma effects arising from the issuance of new Resorts World Shares (on conversion of the Notes) can only be determined upon finalisation of the Terms after the book-building process completes.

10. The Proposed Notes Issue is subject to the following approvals:

- (a) the Securities Commission (“**SC**”) for the following:
 - (i) Proposed Notes Issue, which was obtained on 31 March 2006 and 4 May 2006; and
 - (ii) issuance of new Resorts World Shares upon conversion of the Notes in accordance with the Terms, and listing of and quotation for the new Resorts World Shares on the Main Board of Bursa Securities, which was obtained on 31 March 2006;
- (b) the Foreign Investment Committee (through the SC) for the following:
 - (i) Noteholders (whether local or foreign) to acquire RM10 million or more in value of the new Resorts World Shares upon valid conversion of the Notes; and
 - (ii) foreign Noteholders to increase their voting rights in Resorts World to 15% or more upon valid conversion of the Notes into new Resorts World Shares, regardless of whether the value is less than RM10 million,

which was obtained on 31 March 2006; and
- (c) approval-in-principle from Bursa Securities for the listing of and quotation for the new Resorts World Shares to be issued upon conversion of the Notes on the Main Board of Bursa Securities, which was obtained on 18 May 2006.

Any additional new Resorts World Shares that may be issued in the future arising from adjustments (if any) relating to the conversion of the Notes in accordance with the Terms will require the SC’s approval. The listing of and quotation for such shares will require the approvals of the SC and Bursa Securities.

The Resorts World Shares to be issued on conversion of the Notes will be issued pursuant to the ordinary resolution passed under Section 132D of the Companies Act, 1965 at Resorts World’s last Annual General Meeting held on 21 June 2006.

11. Resorts World has appointed the following advisers for the Proposed Notes Issue:

- (a) CIMB as Principal Adviser and Lead Arranger;
- (b) CIMB, J.P. Morgan Securities Ltd., Deutsche Bank AG, Hong Kong Branch and The Hongkong and Shanghai Banking Corporation Limited as Joint Bookrunners;
- (c) CIMB, J.P. Morgan Chase Bank Berhad, Deutsche Bank (Malaysia) Berhad and HSBC Bank Malaysia Berhad as Joint Lead Managers; and
- (d) CIMB and ECM Libra Capital Sdn Bhd as Joint Financial Advisers.

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