

BusinessWeek

THE ASSOCIATED PRESS May 5, 2009, 1:17PM ET

Tropicana Entertainment reorganization plan OK'd

LAS VEGAS

Tropicana Entertainment LLC said Tuesday that a Delaware bankruptcy court has approved its reorganization plan, allowing it to emerge from bankruptcy protection.

The plan eliminates more than \$2.4 billion in debt and more than \$125 million in annual interest payments.

The privately held owner of the 51-year-old Tropicana Resort & Casino on the Las Vegas Strip previously said that its reorganization plan would give holders of secured debt the opportunity to have their bonds converted into common stock and general unsecured debt-holders to be given warrants, interests in a litigation trust and, for certain creditors, cash.

The reorganization includes an exit financing commitment from Icahn Capital, one of billionaire investor Carl Icahn's companies. Icahn has been interested in the company's Atlantic City, N.J. casino, which will be sold in a bankruptcy court auction.

The approval of Tropicana's reorganization by the U.S. Bankruptcy Court in Delaware allows the company to seek approval for the plans from gaming regulators in Indiana, Louisiana, Mississippi, Nevada and New Jersey.

"We are now equipped not only to endure the economic circumstances facing the casino gaming industry today, but also to take advantage of opportunities as the industry rebounds in the years ahead," Chief Executive Scott C. Butera said in a statement.

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