



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
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CROWN REDUCES SHAREHOLDING IN MELCO CROWN ENTERTAINMENT

MELBOURNE: Crown Resorts Limited (ASX: CWN) ("Crown") announced today that a wholly owned subsidiary has entered into an agreement with Melco Crown Entertainment Limited (NASDAQ: MPEL) ("MCE") for the repurchase of 155 million ordinary MCE shares (equivalent to approximately 51.67 million MCE American Depository Shares ("ADSs")) held by Crown ("Repurchase").

The Repurchase will be undertaken at US\$5.1667 per MCE share (equivalent to approximately US\$15.50 per MCE ADS) and will generate proceeds of approximately US\$800 million. The Repurchase will also result in Crown's shareholding in MCE decreasing from 34.3% to 27.4%. Crown intends to maintain a significant investment in MCE.

The Repurchase forms part of Crown's ongoing capital management strategy and proceeds will be initially used to reduce Crown's net debt position.

Following completion, Crown will assess its capacity to make a distribution to shareholders, and at the same time maintain a strong balance sheet and credit profile to fund existing Australian development projects, including Crown Sydney. Crown will provide an update to the market once it has completed this assessment.

As a result of the Repurchase the Shareholders' Deed between Crown and the other major shareholder of MCE, Melco International Development Limited ("Melco"), will be amended. A summary of the main amendments is set out in the schedule to this announcement.

ENDS

COPIES OF RELEASES

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

Schedule

Summary of main amendments to Shareholders' Deed between Crown and Melco

- Crown will be entitled to have two representatives on the MCE Board – under the current Shareholders' Deed, Crown is entitled to have three representatives on the MCE Board;
- In the event that Crown's shareholding in MCE increases such that it is equal to or greater than, or not more than 1% below, that of Melco, Crown will be entitled to have three representatives on the MCE Board again;
- James Packer will resign as Co-Chair of MCE and be appointed as Deputy Chair; and
- While Melco is entitled to appoint three MCE directors and Crown is entitled to appoint two, Melco will be entitled to nominate the CEO from one of its nominated directors.