

APPENDIX 4E

PRELIMINARY FINAL REPORT



CROWN LIMITED

A.B.N. 39 125 709 953

YEAR ENDED: 30 JUNE 2010

PREVIOUS CORRESPONDING PERIOD: 30 JUNE 2009

Appendix 4E

Financial year ended 30 June 2010

(Previous corresponding period: financial year ended 30 June 2009)

Results for announcement to the market

				\$A'000
Revenue from operations	up	1.9%	to	2,342,248
Net profit for the period attributable to members of the parent	up	124.4%	to	292,293
Dividends		Amount per security		Franked amount per security
Final dividend:		19.0 cents		11.4 cents
Previous corresponding period:		19.0 cents		11.4 cents
Record date for determining entitlements to the dividend:		1 October 2010		
Final dividend payment date:		15 October 2010		
Net Tangible Asset Backing		30 June 2010		30 June 2009
Net tangible asset backing per ordinary security on issue at period end:		\$3.42		\$3.42
For an explanation of any of the figures reported above, see Crown's Announcement made to the ASX on the same date as this Appendix 4E.				

Crown Limited

Statement of Comprehensive Income for the financial year ended 30 June 2010

	Note	Consolidated	
		30 June 2010 \$'000	30 June 2009 \$'000
Continuing operations			
Revenues	1	2,342,248	2,299,624
Other income	1	10,455	152
Expenses	1	(1,811,811)	(3,112,178)
Share of net profits / (losses) of associates and joint venture entities		(69,457)	(125,959)
Profit / (loss) before tax and finance costs		471,435	(938,361)
Finance costs	1	(84,126)	(187,412)
Profit / (loss) before income tax		387,309	(1,125,773)
Income tax expense		(95,016)	(72,131)
Net profit / (loss) from continuing operations ⁽¹⁾		292,293	(1,197,904)
Other Comprehensive Income			
Foreign currency translation ⁽²⁾		(63,781)	186,469
Movement in cashflow hedge reserve		30,680	(63,900)
Unrealised gain / (loss) on investments in associates		(4,061)	181,506
Other comprehensive income / (loss) for the period, net of income tax		(37,162)	304,075
Total comprehensive income / (loss) for the period		255,131	(893,829)

Earnings per security (EPS)

Basic EPS (cents per share) ⁽³⁾	38.54	(166.89)
Diluted EPS (cents per share) ⁽³⁾	38.54	(166.89)

EPS calculation is based on the weighted average number of shares on issue throughout the period.

Dividends per share

Current year final dividend proposed (cents per share)	3	19 cents	19 cents
Current year interim dividend paid (cents per share)	3	18 cents	18 cents

⁽¹⁾ Normalised net profit after tax for the financial year ended 30 June 2010, as disclosed in Crown's Announcement made to the ASX on the same date as this Appendix 4E is \$288.4 million (\$280.7 million prior year). Normalised results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP program play, the impact of significant items (where applicable), and pre-opening costs in respect of City of Dreams (where applicable).

⁽²⁾ The movement in the foreign currency translation reserve is largely attributable to foreign exchange movements relating to Crown's equity accounted investments, particularly its investment in Melco Crown.

⁽³⁾ Basic/diluted EPS excluding the effect of significant items is 38.54 cps (2009: 33.74 cps).

Crown Limited

Statement of Financial Position

as at 30 June 2010

		Consolidated	
		30 June 2010 \$'000	30 June 2009 \$'000
	Note		
Current Assets			
Cash and cash equivalents	2	196,395	515,498
Trade and other receivables		147,252	144,657
Inventories		16,328	15,293
Prepayments		12,197	12,335
Other financial assets		1,971	-
Total Current Assets		374,143	687,783
Non-Current Assets			
Receivables		128,158	236,837
Available-for-sale financial assets		106,634	86,313
Other financial assets		6,045	-
Investments in associates		1,029,669	1,095,150
Property, plant and equipment		2,320,459	2,134,630
Licences		651,926	659,397
Other intangible assets		175,370	182,336
Deferred tax assets		111,081	140,138
Prepaid casino tax		65,636	68,371
Total Non-Current Assets		4,594,978	4,603,172
Total Assets		4,969,121	5,290,955
Current Liabilities			
Trade and other payables		292,283	292,769
Interest-bearing loans and borrowings		135,236	20,000
Income tax payable		33,117	37,141
Provisions		113,320	120,884
Other financial liabilities		-	3,400
Total Current Liabilities		573,956	474,194
Non-Current Liabilities			
Other payables		67	4,097
Interest-bearing loans and borrowings		712,758	1,037,158
Deferred tax liabilities		207,098	235,167
Provisions		15,337	43,509
Other financial liabilities		40,600	60,500
Total Non-Current Liabilities		975,860	1,380,431
Total Liabilities		1,549,816	1,854,625
Net Assets		3,419,305	3,436,330
Equity			
Contributed equity		638,690	634,364
Reserves		448,751	483,978
Retained earnings		2,331,864	2,317,988
Total Equity		3,419,305	3,436,330

Crown Limited

Cash Flow Statement

for the financial year ended 30 June 2010

	Consolidated	
	30 June 2010 \$'000	30 June 2009 \$'000
Note		
Cash flows from operating activities		
Receipts from customers	2,325,096	2,209,937
Payments to suppliers and employees	(1,660,736)	(1,581,916)
Dividend distribution received	26	15
Interest received	7,301	88,335
Borrowing costs	(89,773)	(251,325)
Income tax paid	(114,457)	(82,610)
Net operating cash flows	467,457	382,436
Cash flows from investing activities		
Purchase of property, plant and equipment	(356,270)	(389,026)
Proceeds from sale of property, plant and equipment	13,809	128
Payment for purchases of equity investments	-	(12,125)
Purchase of available for sale financial assets	(20,584)	(575,332)
Net proceeds from sale of equity investments	84,671	76,266
Loans to associated entities	(4,000)	(84,076)
Other (net)	(3,177)	(3,712)
Net investing cash flows	(285,551)	(987,877)
Cash flows related to financing activities		
Proceeds from borrowings	250,000	3,442,768
Repayment of borrowings	(450,000)	(5,285,054)
Dividends paid	(278,417)	(331,191)
Proceeds from equity raising (net of underwriting fees)	-	337,150
ESP proceeds received	2,893	39,065
Net financing cash flows	(475,524)	(1,797,262)
Net increase/(decrease) in cash and cash equivalents held	(293,618)	(2,402,703)
Cash and cash equivalents at beginning of period	515,498	2,362,964
Effects of exchange rate changes on cash ⁽¹⁾	(25,485)	555,237
Cash and cash equivalents at end of period	196,395	515,498

⁽¹⁾ Represents foreign exchange movements in USD cash offset by a movement in USD borrowings.

Crown Limited

Statement of Changes in Equity

for the financial year ended 30 June 2010

	Consolidated						Total Equity \$'000
	Ordinary Shares \$'000	Retained Earnings \$'000	Net Unrealised Gains Reserve \$'000	Foreign Currency Translation Reserve \$'000	Cashflow Hedge Reserve \$'000	Employee Benefits Reserve \$'000	
30 June 2010							
Balance at 1 July 2009	634,364	2,317,988	632,593	(94,107)	(63,900)	9,392	3,436,330
Profit / (loss) for the period	-	292,293	-	-	-	-	292,293
Other comprehensive income	-	-	(4,061)	(63,781)	30,680	-	(37,162)
Dividends paid	-	(278,417)	-	-	-	-	(278,417)
ESP proceeds received	2,893	-	-	-	-	-	2,893
Transfers	1,433	-	-	-	-	(1,433)	-
Share based payments expense	-	-	-	-	-	3,368	3,368
Balance at 30 June 2010	638,690	2,331,864	628,532	(157,888)	(33,220)	11,327	3,419,305
30 June 2009							
Balance at 1 July 2008	258,149	3,846,972	451,087	(280,576)	-	5,712	4,281,344
Profit / (loss) for the period	-	(1,197,904)	-	-	-	-	(1,197,904)
Other comprehensive income	-	-	181,506	186,469	(63,900)	-	304,075
Dividends paid	-	(331,080)	-	-	-	-	(331,080)
Shares issued (net of equity raising fees)	337,150	-	-	-	-	-	337,150
ESP proceeds received	39,065	-	-	-	-	-	39,065
Share based payments expense	-	-	-	-	-	3,680	3,680
Balance at 30 June 2009	634,364	2,317,988	632,593	(94,107)	(63,900)	9,392	3,436,330

Notes to the Financial Statements

for the financial year ended 30 June 2010

Consolidated	
30 June 2010 \$'000	30 June 2009 \$'000

1. REVENUE AND EXPENSES

Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:

(i) Revenue

Revenue from services	2,016,601	1,903,113
Revenue from sale of goods	295,533	272,188
Interest – significant item	-	40,443
Interest – non significant item	11,100	64,265
Dividends received	27	16
Other operating revenue	18,987	19,599
	2,342,248	2,299,624

(ii) Other Income

Profit on disposal of non-current assets	10,455	152
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(iii) Expenses

Cost of sales	115,327	105,386
Gaming activities	1,662,559	1,549,626
Significant items (excl. interest and tax)	-	1,415,188
Other ordinary activities	33,925	41,978
	1,811,811	3,112,178

Depreciation of non-current assets

(included in expenses above)

Buildings	49,164	43,870
Plant and equipment	94,973	85,681
	144,137	129,551

Amortisation of non-current assets

(included in expenses above)

Casino licence fee and management agreement	14,417	14,417
Other assets	4,564	4,016
	18,981	18,433

Total depreciation and amortisation expense	163,118	147,984
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(iv) Other Income and Expense Disclosures

Finance costs expensed:

Debt facilities	84,126	92,142
Debt facilities –significant item	-	95,270
	84,126	187,412

Notes to the Financial Statements

for the financial year ended 30 June 2010

Consolidated			
30 June 2010		30 June 2009	
Pre Tax \$'000	Post Tax \$'000	Pre Tax \$'000	Post Tax \$'000

(v) Significant Items

Write-down of available for sale assets	-	-	939,773	939,773
Write-down of investments in associates	-	-	131,634	131,634
Write-down of Gateway shareholder loan	-	-	182,279	182,279
Write-down of deferred debt security	-	-	31,265	31,265
Termination fee for original Cannery transaction	-	-	76,546	76,546
Termination of US dollar interest rate swaps	-	-	57,341	40,139
Net Interest attributable to funding of original Cannery transaction	-	-	54,827	38,379
Other net significant items	-	-	(3,650)	85
	-	-	<u>1,470,015</u>	<u>1,440,100</u>

There have been no significant items during the current period.

Notes to the Financial Statements

for the financial year ended 30 June 2010

Consolidated	
30 June 2010 \$'000	30 June 2009 \$'000

2. CASH AND CASH EQUIVALENTS

For the purpose of the full year consolidated cash flow statement, cash and cash equivalents are comprised of the following:

Cash on hand and at bank	178,395	236,774
Deposits at call	18,000	278,724
	196,395	515,498

The above closing cash balances includes \$126.7 million (2009: \$133.3 million) of cash on the company's premises and cash held in bank accounts needed to run the day to day operations of the businesses.

3. DIVIDENDS PAID AND ANNOUNCED

(a) Dividends declared and paid during the financial year

Prior year final dividend (paid 26 October 2009)

Paid at 19 cents (2008: 29 cents) per share and franked at 60% (2008: 40% franked) at the Australian tax rate of 30% (2008: 30%)

144,095	200,006
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Current year interim dividend (paid 23 April 2010)

Paid at 18 cents (2009: 18 cents) per share and franked at 60% (2009: 60% franked) at the Australian tax rate of 30% (2009: 30%)

136,511	136,511
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Total dividends appropriated

280,606	336,517
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(b) Dividends announced and not recognised as a liability

Current year final dividend (expected to be paid 15 October 2010)

Announced at 19 cents (2009: 19 cents) per share franked at 60% (2009: 60%) at the Australian tax rate of 30% (2009: 30%)

144,095	144,095
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Shares issued under Crown's Executive Share Plan have been included in calculating the above dividends paid and proposed.

No part of the unfranked portion of the dividend will consist of conduit foreign income.

No shareholders' dividend plans are in operation.

Notes to the Financial Statements

for the financial year ended 30 June 2010

4. SEGMENT REPORTING

The Group's operating segments have been determined based on internal management reporting structure and the nature of the products provided by the Group. They reflect the business level at which financial information is provided to management for decision making regarding resource allocation and performance assessment. The segment information presented is consistent with internal management reporting.

The Group has two operating segments being Crown Melbourne and Burswood. The information for the comparative period has been restated in accordance with the new accounting standard.

	Normalised Result ⁽¹⁾				Adjustment ⁽¹⁾	Actual
	Crown Melbourne	Burswood	Unallocated	Crown Group		
30 June 2010	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating revenue						
Main floor gaming	876,810	396,157	-	1,272,967	-	1,272,967
VIP commission program play	363,511	172,491	-	536,002	49,303	585,305
Non Gaming	319,184	164,262	27	483,473	-	483,473
Intersegment				(142)	-	(142)
Operating revenue	1,559,505	732,910	27	2,292,300	49,303	2,341,603
Interest revenue				11,100	-	11,100
Total revenue	1,559,505	732,910	27	2,303,400	49,303	2,352,703 ⁽²⁾
Segment result						
Gaming taxes & commissions	(439,523)	(197,588)	-	(637,111)	(13,626)	(650,737)
Operating expenses	(645,117)	(321,696)	(31,285)	(998,098)	-	(998,098)
Intersegment				142	-	142
EBITDA	474,865	213,626	(31,258)	657,233	35,677	692,910
Depreciation and amortisation	(125,716)	(34,762)	(2,640)	(163,118)	-	(163,118)
EBIT	349,149	178,864	(33,898)	494,115	35,677	529,792
Equity accounted share of associates' net profit/(loss)				(48,409)	(21,048)	(69,457)
Net interest income/(expense)				(73,026)	-	(73,026)
Income tax expense				(84,313)	(10,703)	(95,016)
Profit / (loss) after tax	349,149	178,864	(33,898)	288,367	3,926	292,293

⁽¹⁾ Normalised results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP commission program play (at Crown Melbourne, Burswood, and Melco Crown), the impact of significant items (where applicable), and pre-opening costs in respect of City of Dreams (where applicable). The theoretical win rate is the expected hold percentage on VIP commission program play over time. Accordingly, the normalised result gives rise to adjustments to VIP commission program play revenue, gaming taxes, income tax expense, and equity accounted share of associates' result.

⁽²⁾ Total revenue of \$2,352.7 million includes \$10.5 million profit on disposal of non-current assets.

Notes to the Financial Statements

for the financial year ended 30 June 2010

4. SEGMENT REPORTING *continued*

	Normalised Result ⁽¹⁾				Adjustment ⁽¹⁾ \$'000	Significant Items \$'000	Actual Crown Group \$'000
	Crown Melbourne \$'000	Burswood \$'000	Unallocated \$'000	Crown Group \$'000			
30 June 2009							
Operating revenue							
Main floor gaming	855,272	397,860	-	1,253,132	-	-	1,253,132
VIP commission program play	329,704	140,001	-	469,705	31,438	-	501,143
Non Gaming	281,205	159,708	-	440,913	-	-	440,913
Intersegment				(120)	-	-	(120)
Operating revenue	1,466,181	697,569	-	2,163,630	31,438	-	2,195,068
Interest revenue				64,265	-	40,443	104,708
Total revenue	1,466,181	697,569	-	2,227,895	31,438	40,443	2,299,776 ⁽²⁾
Segment result							
Gaming taxes & commissions	(408,684)	(170,095)	-	(578,779)	(4,970)	-	(583,749)
Operating expenses	(607,233)	(318,812)	(39,332)	(965,377)	-	-	(965,377)
Intersegment				120	-	-	120
EBITDA	450,264	208,662	(39,332)	619,594	26,468	-	646,062
Depreciation and amortisation	(112,969)	(32,385)	(2,630)	(147,984)	-	-	(147,984)
EBIT	337,295	176,277	(41,962)	471,610	26,468	-	498,078
Significant items	-	-	-	-	-	(1,415,188)	(1,415,188)
Equity accounted share of associates' net profit/(loss)				(68,962)	(56,997)	-	(125,959)
Net interest income/(expense)				(27,877)	-	(54,827)	(82,704)
Income tax expense				(94,105)	(7,941)	29,915	(72,131)
Profit / (loss) after tax	337,295	176,277	(41,962)	280,666	(38,470)	(1,440,100)	(1,197,904)

⁽¹⁾ Normalised results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP commission program play (at Crown Melbourne, Burswood, and Melco Crown), the impact of significant items (where applicable), and pre-opening costs in respect of City of Dreams (where applicable). The theoretical win rate is the expected hold percentage on VIP commission program play over time. Accordingly, the normalised result gives rise to adjustments to VIP commission program play revenue, gaming taxes, income tax expense, and equity accounted share of associates' result.

⁽²⁾ Total revenue of \$2,299.8 million includes \$0.2 million profit on disposal of non-current assets.

Notes to the Financial Statements

for the financial year ended 30 June 2010

5. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date contingent liabilities have reduced by \$48 million from \$270 million to \$222 million primarily due to the cancellation of the letter of credit relating to the contingent equity commitment under the Melco Crown debt facility.

Contingent Liabilities at 30 June 2010 related primarily to the following:

	\$'000
Letters of credit issued to the State of Victoria	185,000
Victorian Workcover	15,050
Letter of credit issued to the British Columbia Lottery Commission	22,371
Other	50
	<u>222,471</u>

6. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to 30 June 2010, the directors of Crown announced a final dividend on ordinary shares in respect of the year ending 30 June 2010. The total amount of the dividend is \$144.1 million, which represents a dividend of 19 cents per share franked at 60%.

On 24 August 2010, Consolidated Media Holdings Limited (CMH) announced that it has been advised that the Special Purpose Liquidator of One.Tel has filed proceedings and CMH has been served with some documents.

CMH also announced that it will strongly defend the proceedings.

The apportionment of any costs associated with the proceedings will be in accordance with the PBL Demerger Deed outlined in the PBL Scheme Booklet (75% Crown Limited, 25% CMH).

Appendix 4E - Additional Information
for the financial year ended 30 June 2010

Commentary on results

The commentary on the results is contained in Crown's Announcement made to the ASX on the same date as this Appendix 4E.

Audit

This report is based on accounts which are in the process of being audited. It is not considered likely any audit qualification will arise.



Michael Neilson

Company Secretary

26 August 2010

Date