

## Appendix 4D

### Half year ended 31 December 2012

(previous corresponding period: half year ended 31 December 2011)

### Results for announcement to the market

<b>Results in accordance with Australian Accounting Standards</b>				<b>\$'000</b>
Revenue from operations	up	<b>1.1%</b>	to	<b>1,510,475</b>
Net profit for the period attributable to members of the parent	down	<b>(34.1%)</b>	to	<b>180,775</b>

	<b>Normalised Results <sup>(1)</sup></b>		<b>Actual Results <sup>(2)</sup></b>	
	<b>\$'000</b>	<b>% Movement</b>	<b>\$'000</b>	<b>% Movement</b>
Revenue from operations	1,560,515	7.7%	1,510,475	1.1%
Earnings before interest, tax, depreciation and amortisation	400,331	10.5%	377,785	(7.7%)
Depreciation & amortisation	(118,558)	9.5%	(118,558)	9.5%
Earnings before interest & tax	281,773	10.9%	259,227	(13.9%)
Share of associates' profits	64,039		70,654	
Net interest expense	(59,652)		(59,652)	
Significant items <sup>(3)</sup>	-		(74,318)	
Income tax expense	(42,695)		(15,136)	
<b>Net profit after tax</b>	<b>243,465</b>	15.1%	<b>180,775</b>	(34.1%)

(1) Normalised results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP program play (at Crown Melbourne, Crown Perth, Aspinall's Club and Melco Crown). The theoretical win rate is the expected hold percentage on VIP program play over time. Accordingly, the normalised result gives rise to adjustments to VIP program play revenue, gaming taxes, income tax expense and equity accounted share of associates' result. Refer to note 3 in the attached financial statements for more information. The Group believes that normalised results are the best measure of viewing performance of the business as it removes the inherent volatility in VIP gaming revenue.

(2) Actual results reflect revenues & expenses at actual win rates and include significant items.

(3) The significant item relates to the mark-to-market on Crown's investment in Echo, which resulted in a loss of \$74.3 million for the half (\$52.0 million net of tax).

<b>Dividends</b>	Amount per security	Franked amount per security
Interim dividend:	<b>18.0 cents</b>	<b>9.0 cents</b>
Previous corresponding period:	<b>18.0 cents</b>	<b>9.0 cents</b>
Record date for determining entitlements to the dividend:	<b>28 March 2013</b>	
Interim dividend payment date:	<b>16 April 2013</b>	
<b>Net Tangible Asset Backing</b>	31 December 2012	31 December 2011
Net tangible asset backing per ordinary security on issue at period end:	<b>\$3.49</b>	<b>\$3.22</b>
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 4D. Non-IFRS measures have not been subject to audit or review.		

# **Directors' Report**

Your directors submit their report for the half year ended 31 December 2012.

## **Directors**

The directors of Crown Limited (the "Company") in office during the half-year, and until the date of this Report are as below. Directors were in office for this entire period unless otherwise stated.

James D Packer  
John H Alexander  
Benjamin A Brazil  
Helen Coonan  
Christopher D Corrigan  
Rowen B Craigie  
Rowena Danziger  
Geoffrey J Dixon  
John S Horvath  
Ashok Jacob  
Michael R Johnston  
Harold C Mitchell

## **Review and Results of Operations**

For the half year ended 31 December 2012 Crown reported a net profit of \$180.8 million, compared to \$274.4 million in the prior comparable period (pcp). The result in comparison to the prior period has been impacted by a decrease in the VIP program play win rate (\$49.9 million post tax impact for wholly owned operations and \$23.5 million for equity accounted operations). The current period also included a mark-to-market loss on Crown's investment in Echo Entertainment Group Ltd of \$74.3m (\$52.0m net of tax). This was partially offset by improved Australian casino operations results and continued growth in Crown's Macau joint venture.

Overall, the results for Crown's wholly-owned Australian casinos, Crown Melbourne and Crown Perth, were reasonable. Revenue growth reflects the benefits of recent property refurbishments, particularly the expansion of the main gaming floor in Perth. However, both properties were also impacted by disruption to patron activity arising from the capital works program and weak consumer sentiment, especially in Melbourne. Cost control continues to be a focus at both properties. The results from Melco Crown Entertainment, Crown's Macau joint venture, were strong and were a major contributor to the growth in normalised NPAT for the Group.

Main floor gaming generated revenue growth of 5.9% across Crown Melbourne and Crown Perth. The expansion of Crown Perth's gaming floor to accommodate new gaming product was a significant source of growth, while Crown Melbourne was impacted by the effects of refurbishment disruption on the main gaming floor. Crown is still seeing evidence of weak consumer sentiment, particularly in Melbourne.

VIP program play turnover at Crown's Australian casinos grew 12.3% in the first half compared with the first half of last year.

Crown Melbourne's actual results reflect a below theoretical win rate of 1.23% on its VIP turnover resulting in a \$14.2 million adverse impact on the Group's actual net profit. Crown Perth reported an above theoretical win rate of 1.71% resulting in a \$15.2 million favourable impact on the Group's actual net profit. Crown considers that normalised earnings, which are calculated at theoretical win rates, are the best reflection of the underlying performance of the business as it removes the inherent volatility in VIP gaming revenue.

Aspinall's Club generated a normalised EBITDA of \$21.1 million, albeit at a below theoretical win rate.

Crown's share of MCE's normalised result for the period was an equity accounted profit of \$64.5 million, after adjusting for an above theoretical win rate. Crown's share of MCE's reported result for the period was an equity accounted profit of \$71.1 million.

## **Investments**

The Group's reported equity accounted profit for the period was \$70.7 million, reflecting a \$71.1 million profit from Melco Crown (\$71.5 million profit in the pcp), and a \$0.4 million loss from Betfair (\$3.5 million profit in the pcp).

## **Cash flow**

Net operating cash flow for the period of \$165.4 million compared to last year's cash flow of \$283.6 million. After net capital expenditure of \$153.2 million, dividend payments of \$138.4 million, net proceeds from borrowings of \$248.8 million and investment payments of \$66.9 million, the Group's net debt position (excluding working capital cash of \$153.7 million) at 31 December 2012 was \$1,890.3 million, consisting of total debt of \$1,942.5 million and cash (excluding working capital cash) of \$52.2 million.

## Directors' Report *continued*

For the half year ended 31 December 2012

### Dividend

The Directors have announced a dividend on ordinary shares of 18 cents per share franked at 50% payable on 16 April 2013 to shareholders registered at 5.00pm on 28 March 2013. No part of the unfranked portion of the dividend will consist of conduit foreign income.

### Auditor's Independence Declaration

Attached is a copy of the auditor's independence declaration in relation to the review for the half year ended 31 December 2012. This auditor's independence declaration forms part of this Directors' report.

### Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (unless otherwise stated) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which this Class Order applies.

Signed in accordance with a resolution of the directors.



**J.D. Packer**  
Director



**R.B. Craigie**  
Director

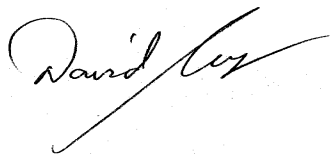
Melbourne, 22<sup>nd</sup> day of February, 2013.

## Auditor's Independence Declaration to the Directors of Crown Limited

In relation to our review of the financial report of Crown Limited for the half-year ended 31 December 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A handwritten signature of 'Ernst & Young' in black ink, written in a cursive style.

Ernst & Young

A handwritten signature of 'David McGregor' in black ink, written in a cursive style.

David McGregor  
Partner  
22 February 2013

## Income Statement

For the half year ended 31 December 2012

	Note	31 December 2012 \$'000	31 December 2011 \$'000
Revenues	4	1,510,475	1,494,718
Other income	4	40	344
Expenses	4	(1,319,344)	(1,188,766)
Share of profits of associates and joint venture entities		70,654	75,024
<b>Profit before income tax and finance costs</b>		261,825	381,320
Finance costs	4	(65,914)	(52,347)
<b>Profit before income tax</b>		195,911	328,973
Income tax expense		(15,136)	(54,571)
<b>Net profit after tax</b>		<b>180,775</b>	<b>274,402</b>

The above Income Statement should be read in conjunction with the accompanying notes.

	31 December 2012 Cents per share	31 December 2011 Cents per share
<b>Earnings per share (EPS)</b>		
Basic EPS	<b>24.82</b>	36.56
Diluted EPS	<b>24.82</b>	36.56
EPS calculation is based on the weighted average number of shares on issue throughout the period		
<b>Dividends per share</b>		
Current year interim dividend proposed	<b>18.00</b>	18.00
Prior year final dividend paid	<b>19.00</b>	19.00

## Statement of Comprehensive Income

For the half year ended 31 December 2012

	31 December 2012 \$'000	31 December 2011 \$'000
<b>Net profit after tax</b>	<b>180,775</b>	<b>274,402</b>
<b>Other Comprehensive Income</b>		
<i>Items that may be reclassified subsequently to profit &amp; loss:</i>		
Foreign currency translation <sup>(1)</sup>	(14,246)	39,445
Movement in cashflow hedge reserve	(3,947)	(14,478)
<i>Items that will not be reclassified subsequently to profit &amp; loss:</i>		
Changes in the fair value of investments	245	(49)
<b>Other comprehensive income / (loss) for the period, net of income tax</b>	<b>(17,948)</b>	<b>24,918</b>
<b>Total comprehensive income / (loss) for the period</b>	<b>162,827</b>	<b>299,320</b>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

<sup>(1)</sup> The movement in the foreign currency translation reserve is largely attributable to foreign exchange movements relating to Crown's equity accounted investment in Melco Crown.

## Statement of Financial Position

As at 31 December 2012

	Note	31 December 2012 \$'000	30 June 2012 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	5	205,866	149,353
Trade and other receivables		313,474	201,734
Inventories		14,830	11,850
Prepayments		21,111	18,693
Other financial assets		-	337
<b>Total current assets</b>		<b>555,281</b>	<b>381,967</b>
<b>Non-current assets</b>			
Receivables		109,980	102,867
Investments		368,670	454,338
Investments in associates		1,159,365	1,088,744
Property, plant and equipment		2,852,056	2,804,379
Licences		653,247	656,983
Other intangible assets		205,272	207,772
Deferred tax assets		120,226	112,640
Other assets		65,442	62,840
<b>Total non-current assets</b>		<b>5,534,258</b>	<b>5,490,563</b>
<b>Total assets</b>		<b>6,089,539</b>	<b>5,872,530</b>
<b>Current Liabilities</b>			
Trade and other payables		296,723	325,731
Interest-bearing loans and borrowings		79,700	29,077
Income tax payable		61,401	100,598
Provisions		117,676	101,977
Other financial liabilities		5,659	22,221
<b>Total current liabilities</b>		<b>561,159</b>	<b>579,604</b>
<b>Non-current liabilities</b>			
Other payables		138	138
Interest-bearing loans and borrowings		1,862,833	1,665,589
Deferred tax liabilities		203,205	205,605
Provisions		45,864	38,183
Other financial liabilities		17,797	8,661
<b>Total non-current liabilities</b>		<b>2,129,837</b>	<b>1,918,176</b>
<b>Total liabilities</b>		<b>2,690,996</b>	<b>2,497,780</b>
<b>Net assets</b>		<b>3,398,543</b>	<b>3,374,750</b>
<b>Equity</b>			
Contributed equity		446,763	446,763
Treasury shares		(1,119)	(480)
Reserves		280,838	298,786
Retained earnings		2,672,061	2,629,681
<b>Total equity</b>		<b>3,398,543</b>	<b>3,374,750</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

# Cash Flow Statement

For the half year ended 31 December 2012

	31 December 2012	31 December 2011
Note	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	1,397,127	1,435,253
Payments to suppliers and employees	(1,105,497)	(1,052,838)
Dividends received	-	4,600
Interest received	3,177	2,204
Borrowing costs paid	(66,966)	(59,045)
Income tax paid	(62,406)	(46,621)
<b>Net cash flows from/(used in) operating activities</b>	<b>165,435</b>	<b>283,553</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(153,173)	(268,898)
Proceeds from sale of property, plant and equipment	9	362
Payment for purchases of investments	(66,938)	-
Net proceeds from sale of equity investments	-	6,632
Loans to associated entities	(4,108)	(24,448)
Other (net)	3,989	(3,304)
<b>Net cash flows from/(used in) investing activities</b>	<b>(220,221)</b>	<b>(289,656)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	1,755,727	540,729
Repayment of borrowings	(1,506,972)	(190,191)
Dividends paid	(138,395)	(141,630)
Payment for share buy-back	-	(238,057)
ESP proceeds received	-	39,345
<b>Net cash flows from/(used in) financing activities</b>	<b>110,360</b>	<b>10,196</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>55,574</b>	<b>4,093</b>
Cash and cash equivalents at the beginning of the period	149,353	183,699
Effect of exchange rate changes on cash	939	931
<b>Cash and cash equivalents at the end of the period</b>	<b>205,866</b>	<b>188,723</b>

The above Cash Flow Statement should be read in conjunction with the accompanying notes.



## Statement of Changes in Equity

For the half year ended 31 December 2012

	Ordinary Shares	Shares Held in Trust	Retained Earnings	Net Unrealised Gains Reserve	Foreign Currency Translation Reserve	Cashflow Hedge Reserve	Employee Benefits Reserve	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31 December 2012</b>								
Balance at 1 July 2012	446,763	(480)	2,629,681	628,704	(323,419)	(19,509)	13,010	3,374,750
Profit for the period	-	-	180,775	-	-	-	-	180,775
Other comprehensive income	-	-	-	245	(14,246)	(3,947)	-	(17,948)
Total comprehensive income for the period	-	-	180,775	245	(14,246)	(3,947)	-	162,827
Dividends paid	-	-	(138,395)	-	-	-	-	(138,395)
Shares acquired under Long Term Incentive Plan	-	(639)	-	-	-	-	-	(639)
<b>Balance at 31 December 2012</b>	<b>446,763</b>	<b>(1,119)</b>	<b>2,672,061</b>	<b>628,949</b>	<b>(337,665)</b>	<b>(23,456)</b>	<b>13,010</b>	<b>3,398,543</b>
<b>31 December 2011</b>								
Balance at 1 July 2011	645,475	-	2,389,097	629,032	(363,804)	(52,450)	13,010	3,260,360
Profit for the period	-	-	274,402	-	-	-	-	274,402
Other comprehensive income	-	-	-	(49)	39,445	(14,478)	-	24,918
Total comprehensive income for the period	-	-	274,402	(49)	39,445	(14,478)	-	299,320
Dividends paid	-	-	(141,630)	-	-	-	-	(141,630)
ESP proceeds received	39,345	-	-	-	-	-	-	39,345
Share buyback	(238,057)	-	-	-	-	-	-	(238,057)
Shares acquired under Long Term Incentive Plan	-	(480)	-	-	-	-	-	(480)
<b>Balance at 31 December 2011</b>	<b>446,763</b>	<b>(480)</b>	<b>2,521,869</b>	<b>628,983</b>	<b>(324,359)</b>	<b>(66,928)</b>	<b>13,010</b>	<b>3,218,858</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Notes to the Financial Statements

For the half year ended 31 December 2012

## 1. Corporate Information

The consolidated financial report of Crown Limited for the half year ended 31 December 2012 was authorised for issue, subject to final approval by a sub committee, in accordance with a resolution of the directors on 20 February 2013. Crown Limited is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Stock Exchange.

## 2. Basis of preparation and changes to the Group's accounting policies

### Basis of preparation

The half year financial report for the six months ended 31 December 2012 has been prepared in accordance with AASB 134 *Interim Financial Reporting*.

The half year financial report does not include all the information and disclosures required in the annual financial statement, and should be read in conjunction with the annual financial report of Crown Limited as at 30 June 2012. It is also recommended that the half year financial report be considered together with any public announcements made by Crown Limited and its controlled entities during the half year ended 31 December 2012 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The half year financial report is presented in Australian dollars. For the purpose of preparing the half year financial report, the half year has been treated as a discrete reporting period.

### New standards, interpretations and amendments thereof, adopted by the Group

The accounting policies adopted in the preparation of the half year financial report are consistent with those followed in the preparation of the annual financial report of Crown Limited for the year ended 30 June, 2012, except for the adoption of new standards and interpretations as of 1 July 2012, noted below:

- AASB 2011-9 – Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income

The adoption of this standard did not have a material effect on the financial position or performance of the Group during the period.

## Notes to the Financial Statements

For the half year ended 31 December 2012

## 3. Segment Information

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 believes that normalised results<sup>(1)</sup> are the best measure of viewing the performance of the business. The normalised results presented below are reconciled to the reported results. The Group has three operating segments being Crown Melbourne, Crown Perth and Aspinall's Club.

31 December 2012	Normalised Result <sup>(1)</sup>					Adjustment <sup>(1)</sup> \$'000	Significant Items <sup>(3)</sup> \$'000	Actual Crown Group \$'000
	Crown Melbourne	Crown Perth	Aspinall's Club	Unallocated	Crown Group			
	\$'000	\$'000	\$'000	\$'000	\$'000			
<b>Operating revenue</b>								
Main floor gaming	515,889	246,327	74	-	762,290	-	-	762,290
VIP program play	327,953	89,053	63,517	-	480,523	(50,040)	-	430,483
Non gaming	204,398	108,378	298	22	313,096	-	-	313,096
Intersegment					(1,616)	-	-	(1,616)
Operating revenue	1,048,240	443,758	63,889	22	1,554,293	(50,040)	-	1,504,253
Interest revenue					6,262	-	-	6,262
<b>Total revenue</b>	<b>1,048,240</b>	<b>443,758</b>	<b>63,889</b>	<b>22</b>	<b>1,560,555</b>	<b>(50,040)</b>	<b>-</b>	<b>1,510,515</b> <sup>(2)</sup>
<b>Segment result</b>								
Gaming taxes & commissions	(358,601)	(107,098)	(31,560)	-	(497,259)	27,494	-	(469,765)
Operating expenses	(397,756)	(213,721)	(11,215)	(35,627)	(658,319)	-	-	(658,319)
Intersegment					1,616	-	-	1,616
Earnings before interest, tax, depreciation and amortisation "EBITDA"	291,883	122,939	21,114	(35,605)	400,331	(22,546)	-	377,785
Depreciation and amortisation	(88,992)	(27,692)	(539)	(1,335)	(118,558)	-	-	(118,558)
Earnings before interest and tax "EBIT"	202,891	95,247	20,575	(36,940)	281,773	(22,546)	-	259,227
Significant items					-	-	(74,318)	(74,318)
Equity accounted share of associates' net profit/(loss)					64,039	6,615	-	70,654
Net interest income/(expense)					(59,652)	-	-	(59,652)
Income tax benefit/(expense)					(42,695)	5,264	22,295	(15,136)
<b>Profit/(loss) after tax</b>	<b>202,891</b>	<b>95,247</b>	<b>20,575</b>	<b>(36,940)</b>	<b>243,465</b>	<b>(10,667)</b>	<b>(52,023)</b>	<b>180,775</b>

<sup>(1)</sup> Normalised results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP program play (at Crown Melbourne, Crown Perth, Aspinall's Club and Melco Crown). The theoretical win rate is the expected hold percentage on VIP program play over time. Accordingly, the normalised result gives rise to adjustments to VIP program play revenue, gaming taxes, income tax expense and equity accounted share of associates' result.

<sup>(2)</sup> Total revenue of \$1,510.5 million includes \$0.04 million of profit on disposal of non-current assets, which is not included in revenue in the Income Statement.

<sup>(3)</sup> The significant item relates to the mark-to-market on Crown's investment in Echo, which resulted in a loss of \$74.3 million for the half (\$52.0 million net of tax). Refer note 4 (e).

## Notes to the Financial Statements

For the half year ended 31 December 2012

**3. Segment Information** *continued*

31 December 2011	Normalised Result <sup>(1)</sup>					Adjustment <sup>(1)</sup> \$'000	Actual Crown Group \$'000
	Crown Melbourne	Crown Perth	Aspinall's Club	Unallocated	Crown Group		
	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Operating revenue</b>							
Main floor gaming	497,547	221,963	162	-	719,672	-	719,672
VIP program play	284,759	86,622	50,619	-	422,000	45,955	467,955
Non gaming	197,865	99,119	714	4,623	302,321	-	302,321
Intersegment					(107)	-	(107)
Operating revenue	980,171	407,704	51,495	4,623	1,443,886	45,955	1,489,841
Interest revenue					5,221	-	5,221
<b>Total revenue</b>	<b>980,171</b>	<b>407,704</b>	<b>51,495</b>	<b>4,623</b>	<b>1,449,107</b>	<b>45,955</b>	<b>1,495,062</b> <sup>(2)</sup>
<b>Segment result</b>							
Gaming taxes & commissions	(327,548)	(104,556)	(30,018)	-	(462,122)	1,032	(461,090)
Operating expenses	(383,178)	(186,537)	(11,769)	(38,009)	(619,493)	-	(619,493)
Intersegment					107	-	107
Earnings before interest, tax, depreciation and amortisation "EBITDA"	269,445	116,611	9,708	(33,386)	362,378	46,987	409,365
Depreciation and amortisation	(84,478)	(21,761)	(721)	(1,330)	(108,290)	-	(108,290)
Earnings before interest and tax "EBIT"	184,967	94,850	8,987	(34,716)	254,088	46,987	301,075
Equity accounted share of associates' net profit/(loss)					44,879	30,145	75,024
Net interest income/(expense)					(47,126)	-	(47,126)
Income tax benefit/(expense)					(40,215)	(14,356)	(54,571)
<b>Profit/(loss) after tax</b>	<b>184,967</b>	<b>94,850</b>	<b>8,987</b>	<b>(34,716)</b>	<b>211,626</b>	<b>62,776</b>	<b>274,402</b>

(1) Normalised results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP program play (at Crown Melbourne, Crown Perth, Aspinall's Club and Melco Crown). The theoretical win rate is the expected hold percentage on VIP program play over time. Accordingly, the normalised result gives rise to adjustments to VIP program play revenue, gaming taxes, income tax expense and equity accounted share of associates' result.

(2) Total revenue of \$1,495.1 million includes \$0.3 million of profit on disposal of non-current assets, which is not included in revenue in the Income Statement.

## Notes to the Financial Statements

For the half year ended 31 December 2012

**4. Revenue and Expenses**

	<b>31 December 2012 \$'000</b>	<b>31 December 2011 \$'000</b>
Profit before income tax expense includes the following revenues and expenses:		
<b>(a) Revenue</b>		
Revenue from services	1,302,547	1,290,722
Revenue from sale of goods	187,646	183,740
Interest	6,262	5,221
Dividends	22	4,623
Other operating revenue	13,998	10,412
	<b>1,510,475</b>	<b>1,494,718</b>
<b>(b) Other income</b>		
Profit on disposal of non-current assets	<b>40</b>	<b>344</b>
<b>(c) Expenses</b>		
Cost of sales	69,452	67,673
Gaming activities	1,138,612	1,081,753
Significant items (Mark-to-market on investment in Echo Entertainment Group Ltd)	74,318	-
Other expenses	36,962	39,340
	<b>1,319,344</b>	<b>1,188,766</b>
<b>Depreciation of non-current assets</b> <i>(included in expenses above)</i>		
Buildings	38,246	33,362
Plant and equipment	71,912	64,458
	110,158	97,820
<b>Amortisation of non-current assets</b> <i>(included in expenses above)</i>		
Casino licence fee and management agreement	7,207	7,237
Other assets	1,193	3,233
	8,400	10,470
<b>Total depreciation and amortisation expense</b>	<b>118,558</b>	<b>108,290</b>
<b>(d) Other income and expense disclosures</b>		
<b>Finance costs expensed:</b>		
Debt facilities	70,650	58,920
Capitalised interest	(4,736)	(6,573)
	<b>65,914</b>	<b>52,347</b>
<b>(e) Significant items (net of tax)</b>		
Mark-to-market loss on investment in Echo Entertainment Group Ltd	52,023	-
	<b>52,023</b>	<b>-</b>

# Notes to the Financial Statements

For the half year ended 31 December 2012

## 5. Cash and Cash Equivalents

For the purpose of the half year condensed cash flow statement, cash and cash equivalents are comprised of the following:

	<b>31 December 2012 \$'000</b>	<b>31 December 2011 \$'000</b>
Cash on hand and at bank	188,013	170,917
Deposits on call	17,853	17,806
	<b>205,866</b>	<b>188,723</b>

The above closing cash balances includes \$153.7 million (2011: \$159.6 million) of cash on the company's premises and cash held in bank accounts (including deposits on call) needed to run the day to day operations of the businesses and cash of \$52.2 million (2011: \$29.1 million) for other purposes.

## 6. Dividends Paid and Announced

	<b>31 December 2012 \$'000</b>	<b>31 December 2011 \$'000</b>
<b>(a) Dividends declared and paid during the half year</b>		
<b><i>Prior year final dividend (paid 12 October 2012)</i></b>		
Paid at 19 cents (2011: 19 cents) per share and franked at 50% (2011: 50%) at the Australian tax rate of 30% (2011: 30%)	<b>138,395</b>	<b>141,630</b>
<b>(b) Dividends announced and not recognised as a liability</b>		
<b><i>Current year interim dividend (expected to be paid 16 April 2013)</i></b>		
Announced at 18 cents (2011: 18 cents) per share and franked at 50% (2011: 50%) at the Australian tax rate of 30% (2011: 30%)	<b>131,111</b>	<b>131,111</b>

No shareholders' dividend plans are in operation.

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

# Notes to the Financial Statements

For the half year ended 31 December 2012

## **7. Contingent Liabilities**

The group has no contingent liabilities at 31 December 2012.

## **8. Events After the Reporting Period**

Subsequent to 31 December 2012, the directors of Crown announced an interim dividend on ordinary shares in respect of the half year ending 31 December 2012. The total amount of the dividend is \$131.1 million, which represents a dividend of 18 cents per share franked at 50%. No part of the unfranked portion of the dividend will consist of conduit foreign income.

## Directors' Declaration

In accordance with a resolution of the directors of Crown Limited, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**J.D. Packer**  
Director



**R.B. Craigie**  
Director

Melbourne, 22<sup>nd</sup> day of February, 2013.



To the members of Crown Limited

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Crown Limited, which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Crown Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

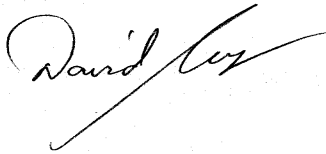
## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Crown Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A stylized, handwritten signature of 'Ernst & Young' in black ink.

Ernst & Young

A handwritten signature in black ink that reads 'David McGregor'.

David McGregor  
Partner  
Melbourne  
22 February 2013