



**ASX / MEDIA RELEASE
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CROWN ANNOUNCES 2010 HALF YEAR RESULTS

MELBOURNE: Crown Limited (ASX: CWN) today announced its results for the half year ended 31 December 2009:

- Normalised¹ NPAT of \$145.6 million up 3.0%
- Reported² NPAT of \$115.3 million
- Australian casinos achieved solid growth:
 - normalised revenue growth of 7.1% to \$1,201.8 million
 - normalised EBITDA growth of 6.0% to \$340.9 million
 - reported EBITDA growth of 3.1% to \$329.0 million
 - normalised EBIT growth of 5.3% to \$261.7 million
 - reported EBIT growth of 1.5% to \$249.8 million
 - main floor gaming generated revenue growth of 1.6%
 - VIP program play turnover of \$23.4 billion up 22.9%
 - non-gaming revenue growth of 4.5%
- Interim dividend of 18 cents per share announced

The Chief Executive Officer of Crown, Mr Rowen Craigie, said:

“Overall, the results for Crown’s wholly-owned Australian casinos, Crown Melbourne and Burswood, were satisfactory. However, it was a ‘tale of two halves within the half’. While we started the half strongly, our domestic casino operations were adversely impacted later in the half due to a softening of consumer confidence and a greater than expected impact of refurbishment works at the two properties.”

“Specifically, main floor table revenue was impacted by the major renovations at both Crown Melbourne and Burswood.”

“On the other hand, we achieved strong growth in VIP commission program play to set a record half year turnover of \$23.4 billion. It was also pleasing to see non-gaming revenue recover and grow 4.5% in the half.”

“We announced at our full year results in August last year that our principal efforts over the next twelve months would be to focus on enhancing Crown’s Australian operations and to work closely with our joint venture partners to optimise the value of our Macau and other overseas investments. We have made progress on those fronts during the past six months and this will continue to be our focus,” Mr Craigie said.

¹ Normalised results represent results which have been adjusted to exclude the impact of any variance from theoretical win rate on VIP program play (see Attachments A and B for further information), the impact of non-recurring items (where applicable), and pre-opening costs in respect of City of Dreams (where applicable).

² The difference between our reported NPAT of \$115.3 million and the normalised NPAT of \$145.6 million is due to a below theoretical win rate on VIP program play in Crown’s Australian casinos of \$8.3 million and an adjustment to the equity accounted share of NPAT from Melco Crown Entertainment of \$22.0 million to exclude the impact of a below theoretical win on VIP play and City of Dreams pre-opening costs.

CROWN MELBOURNE

Normalised EBITDA from Crown Melbourne was \$243.6 million, up 4.5% on the prior comparable period (pcp). Reported EBITDA for the period was \$258.1 million (down 2.3% on the pcp). The result reflects an above theoretical win rate of 1.46%, which generated a positive EBITDA variance of \$14.5 million, compared to a positive EBITDA variance of \$31.2 million in the pcp when the win rate was an unusually high 1.63%.

Normalised revenue increased by 9.1% over the pcp to \$821.2 million and reported revenue increased by 6.5% to \$839.0 million.

During the year, main floor gaming revenue grew 2.0% to \$437.0 million and normalised VIP program play revenue increased 29.3% to \$224.8 million on turnover of \$16.7 billion.

The closure of the Teak Room for renovation has impacted premium table player behaviour and revenue from November, causing main floor gaming revenue growth for the half to be lower than anticipated. A temporary private room for these displaced Teak Room players opened late January 2010. The upgrade of the Teak Room is well advanced and is expected to open progressively from August 2010.

Non-gaming revenue grew 6.2% to \$159.4 million as a result of a strong performance in bars and restaurants. Hotel occupancy was 90.5% with an average room rate of \$296 at Crown Towers and 90.9% and \$206 respectively at Crown Promenade.

The overall operating margin decreased from 31.0% to 29.7%. The decrease in overall margin was primarily due to a change in revenue mix as a result of the significant increase in VIP program play.

The construction of Crown Metropol, the third hotel in the Crown Melbourne precinct, is on budget and the hotel is expected to open in late March 2010. Market awareness of Crown Metropol is good and forward bookings are meeting expectations. The new Crown Conference Centre opened in December 2009. Initial trading has been pleasing and forward bookings are exceeding forecasts. These will both be exciting and high quality additions to the Crown Entertainment Complex.

BURSWOOD

Normalised EBITDA from Burswood was \$112.2 million, up 2.0% on the pcp. Reported EBITDA for the period was \$85.8 million (up 12.3% on the pcp). The result reflects a below theoretical win rate of 0.91% which generated a negative EBITDA variance of \$26.4 million, compared to a negative EBITDA variance of \$33.6 million in the pcp when the win rate was an unusually low 0.73%.

Normalised revenue increased by 3.0% over the pcp to \$380.6 million and reported revenue increased 5.8% to \$350.6 million.

During the year, main floor gaming revenue grew 0.8% to \$202.6 million and normalised VIP program play revenue increased 9.6% to \$91.5 million on turnover of \$6.8 billion.

The replacement of the raised floor in the main casino caused unexpected disruption to central casino operations from November, particularly table games, and this lowered main floor gaming revenue growth for the half. Accordingly, the replacement of the raised floor has been fast tracked for completion in April 2010 and the balance of the refurbishment of the main casino floor of the Burswood casino is due for completion in December 2010.

Non-gaming revenue grew 1.6% to \$86.6 million as a result of a strong performance in bars and restaurants, some improvement in convention business and an excellent run of shows in the Dome and Theatre. However, the hotel business is still exhibiting softness. Hotel occupancy was 73.4% with an average room rate of \$235 at the InterContinental, and 86.9% and \$181 respectively at the Holiday Inn.

A new Presidential VIP Suite in the Intercontinental Hotel has been completed which will further add to the premium VIP facilities at Burswood and which will assist in driving further international VIP business.

The overall operating margin decreased slightly from 29.8% to 29.5%. The decrease in overall operating margin was due to a change in revenue mix as a result of the growth in VIP program play.

CURRENT TRADING AT AUSTRALIAN CASINOS

Trading across both properties for the period from 1 January, 2010 to 21 February, 2010 saw main floor gaming revenue grow by approximately 3% on the pcp and non-gaming revenue grow by approximately 7% on the pcp. Solid levels of VIP Commission play were achieved across the two casinos, assisted by Chinese New Year.

MELCO CROWN ENTERTAINMENT (“MCE”): Macau (33.5% interest)

Crown's share of MCE's reported result for the period was an equity accounted loss of \$48.1 million. Crown's share of MCE's normalised result for the period was a loss of \$26.1 million, after adding back Crown's share of a below theoretical win rate variance and pre-opening expenses.

The reported loss was significantly impacted by low table hold, the transition of Altira Macau from the AMA junket aggregator model, slower than expected ramp up of the main gaming floor at City of Dreams and the phased opening of the three hotels at City of Dreams.

MCE has recently announced that overall performance in January has been pleasing.

The first covenant test for MCE's debt facilities takes place at the end of the third quarter of calendar year 2010. MCE has recently announced its intention to refinance the current bank facility and that it remains confident of completing a full refinancing in the first half of 2010.

Crown is committed to its investment in MCE. Contrary to recent media speculation, Crown has not had any negotiations with any party in relation to its investment in MCE.

Crown sees long term potential for growth in the Macau market given its exposure to China. The Macau gaming market has exhibited strong growth since July 2009.

BETFAIR (AUSTRALIA AND NEW ZEALAND): Australia (50% interest)

Crown's share of Betfair's result was an equity accounted loss of \$3.5 million. The loss is primarily due to the increase in marketing, legal costs and product fees (subject to legal challenge in NSW). Betfair's customer base continues to grow.

Betfair has recently reached an understanding with the Tasmanian Government to extend its licence in Tasmania for two further terms of five years each. Conditional on the amendment of the relevant legislation, the applicable tax rate on Betfair's business will be lowered from 15% to 5%.

CASHFLOW AND DEBT

Operating cash flow for the period was \$217.2 million. After capital expenditure of \$199.5 million (principally the construction of Crown Metropol) and dividend payments of \$142.9 million, group net debt was \$600.7 million as at 31 December 2009. Total debt at 31 December 2009 stood at \$1,032.2 million with no significant debt refinancing requirements until 2013.

At 31 December 2009, total liquidity was \$2,270 million, represented by \$432 million in cash and \$1,838 million in undrawn facilities.

CORPORATE COSTS

Corporate costs of \$14.9 million were \$6.6 million or 30.7% below last year, including cost savings related to the closure of offices in Las Vegas and London.

INTEREST EXPENSE

Total net interest for the half year was \$37.1 million, which is an increase of \$8.8 million on the pcp.

DIVIDEND

Crown is announcing an interim dividend on ordinary shares of 18 cents per share, franked to 60%, payable to shareholders registered at 5.00pm on 9 April 2010. No part of the unfranked portion of the dividend will consist of conduit foreign income. The dividend will be paid on 23 April 2010. In line with the previously announced dividend policy, Crown intends paying the higher of 37 cents per share or 65% of NPAT as the full year dividend.

ENDS

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COPIES OF RELEASES

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



CROWN GROUP RESULT
Six Months ended 31 December 2009

Normalised Results⁽¹⁾				Actual Results		
6 mths ended Dec 2008 \$ M	6 mths ended Dec 2009 \$ M	% movement on Normalised		6 mths ended Dec 2008 \$ M	6 mths ended Dec 2009 \$ M	% movement on Actual
<u>1,122.0</u>	<u>1,201.8</u>	7.1%	OPERATING REVENUE	<u>1,119.2</u>	<u>1,189.6</u>	6.3%
321.5	340.9	6.0%	EARNINGS BEFORE INTEREST, TAX & DEPRECIATION	319.1	329.0	3.1%
<u>(72.9)</u>	<u>(79.2)</u>		Depreciation & Amortisation	<u>(72.9)</u>	<u>(79.2)</u>	
248.6	261.7	5.3%	EARNINGS BEFORE INTEREST & TAX	246.2	249.8	1.5%
<u>(28.3)</u>	<u>(37.1)</u>		Net Interest Income / (Expense)	<u>(28.3)</u>	<u>(37.1)</u>	
220.3	224.6	2.0%	PROFIT BEFORE TAX	217.9	212.7	(2.4)%
<u>(46.2)</u>	<u>(49.4)</u>		Taxation	<u>(45.5)</u>	<u>(45.8)</u>	
174.1	175.2	0.6%	PROFIT AFTER TAX	172.4	166.9	(3.2)%
<u>(32.7)</u>	<u>(29.6)</u>		Equity Accounted Profit / (Loss) ⁽²⁾	<u>(34.6)</u>	<u>(51.6)</u>	
141.4	145.6	3.0%	NET PROFIT BEFORE DISCONTINUED OPERATIONS	137.8	115.3	(16.3)%
			Discontinued operations and non recurring items	<u>(547.5)</u>	<u>0.0</u>	
			NET PROFIT / (LOSS)	<u>(409.7)</u>	<u>115.3</u>	

(1) Adjusted to show underlying NPAT, ie. excluding the impact of the below theoretical win rate on VIP Program Play of \$8.3 million (\$11.9 million pre tax less income tax of \$3.6 million) in H1 2010 and the below theoretical win rate of \$1.7 million (\$2.4 million pre tax less income tax of \$0.7 million) in H1 2009. The theoretical win rate is calculated at 1.35% in both years.

(2) Normalised results include an adjustment to equity share of earnings from MCE to exclude the impact of a below theoretical win rate on VIP Play and pre-opening costs. The prior year adjustment included the impact of an above theoretical win rate on VIP Play and pre-opening costs.



CROWN DIVISIONAL RESULTS
Six Months ended 31 December 2009

Normalised Results⁽¹⁾			Actual Results			
6 mths ended Dec 2008	6 mths ended Dec 2009	% movement on Normalised		6 mths ended Dec 2008	6 mths ended Dec 2009	% movement on Actual
\$ M	\$ M			\$ M	\$ M	
			REVENUE			
1,122.0	1,201.8	7.1%	Gaming	1,119.2	1,189.6	6.3%
<u>0.0</u>	<u>0.0</u>	NA	Corporate	<u>0.0</u>	<u>0.0</u>	NA
<u>1,122.0</u>	<u>1,201.8</u>	7.1%		<u>1,119.2</u>	<u>1,189.6</u>	6.3%
			EXPENDITURE			
779.0	846.0	8.6%	Gaming	778.6	845.7	8.6%
<u>21.5</u>	<u>14.9</u>	(30.7)%	Corporate	<u>21.5</u>	<u>14.9</u>	(30.7)%
<u>800.5</u>	<u>860.9</u>	7.5%		<u>800.1</u>	<u>860.6</u>	7.6%
			EBITDA			
343.0	355.8	3.7%	Gaming	340.6	343.9	1.0%
<u>(21.5)</u>	<u>(14.9)</u>	(30.7)%	Corporate	<u>(21.5)</u>	<u>(14.9)</u>	(30.7)%
<u>321.5</u>	<u>340.9</u>	6.0%		<u>319.1</u>	<u>329.0</u>	3.1%
30.6%	29.6%		GAMING EBITDA / REVENUE	30.4%	28.9%	

(1) Adjusted to show underlying EBITDA; ie. excluding any variance from the theoretical win rate on VIP Program Play at Crown and Burswood, with theoretical win rate calculated at 1.35% for both years.