



Crown Limited Annual General Meeting

27 October 2011

Presentation Outline



CEO Presentation

- F11 Year in Review
- Recent Trading Update - Australia
- Crown's Capital Expenditure Program

Chairman's Address

- Employment and Training
- Integrated Resorts and Tourism
- Proposed Federal Government Gaming Machine Reforms



1. F11 Year in Review

Crown Limited Group F11 Result



	F11 Normalised \$m	F10 Normalised \$m	Variance F/(U)	F11 Actual \$m	F10 Actual \$m
EBITDA	664.9	657.2	1.2%	636.9	692.9
Depreciation and Amortisation	(195.6)	(163.1)	(19.9%)	(195.6)	(163.1)
EBIT	469.3	494.1	(5.0%)	441.3	529.8
Net Interest	(66.6)	(73.0)	8.8%	(66.6)	(73.0)
Income Tax	(79.1)	(84.3)	6.2%	(71.2)	(95.0)
Equity Accounted	16.7	(48.4)	N/A	32.4	(69.5)
Net Profit	340.3	288.4	18.0%	335.9	292.3

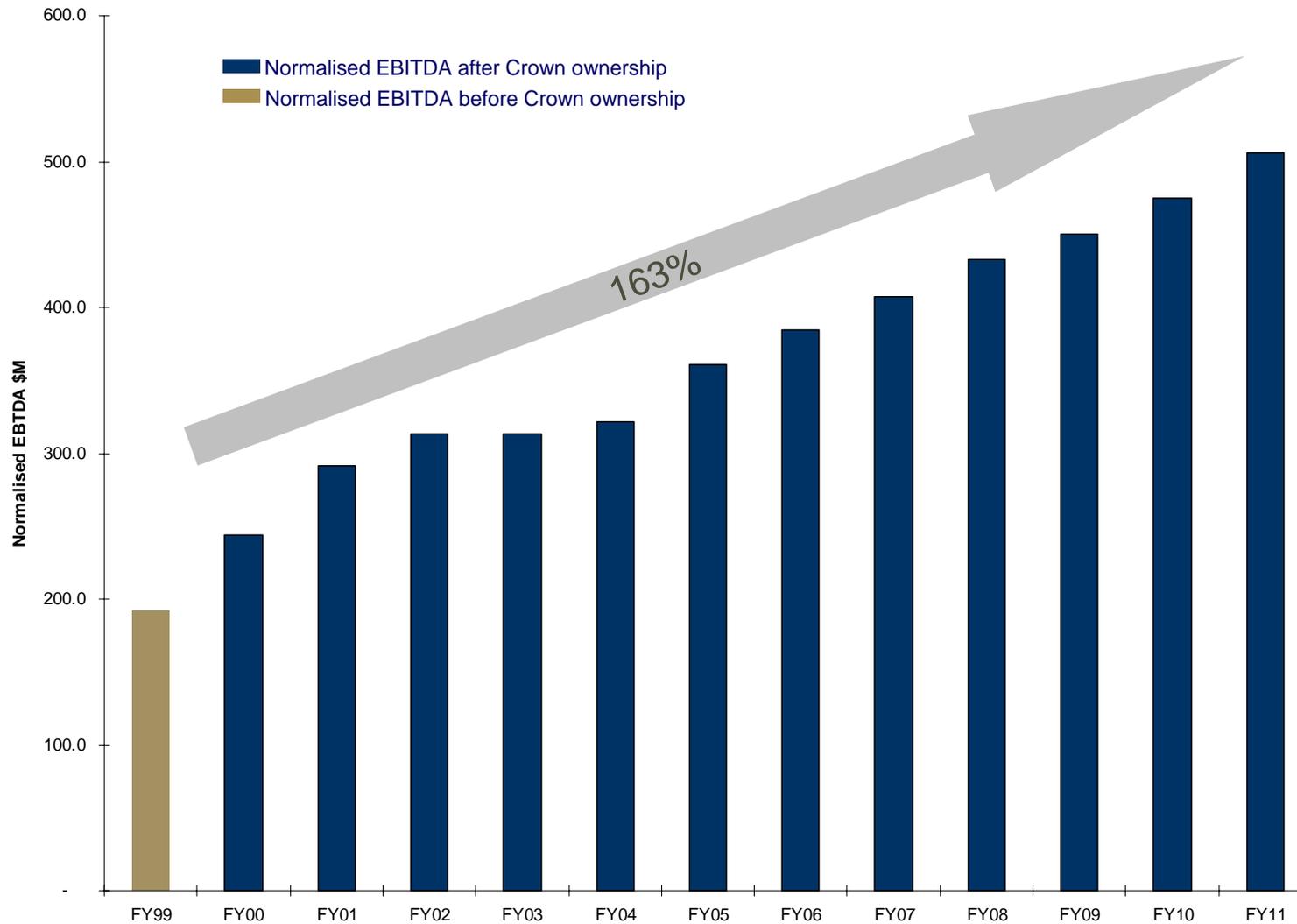
Crown Melbourne & Burswood Results

Normalised FY 2011 (\$m)

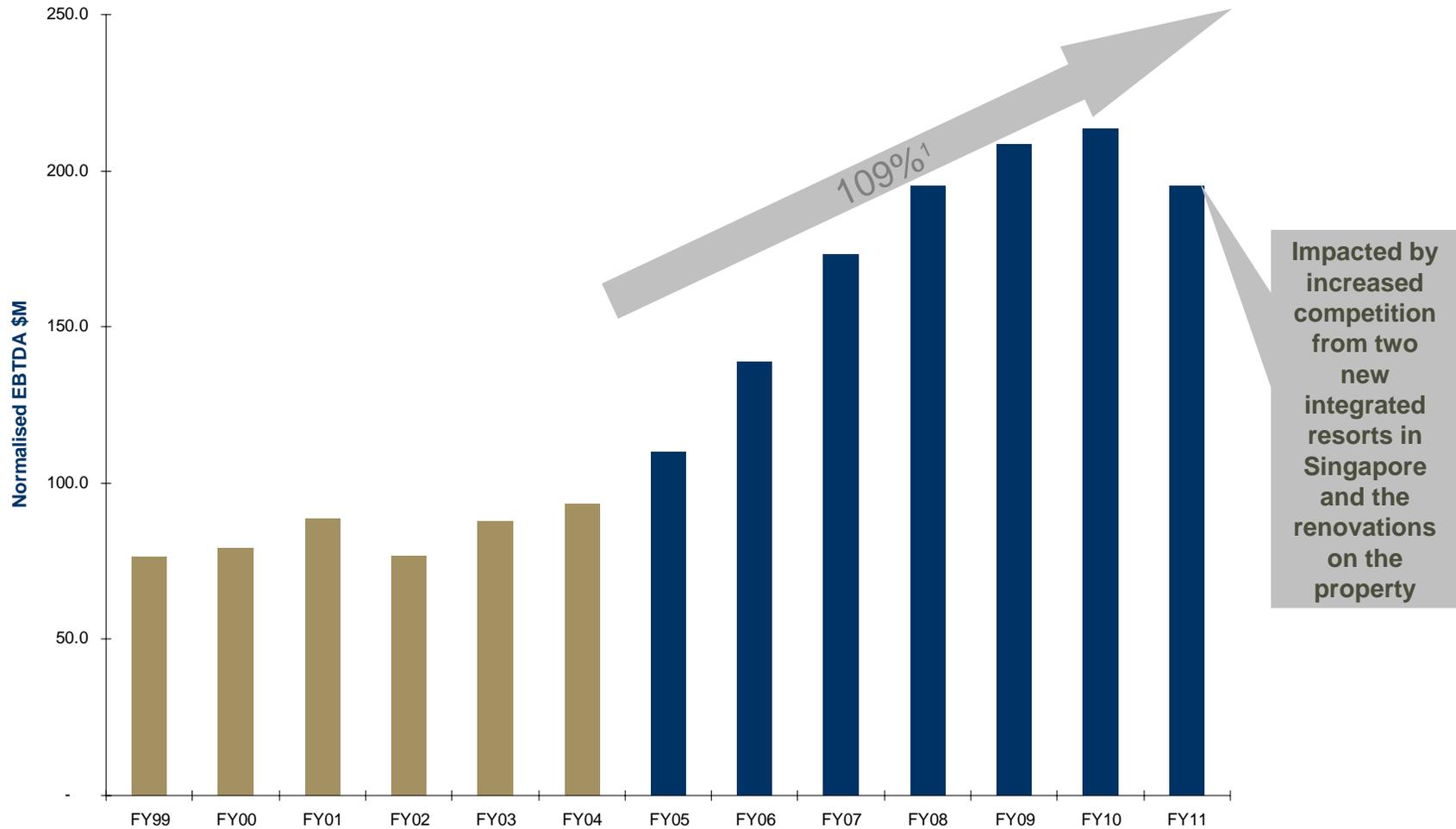


\$m	Australian Casinos	Variance F/(U)
Main floor gaming	1,344.5	5.6%
VIP program play	535.0	(0.2%)
Non-gaming	534.9	10.6%
Total Revenue (Normalised)	2,414.4	5.3%
Gaming taxes, levies and commissions	(660.4)	(3.7%)
Operating expenses	(1,053.1)	(8.9%)
EBITDA	700.9	1.8%
Depreciation & amortisation	(192.7)	(20.1%)
EBIT	508.2	(3.8%)
EBITDA / Revenue %	29.0%	
VIP Turnover \$ billion	39.6	(0.2%)
VIP Win Rate (1.35% theoretical)	1.31%	

Crown Melbourne Normalised EBITDA



Burswood Normalised EBITDA

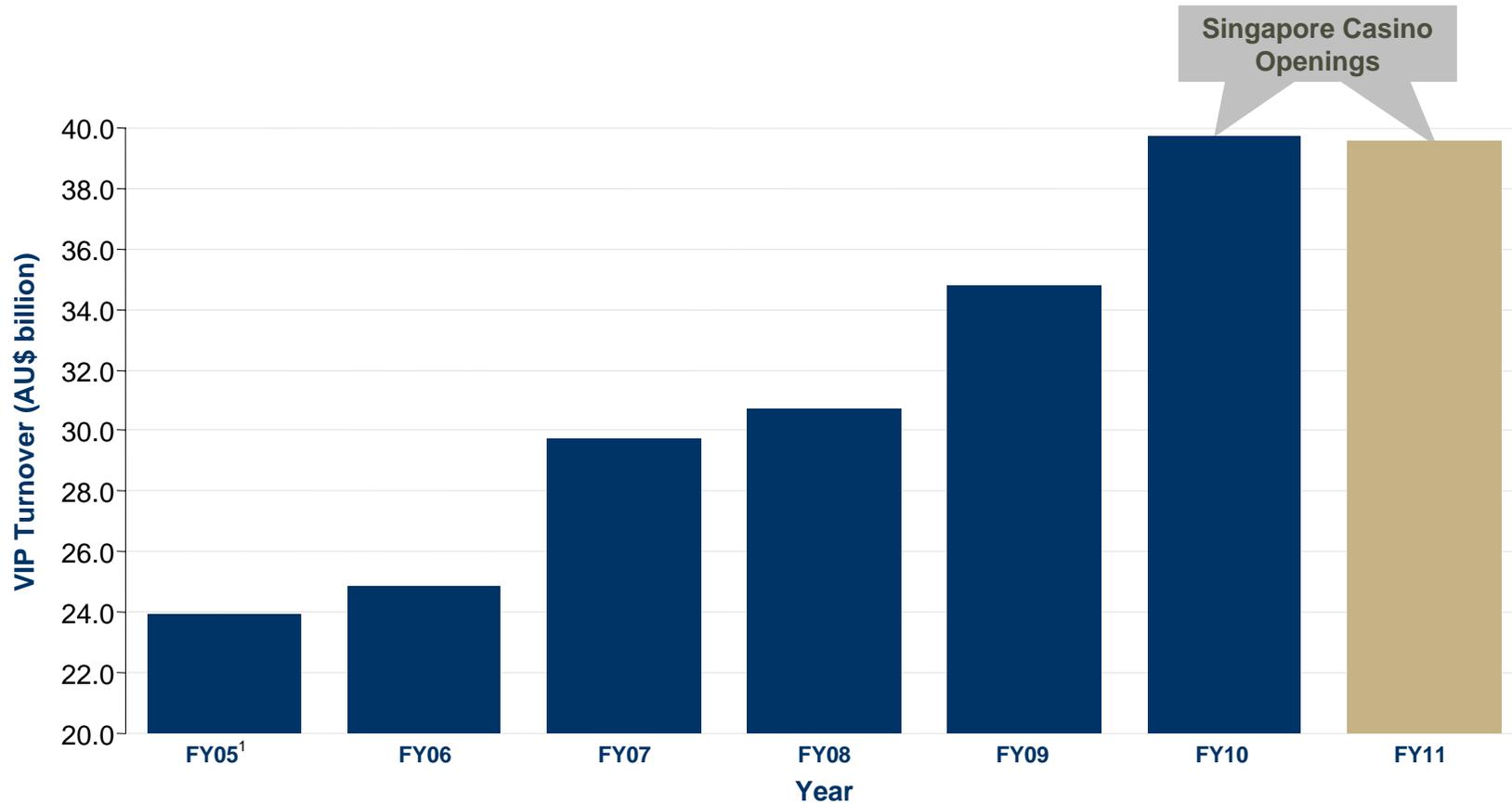


1. 109% EBITDA growth for the period F05-F11

Crown Melbourne & Burswood VIP Turnover



Crown's strategy to source new customers from China only partially offset the impact of competition from the two Singaporean integrated resorts in F11



1. Reflects combined Crown Melbourne and Burswood VIP Program Play turnover for the entire 12 month period even though Burswood was owned for 10 months of the financial year.

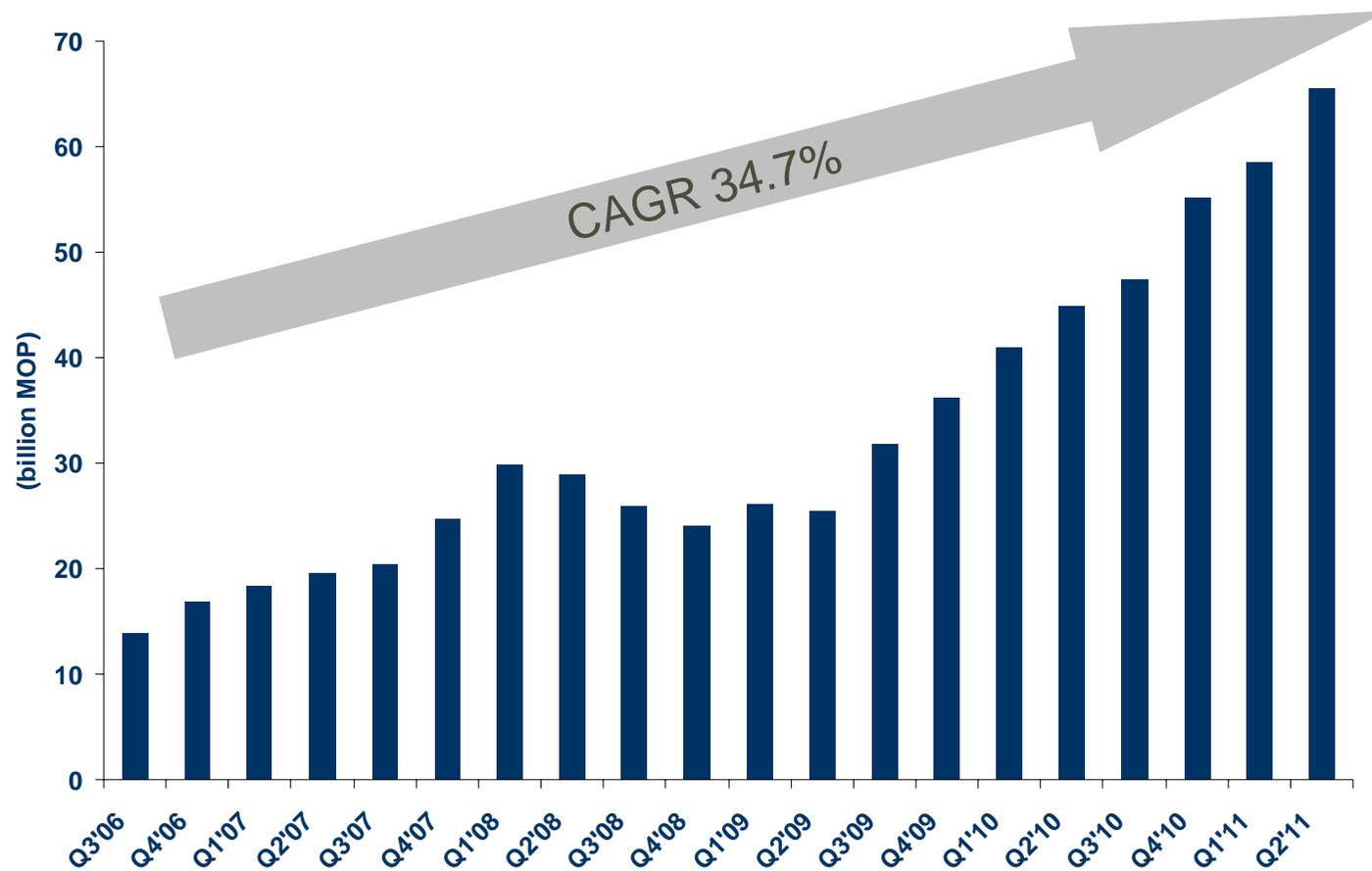
Melco Crown Entertainment (MCE)



- Crown owns 33.4% of MCE which operates two major Macau properties: City of Dreams and Altira
- MCE has reported significantly improved operating performance at City of Dreams and Altira Macau for the period. The House of Dancing Water show continues to generate incremental visitation
- Crown's share of MCE's reported profit for the period was \$34.9 million. Crown's share of MCE's normalised profit for the period was \$19.2 million
- MCE completed the acquisition of a 60% equity interest in the Macau Studio City development project
- MCE has announced its application to the Stock Exchange of Hong Kong for proposed dual listing of its shares



Macau Gaming Market Continues to Exhibit Strong Growth



1. Sourced from The Gaming Inspection & Coordination Bureau, Macao (DICJ). Data only includes revenue from games of fortune and excludes racing or lottery revenues

Dividend



- Paid a final dividend of 19 cps, franked to 50%
- Total full year dividend of 37 cps
- Dividend policy is to pay the higher of 37cps or 65% of normalised NPAT (excluding profits from associates) for the full year

Share Buy-back



- Crown has completed a buy-back of 30 million shares at a cost of \$238 million
- The buy-back represented 4% of Crown's issued capital
- The buy-back is expected to be accretive



2. Recent Trading Update - Australia



Combined Year on Year Revenue Performance for Crown Melbourne and Burswood 1 July to 20 October 2011 (16 weeks)

Main Floor Gaming	3.5%
Non Gaming	8.1%
VIP Program Play revenue achieved double digit growth, albeit at a lower margin	

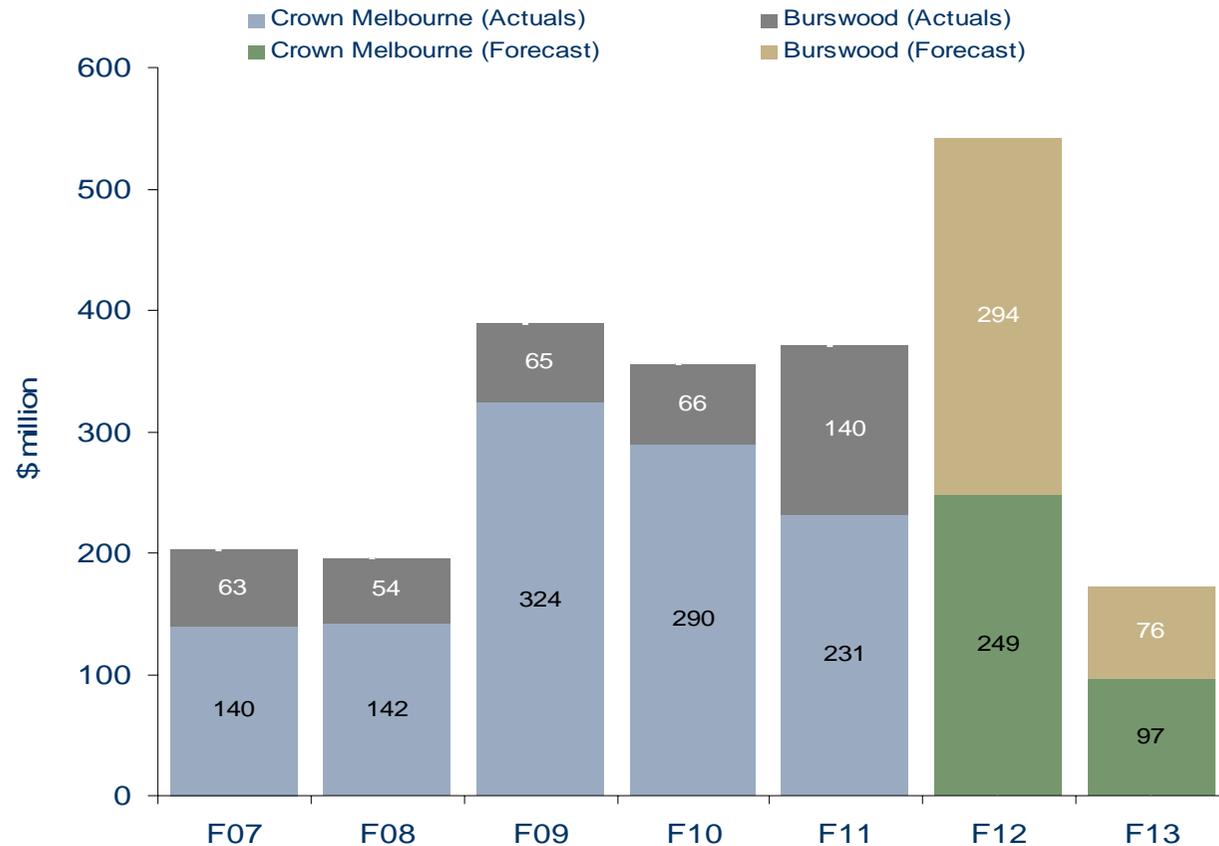


3. Crown's Capital Expenditure Program

Investment in Large Scale Tourism Attractions



Between F07-F13, Crown has announced capital expenditure of more than \$2.2 billion in maintaining, improving and expanding its facilities in Melbourne and Perth



Property Update: Crown Melbourne Mahogany Room Expansion



Property Update: Crown Melbourne Mahogany Room Expansion



Property Update: Crown Melbourne West End



Property Update: Crown Melbourne

New Restaurants



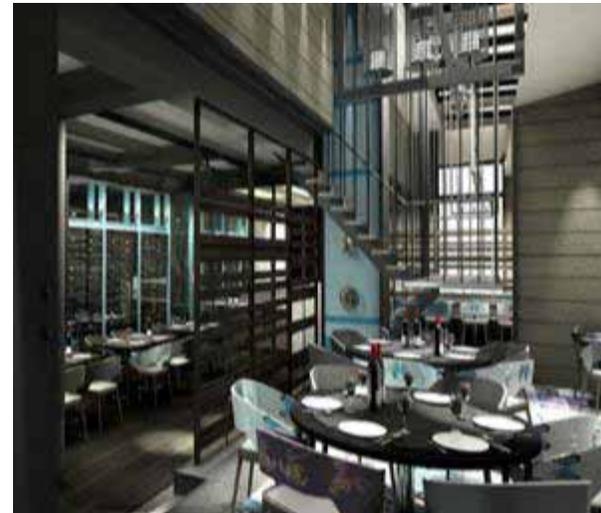
The Waiting Room



Bistro Guillaume



Spice Temple



The Atlantic Restaurant & Bar

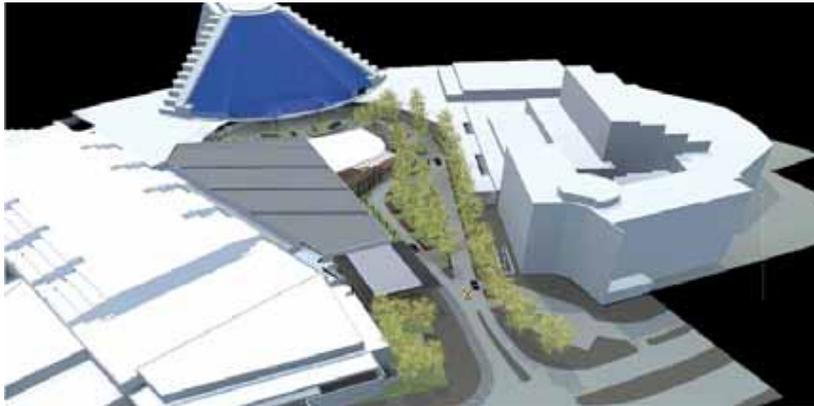
Property Update: Crown Melbourne Club 23



Property Update: Burswood Sky Gaming Salon



Property Update: Burswood Gaming Floor Expansion



Property Update: Burswood

New Restaurants



Rockpool



Nobu



Atrium



Modo Mio

Property Update: Burswood Intercontinental Upgrade



Property Update: Burswood Presidential Suites



Property Update: Burswood Villas Under Construction



Property Update: Burswood Spa and Pool



Major Projects Completion Dates



Project	Timing
Development of new Burswood Sky Gaming Salon	Completed
Extension and refurbishment of the Mahogany Room	Completed
Development of new luxury lounge, Club 23	Completed
New Presidential Suite on Level 9 of InterContinental Hotel at Burswood	Quarter 2, 2012
New VVIP Villa's at Burswood	Quarter 1, 2012
New Spa & Pool at Burswood	Quarter 1, 2012
Development of Crown Melbourne "West End" to accommodate increase in table games and new food and beverage outlets	Quarter 3, 2012
Expansion of the Burswood main gaming floor to accommodate new gaming product and new food and beverage outlets	Quarter 4, 2012



4. Employment and Training

Crown - Employment and Training Achievements



- Largest single-site private sector employer in Australia (Crown Melbourne) and Western Australia (Burswood)
- Major employer of young people entering the workforce
- \$10 million purpose-built training facility in Melbourne (Crown College)
- Employment plan in place for the disabled
- Recipient of major Industry, State and Federal Government awards for employment, training and diversity – including:
 - *Victorian Employer of the Year Award 2010*
 - *Australian Employer of the Year Award 2010*



Australian Government

**Department of Education, Employment
and Workplace Relations**

**AUSTRALIAN TRAINING
AWARDS**

AWARD WINNER 2010

EMPLOYER OF THE YEAR

Crown - Indigenous Employment Achievements

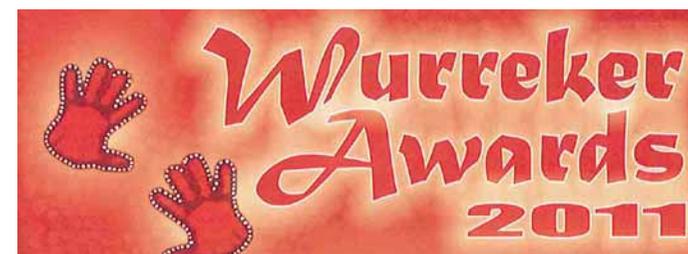


- Indigenous Employment Strategy – best practice model for large organisations
- First employer to sign the Australian Employment Covenant
- Strategy has facilitated the increase of its indigenous workforce. Over 145 Indigenous Australians have been employed to-date
- High retention rate with a significant number of people settling into permanent employment and building strong careers
- Recipient of major Industry, State and Federal Government awards for training and diversity – including:
 - *Diversity @ Work Award 2010* for “Employment and Inclusion of Indigenous Australians - Large Organisations”
 - *Diversity Award for 2011* from Fairfax Media in recognition of our Indigenous Employment Program
 - *The Wurreker Award 2011* for “Private Sector Employer Award” for achievements in aboriginal employment



Australian Government

**Department of Education, Employment
and Workplace Relations**





5. Integrated Resorts and Tourism

Asian Tourism Growth Led by Development of Integrated Resorts



- Asian governments have recognised the significance of integrated resorts to grow international tourism
- Singapore has overseen the construction of two integrated casino resorts at a combined cost of around A\$13 billion
- In Macau, a number of high quality integrated resorts have been developed at a total cost of more than A\$20 billion and additional resorts with a total cost of approximately A\$10 billion are in various stages of planning
- Japan, the Philippines, Malaysia, Thailand, Taiwan and Vietnam are also planning major integrated resort developments, principally targeting tourism out of China
- The increase in the number of Chinese visitors into Singapore since the opening of their integrated resorts supports the proposition that Chinese tourists value locations that have a casino
 - “80% of Chinese travelling outside the country for the first time head for a casino and 90% of Chinese who travel to the US visit Las Vegas” Dr Marc Faber (Investment Analyst)

Growth in China's Outbound Tourism



- China's outbound travel market is one of the fastest growing in the world
- Chinese international travellers are forecast to reach 100 million (currently 56 million) and be worth US\$838 billion by 2020¹
- Tourism Australia estimates that the total inbound economic value of Chinese tourism is expected to contribute \$7 to \$9 billion annually by 2020¹
- Australia will have to compete in this increasingly competitive market, where over 140 countries have Approved Destination Status in China



1. 'China 2020 Strategic Plan' Tourism research Australia 2011

Singapore Integrated Resort - Resorts World Sentosa



- Resorts World Sentosa is Singapore's largest integrated resort, a 49-hectare development located on Singapore's holiday island of Sentosa
- The complex cost approximately A\$6.9bn and opened in January 2010
- Approximately 1,600 EGMs and over 500 table games
- Six hotels with approximately 1,800 rooms
- Universal Studios Singapore theme park
- MICE facilities that include one of Asia's largest ballrooms
- Half-kilometre long shopping and dining Strip named Festive Walk
- A Marine Life Park and the Maritime Experiential



Singapore Integrated Resort - Marina Bay Sands



- Located immediately adjacent to the Singapore CBD
- The integrated resort cost approximately A\$6.1bn and opened in April 2010
- More than 1,900 EGMs and over 600 table games
- 2,600 room hotel featuring 18 separate room types
- Two theatres with seating capacity of approx. 4,000
- 60,000ft² museum
- 300 specialty retail stores
- A 12,400ft² observation deck atop the hotel
- Exhibition space capable of hosting up to 45,000 delegates
- The largest ballroom in South East Asia with seating capacity of 8,000





Boost to GDP

- Singapore's GDP increased by 14.5% in 2010¹
- Contributions from the two integrated resorts in the first nine months was almost half of tourism GDP in the same period²
- GDP from Services Producing Industries grew 10.5% in 2010¹
 - Tourism-related services sectors were bolstered by strong visitor arrivals as well as the opening of the integrated resorts

Tourism growth

- Tourism revenue soared 49% to S\$18.8 billion dollars in 2010
- Hotel room revenues were estimated at S\$1.9 billion in 2010, increasing 21.8% year-on-year³

1. Sourced from Ministry of Trade and Industry Singapore, 17 February 2011
2. Sourced from Xinhua article "Singapore's casino resorts contribute 1.7 pct to GDP in 9 months last year", 17 February 2011
3. Singapore Tourism Board

Media Coverage of Singapore Integrated Resorts



Bloomberg
**Singapore Casinos Add
S\$420 Million to State Coffers**

THE AUSTRALIAN
THE HEART OF THE NATION
July 20, 2010
SINGAPORE BECAME EAST
ASIA'S NEW SPEED CHAMPION,
SOARING PAST CHINA TO TOP
THE GLOBAL TABLES

Forbes
U.S. EUROPE ASIA
Associated Press
**Singapore to take No. 2 gambling spot from
Vegas**
Associated Press, C

The Sydney Morning Herald
**Singapore's grand gamble pay
off**
January 27, 2011

**The
Economist**
Gambling in Singapore
Sin galore
A strait-laced state puts the vice into
"service economy"

THE INDEPENDENT
26 July 2010
ASIAN CASINO INDUSTRY HAS BIG
PLANS FOR CHINESE

THE WALL STREET JOURNAL.
WSJ.com
BUSINESS | AUGUST 18, 2010, 11:37 A.M. ET
**Singapore Casinos Could Rival Las
Vegas by 2012**

FT .com UK
FINANCIAL TIMES
Singapore casinos poised for first roll of the \$10bn dice
By Kevin Brown in Singapore
Published: January 20 2010 02:00 | Last updated: January 20 2010 02:00

Support for Singapore's Integrated Resorts from Previous Sceptics



- Chairman of the leading political party in Singapore (PAP) and Former Government Minister, Lim Boon Heng, acknowledges that the two integrated resorts have benefited the Singapore economy.
- Lim was opposed to legalising casinos during the casino debate in 2005, and went through a 'very difficult process' to accept the decision for the sake of jobs that the IRs would create.
- After one year of operation, Mr Lim said that the IRs have not only created thousands of direct jobs but also spin-offs for the tourism sector, particularly travel, food and beverage industries, boosting the Singapore economy.
- "All in all, it has been beneficial," he said.

Singapore Integrated Resorts – Government Support



- Providing incentives to organisers of business events, meetings, conferences and exhibitions to hold events in Singapore
- Singapore Tourism Board has a specific unit dedicated to promote and support the two integrated resorts
- Images of the two new integrated resorts are presented in all key brochures, television commercials and web-based advertisements generated by the Singapore Tourism Board
- Singapore Government facilitates the “fast tracking” through airport, customs and immigration of VIP visitors to the integrated resorts

Macau Integrated Resorts



- Only area in China where casino gaming is legally permitted
- Six casino operators are permitted within Macau
- A number of high quality integrated resorts have been developed. More are planned
- Visitor numbers have increased from 9.5 million in 2001 to a forecast over 25 million in 2011¹
- Integrated resorts serve as a key focus in all of Macau's major marketing campaigns and on the Macau Tourism and Travel Guide website and all tourist information brochures



1. Visitor statistics prior to 2008 include all entries to Macau including migrant workers, visitor statistics post 2008 reflect tourists only

Macau Integrated Resorts



Macau Infrastructure Improvements



The Macau Government continues to support the industry with significant infrastructure expansion

Guangzhou Zhuhai High Speed Railway

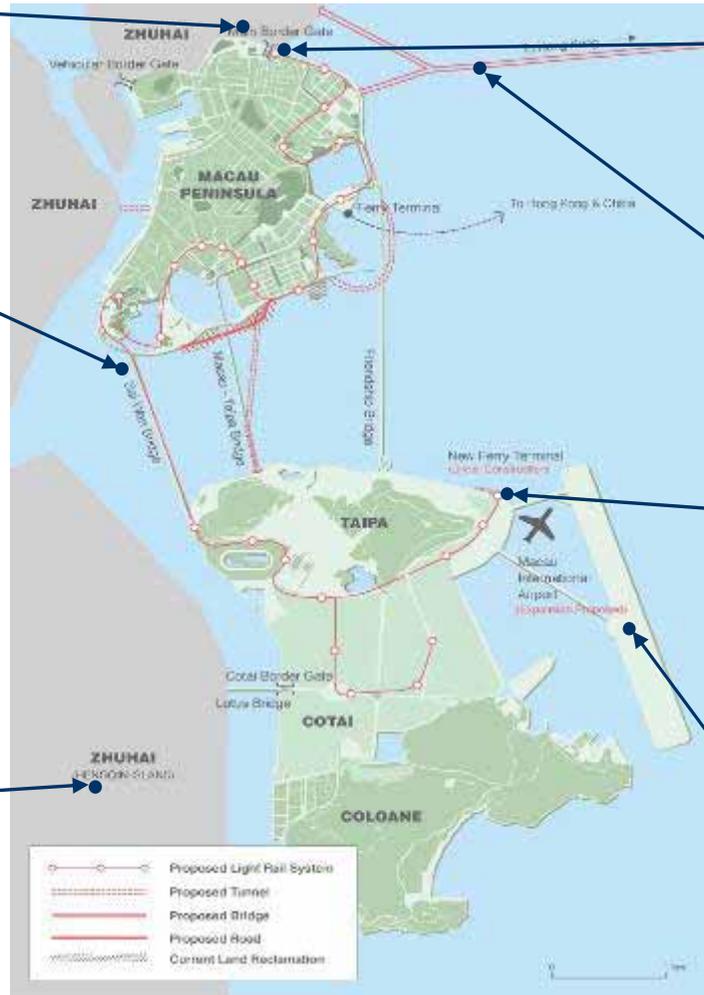
- Link Guangzhou to Gongbei
- Highest speed up to 200km/h, estimated travel time < 40 minutes

Macau Light Rail System

- Light rail network connecting Peninsula, Taipa and Cotai
- Capacity for 7,700 passengers per hour
- Routes expected to be operational by 2015

Guangzhou-Zhuhai Super Highway

- Link Guangzhou to Henqin Island, Zhuhai
- All 3 phases to be completed 2012-2013



Expansion of Border Gate

- Expand capacity to 500,000 movements per day (up from 300,000)
- Completed 2011

HK-Zhuhai-Macau Bridge

- 50 km link with Hong Kong, travel time < 30 minutes (by car)
- Estimated completion in 2015

New Ferry Terminal

- 2nd ferry terminal
- Capacity for 11,000-13,000 passengers per day, 2x current capacity of Outer Harbour pier
- Temporary pier opened on 2007
- Permanent pier phase open in 2013

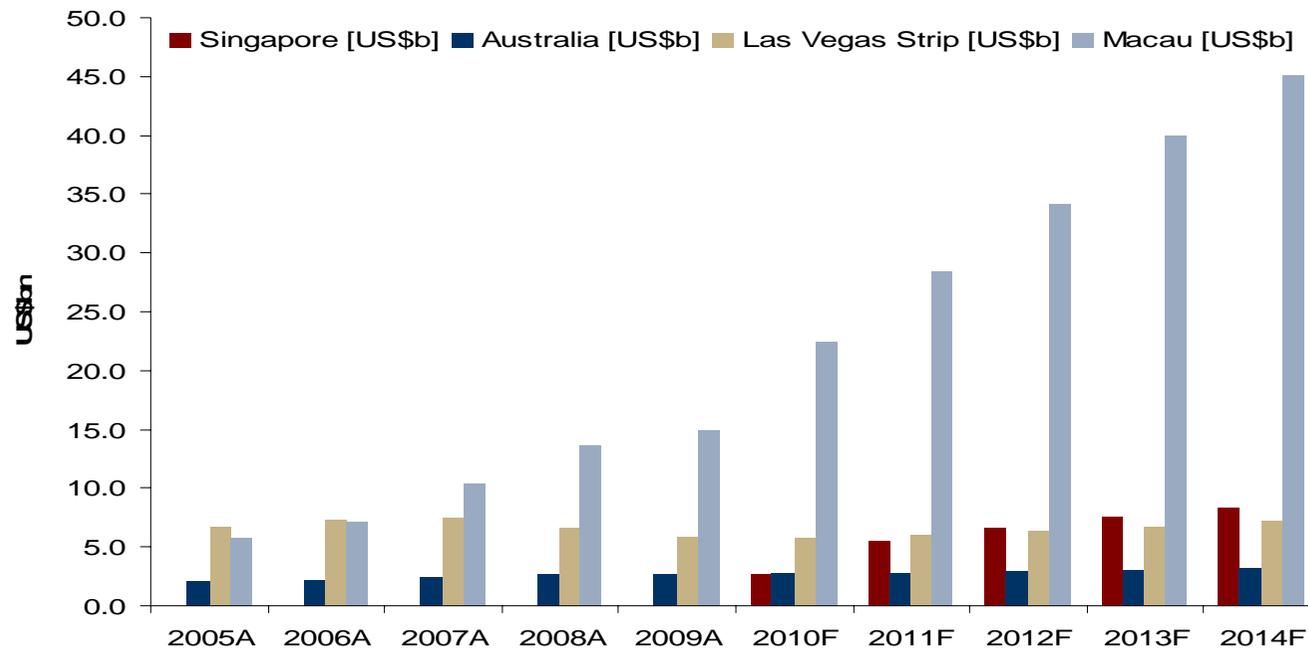
Airport Capacity Upgrade

- Capacity upgrade from 6m to 12m people per year by 2017

Casino Gaming Revenue International Comparison

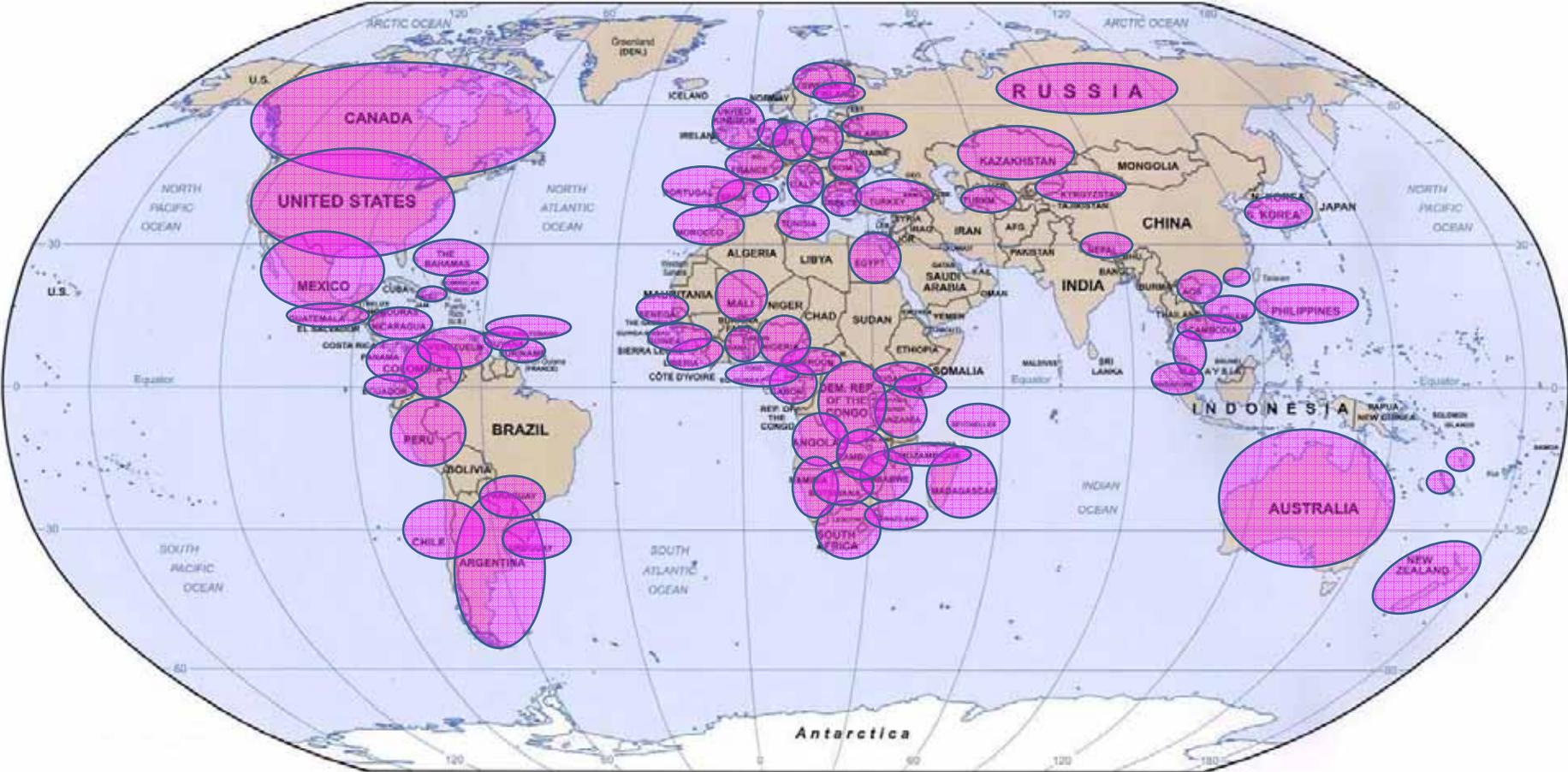


- Asia Pacific is projected to be the fastest growing region with estimated casino gaming revenue of US\$62.9 billion in 2014
- Macau is projected to grow at 24.7% CAGR between now and 2014 and Singapore at 14.9%¹, whereas Australia is projected to grow at 3.2%

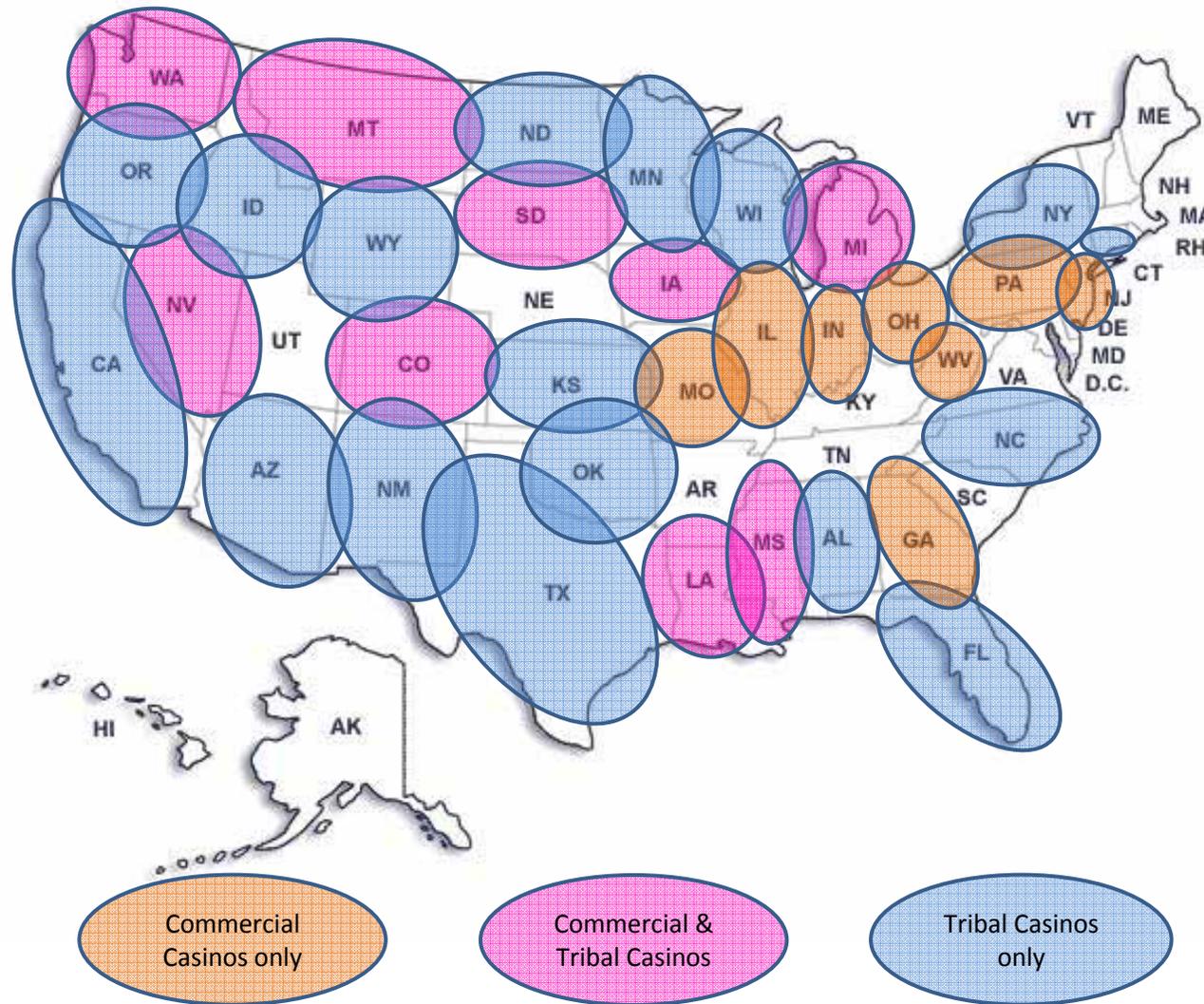


1. Source: "Playing to win" report by PwC, 2010
 Singapore's CAGR is for the 3 years from 2011 to 2014 as 2011 is the first full year result of the gaming market
 Las Vegas strip is assumed to grow at the same rate as Nevada

Countries with Legalised Casinos



States in the USA with Legalised Casinos



Further Liberalising of Casino Gaming Worldwide



- In the United States, the Massachusetts Senate has approved a bill that calls for three casinos, Florida is considering measures to implement resort style casinos and New York City will shortly open its first casino
- In Asia, following the success of the integrated resorts in Singapore and Macau, and the current construction of new integrated resorts in the Philippines and Vietnam, both Taiwan and Japan are considering the legalisation of integrated resorts

Federal Government Policy and Tourism



- The Federal Government clearly has a role to play in shaping the competitive landscape of Australia's tourism industry.
- Of particular interest to Crown is the Federal Government's potential to influence the relative competitiveness of Australia's integrated resorts with their Asian competitors through its policies on:
 - Direct flights to Australia from Asia
 - Ease of access to Australian visas
 - Tourism marketing policies
 - Gaming machine reform legislation



6. Proposed Federal Government Gaming Machine Reforms

Background



- Last year, the Prime Minister agreed with Independent MP Mr Andrew Wilkie to implement a mandatory pre-commitment scheme that would apply to all players of gaming machines in Australia
- Subsequently in May of this year, a Federal Parliamentary Committee chaired by Mr Wilkie recommended that players be given a choice between playing existing machines using mandatory pre-commitment or playing new “low intensity” machines (which would have a maximum bet of \$1) without mandatory pre-commitment
- The Federal Government is preparing gaming machine reform legislation for introduction to Parliament next year. The scope of the legislation is not yet clear

Crown's Existing Responsible Gaming Initiatives



- World's first **voluntary** pre-commitment scheme in a casino – PlaySafe (introduced in 2002)
- World's first on-site Responsible Gaming Support Centre offering professional counselling services (introduced in 2002). Strong links with support services such as Gamblers Help to ensure provision of appropriate assistance of customers seeking assistance
- Responsible Gaming Liaison Officers interacting with and intercepting customers on the casino floor - 24 hours a day / 7 days a week
- Player activity statements for gaming machine customers in Crown's loyalty program are available on request
- A legally binding self-exclusion program which allows a customer to ban themselves from entering or remaining on the gaming floor
- All Crown gaming staff are licensed and receive training in responsible service of gaming
- Contact numbers for Crown's Responsible Gaming Support Centre and Gamblers Help prominently displayed in all areas of the casino

What is Mandatory Pre-commitment?



Under a Mandatory Pre-commitment System:

- Gaming machines will only operate if a player uses a valid pre-commitment card and sets an expenditure limit, i.e. No Card = No Play
- Requires identity verification of every player, i.e. No ID = No Card
- All gaming machine players will be required to set a limit on the amount of money they wish to spend on gaming machines. However any player can opt to set as high a limit as they wish
- On reaching their selected expenditure limit, the machine will lock up and the player will be barred from playing any machine in their State for a specified time period (eg. 24 hour exclusion)
- Requires a very large State-wide database of player ID and selected expenditure limits stored on a central computer

Concerns With Mandatory Pre-commitment



- It is unclear how mandatory pre-commitment will reduce the expenditure of players who may be problem gamblers as they will set as high a limit as they need to avoid being locked out from further play
- Automatically excluding a player has not solved that player's problem but merely deferred it for the lockout period. Following the lockout period, the player can return and increase their limit to avoid being locked out again
- Casinos have a higher number of recreational and occasional players which will make registration for mandatory pre-commitment extremely difficult at peak times – they will not be prepared to queue to register
- Those players concerned about being registered on a central database may well switch to other forms of gambling (e.g. online) or reduce their play
- Reduction in player activity due to mandatory registration will have an adverse impact on revenue, employment and investment
- Mandatory pre-commitment has only been implemented in Norway and Nova Scotia with inconclusive results
- There is no current proposal to trial mandatory pre-commitment in order to evaluate its effectiveness in reducing problem gambling or to assess its impact on jobs and investment

What are Low Intensity Machines?



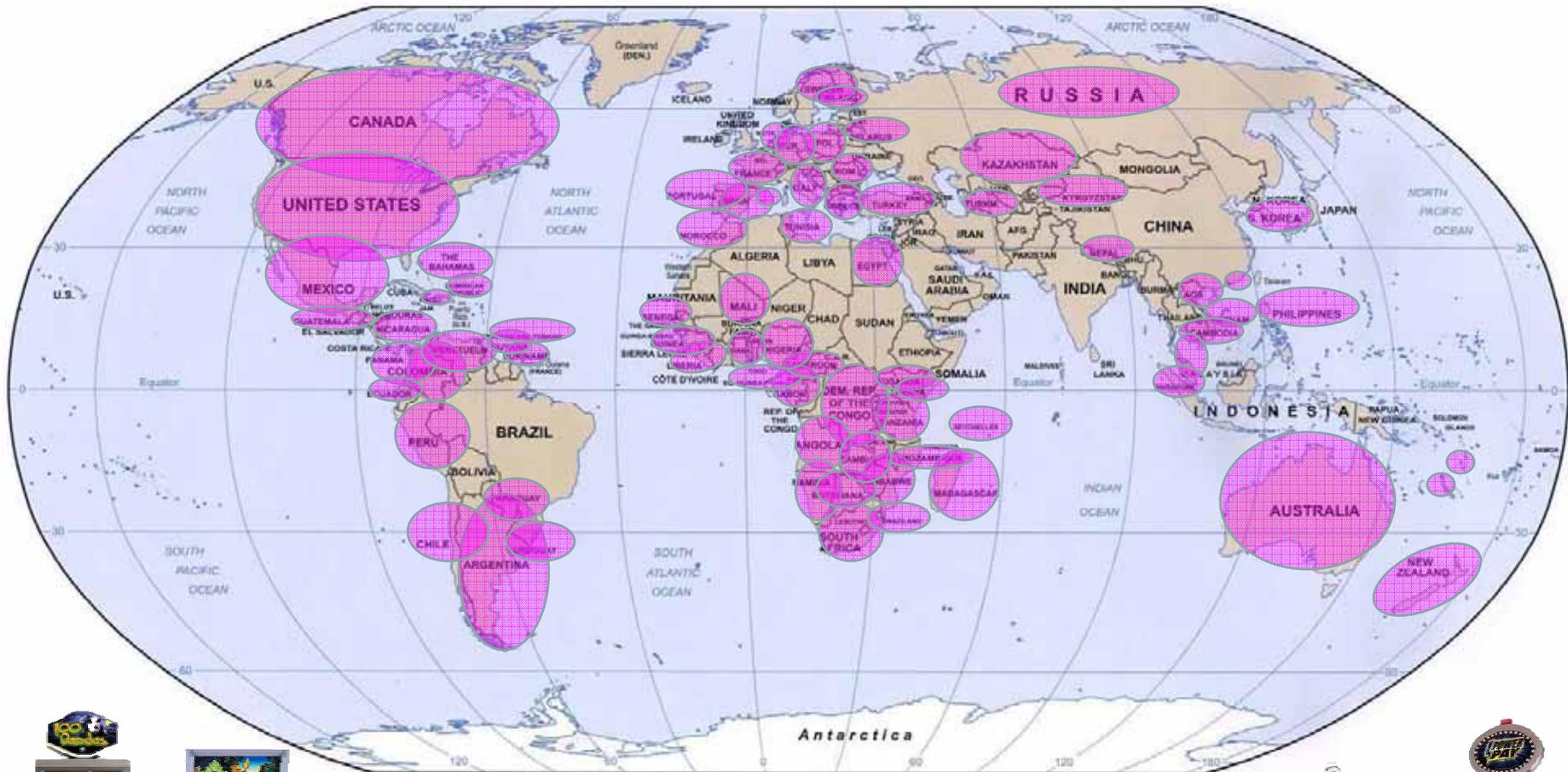
- The Federal Parliamentary Committee chaired by Mr Wilkie recently recommended that:
 - All venues be required to offer either
 - Existing machines with mandatory pre-commitment; or
 - “Low intensity” machines which do not require a pre-commitment card; or
 - A combination of both
 - “Low intensity” machines do not need to be part of the mandatory pre-commitment system but will be restricted to a \$1 maximum bet limit, a \$500 maximum prize and a \$20 maximum “load up”

Concerns With “Low Intensity” Machines

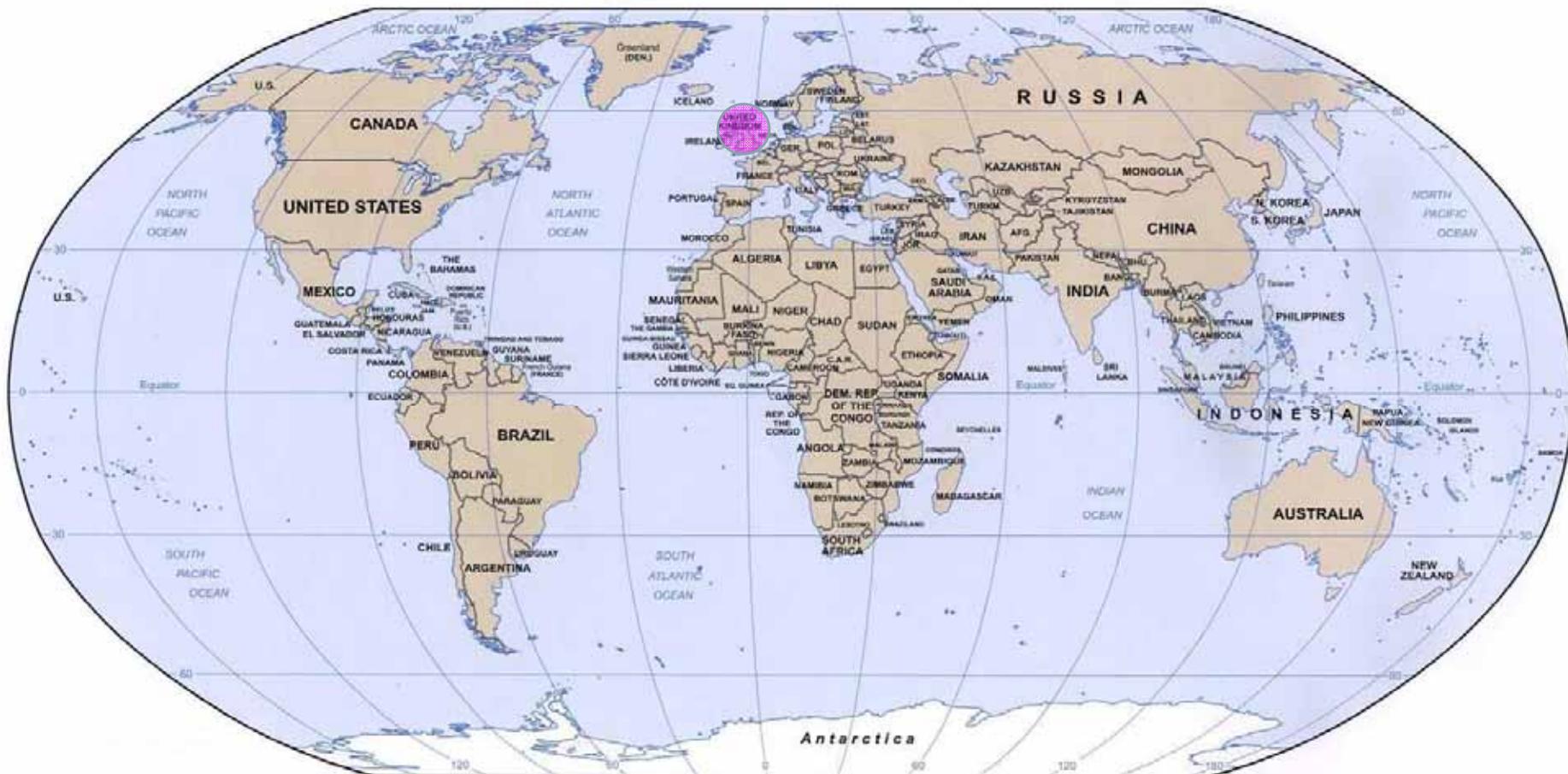


- “Low intensity” machines with a \$1 maximum bet currently do not exist and hence the player appeal of such machines is untested and unknown
- “Low intensity” machines are unlikely to appeal to players with problem gambling issues. Such players can opt to continue to play existing machines by registering for a pre-commitment card and setting as high an expenditure limit as they wish
- There is no evidence that such machines will appeal to recreational players in casinos. On average, casino patrons play machines with relatively higher bet limits as they tend to have relatively higher incomes and discretionary spend
- More than 60% of gaming machine revenue in Australian casinos is derived from gaming machines where the average bet is greater than \$1
- As such, the introduction of “low intensity” machines with a \$1 maximum bet would have a major impact on casino revenues, employment and investment and on State Government Tax Revenues and will affect investment in tourism infrastructure by casinos
- Again there is no current proposal to trial such machines to assess their effectiveness in reducing problem gambling or to measure their impact on industry employment or investment

Countries with Casinos that Offer Australian Style Gaming Machines



Countries Where “Low Intensity” Limits are Imposed on Gaming Machines in Casinos



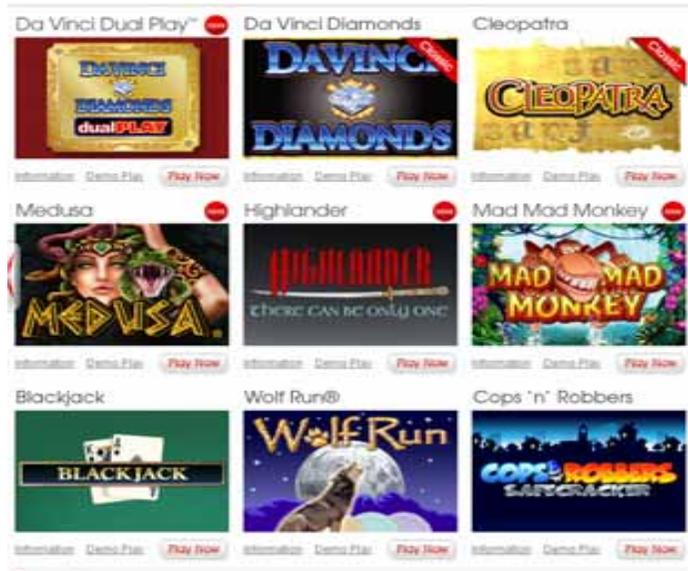
United Kingdom casinos have a £2 max bet and a £4000 max prize

UK has Legalised Online Casino Gaming including Australian Style Gaming Machines



- Despite restricting gaming machines in UK casinos to a £2 maximum bet and a £4,000 maximum prize, online casino gaming has been legalised by the UK Government
- Online sites provide customers with sports betting, horse race betting, poker and casino gambling (including tables games and Australian style gaming machines)
- There is a vast array of online casino gaming sites offered by corporate bookmakers, gaming machine manufacturers and specialist online casino sites
- Online gaming sites are a real alternative to land-based casinos and offer the same game content as land based casinos including Australian style games

Casino Quality Game Content Now Readily Available Online



Primary Management Focus



- Continue to maximise the performance of Crown Melbourne and Burswood and manage the major capital expenditure programs underway
- Working with MCE to further build the value of MCE's Macau business



Crown Limited Annual General Meeting

27 October 2011