



Crown Limited

2009 Full Year Results Presentation

27th August 2009



Crown Limited Overview



- Normalised¹ revenue up 6.8%, normalised EBITDA up 5.2%, normalised NPAT \$280.7 million
- Australian casinos delivered superior growth performance:
 - Main floor gaming achieved solid growth of 6.9% despite a challenging environment and refurbishment disruption
 - Record volumes achieved in VIP program play (\$34.8 billion)
 - Solid start to new financial year for domestic business
 - Completion of refurbishment and expansion programs will enhance future growth
- Macau
 - Two spectacular properties
 - City of Dreams opened in June 2009 and recent trends in gaming activity encouraging
 - Positive developments in Macau gaming market

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

Crown Limited Overview



- North America casino markets adversely affected by global financial crisis leading to write downs in investments
- Reported net loss of \$1,197.9 million after writedowns and other non recurring items of \$1,440.1 million
- Strong balance sheet - low net debt and gearing
- Final dividend 19 cps. Full year dividend 37 cps
- Going forward Crown intends to pay the higher of 37 cents per share and 65% of normalised full year NPAT as a full year dividend subject to Crown's financial position

Crown Limited Group Result



	F09 Normalised \$m	F08 Normalised \$m	Change on pcg	F09 Actual \$m	F08 Actual \$m
Crown Melbourne EBITDA	450.3	433.3	3.9%	477.3	444.1
Burswood EBITDA	208.7	195.3	6.9%	208.1	188.8
Corporate Costs	(39.4)	(39.8)	1.0%	(39.4)	(39.8)
EBITDA	619.6	588.8	5.2%	646.0	593.1
Depreciation and Amortisation	(148.0)	(132.8)		(148.0)	(132.8)
EBIT	471.6	456.0	3.4%	498.0	460.3
Interest	(27.9)	55.5		(27.9)	55.5
Income Tax	(94.1)	(116.3)		(102.0)	(117.6)
Equity Accounted	(68.9)	(25.0)		(125.9)	(22.0)
Net Profit before non recurring items	280.7	370.2	(24.2%)	242.2	376.2
Discontinued operations and non recurring items				(1,440.1)	3,170.2
Net (Loss) Profit				(1,197.9)	3,546.4

Crown Melbourne and Burswood Results



Normalised \$m	Crown Melbourne	Change on pcip	Burswood	Change on pcip	Australian Casinos	Change on pcip
Main floor gaming	855.3	6.7%	397.9	7.4%	1,253.1	6.9%
VIP commission program play	329.7	14.0%	140.0	11.5%	469.7	13.2%
Non-gaming	281.2	0.5%	159.7	0.3%	440.9	0.4%
Total Revenue (Normalised)	1,466.2	6.9%	697.6	6.5%	2,163.8	6.8%
Taxes, levies, commissions and fees	408.7	11.8%	170.1	12.5%	578.8	12.1%
Net operating expenses	607.2	6.1%	318.8	3.3%	926.0	5.1%
EBITDA	450.3	3.9%	208.7	6.8%	658.9	4.8%
Depreciation & Amortisation	113.0	12.4%	32.4	8.9%	145.4	11.6%
EBIT	337.3	1.4%	176.3	6.5%	513.6	3.1%
EBITDA / Revenue %	30.7%		29.9%		30.5%	
EBIT / Revenue %	23.0%		25.3%		23.7%	
Total Revenue (Actual)	1,498.3	8.3%	696.9	7.6%	2,195.2	8.1%
VIP Turnover \$ billion	24.4	14.0%	10.4	11.5%	34.8	13.2%
VIP Win Rate (1.35% theoretical)	1.48%		1.34%		1.44%	

Crown Melbourne and Burswood



- Australian casinos delivered superior growth
 - EBITDA growth: Crown Melbourne 3.9%; Burswood 6.8%; combined 4.8%
 - Solid main floor gaming revenue growth: Crown Melbourne 6.7%; Burswood 7.4%; combined 6.9%
 - Stable non-gaming revenue: Crown Melbourne 0.5%; Burswood 0.3%; combined 0.4%
 - VIP program play turnover increased 13.2% to record level of \$34.8 billion (primarily first half)
 - Crown Melbourne VIP win rate of 1.48%, Burswood VIP win rate of 1.34%, compared to theoretical VIP win rate of 1.35%
 - Costs controlled with non-VIP margins maintained
 - Achieved in a challenging economic environment amidst disruption from the refurbishment programs

Crown Melbourne and Burswood



Solid start to F10 – 1 July to 18 August 2009

- Main floor gaming revenue growth of approximately 5% compared to same period previous year
- Non-gaming revenue achieved positive year on year growth

Crown Melbourne - Property Update



- Crown Metropol Hotel (658 rooms) to open in April, 2010
- Crown Towers standard room upgrade completed in July 2009 and the new Crown Conference Centre to open late November 2009
- A re-developed food and beverage area in the western end of the property was opened progressively May through July, 2009
- Preliminary work on an upgrade of the Teak Room, the Mahogany Room and the VIP gaming salons has commenced
- Refurbishment of main gaming floor is almost 50% complete
- The completed projects have generated additional revenue and the remaining projects will contribute further growth
- Agreement with Victorian Government to introduce a staged increase in gaming machine tax and to increase the number of table games¹

1. Implementation of this agreement is subject to passage of legislation through the Victorian Parliament

Crown Melbourne – Property Update



658 room Crown Metropol Hotel under construction



Crown Conference Centre under construction



Western Gaming Precinct

Crown Melbourne - Property Update



Lagerfeld Beer Garden



Crown Towers Refurbishment



Sho Noodle Bar



Crown Towers Refurbishment

Burswood - Property Update



- Major projects completed during F09 include:
 - The Meridian Room, a VIP gaming machine room which will complement the existing VIP high limit gaming room
 - a new casino entrance
 - a new poker room
 - Mesh - a new main casino gaming floor bar
- Refurbishment of main gaming floor almost 70% complete
- Work has recently been completed on Carvers Buffet and Snax Café which are located immediately adjacent to the gaming floor
- Work is also underway on a third VIP Infinity suite and refurbishment of the InterContinental Club Rooms and River Suites
- Remaining refurbishment projects are expected to contribute to further revenue growth

Burswood – Property Update



Casino Main Entry
The Latest Stage of the
Ongoing Casino
Redevelopment



Infinity Suites



Mesh Bar

Burswood – Property Update



24 Hour Western & Asian Restaurants



Crown Limited – 2009 Full Year Results Presentation



Central Casino Refurbishment

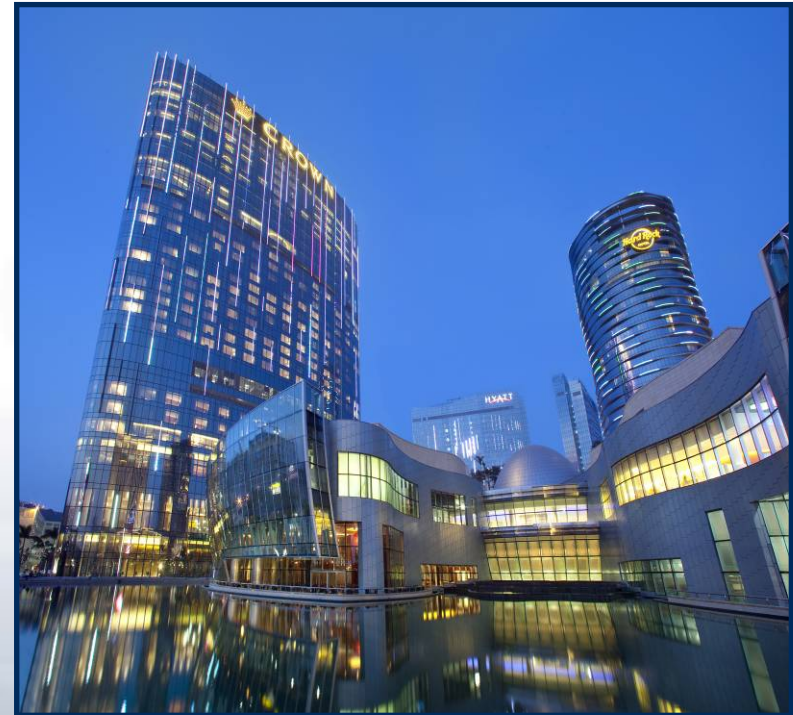
- Crown's share of Melco Crown's net normalised loss A\$34.3 million
 - impact of global recession on Macau gaming market
 - visa restrictions
 - adverse economic conditions in key feeder markets
- City of Dreams opened in June; recent gaming trends encouraging
- Altira has not seen any meaningful cannibalisation of its VIP volumes following the opening of City of Dreams
- Indicators that business environment in Macau is improving
 - gaming revenues up year on year in July (first month since November 2008)
 - regulated and enforceable junket commission cap of 1.25% in the near future
 - reports that certain visa restrictions will ease
- Long term potential for Macau market growth given its exposure to China

- Melco Crown raised additional equity of US\$180 million in April 2009 and a further US\$220 million in August 2009
 - cash on hand at 30 June 2009 of approx US\$660 million
 - US\$176 million of capital expenditure in the third quarter of 2009
 - capital expenditures essentially complete following the opening of Grand Hyatt Macau
- As a result of these placements, Crown's interest in Melco Crown was diluted to 33.5%

Melco Crown: City of Dreams



- Integrated casino, leisure and entertainment resort incorporating:
 - Casino – main floor gaming areas and VIP salons
 - Three hotels which will deliver 1,400 guest rooms, suites and villas
 - “The Bubble” – a multimedia theatre
 - More than 20 restaurants, bars and clubs
- Initial phase opened June, 2009
 - Approximately 520 gaming tables and 1,350 gaming machines
 - Crown Towers Hotel
 - Hard Rock Hotel
 - “The Bubble” Attraction
- Phase two construction expected to be completed end of September, 2009 featuring Grand Hyatt twin hotel towers
- “Theatre of Dreams” to open in 2010



City of Dreams

City of Dreams Update



Crown Towers at City of Dreams



City of Dreams



Hard Rock at City of Dreams

Gateway



Crown's share of Gateway loss was \$14.3 million

Equity and debt investment written down to nil

- Non-recurring loss of \$231.2 million taken to the Profit & Loss (\$48.8 million of non-recurring loss reported at the half year)
- Write-down reflects
 - below-expectation performance from Starlight casino and Grand Villa casino
 - slowdown in Canadian economy negatively impacting overall gaming market growth together with increased competition
 - negative impact on gaming machine revenue from smoking bans
 - a more restrictive regulatory environment than anticipated negatively impacting on ability to implement planned product improvement and marketing initiatives

Crown's share of Aspinall's loss was \$15.2 million

- Low win rate at Aspinalls Club (impact on Crown's equity accounted result \$12.9 million)
- Losses at Swansea and Northampton casinos - revenues not meeting expectations

Equity investment written down to nil

- Non-recurring loss of \$82.7 million taken to the Profit & Loss (\$43.8 million of non-recurring loss reported at the half year)
- Write-down reflects
 - Poor outlook for the UK casino market due to UK recession
 - Failure by Government to deregulate the casino industry as initially announced

Crown's share of Betfair's loss was \$5.1 million

Betfair's customer base continues to grow strongly

- marketing spend increased significantly to achieve good growth in customer acquisitions – solid platform for growth

Product fees remain a critical issue

- Product fees introduced as a result of changes in race fields legislation in NSW and other States) have adversely affected margins.
- Resolution of this issue by way of Betfair's Federal Court action against Racing NSW remains a critical issue.

Renegotiation of Cannery Transaction

- Crown paid US\$320 million to subscribe for a preferred instrument and paid a US\$50 million break fee
- The preferred instrument has no coupon and is non-participating
- The preferred instrument has the right to be converted to an equity entitlement of 24.5%, subject to regulatory approval

Equity Write-down

- Crown has written down the carrying value of its investment in Cannery to \$49.6 million, with a non-recurring loss of \$378.2 million taken to the Profit & Loss
- Crown considers that Cannery's Las Vegas casinos will be affected by US recession for some time
- Original projections for the Meadows permanent casino have been adversely impacted by the onset of the US recession

Available for Sale Assets



Equity investments in Fontainebleau, Stations and Harrahs written down to nil

- Non-recurring loss of \$592.8 million taken to the Profit and Loss (\$454.9 million of this non-recurring loss was reported at the half year)
- Write-down due to the impact of the US recession on the US casino industry

Non-Recurring Items and Discontinued Operations

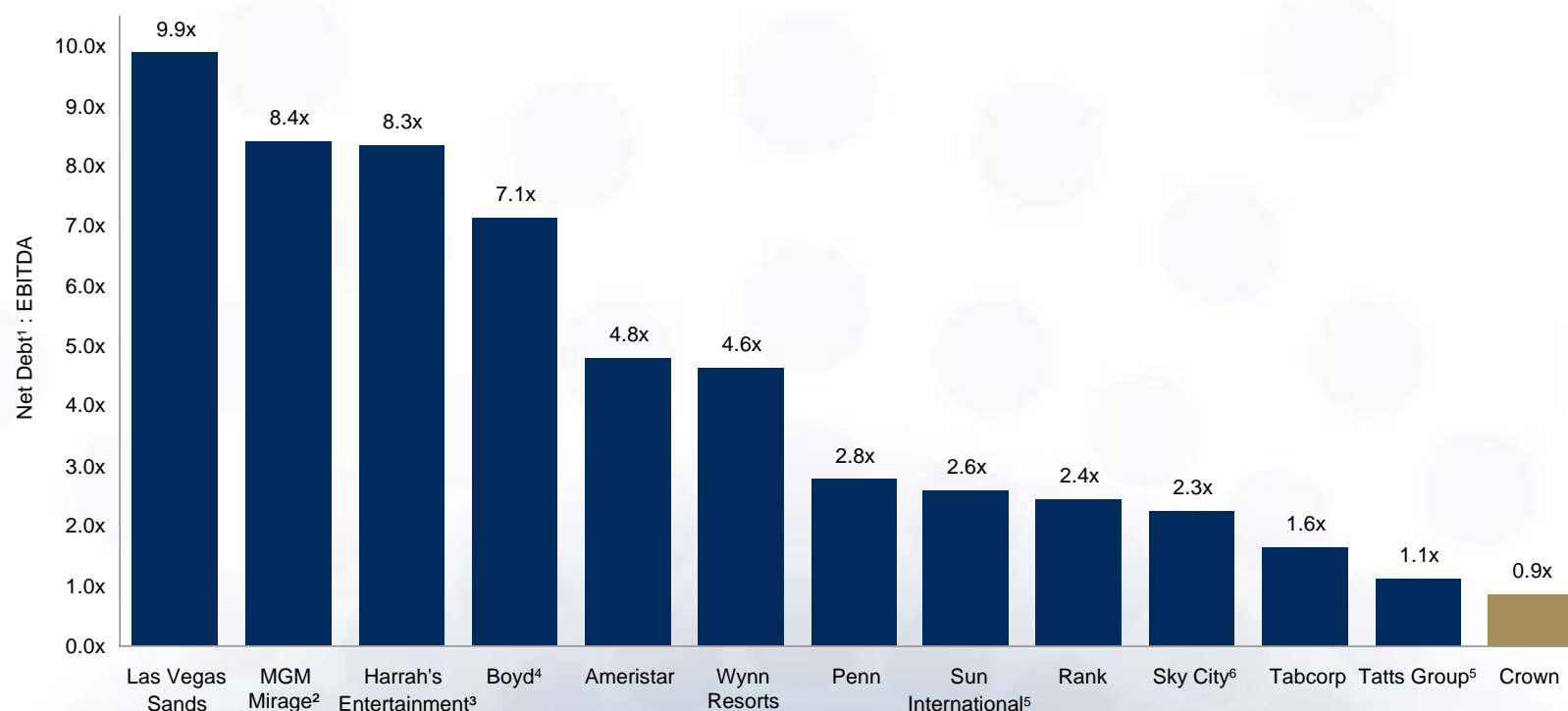


	F09 \$m	F08 \$m
Profit from discontinued operations and non recurring items (net of tax)	-	3,409.4
Non Recurring Items From Continuing Operations (net of tax)		
Cannery equity write-down	(378.2)	-
Gateway equity and loan write-down	(231.2)	-
Aspinalls equity write-down	(82.7)	-
Available for Sale Assets write-down	(561.6)	(181.3)
Fontainebleau deferred debt security write-down	(31.3)	-
LVTI costs write-off	-	(44.7)
Termination fee for original Cannery Transaction	(76.5)	-
Termination of US dollar interest rate swaps	(40.1)	-
Net interest attributable to the funding of original Cannery transaction	(38.4)	-
Other net significant items	(0.1)	(13.2)
Non Recurring Items from Continuing Operations (net of tax)	(1,440.1)	(239.2)
Total Net Profit / (Loss) From Non Recurring Items and Discontinued Operations	(1,440.1)	3,170.2

Gearing Levels - Net Debt / EBITDA (LTM)



Global Gaming Operators



Source: UBS (Based upon Company filings and UBS estimates)

Notes:

- 1 Net debt as at 30 June 2009 unless otherwise noted: LTM EBITDA from 30 June 2008 to 30 June 2009
- 2 MGM LTM EBITDA adjusted for sale of Treasure Island
- 3 Harrah's Entertainment represents the consolidated entity (includes both 'Op Co' and 'Prop Co' entities)
- 4 Boyd includes earnings and share of net debt from 50% JV interest in Borgata
- 5 Sun International and Tatts Group have not reported FY2009 results and accordingly reflect UBS estimates for 30 June 2009 net debt and LTM EBITDA
- 6 Sky City net debt is as at 19 August 2009, as per company presentation on 19 August 2009

Interest Analysis



\$m	Interest F09	Interest F08
Interest income - external	89.3	188.5
Interest income - related parties	15.4	15.9
Interest expense	(172.1)	(138.7)
Refinance cost	(15.3)	(10.2)
Net Interest before non-recurring items	(82.7)	55.5
Net interest is comprised of:		
Non-recurring item – net interest attributable the funding of original Cannery transaction	(54.8)	-
Underlying net Interest	(27.9)	55.5
Total	(82.7)	55.5

Interest income in F08 benefited from \$2.05 billion cash on deposit which was distributed to shareholders in December 2007

F10 Net interest expense expected to be approximately \$75 million comprising:

- Average expected drawn debt in F10, \$1.1 billion
- Average interest being cash on deposit in F10, \$0.3 billion
- Un-drawn facility fees
- Other Interest income

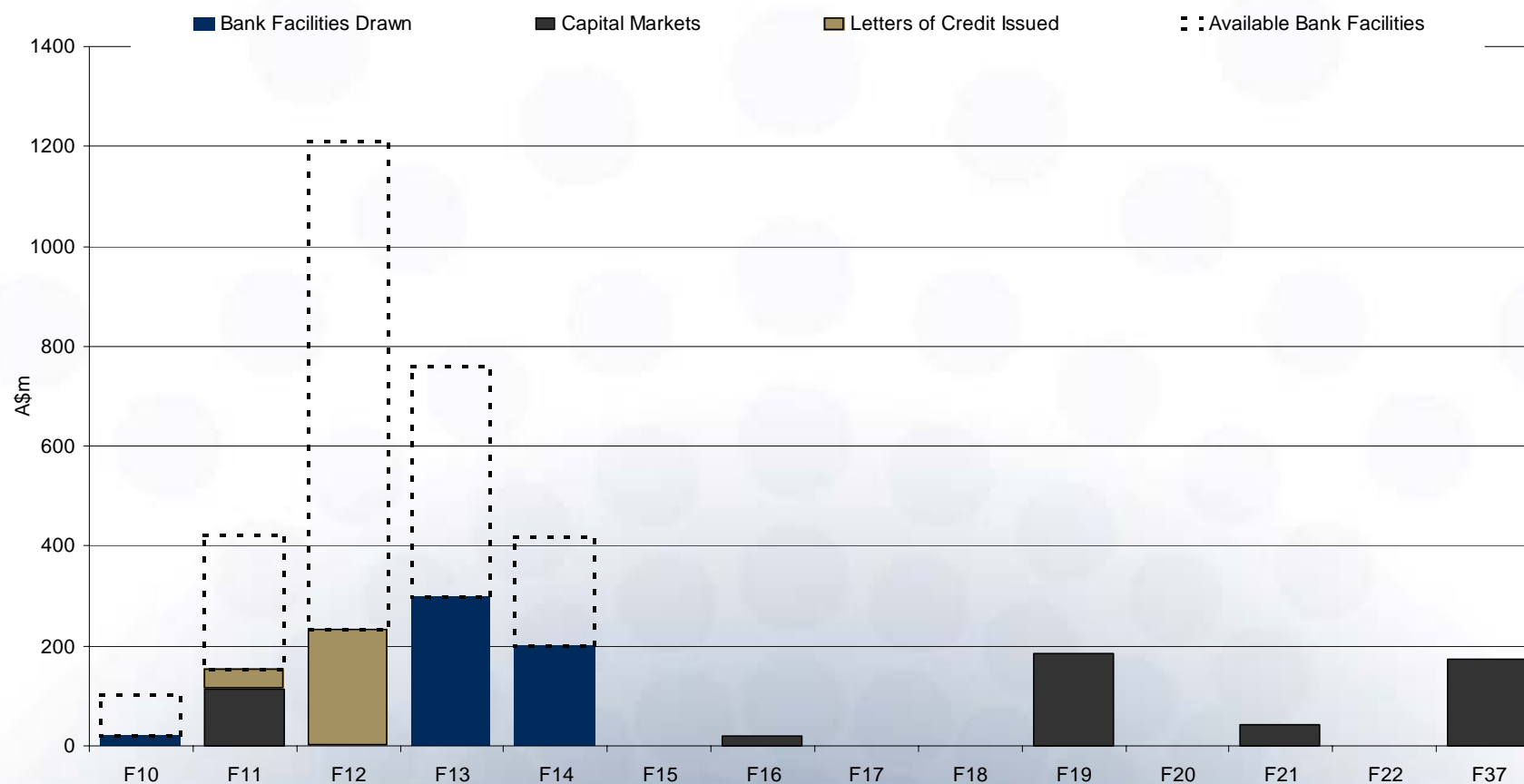
Debt Structure at 30 June 2009



Nature of Facility	\$m
Bank Debt:	520
Capital Market Debt - MTN	115
- EMTN	175
- USPP (US\$200 m)	247
Total Outstanding Debt	1,057

- Available bank facilities of \$2 billion
- Weighted Average Maturity: four years
- Group's current debt ratings (S&P/Moody's/Fitch) BBB/Baa2/BBB

Debt Maturity Profile



Operating Cash Flow



\$m	F09	F08 Pro-forma
Normalised EBITDA	619.6	588.8
Win rate variance	26.4	4.3
Reported EBITDA	646.0	593.1
Working Capital Movements	(18.0)	(14.9)
Cash Flow Generated by Operations	628.0	578.2
Net Interest ⁽²⁾	(163.0)	64.1
Income Tax Payments ⁽¹⁾	(82.6)	(68.7)
Operating Cash Flow	382.4	573.6

1. F08 includes \$24 million of tax refunds
2. F09 includes:
 - \$57 million (pre tax) of interest rate swap termination costs
 - \$55 million (pre tax) net interest attributable to the funding of the original Cannery transaction

Group Net Cash Flow



\$m	F09	F08 Pro-forma
Operating Cash Flow	382.4	573.6
Capital Expenditure (net)	(388.9)	(192.7)
Investments (net)	(599.0)	(496.2)
Cash Flow Before Financing Activities	(605.5)	(115.3)
Equity Raising	337.2	-
Proceeds for partial closure of ESP	39.1	-
Repayment of borrowings (net)	(1,842.3)	-
Dividends Paid	(331.2)	(339.1)
Effects of exchange rate changes on cash ⁽¹⁾	555.2	-
Net increase/(decrease) in cash	(1,847.5)	(454.4)
Opening cash	2,363.0	2,227.7
Cash flows from discontinued operations (net)	-	589.7
Closing Cash	515.5	2,363.0

1. Represents foreign exchange movements in USD cash which have been offset by an equivalent increase in USD borrowings

Corporate Costs



Corporate overhead at \$39.4 million for year

- Crown closing Las Vegas and London offices
- Salary freeze in F10 for Crown senior executives

Dividend



Crown's final dividend 19 cents per share

- Full year dividend of 37 cents per share
- Franked to 60%

Change to dividend policy

- Going forward Crown intends to pay the higher of 37 cents per share and 65% of normalised full year NPAT as a full year dividend subject to Crown's financial position
- Crown expects the dividend to trend to 65% of normalised NPAT over time

Conclusion



Australian casinos

- Amongst best performing in the world
- Continue to deliver superior performance – outlook is positive
- Refurbishment and expansion programs will enhance growth into the future

Melco Crown

- Two spectacular properties - recent gaming trends in gaming activity at City of Dreams are encouraging
- Indications that the business environment in Macau is improving
- Long term potential for Macau market growth given its exposure to China

Capability and Financial Strength

- One of the strongest balance sheets of any global gaming company
- Crown's financial strength and capability places it in a strong position for the future

Management focus

- Continue to maximise the performance of Crown Melbourne and Burswood
- Working with Melco Crown to further build the value of Melco Crown's Macau business
- Working with our JV partners to optimise the value of other international investments

Disclaimer



- All information provided in this presentation is provided as of the date stated or otherwise as of the date of the presentation.
- The presentation includes a number of forward looking statements. Forward looking statements, by their nature, involve inherent risks and uncertainties. Many of those risks and uncertainties are matters which are beyond Crown's control and could cause actual results to differ from those predicted. Variations could either be materially positive or materially negative.
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