ASX / MEDIA RELEASE
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CROWN ANNOUNCES 2011 HALF YEAR RESULTS

MELBOURNE: Crown Limited (ASX: CWN) today announced its results for the half year ended 31 December 2010:

- Normalised NPAT[1] of $165.8 million, up 13.9%
- Reported[2] NPAT of $153.1 million, up 32.8%
- Australian casinos reported:
  - normalised revenue growth of 4.3% to $1,253.5 million
  - normalised EBITDA[3] growth of 2.4% to $349.2 million
  - reported EBITDA down 7.4% to $304.6 million
  - normalised EBIT down 3.9% to $251.6 million
  - reported EBIT down 17.1% to $207.0 million
  - main floor gaming generated revenue growth of 6.6%
  - non-gaming revenue growth of 14.1%
  - VIP program play turnover of $21.5 billion was down 8.0%
- 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, reflected a solid performance in the non VIP businesses while the VIP results reflected the competitive impact of the two new integrated resorts in Singapore. Crown Melbourne benefited from the completion of some capital refurbishments at the property. Burswood’s results were affected by the impact of the complex-wide renovations, particularly the disruption to the InterContinental hotel, the Atrium Restaurant & Lobby Lounge and the completion of the main gaming floor refurbishment.”

“Across the two properties, main floor gaming generated revenue growth of 6.6%.”

“VIP program play turnover at our Australian casinos was down 8.0% primarily due to the impact of the opening of the two new integrated resorts in Singapore.”

“Non-gaming revenue grew by 14.1%, benefiting from the first full period of operation for the Crown Metropol hotel in Melbourne.”

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1 Normalised Net Profit After Tax represents 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) and pre-opening costs in respect of City of Dreams.

2 The difference between reported NPAT of $153.1 million and normalised NPAT of $165.8 million is due to a below theoretical win rate on VIP program play in Crown’s Australian casinos of $31.3 million, partially offset by an adjustment to the equity accounted share of NPAT from Melco Crown Entertainment of $18.6 million to exclude the impact of an above theoretical win on VIP play and City of Dreams pre-opening costs.

3 EBITDA includes corporate costs of $17.8 million.

“Significant progress has been made on the capital expenditure programs at both local properties. This capital expenditure is expected to further enhance Crown’s position as one of the leading operators of integrated resorts in the region.”

“The results for the period from our Macau joint venture, Melco Crown Entertainment, were pleasing and continue to improve,” Mr Craigie said.

CROWN MELBOURNE

Normalised EBITDA from Crown Melbourne was $259.7 million, up 6.6% on the prior comparable period (pcp). Reported EBITDA for the period was $227.1 million, down 12.0% on the pcp, reflecting a below theoretical win rate of 1.11%. This generated a negative EBITDA variance of $32.6 million, compared to a positive EBITDA variance of $14.5 million in the pcp when the win rate was 1.46%.

Normalised revenue increased by 6.8% over the pcp to $876.7 million. During the year, main floor gaming revenue grew 7.7% to $470.8 million and normalised VIP program play revenue decreased 5.5% to $212.5 million on turnover of $15.7 billion primarily due to the impact from the two new Singapore casinos.

The Teak Room reopened in October 2010 and work is progressing on the extension and refurbishment of the Mahogany room, with some of the new premium gaming areas having opened during the period. Customer feedback on the improvements to the Teak and Mahogany rooms has been positive.

Non-gaming revenue grew 21.3% to $193.4 million benefiting from the opening of Crown Metropol.

Crown Towers hotel occupancy was 91.6% with an average room rate of $294. The majority of the villas in Crown Towers have been refurbished, with the quarter floor villas ready for Christmas and the villas on levels 37 and 38 opened in time for the Chinese New Year period. The remaining villas will have their refurbishment completed by mid-year. Crown Promenade hotel occupancy was 91.3% with an average room rate of $199. Crown Metropol, which opened in April 2010, achieved hotel occupancy of 72.5% and an average room rate of $233 which is ahead of expectations for this stage in its development.

Spice Temple and The Waiting Room, both operated by Neil Perry, opened at Crown Melbourne in October 2010 and are trading well. The Atlantic restaurant development is progressing well with a planned mid-March opening. Following this opening, the Brasserie will be closed for refurbishments and reopen as Bistro Guillaume by mid-2011.

The capital expenditure program is expected to reinforce Crown Melbourne’s position as a world class integrated resort, providing significant benefits to the Australian and Victorian tourism industries. The investment in growth capital expenditure is progressively delivering benefits and is expected to be earnings and value accretive for shareholders.

The overall operating margin decreased slightly from 29.7% to 29.6%.

BURSWOOD

Normalised EBITDA from Burswood was $107.3 million, down 4.4% on the pcp. Reported EBITDA for the period was $95.3 million, up 11.1% on the pcp, which reflected a below theoretical win rate of 1.12%. This generated a negative EBITDA variance of $12.0 million, compared to a negative EBITDA variance of $26.4 million in the pcp when the win rate was 0.91%.

Normalised revenue decreased by 1.0% over the pcp to $376.8 million. During the year, main floor gaming revenue grew 4.3% to $211.2 million. However, normalised VIP program play revenue decreased 14.3% to $78.3 million on turnover of $5.8 billion primarily due to the impact from the two new integrated resorts in Singapore.

During the half, Burswood received approval from the Western Australian Government to an increase in electronic gaming machines from 1,750 to 2,000 (250 additional machines) and an increase in gaming tables from 170 to 220 (50 additional tables). Planning is underway for an expansion of the Burswood gaming floor to accommodate the new gaming product. It is expected that the expansion will be completed in the 2013 financial year.

Non-gaming revenue grew marginally to $87.3 million (up 0.8% on pcp). Hotel occupancy was 71.1% with an average room rate of $244 at the InterContinental and 91.6% and $196 respectively at the Holiday Inn. InterContinental’s occupancy rates were affected by its refurbishment. The completed rooms were progressively reopened from late January 2010 and work on the remaining rooms commenced during the half. Construction work on the VVIP Villas is progressing as scheduled and is expected to be completed by December 2011.

The Atrium Restaurant & Lobby Lounge at the InterContinental Burswood reopened on schedule in December 2010 and the Rockpool Bar & Grill was completed ahead of schedule, opening on 24 January 2011. The new 123-seat Asian restaurant, 88 Noodle Bar on the main gaming floor was also completed in November 2010 and initial customer response has been positive. The construction of the new Food Court (located adjacent to the Riverside entry) as well as the new Japanese and Italian restaurants have also commenced and are progressing well. The Rooftop Gaming Salon construction is well underway with an anticipated completion in July 2011.

The capital expenditure undertaken in upgrading and expanding the Burswood resort will create a property that can successfully compete against the new integrated resorts in the Asian region complete with new luxurious resort and pool facilities as well as world-class entertainment, leisure, local gaming and premium player facilities. This investment is progressively delivering benefits and is expected to be earnings and value enhancing for shareholders.

The overall operating margin decreased from 29.5% to 28.5%. The margin decrease was principally due to the impact of the refurbishment disruption.

CURRENT TRADING AT AUSTRALIAN CASINOS

The first seven weeks of 2011 is not comparable to the same period in 2010 due to the difference in the timing of Chinese New Year. Overall, trading has been pleasing from the start of the new calendar year.

MELCO CROWN ENTERTAINMENT ("MCE"): Macau (33.4% interest)

MCE has reported good progress in the six months to December.

Crown's share of MCE's reported result for the year was an equity accounted gain of $11.8 million. Crown's share of MCE's normalised result for the period was a loss of $6.8 million, after adjusting for Crown's share of an above theoretical win rate and pre-opening expenses.

This pleasing result is attributed to the continued improved operating performance at City of Dreams and Altira Macau. The Macau gaming market as a whole has exhibited strong growth throughout 2010 and this growth has continued with Macau gaming revenue reaching MOP18.6bn in January 2011, just 2% below the record MOP18.9bn reported in December 2010.

OTHER INVESTMENTS

Betfair – Crown's equity accounted share of Betfair's loss was $1.5 million. The loss is primarily due to an increase in legal fees and product fees. Betfair has lodged an application for leave to appeal to the High Court against the judgement of the Full Federal Court in its case against Racing NSW and Harness Racing NSW. It is expected that the High Court will hear the application for special leave in March 2011.

Cannery – Crown holds a preferred instrument in Cannery. Crown has now received the necessary regulatory approvals in Nevada and Pennsylvania and expects to be in a position to convert this preferred instrument to equity shortly. Upon conversion, Crown will hold a 24.5% share in Cannery.

Aspinalls – During the period, Crown provided additional funding of £6.0 million to reduce existing bank debt. Crown also provided an £11.8 million short-term loan to Aspinalls as a consequence of an unusually low hold rate at the Aspinalls Club during the period. This has resulted in a total debt owed to Crown of £35.4 million.

Gateway – Crown's equity and debt investments in Gateway had previously been written down to nil. Gateway has now finalised a restructure of its equity and debt so that Crown and its joint venture partner, Macquarie Group, now each own 1% of the restructured entity. Crown was not required to contribute any further capital and has been released from all obligations. The restructure has no material impact on Crown's financial results.

CASHFLOW AND DEBT

Operating cash flow for the period was $175.9 million. After net capital expenditure of $188.2 million and dividend payments of $143.0 million, total group debt was $965.0 million as at 31 December 2010. Total cash and cash equivalents at 31 December 2010 was $144.6 million, which consisted of cash maintained for working capital purposes of $138.3 million, with the balance of $6.2 million available for general purposes. Net debt, excluding working capital cash, at 31 December 2010 stood at $958.8 million with no major debt refinancing requirements until June 2013.

At 31 December 2010, total liquidity, excluding working capital cash of $138.3 million, was $1,098.3 million, represented by $6.2 million in available cash and $1,092.1 million in committed undrawn facilities.

In January 2011, Crown entered into a $750 million new syndicated facility which consists of two $375 million tranches maturing in four and five years respectively. This new facility replaces the existing $450 million syndicated facility that was due to mature in August 2011 and consolidates a number of the Australian and US dollar denominated bilateral facilities in order to reduce costs and extend current maturities.

CORPORATE COSTS

Corporate costs of $17.8 million were $2.9 million above last year largely as a result of Crown making an allowance for a new long-term incentive plan, partially offset by reductions in payroll costs.

INTEREST EXPENSE

The total net interest expense for the half year was $32.9 million, which is a decrease of $4.2 million on the pcp. The total debt balance at 31 December 2010 was $965.0 million compared to the balance at 31 December 2009 of $1,032.1 million.

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 1 April 2011. No part of the unfranked portion of the dividend will consist of conduit foreign income. The dividend will be paid on 15 April 2011.

In future and in line with the previously announced dividend policy, Crown intends to pay the higher of 37 cents per share or 65% of normalised NPAT as the full year dividend.

ENDS

Media & Analyst Enquiries – Ken Barton, Chief Financial Officer, 03 9292 8824.

COPIES OF RELEASES

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

Attachment A

CROWN GROUP RESULT
Six Months ended 31 December 2010

Normalised Results[1]				Actual Results		
6 mths ended Dec 2009 $ M	6 mths ended Dec 2010 $ M	% movement on Normalised		6 mths ended Dec 2009 $ M	6 mths ended Dec 2010 $ M	% movement on Actual
1,201.8	1,253.5	4.3%	OPERATING REVENUE	1,189.6	1,202.0	1.0%
340.9	349.2	2.4%	EARNINGS BEFORE INTEREST, TAX & DEPRECIATION	329.0	304.6	(7.4)%
(79.2)	(97.6)		Depreciation & Amortisation	(79.2)	(97.6)	
261.7	251.6	(3.9)%	EARNINGS BEFORE INTEREST & TAX	249.8	207.0	(17.1)%
(37.1)	(32.9)		Net Interest Income / (Expense)	(37.1)	(32.9)	
224.6	218.7	(2.6)%	PROFIT BEFORE TAX	212.7	174.1	(18.1)%
(49.4)	(44.6)		Taxation	(45.8)	(31.3)	
175.2	174.1	(0.6)%	PROFIT AFTER TAX	166.9	142.8	(14.4)%
(29.6)	(8.3)		Equity Accounted Profit / (Loss) [2]	(51.6)	10.3	
145.6	165.8	13.9%	NET PROFIT	115.3	153.1	32.8%

(1) Adjusted to show underlying NPAT, ie. excluding the impact of the below theoretical win rate on VIP Program Play of $31.3 million ($44.6 million pre tax less income tax of $13.3 million) in H1 2011 and the below theoretical win rate of $8.3 million ($11.9 million pre tax less income tax of $3.6 million) in H1 2010. 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 an above theoretical win rate on VIP Play and pre-opening costs. The prior year adjustment included the impact of a below theoretical win rate on VIP Play and pre-opening costs.

Attachment B

CROWN DIVISIONAL RESULTS
Six Months ended 31 December 2010

Normalised Results[1]				Actual Results		
6 mths ended Dec 2009 $ M	6 mths ended Dec 2010 $ M	% movement on Normalised		6 mths ended Dec 2009 $ M	6 mths ended Dec 2010 $ M	% movement on Actual
			REVENUE			
1,201.8	1,253.5	4.3%	Gaming	1,189.6	1,202.0	1.0%
0.0	0.0	NA	Corporate	0.0	0.0	NA
1,201.8	1,253.5	4.3%		1,189.6	1,202.0	1.0%
			EXPENDITURE			
846.0	886.5	4.8%	Gaming	845.7	879.6	4.0%
14.9	17.8	19.5%	Corporate	14.9	17.8	19.5%
860.9	904.3	5.0%		860.6	897.4	4.3%
			EBITDA			
355.8	367.0	3.1%	Gaming	343.9	322.4	(6.3)%
(14.9)	(17.8)	19.5%	Corporate	(14.9)	(17.8)	19.5%
340.9	349.2	2.4%		329.0	304.6	(7.4)%
29.6%	29.3%		GAMING EBITDA / REVENUE	28.9%	26.8%	

(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.