



**ASX / MEDIA RELEASE
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CROWN ANNOUNCES 2013 FULL YEAR RESULTS

MELBOURNE: Crown Limited (ASX: CWN) today announced its results for the full year ended 30 June 2013:

- Normalised NPAT¹ of \$473.2 million, up 14.0%
- Reported NPAT² of \$491.0 million before significant items, down 4.3%
- Significant items after tax of \$95.2 million represents the loss on the disposal of Crown's investment in Echo Entertainment Group Limited (Echo) of \$69.6 million and \$25.6 million associated with Crown's share of Melco Crown Entertainment's (MCE) refinancing and development costs
- Reported NPAT of \$395.8 million after significant items, down 22.9%
- Normalised EBITDA growth of 5.0% to \$758.3 million
- Reported EBITDA down 6.2% to \$751.9 million
- Normalised EBIT growth of 3.3% to \$520.2 million
- Reported EBIT down 11.9% to \$513.8 million
- Australian resorts reported:
 - Normalised revenue growth of 5.6% to \$2,776.3 million
 - Main floor gaming revenue growth of 3.6%
 - Non-gaming revenue growth of 8.1%
 - VIP program play turnover of \$50.7 billion was up 7.8%
 - Normalised EBITDA growth of 6.9% to \$787.5 million
 - Reported EBITDA of \$787.9 million was down 5.7% due to a lower VIP program play win rate compared to last year
- Final dividend of 19 cents per share announced (total full year dividend of 37 cents per share)

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

"Overall, the results for Crown's wholly-owned Australian resorts, Crown Melbourne and Crown Perth, were mixed as we continue to see evidence of weak consumer sentiment, particularly in Melbourne. Cost control continues to be a focus at both properties. Normalised EBITDA was up 7.1% in Crown Melbourne and up 6.4% in Crown Perth."

¹ Normalised results 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 excludes significant items. 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.

² The difference between reported NPAT before significant items of \$491.0 million and normalised NPAT of \$473.2 million is due to an above theoretical result on VIP program play in Crown's Australian casinos of \$0.3m and an adjustment to the equity accounted share of NPAT from Melco Crown Entertainment of \$22.7 million to exclude the impact of an above theoretical win rate on VIP play, partially offset by a below theoretical result at Crown Aspinall's of \$5.2 million.

“Main floor gaming generated revenue growth of 3.6% 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. However, Crown Melbourne was impacted by the effects of refurbishment disruption.”

“VIP program play turnover at our Australian resorts grew 7.8% and non-gaming revenue grew 8.1% compared with last year.”

“Crown Aspinall’s generated a normalised EBITDA of \$33.3 million, reported EBITDA was \$26.5 million.”

“The results from MCE were strong, particularly in the premium mass market segment, and were a major contributor to the growth in Crown’s normalised NPAT. Crown’s share of MCE’s normalised NPAT result for the period was an equity accounted profit of \$152.3 million, after adjusting for an above theoretical win rate. Crown’s share of MCE’s reported NPAT result before significant items for the year was an equity accounted profit of \$175.0 million.”

CROWN MELBOURNE

Normalised EBITDA from Crown Melbourne was \$546.7 million, up 7.1% on the prior comparable period (pcp). Reported EBITDA for the period was \$547.1 million, down 3.0% or \$17.1 million on the pcp. This reflects a win rate of 1.36% which generated a positive EBITDA variance of \$0.4 million, compared to a positive EBITDA variance of \$53.6 million in the pcp when the win rate was 1.50%.

Normalised revenue increased by 4.0% over the pcp to \$1,918.1 million. During the year, main floor gaming revenue grew 0.9% to \$1,000.8 million. Normalised VIP program play revenue increased 9.2% to \$525.2 million on turnover of \$38.9 billion.

Non-gaming revenue grew 5.4% to \$392.1 million. Crown Towers Melbourne hotel occupancy was 93.6% with an average room rate of \$312. Crown Metropal Melbourne achieved hotel occupancy of 89.5% with an average room rate of \$224. Crown Promenade Melbourne hotel occupancy was 90.5% with an average room rate of \$211.

The overall operating margin improved from 27.7% to 28.5% despite the shift in business mix towards the lower margin VIP business. In response to the weak consumer sentiment in Melbourne and low revenue growth in main floor gaming, Crown Melbourne has continued its comprehensive review of back of house costs and front of house operational efficiency.

CROWN PERTH

Normalised EBITDA from Crown Perth was \$240.8 million, up 6.4% on the pcp. Reported EBITDA for the period was \$240.8 million, down 11.1% or \$30.1 million on the pcp. The win rate in the pcp was 1.84% which resulted in a positive EBITDA variance of \$44.6 million.

Normalised revenue increased 9.3% over the pcp to \$858.2 million. During the year, main floor gaming revenue grew 9.7% to \$483.5 million, benefiting from the expansion of Crown Perth’s gaming floor. Normalised VIP program play revenue increased 3.3% to \$159.4 million on turnover of \$11.8 billion.

Non-gaming revenue grew 13.3% to \$215.3 million due to the improved trading in food and beverage as a result of the completion of a number of key refurbishment projects and improved trading in both hotels. Crown Metropal Perth hotel occupancy was 83.6% with an average room rate of \$313. Refurbishment work at Crown Metropal Perth has reduced the number of rooms available and hotel occupancy based on available rooms was 90.5%. Hotel occupancy at Crown Promenade Perth was 93.0% with an average room rate of \$220.

The overall operating margin decreased from 28.8% to 28.1%, reflecting the impact of one-off costs associated with the rebranding to Crown Perth and the set-up and opening costs associated with the launch of the new gaming floor and new food and beverage outlets.

The rebranding of Crown Perth from Burswood was completed in September 2012 following the opening of the expansion of Crown Perth’s main gaming floor to accommodate new gaming product and new food and beverage areas. Crown Perth’s restaurant facilities were further enhanced with the recent opening of the new premier Chinese restaurant, Silks.

The construction of the multi-storey car park, expected to improve accessibility of the complex, is underway and expected to be completed by late 2014. In addition, the demolition of the Dome will create an additional 1,000 car parking spaces by December 2013. Work is progressing on the early stages of Crown Towers Perth

which is expected to open in 2016. The capital expenditure undertaken in upgrading and expanding Crown Perth will progressively deliver benefits and is expected to be earnings and value enhancing for shareholders.

CROWN ASPINALL'S (PREVIOUSLY ASPINALL'S CLUB)

Normalised EBITDA from Crown Aspinall's was \$33.3 million. A below theoretical win rate generated a negative EBITDA variance of \$6.8 million which resulted in a reported EBITDA of \$26.5 million for the period.

MELCO CROWN ENTERTAINMENT (MCE): Macau (33.7% equity interest)

Crown's share of MCE's normalised NPAT result for the full year to 30 June 2013 was an equity accounted profit of \$152.3 million. After adjusting for an above theoretical win rate, Crown's share of MCE's reported result before significant items for the full year to June 2013 was an equity accounted profit of \$175.0 million.

During the year MCE issued a US\$1.0 billion senior note offering at a 5.0% coupon, allowing MCE to, among other things, refinance MCE's existing US\$600 million 10.25% senior notes.

MCE incurred costs in respect of the debt refinance and costs associated with the Studio City and Philippines development projects. Crown's share of these costs was \$25.6 million which has been reported as a significant item.

The growth in MCE's EBITDA was achieved despite an overall subdued performance in the Macau VIP market and was attributable to strong growth in the mass market table games segment at City of Dreams and improved group-wide rolling chip volume, together with MCE's committed cost control culture. City of Dreams again increased its market share in the mass market table games segment and achieved market-leading mass table yields, which is increasingly important in a table supply constrained market.

MCE is moving forward with the fifth hotel tower at City of Dreams and anticipates construction to commence by the end of 2013. MCE believes the addition of the fifth tower at City of Dreams, represents a powerful addition to the wide array of amenities and attractions that City of Dreams already offers its premium-mass and high end customers, providing another tool to further extend its leading position in this key segment.

As stated in MCE's recent Q2 2013 results announcement, MCE's development pipeline continues to progress. Studio City, in which MCE has a 60% equity interest, is on budget and on track and due to open in mid-2015. Studio City will be financed through a US\$1.4 billion senior secured facility and a US\$825 million senior note offering, as well as committed equity from Studio City's shareholders.

MCE, through its 69.3% owned subsidiary, Melco Crown (Philippines) Resorts Corporation, has an interest in a consortium to develop and operate a casino, hotel, retail and entertainment complex in Manila, the Philippines. The project is expected to open in the middle of 2014. This project will be financed by both debt financing and the capital generated by a public equity raising undertaken in April 2013, which raised approximately US\$335 million.

Both of these exciting development opportunities are key components of MCE's strategy to diversify its revenue streams, maximise return on invested capital and drive long term shareholder value.

OTHER INVESTMENTS

Aspers Group – The Aspers Group casino in Stratford, London, was impacted by disruptions arising from the staging of the London Olympics. However, trading results in the second half of the year have improved. The fit out of a new casino in Milton Keynes, London, is underway and the casino is expected to open in early September 2013. Crown has provided loans to the Aspers Group for the construction of the casinos at Stratford and Milton Keynes. Total debt owed to Crown at 30 June 2013 was £63.3 million.

Betfair – Crown's equity accounted share of Betfair's loss was \$1.5 million.

Cannery – Crown continues to hold a 24.5% equity share in Cannery. Crown did not receive a distribution of any profits or recognise any earnings from Cannery during the period.

Echo – Crown sold its shareholding in Echo in May 2013. This resulted in an after tax loss of \$69.6 million which has been reported as a significant item.

CROWN SYDNEY PROPOSAL

In July 2013, the New South Wales Government invited Crown to move to Stage Three of the Unsolicited Proposal process for Crown's proposed development and operation of a six-star hotel resort including VIP gaming facilities at Barangaroo South on Sydney Harbour.

The proposed Crown Sydney Hotel Resort will be Sydney's first six-star hotel resort. Crown's proposal includes 350 hotel rooms and suites, 80 luxury apartments, signature restaurants, bars, luxury retail outlets, pool and spa facilities, conference rooms and VIP gaming facilities. Crown is in the process of finalising the design of the hotel resort.

CASH FLOW AND DEBT

Operating cash flow for the period was \$496.2 million. After net capital expenditure of \$253.4 million, dividend payments of \$269.5 million, net repayment of borrowings of \$107.6 million and net investment proceeds of \$184.4 million, total Group debt was \$1,635.3 million as at 30 June 2013. Total cash and cash equivalents at 30 June 2013 was \$205.5 million, which consisted of cash maintained for working capital purposes of \$118.5 million, with the balance of \$87.0 million available for general purposes. Net debt, excluding working capital cash, at 30 June 2013 stood at \$1,548.3 million.

At 30 June 2013, total liquidity, excluding working capital cash of \$118.5 million, was \$1,213.6 million, represented by \$87.0 million in available cash and \$1,126.6 million in committed undrawn facilities.

Crown's capital management strategy targets an efficient capital structure with sufficient liquidity and flexibility to support its strategy and maintain its current investment grade credit ratings. In August 2012, Crown completed a \$300 million five-year bond issue. In September, Crown raised \$532 million through a subordinated notes issue and in November, Crown completed the refinance of its two bank facilities that were to mature in July 2013 into one new \$500 million syndicated facility.

CORPORATE COSTS

During the period net corporate costs were \$62.5 million which was \$27.0 million above the pcp. Corporate costs include costs associated with the Crown Sydney project including advertising and consultancy costs.

INTEREST EXPENSE

The total net interest expense for the year was \$120.4 million, an increase of \$18.3 million on the pcp. The increase in net interest expense is due primarily to higher levels of net debt associated with development projects and the increase in investments.

DIVIDEND

Crown is announcing a final dividend on ordinary shares of 19 cents per share, franked to 50%, payable to shareholders registered at 5.00pm on Friday 27 September 2013. The dividend is due to be paid on Friday 11 October 2013. No part of the unfranked portion of the dividend will consist of conduit foreign income. The dividend is in line with Crown's previously announced dividend policy.

CHANGE OF COMPANY NAME

The Crown Board has resolved, subject to shareholder approval, that the company change its name from Crown Limited to Crown Resorts Limited. Accordingly, a special resolution will be put to shareholders at the Crown Annual General Meeting scheduled for 30 October 2013. The change of the company name is timely given the large investment Crown has made in its tourism infrastructure over the last few years and its expanding domestic and global investments.

ENDS

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

Investor and Analyst Enquiries – John Bresnan, Investor Relations, 03 9292 8851.

COPIES OF RELEASES

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



**CROWN GROUP RESULT
Twelve Months ended 30 June 2013**

Normalised Results⁽¹⁾				Actual Results⁽²⁾		
12 mths ended June 2012	12 mths ended June 2013	%movement on Normalised		12 mths ended June 2012	12 mths ended June 2013	%movement on Actual
\$ M	\$ M			\$ M	\$ M	
<u>2,727.5</u>	<u>2,894.4</u>	6.1%	OPERATING REVENUE ⁽³⁾	<u>2,798.1</u>	<u>2,885.7</u>	3.1%
722.0	758.3	5.0%	EARNINGS BEFORE INTEREST, TAX, DEPRECIATION & SIGNIFICANT ITEMS	801.3	751.9	(6.2)%
<u>(218.3)</u>	<u>(238.1)</u>		Depreciation & Amortisation	<u>(218.3)</u>	<u>(238.1)</u>	
503.7	520.2	3.3%	EARNINGS BEFORE INTEREST, TAX & SIGNIFICANT ITEMS	583.0	513.8	(11.9)%
<u>(102.1)</u>	<u>(120.4)</u>		Net Interest Income / (Expense)	<u>(102.1)</u>	<u>(120.4)</u>	
401.6	399.8	(0.4)%	PROFIT BEFORE TAX & SIGNIFICANT ITEMS	480.9	393.4	(18.2)%
<u>(81.8)</u>	<u>(77.4)</u>		Taxation	<u>(106.5)</u>	<u>(75.9)</u>	
319.8	322.4	0.8%	PROFIT AFTER TAX & BEFORE SIGNIFICANT ITEMS	374.4	317.5	(15.2)%
<u>95.2</u>	<u>150.8</u>		Equity Accounted Profit / (Loss)	<u>138.9</u>	<u>173.5</u>	
<u>415.0</u>	<u>473.2</u>	14.0%	NET PROFIT BEFORE SIGNIFICANT ITEMS	<u>513.3</u>	<u>491.0</u>	(4.3)%
			Significant items net of tax ⁽⁴⁾	<u>0.0</u>	<u>(95.2)</u>	
			NET PROFIT	<u>513.3</u>	<u>395.8</u>	(22.9)%

(1) Normalised results have been adjusted to exclude the impact of any variance from theoretical win rate on VIP program play. The difference between reported NPAT before significant items of \$491.0 million and normalised NPAT of \$473.2 million is due to an above theoretical result on VIP program play in Crown's Australian casinos of \$0.3m and an adjustment to the equity accounted share of NPAT from Melco Crown Entertainment of \$22.7 million to exclude the impact of an above theoretical win rate on VIP play, partially offset by a below theoretical result at Crown Aspinall's of \$5.2 million.

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

(3) Operating revenue excludes interest revenue.

(4) Significant items relate to the loss on disposal of Crown's investment in Echo, which resulted in a loss of \$69.6 million net of tax (\$99.4 million before tax), and Crown's share of Melco Crown development and refinancing costs of \$25.6 million.



**CROWN DIVISIONAL RESULTS
Twelve Months ended 30 June 2013**

Normalised Results⁽¹⁾				Actual Results⁽²⁾		
12 mths ended June 2012	12 mths ended June 2013	% movement on Normalised		12 mths ended June 2012	12 mths ended June 2013	% movement on Actual
\$ M	\$ M			\$ M	\$ M	
			REVENUE			
2,722.9	2,891.1	6.2%	Operating Activities	2,793.5	2,882.4	3.2%
4.6	3.3	(28.3)%	Corporate	4.6	3.3	(28.3)%
<u>2,727.5</u>	<u>2,894.4</u>	6.1%		<u>2,798.1</u>	<u>2,885.7</u>	3.1%
			EXPENDITURE			
1,965.4	2,070.3	5.3%	Operating Activities	1,956.7	2,068.0	5.7%
40.1	65.8	64.1%	Corporate	40.1	65.8	64.1%
<u>2,005.5</u>	<u>2,136.1</u>	6.5%		<u>1,996.8</u>	<u>2,133.8</u>	6.9%
			EBITDA			
757.5	820.8	8.4%	Operating Activities	836.8	814.4	(2.7)%
(35.5)	(62.5)	76.1%	Corporate	(35.5)	(62.5)	76.1%
<u>722.0</u>	<u>758.3</u>	5.0%		<u>801.3</u>	<u>751.9</u>	(6.2)%
27.8%	28.4%		OPERATING EBITDA / REVENUE	30.0%	28.3%	

(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 and Crown Aspinall's.

(2) Actual results reflect revenues & expenses at actual win rates.