



**ASX / MEDIA RELEASE
FOR IMMEDIATE RELEASE
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CROWN ANNOUNCES 2013 HALF YEAR RESULTS

MELBOURNE: Crown Limited (ASX: CWN) today announced its results for the half year ended 31 December 2012:

- Normalised NPAT¹ before significant items up 15.1% to \$243.5 million
- Reported NPAT² before significant items, down 15.2% to \$232.8 million
- Significant item after tax of \$52.0 million representing the mark-to-market loss on Crown's investment in Echo Entertainment Group Limited (Echo). Reported NPAT² after significant items of \$180.8 million, down 34.1%
- Normalised EBITDA³ up 10.5% to \$400.3 million
- Reported EBITDA³ down 7.7% to \$377.7 million
- Normalised EBIT³ up 10.9% to \$281.7 million
- Reported EBIT³ down 13.9% to \$259.1 million
- Australian casinos reported:
 - Normalised revenue up 7.5% to \$1,492.0 million
 - Main floor gaming revenue up 5.9%
 - Non-gaming revenue up 5.3%
 - VIP program play turnover up 12.3% to \$30.9 billion
 - Normalised EBITDA up 7.5% to \$414.8 million
 - Reported EBITDA of \$416.2 million was down 5.3% due to a lower VIP program play win rate compared to last year
- 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 Crown Perth, were reasonable. Revenue growth reflects the benefits of recent property refurbishments, particularly the expansion of the main gaming floor in Perth. However, both properties were also impacted by disruption to patron activity arising from the capital works program and weak consumer sentiment, especially in Melbourne. Cost control continues to be a focus at both properties.”

“The results from Melco Crown Entertainment, our Macau joint venture, were strong and were a major contributor to the growth in normalised NPAT for the Group.”

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 excludes significant items.

² The difference between reported NPAT before significant items of \$232.8 million and normalised NPAT of \$243.5 million is due to a below theoretical result at Aspinall's Club of \$18.3 million, partially offset by an above theoretical result on VIP program play in Crown's Australian casinos of \$1.0 million and an adjustment to the equity accounted share of NPAT from Melco Crown Entertainment of \$6.6 million to exclude the impact of an above theoretical win rate on VIP play.

³ Crown Group EBITDA and EBIT include net corporate costs of \$35.6 million.

“Main floor gaming generated revenue growth of 5.9% 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, while Crown Melbourne was impacted by the effects of refurbishment disruption on the main gaming floor. We are still seeing evidence of weak consumer sentiment, particularly in Melbourne.”

“VIP program play turnover at our Australian casinos grew 12.3% in the first half compared with the first half of last year.”

“Crown Melbourne’s actual results reflect a below theoretical win rate of 1.23% on its VIP turnover resulting in a \$14.2 million adverse impact on the Group’s actual net profit. Crown Perth reported an above theoretical win rate of 1.71% resulting in a \$15.2 million favourable impact on the Group’s actual net profit. 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.”

“Aspinall’s Club generated a normalised EBITDA of \$21.1 million, albeit at a below theoretical win rate.”

“Crown’s share of MCE’s normalised result for the period was an equity accounted profit of \$64.5 million, after adjusting for an above theoretical win rate. Crown’s share of MCE’s reported result for the period was an equity accounted profit of \$71.1 million.”

CROWN MELBOURNE

Normalised EBITDA from Crown Melbourne was \$291.9 million, up 8.4% on the prior comparable period (pcp). Reported EBITDA for the period was \$271.6 million, down 9.0% or \$26.8 million on the pcp. This reflects a below theoretical win rate of 1.23% which generated a negative EBITDA variance of \$20.3 million, compared to a positive EBITDA variance of \$29.0 million in the pcp when the win rate was 1.50%.

Normalised revenue increased by 6.9% over the pcp to \$1,048.2 million. During the year, main floor gaming revenue grew 3.7% to \$515.9 million, which was affected by the impact of refurbishment disruption on the main gaming floor. Normalised VIP program play revenue increased 15.2% to \$327.9 million on turnover of \$24.3 billion. Crown’s strategy to source new customers from China, combined with the attraction of its exceptional VIP facilities, have helped grow this business. Non-gaming revenue grew 3.3% to \$204.4 million.

Crown Towers Melbourne hotel occupancy was 94.0% with an average room rate of \$308. Crown Metropol Melbourne achieved hotel occupancy of 88.8% with an average room rate of \$221. Crown Promenade Melbourne hotel occupancy was 90.2% with an average room rate of \$213.

The overall EBITDA margin of Crown Melbourne improved from 27.5% to 27.8% as a result of the ongoing focus on controlling costs, despite the shift in business mix towards the lower margin VIP business.

During the half year, a number of capital projects were completed at Crown Melbourne including the opening of the new West End gaming precinct, the refurbishment and upgrade to the Spa at Crown Towers and the opening of the refurbished Conservatory and Neil Perry’s new Italian restaurant, Rosetta. The capital expenditure program undertaken at Crown Melbourne has reinforced its 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 enhancing for shareholders.

CROWN PERTH

Normalised EBITDA from Crown Perth was \$122.9 million, up 5.4% on the pcp. Reported EBITDA for the period was \$144.6 million, up 2.5% or \$3.5 million on the pcp. This reflects an above theoretical win rate of 1.71% which generated a positive EBITDA variance of \$21.7 million, compared to a positive EBITDA variance of \$24.5 million in the pcp when the win rate was 1.77%.

Normalised revenue increased 8.8% over the pcp to \$443.8 million. During the year, main floor gaming revenue grew 11.0% to \$246.3 million, benefiting from the expansion of Crown Perth’s gaming floor. Normalised VIP program play revenue increased 2.8% to \$89.1 million on turnover of \$6.6 billion.

Non-gaming revenue grew 9.3% to \$108.4 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. Hotel occupancy at the Crown Metropol Perth was 81.6% with an average room rate of \$311. Refurbishment work at Crown Metropol Perth has reduced the number of rooms available and hotel occupancy based on available

rooms was 93.7%. Hotel occupancy at Crown Promenade Perth was 93.4% with an average room rate of \$221.

The overall EBITDA margin of Crown Perth decreased from 28.6% to 27.7% reflecting increased costs associated with the rebranding to Crown Perth and set-up costs associated with the launch of the new gaming floor and food and beverage outlets.

The rebranding of Crown Perth from Burswood has been well received, complementing the significantly expanded and refurbished complex. During the half the refurbishment of Crown Metropol Perth's rooms were completed, as was 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 will be further enhanced with the opening of Crown's premier Chinese restaurant Silks, which is expected to open in the first quarter of FY14. The construction of the multi-storey car park, expected to improve accessibility of the complex, is underway and expected to be completed in 2014. 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 Towers Perth Update - Work is progressing on the early stages of Crown Towers Perth which is expected to open in 2016. The Gaming and Wagering Commission of Western Australia gave its approval in December 2012 for an additional 500 electronic gaming machines (to be phased in over five years) and an additional 100 table games (to be phased in over four years). The Commission will consider Crown Perth's application for a further increase of 30 table games when it considers variations to the licensed casino area to accommodate the new VIP gaming salons proposed as part of the Crown Towers Perth development.

CURRENT TRADING AT AUSTRALIAN CASINOS

The first seven weeks of 2013 is not comparable to the same period in 2012 due to the difference in the timing of the Chinese New Year holiday period for Crown's VIP gaming customers. Accordingly, trading figures for the first seven weeks of 2013 have not been provided. Trading at Crown Perth continues to benefit from the expansion of the main gaming floor while Crown Melbourne continues to be affected by refurbishment disruption.

ASPINALL'S CLUB

Normalised EBITDA from Aspinall's Club was \$21.1 million. A below theoretical win rate generated a negative EBITDA variance of \$24.0 million which resulted in a reported EBITDA loss of \$2.9 million for the period.

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

MCE recently reported strong results for the three months to December 2012. Adjusted EBITDA⁴ was US\$247.5 million for the fourth quarter of calendar year 2012, as compared to Adjusted EBITDA⁴ of US\$231.6 million in the fourth quarter of calendar year 2011.

Crown's share of MCE's normalised result for the half year to December 2012 was an equity accounted profit of \$64.5 million, after adjusting for an above theoretical win rate. Crown's share of MCE's reported result for the half year to December 2012 was an equity accounted profit of \$71.1 million.

MCE, in its recent Q4 results announcement, stated that this result was primarily driven by meaningful improvements in operating fundamentals driven by stronger mass market revenues together with an ongoing commitment to control costs, partially offset by a lower group-wide rolling chip win rate and development costs for the Philippines project. City of Dreams, MCE's flagship property, which is focussed on the increasingly important premium mass segment, continued to deliver impressive results.

MCE has also successfully completed a US\$1.0 billion senior note offering at a 5.0% coupon, which will allow MCE to, among other things, refinance MCE's existing US\$600 million 10.25% senior notes.

MCE has a 60% equity interest in Studio City, an integrated resort project located on Cotai. This project remains on schedule to open in mid-2015. The project 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.

⁴ Adjusted EBITDA is defined in MCE's Unaudited Results for the Fourth Quarter and Full Year Ended December 31, 2012.

MCE believes it is well positioned to take advantage of the continued growth of Macau's gaming market, especially the strength of the premium mass segment which is likely to drive long term profitability and shareholder value.

During the half, MCE signed agreements to form a consortium to develop and operate a casino, hotel, retail and entertainment complex in Manila, the Philippines. The project is expected to open in mid-2014.

OTHER INVESTMENTS

Aspers Group – The Aspers Group casino in Stratford, London, has been trading for more than a year and recent trading results have been encouraging following the disruptions arising from the staging of the London Olympics. The fit out of a new casino in Milton Keynes, London, is underway and the casino is expected to open in the second half of 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 31 December 2012 was £57.6 million.

Betfair – Crown's equity accounted share of Betfair's loss was \$0.4 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 – As previously reported, Crown holds a 10% interest in Echo. During the period, the value of Crown's interest in Echo declined, resulting in an after-tax mark-to-market loss of \$52.0 million, representing the Group's exposure to the change in value of the shares.

CROWN SYDNEY HOTEL RESORT UPDATE

Crown has proposed the development of an iconic six star hotel resort on Barangaroo South in Sydney. The Crown Sydney Hotel Resort will consist of 350 hotel rooms, signature restaurants, luxury retail, roof top pool and spa, and VIP gaming facilities.

In October 2012, the New South Wales Government announced that Crown's proposal for the Crown Sydney Hotel Resort would progress to Stage 2 of the Unsolicited Proposal assessment process. The NSW Government's Assessment Panel is currently undertaking a detailed assessment of Crown's proposal.

As previously announced, Crown has signed an Exclusive Dealing Agreement with Lend Lease Corporation Limited (Lend Lease), the developer of Barangaroo South, whereby Crown and Lend Lease will work together on an exclusive basis to jointly develop the plans for the world-class, six-star hotel resort.

The development of the hotel resort at Barangaroo South is subject to a number of government approvals.

CASH FLOW AND DEBT

Operating cash flow for the period was \$165.4 million. After net capital expenditure of \$153.2 million, dividend payments of \$138.4 million, net proceeds from borrowings of \$248.8 million and investment payments of \$66.9 million, total Group debt was \$1,942.5 million as at 31 December 2012. Total cash and cash equivalents at 31 December 2012 was \$205.9 million, which consisted of cash maintained for working capital purposes of \$153.7 million, with the balance of \$52.2 million available for general purposes. Net debt, excluding working capital cash, at 31 December 2012 stood at \$1,890.3 million.

At 31 December 2012, total liquidity, excluding working capital cash of \$153.7 million, was \$824.8 million, represented by \$52.2 million in available cash and \$772.6 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, 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 refinancing 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 of \$35.6 million were \$2.3 million above the pcp. This period's corporate costs include costs associated with the Crown Sydney Hotel Resort project.

INTEREST EXPENSE

The total net interest expense for the half year was \$59.6 million, an increase of \$12.5 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 an interim dividend on ordinary shares of 18 cents per share, franked to 50%, payable to shareholders registered at 5.00pm on Thursday 28 March 2013. The dividend is due to be paid on Tuesday 16 April 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.

ENDS

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

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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 2012

Normalised Results⁽¹⁾				Actual Results⁽²⁾		
6 mths ended Dec 2011	6 mths ended Dec 2012	% movement on Normalised		6 mths ended Dec 2011	6 mths ended Dec 2012	% movement on Actual
\$ M	\$ M			\$ M	\$ M	
<u>1,443.9</u>	<u>1,555.9</u>	7.8%	OPERATING REVENUE ⁽³⁾	<u>1,489.9</u>	<u>1,505.8</u>	1.1%
362.4	400.3	10.5%	EARNINGS BEFORE INTEREST, TAX, DEPRECIATION & SIGNIFICANT ITEMS	409.4	377.7	(7.7)%
<u>(108.3)</u>	<u>(118.6)</u>		Depreciation & Amortisation	<u>(108.3)</u>	<u>(118.6)</u>	
254.1	281.7	10.9%	EARNINGS BEFORE INTEREST, TAX & SIGNIFICANT ITEMS	301.1	259.1	(13.9)%
<u>(47.1)</u>	<u>(59.6)</u>		Net Interest Income / (Expense)	<u>(47.1)</u>	<u>(59.6)</u>	
207.0	222.1	7.3%	PROFIT BEFORE TAX & SIGNIFICANT ITEMS	254.0	199.5	(21.5)%
<u>(40.2)</u>	<u>(42.7)</u>		Taxation	<u>(54.5)</u>	<u>(37.4)</u>	
166.8	179.4	7.6%	PROFIT AFTER TAX & BEFORE SIGNIFICANT ITEMS	199.5	162.1	(18.7)%
<u>44.8</u>	<u>64.1</u>		Equity Accounted Profit / (Loss)	<u>74.9</u>	<u>70.7</u>	
<u>211.6</u>	<u>243.5</u>	15.1%	NET PROFIT BEFORE SIGNIFICANT ITEMS	274.4	232.8	(15.2)%
			Significant items net of tax ⁽⁴⁾	<u>0.0</u>	<u>(52.0)</u>	
			NET PROFIT	<u>274.4</u>	<u>180.8</u>	(34.1)%

(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 \$232.8 million and normalised NPAT of \$243.5 million is due to a below theoretical result at Aspinall's Club of \$18.3 million, partially offset by an above theoretical result on VIP program play in Crown's Australian casinos of \$1.0 million and an adjustment to the equity accounted share of NPAT from Melco Crown Entertainment of \$6.6 million to exclude the impact of an above theoretical win rate on VIP play.

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

(3) Operating revenue excludes interest revenue.

(4) The significant item relates to the mark-to-market on Crown's investment in Echo, which resulted in a loss of \$52.0 million net of tax for the half (\$74.3 million before tax).



CROWN DIVISIONAL RESULTS
Six Months ended 31 December 2012

Normalised Results⁽¹⁾				Actual Results⁽²⁾		
6 mths ended Dec 2011	6 mths ended Dec 2012	% movement on Normalised		6 mths ended Dec 2011	6 mths ended Dec 2012	% movement on Actual
\$ M	\$ M			\$ M	\$ M	
			REVENUE			
1,439.3	1,555.9	8.1%	Gaming	1,485.3	1,505.8	1.4%
4.6	0.0	(100.0)%	Corporate	4.6	0.0	(100.0)%
<u>1,443.9</u>	<u>1,555.9</u>	7.8%		<u>1,489.9</u>	<u>1,505.8</u>	1.1%
			EXPENDITURE			
1,043.6	1,120.0	7.3%	Gaming	1,042.6	1,092.5	4.8%
37.9	35.6	(6.1)%	Corporate	37.9	35.6	(6.1)%
<u>1,081.5</u>	<u>1,155.6</u>	6.9%		<u>1,080.5</u>	<u>1,128.1</u>	4.4%
			EBITDA			
395.7	435.9	10.2%	Gaming	442.7	413.3	(6.6)%
(33.3)	(35.6)	6.9%	Corporate	(33.3)	(35.6)	6.9%
<u>362.4</u>	<u>400.3</u>	10.5%		<u>409.4</u>	<u>377.7</u>	(7.7)%
27.5%	28.0%		GAMING EBITDA / REVENUE	29.8%	27.4%	

(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 Aspinall's Club.

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