



MACQUARIE  
ACN 002 574 923

# Macquarie Private Wealth



## Crown

### Business Description

Crown Limited (CWN) is one of Australia's largest entertainment groups. Core business activities and investments are focused in the gaming and entertainment sectors.

### Strategy Analysis

CWN wholly owns and operates two of Australia's leading gaming and entertainment complexes in addition to a portfolio of gaming investments that has been accumulated to complement existing core businesses in order to provide for future growth. The company's gaming interests are diversified beyond Australia into Macau and North America. CWN wrote down nearly all its North American Gaming assets. Melco Crown is targeting both the premium and mass Macau gaming market. Crown reported NPAT up 14.9% to \$335.86m for the year ended 30 June 2011. Revenues from ordinary activities were \$2.41bn, up 2.9% from last year. Basic and Diluted EPS was 44.29 cents compared to 38.54 cents last year. Net operating cash flow was \$450.97m compared to \$467.46m last year. The final dividend declared was 19 cents, taking the full year dividend to 37 cents, in line with 37 cents last year.

27 January 2012

### Recommendation

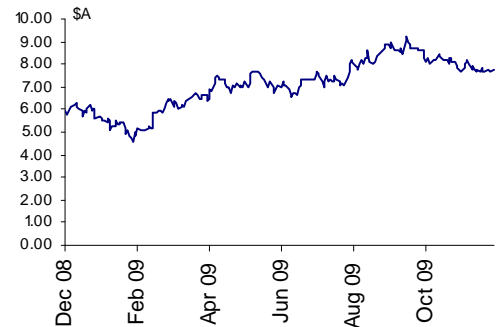
Recommendation: Outperform  
Relative to: All Ind (ex Fins)

### Investment Fundamentals

ASX code: CWN  
Stock price: \$8.19  
Market cap: \$5,966m

	Y/E 30/06/2012	2012e	2013e	2014e	2015e
Reported e	\$m	386.8	451.0	553.2	638.6
Adjusted e	\$m	386.8	451.0	553.2	638.6
EPS adjusted	¢	52.6	61.9	75.9	87.7
EPS growth	%	17.1	17.8	22.7	15.4
PE	x	15.6	13.2	10.8	9.3
PE relative	x	1.3	1.3	1.2	1.0
DPS	¢	37.0	37.0	37.0	37.0
Yield	%	4.5	4.5	4.5	4.5
Franking	%	50.0	50.0	50.0	50.0

### Share Price



Source: ASX and Company accounts

### Segment Performance

Results by Industry	Revenue (%)	Return on Sales (%)	Return on Assets (%)	Annual Shareholders' Return	
				1 year	3 year
Crown Melbourne	70.1	0.0	20.5	-0.1%	19.0%
Burswood	28.6	0.0	22.5	0.0%	0.0%
Aspinall's Club	1.3	0.0	11.8		
<b>Total</b>	<b>100.0</b>	<b>0.0</b>	<b>54.8</b>		
Results by Geography				Dividend Reinvestment Plan	
Australia	100.0	100.0	100.0	Shareholder	No
<b>Total</b>	<b>100.0</b>			Discounts	No

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