

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **GALAXY ENTERTAINMENT GROUP LIMITED**

### **銀河娛樂集團有限公司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 27)**

#### **ANNOUNCEMENT**

#### **HK\$8.8 billion Financing For the Development of Galaxy Macau™, Macau's First Asian Centric Integrated Resort**

The Board of Directors (the “**Board**”) of Galaxy Entertainment Group Limited (“**GEG**”) is pleased to announce certain information relating to GEG and its subsidiaries (collectively the “**Group**”) to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

#### **Highlights:**

- HK\$8.8 billion secured club loan with a consortium of leading Asian banks
- Oversubscription by participating banks, reinforces confidence in GEG’s strategy
- Banks undertake to “Take & Hold” all of the debt, with no sell down
- Fully funds HK\$14.1 billion development of Galaxy Macau™
- Galaxy Macau™ remains on schedule to open in early 2011
- Terms represent lowest cost of capital available in the current market
- Significantly lengthens the Group’s debt maturity profile

The Board is pleased to announce the commitment of a six year HK\$8.8 billion club loan from a consortium of leading Asian banks comprising of Industrial & Commercial Bank of China (Macau) Ltd, Bank of China Limited, Macau Branch, DBS Bank Ltd., Hang Seng Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Banco Nacional Ultramarino and Guangdong Development Bank. The consortium of Banks undertakes to “Take and Hold” all of the debt, with no sell down. The Group also reaffirms the schedule for opening its HK\$14.1 billion Galaxy Macau™ fully integrated destination resort in Cotai, Macau in early 2011.

The terms of the club loan are significantly more favorable than the Group’s existing bonds with a prevailing interest rate of Hibor plus 4.5% and the flexibility to draw down funds to finance the completion of Galaxy Macau™. This proposed agreement significantly lengthens the Group’s debt maturity profile as well as enhances its financial efficiency and flexibility.

### **Galaxy Macau™**

Galaxy Macau™ will be the first truly Asian centric integrated resort in Macau and one of the largest leisure complexes in Asia. When completed it will create more than 7,500 new jobs in Macau. Galaxy Macau™ will occupy a total development area of 550,000 square metres including a 52,000 square metres tropical paradise open air resort on a raised podium which incorporates numerous recreational and entertainment facilities including the world’s largest sky wave pool.

With an uncompromising focus on Asian quality service and comfort, the resort’s 2,200 rooms, suites and floating villas will be housed within three very distinct and highly respected luxury Asian hotel brands: the super exclusive Banyan Tree Resort’s suite and villa complex, the leading Japanese premium Okura Hotel, and the Galaxy Hotel, based on the hugely successful and award winning StarWorld Hotel.

This “World Class, Asian Heart” facility will have capacity of more than 600 tables and 1,500 electronic gaming machines in five auspiciously themed casino halls. Exceptional gaming environment and recreation facilities will be complimented by a carefully selected portfolio of more than 50 largely Asian food and beverage outlets. Two distinct areas of retail will further add to Galaxy Macau™’s uniquely Asian appeal. Galaxy Macau™’s entertainment offerings include, among others, China Rouge. This sensational and unusually artful concept is a hybrid venue; part bar and lounge, part restaurant, with a club vibe and a stage showcasing theatrical performances. This opulent space evokes the history and captures the excitement of 1930’s Shanghai.

The Group is in a very strong financial position, and this financing agreement is a clear endorsement of this. This club loan will materially enhance our financial efficiency and optimize investment returns. We are very pleased with the strong support from the participating banks that resulted in an oversubscribed financing. The funding exercise is in the final documentation phase and is expected to conclude by the end of April 2010. The Group’s flagship property, StarWorld, has recorded five consecutive quarters of revenue and EBITDA growth.

Galaxy Macau™ will be a uniquely heartfelt resort; a magnet for visitors to Macau. With 50 years experience in Hong Kong and Macau, Management intrinsically understands the needs and aspirations of the Asian market. Galaxy Macau™ is a landmark development, with a boldly Asian theme which will make it a unique feature in the global gaming market.

A world class and fully integrated resort, designed from scratch in an unconstrained location at the heart of Cotai, the designated entertainment hub in Macau, Galaxy Macau™ is an uncompromising statement about Galaxy Entertainment Group and the future of Macau, as Asia's entertainment capital.

GEG has forged numerous partnerships to ensure world class design, concept, service and facilities to create an authentic Asian customer experience by leveraging the expertise of Banyan Tree Resort, Okura Hotel, Gary Goddard Entertainment & Design, Simon Kwan & Associates and Alan Chan Design Company.

Further, Macau is poised for additional growth in visitation following the completion of a number of important infrastructure projects. Representative projects include major railway projects under construction in China; the further expansion of the Gongbei Gate which is expected to be completed in early 2011; and the introduction of a light rail service within Macau, linking Cotai with Macau's main transport hubs. The potential of Galaxy Macau™ remains enormous.

*As at the date of this announcement, the executive Directors of GEG are Dr. Lui Che Woo (Chairman), Mr. Francis Lui Yiu Tung, Mr. Joseph Chee Ying Keung and Ms. Paddy Tang Lui Wai Yu; the non-executive Directors of GEG are Mr. Anthony Thomas Christopher Carter, Dr. Martin Clarke and Mr. Henry Lin Chen; and the independent non-executive Directors of GEG are Mr. James Ross Ancell, Dr. William Yip Shue Lam and Dr. Patrick Wong Lung Tak.*

By Order of the Board of  
**Galaxy Entertainment Group Limited**  
**Kitty Chan Lai Kit**  
Company Secretary

Hong Kong, 12 April 2010

Website: [www.galaxyentertainment.com](http://www.galaxyentertainment.com)