



GALAXY™  
MACAU  
澳門銀河



銀娛GEG



星際酒店  
StarWorld·Macau

# ***Selected Unaudited 2011 Third Quarter Financial Data***

October 20, 2011

# Executive Summary for Q3 2011



## GEG

- EBITDA nearly tripled to an all time record \$1.8 billion in Q3 2011 vs Q3 2010
- Delivered 12<sup>th</sup> consecutive quarter of EBITDA growth
- Record breaking performance led by Galaxy Macau™'s first full quarter of operation and StarWorld's 13<sup>th</sup> consecutive quarter of EBITDA growth

## Galaxy Macau™ : First Full Quarter of Operation

- Generated EBITDA of \$973 million for first full quarter of operation
- All business segments performing well including successful growth in mass business
- Hotel occupancy improved from 88% to 91% even with 50% increase in capacity to 2,100 rooms
- Continue to introduce new food & beverage offerings with opening of another signature restaurant, Belon, in Q3
- Opening all 2,200 hotel rooms and Macau's first mega Cineplex by year end 2011

## StarWorld

- Reported 13<sup>th</sup> consecutive quarter of EBITDA growth with \$779 million
- Delivered continuously improving ROI of 80%

## Balance Sheet

- Remain well capitalized and liquid with Cash on Hand of \$7.0 billion at September 30, 2011



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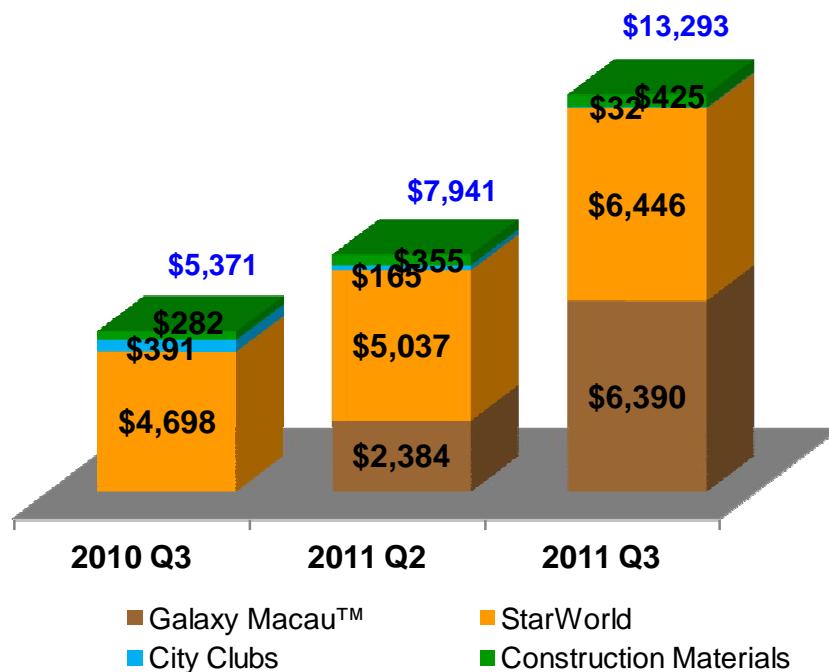
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# Galaxy Entertainment Group

# GEG Revenue Summary Q3 2011

Revenue in Q3 grew 148% YoY to \$13.3 billion driven by Galaxy Macau™'s first full quarter of operation and StarWorld's all time record revenue

GEG Revenue (HK\$'m)



	% Change Q3 yoy	% Change Q2 to Q3 11 QoQ
GEG Total	+148%	+67%
Galaxy Macau™	n/a	+168%*
StarWorld	+37%	+28%
City Clubs	(92)%	(81)%
Construction Materials	+51%	+20%

\* 47 days in Q2 2011

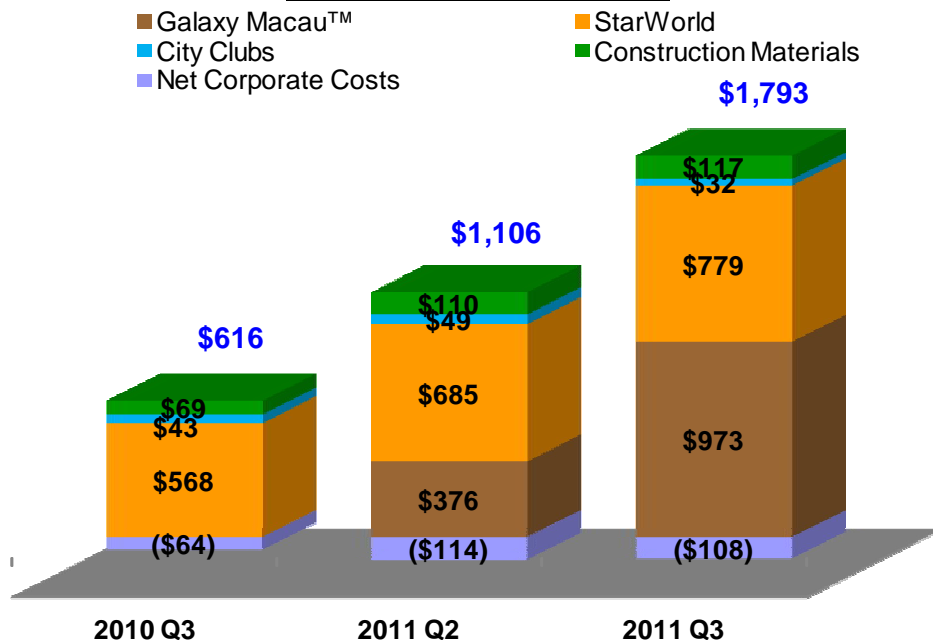


# GEG EBITDA Summary Q3 2011

**Group EBITDA grew 191% YoY in Q3 2011 to an all time record of \$1.8 billion**

- GEG reports **12<sup>th</sup>** consecutive quarter EBITDA growth in Q3 with \$1.8 billion
- Galaxy Macau™ contributes a healthy \$973 million for its first full quarter of operation
- StarWorld reports **13<sup>th</sup>** consecutive quarter of EBITDA growth with \$779 million

**GEG EBITDA (HK\$'m)**



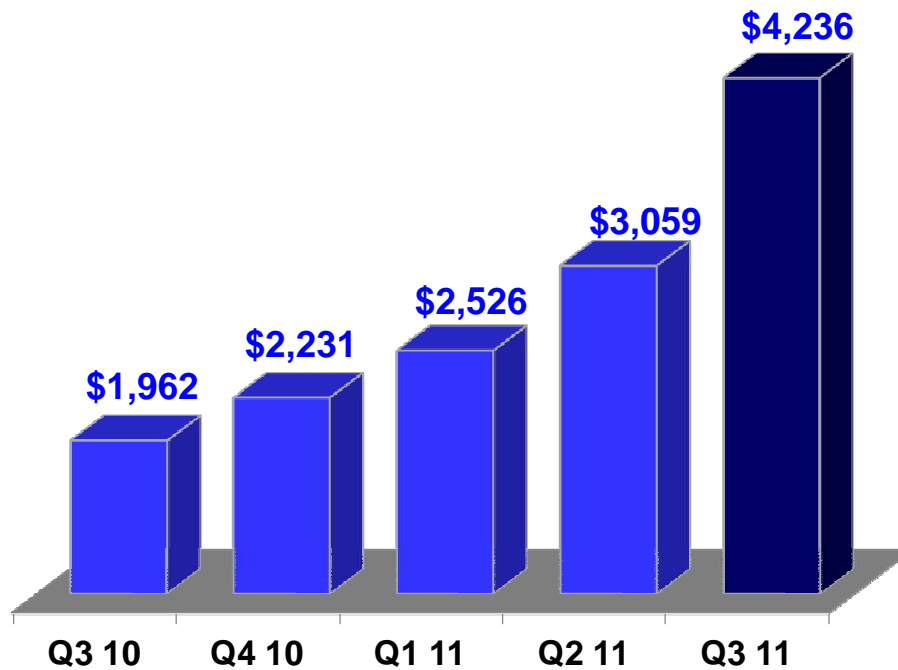
	% Change Q3 yoy	% Change Q2 to Q3 11 QoQ
GEG Total	+191%	+62%
Galaxy Macau™	n/a	+159% *
StarWorld	+37%	+14%
City Clubs	(24)%	(35)%
Construction Materials	+70%	+6%

\* 47 days in Q2 2011

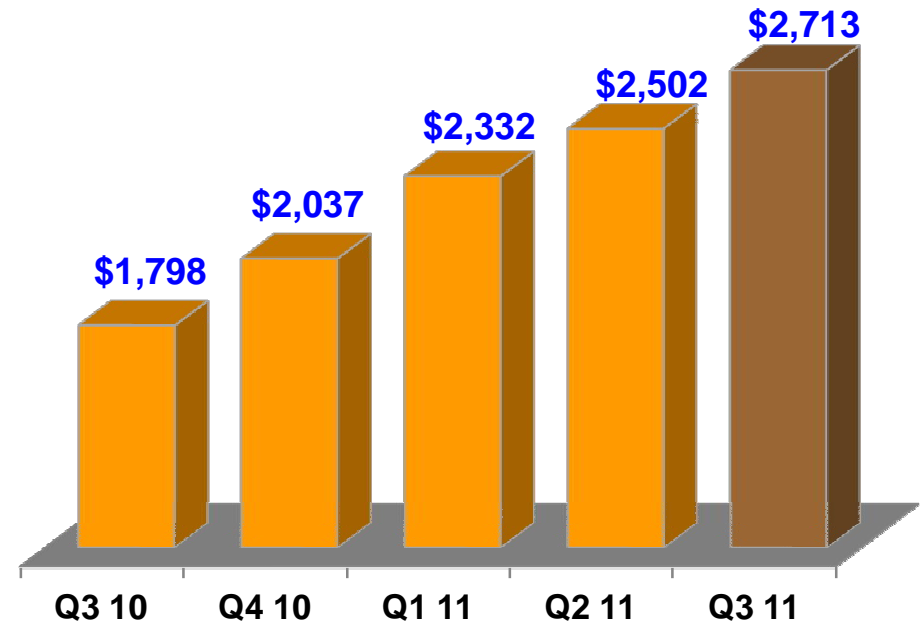
# GEG and StarWorld EBITDA- Latest 12 Months Summary

Generated LTM EBITDA ended September of \$4.2 billion

GEG (HK\$'m)



StarWorld (HK\$'m)





“World Class, Asian Heart”  
「傲視世界，情繫亞洲」



# Galaxy Macau™



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October, 2011



October 20, 2011

# Galaxy Macau™ Overview

## Successful completion of first full quarter of operation with EBITDA of nearly \$1.0 billion

- Recorded Revenue of \$6.4 billion and generated EBITDA of \$973 million for the first full quarter ended September 30<sup>th</sup>
- All business segments performing well including successful growth in mass business
- Reported improved occupancy of 91% for Q3 even with a 50% increase in capacity to 2,100 rooms
- Continue to introduce new food & beverage offerings with opening of another signature restaurant, Belon, in Q3
- Opening all 2,200 hotel rooms and Macau's first mega Cineplex by year end 2011
- Tracking to development budget of \$16.5 billion with \$13.6 billion invested through September 30<sup>th</sup>



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# 星際 ✨ 酒店

## StarWorld · Macau

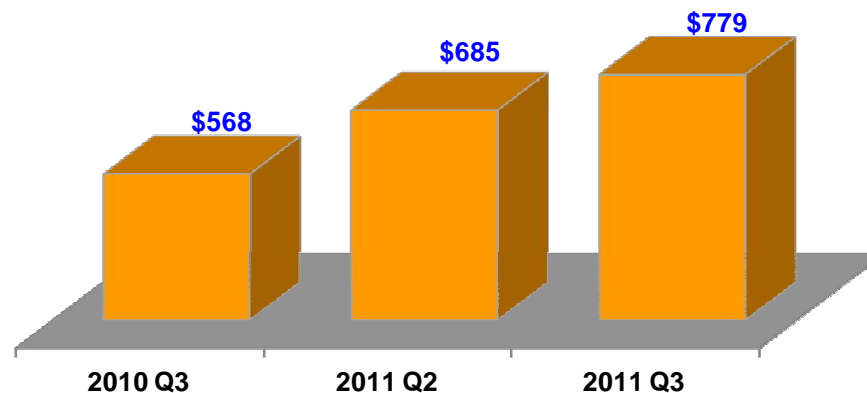


## Reported 13<sup>th</sup> consecutive quarter of EBITDA growth in Q3 with \$779 million

- All time record revenue in Q3 of \$6.4 billion driven by record VIP volume of \$180 billion and win of \$5.9 billion
- Mass also reported all time record revenue with \$433 million
- Reported strong occupancy of 99%
- Annualized ROI continues to improve with 80%\*

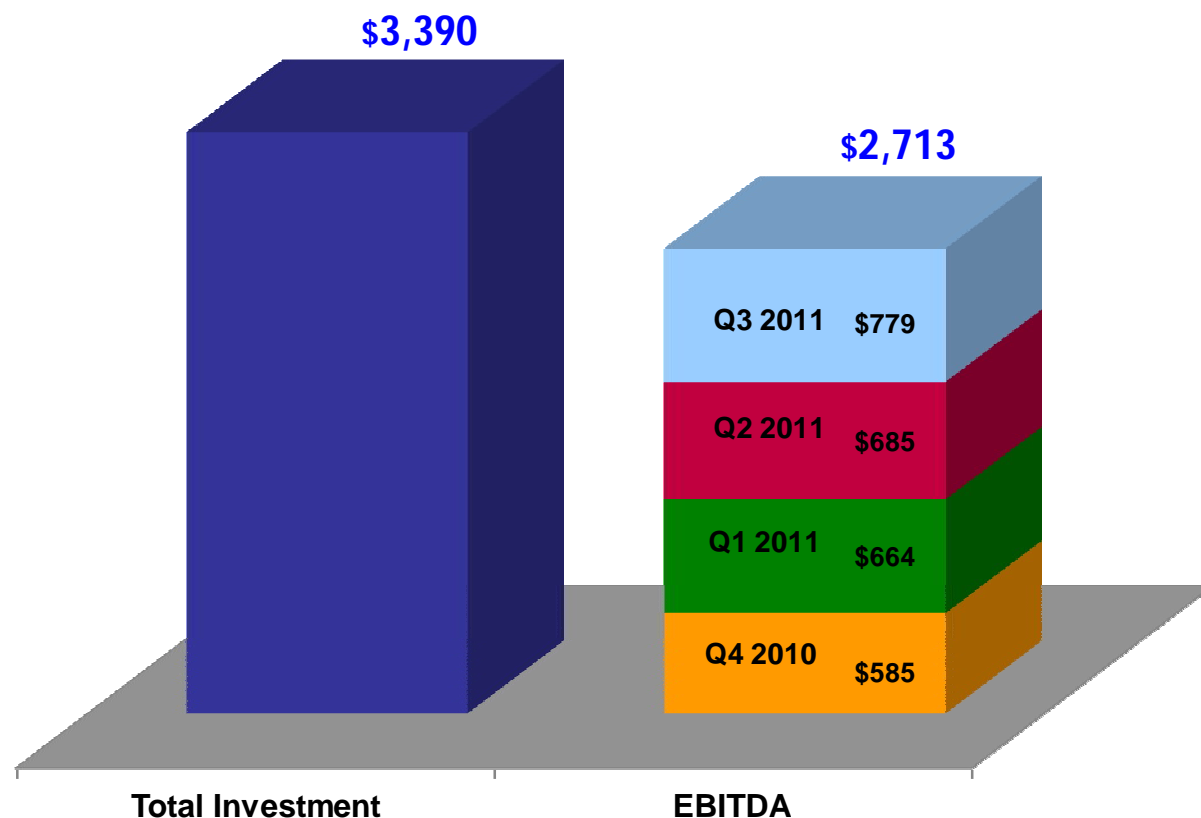
Revenue	% Change Q3 yoy	% Change Q2 to Q3 11 QoQ
StarWorld Total	+37%	+28%
VIP Gaming	+38%	+29%
Mass Gaming	+40%	+18%
Slots	+17%	+18%

**StarWorld EBITDA (HK\$'m)**



## StarWorld annualized ROI continues to improve with 80%\*

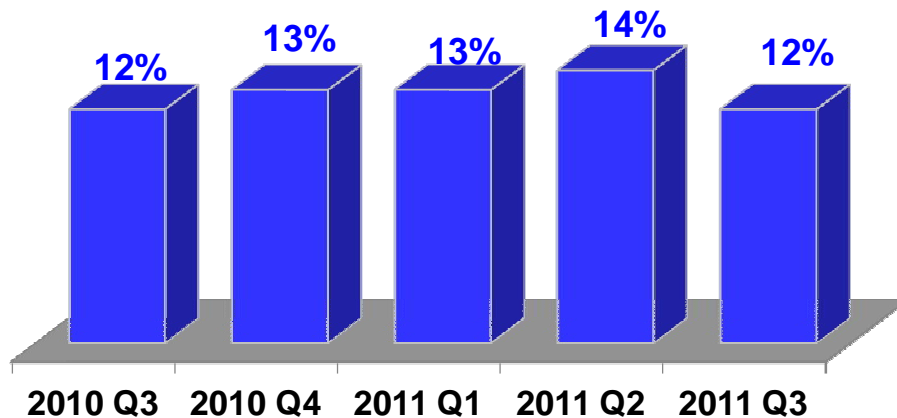
StarWorld Annualized ROI as at September 30, 2011  
(HK\$m)



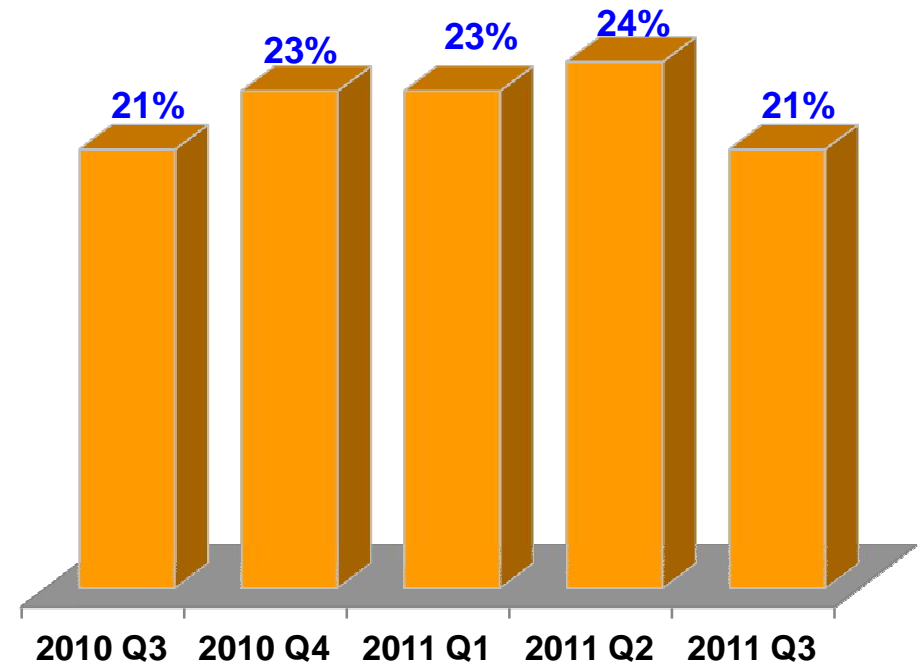
- StarWorld is one of the highest return casinos in the world with an 80% ROI
- StarWorld's total investment was \$3.4 billion
- Over the past 12 months, StarWorld generated EBITDA of \$2.7 billion

Q3 2011 EBITDA margin declined slightly but remained healthy

HK GAAP



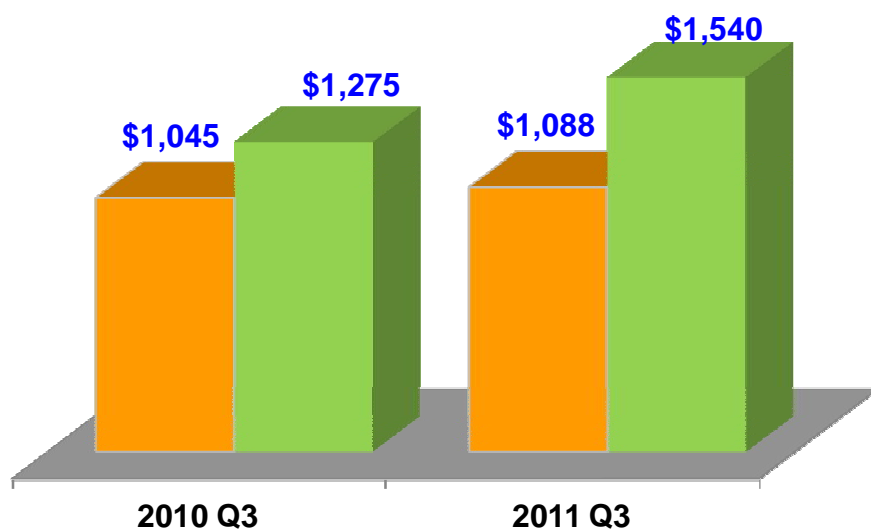
US GAAP



## Q3 2011 occupancy outpacing all other 5-star hotels in Macau

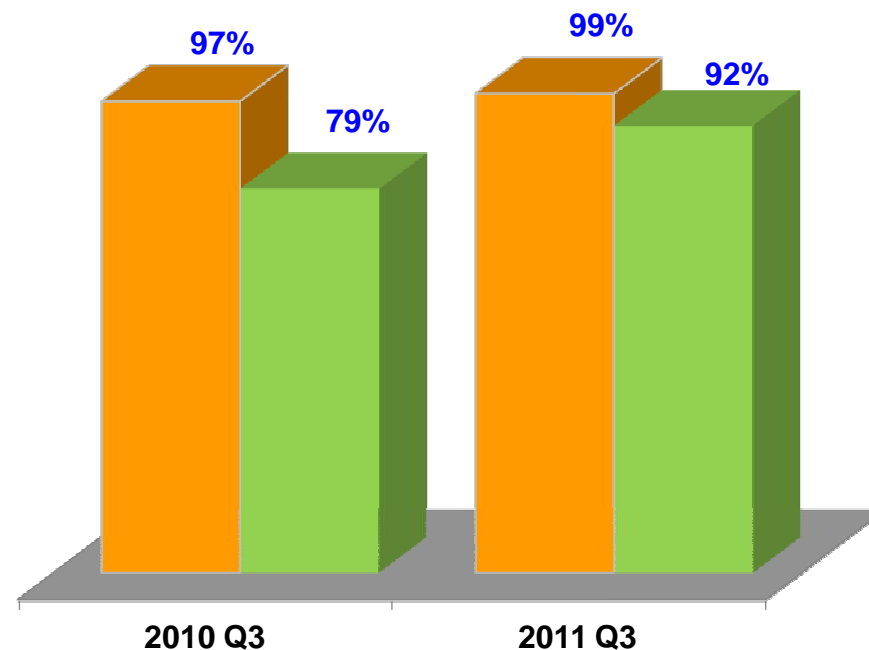
ADR (HK\$)

■ StarWorld ■ Average of 5-Star Hotels



Occupancy Rate

■ StarWorld ■ Average of 5-Star Hotels



Note:

- StarWorld's ADR includes 10% service charge but excludes 5% tax
- Market average of ADR refers to the statistics by Macau Hotel Association on 5-Star hotels [HK\$1 = MOP\$1.03]
- StarWorld's occupancy is on available room nights base
- Market average of occupancy refers to statistics by DSEC (5-star hotel); 2011 Q3 is the average of July and August only

# StarWorld Hotel Recognition

## HOTEL AWARDS



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Award Name	Organization
Five-Star Diamond Award (2007 - 2011)	The American Academy of Hospitality Sciences
Best Service Hotel (2011)	Golden Horse Award of China Hotel
Best Consumer Satisfaction Hotel (2011)	Golden Horse Award of China Hotel
Top Ten Glamorous Hotels of China (2010-11)	China Hotel Starlight Awards
High-Flyers Award (2010) – Leading Hotel & Casino	Hong Kong Business Magazine
Top Ten Charming Hotels in China (2010, 2011)	Continental Diamond Awards of World Hotel Association (China)
Best Gaming Hotel China (2010)	Golden Horse Award of China Hotel
Best Business Hotel in Macao (2010)	The 7 <sup>th</sup> Golden Pillow Award of China Hotels

## FOOD & BEVERAGE AWARDS

Award Name	Organization
All World Open Cup – Local Flairtending Cocktail Competition (Hong Kong, Macau and Mainland China ) first runner up (2011)	HOFEX
Bronze Medal of Hong Kong International Culinary Classic for Western Cuisine – Professional – Barramundi (2011)	HOFEX
Best Restaurant – Jade Garden (2011)	International Gaming Awards
One Star Restaurant (Macau) – Jade Garden (2010, 2011)	Michelin Guide Hong Kong and Macau
Listed in Michelin Guide – Inagiku (2011)	Michelin Guide Hong Kong and Macau
Listed in Michelin Guide – Laurel (2011)	Michelin Guide Hong Kong and Macau
Gold Meal of International Famous Chef Invitation Tournament for Chinese Cuisine (2010)	World Association of Chinese Cuisine
Listed in Macau's Best Restaurants – Jade Garden, Laurel, Temptations and Inagiku (2010)	Macau Tatler
Top Bars and Hotspots – Macau's Best Restaurants – Whisky Bar (2010)	Macau Tatler





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**CITY CLUBS**

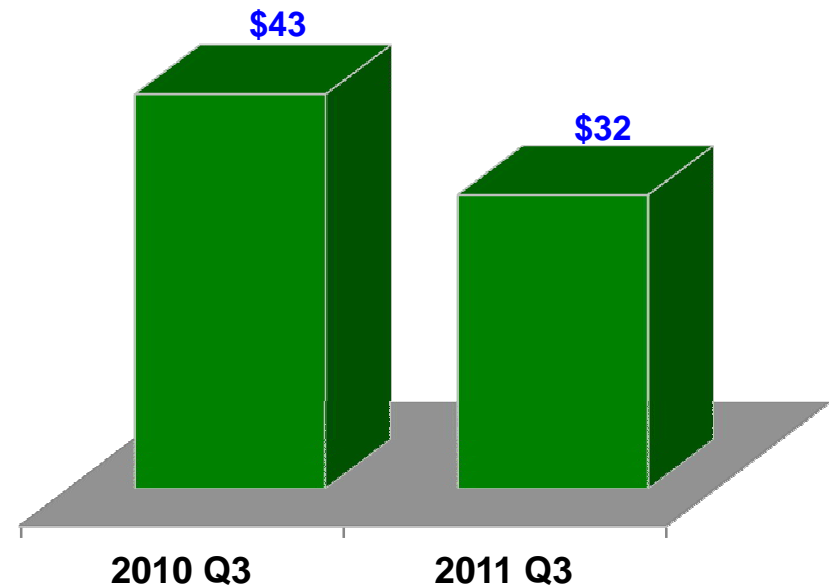


# City Clubs

City Clubs' EBITDA decreased 24% YoY to \$32 million

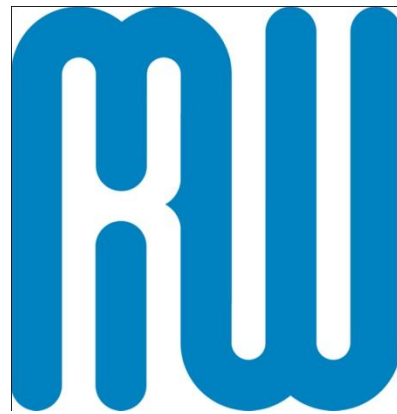


City Clubs EBITDA (HK\$'m)





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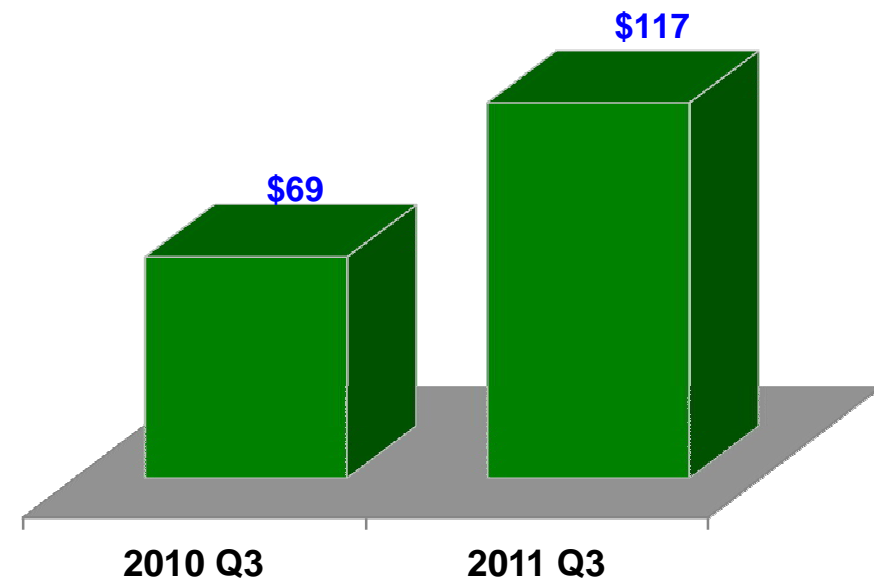
# Construction Materials

# Construction Materials

EBITDA grew a very healthy 70% YoY to \$117 million driven by successfully executing the slag expansion strategy



Construction Materials EBITDA (HK\$'m)





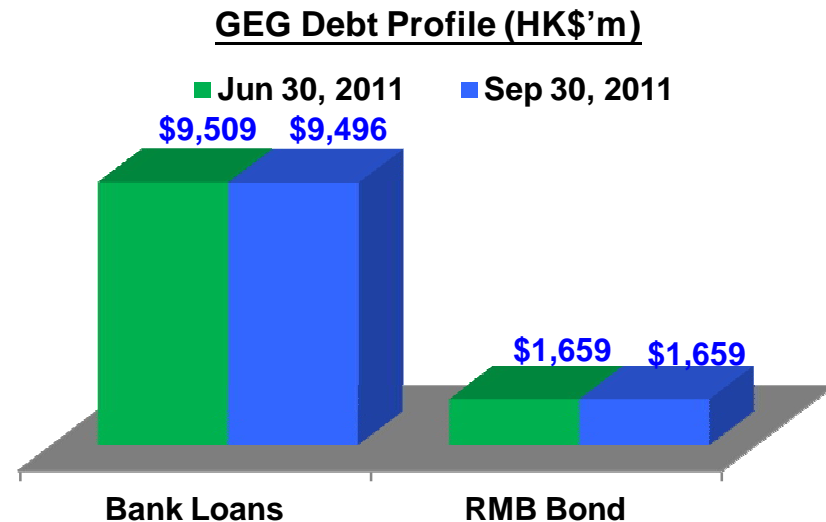
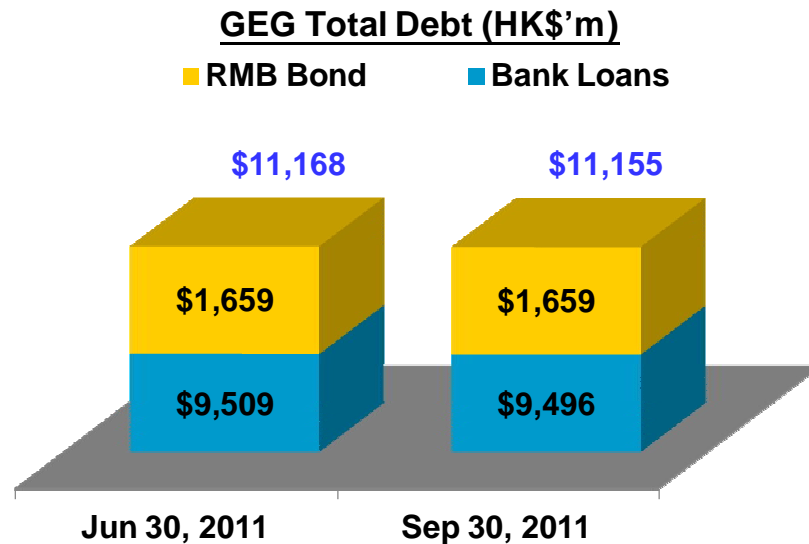
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# Liquidity and Financing Update

# Cash on Hand & Long Term Debt

**GEG continues to remain well capitalized with significant cash of \$7.0 billion supported by strong operational performance**

- Liquid with total cash on hand of HK\$7.0 billion at September 30, 2011
- Debt maturity profile improved from average maturity of 2 years to approx. 4 years



Exchange Rate: US\$1 = HK\$7.8; RMB\$1 = HK\$1.2025 as at June 30, 2011 (adopted the same rate for Sep 30'2011 for comparison purpose)

# Summary

# Positioned for Growth



## Operations

- GEG reports **12th** consecutive quarters of EBITDA growth
- StarWorld reports **13th** consecutive quarters of EBITDA growth
- Galaxy Macau™ generated \$973 million EBITDA in the first full quarter
- Latest twelve months Group and StarWorld EBITDA through September 2011 raised to \$4.2 and \$2.7 billion respectively
- StarWorld delivered a continuously improving ROI\* of 80% in Q3 2011

## Financing

- Well capitalized and liquid with \$7.0 billion of cash at September 30, 2011
- Extended debt maturity profile from 2 to 4 years

## Development

- Expanding Galaxy Macau™ with new entertainment offering in Q4 2011
- Well positioned for future growth with Macau's largest landbank

- **Galaxy commenced with a vision**

- **“To be Asia’s Leading Gaming & Entertainment Corporation”**

- **We are delivering upon and realizing that vision**



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