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銀娛 GEG

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 ON CERTAIN SELECTED UNAUDITED KEY PERFORMANCE INDICATORS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

The Board of Directors (the “Board”) of Galaxy Entertainment Group Limited (“GEG”) is pleased to announce certain selected unaudited key performance indicators of GEG and its subsidiaries (collectively referred to as the “Group”) for the third quarter ended 30 September 2011 as follows:

Highlights

GEG:

- Group Adjusted EBITDA of HK\$1.8 billion in Q3, up 191% year-on-year, up 62% over Q2 2011
- 12th consecutive quarter of Group Adjusted EBITDA growth
- Latest twelve months (“LTM”) Group Adjusted EBITDA through September 2011 more than doubled to HK\$4.2 billion over prior year

Galaxy Macau™: First Full Quarter of Operation

- Strong first full quarter Adjusted EBITDA of HK\$973 million in Q3
- Improved occupancy in Q3 to 91%, while increasing hotel room capacity by 50% to 2,100 rooms
- Continue to expand our food & beverage offerings including adding Belon as one of our signature restaurants in Q3
- All 2,200 rooms and Macau’s first mega 3D Cineplex to open in late Q4 2011

StarWorld:

- Record Adjusted EBITDA of HK\$779 million in Q3, up 37% year-on-year, up 14% over Q2 2011
- 13th consecutive quarter of Adjusted EBITDA growth
- Record VIP rolling chip volume of HK\$180 billion, up 32% year-on-year
- All time record Mass Market revenue of HK\$433 million, up 40% year-on-year
- Continuously improving ROI* of 80% in Q3

Balance Sheet

- Remains liquid with total cash on hand of HK\$7 billion as of 30 September 2011

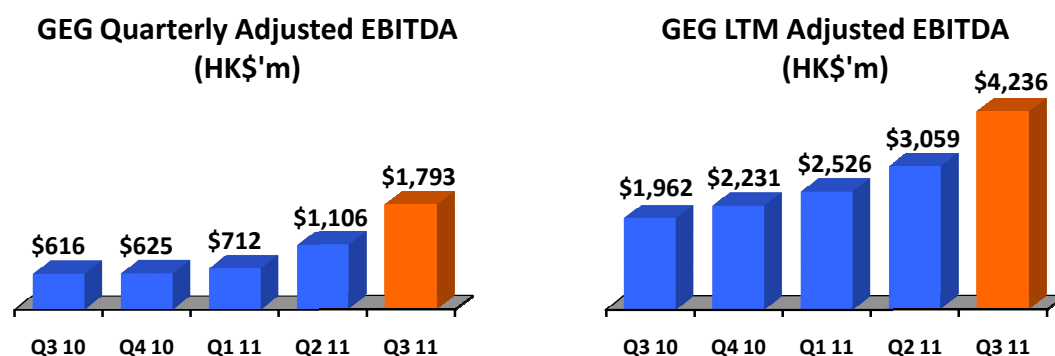
* ROI calculated based on the total Adjusted EBITDA for the LTM divided by the total investment, including land cost.

The Board is pleased to report that Galaxy Macau™ is experiencing a strong ramp up of operations in both the VIP segment and the Mass Market segment. We are very pleased with the results for our first full quarter of operation. StarWorld continues to deliver exceptionally strong performance including record Adjusted EBITDA (as defined on page 36 of 2011 Interim Report) and ROI of 80%. The Group is delivering all-time record results performance and well positioned for future growth.

GROUP FINANCIAL RESULTS

The Group reported strong growth in the third quarter of 2011, delivering its 12th consecutive quarter of Adjusted EBITDA growth.

Led by Galaxy Macau™ and StarWorld, the Group's revenue reached HK\$13 billion in Q3 2011, representing an increase of 148% year-on-year and 67% over Q2 2011. Group Adjusted EBITDA reached HK\$1.8 billion in Q3 2011, an increase of 191% and 62% over Q3 2010 and Q2 2011 respectively. As of September 2011, LTM Group Adjusted EBITDA achieved HK\$4.2 billion, an increase of 116% over prior year.



All of GEG's other businesses, including City Clubs and the Construction Materials Division, continued to perform solidly and made valuable contributions to the Group's strong results.

GALAXY MACAU™

Galaxy Macau™ generated revenue of HK\$6,390 million and Adjusted EBITDA of HK\$973 million in Q3 2011. Galaxy Macau™ reported an Adjusted EBITDA margin for the period calculated under HK GAAP of 15% and under US GAAP was 23%.

Q3 2011	VIP Gaming (HK\$m)	Mass Gaming (HK\$m)	Electronic Gaming (HK\$m)
Turnover/Table Drop/Slots Handle	\$163,000	\$5,000	\$4,000
Net Win	\$4,900	\$1,000	\$262
Win/Hold %	3.0%	20.9%	6.5%

During the quarter, Galaxy Macau™'s hotel occupancy improved to 91% even with a 50% increase in the number of rooms available from 1,400 to 2,100. We are very pleased with the success of the Galaxy Macau™'s Grand Resort Deck which contributed to driving visitations to the property. We continue to expand our food & beverage offerings and added Belon as one of our signature restaurants in Q3. The Group expects the full complement of 2,200 hotel rooms, suites and floating villas to open by the end of 2011. Also opening in Q4 will be more entertainment offerings including Macau's first mega 3D Cineplex. We believe these additions will further enrich the property's attractions to tourists.

STARWORLD HOTEL & CASINO

StarWorld, the Group's flagship property on the Macau peninsula, reported record quarterly revenue of HK\$6.4 billion, an increase of 37% year-on-year and 28% over Q2 2011. Adjusted EBITDA was HK\$779 million for the period, an increase of 37% over Q3 2010 and 14% over Q2 2011. The property has now reported 13th consecutive quarter of Adjusted EBITDA growth. As of September 2011, LTM StarWorld Adjusted EBITDA achieved HK\$2.7 billion, an increase of 51% over a year ago.

StarWorld's performance continued to be driven by the property's strong reputation for quality, excellent location in the gaming hub of the Macau peninsula, and its commitment to "Asian Heart" service, which resulted in strong quarterly VIP rolling chip volume of HK\$180 billion, an increase of 32% year-on-year.

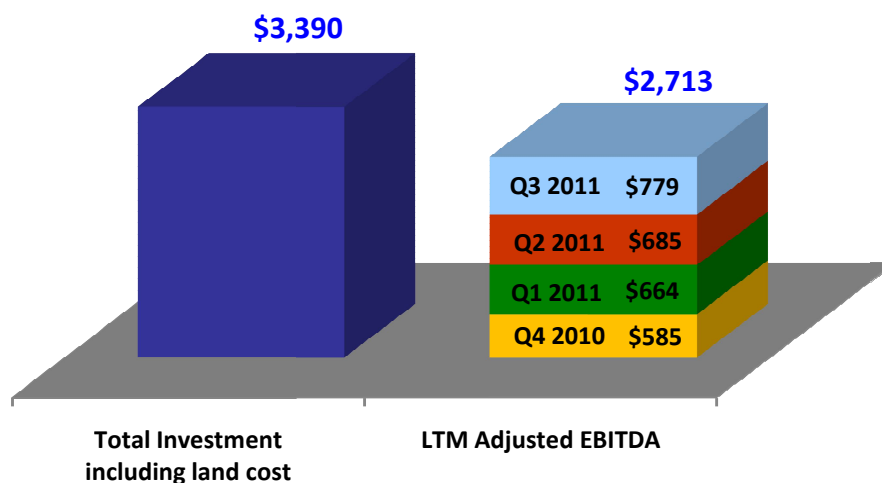
Q3 2011	VIP Gaming (HK\$'m)	Mass Gaming (HK\$'m)	Electronic Gaming (HK\$'m)
Turnover/ Table Drop/Slots Handle	\$180,000	\$2,300	\$917
Net Win	\$5,900	\$433	\$58
Win/Hold %	3.2%	18.9%	6.3%

Q3 2010	VIP Gaming (HK\$'m)	Mass Gaming (HK\$'m)	Electronic Gaming (HK\$'m)
Turnover/ Table Drop/Slots Handle	\$137,000	\$1,800	\$761
Net Win	\$4,300	\$310	\$50
Win/Hold %	3.1%	17.2%	6.5%

StarWorld's Adjusted EBITDA margin for the quarter was 12%, same as Q3 2010. Under US GAAP, the Adjusted EBITDA margin would be 21%, same as Q3 2010.

The property continues to deliver an improving annual ROI of 80% as of Q3 2011 - calculated based on the total Adjusted EBITDA for the latest twelve months divided by the total investment, including land cost.

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



StarWorld's hotel room occupancy rate was at 99% in the third quarter of 2011. As a leading luxury 5-Star hotel in Macau, StarWorld again received a number of industry awards in 2011, including the Five-Star Diamond Award for the 5th consecutive year.

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 (2010-2011)	China Hotel Starlight Awards
Leading Hotel & Casino (2010)	Hong Kong Business Magazine High-Flyers Award
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 Macau (2010)	Golden Pillow Award of China Hotels

CITY CLUBS

City Clubs continued to make a valuable contribution to the Group. Adjusted EBITDA for the quarter was HK\$32 million, compared to HK\$43 million in Q3 2010.

CONSTRUCTION MATERIALS

The Construction Materials Division continues to benefit from its focus on higher value added products and the growth of joint ventures in Mainland China. The division reported Adjusted EBITDA of HK\$117 million for the third quarter in 2011 compared to HK\$69 million in Q3 2010.

BALANCE SHEET

The Group's balance sheet remains solid. As of 30 September 2011, the total cash on hand was HK\$7 billion.

CAUTION STATEMENT

The Board wishes to remind shareholders and potential investors that the above financial data primarily relates only to a part of operations of the Group and is based on the Group's internal records and management accounts. The above financial data has not been reviewed or audited by independent auditors and is not a forecast of the performance of the gaming and entertainment division or of the Group as a whole. Shareholders and potential investors are cautioned not to unduly rely on such data and are advised to exercise caution when dealing in the shares of GEG.

By Order of the Board
Galaxy Entertainment Group Limited
Sin Li Mei Wah, Jenifer
Company Secretary

Hong Kong, 20 October 2011

As at the date of this announcement, the executive Directors of GEG are Dr. Che-woo Lui (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 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.

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