

GALAXY[™]
MACAU
澳門銀河

銀娛GEG

星際酒店
StarWorld · Macau

Annual Results for the year end December 31, 2011

March 15, 2012

Executive Summary



GEG: Another Historic Year with All-time Records

- Generated all time record financial results including EBITDA which grew more than 2.5x in 2011 to \$5.7 billion
- Delivered 13th consecutive quarter of EBITDA growth in Q4 2011 with \$2.1 billion which more than tripled over prior year of \$625 million
- Record net profit attributable to shareholders in 2011 tripled to \$3.0 billion and Pro Forma NPAS grew more than 2.5 times to \$4.0 billion

Galaxy Macau™: Successful First 7.5 months of Operation

- Generated EBITDA of \$2.6 billion for the first 7.5 months of operation with \$1.2 billion in Q4 which breaks \$1.0 billion mark for the first time
- Strong hotel occupancy of 90% with virtually the full complement of 2,200 rooms
- Successfully opened the \$0.6 billion Entertainment Annex including UA Galaxy Cinema on December 15

StarWorld: All-time Records; 14th Consecutive Quarter of EBITDA Growth

- Generated all-time record EBITDA with \$3.0 billion in 2011 and \$827 million in Q4
- Delivered continuously improving ROI* of 86%

Balance Sheet: Continued to Strengthen through Strong Cash Generation

- Remain well capitalized and liquid with Cash on Hand of \$7.7 billion at December 31, 2011 including restricted cash of \$2.0 billion
- Gearing ratio reduced from 25% in December 2010 to 19% in December 2011



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Galaxy Entertainment Group



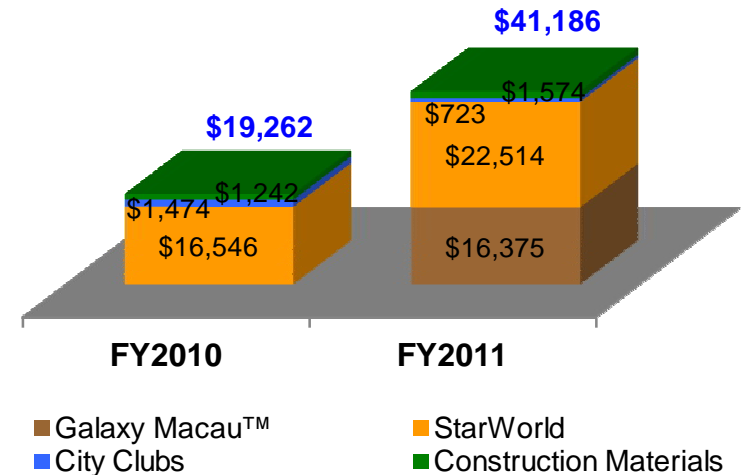
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GEG Revenue Summary FY2011

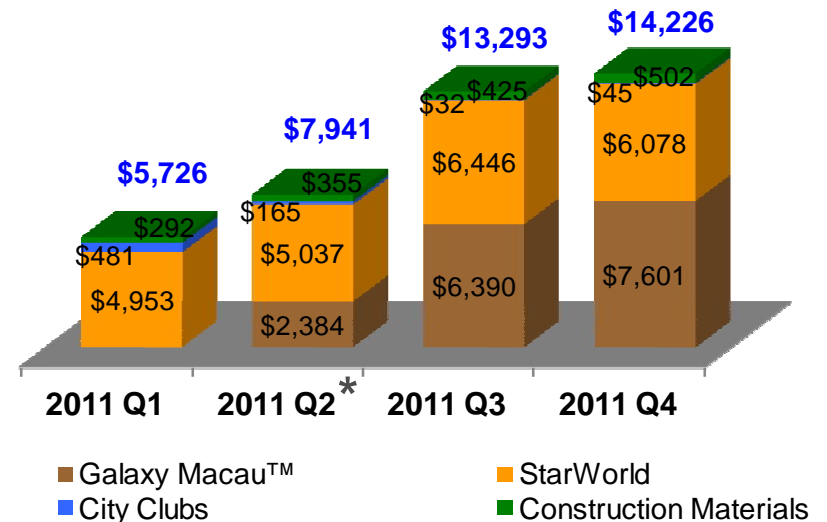
Revenue more than doubled yoy to \$41 billion driven by opening of Galaxy Macau™ and StarWorld's all time record revenue

	% Change Q4 yoy	% Change FY2011
GEG Total	+167%	+114%
Galaxy Macau™	n/a	n/a
StarWorld	+33%	+36%
City Clubs	(88)%	(51)%
Construction Materials	+38%	+27%

Full Year Revenue (HK\$m)



Quarterly Revenue (HK\$m)



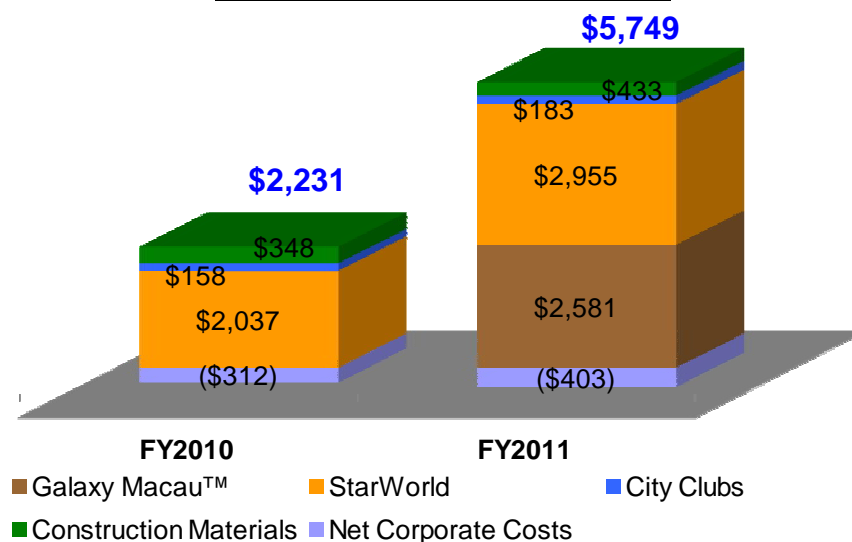
GEG EBITDA Summary FY2011

All-time record Group EBITDA of \$5.7 billion in FY2011, up 158% yoy

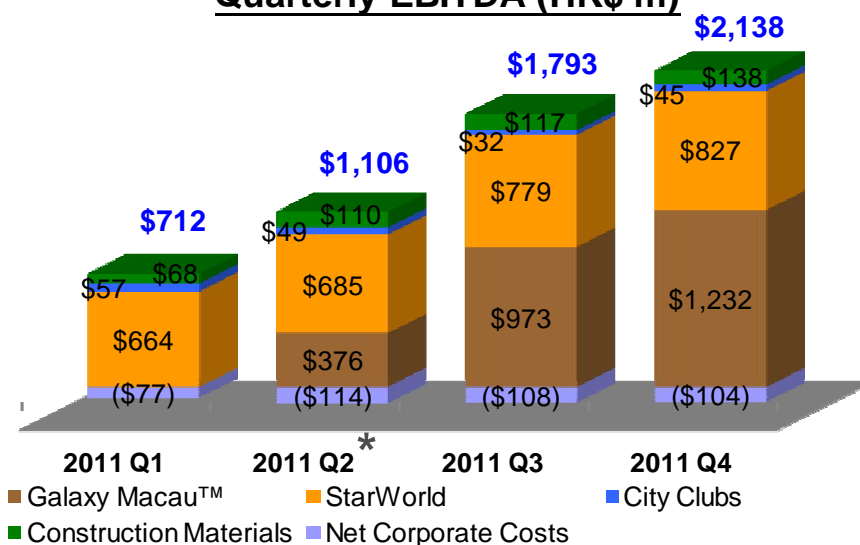
- GEG reports **13th** consecutive quarter EBITDA growth in Q4 with \$2.1 billion
- Galaxy Macau™ contributes a healthy \$1.2 billion in Q4 2011
- StarWorld reports **14th** consecutive quarter of EBITDA growth with \$827 million in Q4 2011

	% Change Q4 yoy	% Change FY2011
GEG Total	+242%	+158%
Galaxy Macau™	n/a	n/a
StarWorld	+41%	+45%
City Clubs	+2%	+16%
Construction Materials	+19%	+24%

Full Year EBITDA (HK\$m)



Quarterly EBITDA (HK\$m)



Overview of Fiscal 2011 Results - NPAS

2011 NPAS more than tripled to a record \$3.0 billion and Pro Forma NPAS grew more than 2.5 times to \$4.0 billion

- NPAS of \$3.0 billion adjusts to a Pro Forma \$4.0 billion after excluding non-recurring items such as:
 - Pre-Opening expenses associated with Galaxy Macau™ of \$786 million
 - Non-cash charge from CB derivative component fair value change of \$165 million

<i>(in HK\$ mn)</i>	2010	2011	Variance
Total Revenue (Statutory Basis)	19,262	41,186	114%
EBITDA	2,231	5,749	158%
Change in Fair Value of Derivative under CB	(286)	(165)	
Loss on redemption of 2012 notes	(133)	-	
Net Profit After Taxation	915	3,030	231%
Profit attributable to shareholders	898	3,004	235%
Exclude Non-cash Change in Fair Value of Derivative under CB	286	165	
Add back Loss on redemption of 2012 notes	133	-	
Add back GM pre-opening expenses	162	786	
Pro Forma profit attributable to shareholders	1,479	3,955	167%

Acknowledgment of Excellence

GEG / Galaxy Macau™ / StarWorld's Award Lists in 2011

	Awards	Organization
GEG	Casino Operator of the Year Australia/ Asia	International Gaming Award
	2011 Hong Kong Outstanding Enterprise	Economic Digest
	Outstanding Corporate Strategy Award	Eastweek Magazine
	The Buy Side's Best IR 2 nd Place	Institutional Investor Magazine
Galaxy Macau™	The World's Best Casino / Integrated Resort of the Year	International Gaming Awards
	Five-star Diamond Award	The American Academy of Hospitality Sciences
	2011 Best Integrated Resort	Top Travel Awards Beijing
	New Hotel of the Year 2011	Travel Weekly China Travel & Meeting Industry Awards
StarWorld	Five-star Diamond Award (5 consecutive years)	The American Academy of Hospitality Sciences
	Best Service Hotel	Golden Horse Award of China Hotel
	Best Consumer Satisfaction Hotel	Golden Horse Award of China Hotel
	Top Ten Glamorous Hotels Of China	China Hotel Starlight Awards
	Top Ten China Charming Hotels Brands	Continental Diamond Awards of World Hotel Association
	High-Flyers Award – Leading Hotel & Casino	Hong Kong Business Magazine
	The Brand Award in Macau Hotel	TVB Weekly





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

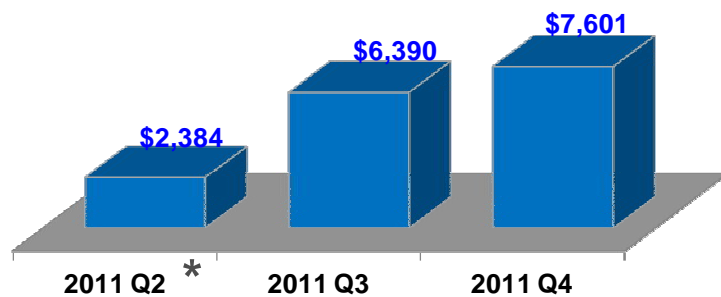


Galaxy Macau™ Overview

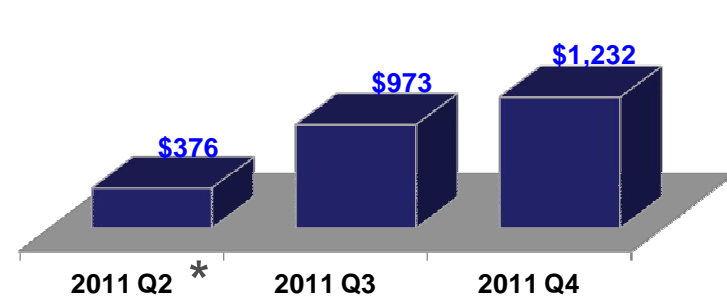
Finished 2011 successfully with EBITDA of \$2.6 billion and Revenue of \$16.4 billion in only 7.5 months of operation

- Recorded Revenue of \$7.6 billion and generated EBITDA of \$1.2 billion for the 2nd full quarter of operation in Q4 2011
- Effectively fully operational, integrated destination resort with the three Hotel Brands, over 50 Food and Beverage outlets, 9 Cinema Theatre and more than 20 retail stores
- Achieved hotel occupancy of 90% with opening virtually all 2,200 hotel rooms
- HK GAAP EBITDA margin of 16% and US GAAP 23% for FY2011
- Annualized Q4 2011 EBITDA of \$4.8 billion translates into a ROI of 29%

Galaxy Macau™ Revenue (HK\$m)



Galaxy Macau™ EBITDA (HK\$m)





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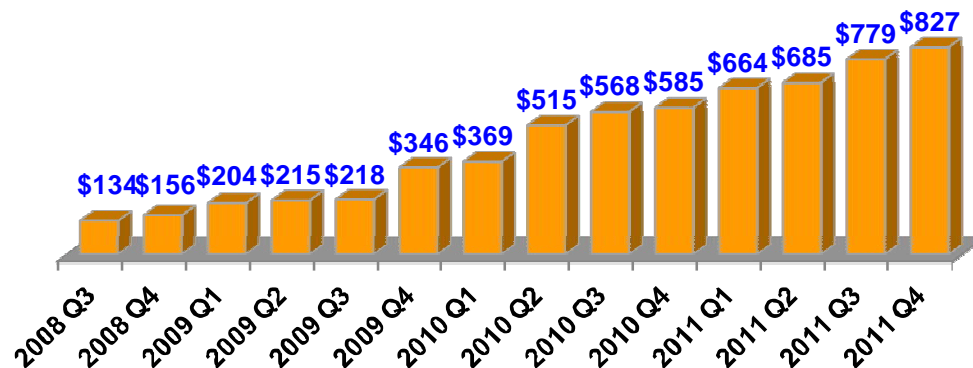
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Finished 2011 with record EBITDA of \$3.0 billion and 14th consecutive quarter of EBITDA growth

- Q4 Revenue of \$6.1 billion with VIP gaming win of \$5.4 billion
- Q4 Mass gaming reported all time record revenue with nearly \$500 million
- Occupancy remain highest of Macau's 5-star hotels with 99% in Q4 and average 98% in FY2011
- Annualized ROI continues to improve with an exceptional 86%*

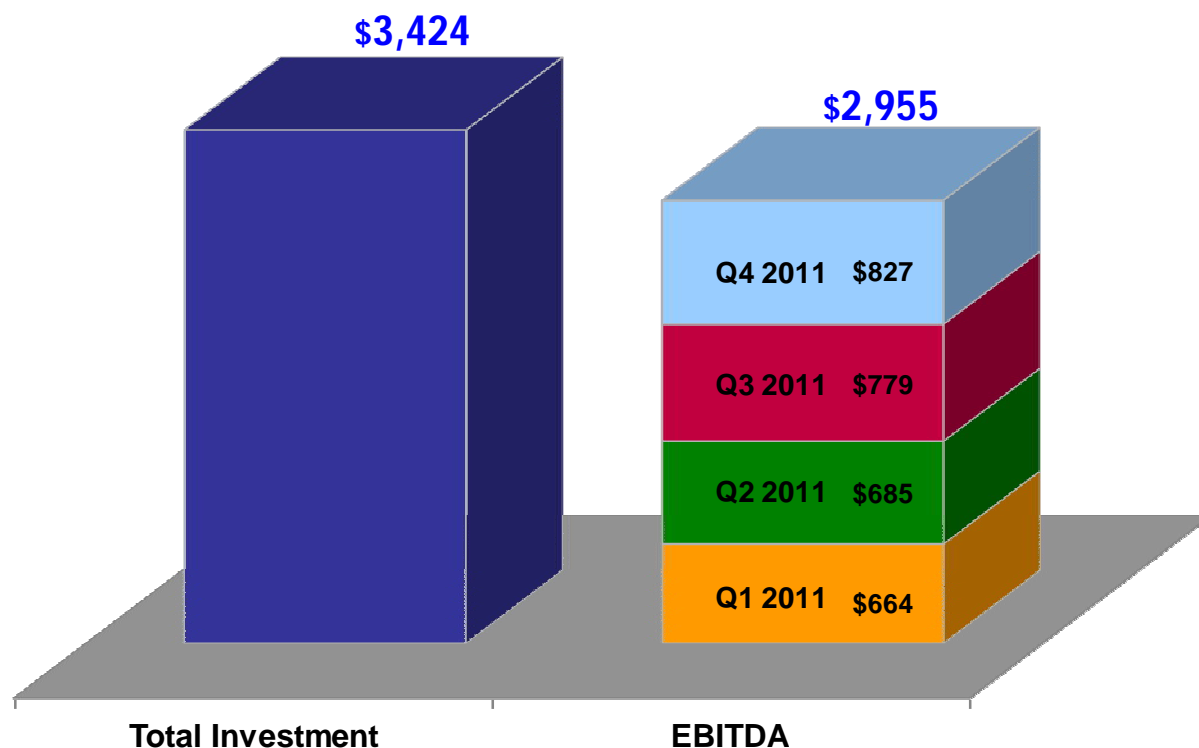
Revenue	% Change Q4 yoy	% Change FY2011
StarWorld Total	+33%	+36%
VIP Gaming	+32%	+36%
Mass Gaming	+56%	+44%
Slots	(4)%	+17%

StarWorld EBITDA (HK\$'m)



StarWorld annualized ROI continues to improve with 86%*

StarWorld Annualized ROI as at December 31, 2011
(HK\$m)



- StarWorld is one of the highest return casinos in the world with an 86% ROI
- StarWorld's total investment equals \$3.4 billion
- Over the past 12 months, StarWorld generated EBITDA of \$3.0 billion



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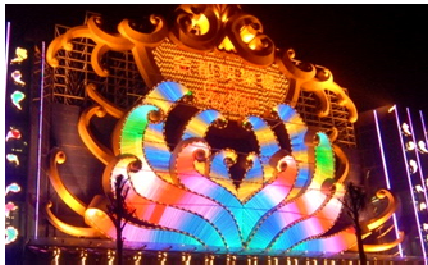


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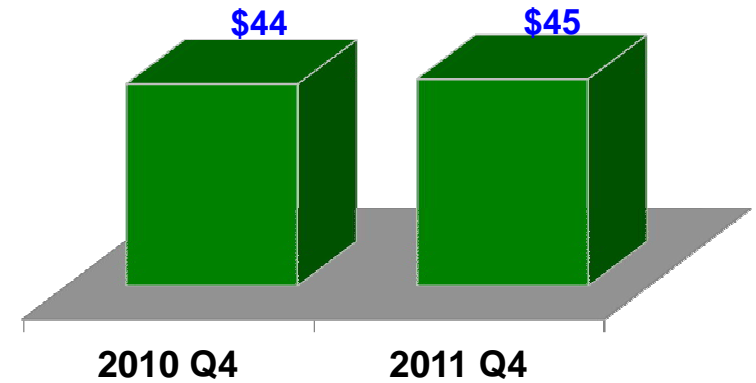
CITY CLUBS

City Clubs

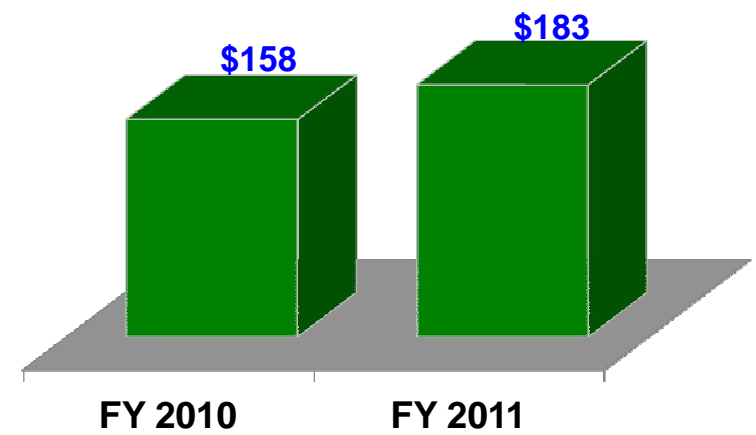
City Clubs continues to provide a solid contribution to the Group with EBITDA of \$183 million for 2011, up 16% over 2010



Q4 EBITDA (HK\$'m)



Full Year EBITDA (HK\$'m)





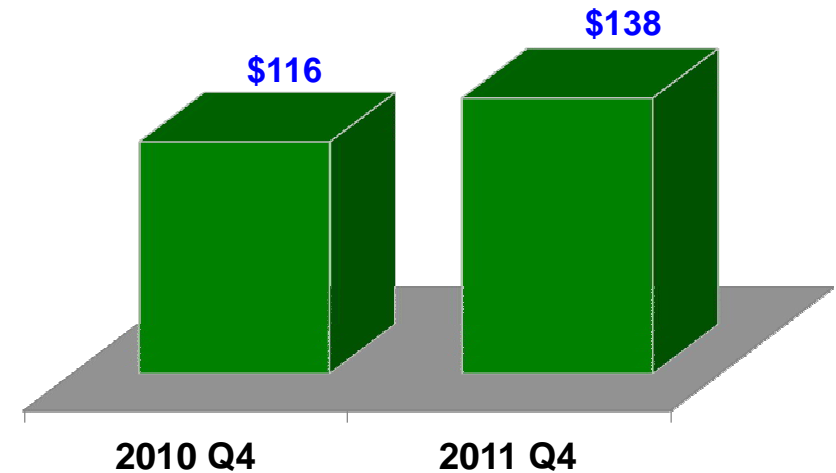
Construction Materials

Construction Materials

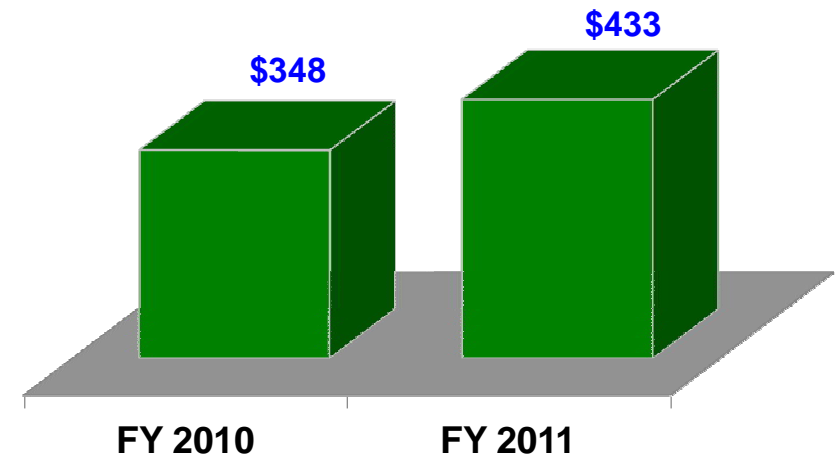
Full Year EBITDA grew a healthy 24% yoy to \$433 million driven by successfully executing the slag expansion strategy



Q4 EBITDA (HK\$'m)



Full Year EBITDA (HK\$'m)





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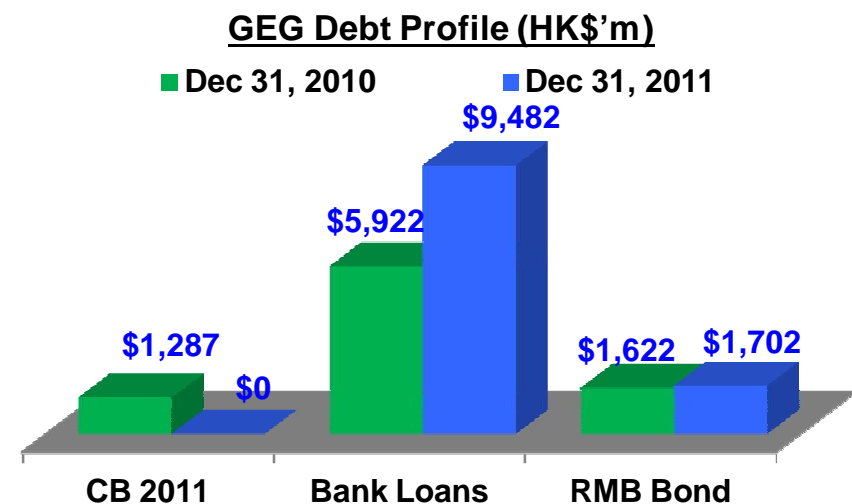
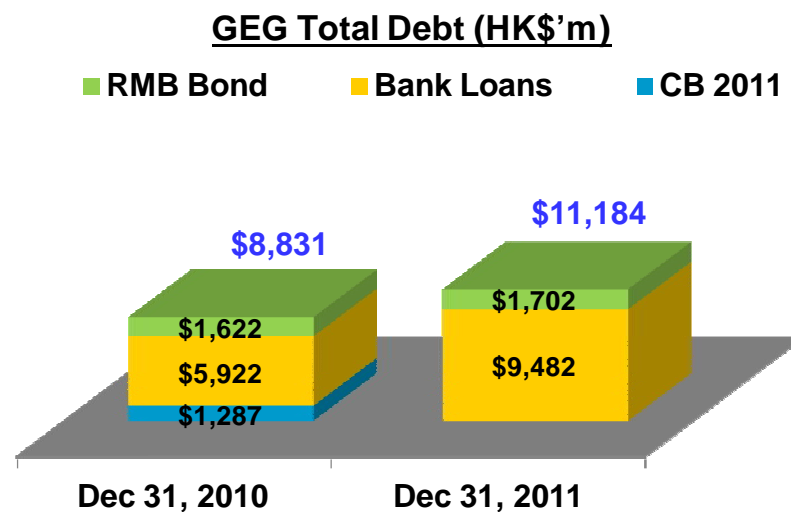
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Liquidity and Financing Update

Cash on Hand & Long Term Debt

GEG continues to remain well capitalized with significant cash of \$7.7 billion supported by strong operational performance

- Liquid with total cash on hand of HK\$7.7 billion at December 31, 2011 including \$2.0 billion of restricted cash
- Gearing ratio reduced from 25% in December 2010 to 19% in December 2011



Summary

Operations

- GEG reports **13th** consecutive quarter of EBITDA growth
- StarWorld reports **14th** consecutive quarter of EBITDA growth
- Galaxy Macau™ generated \$2.6 billion EBITDA in 2011
- Latest twelve months Group and StarWorld EBITDA through December 2011 raised to \$5.7 and \$3.0 billion respectively
- Record net profit attributable to shareholders in 2011 tripled to \$3.0 billion and Pro Forma NPAS grew more than 2.5 times to \$4.0 billion
- StarWorld delivered a continuously improving ROI* of 86% in Q4 2011

Financing

- Well capitalized and liquid with \$7.7 billion of cash at December 31, 2011
- Gearing ratio improves from 25% in December 2010 to 19% in December 2011

Development

- Expanded Galaxy Macau™ in Q4 2011
- Well positioned for future growth with Macau's largest landbank

Positioned for Growth



- **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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