



**GALAXY™**  
MACAU  
澳門 銀河

  
銀娛 GEG

星際酒店  
StarWorld Hotel



## ***Selected Unaudited Q1 2013 Financial Data***

**May 15, 2013**

# Executive Summary

## GEG: Record High Earnings

- Revenue of \$15.2 billion, up 15% year-on-year and 6% sequentially
- Adjusted EBITDA of \$2.8 billion, up 29% year-on-year and 10% sequentially
- Latest twelve months Group Adjusted EBITDA increased year-on-year by 46% to \$10.5 billion

## Galaxy Macau™: 7<sup>th</sup> Consecutive Quarter of Adjusted EBITDA Growth

- Revenue of \$8.9 billion, up 23% year-on-year and 2% sequentially
- Adjusted EBITDA of \$1.9 billion, up 48% year-on-year and 3% quarter-on-quarter
- Mass win of \$2.3 billion, up 42% year-on-year and 8% sequentially
- Achieved latest twelve months Return on Investment (ROI\*) of 42%
- Strong hotel occupancy of 95% even with additional new capacity in Cotai

## StarWorld: Rebounding Strongly with 2<sup>nd</sup> Highest Ever Quarter of Adjusted EBITDA

- Adjusted EBITDA of \$861 million, up 33% on Q4 2012 and 1% year-on-year
- Record mass win of \$802 million, growing 42% year-on-year and 14% sequentially
- Strong hotel occupancy of 98%
- Achieved latest twelve months ROI\* of 94%

## Development Update: Galaxy Macau™ Phases 2, 3 & 4

- Construction of Phase 2 on budget and on schedule to be completed by mid-2015
- Phases 3 & 4 plans well advanced with construction targeted to commence by the end of 2013 / early 2014

## Balance Sheet: Remains Healthy and Liquid

- Cash on hand of \$16 billion as at 31 March 2013
- Net cash position of \$5.4 billion

## Subsequent Events: Strategic Acquisition of the Grand Waldo Complex and GEG Inclusion in the Hang Seng Index

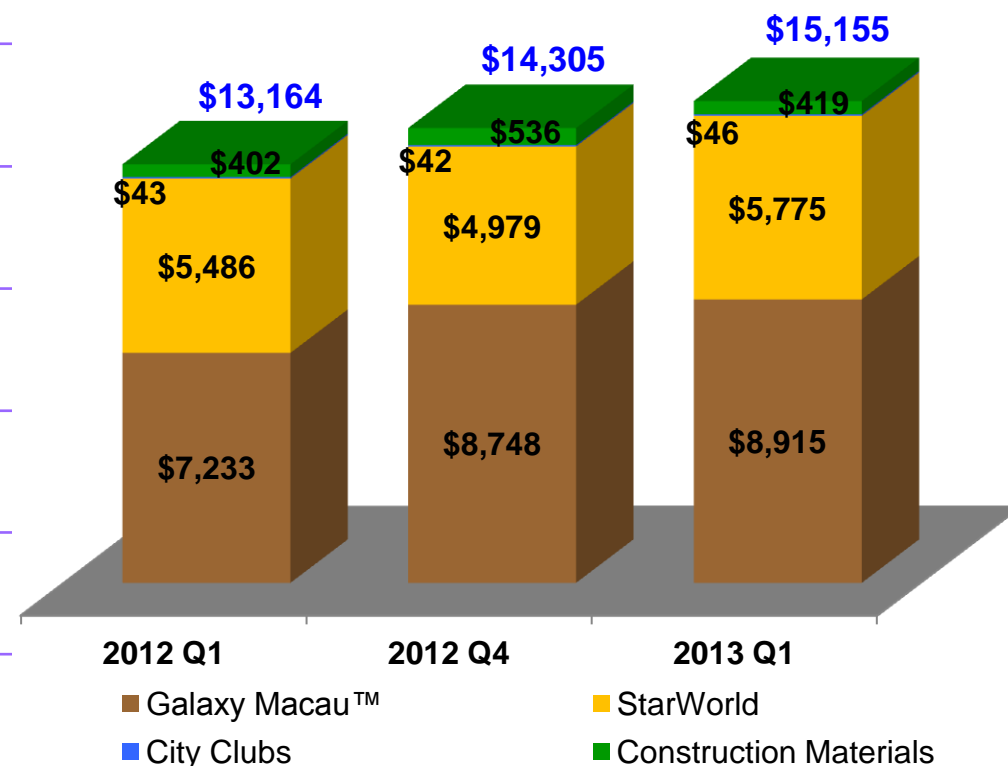
- Announced \$3.25 billion strategic acquisition of the Grand Waldo Complex in May 2013
- On 10 May 2013, Hang Seng Indexes Company Limited announced that GEG would be included as a constituent to the Hang Seng Index effective on 17 June 2013

# GEG Revenue Summary Q1 2013

Group Revenue in Q1 2013 grew 15% YoY to \$15.2 billion led primarily by Galaxy Macau™ and grew 6% QoQ driven by StarWorld

	Q1 YoY	Q4 12' to Q1 13' QoQ
GEG Total	+15%	+6%
Galaxy Macau™	+23%	+2%
StarWorld	+5%	+16%
City Clubs	+7%	+10%
Construction Materials	+4%	(22)%

GEG Revenue (HK\$'m)

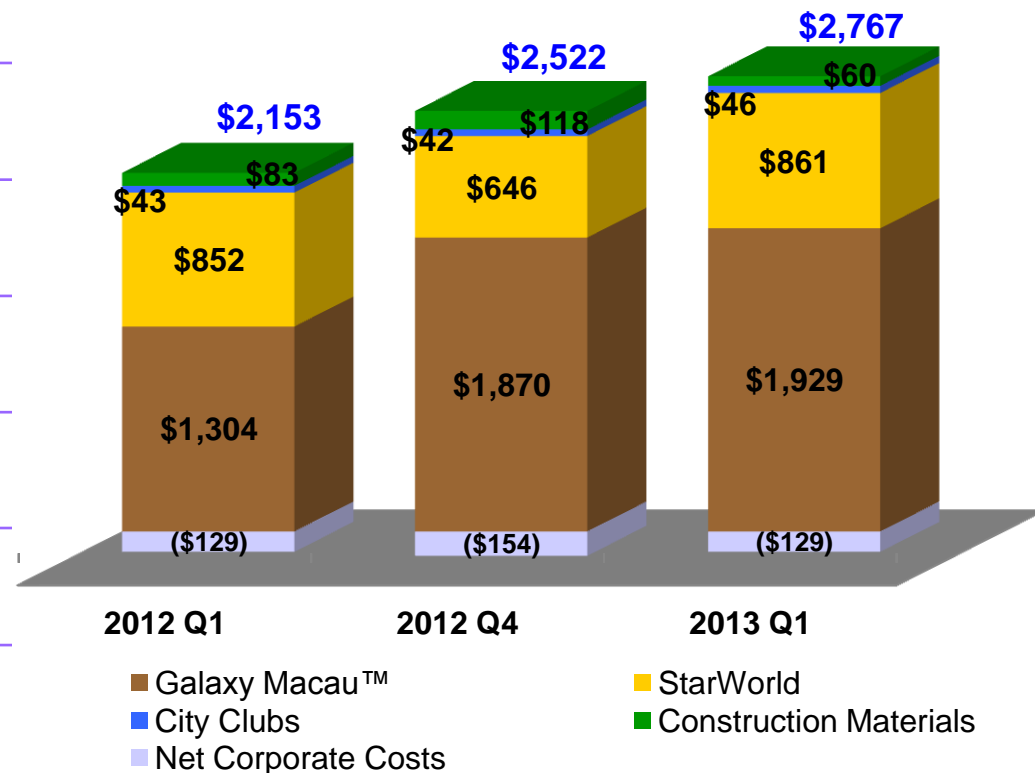


# GEG EBITDA Summary Q1 2013

Group EBITDA grew 29% YoY in Q1 2013 to an all time quarterly record of \$2.8 billion driven by Galaxy Macau™'s 7<sup>th</sup> consecutive quarter of EBITDA growth and StarWorld's second best quarter ever

## GEG EBITDA (HK\$'m)

	Q1 YoY	Q4 12'to Q1 13' QoQ
GEG Total	+29%	+10%
Galaxy Macau™	+48%	+3%
StarWorld	+1%	+33%
City Clubs	+7%	+10%
Construction Materials	(28)%	(49)%







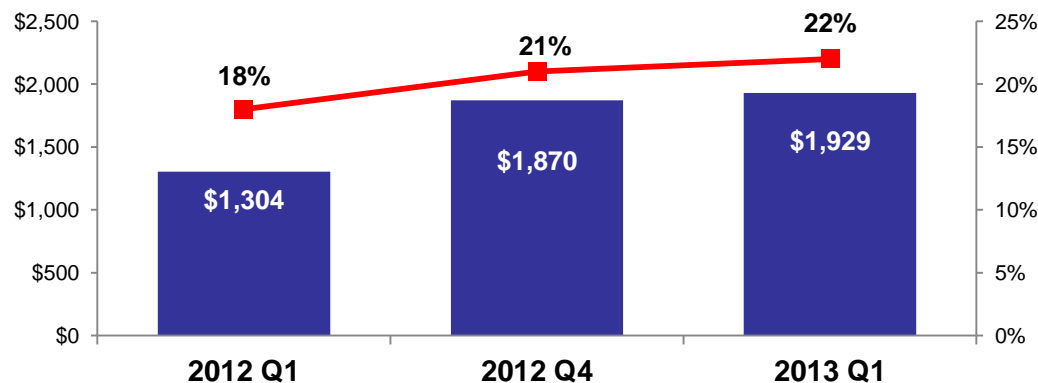
# Galaxy Macau™ Overview

**Galaxy Macau™ reported 7<sup>th</sup> consecutive quarter of EBITDA growth in Q1 with EBITDA of \$1.9 billion due primarily to improving Mass**

- Reported revenue of \$8.9 billion and EBITDA of \$1.9 billion
- Mass revenue increased 8% QoQ with \$2.3 billion
- Reported healthy occupancy of 95% even with new capacity in Cotai
- HK GAAP EBITDA Margin of 22% and US GAAP of 30%
- LTM ROI\* of 42%

Revenue	Q1 YoY	Q4 12' to Q1 13' QoQ
Galaxy Macau™ Total	+23%	+2%
VIP Gaming	+15%	(1)%
Mass Gaming	+42%	+8%
Slots	+20%	+9%
Non-Gaming	+17%	+5%
<b>EBITDA</b>	<b>+48%</b>	<b>+3%</b>

**Galaxy Macau™ EBITDA (HK\$m) and EBITDA Margin (%)**



\*ROI calculated based on the total Adjusted EBITDA for the latest twelve months divided by gross book value through March 31, 2013 including allocated land cost May 2013



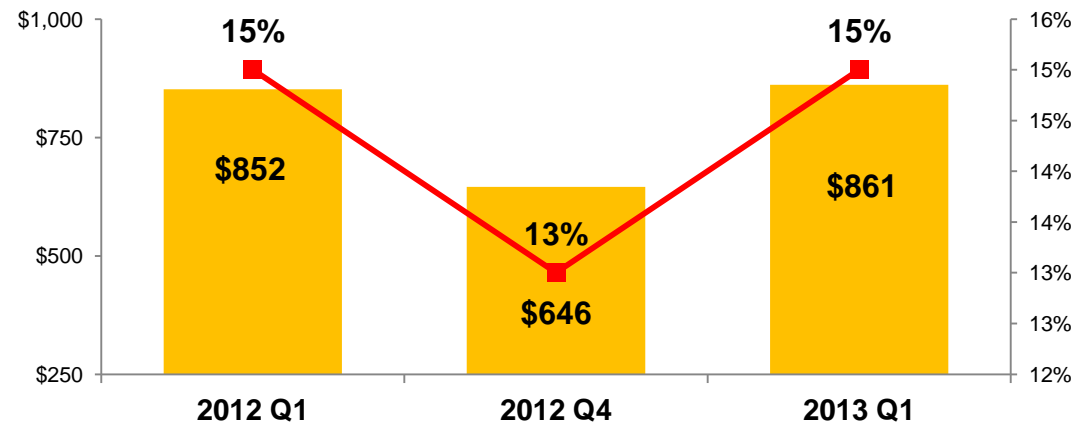


## EBITDA increased 33% from Q4 2012 to \$861 million, increased 1% YoY

- Total revenue of \$5.8 billion, increased 5% YoY
- Mass reported record win of \$802 million growing 42% YoY
- EBITDA of \$861 million increased 1% YoY and 33% QoQ
- Reported strong occupancy of 98%
- EBITDA Margin of 15% on HK GAAP and 24% on US GAAP
- LTM ROI\* remains a very healthy 94%

Revenue	Q1 YoY	Q4 12' to Q1 13' QoQ
StarWorld Total	+5%	+16%
VIP Gaming	+1%	+17%
Mass Gaming	+42%	+14%
Slots	+3%	(3)%
Non-Gaming	(2)%	(6)%
<b>EBITDA</b>	<b>+1%</b>	<b>+33%</b>

StarWorld EBITDA (HK\$'m) and EBITDA Margin (%)



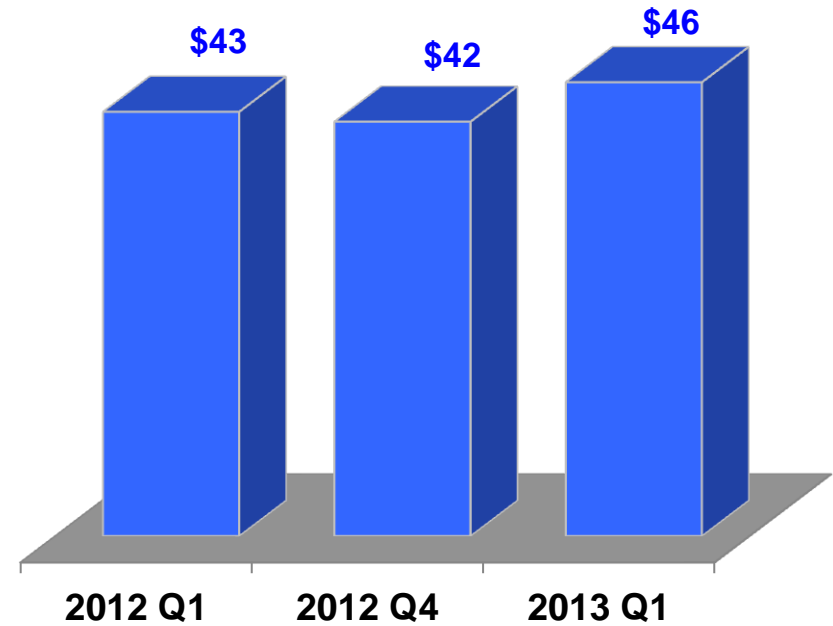


# City Clubs

City Clubs reported Q1 2013 EBITDA of \$46 million



City Clubs EBITDA (HK\$'m)

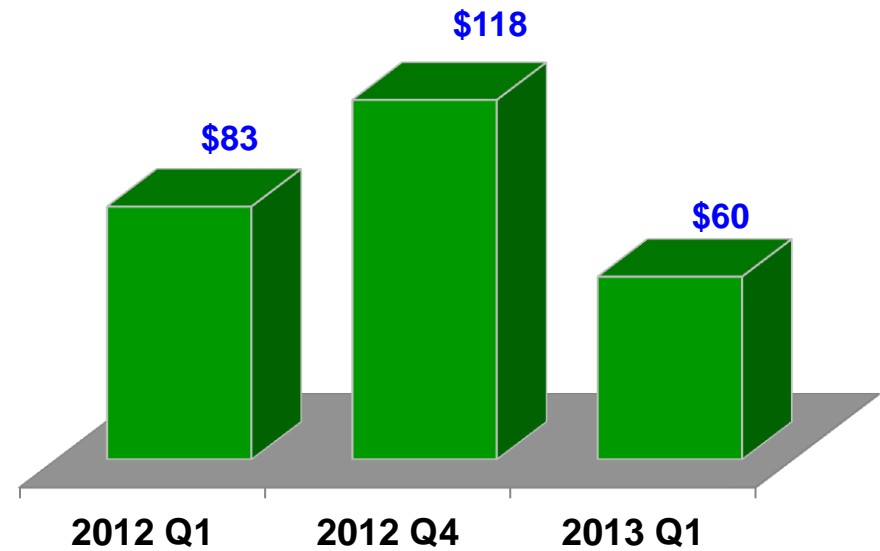


# Construction Materials

Reported Q1 2013 EBITDA of \$60 million



Construction Materials EBITDA (HK\$'m)



# Acknowledgment of Excellence

GEG received many honours and awards in 2013

	Date	Awards	Organization
GEG	2013 /2012 Jan	Casino Operator of the Year Australia / Asia (2 <sup>nd</sup> Consecutive Year)	International Gaming Awards (IGA) 國際博彩業大獎
	2012 Dec	Corporate Governance - Titanium Award 企業管治「鈦金屬獎」	The Asset Magazine – Corporate Awards 2012 《財資》雜誌 - 企業大獎 2012
Galaxy Macau™	2013 Mar	Most Charming Resort in Asia 亞洲最具魅力渡假城	Asia Hotel Forum – 13 <sup>th</sup> China Hotel Golden Horse Award 亞洲酒店論壇中心 -第十三屆中國飯店金馬獎
	2013 Mar	Top 10 Resort Hotels of China 中國十佳旅遊渡假酒店	Asia Hotel Forum – 8 <sup>th</sup> Annual China Hotel Starlight Awards 亞洲酒店論壇中心 -第八屆中國酒店星光獎
	2013 Jan	Casino VIP Room of the Year	International Gaming Awards (IGA) 國際博彩業大獎
StarWorld	2013 Mar	Best Service Hotel of Asia 中國最佳卓越服務酒店	Asia Hotel Forum – 13 <sup>th</sup> China Hotel Golden Horse Award 亞洲酒店論壇中心 -第十三屆中國飯店金馬獎
	2013 Mar	Top Ten Glamorous Hotels of China (3 <sup>rd</sup> consecutive year) 中國十大最具魅力酒店	Asia Hotel Forum – 8 <sup>th</sup> Annual China Hotel Starlight Awards 亞洲酒店論壇中心 -第八屆中國酒店星光獎

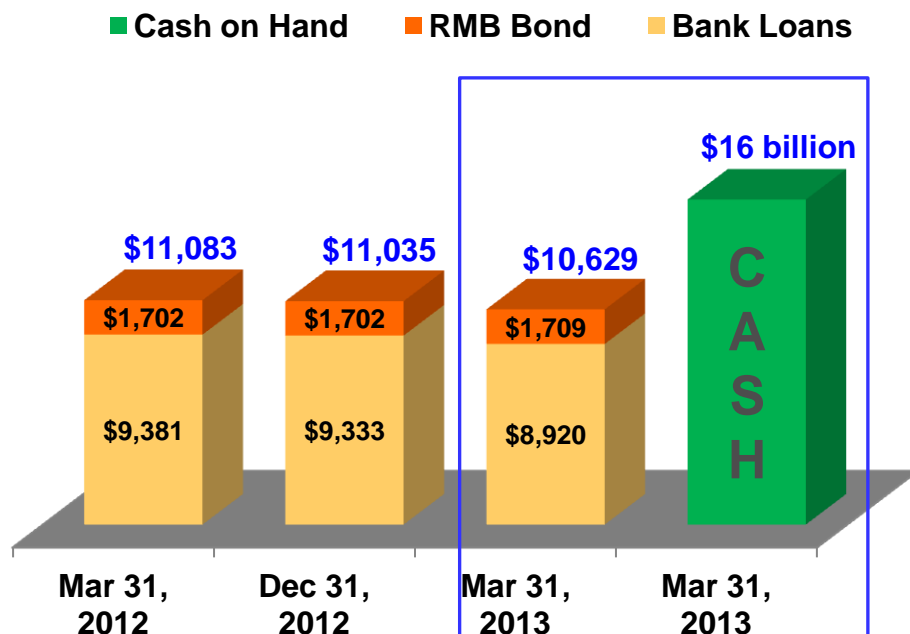




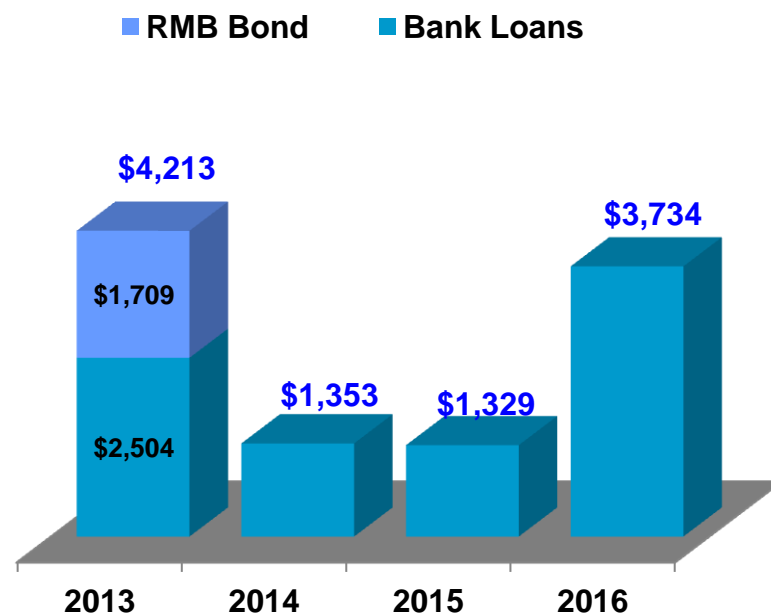
# Cash on Hand & Long Term Debt

GEG continues to remain well capitalized with a “Net Cash” position of \$5.4 billion as Cash of \$16.0 billion at March 31, 2013 including restricted cash of \$2.1 billion exceeded total debt of \$10.6 billion

Total Debt & Cash on Hand (HK\$'m)



Debt Maturity Profile (HK\$'m)



Note: Exchange Rate: US\$1 = HK\$7.8 ; RMB\$1 = HK\$1.23828 , HK\$1.2333 & HK\$1.2335 at Mar 31, 2013, Dec 31, 2012 & Mar 31, 2012, respectively

# GEG Cotai Development Update





# Galaxy Macau™ Phase 2: May 2013





# Galaxy Macau™ Phase 2: May 2013





# Developing Cotai Landbank

## – Galaxy Macau™ Phase 2

### Galaxy Macau™ Phase 2 on schedule to complete in Mid-2015

- Announced accelerated launch of Phase 2 in April 2012
- Phase 1 and 2 combined include more than 3,600 accommodations across 5 luxury hotels
- 2 world class, award winning spas
- The largest pan-Asian cuisine selection with approximately 100 F&B outlets
- Greatly expanded retail space to over 100,000 square metres and up to 200 high-end retail outlets
- Expanded Meeting, Event and Banquet space for seating capacity for 3,000 guest
- Consists of approximately 95% non-gaming elements

# Developing Cotai Landbank - Phases 3 & 4

## Announced plans in December 2012 for Phases 3 & 4

- Expanding the entire building area of GEG on Cotai to 2 million square metres
- Expected CAPEX of \$50-60 billion
- Approximately 5,500 additional hotel rooms & suites
- A state of the art multi-purpose 10,000 seat arena for world class entertainment and sporting events
- A 50,000 square metre convention centre with a capacity up to 5,000 guests
- Gaming capacity of up to 1,000 tables and 3,000 slots, representing approximately 5% of the total floor area
- Expect to begin construction by the end of 2013 / early 2014



# Subsequent Events

## Strategic Acquisition of the Grand Waldo Complex

- In May 2013 announced the acquisition of Grand Waldo (one of our four city clubs) for HK\$3,250 million
- Strategic acquisition as Grand Waldo is located adjacent to Galaxy Macau™ and our existing Cotai landbank
- Site area of approximately 37,000 square metres & a total current GFA of approximately 130,000 square metres
- Comprises four buildings including:
  - Hotel with approximately 320 rooms (with 38 gaming tables plus slot machines)
  - 30,000 square metres 7-storey spa and entertainment block
  - 60,000 square metres conference & exhibition centre block
  - 7-storey car park



## GEG Inclusion in the Hang Seng Index

- On 10 May 2013, the Hang Seng Indexes Company Limited announced that GEG would be included as a constituent to the Hang Seng Index effective on 17 June 2013

# Summary

## Operations

- Galaxy Macau™ reports 7<sup>th</sup> consecutive quarter of EBITDA growth with \$1.9 billion in Q1 2013
- StarWorld reports \$861 million EBITDA in Q1 2013, 2<sup>nd</sup> highest EBITDA ever
- Galaxy Macau™ and StarWorld delivered healthy LTM ROIs of 42% and 94%, respectively

## Financing

- Well capitalized and liquid with \$16 billion of cash at March 31, 2013
- Net Cash position of \$5.4 billion

## Development

- Well defined short, medium and long term growth pipeline in the world's most dynamic market
- Galaxy Macau™ Phase 2 on budget and on schedule to be completed by mid-2015
- Cotai Phases 3 & 4 to commence construction by the end of 2013 / early 2014
- Announced strategic acquisition of the Grand Waldo Complex
- GEG to be included as a constituent to the Hang Seng Index effective on 17 June 2013

# Positioned for Growth



- **Galaxy commenced with a vision**
- **“To be globally recognized as Asia’s leading gaming & entertainment corporation”**
- **We are delivering upon and realizing our vision**

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