



Interim Results 2012

August 27, 2012

Executive Summary

GEG

- Half year revenue doubled year-on-year to \$28.3 billion
- Half year EBITDA of \$4.7 billion, up 159% year-on-year
- Quarterly EBITDA of \$2.6 billion in Q2, the 15th consecutive quarter of Group EBITDA growth
- Group Annualised LTM EBITDA of \$8.6 billion
- Net Profit Attributable to Shareholders increased to \$3.4 billion

Galaxy Macau™

- Half year revenue of \$16.0 billion and EBITDA of \$2.9 billion up 14% and 30% sequentially from 2H 2011 to 1H 2012
- Second quarter revenue of \$8.8 billion and EBITDA of \$1.6 billion up 21% and 20% sequentially from Q1 2012 to Q2 2012
- Mass gaming revenue of \$3.3 billion in the first half grew 36% sequentially
- EBITDA margin improved by 12.5% year-on-year from 16% to 18%
- Achieved annualised Return on Investment (ROI*) of 37%
- Phase 2 on schedule to complete in mid-2015

StarWorld

- Half year EBITDA of \$1.8 billion, an increase of 30% year-on-year
- Quarterly EBITDA of \$906 million, 16th consecutive quarter of EBITDA growth
- Achieved ROI** of 98%

Balance Sheet

- Cash on hand at 30 June 2012 of \$11 billion, up from \$7.7 billion at 31 December 2011
- Gearing Ratio of 7% at 30 June 2012

* Galaxy Macau™ ROI : calculated based on annualized Q2 2012 EBITDA divided by gross investment to date including allocated land cost

** StarWorld ROI: calculated based on the total EBITDA for the latest twelve months divided by gross book value through June 30, 2012 including land cost



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Q2 2012 RESULTS



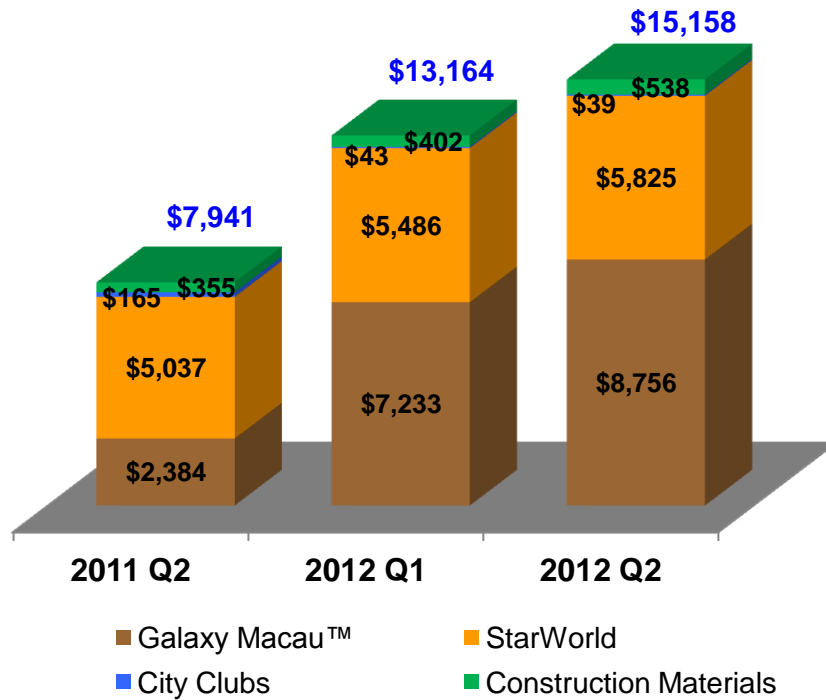
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Galaxy Entertainment Group

GEG Revenue Summary Q2 2012

Revenue in Q2 grew 91% YoY to \$15.2 billion driven by Galaxy Macau™'s fourth full quarter of operation

GEG Revenue (HK\$'m)



	Q2 YoY	Q2 to Q1 2012
GEG Total	+91%	+15%
Galaxy Macau™	+267%*	+21%
StarWorld	+16%	+6%
City Clubs	(76)**	(9)%
Construction Materials	+52%	+34%

* 47 days in Q2 2011

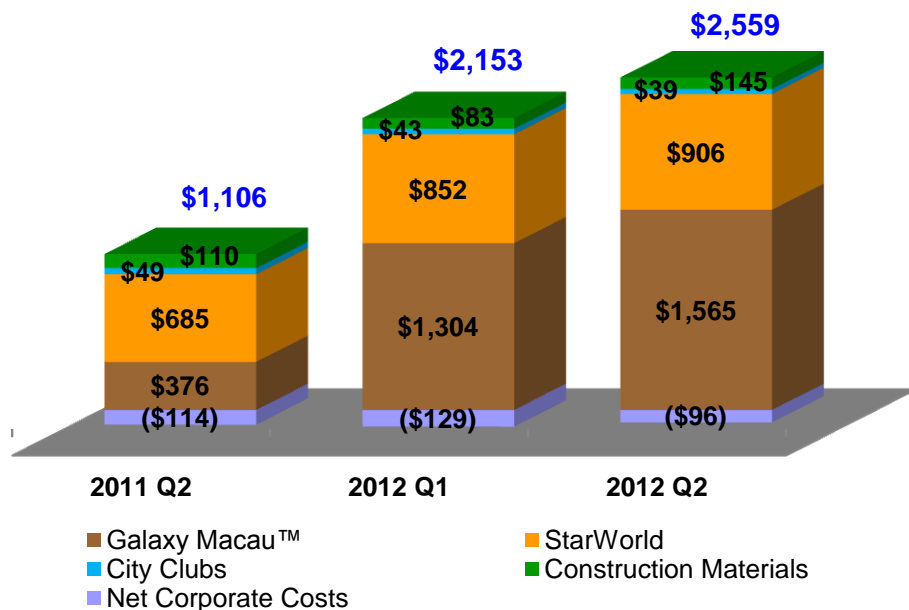
** Reflects conversion of one remaining City Club from a profit sharing to a top line deal effective May 1, 2011

GEG EBITDA Summary Q2 2012

Group EBITDA grew 131% YoY in Q2 2012 to \$2.6 billion

- GEG reports **15th** consecutive quarter EBITDA growth in Q2 with \$2.6 billion
- Galaxy Macau™ contributes a healthy \$1.6 billion of EBITDA
- StarWorld reports **16th** consecutive quarter of EBITDA growth with \$906 million

GEG EBITDA (HK\$'m)



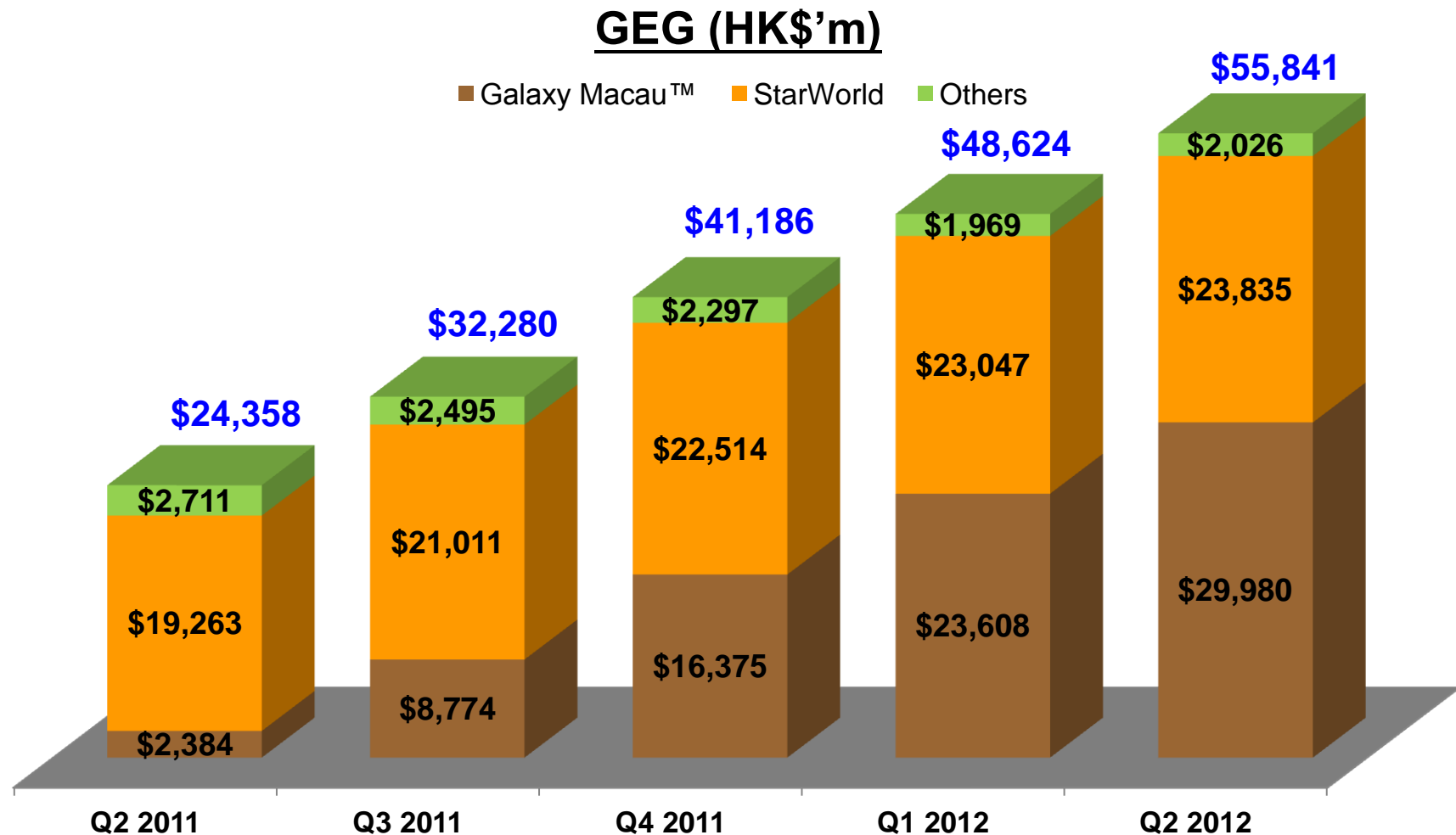
	Q2 YoY	Q2 to Q1 2012
GEG Total	+131%	+19%
Galaxy Macau™	+316%*	+20%
StarWorld	+32%	+6%
City Clubs	(20)%	(9)%
Construction Materials	+32%	+75%

Note : EBITDA excludes interest income and non-recurring items

* 47 days in Q2 2011

GEG Latest 12 Month Revenue Summary

LTM Revenue ended June 2012 grew 129% to \$55.8 billion

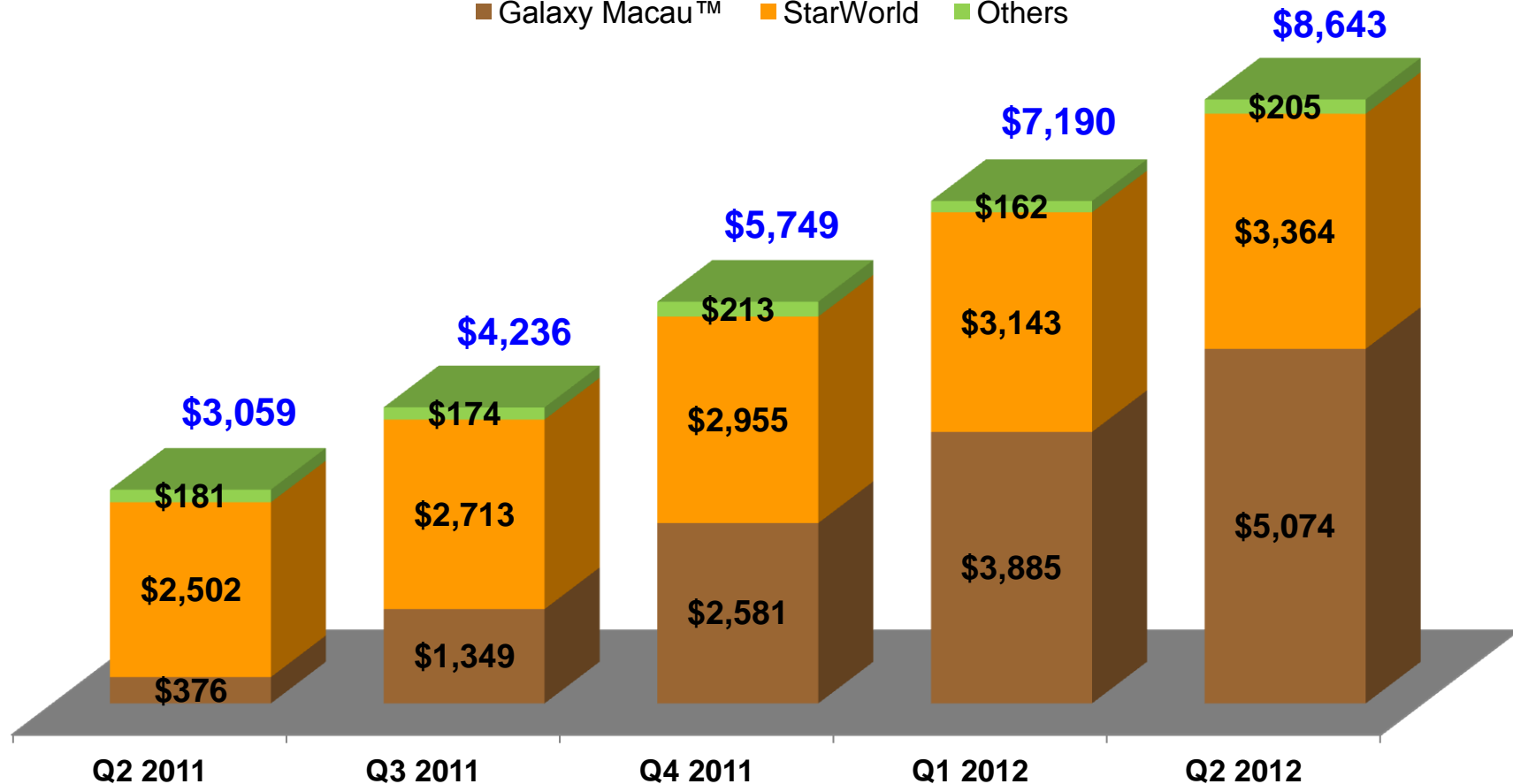


GEG Latest 12 Month EBITDA Summary

LTM EBITDA ended June 2012 grew 182% to \$8.6 billion

GEG (HK\$'m)

■ Galaxy Macau™ ■ StarWorld ■ Others



Acknowledgment of Excellence

	Date	Awards	Organization
GEG	2012 Jun	World's Distinguished and Leisure Hotel Group Award 世界級尊尚休閒娛樂集團大獎	Capital CEO Magazine & Capital Entrepreneur Magazine 《資本企業家》澳門榮譽企業巡禮 2012
	2012 May	Best Investor Relations	FinanceAsia Magazine
Galaxy Macau™	2012 Apr	The Best New Hotel (Macau) 最佳新開幕酒店 (澳門)	TTG China Travel Awards 中國旅遊業界獎
	2012 Apr	The Best Creative Ad 最佳創意廣告	Metro Daily Creative Awards 《都市日報》最佳報章廣告 2012
	2012 Mar	Top 10 Resort Hotels of China 中國十佳旅遊度假酒店	China Hotel Starlight Awards 中國酒店星光獎
StarWorld	2012 Jul	Top Ten Influential Hotel of Asia 亞洲十大最具影響力酒店	Asia Hotel Golden-Olive Awards 2012亞洲酒店業金橄欖獎
	2012 Jul	The Best Excellent Service Quality Hotel of China 中國最佳卓越服務品質酒店	Asia Hotel Golden-Olive Awards 2012亞洲酒店業金橄欖獎
	2012 Jul	The Best Guest Experience Hotel of China 中國最佳賓客體驗酒店	Asia Hotel Golden-Olive Awards 2012亞洲酒店業金橄欖獎
	2012 Mar	Top 10 Most Charming Hotel in Asia 亞洲十大最具魅力酒店	Golden Horse Award of China Hotel 中國飯店金馬獎
	2012 Mar	Best Service Hotel (2 nd consecutive year) 中國最佳服務酒店	Golden Horse Award of China Hotel 中國飯店金馬獎
	2012 Mar	Top Ten Glamorous Hotels Of China (3 rd consecutive year) 中國十大最具魅力酒店	China Hotel Starlight Awards 中國酒店星光獎
	2012 Jan	High-Flyers Award – Leading Hotel & Casino 最佳企業獎 – 領先的酒店及賭場	Hong Kong Business Magazine





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



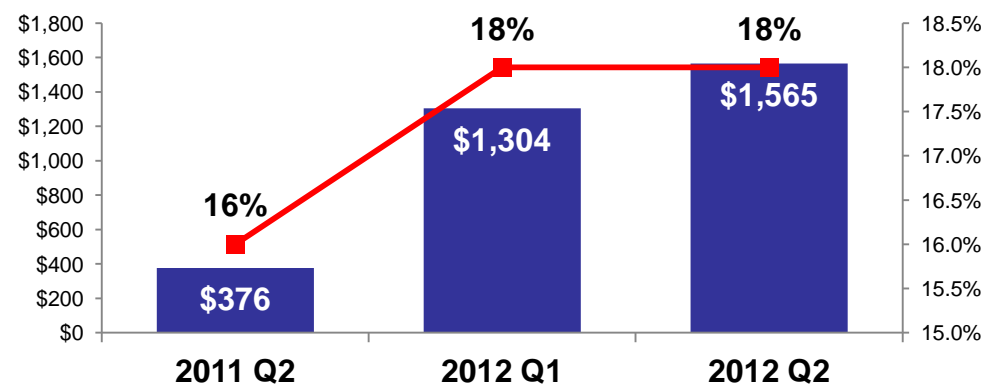
Galaxy Macau™ Overview

Positive momentum continued into Q2 2012 as EBITDA grew 20% QoQ to \$1.6 billion with 18% margin

- Total Revenue and EBITDA of \$8.8 billion and \$1.6 billion, respectively
- Mass market revenue increased by 8% QoQ
- Reported occupancy of 94%
- HK GAAP EBITDA margin improved from 16% to 18% and US GAAP from 22% to 26% YoY
- Annualized Q2 2012 EBITDA of \$6.3 billion translates into an ROI of 37%*

Revenue	Q2 YoY**	Q2 vs Q1 2012
Galaxy Macau™ Total	+267%	+21%
VIP Gaming	+255%	+23%
Mass Gaming	+319%	+8%
Slots	+138%	(9)%
Non-Gaming	+318%	+12%
EBITDA	+316%	+20%

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



Note: * ROI calculated based on annualized Q2 2012 EBITDA divided by gross investment to date including allocated land cost

星際 ✨ 酒店
StarWorld · Macau

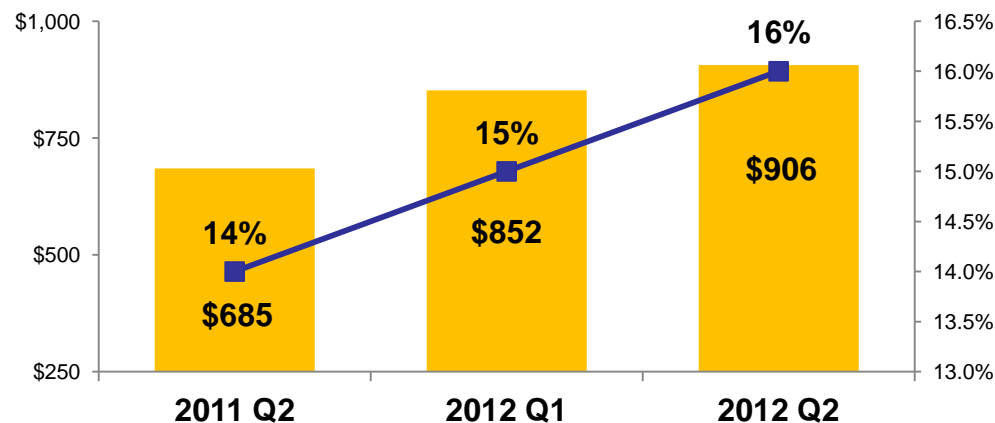


Reported 16th consecutive quarter of EBITDA growth in Q2 2012 with \$906 million, up 32% YoY

- Revenue increased by 16% YoY to \$5.8 billion
- EBITDA of \$906 million, with margin 16% under HK GAAP and 26% under US GAAP
- Hotel occupancy remains a healthy 98%
- Annualized ROI improves to 98%*

Revenue	Q2 YoY	Q2 vs Q1 2012
StarWorld Total	+16%	+6%
VIP Gaming	+12%	+8%
Mass Gaming	+49%	(3)%
Slots	+22%	(3)%
Non-Gaming	+44%	(1)%
EBITDA	+32%	+6%

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





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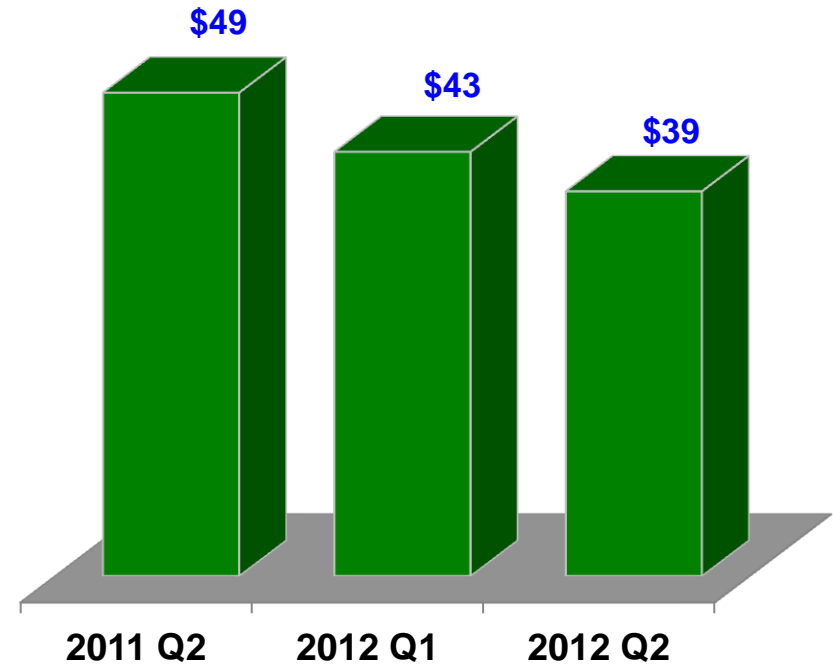
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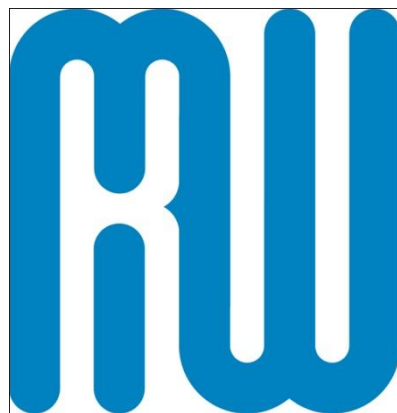
City Clubs

City Clubs reported Q2 EBITDA of \$39 million



City Clubs EBITDA (HK\$'m)





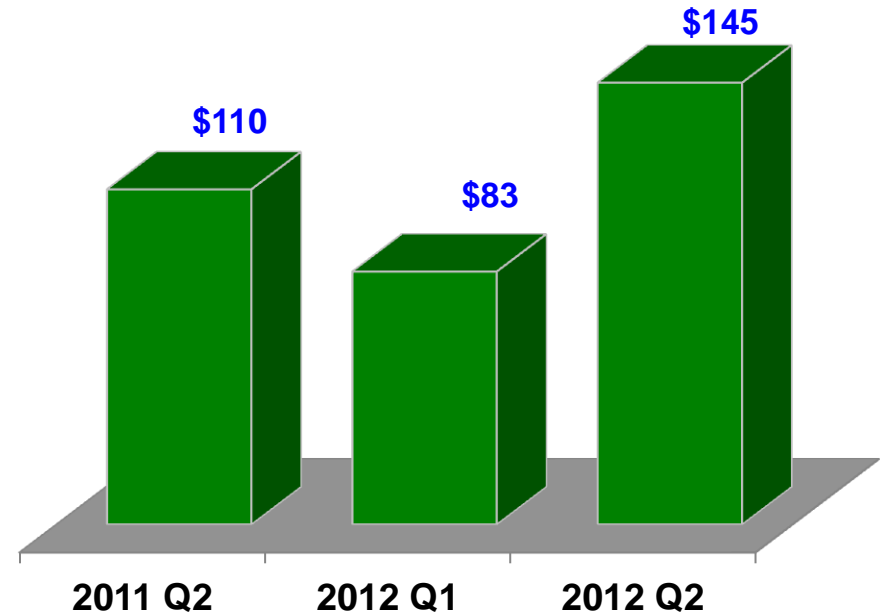
Construction Materials

Construction Materials

EBITDA grew 32% YoY to \$145 million in Q2 2012 after seasonal Q1



Construction Materials EBITDA (HK\$'m)





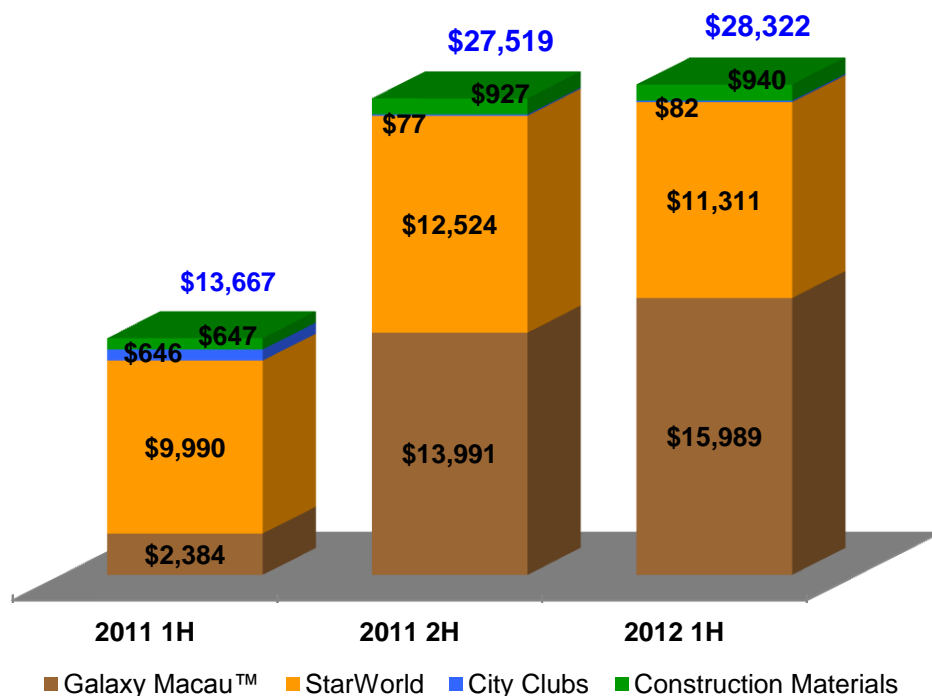
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1H 2012 RESULTS

GEG Revenue Summary 1H 2012

Revenue in first half 2012 grew 107% YoY to \$28.3 billion driven by StarWorld & Galaxy Macau™

GEG Revenue (HK\$m)



	1H 12 YoY	1H12 to 2H11
GEG Total	+107%	+3%
Galaxy Macau™	+571%*	+14%
StarWorld	+13%	(10)%
City Clubs	(87)%**	+6%
Construction Materials	+45%	+1%

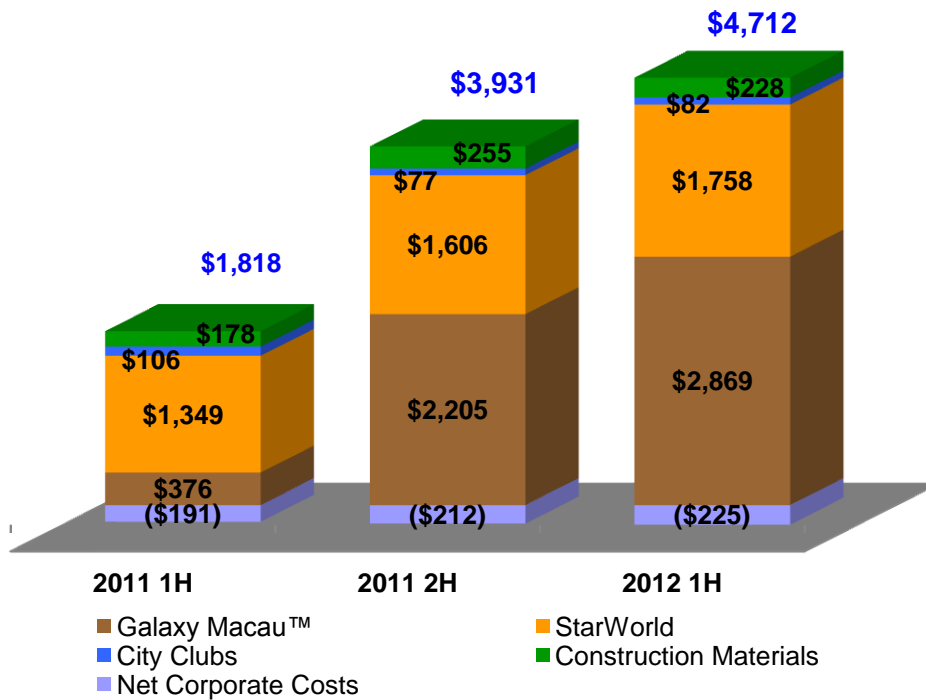
* 47 days in Q2 2011

** Reflects conversion of Rio from a profit sharing to a top line deal effective May 1, 2011

GEG EBITDA Summary 1H 2012

Group EBITDA grew 159% YoY to \$4.7 billion in the first half of 2012 led by StarWorld & Galaxy Macau™

GEG EBITDA (HK\$'m)



	1H 12 YoY	1H12 to 2H11
GEG Total	+159%	+20%
Galaxy Macau™	+663%*	+30%
StarWorld	+30%	+9%
City Clubs	(23)%	+6%
Construction Materials	+28%	(11)%

Note : EBITDA excludes interest income and non-recurring items

* 47 days in Q2 2011

GEG 1H 2012- NPAS

NPAS grew more than 9 times to \$3.4 billion

- Includes Galaxy Macau™ for full period in 2012 vs 47 days in 2011

<i>(in HK\$ mn)</i>	1H 2011	1H 2012	Change
Total Revenue (Statutory Basis)	13,667	28,322	107%
EBITDA	1,818	4,712	159%
Change in Fair Value of Derivative under CB	(165)	--	
Net Profit After Taxation	390	3,454	
Net Profit Attributable to Shareholders	378	3,446	812%



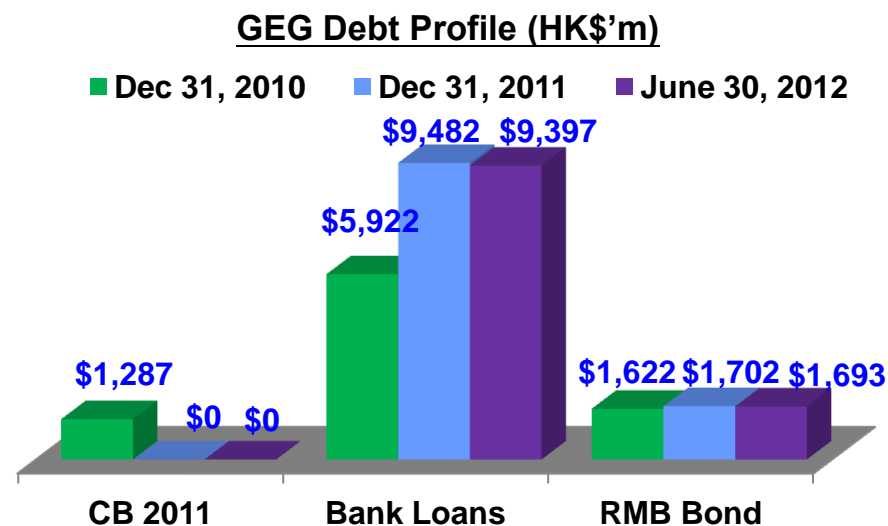
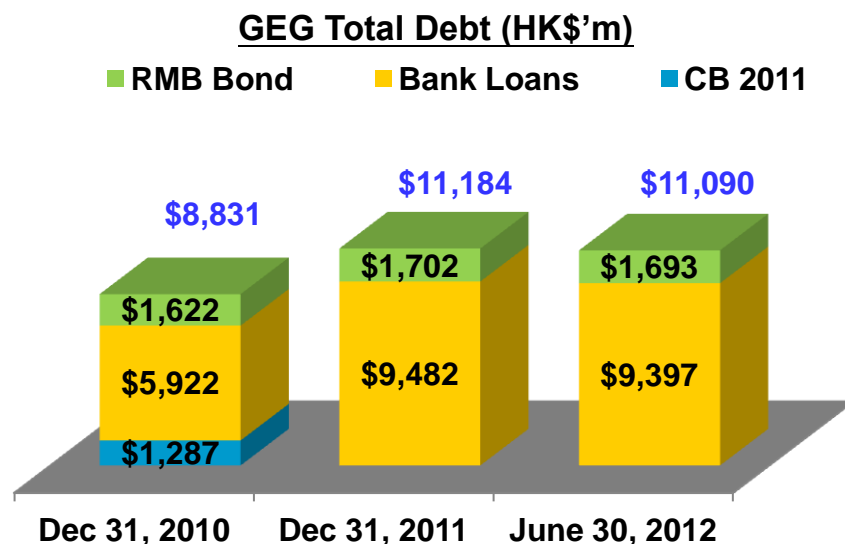
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Liquidity and Financing Update

Cash on Hand & Long Term Debt

GEG remains well capitalized with cash of \$11 billion at June 30, 2012 including restricted cash of \$1.9 billion

- Current gearing ratio equals 7%
- Virtually “net cash”



Note: Exchange Rate: US\$1 = HK\$7.8 ; RMB\$1 = HK\$1.2267 & 1.2335 & 1.1752 at June 30, 2012, Dec 31, 2011 & Dec 31, 2010, respectively



Phase 2 Update

Galaxy Macau™ Phase 2

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

- Two new luxury hotels, the first ever all suite The Ritz-Carlton and the world's largest JW Marriott for a grand total of approx. 3,600 rooms across 5 luxury hotels
- Greatly expanded retail space to over 100,000 square metres and up to 200 high-end retail outlets
- Over 45 new international food & beverage outlets for over 100 upon completion
- Expanded Meeting, Event and Banquet space for seating capacity of over 3,000 guests



Galaxy Macau™ Phase 2

Piling remains on schedule to be completed by year end with over 650 workers on site



Summary

Operations

- GEG reports \$2.6 billion EBITDA in Q2 2012 for 15th consecutive quarter of EBITDA growth
- Galaxy Macau™ reports QoQ EBITDA growth of 20% to \$1.6 billion after 4th full quarter of operation
- StarWorld reports \$906 million of EBITDA in Q2 2012 for the 16th consecutive quarter of EBITDA growth
- Latest twelve months Group EBITDA through June 2012 more than doubled YoY to \$8.6 billion
- Galaxy Macau™ and StarWorld delivered a continuously improving ROI of 37% and 98% in Q2 2012, respectively

Financing

- Well capitalized and liquid with \$11 billion of cash at June 30, 2012
- Current gearing ratio equals 7% and virtually “net cash”

Development

- Announced launch of Galaxy Macau™ Phase 2 in April 2012
- 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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