



星際酒店
StarWorld Hotel



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Interim Results 2014

August 19, 2014

Executive Summary

GEG: Record Half Year Revenue, Adjusted EBITDA and NPAS

- Half year revenue increased 25% year-on-year to \$38.4 billion
- Half year Adjusted EBITDA of \$7.3 billion, up 26% year-on-year
- Half year net profit attributable to shareholders grew 29% year-on-year to \$6.0 billion
- Second quarter Adjusted EBITDA of \$3.5 billion, a year-on-year increase of 15%

Galaxy Macau™: Celebrates its Third Year Anniversary with Another Strong Performance

- Half year revenue grew by 38% to \$25 billion and Adjusted EBITDA surged 35% to \$5.4 billion
- Second quarter Adjusted EBITDA of \$2.65 billion, grew 27% year-on-year

StarWorld Macau: Solid Half Year Performance Despite Bad Luck

- Half year revenue increased by 7% year-on-year to \$12.3 billion and Adjusted EBITDA of \$1.9 billion, up 9% year-on-year
- Second quarter Adjusted EBITDA of \$822 million down 7% year-on-year due primarily to the worst VIP luck quarter in history

Development Update: Advancing with Clearly Defined Pipeline

- Galaxy Macau™ Phase 2- Remains on budget and on schedule to complete by mid-2015
- Cotai Phases 3 & 4 – Site investigation works for the \$50-60 billion resort due to commence later this year
- Grand Waldo Complex - Plan to unveil plans in Q4 2014 and re-launching in early 2015
- Hengqin Island - Continue to develop conceptual plans for a RMB10 billion resort on a 2.7 sq km land parcel
- International - Continuously exploring opportunities in overseas markets primarily Asia

Balance Sheet: Remains Well Capitalized and Liquid

- Cash on hand at June 30, 2014 of \$14.4 billion, up from \$10.3 billion at December 31, 2013
- Gearing ratio remains at zero as at June 30, 2014 with virtually no debt

Subsequent Events: Announce Enhanced Employee Benefits Package, GEG Charitable Foundation and Another Special Dividend

- Announce enhanced employee benefits package for all 16,000 Macau general employees in August 2014
- Celebrate 10th Anniversary in Macau by announcing the establishment of the \$1.3 billion GEG Charitable Foundation on July 4, 2014
- Paid special dividend of \$0.70 per share on July 31, 2014
- Announce another special dividend of \$0.45 per share to be paid on or about October 31, 2014



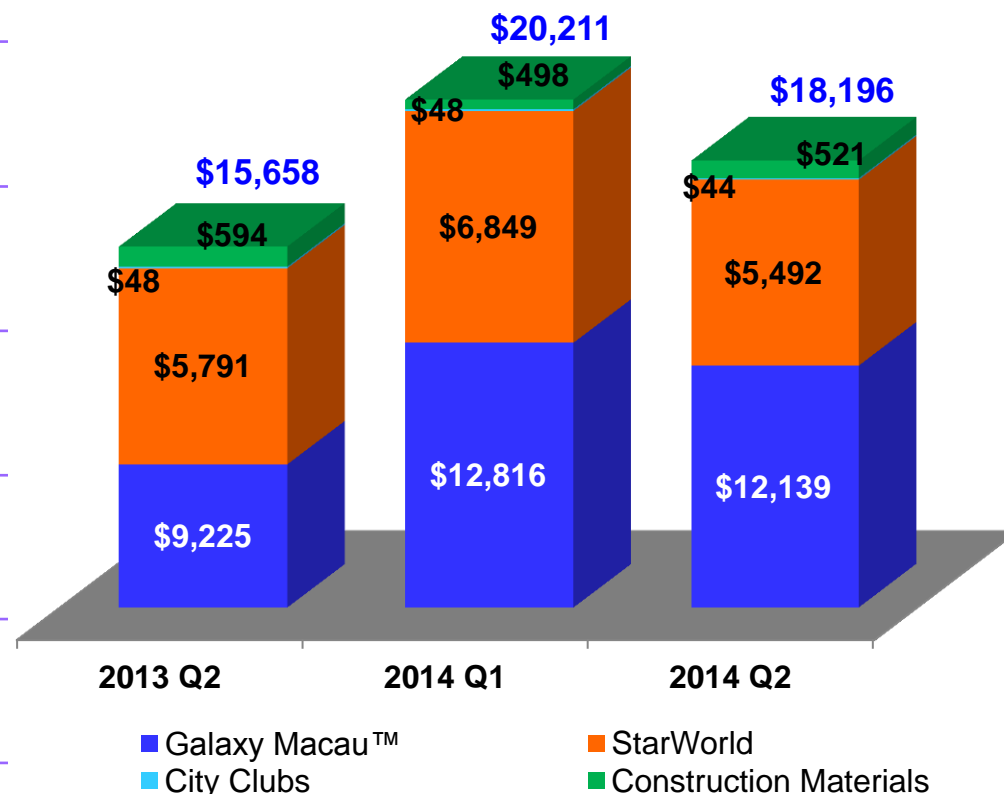
Q2 2014 RESULTS

GEG Revenue Summary Q2 2014

Group revenue in Q2 2014 grew 16% YoY to \$18.2 billion

	Q2 YoY	Q1 to Q2 14' QoQ
GEG Total	+16%	(10)%
Galaxy Macau™	+32%	(5)%
StarWorld	(5)%	(20)%
City Clubs*	(8)%	(8)%
Construction Materials	(12)%	+5%

GEG Revenue (HK\$'m)



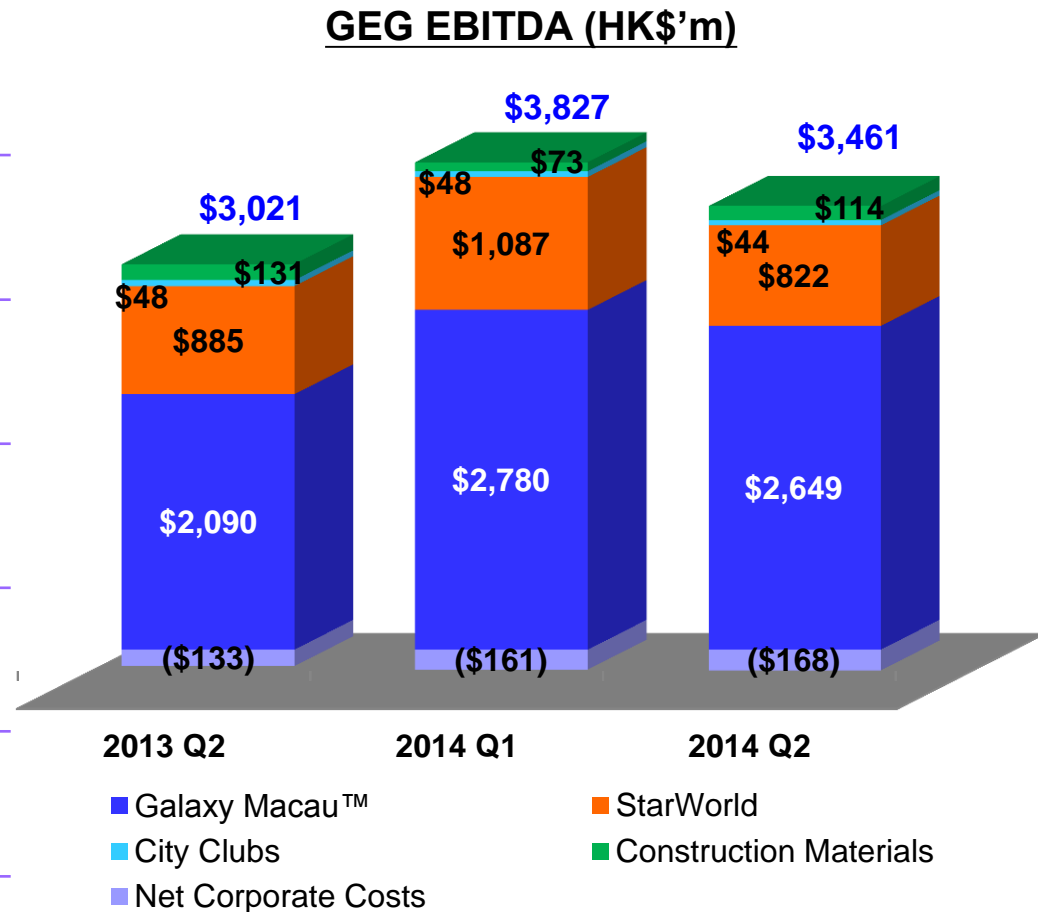
* Grand Waldo of City Clubs were suspended since July 17, 2013

GEG EBITDA Summary Q2 2014

Group EBITDA in Q2 2014 grew 15% YoY despite playing unlucky in VIP

	Q2 YoY	Q1 to Q2 14' QoQ
GEG Total	+15%	(10)%
Galaxy Macau™	+27%	(5)%
StarWorld	(7)%	(24)%
City Clubs*	(8)%	(8)%
Construction Materials	(13)%	+56%

* Grand Waldo of City Clubs were suspended since July 17, 2013

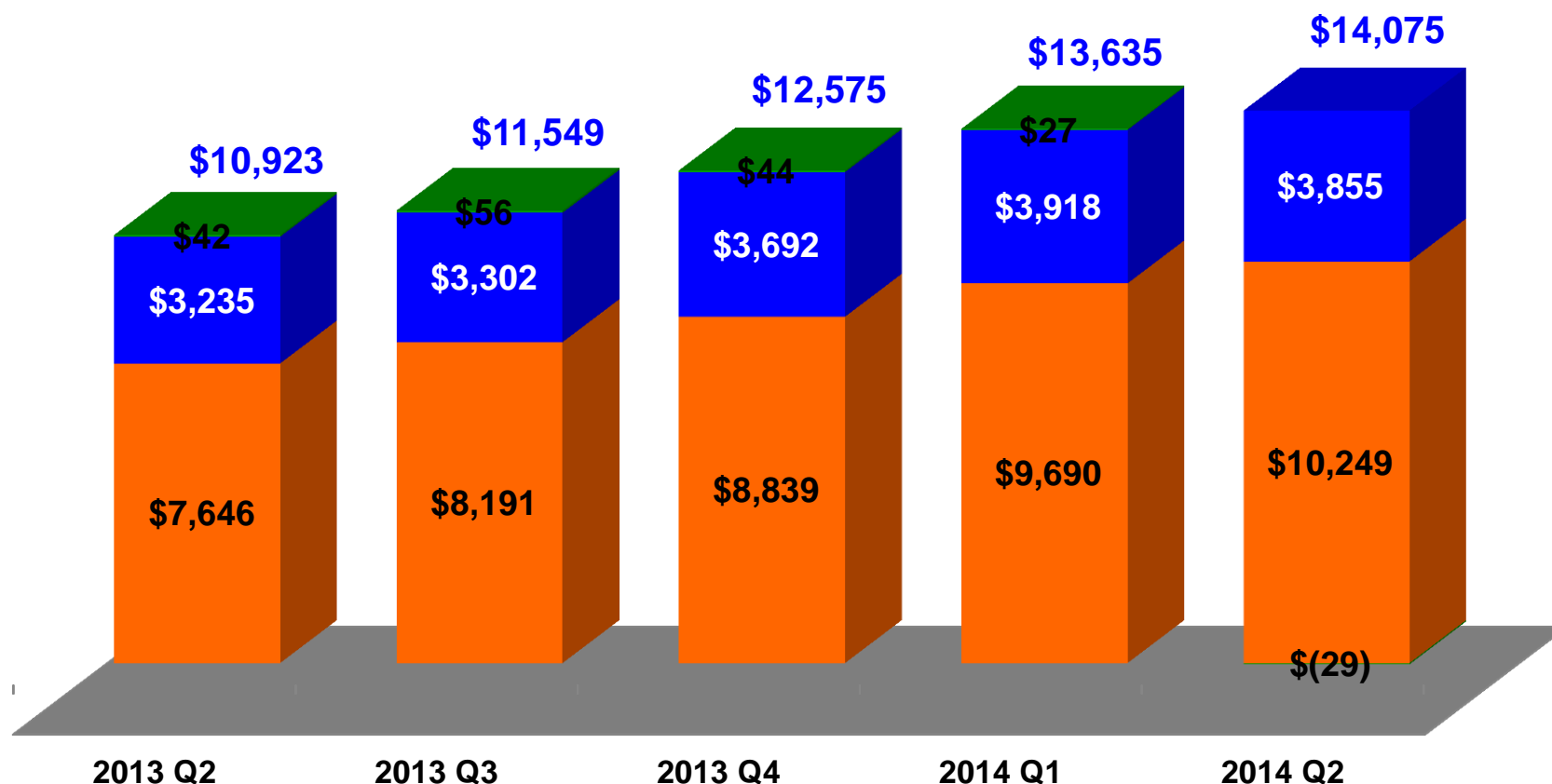


GEG Latest 12 Month EBITDA Summary

LTM EBITDA ended June 30, 2014 climbed 29% to \$14.1 billion

GEG (HK\$'m)

■ Galaxy Macau™
 ■ StarWorld
 ■ Others

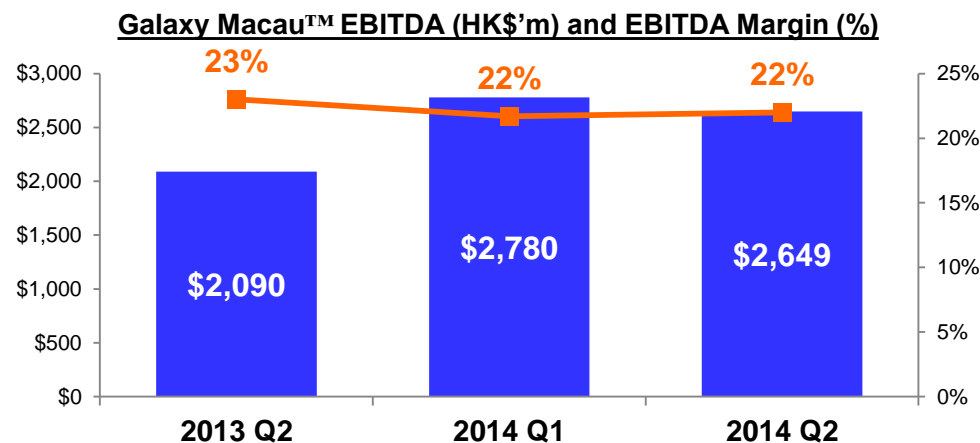




Galaxy Macau™ Q2 2014 EBITDA grew 27% YoY to \$2.6 billion

- Total revenue of \$12.1 billion increased 32% YoY
- VIP revenue grew 40% YoY to \$8.4 billion with modest bad luck
- Mass revenue grew 19% YoY to \$3.0 billion
- EBITDA of \$2.6 billion increased 27% YoY with modest bad VIP luck
- Hotel occupancy of 98%
- HKFRS EBITDA Margin of 22% and US GAAP of 31%
- LTM ROI* of 59%

Revenue	Q2 YoY	Q1 to Q2 2014 QoQ
Galaxy Macau™ Total	+32%	(5)%
VIP Gaming #	+40%	(4)%
Mass Gaming	+19%	(9)%
Slots	0%	(7)%
Non-Gaming	+9%	(2)%
EBITDA	+27%	(5)%



* ROI calculated based on the total EBITDA for the latest twelve months divided by gross book value through **June 30, 2014** including allocated land cost

includes Jinmen

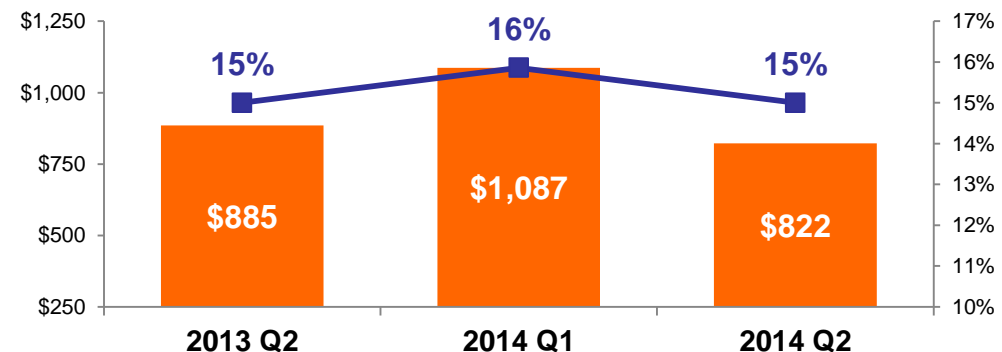


StarWorld Macau Q2 2014 EBITDA declined 7% to \$822 million due to worst VIP luck in history

- Total revenue of \$5.5 billion declined 5% YoY
- VIP revenue declined 11% YoY to \$4.2 billion with significant bad VIP luck
- Mass win of \$1.1 billion grew 28% YoY
- EBITDA of \$822 million decreased 7% YoY due to unlucky VIP hold
- Hotel occupancy of 99%
- HKFRS EBITDA Margin of 15% and US GAAP of 24%
- LTM ROI* of 109%

Revenue	Q2 YoY	Q1 to Q2 2014 QoQ
StarWorld Total	(5)%	(20)%
VIP Gaming #	(11)%	(23)%
Mass Gaming	+28%	(5)%
Slots	0%	(8)%
Non-Gaming	+11%	(5)%
EBITDA	(7)%	(24)%

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



* ROI calculated based on the total EBITDA for the latest twelve months divided by gross book value through **June 30, 2014** including allocated land cost

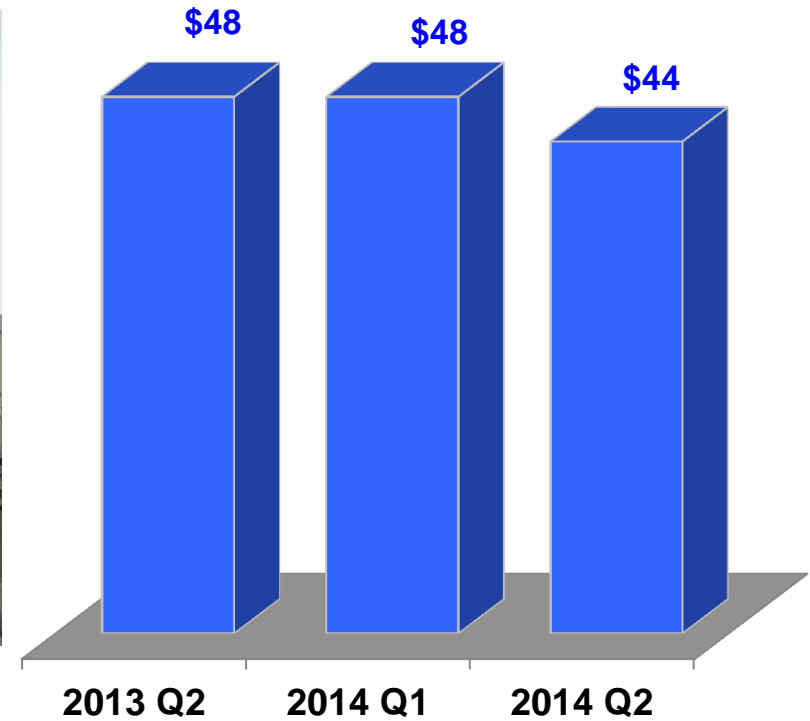
Includes Jinmen

City Clubs

City Clubs' Q2 2014 EBITDA of \$44 million



City Clubs EBITDA (HK\$'m)

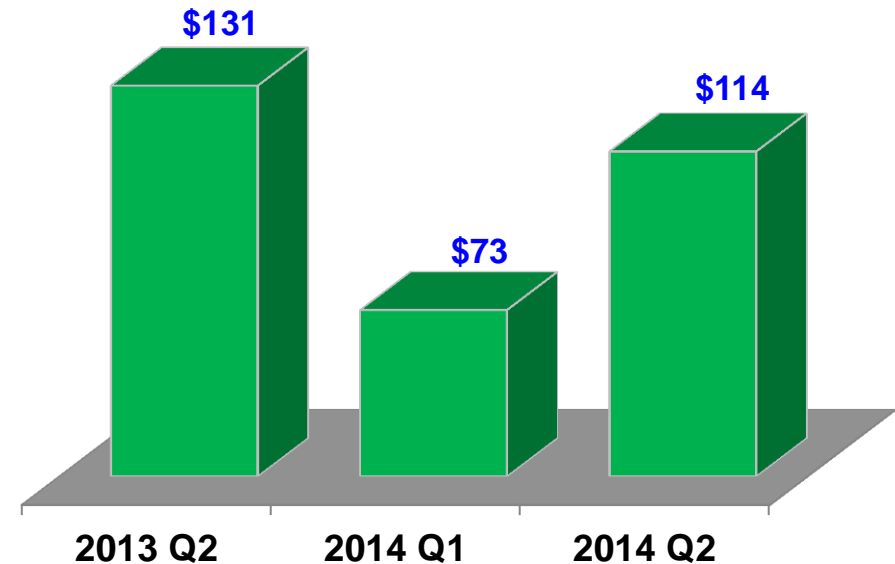


Construction Materials

Construction Materials' Q2 2014 EBITDA of \$114 million



Construction Materials EBITDA (HK\$'m)



Acknowledgment of Excellence

Selected Awards and Recognition in 2014

	Award	Organization
GEG	Best Managed Companies in Asia 2014 – Gaming 亞洲最佳管理公司2014 – 博彩業	Euromoney Magazine 《歐洲貨幣》雜誌
	Casino Operator of the Year Australia / Asia 年度最佳娛樂場營運商 (澳洲 / 亞洲)	International Gaming Awards 國際博彩業大獎
Galaxy Macau™	Best Resort of the Year (Hong Kong / Macau) 年度最佳度假酒店 (港澳地區)	Travel Weekly Magazine and Events Magazine – China Travel and Meetings Industry Awards 《Travel Weekly 旅訊》雜誌與《Events 商旅圈》雜誌 – 中國旅遊業界獎
	Hurun Report Best of the Best Awards – Luxury Hotel in Macau Star Performer 胡潤百富至尚優品獎 – 澳門酒店最佳表現獎	Hurun Report 胡潤百富
	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 Macau	Best Service Hotel of the Year 年度最卓越服務酒店	Travel Weekly Magazine and Events Magazine – China Travel and Meetings Industry Awards 《Travel Weekly 旅訊》雜誌與《Events 商旅圈》雜誌 – 中國旅遊業界獎
	Best Service Hotel 中國最佳服務酒店	Golden Horse Award of China Hotel 中國飯店金馬獎
	Top 10 Glamorous Hotels of China 中國十大最具魅力酒店	China Hotel Starlight Awards 中國酒店星光獎

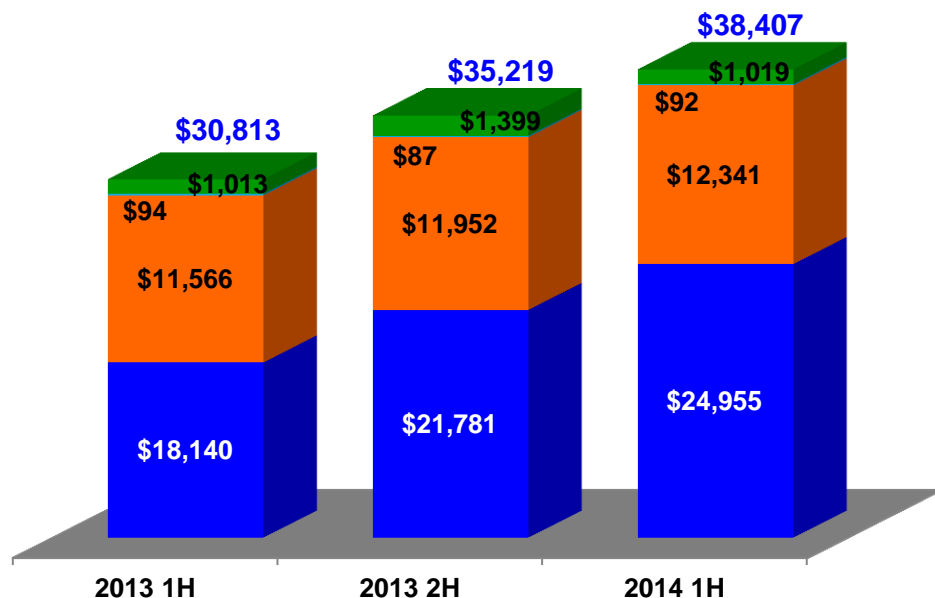


INTERIM RESULTS 2014

GEG Revenue Summary 1H 2014

Revenue in first half 2014 grew 25% YoY to \$38.4 billion driven by Galaxy Macau™

GEG Revenue (HK\$m)



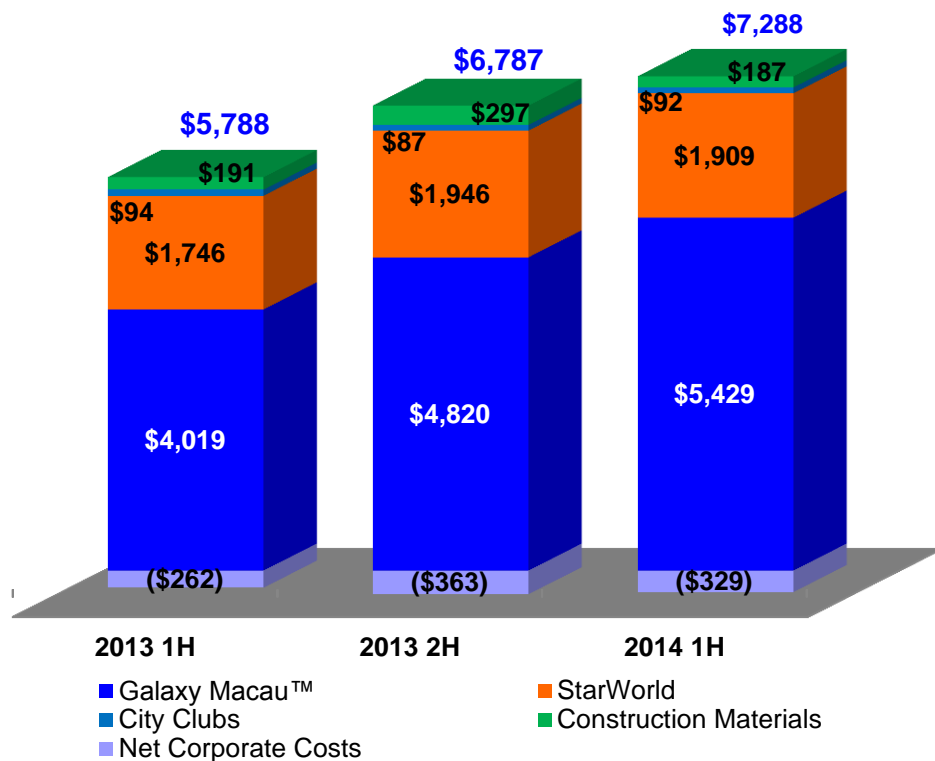
■ Galaxy Macau™
 ■ StarWorld
 ■ City Clubs
 ■ Construction Materials

	1H 14' YoY	2H 13' to 1H 14'
GEG Total	+25%	+9%
Galaxy Macau™	+38%	+15%
StarWorld	+7%	+3%
City Clubs	(2)%	+6%
Construction Materials	+1%	(27)%

GEG EBITDA Summary 1H 2014

Group EBITDA increased 26% YoY to \$7.3 billion in the first half of 2014 led by Galaxy Macau™ despite StarWorld's unlucky VIP

GEG EBITDA (HK\$'m)



	1H 14' YoY	2H 13' to 1H 14'
GEG Total	+26%	+7%
Galaxy Macau™	+35%	+13%
StarWorld	+9%	(2)%
City Clubs	(2)%	+6%
Construction Materials	(2)%	(37)%

GEG 1H 2014 NPAS

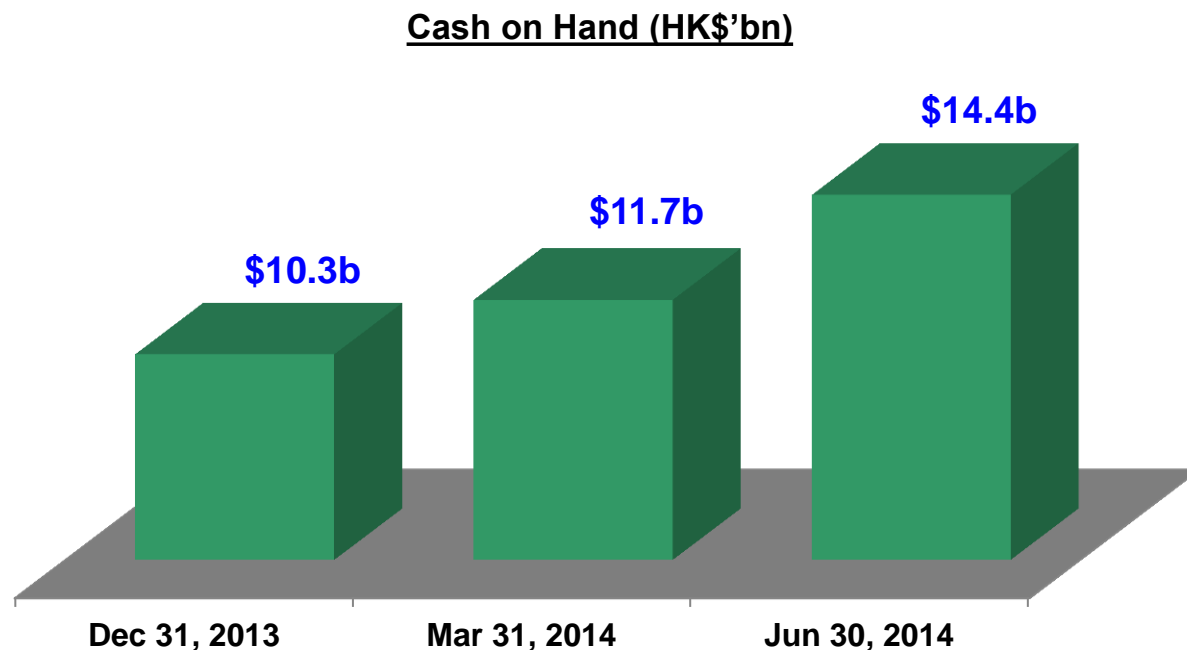
1H 2014 NPAS grew 29% to a record \$6.0 billion

<i>(in HK\$ mn)</i>	1H 2013	1H 2014	14/13 var
Total Revenue (Statutory Basis)	30,813	38,407	25%
EBITDA	5,788	7,288	26%
Net Profit attributable to shareholders (NPAS)	4,646	5,971	29%

Cash on Hand and Long-term Debt Update

GEG continues to remain well capitalized with Cash of \$14.4 billion at June 30, 2014 including restricted cash of \$0.5 billion and a “Net Cash” position of \$14.1 billion

- Remain virtually debt free at June 30, 2014 and further reduced debt by \$102 million from \$450 million at December 31, 2013 to \$348 million at June 30, 2014



GEG Cotai Development Update



Progress of Galaxy Macau™ Phase 2



Cotai and Hengqin Island Development Update

Galaxy Macau™ Phase 2

- Remains on budget and on schedule to complete as Macau's next major project by mid-2015
- Virtually doubles the footprint of Phase 1 with expanded hotel capacity and significant retail offering

Cotai Phases 3 & 4

- Site investigation works for the \$50 - \$60 billion resort due to commence later this year
- Doubles the footprint of Galaxy Macau™'s first 2 phases

Grand Waldo Complex

- Strategically located across the street from Galaxy Macau™ and our Cotai landbank
- Will re-launch in early 2015 and unveil plans in Q4 2014

Hengqin Island

- Developing conceptual plans for the proposed RMB10 billion world class destination resort on a 2.7 sq km land parcel

Summary

Corporate

- Record half year revenue of \$38.4 billion and EBITDA of \$7.3 billion in 2014
- Record half year net profit attributable to shareholders grew 29% YoY to \$6.0 billion
- Previously announced special dividend of \$0.70 per share paid on July 31, 2014
- Announced enhanced employee benefits package for all 16,000 Macau general employees in August 2014
- Announced another special dividend of \$0.45 per share to be paid on or about October 31, 2014

Operations

- Galaxy Macau™ reports \$5.4 billion of EBITDA in 1H 2014
- StarWorld Macau reports \$1.9 billion of EBITDA in 1H 2014
- Galaxy Macau™ and StarWorld Macau deliver healthy LTM ROIs of 59% and 109%, respectively

Financing

- Well capitalized and liquid with \$14.4 billion of cash at June 30, 2014
- “Net Cash” position of \$14.1 billion at June 30, 2014
- Virtually debt free at June 30, 2014

Development Pipeline

- 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
- Grand Waldo Complex refitting under way with expected re-launch in early 2015
- Cotai Phases 3 & 4 site investigation works to commence later this year
- Hengqin Island conceptual planning moving forward to develop a proposed RMB10 billion world class destination resort on a 2.7 sq km land parcel
- Continuously exploring opportunities in overseas markets primarily in Asia

Positioned for Growth



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

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