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## **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 GALAXY MACAU™ PHASE 2**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board of Directors (“Board”) of Galaxy Entertainment Group Limited (“GEG”) is pleased to announce its plans for the second phase of its award winning integrated resort, Galaxy Macau™.

#### **DEVELOPMENT HIGHLIGHTS**

- Phase 2 virtually doubles the size of Galaxy Macau™ to 1.0 million square meters (“sqm”) of space including:
  - Introducing two new luxury hotels including The Ritz-Carlton’s first ever all-suite hotel and the world’s largest JW Marriott for a total of 1,300 rooms and suites for a grand total of over 3,600 rooms and suites across 5 luxury hotels
  - Expanding retail space to over 100,000 sqm and to over 200 luxury stores
  - Increasing meeting, event and banquet space to a capacity of over 3,000 guests
  - Enhancing the world’s largest skytop wave pool with additional leisure amenities and lush tropical gardens
  - Expanding gaming capacity by up to 500 tables and over 1,000 slots
  - Adding over 45 new international food and beverage outlets for a grand total of over 100
- Phase 2 of Galaxy Macau™ will be the next major development to open in Macau with a target completion date of mid 2015
- Construction already launched

#### **FINANCIAL HIGHLIGHTS**

- Phase 2 proposed investment of approximately HK\$16 billion
- Expected to be significantly accretive to GEG’s earnings
- Funded by GEG’s existing cash, cash from operations and debt
- No intention to issue equity

Building on the enormous success of the internationally acclaimed Phase 1 of Galaxy Macau™, and the healthy long term prospects for Macau, GEG is delighted to announce its plans for Macau's next major development: Phase 2 of Galaxy Macau™.

The Board has decided to accelerate the rollout of Phase 2 based on the success of Phase 1 and to align the opening of Phase 2 with the completion of major infrastructure developments in the greater Macau region in mid 2015. These developments will serve as a catalyst for future growth and diversification of Macau's tourism and leisure market.

To complement Phase 1's exceptional hotel offering GEG is extremely pleased to be introducing Marriott International's globally recognized luxury hotel brands including the first ever all-suite The Ritz-Carlton and the world's largest JW Marriott. Marriott International's core values and The Ritz-Carlton hallmark Gold Standards underpinned by a strong understanding of Asian customers' tastes and preferences complements GEG's "World Class, Asian Heart" service philosophy.

Construction of Phase 2 began in the first quarter of 2012, the relevant planning approvals are in place and the property is scheduled to open in mid 2015. The resounding success of Phase 1's "World Class, Asian Heart" service philosophy will continue in Phase 2. In addition to enlarging the gaming space, the retail boulevard will be expanded to over 100,000 sqm to accommodate over 200 luxury stores. GEG also plans to expand its food and beverage outlets by over 45 to over 100 which enhances the already unrivalled selection of superior dining options in Macau.

Galaxy Macau™ will benefit from increased visitation to Macau as major new infrastructure developments in China improve its accessibility, including the expansion of the border gates in Macau and Zhuhai, a high speed railway network, completion of the ferry terminal in Taipa, a super highway between Guangzhou and Zhuhai and the construction of the HK-Zhuhai-Macau Bridge, among others.

GEG will fund the proposed investment of approximately HK\$16 billion through a combination of existing cash, cash generated from operations and debt and does not intend to issue equity. Based on GEG's strong track record of building efficiently and delivering world leading ROIs (Return On Investment), Phase 2 of the integrated resort is expected to be accretive to GEG group's earnings.

As GEG looks into the future, no other operator in Macau is as well placed as GEG to take advantage of Macau's diversification and booming growth. After the completion of Phase 2 of Galaxy Macau™, GEG will still have 1 million sqm of contiguous permitted building area for future development. This is an area as large as the combined Phase 1 and Phase 2 of Galaxy Macau™. Its development will see GEG diversify its long-term income stream by attracting an ever increasing number of new customers aspiring for a truly unique resort experience in Macau.

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

Hong Kong, 26 April 2012

*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.*

Website: [www.galaxyentertainment.com](http://www.galaxyentertainment.com)