



GALAXY ENTERTAINMENT GROUP SELECTED UNAUDITED Q1 2016 FINANCIAL DATA

**GROUP ADJUSTED EBITDA OF \$2.4 BILLION
UP 6% YEAR-ON-YEAR AND DOWN 2% QUARTER-ON-QUARTER**

CONTINUE TO DRIVE MASS AND CONTROL COSTS

**PREVIOUSLY ANNOUNCED SPECIAL DIVIDEND OF \$0.15 PER SHARE
PAYABLE ON 29 APRIL 2016**

Hong Kong, 27 April 2016 – Galaxy Entertainment Group Limited (“GEG” or “the Group”) (HKEx stock code: 27) today reported selected unaudited 2016 first quarter financial data for the three months ended 31 March 2016.

Q1 2016 HIGHLIGHTS

GEG: Continues to Drive Mass and Control Costs

- Revenue of \$13.4 billion, up 1% sequentially and down 2% year-on-year
- Adjusted EBITDA of \$2.4 billion, down 2% sequentially and up 6% year-on-year
- Combined seven hotels virtually fully occupied
- Latest twelve months Adjusted EBITDA of \$8.9 billion

Galaxy Macau™: Solid Performance Driven by Mass

- Revenue of \$9.8 billion, increased 2% sequentially and 6% year-on-year
- Adjusted EBITDA of \$2.0 billion, flat sequentially and up 12% year-on-year
- Hotel occupancy at 99%

StarWorld Macau: Continues Successful Transition to Mass

- Revenue of \$2.9 billion, down 2% sequentially and 26% year-on-year
- Adjusted EBITDA of \$512 million, down 8% sequentially and 15% year-on-year
- Hotel occupancy at 97%

Broadway Macau™: Family Friendly, Macau SME Concept, Delivers Modest Profit

- Revenue of \$181 million, increased 5% sequentially
- Adjusted EBITDA of \$3.0 million (Q4 2015: \$(4.0) million)
- Hotel occupancy at 99%

Development Update: Advancing Plans for Macau’s Largest Landbank

- Cotai Phases 3 & 4 – Site investigation works expected to commence in 2016
- Hengqin – Plans to develop a world class destination resort on a 2.7 sq.km land parcel moving forward
- International – Continuously exploring opportunities in overseas markets

Balance Sheet: Well Capitalized, Liquid and Virtually Debt Free

- Cash on hand of \$8.8 billion and a net cash position of \$8.0 billion
- Scheduled to pay another special dividend of \$0.15 per share, totaling \$640 million, on 29 April 2016, bringing total dividends paid to \$7.3 billion since July 2014
- Remain virtually debt free



Dr. Lui Che Woo, Chairman of GEG said:

“We experienced a solid start to 2016 with first quarter Adjusted EBITDA of \$2.4 billion, as we adjust to changes in the Macau market. We continue to see signs that the market is potentially stabilizing in the near term and remain confident in the long term prospects of Macau.

We remain focused on executing operationally as we continue to drive our mass business while diligently managing our cost structure. Since launching our \$800 million cost control program in early 2015, we have realized savings of approximately \$650 million up to 31 March 2016 with the balance to be delivered over the remainder of this year. We have achieved these cost savings without adversely impacting our ‘World Class, Asian Heart’ customer service standards for which we are renowned or pursuing local labor redundancies.

As always, we continue to drive each and every segment of the business and allocate resources to their highest and best use.

Our exciting development plans for Galaxy Macau™ Phase 3 are progressing and will include a range of unique and differentiated offerings that will support the Macau Government’s objective to develop Macau into a World Center of Tourism and Leisure. These include significant MICEE facilities, a range of hotel options, a unique retail and lifestyle precinct and a truly differentiated family themed entertainment offer. We look forward to unveiling our plans in the near future.

As previously announced we will be paying another special dividend of \$0.15 per share on 29 April 2016. This will bring total dividends paid since July 2014 to approximately \$7.3 billion. Our balance sheet remains exceptionally strong and liquid with net cash of \$8.0 billion and we remain virtually debt free.

We continue to believe that Macau has a very bright future. Unchanged long term fundamental growth drivers such as rising domestic consumption in China and a rapidly expanding middle class that aspires to travel more frequently supported by major infrastructure improvements, underpin our belief that Macau will register strong visitor growth in the years ahead.

Finally, I would like to take this opportunity to thank all of our committed and hard-working staff, who deliver exceptional customer moments and are committed to our renowned ‘World Class, Asian Heart’ service philosophy.”

Market Overview

Over the last eight quarters the Macau market has experienced a number of strong headwinds that have impacted revenues. After this extended period we are encouraged by the fact that first quarter 2016 gaming revenue grew 2% sequentially to \$55 billion. Visitor arrivals, whilst slightly down over the past twelve months, have remained robust at approximately 30 million visitations per year, where recent policy changes hopefully serve as a catalyst for future growth.

Group Financial Results

The Group posted quarterly revenue of \$13.4 billion in the first quarter of 2016 and Adjusted EBITDA of \$2.4 billion. Galaxy Macau™’s Adjusted EBITDA was \$2 billion, flat sequentially and up 12% year-on-year. StarWorld Macau’s Adjusted EBITDA was \$512 million, decreased 8% sequentially and 15% year-on-year. Broadway Macau™ reported an Adjusted EBITDA of \$3 million. GEG’s Construction Materials Division and City Clubs made solid contributions of \$92 million and \$26 million, respectively.



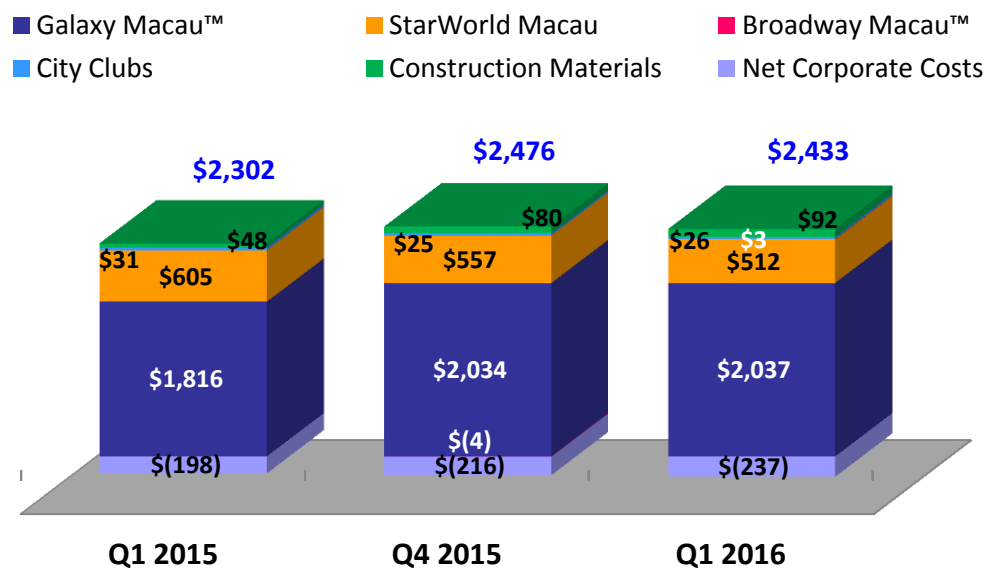
GEG experienced good luck in its gaming operation during Q1 2016, which increased its Adjusted EBITDA by approximately \$100 million.

Balance Sheet and Special Dividends

The Group's balance sheet continues to be one of the strongest in the industry with healthy liquidity and virtually debt free. At 31 March 2016, GEG's cash on hand was \$8.8 billion and net cash position was \$8.0 billion with debt of \$0.8 billion. As previously announced we are scheduled to pay another special dividend of \$0.15 per share on 29 April 2016 totaling \$640 million, bringing total dividends paid to \$7.3 billion since July 2014.

The Group's total gaming revenue on a management basis¹ in Q1 2016 of \$12.7 billion increased by 2% quarter-on-quarter and decreased by 5% year-on-year. Total mass table games revenue of \$5.0 billion increased by 2% quarter-on-quarter and 17% year-on-year. Total VIP revenue grew 3% quarter-on-quarter to \$7.2 billion but dropped 17% year-on-year as we continue to allocate our resources to their highest and best use and transition the business to the mass market and non-gaming.

Q1 2016 Adjusted EBITDA (HK\$'m)



Galaxy Macau™

In Q1 2016, Galaxy Macau™ reported Adjusted EBITDA was \$2.0 billion, flat sequentially and up 12% year-on-year. Revenue of \$9.8 billion represented an increase of 2% quarter-on-quarter and 6% year-on-year. The vast majority of Galaxy Macau™'s earnings are generated by the mass market and non-gaming offerings.

¹ The primary difference between statutory revenue and management basis revenue is the treatment of City Clubs revenue where fee income is reported on a statutory basis and gaming revenue is reported on a management basis.



Galaxy Macau™ experienced good luck in its gaming operations which increased its Adjusted EBITDA by approximately \$135 million in Q1 2016.

Adjusted EBITDA margin under HKFRS was 21% (Q1 2015: 20%), or 27% under US GAAP (Q1 2015: 27%) in Q1 2016.

VIP Gaming Performance

Total VIP rolling chip volume for the first quarter was \$130.5 billion. This translated into revenue of \$5.5 billion, an increase of 5% quarter-on-quarter but down 3% year-on-year.

VIP Gaming

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Turnover	156,645	136,630	130,536	-4%	-17%
Net Win	5,623	5,177	5,458	5%	-3%
Win %	3.6%	3.8%	4.2%		

Mass Gaming Performance

First quarter revenue increased by 14% year-on-year to \$3.3 billion, and was up 2% sequentially.

Mass Gaming

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Table Drop	6,018	7,410	7,734	4%	29%
Net Win	2,879	3,217	3,284	2%	14%
Hold %	47.8%	43.4%	42.5%		

Electronic Gaming Performance

In the first quarter, electronic gaming revenue was up 21% year-on-year but down 19% quarter-on-quarter at \$381 million.

Electronic Gaming

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Slots Handle	7,608	12,323	11,542	-6%	52%
Net Win	316	468	381	-19%	21%
Hold %	4.2%	3.8%	3.3%		

Non-Gaming Performance

Non-gaming revenue for the first quarter 2016 was \$666 million, an increase of 71% on last year. The combined five hotels registered occupancy of 99% for Q1 2016. Net rental revenue for the Promenade was \$196 million in Q1 2016.



Non-Gaming Revenue

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Net Rental Revenue	56	269	196	-27%	250%
Hotel Revenue / F&B / Others	333	473	470	-1%	41%
Total	389	742	666	-10%	71%

StarWorld Macau

StarWorld Macau generated quarterly revenue of \$2.9 billion, down 2% sequentially and 26% year-on-year. Adjusted EBITDA was \$512 million which decreased 8% sequentially and 15% year-on-year due to lower VIP volumes as the property continues to transition to the mass market.

First quarter Adjusted EBITDA margin under HKFRS was 18% (Q1 2015: 15%), or 24% under US GAAP (Q1 2015: 23%).

StarWorld Macau experienced bad luck in its gaming operations which decreased its Adjusted EBITDA by approximately \$35 million during Q1 2016.

VIP Gaming Performance

StarWorld Macau reported VIP rolling chip volume of \$59.2 billion in Q1 2016. This translated into revenue of \$1.7 billion, a 2% quarter-on-quarter and 43% year-on-year reduction.

VIP Gaming

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Turnover	88,491	52,981	59,200	12%	-33%
Net Win	2,905	1,692	1,659	-2%	-43%
Win %	3.3%	3.2%	2.8%		

Mass Gaming Performance

First quarter mass gaming revenue increased 25% year-on-year to \$1.2 billion and decreased modestly 1% quarter-on-quarter.

Mass Gaming

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Table Drop	2,330	2,887	3,019	5%	30%
Net Win	939	1,187	1,178	-1%	25%
Hold %	40.3%	41.1%	39.0%		

Electronic Gaming Performance

First quarter electronic gaming revenue was \$24 million, down 27% year-on-year and flat quarter-on-quarter.



Electronic Gaming

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Slots Handle	497	467	409	-12%	-18%
Net Win	33	24	24	0%	-27%
Hold %	6.6%	5.1%	5.9%		

Non-Gaming Performance

Non-gaming revenue for Q1 2016 was \$56 million and hotel occupancy remained high at 97%.

Non-Gaming Revenue

HK\$'m	Q1 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Net Rental Revenue	8	9	9	0%	13%
Hotel Revenue / F&B / Others	80	52	47	-10%	-41%
Total	88	61	56	-8%	-36%

Broadway Macau™

Broadway Macau™ is a family friendly / Macau SME concept that caters for all price points. It does not have a VIP gaming component. The property recorded revenue of \$181 million and Adjusted EBITDA of \$3 million in Q1 2016.

Broadway Macau™ experienced bad luck in its gaming operations which reduced its Adjusted EBITDA by approximately \$1 million in the first quarter of 2016.

Mass Gaming Performance

First quarter gaming revenue was \$131 million, an increase of 6% quarter-on-quarter.

Mass Gaming

HK\$'m	Q3 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Table Drop	495	548	600	9%	n/a
Net Win	124	124	131	6%	n/a
Hold %	25.1%	22.7%	21.9%		

Electronic Gaming Performance

First quarter electronic gaming revenue was \$7 million, a 13% decrease compared to last quarter.

Electronic Gaming

HK\$'m	Q3 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Slots Handle	122	131	143	9%	n/a
Net Win	8	8	7	-13%	n/a
Hold %	6.8%	5.6%	5.1%		



Non-Gaming Performance

First quarter non-gaming revenue was \$43 million, up 8% quarter-on-quarter and hotel occupancy was virtually 100%.

Non-Gaming Revenue

HK\$'m	Q3 2015	Q4 2015	Q1 2016	QoQ%	YoY%
Net Rental Revenue	12	11	14	27%	n/a
Hotel Revenue / F&B / Others	45	29	29	0%	n/a
Total	57	40	43	8%	n/a

City Clubs and Construction Materials Division

City Clubs contributed \$26 million of Adjusted EBITDA to the Group's earnings (Q1 2015: \$31 million). The Construction Materials Division posted Adjusted EBITDA of \$92 million (Q1 2015: \$48 million).

Development Update – Cotai and Hengqin

Phases 3 & 4 on Cotai

GEG has the largest contiguous development landbank of any operator in Macau. Cotai Phases 3 & 4, which will add approximately one million square meters to GEG's existing footprint, are expected to be more mass and family orientated, with a significant MICEE, hotels and a family themed entertainment offering. Site investigation works are expected to begin this year.

Hengqin

GEG is excited by its potential for Hengqin to become another major business and leisure hub and is exploring the option to develop a world class destination resort on a 2.7 square kilometer land parcel on the island. This low rise, low density resort will complement the Group's existing properties in Macau.

Selected Major Awards

Award	Presenter
GEG	
Socially Responsible Operator	International Gaming Awards
Top 100 HK Listed Companies Awards – Comprehensive Strength	QQ.com x Finet
Top 10 Hoteliers of the Year – Mr. Francis Lui	China Hotel Starlight Awards
Marketing Team of the Year	IAIR Awards
Galaxy Macau™	
The Supreme Award for the Most Favored Integrated Resort by Parent-Child in Asia	Golden Horse Award of China Hotel



The Best Integrated Resort and Hotel Service and Brand	Exmoo – Macau Elite Service Award
Forbes Travel Guide - Five Stars Hotel (Banyan Tree Macau)	Forbes Travel Guide
A CEO's Dining Guide – 8 ½ Otto e Mezzo BOMBANA, YAMAZATO, Belon	South China Morning Post – 100 Top Tables 2016
KitchenAid Pastry Chef of the Year (Regional) – Gunther Wolfsgruber	World Gourmet Summit
StarWorld Macau	
The Supreme Award for the Most Glamorous Hotel of Asia	Golden Horse Award of China Hotel
Top 10 Glamorous Hotels of China	China Hotel Starlight Awards
A CEO's Dining Guide – Feng Wei Ju, Jade de Jardin	South China Morning Post – 100 Top Tables 2016

Group Outlook for 2016

The Group has again performed credibly in what continues to be a challenging market environment. This achievement reflects the strength of its property portfolio, with Galaxy Macau™ Phase 2 and Broadway Macau™ successfully ramping up, management's diligent focus on effectively managing properties to ensure resources are allocated to their highest and best use, and the implementation of cost controls as part of an \$800 million program of savings.

GEG continues to be optimistic about the medium to long term outlook for Macau and the industry. China's structural transition to a consumption-based economy and the growth of a very large middle class is redefining the domestic leisure and tourism landscape. Macau's ongoing development and diversification into a World Center of Tourism and Leisure, supported by major infrastructure improvements that will transform access to the region, will enable it to capture a strong share of this expected significant increase in Chinese traveler numbers in the years ahead. In the shorter term, GEG is encouraged by continuing signs of potential market stabilization, as evidenced by four consecutive quarters where Macau market gaming revenue ranged between \$53 and \$55 billion, strong occupancy rates at the Group's seven hotels, and year-on-year double digit mass revenue growth at GEG's two flagship properties in the first quarter of 2016. Nonetheless, GEG will continue to exercise caution in light of the unpredictable and volatile business and economic environment.

GEG's exceptionally strong balance sheet, recently enhanced and differentiated proposition, and well defined development pipeline position us well to prosper as market conditions turn more favorable.

- END -



About Galaxy Entertainment Group (HKEx stock code: 27)

Galaxy Entertainment Group Limited (“GEG” or the “Group”) is one of the world’s leading hospitality and gaming companies. It primarily develops and operates hotels, gaming and integrated resort facilities in Macau. The Group is listed on the Hong Kong Stock Exchange and is a member of the Hang Seng Index.

GEG is one of six gaming concessionaires in Macau with a track record of delivering innovative, spectacular and industry leading properties, products and services, underpinned by a “World Class, Asian Heart” service philosophy, that has enabled it to consistently outperform the wider market.

GEG operates three flagship venues in Macau: on Cotai, Galaxy Macau™, one of the world’s largest integrated destination resorts, and the adjoining Broadway Macau™, a new hotel, entertainment and retail landmark destination; and on the Peninsula, StarWorld Macau, an award winning high end property.

The Group has the largest development pipeline of any concessionaire in Macau. When Phases 3 & 4 of its Cotai landbank are completed, GEG’s footprint on Cotai will double to more than 2 million square meters. GEG has also entered into a framework agreement to develop a low rise, low density world class destination resort on a 2.7 square kilometer land parcel on Hengqin adjacent to Macau. This resort will complement GEG’s offer in Macau, differentiate it from its peers and support Macau in its vision to become a World Centre of Tourism and Leisure. Additionally, we continue to explore international development opportunities.

GEG is committed to delivering unique ‘World Class, Asian Heart’ holiday experiences to its guests and building a sustainable future for Macau.

GEG also operates a Construction Materials Division.

For more information about the Group, please visit www.galaxyentertainment.com