



GALAXY ENTERTAINMENT GROUP

SELECTED UNAUDITED Q3 2019 FINANCIAL DATA

**Q3 ADJUSTED EBITDA OF \$4.1 BILLION,
UP 6% YOY, DOWN 5% QOQ**

**SOLID MASS PERFORMANCE, CHALLENGING VIP,
RECORD NON-GAMING REVENUE**

**CONTINUES TO PROGRESS WITH DEVELOPMENT WORKS,
COTAI PHASES 3 & 4 AND JAPAN DEVELOPMENT PLANS**

PAID PREVIOUSLY ANNOUNCED SPECIAL DIVIDEND OF \$0.46/SHARE

Tokyo, 7 November 2019 – Galaxy Entertainment Group (“GEG”, “Company” or the “Group”) (HKEx stock code: 27) today reported selected unaudited financial data for the three months period ended 30 September 2019. (All amounts are expressed in HKD unless otherwise stated)

Q3 2019 RESULTS HIGHLIGHTS

GEG: Solid Mass Performance, Challenging VIP and Record Non-Gaming Revenue

- Q3 Group Net Revenue of \$12.7 billion, down 2% year-on-year and down 4% quarter-on-quarter
- Q3 Group Adjusted EBITDA of \$4.1 billion, up 6% year-on-year, down 5% quarter-on-quarter
- Played lucky in Q3 which increased Adjusted EBITDA by approximately \$184 million, normalized Q3 Adjusted EBITDA of \$3.9 billion, down 7% year-on-year and down 1% quarter-on-quarter
- Latest twelve months Adjusted EBITDA of \$16.8 billion, up 1% year-on-year, up 1% quarter-on-quarter

Galaxy Macau™: Solid Mass Performance, Property Enhancement Program on Track

- Q3 Net Revenue of \$9.3 billion, flat year-on-year and down 2% quarter-on-quarter
- Q3 Adjusted EBITDA of \$3.2 billion, up 7% year-on-year, down 2% quarter-on-quarter
- Played lucky in Q3 which increased Adjusted EBITDA by approximately \$171 million, normalized Q3 Adjusted EBITDA of \$3.0 billion, down 9% year-on-year and up 1% quarter-on-quarter
- Hotel occupancy for Q3 across the five hotels was virtually 100%

StarWorld Macau: Solid Mass Performance, Property Enhancement Program on Track

- Q3 Net Revenue of \$2.5 billion, down 14% year-on-year and down 9% quarter-on-quarter
- Q3 Adjusted EBITDA of \$828 million, down 11% year-on-year, down 12% quarter-on-quarter
- Played lucky in Q3 which increased Adjusted EBITDA by approximately \$15 million, normalized Q3 Adjusted EBITDA of \$813 million, down 13% year-on-year and down 4% quarter-on-quarter
- Hotel occupancy for Q3 was virtually 100%

Broadway Macau™: A Unique Family Friendly Resort, Strongly Supported By Macau SMEs

- Q3 Net Revenue of \$141 million, versus \$145 million in Q3 2018 and \$147 million in Q2 2019
- Q3 Adjusted EBITDA was \$2 million, versus \$9 million in Q3 2018 and \$6 million in Q2 2019
- Played unlucky in Q3 which decreased Adjusted EBITDA by approximately \$2 million, normalized Q3 Adjusted EBITDA of \$4 million, versus \$13 million in Q3 2018 and \$2 million in Q2 2019
- Hotel occupancy for Q3 was virtually 100%

Balance Sheet: Healthy and Liquid Balance Sheet

- As at 30 September 2019, cash and liquid investments were \$49.2 billion and net cash was \$47.2 billion
- As at 30 September 2019, debt was \$2.0 billion primarily reflects ongoing treasury yield management initiative
- Paid the previously announced special dividend of \$0.46 per share on 25 October 2019



Development Update: Continue to Pursue Development Opportunities

- Continue to progress with the previously announced \$1.5 billion renovation enhancement program in both Galaxy Macau™ and StarWorld Macau
- Cotai Phases 3 & 4 – Continue with development works for Phases 3 & 4, with a strong focus on non-gaming, primarily targeting MICE, entertainment, family facilities and also including gaming
- In August 2019 we introduced Galaxy International Convention Center (GICC) and Galaxy Arena and we are pleased to welcome Hyatt Hotel's first Andaz Hotel to Macau and the Galaxy Resorts Precinct.
- Hengqin – Refining our plans for a lifestyle resort to complement our high-energy entertainment resorts in Macau
- International – Continuously exploring opportunities in overseas markets, including Japan

Dr. Lui Che Woo, Chairman of GEG said:

“Today I am pleased to report the third quarter results for the Group in 2019. Given the overall market conditions and weaker global consumer sentiment we believe the Group has delivered solid financial results. Macau has faced numerous headwinds in 2019, these includes ongoing trade tensions, a slowing global economy, regional competition, currency fluctuation, disruptions in Hong Kong among others. These events have been impacting consumer sentiment and subsequent spending habits.

Despite the above mentioned challenges, in Q3 2019 Group Net Revenue decreased only 2% year-on-year to \$12.7 billion and Adjusted EBITDA increased 6% year-on-year to \$4.1 billion. Our balance sheet continued to be solid with total cash and liquid investments of \$49.2 billion and net cash of \$47.2 billion. Our solid balance sheet and cash flow from operations allows us to return capital to shareholders through dividends, fund our development pipeline and pursue our international expansion ambitions. On 25 October 2019 we paid a special dividend of \$0.46 per share. These dividends demonstrate our continued confidence in the longer term outlook of Macau and the Company.

We continue to progress with our \$1.5 billion property enhancement program at Galaxy Macau™ and StarWorld Macau, the program continues on schedule and on budget. We are pleased to have recently completed the renovation of two VIP rooms which have been well received by our customers. We will continue to enhance our resorts and anticipate the full program will be completed by mid-2020.

Furthermore, we continue our construction works of Cotai Phases 3 & 4 and continue to refine our development plans for a lifestyle resort in Hengqin. Regarding our expansion efforts in Japan, we continue to strengthen our Japan Development team and build our resources as we move forward in the Integrated Resort process.

In August 2019, we introduced Galaxy International Convention Center (GICC) and Galaxy Arena. GICC includes a world class event venue with total MICE space of 400,000 square feet and a 500,000 square feet 16,000-seat Galaxy Arena. The GICC 100,000 square feet pillar-less Exhibition Hall can host 7,000 guests lecture style, or 2,400 guests banquet hall style, additionally there is a 650-seat Auditorium. We are pleased to welcome Hyatt Hotel's first Andaz Hotel to Macau which will offer 700 high-end and family rooms within the Galaxy Resorts Precinct.

On 25 August 2019, Mr. Ho Iat Seng was elected as the new Macau Chief Executive and he will



assume office on 20 December 2019. We welcome the new Chief Executive and we will actively work with him and support his policies.

We remain confident in the medium to longer term outlook for Macau in general and GEG specifically. Our confidence is supported by the continued growth in demand for tourism, leisure and travel from Mainland China. We also believe the integration of Macau into the Greater Bay Area will be positive for the development of Macau. We are committed to supporting the Macau Government's vision to develop Macau into a World Center of Tourism and Leisure.

Finally, I would like to thank all of our team members who deliver 'World Class, Asian Heart' service each and every day and contribute to the success of the Group."

Macau Market Overview

In Q3 2019, total visitor arrivals to Macau were 9.9 million, up 10% year-on-year, visitor arrivals from Mainland China also grew 10% year-on-year to 7.1 million. Visitors from the cities in the Greater Bay Area which includes Hong Kong grew by 25% year-on-year to 4.9 million. Visitors from outside Guangdong accounted for 53% of total Mainland visitation.

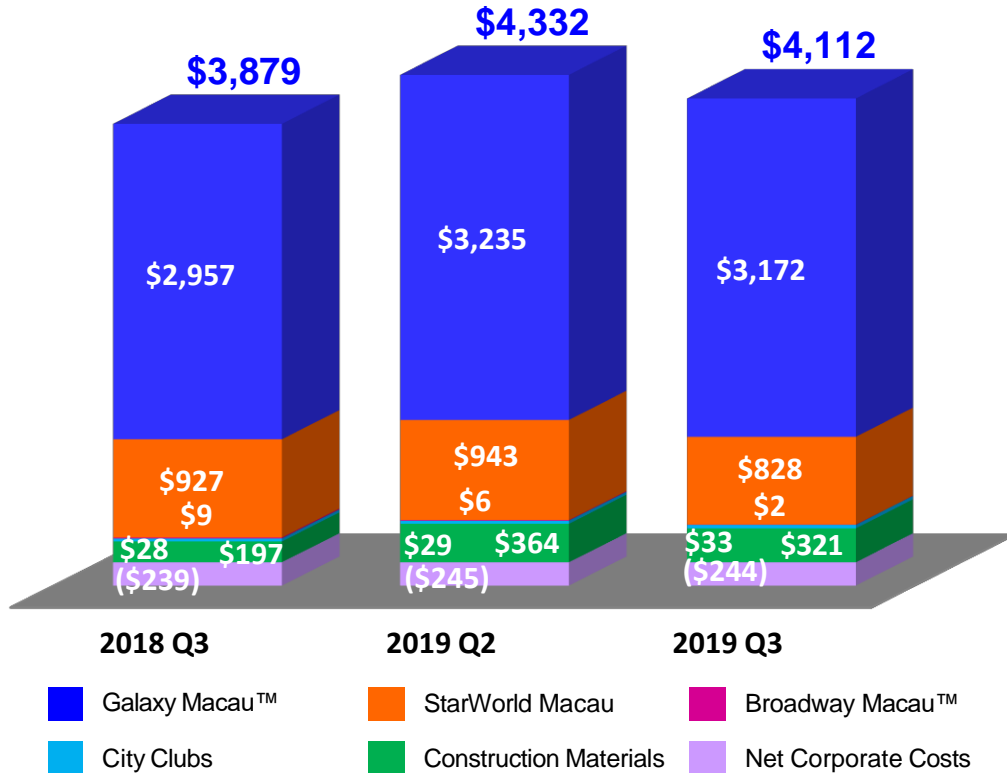
Group Financial Results

In Q3 2019, the Group posted net revenue of \$12.7 billion, down 2% year-on-year and down 4% quarter-on-quarter. Adjusted EBITDA was \$4.1 billion, up 6% year-on-year and down 5% quarter-on-quarter. Galaxy Macau™'s Adjusted EBITDA was \$3.2 billion, up 7% year-on-year and down 2% quarter-on-quarter. StarWorld Macau's Adjusted EBITDA was \$828 million, down 11% year-on-year and down 12% quarter-on-quarter. Broadway Macau™'s Adjusted EBITDA was \$2 million versus \$9 million in Q3 2018 and \$6 million in Q2 2019.

GEG played lucky in Q3 2019 which increased Adjusted EBITDA by approximately \$184 million. Normalized Q3 Adjusted EBITDA was \$3.9 billion, down 7% year-on-year and down 1% quarter-on-quarter.



GEG Adjusted EBITDA (HK\$'m)



The Group's total GGR on a management basis¹ in Q3 2019 was \$14.3 billion, down 10% year-on-year and down 6% quarter-on-quarter. Mass GGR was \$7.3 billion, up 11% year-on-year and up 1% quarter-on-quarter. VIP GGR was \$6.4 billion, down 26% year-on-year and down 13% quarter-on-quarter. Electronic GGR was \$641 million, up 3% year-on-year and up 6% quarter-on-quarter.

¹ The primary difference between statutory gross revenue and management basis gross revenue is the treatment of City Clubs revenue where fee income is reported on a statutory basis and gross gaming revenue is reported on a management basis. At the group level the gaming statistics include Company owned resorts plus City Clubs.



Group Key Financial Data

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Revenues:			
Net Gaming	11,068	11,143	10,603
Non-gaming	1,358	1,315	1,407
Construction Materials	569	716	700
Total Net Revenue	12,995	13,174	12,710
Adjusted EBITDA	3,879	4,332	4,112

Gaming Statistics²

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Rolling Chip Volume ³	264,491	179,666	163,779
Win Rate %	3.3%	4.1%	3.9%
Win	8,604	7,325	6,369
Mass Table Drop ⁴	29,923	30,391	30,424
Win Rate %	22.1%	23.9%	24.1%
Win	6,609	7,266	7,319
Electronic Gaming Volume	18,202	16,647	17,133
Win Rate %	3.4%	3.6%	3.7%
Win	621	607	641
Total GGR Win ⁵	15,834	15,198	14,329

Balance Sheet and Special Dividend

As of 30 September 2019, cash and liquid investments were \$49.2 billion and net cash was \$47.2 billion. Total debt was \$2.0 billion, primarily reflects an ongoing treasury management exercise where interest income on cash holdings exceeds corresponding borrowing costs. GEG paid the previously announced special dividend of \$0.46 per share on 25 October 2019. Our balance sheet combined with cash flow from operations allows us to return capital to shareholders via special dividends and to fund both our Macau development pipeline and international expansion ambitions.

² Gaming statistics are presented before deducting commission and incentives.

³ Reflects junket rolling chip volume only.

⁴ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.

⁵ Total GGR win includes gaming win from City Clubs.



Galaxy Macau™

Galaxy Macau™ is the primary contributor to Group revenue and earnings. In Q3 2019, Galaxy Macau™'s net revenue was \$9.3 billion, flat year-on-year and down 2% quarter-on-quarter. Adjusted EBITDA was \$3.2 billion, up 7% year-on-year and down 2% quarter-on-quarter. Adjusted EBITDA margin under HKFRS was 34% (Q3 2018: 32%).

Galaxy Macau™ played lucky in Q3 2019 which increased Adjusted EBITDA by approximately \$171 million. Normalized Q3 Adjusted EBITDA was \$3.0 billion, down 9% year-on-year and up 1% quarter-on-quarter.

Hotel occupancy for Q3 2019 across the five hotels was virtually 100%.

Galaxy Macau™ Key Financial Data

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Revenues:			
Net Gaming	8,181	8,405	8,108
Hotel / F&B / Others	888	832	897
Mall	268	289	310
Total Net Revenue	9,337	9,526	9,315
Adjusted EBITDA	2,957	3,235	3,172
Adjusted EBITDA Margin	32%	34%	34%

Gaming Statistics⁶

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Rolling Chip Volume ⁷	189,607	125,051	110,279
Win Rate %	3.4%	4.4%	4.4%
Win	6,354	5,501	4,805
Mass Table Drop ⁸	17,650	18,118	18,403
Win Rate %	25.1%	27.6%	27.9%
Win	4,434	4,993	5,129
Electronic Gaming Volume	13,026	11,235	11,359
Win Rate %	4.0%	4.6%	4.6%
Win	527	512	523
Total GGR Win	11,315	11,006	10,457

⁶ Gaming statistics are presented before deducting commission and incentives.

⁷ Reflects junket rolling chip volume only.

⁸ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



StarWorld Macau

In Q3 2019, StarWorld Macau's net revenue was \$2.5 billion, down 14% year-on-year and down 9% quarter-on-quarter. Adjusted EBITDA was \$828 million, down 11% year-on-year and down 12% quarter-on-quarter. Adjusted EBITDA margin under HKFRS was 33% (Q3 2018: 32%).

StarWorld Macau played lucky in Q3 2019 which increased Adjusted EBITDA by approximately \$15 million. Normalized Q3 Adjusted EBITDA was \$813 million, down 13% year-on-year and down 4% quarter-on-quarter.

Hotel occupancy for Q3 2019 was virtually 100%.

StarWorld Macau Key Financial Data

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Revenues:			
Net Gaming	2,794	2,633	2,397
Hotel / F&B / Others	110	110	111
Mall	12	13	13
Total Net Revenue	2,916	2,756	2,521
Adjusted EBITDA	927	943	828
Adjusted EBITDA Margin	32%	34%	33%

Gaming Statistics⁹

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Rolling Chip Volume ¹⁰	73,750	53,905	49,990
Win Rate %	3.0%	3.3%	2.8%
Win	2,191	1,789	1,394
Mass Table Drop ¹¹	9,062	8,877	8,915
Win Rate %	18.5%	19.5%	19.0%
Win	1,680	1,730	1,694
Electronic Gaming Volume	1,945	1,967	2,226
Win Rate %	2.1%	2.0%	2.5%
Win	41	40	55
Total GGR Win	3,912	3,559	3,143

⁹ Gaming statistics are presented before deducting commission and incentives.

¹⁰ Reflects junket rolling chip volume only.

¹¹ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



Broadway Macau™

Broadway Macau™ is a unique family friendly, street entertainment and food resort supported by Macau SMEs, it does not have a VIP gaming component. In Q3 2019, Broadway Macau™'s net revenue was \$141 million, versus \$145 million in Q3 2018 and \$147 million in Q2 2019. Adjusted EBITDA was \$2 million, versus \$9 million in Q3 2018 and \$6 million in Q2 2019. Adjusted EBITDA margin under HKFRS was 1% (Q3 2018: 6%).

Broadway Macau™ played unlucky in Q3 2019 which decreased Adjusted EBITDA by approximately \$2 million. Normalized Q3 Adjusted EBITDA was \$4 million, versus \$13 million in Q3 2018 and \$2 million in Q2 2019.

Hotel occupancy for Q3 2019 was virtually 100%.

Broadway Macau™ Key Financial Data

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Revenues:			
Net Gaming	65	76	65
Hotel / F&B / Others	69	59	66
Mall	11	12	10
Total Net Revenue	145	147	141
Adjusted EBITDA	9	6	2
Adjusted EBITDA Margin	6%	4%	1%

Gaming Statistics¹²

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Mass Table Drop ¹³	368	343	329
Win Rate %	16.9%	21.3%	19.2%
Win	62	73	63
Electronic Gaming Volume	509	444	454
Win Rate %	2.1%	2.4%	2.3%
Win	11	11	10
Total GGR Win	73	84	73

¹² Gaming statistics are presented before deducting commission and incentives.

¹³ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



City Clubs

In Q3 2019, City Clubs contributed \$33 million of Adjusted EBITDA to the Group's earnings, up 18% year-on-year and up 14% quarter-on-quarter.

City Clubs Key Financial Data

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Adjusted EBITDA	28	29	33

Gaming Statistics¹⁴

(HK\$m)

	Q3 2018	Q2 2019	Q3 2019
Rolling Chip Volume ¹⁵	1,134	710	3,510
Win Rate %	5.2%	5.0%	4.9%
Win	59	35	170
Mass Table Drop ¹⁶	2,843	3,053	2,777
Win Rate %	15.2%	15.4%	15.6%
Win	432	470	433
Electronic Gaming Volume	2,722	3,001	3,094
Win Rate %	1.6%	1.5%	1.7%
Win	42	44	53
Total GGR Win	533	549	656

Construction Materials Division

The Construction Materials Division contributed Adjusted EBITDA of \$321 million in Q3 2019, up 63% year-on-year and down 12% quarter-on-quarter.

Development Update

Galaxy Macau™ and StarWorld Macau

To maintain our resorts competitive position, we are proceeding with a \$1.5 billion property enhancement program for Galaxy Macau™ and StarWorld Macau. This program not only enhances our resorts attractiveness, but also includes preparation works for the effective future integration and connectivity of Phases 3 & 4.

¹⁴ Gaming statistics are presented before deducting commission and incentives.

¹⁵ Reflects junket rolling chip volume only.

¹⁶ Mass table drop includes the amount of table drop plus cash chips purchased at the cage.



Cotai – The Next Chapter

GEG is uniquely positioned for long term growth. We continue with development works for Phases 3 & 4, which will include approximately 4,500 hotel rooms, including family and premium high end rooms, 400,000 square feet of MICE space, a 500,000 square feet 16,000-seat multi-purpose arena, F&B, retail and casinos, among others. In August 2019 we introduced Galaxy International Convention Center (GICC) and Galaxy Arena and we are pleased to welcome Hyatt Hotel's first Andaz Hotel to Macau and the Galaxy Resorts Precinct.

Hengqin

We continue to make progress with our concept plan for a lifestyle resort on Hengqin that will complement our high energy resorts in Macau.

International

Our Japan based team continues with our Japan development efforts. We view Japan as a great long term growth opportunity that will complement our Macau operations and our other international expansion ambitions. GEG, together with Monte-Carlo SBM from the Principality of Monaco and our Japanese partners, look forward to bringing our brand of World Class IRs to Japan. We continue to strengthen our Japan Development team and build our resources as we move forward in the Integrated Resort process.

Selected Major Awards in 2019

Award	Presenter
GEG	
Overall Most Outstanding Company in Hong Kong Most Outstanding Company in Hong Kong – Casinos & Gaming Sector	Asiamoney
Gaming and Lodging - Most Honored Company Best IR Companies Combined – First Place Best ESG/SRI Metrics – First Place Best Corporate Governance – First Place	Institutional Investor Magazine – 2019 All Asia Executive Team Survey
Gaming Operator of the Year Australia & Asia	12 th International Gaming Awards
3 Years IR Awards Winning Company Certificate of Excellence	Hong Kong Investor Relations Association
Galaxy Macau™	
Integrated Resort of the Year	12 th International Gaming Awards
Best Integrated Resort Award Best Gaming Floor Award	G2E Asia Awards 2019
Five-Star Hotel Banyan Tree Macau The Ritz-Carlton, Macau	Forbes Travel Guide 2019
Best Fine Dining Restaurant in Macau Fook Lam Moon (Galaxy Macau™) Terrazza Italian Restaurant (Galaxy Macau™)	The Menu 2018



StarWorld Macau	
Asia's Best Catering Service Hotel Supreme Award	The 19 th Golden Horse Awards of China
Broadway Macau™	
Macao Green Hotel Award 2018 - Environmental Performance Silver Award - Broadway Hotel	Environmental Protection Bureau (DSPA)
Construction Materials Division	
The 14 th Occupational Health Award - Joyful@Healthy Workplace Best Practices Award - Excellence Award	Occupational Safety and Health Council
Caring Company Scheme – 15 Years Plus Caring Company Logo	The Hong Kong Council of Social Service
Hong Kong Awards for Environmental Excellence	Environmental Campaign Committee
Corporate Environmental Leadership Award 2018 - EcoPartner	Federation of Hong Kong Industries / Bank of China (Hong Kong)
2018/19 Airport Safety Recognition Scheme - Extraordinary Contribution and Efforts on Airport Safety	Airport Authority Hong Kong

Outlook

In Q4 2019, Macau will have a new Chief Executive Mr. Ho Iat Seng who was elected with wide support and we look forward to him assuming office next month and to his first Policy Address in March 2020. With the solid economic and social foundations that have been made by the previous Chief Executives over the past 20 years, we are confident that the Macau Government will continue the policies of economic diversification.

Also in Q4 2019, we anticipate the opening of new infrastructure and immigration facilities that will support the further development of Macau through increased access to Macau from Mainland China and improved movement within Macau.

We do acknowledge that in the shorter term, current international trade tensions and the slowing global economy may impact customer sentiment and subsequent spending habits. However, we remain confident in the medium to longer term outlook for Macau due to the growing demand throughout Asia for leisure, tourism and travel.

We believe that Macau in general is well positioned to capture this growth and GEG has world class resorts and development pipeline.

We continue to upgrade Galaxy Macau™ and StarWorld Macau through our property enhancement program. GEG is uniquely positioned to capitalize on future growth with Cotai Phases 3 & 4, while also focusing on Hengqin and Japan. Through the balance of 2019 and 2020, the Group will continue to drive every segment of our business by enhancing operational efficiencies and exercising prudent cost control especially in the current market conditions. Furthermore, we will continue to develop our team members through training and upskilling, in order to support the Macau Government's vision to develop Macau into a "World Center of Tourism and Leisure".

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About Galaxy Entertainment Group (HKEx stock code: 27)

Galaxy Entertainment Group (“GEG” or the “Group”) is one of the world’s leading resorts, hospitality and gaming companies. It primarily develops and operates a large portfolio of integrated resort, retail, dining, hotel and gaming facilities in Macau. The Group is listed on the Hong Kong Stock Exchange and is a constituent stock of the Hang Seng Index.

GEG is one of the three original concessionaires in Macau with a successful track record of delivering innovative, spectacular and award-winning properties, products and services, underpinned by a “World Class, Asian Heart” service philosophy, that has enabled it to consistently outperform the market in Macau.

GEG operates three flagship destinations in Macau: on Cotai, Galaxy Macau™, one of the world’s largest integrated destination resorts, and the adjoining Broadway Macau™, a unique landmark entertainment and food street destination; and on the Peninsula, StarWorld Macau, an award winning premium property.

The Group has the largest undeveloped landbank of any concessionaire in Macau. When The Next Chapter of its Cotai development is completed, GEG’s resorts footprint on Cotai will double to more than 2 million square meters, making the resorts, entertainment and MICE precinct one of the largest and most diverse integrated destinations in the world. GEG is also planning to develop a world class, lifestyle leisure resort on a 2.7 square kilometer land parcel on Hengqin adjacent to Macau. This resort will complement GEG’s offerings in Macau, and at the same time differentiate it from its peers while supporting Macau in its vision of becoming a World Centre of Tourism and Leisure.

In July 2015, GEG made a strategic investment in Société Anonyme des Bains de Mer et du Cercle des Etrangers à Monaco (“Monte-Carlo SBM”), a world renowned owner and operator of iconic luxury hotels and resorts in the Principality of Monaco. GEG continues to explore a range of international development opportunities with Monte-Carlo SBM including Japan.

GEG is committed to delivering world class unique experiences to its guests and building a sustainable future for the communities in which it operates.

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