



GALAXY ENTERTAINMENT GROUP LIMITED

銀河娛樂集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 27)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached document on the next page.

As at the date of this announcement, the executive Directors of the Company are Dr. Lui Che Woo (Chairman), Mr. Francis Lui Yiu Tung, Mr. Joseph Chee Ying Keung and Ms. Paddy Tang Lui Wai Yu; the non-executive Directors of the Company are Dr. Moses Cheng Mo Chi, Mr. Anthony Thomas Christopher Carter, Dr. Martin Clarke and Mr. Guido Paolo Gamucci; and the independent non-executive Directors of the Company are Mr. James Ross Ancell, Dr. William Yip Shue Lam and Dr. Patrick Wong Lung Tak.

Hong Kong, 3 December 2008



GALAXY ENTERTAINMENT FINANCE COMPANY LIMITED

Offer to Purchase for Cash

any and all of the Outstanding
US\$250,000,000 Guaranteed Senior Floating Rate Notes due 2010
(ISIN Code USG37093AB09) (Reg. S)
(ISIN Code US36318MAB81) (144A)
and
up to US\$100,000,000 of the Principal Amount Outstanding of the
US\$350,000,000 9.875% Guaranteed Senior Notes due 2012
(ISIN Code USG37093AA26) (Reg. S)
(ISIN Code US36318MAA09) (144A)
issued on December 14, 2005 and listed on the SGX-ST

THE OFFERS AND PRORATION PERIOD WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON MONDAY, DECEMBER 29, 2008, UNLESS THE OFFERS ARE EXTENDED. WITHDRAWAL RIGHTS WILL EXPIRE AT 6:00 P.M., NEW YORK CITY TIME, ON FRIDAY, DECEMBER 12, 2008, UNLESS THEY ARE EXTENDED AS PER THE TERMS OF THIS OFFER TO PURCHASE.

Galaxy Entertainment Finance Company Limited, a company incorporated under the laws of the British Virgin Islands (the "Issuer", "we," "our" or "us"), hereby offers to purchase for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase Statement (as it may be amended or supplemented from time to time, this "Offer to Purchase"), (i) any and all of the US\$250,000,000 Guaranteed Senior Floating Rate Notes due 2010 (the "Floating Rate Notes"), at a price of US\$530 per US\$1,000 principal amount (the "Floating Rate Total Consideration"), and (ii) up to US\$100,000,000 in the aggregate principal amount of the Issuer's outstanding US\$350,000,000 9.875% Guaranteed Senior Notes due 2012 (the "Fixed Rate Notes", and, together with the Floating Rate Notes, the "Notes"), at a price not greater than US\$450 nor less than US\$375 per US\$1,000 principal amount (such price range, the "Fixed Rate Price Range"), with the exact price to be paid determined by the "Modified Dutch Auction" procedure described below (such price as determined, the "Fixed Rate Total Consideration"). The Floating Rate Total Consideration and the Fixed Rate Total Consideration are from time to time referred to as the "Total Consideration" for the applicable series of Notes.

Holders of Notes that validly tender prior to 6:00 p.m., New York City time, Friday, December 12, 2008 (the "Early Tender Date") and do not validly withdraw their Notes, and to the extent their Notes are accepted for payment, will receive the applicable Total Consideration, plus accrued and unpaid interest thereon to, but not including, the date of payment. Holders of Notes that validly tender after the Early Tender Date but prior to 12:00 midnight, New York City time, on Monday, December 29, 2008 (the "Expiration Date") will receive the Total Consideration, less an amount equal to US\$30 for each US\$1,000 principal amount of Notes (the "Early Tender Payment") (such amount, the "Tender Consideration" for the applicable series of Notes), plus accrued and unpaid interest thereon to, but not including, the date of payment. The offer to purchase the Floating Rate Notes and the Fixed Rate Notes are referred to, individually, as an "Offer", and collectively, the "Offers".

The following table summarizes the material terms of the Offers:

Series of Notes and Offer	Principal Amount Outstanding	Early Tender Payment ⁽¹⁾	Total Consideration ⁽¹⁾⁽²⁾
Any and all of the Guaranteed Senior Floating Rate Notes due 2010	US\$250,000,000	US\$30	US\$530
Up to US\$100,000,000 of the 9.875% Guaranteed Senior Notes due 2012	US\$350,000,000	US\$30	US\$375–US\$450 (acceptable bid price range)

(1) per US\$1,000 principal amount of Notes that are accepted for purchase.

(2) includes the Early Tender Payment of US\$30.

This Offer to Purchase contains important information that you should read before making any decision with respect to the Offers. Each of the Offers is not conditioned on the tender of any minimum principal amount of Notes. Each of the Offers is, however, subject to other conditions. See Section 10, "Conditions to the Offers."

The Dealer Manager for the Offer is:

Merrill Lynch & Co.

December 1, 2008

The maximum aggregate principal amount of Fixed Rate Notes that may be purchased in the Offer (US\$100,000,000) is referred to as the “Fixed Rate Offer Amount.” The Fixed Rate Offer Amount represents approximately 29% of the aggregate principal amount of the Fixed Rate Notes outstanding. The Fixed Rate Offer Amount may be increased or decreased at our discretion, subject to compliance with applicable laws.

Under the “Modified Dutch Auction” procedure, we will determine a single purchase price for the Fixed Rate Notes in the Fixed Rate Price Range, that, subject to the terms and conditions of that Offer, will enable us to purchase the Fixed Rate Offer Amount or, if less than the Fixed Rate Offer Amount is validly tendered (and not withdrawn), all Notes so tendered and not withdrawn. We will pay, (i) for Fixed Rate Notes tendered (and not withdrawn) on or prior to the Early Tender Date at or below the Fixed Rate Total Consideration, the same Fixed Rate Total Consideration and (ii) for Fixed Rate Notes tendered (and not withdrawn) after the Early Tender Date but on or prior to the Expiration Date, the Tender Consideration (which is the Fixed Rate Total Consideration less the Early Tender Payment), in each case upon the terms and subject to the conditions of that Offer, including the proration terms of that Offer. Only Fixed Rate Notes validly tendered at prices at or below the Fixed Rate Total Consideration determined by us, and not withdrawn, will be subject to purchase pursuant to that Offer. We will return all Fixed Rate Notes not purchased promptly after that Offer is completed or terminated.

If the amount of Fixed Rate Notes validly tendered (and not withdrawn) on or prior to the Expiration Date (as defined herein) at or below the Fixed Rate Total Consideration exceeds the Fixed Rate Offer Amount, then, subject to the terms and conditions of that Offer, we will accept for payment the Fixed Rate Notes that are validly tendered (and not withdrawn) at or below the Fixed Rate Total Consideration on a pro rata basis from among such validly tendered Fixed Rate Notes. In all cases, we will make appropriate adjustments to avoid purchases of Fixed Rate Notes in a principal amount other than an integral multiple of US\$1,000.

The ISIN Codes for the Floating Rate Notes are: USG37093AB09 and US36318MAB81 and for the Fixed Rate Notes are: USG37093AA26, US36318MAA09. The ISIN Codes referenced above have been assigned by Standard & Poor’s Corporation and are included solely for the convenience of holders of the Notes. The Issuer, the Dealer Manager and the Information and Tender Agent shall not be responsible for the selection or use of these ISIN Codes, and no representation is made as to their correctness on the Notes or as indicated in this Offer to Purchase.

The Issuer’s sole Director has approved the making of the Offer. However, none of the Issuer, its sole Director, the Dealer Manager, the Information and Tender Agent nor any of their respective affiliates makes any recommendation to you as to whether you should tender or refrain from tendering your Notes or as to the price or prices at which you may choose to tender your Notes. You must make your own decision as to whether to tender your Notes and, if so, the aggregate principal amount of Notes to tender and the price or prices at which your Notes should be tendered.

Questions and requests for assistance in connection with the Offers may be directed to Merrill Lynch & Co., which is acting as Dealer Manager in connection with the Offers (the “Dealer Manager”). Requests for additional copies of this Offer to Purchase may be directed to Bondholder Communications Group, which is acting as Information and Tender Agent in connection with the Offers (the “Information and Tender Agent”). The address and telephone numbers for each of the Dealer Manager and the Information and Tender Agent are set forth on the back cover of this Offer to Purchase. Requests for additional copies of this Offer to Purchase may also be directed to brokers, dealers, commercial banks or trust companies.

IMPORTANT INFORMATION

Any holder desiring to tender Notes before the Offers expire must (a) properly transmit an Agent's Message (as defined below) and any other required documents to Bondholder Communications Group (the "Information and Tender Agent") and deliver such Notes pursuant to the procedure for book-entry transfer set forth in Section 7, "Procedures for Tendering Notes," prior to the expiration of the Offers or (b) request such holder's broker, dealer, commercial bank, trust company or other nominee to effect the tender for such holder. A holder having Notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if such holder desires to tender such Notes.

We have not provided guaranteed delivery provisions in connection with the Offers. Notes being tendered must be delivered to the Information and Tender Agent in accordance with the procedures described in this Offer to Purchase on or prior to the Early Tender Date (in order for you to receive the applicable Total Consideration) or after the Early Tender Date and on or prior to the Expiration Date (in order for you to receive the applicable Tender Consideration).

WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON OUR BEHALF AS TO WHETHER YOU SHOULD TENDER OR REFRAIN FROM TENDERING YOUR NOTES IN THE OFFERS. WE HAVE NOT AUTHORIZED ANY PERSON TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFERS OTHER THAN THOSE CONTAINED IN THIS DOCUMENT. IF GIVEN OR MADE, ANY RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN MADE BY US, THE DEALER MANAGER OR THE INFORMATION AND TENDER AGENT.

This Offer to Purchase does not constitute an offer to purchase or the solicitation of an offer to sell securities in any circumstances or in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities or blue sky laws or otherwise. The delivery of this Offer to Purchase shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in our affairs since the date hereof.

See "Certain Significant Considerations" and "Certain Tax Considerations" for discussions of certain factors that should be considered in evaluating the Offers.

This Offer to Purchase has not been reviewed by any federal or state securities commission or regulatory authority of any country, nor has any such commission or authority passed upon the accuracy or adequacy of this Offer to Purchase. Any representation to the contrary is unlawful and may be a criminal offense.

TABLE OF CONTENTS

	<u>Page</u>
IMPORTANT INFORMATION	ii
SUMMARY TERM SHEET	1
AVAILABLE INFORMATION	7
FORWARD-LOOKING STATEMENTS	7
THE OFFERS	8
1. Purpose of the Offers	8
2. Terms of the Offers	8
3. Certain Significant Considerations	10
4. Information Concerning the Issuer	11
5. Description of the Notes and Related Matters	11
6. Acceptance of Notes for Payment; Accrual of Interest	13
7. Procedures for Tendering Notes	14
8. Withdrawal of Tenders	18
9. Source and Amount of Funds	19
10. Conditions to the Offers	19
11. Certain Tax Considerations	21
12. The Dealer Manager and Information and Tender Agent	23
13. Solicitation	24
14. Fees and Expenses	24
15. Miscellaneous	24

SUMMARY TERM SHEET

The following are answers to some of the questions that you, as a holder of the Notes, may have. We urge you to read the remainder of this Offer to Purchase carefully because this summary may not contain all of the information that may be important to you. This summary is qualified in its entirety by reference to the complete contents of this Offer to Purchase.

Information about the Offer

Who is offering to purchase my Notes? (Page 8)

- Galaxy Entertainment Finance Company Limited, the issuer of the Guaranteed Senior Floating Rate Notes due 2010 and the 9.875% Guaranteed Senior Notes due 2012, is offering to purchase the Notes.

What principal amount of Notes is offered to be purchased? (Page 8)

- We are offering to purchase for cash any and all of the outstanding Floating Rate Notes, and up to US\$100,000,000 aggregate principal amount of the outstanding Fixed Rate Notes. We call this amount the “Fixed Rate Offer Amount”.
- As of December 1, 2008 there was US\$250,000,000 aggregate principal amount of Floating Rate Notes and US\$350,000,000 aggregate principal amount of the Fixed Rate Notes outstanding.

What will be the purchase price for my Notes? (Page 8)

- We are offering to purchase the Floating Rate Notes for cash at a price equal to US\$530 per US\$1,000 principal amount (we call this the “Floating Rate Total Consideration”), and the Fixed Rate Notes for cash at a price not greater than US\$450 nor less than US\$375 per US\$1,000 principal amount, in each case plus accrued and unpaid interest thereon to, but not including, the date of payment. We call the price range for the Fixed Rate Notes the “Fixed Rate Price Range”.
- We will determine the exact price to be paid for Fixed Rate Notes purchased in that Offer using a “Modified Dutch Auction” procedure. As is described further below, you are permitted to tender your Fixed Rate Notes in that Offer at any price within the Fixed Rate Price Range. We will determine a single Fixed Rate Total Consideration within the Fixed Rate Price Range, that, subject to the terms and conditions of the Offer, we will pay for Notes purchased pursuant to that Offer, taking into account the principal amount of Notes so tendered and the prices specified by tendering holders. When we refer to the “Fixed Rate Total Consideration”, we mean the single lowest price at which, based on the amount of the Fixed Rate Notes tendered and the prices specified by the tendering holders, we can purchase the Fixed Rate Offer Amount or, if less than Fixed Rate Offer Amount of Notes is validly tendered (and not withdrawn), all Fixed Rate Notes so tendered and not withdrawn.
- In order to receive the Fixed Rate Total Consideration (assuming you tendered at a price equal to or below the Fixed Rate Total Consideration) or the Floating Rate Total Consideration, you must validly tender (and not withdraw) your Notes on or prior to the Early Tender Date. If you validly tender your Notes after the Early Tender Date, but on or prior to the Expiration Date, you will receive the Fixed Rate Total Consideration (assuming you tendered at a price equal to or below the Fixed Rate Total Consideration) or the Floating Rate Total Consideration, as applicable, less an amount equal to US\$30 per US\$1,000 principal amount of the Notes.

- You will not have to pay any transfer taxes or fees or commissions on the applicable Total Consideration or Tender Consideration (as applicable) paid to you for your Notes. You may be required to pay commissions to your broker in connection with your tender of Notes. U.S. federal income tax considerations and British Virgin Islands tax considerations relating to a tender of your Notes are described below. See Section 2, “Terms of the Offers” and Section 11, “Certain Tax Considerations.”

How do I specify the price at which I am tendering the Fixed Rate Notes? (Page 14)

- When tendering your Fixed Rate Notes, you must properly indicate the price at which you are tendering by one of two pricing methods. Specifically, you must indicate the price (in multiples of US\$2.50 per US\$1,000 principal amount) at which you wish to tender your Fixed Rate Notes, within the Fixed Rate Price Range. Alternatively, you may elect not to specify a price, in which case you will be deemed to have specified the lowest price of US\$375. We call this amount the “Minimum Fixed Rate Offer Price”. If the Fixed Rate Total Consideration that we pay for the Fixed Rate Notes is higher than the Minimum Fixed Rate Offer Price, you will receive the higher Fixed Rate Total Consideration for your Fixed Rate Notes purchased in that Offer if you tendered your notes (and do not withdraw) on or prior to the Early Tender Date, or, you will receive the Tender Consideration for the Fixed Rate Notes (which is the Fixed Rate Total Consideration less the price of US\$30 per US\$1,000 principal amount of the Notes) if you tendered your notes after the Early Tender Date and on or prior to the Expiration Date.

Is there a minimum principal amount of Notes that needs to be tendered as a condition to the Offers? (Page 20)

- There is no minimum principal amount of the Floating Rate Notes or Fixed Rate Notes that needs to be tendered as a condition to either Offer. If less than the Fixed Rate Offer Amount is validly tendered, and the conditions to the Offers are satisfied or waived, all Notes validly tendered (and not withdrawn) will be accepted and the highest purchase price selected by tendering holders of Fixed Rate Notes will be paid in respect of all Fixed Rate Notes purchased in the Offer.

What if more Fixed Rate Notes are tendered than the Fixed Rate Offer Amount? (Page 9)

- If the principal amount of Notes validly tendered (and not withdrawn) on or prior to the Expiration Date (as defined below) at or below the Total Consideration exceeds the Fixed Rate Offer Amount, we will accept for payment those Fixed Rate Notes that are validly tendered (and not withdrawn) at or below the Fixed Rate Total Consideration on a pro rata basis from among the Fixed Rate Notes tendered at or below the Fixed Rate Total Consideration. In all cases, we will make appropriate adjustments to avoid purchases of Fixed Rate Notes in a principal amount other than an integral multiple of US\$1,000.

When do these Offers expire? (Page 9)

- The Offers expire at 12:00 midnight, New York City time, on Monday December 29, 2008, unless the Offers are extended. We call this time and date, as it may be extended, the “Expiration Date.”

When is the deadline to tender in order to receive the applicable Total Consideration? (Page 8)

- In order to receive the Total Consideration, you must tender your Notes on or prior to 6:00 p.m. New York City time, on Friday, December 12, 2008 (we call this the “Early Tender Date”). In the case of the Fixed Rate Notes, you can only receive the Fixed Rate Total Consideration if you (i) tender on or prior to Early Tender Date and (ii) specify a tender price that is at or below the Fixed Rate Total Consideration.
- If you tender your Notes after the Early Tender Date and on or prior to the Expiration Date, you can receive the Tender Consideration (which is the Total Consideration less the price of US\$30 per US\$1,000 principal amount of the Notes). In the case of the Fixed Rate Notes, you can only receive the Tender Consideration if you (i) tender after the Early Tender Date and on or prior to the Expiration Date and (ii) specify a tender price that is at or below the Fixed Rate Total Consideration.
- If your Notes are held by a broker, dealer, commercial bank, trust company or other nominee, such nominee may have an earlier deadline for you to accept an Offer.

Can an Offer be extended, and under what circumstances? (Page 9)

- Yes. We reserve the right to extend an Offer at any time by giving written notice to the Information and Tender Agent. We will publicly announce any extension no later than 5:00 p.m., New York City time, on the next business day after the previously scheduled expiration of an Offer. Without limiting the manner in which we may choose to make any public announcement, we shall be under no obligation to publish, advertise or otherwise communicate any public announcement regarding an extension other than by issuing a release through PR Newswire or another news service. See Section 2, “Terms of the Offers.”

When will I get paid? (Page 13)

- We will accept for payment Notes validly tendered and not withdrawn on or prior to the Expiration Date, subject to the terms and conditions of the Offers and, for Fixed Rate Notes, subject to proration in the event Fixed Rate Notes with an aggregate principal amount in excess of the Fixed Rate Offer Amount are validly tendered and not withdrawn prior to the Expiration Date. We will make payment for all accepted Notes promptly after such acceptance. We expect that the payment date will be on or around January 2, 2009. In no circumstances will we pay interest on the Total Consideration or the Tender Consideration, as applicable, in respect of any delay in payment being made. See Section 2, “Terms of the Offers.”

How will you fund the purchase of Notes in the Offers? (Page 19)

- The parent of the Issuer, Galaxy Casino, S.A., and its subsidiaries have sufficient cash on hand to permit us to repurchase all of the Fixed Rate Notes up to the Fixed Rate Offer Amount and all of the Floating Rate Notes.

Are there any conditions to the Offers? (Page 20)

- Each Offer is not conditioned on a minimum principal amount of Notes being tendered in such Offer.
- Our obligation to accept for payment, and to pay for, Notes validly tendered pursuant to the applicable Offer is conditioned upon the satisfaction or waiver of the general conditions set forth in Section 10, “Conditions to the Offers.”

How do I tender my Notes? (Page 15)

- If you hold your Notes through The Depository Trust Company, or DTC, you may tender your Notes through DTC's Automated Tender Offer Program. This program is commonly known as "ATOP." DTC participants that are accepting the Offer may transmit their acceptance to DTC, which will verify the acceptance and execute a book-entry delivery to the Information and Tender Agent's account at DTC. DTC will then send an agent's message to the Information and Tender Agent for its acceptance.
- If you own your Notes in "street name" (your Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee), then you must contact your broker, dealer, commercial bank, trust company or other nominee and direct them to tender your Notes. For further details and particulars for information regarding procedures for tendering Notes held through Euroclear or Clearstream, Luxembourg, please refer to section 7 on page 14 "Procedures for Tendering Notes".

If I change my mind, can I withdraw my tender of Notes? (Page 18)

- Tenders of Notes may be withdrawn at any time prior to the Early Tender Date (unless the withdrawal deadline is extended in accordance with the terms of this Offer to Purchase). In order to effect a withdrawal of tendered Notes, you must notify the Information and Tender Agent of your intention to withdraw in writing prior to the Early Tender Date (unless the withdrawal deadline is extended in accordance with the terms of this Offer to Purchase). In addition, some holders may be subject to special requirements, so please read the procedures detailed later in this Offer to Purchase. No consideration shall be payable in respect of Notes so withdrawn. In addition, if we have not accepted your Notes for payment within ten business days of the Expiration Date (as the same may be extended by us from time to time in accordance with applicable laws), you may also withdraw your Notes. Notes withdrawn from the Offer may be re-tendered by following the procedures for tendering Notes (including, without limitation, re-tendering by the Expiration Date).
- If we reduce the Floating Rate Total Consideration, the Fixed Rate Total Consideration or the Fixed Rate Price Range, or we amend the method of determining the applicable Total Consideration, or we reduce the principal amount of the Notes subject to an Offer, you may withdraw validly tendered Notes of the series that are subject to such reduction or amendment until the expiration of ten business days after the date that notice of such reduction or amendment is first published. If we materially amend the terms of an Offer in any other way that adversely affects the rights of a holder of validly tendered Notes, such holder may withdraw its validly tendered Notes of the series that are subject to such amendment until the expiration of five business days after the date that notice of any such amendment is first published.

What if I do not want to tender my Notes? (Page 10)

- Notes not tendered and purchased pursuant to the Offers will remain outstanding. As a result of the consummation of the Offers, the aggregate principal amount of Notes that remains outstanding may be materially reduced. This reduction may adversely affect the liquidity of and, consequently, the market price for the Notes that remain outstanding after consummation of the Offers. The terms and conditions governing the Notes, including the covenants and other protective provisions contained in the indenture governing the Notes, will remain unchanged. No amendment to the indenture governing the Notes is being sought.

What is the market value of the Notes? (Page 10)

- We believe that trading in the Notes has been limited and sporadic and that the price at which any particular trade has been or is made may not be fully reflective of the value of the Notes. See Section 5, “Description of the Notes and Related Matters.”

What is the purpose of the Offers? (Page 8)

- We are making the Offers to reduce the principal amount of our outstanding indebtedness and our ongoing debt service obligations.

Has the sole Director of the Issuer approved the making of the Offers? (Front cover page)

- Yes, our sole Director has approved the making of the Offers. However, neither we nor our sole Director, the Dealer Manager or the Information and Tender Agent makes any recommendation to you as to whether you should tender or refrain from tendering your Notes or as to the price or prices at which you may choose to tender your Notes.

Are there U.S. or British Virgin Islands tax implications if I tender my Notes? (Page 21)

- The receipt of cash for Notes pursuant to an Offer will generally be a fully taxable transaction for U.S. federal income tax purposes. You will likely have to pay a tax on any gain from the sale.
- Unless you are a resident of the British Virgin Islands, there should not be any British Virgin Islands tax consequences from tendering your Notes.
- You are urged to consult your own tax advisors as to the specific tax consequences to you of the Offers.

Who can I contact if I have questions about an Offer? (Back cover page)

- Merrill Lynch & Co. is serving as Dealer Manager in connection with the Offers. Bondholder Communications Group is serving as Information and Tender Agent in connection with the Offers. You can find the addresses and telephone numbers of these representatives on the back cover of this Offer to Purchase.

Information about the Notes

Who is the issuer of the Notes? (Page 11)

- Galaxy Entertainment Finance Company Limited is the issuer of the Notes. The Notes are guaranteed by Galaxy Casino, S.A. (the “Parent Guarantor”).

What is the ranking of the Notes? (Page 11)

- The Notes are senior secured obligations of the Issuer and the Parent Guarantor, and rank ahead of other senior obligations of the Issuer and the Parent Guarantor with respect to the collateral pledged thereunder, and *pari passu* with the unsecured senior obligations of the Issuer and the Parent Guarantor thereafter.

What are the redemption provisions of the Notes? (Page 12)

- At any time on or after December 15, 2008, we may redeem the Floating Rate Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below if redeemed during the twelve-month period beginning on December 15, of the years indicated below.

<u>Year</u>	<u>Percentage</u>
2008	101.500%
2009 and thereafter	100.000%

- At any time prior to December 15, 2008, we may also redeem the Floating Rate Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Floating Rate Premium, as calculated under the Indenture (as defined below), and accrued and unpaid interest, if any, to the redemption date.

- At any time on or after December 15, 2009, we may redeem the Fixed Rate Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below if redeemed during the twelve-month period beginning on December 15, of the years indicated below.

<u>Year</u>	<u>Percentage</u>
2009	104.938%
2010	102.469%
2011 and thereafter	100.000%

- At any time prior to December 15, 2009, we may also redeem the Fixed Rate Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Fixed Rate Premium, as calculated under the Indenture (as defined below), and accrued and unpaid interest, if any, to the redemption date.

Upon any redemption we would also be required to pay accrued interest of the Notes to the redemption date. The Indenture requires us to give notice of redemption not more than 60 and not less than 30 days before any redemption date.

What are the interest payment provisions of the Notes? (Page 12)

- Interest on outstanding Floating Rate Notes is paid on June 15 and December 15 of each year at an annual rate equal to 6-month LIBOR plus 5.00%. Interest on outstanding Fixed Rate Notes is paid on June 15 and December 15 of each year at an annual rate equal to 9.875%.
- Unless there is a default in payment of the applicable Total Consideration or the Tender Consideration (as applicable), interest on any Notes purchased by us pursuant to this Offer will cease to accrue on the date of payment for the purchased Notes.

AVAILABLE INFORMATION

Our ultimate parent company, Galaxy Entertainment Group Limited, files annual and interim reports, as well as other information, with the Hong Kong Stock Exchange. Such filings are available on our group's website www.galaxyentertainment.com or the website of the Hong Kong Stock Exchange at www.hkexnews.com.hk.

FORWARD-LOOKING STATEMENTS

Some of the statements contained or incorporated by reference in this Statement discuss our plans and strategies for our business or make other forward-looking statements, as such term is defined in the Private Securities Litigation Reform Act of 1995. Words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan” and “objective” and other similar expressions are intended to identify statements that are forward-looking, but are not the exclusive means of identifying them. These statements are based on management's beliefs and assumptions and on information currently available to management. Actual results could differ materially from those contemplated by the forward-looking statements. In addition to any assumptions and other factors referred to specifically in connection with such statements, factors that could cause actual results to differ materially from those contemplated in any forward-looking statement include, among others, the following:

- general economic and business conditions in the Macau Special Administration Region of the People's Republic of China (“Macau”);
- the Chinese government's policies on the frequency of, and the amounts that may be carried by, Chinese citizens visiting Macau;
- changes in the value of the Pataca, Hong Kong Dollar and other currency changes;
- changes in interest rates in Macau, Hong Kong, or internationally;
- changes in the costs of the operations of the Parent Guarantor and its subsidiaries;
- increasing competition in and conditions of the Macau gaming industry;
- demand for gaming and related entertainment in Macau;
- the Parent Guarantor's ability to complete the development of the Galaxy Cotai project;
- changes in laws and regulations that apply to the gaming industry of Macau;
- changes in political conditions in Macau;
- changes in foreign exchange control regulations in Macau;
- environmental liabilities;
- terrorist attacks;
- failure to retain key employees; and
- incurrence of material weaknesses in internal controls over financial reporting and disclosure controls.

We have no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

THE OFFERS

1. PURPOSE OF THE OFFERS

We are making the Offers to reduce the principal amount of our outstanding indebtedness and our ongoing debt service obligations. Any Notes accepted for payment by us in the Offers will be cancelled and retired promptly following the delivery of such Notes to us.

2. TERMS OF THE OFFERS

Offers and Purchase Price. Upon the terms and subject to the conditions of each Offer (including, if such Offer is amended or extended, the terms and conditions of any amendment or extension), we are offering to purchase for cash, (i) any and all of the outstanding Floating Rate Notes at a price of the Floating Rate Total Consideration (US\$530 per US\$1,000 principal amount of Notes) and (ii) up to US\$100,000,000 aggregate principal amount of outstanding Fixed Rate Notes at a price not greater than US\$450 nor less than US\$375 per US\$1,000 principal amount of Notes, in each case plus accrued and unpaid interest thereon to, but not including, the date of payment. We will determine the exact price to be paid for the Fixed Rate Notes purchased in that Offer using the “Modified Dutch Auction” procedure described below.

The lowest price in the price range listed above for the Fixed Rate Notes (US\$375 per US\$1,000 principal amount of Notes) is referred to as the “Minimum Fixed Rate Offer Price” for the Fixed Rate Notes. The highest price in the price range listed above (US\$450 per US\$1,000 principal amount of Notes) is referred to as the “Maximum Fixed Rate Offer Price”. The maximum aggregate principal amount of Fixed Rate Notes that may be purchased in that Offer (US\$100,000,000) is referred to as the “Fixed Rate Offer Amount.”

Under the “Modified Dutch Auction” procedure, we will determine a single purchase price (the “Fixed Rate Total Consideration”) not greater than the Maximum Fixed Rate Offer Price or less than the Minimum Fixed Rate Offer Price per US\$1,000 principal amount of Notes, that, subject to the terms and conditions of the applicable Offer, we will pay for Fixed Rate Notes validly tendered and not withdrawn pursuant to the applicable Offer, taking into account the principal amount of Fixed Rate Notes so tendered and the prices specified by tendering holders. We will select the Fixed Rate Total Consideration, which is the single lowest price specified by tendering holders that will allow us to purchase the Fixed Rate Offer Amount or, if less than the Fixed Rate Offer Amount is validly tendered (and not withdrawn), all Fixed Rate Notes so tendered and not withdrawn.

We will pay (i) the same Fixed Rate Total Consideration for all Fixed Rate Notes validly tendered (and not withdrawn) on or prior to the Early Tender Date at or below the Fixed Rate Total Consideration, and (ii) a Tender Consideration (equal to the Fixed Rate Total Consideration less the Early Tender Payment) for all Fixed Rate Notes validly tendered after the Early Tender Date and on or prior to the Expiration Date at or below the Fixed Rate Total Consideration, in each case upon the terms and subject to the conditions of that Offer, including the proration terms of that Offer. Only Fixed Rate Notes validly tendered at prices at or below the Fixed Rate Total Consideration determined by us, and not withdrawn, will be subject to purchase pursuant to that Offer.

We will pay (i) the Floating Rate Total Consideration for all Floating Rate Notes validly tendered (and not withdrawn) on or prior to the Early Tender Date, and (ii) a Tender Consideration (equal to the Floating Rate Total Consideration less the Early Tender Payment) for all Floating Rate Notes validly tendered after the Early Tender Date and on or prior to the Expiration Date, in each case upon the terms and subject to the conditions of that Offer.

The Fixed Rate Offer Amount is approximately 29% of the aggregate outstanding principal amount of Fixed Rate Notes. The aggregate principal amount of Fixed Rate Notes outstanding as of December 1, 2008 was US\$350,000,000.

Proration of Fixed Rate Notes. If the principal amount of Fixed Rate Notes validly tendered (and not withdrawn) on or prior to the Expiration Date at or below the Fixed Rate Total Consideration exceeds the Fixed Rate Offer Amount, we will accept for payment the Notes that are validly tendered (and not withdrawn) at or below the Fixed Rate Total Consideration on a pro rata basis from among such Notes. In all cases, we will make appropriate adjustments to avoid purchases of Fixed Rate Notes in a principal amount other than an integral multiple of US\$1,000.

Any Fixed Rate Notes tendered but not purchased pursuant to that Offer, including Fixed Rate Notes not purchased because of proration and Fixed Rate Notes tendered at prices greater than the Fixed Rate Total Consideration, will be returned to the tendering holders at our expense promptly following the earlier of the Expiration Date or the date on which an Offer is terminated or, in the case of book-entry notes, maintained in the name of the tendering holder at DTC. All Fixed Rate Notes not purchased, as well as any Notes not tendered or timely withdrawn, will remain outstanding with their existing rights.

If proration of tendered Fixed Rate Notes is required, we will determine the final proration factor as soon as practicable after the Expiration Date. We do not expect to be able to announce the final proration results until approximately three business days after the Expiration Date.

Conditions. Each Offer does not have a minimum tender condition. Our obligation to accept for payment, and to pay for, Notes validly tendered pursuant to each Offer is conditioned upon the satisfaction of the conditions set forth in Section 10, "Conditions to the Offers." If on the Expiration Date any or all of these conditions shall not have been satisfied, we reserve the right (but will not be obligated), subject to applicable law, to:

- terminate an Offer;
- extend or otherwise amend an Offer in any respect by giving oral (confirmed in writing) or written notice of such extension or amendment to the Information and Tender Agent and making public disclosure of such extension or amendment to the extent required by law; or
- waive any or all of the conditions and purchase Notes validly tendered and not withdrawn pursuant to an Offer.

Expiration of the Offers. The Offers will expire at 12:00 midnight, New York City time, on Monday December 29, 2008, unless extended by us (such time and date with respect to the Offer, as it may be extended, is referred to as the "Expiration Date").

Amendment; Extension; Waiver; Termination. We expressly reserve the right, in our sole discretion, at any time and from time to time, and regardless of whether or not any of the events set forth in Section 10, "Conditions to the Offers," shall have occurred or shall have been determined by us to have occurred:

- to extend the period of time in which an Offer is open and thereby delay the acceptance of any Notes by giving oral (confirmed in writing) or written notice of the extension to the Information and Tender Agent;
- to amend an Offer in any respect by giving oral (confirmed in writing) or written notice of such amendment to the Information and Tender Agent; and
- to terminate an Offer without purchasing any Notes.

We will follow any extension, amendment or termination as promptly as practicable with a public announcement thereof, such announcement in the case of an extension to be issued no later than 5:00 p.m., New York City time, on the next business day after the previously scheduled Expiration Date.

Without limiting the manner in which we may choose to make any public announcement, we shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a release through PR Newswire or other news service.

There can be no assurance that we will exercise our right to extend or amend an Offer. Irrespective of any amendment to an Offer, all Notes previously tendered pursuant to the Offer (and not withdrawn) will remain subject to the Offer and may be accepted thereafter for payment by us.

If we make a material change in the terms of an Offer or the information concerning an Offer, or if we waive a material condition of an Offer, we will disseminate additional materials relating to such Offer and extend such Offer to the extent required by law. In addition, we may, if we deem appropriate, extend an Offer for any other reason. If the consideration to be paid in an Offer is increased or decreased or the principal amount of Notes subject to an Offer is increased or decreased, such Offer will remain open for at least 10 business days from the date our notice of such increase or decrease is first published, sent or given to holders of Notes subject to such Offer.

If for any reason the acceptance for payment of, or (whether before or after any Notes have been accepted for payment pursuant to the Offer) the payment for, Notes subject to an Offer is delayed or if we are unable to accept for payment or pay for Notes pursuant to an Offer, then, without prejudice to our rights under such Offer, tendered Notes may be retained by the Information and Tender Agent on behalf of us and may not be withdrawn (subject to Rule 14e-1(c) under the Exchange Act, which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the investor promptly after the termination or withdrawal of a tender offer and to the holder's right to withdraw tendered Notes as described in Section 8, "Withdrawal of Tenders").

Rule 13e-4 promulgated under the Exchange Act generally prohibits the Issuer and its affiliates from purchasing Notes other than pursuant to the Offers, until at least 10 business days after the expiration or termination of the Offers. In addition, Rule 14e-5 promulgated under the Exchange Act generally prohibits the Issuer, the Parent Guarantor and the Dealer Manager and their affiliates from purchasing the Notes during the Offers other than pursuant to the Offers. Subject to Rule 13e-4 and Rule 14e-5, the Issuer expressly reserve the right, in its sole discretion, from time to time to purchase any Notes that are not tendered or accepted in the Offers, through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers, pursuant to the terms of the Notes or otherwise, upon terms that may or may not differ materially from the terms of the Offers.

If we materially change the terms of an Offer or the information concerning an Offer, or if we waive a material condition an the Offer, we will disseminate additional information and extend such Offer to the extent required by applicable laws.

3. CERTAIN SIGNIFICANT CONSIDERATIONS

You should carefully consider the following considerations, in addition to the other information described elsewhere or incorporated by reference in this Offer to Purchase before deciding whether to tender Notes pursuant to the Offers.

No Recommendations Concerning the Offers. None of the Issuer, its sole Director, the Dealer Manager, the Information and Tender Agent or any of their respective affiliates makes any recommendation to any holder whether to tender or refrain from tendering any or all of such holder's Notes, and none of them has authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in the Offers, consult their own investment, legal and tax advisors and make their own decisions whether to tender Notes, and, if they decide to tender Notes, the principal amount of Notes to tender and, for the Fixed Rate Notes, the price or prices at which to tender.

The Trading Market for the Notes May Be Adversely Affected by the Offers. We believe that trading in the Notes has been limited and sporadic. Following the consummation of the Offers, we expect that Notes not purchased in the Offers will continue to be traded on the Singapore Exchange Securities Trading Limited (the “SGX-ST”); however, we anticipate that the smaller outstanding principal amount available for trading (a smaller “float”) may command a lower price and trade with greater volatility than would a comparable debt security with a greater float. Consequently, our purchase of Notes pursuant to the Offers will reduce the float and may negatively impact the liquidity, market value and price volatility of the Notes that remain outstanding following the Offers. We cannot assure you that a market will exist for the Notes following the Offers. The extent of the public market for the Notes following consummation of the Offers will depend upon, among other things, the number of holders of Notes remaining at such time and the interest in maintaining a market in such Notes on the part of securities firms.

Consummation of the Offers Is Subject to Conditions. Each of the conditions to the Offers is described in more detail in Section 10, “Conditions to the Offers.” There can be no assurance that such conditions will be met or waived or that, in the event one or more of the Offers are not consummated, the market value and liquidity of the Notes will not be materially adversely affected.

4. INFORMATION CONCERNING THE ISSUER

The Issuer. Galaxy Entertainment Finance Company Limited, or the Issuer, is a limited liability company incorporated in the British Virgin Islands and was incorporated on October 6, 2005. The Issuer is a wholly-owned subsidiary of the Parent Guarantor. The Issuer has no subsidiaries and has not carried out any substantial business activities; its sole purpose is to act as a financing subsidiary of the Parent Guarantor. The Issuer’s registered office is located at Romasco Place, Wickhams Cay, P.O. Box 3140, Road Town, Tortola, British Virgin Islands. The Issuer has no material assets

The authorized share capital of the Issuer is US\$50,000, divided into 50,000 shares of US\$1 par value each, of which 10 shares are issued and outstanding. No part of the equity securities of the Issuer is listed or dealt on any stock exchange and no listing or permission to deal in such securities is being or is proposed to be sought. The Issuer does not have any debt outstanding other than the Notes that are outstanding. The Issuer has no subsidiaries.

Galaxy Casino S.A., the parent company of the Issuer, is a company incorporated under the laws of Macau and a subsidiary of Galaxy Entertainment Group Limited, a company whose shares are listed on the Hong Kong Stock Exchange under code 0027. The Parent Guarantor was granted a gaming concession from the Macau Government in 2002. Through its subsidiaries in Macau, the Parent Guarantor currently operates its flagship property StarWorld Hotel and Casino, as well as four distinctive Galaxy CityClub casinos. It is also in the process of developing the Galaxy Cotai resort project.

5. DESCRIPTION OF THE NOTES AND RELATED MATTERS

The following description of the Notes is qualified by the Indenture, copies of which are available, without charge, from the Information and Tender Agent.

On December 14, 2005, the Issuer issued US\$250,000,000 in aggregate principal amount of Floating Rate Notes and US\$350,000,000 in aggregate principal amount of Fixed Rate Notes under an Indenture, dated as of December 14, 2005, between the Issuer, the Parent Guarantor, the Bank of New York, as Trustee (the “Trustee”) and certain entities set forth therein as Subsidiary Guarantors (as supplemented, the “Indenture”). The Notes are senior secured obligations of the Issuer and the Parent Guarantor, and rank ahead of other senior obligations of the Issuer and the Parent Guarantor with respect to the collateral pledged thereunder, and *pari passu* with the unsecured senior obligations of the Issuer and the Parent Guarantor thereafter. Notes not tendered and purchased in the Offers will remain

outstanding. The terms and conditions governing the Notes, including the covenants and other protective provisions contained in the Indenture, will remain unchanged. No amendment to the Indenture is being sought.

Principal Amount of Notes Outstanding. As of December 1, 2008 there was US\$250,000,000 in aggregate principal amount of Floating Rate Notes outstanding and US\$350,000,000 in aggregate principal amount of Fixed Rate Notes outstanding.

ISIN Codes. The ISIN Codes for the Floating Rate Notes are: USG37093AB09 and US36318MAB81 and for the Fixed Rate Notes are: USG37093AA26, US36318MAA09. The ISIN Codes referenced above have been assigned by Standard & Poor’s Corporation and are included solely for the convenience of holders of the Notes. The Issuer, the Dealer Manager and the Information and Tender Agent shall not be responsible for the selection or use of these ISIN Codes, and no representation is made as to their correctness on the Notes or as indicated in the Offer to Purchase.

Interest. The Floating Rate Notes which remain outstanding after consummation of that Offer will continue to accrue interest until the date of maturity, December 15, 2010, or until the principal of the Notes has been paid, unless the Notes are earlier redeemed or repurchased. The Floating Rate Notes bear an interest rate equal to 6-month LIBOR plus 5.00% per year, payable on June 15 and December 15 of each year, to record holders of the Notes as of the preceding June 1 and December 1.

The Fixed Rate Notes which remain outstanding after consummation of that Offer will continue to accrue interest until the date of maturity, December 15, 2012, or until the principal of the Notes has been repaid, unless the Notes are earlier redeemed or repurchased. The Fixed Rate Notes bear an interest rate of 9.875% per year, payable on June 15 and December 15 of each year, to record holders of the Notes as of the preceding June 1 and December 1.

Redemption. The Floating Rate Notes which remain outstanding after consummation of this Offer will continue to be subject to our right to redeem such Notes. At any time on or after December 15, 2008, we may redeem the Floating Rate Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below if redeemed during the twelve-month period beginning on December 15, of the years indicated below.

<u>Year</u>	<u>Percentage</u>
2008	101.500%
2009 and thereafter	100.000%

In addition, at any time prior to December 15, 2008, we may also redeem the Floating Rate Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Floating Rate Notes redeemed plus the Applicable Floating Rate Premium (as calculated under the Indenture), and accrued and unpaid interest, if any, to the redemption date.

The Fixed Rate Notes which remain outstanding after consummation of this Offer will continue to be subject to our right to redeem the Fixed Rate Notes. At any time on or after December 15, 2009, we may redeem the Fixed Rate Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below if redeemed during the twelve-month period beginning on December 15, of the years indicated below.

<u>Year</u>	<u>Percentage</u>
2009	104.938%
2010	102.469%
2011 and thereafter	100.000%

In addition, at any time prior to December 15, 2009, we may also redeem the Fixed Rate Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Fixed Rate Notes redeemed plus the Applicable Fixed Rate Premium (as calculated under the Indenture), and accrued and unpaid interest, if any, to the redemption date.

Upon any redemption we would also be required to pay accrued interest to the redemption date. The Indenture requires us to give notice of redemption not more than 60 and not less than 30 days before any redemption date.

6. ACCEPTANCE OF NOTES FOR PAYMENT; ACCRUAL OF INTEREST

Acceptance of Notes for Payment. Upon the terms and subject to the conditions of the Offers (including if the Offers are extended or amended, the terms and conditions of any such extension or amendment) and applicable law, we will accept for payment, and thereby purchase, (i) all Floating Rate Notes validly tendered (and not withdrawn) and (ii) all Fixed Rate Notes validly tendered (and not withdrawn) at or below the Fixed Rate Total Consideration, subject to proration, in each case pursuant to the applicable Offer, on or prior to the Expiration Date.

If the amount of Fixed Rate Notes validly tendered (and not withdrawn) on or prior to the Expiration Date at or below the Fixed Rate Total Consideration exceeds the Fixed Rate Offer Amount then we will accept for payment Fixed Rate Notes that are validly tendered (and not withdrawn) at or below the Fixed Rate Total Consideration on a pro rata basis from among the Fixed Rate Notes tendered at or below the Fixed Rate Total Consideration. In all cases, we will make appropriate adjustments to avoid purchases of Fixed Rate Notes in a principal amount other than an integral multiple of US\$1,000.

The Issuer will be deemed to have accepted for payment pursuant to the Offers and thereby have purchased, Notes validly tendered (and not withdrawn), or defectively tendered Notes with respect to which we have, in our discretion, waived such defect, that are subject to the Offers, if, as and when we give oral (confirmed in writing) or written notice to the Information and Tender Agent of our acceptance of such Notes for purchase pursuant to the applicable Offer. We will announce our acceptance of tendered Notes, and, for the Fixed Rate Notes, the Fixed Rate Total Consideration and preliminary results of proration, if necessary, by press release as soon as practicable after the Expiration Date. We will pay the applicable Total Consideration or Tender Consideration (as applicable) for all Notes accepted for payment promptly after the acceptance of tendered Notes. In all cases, payment for Notes purchased pursuant to the Offers will be made by deposit in immediately available funds of the applicable Total Consideration or Tender Consideration (as applicable) for the tendered Notes with DTC, which will transmit such payments to such holders.

We expressly reserve the right, in our sole discretion and subject to Rule 14e-1(c) under the Exchange Act, to delay acceptance for payment of, or payment for, Notes if necessary to obtain any required governmental approval. See Section 10, "Conditions to the Offers." In all cases, payment of consideration by DTC to holders of Notes accepted for purchase pursuant to an Offer will be made only after timely receipt by the Information and Tender Agent of:

- timely confirmation of a book-entry transfer of such Notes into the Information and Tender Agent's account at DTC pursuant to the procedures set forth under Section 7, "Procedures for Tendering Notes";
- a properly transmitted Agent's Message; and
- any other documents required by this Offer to Purchase.

If an Offer is terminated or withdrawn, or the Notes subject to such Offer are not accepted for payment, no consideration will be paid or payable to holders of those Notes. If any tendered Notes are not purchased pursuant to an Offer for any reason or certificates are submitted evidencing more Notes than are tendered in an Offer, the Notes not purchased will be returned to the tendering holder at our expense (or, in the case of Notes tendered by book-entry transfer, those Notes will be credited to the account maintained at DTC from which those Notes were delivered) promptly following the Expiration Date or termination of the applicable Offer.

Tendering holders who hold Notes registered in their own names and who tender their Notes directly to the Information and Tender Agent will not be obligated to pay brokerage fees or commissions or transfer taxes on the purchase of Notes by us pursuant to the Offers. We will pay all fees and expenses of the Dealer Manager and the Information and Tender Agent in connection with the Offers.

Accrual of Interest. Holders whose Notes are accepted for payment pursuant to the Offers will receive a cash payment of accrued but unpaid interest on such Notes to, but not including, the date of payment.

Under no circumstances will any additional interest be payable because of any delay in the transmission of funds to the holders of purchased Notes or otherwise.

7. PROCEDURES FOR TENDERING NOTES

The method of delivery of Notes and all other required documents, including delivery through DTC, and any acceptance of an Agent's Message transmitted through ATOP, is at the election and risk of the tendering holder and delivery will be deemed made only when actually received by the Information and Tender Agent, which must be on or prior to the Expiration Date or the Early Tender Date, as applicable. Notes may be tendered and will be accepted for purchase only in denominations of US\$1,000 principal amount and integral multiples thereof.

Holders desiring to tender their Fixed Rate Notes in the Fixed Rate Notes Offer must (i) properly indicate the price within the Fixed Rate Price Range (in multiples of US\$2.50 per US\$1,000 principal amount) or (ii) not specify a price, in which case the holder will be deemed to have specified the Minimum Fixed Rate Offer Price in respect of the Fixed Rate Notes tendered. If you hold your Notes through a custodian or other nominee, you must communicate your acceptance and submit a price within the Fixed Rate Price Range that you wish to tender such Fixed Rate Notes through your nominee to DTC, as discussed below.

Holders may tender different portions of the principal amount of their Fixed Rate Notes at different prices. However, a holder may not specify prices for an aggregate principal amount of Fixed Rate Notes in excess of the aggregate principal amount of Fixed Rate Notes tendered by such holder. The same Fixed Rate Notes cannot be tendered at more than one price. To tender Fixed Rate Notes properly, only one price within the price range (or no price) must be specified in the appropriate section in the Agent's Message.

Tendering Fixed Rate Notes Without Specifying a Price. As described above, a holder may tender Fixed Rate Notes in the applicable Offer without specifying a tender price in respect of any or all of that holder's Fixed Rate Notes. Holders who have tendered Fixed Rate Notes in that Offer without specifying an offer price and whose Fixed Rate Notes are accepted will receive, (i) if validly tendered (and not withdrawn) on or prior to the Early Tender Date, the Fixed Rate Total Consideration or (ii) if validly tendered on or prior to the Expiration Date but after the Early Tender Date, the Tender Consideration for the Fixed Rate Notes (equal to the Fixed Rate Total Consideration less the Early Tender Payment), in each case subject to any proration.

Tender of Notes. The tender by a holder of Notes pursuant to an Offer, pursuant to one of the procedures set forth below, and the subsequent acceptance of such tender by the Issuer, will constitute a binding agreement between such holder and the Issuer with respect to the applicable Offer.

Tender of Notes Held Through DTC. To tender effectively Notes that are held through DTC, DTC participants should electronically transmit their acceptance through ATOP (and thereby tender Notes), for which the transaction will be eligible. Upon receipt of such holder's acceptance through ATOP, DTC will credit the account and verify the acceptance and send an Agent's Message to the Information and Tender Agent for its acceptance. Delivery of tendered Notes may be made to the Information and Tender Agent pursuant to the book-entry delivery procedures set forth below.

Except as provided below, unless the Notes being tendered are deposited with the Information and Tender Agent and accompanied by a properly transmitted Agent's Message on or prior to the Expiration Date, we may, at our option, reject such tender. Payment for the Notes will be made only against deposit of the tendered Notes and delivery of any other required documents.

Tender of Notes Held Through Euroclear or Clearstream, Luxembourg. If you hold your Notes through Euroclear or Clearstream, Luxembourg, you must arrange for a direct participant in Euroclear or Clearstream, Luxembourg, as the case may be, to deliver the tender of your Notes, which includes Blocking Instructions (as defined below), to Euroclear or Clearstream, Luxembourg in accordance with the procedures and deadlines specified by Euroclear or Clearstream, Luxembourg at or prior to the Expiration Date.

"Blocking Instructions" means:

- irrevocable instructions to block any attempt to transfer your Notes on or prior to the settlement date;
- irrevocable instructions to debit your account on or about the settlement date in respect of all of your Notes, or in respect of such lesser portion of your Notes as are accepted for purchase by the Issuer, upon receipt of an instruction by the Information and Tender Agent, and
- an irrevocable authorization to disclose, to the Information and Tender Agent, the identity of the participant account holder and account information, subject to the automatic withdrawal of the irrevocable instruction in the event that an Offer is terminated by the Issuer and your right to withdraw your Notes as set forth in this Offer to Purchase.

The tender of your notes, which includes your Blocking Instructions, must be delivered and received by Euroclear or Clearstream, Luxembourg in accordance with the procedures established by them and on or prior to the deadlines established by each of those clearing systems. You are responsible for informing yourself of these deadlines and for arranging the due and timely delivery of Blocking Instructions to Euroclear or Clearstream, Luxembourg.

Tender of Notes Held Through a Custodian. If you hold your Notes through a custodian, you may not tender your Notes directly. You should contact that custodian to tender your Notes on your behalf. In the event that your custodian is unable to tender your Notes or deliver Blocking Instructions through the applicable clearing system, as applicable, on your behalf, you should contact the Dealer Manager for assistance in submitting your tender offer. There can be no assurance that the Dealer Manager will be able to assist you in successfully tendering your Notes.

Deadlines. You are responsible for arranging the timely delivery of tendered Notes pursuant to one of the procedures above. None of the Issuer, the Dealer Manager or the Information and Tender Agent will be responsible for the communication of tender offers by:

- holders of Notes to the direct participant in DTC, Euroclear or Clearstream, Luxembourg through which they hold Notes; or
- holders of Notes or the direct participant to the Information and Tender Agent, DTC, Euroclear or Clearstream, Luxembourg.

If you hold Notes through a broker, dealer, commercial bank or financial institution, you should consult with that institution as to whether it will charge any service fees.

Book-Entry Delivery Procedures. The Information and Tender Agent will establish accounts with respect to the Notes at DTC for purposes of each Offer. Any financial institution that is a participant in DTC may make book-entry delivery of the Notes by causing DTC to transfer such Notes into the Information and Tender Agent's account in accordance with DTC's procedures for such transfer.

Although delivery of Notes may be effected pursuant to the Offers through book-entry transfer into the Information and Tender Agent's account at DTC, an Agent's Message and any other documents required by this Offer to Purchase must, in any case, be transmitted to and received by the Information and Tender Agent at one of its addresses set forth on the back cover of this Offer to Purchase on or prior to the Expiration Date or the Early Tender Date, as applicable. Holders desiring to tender Notes should also note that such holders must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC. **Delivery of documents to DTC does not constitute delivery to the Information and Tender Agent.**

The confirmation of a book-entry transfer into the Information and Tender Agent's account at DTC as described above is referred to as a "Book-Entry Confirmation." The term "Agent's Message" means a message transmitted by DTC to, and received by, the Information and Tender Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from each participant in DTC tendering the Notes and that such participant has received and agrees to be bound by the terms of this Offer to Purchase and we may enforce such agreement against such participant.

Notwithstanding any other provision of an Offer, payment for Notes tendered and accepted for payment pursuant to an Offer will, in all cases, be made only after receipt by the Information and Tender Agent of Book-Entry Confirmation, including by means of an Agent's Message, of the transfer of such Notes into the Information and Tender Agent's account at DTC as described above), and an Agent's Message with respect to such Notes, properly completed and duly executed, with any other documents required by this Offer to Purchase.

Effect of the Agent's Message. Subject to and effective upon the acceptance for purchase of and payment for Notes tendered thereby, by transmitting an Agent's Message, a tendering holder of Notes:

- irrevocably sells, assigns and transfers to, or upon the order of, the Issuer all right, title and interest in and to all the Notes tendered thereby; and

- irrevocably constitutes and appoints the Information and Tender Agent the true and lawful agent and attorney-in-fact of such holder (with full knowledge that the Information and Tender Agent also acts as agent of the Issuer) with respect to any such tendered Notes, with full power of substitution and re-substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to:
 - transfer ownership of such Notes, on the account books maintained by DTC, together, in any such case, with all accompanying evidences of transfer and authenticity, to or upon the order of the Issuer;
 - present such Notes for transfer on the security register for the Notes; and
 - receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes (except that the Information and Tender Agent will have the rights to, or control over, funds from the Issuer, except as agent of the Issuer, for the applicable Total Consideration or Tender Consideration (as applicable) for any Notes tendered pursuant to an Offer that are purchased by the Issuer), all in accordance with the terms of the Offers.

Determination of Validity. All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any tendered Notes pursuant to any of the procedures described above and the form and validity (including time of receipt of notices of withdrawal) of all related documents will be determined by the Issuer, in its sole discretion, which determination will be final and binding. We reserve the absolute right to reject any or all tenders of any Notes determined by it not to be in proper form or if the acceptance of or payment for such Notes may, in the opinion of the Issuer's counsel, be unlawful. We also reserve the absolute right, in our sole discretion, to waive any defect or irregularity in any tender with respect to Notes of any particular holder, whether or not similar defects or irregularities are waived in the case of other holders. No tender will be deemed to have been validly made until all defects or irregularities in such tender have been cured or waived. Any defect or irregularity in connection with tenders of Notes must be cured within such time as we determine, unless waived by us. None of the Issuer, the Dealer Manager, the Information and Tender Agent or any other person will be under any duty to give notification of any defects or irregularities in any tender of any Notes or notice of withdrawal or will incur any liability for failure to give any such notification.

Our interpretation of the terms and conditions of an Offer will be final and binding.

Backup Withholding. To prevent backup withholding, each tendering U.S. Holder of Notes must provide the Information and Tender Agent, or must have previously provided to the authorized institution which is a participant in DTC, with such holder's correct taxpayer identification number and certify that such holder is not subject to backup withholding by completing the Substitute Form W-9. A tendering Non-U.S. Holder should complete an Internal Revenue Service ("IRS") Form W-8BEN, IRS Form W-8ECI, IRS Form W-8EXP or IRS Form W-8IMY, as the case may be, rather than a Substitute Form W-9, certifying its foreign status and thereby qualifying for an exemption from backup withholding. See Section 11(i), "U.S. Federal Income Tax Considerations for U.S. Holders."

Compliance with "Short Tendering" Rule. It is a violation of Rule 14e-4 under the Exchange Act, for a person, directly or indirectly, to tender Notes for his own account unless the person so tendering:

- has a net long position equal to or greater than the aggregate principal amount of the Notes being tendered; and
- will cause such Notes to be delivered in accordance with the terms of the applicable Offer.

Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

A tender of Notes in an Offer under any of the procedures described above will constitute a binding agreement between the tendering holder and the Issuer with respect to the applicable Offer upon the terms and subject to the conditions of the applicable Offer, including the tendering holder's acceptance of the terms and conditions of the applicable Offer, as well as the tendering holder's representation and warranty that:

- such holder has a net long position in the Notes being tendered pursuant to the applicable Offer within the meaning of Rule 14e-4 under the Exchange Act; and
- the tender of such Notes complies with Rule 14e-4.

Please send all materials to the Information and Tender Agent and not to the Issuer or the Dealer Manager.

The method of delivery of the Notes and all other required documents, including delivery through DTC and acceptance of an Agent's Message transmitted through ATOP, is at the sole option and risk of the tendering holder and the delivery will be deemed made only when actually received by the Information and Tender Agent. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed for such documents to reach the Information and Tender Agent.

8. WITHDRAWAL OF TENDERS

You may withdraw your tendered Notes at any time on or prior to the Early Tender Date but not thereafter, unless we reduce the Floating Rate Total Consideration, the Fixed Rate Total Consideration or the Fixed Rate Price Range, or we amend the method of determining the applicable Total Consideration, or we reduce the principal amount of the Notes subject to an Offer. In such situations, validly tendered Notes that are subject to such reduction or amendment may validly be withdrawn until the expiration of ten business days after the date that notice of any such reduction or amendment is first published. If we materially amend the terms of an Offer in any other way that adversely affects the rights of a holder of validly tendered Notes, such holder may withdraw its validly tendered Notes of the series that are subject to such amendment until the expiration of five business days after the date that notice of any such amendment is first published.

In addition, you may withdraw your tendered Notes if we terminate an Offer without purchasing any Notes. If we terminate an Offer or do not purchase any Notes in an Offer, we will instruct the Information and Tender Agent to return your Notes to your account on their book-entry system promptly following the earlier of such termination or the Expiration Date, without cost or expense to you. You may also withdraw tendered Notes if we have not yet accepted them for payment, after the date that is ten business days after the Expiration Date. We will not pay any consideration in respect of Notes that are withdrawn from an Offer.

If, for any reason whatsoever, acceptance for payment of, or payment for, any Notes tendered pursuant to an Offer is delayed (whether before or after our acceptance for payment of Notes) or we are unable to accept for payment or pay for the Notes tendered pursuant to an Offer, we may (without prejudice to its rights set forth herein) instruct the Information and Tender Agent to retain tendered Notes, and such Notes may not be withdrawn except in accordance with this Section 8 (subject to Rule 14e-1(c) under the Exchange Act, which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the investor promptly after the termination or withdrawal of a tender offer).

For a withdrawal of Notes tendered pursuant to an Offer to be effective, a “Request Message” (as defined below) must be received by the Information and Tender Agent prior to the Early Tender Date (unless the withdrawal deadline is extended in accordance with the terms of this Offer to Purchase), or after the date that is ten business days after the Expiration Date if the Notes have not been accepted for payment, at its address set forth on the back cover of this Offer to Purchase. Any such notice of withdrawal must:

- specify the name of the person who tendered the Notes to be withdrawn; and
- contain the DTC VOI number, or Euroclear or Clearstream blocking reference, as the case may be, and the aggregate principal amount represented by such Notes.

DTC participants may electronically transmit a request for withdrawal to DTC. DTC will then edit the request and send a Request Message to the Information and Tender Agent. The term “Request Message” means a message transmitted by DTC and received by the Information and Tender Agent, which states that DTC has received a request for withdrawal from a DTC participant and identifies the Notes to which such request relates. If the Notes to be withdrawn have been delivered or otherwise identified to the Information and Tender Agent, a timely and properly completed and presented notice of withdrawal or a Request Message is effective immediately upon receipt thereof, even if physical release is not yet effected.

Any permitted withdrawal of tendered Notes may not be rescinded, and any Notes properly withdrawn will thereafter be deemed not validly tendered. However, properly withdrawn Notes may be re-tendered, by again following one of the procedures described in Section 7, “Procedures for Tendering Notes,” at any time on or prior to the Expiration Date.

All questions as to the validity, form and eligibility (including time of receipt) of notices of withdrawal will be determined by the Issuer, in the Issuer’s sole discretion (whose determination shall be final and binding). None of the Issuer, the Dealer Manager, the Information and Tender Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or Request Message, or incur any liability for failure to give any such notification.

9. SOURCE AND AMOUNT OF FUNDS

The maximum amount of funds required by us to purchase the Notes pursuant to the Offers is estimated to be approximately US\$180 million (which includes accrued interest assuming payment of the Notes purchased in the Offers is made on January 2, 2009). We expect to fund its purchase of Notes hereunder from the cash on hand of the Parent Guarantor and its subsidiaries.

10. CONDITIONS TO THE OFFERS

The Offers do not have as a condition that a minimum principal amount of Notes be tendered. Notwithstanding any other provisions of an Offer and in addition to (and not in limitation of) any rights we may have to extend and/or amend an Offer, we will not be required to accept for payment or pay for, and may delay the acceptance for payment of, or payment for, any tendered Notes, subject to the rules under the Exchange Act, and we may terminate an Offer, if:

- any statute, rule, regulation, judgment, order, stay, decree or injunction shall have been proposed, sought, promulgated, enacted, entered, enforced or deemed to be applicable by any court or governmental regulatory or administrative agency, authority or tribunal, domestic or foreign, directly or indirectly, in our reasonable good faith judgment, prohibiting preventing, restricting or delaying the consummation of an Offer including any such event that would make an Offer illegal;

- We have determined, in our reasonable good faith judgment, that the acceptance for payment of, or payment for, some or all of the Notes will violate, conflict with or constitute a breach of any order, statute, law, rule, regulation, executive order, decree or judgment of any court to which we may be bound or subject;
- there shall have occurred, in our reasonable good faith judgment:
 - any material adverse change in United States, Singapore, Macau, Hong Kong or international securities or financial markets or in currency exchange rates or exchange controls;
 - any material suspension or material limitation of trading in securities generally on The Stock Exchange of Hong Kong Limited, the SGX-ST, or any setting of minimum prices for trading on such exchange or in the over-the-counter market, or any suspension of trading of any of the securities of the Issuer or Galaxy Entertainment Group Limited on any exchange or in the over-the-counter market;
 - any banking moratorium declared by U.S. federal or New York authorities, or the authorities in Singapore, Macau or Hong Kong;
 - any major disruption of settlements of securities or clearance services in the United States;
 - any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency;
 - any limitation (whether or not mandatory) by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension of credit by banks or other lending institutions in the United States, Singapore, Macau, Hong Kong;
 - in the case of any of the foregoing existing at the time of the commencement of an Offer, a significant acceleration or worsening thereof;
- the Trustee under the Indenture for the Notes shall have objected in any respect to, or taken any action that could, in our reasonable good faith judgment, adversely affect the consummation of an Offer, or shall have taken any action that challenges the validity or effectiveness of the procedures used by us in making an Offer or the acceptance of or payment for any of the Notes;
- there shall have occurred or be likely to occur any event or series of events that, in our reasonable good faith judgment:
 - prohibits, prevents, restricts or delays consummation of an Offer; or
 - materially and adversely affects the business, assets, condition (financial or otherwise), income, operations or prospects of the Issuer or the Parent Guarantor and their subsidiaries (the “Group”), taken as a whole, or otherwise materially impair in any way the contemplated future conduct of Group’s business; or
- a tender or exchange offer for any or all of the Notes (other than these Offers), or any merger, acquisition proposal, business combination, tender offer or other similar transaction with or involving us has been proposed, announced or made by any person or has been publicly disclosed.

The foregoing conditions are for our sole benefit and may be asserted by us regardless of the circumstances (other than circumstances due to any factor within our control) giving rise to such condition or may be waived by us in whole or in part at any time and from time to time in our sole discretion up to the Expiration Date. If we choose to waive one of the conditions to an Offer with respect to one holder of Notes, we will waive that same condition to the applicable Offer for all holders of Notes. If any condition to the Offers is not satisfied or waived by us prior to the Expiration Date, we reserve the right (but shall not be obligated), subject to applicable law, to, with respect to each Offer:

- terminate such Offer and return the tendered Notes to the tendering holders;
- waive all unsatisfied conditions and accept for payment and purchase all Notes that are validly tendered (and not withdrawn) on or prior to the Expiration Date;
- extend such Offer and retain the Notes that have been tendered during the period for which such Offer is extended; or
- amend such Offer.

Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of or otherwise affect any of its other rights and each such right will be deemed an ongoing right which we may assert at any time and from time to time prior to the Expiration Date. Any determination by us concerning the events described above will be final and binding upon all parties.

11. CERTAIN TAX CONSIDERATIONS

(i) *U.S. Federal Income Tax Considerations for U.S. Holders*

The following is a general discussion of certain material U.S. federal income tax consequences that may be relevant to U.S. Holders (as defined below) who tender their Notes pursuant to the Offer. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations promulgated thereunder, administrative rulings and judicial interpretations, all as in effect or proposed on the date hereof and all of which are subject to change, possibly with retroactive effect, which could result in U.S. federal income tax consequences different from those discussed below.

This discussion is for general information only and does not address all of the tax consequences that may be relevant to specific beneficial owners of the Notes in light of their particular circumstances or to beneficial owners of the Notes subject to special treatment under U.S. federal income tax laws, including, without limitation: (i) persons subject to the alternative minimum tax, (ii) banks, insurance companies or other financial institutions, (iii) tax-exempt organizations, (iv) dealers in securities or commodities, (v) regulated investment companies or real estate investment trusts, (vi) partnerships (or other entities treated as partnerships for U.S. federal income tax purposes) and their partners or members, (vii) dealers in securities or currencies and traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, (viii) U.S. Holders (as defined below) whose “functional currency” is not the U.S. dollar, (ix) persons holding the Notes as a position in a hedging transaction, “straddle,” “conversion transaction” or other risk reduction transaction for U.S. federal income tax purposes, (x) persons who acquire Notes in connection with employment or other performance of services, (xi) persons deemed to sell the Notes under the constructive sale provisions of the Code, or (xii) U.S. expatriates. This discussion does not address any U.S. state and local or non-U.S. tax consequences or non-income tax consequences (such as estate or gift tax consequences). This discussion also assumes that the Notes are held as capital assets.

Holders are urged to consult their own tax advisors with respect to the application of U.S. federal income tax laws to their particular situations as well as any tax consequences arising under the U.S. federal estate or gift tax rules, under the laws of any state, local, foreign or other taxing jurisdiction or under any applicable tax treaty, any changes in applicable tax laws and any pending or proposed legislation or regulations.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS OFFER TO PURCHASE IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE COMPANY IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE COMPANY OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

For purposes of the discussion below, a “U.S. Holder” is a beneficial owner of Notes that for U.S. federal income tax purposes is: (1) an individual citizen or resident of the United States, (2) a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any state or political subdivision thereof, (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (4) a trust, (i) the administration of which is subject to the primary supervision of a U.S. court and as to which one or more U.S. persons have the authority to control all substantial decisions or (ii) that has a valid election in effect to be treated as a U.S. person.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A Holder that is a partnership or a partner of a partnership should consult its own tax advisors regarding the U.S. federal income tax consequences of the sale of Notes pursuant to the Offers.

Tender of Notes Pursuant to the Offer. The sale of Notes by a U.S. Holder pursuant to the Offers will generally be a taxable transaction for U.S. federal income tax purposes. Subject to the discussion of the market discount rules set forth below, a U.S. Holder selling Notes pursuant to the Offers will recognize capital gain or loss in an amount equal to the difference between (i) the amount of cash, including the amount of the Early Tender Payment, received by that U.S. Holder, other than the portion of such amount attributable to accrued but unpaid interest, and (ii) the U.S. Holder’s adjusted tax basis in such Notes at the time of sale. A U.S. Holder’s adjusted tax basis in the Notes generally will equal the cost of the Notes to such U.S. Holder, increased by the amount of any market discount previously included in gross income by the U.S. Holder, and reduced by the amount of any amortizable bond premium previously deducted by the holder with respect to the Notes. Any such gain or loss will be long-term capital gain or loss if the U.S. Holder’s holding period for the Notes exceeds one year on the date an Offer is consummated. Certain non-corporate U.S. Holders may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. The deductibility of capital losses is subject to limitations.

Accrued and Unpaid Interest. The gross amount of cash received by a U.S. Holder pursuant to the Offers that is attributable to accrued but unpaid interest will not be included in the amount realized for purposes of determining capital gain or loss, as described above, but will instead be taxable as ordinary income (to the extent it has not yet been included in such U.S. Holder’s gross income), regardless of whether the holder otherwise recognizes an overall loss pursuant to the sale.

Market Discount. An exception to the capital gain treatment described above may apply to a U.S. Holder who purchased Notes at a “market discount.” Subject to a statutory de minimis exception, Notes have market discount if they were acquired at an amount less than their stated principal amount. In general, unless the U.S. Holder has elected to include market discount in gross income currently as it accrues, any gain recognized by a U.S. Holder on the sale of Notes having market discount will be treated as ordinary income to the extent of the lesser of (i) the gain recognized or (ii) the portion of the market discount that has accrued (on a straight-line basis or, at the election of the U.S. Holder, on a constant-yield basis) while such Notes were held by the U.S. Holder. Gain in excess of such accrued market discount will be subject to the capital gains rules described above.

Information Reporting and Backup Withholding. Information returns may be required to be filed with the IRS relating to the receipt of consideration pursuant to the Offers by certain U.S. Holders. In addition, U.S. Holders may be subject to a backup withholding tax (currently at a 28% rate) on the payment of such consideration if they do not provide their taxpayer identification numbers in the manner required, fail to certify that they are not subject to backup withholding tax or otherwise fail to comply with applicable backup withholding tax rules. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the U.S. Holder’s federal income tax liability, if any, provided the required information is timely furnished to the IRS.

(ii) *Certain British Virgin Islands Tax Considerations*

As at the date of this Offer to Purchase, the Issuer is exempt from all provisions of the Income Tax Act of the British Virgin Islands, including with respect to all dividends, interests, rents, royalties, compensation and other amounts payable by the Issuer to persons who are not persons resident in the British Virgin Islands. Capital gains realized with respect to any shares, debt obligations or other securities of the Issuer by persons who are not persons resident in the British Virgin Islands are also exempt from all provisions of the Income Tax Act of the British Virgin Islands. No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in the British Virgin Islands with respect to any shares, debt obligations or other securities of the Issuer.

12. THE DEALER MANAGER AND INFORMATION AND TENDER AGENT

Dealer Manager. We have retained Merrill Lynch & Co. as Dealer Manager in connection with the Offers. In its capacity as Dealer Manager, Merrill Lynch & Co. may contact holders regarding the Offers and request brokers, dealers and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes. We have agreed to pay Merrill Lynch & Co. an amount that we believe is customary for its services as the Dealer Manager. We have also agreed to reimburse Merrill Lynch & Co. for its reasonable expenses and have agreed to indemnify Merrill Lynch & Co. against certain liabilities and expenses, including certain liabilities under U.S. federal securities laws.

The Information and Tender Agent. We have retained Bondholder Communications Group to act as the Information and Tender Agent in connection with the Offers. All deliveries, correspondence and questions sent or presented to the Information and Tender Agent relating to the Offers should be directed to the addresses or telephone numbers set forth on the back cover of this Offer to Purchase.

We will pay Bondholder Communications Group customary fees for its services as the Information and Tender Agent in connection with the Offers. The Information and Tender Agent will also be reimbursed by us for its reasonable expenses and indemnified by us against certain liabilities and expenses in connection with the Offers, including certain liabilities under U.S. federal securities laws.

Requests for information or additional copies of this Offer to Purchase should be directed to the Information and Tender Agent at its address and telephone numbers set forth on the back cover of this Offer to Purchase.

None of the Dealer Manager or the Information and Tender Agent assumes any responsibility for the accuracy or completeness of the information concerning us or our respective affiliates contained in this Offer to Purchase or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information.

13. SOLICITATION

Directors, officers and regular employees of either the Issuer and its affiliates (who will not be specifically compensated for such services), the Information and Tender Agent and the Dealer Manager may contact holders by mail, telephone, or facsimile regarding the Offers and may request brokers, dealers and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes.

14. FEES AND EXPENSES

Tendering holders of Notes will not be obligated to pay brokers fees or commissions of the Dealer Manager or transfer taxes on the purchase of Notes by the Issuer pursuant to the Offers. We will pay all fees and expenses of the Dealer Manager and the Information and Tender Agent in connection with the Offers.

We will reimburse brokers, dealers, commercial banks and trust companies for customary mailing and handling expenses incurred by them in forwarding material to their customers. We will not pay any fees or commissions to any broker, dealer or other person, other than the Dealer Manager and the Information and Tender Agent, in connection with the solicitation of tenders of Notes pursuant to the Offers.

15. MISCELLANEOUS

We are not aware of any jurisdiction where the making of the Offers is not in compliance with the laws of such jurisdiction. If we become aware of any jurisdiction where the making of the Offers would not be in compliance with such laws, we will make a good faith effort to comply with any such laws or seek to have such laws declared inapplicable to the Offers. If, after exercising such good faith effort, we cannot comply with any such applicable laws, the Offers will not be made to (nor will tenders be accepted from or on behalf of) the holders of Notes residing in such jurisdiction.

GALAXY ENTERTAINMENT FINANCE COMPANY LIMITED.

December 1, 2008

Any required documents should be sent or delivered by each holder of Notes or such holder's broker, dealer, commercial bank, trust company or other nominee to the Information and Tender Agent at one of its addresses set forth below.

Questions and requests for assistance or for additional copies of this Offer to Purchase may be directed to the Information and Tender Agent at the address and telephone number listed below. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information and Tender Agent for the Offer is:

Bondholder Communications Group

In New York:

30 Broad Street
46th Floor
New York, NY 10004
Telephone: +1 212-809-2663

In London:

28 Throgmorton
London EC2N 2AN
Telephone: +44 (0)20 7382 4580

Via E-mail:

Attn: Grace Edmonds
E-mail: gedmonds@bondcom.com

Website: www.bondcom.com/galaxy

The Dealer Manager for the Offer is:

Merrill Lynch & Co.

Merrill Lynch World Headquarters
North Tower
World Financial Center
New York, New York 10281-1201

Toll Free: 888-654-8637 (dialing from the U.S.)

or

Call Collect: +1-212-449-4914

Merrill Lynch (Asia Pacific) Limited

15th Floor, Citibank Tower
3 Garden Road Central
Hong Kong
Attn: Asia Debt Syndicate
Telephone: +852-2161-7141