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GALAXY ENTERTAINMENT GROUP

REPORTS

2010 FOURTH QUARTER AND ANNUAL RESULTS

RECORD Full Year Group EBITDA of HK\$2.23 billion, up 92% Over 2009 and NINTH Consecutive Quarter of Group EBITDA Growth of HK\$625 million in Q4

StarWorld Delivers TENTH Consecutive Quarter of EBITDA Growth and All-Time Record EBITDA of HK\$585 million in Q4 2010

Galaxy Macau™ Unveils New HK\$600 million entertainment offering

Hong Kong, 30 March 2011 - Galaxy Entertainment Group Limited (“GEG” or “the Group”) (HKEx stock code: 27), one of the fastest growing entertainment companies in the world, today reported record results for the three month and twelve month periods ended 31 December 2010.

Highlights

GEG:

- Record full year Group EBITDA of \$2.23 billion, up 92% year-on-year
- All-time record Group EBITDA of \$625 million in Q4, up 76% year-on-year, and NINTH consecutive quarter of Group EBITDA growth

StarWorld:

- All-time record EBITDA of \$585 million in Q4 and TENTH consecutive quarter of EBITDA growth
- Continuously improving ROI* of 61% in 2010, one of the highest ROIs of any major casino

Galaxy Macau™ - Grand Opening on Sunday May 15th, 2011

- Galaxy Macau™ scheduled to open with the accelerated rollout program including:
 - 1,400 rooms and suites (of total 2,200 rooms and suites)
 - all 50 food and beverage outlets
 - 450 tables and 1,100 slot machines (can expand to over 600 tables and 1,500 slot machines if needed)
 - Grand Resort Deck with the world’s largest skytop wave pool
- Unveil new \$600 million entertainment offering to open in September 2011, primarily consisting of:
 - Macau’s only modern Cineplex, a 9-screen, 3D-compatible, multifunction cinema theatre with a total capacity of 1,000 seats
 - A 1,000 square metre multipurpose event plaza

Balance Sheet/ Financing Highlights

- Remained liquid with total cash on hand of HK\$4.4 billion as of 31 December 2010
- Successfully closed landmark RMB1.38 billion oversubscribed and upsized bond offering in December 2010
- Subsequent to year end 2010, all of the HK\$1.3 billion/US\$165 million convertible notes were converted into 173 million common shares, further strengthening the balance sheet and increasing the free-float of shares

** ROI calculated based on the total EBITDA for the latest twelve months (LTM) divided by the total investment, including land cost.*



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Dr. Che-woo Lui, Chairman of Galaxy Entertainment Group said: *“These strong fourth quarter financial results mark the successful conclusion of an outstanding year for the Group. All of our businesses performed well and are positioned to leverage the region’s growth potential.*

StarWorld has consistently outperformed the market during this and previous years, and today we report its tenth straight quarter of EBITDA growth. The property is fully capitalising on the surging demand in Macau and delivering one of the strongest returns of any major casino in the world. StarWorld has again been granted a number of industry awards in 2010, including the highly prestigious 5 Star Diamond Award for the fourth consecutive year.

During 2010, the Group successfully undertook a number of initiatives in order to enhance financial efficiency, including the launch of a highly innovative Hong Kong listed RMB bond in December. The bond was the first of its kind from a non-financial institution to be listed on the Hong Kong Stock Exchange and was more than 13 times oversubscribed.

Looking ahead, 2011 will be a milestone year for the Group. We believe that Galaxy Macau™ will be the only major new property to open in Macau in 2011, in what continues to be surging market conditions. Galaxy Macau™ will set new standards as the first Asian centric destination resort in Macau and further support Macau Government’s sustainable growth target through diversification. This game-changing property officially opens on Sunday May 15th, and we are now preparing for an extraordinary grand opening ceremony.”

Group Financial Results

Strong growth was maintained throughout the year, with the fourth quarter representing the Group’s ninth consecutive quarter of EBITDA growth. GEG reported revenue and net profit attributable to shareholders of \$19,262 million and \$898 million respectively for the twelve month period ended 31 December 2010. This was in comparison to revenue of \$12,233 million and net profit of \$1,149 million for the twelve month period ended 31 December 2009. On a pro forma basis, net profit attributable to shareholders tripled from \$0.4 billion in 2009 to \$1.3 billion in 2010, after excluding one-time gain on bond buyback, early note redemption charge and accounting valuation of the convertible notes.

The Group’s earnings before interest, taxation, depreciation and amortisation (EBITDA) were \$2,231 million for the year, an increase of 92% compared to \$1,161 million for the previous year. The Group concluded 2010 with its ninth consecutive quarter of EBITDA growth; an all-time record quarterly EBITDA of \$625 million in Q4, a 76% increase over Q4 in 2009. These strong financial results reflect the Group’s continued initiatives to grow profitable revenue streams and tightly control costs.



In addition to StarWorld's strong performance, all of GEG's other businesses, including City Clubs and the Construction Materials Division, continued to perform solidly and made valuable contributions to the Group's strong results.

During the year, GEG successfully completed several major financial initiatives that reduced the cost of debt from approximately 8% to currently below approximately 5%, materially enhancing the financial efficiency of the Group. These initiatives included the closing of a six-year HK\$9 billion club loan, the successful issuance of RMB1.38 billion Renminbi denominated corporate bonds, and the early redemption of 2010 Floating Rate Notes and 2012 Fixed Rate Notes.

As at 31 December 2010, the outstanding amount of the Group's zero yield, zero coupon convertible notes was US\$165 million, or approximately HK\$1,287 million. Subsequent to year end 2010, all of the outstanding convertible notes were converted into approximately 173 million common shares. This has resulted in a further strengthened Balance Sheet and an increase in GEG's free-float of common shares.

StarWorld Hotel & Casino

StarWorld performed outstandingly during the year. For the twelve month period ended 31 December 2010, the Group's flagship property delivered EBITDA of \$2.04 billion, an increase of 107% over 2009 and an all-time yearly record. The property concluded 2010 with its tenth consecutive quarter of EBITDA growth; an all-time record quarterly EBITDA of \$585 million in Q4, a 69% increase over Q4 in 2009.

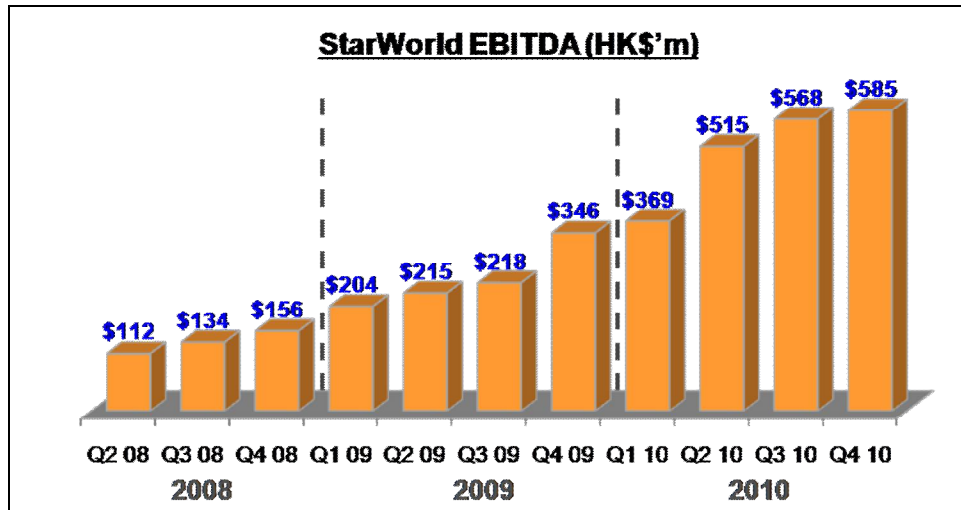
For the full year, StarWorld achieved record revenues of \$16.54 billion, representing a 72% increase over 2009. The impressive performance was a direct result of increased gaming volumes, which continued to be driven by the property's strong reputation and quality, excellent location in the gaming hub of Macau Peninsula, and its commitment to Asian Heart service.

The property is a great success and delivered one of the highest returns of any major casino in the world with an annualized ROI of 61% - calculated based on the total EBITDA for the twelve months ended 31 December 2010 divided by the total investment, including land cost.



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The below chart demonstrates the progression of EBITDA at StarWorld:



StarWorld's VIP gaming performance was exceptionally strong throughout the year, reporting VIP rolling volume of \$515 billion in 2010. This figure represents a 79% increase over 2009 and, again, outpaces Macau's market growth for VIP rolling volume, which grew 62% during 2010. StarWorld concluded 2010 with an all-time record quarterly VIP rolling volume of \$147 billion in Q4.

VIP Gaming	Q1 2010	Q2 2010	Q3 2010	Q4 2010	FY 2009	FY 2010
Turnover (HK\$)	\$102 b	\$129 b	\$137 b	\$147 b	\$288 b	\$515 b
Win %	2.9%	2.8%	3.1%	2.8%	2.9%	2.9%
Net Win (HK\$)	\$2.9 b	\$3.6 b	\$4.3 b	\$4.1 b	\$8.3 b	\$14.9 b

StarWorld reported solid growth for its mass gaming operations. Mass gaming table win was \$1.15 billion for the full year, representing a 23% increase over 2009, and \$320 million in the fourth quarter, up 18% year-on-year. Electronic gaming revenue for the full year was \$207 million, posting 49% growth over 2009, and \$66 million in the fourth quarter, up 46% year-on-year. This growth was largely due to the improved mass gaming facilities following the upgrade of StarWorld's mass gaming floor during 2009.

StarWorld's hotel room occupancy rate was near capacity at an average of 97% for the year, and an outstanding 99% in the fourth quarter of 2010. These figures are considerably higher than DSEC's statistics for the Macau market average for five-star hotels occupancy of 79% for the year.



StarWorld 2010 Awards



HOTEL AWARDS 2010

Award Name	Organization
Five-Star Diamond Award (2010)	The American Academy of Hospitality Sciences
Top Ten Charming Hotels in China (2010)	Continental Diamond Awards of World Hotel Association (China)
Best Gaming Hotel China (2010)	Golden Horse Award of China Hotel
Top Ten Glamorous Hotels of China (2010)	China Hotel Starlight Awards
Best Business Hotel in Macau (2010)	The 7 th Golden Pillow Award of China Hotels
High-Flyers Award (2010) – Leading Hotel & Casino	Hong Kong Business Magazine



FOOD AND BEVERAGE AWARDS 2010

Award Name	Organization
One Star Restaurant (Macau) – Jade Garden (2010, 2011)	Michelin Guide Hong Kong and Macau
Listed in Michelin Guide – Inagiku (2011)	Michelin Guide Hong Kong and Macau
Listed in Michelin Guide – Laurel (2011)	Michelin Guide Hong Kong and Macau
Gold Meal of International Famous Chef Invitation Tournament for Chinese Cuisine (2010)	World Association of Chinese Cuisine
Listed in Macau's Best Restaurants – Jade Garden, Laurel, Temptations, Inagiku, Whisky Bar (2010)	Macau Tatler



City Clubs

City Clubs continued to make a valuable contribution to the Group. The performance of the Division has improved following the restructuring of certain management agreements and a refocusing of the Division's business model. City Clubs contributed \$158 million in EBITDA to the Group during the twelve month period ended 31 December 2010. GEG continues to prudently manage the business to ensure sustained profitability.

Construction Materials

The Construction Materials Division (CMD) continued to make considerable progress, delivering a strong performance and valuable profit during 2010. The successful strategy of focusing on higher value products, such as slag, and the growth of joint ventures in Mainland China contributed to the Division reporting EBITDA of \$348 million in 2010, a 38% increase from \$253 million in 2009.

Galaxy Macau™

The grand opening of Galaxy Macau™ will be on Sunday May 15th, 2011. Galaxy Macau™ is Macau's first Asian centric destination resort. This is embodied by a focus on Asian hospitality, Asian tastes, Asian sensibilities and Asian design influences. The resort is designed to attract visitors from around the region, as well as international guests seeking an authentic Asian resort holiday experience.



The 550,000 square metre fully integrated destination resort will feature the most luxurious of accommodation from three of the world's leading hotel brands; the ultra exclusive Banyan Tree Macau, which will offer approximately 250 suites and 10 floating villas; the 500-room Hotel Okura Macau; and the luxurious 1,500-room Galaxy Hotel, which will become GEG's flagship Cotai hotel.

The resort will cater for mass gaming, direct premium gaming, electronic gaming and VIP customers. With capacity for over 600 gaming tables and 1,500 electronic gaming machines, and more than 50 predominantly Asian food and beverage outlets, Galaxy Macau™ is tailored to the needs of Asian consumers.

At a total investment of HK\$14.9 billion, Galaxy Macau™ offers a number of game-changing features and amenities. Most prominent of these is the property's 52,000 square metre resort deck, where a man-made beach with 350 tonnes of white sand deposited along a 150 metre long shoreline frames the world's largest skytop wave pool, covering 4,000 square metres with waves reaching as high as 1.5 metres.

As at 31 December 2010, the Group invested a total of \$9.0 billion into Galaxy Macau™.

Galaxy Macau™'s new entertainment offering

To further enrich Galaxy Macau™'s entertainment offering, a new HK\$600 million, 15,000 square metre entertainment facility is under construction and will open by the end of September 2011. This entertainment offering will include, among other features, Macau's only modern Cineplex, a 9-screen, 3D-compatible, multifunction cinema theatre with a total capacity of 1,000 seats, as well as a 1,000 square metre multipurpose event plaza.

Group Outlook For 2011

GEG remains confident about the outlook for 2011 and beyond. The Macau market is already demonstrating very impressive growth early in 2011, and the consensus of gaming analysts is that gaming revenue will continue to grow in excess of 20% during 2011 as visitations to Macau increase.

A number of major infrastructure projects are currently under construction in Mainland China and Macau which will further improve the accessibility of Macau and drive an increase in tourist arrivals. These improvements demonstrate the Central and Macau Governments' commitment to creating long-term, sustainable growth by driving both domestic consumption and tourism in the SAR.



2011 will be an historic year for the Group with the opening of Galaxy Macau™. This new and exciting property will allow GEG to further leverage Macau's growth as we see a new type of customer visiting Macau, especially the emerging middle class in Mainland China yet to visit Macau.

In addition, with the opening of Macau's first Banyan Tree and Okura hotels, Galaxy Macau™ will offer well recognised and respected luxury hotel brands to visitors from Southeast Asia and North Asia.

GEG expects that Galaxy Macau™ will be the only new integrated destination resort to open in Macau in 2011 and, upon its completion, GEG will be the only operator with flagship properties in both the gaming hub of Macau Peninsula and the rapidly emerging resort destination area of Cotai. Furthermore, the Group owns the largest contiguous landbank licensed for gaming in Macau, and is well advanced with its plans for future development.

The Group is extremely well positioned to continue its exciting development as it grows into one of the largest entertainment businesses in Asia.

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About Galaxy Entertainment Group Limited (HKEx stock code: 27)

Galaxy Entertainment Group ("GEG"), through its subsidiary, Galaxy Casino, S.A., holds a Macau gaming concession. GEG is authorized to carry out casino games of chance in Macau, which is the only legal gaming location in China.

GEG currently owns and operates StarWorld Hotel and Casino – a luxury 5-Star property on the Macau peninsula, and operates four City Club Casinos in Macau. GEG is also developing Galaxy Macau™, a fully-integrated leisure and entertainment destination resort opening on 15 May 2011. This eagerly anticipated resort shall further expand the diversity of GEG's businesses and enrich Macau's tourism offerings to become a global center of tourism and recreation.

For more details, please visit <http://www.galaxyentertainment.com>.



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