GALAXY ENTERTAINMENT GROUP
Q2 & INTERIM RESULTS 2018

DELIVERS RECORD QUARTERLY EBITDA

Q2 2018 GROUP ADJUSTED EBITDA OF $4.3 BILLION, UP 32% YOY

10TH CONSECUTIVE QUARTER OF YOY EBITDA GROWTH

DRIVEN BY RECORD QUARTERLY MASS PERFORMANCE

SUBSEQUENTLY ANNOUNCED ANOTHER SPECIAL DIVIDEND

$0.50 PER SHARE PAYABLE ON OR ABOUT 26 OCTOBER 2018

Hong Kong, 8 August 2018 – Galaxy Entertainment Group (“GEG”, “Company” or the “Group”) (HKEx stock code: 27) today reported results for the three months and six months periods ended 30 June 2018. (All amounts are expressed in Hong Kong dollars unless otherwise stated)

Q2 & INTERIM 2018 RESULTS HIGHLIGHTS

GEG: Delivered Record Performance, Driven by Record Mass, Strong VIP and Operational Execution
- 1H Group Net Revenue* of $28.1 billion, up 25% year-on-year
- 1H Group Adjusted EBITDA of $8.6 billion, up 34% year-on-year
- 1H Net Profit Attributable to Shareholders (“NPAS”) of $7.2 billion, up 56% year-on-year
- Q2 Group Net Revenue* of $13.9 billion, up 22% year-on-year and down 1% quarter-on-quarter
- Q2 Group Adjusted EBITDA of $4.3 billion, up 32% year-on-year and up modestly quarter-on-quarter
- Played unlucky in Q2 which decreased Adjusted EBITDA by approximately $131 million, normalized Q2 Adjusted EBITDA of $4.5 billion, up 34% year-on-year and up 1% quarter-on-quarter
- LTM Adjusted EBITDA of $16.3 billion, up 35% year-on-year

Galaxy Macau™: 10th Consecutive Quarter of YoY EBITDA Growth, despite Playing Unlucky
- 1H Net Revenue* of $19.8 billion, up 25% year-on-year
- 1H Adjusted EBITDA of $6.5 billion, up 28% year-on-year
- Q2 Net Revenue* of $9.9 billion, up 28% year-on-year and up 1% quarter-on-quarter
- Q2 Adjusted EBITDA of $3.2 billion, up 30% year-on-year and down 1% quarter-on-quarter
- Played unlucky in Q2 which decreased Adjusted EBITDA by approximately $125 million, normalized Q2 Adjusted EBITDA of $3.3 billion, up 29% year-on-year and down 3% quarter-on-quarter
- Hotel occupancy for Q2 across the five hotels was virtually 100%

StarWorld Macau: 8th Consecutive Quarter of YoY EBITDA Growth Driven by Near Record Mass
- 1H Net Revenue* of $6.3 billion, up 28% year-on-year
- 1H Adjusted EBITDA of $2.0 billion, up 41% year-on-year
- Q2 Net Revenue* of $3.1 billion, up 17% year-on-year and down 5% quarter-on-quarter
- Q2 Adjusted EBITDA of $987 million, up 29% year-on-year and down 2% quarter-on-quarter
- Played unlucky in Q2 which decreased Adjusted EBITDA by approximately $4 million, normalized Q2 Adjusted EBITDA of $991 million, up 44% year-on-year and up 7% quarter-on-quarter
- Hotel occupancy for Q2 was virtually 100%

**Net Revenue is calculated in accordance with the new accounting standard and the comparison percentage is over the restated Net Revenue in Q2 & 1H 2017 and Q1 2018.*

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

- 1H Net Revenue* of $273 million, up 4% year-on-year
- 1H Adjusted EBITDA of $15 million versus $7 million in 1H 2017
- Q2 Net Revenue* of $131 million, up 3% year-on-year and down 8% quarter-on-quarter
- Q2 Adjusted EBITDA of $2 million versus $1 million in Q2 2017
- Played unlucky in Q2 which decreased Adjusted EBITDA by approximately $2 million, normalized Q2 Adjusted EBITDA of $4 million versus $6 million in Q2 2017
- Hotel occupancy for Q2 was virtually 100%

Balance Sheet: Exceptionally Strong Balance Sheet

- Cash and liquid investments was $42.9 billion and net cash of $34.3 billion as at 30 June 2018
- Debt of $8.6 billion as at 30 June 2018
- Paid the previously announced special dividend of $0.41 per share on 27 April 2018
- Subsequently announced another special dividend of $0.50 per share to be paid on or about 26 October 2018

Development Update: Continuing to Pursue Development Opportunities

- Cotai Phases 3 & 4 – Continue to move forward with Phases 3 & 4, with a strong focus on non-gaming, primarily targeting MICE, entertainment, family facilities and also including gaming
- Wynn Resorts – Completed passive minority investment
- Hengqin – Plans moving forward to develop a low-density integrated resort to complement our high-energy entertainment resorts in Macau, anticipate to disclose further details later in the year
- International – Continuously exploring opportunities in overseas markets, including Japan and Philippines

**Net Revenue is calculated in accordance with the new accounting standard and the comparison percentage is over the restated Net Revenue in Q2 & 1H 2017 and Q1 2018.*

Dr. Lui Che Woo, Chairman of GEG said:

"Today I am pleased to report the second quarter and half year results of the Group in 2018. During the period Macau continued to perform and the Group focused on operational execution. For first half of 2018, Group Net Revenue increased 25% year-on-year to $28.1 billion and Adjusted EBITDA increased 34% year-on-year to $8.6 billion. In Q2 2018, the Group delivered record Adjusted EBITDA of $4.3 billion, notwithstanding $131 million of bad luck. This is despite the ramp up of new and existing properties in a competitive market. Also of note is that Q2 Gross Gaming Revenue ("GGR") is historically softer than Q1 and that the World Cup impacted GGR in the latter part of June and into July.

We continued to drive every segment of the business and yield our resorts which translated into record EBITDA. We are very pleased to report that for both second quarter and the first half, our resort hotels reported virtually 100% occupancy.

Our balance sheet continued to be exceptionally strong and liquid with total cash and liquid investments of $42.9 billion and net cash of $34.3 billion. Our exceptionally strong balance sheet allows us to return capital to shareholders through dividends and to fund our development pipeline and our international expansion ambitions. On 27 April 2018 we paid a special dividend of $0.41 per share and today we announced another special dividend of $0.50 per share payable on or about 26 October 2018. These dividends demonstrate our confidence in the longer term outlook for Macau and for the Company.

Also, in March GEG agreed to purchase a passive minority investment of 4.9% in Wynn Resorts at a cost of USD $927.5 million (approximately HK$7.28 billion). We subsequently closed the transaction in April 2018.

On the development front, GEG continued to move forward with its Cotai Phases 3 & 4, which will include approximately 4,500 hotel rooms, including family and premium high end rooms, significant MICE space, a 16,000-seat multi-purpose arena, food and beverage, retail and casinos, among others. Further, we are advancing the conceptual plans for our development in Hengqin for a low density integrated resort that will complement our high energy resorts in Macau. The Group has a clearly defined growth development pipeline.

I am very pleased with the recent passing of the Integrated Resort ("IR") Bill in Japan. We view Japan as a great long term growth opportunity that will complement our Macau operations and our other international expansion ambitions. GEG, together with Monte-Carlo SBM from the Principality of Monaco and our Japanese partners, look forward to bringing our brand of World Class IRs to the country.

We remain confident in the outlook for Macau and GEG specifically over the longer term due to the significant market demand for leisure, tourism and travel. However, we do acknowledge that in the shorter term the global trade tensions, currency volatility and the overall slowing economy may impact consumer confidence in the second half of 2018. We look forward to the opening of additional infrastructure projects such as Hong Kong-Zhuhai-Macau Bridge and the extended train line that will support the future growth of Macau and the integration of the Greater Bay Area.

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

Market Overview

Based on DICJ reporting, Macau's GGR for the first half of 2018 was up 19% year-on-year to $145.8 billion. Q2 2018 GGR was up 17% year-on-year and down 4% quarter-on-quarter to $71.6 billion. The Q2 GGR number includes the short term negative impact of the World Cup on gaming revenue and historically Q2 GGR is seasonally softer than Q1.

In the first half of 2018, visitor arrivals to Macau were 16.84 million, up 8% year-on-year, in which overnight visitors also grew at 8% year-on-year. The average length of stay for overnight visitors increased 0.1 day year-on-year to 2.2 days, demonstrating new hotel capacity has successfully grown both the day trip and overnight visitation.

Summary of Accounting Changes and the Impact

In accordance with the Hong Kong Institute of Certified Public Accountants (HKICPA), GEG adopted a new accounting standard in reporting revenue from gaming operation beginning from 1 January 2018. GEG's first mandatory reporting period is the six months period ended 30 June 2018. The main changes due to this reporting standard are that commission and incentives are to be deducted from the net wins from gaming operation to arrive at the net gaming revenue. In addition, GEG now also reports all complimentary provided to gaming customers at market rate. The comparative figures of revenue in 2017 have been restated to conform with the current period's presentation.

In summary the impact will be lower reported gaming revenue, an increased Adjusted EBITDA margin, and an increase in non-gaming revenue such as hotels and F&B. There will be no change in the Adjusted EBITDA or NPAS.

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New Accounting Standard						
	2017 (Restated)			**2018**		
(HK$'m)	Q1	Q2	1H	**Q1**	**Q2**	**1H**
Total Net Revenue	11,128	11,408	22,536	**14,133**	**13,925**	**28,058**
Net Revenue, Gaming Operations	9,328	9,373	18,701	**11,921**	**11,898**	**23,819**
NPAS			4,631			**7,206**
Adjusted EBITDA	3,180	3,286	6,466	**4,319**	**4,326**	**8,645**
Adjusted EBITDA Margin	28.6%	28.8%	28.7%	**30.6%**	**31.1%**	**30.8%**

Previous Accounting Standard						
	2017			**2018**		
(HK$'m)	Q1	Q2	1H	**Q1**	**Q2**	**1H**
Total Revenue	14,097	14,447	28,544	**18,549**	**18,288**	**36,837**
Gross Revenue, Gaming Operations	12,672	12,777	25,449	**16,720**	**16,648**	**33,368**
NPAS			4,631			**7,206**
Adjusted EBITDA	3,180	3,286	6,466	**4,319**	**4,326**	**8,645**
Adjusted EBITDA Margin	22.6%	22.7%	22.7%	**23.3%**	**23.7%**	**23.5%**

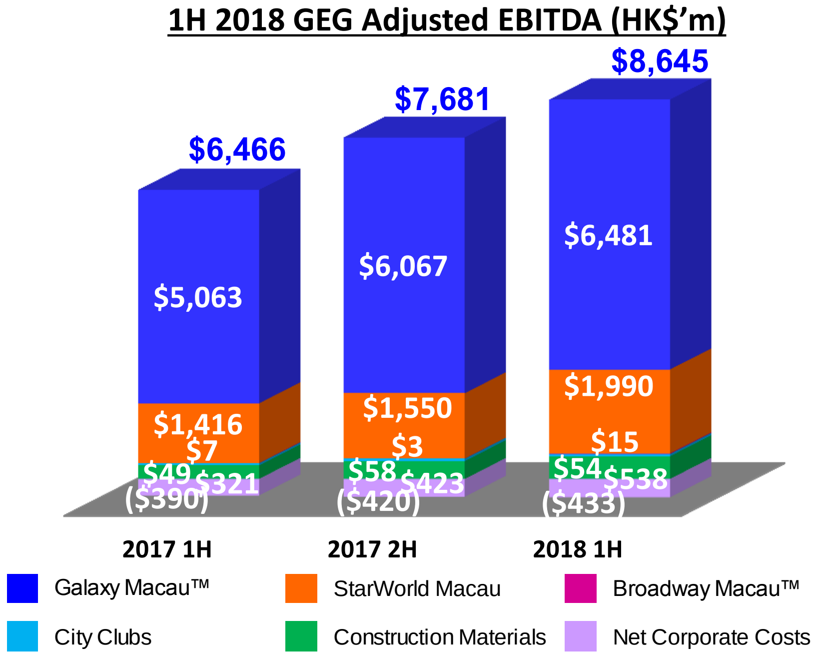
New Accounting Standard						
	2017 (Restated)			**2018**		
(HK$'m)	Q1	Q2	1H	**Q1**	**Q2**	**1H**
VIP Gross Gaming Revenue	6,816	6,932	13,748	**9,823**	**9,711**	**19,534**
Mass Gross Gaming Revenue	5,334	5,335	10,669	**6,306**	**6,373**	**12,679**
Electronic Gross Gaming Revenue	496	483	979	**562**	**531**	**1,093**
Contributions, Admin Fees from City Clubs and Tips received	26	27	53	**29**	**33**	**62**
Gross Revenue, Gaming Operations	12,672	12,777	25,449	**16,720**	**16,648**	**33,368**
Commission and Incentives	(3,344)	(3,404)	(6,748)	**(4,799)**	**(4,750)**	**(9,549)**
Net Revenue, Gaming Operations	9,328	9,373	18,701	**11,921**	**11,898**	**23,819**

Group Financial Results

1H 2018

The Group's 1H 2018 results posted Net Revenue of $28.1 billion, up 25% year-on-year, and generating Adjusted EBITDA of $8.6 billion, up 34% year-on-year. Net profit attributable to shareholders increased to $7.2 billion. Galaxy Macau™'s Adjusted EBITDA was $6.5 billion, up 28% year-on-year. StarWorld Macau's Adjusted EBITDA was $2.0 billion, up 41% year-on-year. Broadway Macau™'s Adjusted EBITDA was $15 million versus $7 million in 1H 2017.

During 1H 2018, GEG experienced bad luck in its gaming operation, which decreased its Adjusted EBITDA by approximately $229 million. Normalized 1H 2018 Adjusted EBITDA grew 38% year-on-year to $8.9 billion.



The Group's total gross gaming revenue on a management basis[1] in 1H 2018 was $34.3 billion, up 30% year-on-year as total mass table gross gaming revenue was $13.5 billion, up 18% year-on-year and total VIP gross gaming revenue was $19.6 billion, up 41% year-on-year. Total electronic gross gaming revenue was $1.2 billion, up 13% year-on-year.

Gross Group Gaming in 1H 2018 (before deducting commission and incentives)

HK$'b	Turnover / Table Drop / Slots Handle	Net Win	Win % / Hold %
VIP Gaming	578.1	19.6	3.4%
Mass Gaming	32.3	13.5	41.9%
Electronic Gaming	36.1	1.2	3.3%

Gross Group Gaming in 1H 2017 (before deducting commission and incentives)

HK$'b	Turnover / Table Drop / Slots Handle	Net Win	Win % / Hold %
VIP Gaming	396.4	13.9	3.5%
Mass Gaming	28.2	11.4	40.6%
Electronic Gaming	30.3	1.1	3.4%

Q2 2018

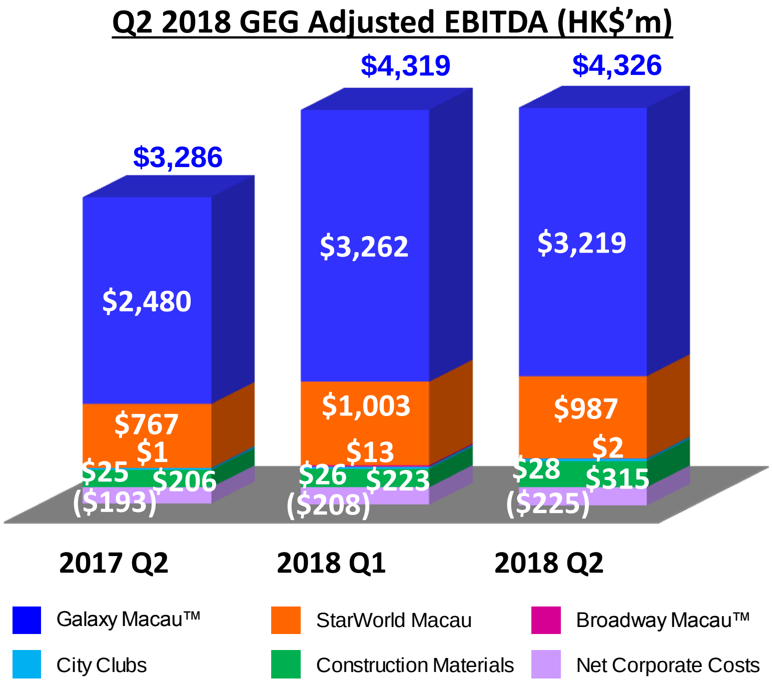
The Group Net Revenue increased 22% year-on-year to $13.9 billion and Adjusted EBITDA increased 32% year-on-year to a record of $4.3 billion. Galaxy Macau™'s Adjusted EBITDA increased 30% year-on-year to $3.2 billion. StarWorld Macau's Adjusted EBITDA increased

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

29% year-on-year to $987 million. Broadway Macau™'s Adjusted EBITDA was $2 million versus $1 million in Q2 2017.

Latest twelve months Adjusted EBITDA was up 35% year-on-year to $16.3 billion and up 7% quarter-on-quarter.

During Q2 2018, GEG experienced bad luck in its gaming operations which decreased Adjusted EBITDA by approximately $131 million. Normalized Q2 2018 Adjusted EBITDA grew 34% year-on-year and grew 1% quarter-on-quarter to $4.5 billion.



The Group's total gross gaming revenue on a management basis[2] in Q2 2018 was $17.2 billion, up 29% year-on-year and down 0.2% quarter-on-quarter. Total mass table gross gaming revenue was $6.8 billion, up 20% year-on-year and up 2% quarter-on-quarter. Total VIP gross gaming revenue was $9.8 billion, up 38% year-on-year and down 1% quarter-on-quarter. Total electronic gross gaming revenue was $0.6 billion, up 11% year-on-year and down 5% quarter-on-quarter.

Gross Group Gaming in Q2 2018 (before deducting commission and incentives)

HK$'b	Turnover / Table Drop / Slots Handle	Net Win	Win % / Hold %
VIP Gaming	289.3	9.8	3.4%
Mass Gaming	16.4	6.8	41.8%
Electronic Gaming	18.2	0.6	3.1%

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

Gross Group Gaming in Q2 2017 (before deducting commission and incentives)

HK$'b	Turnover / Table Drop / Slots Handle	Net Win	Win % / Hold %
VIP Gaming	198.6	7.1	3.6%
Mass Gaming	14.1	5.7	40.3%
Electronic Gaming	15.2	0.5	3.4%

Balance Sheet, Special Dividend and Investment

The Group's balance sheet remains liquid and healthy. Our strong balance sheet combined with substantial cash flow from operations allows us to return capital to shareholders via dividends and to fund our development pipeline and international expansion ambitions.

Subsequently the Group announced another special dividend of $0.50 per share to be paid on or about 26 October 2018.

In March 2018, GEG announced a passive minority equity investment in Wynn Resorts where GEG agreed to purchase 5.3 million shares of common stock in Wynn Resorts at US$175 per share. The shares purchased represent approximately 4.9% of Wynn Resorts. In early April, the Group closed the transaction paying a total of US$927.5 million (approximately HK$7.28 billion) to Wynn Resorts.

Galaxy Macau™

Galaxy Macau™ is the primary contributor to Group revenue and earnings. Net Revenue in 1H 2018 was up 25% year-on-year to $19.8 billion. Adjusted EBITDA was up 28% year-on-year to $6.5 billion. Adjusted EBITDA margin under HKFRS was 33% (1H 2017: 32%).

Galaxy Macau™ experienced bad luck in its gaming operations which decreased its Adjusted EBITDA by approximately $302 million in 1H 2018. Normalized 1H 2018 Adjusted EBITDA grew 33% year-on-year to $6.8 billion.

Q2 2018 Adjusted EBITDA was $3.2 billion, up 30% year-on-year and down 1% quarter-on-quarter. Adjusted EBITDA margin for Q2 2018 calculated under HKFRS was 32% (Q2 2017: 32%).

Galaxy Macau™ experienced bad luck in its gaming operations which reduced its Adjusted EBITDA by approximately $125 million in Q2 2018. Normalized Q2 2018 Adjusted EBITDA grew 29% year-on-year and down 3% quarter-on-quarter to $3.3 billion.

VIP Gaming Performance (Gross)

Total VIP rolling chip volume was $413.4 billion, up 56% year-on-year for 1H 2018. This translated to gross gaming revenue of $14.5 billion, up 45% year-on-year. Q2 gross gaming revenue was $7.3 billion, increased 51% year-on-year and increased 2% quarter-on-quarter.

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VIP Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Turnover	132,899	204,938	**208,506**	57%	2%	264,654	**413,444**	56%
Net Win	4,830	7,153	**7,304**	51%	2%	9,943	**14,457**	45%
Win %	3.6%	3.5%	**3.5%**			3.8%	**3.5%**	

Mass Gaming Performance (Gross)

Mass gross gaming revenue increased 17% year-on-year to $9.1 billion for 1H 2018. Q2 gross gaming revenue was $4.6 billion, increased 20% year-on-year and increased 2% quarter-on-quarter.

Mass Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Table Drop	8,930	10,423	**10,390**	16%	(0.3%)	17,769	**20,813**	17%
Net Win	3,845	4,524	**4,610**	20%	2%	7,813	**9,134**	17%
Hold %	43.1%	43.4%	**44.4%**			44.0%	**43.9%**	

Electronic Gaming Performance (Gross)

Electronic gross gaming revenue was $982 million, an increase of 10% year-on-year for 1H 2018. Q2 gross gaming revenue was $473 million, up 8% year-on-year and down 7% quarter-on-quarter.

Electronic Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Slots Handle	11,187	13,590	**13,311**	19%	(2%)	22,572	**26,901**	19%
Net Win	439	509	**473**	8%	(7%)	893	**982**	10%
Hold %	3.9%	3.7%	**3.6%**			4.0%	**3.7%**	

Non-Gaming Performance (Previous Accounting Standard)

1H 2018 non-gaming revenue was $1.6 billion, up 11% year-on-year. Q2 non-gaming revenue was $774 million, up 9% year-on-year and down 4% quarter-on-quarter. The combined five hotels registered strong occupancy of virtually 100% in both 1H and Q2 2018.

1H 2018 net rental revenue for The Promenade was $553 million, up 27% year-on-year. Q2 net rental revenue for The Promenade was $260 million, up 23% year-on-year and down 11% quarter-on-quarter.

Non-Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Net Rental Rev	212	293	**260**	23%	(11%)	434	**553**	27%
Hotel/F&B/Others	501	513	**514**	3%	0.2%	986	**1,027**	4%
Total	713	806	**774**	9%	(4%)	1,420	**1,580**	11%

Under the new Accounting Standard, hotel, F&B, others would be recorded as below.

Hotel/F&B/Others under New Accounting Standard

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Hotel/F&B/Others	784	819	**820**	5%	0.1%	1,558	**1,639**	5%

StarWorld Macau

StarWorld Macau's Net Revenue was up 28% year-on-year to $6.3 billion in 1H 2018. Adjusted EBITDA was up 41% year-on-year to $2.0 billion. Adjusted EBITDA margin under HKFRS increased to 32% (1H 2017: 29%).

StarWorld Macau experienced good luck in its gaming operations which increased its Adjusted EBITDA by approximately $72 million in 1H 2018. Normalized 1H 2018 Adjusted EBITDA grew 41% year-on-year to $1.9 billion.

Q2 2018 Adjusted EBITDA was $987 million, up 29% year-on-year and down 2% quarter-on-quarter. Adjusted EBITDA margin for Q2 2018 calculated under HKFRS increased to 32% (Q2 2017: 29%).

StarWorld Macau experienced bad luck in its gaming operations which decreased its Adjusted EBITDA by approximately $4 million in Q2 2018. Normalized Q2 2018 Adjusted EBITDA grew 44% year-on-year to $991 million.

VIP Gaming Performance (Gross)

VIP rolling chip volume was $162.0 billion, up 29% year-on-year in 1H 2018. This translated to gross gaming revenue of $5.1 billion, up 33% year-on-year. Q2 gross gaming revenue was $2.4 billion, up 15% year-on-year and down 10% quarter-on-quarter.

VIP Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Turnover	62,698	82,293	**79,703**	27%	(3%)	125,764	**161,996**	29%
Net Win	2,102	2,670	**2,407**	15%	(10%)	3,805	**5,077**	33%
Win %	3.4%	3.2%	**3.0%**			3.0%	**3.1%**	

Mass Gaming Performance (Gross)

Mass gross gaming revenue increased by 26% year-on-year to $3.4 billion in 1H 2018. Q2 gross gaming revenue was $1.7 billion, up 19% year-on-year and was flat quarter-on-quarter.

Mass Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Table Drop	3,501	3,691	**4,092**	17%	11%	6,943	**7,783**	12%
Net Win	1,426	1,709	**1,704**	19%	(0.3%)	2,717	**3,413**	26%
Hold %	40.7%	46.3%	**41.6%**			39.1%	**43.9%**	

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Electronic Gaming Performance (Gross)

Electronic gross gaming revenue was $89 million, an increase of 27% year-on-year in 1H 2018. Q2 gross gaming revenue was $46 million, up 28% year-on-year and up 7% quarter-on-quarter.

Electronic Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Slots Handle	1,668	1,710	**1,920**	15%	12%	3,262	**3,630**	11%
Net Win	36	43	**46**	28%	7%	70	**89**	27%
Hold %	2.2%	2.5%	**2.4%**			2.2%	**2.5%**	

Non-Gaming Performance (Previous Accounting Standard)

Non-gaming revenue was $102 million, up 1% year-on-year in 1H 2018. Q2 non-gaming revenue was $49 million, down 2% year-on-year and down 8% quarter-on-quarter. Hotel occupancy was virtually 100% in both 1H and Q2 2018.

Non-Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Net Rental Rev	11	13	**13**	18%	0%	23	**26**	13%
Hotel/F&B/Others	39	40	**36**	(8%)	(10%)	78	**76**	(3%)
Total	50	53	**49**	(2%)	(8%)	101	**102**	1%

Under the new Accounting Standard, hotel, F&B, others would be recorded as below.

Hotel/F&B/Others under New Accounting Standard

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Hotel/F&B/Others	113	109	**109**	(4%)	0%	226	**218**	(4%)

Broadway Macau™

Broadway Macau™ is a unique family friendly, street entertainment and food resort supported by Macau SMEs, it does not have a VIP gaming component. The property's Net Revenue was $273 million for 1H 2018, up 4% year-on-year. Adjusted EBITDA was $15 million for 1H 2018 versus $7 million in 1H 2017.

Broadway Macau™ experienced good luck in its gaming operations which increased its Adjusted EBITDA by approximately $1 million in 1H 2018. Normalized 1H 2018 Adjusted EBITDA grew 8% year-on-year to $14 million.

Q2 2018 Adjusted EBITDA was $2 million versus $1 million in Q2 2017.

Broadway Macau™ experienced bad luck in its gaming operations which decreased its Adjusted EBITDA by approximately $2 million in Q2 2018. Normalized Q2 2018 Adjusted EBITDA was $4 million versus $6 million in Q2 2017.

Mass Gaming Performance (Gross)

Mass gross gaming revenue was $132 million, down 5% year-on-year in 1H 2018. Q2 gross gaming revenue was $59 million, down 8% year-on-year and down 19% quarter-on-quarter.

Mass Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Table Drop	291	257	**223**	(23%)	(13%)	616	**480**	(22%)
Net Win	64	73	**59**	(8%)	(19%)	139	**132**	(5%)
Hold %	22.0%	28.4%	**26.2%**			22.6%	**27.4%**	

Electronic Gaming Performance (Gross)

Electronic gross gaming revenue was $22 million, up 37% year-on-year in 1H 2018. Q2 gross gaming revenue was $12 million, up 50% year-on-year and up 20% quarter-on-quarter.

Electronic Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Slots Handle	308	409	**516**	68%	26%	509	**925**	82%
Net Win	8	10	**12**	50%	20%	16	**22**	37%
Hold %	2.6%	2.4%	**2.4%**			3.2%	**2.4%**	

Non-Gaming Performance (Previous Accounting Standard)

1H 2018 non-gaming revenue was $119 million, up 11% year-on-year. Q2 non-gaming revenue was $60 million, up 9% year-on-year and up 2% quarter-on-quarter. Hotel occupancy was virtually 100% in both 1H and Q2 2018.

Non-Gaming

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Net Rental Rev	10	11	**10**	0%	(9%)	20	**21**	5%
Hotel/F&B/Others	45	48	**50**	11%	4%	87	**98**	13%
Total	55	59	**60**	9%	2%	107	**119**	11%

Under the new Accounting Standard, hotel, F&B, others would be recorded as below.

Hotel/F&B/Others under New Accounting Standard

HK$'m	Q2 2017	Q1 2018	**Q2 2018**	YoY%	QoQ%	1H 2017	**1H 2018**	YOY%
Hotel/F&B/Others	53	56	**58**	9%	4%	107	**114**	7%

City Clubs and Construction Materials Division

City Clubs contributed $54 million of Adjusted EBITDA to the Group's earnings for 1H 2018, up 10% year-on-year. Q2 2018 Adjusted EBITDA was $28 million, up 12% year-on-year and up 8% quarter-on-quarter.

The Construction Materials Division contributed Adjusted EBITDA of $538 million in 1H 2018, up 68% year-on-year. Q2 2018 Adjusted EBITDA was $315 million, up 53% year-on-year and up 41% quarter-on-quarter.

Development Update

Cotai – The Next Chapter

GEG is uniquely positioned for long term growth. We continue to move forward with Phases 3 & 4, which will include approximately 4,500 hotel rooms, including family and premium high end rooms, 400,000 square feet of MICE space, a 16,000-seat multi-purpose arena, F&B, retail and casinos, among others. We look forward to formally announcing our development plans in the future.

Hengqin

We continue to make progress with our concept plan for our Hengqin project. Hengqin will allow GEG to develop a low density leisure destination resort that will complement our high energy resorts in Macau.

International

On 20 July 2018 the Japanese Diet passed the Integrated Resort ("IR") Bill. We are very pleased with the recent passing of the IR Bill in Japan. We view Japan as a great long term growth opportunity that will complement our Macau operations and our other international expansion ambitions. GEG, together with Monte-Carlo SBM from the Principality of Monaco and our Japanese partners, look forward to bringing our brand of World Class IRs to the country.

Selected Major Awards in 2018

Award	Presenter
GEG	
Most Honored Company – First Place Best IR Programs – Combined – First Place Best ESG/SRI Metrics – First Place Best Corporate Governance – First Place Best Analyst Days – Combined – First Place	Institutional Investor Magazine – 2018 All Asia Executive Team Survey
Best IR Company (Large Cap)	Hong Kong Investor Relations Association
Galaxy Macau^{TM}	
Integrated Resort of the Year	11th International Gaming Awards
Best Integrated Resort Award Best Gaming Floor Award	G2E Asia Awards
Best Hospitality & Gaming Company 2018	APAC Hong Kong Business Awards 2018
The Supreme Award of Asia's Most Favored Tourism Integrated Resort by Parent-Child	The 18th Golden Horse Awards of China Hotel
Five-Star Hotel - Banyan Tree Macau - The Ritz-Carlton, Macau	Forbes Travel Guide 2018

StarWorld Macau	
The Supreme Award of Asia's Best F&B Service Hotel	The 18th Golden Horse Awards of China Hotel
SCMP 100 Top Tables 2018 – Feng Wei Ju	South China Morning Post
U Favorite Food Awards 2018 My Favorite Hotel Restaurant in Macau – Feng Wei Ju	U Magazine
Construction Materials Division	
Caring Company Scheme – 15 Years Plus Caring Company Logo	The Hong Kong Council of Social Service
Hong Kong Green Organization Certification – Wastewi$e Certificate - Excellence Level	Environmental Campaign Committee
BOCHK Corporate Environmental Leadership Award 2017 - Eco Partner	Federation of Hong Kong Industries / Bank of China (Hong Kong)
Charter on External Lighting - Platinum Award	The Environment Bureau
2017/18 Airport Safety Recognition Scheme - Corporate Safety Performance Awards	Airport Authority Hong Kong

Outlook

GEG delivered solid results in 1H 2018 despite macro economic issues caused by global trade tensions and the recently completed World Cup. The Group continues to drive every segment of our business by enhancing operational efficiencies and reallocating resources to achieve the highest and best use, while at the same time exercising prudent cost control. We continue to manage the business with a view to the medium to longer term horizon.

With a strong and liquid balance sheet, GEG is able to comfortably return capital to shareholders through dividends and fund its future development pipeline and other international ambitions, such as Japan and the Philippines.

We look forward to the opening of additional infrastructure projects such as Hong Kong-Zhuhai-Macau Bridge and the extended train line that will support the future growth of Macau. The ongoing integration of the Greater Bay Area within the expanded Pearl River Delta is expected to increase ease of travel within the region, encourage multiple destination trips and the development of new industries which should support the longer term growth of Macau.

With the ongoing trade tensions, currency volatility and the overall slowing economy, we are cautious that consumer confidence may be impacted for the shorter term. However, we remain positive about the longer-term outlook for Macau in general and for GEG in particular. The growth of the Mainland middle-class has a strong desire for leisure, tourism and travel. GEG is ideally positioned to capitalize on this future growth with its unique and differentiated resort offerings. GEG has a clearly defined growth development pipeline. We are committed to invest in Macau's economic diversification and support the Macau Government's vision to develop the city into a World Centre of Tourism and Leisure.

- END -

About Galaxy Entertainment Group (HKEx stock code: 27)

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

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

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

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

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

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

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

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