Roxy-Pacific Holdings Limited

NEWS RELEASE

ROXY-PACIFIC CONTINUES TO REPORT STRONG GROWTH IN 3Q2011

- ***50% rise in net profit to S$13.4 million despite 16% decline in revenue to S$44.4 million***
- ***6% increase in revenue from Hotel Ownership segment on the back of strong occupancies and higher room rate***
- ***Fair value gain of approximately S$9.6 million in 3Q2011***
    - ***Kovan Centre transferred from Investment Property to Development Property***
    - ***Kovan Centre to be demolished and re-constructed as Space@Kovan, a strata-titled mixed development which has been fully sold with a total sale value of approximately S$160 million***
- ***Strong progress billings of S$518.6 million[1] to be recognised from 4Q2011 to FY2015***
- ***Healthy balance sheet with cash and cash equivalents of S$216.2 million***

Financial Highlights:

S$'million	9M2011	9M2010	% Change	3Q2011	3Q2010	% Change
Revenue	141.5	169.3	(16)	44.4	53.1	(16)
Gross Profit	47.4	54.3	(13)	15.8	17.8	(11)
Profit before Tax	44.6	37.5	19	16.1	11.0	47
Profit After Tax	38.3	30.8	24	13.4	8.9	50
Earnings per share (cents)	6.01	4.83	24	2.10	1.39	50

[1]*Based on Option to Purchase granted up to November 2, 2011.*

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	Sep 11	Dec 10	% Change
Net Asset Value per share (cents)	**31.19**	**26.68**	**17**
RNAV per share (cents)*	**71.89**	**66.95**	**7**
Net Debt to RNAV (times)*	**0.60**	**0.51**	**17**

**The fair value of Grand Mercure Roxy Hotel was estimated to be S$316.6 million as at September 30, 2011 and December 31, 2010.*

Singapore, November 3, 2011 – Roxy-Pacific Holdings Limited ("Roxy-Pacific" or the "Group"), a homegrown specialty property and hospitality group, today announced a 50% increase in net profit to S$13.4 million for the third quarter ended September 30, 2011 ("3Q2011") from S$8.9 million in the previous corresponding period ("3Q2010"), despite a 16% decline in revenue. The lower revenue was due primarily to a decline in contribution from its Property Development and Property Investment segments, partly offset by a stronger revenue contribution from its Hotel Ownership segment.

Cumulatively, the Group achieved revenue of S$141.5 million and profit after tax of S$45.0 million for the nine months ended September 30, 2011 ("9M2011").

Said Mr Teo Hong Lim, Executive Chairman and CEO of Roxy-Pacific: "We are encouraged by the good 3Q bottomline growth despite the current market conditions.

"With the broadening of our asset portfolio, apart from residential developments, we now have a good balance of mixed and 100% commercial developments such as Kovan Centre, Millage, Centropod@Changi, Wis@Changi, as well as Eon Shenton in our development pipeline. This is part of our strategy to diversify our portfolio to manage market cycles better.

"Our earning visibility remains good with approximately S$518.6 million of progress billings to be recognised from 4Q2011 to FY2015. As an update - Kovan Centre will be demolished to give way to the construction of Space@Kovan, a strata-titled mixed development which has been 100% sold with a total sale value of approximately S$160.0 million. In addition, we have accumulated six plots of land to develop into commercial, retail and residential developments with a total gross floor area of approximately 250,000 square foot.

"Going forward, we will continue to be prudent, leveraging on our healthy cash position and possible JVs with strong partners to grow our portfolio and to balance market risk."

Performance Review

In 3Q2011, the Group achieved revenue of S$44.4 million, 16% lower as compared to S$53.1 million in 3Q2010. The decline was a result of 23% decrease in revenue from the Property Development segment and 31% decrease in revenue from the Property Investment segment, partly offset by 6% increase in revenue from the Hotel Ownership segment in 3Q2011.

The 23% decline in revenue from the Property Development segment in 3Q2011, was largely due to the absence of revenue recognised from two development projects, namely, The Ambrosia and The Florentine, that were completed in December 2010 and May 2011 respectively. In 3Q2011, the Group recognised revenue from eight development projects, namely, The Azzuro, The Verte, Nova 48, Nova 88, The Lucent, Studios@Tembeling, Jupiter 18 and Straits Residences. This segment contributed 71% of total Group's revenue in 3Q2011.

The remaining 29% of the Group's turnover in 3Q2011 was attributable to the Hotel Ownership and Property Investment segments. Revenue from the Hotel Ownership segment increased 6% to S$12.5 million in 3Q2011. The hotel's average occupancy rate increased from 94.8% in 3Q2010 to 96.4% in 3Q2011. The hotel's average room rate was also up 9% to S$192.9 in 3Q2011 as compared to S$177.0 in 3Q2010. As a result, the Group's revenue per available room increased 11% from S$167.7 in 3Q2010 to S$185.9 in the current quarter.

Boosted by the increase in other operating income from S$0.2 million in 3Q2010 to S$10.1 million in 3Q2011 following a fair value adjustment for the transfer of Kovan Centre from investment property to development property, the Group's pre-tax profit surged 50% from S$11.0 million in 3Q2010 to S$16.5 million in the current quarter.

Outlook

According to the Ministry of Trade and Industry's ("MTI") announcement on October 14, 2011, the Singapore economy grew by 5.9% on a year-on-year basis in the thirdquarter of 2011. For the year as a whole, the MTI expects Singapore's GDP growth to be around 5%, as a result of softening global economic conditions.

In addition, based on latest statistics released by Urban Redevelopment Authority on October 28, 2011, the rate of increase in property prices continues to moderate. Prices of private residential properties increased by 1.3% in third quarter 2011, lower than the 2.0% increase in the previous quarter. This was the eight consecutive quarter in which the rate of increase in private housing prices had moderated. However, with the strong fundamentals of the Singapore's economy and low interest rate environment, the property market looks set to remain stable.

According to the Singapore Tourism Board, Singapore is on target to reach 12.0 million to 13.0 million visitor arrivals and S$22.0 billion to S$24.0 billion in tourism receipts. For the first eight months of 2011, Singapore recorded a growth in visitor arrivals of 15.5% compared to the corresponding period a year ago.

Added Mr Teo: “We have a good landbank and a balanced portfolio mix to address the needs of the market. The sales value from these new land plots will further boost the existing strong progress billings of approximately S$518.6 million.

“We will continue to exercise prudence as we explore opportunities amidst the current challenging property environment and global economic uncertainty.

“As for our hotel business, we believe that the demand for the hotel rooms should continue to be strong in 2011 due to the continual high visitor arrivals to Singapore.”

Barring unforeseen circumstances, the directors expect the Group to be profitable in 2011.

About Roxy-Pacific Holdings Limited

Established in May 1967, Roxy-Pacific Holdings Limited, a homegrown specialty property and hospitality group, was listed on the SGX Mainboard on March 12, 2008. The Group is principally engaged in the development and sale of residential properties (“Property Development”) and the ownership of Grand Mercure Roxy Hotel and other investment properties (“Hotel Ownership and Property Investment”).

The Group’s development projects typically comprise small to medium size residential developments such as apartments and condominiums targeted at middle to upper middle income segments. Between 2004 and 2010, the Group developed and launched 23 small to medium size developments comprising a total of more than 1,000 residential and commercial units.

Grand Mercure Roxy Hotel, a major asset of the Group, is managed by international hotel operator, Accor Group. Strategically located in the East Coast area, the hotel enjoys high AOR averaging 88.2% and good ARR averaging S$141.7 between 2004 and 2010.

The Group owns 51 retail shops at The Roxy Square Shopping Centre.

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