ROXY-PACIFIC HOLDINGS LIMITED

(Registration Number: 196700135Z)

UNAUDITED THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

Roxy-Pacific Holdings Limited

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PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

1 (a) (i) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Third quarter ended 30 September			**Nine months ended 30 September**		
	2012	**2011 *(restated)**	**Change**	**2012**	**2011 *(restated)**	**Change**
	S$'000	**S$'000**	**%**	**S$'000**	**S$'000**	**%**
Revenue	43,551	44,410	-2%	134,367	141,537	-5%
Cost of sales	(26,288)	(28,641)	-8%	(79,921)	(94,097)	-15%
Gross profit	17,263	15,769	9%	54,446	47,440	15%
Other operating income	38	10,100	-100%	5,765	20,623	-72%
Distribution and selling expenses	(563)	(496)	14%	(1,754)	(1,478)	19%
Administrative expenses	(2,739)	(5,183)	-47%	(8,209)	(10,194)	-19%
Other operating expenses	(2,750)	(2,967)	-7%	(8,834)	(9,024)	-2%
Finance costs	(1,250)	(1,169)	7%	(3,290)	(3,288)	-
Share of results of associates (net of income tax)	705	88	701%	1,411	539	162%
Profit before taxation	10,704	16,142	-34%	39,535	44,618	-11%
Taxation	(2,523)	(2,785)	-9%	(4,577)	(4,739)	-3%
Profit after taxation	8,181	13,357	-39%	34,958	39,879	-12%
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	8,181	13,357	-39%	34,958	39,879	-12%
Attributable to:						
Equity holders of the Company	8,182	13,357	-39%	34,959	39,879	-12%
Non-controlling interest	(1)	-	n/m	(1)	-	n/m
	8,181	13,357	-39%	34,958	39,879	-12%

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax:* Recovery of Underlying Assets on income tax expenses and net profit in 9M2011which decreased/increased by $1,629,000 respectively.

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1 (a) (ii) Total comprehensive income is arrived at:

	Third quarter ended 30 September			Nine months ended 30 September		
	2012	**2011**	**Change**	**2012**	**2011**	**Change**
	S$'000	**S$'000**	**%**	**S$'000**	**S$'000**	**%**
after charging:						
Impairment loss on trade receivables	-	(6)	-100%	-	9	-100%
Depreciation of property, plant and equipment	577	436	32%	1,780	1,306	36%
Directors' fees	39	39	-	117	117	-
Fair value (gain) / loss on interest rate swaps	(139)	180	-177%	(179)	607	-129%
Interest on borrowings	1,250	1,169	7%	3,290	3,288	-
Staff costs (including directors' remuneration)						
- salaries, wages and bonuses	4,561	6,308	-28%	12,838	13,780	-7%
- contribution to defined contribution plans	233	192	21%	670	595	13%
- other personnel expenses	371	287	29%	962	865	11%
and crediting:						
Fair value gain on investment properties	-	-	-	4,403	9,582	-54%
Fair value gain on the transfer of investment property to development property	-	9,569	-100%	-	9,569	-100%
Over provision for tax in respect of prior year	-	-	-	2,397	1,563	53%
Income from hotel money exchange operations	5	6	-17%	19	20	-5%
Interest income	143	147	-3%	395	276	43%

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	GROUP			COMPANY		
	30-Sep-12	31-Dec-11 *(restated)	1-Jan-11 *(restated)	**30-Sep-12**	31-Dec-11	1-Jan-11
ASSETS	**S$'000**	S$'000	S$'000	**S$'000**	S$'000	S$'000
Non-Current						
Goodwill	**1,672**	1,672	1,672	**-**	-	-
Property, plant and equipment	**73,612**	73,928	70,421	**55**	63	83
Investments in subsidiaries	**-**	-	-	**44,343**	43,443	40,443
Interests in associates	**34,048**	29,213	14,555	**-**	-	-
Investment properties	**50,097**	44,692	78,767	**-**	-	-
	159,429	149,505	165,415	**44,398**	43,506	40,526
Current						
Developed properties for sale	**-**	-	985	-	-	-
Properties for sale under development [(1)]	**279,617**	329,912	235,305	-	-	-
Inventories	**134**	139	141	**-**	-	-
Trade receivables	**30,898**	37,952	24,846	**24**	10	19
Other receivables	**1,721**	1,688	16,329	**6,746**	140	53
Held for trading investment – Quoted equity shares	**696**	-	-	**-**	-	-
Amount due from subsidiaries	**-**	-	-	**27,470**	32,283	25,460
Project accounts	**130,471**	137,484	75,700	**-**	-	-
Fixed deposits	**66,624**	60,321	38,754	**23,144**	22,585	9,069
Cash and bank balances	**44,487**	31,604	44,151	**11,270**	3,101	1,018
	554,648	599,100	436,211	**68,654**	58,119	35,619
Total assets	**714,077**	748,605	601,626	**113,052**	101,625	76,145
EQUITY AND LIABILITIES						
Capital and Reserves						
Share capital	**47,399**	47,399	47,399	**47,399**	47,399	47,399
Retained earnings	**182,694**	166,864	124,605	**16,832**	28,906	22,785
Equity attributable to owners of the Company	**230,093**	214,263	172,004	**64,231**	76,305	70,184
Non-controlling interest	**199**	-	-	**-**	-	-
	230,292	214,263	172,004	**64,231**	76,305	70,184
Liabilities						
Non-Current						
Bank borrowings (secured)	**83,520**	85,741	84,733	**-**	-	-
Deferred tax liabilities	**13,192**	15,079	12,774	**-**	-	-
	96,712	100,820	97,507	-	-	-
Current						
Trade payables	**8,286**	9,381	7,740	**21**	21	360
Other payables	**20,146**	22,313	26,190	**4,229**	6,109	5,551
Amount due to subsidiaries	**-**	-	-	**40,432**	15,094	-
Provision for taxation	**8,707**	5,835	7,074	**139**	96	50
Bank borrowings (secured)	**349,934**	395,993	291,111	**4,000**	4,000	-
	387,073	433,522	332,115	**48,821**	25,320	5,961
Total liabilities	**483,785**	534,342	429,622	**48,821**	25,320	5,961
Total equity and liabilities	**714,077**	748,605	601,626	**113,052**	101,625	76,145

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(1) $214.6 million (31-Dec-11: $217.3 million) relates to the Group's sold development properties as at 30 September 2012.

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets on retained profits and deferred income tax liabilities.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	30-Sep-12		31-Dec-11	
	Secured S$'000	**Unsecured S$'000**	Secured S$'000	Unsecured S$'000
Current				
- Amount repayable in one year or less, or on demand	**123,738**	-	150,243	-
- Amount repayable after one year but within the normal operating cycle of Property Development segment	**226,196**	-	245,750	-
	349,934	-	395,993	-
Non-current				
Amount repayable after one year	**83,520**	-	85,741	-
	433,454	-	481,734	-

Details of collaterals

The borrowings are secured by;

a) Freehold land and building;
b) Proceeds from the sale of investment properties;
c) Rental income from investment properties;
d) Guarantee by the Company;
e) Properties for sale under development; and
f) Proceeds from sales of properties under development.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Third quarter ended 30 Sep		Nine months ended 30 Sep	
	2012	**2011**	**2012**	**2011**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Cash Flows from Operating Activities				
Profit before taxation	**10,704**	16,142	**39,535**	44,618
Adjustments for:		-		
Depreciation of property, plant and equipment	**577**	436	**1,780**	1,306
Fair value (gain) / loss on held for trading investment	**(13)**	-	**13**	-
Fair value (gain) / loss on interest rate swaps	**(139)**	180	**(179)**	607
Share of associates' results	**(705)**	(88)	**(1,411)**	(539)
Interest income	**(143)**	(147)	**(395)**	(276)
Interest expense on bank borrowings	**1,250**	1,169	**3,290**	3,288
Fair value gain on investment properties	**-**	-	**(4,403)**	(9,582)
Fair value adjustment on the transfer of investment property to development property	**-**	(9,569)	**-**	(9,569)
Operating profit before working capital changes	**11,531**	8,123	**38,230**	29,853
(Increase)/Decrease in inventories	**(15)**	12	**5**	20
Decrease in operating receivables	**2,641**	35,183	**7,021**	22,339
Increase/(Decrease) in operating payables	**2,246**	(28,752)	**(3,083)**	(5,768)
(Increase)/Decrease in properties for sale under development	**(13,921)**	(79,046)	**50,295**	(73,891)
Decrease in developed property for sale	**-**	-	**-**	985
Cash generated from/(used in) operations	**2,482**	(64,480)	**92,468**	(26,462)
Income tax paid	**(1,723)**	(2,101)	**(3,592)**	(5,759)
Net cash generated from/(used in) operating activities	**759**	(66,581)	**88,876**	(32,221)
Cash Flows from Investing Activities				
Investment in associates	**(412)**	-	**(918)**	(490)
Investment in quoted equity shares	**-**	-	**(709)**	-
Advances to associates	**(1,698)**	(4,032)	**(2,506)**	(8,580)
Acquisition of property, plant and equipment	**(1,047)**	(2,277)	**(1,464)**	(2,557)
Acquisition of investment property	**-**	-	**(1,002)**	-
Interest received	**143**	147	**395**	276
Net cash used in investing activities	**(3,014)**	(6,162)	**(6,204)**	(11,351)
Cash Flows from Financing Activities				
Proceeds from borrowings	**41,930**	99,548	**44,349**	146,241
Repayment of borrowings	**(16,792)**	(4,768)	**(92,629)**	(31,055)
Proceeds from issue of shares to non-controlling interest	**-**	-	**200**	-
Fixed deposit pledged to banks and financial institutions	**800**	(1)	**413**	(545)
Interest paid	**(1,250)**	(1,169)	**(3,290)**	(3,288)
Dividend paid	**(6,398)**	-	**(19,129)**	(9,548)
Net cash generated from/(used in) financing activities	**18,290**	93,610	**(70,086)**	101,805
Net increase in cash and cash equivalents	**16,035**	20,867	**12,586**	58,233
Cash and cash equivalents at beginning of period	**224,748**	195,305	**228,197**	157,939
Cash and cash equivalents at end of period	**240,783**	216,172	**240,783**	216,172

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	Third quarter ended 30 Sep		Nine months ended 30 Sep	
	2012	**2011**	**2012**	**2011**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Analysis of cash and cash equivalents:-				
Project accounts (Note 1)	**38,471**	62,433	**38,471**	62,433
Fixed deposits in project accounts (Note 1)	**92,000**	73,000	**92,000**	73,000
Fixed deposits	**66,624**	46,326	**66,624**	46,326
Cash and bank balances	**44,487**	35,624	**44,487**	35,624
Less: Fixed deposits pledged to banks and financial institution	**(799)**	(1,211)	**(799)**	(1,211)
	240,783	216,172	**240,783**	216,172

Note 1: The project accounts consist of monies held under the Housing Developers (Project Account) Rules 1997 from which withdrawals are restricted to payments for development expenditure incurred on properties developed for sale.

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	**Share capital S$'000**	**Retained profits S$'000**	**Non-Controlling Interests S$'000**	**Total S$'000**
Balance at 1 January 2011				
As previously reported	47,399	122,436	-	169,835
Adoption of amended FRS 12 adjustment*		2,169	-	2,169
As restated	47,399	124,605	-	172,004
Total comprehensive income for the period	-	26,522	-	26,522
Dividend paid	-	(9,548)	-	(9,548)
Balance at 30 June 2011	47,399	141,579	-	188,978
Total comprehensive income for the period	-	13,357	-	13,357
Balance at 30 September 2011	47,399	154,936	-	202,335
Balance at 1 January 2012				
As previously reported	47,399	162,547	-	209,946
Adoption of amended FRS 12 adjustment*	-	4,317	-	4,317
As restated	47,399	166,864	-	214,263
Total comprehensive income for the period	-	26,777	-	26,777
Dividend paid	-	(12,731)	-	(12,731)
Balance at 30 June 2012	47,399	180,910	-	228,309
Total comprehensive income for the period	-	8,182	(1)	8,181
Capital contribution by non-controlling interests	-	-	200	200
Dividend paid	-	(6,398)	-	(6,398)
Balance at 30 September 2012	**47,399**	**182,694**	**199**	**230,292**

Company	**Share capital S$'000**	**Retained profits S$'000**	**Non-Controlling Interests S$'000**	**Total S$'000**
Balance at 1 January 2011	47,399	22,785	-	70,184
Total comprehensive income for the period	-	15,400	-	15,400
Dividend Paid	-	(9,548)	-	(9,548)
Balance at 30 June2011	47,399	28,637	-	76,036
Total comprehensive income for the period	-	264	-	264
Balance at 30 September 2011	47,399	28,901	-	76,300
Balance at 1 January 2012	47,399	28,906	-	76,305
Total comprehensive income for the period	-	6,567	-	6,567
Dividend paid	-	(12,731)	-	(12,731)
Balance at 30 June 2012	47,399	22,742	-	70,141
Total comprehensive income for the period	-	487	-	487
Dividend Paid	-	(6,397)	-	(6,397)
Balance at 30 September 2012	**47,399**	**16,832**	**-**	**64,231**

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets.

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1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Share Capital	**30-Sep-12**	**31-Dec-11**
		$'000
As at 1 January 2010 and 31 December 2011	**636,560,000**	47,399
Issue of bonus shares on 3 May 2012	**318,280,000**	-
As at 30 September 2012	**954,840,000**	47,399

On 3 May 2012, 318,280,000 bonus shares were allotted and issued pursuant to the bonus issue at one bonus share for every two existing ordinary shares ("bonus issue").

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30-Sep-12	**31-Dec-11**
Total number of ordinary shares issued and fully paid	**954,840,000**	636,560,000

On 3 May 2012, 318,280,000 bonus shares were allotted and issued pursuant to the bonus issue at one bonus share for every two existing ordinary shares ("bonus issue").

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial information for the current financial period compared with those for the audited financial statements as at 31 December 2011. The adoption of revised Financial Reporting Standards ("FRS") that are relevant and effective for annual periods beginning on or after 1 January 2012 did not result in any significant change except as disclosed in item 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted the Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on 1 January 2012. The Group previously provided for deferred tax liabilities for its investment properties that will be recovered through use. The amended FRS 12 has introduced a presumption that an investment property measured at fair value is recovered entirely by sale. Accordingly, there will be no deferred tax liability on investment properties as there is no tax on capital gains in Singapore should such a sale occurs. This change in accounting policy has been applied retrospectively. Accordingly, the comparatives have been restated. The effects on the comparatives arising from the adoption of the Amendments to FRS 12 are as follows:

<u>Statement of Financial Position</u>

	----------Group----------		
	As reported	Adoption of revised FRS 12	As re-stated
	$'000	$'000	$'000
At 31.12.11			
Deferred tax liabilities	19,396	(4,317)	15,079
Retained earnings	162,547	4,317	166,864
At 1.1.11			
Deferred tax liabilities	14,943	(2,169)	12,774
Retained earnings	122,436	2,169	124,605

<u>Consolidated Statement of Comprehensive Income</u>

Third quarter ended 30 September 2011	13,357	-	13,357
Income tax expense	2,785	-	2,785
Nine months ended 30 September 2011	38,250	1,629	39,879
Income tax expense	6,368	(1,629)	4,739

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6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Third quarter ended 30-Sep		Nine months ended 30-Sep	
Earnings per share (“EPS”) for the financial period	**2012**	**2011** *(restated)	**2012**	**2011** *(restated)
(a) Based on the weighted average number of ordinary shares in issue (cents)	0.86	1.40	3.66	4.18
(b) On fully diluted basis (cents)	0.86	1.40	3.66	4.18
Profit attributable to shareholders of the Company ($’000)	8,182	13,357	34,959	39,879
Weighted average number of shares (’000)	954,840	954,840	954,840	954,840

* Comparatives for earnings per share have been restated on the adoption of Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets and also adjusted for bonus issue of shares. Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year

	Group		Company	
	30-Sep-12	**31-Dec-11** *(as restated)	**30-Sep-12**	**31-Dec-11** *(as restated)
Net asset value (“NAV”) per ordinary shares based on total post-bonus issue of 954,840,000 ordinary shares (cents)	**24.10**	22.44	**6.73**	7.99

The Group adopts the cost model under *FRS16 Property, Plant and Equipment*, and measures its property, plant and equipment at cost less depreciation and impairment loss. If it had applied the fair value model under FRS16, a revaluation surplus would arise as a result of the excess of the fair value of the Grand Mercure Roxy Hotel and office premise over their carrying amounts. As at 30 September 2012, our directors estimated that the fair value of these properties was estimated to be $438.0 million (31 December 2011: $416.9 million) based on the valuation carried out by an independent valuer on 10 September 2012, on the direct comparison method, investment method and replacement cost method. The revaluation surplus is estimated to be approximately $382.3 million (31 December 2011:$344.2 million). Had this revaluation surplus been recorded the Group’s adjusted net asset value (“ANAV”) per share would have been as follows:

	Group	
	30-Sep-12	**31-Dec-11** *(as restated)
ANAV per ordinary share based on total post-bonus issue of 954,840,000 ordinary (cents)	**64.14**	58.49

* The comparative figures have been adjusted for bonus issue of shares and adoption of Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets. Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets.

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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Breakdown of Performance by Segments

GROUP	Third quarter ended 30-Sep 2012 S$'000		Third quarter ended 30-Sep 2011 S$'000		Change Increase/ (Decrease)	Nine months ended 30-Sep 2012 S$'000		Nine months ended 30-Sep 2011 S$'000		Change Increase/ (Decrease)
REVENUE										
Property Development	30,011	69%	31,324	71%	-4%	94,547	70%	103,156	73%	-8%
Hotel Ownership	13,119	30%	12,494	28%	5%	38,573	29%	36,149	26%	7%
Property Investment	421	1%	592	1%	-29%	1,247	1%	2,232	2%	-44%
	43,551	100%	44,410	100%	-2%	134,367	100%	141,537	100%	-5%
GROSS PROFIT										
Property Development	7,953	46%	6,544	41%	22%	26,776	49%	20,454	43%	31%
Hotel Ownership	9,022	52%	8,843	56%	2%	26,769	49%	25,437	54%	5%
Property Investment	288	2%	382	2%	-25%	901	2%	1,549	3%	-42%
	17,263	100%	15,769	100%	9%	54,446	100%	47,440	100%	15%
GROSS PROFIT MARGIN (%)										
Property Development	27%		21%		6ppt	28%		20%		8ppt
Hotel Ownership	69%		71%		-2ppt	69%		70%		-1ppt
Property Investment	68%		65%		3ppt	72%		69%		3ppt
Total	40%		36%		4ppt	41%		33%		8ppt
PROFIT BEFORE TAXTION										
Property Development	6,795	64%	4,007	25%	70%	23,985	61%	15,574	35%	54%
Hotel Ownership	3,666	34%	2,436	15%	50%	10,588	27%	9,507	21%	11%
Property investment	243	2%	130	1%	87%	559	1%	386	1%	45%
Fair value gain on investment properties	-	-	-	-	-	4,403	11%	9,582	21%	-54%
Fair value adjustment on transfer of investment property to development property	-	-	9,569	59%	-100%	-	-	9,569	21%	-100%
	10,704	100%	16,142	100%	-34%	39,535	100%	44,618	100%	-11%

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3Q2012 vs 3Q2011

(i) Revenue

The Group achieved revenue of $43.6 million in 3Q2012, 2% lower as compared to $44.4 million in 3Q2011. The decline was the result of 4% and 29% decrease in revenue from the Property Development segment and the Property Investment segment respectively, partly offset by 5% increase in revenue from the Hotel Ownership segment in 3Q2012.

(a) Property Development

Revenue from the Property Development segment, which made up of 69% of the Group's turnover, decreased by 4% from $31.3 million in 3Q2011 to $30.0 million in 3Q2012 largely due to the absence of revenue from five development projects, namely, The Azzuro, The Lucent, Nova 48 that were completed in 2011 and The Verte and Nova 88 that were completed in 1H2012.

The Group recognised revenue from six development projects namely, Straits Residences, Studios@Tembeling, Jupiter 18, Spottiswoode 18, Treescape and Space@Kovan in 3Q2012.The Temporary Occupation Permits ("TOP") for Studios@Tembeling was obtained in July 2012.

(b) Hotel Ownership and Property Investment

Revenue from the Hotel Ownership segment, which contributed 30% to the Group's turnover, increased 5% from $12.5 million in 3Q2011 to $13.1 million in 3Q2012. The hotel's average occupancy rate ("AOR") was 94.5% in 3Q2012, as compared to 96.4% in 3Q2011. Average room rate ("ARR"), on the other hand, increased by 4% to $200.2 in 3Q2012 from $192.9 in 3Q2011. Overall, the Group's revenue per available room ("RevPar") increased by 2% from $185.9 in 3Q2011 to $189.2 in the current quarter.

Revenue from the Group's Property Investment segment, which constituted 1% of the Group's turnover, was lower at $0.4 million in 3Q2012 as compared to $0.6 million in 3Q2011 as a result of the redevelopment of Kovan Centre.

(ii) Cost of sales and gross profit

In line with the decrease in revenue, direct cost of total revenue also decreased by $2.4 million or 8% from $28.6 million in 3Q2011 to $26.3 million in 3Q2012.

During the quarter, the Group's overall gross profit margin improved by 4 percentage points from 36% in 3Q2011 to 40% in 3Q2012 on the back of an increase in gross profit margin from Property Development and Property Investment segments.

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Gross profit from the Property Development segment contributed $8.0 million or 46% of the total gross profit of the Group, with the balance 54% or $9.3 million contributed by the Hotel Ownership and Property Investment segments. The gross profit margin for the Property Development segment increase by 6 percentage points from 21% in 3Q2011 to 27% in 3Q2012. This is mainly due to the recognition of profits in the current quarter from development projects such as Spottiswoode 18 and Space@Kovan which have higher profit margin. The gross profit margin of the Hotel Ownership segment decreased marginally by 2 percentage points from 71% in 3Q2011 to 69% in the current quarter, whilst gross profit margin rose 3 percentage points from 65% in 3Q2011 to 68% in current quarter for the Group's Property Investment segment.

(iii) Profit for the period

Excluding the fair value gains arising from the transfer of Kovan Centre from investment property to development property in 3Q2011, the Group's pre-tax profits surged 63% from $6.6 million in 3Q2011 to $10.7 million in 3Q2012 due to higher profits from all business segments.

The Group's other operating income in 3Q2012 decreased from $10.1 million in 3Q2011 to $38,000 largely due to the fair value gain of $9.6 million arising from the transfer of Kovan Centre recorded in 3Q2011 as mentioned above.

Distribution and selling expenses increased from $0.5 million in 3Q2011 to $0.6 million in 3Q2012 mainly due to the increase in marketing expenses, which is in line with the increase in hotel's turnover.

Administrative expenses decreased from $5.2 million in 3Q2011 to $2.7 million in 3Q2012 mainly due to lower bonus provision in 3Q2012.

Depreciation expenses increased from $0.4 million in 3Q2011 to $0.6 million in 3Q2012 mainly due to depreciation on hotel upgrading works completed in December 2011.

The Group's share of profits of associates increased from $0.01 million to $0.7 million mainly due to higher revenue recognition from Haig 162 as compared to the previous corresponding quarter.

In the current quarter, the Group's pre-tax profit decreased by 34% or $5.4 million from $16.1 million in 3Q2011 to $10.7 million in 3Q2012.

Profit after taxation declined by 39% from $13.4 million to $8.2 million in the current quarter ended 30 September 2012.

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9M2012 vs 9M2011

(i) Revenue

For the nine month ended 30 September 2012, the Group registered a 5% decrease in revenue to $134.4 million from $141.5 million in 9M2011. The decrease was due to lower revenue contribution from Property Development segment as a result of completion of several projects in 2011, and the gap in revenue recognition until the commencement of construction of newer projects. On the other hand, the Hotel Ownership segment reported a7% increase in revenue due to higher Revpar.

(a) Property Development

Revenue from the Property Development segment, which made up of 70% of the Group's turnover, decreased 8% from $103.2 million in 9M2011 to $94.5 million in 9M2012. This decrease was mostly due to the absence of revenue recognised from four development projects, namely The Florentine, The Azzuro, Nova 48 and The Lucent that were completed in 2011, partly offset by the recognition of revenue from other development projects such as Spottiswoode 18, Space@Kovan and Treescape in 3Q2012.

In 9M2012, the Group recognised revenue from eight development projects namely, The Verte, Nova 88, Studios@Tembeling, Straits Residences, Jupiter 18, Treescape, Spottiswoode 18 and Space@Kovan. The TOP of The Verte, Nova 88 and Studios@Tembeling were obtained in January 2012, April 2012 and July 2012 respectively.

(b) Hotel Ownership and Property Investment

Revenue from the Hotel Ownership segment, which constituted 29% of Group turnover, increased by 7% to $38.6 million in 9M2012 from $36.1 million in 9M2011. The hotel's AOR was 92.7% in 9M2012, as compared to 94.1% in 9M2011. On the other hand, hotel's ARR increased 6% from $188.4 in 9M2011 to $200.5 in 9M2012. Overall, the Group's RevPar increased by 5% from $177.3 in 9M2011 to $185.8 in 9M2012.

Revenue from the Group's Property Investment segment, which constituted 1% of the Group's turnover, was lower at $1.2 million in 9M2012 as compared to $2.2 million in 9M2011 as a result of the redevelopment of Kovan Centre.

(ii) Cost of sales and gross profit

In line with the lower revenue, direct cost of total revenue in 9M2012 decreased by $14.2 million or 15% from $94.1 million in 9M2011 to $79.9 million in 9M2012.

During the current nine months, the Group's overall gross profit margin improved by 8 percentage points from 33% in 9M2011 to 41% in 9M2012 on the back of an increase in gross profit margin from Property Development and Property Investment segments.

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Gross profit from the Property Development segment contributed $26.8 million or 49% of the total gross profit of the Group, with the balance 51% or $27.7 million contributed from the Hotel Ownership and Property Investment segments. The gross profit margin for the Property Development segment increased from 20% in the 9M2011 to 28% in 9M2012. The increase was mainly due to the recognition of profits in 9M2012 from development projects such as Spottiswoode 18 and Space@Kovan which have higher profit margins. The gross profit margin of the Hotel Ownership segment decreased marginally from 70% in 9M2011 to 69% in 9M2012 as a result of higher payroll costs, whilst gross profit margin of the Property Investment segment rose 3 percentage points from 69% in 9M2011 to 72% in 9M2012.

(iii) Profit for the period

Excluding fair value gains, the Group's pre-tax profits surged 38% from $25.5 million in 9M2011 to $35.1 million in 9M2012 as a result of higher profits from all business segments.

The Group's other operating income in 9M2012 decreased from $20.6 million in 9M2011 to $5.8 million largely due to a lower fair value gain of $4.4 million as compared to $19.2 million in 9M2011. The fair value gain of $19.2 million in 9M2011 includes $9.6 million gain arising from the transfer of Kovan Centre from investment property to development property in 3Q2011.

Distribution and selling expenses increased from $1.5 million in 9M2011 to $1.8 million in 9M2012 mainly due to the increase in marketing expenses, which is in line with the increase in hotel's turnover.

Administrative expenses decreased from $10.2 million in 9M2011 to $8.2 million in 9M2012 mainly due to lower bonus provision in 3Q2012.

Depreciation expenses increased from $1.3 million in 9M2011 to $1.8 million in 9M2012 mainly due to depreciation charge in December 2011 upon the completion of hotel upgrading works.

The Group's share of profits of associates increase from $0.5 million in 9M2011 to $1.4 million in 9M2012 mainly due to higher revenue recognition from Haig 162 as compared to 9M2011.

The Group's pre-tax profit decreased by 11% from $44.6 million in 9M2011 to $39.5 million in 9M2012. Profit after taxation decreased by 12% to $35.0 million for the nine months ended 30 September 2012.

(iv) Cashflow, working capital and Balance Sheet

The Group's non-current assets comprise property, plant and equipment, investment properties, investments in associates and goodwill. As at 30 September 2012, this amounted to $159.4 million and represented 22% of the total assets.

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The Group's current assets comprise mainly properties for sale under development, trade and other receivables and cash and bank balances. As at 30 September 2012, this amounted $554.6 million and represented 78% of the total assets. Properties for sale under development accounted for $279.6 million or 50% of total current assets as at 30 September 2012. The decrease in properties for sale under development from $329.9 million as at 31 December 2011 to $279.6 million as at 30 September 2012 was mainly due to the completion of construction of Nova 88, The Verte and Studios@Tembeling in 9M2012 as well as progress billings to purchasers in 9M2012.

Trade receivables amounted to $30.9 million as at 30 September 2012 and comprise mainly progress payments receivable from purchasers for projects under construction and the unbilled revenue portion of the recognised sales from the completed projects. The decrease in trade receivables from $38.0 million as at 31 December 2011 to $30.9 million as at 30 September 2012 was mainly due to collections from purchasers for projects that obtained TOP in 2011.

Other receivables comprise mainly deposits, prepayments and other receivables. At Company's level, the increase in other receivables to $6.7 million as at 30 September 2012 was mainly due to accrued management fees receivables from subsidiaries.

As at 30 September 2012, project accounts, fixed deposits and cash and cash equivalents less restricted cash amounted to $240.8 million.

The Group recorded net cash inflows from operating activities of $88.9 million in 9M2012, as compared to net cash outflows of $32.2 million in 9M2011. The increase in cash flows from operating activities was mainly due to the decrease in the properties for sale under development as mentioned above.

In 9M2012, the Group recorded net cash outflows from investing activities of $6.2 million, mainly due to the acquisition of a shop unit at Roxy Square for long-term rental yield, investment in quoted equity shares as well as advances to associates for working capital during 9M2012.

During the same period, the net cash outflows from financing activities of $70.1 million were mainly due to repayment of land and construction loans in 9M2012 and dividend paid to shareholders.

The Group's current liabilities comprise trade payables, other payables, provision for taxation and bank borrowings. The decrease in trade payables from $9.4 million as at 31 December 2011 to $8.3 million as at 30 September 2012 was mainly due to the payments to contractors in 9M2012. Other payables comprise mainly accruals for construction costs for completed projects, accruals of unbilled progress claims from contractors, hotel management fees and directors' performance incentive and staff bonuses. The decrease in other payables from $22.3 million as at 31 December 2011 to $20.1 million as at 30 September 2012 was mainly due lower accrual of unbilled progress claims from contractors and payment of directors and staff bonus in 1H2012.

At Company level, the decrease in other payables from $6.1 million as at 31 December 2011 to $4.2 million as at 30 September 2012 was mainly due to payment of directors and staff bonus in 1H2012 and pro-rated provision of directors' performance incentive and staff bonus as compared to a full year provision made as at 31 December 2011.

As at 30 September 2012, the Group's total borrowings amounted to $433.5 million with $123.7 million repayable within one year and $309.8 million repayable after one year. The decrease in the total borrowings of $433.5 million as at 30 September 2012 as compared to $481.7 million as at 31 December 2011 was mainly due to the repayments of land and construction loans for completed projects during the nine month ended 30 September 2012.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Group's performance for the period under review is in line with its expectations as disclosed in the announcement of results for the first half ended 30 June 2012.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

<u>Property Development</u>

The economic outlook remains challenging. Based on advance estimates by Ministry of Trade and Industry Singapore ("MIT"), the Singapore economy grew at a modest pace of 1.3% on a year-on-year basis in the 3rd quarter of 2012, compared to 2.3% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.5%, compared to the 0.2% expansion in the 2nd quarter.

Based on the latest statistics released by Urban Redevelopment Authority (URA) on 29 October 2012, the overall prices of private residential properties increased by 0.6% in 3rd Quarter 2012, compared to the 0.4% increase in the previous quarter.

As at 28 October 2012, the Group has a balance amount of attributable progress billings of approximately $844.7 million from the following projects, the profits of which will be recognised from 4Q2012 to FY2016. This is more than 6 times the property development revenue of $132.6 million recorded in FY2011.

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	Project name	Type of development	Group stake	Total units in project	Unit sold	Attributable total sale value [1]	Attributable revenue recognised up to 30 Sep 2012	Balance attributable progress billings to be recognised from 4Q2012
			%	Unit	%	$'m	$'m	$'m
1	Haig 162	Residential	45%	99	100%	26.3	16.8	9.5
2	Straits Residences	Residential	100%	30	100%	20.1	7.6	12.5
3	Jupiter 18	Residential	100%	53	100%	35.8	12.8	23.0
4	Space@Kovan	Shop	100%	56	100%	46.6	5.1	41.5
		Residential	100%	140	100%	113.1	12.8	100.3
5	Spottiswoode 18	Residential	100%	251	99%	250.1	54.0	196.1
6	Nottinghill Suites	Residential	45%	124	94%	37.5	-	37.5
7	Wis@Changi	Shop	100%	7	100%	4.9	-	4.9
		Restaurant	100%	16	100%	12.9	-	12.9
		office	100%	60	30%	15.2	-	15.2
8	Centropod@Changi	Shop	100%	108	100%	54.4	-	54.4
		Restaurant	100%	9	100%	8.3	-	8.3
		Office	100%	75	73%	52.5	-	52.5
9	Treescape [2]	Residential	100%	30	100%	29.2	3.0	26.2
10	Millage [3]	Residential	48%	70	100%	23.5	-	23.5
		Shop	48%	86	100%	28.7	-	28.7
11	Natura@Hillview [3]	Residential	49%	193	98%	70.2	-	70.2
12	Eon Shenton [4]	Office	20%	98	61%	34.3	-	34.3
		Residential	20%	132	92%	36.6	-	36.6
		Shop	20%	23	100%	4.8	-	4.8
13	The MKZ[5]	Residential	100%	42	100%	51.8	-	51.8
	Total			**1,702**		**956.8**	**112.1**	**844.7**

(1) Based on Option to Purchase granted up to 28 October 2012.
(2) Launched in February 2012
(3) Launched in March 2012
(4) Launched in April 2012
(5) Launched in July 2012

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In addition, the Group has the following land plots with a total attributable gross floor area of approximately 296,991 square foot for development:

Location / Description	Approximate Land Area	Approximate Gross Floor Area	Group's stake	Approximate Attributable Gross Floor Area	Approximate Attributable Land Cost
	(sqf)	**(sqf)**	**%**	**(sqf)**	**$'m**
2 & 4 Lew Lian Vale (currently known as Jade Towers)	92,412	131,702	100%	131,702	106.27
334 Pasir Panjang Singapore (currently known as Westvale Condominium)	62,710	87,794	100%	87,794	77.50
14 Adis Road (currently known as Sophia Mansions)	17,545	36,845	90%	33,161	38.97
211-223A Pasir Panjang Road, Singapore(1) (currently known as Harbour View Gardens)	30,745	43,043	45%	19,369	14.85
7/9/11 Wilkie Terrace, Singapore (currently known as Wilkie terrace)	13,209	27,739	90%	24,965	29.70
	216,621	327,123		296,991	267.29

(1) the acquisition is subject to and conditional upon the obtaining of an Order for Sale from the Strata Titles Board or the High Court (as case may be) approving this sale and purchases, if necessary.

The Group continues to enjoy a healthy cashflow with high earnings visibility. Coupled with a sizeable landbank, this will put the Group on a firm ground to navigate forward.

Hotel Ownership

The Singapore Tourism Board ("STB") has forecasted that Singapore could enjoy $23.0 billion to $24.0 billion in tourism receipts and 13.5 million to 14.5 million visitor arrivals this year. Based on its latest tourism report released on July 17, 2012, gazetted hotel room revenue for 1Q2012 continues to grow, hitting $0.6 billion, which represents a growth of 6% year on year.

Latest projections from United Nations World Tourism Organization revealed that tourism in Asia will grow between 4% to 6% in 2012 and within Asia, Southeast Asia is poised to be the region with the fastest growth rate at 9%. The Singapore Government has also committed $905 million to the Tourism Development Fund to build Singapore's position as an international Lifestyle and Business events hub over the next five years.

The Group believes that our hotel business will benefit from the continual growth in intra-Asia leisure and business travel to Singapore, drawn by high-key business events, Gardens by the Bay and a strong pipeline of attractions such as the Giant Panda exhibit, River Safari, Sports Hub and the National Art Gallery.

Outlook

Barring any unforeseen circumstances, the directors expect the Group to be profitable in 2012.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared / recommended, a statement to that effect

Not applicable

13. Interest Person Transactions

The Company does not have a shareholders' mandate for interested person transactions. There were no interested person transactions during the period.

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14. Disclosure on use of proceeds from Initial Public Offering

On 11 March 2008, 128,000,000 new ordinary shares were issued pursuant to the initial public offering ("IPO") of the Company.

The net proceeds raised from the IPO of the Company was $36.3 million.

As at the date of the announcement, the Company has utilised $32.5 million of the net proceeds as follows:

		$'000
1)	Repayment of short-term bank borrowings	5,003
2)	Repayment of revolving working capital loans	6,282
3)	Acquisition of a residential development land plot	15,000
4)	Maintaining, furnishing and upgrading of the hotel building	6,178
		32,463

The use of proceeds is in accordance with the stated use.

ON BEHALF OF THE BOARD

Teo Hong Lim	Koh Seng Geok
Chairman & CEO	Executive Director & CFO

2 November 2012
Singapore

Roxy-Pacific
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CONFIRMATION PURSUANT TO RULE 705 (5) OF THE LISTING MANUAL

We confirm on behalf of the Board of Directors that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the third quarter and the nine months ended 30 September 2012 to be false or misleading in any material respect.

ON BEHALF OF THE BOARD

Teo Hong Lim	Koh Seng Geok
Chairman & CEO	Executive Director & CFO

2 November 2012
Singapore