

NEWS RELEASE

ROXY-PACIFIC'S NET PROFIT SURGES 31% TO S\$11.8 MILLION IN 1Q2013

- **41% revenue growth due to higher revenue recognition from Property Development and Property Investment segments**
- **Sustained earnings visibility with progress billings of S\$918.4 million¹, which will be progressively recognised from 2Q2013 to FY2017**
- **Strong financial flexibility with cash and cash equivalents of S\$255.4 million and a S\$200 million Multicurrency Medium Term Note Programme established in March 2013**

Financial Highlights:

| S\$'million | 1Q2013 | 1Q2012 | % Change |
|-----------------------------------|----------|----------|-------------|
| Revenue | 53.7 | 38.1 | 41.0 |
| Gross Profit | 18.3 | 16.6 | 10.0 |
| Profit before Tax | 14.4 | 11.1 | 30.0 |
| Net Profit | 11.8 | 9.0 | 31.0 |
| | Mar 2013 | Dec 2012 | % Change |
| Net Asset Value per share (cents) | 27.78 | 26.56 | 4.6 |
| ANAV per share (cents)* | 67.80 | 66.83 | 1.5 |
| Cash and Cash equivalents | 255.4 | 253.2 | 0.9 |

*The fair value of Grand Mercure Roxy Hotel was estimated to be S\$440.0 million as at 31 March 2013 and 31 December 2012.

¹ Based on Option to Purchase granted up to 24 April 2013.

Singapore, May 3, 2013 – Roxy-Pacific Holdings Limited (“Roxy-Pacific” or the “Group”), a homegrown specialty property and hospitality group, today reported that its net profit surged 31% to S\$11.8 million in the quarter ending March 31, 2013 (“1Q2013”), from S\$9.0 million in the previous corresponding period (“1Q2012”).

Mr Teo Hong Lim, Executive Chairman and CEO of Roxy-Pacific, commented: “We are pleased to begin this new financial year with a strong set of first quarter results. The Group’s earnings growth came on the back of positive performance from our Property Development and Property Investment segments and higher share of results from associates.

“It has always been our intent to provide buyers with better value homes and properties and the success of project sales attests to this. Of our 14 projects in our balanced and diversified portfolio, all but three have been completely sold. Apart from Jade Residences which was only launched in April, the other two projects are more than 90% sold. Separately, our joint-venture development projects, Natura@Hillview, Eon Shenton and Haig 162, are progressing well and have contributed more to the Group’s financial performance this quarter.

“Moving forward, Roxy-Pacific has land plots at Pasir Panjang, Adis Road and Wilkie Terrace with a total attributable gross floor area of approximately 185,651 sq ft for development. We continue to keep a keen watch on the market, and will remain focused on developing and positioning the right projects to the market at an opportune time.”

Performance Review

The Group achieved revenue of S\$53.7 million in 1Q2013, 41% higher as compared to S\$38.1 million in 1Q2012.

Turnover from the Group's Property Development segment, which constituted 79% of Group revenue in 1Q2013, rose 72% from S\$24.6 million in 1Q2012 to S\$42.4 million in 1Q2013. The increase was due to revenue recognition from six development projects, namely Treescape, The MKZ, Straits Residences, Spottiswoode 18, Jupiter 18 and Space@Kovan. Overall, the revenue recognition for these projects in 1Q2013 surpassed the revenue recognition for the previous corresponding quarter.

The Group's Hotel Ownership segment contributed S\$10.9 million or 20% to the Group's turnover in 1Q2013. The Group's hotel, Grand Mercure Roxy Hotel, is undergoing upgrading works. Due to closure of rooms for renovation, the hotel's average occupancy rate was 79.2% in 1Q2013, lower as compared to 92.8% in 1Q2012. Along with an average room rate ("ARR") of S\$195.9, the Group's revenue per available room ("RevPar") decreased by 17% to S\$155.1 in 1Q2013 from S\$187.0 in 1Q2012.

The remaining revenue contribution to the Group's turnover was attributable to the Property Investment segment. With higher rental yield from shop units in Roxy Square, the Property Investment segment achieved higher turnover in 1Q2013 as compared to 1Q2012.

On financial position, the Group continues to have a strong balance sheet, with cash and cash equivalents amounting to S\$255.4 million. In March 2013, the Group put in place a S\$200 million Multicurrency Medium Term Note Programme, providing it with further financial flexibility to seize suitable opportunities.

Outlook

In a recent media interview, Deputy Prime Minister Tharman Shanmugaratnam said that the government is not planning another round of measures, but it depends on market conditions.¹ Based on advance estimates² by the Ministry of Trade and Industry (“MTI”), the Singapore economy contracted by 0.6 per cent on a year-on-year basis in the first quarter of 2013, compared to the 1.5 per cent growth in the preceding quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.4 per cent, down from the 3.3 per cent growth in the previous quarter. MTI also maintained their forecast of Singapore’s economy growing between 1.0% and 3.0% in 2013. Latest statistics³ released by the Urban Redevelopment Authority (“URA”) showed that the prices of private residential properties increased by 0.6% in 1Q2013, reflecting a significant moderation in the 1.8% price growth recorded in 4Q2012, confirming a trend of stabilising prices.

Added Mr Teo: “Demand remains resilient, a signal of the stability of the Singapore residential property market. Roxy-Pacific, on a very regular basis, looks for opportunities across the broad spectrum of real estate. We have a successful track record of developing retail, commercial and residential properties and will continue to cast a wide net whilst prudently assessing suitable opportunities.

Singapore Tourism Board (“STB”) has forecasted⁴ tourism receipts of between S\$23.5 to S\$24.5 billion and visitor arrivals of between 14.8 million and 15.5 million in 2013, higher than the tourism receipts of S\$23.0 million and visitor arrivals of 14.4 million in 2012. STB also highlighted the opening of River Safari; 79th World Library & Information Congress 2013; World Engineers Summit 2013 and International Philosophy and Literature Conference 2013, as key tourism events in 2013.

¹ <http://www.singapolitics.sg/features/no-more-cooling-measures-now-dpm-tharman>

² <http://www.mti.gov.sg/NewsRoom/Pages/Singapore's-Economy-Contracted-in-the-First-Quarter-of-2013.aspx>

³ <http://www.ura.gov.sg/pr/text/2013/pr13-24.html>

⁴ Singapore’s Tourism Sector Performance for 2012, Singapore Tourism Board, 27 March 2013

“In line with the expected growth in tourism, we have begun the upgrading process of the Grand Mercure Roxy Hotel. We will also constantly innovate and improve our productivity in the hotel. With the hotel’s good location at East Coast Road, there is easy access to the city, main tourist sites, shopping hubs, famous eateries and the East Coast Park Beach. We are optimistic that the demand for our hotel rooms should continue to be strong going into 2013,” concluded Mr Teo.

Barring unforeseen circumstances, the directors expect the Group to be profitable in 2013.

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 and commercial properties (“Property Development”) and the ownership of Grand Mercure Roxy Hotel and other investment properties (“Hotel Ownership and Property Investment”).

The Group’s residential 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 2012, the Group developed and launched 32 small to medium size developments comprising a total of more than 2,000 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 89.0% and good ARR averaging S\$153.3 between 2004 and 2012.

The Group owns 52 retail shops at The Roxy Square Shopping Centre.

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