Roxy-Pacific
Holdings Limited

NEWS RELEASE

ROXY-PACIFIC ACHIEVES 26% GROWTH IN PROFIT BEFORE TAX TO S$36.2 MILLION IN 1H2013

- ***Boosted by 35% revenue growth with higher revenue recognition from Property Development segment***
- ***Makes first overseas property investment with recent acquisition of 47% stake in Macly Equity***
  - ***Freehold site in Kuala Lumpur with an approximate Gross Floor Area of 698,717 sq ft***
- ***Progress billings hits S$1.1 billion[1], sustained earnings visibility to be progressively recognised from 3Q2013 to FY2017***
- ***Strong financial flexibility with cash and cash equivalents of S$323.1 million and a S$200 million Multicurrency Medium Term Note Programme established in March 2013***
- ***Declares interim dividend of 0.77 SGD cents per share***

Financial Highlights:

S$'million	2Q2013	2Q2012	% Change	1H2013	1H2012	% Change
Revenue	68.9	52.7	31.0	122.6	90.8	35.0
Gross Profit	23.4	20.5	14.0	41.7	37.2	12.0
Profit before Tax	21.7	17.7	22.6	36.2	28.8	25.7
Net Profit	19.5	17.7	10.2	31.4	26.8	17.1
Earnings per Share (SGD Cents)	2.05	1.86	10.2	3.28	2.80	17.1
	Jun 2013	**Dec 2012**	**% Change**			
Cash and Cash equivalents	323.1	253.2	27.6			
Net Asset Value per share (cents)	28.9	26.6	8.6			
Adjusted Net Asset Value per share (cents)[2]	68.8	66.8	2.9			

[1] *Based on Option to Purchase granted up to 24 July 2013*
[2] *The fair value of Grand Mercure Roxy Hotel and office premise was estimated to be S$461.9 million as at 30 June (S$459.7 million as at 31 December 2012)*

50 East Coast Road, #03-11 Roxy Square Shopping Centre, Singapore 428769
Tel: (65) 6440 9878 Fax: (65) 6440 9123 RCB: 196700135Z
Email: info@roxypacific.com.sg Website: www.roxypacific.com.sg
A member of Roxy-Pacific Group

Singapore, August 1, 2013 – Roxy-Pacific Holdings Limited ("Roxy-Pacific" or the "Group"), a homegrown specialty property and hospitality group, today reported that its profit before tax rose 23% to S$21.7 million in the second quarter ending June 30, 2013 ("2Q2013"), from S$17.7 million in the previous corresponding period ("2Q2012").

Mr Teo Hong Lim, Executive Chairman and CEO of Roxy-Pacific, commented: "We are pleased to have achieved a second strong quarter of growth, buoyed by positive performance from both our Property Development and Property Investment segments and higher share of results from associates. In fact, the revenue recognition from five projects namely Treescape, The MKZ, Spottiswoode 18, Jupiter 18 and Space@Kovan surpassed revenue recognition for 2Q2012.

"Our strategy is to achieve a good balance of our asset portfolio in both Singapore and the region going forward. We are pleased to have made our maiden entry into Malaysia recently through our 47% stake in Macly Equity, a Malaysian-incorporated company. With this acquisition, we will participate in the development of a freehold site that has an approximate gross floor area of 698,717 sq ft. This development is strategically located at Jalan Dewan Sultan Sulaiman, beside the upcoming Quill City (a 7-acre mixed development on Jalan Sultan Ismail), the Sheraton Imperial Hotel and monorail stations to Bukit Bintang. Looking beyond Malaysia, we are also open to opportunities in Australia and the United Kingdom. For regional expansion, in particular, we intend to work closely with partners who are familiar with these overseas markets.

"In Singapore, we will continue to lookout for developments ranging from small to mid to large-sized plots. Apart from the site in Malaysia, we have landbanks here at Pasir Panjang, Wilkie Terrace, Telok Kurau and Tampines with a total attributable gross floor area of approximately 586,638 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

In 2Q2013, the Group achieved revenue of S$68.9 million, 31% higher as compared to S$52.7 million in 2Q2012.

In the Property Development segment, Roxy-Pacific recognised higher revenue that was in line with development progress of several projects, namely Spottiswoode 18, Jupiter 18, Space@Kovan as well as two new projects – Treescape and The MKZ. Accordingly, turnover from the Group's Property Development segment grew to 83% of Group Revenue or S$57.0 million in 2Q2013, as compared to 76% or S$39.9 million of Group Revenue in 2Q2012.

Notwithstanding the closure of rooms at Grand Mercure Roxy Hotel ("GMRH" or "Hotel") for renovation as part of the hotel's upgrading plan, the GMRH achieved an average occupancy rate ("AOR") of 83.8%, an average room rate ("ARR") of S$196.2 and a revenue per available room ("RevPar") of S$164.4. Overall, the Hotel Ownership segment contributed 16% or S$11.4 million to Group Revenue in 2Q2013 as compared to 23% or S$12.4 million in 2Q2012. The hotel room renovation was completed in June 2013.

The Property Investment segment contributed the remaining revenue to the Group's turnover. With higher rental yield from shop units in Roxy Square, the Property Investment segment achieved higher turnover in 2Q2013 as compared to 2Q2012.

The Group's share of profits of associates also increased from $0.4 million to $2.3 million mainly due to the profits recognition form joint-venture projects, namely Natura@Hillview, Eon Shenton, Haig 162 and Nottinghill Suites. In June 2013, Haig 162 received the Temporary Occupation Permit ("TOP") status.

Overall, the Group's Profit before Tax in 2Q2013 increased 23% to S$21.7 million, largely due to higher profits from Property Development segment. This, coupled with a strong performance in the first quarter ended March 31, 2013 ("1Q2013"), boosted the performance for the half year ended June 30, 2013 ("1H2013"). In 1H2013, Profit before Tax rose 26% to S$36.2 million from S$28.8 million in previous corresponding period.

As at June 30, 2013, cash and cash equivalents remained healthy, amounting to S$323.1 million in 1H2013.

Dividend

In view of the Group's healthy balance sheet as well as the strong financial results, and to reward its shareholders for their continuous support, the Board has decided to declare an interim dividend (one-tier tax exempt) of 0.77 SGD cent per share. This is equivalent to a dividend payout ratio of 24% of the Group's net profit attributable to shareholders for 1H2013.

Outlook

Based on advance estimates by Ministry of Trade and Industry Singapore ("MTI"), the Singapore economy grew by 3.7% on a year-on-year basis in the 2nd quarter of 2013, compared to 0.2% in 1Q2013. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy grew by 15.2%, faster than the 1.8% growth in the previous quarter.

Latest statistics released by the Urban Redevelopment Authority ("URA") showed that prices of private residential properties increased by 1.0% in 2nd quarter 2013, compared with 0.6% price growth recorded in 1st quarter 2013.

Added Mr Teo: "Roxy-Pacific is privileged to have our progress billings hit S$1.1 billion. This gives us sustained earnings visibility, as the billings are to be progressively recognised from 3Q2013 to FY2017. Whilst we continue to look for property development opportunities in Singapore, a market which we have a proven track record in, we shall also actively look at diversifying into overseas markets."

Singapore Tourism Board ("STB")[3] has forecasted 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. Recent developments such as the Gardens By the Bay, new properties at Sentosa which include W Singapore Sentosa Cove as well as the River Safari and Marine Life Park, the world's largest oceanarium, add to the variety of novel experiences available in Singapore. Upcoming developments such as Singapore Sports Hub and National Art Gallery will also further expand Singapore's inventory of interesting and unconventional MICE venues.

"The upgrading and improvements made the Grand Mercure Roxy Hotel is akin to applying a fresh shine to our core Hospitality business. In a leisure and business tourism landscape that is constantly evolving, we believe that this pegs us attractively in the minds of savvy visitors, who are looking for the complete Singaporean experience. Along with Singapore's healthy pipeline of upcoming MICE events, we are optimistic that the demand for our hotel rooms should continue to be strong in the 2nd half of 2013," concluded Mr Teo.

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

[3] *Singapore emerges as the only Asian Top 10 Convention City this year – STB, May 20, 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.

ISSUED ON BEHALF OF	:	Roxy-Pacific Holdings Limited	
BY	:	Citigate Dewe Rogerson, i.MAGE Pte Ltd 55 Market Street #02-01 Singapore 048941	
CONTACT	:	Ms Dolores Phua / Ms Pearl Lam at telephone	
DURING OFFICE HOURS	:	6534-5122	(Office)
AFTER OFFICE HOURS	:	9750-8237 / 9781-3518	(Handphone)
EMAIL	:	dolores.phua@citigatedrimage.com pearl.lam@citigatedriamge.com	

077/13/003/RPHL

August 1, 2013