

NEWS RELEASE

**ROXY-PACIFIC'S REVENUE INCREASES 25% TO
S\$249.2 MILLION IN 9M2014**

- ***Boosted by healthy revenue growth from three business segments***
- ***Net profit up 6% to S\$50.2 million***
- ***Share of profit of associates up 77% to S\$12.1 million***
- ***Sustained earnings visibility with pre-sale revenue of S\$884.9 million¹, profit of which will be progressively recognised to FY2018***
- ***Strong headroom with cash and cash equivalents of S\$314.6 million, low gearing of 0.72 times and a S\$200 million Multicurrency Medium Term Note Programme***
- ***To prudently broaden both Property and Hotel asset portfolio in Singapore and the region***
 - o ***Recently acquired two hotel assets in Kyoto, Japan and Phuket, Thailand***

¹ Based on Option to Purchase granted up to October 27, 2014

Financial Highlights:

S\$'million	9M2014	9M2013	% Change
Revenue	249.2	199.4	25.0
Gross Profit	73.2	67.2	9.0
Share of profit of associates	12.1	6.8	77.0
Profit before Tax	58.9	56.0	5.0
Profit after Tax	50.2	47.4	6.0
	Sep 30, 2014	Dec 31, 2013	% Change
Net Asset Value per share (cents)	29.73	27.62	7.6
Adjusted Net Asset Value per share (cents) ²	67.00	64.60	3.7
Net Debt to ANAV (times)	0.72	0.68	5.9
Cash and Cash Equivalents	314.6	354.2	(11.2)

Singapore, November 4, 2014 – Roxy-Pacific Holdings Limited (“**Roxy-Pacific**” or the “**Group**”), a homegrown specialty property and hospitality group, today announced that it has achieved a 25% increase in revenue to S\$249.2 million for the period ended September 30, 2014 (“**9M2014**”), from S\$199.4 million in the previous corresponding period (“**9M2013**”). This was driven by healthy growth from all three business segments – Property Development, Hotel Ownership and Property Investment.

Said Mr Teo Hong Lim, Executive Chairman and CEO of Roxy-Pacific: “Notwithstanding challenging market conditions, we are pleased to have delivered a healthy financial performance.

“In Property, beyond Singapore, we have entered markets in the region including Malaysia, Hong Kong and Australia. We continue to be on the lookout for good acquisition and investment opportunities in both Singapore and the region for better geographical spread and to enhance value for all shareholders.

² The fair value of Grand Mercure Roxy Hotel and the office premise was estimated to be \$523.4 million as at September 30, 2014 (S\$522.5 million as at December 31, 2013)

“For our Hotel segment, we’ve also made good progress with recent acquisitions of two properties in Kyoto, Japan and Phuket, Thailand. In Kyoto-City, we’ve acquired Hotel Harvest Kyoto, an existing 6-floor hotel, and are looking into asset enhancement and hotel management possibilities. In Phuket, we have acquired another property and adjacent land plots in Chalong Sub-District in the Mueang District, for hotel development.

“Moving ahead, we stay focused on broadening our asset portfolio and widening our geographical reach. At the same time, we will work towards achieving more recurring income streams for both our Property and Hotel segments for greater earnings stability.”

Performance Review

For 9M2014, the 25% increase in revenue to S\$249.2 million was largely due to good performance from all three business segments.

The Property Development segment, which comprises residential and commercial developments, contributed 84% of the Group’s turnover in 9M2014. Revenue from this segment rose 28% from S\$163.5 million in 9M2013 to S\$209.8 million in 9M2014 largely due to revenue recognition from Space@Kovan, Spottiswoode 18, Jade Residences, The MKZ and Whitehaven.

The Hotel Ownership segment, which made up 15% or approximately S\$36.0 million to the Group’s turnover in 9M2014, rose 4% as compared to the S\$34.6 million achieved in 9M2013. With recent completion of refurbishments, Roxy-Pacific’s Grand Mercure Roxy Hotel achieved a high average occupancy rate (“AOR”) of 91.2% in 9M2014, which compares favourably to the AOR of 84.6% attained in 9M2013. Average room rate (“ARR”) for 9M2014 was S\$186.1 as compared to S\$194.5 in 9M2013. Overall, revenue per available room (“RevPar”) was up 3%, from S\$164.5 in 9M2013 to S\$169.7 in 9M2014.

Revenue from the Group's Property Investment segment, which constituted 1% of the Group's turnover, surged 184% to hit S\$3.5 million in 9M2014 as compared to S\$1.2 million in 9M2013 mainly due to rental income from the lease of units at 59 Goulburn Street, which was acquired in July 2014.

Share of profit from associates rose 77% to S\$12.1 million from S\$6.8 million over the same period mainly due to profits achieved from joint-venture projects such as Millage, Nottinghill Suites and the completion of sale of certain strata retail units in 8 Russell Street, Hong Kong.

In line with above, the Group's profits before and after taxes increased to S\$58.9 million and S\$50.2 million respectively in 9M2014.

For the three months ended September 30, 2014 ("3Q2014"), the Group registered a 12% decline in revenue to S\$67.2 million, from S\$76.7 million in the previous corresponding period ("3Q2013"), mainly due to lower revenue recognition from Spottiswoode 18. The Group's profit before tax was lower by 28% from S\$19.8 million in 3Q2013 to S\$14.3 million in 3Q2014. Profit after tax was down 23% to S\$12.4 million in 9M2014 from S\$16.1 million in 9M2013.

The Group has a healthy cashflow, with project accounts, fixed deposits and cash and bank balances amounting to S\$314.6 million. At the same time, the Group has in place a S\$200 million Multicurrency Medium Term Note Programme and a comfortable net debt-to-ANAV ratio of 0.72 times.

Industry Outlook

Based on advance estimates by Ministry of Trade and Industry Singapore (“MTI”) on October 14, 2014, the Singapore economy grew by 2.4% on a year-on-year basis in the 3rd quarter of 2014, similar as the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 1.2%, a reversal from the 0.1% contraction in the preceding quarter.

According to the latest statistics released by Urban Redevelopment Authority (“URA”) on October 24, 2014, prices of private residential properties decreased by 0.7% in 3rd Quarter 2014, following the 1.0% decline in the previous quarter. This is the fourth continuous quarter of price decline.

As for the hospitality sector, notwithstanding a 6% drop in visitor arrivals to 3.6 million from April to June 2014, STB expects growth in the tourism numbers to continue on the back of major projects such as the recent opening of the Sports Hub, compelling events like Formula One, Women’s Tennis Association Finals, TravelRave and more³.

Barring unforeseen circumstances, the directors expect the Group to be profitable in FY2014.

About Roxy-Pacific Holdings Limited

Established in May 1967, Roxy-Pacific Holdings Limited, an established property and hospitality group with an Asia-Pacific focus, 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”).

³ Today, October 16, 2014

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 2013, the Group developed and launched 36 small to medium size developments comprising a total of more than 2,500 residential and commercial units in Singapore.

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 in Singapore, the hotel enjoys high AOR averaging 89.0% and good ARR averaging S\$159.4 between 2004 and 2013.

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

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