



Roxy-Pacific Holdings Limited

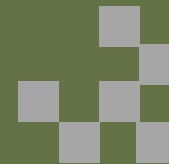
*An established property and hospitality group with
an Asia-Pacific focus*

**SUSTAINABLE
DEVELOPMENT**

Results Announcement

3rd Quarter ended 30 September 2014

4th November 2014



Agenda

- Financial Performance
- Business Review
- Group Borrowings
- Outlook

Results Announcement

3rd Quarter ended 30 September 2014

4th November 2014

Financial Performance

Financial Highlights – 9M2014

- ▶ **Revenue increases 25% to S\$249.2 million in 9M2014**
- ▶ ***Boosted by healthy revenue growth from three business segments***
- ▶ **Net profit up by 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⁽¹⁾ million, profit of which will be progressively recognized 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**
- ▶ **Broaden both Property and Hotel asset portfolio in Singapore and the region**
 - ▶ **Recently acquired two hotel assets in Kyoto, Japan and Phuket, Thailand**

(1) Included Option to Purchase granted up to 27 October 2014.

Financial Performance

Financial Results – 9M2014

	9M2014	9M2013	% change
Revenue (S\$'m)	249.2	199.4	25%
Gross Profit (S\$'m)	73.2	67.2	9%
Gross Margin (%)	29%	34%	-5ppt ⁽¹⁾
Share of profit of associates (S\$'m)	12.1	6.8	77%
Pre-tax profit (S\$'m)	58.9	56.0	5%
Net Profit (S\$'m)	50.2	47.4	6%
EPS (cts)	4.20	3.97	6%

⁽¹⁾ Mainly due to lower gross profit margin from Property Development segment.

Financial Performance

Financial Results – 3Q2014

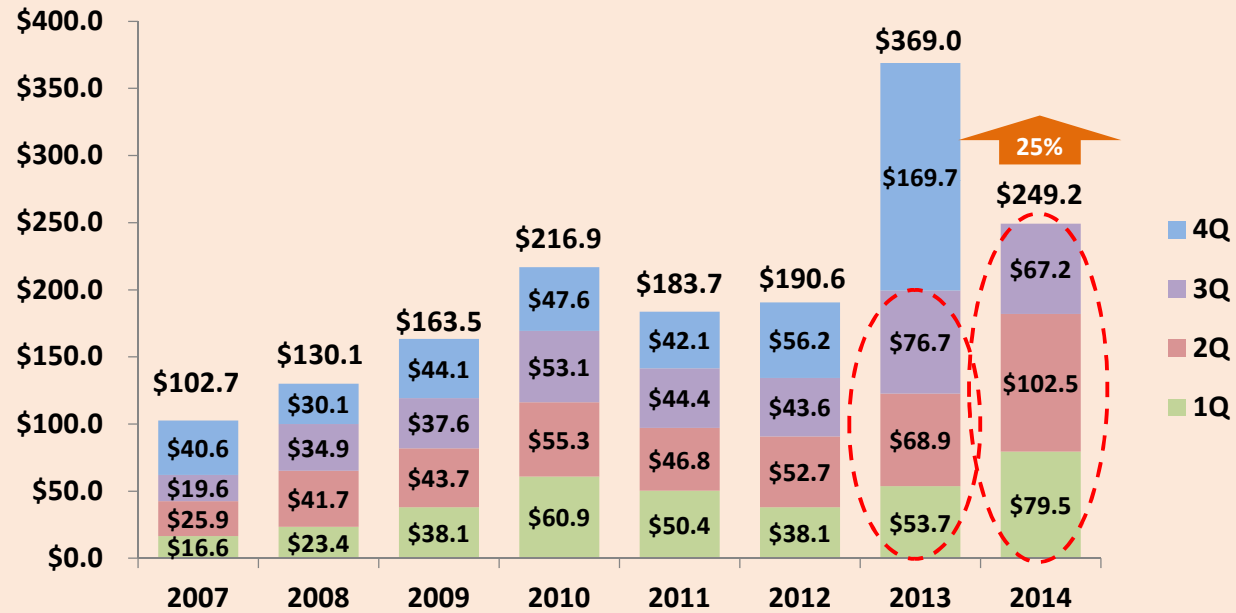
	3Q2014	3Q2013	% change
Revenue (S\$'m)	67.2	76.7	-12%
Gross Profit (S\$'m)	17.7	25.5	-31%
Gross Margin (%)	26%	33%	-7ppt ⁽¹⁾
Share of results of associates (S\$'m)	8.1	2.7	196%
Pre-tax Profit (S\$'m)	14.3	19.8	-28%
Net Profit (S\$'m)	12.4	16.1	-23%
EPS (cts)	1.04	1.35	-23%

⁽¹⁾ Mainly due to lower gross profit margin from Property Development segment.

Financial Performance

Financial Performance Turnover Trend (\$\$'m)

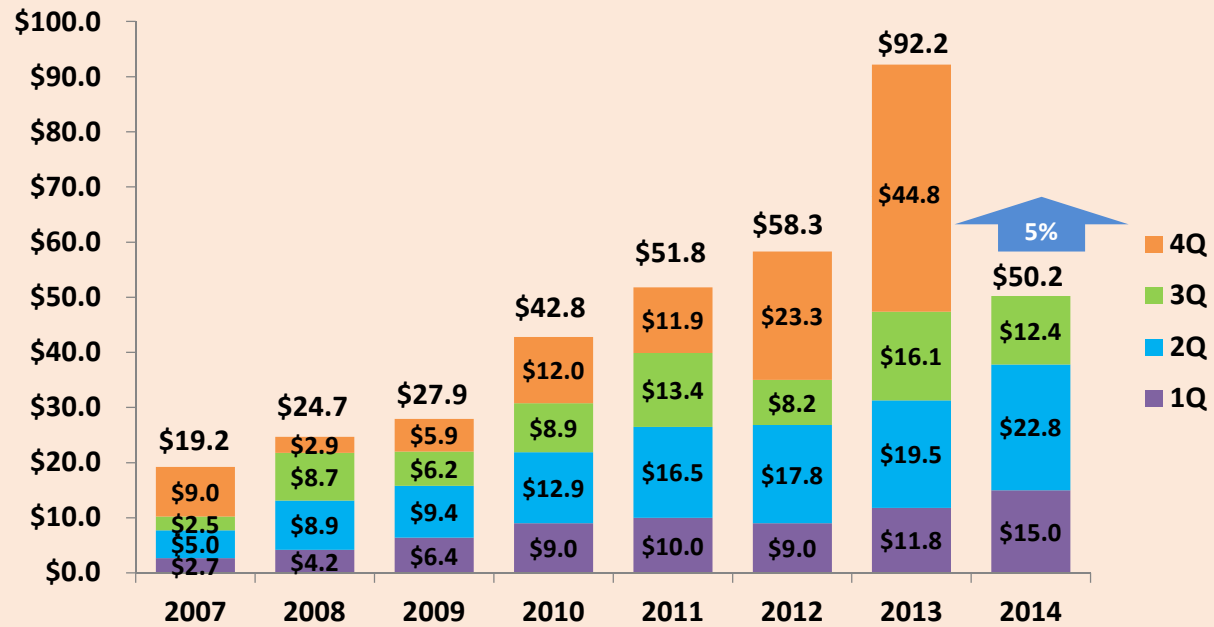
- Record 9M turnover since 2007
- Overall, revenue increased by 25% to S\$249.2m in 9M2014



Financial Performance

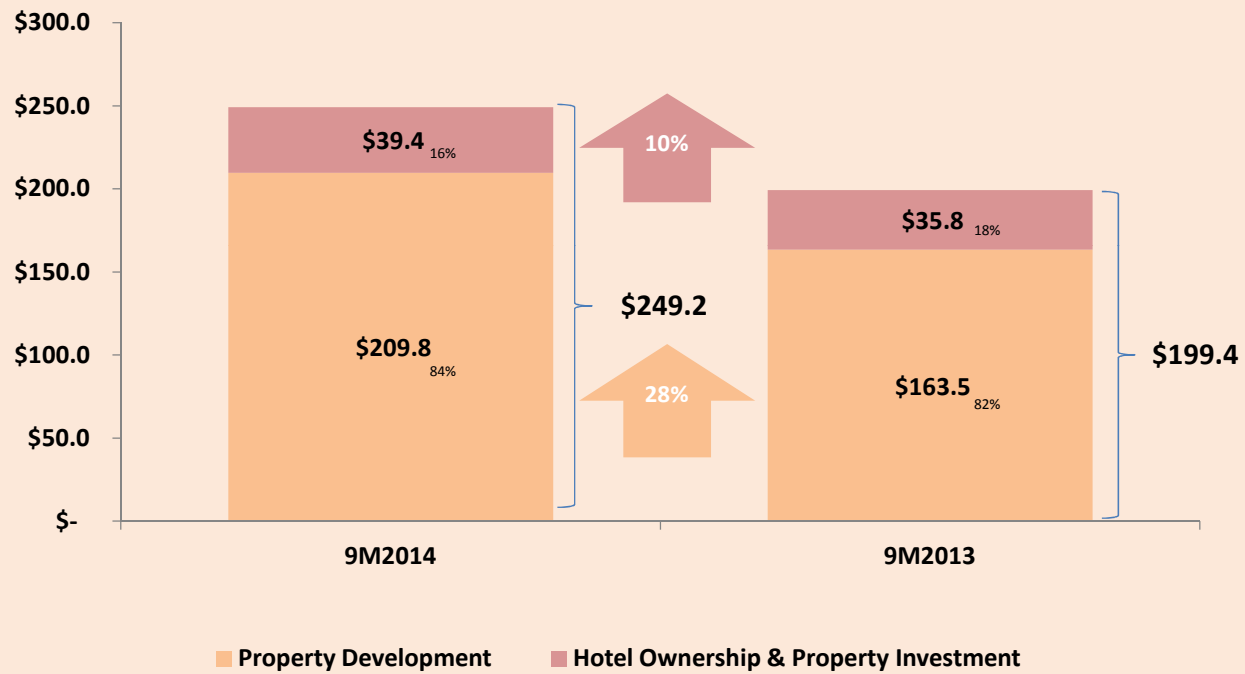
Financial Performance Profit Trend (\$'m)

Overall, net profit increased by 5% from S\$47.4m to S\$50.2m in 9M2014



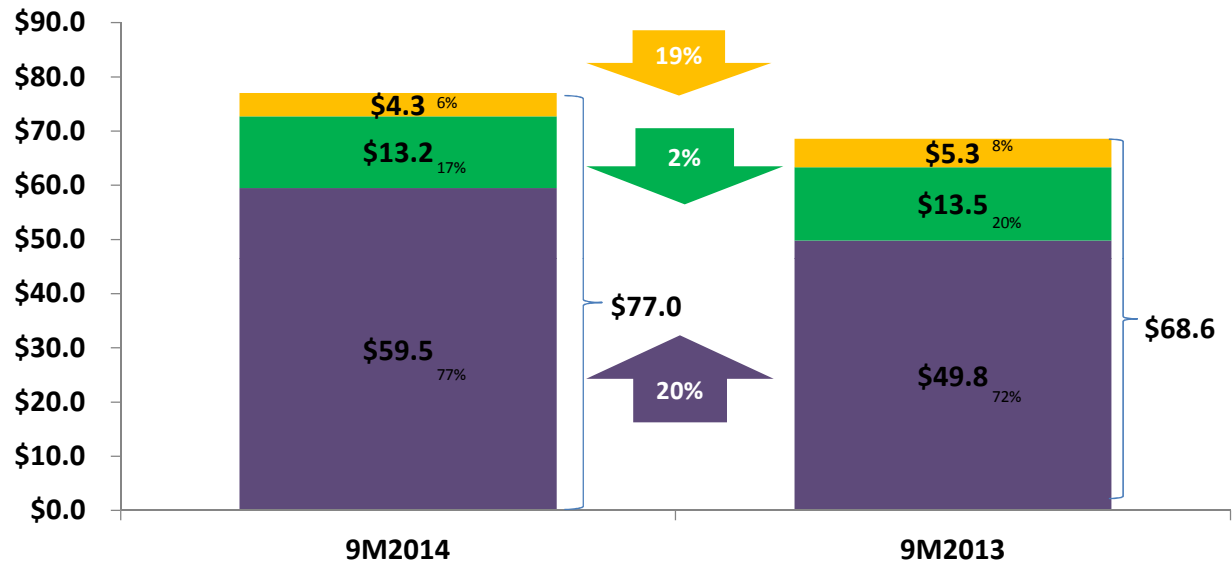
Financial Performance

Segment Results – 9M2014 Revenue (\$\$'m)



Financial Performance

Segment Results – 9M2014 Adjusted EBITDA* (S\$m)



- Property Development
- Hotel Ownership & Property Investment
- Fair value gain on investment properties

* Excludes corporate expenses, depreciation of property, plant and equipment, finance cost (net), fair value loss on cross currency interest rate swap and gain on disposal of available-for-sale financial assets.

Financial Performance

	30 Sep 14	31 Dec 13	Increase / (Decrease)
Financial Position			
Total assets (S\$'m)	1,328.2	1,298.9	2.3%
Total debt (S\$'m)	891.2	880.9	1.2%
Cash & cash equivalents (S\$'m) ⁽¹⁾	314.6	354.2	-11.2%
Net Assets Value ("NAV") (S\$'m)	354.8	329.6	7.6%
Adjusted Net Assets Value ("ANAV") (S\$'m) ⁽²⁾	799.7	771.1	3.7%
Financial Ratios			
NAV per share (cents)	29.7	27.6	7.6%
ANAV per share (cents) ⁽²⁾	67.0	64.6	3.7%
Cash holdings per share (cents) ⁽¹⁾	26.4	29.7	-11.2%
Net Debt to ANAV (times)	0.72	0.68	5.9%
Return on Equity (%) ⁽³⁾	18.9	28.0	-32.5%

(1) Cash holdings include project account monies amounting to S\$182.5m as at 30 Sep 2014 (31 December 2013: S\$191.1m)

(2) The fair value of Grand Mercure Roxy Hotel and office premise were estimated to be S\$523.4m as at 30 Sep 2014 (31 December 2013: S\$522.5m)

(3) Represents annualised return of equity

Property Development

Results Announcement

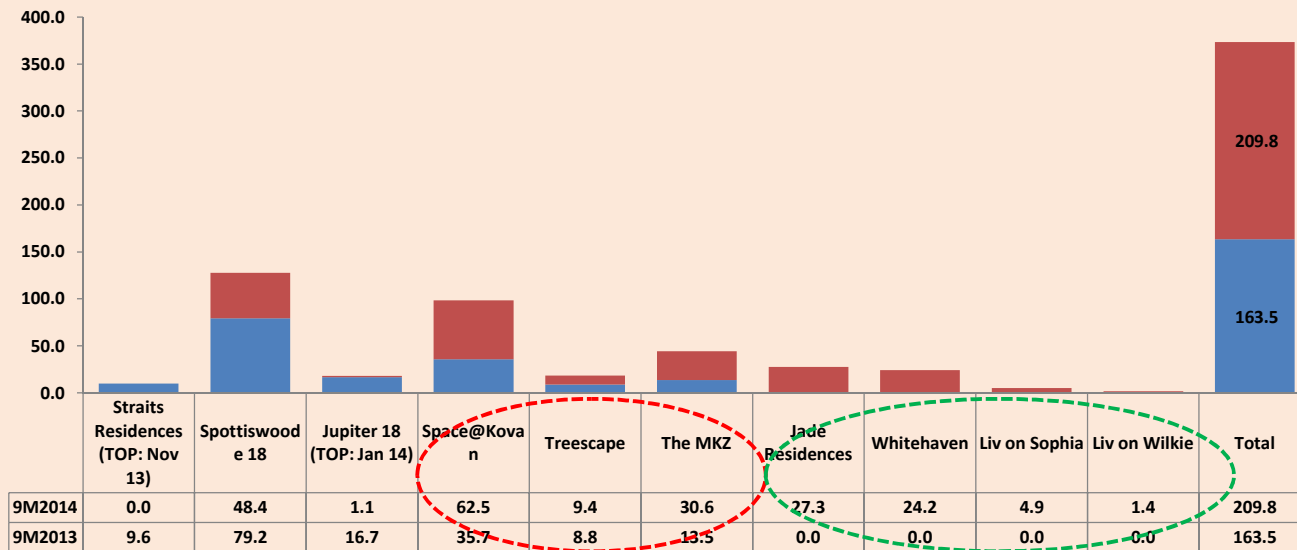
3rd Quarter ended 30 September 2014

4th November 2014

Business Review

Property Development – 9M2014

Revenue from Property Development (S\$m)



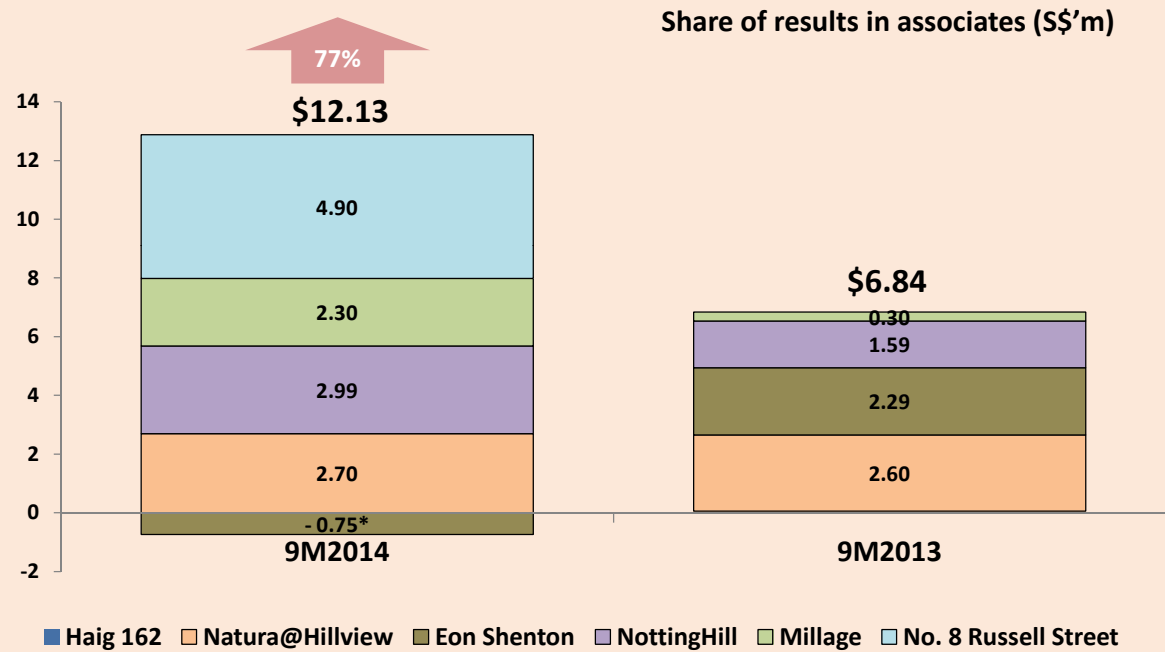
➤ Increase in revenue by 28% from S\$163.5 million in 9M2013 to S\$209.8 million in 9M2014

➤ Mainly due to

- Recognition of higher revenue from Space@Kovan, Treescape and The MKZ
- Commencement of revenue recognition from Jade Residences, Whitehaven, Liv on Sophia and Liv on Wilkie
- Partly offset by absence of revenue recognition from Straits Residences (TOP in Nov 2013) and Jupiter 18 (TOP in Jan 2014)

Business Review

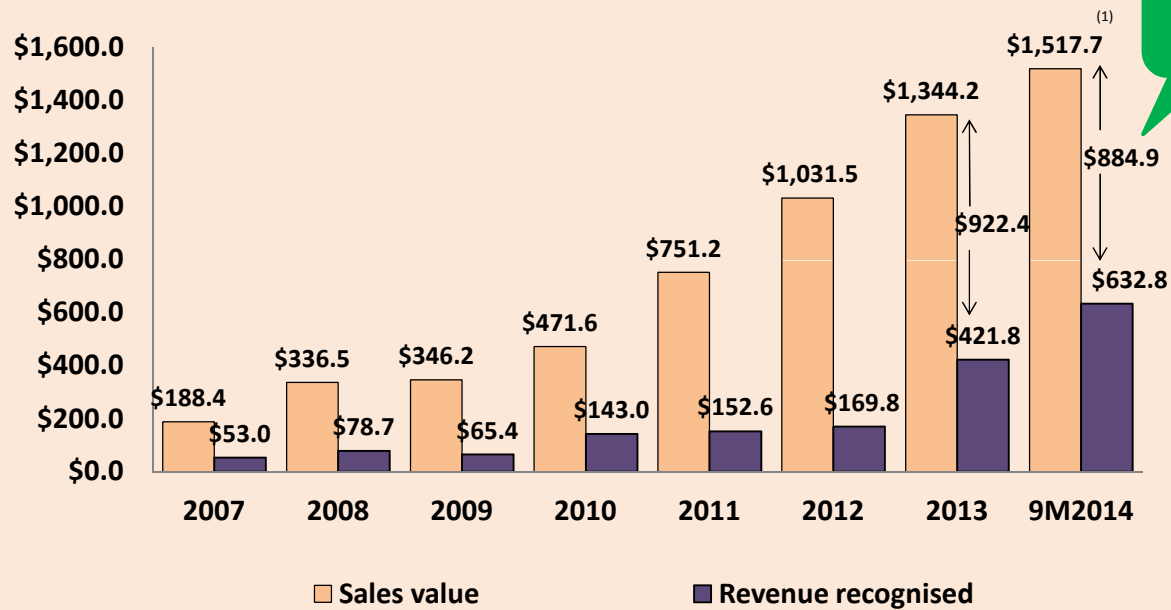
Property Development & Property Investment – 9M2014



* Cumulative profits recognised as at 30 Sep 2014: \$3.0 million

Business Review

Pre-Sale Revenue to be recognised (\$'m) – 9M2014



Decreased by 4.1% compared to FY2013

⁽¹⁾ Included Option to Purchase granted up to 27 October 2014

Business Review

Pre-Sale Revenue to be recognised by projects (S\$'m) – 9M2014

	Project name	Type of development	Group stake	Total units in project		Attributable total sale value ⁽¹⁾	Attributable revenue recognised up to 30 Sep 2014	Balance attributable progress billings to be recognised from 4Q2014
				Unit	Unit sold			
			%		%	\$'m	\$'m	\$'m
1	Space@Kovan	Shop	100%	56	100%	46.6	44.0	2.6
		Residential	100%	140	100%	113.1	106.6	6.5
2	Spottiswoode 18	Residential	100%	251	100%	254.4	242.0	12.4
3	Nottinghill Suites	Residential	45%	124	100%	39.5	35.9	3.6
4	Centropod@Changi	Shop	100%	108	100%	54.4	-	54.4
		Restaurant	100%	9	100%	8.3	-	8.3
		Office	100%	75	100%	78.7	-	78.7
5	Millage	Residential	48%	70	100%	23.5	8.3	15.2
		Shop	48%	86	100%	28.7	10.2	18.5
6	Natura@Hillview	Residential	49%	193	100%	72.2	44.7	27.5
7	Eon Shenton	Office	20%	98	100%	60.1	5.7	54.4
		Residential	20%	132	95%	38	3.6	34.4
		Shop	20%	23	100%	4.8	0.5	4.3
8	The MKZ	Residential	100%	42	100%	51.8	51.4	0.4
9	Jade Residences	Residential	100%	171	86%	178.7	29.7	149.0
		Shop	100%	2	100%	1.7	0.3	1.4
10	Whitehaven	Residential	100%	120	87%	128	26.2	101.8
		Shop	100%	1	100%	1.2	0.1	1.1
11	LIV on Sophia	Residential	90%	64	100%	78.5	4.4	74.1
12	LIV on Wilkie	Residential	90%	81	69%	73	1.3	71.7
13	Sunnyvale Residences ⁽²⁾	Residential	100%	30	20%	9.5	-	9.5
14	Trilive ⁽³⁾	Residential	85%	222	11%	23.2	-	23.2
		Shop	85%	2	50%	0.7	-	0.7
15	No. 8 Russell Street, Causeway Bay, Hong Kong	Investment Property for sale	30%	21 floors	92%	149.1	17.9 ⁽⁴⁾	131.2 ⁽⁵⁾
	Total			2,100		1,517.7	632.8	884.9

(1) Included Option to Purchase granted up to 27 October 2014

(3) Launched in June 2014

(5) equivalent to HKD809.5m

(2) Launched in May 2014

(4) Completion of sale for two floors and part of a floor at 8 Russell Street

Business Review

Landbank

	Location / Description	Type	Approximate Land Area (sqf)	Approximate Gross Floor Area (sqf)	Group's stake %	Approximate Attributable Gross Floor Area (sqf)	Approximate Attributable Land Cost \$'m
1	<u>Overseas</u> Lot 3370, Section 41, Jalan Dewan Sultan Sulaiman, Kuala Lumpur	Commercial & Residential Development	64,131	698,717	47%	328,397	16.9 ⁽¹⁾
			64,131	698,717		328,397	16.9

(1) equivalent to RM42.2m

Hotel Ownership

Results Announcement

3rd Quarter ended 30 September 2014

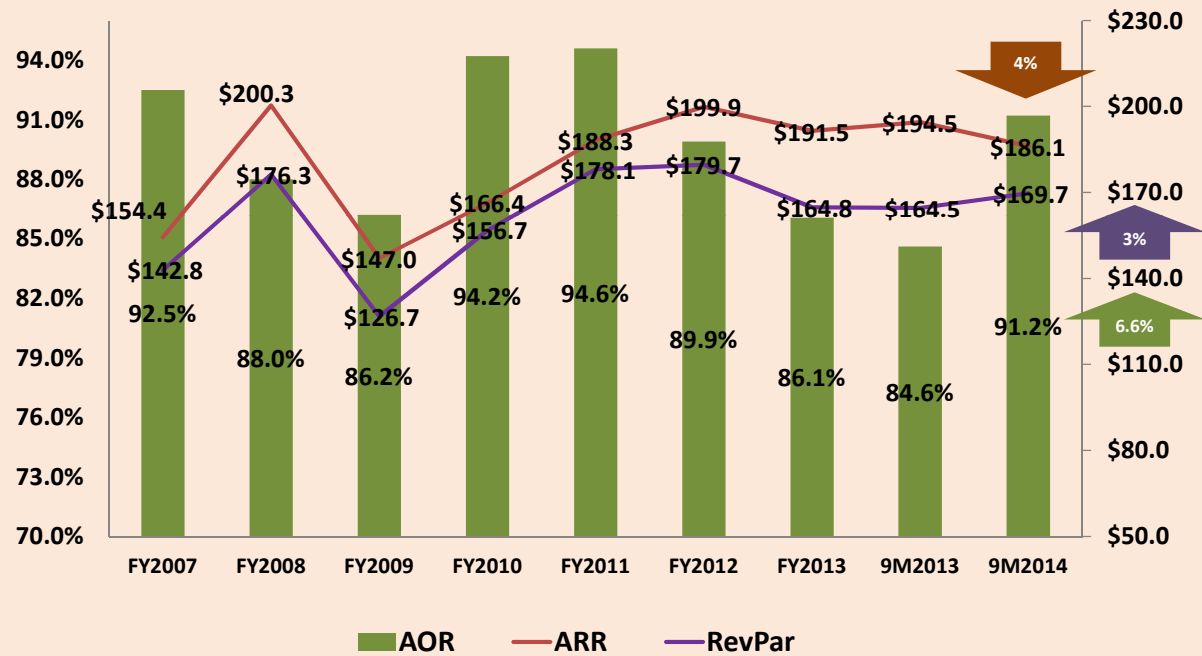
4th November 2014

Business Review

Hotel Ownership – 9M2014

AOR , ARR & RevPar

RevPar increased by 3% to \$169.7 in 9M2014 compared to \$164.5 in 9M2013

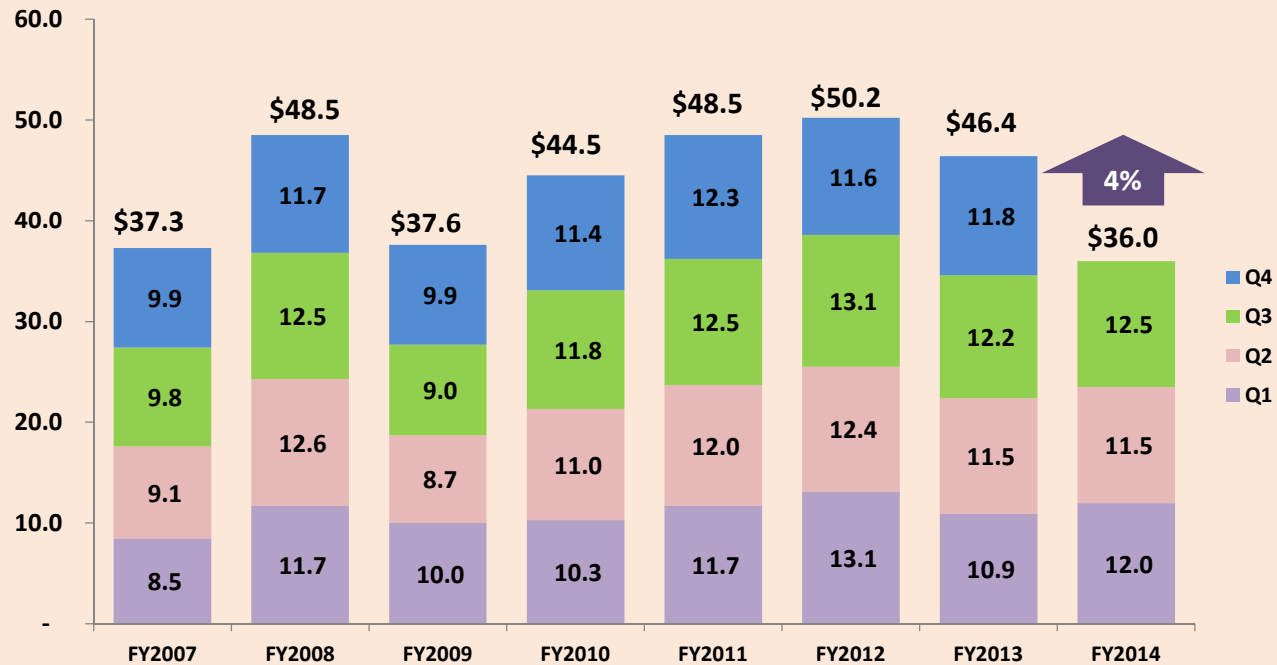


Business Review

Hotel Ownership – 9M2014

Hotel Revenue (S\$'m)

Hotel revenue increased by 4% from S\$34.6 m in 9M2013 to S\$36.0 m in 9M2014

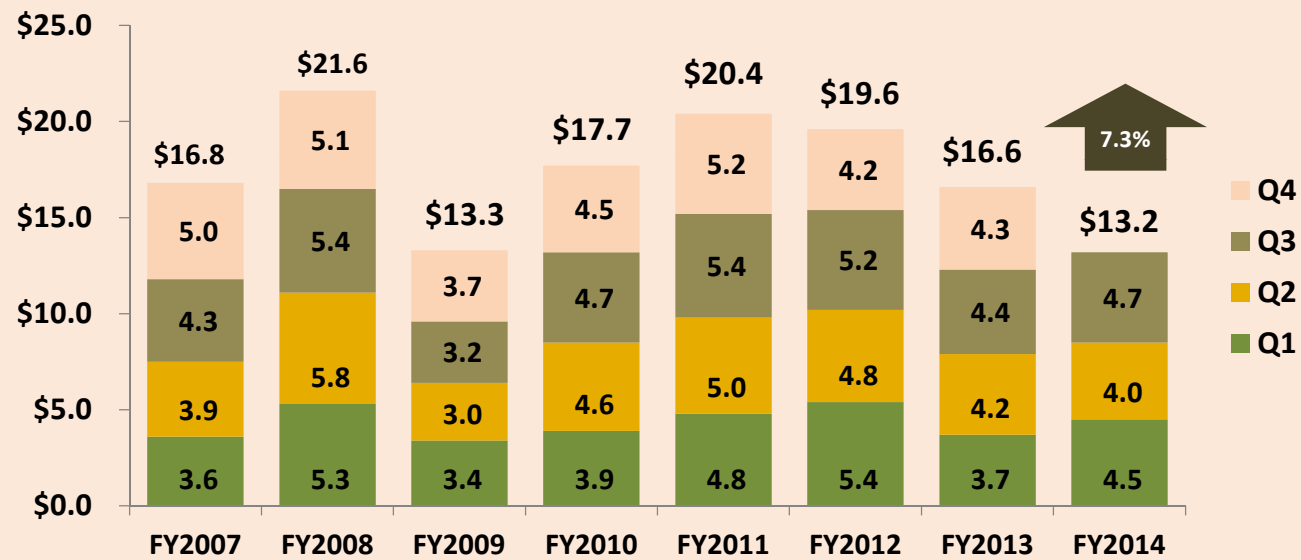


Business Review

Hotel Ownership – 9M2014

Hotel Net Operating Profits (“NOP”) (S\$m)

➔ Hotel NOP increased by 7.3% from S\$12.3m in 9M2013 to S\$13.2m in 9M2014



Hotel Net Operating Profits is defined as the earnings before interest, taxes, depreciation and amortisation.

Property Investment

Results Announcement

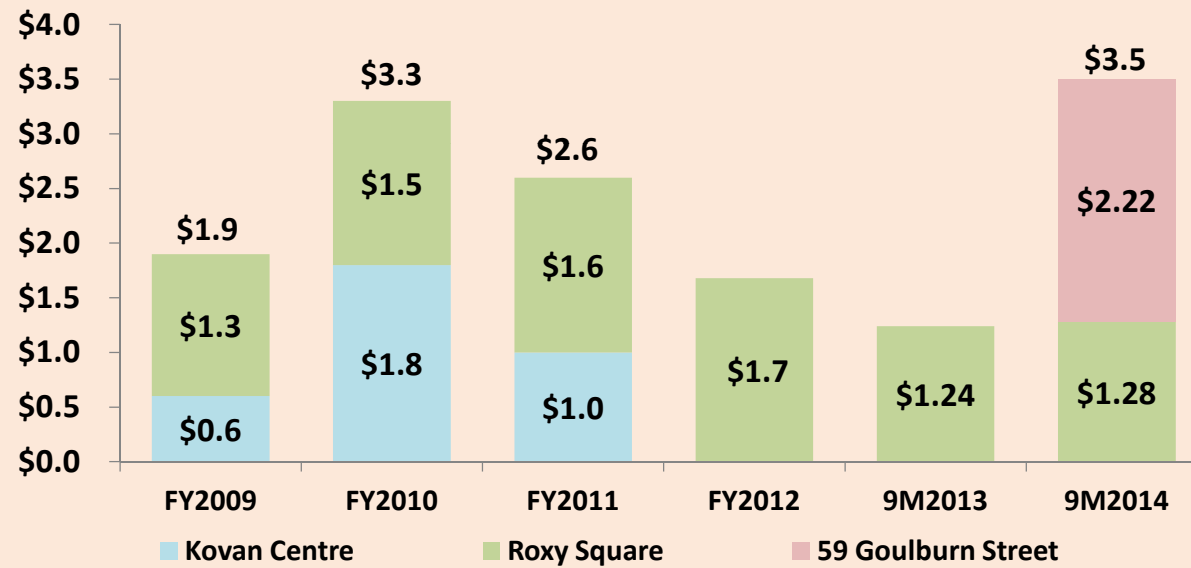
3rd Quarter ended 30 September 2014

4th November 2014

Business Review

Property Investment – 9M2014 Revenue (\$\$'m)

◆ Rental income increased from S\$1.2m to S\$3.5m mainly due to rental income from the lease of units at 59 Goulburn Street (acquired in July 2014).

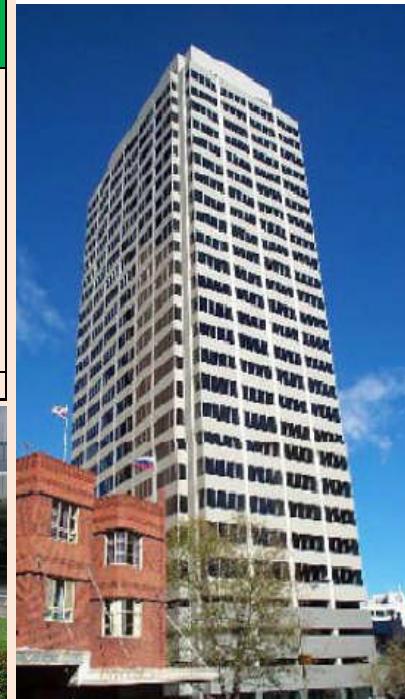


Business Review

Property Investment

	Description	Net lettable Area /Floor area	Group's stake	Valuation	Estimated Total Annual Gross Income
		(sqm)	%	S\$'m	S\$'m
Singapore					
1	47 shop units at Roxy Square Shopping Centre	2,320	100%	72.3 ⁽¹⁾	1.7
Overseas					
2	No. 59, Goulburn Street, Sydney, Australia	19,552.7	100%	106.1 ⁽²⁾	10.3
<i>Grand Total</i>		21,872.7		178.4	12.0

59 GOULBURN STREET, SYDNEY



(1) based on latest desktop valuation as of 30 June 2014
 (2) acquisition of building was completed on 17 July 2014

Results Announcement

3rd Quarter ended 30 September 2014

4th November 2014

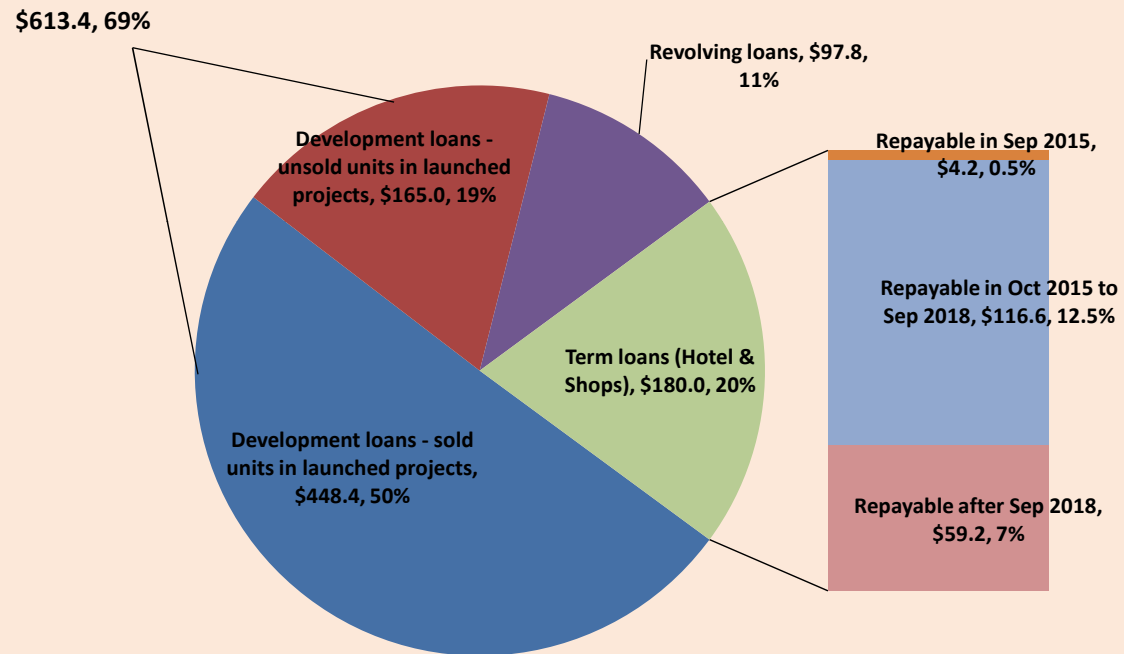
Group Borrowings

Debt Profile	30 Sep 14	31 Dec 13
Total borrowings	\$891.2m	\$880.9m
Fixed rate loans	\$154.0 m	\$90.6 m
Fixed rate loans as % of total loans	17%	10%
Weighted average term for fixed rates loans	14 months	13 months
Weighted average interest rate (fixed rates loans)	2.38%	2.13%
Weighted average interest rate (floating rates loans)	2.17%	1.98%
Interest cover ratio (times)	10.6	19.4

Group Borrowing

Debt Profile as at 30 September 2014 (S\$m)

Total outstanding debts of S\$891.2m as at 30 September 2014



Outlook

1. General

- *Ministry of Trade and Industry Singapore (“MTI”) advance estimate:*
 - *Singapore economy grew by 2.4% on a year-on-year basis in the 3Q2014. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 1.2%, a reversal from the 0.1% contraction in 2Q2014.*

2. Property Development

- *Urban Redevelopment Authority (“URA”) latest statistics:*
 - *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.*
 - *The Group has sustained earnings visibility with pre-sale revenue of S\$884.9 million, profits of which will be recognised from 4Q2014 to FY2018.*

3. Hotel Ownership

- *Singapore Tourism Board (“STB”) reports:*
 - *Visitor arrivals drop 6% to 3.6 million from April to June 2014, STB expects growth in the tourism numbers on the back of major projects*
 - *The Group has made good progress with recent acquisitions of two properties in Kyoto, Japan and Phuket, Thailand. These acquisitions are expected to increase the income streams for the Group in future.*

4. *Strong headroom with cash and cash equivalents of S\$314.6 million, low gearing of 0.72 times and a S\$200m Multicurrency Medium Term Note Programme.*

5. *Barring any unforeseen circumstances, the directors expect the Group to be profitable in 4Q2014.*



THANK YOU

Results Announcement

3rd Quarter ended 30 September 2014

4th November 2014