



金朝陽集團有限公司
SOUNDWILL HOLDINGS LIMITED

Press Release

For Immediate Release

To: Finance / Property Editors

**Soundwill Holdings Limited Interim Results 2012
An Outstanding Performance
Net Profit Increased 25% to HK\$1,253,457,000**

[Hong Kong – 23 August, 2012] Soundwill Holdings Limited (the “Group”, stock code: 0878) announced today its net profit attributable to the owners of the Company for the six months ended 30 June 2012 was HK\$1,253,457,000, representing an increase of 25% over the same period last year (30 June 2011: HK\$1,004,466,000).

Excluding the gain on fair value adjustment on investment properties, the Group’s net profit attributable to the owners of the Company would be HK\$67,304,000, representing an increase of 133% over the same period last year (30 June 2011: HK\$28,940,000). Basic earnings per share was HK\$4.70 whilst net asset value per share was HK\$42.30. The growth in net profit was mainly attributable to the fair value adjustment on our investment properties and the disposal of a property assembly project in Hing Wan Street. The Group’s turnover for first six months was HK\$239,102,000, representing an increase of 65% over the same period last year (30 June 2011: HK\$145,173,000). The Board does not recommend an interim dividend for the six months ended 30 June 2012.

Soundwill Asset Management Limited, a wholly-owned subsidiary of the Group, and ALPS Real Estate Limited formed a joint venture company to establish and invest in Eagle Fund I L.P., a real estate fund. It demonstrates not only the Group’s effort to broaden its investor base, and to enhance its financing resources, but also the investors recognition in the Group’s business growth and prospects. To augment the long-term development strategy of the Group, the fund will focus on property investment and development, explore more financing resources, and expand its investment capital and scale of operation, to reinforce the Group’s positions in both the property market and the international capital market, which would in turn allow the Group’s business to



attain a higher international level and better performance, while re-affirming its outstanding prior achievements.

Benefiting from the sustained growth of Hong Kong's economy, improved employment and income prospects continued to drive consumer sentiment to new high. In addition, the growing consumption power of mainland visitors will further stimulate the local retail market and enhance the rental level of retail shops. For the six months ended 30 June 2012, the Group's total leasing income increased 2% to HK\$117,997,000 and accounted for approximately 49% of the turnover for the period.

Located in one of the most expensive streets in the world, Russell Street of Causeway Bay, the Group's flagship investment property, Soundwill Plaza, is known for its diversified tenant mix and is perceived by local consumers and visitors alike as one of Hong Kong's top-tier retail and commercial buildings. The property's occupancy rate is maintained at over 99%. The rental value of two street-level retail shops in Soundwill Plaza have reached a record high, hence the rental amount for the second half of the year will increase significantly. To enhance the property's public image and to maximize investment return, the Group is currently optimizing its tenant mix.

During the period, leasing income generated from the Group's acquisition projects amounted to approximately HK\$12,132,000. The Group's properties are expected to maintain high occupancy rates and will enjoy favourable rental increases in upcoming renewals, thus strengthening the Group's income source from the property leasing business.

Ms. Vivian Chan, Executive Director of the Group said: "Since the Group's establishment, we have been committed to the development of real estate related businesses. To fortify our position in the real estate market and to enhance its growth potential, the Group has elevated its brand name through the provision of premium products and services and accelerated its asset turnover rate. To ensure an adequate land bank for future growth, the Group will adhere to its core property assembly business and actively source potential assembly sites with high appreciation potential, with a possibility of reserving premium sites for self-development purposes."

In respect of property sales, the Group's key residential property development, "Park Haven", was launched for pre-sale during the period. Located at 32-50 Haven Street, a



deluxe area of Lee Garden, Causeway Bay, the property boasts a unique location with exquisite and quality unit designs. “Park Haven” was well received by the market with 76 units pre-sold at an average price of HK\$22,000 per square foot. The Group has successfully met its sales target and generated over HK\$1,000 million in sales proceeds. The development has a saleable gross floor area of approximately 131,000 square feet and comprises 190 residential units. Standard units range from 510 to 1,154 square feet and are designed in 1 to 3 room layouts. There are also 4 special units to cater the needs of different buyers. It is expected to be completed in the first quarter of 2014.

In addition, the Group’s first luxurious property development, “WarrenWoods”, will be completed on schedule. Situated on 13-27 Warren Street, Tai Hang, the iconic development offers 164 residential units with multi-dimensional designs. Leveraging on its superior geographic location, “WarrenWoods” achieved a stunning performance with 162 units pre-sold in 3 days. Sales proceeds reached approximately HK\$1,212 million, locking in lucrative profits for the Group. The 2 remaining skyline penthouses, with its gorgeous panoramic views, will be highly sought after in the market.

The Group’s upcoming project at 1-29 Tang Lung Street, Causeway Bay has a marketable area of approximately 202,400 square feet and will be self-developed into a commercial complex that integrates retail, restaurant and office space in one. The project is expected to be completed by the second half of 2013. Located in the core shopping district of Causeway Bay and is only a stone’s throw away from Times Square and Hysan Place, the development is expected to become a new spot for entertainment and shopping in Hong Kong, as well as another notable source of stable leasing income for the Group. With a permissible gross floor area of approximately 48,000 square feet, the Group is also planning to develop 11-13 Sharp Street East and 1-1A Yiu Wah Street, Causeway Bay into a commercial complex that integrates retail and office space in one. Located across from Times Square, the development will definitely become a preferred location for international brands to setup their flagship stores.

Striving to reap significant return on investments for our shareholders and prospective buyers, the Group will continue to develop quality properties with strong appreciation



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potential in prime locations of Hong Kong and will adopt a passive sales strategy to capture optimal selling opportunities.

Despite uncertainties brought by the European sovereignty debt crisis, Hong Kong will continue to be an important international financial center in the Asia region. As a result, the city's economy is expected to continue to grow, hence will also directly boost the demand for various types of properties in Hong Kong. The Group will also actively monitor the development of the property market and adopt a prudent management approach on its property portfolio, so as to capture the best sales opportunities.

Looking ahead, the Group will strive for excellence in all operating aspects, and at the same time enhance its efforts in management, planning, execution and corporate governance to attain better business performance. Such endeavours will ultimately reap abundant returns for its shareholders.

About Soundwill Holdings Limited

Established in 1978 and listed on the Main Board of the Hong Kong Stock Exchange in 1997, Soundwill Holdings Limited is principally engaged in old building assembly and acquisition, commercial leasing, property development.

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