



## Press Release

### For Immediate Release

To: Financial Editor

## **Soundwill Holdings Financial Report 2009 Continual Growth and 561% Increment in Profits**

**[Hong Kong – April 22, 2010]** Soundwill Holdings Limited (the “Group”; security code: 0878) announced today its turnover of approximately HK\$ HK\$713,714,000 for the year as of December 31, 2009, which rose by approximately 111% as compared to the same period last year (same period last year: approximately HK\$338,991,000).

The Group’s net profit in the said period, excluding the gain on fair value adjustments net of deferred tax on investment properties, amounted to approximately HK\$249,906,000, representing an approximately 90% increase as compared to the same period last year (same period last year: HK\$131,545,000). Earnings per share was HK\$4.42. The net asset value per share is HK\$20.64. The profit was mainly attributable to the fair value adjustments on investment properties and the growth of the Group’s property assembling business. Based on the Group’s satisfactory performance and financial state, the Director recommend a payment of HK\$0.1 per share as final dividend for the year ended December 31, 2009.

During the period under review, the Hong Kong economy was seen stabilizing progressively. Encouraging factors such as the heated financial market and the Chinese Central Government’s Individual Visit Scheme brought the Group’s retail and property businesses onto the ascending track. In terms of property leasing, the Group’s flagship property Soundwill Plaza located in the most prominent area of Causeway Bay recorded an occupancy rate of 99% during the year, constituting approximately 89% of the group’s rental income. With satisfactory pedestrian traffic and rental return, approximately 43% of the leases are renewed during the period under review. The increased prevailing



market rent has also resulted in a 8% increment in total rental income as compared to the same period last year, amounting to as much as approximately HK\$186,000,000.

Ms. Vivian Chan, Executive Director of the Soundwill Holdings Limited said, "The quantitative easing policy adopted by various central banks worldwide has stabilized the global economies in 2009. The rebound of stock markets worldwide symbolizes the investors' optimism towards the economic outlook. The central government's extensive support to Hong Kong economic development perfects the local financial system, attracts vast capital into the prime properties and helps boost the property market. We believe that the market demand for retail places on Hong Kong Island will increase and the rental for Soundwill Plaza will remain satisfactory and continue to generate profit for the Group steadily."

In regard to its property assembling business, the Group has successfully acquired over 80% of ownerships at Nos. 32-50 Haven Street which involves a site area of approximately 12,000 square feet. The project will total a gross floor area of approximately 180,000 square feet and is currently retained for rental purposes. The Group has also completed the disposal of properties in Jones Street and Warren Street in Tai Hang at the price of HK\$423 million. This disposal accounted for a gain of HK\$129 million for the Group and was reflected in the first half of the year.

Regarding property development, the Group has formally named the new luxury residential development at Nos. 13-27 Warren Street, Tai Hang as "WarrenWoods". With a gross floor area of 79,632 square feet, the project will provide 164 luxury units in 42 storeys. The property is expected to be completed in 2012 with standard units of WarrenWoods ranged from 350 to 1,800 sq. ft. A total of 162 units have been sold in merely 3 days. Besides, the Group will redevelop the assembled Nos. 5-29 Tang Lung Street, Causeway Bay with a total gross floor area of approximately 113,600 square feet is intended for developing into a composite development project that will become the next focus of trendy shopping in locality. Upon completion, the project will bring remarkable return to the Group.





Ms. Vivian Chan continued to explain that the current low mortgage rate and the enormous demand for a value-preserving property will foster the supply and transaction of quality properties in Hong Kong. In 2010, the Group will grasp the opportunities in the properties available and take full advantage of the lowering of threshold for compulsory auction to 80% to expand redevelopment with sound appreciation potential in order to raise profit margins.

Looking forward, the Group will continue to source investment opportunities in Hong Kong and Mainland, diversify business modes and expand land reserve with competitiveness and prudent financial capability, laying a sound foundation for future development and considerable profits.

#### **About Soundwill Holdings Limited**

Soundwill Holdings Limited was established in 1978 and listed on The Stock Exchange of Hong Kong in 1997. As an enterprise with diversified property related interests, the Group has key businesses in property assembling, property rental and management, property development as well as infrastructure development in Mainland cities.

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