

Hua Yang 2Q net profit triples on higher sales

KUALA LUMPUR: Property developer Hua Yang Bhd's net profit for its 2QFY12 ended September 2011 tripled to RM13.9 million from RM4.31 million a year ago, driven by higher sales and steady construction progress of its projects.

In a filing with Bursa Malaysia yesterday, Hua Yang said its revenue doubled to RM76.12 million from RM35.62 million a year ago.

Earnings per share for the period was 12.87 sen while net asset value per share was RM2.23 as at Sept 30.

Hua Yang chief financial officer May Chan said in a statement the

group is on track to achieve its sales target of RM350 million for its FY12 ending March.

According to Chan, Hua Yang achieved almost 80% of its FY12 sales target after recording total sales of RM275.6 million in the first six months.

Hua Yang said it had total unbilled sales of RM395.23 million, giving the group clear earnings visibility for FY12.

For the six-month period, Hua Yang's net profit surged 175% to RM25.37 million from RM9.22 million a year ago on revenue growth

of 89.27% to RM137.87 million from RM72.84 million.

Chan said Hua Yang is confident that the group's mainstay of affordable residential properties will continue to see strong demand boosted by the government's push towards more affordable homes for the lower- and middle-income segment.

"These measures will encourage more flexibility and allow more people to own their first homes," Chan said.

Hua Yang's largest project in the Klang Valley is its mixed develop-

ment One South in Seri Kembangan, Selangor, which has a gross development value of RM840 million.

The multi-phase One South project consists of shop offices, serviced apartments, SOHO (small office/home office) units and office towers.

Its Klang Valley projects are expected to contribute sales of RM200 million and up to RM150 million in Johor and Perak.

Yesterday Hua Yang's stock gained four sen to close at RM1.60 with 811,700 shares traded. —

By Chua Sue-Ann