

Affordable homes to remain in demand this year: Hua Yang

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PETALING JAYA: Hua Yang Bhd, which is on track for record results in the current financial year ending March 31, 2012 (FY12), expects the affordable housing market segment to remain strong this year, with prices staying at RM400,000 and below.

Its CEO Ho Wen Yan (*pix*) believes the property market in general will remain strong in 2012,



although certain segments in select locations may soften.

“For example, prices of high-end properties within the Kuala Lumpur City Centre have softened somewhat and we see prices may soften for some areas in the Klang Valley that have risen too quickly.

Nevertheless, the affordable housing market will remain strong and we expect (to continue to post) good results in the coming financial year (FY13),” he said at a media luncheon here yesterday.

Hua Yang’s net profit rose more

than two-fold to RM39.9 million for the nine months ended Dec 31, 2011, from RM16.9 million a year ago. Revenue was RM222.1 million, up 82% from RM122.1 million.

Meanwhile, Ho said FY12 profit and revenue growth will be driven by strong sales of existing projects in Johor, Perak and the Klang Valley.

The property developer is expected to declare a higher dividend payout to shareholders for FY12, compared with a gross dividend of 7.5 sen per share for the previous year.

He also said the company is still on the lookout for land in Sabah and

Penang and has allocated RM100 million for land purchases in FY13.

“We hope to raise the RM100 million capital expenditure from the (capital) market or through loans and internal resources... and hope to generate a total gross development value of about RM800 million to RM1 billion from these land purchases,” he said.

Hua Yang will be rolling out projects worth RM800 million in FY13, with undeveloped landbank worth RM2.4 billion. It will focus on offering homes priced from RM90,000.