

**HERSING ACHIEVED RECORD REVENUE AND PROFIT  
FOR THE FIRST HALF OF 2010**

- Group profit after tax for first half of the year increased 153% to \$10.6 million
- ERA Singapore remains as market leader in the real estate business
- Joint venture with CapitalLand to expand "StorHub" self storage business in Asia

**GROUP FINANCIAL PERFORMANCE**

The Group continued its record performance as Group revenue, at \$73.9 million, for the second quarter of 2010 was a 65.8% increase from the same period last year. Profit after tax for the quarter more than doubled to \$5.5 million against the second quarter of 2009.

Revenue and profit figures achieved for the first half of the year were at a historical high as total revenue grew 76.9% from the corresponding period last year to \$137.2 million, while profit after tax increased 152.7% to \$10.6 million.

**REAL ESTATE BUSINESS**

Official statistics released by URA and HDB indicated the total number of transactions for the quarter, at 27,990, was 8.1% lower than the corresponding period last year.

The Group's real estate business segment, however, bucked the trend with a 4.1% increase in total transactions over the same period. This was largely due to a 31% increase in private (new home, resale and subsale) properties transacted for the quarter, as the Group continued to strengthen its foothold in the more lucrative private property market.

<b>Change in No of Transactions (2Q 2010 v 2Q 2009)</b>	<b>ERA Singapore</b>	<b>Total Industry</b>
<b>Total Property Transactions</b>	4.1%	- 8.1%
<b>Private Property Transactions</b>	31.0%	- 6.9%

Coupled with an overall improvement in price levels across all property segments, the performance of the real estate segment recorded comfortable growth through the period.

Total revenue recorded for the quarter stood at \$63.9 million, an 81.1% increase from the corresponding period; while profit after tax for the quarter, at \$3.7 million, grew 139.9%, more than twice that from the same period last year.

For the first half of the year, total revenue almost doubled from last year to \$116.7 million, while profit after tax increased 266.5% to \$7.6 million, capping off an outstanding first half of 2010 for the Group's real estate business.

ERA Real Estate continued to be the market leader for the quarter with a 40.1% and 25.5% market share (by volume) in the HDB Resale, and Private Resale & New Development respectively.

## **FINANCIAL SERVICES BUSINESS**

Transaction volume for the quarter increased more than 10% for both flagship stores and sub-agent locations over the same period last year as the financial services segment maintained its trend of steady and modest growth.

For the quarter, total revenue increased to \$7.4 million and profit after tax increased to \$725,000. Total revenue for the first half of 2010 was recorded at \$14.6 million, while total year to date profit grew to \$1.4 million.

In June 2010, CIMB Bank was appointed as an official sub-agent for Western Union Singapore. This expands our network of Agent locations to over 90 in Singapore, with the latest outlet situated at Resorts World Sentosa.

## **SELF STORAGE BUSINESS**

On 2 August 2010, the Group announced that the proposed injection of its self storage assets to the Joint Venture ("JV") Company was completed on 31 July 2010. This deal was concluded in accordance with the terms of the Property Sale and Purchase Agreements and Business Transfer Agreement.

The aim of the JV will be to expand and develop the self storage business under the "StorHub" brand in the Asia, along with Cap Store Pte Ltd, a wholly-owned subsidiary of CapitalLand Limited.

The Group will retain a 38% interest in the JV Companies.

Total revenue for the quarter increased 15.2%, from S\$3.0 million in the second quarter of 2009 to S\$3.4 million, while profit after tax for the same period rose 220.1% to \$1.1 million. For the half year, total revenue and profit after tax grew 24.3% and 99.3% to end off the period at \$7.3 million and \$1.6 million respectively.

After adjusting for the effects of depreciation for the four (4) disposed properties, profit after tax rose 32.7% to \$462,000 for the second quarter of the year, and 20.0% to \$986,000 for the half year over the same period last year.

## **FUTURE OUTLOOK**

The Group expects the real estate sector to moderate from its strong growth but is confident of continuing growth in the financial services and the self storage business.

- END -

<p><u>Note:</u> The Group's financial results for the first half of 2010 were announced on 12 August 2010. A summary of the Group's financial performance, and the financial performance broken down by business segments is shown in Annex A.</p>
--



## **ABOUT HERSING CORPORATION LTD**

Hersing Corporation Ltd, listed on the Singapore Stock Exchange, has three (3) main business activities, namely, Real Estate Related Services, Financial Services, and Self Storage Services.

Hersing holds the master franchise rights for 'ERA Real Estate' brand in the Asia Pacific region, and the 'Coldwell Banker Real Estate' residential and commercial franchises in Singapore. Hersing is also Western Union International's agent partner for Singapore.

On 31 July 2010, Hersing entered into a Joint Venture with Cap Store Pte Ltd to expand the 'Storhub Self Storage' brand in Asia. Hersing owns 38% of the Joint Venture company.

Hersing was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (SGX-ST) in March 1998.

### Media Contacts:

Eugene Lim  
Assistant Vice President  
Business Development  
Hersing Corporation Ltd  
DID: +65 6866 1222  
Email: [eugenelim@hersing.com.sg](mailto:eugenelim@hersing.com.sg)

### Investor Contacts:

Eddie Tan  
Manager  
Investor Relations  
Hersing Corporation Ltd  
DID: +65 6866 1034  
Email: [eddietan@hersing.com.sg](mailto:eddietan@hersing.com.sg)

**GROUP AND BUSINESS SEGMENT  
FINANCIAL PERFORMANCE**

<b>Group Financial Results (\$'000)</b>	<b>2nd Quarter 2010</b>	<b>2nd Quarter 2009</b>	<b>Half Year 2010</b>	<b>Half Year 2009</b>
Total revenue	73,866	44,564	137,186	77,559
Total expenditure	67,165	41,320	124,346	72,364
Profit before taxation	6,701	3,244	12,840	5,195
Profit after taxation	5,531	2,576	10,581	4,188
Profit attributable to equity holders of the Company	5,170	2,234	9,900	3,554

**Per Share Data (cents)**

Earnings / (Loss) after tax (cents) - basic	0.89	0.38	1.71	0.61
- diluted	0.89	0.38	1.71	0.61

<sup>1</sup> Earnings / (Loss) after tax per share (basic) is computed by dividing the profit / (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue.

<sup>2</sup> Earnings / (Loss) after tax per share (diluted) is computed by dividing the profit / (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue adjusted for the effect of dilutive potential ordinary shares.

**Segment Results:**

**1) Real Estate Services Financial Results (\$'000)**

Total revenue	63,897	35,282	116,697	59,046
Profit after taxation	3,692	1,539	7,591	2,071

**2) Financial Services Financial Results (\$'000)**

Total revenue	7,366	6,836	14,607	13,628
Profit after taxation	725	689	1,352	1,295

**3) Self Storage Services Financial Results (\$'000)**

Total revenue	3,414	2,964	7,325	5,892
Profit after taxation	1,114	348	1,638	822