



ACQUISITION OF RESIDENTIAL SITE – LAND PARCEL S5 AT DAKOTA CRESCENT

Ho Bee Investment Ltd ("HBI") is pleased to announce that the Housing & Development Board, on behalf of the Government of the Republic of Singapore, has officially awarded a parcel of land located at Dakota Crescent to HBI and its joint-tender partner, ChoiceHomes Investments Pte Ltd ("CHI") in a public tender that closed on 12 June 2007.

CHI is a wholly owned subsidiary of NTUC Choice Homes Co-operative Ltd. NTUC Choice Homes' shareholders include National Trades Union Congress (NTUC), NTUC Income Insurance Co-operative Ltd, NTUC Fairprice Co-operative Ltd and other NTUC unions, co-operatives and associations

The subject site, with a land tenure of 99 years, has a total area of 124,877 sq ft. It is designated for a condominium development with a gross permissible plot ratio of 3.5. Total consideration for the site is S\$228,888,000/- or S\$524/- psf per plot ratio. HBI and CHI intend to develop the site into a 370-unit condominium with full recreation facilities.

A new special purpose company will be incorporated to undertake the acquisition and development of the property. Both HBI and CHI will each hold 50% interest in the new company.

The land and development cost of this project will be financed by internal funds and bank borrowings and is not expected to have any material impact on the Group's consolidated earnings and net tangible assets per share of HBI in the current financial year ending 31st December 2007.

None of the directors or controlling shareholders of HBI has any direct or indirect interests in the above transaction other than through their shareholdings, if any, in HBI.

On behalf of the Board

Low Lai Sai
Company Secretary
14 June 2007