

PRESS RELEASE**Ho Bee Land posted a net profit increase of 216% to S\$592 million for the year ended 31 December 2013 and proposes a total dividend of 8 cents per share**

SINGAPORE, 27 February 2014 – Mainboard-listed property group Ho Bee Land Limited today announced a net profit after tax and non-controlling interests of S\$592 million for the year ended 31 December 2013, an increase of 216% over the previous year.

The sharp increase in attributable profits was due mainly to the huge increase in fair value changes of investment properties from S\$17.6 million in the preceding year to S\$493.1 million, (out of which S\$489.6 million was from the newly completed office development, The Metropolis at One-North) and the gain of S\$47.2 million from the disposal of shares in Chongbang Holdings (International) Limited in early 2013.

Group turnover for FY2013 decreased 70% to S\$139.3 million. Earnings per share for the year rose to 87.4 cents, as compared to 26.7 cents in the previous year. Total shareholders' fund as at 31 December 2013 surged to S\$2.33 billion, representing a net asset value of S\$3.48 per share. Net gearing decreased to 0.15 times from 0.17 times as at the end of last financial year.

For the fourth quarter, profit attributable to owners of the Company for 2013 rose 657% to S\$506.1 million, compared to the S\$66.9 million in 2012. Group turnover was however 75% lower, at S\$56.2 million.

Proposed Dividends

The Board of Directors is pleased to propose a first and final dividend of 5 cents per share and a special dividend of 3 cents per share.

Property Development

Revenue from property development for the fourth quarter of 2013 amounted to S\$43.7 million, 80% lower than the corresponding period last year. For the full year, revenue decreased 75% from S\$450.7 million in the preceding year to S\$113.6 million. This was due mainly to the higher revenue recognition on the completion of residential project, Trilight and industrial project, One Pemimpin in 2012.

Property Investment

Revenue from property investment for the fourth quarter of 2013 rose 362% from S\$2.7 million in the same period last year to S\$12.5 million. This was mainly attributed to the recognition of rental income from the completion of The Metropolis Tower One in July 2013 and Tower Two in November 2013.

On a full year comparison, revenue increased 135% to S\$25.7 million from S\$11 million in the preceding year. Apart from The Metropolis, rental income from the office building in London, Rose Court which was acquired in mid 2013 was the principal contributor to the sharp increase.

Business Outlook

With the tapering of the quantitative easing in the US which will result in tighter liquidity and expected rise in global interest rates, the real estate sector is expected to face more headwinds this year as the cooling measures implemented for the residential property market by the Singapore Government is not likely to be loosened anytime soon.

Mr. Chua Thian Poh, Chairman & CEO of the Group said that over the last five years we have strategically built up our investment properties portfolio. The Group will continue to rely on its twin engines of development and investment income for its future growth. With the challenging residential property market in Singapore, the earnings for 2014 will be underpinned by the contributions from The Metropolis and the Rose Court office building in London.

“Apart from launching its residential projects in Melbourne and Gold Coast this year, the Group is also continuing to look for investment and development opportunities both locally and overseas,” remarked Mr Chua.

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About Ho Bee Land Limited

Ho Bee Land Limited is listed on the Mainboard of the Singapore Exchange since 1999. The real estate development and investment company has a portfolio that covers many quality residential, commercial and high-tech industrial projects since its establishment in 1987.

It is the leading developer of luxury homes in the exclusive residential enclave of Sentosa Cove including the ultimate condominium, Cape Royale. Its portfolio of investment properties includes a 1.08 million square feet of lettable commercial space in The Metropolis, situated at the gateway to the vibrant precinct of one-north.

Headquartered in Singapore, Ho Bee has also diversified its real estate business overseas to Australia, China and United Kingdom.

More information about the company can be found on the company's website at www.hobee.com.

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