



HO BEE INVESTMENT LTD

For Immediate Release

PRESS RELEASE

Ho Bee Group achieved an increase of 45% in net profit for the second quarter ended 30 June 2012

SINGAPORE, 14 August 2012 – Mainboard-listed property group Ho Bee Investment Ltd today announced a net profit after tax and non-controlling interests of S\$72.9 million for the 2nd quarter ended 30 June 2012. This was 45% higher than the previous corresponding period.

The increase in attributable profits was due mainly to the increase in turnover and a gain of S\$17.9 million in the sale of investment property. Group turnover amounted to S\$147.1 million, 7% higher than the same period last year. Share of profits of jointly controlled entities was however lower, at S\$4 million compared to S\$10.8 million in 2Q2011.

For the 1st half of 2012, profit attributable to shareholders decreased 16% from S\$104.9 million in the previous year to S\$88.7 million. Group turnover was 14% lower, from S\$216.3 million in 1H2011 to S\$185.8 million, as a result of the lower revenue recognition from development properties. Share of profits of jointly controlled entities amounted to S\$7.2 million, 71% lesser than the 1st half of last year.

Earnings per share amounted to 12.6 cents while total shareholders' fund as at 30 June 2012 rose to S\$1.69 billion, representing a net asset value of S\$2.40 per share. Net gearing decreased from 0.27 times as at the end of the last quarter to 0.26 times.

Property Development

Revenue from property development for the 2nd quarter of 2012 rose 8% over the same period last year to S\$141.5 million. The bulk of the contribution to revenue was from One Pemimpin, the 115-units industrial development project which obtained Temporary Occupation Permit in April 2012.

For the six-month period, revenue from property development for 2012 was S\$174.7 million, 14% lower than the S\$202.7 million recorded last year. This was primarily due to the lower recognition of revenue for The Orange Grove residential project during the 1st quarter of 2012.

Property Investment

Revenue from property investment for the 2nd quarter of this year was down 25% from S\$4.6 million in the same period last year to S\$3.4 million. This was due mainly to the sale of office space at Samsung Hub in 2011.

On a half-year basis, revenue for 2012 was S\$6.9 million, 29% lower than the S\$9.7 million achieved in the preceding year.

Business Outlook

Mr. Chua Thian Poh, Chairman & CEO of Ho Bee Group said that the Group's earnings for the second half year will remain positive as the residential projects, Parvis and Trilight are expected to complete by the end of this year.

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About Ho Bee Investment Ltd

Ho Bee Investment Ltd 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. Its treasury of residences in Sentosa Cove includes condominiums like The Berth, The Coast, Turquoise and Seascape and bungalow developments on Coral and Paradise Islands.

Some of the properties that are currently under development by Ho Bee include:

- Trilight, a 205-unit condominium in Newton Road;
- Parvis, a 248-unit condominium in Holland Hill (50:50 joint venture with MCL Land);
- Pinnacle Collection, a 302-unit condominium in Sentosa Cove (35:65 joint venture with IOI Land); and
- The Metropolis, a 1.2 million sq ft commercial development in One-North.

Headquartered in Singapore, Ho Bee has also diversified its real estate business overseas with a focus in the major cities of London, Shanghai, Tangshan and Zhuhai.

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

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