



HO BEE INVESTMENT LTD

For Immediate Release

PRESS RELEASE

Ho Bee Group achieved a net profit of S\$78.4 million for the six months ended 30 June 2013

SINGAPORE, 12 August 2013 – Mainboard-listed property group Ho Bee Investment Ltd today announced a net profit after tax and minority interests of S\$78.4 million for the six months ended 30 June 2013, 12% lower than the previous corresponding period.

The decrease in attributable profits was due to the 63% decrease in Group turnover from S\$180.4 million to S\$66.9 million, as a result of lower revenue recognition from development properties.

Earnings per share for the six months period was at 11.5 cents while total shareholders' fund as at 30 June 2013 amounted to S\$1.824 billion, representing a net asset value of S\$2.70 per share. Net gearing remained at 0.17 times, the same as the end of last year.

For the current second quarter, profit attributable to shareholders decreased 64% from S\$72.9 million in the previous year to S\$26.2 million, yielding an earnings of 3.9 cents per share. Group turnover was S\$6.1 million, 96% lower than the same period last year, as a result of the higher revenue recognition from development properties in the same quarter last year.

Property Development

Revenue from property development for the second quarter of 2013 amounted to S\$3.3 million, 98% lower than the corresponding period last year. For the six-month period, revenue decreased 65% to S\$61.4 million compared to S\$174.7 million in the preceding year. This was due mainly to the lower revenue recognition for One Pemimpin industrial project as the bulk of it was recognized on completion in 2012.

Property Investment

The Group's revenue from property investment for the second quarter was similar for both 2013 and 2012, at S\$2.8 million. For the six-month period, revenue decreased 4% from S\$5.7 million last year to S\$5.4 million in 2013.

Business Outlook

A combination of cooling measures and impending supply has resulted in an uncertain and challenging environment in the Singapore residential market. However, the Group has diversified into China, Australia and the United Kingdom. The Group has also strategically expanded its investment portfolio which includes Rose Court in London and The Metropolis in One North. The Metropolis comprising 1.08 million sq ft of lettable commercial space will be fully completed in October 2013.

Mr. Chua Thian Poh, Chairman & CEO of Ho Bee Group, remarked "We are very pleased that we have more than 82% pre-commitments in The Metropolis. Together with our acquisition of Rose Court office building in London, the rental income will underpin our bottom line for the next few years with the expected slowdown in the residential market".

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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:

- Cape Royale, 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 (United Kingdom), Shanghai, Tangshan, Zhuhai (PRC), Gold Coast and Melbourne (Australia).

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

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