



*HO BEE INVESTMENT LTD*

**For Immediate Release**

**PRESS RELEASE**

**Ho Bee's full-year net profit posted a record high of  
S\$337m, up 262% from the preceding year**

**SINGAPORE, 12 February 2010** – Mainboard-listed property group Ho Bee Investment Ltd today announced a set of sterling results for financial year 2009 that has broken all its previous records.

The property development group registered a net profit after tax and minority interest of S\$337 million for the full year ended 31 December 2009, up 262% from the preceding year. This included a write-down of S\$87.1 million in fair value changes of investment and development properties. The strong profit was achieved on the back of a record revenue which quadrupled to S\$1.16 billion, an increase of 284% from the S\$302 million achieved in FY 2008.

Earnings per share rose substantially from 12.6 cents in the previous financial year to 45.8 cents. The company proposed a one-tier final dividend of 2.0 cents per share. Including the interim dividend of 2.0 cents that it paid out earlier this year, the dividend yield works out to around 2.3% based on yesterday's closing share price of S\$1.75

## **Property Development**

The Group's turnover for property development in the 4th quarter of 2009 was up 185% from the corresponding period last year to S\$92.5 million. For 2009, turnover reached S\$1.13 billion, a four-fold increase over the previous year.

The maiden recognition of revenue for Trilight which was launched in the 4th quarter of 2009 and the higher percentage of revenue recognized for five newly completed residential projects, namely Vertis, Quinterra, The Coast, Paradise Island and Orange Grove Residences, were the contributing factors for the sharp increase in turnover.

## **Property Investment**

The Group's property investment continued to benefit from high occupancy rate. Quarter-on-quarter, turnover rose 27% to S\$5.3 million while year-on-year, it registered an increase of 22% to S\$20.2 million. This was mainly due to the rental income derived from the Group's new industrial buildings, Platinum 28 at Genting Lane & Forte at New Industrial Road which were completed about a year ago.

## **Strong Financials**

The Group's financial remains robust. As at 31 December 2009, shareholders fund stands at S\$1.2 billion. This works out to S\$1.63 per share, an increase of 36% as compared with S\$1.20 per share as at 31 Dec 2008. Net gearing decreased substantially from 1.26 times as at the end of 2008 to a low of 0.20 times.

## **Positive Outlook**

Mr. Chua Thian Poh, Chairman and Chief Executive Officer of the Ho Bee Group said that the overall outlook of the property market remains positive and expects demand for the mid to high-end residential projects to remain resilient. He pointed to the continued increase in the overall prices of private residential properties in the 4th quarter 2009 statistics released by URA, where it rose 7.4% against a 15.8% increase in the previous quarter. Developers sold a total of 14,688 units for the whole of 2009, closely matching the record volume of 14,811 units registered in 2007. The Ministry of Trade & Industry has estimated the Singapore economy to grow by 3% to 5% for 2010.

The two residential projects, The Trilight located at Newton Road and the JV project with MCL Land, Parvis, located at Holland Hill, which were launched in the 4th quarter of 2009, have been well received.

“The Group is targeting to launch its JV project with IOI Land in Sentosa Cove, Seascape, by the end of 1st quarter 2010. Revenues and earnings for FY2010 will be underpinned by the progressive recognition of income from the residential projects previously sold and the expected sales this year. Going forward, the Group is actively looking at property development opportunities overseas, particularly in China,” added Mr. Chua.

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***About Ho Bee Investment Ltd ([www.hobee.com](http://www.hobee.com))***

Ho Bee Investment Ltd (Ho Bee) is principally engaged in the business of real estate development and investment in Singapore and overseas. Established in 1987, it has earned a reputation as a builder of quality developments, in the residential, industrial and commercial sectors. The Group was listed on the Singapore Stock Exchange in 1999.

The Group is highly focused on its core business and adopts a nimble and fleet-footed approach to all investment decisions. It has an able and experienced management team that has an aggregate of about 100 years of experience in the business.

The Group is the biggest buyer of housing sites on Sentosa Cove since land parcels in that upscale housing district came on the market in late 2003. To date, it has bought eight parcels of land totalling over 1.4 million sq ft on the island.

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

- The Orange Grove, a 72-unit condominium in Orange Grove Road
- Turquoise, a 91-unit condominium in Sentosa Cove
- Trilight, a 205-unit condominium in Newton Road
- Dakota Residences, a 348-unit condominium in Dakota Crescent (50:50 joint venture with NTUC Choice Homes)
- Parvis, a 248-unit condominium in Holland Hill ( 50:50 joint venture with MCL Land)
- Seascape, a 151-unit condominium in Sentosa Cove (50:50 joint venture with IOI Land)
- Pinnacle Collection, a 300-unit condominium in Sentosa Cove (35:65 joint venture with IOI Land)

As opportunities arose, the Group has also diversified overseas, namely in the UK and China. It also has a diversified portfolio of investment properties that consist of industrial and commercial properties in Singapore.

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