



*HO BEE INVESTMENT LTD*

*For Immediate Release*

**PRESS RELEASE**

**Ho Bee posts a strong net profit of S\$154m for  
first half ended 30 June 2010**

**SINGAPORE, 13 Aug 2010** – Mainboard-listed property group Ho Bee Investment Ltd today announced a net profit after tax and minority interests of S\$154 million for the first half ended 30 June 2010.

“Although this was 21% lower than last year’s result, I am satisfied with the performance for the half year ended 30 June 2010 as last year’s result was exceptional”, said Mr. Chua Tian Poh, Chairman and Chief Executive Officer.

Group turnover for the first six months of 2010 decreased 61% to S\$328 million, from S\$850.8 million in the same period last year. This was attributed to the exceptionally high revenue recognition from development properties in the second quarter of 2009 when two large residential projects, The Coast and Paradise Island at Sentosa Cove obtained Temporary Occupation Permit (“TOP”).

The Company has declared an interim dividend of 1.0 cent per share for the half year ended 30 June 2010.

As at the end of June 2010, total shareholders' fund rose to S\$1.335 billion, representing a net asset value of S\$1.81 per share. Net gearing increased slightly to 0.28 times from 0.20 times as at the end of 2009.

For the second quarter, profit attributable to shareholders decreased 29% from S\$157.3 million in the previous year to S\$112.3 million, yielding an earning of 15.3 cents per share. Group turnover was 68% lower, from S\$740.8 million to S\$235.7 million, 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 2010 amounted to S\$227.1 million, 69% lower than the corresponding period last year. For the first half of the year, revenue was 63% lower at S\$312.4 million compared to S\$839.1 million in the preceding year.

Two residential projects, Turquoise at Sentosa Cove and Dakota Residences at Dakota Crescent obtained TOP in June 2010.

### **Overseas Investment**

In June this year, the Group, together with Yanlord Land Group Limited, jointly acquired six parcels of prime residential development site in the Tangshan Nanhu Eco-City, Hebei Province, PRC for RMB 504.6 million. The combined site area of 186,444 sqm has a total planned gross floor area of approximately 387,597 sqm. The development project is expected to commence construction early next year and complete in about four years time. Initial sales launch is scheduled to start in the next two years.

## **Property Investment**

Revenue from property investment for the second quarter of 2010 rose 47% to S\$6.8 million from S\$4.6 million in the same period last year. This was attributed to the rental generated from three industrial buildings which were reclassified from development properties in the current quarter and the increase in rental income from the Group's other industrial and retail spaces. Revenue for the first six months amounted to S\$12.5 million, an increase of 33% over last year.

"In line with our long term strategy, I am delighted we have successfully acquired a 1.8 ha site adjacent to the Buona Vista Exchange. This prime site is part of the JTC One-North Master Plan and will generate 1.2 million sq ft of office space. This will be a significant addition to our portfolio of investment properties", said Mr. Chua.

## **Business Outlook**

Mr Chua said that the Group's revenue and earnings for the rest of the year will be underpinned by the progressive recognition of income from the successful residential projects that have been sold. The Group expects to remain profitable for the rest of this year.

He added that the overall outlook of the Singapore property market remains positive, pointing to the strong economic expansion of 19.3% for the second quarter of 2010 and the revised growth forecast of 13% to 15% for the full year as estimated by the Ministry of Trade & Industry.

## **About Ho Bee Investment Ltd**

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**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:

- The Orange Grove, a 72-unit condominium in Orange Grove Road;
- Trilight, a 205-unit condominium in Newton Road;
- 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); and
- Pinnacle Collection, a 300-unit condominium in Sentosa Cove (35:65 joint venture with IOI Land).

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

More information about the company can be found on the company's website at [www.hobee.com](http://www.hobee.com).

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