



HO BEE INVESTMENT LTD

For immediate Release

PRESS RELEASE

HO BEE ANNOUNCES THE SALE OF TWO INVESTMENT PROPERTIES

SINGAPORE, 19 August 2010 – Main board-listed property group Ho Bee Investment Ltd today announced that its wholly-owned subsidiary, Ho Bee Developments Pte Ltd has entered into contracts for the sale of two investment properties to two unrelated parties.

The first is the sale of TG Building, a 4-storey warehouse development, located in Tagore Lane. This property was developed by the Group in 2002 and has enjoyed healthy occupancy level since. The property is sold for S\$33 million to a private company, M/s Advance Facilities Pte. Ltd. This reflects a sale price of \$254 per square foot over the gross floor area of about 130,000 square feet. A 5% deposit has been paid to the Group and the completion of the sale is scheduled for 13 October 2010.

In the second sale, the Group has divested part of its commercial portfolio at Samsung Hub. Four office floors (levels 8,9,10 and 11) with a total floor area of 52,431 square feet are sold for S\$111,415,875 or S\$2,125 per square foot. The sale is scheduled for completion on 8 November 2010. The buyer is Sun Venture Invesco Pte. Ltd and has paid 5% of the price as deposit for the purchase. In 2007, the Group bought seven office floors plus one floor of retail space with a total floor area of 97,037 square feet for a consideration of S\$134.3 million (or about S\$1,384 per square foot). After the sale, the Group still retains the higher floors of levels 12, 13, 14 and the prime ground floor retail space totaling about 44,600 square feet, which are fully let-out currently.

The Group said that the two sales will yield a gain of approximately S\$31 million for the current financial year ending 31 December 2010. The sale proceeds are intended to be used for the reduction of the Group's borrowings and provide additional working capital for the Group's businesses. This announcement came shortly after the Group reported a strong first half performance of S154 million net profits last week.

"I believe our recent acquisition of a prime commercial site at One-North for future recurring income and the current divestments of these investment properties to improve cashflow and to rationalize our investment holdings will be well received by the market. According to property consultants, the office market has bottomed out and going forward, the rental market for the office sector should present more upside. This strategy will hopefully provide another successful Ho Bee story after Sentosa," said Mr. Chua Tian Poh, Chairman and Chief Executive Officer.

Mr. Chua was referring to the Group's recent success in bidding for a commercial land at One-North which could yield a gross floor area of about 1.2 million square feet of office space. The Group had said in a statement last month that it intended to lease out the new office development for recurring income when completed in four to five years time.

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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:

- 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 302-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 website at www.hobee.com.

Issued by: Ho Bee Investment Ltd (Co. Registration No. 198702381M)

Media & Analysts Contact:

Desmond Woon
Tel : (+65) 6842 2100
Email : desmond@hobee.com