



HO BEE INVESTMENT LTD

For Immediate Release

PRESS RELEASE

Ho Bee Group posts a net profit of S\$138 m for the nine months ended 30 September 2011

SINGAPORE, 9 November 2011 – Mainboard-listed property group Ho Bee Investment Ltd today announced a net profit after tax and minority interests of S\$138 million for the nine months ended 30 September 2011, 34% lower than the previous corresponding period.

The drop in attributable profits was due to the 42% decrease in Group turnover from S\$465 million to S\$272 million, as a result of the lower revenue recognition from development properties.

Earnings per share for the nine months period was at 18.9 cents while total shareholders' fund as at 30 September 2011 amounted to S\$1.58 billion, representing a net asset value of S\$2.22 per share. Net gearing decreased from 0.36 times as at the end of last year to 0.25 times.

For the current third quarter, profit attributable to shareholders decreased 16% from S\$38.8 million in the previous year to S\$32.6 million, yielding 4.5 cents per share. Group turnover was 43% lower, from S\$98.9 million to S\$56 million, due to lower revenue recognition from development properties.

Property Development

The Group's revenue from property development for the third quarter of 2011 declined 45% from the corresponding period last year to S\$49.9 million. For the nine-month period, revenue decreased 43% from S\$441.1 million in the previous year to S\$252.3 million. This was mainly attributed to the higher revenue recognition for last year with the completion of the Turquoise residential project at Sentosa Cove.

To-date, the Group has sold 94% out of the 115 strata units in the One Pemimpin industrial project. In accordance with Interpretation of Financial Reporting Standards, INT FRS 115, the revenue for the sale of units in the One Pemimpin industrial project will only be recognised upon completion of construction, which is expected in the middle of next year.

Property Investment

Turnover for property investment for the third quarter and first nine months of 2011 decreased by 42% and 30% to S\$3.9 million and S\$13.6 million respectively, compared to the same period last year. This was due primarily to the sale of industrial buildings, TG Building and Platinum 28 and several floors of office space at Samsung Hub during the second half of 2010 and first nine months of 2011. These sales were undertaken to rationalise the Group's investment property portfolio following our development of 1.2 million sq ft of office space at One-North.

Business Outlook

The uncertainties in the global economy caused by the Euro-zone debt crisis have dampened the Singapore property market. Demand for high-end residential properties is expected to remain sluggish.

Notwithstanding the above, Mr Chua Tian Poh, Chairman & CEO of Ho Bee Group said that the Group's revenue for the last quarter of the year would be underpinned by the progressive recognition of income from the residential projects that had been sold and earnings are expected to remain positive.

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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);
- The Metropolis, a 1.2 million sq ft commercial development in One-North; and
- One Pemimpin, a 115-unit high-tech industrial building in Pemimpin Drive.

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.

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