



*HO BEE INVESTMENT LTD*

(Co. Regn. No. 198702381M)

## **Ho Bee's net profit soars 425% to hit record S\$69.1 m for first quarter ended March 2007**

**Property uptrend looks set to continue and Ho Bee expects performance this year to surpass significantly that of previous year, says Chairman and CEO Chua Thian Poh**

**SINGAPORE, 7 May 2007** – STILL riding on the uptrend of a positive property sector, mainboard-listed property development group Ho Bee Investment Ltd today announced a record net profit after tax and minority interest of S\$69.1 million for the first quarter ended 31 March 2007, up 425% from the previous corresponding quarter.

Group turnover for the first quarter of 2007 was up nearly five-fold to a hit a new high of S\$245.8 million, up 366% from the S\$52.8 million it recorded in the first quarter of the previous financial year. Compared with the first quarter of the preceding year, earnings per share rose substantially to 9.37 cents, up from 2.13 cents.

Mr Chua Thian Poh, Chairman and Chief Executive Officer of the Ho Bee Group said, "Many of our properties have been extremely well-received by the market, and almost all our developments are fully-sold. Our challenge as we go forward would be to better ourselves, continue to generate developments of the highest quality so that we can serve to meet market demand and our customers' needs." To date, six of the Group's nine property projects are 100% sold. Coral Island and Paradise

Island are 95% and 96% sold respectively. The other development with available units is Orange Grove Residences, which is 77% sold.

### **Steep rise in sales of development properties**

Revenue from the Group's property development in the first quarter of 2007 reached an all-time high of S\$242.9 million, an increase of 381% over the corresponding period last year. The main contribution came from income from the sale of the Group's prestigious condominium project, The Coast at Sentosa Cove.

The Group's financial standing remains strong. Its assets now total S\$1.4 billion and net tangible assets stand at S\$599.1 million. This works out to 81.3 cents per share, compared with 67.9 cents per share as at 31 Dec 2006, an increase of 20%. Ho Bee has also registered a positive net working capital of S\$740.6 million.

### **Positive outlook**

Outlook for the property market remains bright, said Mr Chua, and in view of the brisk sales that the Group's properties have seen, he is confident that Ho Bee's financial performance will significantly surpass that of the previous year.

Property prices have continued to rise very strongly in the first quarter of the year, recording an overall increase of 4.8% versus 3.8% in the previous quarter, according to URA statistics. Within the Core Central Region, high-end residential properties under development registered the highest price increase of 7.3% compared to 6.0% in the previous quarter. The rise was 3.1 % for completed properties in both the current and preceding quarters.

Ho Bee has plans to launch two high-end condominium projects – the 92-unit Waterfront Collection project at Sentosa Cove and the 72-unit Orange Grove Road project. "We are confident that these developments will be as well-received, as similar projects that we have launched earlier on," enthused Mr Chua. Indeed, the Group's Orange Grove Residences has seen a strong take-up rate achieving average prices of above S\$2,000 psf.

The Group has also made a number of acquisitions in the past several months. These are Holland Hill Mansions (jointly with MCL Land), The Waterfront Collection, The Seaview Collection in Sentosa Cove (jointly with IOI Land) and Elmira Heights in Newton Road. Together, these have a combined site area of 628,693 sq ft, translating into approximately 600 units of condominium.

Ho Bee has built a reputation for itself in the last 20 years as a developer of quality properties – residential, industrial and commercial. Since its first foray into the residential property market on Sentosa Cove, and its subsequent unqualified success in promoting and selling its upscale homes there, it has become the biggest housing developer on Sentosa Cove. To date, it has acquired seven parcels of land totalling over 1 million sq ft on the island.

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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 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 seven parcels of land totalling over 1 million sq ft on the island.

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

- Vertis, a 42-unit apartment block in Amber Gardens
- Quinterra, a 55-unit apartment block in Holland Road
- Orange Grove Residences, a 60-unit condominium in Orange Grove Rd
- The Coast, a 249-unit condominium in Sentosa Cove
- Paradise Island, comprising 29 villas in Sentosa Cove
- Coral Island, comprising 21 villas in Sentosa Cove

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 residential, industrial and commercial properties in Singapore. The Group was listed on the Singapore Stock Exchange in 1999.

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