



*HO BEE INVESTMENT LTD*

**For Immediate Release**

**PRESS RELEASE**

## **Ho Bee's net profit soars to record S\$294 m for the nine months ended 30 September 2009**

**Group revenue and earnings for the next quarter will remain positive, says Chairman and CEO Chua Thian Poh**

**SINGAPORE, 12 November 2009** – Mainboard-listed property group Ho Bee Investment Ltd today announced a record net profit after tax and minority interests of S\$293.9 million for the nine months ended 30 September 2009, up 259% from the S\$81.8 million it registered in the previous corresponding period.

Group turnover for the first nine months of 2009 quadrupled to hit a new high of S\$1.06 billion, up 302% from the S\$263.5 million it achieved in the previous corresponding period.

Indeed, the Group's nine-month turnover and attributable profit have exceeded what it had achieved in its previous record-breaking year of the whole of FY 2007 by 78% and 8% respectively. This sterling result was achieved despite a write-down of S\$110 million in fair value changes of investment and development properties in the 2nd quarter of 2009.

Profit before tax for the period under review soared to S\$395 million, an increase of 263% over the S\$108.9 million it recorded in the previous corresponding period.

With this strong performance, earnings per share for the period under review rose substantially to 39.9 cents against 11.1 cents in the preceding year.

Quarter-on-quarter, group turnover was up 298% at S\$209.2 million from S\$52.5 million, attributable to the sharp increase in the revenue recognition of development properties. Profit attributable to shareholders was up 431% from S\$18.7 million to S\$99.3 million, driving up earnings per share from 2.54 cents to 13.5 cents.

Mr Chua Thian Poh, Chairman and Chief Executive Officer of the Ho Bee Group was delighted with another record financial performance. He said that the successful completion of five residential projects this year, namely, Vertis, Quinterra, The Coast, Paradise Island and Orange Grove Residences has strengthened the Group's financial position.

### **Property development and property investment**

Revenue from the Group's property development in the first nine months of 2009 swelled to an all-time high of S\$1.04 billion, an increase of 326% over the S\$244.7 million it registered in the corresponding period last year. The main contribution came from the revenue recognition of residential projects, namely, Orange Grove Residences (for which Temporary Occupation Permit was received in July this year), The Coast, Turquoise and Paradise Island in Sentosa Cove, The Orange Grove, Quinterra and Vertis.

The Group's revenue from property investment also saw a rise, registering S\$14.9 million in the first nine months of 2009 or a 20% increase. Quarter-on-quarter, it amounted to S\$5.5 million, an increase of 32%. The increase was attributed to the rental income from its new industrial buildings, Platinum 28 at Genting Lane and Forte at New Industrial Road which were completed about a year ago.

The Group's financial standing remains strong with shareholders' fund of S\$1.15 billion as at 30 September 2009. Its net asset value per share rose S\$0.36 to S\$1.56 from S\$1.20 at the end of last year. Net gearing has dropped to a low of 0.26 times from 1.26 times as at the end of 2008.

## Outlook

Mr Chua said he was cautiously optimistic about the market outlook. He cited the encouraging statistics released by URA for the third quarter of 2009 in which was reported a hefty rise of 15.1% in the overall prices of residential properties compared to a decline of 4.7% in the second quarter. In addition, the 5,510 units of uncompleted residential properties sold in the 3rd quarter have also surpassed the 4,521 units sold in the 2nd quarter of 2009.

“The Group is currently riding on the improved sentiment in the residential property market. We’ve recently launched Trilight, a luxurious residential project in Newton Road and Parvis, our joint venture residential project with MCL Land at Holland Hill. The take-up rate has been encouraging. To-date, 61 units out of the 80 units in Trilight that was launched in October 2009 and 55 units out of the 85 units in Parvis launched in November 2009 have been sold. The Group’s revenue and earnings for the next quarter will remain positive,” Mr. Chua said.



Trilight – 205-unit condominium located at Newton Road



Parvis – 248-unit condominium located at Holland Hill

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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 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. The Group was listed on the Singapore Stock Exchange in 1999.

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