



*HO BEE INVESTMENT LTD*

(Co. Regn. No. 198702381M)

## **Ho Bee's net profit soars to record S\$233.4m for the nine months ended 30 September 2007**

**Outlook for the Group looks strong with most projects  
substantially sold, says Chairman and CEO Chua Tian Poh**

**SINGAPORE, 13 November 2007** – STILL riding on the current property boom, mainboard-listed property group Ho Bee Investment Ltd today announced a record net profit after tax and minority interests of S\$233.4 million for the nine months ended 30 September 2007, up five-fold from the S\$47.5 million it registered in the previous corresponding period.

Group turnover for the first nine months of 2007 more than doubled to hit a new high of S\$535.4 million, up 134% from the S\$229.0 million it achieved in the previous corresponding period. Indeed, the Group's nine-month turnover and net profit after tax and minority interest have exceeded what it achieved for the whole of FY2006, by 36% and 137% respectively.

With the inclusion of the S\$71 million gain in fair value changes of investment properties, profit before tax for the period under review soared to S\$284 million, an increase of 373% over the S\$60.1 million it recorded in the previous corresponding period.

With this strong performance, earnings per share for the period under review rose substantially, up 361% to 31.7 cents against 6.87 cents in the preceding year.

Quarter-on-quarter, group turnover was up 138% at S\$129.6 million from S\$54.5 million, mainly attributable to the 149% increase in the sale of development properties. Its profit attributable to shareholders was up four-fold from S\$9.9 million to S\$39.3 million, driving up earnings per share from 1.34 cents to 5.33 cents.

Mr Chua Thian Poh, Chairman and Chief Executive Officer of the Ho Bee Group was very pleased with another record financial performance. “We are delighted at the good sales we have seen in all our developments. Nonetheless, we continue to be prudent in the way we conduct our business, always bearing in the mind that we have to ensure long-term sustainable growth for shareholders,” he said.

Commenting on the Government’s decision to withdraw the Deferred Payment Scheme, Mr Chua said this would have an initial impact on both prices and demand. But, he added, this bodes well for the health of the residential property market in the long term as growth, driven by more genuine demand, will be more realistic and sustainable.

The Group does not expect its upcoming projects in the Core Central Region to be adversely affected as underlying demand from both local and foreign buyers is expected to remain strong.

To-date, five of the Group’s eight residential projects that have been launched are fully sold. Of the remaining three developments, Paradise Island at Sentosa Cove and Orange Grove Residences are 96% and 92% sold respectively, while Turquoise at Sentosa Cove which was launched at the end of September 2007 is 47% sold.

## **Property development and property investment**

Revenue from the Group's property development in the first nine months of 2007 swelled to an all-time high of S\$522.1 million, an increase of 137% over the S\$220.5 million it registered in the corresponding period last year. The main contribution came from the sale of residential projects, namely, Coral Island (for which Temporary Occupation Permit was received in August this year), Paradise Island and The Coast in Sentosa Cove, Orange Grove Residences, Montview, Vertis and Quinterra.

The Group's revenue from property investment also saw a rise, registering S\$13.3 million in the first nine months of 2007 or a 58% increase. Quarter-on-quarter, it amounted to S\$5.9 million, an increase of 44%. The increase was attributed to the rental income from its office space at Samsung Hub and industrial buildings at 31 Tannery Land and 1 Tannery Road.

The Group's financial standing remains robust with shareholders' fund of S\$758 million as at 30 September 2007. Its net asset value per share rose 34.9 cents to 102.8 cents from 67.9 cents at the end of last year.

## **Outlook**

Mr Chua said the Group's revenue and earnings for the rest of the year and in the next few years will be buttressed by the progressive recognition of income from the successful residential projects that have been launched.

He remained optimistic about the overall outlook of the property market and expects demand for its residential projects that will be launched in the next nine months to remain relatively strong. These projects are: The Orange Grove – a 72-unit condominium, Holland Hill Mansion – a 184-unit condominium (jointly with MCL Land) the Seaview collection – a 151-unit condominium in Sentosa Cove, (jointly with IOI Land), Elmira Heights condominium -- a 152-unit condominium in Newton Road and a 348-unit condominium plot at Dakota Crescent (jointly with NTUC Choice Homes).

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:

- Montview, a 115-unit condominium in Mt Sinai Drive
- Orange Grove Residences, a 60-unit condominium in Orange Grove Rd
- Paradise Island, comprising 29 villas in Sentosa Cove
- Quinterra, a 55-unit apartment block in Holland Road
- The Coast, a 249-unit condominium in Sentosa Cove
- Vertis, a 42-unit apartment block in Amber Gardens
- Turquoise, a 91-unit condominium 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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Issued on behalf of Ho Bee Investment Limited by: Waterbrooks Consultants Pte Ltd

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