



**For Immediate Release**

**PRESS RELEASE**

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**Ho Bee Land delivers year-on-year growth in net profit of 8% to S\$270 million in FY2018**

- **22% growth in rental income largely attributable to acquisition of Ropemaker Place**
  - **Proposes first and final dividend of 8 cents and special dividend of 2 cents per share**
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**SINGAPORE, 25 February 2019** – Ho Bee Land Limited today announced a net profit attributable to shareholders of the Company of S\$270.0 million for the full year ended 31 December 2018, an increase of 8% over FY2017. This was largely attributable to higher net rental income of S\$179.6 million and fair value gain on investment properties of S\$121.4 million, which more than offset the increase in finance costs.

For 4Q2018, net profit was S\$81.4 million, 21% lower than 4Q2017, due mainly to the provision for a potential tax liability of approximately S\$20.3 million. This relates to the gain on sale of Hotel Windsor in FY2013. The tax authority has raised an additional tax assessment in FY2018. We have objected to the assessment based on professional advice.

As a result of the improved financial performance of the Group, earnings per share for the year grew to 40.58 cents as compared to 37.44 cents in FY2017. Total shareholders' fund as at 31 December 2018 was S\$3.29 billion, representing a net asset value of S\$4.94 per share, an improvement from S\$4.70 per share a year ago. Net gearing was 0.7 times as at 31 December 2018.

Mr. Chua Thian Poh, Chairman and CEO of the Group said, "We are pleased to announce a good set of results for the year despite challenging market conditions and economic uncertainty both locally and in other key markets. Our portfolio of investment properties in Singapore and the U.K. has continued to deliver strong rental income."

### **Proposed dividend**

In view of the good performance of the company and to reward shareholders for their support, the Board is recommending a dividend of 10 cents per ordinary share, comprising a first and final dividend of 8 cents per share and a special dividend of 2 cents per share.

### **Business Outlook**

The Singapore office market is expected to remain positive in view of stable demand and tightened supply. In the U.K., our long average tenancies of more than five years will cushion any negative impact that may arise from the uncertainties brought about by Brexit in the near term.

On the local residential front, we expect the market to remain challenging in view of the high number of properties in the supply pipeline and the impact brought about by the new cooling measures introduced in the second half of 2018.

Our portfolio of commercial properties in Singapore and the U.K. will continue to provide stable recurring income in the coming year. Notwithstanding, the Group is aware of the headwinds arising from the threat of a full-blown US-China trade war and Brexit. We will continue to monitor the underlying global economic outlook and adapt the Group's business strategies to meet these challenges.



Ropemaker Place, London

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## **About Ho Bee Land Limited**

**Ho Bee Land Limited** was listed on the Mainboard of the Singapore Exchange in 1999. Headquartered in Singapore, Ho Bee also has property investments and developments in Australia, China and the United Kingdom. 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.

In Singapore, apart from being the leading developer of luxury homes in the exclusive residential enclave of Sentosa Cove, its portfolio of investment properties includes the commercial landmark in the one-north precinct, The Metropolis. Other buildings in its portfolio of investment properties include 1 St Martin's Le Grand, 60 St Martin's Lane, 39 Victoria Street, 110 Park Street, Apollo & Lunar House, 67 Lombard Street and Ropemaker Place in London.

More information about the company can be found on the company's website at [www.hobee.com](http://www.hobee.com).

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