



Hiap Hoe Limited
(Registration No. : 199400676Z)

NEWS RELEASE

HIAP HOE FAST-TRACKS ITS OVERSEAS EXPANSION WITH THE ACQUISITION OF 380 LONSDALE STREET, MELBOURNE FOR A\$43.8 MILLION

- *Makes second strategic overseas acquisition in two months;*
- *Commercial building on a 3,165 sqm site located in the heart of Melbourne's Central Business District, near the corner of Lonsdale Street and Elizabeth Street;*
- *Acquisition comes with a newly issued permit for an iconic 46 level mixed-use development comprising 627 apartments, 445 bay commercial car park and ground level retail.*

SINGAPORE, 4 September, 2013 – Singapore Mainboard-listed premium integrated property developer, Hiap Hoe Limited (“Hiap Hoe” or the “Group”) announced its second strategic overseas acquisition in two months with the acquisition of 380 Lonsdale Street, a commercial building comprising a 445 bay commercial car park, 5,130 sqm of office accommodation and ground level retail tenancies for A\$43.8 million. The asset sits on a 3,165 sqm site at the corner of Lonsdale Street and Elizabeth Street, in the heart of Melbourne’s Central Business District.

Mr Teo Ho Beng, Hiap Hoe’s Executive Chairman and Chief Executive Officer, said, “We are pleased to have secured this unique opportunity to fast track our overseas expansion and anchor our presence in Melbourne. Together with our recently announced 6-22 Pearl River Road acquisition, we hope to achieve economies of scale and better cost efficiencies through the intended redevelopment of these properties.

“380 Lonsdale Street is a significant commercial asset located in a prime central CBD location, presenting the Group with significant future redevelopment and growth potential. Given the strong growth of Melbourne’s CBD workforce and residential population, interest from homeowners and investors in well-located residential and commercial developments has been steadily rising. This bodes well for the planned redevelopment of 380 Lonsdale Street.”

The acquisition of 380 Lonsdale Street comes with an approved planning permit to develop an iconic 46-level mixed-use tower. Under the approved plans, the development will feature ground floor retail, commercial office suites, 627 residential apartments and a 740 space car parking facility (comprising 295 car parks dedicated to the apartments and 445 bays for the commercial car park). This exciting development option will generate future growth and create value for its shareholders.

The centre is located within a strong catchment area with high retail visitor traffic, nearby Melbourne’s retail core comprising Melbourne Central Shopping Centre and Train Station, the new Emporium Shopping Centre, the recently refurbished iconic Melbourne’s GPO, major department stores and the Bourke Street Mall. Investor interest in the area has been positive and a sovereign wealth fund has acquired an interest in the new Emporium Shopping Centre, which will feature a mix of Australia and international designers, innovative concepts and flagship stores, and world class architecture.¹

The property is also immediately to the east of the legal precinct, north of the financial precinct, and south of the education precinct. Nearby universities include RMIT University (City Campus), Central Queensland University, Charles Stuart University, Victoria University (City Queen Campus) and The University of Melbourne. The area also offers a range of lifestyle amenities, cafes, bars and restaurants in nearby laneways.

¹ <http://www.emporiummelbourne.com.au/content/about-the-project>

Melbourne's CBD receives more than 1 million international visitors per year and the number of weekday local visitors to the area is estimated to be approximately 770,000 visitors per day.² With the growing visitor numbers and no new car park developments in the vicinity, 380 Lonsdale Street is well placed to meet the needs of the business community, shoppers and visitors.

The Group intends to fund the acquisition of 380 Lonsdale Street with a combination of internal resources and debt. CBRE Australia and Thomsons Lawyers acted as Broker and Legal Advisor to the Group on the 380 Lonsdale Street acquisition and the recent 6-22 Pearl River Road acquisition.

About Thomsons Lawyers

Thomsons Lawyers is a progressive, full service, commercial law firm with offices in Sydney, Melbourne, Brisbane and Adelaide and more than 410 partners, lawyers and staff. As one of Australia's top 10 independent law firms, the firm acts for a diverse range of clients including some of Australia's top 200 listed companies, government organisations, and small and emerging businesses. Thomsons Lawyers' core legal capabilities are corporate; dispute resolution; and property and development. More information on Thomsons Lawyers can be found at www.thomsonslawyers.com.au

About Hiap Hoe Limited

Hiap Hoe Limited is a premium integrated property developer, engaged in the development of luxury and mid-tier residential and hotel-cum-commercial properties that are distinct in design and preferred for their excellent location and investment prospects. The Group's residential portfolio includes distinctive projects such as Treasure on Balmoral, Skyline 360°, Waterscape at Cavenagh, The Beverly, Signature At Lewis, Oxford Suites and Cuscaden Royale.

² "CBD Car Park Market", CBRE Australia, July/August 2013

Hiap Hoe also owns an integrated hotel-cum-commercial development along Balestier Road that sits just opposite the historic Sun Yat-Sen Nanyang Memorial Hall, a national monument that pays tribute to the father of the 1911 Chinese Revolution. Comprising Days Hotel Singapore at Zhongshan Park (新加坡中山公园戴斯酒店), and Ramada Singapore at Zhongshan Park (新加坡中山公园华美达酒店), Zhongshan Mall (中山广场) and an office tower, the two hotels flank Zhongshan Park (中山公园), creating a unique integrated development with a strong heritage connection and old world charm.

In addition to the Group's core business of property investment and property development, Hiap Hoe is also engaged in the construction business. More information on Hiap Hoe can be found at <http://www.hiaphoe.com>

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