



**HIAP HOE LIMITED**  
COMPANY REG NO: 199400676Z

## NEWS RELEASE

# HIAP HOE POSTS ANOTHER YEAR OF RECORD PROFIT

**SINGAPORE, 21 February 2011** – Niche property developer **Hiap Hoe Limited** (SGX: Hiap Hoe) has reported a 82.3% jump in net profit to \$16.5 million for the three months ended 31 December 2010 (4Q10), compared to \$9.0 million in 2009 (4Q09). Revenue inched up 3.1% to \$27.3 million in 4Q10, from \$26.4 million a year ago.

For the full year ended 31 December 2010 (FY10), net profit improved marginally to \$34.6 million on revenue of \$106.6 million, versus a net profit of \$34.3 million and revenue of \$110.5 million in the previous corresponding period (FY09).

Earnings per share for the quarter and full year stood at 3.49 cents and 7.31 cents, respectively, up from 1.91 cents and 7.26 cents for the corresponding periods a year ago.

### Performance Highlights:

S\$ 'm	Jan - Dec ( FY )		Change		Oct - Dec ( 4Q )		Change	
	2010	2009		%	2010	2009		%
Turnover	106.6	110.5	▼	3.5	27.3	26.4	▲	3.1
Gross Profit	49.8	43.8	▲	13.6	17.7	11.0	▲	60.4
Profit Before Tax	39.6	41.6	▼	4.9	18.0	10.7	▲	69.3
Profit After Tax	34.6	34.3	▲	0.7	16.5	9.0	▲	82.3
EPS (Sgp cents)	7.31	7.26	▲	0.7	3.49	1.91	▲	82.7

### Performance Review & Update

The Group launched residential projects, *Skyline 360°* and *Waterscape at Cavenagh* to much success during the year, with more than 50% of *Skyline 360°* and more than 70% of *Waterscape at Cavenagh* sold to date. With regard to joint-venture residential project, *The Beverly*, Hiap Hoe has since sold more than 75%. At the close of 4Q10, about 30% of revenue from *Skyline 360°*; and 9% of revenue from *Waterscape at Cavenagh* were recognized, along with about 54% of revenue from *Signature at Lewis*.



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Group revenue also received a slight boost from construction services carried out for two joint-venture projects, *The Beverly*, a residential development, and the integrated hotel/commercial development on Balestier Road/Ah Hood Road.

The Group ended the year with total shareholder's equity standing at \$207.0 million, an increase of 18.3% over the previous financial year. Following the bonus issue of one bonus share for every four existing ordinary shares, net asset value per share declined 5.2% to 43.81 cents in FY10, from 46.21 cents the year before. At the close of FY10, cash and cash equivalents stood at \$36.4 million.

### **Dividend**

In view of the Group's profitable results for FY10, the Board of Directors has proposed a final cash dividend of 0.25 cents per ordinary share. Together with the interim cash dividend of 0.25 cents per ordinary share paid out in December 2010, the total dividend for the year will amount to 0.50 cents per ordinary share, or approximately \$2.4 million, translating to a dividend payout ratio of about 6.8%.

### **Outlook**

Against a backdrop of macroeconomic uncertainties, as well as government policy overhang, the Group remains cautious about its outlook for 2011. Nonetheless, prices of well-designed residential developments in good locations appear to be holding up, which bodes well for the Group's residential projects.

Piling work for the Group's joint-venture project at Balestier Road/Ah Hood Road was completed in the third quarter of 2010. Construction of the park within this joint venture project is expected to be completed in the second half of 2011. The Group hopes to fully develop the hotel-cum-commercial blocks by 2014.

The Group remains prudent in the review of its sales programs for its various residential developments, and is also seeking an opportune time to launch residential development, *Treasure on Balmoral*.



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#### ***About Hiap Hoe Limited***

*Hiap Hoe Limited is a niche integrated property developer, engaged in the development of luxury and mid-tier residential properties that are distinct in design and preferred for their excellent location and investment prospects. The Group has launched some distinctive projects such as Cuscaden Royale (fully sold), Oxford Suites (fully sold), Signature At Lewis, The Beverly, Waterscape at Cavenagh and Skyline 360°. Upcoming signature development includes choice residences at Balmoral Road. Marking its first foray into the hospitality business, Hiap Hoe is currently working with SuperBowl Holdings on a hotel-cum-commercial development project at Balestier Road/Ah Hood Road. 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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