



PRESS RELEASE

**HIAP HOE INTERIM NET PROFIT UP 75%
11-fold increase in profit excluding non-recurring items**

SINGAPORE – 7 August 2007 – Niche property developer Hiap Hoe Limited (SGX: Hiap Hoe) today announced its results for the half-year ended 30 June 2007.

Performance Highlights:

S\$'m	Six Months Ended June 30,		Change
	2007	2006	%
Turnover	55.6	15.4	↑ 261.2
Non-Recurring Items	-	3.9	n.m.
Profit from Operating Activities	9.3	6.2	↑ 51.0
Profit before Tax	9.1	5.4	↑ 69.3
Tax	(1.1)	(0.8)	↑ 37.5
Profit after Tax	8.0	4.6	↑ 74.8
EPS (Sgp cents)	3.14	2.05*	↑ 53.2
NTA per Share (Sgp cents)	34.3	30.0*	↑ 14.3

**after share consolidation exercise in January 2007*

PAT excl. Non-Recurring Items	8.0	0.7	↑ 11 times
--------------------------------------	------------	------------	-------------------

Revenue Analysis

- The Group's 2007 first-half revenue surged more than 3.5 times to S\$55.6m, surpassing the full-year 2006 revenue of S\$50.6 m.
- Sterling performance attributed to strong property sales and higher selling prices.
- Revenue contribution from Papillon, Moonstone Residences, Proximo and City Edge totaled S\$55.2m.
- The sale of Cuscaden Royale and Oxford Suites apartments, which were launched in the first half of the year, have not been recognized, as construction for these developments has not commenced.



Profit Analysis

- Net profit rose 74.8% to S\$8.0m, taking into consideration S\$3.9m non-recurring gain in the first-half of 2006
- Excluding non-recurring items, 2007 interim profit registered an 11-fold increase over the previous year
- Tax payable was higher at S\$1.1m, compared to S\$0.8m a year ago, as bulk of profit achieved in first-half of 2006 was non-recurring capital gain, and hence not subject to tax

Mr Teo Ho Beng, Hiap Hoe's MD's comments on the results:

“The Group had a very good first half in 2007. In the six months to June, we actually turned in record revenue even against all previous full-year revenue. Net profit was also a record against all previous half-year net profit.”

Operations Update

- The Group underwent a share consolidation exercise, under which every five ordinary shares were consolidated into one ordinary share. The objective of this exercise was to reduce overall transaction cost and stock price volatility.
- The Group raised \$24m through a placement of 26 million new shares. Net proceeds will be used for future land acquisitions and strategic investments.
- En-bloc acquisitions in 1H07: Lewis Court along Bukit Timah Road, Clemenceau Court on Cavenagh Road and GoodLuck View on Toh Tuck Road.
- The Group formed a synergistic joint venture with SuperBowl Holdings Limited to develop real estate projects.

Mr Teo's comments on the joint-venture:

“This joint-venture with SuperBowl will allow Hiap Hoe to ride the rising wave of the commercial property sector where opportunities arise.”



Outlook

- The Group currently has an unsold land bank of more than 500,000 sq ft in GFA
- Possible launches between 4Q07 and 1H08 :
 - Bukit Timah Road (Lewis Court)
 - St-Thomas Walk (Phoenix Court)
 - Cavenagh Road (Le Chateau + Clemenceau Court)
 - Toh Tuck Road (GoodLuck View)
- Uptrend in residential property prices is spreading beyond prime districts as overall demand outpaces supply.

Mr Teo's comments on the Group's en-bloc acquisition strategy moving forward:

“En-bloc acquisitions outside the prime districts are looking attractive, and we want to be the first-mover in seeking out the next en-bloc hot spots.”

###

About Hiap Hoe

Hiap Hoe Limited is a niche property developer, engaged in the development of luxury and mid-tier residential properties that are distinctly unique in design and preferred for their excellent locations and investment prospects. Hiap Hoe has built some prominent residential properties, including City Edge, Moonstone Residences, Papillon, Proximo and the Vines. Recent developments launched by the Group include the Cuscaden Royale and Oxford Suites. In addition to the Group's core business of property investment and property development, Hiap Hoe is also engaged in the civil engineering and construction business. More information on Hiap Hoe can be found at <http://www.hiaphoe.com>

For media enquiries, please contact:

Ms Alvina Tan, Boardroom Corporate Services
Tel: +65 6230 9798 | H/p: +65 9787 7267
Email: alvina.tan@boardroomlimited.com
