

COASTAL 沿海

Coastal Greenland Announces 2008/09 Annual Results Profit Attributable to Equity Holders Amounted to HK\$215 Million

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Core Business Remains Solid amid the Adverse Times

Financial Highlights

- Profit attributable to equity holders increased by 84% to HK\$215 million, revenue was HK\$2,956 million
 - As at 31 March 2009, total sales revenue from pre-sale of properties amounted to about HK\$3,857 million and will be recognised as revenue in coming years
 - Completed total gross floor area ("GFA") was approximately 395,100 sq.m., of which about 368,900 sq.m. were attributable to the Group
 - Gross profit margin was 29%
 - Net debt to total equity ratio decreased by about 18% from 103% last year to 85% this year
 - Basic earnings per share were HK7.70 cents
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(Hong Kong, 23 July 2009) – Leading Mainland China property developer **Coastal Greenland Limited** ("Coastal Greenland" / the "Group") (SEHK stock code: 1124), announced today its annual results for the year ended 31 March 2009.

For the year under review, profit attributable to equity holders of the Group increased by 84% to HK\$215 million. Profit before taxation was HK\$549 million, an about 28% increase as compared with last year. The Group recorded revenue of approximately HK\$2,956 million (2007/08: HK\$3,115 million), gross profit margin was 29%. Basic earnings per share were HK7.70 cents (2007/08: HK4.42 cents).

As at 31 March 2009, net debt to total equity ratio, which is expressed as a percentage of net borrowings over total equity of the Group, decreased by 18% to 85% against 103% last year. The improvement was mainly attributable to the decrease in net borrowings and the increase in the net assets value of the Group.

Mr. Chan Boon Teong, Chairman of Coastal Greenland, said, "With a project portfolio that boasts extensive geographical coverage and the Central Government implementing various macroeconomic control measures that have been effective, we were able to report relatively stable results for the year, when markets around the world were hit by the global financial crisis that started in last quarter of 2008."

During the review period, sales of properties continued to be the Group's key revenue driver, bringing in approximately HK\$2,943 million. The amount was derived mainly from the sale of Phase V of Beijing Silo City, Phase II of Dongguan Riviera Villa, Phase I of Shanghai Riviera Garden, Phase IB of Wuhan Silo City, Phases III and IV of Jiangxi Riviera Garden and Phase IIB of Beijing Sunvilla Realhouse. For the year under review, the Group completed development projects of total gross floor area of approximately 395,100 sq.m., of which approximately 368,900 sq.m. were attributable to the Group.

During the year, the Hong Kong Institute of Certified Public Accountants introduced the new guideline – Hong Kong (IFRIC) Interpretation ("HK(IFRIC) – Int") 15 Agreements for the Construction of Real Estate and the Group has adopted a new revenue recognition accounting policy in accordance with the new guideline. From the review year onwards, the Group will recognise revenue from property sales upon delivery of properties to the purchasers pursuant to the sales agreement. As at 31 March 2009, there was a total sales revenue from pre-sale of properties of about HK\$3,857 million, including HK\$870 million of Phase VII North section of Beijing Silo City and Phase II of Wuhan Silo City, which were completed but not yet delivered to purchasers as at 31 March 2009. The pre-sale revenue will be accounted for in the coming financial years.

To strengthen its land bank, the Group completed the acquisition of 65% of the Beijing Jian Guo Men Wai Project. The project, with an estimated gross floor area of 44,900 sq.m., is designated for developing into office premises for investment purpose of the Group. The total gross floor area of the Group's development projects were maintained at approximately 4 million sq.m., sufficient to support development needs of the Group in the next three to four years.

During the year, the Company repurchased some senior notes with the par value and amortised cost of US\$18 million (equivalent to approximately HK\$140.4 million) and US\$16.1 million (equivalent to approximately HK\$125.7 million) respectively for a total consideration of approximately US\$7.0 million (equivalent to approximately HK\$54.5 million), resulting in a gain of HK\$71.2 million.

On the prospects of the Group, **Mr. Chan** said: “The property market has started to show signs of recovery since the first quarter of 2009 responding to government stimulating economic measures and relaxed monetary policies. All these have helped to stabilise the property market and ensure its long term sustainable development. To boost our competitive edges and thrive in the market, we will continue to focus on growing our geographically-diversified quality property portfolio, optimise our land reserve and enhance the quality of our products. The Group will also build on its well-recognised corporate brand to boost property sales.

“Coastal Greenland is celebrating its 20th anniversary in the coming year. In the past decades, we have experienced several global economic crises and have kept ourself as one of the prominent players in the sector. Being ranked as one of the top 10 most valuable Chinese real estate company brands for five consecutive years since 2004, we are ready to take on new challenges and capture the tremendous opportunities ahead.”

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About Coastal Greenland Limited

Established in Hong Kong in 1990, Coastal Greenland Limited (“Coastal Greenland”) (SEHK stock code: 1124) has been investing in the Mainland China property market for over 19 years. The Group’s investment is focused mainly in major cities of six major economic regions in the PRC, namely Northeastern Region, Northern Region, Central Region, Eastern Region, Southern Region and Southwestern Region. Coastal Greenland has received many awards for its prominent presence in the PRC property market, including the “Top 10 Most Valuable Real Estate Company Brand in China” ranked by the “China Real Estate Top 10 Research Team” for five consecutive years since 2004. It also made the list of the most influential brands in China published by the World Brand Lab in 2005 and 2006. In addition, Coastal Greenland was awarded the “2007 China Blue Chip Real Estate Corporation” title.

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