



## Coastal Greenland Announces 2011/12 Annual Results

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### *Profit Surged by 300% with Gross Profit Margin Improved*

(Hong Kong, 29 June 2012) – Leading Mainland China property developer **Coastal Greenland Limited** (“Coastal Greenland” / the “Group”) (SEHK stock code: 1124), today announced its annual results for the year ended 31 March 2012.

For the year under review, the Group has recorded a revenue of HK\$7,178 million, an increase of about 91 % compared to last year (2010/11: HK\$3,753 million). The increase was mainly derived from the sale of a number of properties which have been completed and delivered to purchasers in the review year. Gross profit margin was about 33% on the back of higher selling prices of the properties completed and delivered to the purchasers during the year (2010/11: 28%). Profit attributable to equity holders of the Group surged by 300% to HK\$593 million (2010/11: HK\$149 million) and basic earnings per share were HK21.27 cents (2010/11: HK5.32 cents).

As at 31 March 2012, net debt to total equity ratio, which is expressed as a percentage of net borrowings over total equity of the Group, was lowered by about 1% to 85% (2010/11: 86%).

**Mr Chan Boon Teong, Chairman of Coastal Greenland**, said, “In the past year, the property market has undergone a volatile market condition. In order to stop property market from overheating, the central government has implemented a series of austerity measures including home purchase restriction, price control and tightened monetary policy. Those present regulatory measures are not likely to be relieved in the near future but do not expect any new austerity measures either. With expectations of Renminbi appreciation, continued urbanisation, as well as rising household income level, the Group remains positive about the long-term development of the PRC property market, and the bright prospect of Coastal Greenland”.

For the year under review, the recognized sales revenue from property development segment was HK\$7,163 million, representing an increase of about 92% compared with HK\$3,735 million last year. The total gross floor area (“GFA”) delivered by the Group increased by 80% to 536,000 sq.m. (2010/11: 298,600 sq.m.). The property sales revenue during the year mainly came from the completion and delivery of the Phase I of Dalian Coastal International Centre, Western section of Phase IV of Beijing Silo City, Phase I of Dalian Jianzhu Project, Phase III section A of Wuhan Silo City and Phase III of Beijing Sunvilla Realhouse which represented about 42%, 13%, 8%, 7% and 7% of the total property sales revenue respectively. The remaining 23% was derived from sale of remaining inventory in the prior phases of the Group’s completed development projects. For the year under review, the Group recorded contracted sales of HK\$3,024 million (2010/11: HK\$4,619 million), which corresponds to a total GFA of about 263,000 sq.m. (2010/11: 313,000 sq.m.).

As at 31 March 2012, the Group has generated total sales revenue of about HK\$1,020 million from pre-sale of its properties under development with a total GFA of about 130,000 sq.m., contributing mainly from Shenyang Hunnan Project, Phase IV of Dongguan Riviera Villa and Phase III of Anshan Wisdom New City. The aforementioned properties are expected to be completed and delivered in the next financial year. Meanwhile, the Group completed development projects, namely Phase I of Dalian Coastal International Centre, Phase III section A and Phase IV section A of Wuhan Silo City, Phase I of Dalian Jianzhu Project, Western section of Phase IV of Beijing Silo City, Phase III of Beijing Sunvilla Realhouse, Phase III section B of Dongguan Riviera Villa and Phase II of Anshan Wisdom New City with a total GFA of approximately 653,030 sq.m. (2010/11: 329,800 sq.m.) during the year ended 31 March 2012.

Regarding the Group's leasing business, revenue generated from property rental decreased by about 16% to HK\$8.6 million (2010/11: HK\$10.1 million) during the review period. The decrease was mainly due to the disposal of certain retail shops in Beijing Silo City during the year. On the other hand, the Group's operations of property management recorded a profit of about HK\$1.9 million for the year (2010/11: HK\$2.8 million). The Group is committed to providing integrated and value-added property management services to foster good relations with tenants and owners and strengthen its brand image.

Looking ahead, Mr Chan said, "As one of the top listed Chinese real estate company, Coastal Greenland will leverage on its well-recognised corporate brand and its long experience in the PRC property to further develop our geographically diversified and quality property portfolio, as well as optimise our land reserve and strengthen product competitiveness. Under the tight credit environment, the Group will actively seek funding alternatives so as to broaden its financial resources and support the sustainable development of the Group."

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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 20 years. The Group's investment is focused mainly in major cities six 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 Brands in China" as ranked by the "China Real Estate Top 10 Research Team" for eight consecutive years between 2004 and 2011. It has 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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