

COASTAL 沿海

Coastal Greenland Announces 2009/10 Interim Results

* * * *

HK\$80.1 million net profit for the first half year

Financial Highlights

- Net profit attributable to shareholders was HK\$80.1 million with revenue amounting to HK\$1,977 million
 - Gross profit margin was 19%
 - Property rental and property investment returns increased to HK\$6.2 million and HK\$76.7 million respectively
 - Net debt to total equity ratio, which is expressed as a percentage of net borrowings over total equity of the Group, decreased by about 10% to 75% as at 30 September 2009
 - The Group is looking for suitable land additions to strengthen land reserves for high-end residential properties
 - With the macro economy looking up, stable increase in resident income and rapid urbanization in the PRC, the Group is positive about the ongoing development of the PRC property market
-

(Hong Kong, 17 December 2009) – Leading Mainland China property developer **Coastal Greenland Limited** (“Coastal Greenland” / the “Group”) (SEHK stock code: 1124) today announced its interim results for the six months ended 30 September 2009.

During the period under review, the Group recorded revenue of HK\$1,977 million (2008/09 Interim: HK\$2,186 million), whereas net profit attributable to shareholders amounted to HK\$80.1 million (2008/09 Interim: HK\$462.4 million). Gross profit margin was 19% and basic earnings per share were HK2.87 cents (2008/09 Interim: HK16.57 cents).

Net debt to total equity ratio, which is expressed as the percentage of net borrowings over total equity of the Group, decreased by about 10% to 75% from 85% as at 31 March 2009. The improvement was mainly attributable to the decreased net borrowings and the increased net assets value of the Group at 30 September 2009.

Mr. Chan Boon Teong, Chairman of Coastal Greenland, said, “The results for the first half year reflected the Group’s performance in the tough period in 2008 as the revenue were mainly from sales made during the period of financial crisis whereby the selling prices were at a rather low level. Since the first quarter of 2009, the property market has been benefiting from the more aggressive financial policies and relaxed money policies of the PRC government. With the favourable market environment and having a renowned corporate brand and projects in different geographical areas, we are able to capture the recovering market and have seen our performance improving.”

Property development segment was the main income contributor of the Group during the review period. The segment made a revenue of HK\$1,968 million from the sale and delivery of Phases VI and VII of Beijing Silo City and Phase II sections A to C of Wuhan Silo City, representing about 59% and 21% respectively of the total property sales revenue. The rest of the sales revenue was derived from inventory of completed development projects namely Dongguan Riviera Villa, Jiangxi Riviera Garden, Shanghai Riviera Garden and Phase I of Wuhan Silo City. During the review period, the Group completed development projects of total gross floor area of approximately 398,200 sq. m., of which approximately 322,100 sq. m. were attributable to it. Of the gross area completed, there was a total gross floor area of 200,100 sq. m. which was completed, but not yet delivered to purchasers as at 30 September 2009. The HK\$1,911 million from property sales will be recognized in the second half of financial year after delivery.

Leasing business of the Group reported encouraging results for the six months ended 30 September 2009, with a 58% increase in revenue to HK\$6.2 million as compared with the same period last year. The income was mainly generated from the properties in Shanghai Golden Bridge Mansion, Shenyang Dongbei Furniture and Ornaments Plaza, Shenzhen Noble Centre and the retail shops in Phases I and II of Beijing Silo City. Profit from the property investment segment increased significantly to HK\$76.7 million (2008/09 Interim: HK\$1.8 million) mainly because of the revaluation gains of HK\$75.4 million.

Apart from property development and investment, the Group is also committed to providing integrated and value added property management services to foster good relations with tenants and owners and also strengthen brand image. During the period under review, its property management operations recorded a profit of approximately HK\$0.2 million (2008/09 Interim: HK\$1.2 million).

In respect of land bank acquisition, the Group completed the acquisition of 85% equity interest in Shenyang Wood Factory Project. It is a residential project with a site area of approximately 452,187 sq. m. in Shenyang, Liaoning Province. The Group intends to develop the site into a middle-class residential estate. Apart from this newly acquired project, the Group is continuously looking for suitable land reserves for its development. As at 30 September 2009, the total gross floor area of the Group's development projects amounted to approximately 5.4 million sq. m., which is sufficient to support its development needs in the next three to four years.

"Looking ahead, we remain optimistic about the prospects of the PRC property market given the promising macroeconomic outlook, stable increase in resident income and rapid urbanization in the PRC, and the economic stimulus government policies. Armed with a strong corporate brand, extensive established industry experience and network and a geographically well-diversified land bank, we will step up efforts to develop high-end residential properties with the aim of improving profitability and recognition of the 'Coastal Greenland' brand among more affluent customers," **Mr. Chan** concluded.

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 six 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.

For enquiries:

Strategic Financial Relations Limited

Esther Chan / Mandy Go / Katrina Leung / Gladys Kong

Tel : (852) 2864 4825 / 2864 4812 / 2864 4857 / 2864 4806

Fax : (852) 2804 2789 / 2527 1196

Email : esther.chan@sprg.com.hk / mandy.go@sprg.com.hk / katrina.leung@sprg.com.hk / gladys.kong@sprg.com.hk