



Coastal Greenland Issues US\$150 Million Senior Notes and 111,622,500 Warrants

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Gains Strong Capital Support from Shenzhen Investment

(Hong Kong, 1 November 2007) – **Coastal Greenland Limited** (“Coastal Greenland” / the “Group”) (SEHK stock code: 1124), a leading property developer in China, has signed an agreement to issue 1,500 units of senior notes and warrants, the former are 12% guaranteed notes due in 2012 in an aggregate principal amount of US\$150 million and the latter totaling 111,622,500 warrants for 111,622,500 ordinary Coastal Greenland shares at an exercise price of HK\$2.46 per share. HSBC is the sole lead manager and the sole bookrunner for the offer and sale of the units.

Of the 1,500 units of senior notes and warrants, the Group has also granted to HSBC an option, pursuant to which the Group may issue and sell to HSBC 500 units. Shenzhen Investment Limited (“Shenzhen Investment”) (SEHK stock code: 0604), a substantial shareholder of Coastal Greenland holding 22.7% of its issued share capital, has entered into a placing agreement with HSBC to buy the 500 units amounting to US\$50,000,000, among other things, subject to independent shareholders’ approval.

Mr. Chan Boon Teong, Chairman of Coastal Greenland, said, “We are pleased to have attracted the attention and investment interests of investors in the capital market and gained strong support from Shenzhen Investment. It shows that Shenzhen Investment has confidence in our management and recognizes our achievements in the property market in China. The issuance of the senior notes and warrants will generate immediate capital for us and will help to diversify channels of debt financing, posing a positive impact on the Group’s long term development.”

After deducting relevant expenses, the issuance of the senior notes and warrants will generate net proceeds of approximately US\$142 million, of which approximately US\$77.5 million will be used to redeem the senior notes issued by Coastal Greenland due in 2008, and the balance will be used to finance property acquisitions and for general corporate purposes.

Mr. Chan concluded, “To achieve our goals of building a geographically diversified property portfolio and continuous growth, we are seeking to acquire properties with strong potentials. By issuing the senior notes and warrants, we will be able to raise fund for supporting growth and development of our business. Moreover, Coastal Greenland was assigned a ‘B1’ corporate family rating from Moody’s Investors Service, Inc. and a ‘B+’ corporate credit rating from Standard & Poor’s Rating Services, affirming us with a stable outlook and boosting our profile in the debt market.”

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 16 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 four 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.

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