資本策略

CAPITAL STRATEGIC INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 497)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH, 2008

The board of directors (the "Board") of Capital Strategic Investment Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31st March, 2008, together with comparative figures for the previous year.

- Profit attributable to equity holders of the Company up 17.6% to HK$325.4 million
- Total Assets increased by 43.4% to HK$5,164.4 million
- Basic earnings per share 6.57 Hong Kong cents
- Proposed final dividend of 0.8 Hong Kong cents per share

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of 0.8 Hong Kong Cents (2007: 0.8 Hong Kong Cents) per share or an aggregate amount of approximately HK$39.5 million (2007: HK$39.7 million) for 2008, subject to the approval of shareholders of the Company at the 2008 Annual General Meeting, to shareholders whose names appear on the register of members of the Company on 27th August, 2008, payable on or around 19th September, 2008.

BUSINESS REVIEW AND OUTLOOK

For the year ended 31st March, 2008, the Group reported a consolidated profit attributable to the equity shareholders of the Company of HK$325.4 million, compared with HK$276.6 million reported in 2007. Total gross revenue for the Group was HK$680.5 million, compared with HK$555.4 million for the year ended 31st March, 2007.

Hong Kong

We are pleased to report that we have successfully managed to timely unlock capital appreciations in a number of our property investments during the earlier part of this financial year.

For commercial properties, more sizeable disposals completed during this year included Paul Y. Centre, Kwun Tong, Hong Kong, which was jointly owned by us and other strategic partners including Lehman Brothers, as well as our wholly-owned investment in No. 88 Gloucester Road, Hong Kong. For residential properties, two luxury residential houses at Nos. 12-16 Tai Tam Road, Hong Kong were also disposed of during the year.

These disposals have once again highlighted our management's strength in property repositioning and value enhancement. Through our efforts, these properties were successfully repackaged and up-graded, and their hidden values were timely unlocked, each resulting in significant returns to our shareholders.

Towards efficiently re-deploying capital to create further value and growth for our shareholders, we have during the second half of the financial year acquired a majority stake in Eton Building, No. 288 Des Voeux Road Central, Hong Kong. Subsequent to the end of the financial year, we have also acquired a majority stake in Yue Thai Commercial Building, No. 128 Connaught Road Central, Hong Kong, and two luxury residential developments with substantial capital enhancement potentials, namely The Amber, No. 45 Blue Pool Road, Hong Kong and The Morning Side, No. 2 Cape Road, Hong Kong. These newly acquired properties, together with our other prime en-bloc properties situated in the core retail hub of Tsimshatsui, Kowloon and CBD areas in Hong Kong, will continue to constitute the focus of our property repositioning and value enhancement efforts.

On existing projects, our two commercial buildings on Ashley Road have become very popular "Ginza-style" entertainment, food and beverage centres and are a major attraction on Ashley Road which is becoming an increasingly trendy place in Tsimshatsui. Renovation and construction work at Mohan's Building, Hankow Road, No. 8 Hau Fook Street, both in Tsimshatsui and Nos. 77 to 85 Jervois Street in Sheung Wan are on-going and we are confident that we will be able to successfully execute our repositioning strategy and significantly enhance the capital value of these properties.

Our ability to identify a ***"NEW ANGLE"*** is the key to the success in our property repositioning strategy. We have successfully executed our repositioning strategy in both commercial and residential properties such as Paul Y. Building in Kwun Tong, Ashley Road in Tsimshatsui and Nos. 12 - 14, Tai Tam Road. We are confident that we will be able to execute our repositioning strategy on recently acquired properties to significantly enhance the value and continue our success as a unique ***"PROPERTY INVESTOR WITH A NEW ANGLE"***.

China

Since the establishment of our Shanghai office in September 2006, we have been growing our PRC experience and expertise in repeating our Hong Kong repositioning business model. Extensive renovation works for The International Capital Plaza (formerly known as "Fuhai Building") in Hongkou district of Shanghai, which we co-invested with Lehman Brothers, is due to complete in 2008 and we expect it to become one of the landmark buildings in the district.

Earlier in the year, we have, in equal partnership with Tian An China Investments Company Limited, completed the acquisition of our second investment in Shanghai, namely The Novel Plaza, No. 128 Nanjing West Road, Shanghai, and have since successfully strengthened its tenants' profile and enhanced its rental yield.

Major PRC cities will continue to be the focus of our development in the next few years. Nonetheless, in light of the domestic economic issues and the Central Government's macroeconomic response measures, we will proceed cautiously with our efforts in exploring suitable investment opportunities.

Corporate Activities

In July 2007, the Group successfully raised a total of approximately HK$390 million from the issuance of convertible notes to renowned international institutional investors. The proceeds from the issuance of the convertible notes not only strengthened our balance sheet but also allowed the Group to continue to pursue sizable investment opportunities in Hong Kong and China.

Outlook

2008 would no doubt be a very challenging year. Global economic problems and the tightening in the credit market worldwide stemming from the U.S. sub-prime mortgage market, coupled with PRC Central Government's macroeconomic measures to curb domestic inflation, have adversely affected business environments but investment opportunities have also been created at the same time. Indeed, on the one hand we nonetheless expect continuing commitment on our internal capital resources in repositioning and enhancing value for those properties already in our portfolio, whilst on the other hand our ability to realize and redeploy our investments, and to obtain external financing for new investment opportunities, is clearly not as favourable as before.

We shall remain vigilant to the challenges ahead and are confident that with our strong platform built in the past few years, we are well positioned to withstand any forthcoming market turbulence, grasp business opportunities, and excel to create higher growth and value for our shareholders.

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2008

	NOTES	**2008** *HK$'000*	2007 *HK$'000*
Revenue	*2*	**402,534**	101,558
Cost of sales		**(194,885)**	(30,160)
Gross profit		**207,649**	71,398
Other income	*3*	**48,818**	36,410
Administrative expenses		**(68,822)**	(51,327)
Finance costs	*4*	**(120,842)**	(42,110)
Change in fair value of investment properties		**63,637**	142,919
Investment income and net (loss) gain from financial instruments		**(28,312)**	64,500
Share of results of jointly-controlled entities		**151,624**	(369)
Share of results of associates		**3,280**	492
Loss on disposal of interests in subsidiaries		**(16,174)**	—
Gain on disposal of partial interests in subsidiaries		**1,715**	—
Gain on disposal of interests in investment properties		**—**	9,060
Gain on disposal of prepaid lease payments		**—**	90,320
Profit before taxation		**242,573**	321,293
Taxation			
— Current and deferred tax	*6*	**(27,316)**	(42,681)
— Release of deferred taxation upon disposal of subsidiaries		**98,529**	—
Profit for the year	*5*	**313,786**	278,612
Attributable to:			
Equity holders of the company		**325,369**	276,644
Minority interests		**(11,583)**	1,968
		313,786	278,612
Dividends paid	*7*	**39,734**	15,290
Dividends proposed	*7*	**39,525**	39,734
Earnings per share			
Basic	*8*	**HK6.57 cents**	HK 6.69 cents
Diluted	*8*	**HK5.89 cents**	HK 6.18 cents

CONSOLIDATED BALANCE SHEET

AT 31ST MARCH, 2008

	2008	2007
	HK$'000	*HK$'000*
Non-Current Assets		
Investment properties	**36,500**	736,000
Property, plant and equipment	**10,951**	10,131
Prepaid lease payments	**105,137**	14,857
Available-for-sale investments	**7,941**	7,786
Club memberships	**6,860**	6,860
Interests in jointly-controlled entities	**106,396**	13,268
Interests in associates	**39,378**	7,868
Amount due from an associate	**33,586**	34,120
Deferred tax asset	**2,675**	1,467
	349,424	832,357
Current Assets		
Trade and other receivables	**8,620**	15,198
Prepaid lease payments	**2,767**	381
Deposit paid for acquisition of properties held for sales	**176,201**	185,256
Investments held for trading	**86,242**	118,797
Properties held for sale	**3,190,668**	1,789,030
Amounts due from jointly-controlled entities	**274,646**	44,917
Amounts due from associates	**8,254**	5,023
Taxation recoverable	**1,231**	1,376
Pledged bank deposits	**136,701**	272,396
Bank balances and cash	**929,650**	336,093
	4,814,980	2,768,467
Current Liabilities		
Trade and other payables	**119,660**	39,566
Derivative financial instruments	**18,666**	—
Convertible notes — due within one year	**3,310**	1,596
Taxation payable	**33,456**	22,286
Amounts due to minority shareholders	**10,376**	7,604
Amount due to an associate	**4,000**	—
Bank borrowings — due within one year	**121,818**	290,280
	311,286	361,332
Net Current Assets	**4,503,694**	2,407,135
	4,853,118	3,239,492

	2008	2007
	HK$'000	*HK$'000*
Capital and Reserves		
Share capital	**39,555**	39,413
Reserves	**2,438,240**	2,062,609
Equity attributable to equity holders of the company	**2,477,795**	2,102,022
Minority interests	**43,160**	—
Total Equity	**2,520,955**	2,102,022
Non-Current Liabilities		
Bank borrowings — due after one year	**1,846,880**	928,118
Convertible notes — due after one year	**472,224**	119,606
Deferred tax liabilities	**13,059**	89,746
	2,332,163	1,137,470
	4,853,118	3,239,492

NOTES :

1. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for the first time, a number of new standard, amendment and interpretations ("new HKFRSs") issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning on or after 1st April, 2007.

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) — Int 8	Scope of HKFRS 2
HK(IFRIC) — Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) — Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) — Int 11	HKFRS 2: Group and Treasury Share Transactions

Except for the changes in disclosures as set out below, the adoption of these new HKFRSs has no material impact on the Group's results and financial position for the current or prior years, and does not result in any significant changes in the accounting policies of the Group.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 8	Operating Segments[1]
HK(IFRIC) — Int 12	Service Concession Arrangements[3]
HK(IFRIC) — Int 13	Customer Loyalty Programmes[4]
HK(IFRIC) — Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[3]

[1] Effective for annual periods beginning on or after 1st January, 2009
[2] Effective for annual periods beginning on or after 1st July, 2009
[3] Effective for annual periods beginning on or after 1st January, 2008
[4] Effective for annual periods beginning on or after 1st July, 2008

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

2. SEGMENTAL INFORMATION

Business segments

An analysis of the Group's revenue contribution to segment results by business segments is as follows:

	Property trading *HK$'000*	Property rental *HK$'000*	Securities investment *HK$'000*	Consolidated *HK$'000*
For the year ended 31st March, 2008				
Gross proceeds	**388,069**	**14,465**	**277,935**	**680,469**
Revenue				
Rental income	**67,366**	**14,465**	**—**	**81,831**
Income from sales of properties	**320,703**	**—**	**—**	**320,703**
	388,069	**14,465**	**—**	**402,534**
Interest income and dividend income	**—**	**—**	**7,566**	**7,566**
Segment revenue	**388,069**	**14,465**	**7,566**	**410,100**
RESULT				
Segment results	**156,335**	**69,278**	**(35,194)**	**190,419**
Unallocated expenses				**(16,267)**
Other income				**48,818**
Finance costs				**(120,842)**
Share of results of jointly-controlled entities	**92,691**	**58,933**	**—**	**151,624**
Share of results of associates	**3,280**	**—**	**—**	**3,280**
Loss on disposal of interests in subsidiaries	**—**	**(16,174)**	**—**	**(16,174)**
Gain on disposal of partial interests in subsidiaries	**1,715**	**—**	**—**	**1,715**
Profit before taxation				**242,573**
Current and deferred tax				**(27,316)**
Release of deferred taxation upon disposal of subsidiaries				**98,529**
Profit for the year				**313,786**

	Property trading HK$'000	Property rental HK$'000	Securities investment HK$'000	Consolidated HK$'000 (restated)
For the year ended 31st March, 2007				
Gross proceeds	65,346	36,212	453,805	555,363
Revenue				
Rental income	47,766	36,212	—	83,978
Income from sales of properties	17,580	—	—	17,580
	65,346	36,212	—	101,558
Interest income and dividend income	—	—	9,880	9,880
Segment revenue	65,346	36,212	9,880	111,438
RESULT				
Segment results	121,889	154,477	47,950	324,316
Unallocated expenses				(6,506)
Other income				36,410
Finance costs				(42,110)
Share of results of jointly-controlled entities	(294)	(75)	—	(369)
Share of results of associates	492	—	—	492
Gain on disposal of interests in investment properties	—	9,060	—	9,060
Profit before taxation				321,293
Taxation				(42,681)
Profit for the year				278,612

Geographical segments

Over 90% of the Group's revenue by location of customers were derived from property trading and property rental regarding to properties located in Hong Kong, and no geographical segments are presented.

3. OTHER INCOME

	2008 *HK$'000*	2007 *HK$'000*
Bank interest income	**31,534**	29,255
Income from a jointly-controlled entity *(Note 1)*	**11,902**	—
Amortisation of financial guarantee contracts	**1,155**	1,310
Dividend income from an associate *(Note 2)*	**—**	664
Others	**4,227**	5,181
	48,818	36,410

Note 1: The amount represents the income from the jointly-controlled entity in connection with the disposal of its properties.

Note 2: The amount represented the excess of dividend income from an associate over the carrying amount of the interest in that associate.

4. FINANCE COSTS

	2008	2007
	HK$'000	*HK$'000*
Interests on:		
Bank borrowings wholly repayable within five years	**34,788**	5,406
Bank borrowings not wholly repayable within five years	**57,215**	30,104
Convertible notes wholly repayable within five years	**28,839**	6,600
	120,842	42,110

5. PROFIT FOR THE YEAR

	2008	2007
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Total staff costs	**33,189**	18,624
Auditor's remuneration	**833**	850
Depreciation of property, plant and equipment	**4,178**	3,840
Release of prepaid lease payments	**2,767**	427
Cost of properties held for sale recognised as an expense	**173,577**	17,695
Loss on disposal of property, plant and equipment	**597**	1,760
Impairment loss on properties held for sales	**11,889**	—
and after crediting:		
Net rental income in respect of investment properties after outgoings of HK$2,376,000 (2007: HK$5,319,000)	**12,089**	30,893

6. TAXATION

	2008	2007
	HK$'000	*HK$'000*
The charge comprises:		
Hong Kong Profits Tax		
— Current year	**18,301**	23,262
— Underprovision in prior years	**220**	1,176
	18,521	24,438
Deferred taxation charge for the year	**8,795**	18,243
	27,316	42,681

Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profit for the year.

On 16th March, 2007, the National People's Congress promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the People's Republic of China. On 6th December, 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations will change the tax rate from 33% to 25% for all PRC subsidiaries of the Company from 1st January, 2008. The Company's subsidiaries in PRC applied tax rate of 33% to provide for current tax for the year before the New Law becomes effective.

7. DIVIDENDS

	2008	2007
	HK$'000	*HK$'000*
Proposed final dividend of HK0.8 cents per share for 2008 (2007: HK0.8 cents per share for 2007)	**39,525**	39,734
Final dividend of HK0.8 cents per share for 2007 (2007: HK1.7 cents per share for 2006) recognised as distribution during the year	**39,734**	15,290

The final dividend of HK0.8 cents (2007: HK0.8 cents) per share had been proposed by the directors and is subject to approval by shareholders in general meeting.

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	2008	2007
	HK$'000	*HK$'000*
Earnings		
Earnings for the purpose of basic earnings per share: (profit for the year attributable to equity holders of the company)	**325,369**	276,644
Effect of dilutive potential ordinary shares:		
Interest on convertible notes	**28,839**	6,600
Earnings for the purpose of diluted earnings per share	**354,208**	283,244
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (in thousands)	**4,951,507**	4,134,048
Effect of dilutive potential ordinary shares (in thousands):		
Share options	**149,066**	148,478
Convertible notes	**909,118**	302,675
Weighted average number of ordinary shares for the purpose of diluted earnings per share (in thousands)	**6,009,691**	4,585,201

The weighted average number of ordinary shares for both years for the purpose of basic and diluted earnings per share has been adjusted to reflect the effect of share subdivision.

REVIEW OF THE RESULTS

The Group reported a total gross revenue of approximately HK$680.5 million for the year ended 31st March, 2008, which was mainly generated from sale of properties and rental income of approximately HK$402.5 million, securities investment of approximately HK$278 million, representing an increase of 22.5% from approximately HK$555.4 million recorded in last year.

The Group reported a consolidated profit attributable to the equity shareholders of the Company of HK$325.4 million for the year ended 31st March, 2008, represented an increase of 17.6% compared with HK$276.6 million reported in 2007.

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a healthy liquid position which included bank balance and cash of approximately HK$1,066.3 million, and liquid investment for trading of approximately HK$86.2 million. The Group generally financed its operations through its internal resources and bank facilities provided by its principal bankers.

As at 31st March, 2008, the Group had net current assets of approximately HK$4,503.7 million (31st March, 2007: net current assets of approximately HK$2,407.1 million) and a current ratio of 15.5 (31st March, 2007: 7.7).

On 13th July, 2007, the Company raised a total of approximately HK$390 million from the issuance of convertible notes to renowned international institutional investors, and the total liabilities portion of convertible notes increased from approximately HK$121.2 million as at 31st March, 2007 to approximately HK$475.5 million as at 31st March, 2008.

The Group's short-term bank borrowing decreased from approximately HK$290.3 million as at 31st March, 2007 to approximately HK$121.8 million as at 31st March, 2008, and long-term bank borrowing increased from approximately HK$928.1 million as at 31st March, 2007 to approximately HK$1,846.9 million as at 31st March, 2008. All the bank borrowings were utilized in financing the Group's properties acquisitions. As a result, the Group's total bank borrowing increased from approximately HK$1,218.4 million as at 31st March, 2007 to approximately HK$1,968.7 million as at 31st March, 2008, and the Group's ratio of total debt to total assets was 47.3% (At 31st March, 2007: 37.2%). All bank borrowings were denominated in Hong Kong dollars and were on a floating rate basis at short-term inter-bank offer rates. The maturity profile spread over a period of 10 years with approximately HK$121.8 million repayable within one year, HK$966 million repayable between one to five years, and HK$880.9 million over five years.

The majority of the Group's assets and liabilities were denominated in Hong Kong dollars and US dollars. As such, the fluctuation of foreign currencies did not have a significant impact on the performance, result and operation of the Group.

EMPLOYEE

The Group's employees are remunerated in line with the prevailing market terms and individual performance, with the remuneration package and policies reviewed on a regular basis. In addition to salaries, discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and the individual employee.

CONTINGENT LIABILITIES

	2008	2007
	HK$'000	*HK$'000*
Corporate guarantee given by the Group for banking facilities granted to associates	**107,976**	107,976
Corporate guarantee given by the Group for banking facilities granted to jointly-controlled entities	**244,133**	65,000
	352,109	172,976

At 31st March, 2008, amounts of HK$71,800,000 (2007: HK$65,708,000) had been utilised by its associates and HK$204,633,000 (2007: HK$60,200,000) had been utilised by its jointly controlled entities.

Out of guarantee amount at 31st March, 2008, HK$92,000 and HK$3,495,000 (2007: HK$2,120,000 and HK$3,495,000) was recognised in the Group's financial statements as financial guarantee contracts given to jointly controlled entities and associates respectively.

PLEDGE OF ASSETS

At balance sheet date, the following assets were pledged to secure banking facilities granted to the Group:

	2008	2007
	HK$'000	*HK$'000*
Investment properties	**—**	700,000
Property, plant and equipment	**2,128**	—
Prepaid lease payments	**93,047**	—
Properties held for sales	**3,028,300**	1,480,615
Bank deposits	**136,701**	272,396
	3,260,176	2,453,011

The Group also executed the assignment of rental income and sales proceeds on disposal of properties over the investment properties and properties held for sale to banks to secure the banking facilities granted to the Group.

CAPITAL COMMITMENTS

	2008	2007
	HK$'000	*HK$'000*
Capital expenditure in respect of		
— the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	**1,095**	5,321
— the establishment of a subsidiary in the People's Republic of China	**9,797**	13,082
	10,892	18,403

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 22nd August, 2008 to Wednesday, 27th August, 2008, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend which, if approved, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 21st August, 2008.

THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the year, the Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code of conduct regarding directors' securities transactions. Based on specific enquiry of all the directors of the Company, the directors complied throughout the year in review with the required standards as set out in the Model Code.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Group is obliged to comply with the requirements for continue listing on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and is committed to practice high standard of corporate governance in its daily management and operations. The Group follows and applies the principles of the Code on Corporate Governance Practices (the "Corporate Governance Code") in Appendix 14 to the Listing Rule in the year under review, except that (i) the Company does not have the position of chief executive officer, and (ii) the non-executive directors have not been appointed for a specific term, but subject to re-election only.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, the Company repurchased its listed securities through the Stock Exchange as follows:

Month of the repurchases	**Total number of ordinary shares repurchased**	**Highest price paid per share** *HK$*	**Lowest price paid per share** *HK$*	**Aggregate consideration** *HK$*
September 2007	17,680,000	0.395	0.365	6,761,000
January 2008	4,650,000	0.390	0.390	1,813,500

The above shares were cancelled upon repurchase.

Save as disclosed above, neither the Company nor its subsidiaries purchased, sold or redeem any of the Company's listed securities during the year.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the financial statements for the year ended 31st March, 2008.

ANNUAL GENERAL MEETING

The 2008 Annual General Meeting of the Company will be held on 27th August, 2008.

PUBLICATION OF RESULT ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange at www.hkex.com.hk under "Latest Listed Company Information" and on the website of the Company at www.csigroup.hk. The Annual Report and the Notice of Annual General Meeting will be published on the website of the Stock Exchange and despatched to the shareholders in due course.

By order of the Board
Chung Cho Yee, Mico
Non-Executive Chairman

Hong Kong, 24th July, 2008

As at the date of this announcement, Mr. Chung Cho Yee, Mico is the non-executive chairman, Mr. Hubert Chak, Mr. Kan Sze Man and Mr. Chow Hou Man are the executive directors, Dato' Wong Sin Just, Dr. Lam Lee G. and Mr. Cheng Yuk Wo are the independent non-executive directors.