

CP1 ANNOUNCES \$36.8 MILLION NET PROFIT UP 20.7% ON FY06 RESULTS

Property developer and hotels operator CP1 Limited has delivered a record net profit after tax (NPAT) of \$36.8 million up 20.7% on the FY06 result of \$30.5m. This result was achieved on revenue of \$138.8 million (\$149.5m).

The Directors have announced a dividend of 6 cents per share will be paid on 30 November 2007. The dividend will be 33.33% franked.

Land sales at Martha Cove, the Company's residential and marina development on the Mornington Peninsula near Melbourne, were a major contributor to the result.

Martha Cove

CEO and Managing Director Phil Sullivan said settlements at Martha Cove in the second half of the financial year contributed pre-tax profit of \$40.5 million consistent with the previous year. This profit was achieved on settled sales of \$120 million.

"Sales at Martha Cove underpinned the performance of CP1 and we expect sales to remain strong in line with the growing demand for waterfront homes with marina berths."

"Construction is ahead of schedule with only one stage of the civil works remaining to be completed and we're now waiting for development approval to start work on the commercial centre," Mr Sullivan said.

Hotels

The Paradise Resort and Gold Coast International Hotels contributed \$4 million up from \$3.4million in the previous year.

The Gold Coast International Hotel and adjacent developable land was acquired in a 50/50 joint venture with Raptis Group in April 2007 when the two parties formed special purpose vehicle CIRA International Pty Ltd.

CP1 manages the GCI Hotel and Raptis Group will undertake the development of the adjacent site with up to three towers to be built.

The sale of 49% of Paradise Resort for \$45 million to Azzura contributed \$10 million to pre-tax profit. Azzura will construct the first of four towers planned for the site.

Pre-commitments on units in the first tower are now in excess of \$50 million.

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Grocon

Interests associated with construction and development company Grocon became a substantial shareholder in June 2007 acquiring a 17.9% interest in CP1 for \$34 million.

“We’ve entered a new phase of growth through this strategic alliance with Grocon which will allow us to identify and unlock further opportunities in a range of property sectors,” said Mr Sullivan.

As a result of the Grocon alliance, Grocon CEO Daniel Grollo and CFO Stephen Scanlon have joined the Board of CP1.

“The inclusion of Daniel Grollo and Stephen Scanlon to the CP1 Board provides construction capabilities which will complement CP1’s existing development experience and help drive continued growth,” Mr Sullivan said.

Capital raising

The company raised \$76.8 million in January 2007 through the exercise of bonus options at 80 cents.

The raising was used for the acquisition of the Gold Coast International and to reduce debt.

Forecast

Mr Sullivan said CP1 is in great strategic shape.

“Our alliances, joint ventures and established relationships provide CP1 with a solid platform for its next growth phase.”

“We will continue to add value to our portfolio as we capitalise on a strong pipeline of project opportunities arising from our focus on leisure and lifestyle and in those regions identified for future growth,” said Mr Sullivan.

Full year	2007	2006
Revenue(\$m)	138.8	149.5
Profit before tax (\$m)	55.1	43.0
Net profit (\$m)	36.8	30.5
EPS	18.01c	27.66c

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About CP1 Limited

CP1 Limited is a property development company incorporated in March 2002 and listed on the Australian Stock Exchange in January 2003 (ASX: CPK).

CP1's projects include industrial, commercial and residential property developments in geographical areas that are set to experience above average growth rates.

Current operations include the Martha Cove waterfront residential and marina project on Victoria's Mornington Peninsula.

CP1 has 50% of the Paradise Resort complex including adjacent development land and 50% of the Gold Coast International Hotel together with further development land on Queensland's Gold Coast. CP1 also has a 50% ownership of the Lake Views industrial and residential estate in Victoria. Website: www.cp1.com.au

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Copies of releases:

Copies of previous media and ASX announcements issued by CP1 Limited are available at CP1's website at www.cp1.com.au