PRESS RELEASE 31 May 2011

CHEVALIER PACIFIC HOLDINGS LIMITED ANNOUNCE 2010/11 ANNUAL RESULTS

* * * * *

For the year ended 31 March	2010/11	2009/10
Revenue	HK$ 316 million	HK$238 million
Profit/(Loss) attributable to equity holders	HK$ 148 million	HK$(22.1) million
Loss per share	HK2.21 cents	HK1.22 cents

Note: Revenue and loss per share for CPHL are derived from continuing operations only.

Chevalier Pacific Holdings Limited ("CPHL"; stock code: 508.hk) today announced its annual results for the year ended 31 March 2011.

CPHL's ongoing operations during the year under review amounted to HK$316 million, which was 33% or HK$78.2 million more than what it achieved during the previous year. The HK$147 million profit for the year included a loss of HK$52.6 million on ongoing operations and a significant profit of HK$199 million from discontinued operations, mainly due to a gain on the disposal of 80% equity interest in Pacific Coffee Companies. The profit attributable to the Company's equity holders was HK$148 million, compared with a loss of HK$22.1 million last year. The loss per share on ongoing operations was HK2.21 cents, compared with loss of HK1.22 cents last year, while the overall earnings per share for the year was HK6.29 cents (2010: loss of HK1.02 cents).

The Board of Directors does not recommend the payment of any final dividend for the year (2010: HK0.5 cent). Except the special dividend of HK13.6 cents per share paid on 30 July 2010, no interim dividend was paid during the year (2010: HK0.1 cent). The total dividend for the year amounted to HK13.6 cents (2010: HK0.6 cent) per share.

Casual Dining

The Group strengthened its food and beverages business with the merger of Cafe Deco and Igor's in December 2010. This will position it better to take advantage of the region's fast-growing and lucrative lifestyle food and beverages market.

As of 31 March 2011, the Cafe Deco Group operated 40 outlets, whereas Igor's had 34 outlets prior to the merger. Because of the opening of Berliner and Wildfire in Soho East, the total number of Igor's outlets was unchanged by the closure of Wildfire Airport and Cavern upon the expiry of lease during the financial year. After the merger, Cafe Deco Group opened one new outlet. At the end of the financial year, the Cafe Deco Group's outlets consisted of 30 restaurants and bars, 7 Wildfire chain stores and 3 specialty kiosks.

The Group made vigorous efforts to increase its revenue and raise awareness of its brand by partnering with a number of new media and platforms such as Groupon, a deal-of-the-day website that has amassed 35 million registered users worldwide. In addition, merging the databases of the Cafe Deco Group's loyalty programme has boosted its operational effectiveness. Riding on the economy's recovery and the Group's continued emphasis on branding, product quality and services, same-store sales of Igor's grew by 4.51% during the year under review. After the integration, the Group will further enhance its standardised back-office processes and human resources allocation systems, with the view to creating greater efficiency and synergy in its operations in the coming financial year.

Pacific Coffee

China Resources Enterprise, Limited ("CRE") has become the Group's new strategic partner and Pacific Coffee Companies' major shareholder. CRE's presence will give Pacific Coffee Companies fresh opportunities to increase its competitiveness, build up its brand, and expand its presence in Mainland China more efficiently, due to CRE's extensive network and experience in the retail market there. The Group has retained 20% equity interest in Pacific Coffee Companies, so it will continue to benefit from the growth of its business in the coming year. The Group has also retained a seat on the board of Pacific Coffee (Holdings) Ltd in order to continue providing strategic support.

Prospects

Looking ahead, inflation and increasing rental costs will make cost control more challenging. Moreover, implementation of the minimum wage legislation will increase pressure on the Group's management concerning staff costs. However, we remain confident that our team's commitment and dedication will enable us to embrace the challenges ahead and deliver another year of sustainable growth. We will continue to expand our business presence in Hong Kong in a prudent manner, and we will leverage on opportunities for growth in Mainland China during the coming months.

- End -

For more details of the announcement, please kindly visit our website: http://www.chevalier.com

For media enquires, please contact:
Ms Elsa Yeung, Corporate Communications Department
Tel: (852) 2331 5623
Fax: (852) 2331 5606
Email: elsa_yeung@chevalier.com