



ASX/MEDIA RELEASE

29 February 2008

Indigo Pacific lifts profit 56%, sees strong full year outlook

Property development financier Indigo Pacific Capital Limited announced today net profit after tax of \$3.4 million for the half year to December 31, a rise of 56 per cent compared with a year earlier, on revenue of \$5.5 million.

Managing Director Steve Mackay said the profit result, which exceeded the earnings guidance provided in December 2007 of \$3.3 million, showed the benefit of the company's new investment strategy.

"Indigo Pacific has delivered on its promise of securing strong returns with improved certainty for investors," he said.

"Under the new policy implemented on December 1, our loan of \$46.6 million to the Indigo Group is secured by the full range of our partner's property development projects, giving greater confidence in future earnings and reducing risk by not being exposed to individual project performance."

Mr Mackay said the company was well positioned for further growth, despite current equity market volatility.

"Indigo Pacific has zero debt, and zero exposure to the US sub-prime mortgage market," he said.

"In these uncertain times, shareholders can be reassured that our funds are fully invested and we continue to benefit from funding a diverse range of property projects across a range of sectors."

Current Indigo Group projects funded by Indigo Pacific include Oceans Edge, a resort community at Palm Cove in north Queensland; Elevation, a 42-hectare residential development at Lennox Head, New South Wales; the Logan Mixed Industry and Business Area industrial land subdivision; a 57 apartment residential development at Palm Beach on the Gold Coast; and 620 Bourke Street, a commercial office building in the Melbourne CBD.

The company has forecast a fully franked dividend of seven cents per share for the 2008 financial year, which it expects to pay in September, Mr Mackay said.

"Indigo Pacific continues to perform well, offering investors a high dividend yield and has an excellent funding pipeline," he said.

<ENDS>

About Indigo Pacific Capital Limited

Indigo Pacific Capital Limited (ASX code: IPA) was founded in 2004 by City Pacific Limited (ASX code: CIY) and the privately owned Indigo Group to provide debt and/or equity funding to Indigo Group property development projects.

Based in Brisbane, Indigo Pacific provides a funding facility for residential, retail, commercial, industrial and subdivision developments.

<ENDS>

For more information:

Steve Mackay
Managing Director
Indigo Pacific Capital
07 3018 4888

For media inquiries:

Anthony Fensom
Starlink Media
07 3367 1488
anthony@starlinkmedia.com.au