



Ying Li International Real Estate Ltd
(Company Registration No: 199106356W)

Financial Statements and Dividend Announcement for the 4th Quarter and Full Year Results ended 31 December 2011

Part 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Board of Directors announces the unaudited results of the Group for the 4th quarter and twelve months ended 31st December 2011.

	Group					
	4th Qtr	4th Qtr	Increase /	Jan to Dec	Jan to Dec	Increase /
	2011	2010	(Decrease)	2011	2010	(Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Revenue	495,416	35,743	1,286.1%	597,863	97,862	510.9%
Cost of sales	(292,744)	(16,069)	1,721.8%	(361,143)	(33,011)	994.0%
Gross profit	202,672	19,674	930.2%	236,720	64,851	265.0%
Other income	12,096	(6,871)	n.m.	17,102	9,884	73.0%
Selling expenses	(15,036)	(1,267)	1,086.7%	(27,192)	(5,315)	411.6%
Administrative expenses - Normal recurring	(15,725)	(9,036)	74.0%	(55,839)	(38,536)	44.9%
Administrative expenses - CB related exp/forex	-	-	-	-	(5,008)	n.m.
Administrative expenses - Land Appreciation Tax	12,100	-	n.m.	-	-	-
Fair value gain on investment properties	229,999	355,058	(35.2%)	229,999	355,058	(35.2%)
Finance costs	(7,636)	(11,959)	(36.1%)	(19,448)	(57,150)	(66.0%)
Profit before Income Tax	418,470	345,599	21.1%	381,342	323,784	17.8%
Taxation - Current	(58,333)	1,519	n.m.	(62,256)	(5,344)	1,065.0%
- Deferred	(48,674)	(88,513)	(45.0%)	(41,056)	(88,458)	(53.6%)
Profit for the period	311,463	258,605	20.4%	278,030	229,982	20.9%
Foreign currency translation differences(at nil tax)	9,893	(1,560)	n.m.	47,427	(4,164)	n.m.
Total comprehensive income for the period	321,356	257,045	25.0%	325,457	225,818	44.1%
Profit attributable to:						
Owners of the parent	308,265	255,997	20.4%	277,030	226,883	22.1%
Non-Controlling Interest (NCI)	3,198	2,608	22.6%	1,000	3,099	(67.7%)
	311,463	258,605	20.4%	278,030	229,982	20.9%
Total comprehensive income attributable to:						
Owners of the parent	318,158	254,437	25.0%	324,457	222,719	45.7%
Non-Controlling Interest (NCI)	3,198	2,608	22.6%	1,000	3,099	(67.7%)
	321,356	257,045	25.0%	325,457	225,818	44.1%

n.m. - not meaningful

1(b) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31-Dec-11 RMB ('000)	31-Dec-10 RMB ('000)	31-Dec-11 RMB ('000)	31-Dec-10 RMB ('000)
ASSETS				
Non-current assets:				
Property, plant and equipment	11,380	18,502	49	117
Investment in subsidiaries	-	-	2,827,186	2,826,991
Investment properties	2,564,821	2,243,571	-	-
Prepayment	8,087	1,708	-	-
Total non-current assets	2,584,288	2,263,781	2,827,235	2,827,108
Current assets:				
Land for development	7,418	7,418	-	-
Development properties	2,828,524	2,271,277	72,584	-
Trade and other receivables	171,750	59,897	1,019	864
Amount due from subsidiaries	-	-	1,625,108	1,538,878
Amount due from shareholder	-	4	-	4
Cash at bank - restricted	44,587	22,209	22,392	-
Cash and cash equivalents	298,258	596,150	3,383	259,585
Total current assets	3,350,537	2,956,955	1,724,486	1,799,331
Total assets	5,934,825	5,220,736	4,551,721	4,626,439
EQUITY AND LIABILITIES				
Capital and reserves:				
Capital contribution	3,528,339	3,527,574	3,528,339	3,527,574
Reverse acquisition reserve	(1,993,711)	(1,993,711)	-	-
Statutory common reserve	12,644	12,644	-	-
Convertible bonds (equity component)	49,444	49,444	49,444	49,444
Exchange fluctuation reserve	34,609	(12,818)	(12,484)	25,626
Retained profits	1,190,631	913,601	(109,514)	(79,634)
	2,821,956	2,496,734	3,455,785	3,523,010
Non-Controlling Interest	55,048	54,048	-	-
Total equity	2,877,004	2,550,782	3,455,785	3,523,010
Non-current liabilities:				
Deferred taxation	348,635	307,579	-	-
Other borrowings - unsecured	19,477	-	-	-
Convertible bonds (liability component)	951,366	979,594	951,366	979,594
Total non-current liabilities	1,319,478	1,287,173	951,366	979,594
Current liabilities:				
Trade and other payables	664,164	646,847	3,196	123,835
Amount owing to subsidiaries	-	-	118,982	-
Provision for taxation	108,360	70,074	-	-
Other borrowings - unsecured	73,038	-	-	-
Bank borrowings - secured	892,781	665,860	22,392	-
Total current liabilities	1,738,343	1,382,781	144,570	123,835
Total equity and liabilities	5,934,825	5,220,736	4,551,721	4,626,439

Notes to Statement of Financial Position

1) Cash at bank - restricted

This relates to money placed with the banks for outstanding loans.

2) Trade and other receivable comprises of:

	Group		Company	
	31-Dec-11 RMB ('000)	31-Dec-10 RMB ('000)	31-Dec-11 RMB ('000)	31-Dec-10 RMB ('000)
Trade receivables	128,653	18,259	-	-
Other receivables:				
- Rental deposits	519	548	501	527
- Prepayments	4,090	2,168	238	306
- Staff advances and allowances	221	40	-	-
- Advance to sub-contractors	24,260	31,674	-	-
- Advance to management agents	3,600	3,600	-	-
- Advance to legal services	500	500	-	-
- Refundable deposits	8,322	-	-	-
- Others	1,585	3,108	280	31
	<u>171,750</u>	<u>59,897</u>	<u>1,019</u>	<u>864</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	Group			
	31-Dec-11		31-Dec-10	
	Secured RMB ('000)	Unsecured RMB ('000)	Secured RMB ('000)	Unsecured RMB ('000)
Amount repayable in one year or less, or on demand				
- Banks	870,389	-	665,860	-
- Others	22,392	73,038	-	-
	<u>892,781</u>	<u>73,038</u>	<u>665,860</u>	<u>-</u>
Amount repayable after one year	-	970,843	-	979,594
	<u>892,781</u>	<u>1,043,881</u>	<u>665,860</u>	<u>979,594</u>

Details of any collateral

Secured bank borrowings are generally secured against Companies' construction-in-progress and investment properties

Current bank borrowings have repayment periods between 1 and 10 years from the balance sheet date, and a repayable-upon-demand clause in the loan agreement.

Others secured borrowings are secured against S\$4.6 million cash deposit.

Of the RMB970.8 million unsecured borrowings, RMB951.4 million (net of RMB23.5 million bought back in 2011) is related to the S\$200 million 4% convertible bonds (the "Bonds") issued on the 3rd March 2010, for acquiring of new development sites, making potential strategic investments and forming potential joint ventures. The Bonds will mature on 3rd March 2015.

Utilization of proceeds which was announced as at 31 December 2011

Description	SGD (mil)	SGD (mil)
Net proceeds		191.82
Repayment to Mr Fang Ming	4.58	
Payment of the outstanding consideration and the lease tax in respect of the acquisition of the Da Ping Project land bank	12.32	
Partial payment for the acquisition of the Wu Yi Road land parcel as announced	120.00	
Payment for initial cost for Lu Zu Temple project	6.00	
Payment for initial cost for Wei Yuan land parcel	2.00	
Working capital	1.00	
Total utilised		145.90
Balance to be utilised		45.92

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	4th Qtr 2011	4th Qtr 2010	Jan to Dec 2011	Jan to Dec 2010
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Operating activities				
Profit before taxation	418,470	345,599	381,342	323,784
Adjustments for:				
Depreciation of property, plant and equipment	464	497	1,893	1,608
Fair value gain on investment properties	(229,999)	(355,058)	(229,999)	(355,058)
Interest expense	12,019	11,958	23,831	57,150
Interest income	(95)	(1,026)	(1,130)	(2,724)
Loss/(Gain) on disposal of property, plant and equipment	36	(76)	91	2
Properties, plant and equipment written off	97	77	213	78
Unrealised exchange loss	45,256	(1,888)	69,877	37,396
Operating profit before working capital charges	246,248	83	246,118	62,236
(Decrease)/increase in land for development	-	(733,100)	-	(166)
(Increase)/decrease in development properties	(201,380)	412,784	(582,373)	(696,232)
(Increase)/decrease in trade and other receivables	(149,847)	(21,044)	(137,173)	184,172
Increase/(decrease) in trade and other payables	1,547	50,313	60,976	(153,660)
Cash used in from used in operations	(103,432)	(290,964)	(412,452)	(603,650)
Interest paid	(42,717)	(12,237)	(78,161)	(40,369)
Interest received	95	1,026	1,130	2,724
Income tax paid	(9,990)	(79)	(23,970)	(15,447)
Net cash used in operating activities	(156,044)	(302,254)	(513,453)	(656,742)
Cash flow from investing activities				
Acquisition of property, plant and equipment	(1,068)	(736)	(1,643)	(4,423)
Proceed from disposal of property, plant and equipment	-	43	6,567	43
Net cash (used in)/generated from investing activities	(1,068)	(693)	4,924	(4,380)
Cash flow from financing activities				
Bank balance subject to restriction	3,881	(4,593)	(22,378)	(324)
Repayment to a director	-	-	-	(41,927)
Proceed from issuance of convertible bonds	-	-	-	936,911
Payment of interest expense on convertible bonds	-	(181)	(41,445)	(19,887)
Proceed from secured borrowings	261,809	-	358,455	250,000
Buy back of convertible bonds	-	-	(23,484)	-
Repayment of borrowings	(32,855)	(4,848)	(39,020)	(105,090)
Net cash generated from/(used in) financing activities	232,835	(9,622)	232,128	1,019,683
Net increase/(decrease) in cash and cash equivalent	75,723	(312,569)	(276,401)	358,561
Effects of exchange rate changes on cash and cash equivalents	(96)	3,127	(21,491)	4,307
Cash and cash equivalent at beginning of period	222,631	905,592	596,150	233,282
Cash and cash equivalent at end of period	298,258	596,150	298,258	596,150

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity for the period ended 31 December 2011

Group	Capital contribution	Reverse acquisition reserve	Statutory common reserve	Convertible bonds (equity component)	Translation reserve	Retained profits	Total attributable to equity holders of the Parent	Non-Controlling Interest	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at 1 January 2011	3,527,574	(1,993,711)	12,644	49,444	(12,818)	913,601	2,496,734	54,048	2,550,782
Total comprehensive income for the year	-	-	-	-	(8,569)	(4,195)	(12,764)	(326)	(13,090)
Balance at 31 March 2011	3,527,574	(1,993,711)	12,644	49,444	(21,387)	909,406	2,483,970	53,722	2,537,692
Total comprehensive income for the year	-	-	-	-	(5,108)	(16,674)	(21,782)	(1,672)	(23,454)
Balance at 30 June 2011	3,527,574	(1,993,711)	12,644	49,444	(26,495)	892,732	2,462,188	52,050	2,514,238
Total comprehensive income for the year	-	-	-	-	51,211	(10,366)	40,845	(200)	40,645
Balance at 30 September 2011	3,527,574	(1,993,711)	12,644	49,444	24,716	882,366	2,503,033	51,850	2,554,883
Total comprehensive income for the year	-	-	-	-	9,893	308,265	318,158	3,198	321,356
Issue of shares	765	-	-	-	-	-	765	-	765
Balance at 31 December 2011	3,528,339	(1,993,711)	12,644	49,444	34,609	1,190,631	2,821,956	55,048	2,877,004
Balance at 1 January 2010	3,527,574	(1,993,711)	8,952	-	(8,654)	690,408	2,224,569	50,948	2,275,517
Total comprehensive income for the year	-	-	-	-	334	(13,496)	(13,162)	(247)	(13,409)
Equity component of convertible bonds	-	-	-	49,444	-	-	49,444	-	49,444
Balance at 31 March 2010	3,527,574	(1,993,711)	8,952	49,444	(8,320)	676,912	2,260,851	50,701	2,311,552
Total comprehensive income for the year	-	-	-	-	1,140	(21,387)	(20,247)	(86)	(20,333)
Balance at 30 June 2010	3,527,574	(1,993,711)	8,952	49,444	(7,180)	655,525	2,240,604	50,615	2,291,219
Total comprehensive income for the year	-	-	-	-	(4,079)	5,767	1,688	825	2,513
Balance at 30 September 2010	3,527,574	(1,993,711)	8,952	49,444	(11,259)	661,292	2,242,292	51,440	2,293,732
Total comprehensive income for the year	-	-	1	-	(1,559)	256,000	254,442	2,608	257,050
Transfer to statutory common reserve	-	-	3,691	-	-	(3,691)	-	-	-
Balance at 31 December 2010	3,527,574	(1,993,711)	12,644	49,444	(12,818)	913,601	2,496,734	54,048	2,550,782

Statement of Changes in Equity of the Company for the period ended 31 December 2011

Company	Capital contribution	Convertible bonds (equity component)	Translation reserve	Retained profits	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at 1 January 2011	3,527,574	49,444	25,626	(79,634)	3,523,010
Total comprehensive income for the year	-	-	12,509	(6,937)	5,572
Balance at 31 March 2011	3,527,574	49,444	38,135	(86,571)	3,528,582
Total comprehensive income for the year	-	-	7,293	(7,188)	105
Balance at 30 June 2011	3,527,574	49,444	45,428	(93,759)	3,528,687
Total comprehensive income for the year	-	-	(49,566)	(6,949)	(56,515)
Balance at 30 September 2011	3,527,574	49,444	(4,138)	(100,708)	3,472,172
Total comprehensive income for the year	-	-	(8,346)	(8,806)	(17,152)
Issue of shares	765	-	-	-	765
Balance at 31 December 2011	3,528,339	49,444	(12,484)	(109,514)	3,455,785
Balance at 1 January 2010	3,527,574	-	(4,793)	(6,591)	3,516,190
Total comprehensive income for the year	-	-	(9,869)	(14,730)	(24,599)
Equity component of convertible bonds	-	49,444	-	-	49,444
Balance at 31 March 2010	3,527,574	49,444	(14,662)	(21,321)	3,541,035
Total comprehensive income for the year	-	-	(6,307)	(22,527)	(28,834)
Balance at 30 June 2010	3,527,574	49,444	(20,969)	(43,848)	3,512,201
Total comprehensive income for the year	-	-	40,516	(21,947)	18,569
Balance at 30 September 2010	3,527,574	49,444	19,547	(65,795)	3,530,770
Total comprehensive income for the year	-	-	6,079	(13,839)	(7,760)
Transfer to statutory common reserve	-	-	-	-	-
Balance at 31 December 2010	3,527,574	49,444	25,626	(79,634)	3,523,010

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

The number of shares that may be issued on conversion of outstanding Bonds at the end of the period:

	As at 31 December 2011	As at 31 December 2010
	No. of shares	No. of shares
The number of shares that may be issued on conversion of outstanding Bonds at the end of the period	249,097,023	249,097,023

No Bonds has been converted since the date of issuance.

Except for the disclosure above, the Company had no other outstanding convertibles as at 31 December 2011 and as at 31 December 2010.

Pursuant to the letter of employment related to Mr Lim Boon Ping's appointment as CFO entered into on 29 April 2008, the Company had allotted 454,545 new shares to him in 2011.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares as at 31 December 2011 was 2,162,946,974. (31 December 2010: 2,162,492,429).

- 1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Company did not hold any treasury shares as at 31 December 2011 and 31 December 2010.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not Applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Compared to the audited financial statements for the year ended 31 December 2010, the Group has adopted the same accounting policies and method of computation to prepare the financial statements for the current financial period.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not Applicable.

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**
- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	4th Qtr 2011	4th Qtr 2010	Jan to Dec 2011	Jan to Dec 2010
Earnings per ordinary share:				
(i) Based on weighted average no. of ordinary shares in issue (RMB per share)	0.143	0.118	0.128	0.105
(ii) On a fully diluted basis (RMB per share)*	0.130	0.114	0.122	NA*

Number of shares in issue:

(i) Based on weighted ave no. of ordinary shares in issue ('000)	2,162,853	2,162,492	2,162,583	2,162,492
(ii) On a fully diluted basis ('000)	2,411,950	2,411,589	2,411,680	2,369,960

* Diluted earnings per ordinary share have not been computed as it is anti-dilutive.

Earnings per ordinary share equals to the Group's profit for the financial periods attributable to the shareholders of the Company divided by the weighted average number of ordinary shares issued during the period under review.

Diluted earnings per ordinary share is calculated based on the similar basis as the earnings per share, except by applying weighted average number of ordinary shares and the number of shares deemed issued upon conversion of the outstanding convertible bonds in the respective reporting periods.

The following table indicates the profit and share numbers used in the basic and dilution earning per share computations:

	4th Qtr 2011	4th Qtr 2010	Jan to Dec 2011	Jan to Dec 2010
Profit attributable to equity holders of the parent	308,265	255,997	277,030	226,883
Less: Effect of dilutive potential ordinary shares				
- Interest on Convertible bonds	5,683	18,956	17,478	44,549
	<u>313,948</u>	<u>274,953</u>	<u>294,508</u>	<u>271,432</u>
Weighted average number of ordinary shares in issued	2,162,853	2,162,492	2,162,583	2,162,492
Add: Effect of dilutive potential ordinary shares				
- Convertible bonds	249,097	249,097	249,097	207,467
Number of ordinary shares used to calculate the diluted earning per share	<u>2,411,950</u>	<u>2,411,589</u>	<u>2,411,680</u>	<u>2,369,960</u>

- 7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010
Net Assets Value (RMB'000)	2,821,956	2,496,734	3,455,785	3,523,010
Based on existing issued share capital (RMB per share)	1.30	1.15	1.60	1.63
Net Assets Value has been computed based on the number of share issued ('000')	2,162,947	2,162,492	2,162,947	2,162,492

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

Due to the nature of our industry, recognition of properties sales is driven by project hand-over. Consequently, quarterly results may not be a good indication of profitability trend.

Revenue	Group					
	4th Qtr 2011	4th Qtr 2010	Increase / (Decrease)	Jan to Dec 2011	Jan to Dec 2010	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Sale of Properties	482,621	2,541	18,893.3%	551,459	31,182	1,668.5%
Rental Income	12,795	12,214	4.8%	46,404	45,692	1.6%
Consultancy income	-	20,988	n.m.	-	20,988	n.m.
	495,416	35,743	1,286.1%	597,863	97,862	510.9%

n.m. - not meaningful

For the three months and twelve months ended 31 December 2011

Group Revenue for the three months and twelve months ended 31 December 2011 increased by RMB459.7 million (1,286.1%) and RMB500.0 million (510.9%), to RMB495.4 million and RMB597.9 million respectively, as compared to same period last year. This was mainly due to higher revenue recorded under Sale of Properties segment.

The Group's Sale of Properties for the three months and twelve months ended 31 December 2011 increased by 480.1 million (18,893.3%) and 520.3 million (1,668.5%), to RMB482.6 million and RMB551.5 million respectively, as compared to the same period last year. The increment was the result of IFC office units and Sanyawan Phase 1A sales recognition and more investment properties units sold in New York New York, Bashu Cambridge and Sanyawan Phase 1.

The Group's Rental income for the three months and twelve months ended 31 December 2011 increased by RMB0.6 million (4.8%) and RMB0.7 million (1.6%), to RMB12.8 million and RMB46.4 million respectively, as compared to the same period last year. The increment was due to annual rental increases offset by sales of investment properties during the period.

Gross profit	Group					
	4th Qtr		%	Jan to Dec		%
	2011	2010		2011	2010	
RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)		
Sale of Properties	193,734	(9,366)	n.m.	204,639	12,722	1508.5%
Rental Income	8,938	8,052	11.0%	32,081	31,141	3.0%
Consultancy income	-	20,988	n.m.	-	20,988	n.m.
	202,672	19,674	930.2%	236,720	64,851	265.0%

n.m. - not meaningful

The Group's gross profit for the three months and twelve months ended 31 December 2011 increased by RMB183.0 million and RMB171.9 million, to RMB202.7 million and RMB236.7 million respectively, as compared to the same period last year. This was mainly due to higher sales achieved from the Sale of Properties segment.

Gross profit from the Sale of Properties segment for the three months ended 31 December 2011 recorded at RMB193.7 million. For the twelve months ended 31 December 2011, gross profit increased by RMB191.9 million to RMB204.6 million. The increase was mainly due to sale recognition of IFC office units and Phase 1A of the Sanywan project.

Gross profit from rental income for the three months and twelve months ended 31 December 2011 increased by RMB0.9 million and RMB0.9 million, to RMB8.9 million and to RMB32.1 million respectively, as compared to the same period last year. The increment was due to annual rental increases offset by sale of investment properties during the period.

Gross profit and margin	Group							
	4th Qtr		4th Qtr		Jan to Dec		Jan to Dec	
	2011		2010		2011		2010	
	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%
Sale of Properties	193,734	40.1%	(9,366)	n.m.	204,639	37.1%	12,722	40.8%
Rental Income	8,938	69.9%	8,052	65.9%	32,081	69.1%	31,141	68.2%
Consultancy income	-	-	20,988	n.m.	-	-	20,988	n.m.
	202,672	40.9%	19,674	55.0%	236,720	39.6%	64,851	66.3%

n.m. - not meaningful

The Group gross profit margin for the three months and twelve months ended 31 December 2011 decreased by 14.1 percentage points and 26.7 percentage points to 40.9% and 39.6% respectively. This is due to: (a) accounting standard requirement which result in increases the cost of units sold because of revaluation; and (b) the absence of consultancy income.

Other income

	Group			
	4th Qtr	4th Qtr	Jan to Dec	Jan to Dec
	2011	2010	2011	2010
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Subletting fee	271	279	1,125	1,087
Consultancy income	-	(10,000)	-	-
Interest income	67	1,027	1,102	2,724
Advertisement income	27	148	188	148
Infrastructure subsidy from local government	200	800	2,590	3,760
Short term rental income	75	367	531	1,650
Government grant	11,430	-	11,430	-
Others	26	508	136	515
	12,096	(6,871)	17,102	9,884

(i) Infrastructure subsidy from local government is for Phase 1 of the Sanyawan project. The subsidy is calculated based on the multiplication of taxes collected from Phase 1 of Sanyawan by the local tax authority and a fixed percentage point. The subsidy will be given over a four year period and 2011 was the 2nd year.

(ii) One-off government grant was received in related to relocation activities of the IFC project.

Selling expenses

During the period under review, selling expenses increased by RMB13.8 million to RMB15.0 million as compared to same period last year. It was mainly due to higher advertising, sale and marketing expenses incurred for IFC office sales.

Administrative expenses – Normal recurring

During the period under review, administrative expenses increased by RMB6.7 million to RMB15.7 million as compared to same period last year. This was due to higher staff cost, travelling and related expenses, a donation to the city's tree planting campaign, and was partially offset by lower stamp duty expense. Higher staff cost was a result of hiring of management and admin staffs, and annual increment.

Administrative expenses – Land Appreciation Tax ("LAT")

During the period under review, RMB9.5 million out of the total RMB12.1 million related to the Sanyawan project was off-set against the LAT provision in the period where the sales was recognized. The remaining RMB2.6 million was included in Cost of Sales for the current period.

Fair value gain on investment properties

Fair value gain for the period under review decreased by RMB125.1 million to RMB230.0 million, mainly due to fewer new assets being added to investment properties portfolio during the reviewed period compared to the same period last year.

Finance costs

During the period under review, finance cost decreased by RMB4.3 million to RMB7.6 million as compared to same period last year. This is mainly due to lower interest expense incurred from the convertible bonds. Convertible bonds interest income received from the buyback portion was offset against the bonds interest expense. Furthermore, part of the interest expense was capitalised as project cost.

Taxation

	Group					
	4th Qtr	4th Qtr		Jan to Dec	Jan to Dec	
	2011	2010	%	2011	2010	%
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Income tax	(58,333)	1,519	n.m.	(62,256)	(5,344)	1,065.0%
Deferred tax	(48,674)	(88,513)	(45.0%)	(41,056)	(88,458)	(53.6%)
	(107,007)	(86,994)	23.0%	(103,312)	(93,802)	10.1%

n.m. - not meaningful

During the period under review, income tax expense was RMB58.3 million, this arose from higher Group profit achieved due to recognition of IFC office unit sales. The effective tax rate was 25.6%, higher than the statutory tax rate of 25% due to non-deductible expenses such as provisions and expenses incurred by head office and subsidiaries incorporated in tax free countries.

During the period under review, deferred tax expense decreased by RMB39.8 million to RMB48.7 million, mainly due to lower fair value gain.

Profit attributable to owners of the parent

	Group					
	4th Qtr	4th Qtr	Increase /	Jan to Dec	Jan to Dec	Increase /
	2011	2010	(Decrease)	2011	2010	(Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Profit attributable to:						
Owners of the parent	308,265	255,997	20.4%	277,030	226,883	22.1%
Non-Controlling Interest (NCI)	3,198	2,608	22.6%	1,000	3,099	(67.7%)
	311,463	258,605	20.4%	278,030	229,982	20.9%

During the period under review, profit attributable to the Owner increased by RMB52.3 million to RMB308.3 million, mainly due to higher profit achieved from the recognition of IFC office unit sales, but a lower amount of fair value gain.

STATEMENT OF FINANCIAL POSITION

The Group's total assets increased by RMB714.1 million to RMB5,934.8 million during the period under review. The increase was mainly due to: (i) investment and development cost of RMB878.5 million as a result of incremental cost incurred on IFC and Daping project, and the increase in fair value gain; (ii) trade and other receivables of RMB111.8 million mainly due to the sale of IFC office units; and (iii) prepayment of long term expense of RMB6.4 million. These were offset by the disposal of property, plant and equipment of RMB7.1 million, and cash used of RMB275.5 million on the IFC and Daping projects.

The Group's total liabilities increased by RMB387.9 million to RMB3,057.8 million during the period under review. The net increase was mainly due to: (i) an increase in borrowings of RMB319.4 million for the incremental additional project cost incurred on IFC and Daping projects; (ii) income and deferred tax of RMB79.4 million due to higher operating profit and fair value gain from investment properties; and (iii) trade and other payables of RMB17.3 million. These were offset by a decrease in the liability component of the convertible bonds of RMB28.2 million mainly due to the buyback.

The Group's total equity increased by RMB326.2 million to RMB2,877.0 million mainly due to higher operating profit, exchange gain due to the strengthening of the exchange rate of Renminbi against Singapore Dollars and the issuance of new shares.

STATEMENT OF CASH FLOW

The increase in cash and cash equivalent of RMB75.7 million for the period under review was mainly due to:

- (i) net cash outflow of RMB156.0 million from operating activities;
- (ii) cash outflow of RMB1.1 million from investing activities; and
- (iii) net cash inflow of RMB232.8 million from financing activities.

The net cash used in operating activities include cash generated from operating profit of RMB240.7 million, offset by (i) payment of a land parcel and IFC & Daping project cost amounting to RMB201.3 million; (ii) payment of interest and tax expenses amounting to RMB52.6 million; (iii) increase in working capital by RMB142.8 million.

Cash used in investing activities of RMB1.1 million was for the purchase of property, plant and equipment.

Net cash generated from financing activities mainly include: (i) increase in borrowing by RMB261.8 million to finance the acquisition of land parcel, project development and working capital; (ii) increase in restricted cash by RMB3.9 million; and (iii) repayment of borrowings amounting to RMB32.9 million.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

In line with the Group's announcement made on 12 November 2011 with respect to the 3Q2011 results announcement, the Group remained profitable in FY 2011.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

According to the latest GDP figures released by the Chongqing Statistics Bureau and NSB (National Statistics Bureau), Chongqing's 2011 full year GDP exceeded RMB 1 trillion mark for the first time, an increase of 16.4% year-on-year. This strong growth rate places Chongqing as the fastest growing city in China. Growth rate for Foreign Direct Investment into Chongqing was also ranked first in Western China with an increase of 66.1% year-on-year to USD 10.6 billion.

Chongqing Commerce Commission announced that Chongqing 2011 full year total retail sales of consumer goods achieved RMB 341.6 billion, growing at a robust rate of 18.7% year-on-year, ranking Chongqing second in China and first in Western China.

The Chinese Central Government has begun fine-tuning China's macroeconomic and monetary policies. On 31 Nov 2011, the People's Bank of China (PBoC) eased credit tightening for the first time in three years by cutting the bank reserve requirement ratio (RRR) by 0.5 percentage point to 21%, followed by another 0.5 percentage point cut to 20.5% on 18 Feb 2012.

On 7 Feb 2012, PBoC issued a statement stating that banks must provide loans to first-time home buyers. Several Chinese banks have started to lower their interest rate on mortgages for first-time home purchasers. However, the Chinese Central Government also stated that it will maintain policies to restrict residential property speculation and stabilize property prices at the same time.

The Group continues to be positive on the outlook of Chongqing's commercial real estate sector. According to CBRE Q4 2011 PRC report, Chongqing's commercial property market grew steadily due to domestic consumption and expansion in various service industries. Office spaces recorded increased rents and vacancy rates were on the decline. The prime retail market continues to be robust as retailers continue to venture into Western China and expand in Chongqing in order to tap pent-up shopping demand from the growing middle classes.

Given that the Group focuses on development of commercial properties, the Group believes it will continue to benefit from these positive trends.

Barring any unforeseen circumstances, the Group expects to be profitable in 2012.

- 11 If a decision regarding dividend has been made:-**
- (a) Whether an interim (final) ordinary dividend has been declared (recommended)**
- No dividend was declared or recommended.
- (b)(i) Amount per share**
- Nil
- (b)(ii) Previous corresponding period**
- Nil
- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**
- Nil
- (d) The date the dividend is payable**
- Not Applicable
- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined**
- Not Applicable.
- 12 If no dividend has been declared (recommended), a statement to that effect.**
- No dividend has been declared or recommended for the period.
- 13 If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**
- No IPT mandate has been obtained from shareholders.

Part 2 - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 14 **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Business segments

31 December 2011	<u>Property Rental</u>	<u>Property Development</u>	<u>Others</u>	<u>Total</u>
REVENUE				
External revenues	46,404	551,459	-	597,863
Inter-segment revenues	-	-	-	-
Total revenue	<u>46,404</u>	<u>551,459</u>	<u>-</u>	<u>597,863</u>
RESULTS				
Segment result	32,081	147,084	-	179,165
Unallocated corporate expenses	-	-	(24,163)	<u>(24,163)</u>
Operating profit				155,002
Interest expense	-	-	(19,448)	(19,448)
Interest income	-	-	1,102	1,102
Government grant	-	11,431	-	11,431
Management fees	-	-	-	-
Subletting fee	-	-	27	27
Others	-	-	3,229	3,229
Fair value gain on investment property	229,999	-	-	229,999
Income taxes	(7,990)	(95,420)	98	<u>(103,312)</u>
Profit before taxation				<u><u>278,030</u></u>
ASSETS				
Segment assets	1,877,505	3,594,679	-	5,472,184
Unallocated assets	-	-	462,641	<u>462,641</u>
Consolidated total assets				<u><u>5,934,825</u></u>
LIABILITIES				
Segment liabilities	64,928	1,431,151	-	1,496,079
Income tax	-	(8,063)	116,424	108,361
Deferred tax	155,893	-	192,897	348,790
Unallocated liabilities	-	-	1,104,591	<u>1,104,591</u>
Consolidated total liabilities				<u><u>3,057,821</u></u>
OTHER INFORMATION				
Capital expenditure	-	-	1,643	1,643
Depreciation	-	-	1,893	1,893

31 December 2010	Property <u>Rental</u>	Property <u>Development</u>	<u>Others</u>	<u>Total</u>
REVENUE				
External revenues	45,692	31,182	20,988	97,862
Inter-segment revenues	-	-	-	-
Total revenue	<u>45,692</u>	<u>31,182</u>	<u>20,988</u>	<u>97,862</u>
RESULTS				
Segment result	22,379	14,492	-	36,871
Unallocated corporate expenses	-	-	(18,090)	<u>(18,090)</u>
Operating profit				18,781
Interest expense	-	-	(57,150)	(57,150)
Interest income	-	-	2,724	2,724
Government grant	-	-	3,760	3,760
Management fees	-	-	648	648
Others	-	-	8	8
Fair value gain on investment property	355,058	-	-	355,058
Income taxes	(94,051)	1,769	(1,562)	<u>(93,847)</u>
Profit before taxation				<u><u>229,982</u></u>
ASSETS				
Segment assets	2,165,619	2,406,602	-	4,572,221
Unallocated assets	-	-	648,515	<u>648,515</u>
Consolidated total assets				<u><u>5,220,736</u></u>
LIABILITIES				
Segment liabilities	28,365	1,263,066	-	1,291,431
Income tax	-	(2,190)	72,264	70,074
Deferred tax	88,765	-	218,814	307,579
Unallocated liabilities	-	-	1,000,870	<u>1,000,870</u>
Consolidated total liabilities				<u><u>2,669,954</u></u>
OTHER INFORMATION				
Capital expenditure	-	-	4,423	4,423
Depreciation	-	-	1,608	1,608

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to review of actual performance as disclosed in paragraph 8 of this announcement.

16 Breakdown of sales as follows:-

	<u>Group</u>		Increase/ (Decrease)
	<u>2011</u>	<u>2010</u>	
(a) Sales reported for first half year	69,190	25,325	173.2%
(b) Operating profit after tax before deducting minority interest reported for first half year	(22,868)	(35,216)	-35.1%
(c) Sales reported for second half year	528,673	72,537	n.m
(d) Operating profit after tax before deducting minority interest reported for second half year	300,898	265,198	13.5%

n.m - not meaningful

17 Breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Not Applicable.

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr Fang Xin Nian ("Mr Fang")	50	Mr Fang is the brother of Mr Fang Ming.	Mr Fang is the Manager of Materials Department. He is responsible for the management of the Department and has been in this position since 2002.	Mr Fang resigned as the Standing Vice President of San Ya Wan Aquatic Products Integrative Trading Market Development Co., Ltd in May 2011. San Ya Wan is a subsidiary of the Company.

BY ORDER OF THE BOARD

Fang Ming
Chairman and CEO
27 February 2012

Yang Xiao Yu
Executive Director