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英利国际置业
YING LI INTERNATIONAL
REAL ESTATE

YING LI INTERNATIONAL REAL ESTATE LIMITED
(Company Registration No. 199106356W)

ISSUE OF CONVERTIBLE BONDS – FINANCIAL EFFECTS OF THE ISSUE

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1. INTRODUCTION

The Board of Directors of Ying Li International Real Estate Limited (the "**Company**") refers to the announcement released earlier today with respect to the offering of Convertible Bonds due 3 March 2015 (the "**Launch Announcement**"). All capitalized terms and expressions used in this announcement shall, unless otherwise defined herein, bear the same meanings as ascribed to them in the Launch Announcement.

The Company wishes to announce the financial effects of the issue of the Convertible Bonds on the Group (as defined below).

2. FINANCIAL EFFECTS

For purposes of illustration only, on the assumption that the Upsize Option is not exercised and including estimated issue expenses which have been set out in the computation in Sections 7(b) and 7(c) below, the proforma financial effects of the Offering on the share capital, net asset value and gearing of the Group, based on the unaudited consolidated financial information of the Company and its subsidiaries (collectively, the "**Group**") as at 30 September 2009, taking into consideration net proceeds received from the placement of 253,200,000 new Shares by the Company on 26 November 2009 (the "**26 November 2009 Placement**"), are as follows:

(a) Share Capital	**No. of Shares ('000)**
Issued and paid up share capital	2,162,492[(1)]

Conversion Shares to be issued upon conversion of the Firm Bonds	249,097
Issued and paid up share capital after issuance of the Conversion Shares, and after conversion of the Firm Bonds	2,411,589

In the event that the Optional Bonds are fully converted, the number of Shares outstanding will be increased by 93,411,000 shares.

(b) Net Asset Value ("NAV")	**RMB ('000)**
NAV based on unaudited accounts as at 30 September 2009	1,452,041
Net proceeds received from the 26 November 2009 Placement	718,129
Adjusted NAV before the issue of the Firm Bonds	**2,170,170**
Fair value of the equity component of the Firm Bonds allocated from liabilities	130,765
Adjusted NAV after the issue of the Firm Bonds but before any conversion	2,300,935
NAV per Share before the issue of the Firm Bonds	RMB1.00
NAV per Share before the conversion of the Firm Bonds	RMB1.06
Adjusted NAV after the issue of the Firm Bonds and after conversion of the Firm Bonds	**3,272,413**
NAV per Share after the conversion of the Firm Bonds	RMB1.35

In the event that the Optional Bonds are fully converted, the NAV per share would be RMB1.40.

(c) Gearing	**RMB'000**
Net borrowings / (net cash) as at 30 September 2009[(2)]	265,422
Net proceeds received from the 26 November 2009 Placement	(718,129)
Adjusted net borrowings / (net cash) as at 30 September 2009	**(452,707)**
Net proceeds from issuance of the Firm Bonds	(933,581)
Issuance of the Firm Bonds	972,480
Fair value of the equity component of the Firm Bonds allocated to equity	(130,765)
Adjusted net borrowings / (net cash) after the issuance of the Firm Bonds but before any conversion of the Firm Bonds	**(544,573)**
Total equity as at 30 September 2009[(3)]	2,170,170
Fair value of the equity component of the Firm Bonds allocated from liabilities	130,765

Adjusted total equity after the issuance of the Firm Bonds but before any conversion of the Firm Bonds	2,300,935
Net debt to equity as at 30 September 2009	0.18[4]
Net debt to equity after 26 November 2009 Placement	Net Cash
Net debt to equity after issuance of the Firm Bonds but before conversion of the Firm Bonds	**Net Cash**
Adjusted net borrowings / (net cash) assuming full conversion of the Firm Bonds	(1,386,288)
Adjusted net equity assuming full conversion of the Firm Bonds	3,142,650
Net debt to equity after issuance of the Firm Bonds and after conversion of the Firm Bonds	**Net Cash**

Notes:

(1) Adjusted for the 26 November 2009 Placement.

(2) Net borrowings is defined as total borrowings less cash and cash equivalents (excluding restricted cash balances / deposits).

(3) Total equity refers to "Equity attributable to equity holders of the Company", adjusted for the 26 November 2009 Placement.

(4) Assuming tender deposit of RMB171.2 million at 30 September 2009, which was refunded to the Company in January 2010, were included as part of cash balances at 30 September 2009 for pro forma presentation purposes, , the net debt to equity would be 0.06.

By Order of the Board
Ying Li International Real Estate Limited

Xie Xin
Director
22 January 2010

J.P. Morgan (S.E.A.) Limited is the financial adviser to the Company in relation to the reverse takeover of the Group. This announcement has been prepared and released by the Group.