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YING LI INTERNATIONAL REAL ESTATE LIMITED

(Company Registration No. 199106356W)

(the “Company”)

ISSUE OF CONVERTIBLE BONDS – UPDATED FINANCIAL EFFECTS OF THE ISSUE

1. INTRODUCTION

The Board of Directors of the Company (the “Board”) refers to the announcements dated 22 January 2010, 5 February 2010 and 11 February 2010 (the “Prior Announcements”) relating to the proposed issue of up to S\$275 million in aggregate principal amount of 4.00% convertible bonds due 2015.

All capitalized terms and expressions used in this announcement shall, unless otherwise defined herein, bear the same meanings as ascribed to them in the Prior Announcements.

Pursuant to the release of the full year financial results announcement on 24 February 2010, the Board wishes to update the financial effects of the issue of the Convertible Bonds based on the unaudited consolidated financial information of the Group as at 31 December 2009.

2. FINANCIAL EFFECTS

For purposes of illustration only:

Assuming that the Upsize Option is not exercised, and based on the unaudited consolidated financial information of the Group as at 31 December 2009, the pro forma financial effects of the Offering on the share capital, net asset value, gearing and earnings of the Group are as follows:

(a) Share Capital

	No. of Shares ('000)
Issued and paid up share capital	2,162,492
Conversion Shares to be issued upon conversion of the Firm Bonds	249,097
Issued and paid up share capital after conversion of the Firm Bonds, and after issue of the Conversion Shares	2,411,589

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(b) Net Asset Value	RMB ('000)
NAV as at 31 December 2009	2,224,569
Fair value of the equity component of the Firm Bonds allocated from liabilities	130,243
NAV after the issue of the Firm Bonds but before any conversion of the Firm Bonds	2,354,812
NAV per Share before the issue of the Firm Bonds	RMB1.03
NAV per Share after the issue of the Firm Bonds but before any conversion of the Firm Bonds	RMB1.09
NAV after the issue of the Firm Bonds and after conversion of the Firm Bonds	3,323,800
NAV per Share after the conversion of the Firm Bonds	RMB1.38
(c) Gearing	RMB ('000)
Net borrowings / (net cash) as at 31 December 2009 ¹	329,595
Net proceeds from issue of the Firm Bonds	(929,856)
Issue of the Firm Bonds	968,600
Fair value of the equity component of the Firm Bonds allocated to equity	(130,243)
Net borrowings / (net cash) after the issue of the Firm Bonds but before any conversion of the Firm Bonds	238,096
Total equity as at 31 December 2009 ²	2,224,569
Fair value of the equity component of the Firm Bonds allocated from liabilities	130,243
Total equity after the issue of the Firm Bonds but before any conversion of the Firm Bonds	2,354,812
Net debt to equity as at 31 December 2009 ³	0.15
Net debt to equity after issue of the Firm Bonds but before the conversion of the Firm Bonds	0.50
Net borrowings / (net cash) assuming full conversion of the Firm Bonds	(600,261)
Net equity assuming full conversion of the Firm Bonds	3,193,169
Net debt to equity after the issue of the Firm Bonds and after conversion of the Firm Bonds	Net Cash

(d) Earnings

The interest expense in respect of the Convertible Bonds prior to any conversion will be at the effective rate of 6.5% each year plus the amortization of the fair value of the conversion rights recorded on the date of issue. However, it is not possible to quantify the effects of the issue of the Convertible Bonds on the earnings of the Group until the proceeds from the issue of the Convertible Bonds have been deployed.

Assuming that the Upsize Option is exercised in whole, and based on the unaudited consolidated financial information of the Group as at 31 December 2009, the pro forma financial effects of the Offering on the share capital, net asset value, gearing and earnings of the Group are as follows:

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(a) Share Capital	No. of Shares ('000)
Issued and paid up share capital	2,162,492
Conversion Shares to be issued upon conversion of the Convertible Bonds	342,508
Issued and paid up share capital after conversion of the Convertible Bonds and after issue of the Conversion Shares	2,505,000
(b) Net Asset Value	RMB ('000)
NAV as at 31 December 2009	2,224,569
Fair value of the equity component of the Convertible Bonds allocated from liabilities	179,085
NAV after the issue of the Convertible Bonds but before any conversion of the Convertible Bonds	2,403,654
NAV per Share before the issue of the Convertible Bonds	RMB1.03
NAV per Share after the issue of the Firm Bonds but before any conversion of the Convertible Bonds	RMB1.11
NAV after the issue of the Convertible Bonds and after conversion of the Convertible Bonds	3,736,011
NAV per Share after the conversion of the Convertible Bonds	RMB1.49
(c) Gearing	RMB ('000)
Net borrowings / (net cash) as at 31 December 2009 ¹	329,595
Net proceeds from issue of the Convertible Bonds	(1,278,552)
Issue of the Convertible Bonds	1,331,825
Fair value of the equity component of the Convertible Bonds allocated to equity	(179,085)
Net borrowings / (net cash) after the issue of the Convertible Bonds but before any conversion of the Convertible Bonds	203,783
Total equity as at 31 December 2009 ²	2,224,569
Fair value of the equity component of the Convertible Bonds allocated from liabilities	179,085
Total equity after the issue of the Convertible Bonds but before any conversion of the Convertible Bonds	2,403,654
Net debt to equity as at 31 December 2009 ³	0.15
Net debt to equity after issue of the Convertible Bonds but before the conversion of the Convertible Bonds	0.62
Net borrowings / (net cash) assuming full conversion of the Convertible Bonds	948,957
Net equity assuming full conversion of the Convertible Bonds	3,556,394
Net debt to equity after the issue of the Convertible Bonds and after conversion of the Convertible Bonds	Net Cash

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(d) Earnings

The interest expense in respect of the Convertible Bonds prior to any conversion will be at the effective rate of 6.5% each year plus the amortization of the fair value of the conversion rights recorded on the date of issue. However, it is not possible to quantify the effects of the issue of the Convertible Bonds on the earnings of the Group until the proceeds from the issue of the Convertible Bonds have been deployed.

Notes:

- (1) "Net borrowings" is defined as total borrowings less cash and cash equivalents (excluding restricted cash balances / deposits).
- (2) "Total equity" refers to "Equity attributable to equity holders of the Company".
- (3) Assuming that the tender deposit of RMB171.2 million as at 31 December 2009, which has been refunded to the Company in January 2010, was included as part of cash balances at 31 December 2009 for pro forma presentation purposes, the net debt to equity would be 0.07.

By Order of the Board

Ying Li International Real Estate Limited

Xie Xin

Director

24 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.