英利国际置业
YING LI INTERNATIONAL
REAL ESTATE

YING LI INTERNATIONAL REAL ESTATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199106356W)

RESPONSE TO SGX QUERIES ON ANNOUNCEMENT OF FULL YEAR RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

The Board of Directors of Ying Li International Real Estate Limited (the "**Company**") is pleased to announce its response to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX") in connection with the announcement made by the Company on 25 February 2011 with regards to the full year results for the financial year ended 31 December 2010.

Query 1

Provide details on the significant increase in investment properties

Response to Query 1

The significant increase of RMB794.2 million was due to (i) transfer of RMB325.3 million worth of development properties which were completed into investment properties; (ii) reclassified to reflect the decision to keep some land for investment as opposed for sale of RMB123.8 million from land for development; (iii) fair value gain of RMB355.1 million recognised in 4Q2010; and (iv) less RMB10.0 million of investment properties sold.

Query 2

Provide breakdown of the significant increase in development properties

Response to Query 2

Description	RMB ('000)
Opening as at 31 Dec 2009	577,545
Additions – Land cost	1,548,390
Additions – construction costs	475,695
Disposals	(5,037)
Transfer to Investment Properties	(325,316)
Closing as at 31 Dec 2010	2,271,277

Query 3

Provide reasons for the increase in borrowings

Response to Query 3

	RMB('000)
Opening as at 31 Dec 2009	499,250
New loans	250,000
Repayment of loans	(83,390)
Convertible Bonds (liability component)	979,594
Closing as at 31 Dec 2010	1,645,454

The reasons for the increase in borrowings are (i) acquisition of land parcel in Da Ping and Wu Yi Road; and (ii) for project construction costs.

Query 4

Provide breakdown of the increase in trade and other payables

Response to Query 4

Breakdown of the increase in trade and other payables as follows:

Description	RMB ('000)	RMB ('000)
Opening as at 31 Dec 2009		373,383
Trade payables	(4,899)	
Accruals – construction costs	35,500	
Accruals	(1,331)	
Advances from customers	(2,975)	
Land Appreciation Tax payables	163	
Business and other taxes payables	(2,527)	
Rental and option deposits	34,519	
Other creditors – professional fees	(175)	
Land cost payables	208,299	
Advances from subcontractors	8,759	
Commission to retailers	(1,387)	
Others	(477)	
Total movement		273,469
Closing as at 31 Dec 2010		646,852

Query 5

What does the consultancy income relate to? Please provide details.

Response to Query 5

Consultancy income relates to services provided to other developers, property agents or parties involved in property and include (i) collection of relevant information for a project; (ii) third parties risk assessment of the project; (iii) market trend and market positioning analysis; (iv) resource evaluation; (v) opinions; and (iv) sourcing of finances.

The consultancy was with respect to a commercial real estate project in the Jiangbei Walking Street (江北步行街).

Query 6

What is the infrastructure subsidy from local government?

Response to Query 6

It is a subsidy, given by the local government, to help finance infrastructure development for the seafood wholesale market at Sanyawan.

By Order of the Board
Ying Li International Real Estate Limited

Fang Ming
Director
8 March 2011