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

Financial Statement Announcement for 4th Quarter and Full Year Results ended 31 December 2012

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 2012.

	Group					
	4th Qtr 2012	4th Qtr 2011	Increase / (Decrease)	Jan to Dec 2012	Jan to Dec 2011	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Revenue	**158,790**	**491,048**	(67.7%)	**585,220**	**593,495**	(1.4%)
Cost of sales	(89,763)	(291,119)	(69.2%)	(328,415)	(359,518)	(8.7%)
Gross profit	**69,027**	**199,929**	**(65.5%)**	**256,805**	**233,977**	**9.8%**
Other income	6,972	14,836	(53.0%)	17,057	19,843	(14.0%)
Selling expenses	(9,406)	(15,036)	(37.4%)	(40,611)	(27,192)	49.3%
Administrative expenses - Normal recurring	(10,987)	(15,722)	(30.1%)	(48,117)	(55,836)	(13.8%)
Administrative expenses - Non-recurring	-	-	-	(11,818)	-	n.m.
Administrative expenses - Land Appreciation Tax	-	12,100	n.m.	-	-	-
Administrative expenses - Share based payment expense	(6,880)	-	n.m.	(20,568)	-	n.m.
Fair value gain on investment properties	378,332	229,999	64.5%	378,332	229,999	64.5%
Finance costs	2,181	(7,636)	n.m.	(15,274)	(19,448)	(21.5%)
Profit before Income Tax	**429,239**	**418,470**	**2.6%**	**515,806**	**381,343**	**35.3%**
Taxation - Current	(16,829)	(58,333)	(71.2%)	(56,292)	(62,256)	(9.6%)
- Deferred	(89,397)	(48,674)	83.7%	(81,905)	(41,056)	99.5%
Profit for the period	**323,013**	**311,463**	**3.7%**	**377,609**	**278,031**	**35.8%**
Foreign currency translation differences(at nil tax)	7,079	9,893	(28.4%)	(41,981)	47,427	n.m.
Total comprehensive income for the period	**330,092**	**321,356**	**2.7%**	**335,628**	**325,458**	**3.1%**
Profit/(Loss) attributable to:						
Owners of the parent	323,206	308,265	4.8%	377,184	277,031	36.2%
Non-Controlling Interest (NCI)	(193)	3,198	n.m.	425	1,000	(57.5%)
	323,013	**311,463**	**3.7%**	**377,609**	**278,031**	**35.8%**
Total comprehensive income attributable to:						
Owners of the parent	330,285	318,158	3.8%	335,203	324,458	3.3%
Non-Controlling Interest (NCI)	(193)	3,198	n.m.	425	1,000	(57.5%)
	330,092	**321,356**	**2.7%**	**335,628**	**325,458**	**3.1%**

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-12 RMB ('000)	31-Dec-11 RMB ('000)	31-Dec-12 RMB ('000)	31-Dec-11 RMB ('000)
ASSETS				
Non-current assets:				
Property, plant and equipment	9,549	9,755	55	49
Investment in subsidiaries	-	-	2,827,186	2,827,186
Investment properties	3,115,951	2,571,700	-	-
Prepayment	708	1,208	-	-
Total non-current assets	**3,126,208**	**2,582,663**	**2,827,241**	**2,827,235**
Current assets:				
Land for development	7,418	7,418	-	-
Development properties	3,055,431	2,830,149	149,207	72,584
Trade and other receivables	427,088	171,750	8,834	1,019
Amount due from subsidiaries	-	-	1,637,288	1,625,108
Cash and cash equivalents	758,974	342,845	17,412	25,775
Total current assets	**4,248,911**	**3,352,162**	**1,812,741**	**1,724,486**
Total assets	**7,375,119**	**5,934,825**	**4,639,982**	**4,551,721**
EQUITY AND LIABILITIES				
Capital and reserves:				
Capital contribution	3,528,339	3,528,339	3,528,339	3,528,339
Reverse acquisition reserve	(1,993,711)	(1,993,711)	-	-
Statutory common reserve	13,138	13,139	-	-
Convertible bonds (equity component)	49,444	49,444	49,444	49,444
Share-based compensation reserve	20,728	-	20,728	-
Exchange flunctuation reserve	(7,373)	34,609	22,861	(12,484)
Retained profits	1,567,320	1,190,136	(156,671)	(109,514)
	3,177,885	**2,821,956**	**3,464,701**	**3,455,785**
Non-Controlling Interest	**55,473**	**55,048**	**-**	**-**
Total equity	**3,233,358**	**2,877,004**	**3,464,701**	**3,455,785**
Non-current liabilities:				
Deferred taxation	430,541	348,635	-	-
Other borrowings - unsecured	-	19,477	-	-
Convertible bonds (liability component)	1,044,199	951,366	1,044,199	951,366
Total non-current liabilities	**1,474,740**	**1,319,478**	**1,044,199**	**951,366**
Current liabilities:				
Trade and other payables	437,959	664,164	3,862	3,196
Amount owing to subsidiaries	-	-	118,982	118,982
Provision for taxation	136,213	108,360	-	-
Deferred income	614,831			
Other borrowings - unsecured	8,238	73,038	8,238	
Borrowings-secured	1,469,780	892,781	-	22,392
Total current liabilities	**2,667,021**	**1,738,343**	**131,082**	**144,570**
Total equity and liabilities	**7,375,119**	**5,934,825**	**4,639,982**	**4,551,721**

Notes to Statement of Financial Position

Trade and other receivables comprises of:

	Group		Company	
	31-Dec-12 RMB ('000)	31-Dec-11 RMB ('000)	31-Dec-12 RMB ('000)	31-Dec-11 RMB ('000)
Trade receivables	261,783	128,653	-	-
Other receivables:				
- Rental deposits	543	519	524	501
- Prepayments	67,838	4,095	65	244
- Staff advances and allowances	477	221	-	-
- Advance to sub-contractors	5,674	24,260	-	-
- Advance to management agents	3,600	3,600	-	-
- Advance to legal services	8,152	500	7,652	-
- Refundable deposits	76,418	8,322	-	-
- Reimbursement expenses	924	-	-	-
- Others	1,679	1,580	593	274
	427,088	171,750	8,834	1,019

The increase in prepayment was due to advance payment of taxes for the Yingli International Plaza amounting to RMB47.6 million, and upfront fees for approved loan facilities that has yet to be drawn down amounting to RMB21.4 million. The increase in refundable deposits was mainly due to deposits for resettlement expenses paid to the local authorities for the Chongqing Financial Street Project amounting to RMB65.2 million.

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

	Group			
	31-Dec-12		31-Dec-11	
	Secured RMB ('000)	Unsecured RMB ('000)	Secured RMB ('000)	Unsecured RMB ('000)
Borrowings				
Amount repayable in one year or less, or on demand	1,469,780	-	892,781	73,038
	1,469,780	-	892,781	73,038
Amount repayable after one year	-	1,044,199	-	970,843
	1,469,780	1,044,199	892,781	1,043,881

Details of any collateral

Secured borrowings are generally secured against the subsidiaries' development properties under construction, completed development properties for sale, investment properties and cash deposits.

Current bank borrowings have repayment periods between 1 and 9 years from the balance sheet date. They are all classified under current liabilities, including those without a repayable-upon-demand clause in the loan agreement.

Included under unsecured borrowings is a S$195 million 4% convertible bonds (the “Bonds”) issued on 3rd March 2010 amounting to RMB1,044.2 million. The purpose of the convertible bonds is for the acquisition of new development sites, making potential strategic investments and forming potential joint ventures.

Utilization of proceeds from the Bonds which had been previously announced as at 31 December 2012:

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	10.11	
Working capital	1.00	
Total utilised		154.01
Balance to be utilised		37.81

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 2012	4th Qtr 2011	Jan to Dec 2012	Jan to Dec 2011
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Operating activities				
Profit before taxation	429,239	418,470	515,806	381,342
Adjustments for:				
Depreciation of property, plant and equipment	797	464	2,325	1,893
Fair value gain on investment properties	(388,537)	(229,999)	(388,537)	(229,999)
Interest expense	(2,181)	12,019	15,274	23,831
Interest income	(351)	(95)	(1,063)	(1,130)
Share based payment expense	6,881	-	20,568	-
Loss on disposal of property, plant and equipment	13	36	32	91
Properties, plant and equipment written off	-	97	-	213
Unrealised exchange loss	53	45,256	(2)	69,877
Operating profit before working capital charges	45,914	246,248	164,403	246,118
Increase in investment properties	(232,752)	-	(192,807)	-
Decrease/(increase) in development properties	133,941	(201,380)	(81,294)	(582,373)
Increase in trade and other receivables	(147,819)	(149,847)	(253,244)	(137,173)
Decrease in trade and other payables	191,313	1,547	412,487	60,976
Cash (used in)/ generated from operations	(9,403)	(103,432)	49,545	(412,452)
Interest paid	(11,670)	(42,717)	(67,256)	(78,161)
Interest received	351	95	1,063	1,130
Income tax paid	(9,294)	(9,990)	(28,439)	(23,970)
Net cash used in operating activities	(30,016)	(156,044)	(45,087)	(513,453)
Cash flow from investing activities				
Acquisition of property, plant and equipment	(940)	(1,068)	(2,148)	(1,643)
Property, plant and equipment written off	-	-	-	6,567
Net cash (used in)/ generated from investing activities	(940)	(1,068)	(2,148)	4,924
Cash flow from financing activities				
Payment of interest expense on convertible bonds	-	-	(40,407)	(41,445)
Proceed from loans and borrowings	409,823	261,809	818,939	358,455
Purchase back of convertible bond	-	-	-	(23,484)
Repayment of borrowings	(111,433)	(32,855)	(332,116)	(39,020)
Net cash generated from financing activities	298,390	228,954	446,416	254,506
Net increase/(decrease) in cash and cash equivalent	267,434	71,842	399,181	(254,023)
Effects of exchange rate changes on cash and cash equivalents	7,108	(96)	16,948	(21,491)
Cash and cash equivalent at beginning of period	484,432	271,099	342,845	618,359
Cash and cash equivalent at end of period	758,974	342,845	758,974	342,845

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 year ended 31 December 2012

Group	Capital contribution	Reverse acquisition reserve	Statutory common reserve	Convertible bonds (equity component)	Share-based compensation reserve	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)	RMB ('000)
Balance at 1 January 2012	3,528,339	(1,993,711)	13,138	49,444	-	34,609	1,190,136	2,821,955	55,048	2,877,003
Total comprehensive income for the year	-	-	-	-	-	(28,018)	5,541	(22,477)	(1,924)	(24,401)
Balance at 31 March 2012	3,528,339	(1,993,711)	13,138	49,444	-	6,591	1,195,677	2,799,478	53,124	2,852,602
Total comprehensive income for the year	-	-	-	-	-	(2,650)	39,601	36,951	1,099	38,050
Share-based compensation	-	-	-	-	6,810	-	-	6,810	-	6,810
Balance at 30 June 2012	3,528,339	(1,993,711)	13,138	49,444	6,810	3,941	1,235,278	2,843,239	54,223	2,897,462
Total comprehensive income for the year	-	-	-	-	-	(18,393)	8,836	(9,557)	1,443	(8,114)
Share-based compensation	-	-	-	-	7,009	-	-	7,009	-	7,009
Balance at 30 September 2012	3,528,339	(1,993,711)	13,138	49,444	13,819	(14,452)	1,244,114	2,840,691	55,666	2,896,357
Total comprehensive income for the year	-	-	-	-		7,079	323,206	330,285	(193)	330,092
Share-based compensation	-	-	-	-	6,909	-	-	6,909	-	6,909
Balance at 31 December 2012	3,528,339	(1,993,711)	13,138	49,444	20,728	(7,373)	1,567,320	3,177,885	55,473	3,233,358
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
Transfer to statutory common reserve	-	-	495	-		-	(495)	-	-	-
Issue of shares	765	-	-	-		-	-	765	-	765
Balance at 31 December 2011	3,528,339	(1,993,711)	13,139	49,444		34,609	1,190,136	2,821,956	55,048	2,877,004

Statement of Changes in Equity of the Company for the year ended 31 December 2012

Company	Capital contribution	Convertible bonds (equity component)	Share-based compensation reserve	Translation reserve	Retained profits	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at 1 January 2012	3,528,339	49,444	-	(12,484)	(109,514)	3,455,785
Total comprehensive income for the year	-	-	-	23,995	(7,416)	16,579
Balance at 31 March 2012	3,528,339	49,444	-	11,511	(116,930)	3,472,364
Total comprehensive income for the year	-	-	-	2,225	(13,704)	(11,479)
Share-based compensation	-	-	6,810	-	-	6,810
Balance at 30 June 2012	3,528,339	49,444	6,810	13,736	(130,634)	3,467,695
Total comprehensive income for the year	-	-	-	14,809	(14,901)	(92)
Share-based compensation	-	-	7,009	-	-	7,009
Balance at 30 September 2012	3,528,339	49,444	13,819	28,545	(145,535)	3,474,612
Total comprehensive income for the year	-	-	-	(5,684)	(11,136)	(16,820)
Share-based compensation	-	-	6,909	-	-	6,909
Balance at 31 December 2012	3,528,339	49,444	20,728	22,861	(156,671)	3,464,701
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)
Transfer to statutory common reserve	-	-		-	-	-
Issue of shares	765	-		-	-	765
Balance at 31 December 2011	3,528,339	49,444		(12,484)	(109,514)	3,455,785

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

There was no change in the Company's issued share capital since the end of the previous period reported on.

Convertible Bonds

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

	As at 31 December 2012	As at 31 December 2011
	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 conversion of Bonds into Shares has taken place since the date of issuance. The Exercise Price of the Convertible Bonds is S$0.8029 per Share.

Share Options - Ying Li Employee Share Option Scheme ("Ying Li ESOS")

As at 31 December 2012, the number of outstanding share options under the Ying Li ESOS was 30,281,257 (31 December 2011: Nil). Details of the options granted under the Ying Li ESOS on the un-issued ordinary shares of the Company are as follows:

Date of grant of options	Exercise price per share	Options outstanding at 1 Apr 2012	Number of options granted	Options outstanding at 31 December 2012
2 Apr 2012	S$0.278	-	28,767,257	28,767,257
23 Apr 2012	S$0.263	-	1,514,000	1,514,000
		-	30,281,257	30,281,257

Performance Shares - Ying Li Performance Share Plan ("Ying Li PSP")

At the extraordinary general meeting of the Company held on 28 April 2010, the Company's shareholders approved the adoption of the Ying Li Performance Share Plan ("Ying Li PSP").

As at 31 December 2012, the number of conditional shares granted and outstanding under the Ying Li PSP was 45,421,886 (31 December 2011: Nil). Movements in the number of performance shares during the current quarter are as follows:

Date of grant	Balance at 1 Apr 2012 / date of grant	Granted	Balance at 31 December 2012
2 Apr 2012	-	43,150,886	43,150,886
23 Apr 2012	-	2,271,000	2,271,000
	-	45,421,886	45,421,886

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 2012 was 2,162,946,974 (31 December 2011: 2,162,946,974).

The Company did not hold any treasury shares as at 31 December 2012 (31 December 2011: Nil).

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.

Not applicable.

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

The figures have not been audited nor reviewed by the Company's 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.

The Group had adopted the same accounting policies and method of computation in the financial statements for the current financial year compared to the audited financial statements for financial year 2011.

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 2012	4th Qtr 2011	Jan to Dec 2012	Jan to Dec 2011
Earnings per ordinary share:				
(i) Based on weighted average no. of ordinary shares in issue (RMB per share)	0.149	0.143	0.174	0.128
(ii) On a fully diluted basis (RMB per share)*	0.149	0.143	0.174	0.122
Number of shares in issue:				
(i) Based on weighted ave no. of ordinary shares in issue ('000)	2,162,947	2,162,492	2,162,947	2,162,492
(ii) On a fully diluted basis ('000)	2,487,747	2,411,950	2,468,501	2,411,680

* 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 that the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has three categories of dilutive potential ordinary shares: convertible bonds, share options granted under the Ying Li ESOS and conditional shares granted under the Ying Li PSP.

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

	4th Qtr 2012 RMB ('000)	4th Qtr 2011 RMB ('000)	Jan to Dec 2012 RMB ('000)	Jan to Dec 2011 RMB ('000)
Profit attributable to equity holders of the parent	323,206	308,265	377,184	277,031
Add: Effect of dilutive potential ordinary shares				
- Interest on Convertible bonds	2,209	5,683	14,014	17,478
- Share based payment expense	6,880	-	20,568	-
	332,295	313,948	411,766	294,509
Weighted average number of ordinary shares in issued	2,162,947	2,162,853	2,162,947	2,162,583
Add: Effect of dilutive potential ordinary shares				
- Convertible bonds	249,097	249,097	249,097	249,097
- Share based compensation reserve	75,703	-	56,457	-
Number of ordinary shares used to calculate the diluted earning per share	2,487,747	2,411,950	2,468,501	2,411,680

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 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011
Net Assets Value (RMB'000)	3,177,885	2,821,956	3,464,701	3,455,785
Based on existing issued share capital (RMB per share)	1.47	1.30	1.60	1.60
Net Assets Value has been computed based on the number of share issued (000')	2,162,947	2,162,947	2,162,947	2,162,947

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 the industry that the Company operates in, recognition of revenue from the sale of properties is driven by project hand-over. Consequently, quarterly results may not be a good indication of profitability trend.

Revenue	Group					
	4th Qtr 2012	4th Qtr 2011	Increase / (Decrease)	Jan to Dec 2012	Jan to Dec 2011	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Sale of Properties	131,690	478,253	(72.5%)	501,182	547,091	(8.4%)
Rental Income	27,100	12,795	111.8%	84,038	46,404	81.1%
	158,790	**491,048**	**(67.7%)**	**585,220**	**593,495**	**(1.4%)**

For the three months and twelve months ended 31 December 2012

Revenue of the Group for FY2012 decreased by RMB8.3 million (1.4%) as compared with the same period last year. As compared with prior year, revenue from the Sale of Properties decreased by RMB45.9 million (8.4%) to RMB501.2 million. The decline was primarily due to the fact that revenue from the Sale of Properties recognized in 2012 was derived solely from the contracted sales that occurred in 2012. As for 2011, revenue from the Sale of Properties recognized included all the cumulative contracted pre-sales that started in 4Q2010, plus sales from other older projects. On the other hand, Rental Income for the Group increased by RMB37.6 million (81.1%) year-on-year to RMB84.0 million. The increase is mainly attributable to increased leasing income due to more shops commencing operations in the IFC mall and more IFC office space being leased out in 2012.

Revenue of the Group for 4Q2012 amounted to RMB158.8 million, a decrease of RMB336.6 million (67.9%) as compared to 4Q2011. The decrease was mainly due to lower revenue from the Sale of Properties due to the absence of cumulative preview sales contracts of IFC office units recognized in the fourth quarter of 2011 and other older projects. The profile of booked property sales being experienced is common with an initial surge, a more constant streaming and as the number of unit available declines, sales start tapering off. The increase in the Rental Income segment was due to more retail outlets commencing operations at the IFC mall and more IFC office space being leased out in 2012.

Gross profit	Group					
	4th Qtr 2012	4th Qtr 2011		Jan to Dec 2012	Jan to Dec 2011	
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Sale of Properties	48,616	190,991	(74.5%)	192,188	201,896	(4.8%)
Rental Income	20,411	8,938	128%	64,617	32,081	101.4%
	69,027	**199,929**	(65.5%)	**256,805**	**233,977**	**9.8%**

Gross profit of the Group for 4Q2012 decreased by RMB133.6 million (65.9%) to RMB69.0 million as compared with the same period last year which is in line with the decrease in revenue. For FY2012, gross profit increased by RMB22.8 million (9.8%) as compared to prior year as a result of:

a. A decline in gross profit from the Sale of Properties segment for 4Q2012 and for the year ended 31 December 2012 by RMB145.1 million (74.9%) and RMB9.7 million (4.8%) to RMB48.6 million and RMB192.2 million, respectively due to reasons mentioned earlier under the Revenue section.

b. A rise in gross profit from rental income for 4Q2012 and the year ended 31 December 2012 by RMB11.5 million (128.0%) and RMB32.5 million (101.4%) to RMB20.4 million and RMB64.6 million respectively, due to more shops in the IFC mall commencing operations and more IFC office units being leased out in 2012.

Gross profit and margin	Group							
	4th Qtr 2012		4th Qtr 2011		Jan to Dec 2012		Jan to Dec 2011	
	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%
Sale of Properties	48,616	36.9%	190,991	40.1%	192,188	38.3%	201,896	36.9%
Rental Income	20,411	75.3%	8,938	69.9%	64,617	76.9%	32,081	69.1%
	69,027	**43.5%**	**199,929**	**40.9%**	**256,805**	**43.9%**	**233,977**	**39.4%**

The Group's overall gross profit margin for the three months and twelve months ended 31 December 2012 increased by 2.6 percentage points and 4.5 percentage points, respectively. Gross profit margin from the Sale of Properties segment increased by 1.4 percentage point in 2012 as compared to 2011 despite the decline in gross profit margin of 3.2 percentage points in 4Q 2012 as compared to the same period last year. The higher gross profit margin for the year was due to the mix of properties sold. The lower 4Q 2012 gross profit margin was mainly attributable to sale of IFC office units making up a lower proportion of total sales; IFC office units generally have a relatively higher gross profit margin. Also, the non-IFC office related sales recognized in 4Q2012 had been revalued to the fair value in prior year, resulted in lower gross profit margin when the properties was sold in 4Q2012.

Gross profit margin from the Rental Income segment for 4Q2012 increased by 5.4% as compared to the same period in 2011. The gross profit margin for the Rental Income segment increased by 7.8% y-o-y to 76.9% for the year ended 31 December 2012. This was due to the rent of IFC space that enjoys a higher margin.

Other income

	Group			
	4th Qtr 2012	4th Qtr 2011	Jan to Dec 2012	Jan to Dec 2011
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Subletting fee	231	271	957	1,125
Interest income	351	67	1,063	1,102
Advertisement income	-	27	166	188
Infrastructure subsidy from local government	-	200	8,300	2,590
Short term rental income	-	75	147	531
Government grant	6,362	11,430	6,362	11,430
Others	28	26	62	136
	6,972	12,096	17,057	17,102

(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. 2012 could be the final year for the Sanyawan project phase 1 local government Infrastructure subsidy

Other Income in 4Q2012 fell compared to 4Q2011 largely due to a sharp decline in Government Grants. However, on a year-on-year basis, Other Income was similar in 2012 as compared to 2011 mainly because the sharp decline in Government Grants was compensated for by a sharp increase in local government infrastructure subsidies.

Selling expenses

During the quarter under review, selling expenses was RMB5.6 million (37.4%) lower than 4Q2011. This was mainly due to higher advertising, sale and marketing expenses incurred for IFC office sales in 4Q2011 (the start of the another phase of marketing). However, for the whole of 2012, selling expenses was RMB13.4 million (49.3%) higher as compared to 2011. The increase was mainly due to sales and marketing costs incurred on the pre-sales activities of Ying Li International Plaza in 2012. The Ying Li International Plaza pre-sales was launched in various phases from late December 2011.

Administrative expenses

During the quarter under review, administrative expenses (normal recurring) was RMB4.7 million (30.1%) lower compared with 4Q2011. However, there was a share based payment expense amounting to RMB6.9 million incurred in 4Q 2012 that arose from the Employee Share Option Scheme and the Performance Share Plan granted on 2 Apr 2012 and 23 Apr 2012, as compared to same period last year. The lower administrative expenses was mainly due to an absence of fines paid to authorities in 2011 amounting to RMB2.4 million and lower unrealised exchange losses amounting to RMB1.2 million. In FY2012, administrative expenses (normal recurring) decreased by RMB7.7 million to RMB48.1 million as compared to FY2011.

The administrative expenses (non-recurring) of RMB11.8 million incurred in 2012 was due to charges incurred on the demolition of the existing structures at Sanyawan in anticipation of the change in allowable land usage.

Fair value gain on investment properties

Fair value gain for the period under review increased by RMB148 million to RMB378 million, mainly due to our development work which resulted in valuable investment properties being added to the portfolio during the period under review as compared to the same period last year.

Finance costs

For the quarter under review, finance expenses was RMB9.8 million lower as compared to 4Q2011. Interest expense directly attributable to projects would generally be capitalised as part of the project costs.

Taxation

	Group					
	4th Qtr 2012	4th Qtr 2011		Jan to Dec 2012	Jan to Dec 2011	
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Income tax	(16,829)	(58,333)	(71.2%)	(56,292)	(62,256)	(9.6%)
Deferred tax	(89,397)	(48,674)	83.7%	(81,905)	(41,056)	99.5%
	(106,226)	**(107,007)**	(0.7%)	**(138,197)**	**(103,312)**	**33.8%**

During the quarter under review, current income tax expense decreased by RMB 41.5 million (71.1%) to RMB 16.8 million as compared with 4Q2011 mainly due to higher taxable profit generated from the Sale of Properties in 4Q2011. Expenses arising from the share based payment were not tax deductible for the Group.

Profit/(Loss) attributable to owners of the parent

	Group					
	4th Qtr 2012	4th Qtr 2011	Increase / (Decrease)	Jan to Dec 2012	Jan to Dec 2011	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Profit attributable to:						
Owners of the parent	323,206	308,265	4.8%	377,184	277,031	36.2%
Non-Controlling Interest (NCI)	(193)	3,198	n.m.	425	1,000	(57.5%)
	323,013	**311,463**	**3.7%**	**377,609**	**278,031**	**35.8%**

n.m. - not meaningful

Overall, net profit attributable to the Owners of the parent for the quarter under review increased by RMB14.9 million to RMB323.2 million in 4Q2012.

STATEMENT OF FINANCIAL POSITION

Total Assets of the Group increased by RMB1,440.3 million to RMB7,375.1 million during the period under review. The increase in assets was mainly due to: (i) capitalisation of construction costs incurred on Ying Li International Plaza and the Chongqing Financial Street Project, (ii) increase in trade and other receivables from the sale of IFC office units and payments relating to Ying Li International Plaza residential units sales, (iii) increase in cash balances by RMB416.1 million and (iv) inclusion of gains from the revaluation of Investment Properties. These were off-set by: (i) the demolition of the existing structures at San Ya Wan in anticipation of the change in allowable land usage; (ii) amortization of long term prepayment expense, depreciation charge and disposal of Investment Properties and (iii) sale of office units in the IFC.

The Group's total liabilities increased by RMB 1,089.4 million to RMB 4,147.2 million during the period under review. The increase in liabilities was mainly due to: (i) increase in net borrowings for Ying Li International Plaza project construction cost; (ii) liability component of the convertible bonds and (iii) increase in trade and other payables and provisions for taxation. Included in trade and other payables are advance payments received from the pre-sales of residential units at Ying Li International Plaza and provisions for Land Appreciation Tax ("LAT") for IFC office unit sales.

The Group's total equity increased by RMB356.4 million to RMB3,233.4 million during the period under review. The net increase was due to translation loss, share-based compensation reserve and profits achieved for the current quarter under review.

As at 31 December 2012, the Group's total borrowings amounted to RMB2, 514.0 million with RMB95 million repayable within one year and RMB2,419.0 million repayable after one year, due to the reason highlighted in the above paragraphs.

STATEMENT OF CASH FLOW

The increased in cash and cash equivalent of RMB267.4 million for the quarter under review was mainly due to:

(i) net cash outflow of RMB30.0 million from operating activities;
(ii) net cash outflow of RMB1.0 million from investing activities; and
(iii) net cash inflow of RMB298.4 million from financing activities.

The net cash used in operating activities of RMB30.0 million include cash used in the generation of operating profit of RMB188.4 million (i.e. include changes in Investment Properties), net decrease in receivables and payables by RMB43.5 million, offset by (i) RMB133.9 million development costs incurred mainly on Ying Li International Plaza; (ii) interest and income tax payment of RMB21.0 million.

Net cash used in investing activities of RMB1.0 million relates to the purchase of property, plant and equipment.

Net cash generated from financing activities of RMB298.4 million includes: (i) increase in borrowing by RMB409.8 million mainly for the development cost of Ying Li International Plaza project; offset by (ii) repayment of borrowings amounting to RMB111.4 million.

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

The FY2012 results announced today are in line with the Group's announcement made on 14 November 2012 with respect to the 3Q 2012 results announcement where, the Directors stated that they expect the Group to remain profitable in FY 2012.

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.

Chongqing's economy continues its robust GDP growth in 2012. According to the latest figures released by the Chongqing Statistics Bureau and National Bureau of Statistics, Chongqing achieved a nominal GDP of RMB 1,145.9 billion, an increase of 13.6% year-on-year ("y-o-y") and 5.8 percentage points higher than the national average level of 7.8%. This strong growth rate places Chongqing as the fastest growing city in Western China and the second city with the highest GDP growth rate at the national level.

Based on the latest Jones Lang report[1], Grade A office performed well in absorbing occupants in 2012, accounting for a net absorption of 53,742 sqm, up 177.2% y-o-y, a record high since 2005. The total net absorption volume of Investment Grade Office space in 2012 reached 157,306 sqm, up 11.8% y-o-y, driving down the vacancy rate by 6.4 percentage points to 38.1%[2]. Strong demand continued to drive average rental rates of Grade A office up to RMB90.3 psm per month, representing a year-on-year increase of 12%. In particular, the average rental rates of Grade A office in Yuzhong district was RMB103.3 psm per month. While new supply will be coming into the market, Jones Lang expects business services and financial industries to remain active and more companies to enter Chongqing to expand businesses, contributing to the increase of new set-up demand. Meanwhile, companies' demand for upgrading is expected to remain strong as well.

[1] Information extracted from Chongqing Property Market Review Q412 by Jones Lang Laselle, January 2013
[2] Obtained from Briefing on Chongqing Office Sector published by Savills Research, October 2012

Jones Lang also noted in their latest report that retailers are actively expanding in Chongqing at both emerging and traditional submarkets and net absorption increased by 97.6% year-on-year for retail space in Chongqing. Rental rates of retail spaces decreased slightly by 3.8% y-o-y, which is mainly attributable to the lower than average rents offered by new projects in emerging submarkets. Most existing projects in traditional commercial areas enjoyed 5%-10% growth in rental rates in 2012. Jones Lang expects that Jiefangbei CBD will continue to be the major cluster of international luxury brands. New supply in 2013 may cause vacancy rates to increase, however, net absorption is expected to remain strong due to active expansion of retailers in Chongqing and the gradual maturing of the emerging submarkets.

Given that the Group focuses on development of premium commercial and integrated properties in Chongqing, particularly in the Yuzhong district, the Group believes it will continue to benefit from the strong fundamentals of Chongqing and rapid urbanisation of Western China.

To ensure that the Group has the bench strength to capitalise on these opportunities, it has appointed Mr Ko Kheng Hwa as the Chief Executive Officer and Executive Director of the Group effective 1 March 2013. Mr Ko is a very experienced professional and an acknowledged "old hand" in China property. Prior to joining us, Mr Ko held the positions of CEO of Singbridge International Singapore Pte Ltd ('Singbridge') from June 2009 to February 2013, CEO of the Sustainable Development & Living Business Division of Keppel Corporation from 2008 to 2009 and Managing Director of the Economic Development Board ('EDB') from 2001 to 2008. Mr Ko was also the CEO of JTC Corporation (a major developer of industrial and business parks and properties) and Chief Executive of the former National Computer Board.

Barring any unforeseen circumstances, the Board expects the Group to remain profitable in FY2013.

11 Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

No dividend was declared or recommended. As previously explained, the Company is currently in its growth phase and thus has need for and can generate significant returns on the cash it retains. However, the Company is committed to start paying dividends once such a situation changes.

(b) Corresponding Period of the Immediately Preceding Financial year
Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend has been declared or recommended

(c) Date payable

Not applicable.

(d) Books closure date

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 IPTs, 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

The Group has not obtained a general mandate from shareholders for IPTs**.**

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 2012	Property Rental	Property Development	Others	Total
REVENUE				
External revenues	83,857	501,363	-	585,220
Inter-segment revenues	-	-	-	-
Total revenue	83,857	501,363	-	585,220
RESULTS				
Segment result	51,367	138,433	-	189,800
Unallocated corporate expenses	-	(12,870)	(41,239)	(54,109)
Operating profit				135,691
Interest expense	(1,115)	-	(14,160)	(15,275)
Interest income	-	-	1,063	1,063
Government grant	-	-	14,662	14,662
Rental income	-	-	147	147
Subletting fee	-	-	957	957
Others	-	166	62	228
Fair value gain on investment property	-	378,333	-	378,333
Income taxes				-
Profit before taxation				515,806
ASSETS				
Segment assets	1,819,758	4,726,799	-	6,546,557
Unallocated assets	-	-	828,562	828,562
Consolidated total assets				7,375,119
LIABILITIES				
Segment liabilities	33,389	2,324,492	-	2,357,881
Income tax	45	(12,910)	149,077	136,212
Deferred tax	(25,115)	243,511	212,144	430,540
Unallocated liabilities	-	-	1,217,126	1,217,126
Consolidated total liabilities				4,141,759
OTHER INFORMATION				
Capital expenditure	-	-	2,148	2,148
Depreciation	-	-	2,325	2,325

Business segments

31 December 2011	Property Rental	Property Development	Others	Total
REVENUE				
External revenues	46,404	547,091	-	593,495
Inter-segment revenues	-	-	-	-
Total revenue	46,404	547,091	-	593,495
RESULTS				
Segment result	32,081	147,084	-	179,165
Unallocated corporate expenses	-	-	(24,163)	(24,163)
Operating profit				155,002
Interest expense			(19,448)	(19,448)
Interest income			1,102	1,102
Government grant		11,431	-	11,431
Subletting fee			27	27
Others			3,230	3,230
Fair value loss on investment property	229,999	-	-	229,999
Income taxes				-
Profit before taxation				381,343
ASSETS				
Segment assets	1,877,505	3,594,679	-	5,472,184
Unallocated assets			462,641	462,641
Consolidated total assets				5,934,825
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	1,104,591
Consolidated total liabilities				3,057,821
OTHER INFORMATION				
Capital expenditure			1,643	1,643
Depreciation			1,893	1,893

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:-

	Group		
	2012	**2011**	**Increase/ (Decrease)**
(a) Sales reported for first half year	266,352	69,190	**285.0%**
(b) Operating profit after tax before deducting minority interest reported for first half year	44,317	(22,868)	**n.m**
(c) Sales reported for second half year	318,868	528,673	**-39.7%**
(d) Operating profit after tax before deducting minority interest reported for second half year	333,292	300,898	**10.8%**

n.m - not meaningful

17 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(11). 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")	51	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.	Nil.

BY ORDER OF THE BOARD

Fang Ming
Chairman and CEO
26 February 2013

Yang Xiao Yu
Executive Director