ROAD KING INFRASTRUCTURE LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 1098)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2011

HIGHLIGHTS

	2011	2010
	HK$	*HK$*
Revenue	**6,833 million**	4,942 million
Receipts from property sales	**6,817 million**	7,475 million
Cash receipts from toll road joint ventures	**658 million**	751 million
Profit attributable to owners of the Company	**818 million**	625 million
Consolidated EBITDA	**2,311 million**	2,029 million
Earnings per share	**1.10**	0.84
Dividend per share (interim and proposed final)	**0.46**	0.43
Equity attributable to owners of the Company	**11,199 million**	10,288 million
Net assets per share attributable to owners of the Company	**15.1**	13.9

RESULTS

The Board of Directors (the "Board") of Road King Infrastructure Limited (the "Company") announces the audited consolidated income statement and audited consolidated statement of comprehensive income of the Company and its subsidiaries (the "Group") for the year ended 31 December 2011, and the audited consolidated statement of financial position of the Group as at 31 December 2011 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2011

	NOTES	2011 HK$'000	2010 HK$'000
Revenue	3	**6,832,508**	4,942,028
Cost of sales		**(4,921,765)**	(3,398,281)
Gross profit		**1,910,743**	1,543,747
Interest income		**30,441**	33,428
Other income		**18,581**	46,476
Other gains and losses	5	**396,569**	279,628
Selling expenses		**(246,131)**	(167,581)
Operating expenses		**(453,457)**	(407,393)
Share of results of joint ventures	6	**335,219**	391,478
Finance costs	7	**(132,379)**	(115,272)
Profit before taxation	8	**1,859,586**	1,604,511
Income tax expenses	9	**(1,033,880)**	(971,790)
Profit for the year		**825,706**	632,721
Profit attributable to:			
Owners of the Company		**818,000**	625,008
Non-controlling interests		**7,706**	7,713
		825,706	632,721
Earnings per share	11		
– Basic		**HK$1.10**	HK$0.84
– Diluted		**HK$1.10**	HK$0.84

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2011

	2011 *HK$'000*	2010 *HK$'000*
Profit for the year	**825,706**	632,721
Other comprehensive income		
Exchange differences arising on translation to presentation currency	**433,100**	145,272
Total comprehensive income for the year	**1,258,806**	777,993
Total comprehensive income attributable to:		
Owners of the Company	**1,245,008**	768,492
Non-controlling interests	**13,798**	9,501
	1,258,806	777,993

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2011

	NOTES	2011 HK$'000	2010 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**56,093**	60,043
Investment properties		**1,697,470**	715,386
Prepayment for land leases		**648,220**	–
Interests in joint ventures		**4,207,599**	3,855,047
Deferred tax assets		**3,144**	6,500
Loan to a joint venture		**45,202**	–
Long-term receivables		**94,559**	110,634
		6,752,287	4,747,610
Current assets			
Inventory of properties		**17,085,092**	14,496,917
Prepayment for land leases		**3,585,282**	1,783,378
Loan to a joint venture		**–**	43,649
Loan to a related company		**–**	23,400
Debtors, deposits and prepayments	*12*	**583,525**	974,810
Prepaid income tax		**305,296**	196,694
Pledged bank deposits		**236,881**	189,546
Bank balances and cash		**3,183,826**	5,230,371
		24,979,902	22,938,765
Total assets		**31,732,189**	27,686,375

	NOTES	**2011**	2010
		HK$'000	*HK$'000*
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		**74,193**	74,193
Reserves		**11,125,079**	10,213,942
		11,199,272	10,288,135
Non-controlling interests		**276,912**	115,663
Total equity		**11,476,184**	10,403,798
Non-current liabilities			
Bank and other borrowings – due after one year		**6,651,422**	5,686,644
Loans from non-controlling interests of a subsidiary		**268,689**	–
Deferred tax liabilities		**419,854**	283,470
		7,339,965	5,970,114
Current liabilities			
Creditors and accrued charges	*13*	**3,292,837**	2,419,010
Deposits from pre-sale of properties		**4,939,851**	5,213,949
Income tax payable		**1,099,539**	676,081
Bank and other borrowings – due within one year		**3,499,636**	3,003,423
Other financial liabilities		**84,177**	–
		12,916,040	11,312,463
Total equity and liabilities		**31,732,189**	27,686,375

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments which are measured at fair values.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, the following new and revised Hong Kong Accounting Standards ("HKAS(s)"), Hong Kong Financial Reporting Standards ("HKFRS(s)"), amendments and interpretations ("HK(IFRIC) – Int") (hereinafter collectively referred to as the "new and revised HKFRSs") issued by the HKICPA:

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related Party Disclosures
Amendments to HKAS 32	Classification of Rights Issues
Amendments to HK(IFRIC) – Int 14	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

The application of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

The Group has not early applied the following new and revised standards, amendments and interpretation that have been issued but are not yet effective.

Amendments to HKFRS 7	Disclosures – Transfers of Financial Assets[1]
	Disclosures – Offsetting Financial Assets and Financial Liabilities[4]
	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[6]
HKFRS 9	Financial Instruments[6]
HKFRS 10	Consolidated Financial Statements[4]
HKFRS 11	Joint Arrangements[4]
HKFRS 12	Disclosure of Interests in Other Entities[4]
HKFRS 13	Fair Value Measurement[4]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[3]

Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets[2]
HKAS 19 (as revised in 2011)	Employee Benefits[4]
HKAS 27 (as revised in 2011)	Separate Financial Statements[4]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[4]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[5]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[4]

[1] Effective for annual periods beginning on or after 1 July 2011.
[2] Effective for annual periods beginning on or after 1 January 2012.
[3] Effective for annual periods beginning on or after 1 July 2012.
[4] Effective for annual periods beginning on or after 1 January 2013.
[5] Effective for annual periods beginning on or after 1 January 2014.
[6] Effective for annual periods beginning on or after 1 January 2015.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011). Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and Separate Financial Statements" that deal with consolidated financial statements and HK (SIC)-Int 12 "Consolidation – Special Purpose Entities". HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 "Interests in Joint Ventures" and HK (SIC)-Int 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors of the Company ("Directors") anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013. The Group is in the process of assessing and quantifying the potential financial impact on the application of HKFRS 11.

Amendments to HKAS 12 "Deferred Tax – Recovery of Underlying Assets"

The amendments to HKAS 12 provide an exception to the general principles in HKAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 "Investment Property" are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The amendments to HKAS 12 are effective for annual periods beginning on or after 1 January 2012. The Directors anticipate that the application of the amendments to HKAS 12 in future accounting periods may result in adjustments to the amounts of deferred tax liabilities recognised in prior years regarding the Group's investment properties of which the carrying amounts are presumed to be recovered through sale. The Group is in the process of assessing and quantifying the potential financial impact on deferred tax recognised for investment properties that are measured using the fair value model.

The Directors anticipate that the application of the other new and revised standards, amendments and interpretation will have no material impact on the results and the financial position of the Group.

3. REVENUE

	2011	2010
	HK$'000	*HK$'000*
Revenue of the Group		
Sale of completed properties held for sale	**6,812,478**	4,935,890
Gross rental income from properties	**20,030**	6,138
	6,832,508	4,942,028
Group's share of toll revenue of infrastructure joint ventures	**844,157**	802,617
Revenue of the Group and Group's share of toll revenue of infrastructure joint ventures	**7,676,665**	5,744,645

4. SEGMENT INFORMATION

The Group's operating segments, based on the information reported to the Group's chief operating decision maker for the purpose of resources allocation and assessment of performance are follows:

Toll road	–	development, operation and management of toll roads through the infrastructure joint ventures
Property development and investment	–	development of properties for sale and for rental income potential and/or capital appreciation

The following is an analysis of the Group's revenue, profit, assets, liabilities and other information by operating segments for the years under review:

	2011			2010		
	Toll road	**Property development and investment**	**Total**	Toll road	Property development and investment	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	**–**	**6,832,508**	**6,832,508**	–	4,942,028	4,942,028
Segment profit	**89,350**	**727,213**	**816,563**	144,990	482,435	627,425
Segment assets (including interests in joint ventures)	**4,231,055**	**25,068,574**	**29,299,629**	3,992,321	18,816,164	22,808,485
Segment liabilities	**(34,658)**	**(17,560,075)**	**(17,594,733)**	(57,557)	(14,627,160)	(14,684,717)

Other segment information

	2011			2010		
	Toll road *HK$'000*	**Property development and investment** *HK$'000*	**Total** *HK$'000*	Toll road *HK$'000*	Property development and investment *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit or segment assets:						
Interest income	**1,233**	**25,150**	**26,383**	2,608	25,723	28,331
Impairment losses on interests in joint ventures	**(118,343)**	**–**	**(118,343)**	(162,103)	–	(162,103)
Fair value gains on transfer of completed properties held for sale to investment properties	**–**	**292,562**	**292,562**	–	91,013	91,013
Change in fair value of investment properties	**–**	**62,467**	**62,467**	–	179,749	179,749
Depreciation	**(142)**	**(10,091)**	**(10,233)**	(71)	(16,984)	(17,055)
Finance costs	**(3,385)**	**(87,122)**	**(90,507)**	(4,192)	(75,727)	(79,919)
Income tax expenses	**(15,335)**	**(1,018,545)**	**(1,033,880)**	(20,230)	(951,560)	(971,790)
Share of results of joint ventures	**298,305**	**36,914**	**335,219**	395,634	(4,156)	391,478
Interests in joint ventures	**4,151,958**	**55,641**	**4,207,599**	3,838,124	16,923	3,855,047
Additions to non-current assets during the year	**624,338**	**920,774**	**1,545,112**	30	166,127	166,157

(a) ***Measurement***

The accounting policies of the operating segments are the same as the Group's accounting policies.

Segment profit represents profit earned by each segment, which includes share of results of joint ventures, fair value gains on transfer of completed properties held for sale to investment properties, change in fair value of investment properties, impairment losses on interests in joint ventures, depreciation of property, plant and equipment, relevant interest income and finance costs and income tax expenses attributable to the relevant segment but without allocation of headquarter income and expenses.

Segment revenue comprises revenue from external customers. There was no inter-segment revenue.

Segment assets include property, plant and equipment, investment properties, interests in joint ventures, long-term receivables, inventory of properties, prepayment for land leases, loan to a joint venture, debtors, deposits and prepayments, prepaid income tax, pledged bank deposits, bank balances and cash and deferred tax assets which are directly attributable to the relevant reportable segment.

Segment liabilities include creditors and accrued charges, deposits from pre-sale of properties, income tax payable, bank and other borrowings, loans from non-controlling interests of a subsidiary and deferred tax liabilities which are directly attributable to the relevant reportable segment.

Additions to non-current assets are the total costs incurred during the year to acquire segment assets that are expected to be used for more than one year and comprises purchase of property, plant and equipment, investment properties (including prepayment for land leases for investment properties) and capital contributions to joint ventures directly attributable to the segment.

(b) ***Reconciliation of total segment profit, total segment assets and total segment liabilities***

	2011	2010
	HK$'000	*HK$'000*
Total segment profit	**816,563**	627,425
Unallocated items:		
Interest income	**4,058**	5,097
Corporate income	**63,707**	62,990
Corporate expenses	**(16,750)**	(27,438)
Finance costs	**(41,872)**	(35,353)
Consolidated profit for the year	**825,706**	632,721
Total segment assets	**29,299,629**	22,808,485
Unallocated assets:		
Property, plant and equipment	**2,128**	789
Loan to a related company	**–**	23,400
Deposits and prepayments	**1,755**	3,067
Bank balances and cash	**2,428,677**	4,850,634
Consolidated total assets	**31,732,189**	27,686,375
Total segment liabilities	**(17,594,733)**	(14,684,717)
Unallocated liabilities:		
Accrued charges	**(133,423)**	(144,929)
Bank and other borrowings	**(2,443,672)**	(2,452,931)
Other financial liabilities	**(84,177)**	–
Consolidated total liabilities	**(20,256,005)**	(17,282,577)

(c) ***Revenue from major products and services***

The Group's revenue for the year comprises sale of completed properties developed by the Group for sale purposes and rental income.

(d) ***Information about geographical areas***

All the Group's revenue is attributable to customers in the People's Republic of China ("PRC") and over 90% of the Group's total non-current assets (excluding deferred tax assets and long-term receivables) are located in the PRC and the remaining non-current assets are located in Hong Kong.

(e) ***Information about major customers***

In view of the nature of the toll road business, there are no major customers and suppliers. For the property business, there was no customer who accounted for over 10% of the total revenue generated from property development and investment business.

5. OTHER GAINS AND LOSSES

	2011	2010
	HK$'000	*HK$'000*
Impairment losses on interests in joint ventures	**(118,343)**	(162,103)
Gains (losses) on disposal of property, plant and equipment	**32,288**	(2,082)
Fair value gains on transfer of completed properties held for sale to investment properties	**292,562**	91,013
Change in fair value of investment properties	**62,467**	179,749
Change in fair value of other financial liabilities	**(84,177)**	–
Net exchange gains	**211,772**	173,051
	396,569	279,628

6. SHARE OF RESULTS OF JOINT VENTURES

	2011	2010
	HK$'000	*HK$'000*
Share of profits of infrastructure joint ventures before amortisation and taxation	**607,124**	687,723
Less share of: Amortisation of toll road operation rights	**(202,696)**	(188,043)
Income tax expenses	**(106,123)**	(104,046)
	298,305	395,634
Share of profit (loss) of other joint venture	**36,914**	(4,156)
	335,219	391,478

7. FINANCE COSTS

	2011	2010
	HK$'000	*HK$'000*
Interest on borrowings wholly repayable within five years	**617,839**	395,794
Other finance costs	**55,344**	40,693
	673,183	436,487
Less: Capitalised in properties under development for sale	**(540,804)**	(321,215)
	132,379	115,272

Borrowing costs capitalised during the year are calculated by applying an average capitalisation rate of 6.77% (2010: 5.30%) per annum to expenditure on qualifying assets.

8. PROFIT BEFORE TAXATION

	2011	2010
	HK$'000	*HK$'000*
Profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	**11,690**	18,255
Less: Capitalised in properties under development for sale	**(1,033)**	(734)
	10,657	17,521
Minimum lease payments paid under operating lease rentals in respect of land and buildings	**13,462**	12,876
Less: Capitalised in properties under development for sale	**(207)**	(147)
	13,255	12,729
Salaries and other benefits	**295,527**	227,766
Equity-settled share based payments	**–**	11,926
Provident fund scheme contributions, net of forfeited contributions of HK$19,000 (2010: HK$341,000)	**45,698**	30,257
Less: Capitalised in properties under development for sale	**(90,081)**	(54,075)
Total staff costs (excluding Directors' emoluments)	**251,144**	215,874
Audit fee	**3,800**	3,800
Cost of inventory of properties recognised as an expense	**4,921,765**	3,398,281
and after crediting:		
Bank interest income	**26,694**	23,837
Rental income in respect of investment properties with insignificant rental outgoings	**20,030**	6,138

9. INCOME TAX EXPENSES

	2011	2010
	HK$'000	*HK$'000*
Current tax:		
PRC enterprise income tax ("EIT")	**396,602**	280,823
PRC land appreciation tax ("LAT")	**485,322**	431,401
PRC withholding tax	**29,456**	30,970
	911,380	743,194
Underprovision of EIT in prior years *(note)*	**–**	80,000
Deferred tax:		
Current year	**122,500**	148,596
	1,033,880	971,790

No provision for Hong Kong profits tax has been made as there was no assessable profit derived from Hong Kong.

The EIT is calculated at a statutory tax rate of 25%.

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations which is charged at progressive rates ranging from 30% to 60% of the appreciation value, with certain allowable deductions.

Note: After the tax assessment carried out by the local tax authority on two property companies in prior year, certain tax adjustments related to prior years' assessable profits were made during the year ended 31 December 2010, resulting in an underprovision of EIT in respect of prior years, which was previously unforeseen by the Group.

10. DIVIDENDS PAID

	2011	2010
	HK$'000	*HK$'000*
2010 final dividend paid of HK$0.23 (2010: 2009 final dividend of HK$0.30) per share	**170,645**	222,035
2011 interim dividend paid of HK$0.22 (2010: 2010 interim dividend of HK$0.20) per share	**163,226**	148,143
	333,871	370,178

Subsequent to the end of the reporting period, a final dividend in respect of 2011 of HK$0.24 per share amounting to a total of approximately HK$178 million has been proposed by the Board on 27 February 2012. The amount has not been included as a liability in the consolidated financial statements as it was not declared before the end of the reporting period.

The amount of the proposed final dividend has been calculated on the basis of 741,934,566 shares in issue as at 27 February 2012.

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2011	2010
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share attributable to owners of the Company	**818,000**	625,008

	Number shares	Number of shares
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**741,935**	740,205
Effect of dilutive potential ordinary shares:		
Share options	**4**	122
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**741,939**	740,327

12. DEBTORS, DEPOSITS AND PREPAYMENTS

	2011	2010
	HK$'000	*HK$'000*
Aged analysis of trade debtors, presented based on invoice date *(note)*:		
Within 60 days	**2,109**	48,073
60 to 90 days	**–**	6,277
More than 90 days	**5,595**	11,778
	7,704	66,128
Deferred consideration on disposal of interest in a joint venture	**–**	27,713
Interest receivable	**–**	335
Refundable tender deposits for acquisition of land and toll road project	**60,680**	517,321
Prepayment of business tax and other taxes	**203,135**	210,969
Other receivables, deposits and prepayments	**312,006**	152,344
	583,525	974,810

Note: The debtors are mainly arisen from sale of properties. Consideration in respect of properties sold is paid in accordance with the terms of the related sale and purchase agreements, normally within 60 days from the agreements. Consideration under pre-sale contracts will be fully received prior to the delivery of the properties to the purchasers.

13. CREDITORS AND ACCRUED CHARGES

	2011	2010
	HK$'000	*HK$'000*
Aged analysis of creditors, presented based on invoice date:		
Within 60 days	**90,576**	47,916
60 to 90 days	**12,267**	2,045
More than 90 days	**138,688**	103,795
	241,531	153,756
Accrued construction costs	**2,455,115**	1,724,120
	2,696,646	1,877,876
Interest payable	**126,154**	132,229
Accrued taxes (other than EIT and LAT)	**27,339**	23,615
Other accrued charges	**442,698**	385,290
	3,292,837	2,419,010

14. TOTAL ASSETS LESS CURRENT LIABILITIES/NET CURRENT ASSETS

The Group's total assets less current liabilities at 31 December 2011 amounted to HK$18,816,149,000 (2010: HK$16,373,912,000). The Group's net current assets at 31 December 2011 amounted to HK$12,063,862,000 (2010: HK$11,626,302,000).

DIVIDEND

The Board has resolved to recommend a final dividend of HK$0.24 (2010: HK$0.23) per share for the year ended 31 December 2011 to the shareholders of the Company (the "Shareholders") whose names appear in the register of members of the Company on Wednesday, 23 May 2012, subject to approval of the Shareholders at the forthcoming annual general meeting. It is expected that payment of the final dividend will be made on or before 15 June 2012.

CLOSURES OF REGISTER OF MEMBERS

To be eligible to attend and vote at the forthcoming annual general meeting

The register of members of the Company will be closed from Monday, 14 May 2012 to Tuesday, 15 May 2012, both days inclusive, during which period no transfer of shares will be registered. In order for the Shareholders to be eligible to attend and vote at the forthcoming annual general meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on Friday, 11 May 2012 for registration.

To qualify for the proposed final dividend

The register of members of the Company will also be closed from Tuesday, 22 May 2012 to Wednesday, 23 May 2012, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on Monday, 21 May 2012 for registration.

BUSINESS REVIEW

2011 Results

The profit attributable to the owners of the Company for 2011 was HK$818 million, representing an increase of 31% as compared with HK$625 million for 2010. Earnings per share increased to HK$1.10 (2010: HK$0.84 per share). In 2011, the toll road business recorded a steady growth of 5% in toll revenue. The revenue generated from delivery of properties of the property business increased by 38%, with segment profit surging by 51% to HK$727 million.

In 2011, the overall PRC economy was challenged both by the slow down of export growth and the PRC government's contracting monetary policy but the annual GDP still reached at a growth of 9.2%. The accelerated pace of economic restructuring imposed by the PRC government, relocation of industries to inland provinces, continual increase of disposable personal income and national economic development have generated new passenger and freight demand for the Group's toll road business as well as new customer sources for the property business.

The PRC government continued to enforce a series of austerity measures with the priority to curb inflation and imposed new measures to regulate the property market, including the enforcement of restrictions on property purchasing and the granting of mortgage loans, as well as the increases in initial down payment ratio and interest rates. These policies posed serious impacts on the property market. Nonetheless, the Group managed to maintain a stable sales income through its diversified geographical and business portfolio.

Inflation rate in the PRC dropped to 4.1% at the end of 2011 from a year high of 6.5%, reflecting the impact made by the austerity measures. In response to changes in the economic and the operating environment, the Renminbi required reserve ratio for deposit taking institutions was lowered in December 2011 for the first time in the last three years and compounded by another decrease in February 2012. These moves would increase the liquidity in the market and help the property market restoring to stable development.

Toll Road Business

An analysis of the traffic volume and toll revenue in 2011 is as follows:

Project	2011 Average Daily Traffic	Change	2011 Toll Revenue	Change
	Vehicles	*%*	*RMB'million*	*%*
Expressways *(Note)*				
Baojin Expressway	40,000	1	710	1
Tangjin Expressway	42,000	26	635	21
Changyi Expressway	34,000	11	342	(1)
	116,000	12	1,687	7
Highways	132,000	(3)	358	(2)
	248,000	4	2,045	5

Note: Longcheng Expressway is expected to commence operation in mid 2012.

Driven by the increase in the traffic volume of expressway projects, the total traffic volume and toll revenue in 2011 respectively reached 90 million vehicles and RMB2,045 million, representing an increase of 4% and 5% respectively over 2010.

Toll revenue contributed by expressway projects increased from 67% of the entire toll road portfolio in 2007 to 82% in 2011. In 2011, the Group acquired 45% of the operating rights of the Longcheng Expressway in Shanxi Province which will commence operation in mid 2012. Changyi Expressway in Hunan Province began road surface improvement works last year to increase traffic capacity. The Group's two major expressways in Hebei Province still fall in the stage where the joint venture partners are receiving a higher distribution percentage. It is expected that their contribution to the Group will increase from 2013 onwards.

The Group is also making preparation for the withdrawal from highway projects in accordance with the Group's strategy. In 2011, the Group withdrew from Taiyu Highway in Shanxi Province at the consideration of RMB25 million. The Group is still in discussion with respect to the compensation for withdrawing from other highway projects.

Property Business

Set out below is an analysis of the Group's property sales and delivery (excluding car parking spaces) by region for 2011:

	Sales		Properties Delivered	
Regions	**Amount**	**GFA**	**Amount**	**GFA**
(Notes)	*RMB'million*	*Sqm*	*RMB'million*	*Sqm*
Northern China	2,065	206,000	1,902	214,000
Eastern China	2,501	254,000	3,153	385,000
Central China	822	111,000	611	128,000
Southern China	7	1,000	89	6,000
Total	5,395	572,000	5,755	733,000

Notes:

Northern China comprises Beijing, Tianjin, Hebei Province and Shandong Province.

Eastern China comprises Shanghai and Jiangsu Province.

Central China comprises Henan Province and Hubei Province.

Southern China represents Guangdong Province.

In 2011, as the macroeconomic controlling policies implemented by the PRC government dampened the property market, the Group focused on maintaining a robust financial position as its primary strategy. The Group is committed to improve the quality of projects, strengthening its project management and enhancing the utilisation of land resources, making preparations for coming pick up in the property market. Benefited from the geographic diversity of business, the Group recorded sales (including car parking spaces) of RMB5,633 million in 2011, with the average selling price increased 8% year-on-year to RMB9,400 per sqm.

Revenue generated mainly by the delivery of properties in 2011 (including car parking spaces) increased 38% to HK$6,833 million, of which more than half was contributed from projects in the Eastern China region. Benefited by the consolidation and enhancement of the property team over the past few years, total area delivered in 2011 was 733,000 sqm, representing a growth of 48% as compared with that in 2010. The segment profit of the property business also increased to HK$727 million.

Disputes in relation to Sunco Property Holdings Company Limited ("Sunco Property")

The disputes with the former major shareholders of Sunco Property have principally been settled through the mediation by Tianjin Municipal Government. Both parties have withdrawn their respective lawsuits. The former major shareholders of Sunco Property have reiterated their recognition that the Group is the lawful owner of the interests attributable to two subsidiaries in Tianjin.

Landbank

The Group's landbank includes properties under planning and construction, properties held for sale and properties held for investment. As at 31 December 2011, the Group's landbank had an attributable GFA of about 4.5 million sqm.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 December 2011, the equity attributable to the owners of the Company increased to HK$11,199 million (2010: HK$10,288 million). The increase was mainly attributable to the profit generated during the year. Net assets per share attributable to the owners of the Company increased to HK$15.1 (2010: HK$13.9).

As at 31 December 2011, the Group's total assets were HK$31,732 million (2010: HK$27,686 million) and bank balances and cash were HK$3,184 million (2010: HK$5,230 million), of which 77% was denominated in Renminbi and the remaining 23% was mainly denominated in US dollars or HK dollars.

Financing Activities

During the year under review, the Group had issued the RMB1,300 million 6.0% guaranteed senior notes and had drawn down several bank loans in the PRC and Hong Kong amounted to HK$3,027 million in total. Such new borrowings were partially used to repay certain bank loans and redemption of senior notes.

Debt and Gearing

The gross gearing ratio, representing interest bearing borrowings to the equity attributable to the owners of the Company, was about 91% as at 31 December 2011 whereas the net gearing ratio, representing the difference of Group's total interest bearing borrowings and the bank balances and cash (including pledged bank deposits) to the owners' equity of the Company, was about 60% as at 31 December 2011.

Other than the following notes, the Group's borrowings are mainly on a floating rate basis:

(a) RMB1,300 million 6.0% guaranteed senior notes due 2014;
(b) US$200 million 7.625% guaranteed notes due 2014; and
(c) US$350 million 9.5% guaranteed senior notes due 2015.

Interest coverage for the year under review was 17.5 times (2010: 17.6 times).

Financing and Treasury Policies

The Group continues to adopt prudent financing and treasury policies. The entire Group's financing and treasury activities are centrally managed and controlled. Implementation of the Group's related policies is made under collective but extensive considerations on liquidity risk, financing cost and exchange rate risk.

Charges on Assets

As at 31 December 2011, bank balances of HK$237 million (2010: HK$190 million) were pledged as security in favour of banks for certain mortgage facilities granted to customers of the Group's property projects and short-term credit facilities granted to the Group. In addition to these charged bank deposits, properties valued at HK$1,830 million (2010: HK$1,322 million) were pledged as securities for certain loan facilities.

Exposure on Foreign Exchange Fluctuations and Interest Rates

The Group's borrowings are mainly denominated in US dollars and Renminbi but the cash flow is generated from projects whose earnings are denominated principally in Renminbi. As a result, the Group is exposed to foreign currency risk on the fluctuation of US dollars and Renminbi.

The Group's exposure to interest rate risk results mainly from fluctuation in interest rates relating to its borrowings denominated in US dollars and Renminbi. Although the monetary policies implemented by the PRC and the US governments continue to have a major impact on the Group's results and operations, the Directors consider that the interest rate fluctuation caused by the fluidity and instability of the global economy and financial systems also has an impact on the operations of the Group.

Save for the aforesaid, the Group has no significant exposure to foreign exchange risk and interest rate risk. The Group will continue to monitor its exposure to these risks closely and may arrange hedging against the risks exposed when necessary and appropriate.

Contingent Liabilities

As at 31 December 2011, the Group had provided guarantees of HK$4,696 million (2010: HK$4,490 million) to banks in favour of its customers in respect of the mortgage loans provided by the banks to such customers for purchase of the Group's properties. The guarantees would be released after the customers have pledged their property certificates as securities to the banks for the mortgage loans granted.

Employees

Excluding the staff of joint ventures, the Group had 1,832 employees as at 31 December 2011 (2010: 1,540). Expenditure on staff (excluding Directors' emoluments and share based payment) amounted to HK$341 million (2010: HK$258 million). Employees are remunerated according to their performance and contribution. Other employee benefits include provident fund, insurance, medical cover and training programs, as well as a share option scheme. During the year under review, no share option was granted.

PROSPECT

In 2012, the Group will continue to dispose of certain Class I and Class II highways and increase the proportion of expressway assets in its portfolio, and to optimise and enhance the toll road business. The Group prepares to increase management efficiency and contain highway maintenance expenses by implementing a newly upgraded management system.

For the property business, the Group anticipates that the PRC government will continue to implement stringent austerity measures towards the property sector in 2012. The Group will continue to adopt a prudent investment strategy and professional management approach, and respond to relevant control measures by adjusting the pace and size of project investment. In addition, the Group has further adjusted its management approach to increase efficiency and asset turnover rate. Therefore, the Group is confident to maintain the growth of the property business. The Group will continue to provide customers with quality products by improving the quality and awareness of products, and maximise the return to Shareholders by advancing the competence of its professional team and the recognition of brand name.

In light of the current economic and property market condition in the PRC, the demand for capital funding in the market has increased significantly, and new project opportunities have emerged. Given the right circumstances, the Group will further acquire new expressway projects and replenish its landbank when appropriate opportunities which fit into the Group's cashflow, return target and development strategies arise.

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE GROUP

Redemption

During the year ended 31 December 2011, Road King Infrastructure Finance (2004) Limited, a wholly-owned subsidiary, redeemed all the outstanding principal amount of US$200 million 6.25% guaranteed notes due 2011 ("2011 Notes") on 15 July 2011 (being the maturity date of the 2011 Notes) at the redemption price equal to 100% of the outstanding principal amount of the 2011 Notes, which was US$162,231,000 plus accrued interest of US$5,069,718.75 (the "Redemption").

Subsequent to the Redemption, the 2011 Notes were cancelled and delisted from the official list of the Singapore Exchange Securities Trading Limited.

Repurchase

In addition, the Group repurchased various notes during the year. Details of the repurchases are as follows:

Notes	Month of repurchase	Total principal amount of notes repurchased *US$*	Method of repurchase
US$150 million floating rate guaranteed notes due 2012	October 2011	1,000,000	Over the counter
US$350 million 9.5% guaranteed senior notes due 2015	October 2011	13,420,000	Over the counter
US$350 million 9.5% guaranteed senior notes due 2015	November 2011	3,000,000	Over the counter

All of the above notes repurchased were cancelled.

Save as the above, neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Group's listed securities.

CORPORATE GOVERNANCE

The Company is committed to implement good corporate governance practices and procedures. The Company has complied throughout the year ended 31 December 2011 with the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Listing Rules except for the deviation from code provision A.4.1 that Non-executive Directors are not appointed for a specific term but are subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with Bye-law 87 of the Company's Bye-laws. The Company considers that this is no less exacting than those provided in the Code.

REVIEW AND AUDIT OF ACCOUNTS

The consolidated financial statements of the Group for the year ended 31 December 2011 have been reviewed by the Audit Committee of the Company and audited by the Company's external auditor.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at Lotus Room, 6th Floor, Marco Polo Hongkong Hotel, Harbour City, 3 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Tuesday, 15 May 2012 at 2:30 p.m. and the notice of annual general meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of the Company (www.roadking.com.hk) and the Stock Exchange (www.hkexnews.hk). The Annual Report containing all the information required by the Listing Rules will be despatched to the Shareholders and published on the aforesaid websites in due course.

APPRECIATION

The Board would like to take this opportunity to express hearty gratitude to all Shareholders, business partners, and loyal and dedicated staff.

By order of the Board
Road King Infrastructure Limited
Zen Wei Pao, William
Chairman

Hong Kong, 27 February 2012

As at the date of this announcement, the Board comprises Messrs. Zen Wei Pao, William, Ko Yuk Bing, Chan Kam Hung, Fong Shiu Leung, Keter, Zen Wei Peu, Derek and Xu Ruxin as Executive Directors, Messrs. Guo Limin and Lam Wai Hon, Patrick as Non-executive Directors and Messrs. Chow Shiu Kee, Stephen, Lau Sai Yung and Dr. Chow Ming Kuen, Joseph as Independent Non-executive Directors.