CHINA SECURITY & SURVEILLANCE TECHNOLOGY, INC.
Form 10-K/A
December 05, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A
Amendment No. 1

Q **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**
For the fiscal year ended: December 31, 2007

£ **TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __________ to ____________

Commission File Number: 000-50917

CHINA SECURITY & SURVEILLANCE TECHNOLOGY, INC.

(Exact Name Of Registrant As Specified In Its Charter)

Delaware	**98-0509431**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

13/F, Shenzhen Special Zone Press Tower, Shennan Road,

Futian District, Shenzhen,

Peoples Republic of China, 518034
(86) 755-8351-0888

(Registrant s telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:	**Name of Each Exchange on Which Registered:**
Common Stock, $.0001 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ¨ No Q

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No Q

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes Q No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Q

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ¨ Accelerated filer Q Non-accelerated filer ¨ Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ¨ No Q

At June 29, 2007, the last business day of the registrant's most recently completed second fiscal quarter, there were 37,771,488 shares of the registrant's common stock outstanding, and the aggregate market value of such shares held by non-affiliates of the registrant (based upon the closing price of such shares as reported on the Over-the-Counter Bulletin Board) was approximately $260 million. Shares of the registrant s common stock held by the registrant s executive officers and directors have been excluded because such persons may be deemed to be affiliates of the registrant. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

There were 42,881,804 shares of common stock outstanding as of March 7, 2008.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the registrant s Proxy Statement for its Annual Meeting of Shareholders to be filed with the Commission within 120 days after the close of the registrant s fiscal year are incorporated by reference into Part III of this Annual Report on Form 10-K.

EXPLANATORY NOTE

This Amendment No. 1 to the Annual Report on Form 10-K for the year ended December 31, 2007 of China Security & Surveillance Technology, Inc. (the "Company") is filed in response to comments by the Staff of the Securities and Exchange Commission (the "SEC") in connection with their review of the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2007 filed with the SEC on March 10, 2008 (the "Original Filing").

This Form 10-K/A revises amend Item 7 "Management s Discussion and Analysis of Financial Condition and Results of Operations" to (i) remove the per-share information contained in the text and graphic disclosure of the Company s non-cash components of the comparisons for the years ended December 31, 2007 and 2006, and December 31, 2006 and 2005, and (ii) the per-share amounts in the graphic disclosure under the sub-heading "Gain on disposal of land use rights and properties."

Although appropriate disclosure controls and procedures were established and complied with at the time of the Original Filing, the disclosure under Item 9A "Controls and Procedures" did not clearly state that the Company s certifying officers concluded that the Company s disclosure controls and procedures were effective. This Form 10-K/A revises Item 9A of the Original Filing to correct this disclosure. Additionally, the certifications required by Item 601(b)(31) of Regulation S-K accompanying the Original Filing erroneously omitted the internal control over financial reporting language from the introductory portion of paragraph 4 of the certifications. Accordingly, this Form 10-K/A includes the corrected certifications.

For purposes of this Form 10-K/A, and in accordance with Rule 12b-15 under the Securities Exchange Act of 1934, as amended, each item of the Original Filing, that was affected by the error has been amended and restated in its entirety. Unless otherwise indicated, this report speaks only as of the date of the Original Filing. No attempt has been made in this Form 10-K/A to update other disclosures presented in the Original Filing. This Form 10-K/A does not reflect events occurring after the date of the Original Filing or modify or update those disclosures, including the exhibits to Original Filing affected by subsequent events; however, as mentioned above, this Form 10-K/A includes as exhibits 31.1, 31.2, 32.1 and 32.2 new certifications by the Company s Chief Executive Officer and Chief Financial Officer.

INTRODUCTORY NOTE

Except as otherwise indicated by the context, references to "CSR," "we," "us," "our," "our Company," or "the Company" are to China Security & Surveillance Technology, Inc., a Delaware corporation and its direct and indirect subsidiaries. Unless the context otherwise requires, all references to

(i) "Safetech" are to China Safetech Holdings Limited, a British Virgin Islands corporation;

(ii) "CSST HK" are to China Security & Surveillance Technology (HK) Ltd., a Hong Kong corporation;

(iii) "Chain Star" are to Chain Star Investments Ltd., a Hong Kong corporation;

(iv) "Link Billion" are to Link Billion Investment Ltd., a Hong Kong corporation;

(v) "Allied Rich" are to Allied Rich Ltd., a Hong Kong corporation;

(vi) "Ocean Pacific" are to Ocean Pacific Technology Ltd., a Hong Kong corporation;

(vii) "CSST PRC" are to China Security & Surveillance Technology (PRC) Inc., a corporation incorporated in the People s Republic of China;

(viii) "Golden" are to Golden Group Corporation (Shenzhen) Limited, a corporation incorporated in the People s Republic of China and an indirect, wholly owned subsidiary of the company;

(ix) "Cheng Feng" are to Shanghai Cheng Feng Digital Technology Co. Ltd., a corporation incorporated in the People s Republic of China and an indirect, wholly owned subsidiary of the company;

(x) "Hongtianzhi" are to Shenzhen Hongtianzhi Electronics Co., Ltd., a corporation incorporated in the People s Republic of China and an indirect, wholly owned subsidiary of the company;

(xi) "HiEasy" are to HiEasy Electronic Technology Development Co., Ltd., a corporation incorporated in the People s Republic of China and an indirect, wholly owned subsidiary of the company;

(xii) "Minking" are to Changzhou Minking Electronics Co., Ltd., a corporation incorporated in the People s Republic of China and an indirect, wholly owned subsidiary of the company;

(xiii) "Tsingvision" are to Hangzhou Tsingvision Intelligence System Co., Ltd., a corporation incorporated in the People s Republic of China and an indirect, wholly owned subsidiary of the company;

(xiv) "BVI" are to the British Virgin Islands;

(xv) "PRC" and "China" are to the People s Republic of China;

(xvi) "U.S. dollar," "$" and "US$" are to United States dollars;

(xvii) "RMB" are to Yuan Renminbi of China;

(xviii) "Securities Act" are to Securities Act of 1933, as amended; and

(xix) "Exchange Act" are to the Securities Exchange Act of 1934, as amended.

Special Note Regarding Forward Looking Statements

In addition to historical information, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. We use words such as "believe," "expect," "anticipate," "project," "target," "plan," "optimistic," "intend," "aim," "will" or similar expressions are intended to identify forward-looking statements. Such statements include, among others, those concerning our expected financial performance, liquidity and capital resources and strategic and operational plans, as well as all assumptions, expectations, predictions, intentions or beliefs about future events. You are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, as well as assumptions, that, if they were to ever materialize or prove incorrect, could cause the results of the Company to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties, among others, include:

General economic and business conditions in China and in the local economies in which we regularly conduct business, which can affect demand for the Company s products and services;

Changes in laws, rules and regulations governing the business community in China in general and the security and surveillance industry in particular;

Competition and competitive factors in the markets in which we compete;

Our ability to attract new customers;

Our ability to keep pace with technological developments in the security and surveillance industry, and to develop and commercialize new products;

Our ability to employ and retain qualified employees;

Our ability to successfully integrate companies that we have acquired and to avoid or mitigate potential damages arising from risks associated with acquired companies and the legal structures utilized to effectuate acquisitions of these companies; and

The risks identified in Item 1A. "Risk Factors," included herein.

All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including statements regarding new and existing products, technologies and opportunities; statements regarding market and industry segment growth and demand and acceptance of new and existing products; any projections of sales, earnings, revenue, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements regarding future economic conditions or performance; uncertainties related to conducting business in China; any statements of belief or intention; and any statements of assumptions underlying any of the foregoing. The Company assumes no obligation and does not intend to update these forward-looking statements, except as required by law.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We manufacture, distribute, install and service security and surveillance products and systems and develop security and surveillance related software in China. We generate revenues within two primary operating segments: our systems installation business and our manufacturing of security and safety products business. A majority of our revenues is derived from the provision of security and surveillance packaged solutions which include the products, installation and after sale service maintenance to our customers. Because the majority of our revenues are derived from installation, they are generally non-recurring. Our revenues are not concentrated within any one customer or group of related customers. Maintenance services in our packaged solution are included for the first year from the date of completion. Our customers have an option to sign up for our maintenance program after the first year.

Our manufacturing of security and safety products revenue results primarily from selling of our products, excluding products sold in connection with the installation projects described above. The recent acquisitions of Hongtianzhi, HiEasy and Minking improved and will continue to improve our manufacturing business. We sell our cameras, VCR boxes and other ancillary items to various venders primarily in China. Although we have sold a small number of Hongtianzhi s and Minking s products internationally, we do not anticipate that the international market will be a significant source of revenues in the foreseeable future.

Our customers primarily comprise (i) governmental entities (including, but not limited to, customs agencies, courts, public security bureaus and prisons), (ii) non-profit organizations (including, but not limited to, schools, museums, sports arenas and libraries) and (iii) commercial entities (including, but not limited to, airports, hotels, real estate, banks, mines, railways, supermarkets and entertainment venues). These account for approximately 39.96%, 0.49% and 59.55% of revenues from system installation, respectively for the year ended December 31, 2007.

Our sales network covers most of China s populated areas and we do not rely on any particular region for our business. Among our subsidiaries, Golden has 28 branch offices in provincial cities, Cheng Feng has 23 distribution points, Hongtianzhi has 53 distribution points, HiEasy has 16 distribution points, Minking has 14 distribution points and Tsingvision has 4 distribution points.

Recent Developments

On January 1, 2008, Mr. Guoshen Tu resigned as the President of the Company. Mr Tu continues as the Chief Executive Officer. At the same time, Mr. Shufang Yang resigned as the Chief Operating Officer and was appointed by the Company as the President. Neither Mr. Tu s resignation nor Mr. Yang s resignation is in connection with any known disagreement with the Company on any matter. At the same time, the Company appointed Mr. Daiyou Qian, as the Chief Operating Officer of the Company.

On January 11, 2008, Whitehorse Technology Limited, a company organized in the British Virgin Islands ("Whitehorse"), which is wholly owned by Mr. Tu, the Chief Executive Officer of the Company, issued and sold $50 million in aggregate principal amount of Exchangeable Senior Notes due 2012 to a third party investor (the "Investor") not affiliated with CSR. In connection with this transaction, Whitehorse and Mr. Tu pledged 8,750,000 shares of the Company's common stock that are directly and indirectly beneficially owned by Whitehorse and Mr. Tu, respectively, to secure the notes. Whitehorse may only use the note proceeds to (i) buy common stock of the Company from the Company in a private transaction, (ii) make a loan to the Company, the proceeds of which may be used by the Company to fund certain acquisitions, or (iii) buy stock of the Company in the open market. The Notes are issued to Mr. Tu and secured by his own holdings of CSR s common stock and the Notes will neither result in any dilution of shares of common stock held by other CSR stockholders, nor will interest on the Notes, which is payable by Whitehorse and not CSR, in any way currently affect CSR's net income. CSR was not a party to any of the Note agreements and did not make any representations, warranties or covenants in connection with the Notes.

On January 18, 2008, the Company and CSST PRC entered into an Exclusive Cooperation Agreement with Beijing DM Security & Technology Co., Ltd.(DM), a corporation incorporated in the PRC which is engaged in the business of designing, developing and selling security and surveillance products, pursuant to which the parties have agreed, among other things, that CSST PRC will provide various services to DM, including training services, provision of technology licenses, equipment, consultations and other related services. DM will subcontract all its business to CSST PRC or its designees to the extent permitted by the PRC laws and regulations at no less than 80% of the face value of the contract. DM agreed to add CSST PRC s name to its marketing materials and any of its marketing and business development activities will be conducted either in the name of both DM and CSST PRC or through a joint venture established by the parties. In addition, the Company and CSST PRC have agreed to pay RMB20 million (approximately $2.67 million) and $2.82 million worth of the Company s common stock (136,378 shares, valued at $20.705/share based on the 20-day average closing price of the Company s stock prior to the signing of the Agreement), which will be issued to DM s designees within 90 days after the signing of the Agreement. The term of the Agreement is 20 years which is automatically renewable for another 20 years unless terminated by CSST PRC.

On February 4, 2008, the Company filed the Certificate of Amendment of Certificate of Incorporation of the Company with the Secretary of State of the State of Delaware to (i) increase the number of authorized shares of common stock of the Company, par value $0.0001 per share, from 100,000,000 shares to 290,000,000 shares and (ii) authorize the board of directors of the Company to issue up to 10,000,000 shares of preferred stock, par value $0.0001 per share. The Certificate of Amendment of Certificate of Incorporation of the Company was approved by the special shareholders meeting held on February 1, 2008.

Material Opportunities and Challenges

Regulations promulgated by governmental agencies in China relating to security and surveillance industry often create opportunities for us. Currently, there are a number of formal and planned regulatory drivers which the Company believes offer significant growth opportunities. These include the estimated $6 billion to $12 billion that the Chinese government expects to spend for security infrastructure in preparation for the 2008 Olympics, along with the planned investment by Shanghai for the 2010 Worlds Fair. In addition, several ordinances have been passed by the Chinese government which require security surveillance systems to be installed in: (1) 660 cities throughout China for street surveillance; (2) all entertainment locations starting from March 1, 2006; (3) all Justice Departments and Courts; and (4) all coal mines in China (currently estimated at 24,000) from the beginning of 2008.

We are actively pursuing near-term acquisition prospects and other strategic opportunities. In 2007, we successfully acquired Hongtianzhi, HiEasy, Minking and Tsingvision. We have also recently announced plans to acquire Longhorn Security Technology Co., Ltd (Longhorn), Beijing Aurine Divine Land Technology Co., Ltd. (Guanling), Shenzhen Alean Technology Development Co., Ltd. (Alean), Guangdong Stonesonic Digital Technique Co.,Ltd. (Stonesonic) and Shenzhen Jin Lin Technology Co., Ltd.(Jin Lin). We also plan to establish the cooperation agreement with Beijing Aurine Yingke Intelligent System Integration Co. Ltd. (Yingke).

Longhorn is specializing in the whole process of research, development and manufacturing of the security products for guard against theft and alarm.

Guanling is the appointed sales agent of Panasonic and Samsung in China, for closed-circuit surveillance systems, public broadcasting equipments and plasma TV. It is also the agent of Honeywell for guard against theft and alarm systems.

Alean specializes in manufacturing alarm systems, CCTV systems and access control. The product line includes photoelectric beam detectors, PIR, control systems, CCD cameras, speed domes, DVR and video door phones.

Stonesonic is a high technology enterprise specializing in manufacturing and equipment supervising of LCD multiple screen combination panel walls, built-in Quad LCD monitors and progressive scanning color digital monitors.

Jin Lin is a company engaged in professional intelligent security monitoring systems, intelligent transportation system (ITS) product development.

Yingke is a company specializing in the design and installation of devices and facilities for closed-circuit or open monitoring, theft alarm, patrolling, pubic broadcasting, meeting and simultaneous interpretation, self-control in buildings, comprehensive wire device, card lock, person-to-person talking, VOD video frequency program selecting, class communication, closed-circuit television, highway fees colleting and fire controlling.

We have a government policy monitoring group within the Company that regularly monitors changes in governmental regulations affecting the security and surveillance industry in China. If we determine that a new regulation or a change to an existing regulation presents an opportunity for us, we will actively pursue such opportunity. As a result, we act promptly on policy changes and are able to turn them into business opportunities.

We also face the long-term challenge of maintaining our rapid growth. In addition to maintaining the growth of our existing businesses, we employ an acquisition strategy. In addition, to promote the continued growth of the group, we plan to explore others areas related to the security and surveillance industry (including, but not limited to, the fire and alarm sectors, access control, and related security and surveillance services) and recurring revenue business models within our existing business sectors.

During 2008, in order to maintain our competitive edge and to enhance the management of the group, we will integrate the group into four divisions. The divisions are, as follows:

(a)

System installation: designs, sells, installs, services and monitors electronics security systems to residential, commercial, industrial and governmental customers.

(b)

Manufacturing of security and safety products: designs, manufactures and sells security and safety products, including intrusion security, access control and video management systems.

(c)

Security services: provides security and alarm monitoring services to residential, commercial and industrial customers. In addition, data management and maintenance services for governmental customers.

(d)

Distribution of security and safety products: sells security and safety products, including intrusion security, access control and video management systems.

In 2007, we had 2 segments: system installation and manufacturing of security and safety products. Security services and distribution of security and safety products will be developed as major divisions pursuant to our operating plan.

2007 Financial Performance Highlights

We continued to experience strong demand for our products and services during the year ended December 31, 2007 and growth in our revenues and net income. The security and surveillance product market in China continued to expand in 2007 due, in part, to several programs and regulatory drivers initiated by the Chinese government, such as

State Ordinance 458 and the Safe City program, which requires many public places, including city-wide surveillance systems, traffic conjunctions, critical government locations, cyber cafés, bars and discotheques, to install security systems. In addition, the economic development in China and the fact that the population in China in general is becoming relatively wealthier also contributed to increased demand for security and surveillance products within various industries and organizations, such as residential estates, factories and shopping centers. Our financial results also benefited from the consolidation of companies acquired in 2007, which contributed approximately $38.2 million revenues in aggregate, accounting for approximately 15.9% of the total revenues of 2007.

The following are some financial highlights for the year ended December 31, 2007:

- *Revenue:* Revenues increased $133.20 million, or 124.5%, to $240.19 million for the year ended December 31, 2007, from $106.99 million in 2006. System installation segment revenue increased $ 65.09 million, or 69.13%, to $159.25 million for the year ended December 31, 2007, from $94.16 million in 2006. The manufacturing of security and safety products segment revenue increased $68.11 million, or 530.87%, to $80.94 million for the year ended December 31, 2007, from $12.83 million in 2006.

- *Gross margin*: Gross margin was 28.95% for the year ended December 31, 2007, compared to 28.99% in 2006. Gross margin in the system installation segment was 28.9% for the year ended December 31, 2007, compared to 29.9% in 2006. The slight decrease was primarily due to gradually increased contract size. Gross margin in the manufacturing segment was 29.1% for the year ended December 31, 2007, compared to 22.2% in 2006. Such increase was primarily due to a change of product mix, and better economies of scale.

- *Income from operations:* Income from operations increased $17.31 million, or 68.31%, to $42.65 million for the year ended December 31, 2007, from $25.34 million in 2006. Income from operations in the system installation segment increased $11.70 million, or 49.64%, to $35.27 million for the year ended December 31, 2007, from $23.57 million in 2006. Income from operations in the manufacturing segment increased $10.88 million, or 426.67%, to $13.43 million for the year ended December 31, 2007, from $2.55 million in 2006.

- *Operating margin:* Operating margin (the ratio of income from operations to revenues, expressed as a percentage) was 17.76% for the year ended December 31, 2007, compared to 23.68% in 2006. Operating margin in the system installation segment was 22.15% for the year ended December 31, 2007, compared to 25.03% in 2006. Operating margin in the manufacturing segment was 16.59% for the year ended December 31, 2007, compared to 19.88% in 2006.

- *Net income:* Net income increased $12.39 million, or 54.03%, to $35.32 million for the year ended December 31, 2007, from $22.93 million in 2006.

- *Net margin:* Net margin (the ratio of net income to revenues, expressed as a percentage) was 14.70% for the year ended December 31, 2007, compared to 21.43% in 2006. The decrease was primarily due to non-cash expenses.

- *Fully diluted net income per share*: Fully diluted net income per share was $0.91 for the year ended December 31, 2007, as compared to $0.85 in 2006.

- *Non-cash items* : Non-cash items included (i) the redemption accretion on convertible notes of $13.70 million, (ii) depreciation and amortization of $5.04 million, and (iii) non-cash employee compensation expense of $4.16 million for the year ended December 31, 2007. Total non-cash items are $22.90 million, representing an increase of $21.78 million, or 1944.64%, from $1.12 million in 2006.

Our net income, as reported in our results of operations in fiscal 2007, 2006 and 2005, was approximately $35.32 million, $22.93 million and $7.27 million, respectively. Our net income was materially impacted by depreciation and amortization of long-lived assets in the subsidiaries we acquired, non cash employee compensation recognized pursuant to SFAS 123 (R) and redemption accretion on convertible notes. In the table below, we have presented a non-GAAP financial disclosure to provide a quantitative analysis of the impact of the depreciation and amortization of long-lived assets in the subsidiaries we acquired, non cash employee compensation and redemption accretion on convertible notes on our net income. Because these items do not require the use of current assets, management does not include these items in its analysis of our financial results or how we allocate our resources. Because of this, we deemed it meaningful to provide this non-GAAP disclosure of the impact of these significant items on our financial results.

The following table summarizes the Company s non-cash components for the years ended December 31, 2007 and 2006.

All amounts in millions of U.S. dollars

Non-cash items		**2007**		**2006**		**Increase**
Depreciation and amortization	$	4.82	$	1.12	$	3.70
Depreciation and amortization (included in cost of goods sold)		0.22		--		0.22
Non-cash employee compensation		4.16		--		4.16
Redemption accretion on convertible notes		13.70		--		13.70
Total	$	22.90	$	1.12	$	21.78

The following table summarizes the Company s non-cash components for the years ended December 31, 2006 and 2005.

All amounts in millions of U.S. dollars

Non-cash items		**2006**		**2005**		**Increase**
Depreciation and amortization	$	1.12	$	0.26	$	0.86
Non-cash employee compensation		--		--		--
Redemption accretion on convertible notes		--		--		--
Total	$	1.12	$	0.26	$	0.86

Results of Operations

The following table sets forth key components of our results of operations for the years ended December 31, 2007, 2006 and 2005, in dollars and as a percentage of revenues.

		2007			**2006**			**2005**	
Revenues	$	240.19	100.0%	$	106.99	100.0%	$	32.69	100.0%
Cost of goods sold (including depreciation and amortization for the years ended December 31, 2007, 2006 and 2005 of $0.22, $0 and $0, respectively)		(170.65)	71.0%		(75.98)	71.0%		(23.47)	71.8%
Gross profit		69.54	28.9%		31.01	29.0%		9.22	28.2%
Expenses									
Selling and marketing		(5.62)	2.3%		(1.51)	1.4%		(0.29)	0.9%
General and administrative		(12.29)	5.1%		(3.04)	2.8%		(1.19)	3.6%
Non-cash employee compensation		(4.16)	1.7%		-	0.0%		-	0.0%
Depreciation and amortization		(4.82)	2.0%		(1.12)	1.0%		(0.26)	0.8%
Income from operations		42.65	17.8%		25.34	23.7%		7.48	22.9%
Other income		3.34	1.4%		1.59	1.5%		0.57	1.7%
Gain on disposal of land use rights and properties		13.63	5.7%		-	0.0%			