



Yanlord Land Group Limited
NEWS RELEASE – 9M2007 RESULTS

YANLORD POSTS 115.6% INCREASE IN CONTRACTED PRE-SALES TO S\$1,097.0 MILLION AS AT 30 SEPTEMBER 2007; PLANNED SIGNIFICANT REVENUE RECOGNITION IN 4Q02007 TO BOOST EARNINGS FOR FY2007

- Accumulated total contracted pre-sales increased significantly from S\$508.7 million as at 30 September 2006 to S\$1,097.0 million as at 30 September 2007, with pre-sales proceeds already received at S\$912.9 million
- Expected significant pre-sales revenue recognition in 4Q2007 to contribute markedly to the Group's full-year financial performance
- Overall ASP achieved of RMB14,738 per sqm for 9M2007, based on GFA recognized of 96,383 sqm for 9M2007
- Diversified revenue streams from launches of new tranches of existing projects in various cities to meet strong demand in 4Q2007
- Recurring income from investment property starts to kick in significantly with the grand opening of first serviced apartment tower at Yanlord International Apartments, Nanjing

(S\$ mil)	9M 2007	9M 2006	% Change
Revenue	295.6	638.6	(54)
Gross Profit	106.5	262.1	(59)
Net Profit attributable to shareholders	15.0	123.1	(88)
Cash and Cash Equivalents	788.8	622.2*	27

* Amount as at 31 December 2006

Singapore/ Hong Kong – 7 November 2007 – Singapore Exchange (“SGX”) listed **Yanlord Land Group Limited** (“Yanlord” or the “Company”, and together with its subsidiaries, the “Group”), a real estate developer focused on developing high-end integrated commercial and residential property projects in strategically selected key and high-growth cities in the People's

Republic of China ("PRC"), announced today its financial results for the January-September 2007 ("9M2007") period, reporting a 115.6% or S\$588.3 million increase in pre-contracted sales proceeds to S\$1,097.0 million from S\$508.7 million a year ago.

Review of 9M2007 results

Under Financial Reporting Standards 18, contracted pre-sales proceeds are only recognized as revenues upon delivery of properties to the buyer. Consequently, the Group recognized S\$295.6 million in total revenue for 9M2007 against S\$638.6 million in 9M2006. In 9M2007, the revenue of the Group mainly derived from new delivery of Yanlord Riverside City (Phase 2) (仁恒河滨城, 二期), Yanlord Riverside Gardens (Phase 2) (仁恒河滨花园, 二期) and Yunjie Riverside Garden (Phase 1) (运杰河滨花园, 一期) in Shanghai, and Yanlord Villas (仁恒别墅) in Guiyang – which contributed 58.1%, 24.3%, 6.1% and 4.4% respectively to the Group's sales revenue in 9M2007. The total gross floor area ("GFA") recognized in 9M2007 was approximately 96,383 square metres ("sqm"), which represented an overall average selling price ("ASP") achieved of approximately RMB14,738 per sqm.

The Group's gross profit in 9M2007 was lower than the corresponding period of last year, representing a decrease of S\$155.6 million to S\$106.5 million. Gross profit margin in 9M2007 declined to 36.0% from 41.0% in 9M2006, primarily as a result of the recognition of LAT in Yanlord Riverside City (Phase 2) (仁恒河滨城, 二期) in 9M 2007, which was not recognized in 9M 2006. The change in composition of product mix - a higher proportion of high-profit-margin properties sold and delivered in 9M 2006 compared to that in 9M 2007 – accounted for the balance.

Primarily as a result of the decline in recognized revenue and change in composition of product mix, increase in selling expenses for the launches of new projects in the new cities and accrual of finance cost for the convertible notes which were issued in February 2007, net profit attributable to shareholders declined to S\$15.0 million in 9M2007 from S\$123.1 million in 9M2006.

The Group's financial position remains robust. Cash and bank balances of the Group increased by S\$180.1 million from S\$608.7 million as at 30 September 2006 to S\$788.8 million as at 30 September 2007. The increase was primarily attributed to improved net cash inflow from financing activities, partially offset by a reduction in net cash from operating activities and investing activities.

Commenting on the Group's financial performance, Mr. Zhong Sheng Jian, Yanlord's Chairman and Chief Executive Officer, said, "We are encouraged to see strong and sustained demand for our property launches in 3Q2007. As previously announced, ASPs achieved at our key project launches in 3Q2007, namely Shanghai Yanlord Riverside City (Phase 2), Nanjing Bamboo Gardens (Phase 3) and Zhuhai Yanlord New City Gardens (Phase 1), grew 43.8%, 26.2% and 15.0%, respectively, to RMB34,924, RMB10,726 and RMB9,200 per sqm, respectively over the relevant comparative launches."

"Lower revenues of S\$295.6million being recognized impacted the performance for the 9M2007. However, as a measure of our operating performance, our pre-sales which had yet to be recognized as at 30 September 2007 stood at S\$1,097.0 million, out of which 83.2%, or S\$912.9 million, has already been received in cash. Therefore, we remain confident that our performance for 4Q2007 will be significantly better than that of the previous three quarters as we proceed to deliver more apartment units and recognize the majority of our cumulated pre-sale proceeds this quarter," added Mr Zhong.

Industry Outlook

Based on latest figures released by the PRC's National Bureau of Statistics, for the period of January to September 2007, the domestic economy continued its steady growth trend, posting a 11.5% year-on-year increase in gross domestic product to RMB16,604.3 billion. Riding on this robust growth momentum, based on the latest figures released by the PRC's National Development and Reform Commission ("NDRC"), high-end residential property prices in 70 large and medium-sized cities rose 10.0% in September 2007 compared to September 2006. This exceeds the 8.9% average increase in housing prices and reflects the buoyant demand for high-end residential properties in the PRC. In cities where the Group has established its presence, property prices for new residential developments in Chengdu and Nanjing increased by 9.6% and 8.7% respectively in September 2007 compared to the corresponding period last year while Shanghai, Tianjin and Guiyang exhibited relatively stable increases of approximately 6.2%, 7.2% and 7.2% respectively⁽¹⁾.

¹ http://www.ndrc.gov.cn/xwfb/t20071026_167369.htm

Moving forward, Yanlord will continue to launch new tranches of existing developments for sale in 4Q2007 in various cities – Yanlord Riverside City (Phase 2) (仁恒河滨城, 二期), Yanlord Town (仁恒家园) and Yunjie Riverside Garden (Phase 1) (运杰河滨花园, 一期) in Shanghai, Bamboo Gardens (Phase 3) (翠竹园, 三期) and Yanlord International Apartments (仁恒国际公寓) (residential component) in Nanjing, Hengye Star Gardens (恒业星园) in Chengdu and Yanlord Peninsula (星岛仁恒) in Suzhou. Situated in prime locations, these projects are expected to command pricing premiums and will contribute significantly to the Group's financial performance in FY 2007 and beyond.

In line with the Group's geographical expansion in 3Q2007, Yanlord announced on 27 September 2007 its entry into Shenzhen via the RMB238.7 million acquisition of East Hero Investment Ltd. With an aggregate land bank of approximately 534,064 sqm, this acquisition ushers Yanlord's entry into one of the PRC's fastest-growing cities and its eighth city of project development. With a GDP of approximately RMB568.3 billion in 2006 – the fourth highest amongst nationwide cities in the PRC – Shenzhen presents a unique opportunity for Yanlord to capitalize on the accelerated growth of the city which has witnessed a growth rate of at least 15% annually year on year since 2002. Together with the Group's earlier investments in Zhuhai, it will help consolidate its foothold within the rapidly expanding the Pearl River Delta.

"Shenzhen is one of the fastest-growing and wealthiest cities in the PRC. In September 2007 compared to the corresponding period last year, prices of new residential developments, and secondary residential developments in Shenzhen grew 16.5% and 22.0%, respectively – amongst the highest amongst all the large- and mid-sized cities in the PRC. Capitalizing on Yanlord's reputation for high-end quality developments, we are confident that this latest acquisition will serve to boost our development pipeline and provide a fresh impetus for the Group's development," Mr Zhong added.

To fuel the Group's continued growth, Yanlord is constantly exploring opportunities to expand its land bank holdings. Subsequent to the end of 3Q2007, the Group announced the acquisition of a 93,280 sqm high-end residential development site in Hexi New Urban Area, Nanjing for RMB 640.0 million. This acquisition marks the Group's third investment into the area – which is emerging as the new Central Business District of Nanjing – and complements its earlier acquisition of a 688,000 sqm integrated development site and Yanlord International Apartments. The Group currently has total landbank holdings of approximately 4.02 million sqm in prime city locations.

“The acquisition of this new site demonstrates our continued confidence in the strong potential of the Nanjing real estate sector which remains a core focus of our expansion strategy. We currently have two major property developments in the area, namely Yanlord International Apartments which has its residential component ready for pre-sales and the serviced residence component which opened its doors on 2 November 2007 amidst much fanfare. This latest site complements the earlier Hexi Area land parcel – which we intend to start work by 2008 – and is expected to contribute to the Group’s financial performance when completed,” Mr. Zhong concluded.

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About Yanlord Land Group Limited:

Yanlord Land Group Limited is a real estate developer based in the PRC that focuses on developing high-end integrated residential projects and integrated property development projects in strategically selected key and high-growth cities in the PRC. Since Yanlord took its first step to enter the PRC market in 1993, Yanlord has successfully developed a number of large-scale residential property developments with international communities of residents, such as Yanlord Gardens, Yanlord Riverside Gardens, Yanlord Riverside City, Plum Mansions, Orchid Mansions and Yanlord International Apartments. The “Yanlord” name has been developed into a premium brand - synonymous with quality - within the property development industry of PRC. Since 2001, Yanlord has extended its geographical reach into other cities of PRC, i.e. Guiyang, Chengdu, Zhuhai, Tianjin, Suzhou, and most recently, Shenzhen. Its typical residential property developments projects are large-scale, multi-phased projects designed and built by international architects and leading designers.

The Group has proactively extended its commercial property development projects, acquired a considerable amount of land portions for commercial use and commenced the construction of retail mall, office, hotel and serviced residence developments. Upon the completion of the projects, it is expected to generate stable recurrent income for the Group and enhance the asset value of the Group.

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