



# 仁恒置地集团 YANLORD LAND GROUP LIMITED

3Q and 9M2007 Financial Results Presentation  
- November 2007

# Presentation Content



## I. Company Overview

## II. Key Financial Highlights



## III. Outlook

## IV. Information on Land Bank





- **Top tier property developer**
  - Incorporated in Singapore
  - Properties and land bank based in People's Republic of China (PRC)
- **“Yanlord” brand**
  - Strong market brand recognition
  - Premium high-quality, fully-fitted residential development projects
- **Project Milestones:**
  - 1993 in Shanghai
  - 1994 in Nanjing
  - By 2005, expanded geographical reach to 7 cities exposure to the 4 main economic regions of the PRC
    - **Yangtze River Delta** - Shanghai, Nanjing and Suzhou
    - **Pearl River Delta** – Zhuhai
    - **Bohai Rim** - Tianjin
    - **Western China** - Chengdu and Guiyang
  - In September 2007, expanded into Shenzhen as 8<sup>th</sup> city with presence via the acquisition of Shenzhen-based company with land bank for future development



- **Share and Convertible Bonds**

- Listed on SGX-ST Main Board on 22 June 2006
  - Initial Public Offering (IPO) at S\$1.08 per share
  - Concurrent Equity (150 million new shares at S\$2.07) and Convertible Notes Offerings (total funds raised for CNs at S\$477.25 million) in Feb 07
  - Market cap. approx. S\$6.90 billion (based on closing price of S\$3.78 per share on 07 November 07)
  - Public Float approximately 27.0%
- The Group's revenue is recognized in accordance with the **Financial Reporting Standard 18** - when the legal title passes to the buyer or when the equitable interest in the property vests in the buyer upon release of the handover notice of the property to the buyer, whichever is earlier.



# Key Financial Highlights

## 3Q & 9M 2007 Results Highlights



- Pre-sales contracts increased to S\$1,097.0 million with proceeds received at S\$912.9 million, following strong take-up rates and strong average selling prices (“ASP”) of existing and new projects
- Gross floor area sold in 9M2007 amounted to 96,383 sqm, reflecting an overall ASP of approximately RMB14,738
- Director remains confident of the Group’s performance for 4Q2007 and for the next 12 months, based on number of units pre-sold to-date, expected delivery schedules and on-schedule construction works in progress

# Income Statement – 3Q2007



**3Q2007 revenue decreased 28% to S\$184.6 million, mainly attributable to pre-sales revenue have yet to be recognized in the current period; majority of pre-sales revenue to be booked in 4Q 2007**

	<b>3Q2007</b>	<b>3Q2006</b>	<b>% Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>+/(-)</b>
<b>Revenue</b>	<b>184,646</b>	<b>256,525</b>	<b>(28)</b>
<b>Cost of sales</b>	<b>(118,989)</b>	<b>(160,734)</b>	<b>(26)</b>
<b>Gross profit</b>	<b>65,657</b>	<b>95,791</b>	<b>(31)</b>
<b>Gross profit margin (%)</b>	<b>35.6</b>	<b>37.3</b>	<b>-</b>
<b>(Loss) Profit before tax</b>	<b>47,358</b>	<b>106,978</b>	<b>(56)</b>
<b>Income tax</b>	<b>(8,512)</b>	<b>(36,197)</b>	<b>(76)</b>
<b>Profit for the period</b>	<b>38,846</b>	<b>70,781</b>	<b>(45)</b>
<b>Profit attributable to Equity Holders of the Company</b>	<b>34,578</b>	<b>38,932</b>	<b>(11)</b>



# Income Statement – 9M2007



**9M2007 revenue decreased 54% to S\$295.6 million, in tandem with the lower recognized sales in 9M2007. Gross profit margin for 9M2007 remains healthy at 36.0% in spite of total LAT expenses of S\$28.7 million for 9M2007**

	<b>9M2007</b>	<b>9M2006</b>	<b>% Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>+/(-)</b>
<b>Revenue</b>	<b>295,564</b>	<b>638,591</b>	<b>(54)</b>
<b>Cost of sales</b>	<b>(189,071)</b>	<b>(376,522)</b>	<b>(50)</b>
<b>Gross profit</b>	<b>106,493</b>	<b>262,069</b>	<b>(59)</b>
<b>Gross profit margin (%)</b>	<b>36.0</b>	<b>41.0</b>	<b>-</b>
<b>Profit before tax</b>	<b>51,753</b>	<b>251,977</b>	<b>(79)</b>
<b>Income tax</b>	<b>(15,703)</b>	<b>(61,538)</b>	<b>(74)</b>
<b>Profit for the period</b>	<b>36,050</b>	<b>190,439</b>	<b>(81)</b>
<b>Profit attributable to Equity holders of the parent</b>	<b>15,032</b>	<b>123,143</b>	<b>(88)</b>



# Balance Sheet – AS AT 30 SEPTEMBER 2007



Cash position of the Group remains strong with healthy current ratio as at 30 September 2007 mainly due to strong cashflow from pre-sales and proceeds from concurrent offerings in Feb 2007.

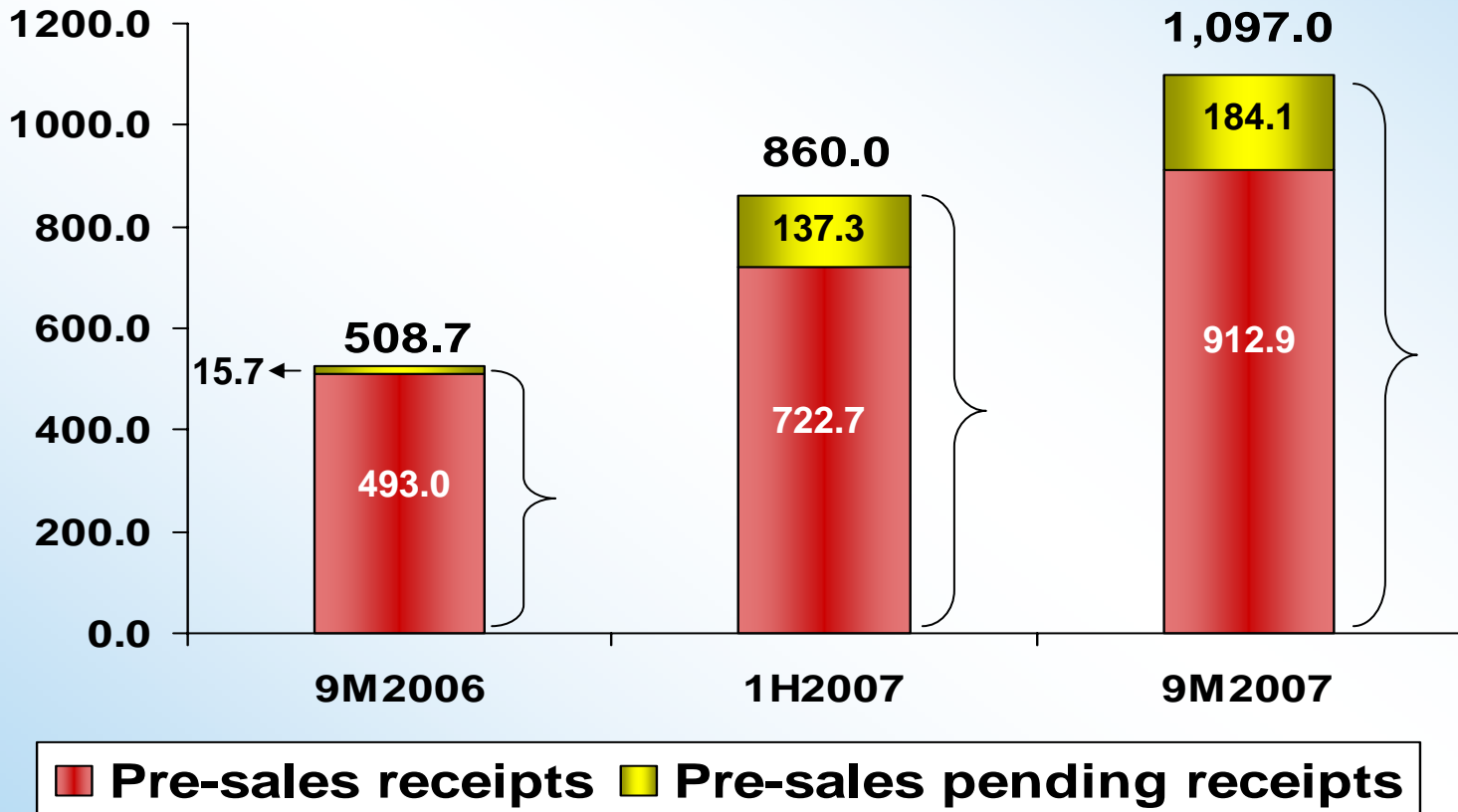
	As at 30 Sept 07	As at 31 Dec 06	% Change
	S\$'000	S\$'000	+/(–)
<b>Total Current Assets</b>	<b>2,692,775</b>	<b>1,763,332</b>	<b>52.7</b>
<b>Total Current Liabilities</b>	<b>1,611,123</b>	<b>628,685</b>	<b>156.3</b>
<b>Total Assets</b>	<b>3,830,806</b>	<b>2,150,359</b>	<b>78.1</b>
<b>Total Equity (Excl. MI)</b>	<b>1,252,942</b>	<b>909,842</b>	<b>37.7</b>
<b>Cash and Cash Equivalents</b>	<b>788,786</b>	<b>622,237</b>	<b>26.8</b>
<b>ST + LT Debt + CNs*</b>	<b>880,896</b>	<b>427,520</b>	<b>106.0</b>

\* As at 30 Sept 07, S\$21.75 mil of convertible notes (CNs) has been converted into ordinary shares, out of the S\$477.25 mil issued in Feb 07. Subsequent to 30 Sept 07, an additional S\$117.0 million has been converted into ordinary shares, i.e. total of S\$138.75 mil of CNs converted as at 31 Oct 07

# PRE-SALES CONTRACTS

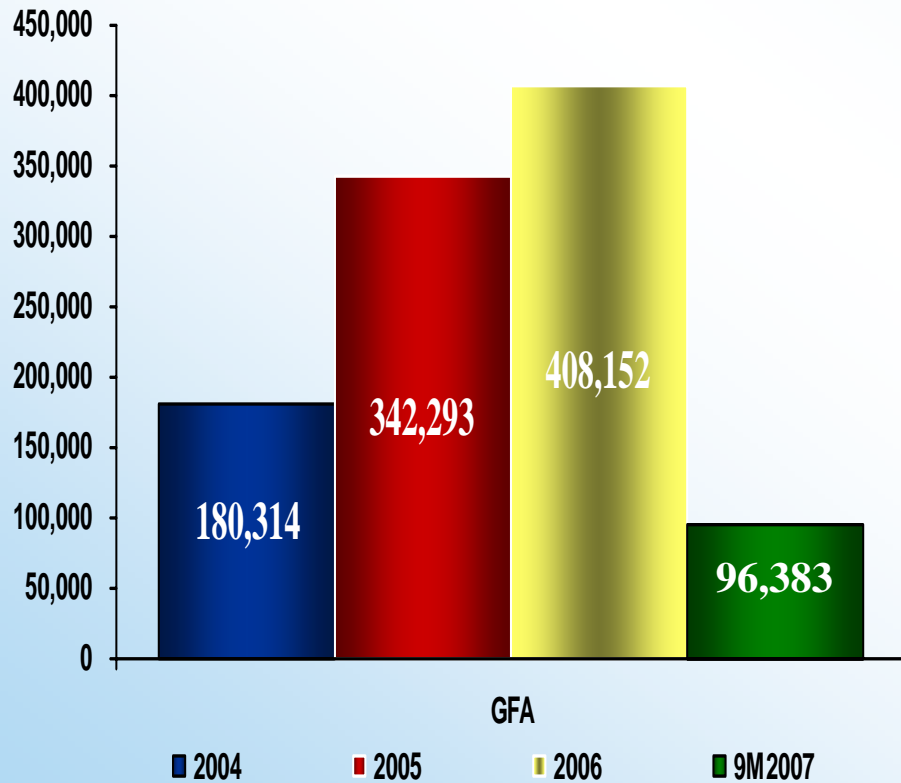


## Pre-sale Contracts and Proceeds (S\$ million)

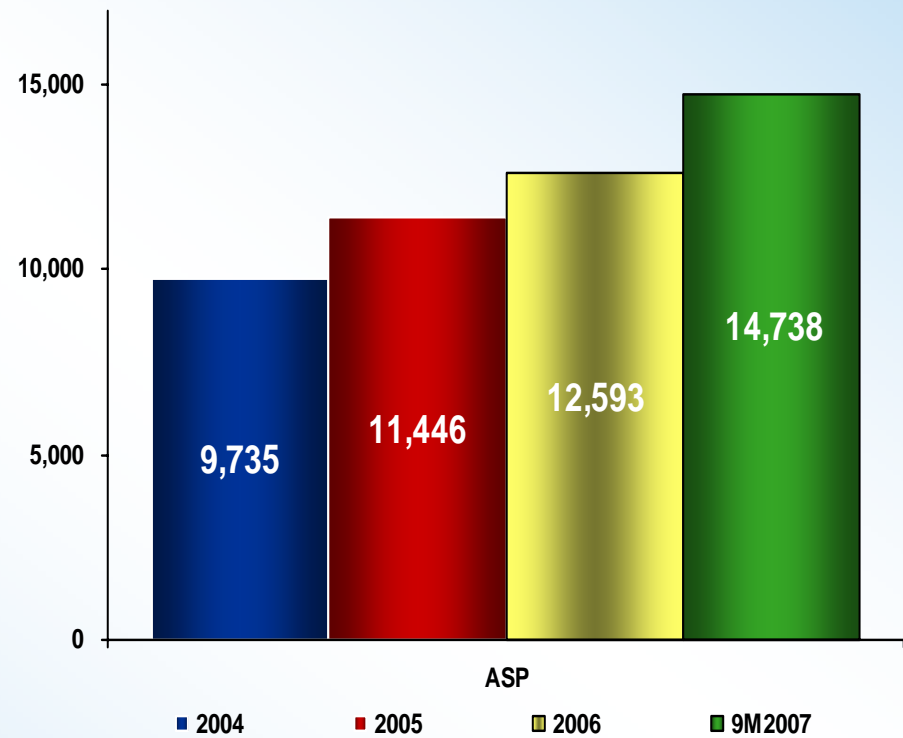


# GFA & ASP Overview

GFA (sqm)



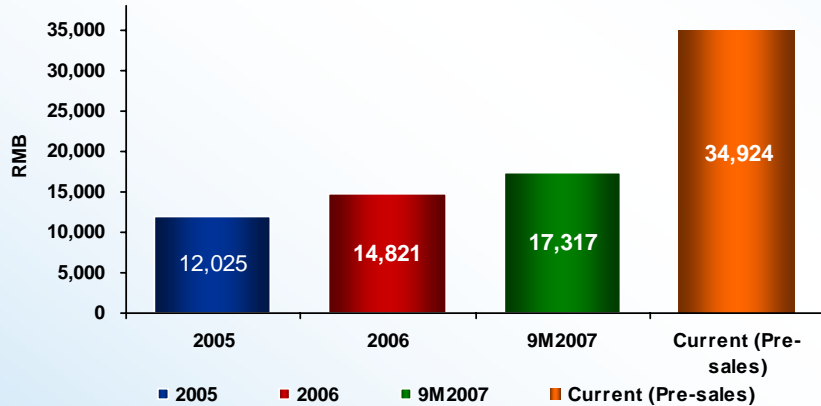
Overall ASP (RMB per sqm)



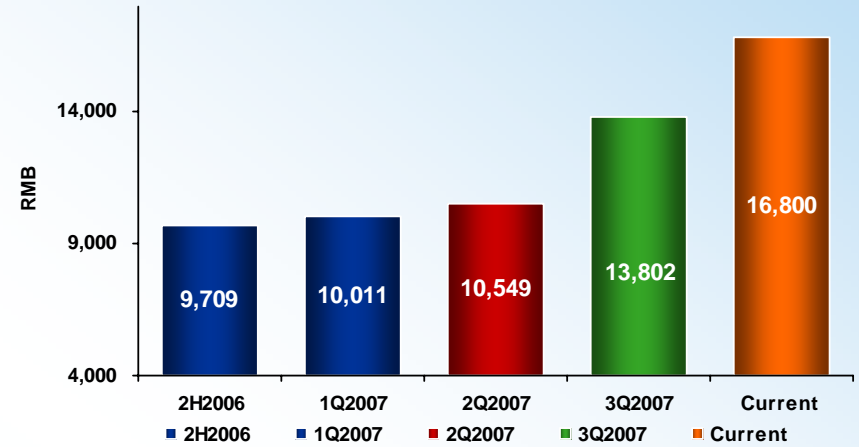
# ASP Overview (Main Existing Projects)



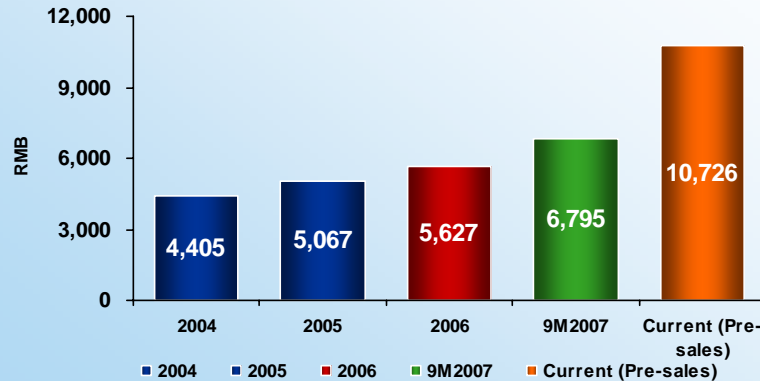
## Yanlord Riverside City (Phases 1 & 2)



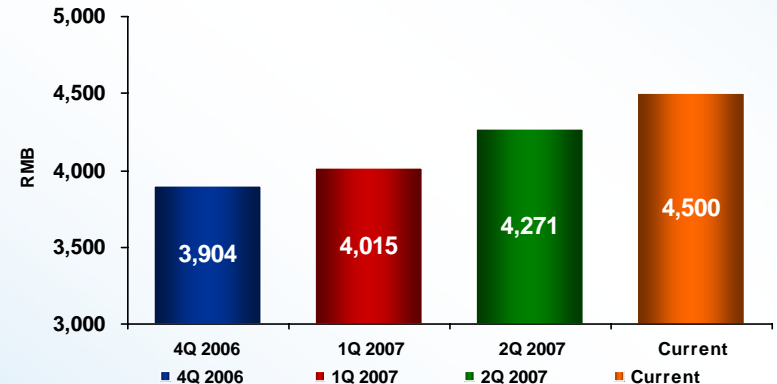
## Yanlord Town (Pre-sales)



## Bamboo Gardens (Phases 1 to 3)



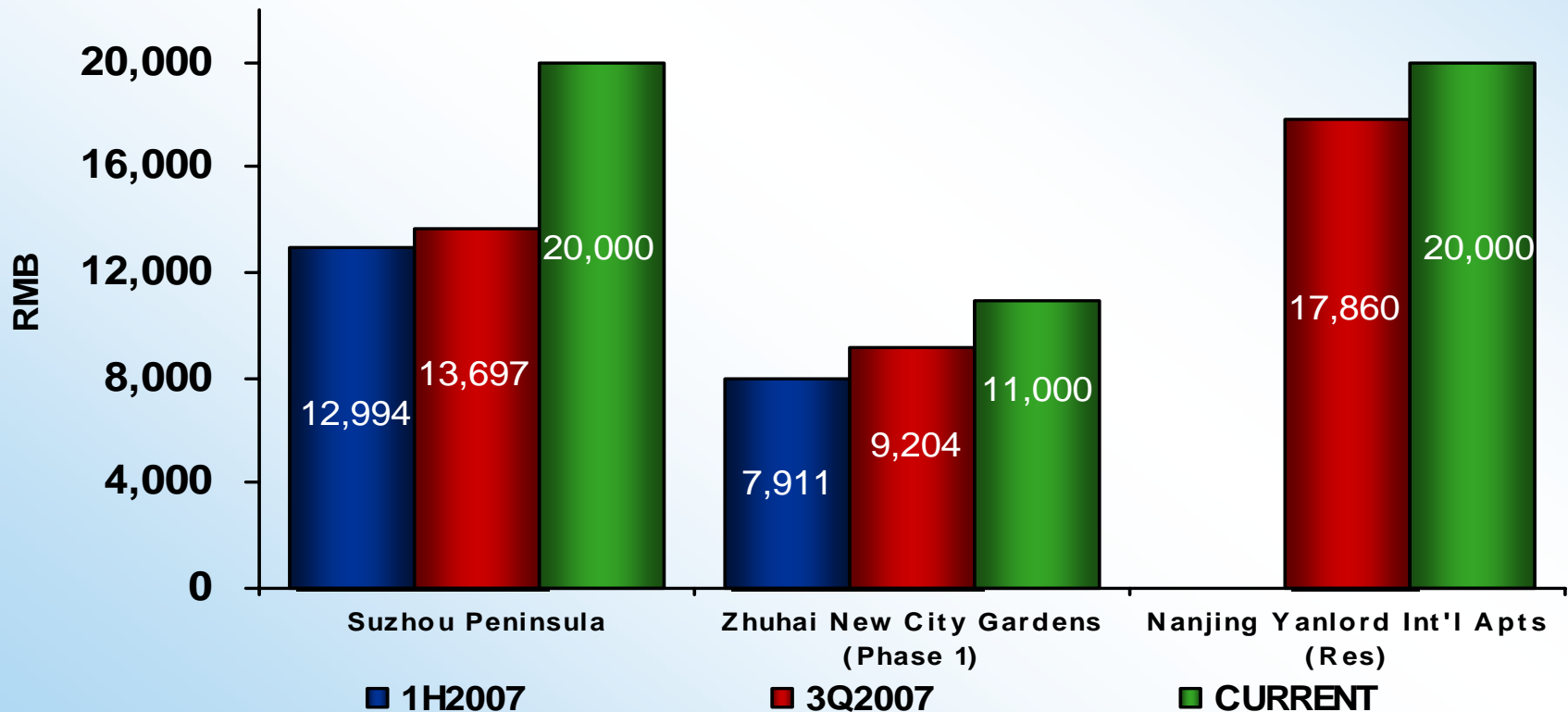
## Hengye Star Garden (Pre-sales)







## Pre-sales of Recently Launched Projects





# Outlook



## ► Robust domestic economy in 9M2007 vs 9M2006

- ▲ GDP grew 11.5% for 9M2007 compared to 9M2006, to reach RMB16.6 trillion

## ► High-end property prices for new developments in 70 largest cities continue to rise, at 10.0% in Sept 07 compared to Sept 06, outstrips the overall average property price increase of 8.9%

- In cities where the Group has established presence, for new developments:
  - Chengdu and Nanjing increased by 9.6% and 8.7% respectively
  - Relatively more stable increases for Shanghai at 6.2%, while Tianjin and Guiyang both increased at 7.2%

Source: National Bureau of Statistics  
National Development and Reform Commission

## ► Expected strong recognition of contracted sales in 4Q2007

- ▲ **\$S\$1,097.0 million** in contracted pre-sales as at **30 September 2007**, majority to be recognised upon delivery in 4Q2007
- ▲ **\$S\$912.9 million** in advances from customers received as at 30 Sept 2007

## ► Continued launches from existing and new projects in various cities resulting in more diversified revenue base in 4Q2007:

### ▲ Shanghai

- ▲ Yanlord Riverside City (Phase 2), Yanlord Town and Yunjie Riverside Garden

### ▲ Nanjing

- ▲ Bamboo Gardens (Phase 3) and Yanlord International Apartments (Residential component)

### ▲ Chengdu

- ▲ Hengye Star Gardens

### ▲ Suzhou

- ▲ Yanlord Peninsula

### ▲ Zhuhai

- ▲ Yanlord New City Gardens (Phase 1)



# Latest Developments

## ► Commencement of Construction of New Project in 3Q2007:

### ► Zhuhai New City Gardens

- Phase 2 (Section 1) with total GFA of 107,981 sqm

- Phase 2 (Section 2) with total GFA of 217,779 sqm for future development, currently at planning stage

## ► Commencement of new project launch:

### ► Yanlord International Apartments, Nanjing

- Sales of residential component was launched

- Service Residence component for lease opened for business on 2 Nov 07, managed by Frasers Hospitality

## ► Signing of USD 200 million Equivalent Term Loan and Revolving Credit Facility (the “Facility”) on 7 November 2007:

- Available in both USD and HKD which includes USD 120 million Equivalent Term Loan and USD 80 million Equivalent Revolving Credit Facility

- Purpose of Facility is to finance the general corporate funding requirements of the Group including the acquisition of land and property



## ► Land Acquisitions:

- ▲ February 2007 - Increase effective interest in Zhuhai Marina Centre from 60% to 95%
  - ▲ GFA of 210,893 sqm
  - ▲ Investment: RMB330 million
- ▲ June 2007 – Acquisition of land in Suzhou
  - ▲ GFA of 336,788 sqm
  - ▲ Land Premium: RMB 2.16 billion
- ▲ September 2007 – Acquisition of Shenzhen-based company with 2 land banks
  - ▲ GFA of 534,064 sqm
  - ▲ Acquisition cost of Shenzhen Company: RMB238.7 million
- ▲ October 2007 – Acquisition of Land in Nanjing
  - ▲ GFA of 93,280 sqm
  - ▲ Land Premium: RMB640.0 million



# Information on Land Bank

# Land Bank: Diversified Geographic Coverage



## Bohai Rim

### Tianjin (Future Development)

- Yanlord Riverside Plaza

## Western China

### Chengdu (Under Development)

- Hengye Star Gardens
- Yanlord Landmark

### Chengdu (Completed and Held for Investment)

- Hengye International Plaza

As at 30 Sept 2007:

GFA Completed (sqm)	1.97 mm <sup>(1)</sup>
GFA under Development (sqm)	1.53 mm
GFA for Future Development (sqm)	2.49 mm <sup>(2)</sup>
Total Land Bank (sqm)	4.02 mm <sup>(2)</sup>

## Yangtze River Delta

### Shanghai (Under Development)

- Yanlord Town
- Yanlord Riverside City, Phase II
- Yunjie Riverside Garden, Phase I
- Yanlord Riverside City, Phase III

### Shanghai (Future Development)

- Shanghai San Jia Gang
- Yunjie Riverside Garden, Phase II

### Nanjing (Under Development/Future Development)

- Bamboo Gardens, Phase II
- Bamboo Garden, Phase III
- Yanlord International Apartments (Res)
- Nanjing Yangtze Riverside City

### Suzhou (Under Development)

- Yanlord Peninsula
- Yanlord Lakeview Bay (Land Plot No.5)

## Pearl River Delta

### Zhuhai (Under Development / Future Development)

- Yanlord New City Gardens
- Yanlord Marina Centre

### Shenzhen (Future Development)

- Longgang Ailian City Redevelopment Project
- Baolong Development Project

Notes:

(1) Out of the GFA completed of 1.97mm sqm, 0.11mm sqm has yet to be sold or retained as investment properties

(2) Excluding new land bank acquired in Nanjing of approximately 93,280 sqm acquired in Oct 07



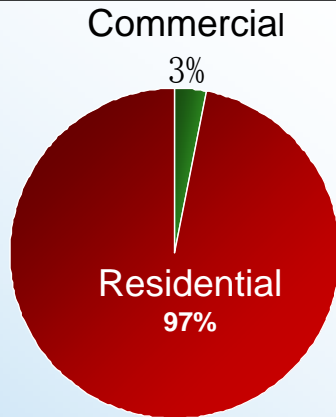
# Segregation of GFA - By Type and by Cities



Our future projects will be more diversified in terms of development type and geographical reach

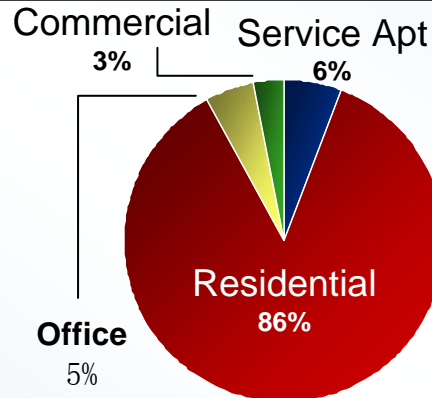
## Completed Projects

Total GFA = 1.97 million sqm



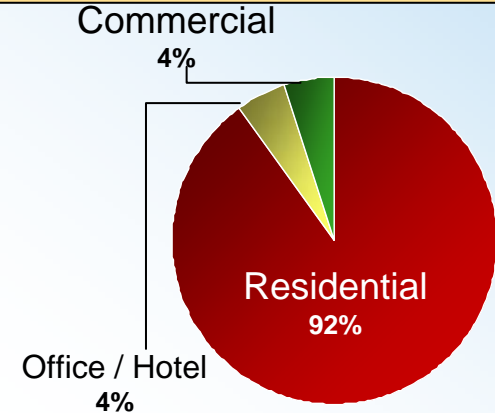
## Projects Under Development

Total GFA = 1.53 million sqm



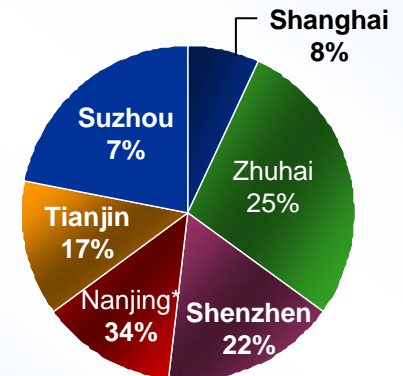
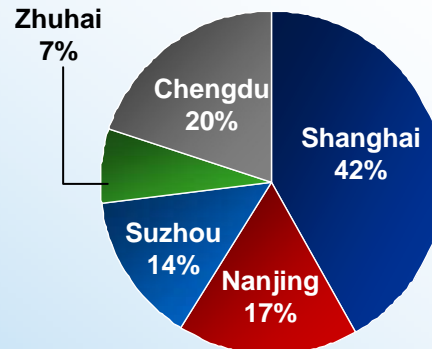
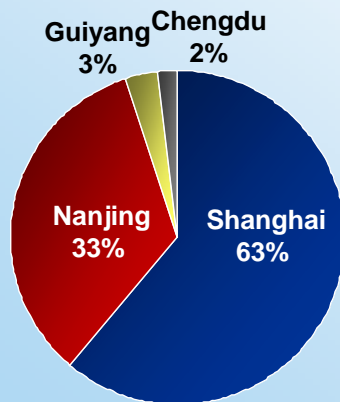
## Landbank: Future Development

Total GFA = 2.49 million sqm



## By Type

## By Cities

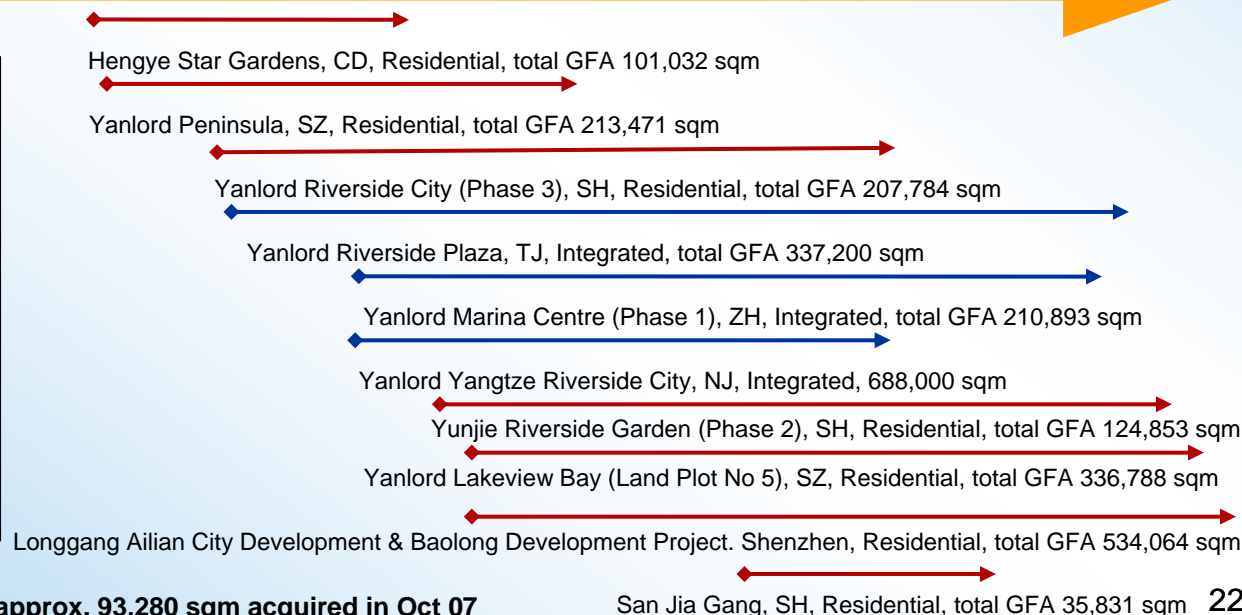


\*Does not include 93,280 sqm acquired on 24 Oct 2007

# Long-Term Sustainable Land Bank

## Diverse Projects in the Pipeline

Sustainable development pipeline to drive profitability and cash flow in the long term



Note: Excluding new land acquired in Nanjing of approx. 93,280 sqm acquired in Oct 07

San Jia Gang, SH, Residential, total GFA 35,831 sqm 22

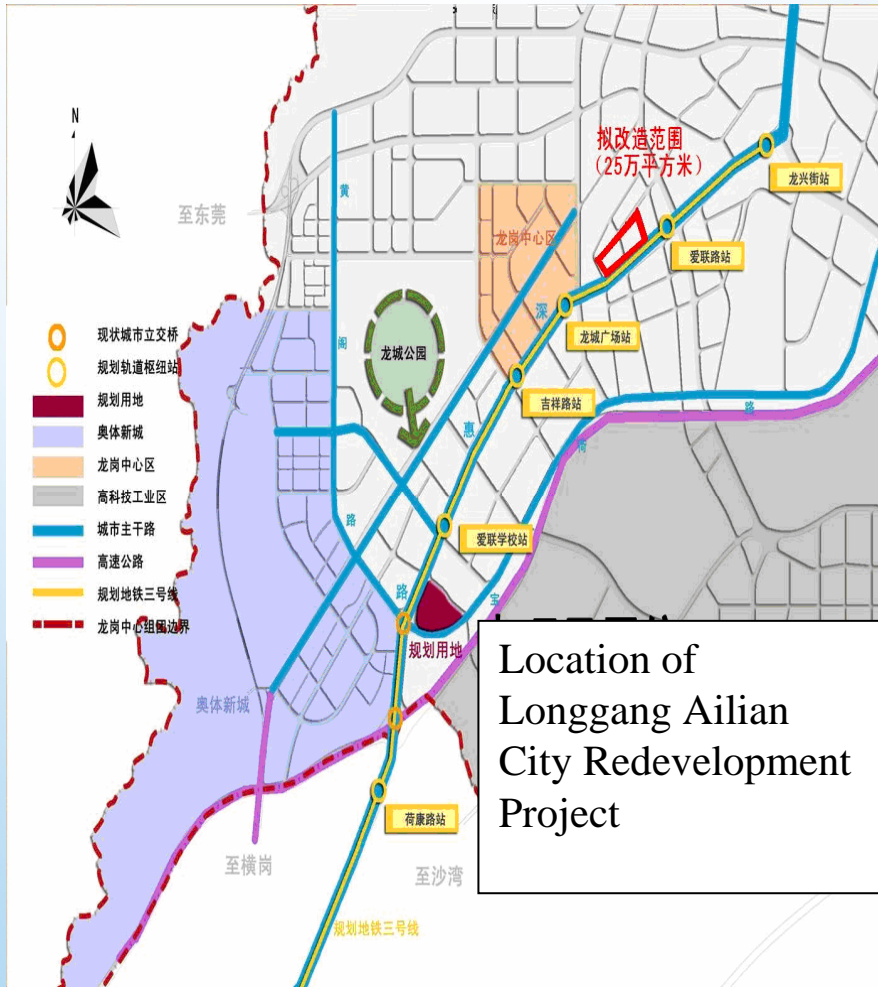
# New Land Acquisition: Suzhou

- Successfully acquired Shuanghu Plate Area Land Plot 05, i.e. Shuanghu Plate Area in Suzhou for RMB2.16 billion at a land auction conducted on 19 June 2007
- Total GFA approximately 336,788 sqm,
- Intended to be developed into a high-end residential zone comprising townhouses, fully fitted apartments, ancillary commercial facilities and serviced apartments.
- Ideally situated between the picturesque Dushu and Jinji lakes,
  - Possesses the rustic charms of waterfront view of two natural lakes
  - Retains the convenience of urban amenities through its excellent connections to major arterial roadways





# New Land Acquisition: Shenzhen



- Acquisition of Shenzhen-based company announced on 28 September 2007
- Entry and focal point of the rapidly maturing Longgang District
- Total GFA approximately **390,000 sqm**
- Intended to be developed into a high-end residential estate offering quality accommodation and convenience for its residents.
- Close proximity to
  - Shenzhen Longgang Olympic New City, which will host the World University Games in 2011
  - Walking distance to metro network (Line Number 3) – to be completed in 2010 – linking the development to the Shenzhen city centre within 35 minutes of travel



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