



# 仁恒置地集团 YANLORD LAND GROUP LIMITED

## 3Q and 9M 2009 Results Presentation

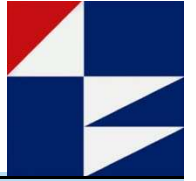
# Yanlord 3Q 2009 Business Review



- ❖ The PRC real estate sector continued to exhibit signs of recovery driven by strong impetus from the stimulus package. Cumulative residential property investment in 9M2009 grew 15.4% year on year to RMB2.1 trillion.
- ❖ Strong performance in 3Q2009 drove 9M2009 revenue to S\$1.4 billion, surpassing revenue for the full year of 2008.
- ❖ The Group continues to actively pursue opportunities to expand its land bank. In September 2009, the Group acquired an additional 162,074 sqm GFA landbank in the Waigaoqiao District, Pudong, Shanghai. With an enlarged landbank of approximately 320,000 sqm in Waigaoqiao, the Group will leverage on the greater scalability to develop a large-scale international community.
- ❖ Strategic partnership continue to be a key driver for the Group's sustained development. On 25 September 2009, Yanlord announced the formation of a joint venture company with HB Investments (China) Pte. Ltd. to explore development opportunities in the PRC.
- ❖ In line with the Group's continued drive to expand its presence within the emerging Bohai Economic region, Yanlord announced in October 2009 a memorandum of understanding with the Tangshan Nanhu Eco-city Administrative Committee for the joint investment and development of high-end residential developments within the 91 square kilometer Nanhu Eco-City.



# Presentation Content



## I. Key Financial Highlight



## II. Business and Operation Overview

## III. Outlook



- Yanlord Riverside City  
(Shanghai)

## Key Financial Highlight

# Key Financial Highlight



- ❖ Revenue grew 133% to S\$1,385.6 million in 9M 2009 compared to 9M 2008. Net profit attributable to equity holders of the company grew 143% to S\$207.0 million in 9M 2009 compared to S\$85.4 million in 9M 2008.
- ❖ Average selling price recognized in 9M 2009 rose 34.5% to approximately RMB21,098 per sqm from RMB15,681 per sqm in 9M 2008.
- ❖ Cash and bank balance increased to S\$1.847 billion due to strong cash inflows from the Group's operations and net proceeds of S\$369.5 million from the issue of the convertible notes in July 2009.
- ❖ As of 30 September 2009, the Group's total pre-contracted sales to be recognized grew 23.4% to S\$987.5 million from S\$800.1 million as of 30 June 2009. Total pre-contracted sales included S\$778.3 million of advances received and S\$209.2 million of pre-sale proceeds that will be collected in subsequent financial periods.
- ❖ The Group continues to adhere to its prudent financial policies and has a net cash position as of 30 September 2009.

# Income Statement – 3Q2009 VS 3Q2008



	3Q2009	3Q2008	% Change
	S\$'mil	S\$'mil	+/( -)
Revenue	583.4	83.5	599
Cost of sales	(274.8)	(42.2)	552
Gross profit	308.6	41.3	647
Gross profit margin (%)	52.9	49.5	3.4ppt
Profit before income tax	287.9	29.6	872
Income tax	(156.8)	(11.4)	1273
Profit for the period	131.1	18.2	620
Net profit margin (%)	22.5	21.8	0.7ppt
Profit attributable to equity holders of the Company	91.1	8.8	935
Fully diluted earnings per share <sup>(1)</sup> (cents)	4.43	0.48	823
GFA delivered (sqm)	149,741	17,213	770
ASP (RMB/sqm)	18,559	19,922	(7)

<sup>(1)</sup> Based on adjusted weighted average number of shares

# Income Statement – 9M2009 VS 9M2008



	9M2009	9M2008	% Change
	S\$'mil	S\$'mil	+/(–)
Revenue	1,385.6	595.4	133
Cost of sales	(574.8)	(292.7)	96
Gross profit	810.8	302.7	168
Gross profit margin (%)	58.5	50.8	7.7ppt
Profit before income tax	747.9	259.6	188
Income tax	(440.0)	(129.8)	239
Profit for the period	307.9	129.8	137
Net profit margin (%)	22.2	21.8	0.4ppt
Profit attributable to equity holders of the Company	207.0	85.4	142
Fully diluted earnings per share <sup>(1)</sup> (cents)	10.45	4.45	135
GFA delivered (sqm)	306,022	187,663	63
ASP (RMB/sqm)	21,098	15,681	35

<sup>(1)</sup> Based on adjusted weighted average number of shares

# Financials – Snapshot as of 30 September 2009



	As of 30 Sep 09	As of 31 Dec 08	% Change
	S\$'mil	S\$'mil	+/(–)
<b>Current assets</b>	<b>3,934.7</b>	<b>2,265.9</b>	<b>74</b>
<b>Non-current assets</b>	<b>2,677.0</b>	<b>2,553.3</b>	<b>5</b>
<b>Total assets</b>	<b>6,611.7</b>	<b>4,819.2</b>	<b>37</b>
<b>Current liabilities</b>	<b>2,016.0</b>	<b>1,219.7</b>	<b>65</b>
<b>Non-current liabilities</b>	<b>1,499.7</b>	<b>1,269.1</b>	<b>18</b>
<b>Total equity (Incl. MI)</b>	<b>3,096.1</b>	<b>2,330.4</b>	<b>33</b>
<b>Cash and bank balances</b>	<b>1,847.4</b>	<b>375.7</b>	<b>392</b>
<b>Convertible notes</b>	<b>655.2</b>	<b>323.6</b>	<b>102</b>
<b>Short-term debt</b>	<b>290.8</b>	<b>350.0</b>	<b>(17)</b>
<b>Long-term debt (excl. convertible notes)</b>	<b>744.9</b>	<b>898.9</b>	<b>(17)</b>
<b>Net (cash) / debt</b>	<b>(163.6)</b>	<b>1,196.8</b>	<b>N/A</b>

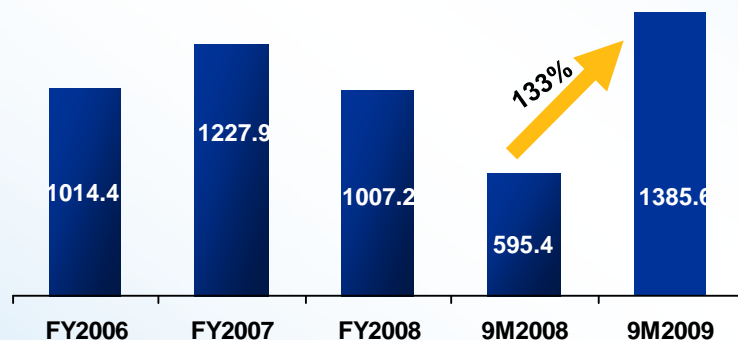


# Strong Profitability and Sustained Growth

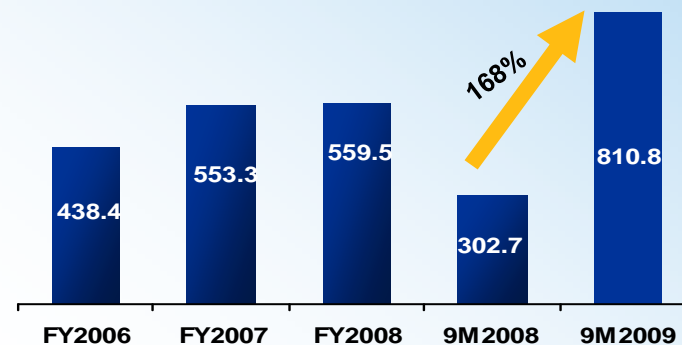


\$ million

## Revenue

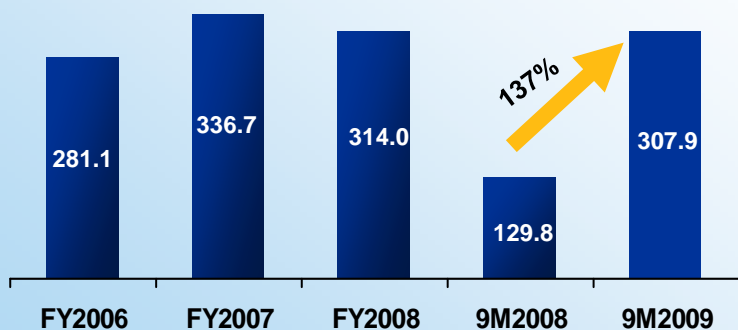


## Gross Profit

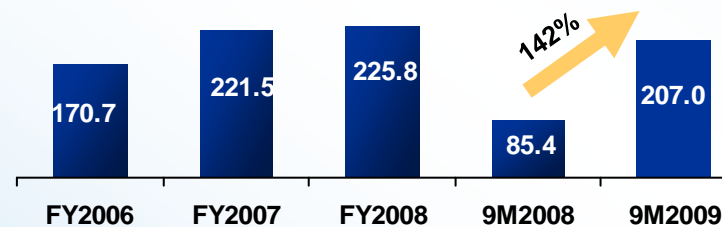


	FY06	FY07	FY08	9M08	9M09
Margins (%)	43.2	45.1	55.5	50.8	58.5

## Profit for the Period



## Profit Attributable to Equity Holders



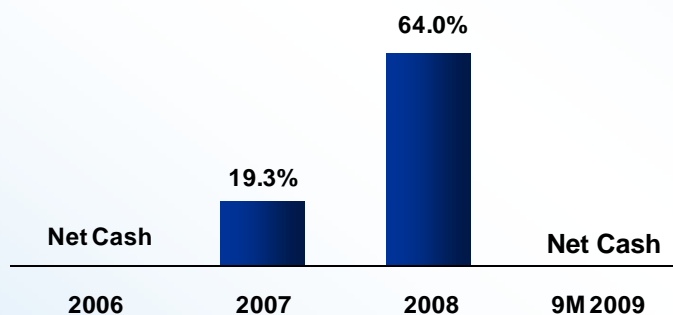
	FY06	FY07	FY08	9M08	9M09
Margins (%)	27.7	27.4	31.2	21.8	22.2

	FY06	FY07	FY08	9M08	9M09
Margins (%)	16.8	18.0	22.4	14.3	14.9

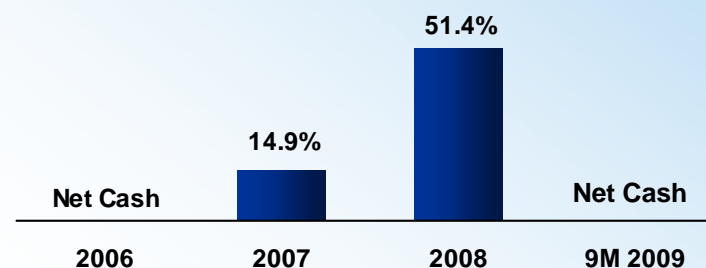
# Strong Credit Statistics



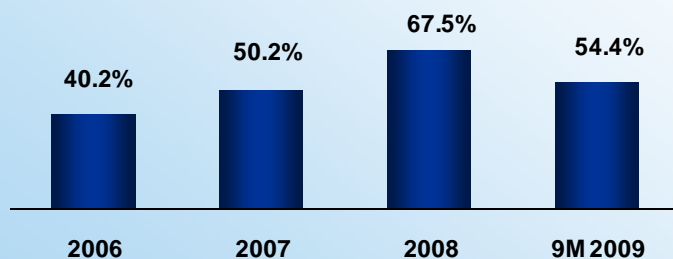
## Net Debt / Equity (Excl. MI)



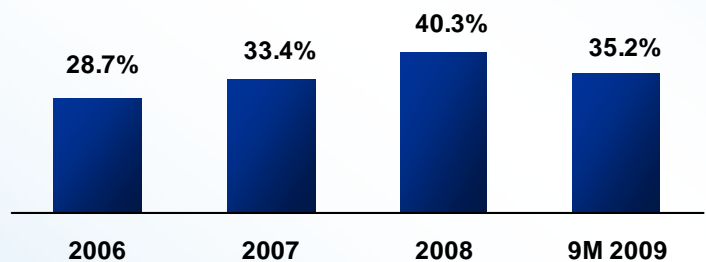
## Net Debt / Total Equity (Incl. MI)



## Total Debt / Total Equity (Incl. MI)



## Total Debt / Capitalization\*

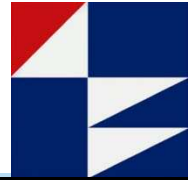


\* Capitalization is equal to the sum of total equity and total debt (including minority interest)

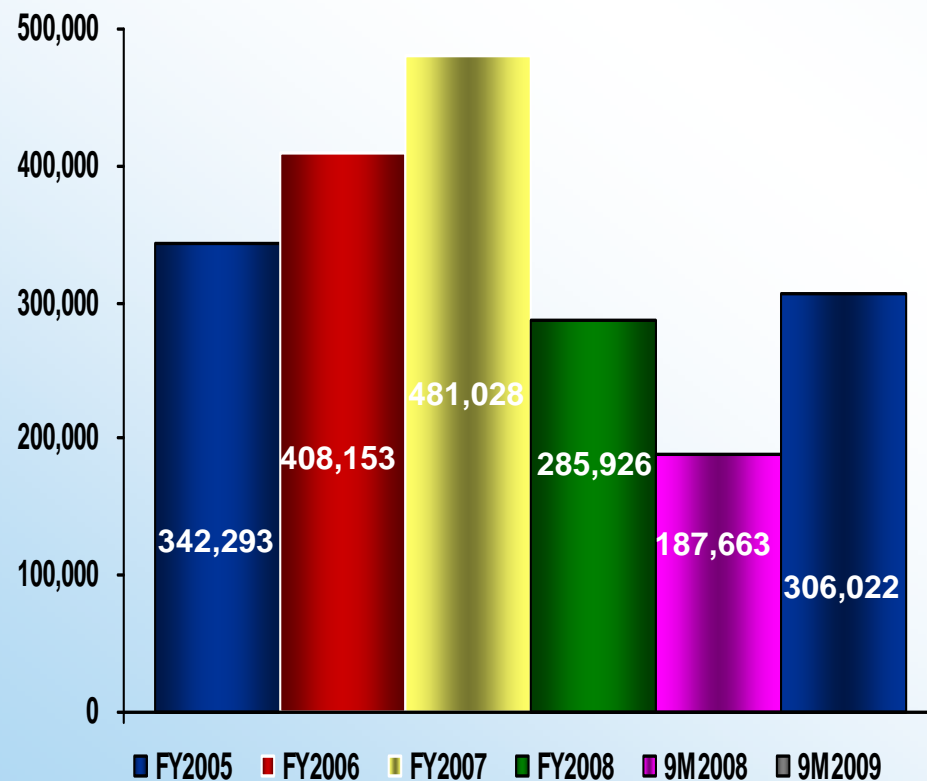


# Business and Operation Overview

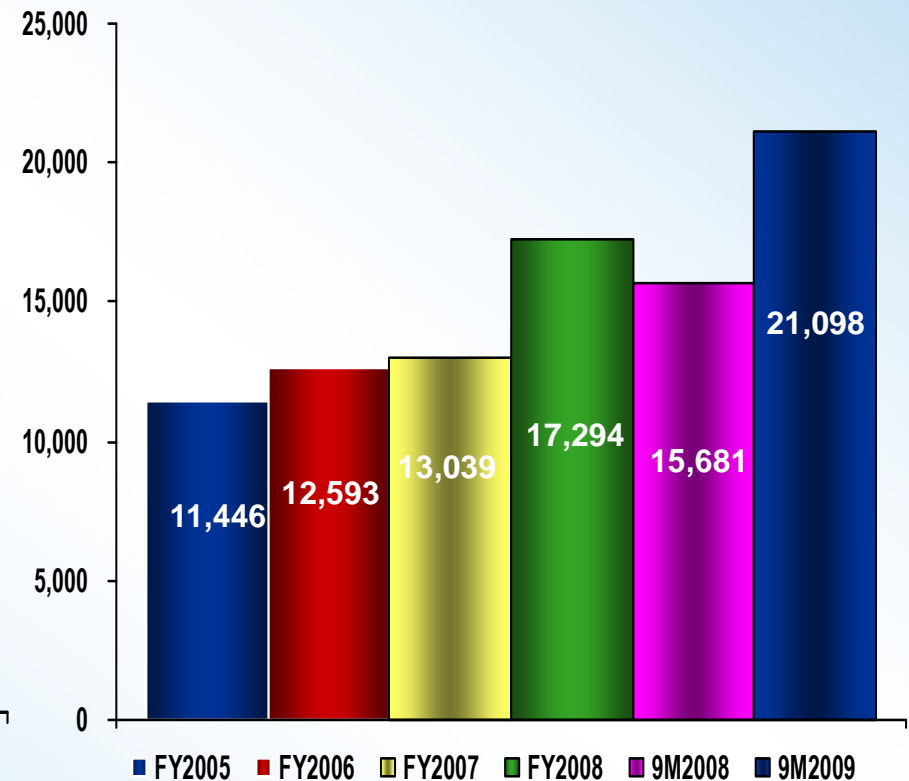
# GFA & ASP Overview



## GFA Delivered (sqm)



## Overall ASP (RMB per sqm)



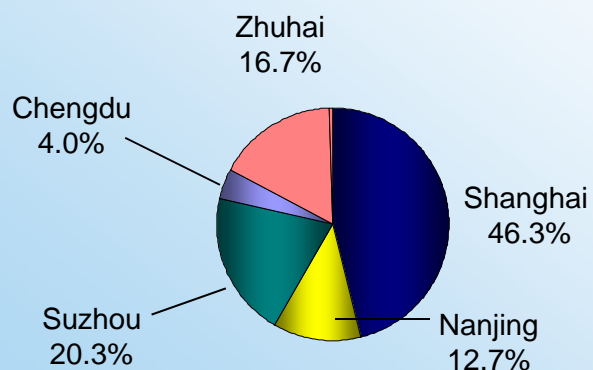


# GFA / Property Sale Contribution Analysis of 9M 2009 by Project and City

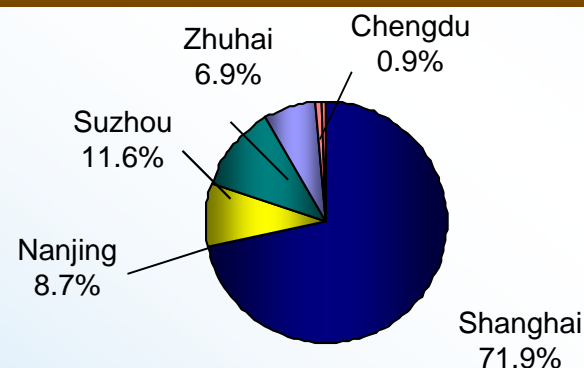


Major Projects delivered in 9M 2009	GFA (sqm)	ASP (RMB/sqm)	Property Sale Contribution by project (%)
Shanghai Yanlord Riverside City (Phase 2)	29,229	30,837	14.1
Shanghai Yanlord Riverside City (Phase 3)	104,190	34,667	55.8
Shanghai Yunjie Riverside Gardens	7,646	14,336	1.7
Suzhou Yanlord Peninsula (Townhouse)	26,404	15,351	6.2
Suzhou Yanlord Peninsula (Apartment)	35,711	9,992	5.4
Zhuhai Yanlord New City Gardens (Phase 2-Section 1)	50,870	8,832	6.8
Nanjing Bamboo Gardens (Phase 3)	25,719	11,622	4.8
Nanjing Yanlord International Apartments, Tower B	11,999	19,850	3.7
Chengdu Hengye Star Gardens	12,352	4,925	0.9
Others	1,903	N/A	0.6

GFA contribution by City



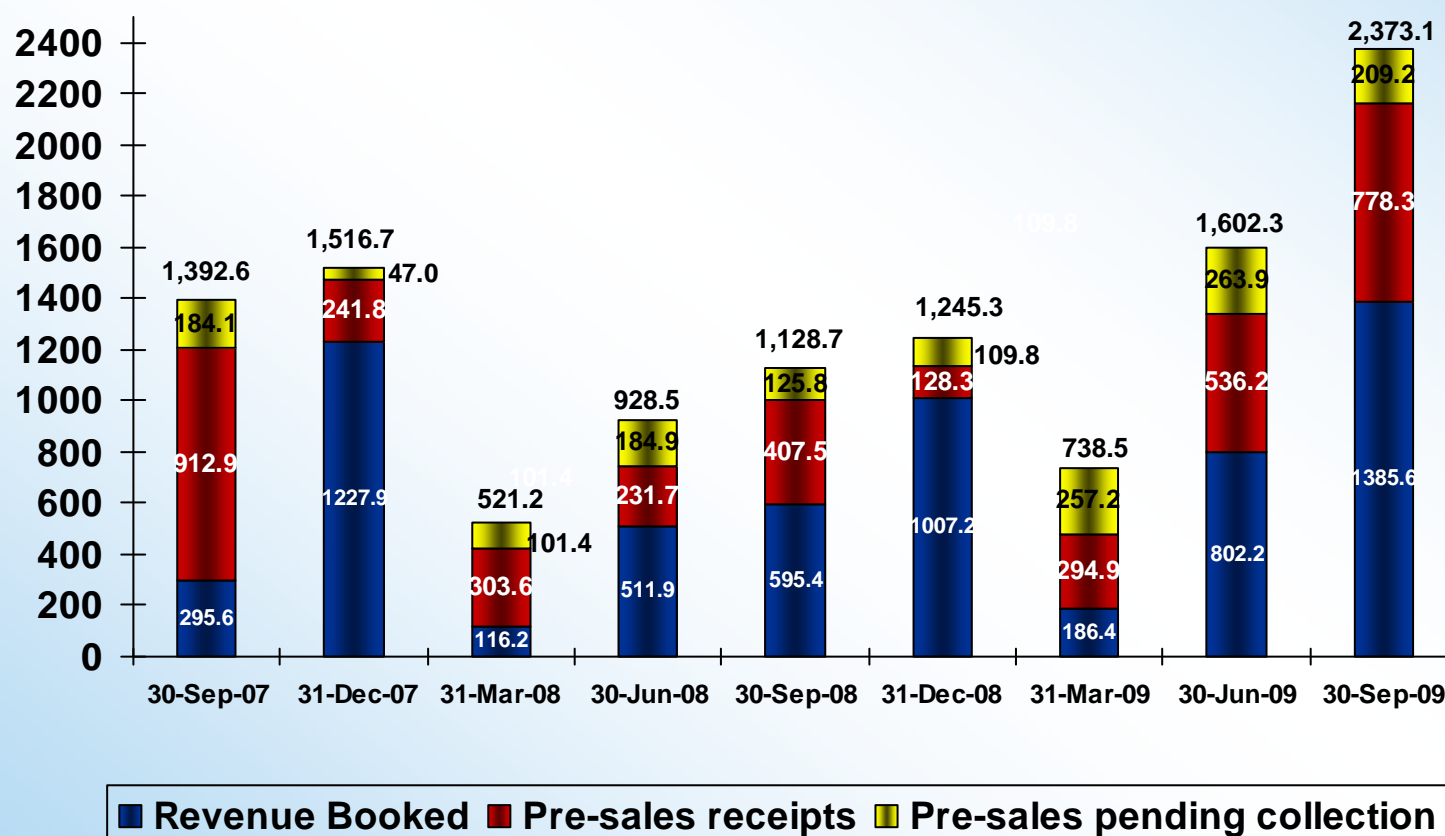
Property Sale contribution by City



# Pre-sales Contracts and Receipts



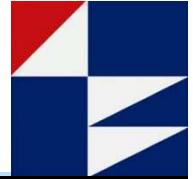
## Revenue Booked, Contract Sales and Proceeds Collected (S\$ million)





# Abundant Landbank in High-Growth Cities

## Diversified Geographic Coverage



### Bohai Rim in 2005

#### Tianjin

- Yanlord Riverside Plaza (360,459 sqm)
- Haihe Land (326,970 sqm)

### Western China in 2003

#### Chengdu

- Yanlord Landmark (166,790 sqm)
- Hengye International Plaza (39,999 sqm)
- Hengye Star Gardens (8,009 sqm)

As at 30 September 2009:

GFA Completed (mil sqm)	0.264
GFA under Development (mil sqm)	1.030
GFA for Future Development (mil sqm)	2.628
Total Land Bank (mil sqm)	3.922

### Yangtze River Delta in 1993

#### Shanghai

- Yanlord Riverside City (95,969 sqm)
- Yunjie Riverside Gardens Phase I & II (105,785 sqm)
- San Jia Gang Land Plot (35,831 sqm)
- New Jiangwan Urban Area Land (65,050 sqm)
- Qingpu District Land (117,459 sqm)
- Waigaoqiao Area Land (325,632 sqm)

#### Nanjing

- Bamboo Gardens (3,576 sqm)
- Yanlord Int'l Apartments Tower A (37,940 sqm)
- Yanlord Int'l Apartments Tower B (25,409 sqm)
- Yanlord Yangtze Riverbay Town (647,699 sqm)
- Hexi New Urban Area Land (97,342 sqm)

#### Suzhou

- Yanlord Peninsula (91,356 sqm)
- Yanlord Lakeview Bay (337,184 sqm)
- Wuzhong Area C1 Land (15,481 sqm)

### Pearl River Delta in 2005

#### Zhuhai

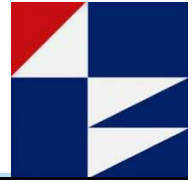
- Yanlord New City Gardens (258,943 sqm)
- Yanlord Marina Centre (216,582 sqm)

#### Shenzhen

- Longgang District Redevelopment Project (390,000 sqm)
- Longgang District Economic Residential Housing (144,064 sqm)



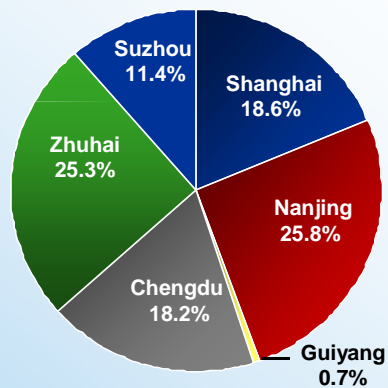
# Land Bank Breakdown: By Stage and by City



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

## Completed Projects

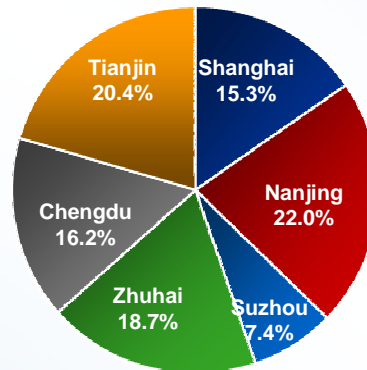
Total GFA = 264,193 sqm<sup>(1)</sup>



Residential	163,851 sqm
Investment	94,418 sqm
Fixed Assets	5,924 sqm

## Projects Under Development

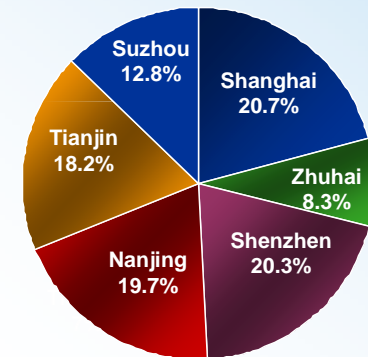
Total GFA = 1.03 million sqm



Residential and Shops	787,707 sqm
Investment	241,915 sqm

## Landbank: Future Development

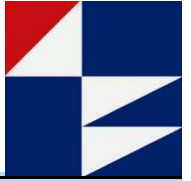
Total GFA = 2.63 million sqm



Residential and Shops	2,473,155 sqm
Investment	154,806 sqm

<sup>(1)</sup>The group has completed 3.13 million sqm out of which 264,193 sqm are GFA completed retained as investment properties, fixed assets, or yet to be sold/delivered to customers.





## New Launches of property for sale in 4Q 2009

### ► We continue to launch the following new batches of projects in 4Q 2009:

#### ▲ Shanghai

- ▲ Yanlord Riverside City (Phase 3)
- ▲ Yunjie Riverside Gardens (Phase 2)

#### ▲ Zhuhai

- ▲ Yanlord New City Gardens (Phase 2 – Section 2)

### ► We continue to sell existing projects in various cities in 4Q 2009:

#### ▲ Nanjing

- ▲ Yanlord International Apartments Tower B
- ▲ Yanlord Yangtze Riverbay Town (Phase 1)

#### ▲ Tianjin

- ▲ Yanlord Riverside Plaza (Phase 1)

#### ▲ Chengdu

- ▲ Hengye Star Gardens

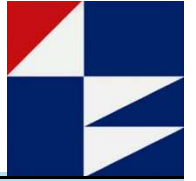
#### ▲ Suzhou

- ▲ Yanlord Peninsula - Townhouse and Apartment

#### ▲ Zhuhai

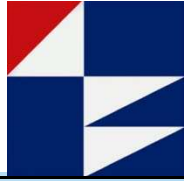
- ▲ Yanlord New City Gardens (Phase 2 – Section 1)

# Commencement of New Constructions



## ► We plan to commence construction of the following projects in 4Q 2009

- ▲ Shanghai
  - ▲ New Jiangwan Urban Area Land
- ▲ Nanjing
  - ▲ Yanlord Yangtze Riverbay Town (Phase 2)
- ▲ Suzhou
  - ▲ Yanlord Lakeview Bay (Phase 1)
- ▲ Zhuhai
  - ▲ Yanlord Marina Centre
- ▲ Tianjin
  - ▲ Haihe Land (Phase 1)



# Growth Strategies

## ► Build on competitive strengths

- ▲ Continue to build high quality development in high growth cities
- ▲ Capitalize on opportunities to grow land bank at a reasonable price to ensure targeted return
- ▲ Leverage on experienced local management teams
- ▲ Keep on building Yanlord brand equity

## ► Leverage on financial strengths

- ▲ Maintain strong cash position and prudent financial policy

## ► Penetration into integrated residential and commercial property developments

- ▲ Continue to build more integrated residential and commercial developments which will be retained for recurring rental income
- ▲ Further development of talent and experience in managing commercial properties

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