



## **YANLORD 1H 2008 REVENUE JUMPS TO S\$511.9 MILLION; DEMAND FOR HIGH-END RESIDENCES CONTINUES TO DRIVE ACCUMULATED PRE-SALES AND GROUP PERFORMANCE**

- Benefiting from higher average selling prices (“ASP”) recognized and delivery of a large portion of higher-margin residential units in Shanghai Yanlord Riverside City Phase 2, gross profit margin for the Group rose to 55.0% and 51.1% in 2Q 2008 and 1H 2008 from 36.8% and 47.3% in 2Q 2007 and 1H 2007 respectively, profit for the period of 1H 2008 recorded at S\$111.6 million; net profit attributable to the shareholders of 1H 2008 recorded at S\$76.6 million
- ASP for residential units recognized in 2Q 2008 rose 19.1% to approximately RMB15,875 per square metre (“sqm”) from RMB13,329 per sqm in 1Q 2008
- As at 30 June 2008, the Group has unrecognized contracted pre-sales of S\$416.6 million. Taking into account revenue recognition of S\$511.9 million in 1H 2008, the combined amount of S\$928.5 million is approximately 75.6% of the FY2007 revenue and will be progressively recognized as revenue in the subsequent financial periods

	1H 2008	1H 2007	% Change
Revenue (S\$ ‘000)	511,884	110,918	361
Gross Profit (S\$ ‘000)	261,398	52,499	398
Gross Profit Margin (%)	51.1	47.3	3.8pp
Profit for the period (S\$ ‘000)	111,618	(2,796)	-
Net Profit attributable to shareholders (S\$ ‘000)	76,551	(19,546)	-

**Singapore/Hong Kong – 14 August 2008** – 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 high-growth cities in the People’s Republic of China (“PRC”), announced today that its net profit for the January - June 2008 (“1H 2008”) period recorded at S\$111.6 million on higher ASP achieved for its high-end residential developments. Net profit attributable to shareholders in 1H 2008 was recorded at S\$76.6 million.

Bolstered by the Group’s strong brand equity and continued demand for its high-end residences in the PRC, Yanlord recorded an ASP of approximately RMB15,253 per sqm for its high-end residential units in 1H2008 compared to approximately RMB13,791 per sqm in 1H 2007. The ASP for apartment units sold in 2Q 2008 rose 19.1% to approximately RMB15,875 per sqm from RMB13,329 per sqm in 1Q 2008. Total gross floor area (“GFA”) delivered in 1H 2008 rose approximately 4.6 times to 170,450 square metres (“sqm”) from 37,056 sqm in 1H 2007.

Revenue for the period rose 361% year-on-year from S\$110.9 million in 1H 2007 to S\$511.9 million. In line with the revenue growth, gross profit for the period grew 398% to S\$261.4 million in 1H2008 from S\$52.5 million in 1H 2007. The considerable growth in 1H 2008 over 1H 2007 was mainly due to more pre-sold units being delivered in 1H 2008 as compared to 1H 2007. The Group believes that the properties being delivered in FY 2008 will be more evenly spread out when compared to that in FY 2007 whereby the majority number of properties was delivered in 2H 2007. In addition, three new developments contributed to revenue and profit of the Group in 1H 2008 – Yanlord Peninsula (Suzhou), Hengye Star Gardens (Chengdu) and Yanlord International Apartments (Tower B) (Nanjing). Reflecting the higher ASP for the period and the increased recognition of higher margin units at Yanlord Riverside City Phase 2 in 1H 2008, gross profit margin for the Group rose to 55.0% and 51.1% in 2Q 2008 and 1H 2008, respectively, from 36.8% and 47.3% in the corresponding periods of prior year.

Consistent with its revenue recognition method which recognizes revenue from developments sold upon delivery, the Group’s revenue of 1H 2008 was boosted by the recognition of apartment unit sales at Yanlord Riverside City Phase 2 (Shanghai), Yanlord Peninsular (Suzhou), Yanlord International Apartments (Tower B) (Nanjing) and Hengye Star Gardens (Chengdu), which accounted for 51.5%, 18.1%, 12.8% and 9.5% of 1H 2008 revenue respectively.

As at 30 June 2008, the Group has unrecognized contracted pre-sales of S\$416.6 million. Taking into account the revenue recognition of S\$511.9 million in 1H2008, the combined amount of S\$928.5 million is approximately 75.6% of FY2007 revenue. The pre-contracted sales will be progressively recognized as revenue in the subsequent financial periods.

Commenting on the Group's encouraging financial performance, Mr. Zhong Sheng Jian, Yanlord's Chairman and Chief Executive Officer, said, "Despite a perceived softer sentiment in the PRC real estate market, Yanlord's high-end residential developments continue to be well received by our discerning customers. Testament to this, the latest launch of apartment units at Shanghai Yanlord Riverside City Phase 3 in early August 2008 has received strong responses from the market. ASP for the residential units pre-sold at the launch rose 20.3% to RMB41,500 per sqm from RMB34,500 per sqm pre-sold in January 2008." added Mr Zhong.

"Leveraging on the vast experience of our management teams in the existing cities, Yanlord has established a track record of developing high-quality and value added products that meet the demand of our discerning customers. Moving forward, the Group will continue to build on its core competency in developing high quality developments and providing excellent property management services. Yanlord will also tap on its effective business strategies and prudent financial policies to strive for good investment opportunities." Mr Zhong said.

**### End ###**

## **ABOUT YANLORD LAND GROUP LIMITED:**

Yanlord Land Group Limited (Z25.SI) is a real estate developer based in the People's Republic of China, with a focus on the development of high-end fully fitted residential, commercial and integrated property projects in strategically selected key and high-growth cities in the PRC. Listed in June 2006, Yanlord Land Group is a component stock of the Straits Times Index as well as the MSCI Global Standard Indices - Singapore Index.

Since Yanlord took its first step to enter into the PRC market in 1993, it has successfully developed a number of large-scale residential property developments in Shanghai and Nanjing with international communities of residents – such as Yanlord Garden, Yanlord Riverside Gardens and Yanlord Riverside City in Shanghai and Orchid Mansion, Bamboo Garden and Yanlord International Apartments in Nanjing. The “Yanlord” name has been developed into a premium brand, synonymous with quality, within the property development industry of PRC. Currently the Group has established presence in eight key high-growth cities within the four major economic regions of the PRC, namely, (i) Yangtze River Delta – Shanghai, Nanjing and Suzhou; (ii) Western China – Chengdu and Guiyang; (iii) Bohai Rim – Tianjin; and (iv) Pearl River Delta – Zhuhai and Shenzhen.

The Group has proactively extended its commercial property development projects, acquired a considerable amount of land parcels for commercial use and commenced the construction of retail malls, offices, hotels and serviced residence developments. Upon the completion, the projects are expected to generate stable rental income for the Group and increase the asset value of the Group.

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For additional information pertaining to the Group's 2Q 2008 and 1H 2008 financial statement announcement and results presentation, please refer to the Group's website [www.yanlordland.com](http://www.yanlordland.com)