



仁恒置地集团 YANLORD LAND GROUP LIMITED

2Q 2010 and 1H 2010 Results Presentation

Presentation Content



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II. Business and Operation Overview

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Yanlord 1H 2010 Business Overview

- ❖ Despite the market uncertainties arising from the recent regulatory policies targeted at stabilising property prices, the Group remains confident about the long term outlook of the PRC real estate sector which continues to be driven by a strong domestic economy that grew 11.1% in the first half of 2010.
- ❖ While buying sentiments in the PRC real estate sector have slowed due to austerity measures introduced by the PRC central government to cool the property sector, demand for Yanlord's quality products continues to be resilient. As of 30 June 2010, the Group had total pre-contracted sales of S\$1.13 billion to be recognised which includes S\$1.05 billion of advances received.
- ❖ Capitalising on its robust financial position, the Group will actively seek out opportunities to further augment its land bank and development strategies. In June 2010, the Group successfully acquired land parcels with a combined GFA of 387,597 sqm in Tangshan Nanhu Eco-City.
- ❖ Moving forward, the Group will continue to explore and secure additional growth opportunities to further drive its sustained development.



Key Financial Highlights



Yanlord 1H 2010 Business Review

- ❖ Steadfast demand for Yanlord's quality products drives 2Q 2010 revenue to S\$622.1 million from S\$615.8 million in 2Q 2009. Revenue in 1H 2010 was marginally lower at S\$795.2 million from S\$802.2 million in 1H 2009 due to a 6.5% appreciation of the SGD over the RMB.
- ❖ In RMB terms, 2Q 2010 and 1H 2010 revenue from sale of properties rose 7.3% and 5.0% respectively compared to corresponding periods in 2009, in tandem with the increase in GFA delivered.
- ❖ Driven by the continued delivery of higher value apartment units in 2Q 2010, gross profit margin rose to 63.4% from 62.1% in 2Q 2009. Gross profit margin in 1H 2010 was 62.0% compared to 62.6% in 1H 2009.
- ❖ Net profit attributable to equity holders of the Company in 1H 2010 grew 2.4% to S\$118.6 million from S\$115.8 million in 1H 2009.
- ❖ Demand for Yanlord's quality products continues to be strong despite cooling measures, ASP recognised in 1H 2010 was RMB 23,521 which was consistent with ASP in 1H 2009 of RMB 23,532. GFA delivered in 1H 2010 grew 5.2% to 164,348 sqm, from 156,281 sqm in 1H 2009.
- ❖ The Group continues to maintain a robust financial position with cash and bank balances of S\$1.4 billion and has a net debt to total equity ratio of 18.5% as at 30 June 2010.



Income Statement – 2Q 2010 VS 2Q 2009

	2Q 2010	2Q 2009	% Change
GFA delivered (sqm)	132,638	123,618	7.3
ASP (RMB/sqm)	23,156	23,152	-
Revenue (S\$ mil)	622.1	615.8	1.0
Cost of sales (S\$ mil)	(228.0)	(233.1)	(2.2)
Gross profit (S\$ mil)	394.1	382.7	3.0
Gross profit margin (%)	63.4	62.1	1.3 ppt
Profit before income tax (S\$ mil)	365.2	361.8	0.9
Income tax (S\$ mil)	(209.2)	(224.8)	(6.9)
Profit for the period (S\$ mil)	156.0	137.0	13.9
Net profit margin (%)	25.1	22.3	2.8 ppt
Profit attributable to equity holders of the Company (S\$ mil)	99.9	91.6	9.1
Net Attributable Profit Margin (%)	16.1	14.9	1.2 ppt
Basic earnings per share* (cents)	4.76	4.69	1.5

**Based on adjusted weighted average number of shares on a fully diluted basis*



Income Statement – 1H 2010 VS 1H 2009

	1H 2010	1H 2009	% Change
GFA delivered (sqm)	164,348	156,281	5.2
ASP (RMB/sqm)	23,521	23,531	-
Revenue (S\$ mil)	795.2	802.2	(0.9)
Cost of sales (S\$ mil)	(302.1)	(300.0)	0.7
Gross profit (S\$ mil)	493.1	502.3	(1.8)
Gross profit margin (%)	62.0	62.6	(0.6) ppt
Profit before income tax (S\$ mil)	435.9	459.9	(5.2)
Income tax (S\$ mil)	(258.6)	(283.2)	(8.7)
Profit for the period (S\$ mil)	177.3	176.8	0.3
Net profit margin (%)	22.3	22.0	0.3 ppt
Profit attributable to equity holders of the Company (S\$ mil)	118.6	115.8	2.4
Net Attributable Profit Margin (%)	14.9	14.4	0.5 ppt
Basic earnings per share* (cents)	5.61	5.97	(6.0)

**Based on adjusted weighted average number of shares on a fully diluted basis*



Financials – Snapshot as of 30 June 2010

	As of 30 Jun 10	As of 31 Dec 09	% Change
Current assets (S\$ mil)	4,719.1	3,993.6	18.2
Non-current assets (S\$ mil)	3,550.2	2,713.1	30.9
Total assets (S\$ mil)	8,269.3	6,706.7	23.3
Current liabilities (S\$ mil)	2,590.2	2,190.3	18.3
Non-current liabilities (S\$ mil)	1,991.8	1,331.4	49.6
Total equity (Incl. MI) (S\$ mil)	3,687.3	3,185.0	15.8
Cash and bank balances (S\$ mil)	1,428.7	1,357.1	5.3
Convertible Notes * (S\$ mil)	339.3	657.7	(48.4)
Short-term debt (S\$ mil)	264.9	278.2	(4.8)
Long-term debt (excl. convertible notes) (S\$ mil)	1,507.2	547.7	175.2
Net Debt (S\$ mil)	682.7	126.5	439.7

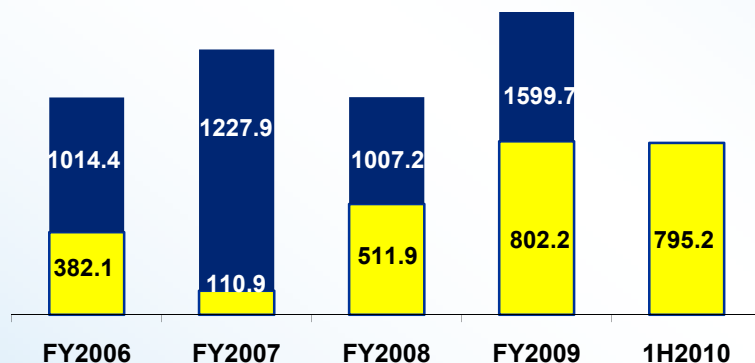
* Excluded the put option of bondholders of convertible notes due 2014 amounting to S\$7.1 million

Profitability and Sustained Growth



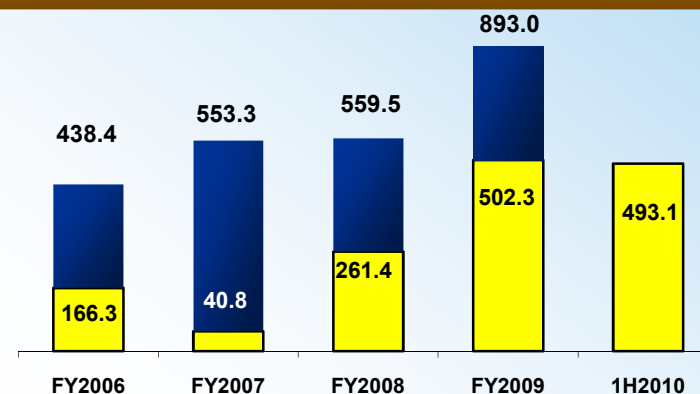
S\$ million

Revenue



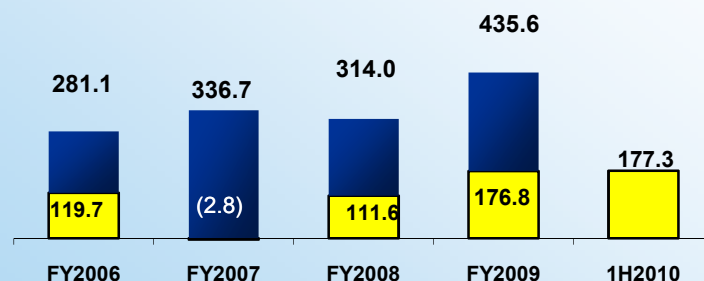
* 1H figures

Gross Profit



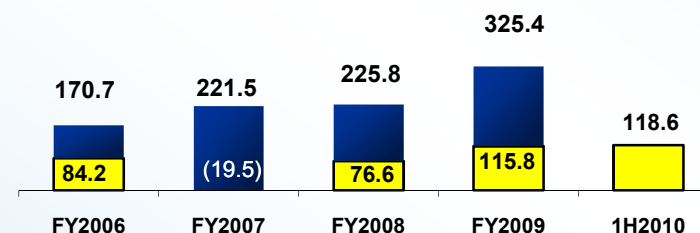
	FY06	FY07	FY08	FY09	1H10
Margins (%)	43.2	45.1	55.5	55.8	62.0

Profit for the Period



	FY06	FY07	FY08	FY09	1H10
Margins (%)	27.7	27.4	31.2	27.2	22.3

Profit Attributable to Equity Holders

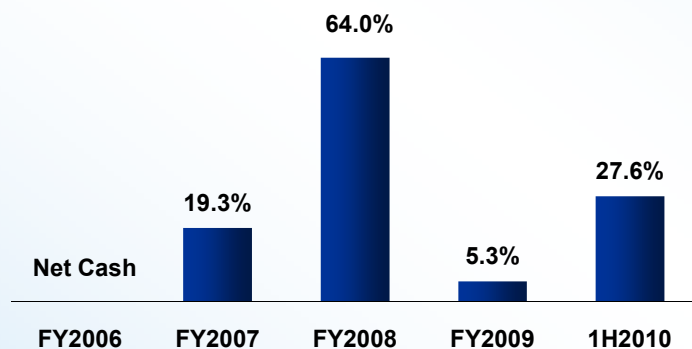


	FY06	FY07	FY08	FY09	1H10
Margins (%)	16.8	18.0	22.4	20.3	14.9

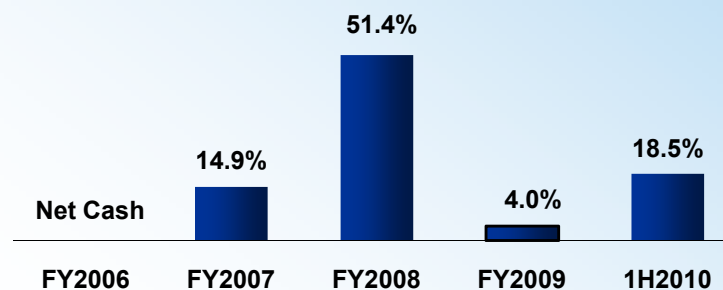
Strong Credit Statistics



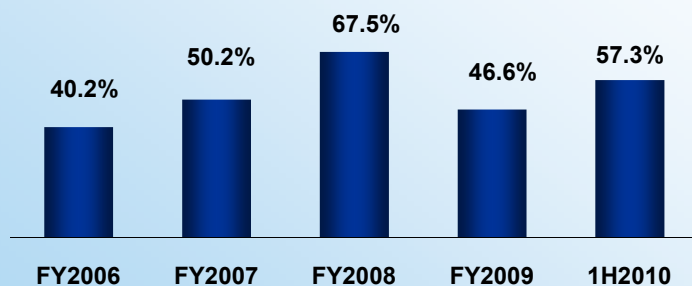
Net Debt / Equity (Excl. MI)



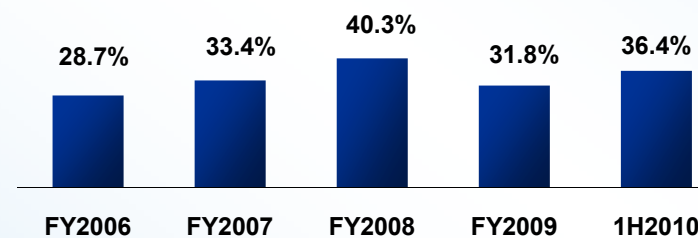
Net Debt / Total Equity (Incl. MI)



Total Debt / Total Equity (Incl. MI)



Total Debt / Capitalization*



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

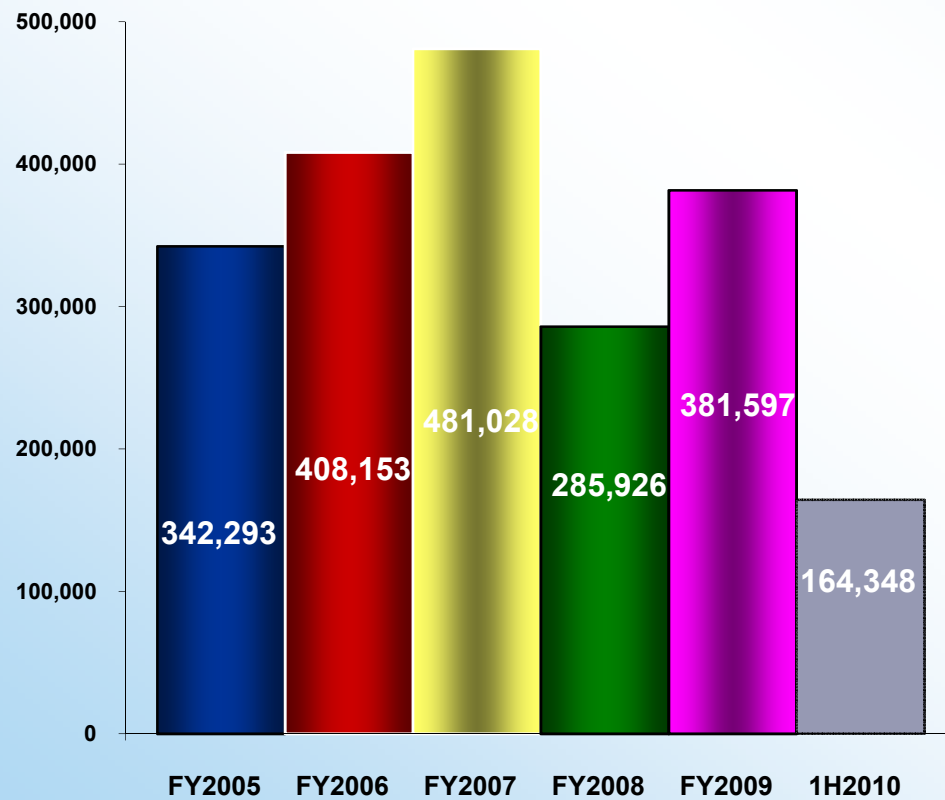


Business and Operation Overview

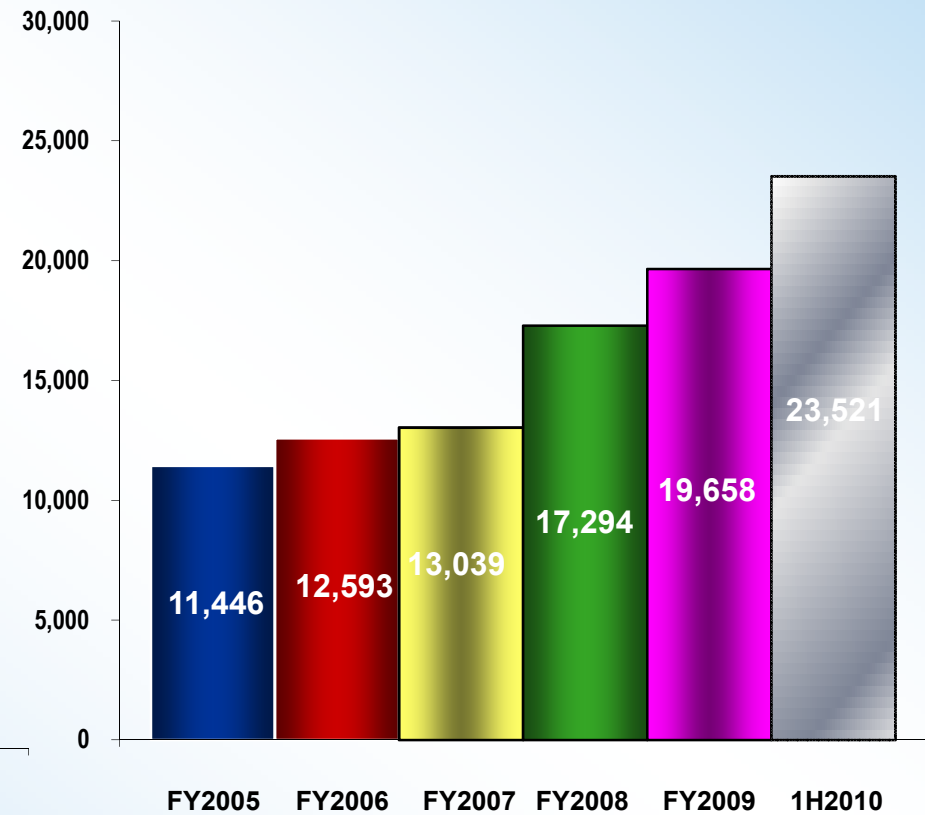


GFA & ASP Overview

GFA Delivered (sqm)



Overall ASP (RMB per sqm)



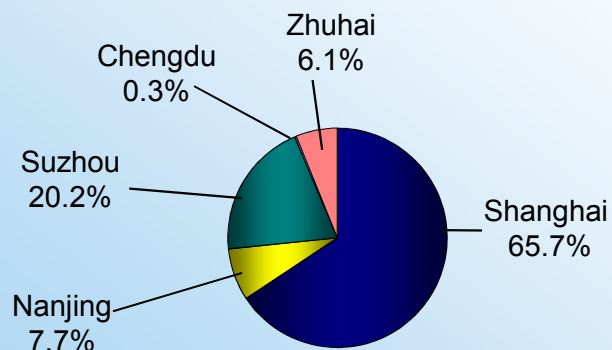
GFA/ Property Sale Contribution Analysis in 1H 2010

By City, Project and ASP

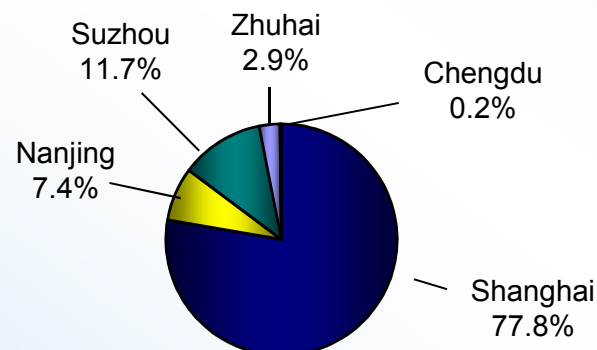


Major Projects Delivered in 1H 2010	GFA (sqm)	ASP (RMB/sqm)	Property Sale Contribution by project (%)
Yanlord Riverside City (Phase 3) (Shanghai)	54,690	45,209	63.9
Yanlord International Apartments (Nanjing)	11,829	22,544	6.8
Yanlord Peninsula (Townhouse) (Suzhou)	4,281	27,070	3.0
Yanlord New City Gardens (Phase 2-Section 1) (Zhuhai)	9,753	11,757	2.9
Yanlord Peninsula (Apartment) (Suzhou)	28,909	11,873	8.7
Yunjie Riverside Gardens (Phase 2) (Shanghai)	52,190	9,961	13.2
Others	2,696	N/A	1.5

GFA Contribution by City



Property Sale Contribution by City

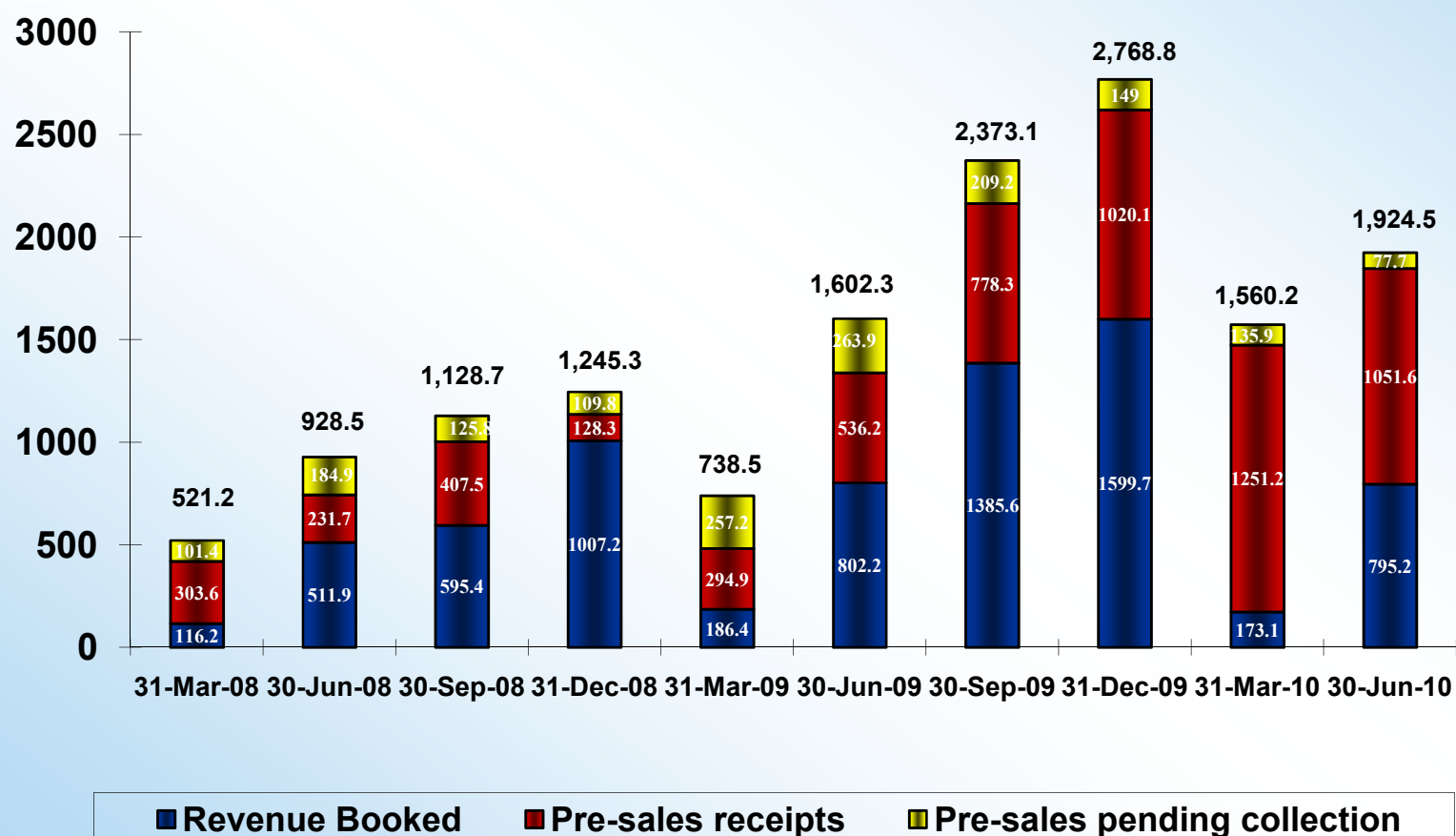


Pre-sales Contracts and Receipts

Resilient growth



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





Diversified Geographic Coverage

Abundant land bank in high-growth cities

Bohai Rim in 2005

Tianjin

- Yanlord Riverside Plaza (359,716 sqm)
- Yanlord Riverside Gardens (326,970 sqm)

Tangshan

- Tangshan Nanhu Eco-City Land (387,638 sqm)

Western China in 2003

Chengdu

- Yanlord Landmark (164,781 sqm)
- Hengye International Plaza (39,999 sqm)
- Hengye Star Gardens (4,130 sqm)
- Chengdu Jinjiang Penchenggang Land (390,658 sqm)

As of 30 June 2010:

GFA Completed (mil sqm)	0.200
GFA under Development (mil sqm)	1.744
GFA for Future Development (mil sqm)	2.777
Total Land Bank (mil sqm)	4.721

Hainan in 2010

Sanya

- Hai Tang Bay Land Parcel (77,509 sqm)

Yangtze River Delta in 1993

Shanghai

- Yanlord Riverside City (35,910 sqm)
- Yunjie Riverside Gardens (48,404 sqm)
- Shanghai San Jia Gang Land Plot (35,831 sqm)
- Yanlord Townhouse (65,623 sqm)
- Qingpu Land (117,459 sqm)
- Yanlord Sunland Gardens (325,632 sqm)
- Qingpu Xujing Town Land (246,487 sqm)

Nanjing

- Bamboo Gardens (1,352 sqm)
- Yanlord Int'l Apartments Tower A (37,940 sqm)
- Yanlord Int'l Apartments Tower B (4,290 sqm)
- Yanlord Yangtze Riverbay Town (643,995 sqm)
- Yanlord G53 Apartment (96,909 sqm)

Suzhou

- Yanlord Peninsula (50,336 sqm)
- Yanlord Lakeview Bay (271,226 sqm)
- Wuzhong Area C1 Land (15,481 sqm)

Pearl River Delta in 2005

Zhuhai

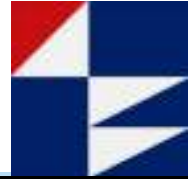
- Yanlord New City Gardens (215,178 sqm)
- Yanlord Marina Centre (216,582 sqm)

Shenzhen

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

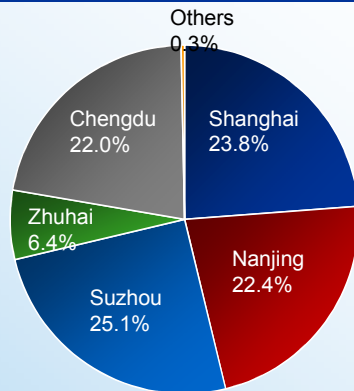
Development Strategies

Growth of business across high-growth cities



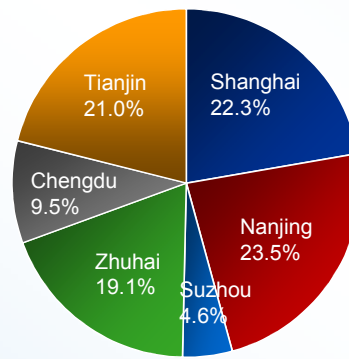
- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the 4 regions where Yanlord is currently in
- Existing land bank sustainable for development in each of these cities for approx. 5 years
- Future projects will be more diversified in terms of development type and geographical reach

Completed Projects (200,437 sqm⁽¹⁾)



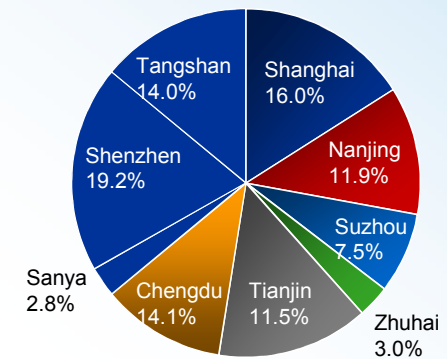
Residential	100,094 sqm
Investment	94,418 sqm
Fixed Assets	5,925 sqm

Projects Under Development (1.74 million sqm)



Residential	1,499,168 sqm
Investment	244,400 sqm

Landbank: Future Development (2.78 million sqm)



Residential	2,628,782 sqm
Investment	148,260 sqm

⁽¹⁾ The group has completed 3.31 million sqm out of which 200,437 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 2Q 2010



► **We continue to launch the following new developments and a new batch of an existing project in 2H 2010:**

▲ **Shanghai**

▲ Yanlord Townhouse

▲ **Nanjing**

▲ Yanlord G53 Apartment

▲ **Zhuhai**

▲ Yanlord New City Gardens (Phase 2)



Commencement of New Constructions

We plan to commence the construction of the following projects in 2H 2010:

- ▲ **Shanghai**
 - ▲ **Yanlord Sunland Gardens (Phase 1)**
- ▲ **Nanjing**
 - ▲ **Yanlord Yangtze Riverbay Town (Phase 3)**

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