



仁恒置地集团 YANLORD LAND GROUP LIMITED

4Q and FY 2010 Results Presentation

Presentation Content



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Yanlord FY 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 10.3%. Total investment in residential developments rose 32.9% to RMB3.4 trillion in 2010
- ❖ Demand for Yanlord's quality products continues to be resilient despite weaker buying sentiments arising from austerity measures introduced by the PRC central and local government. Recent launch in Shanghai Yanlord Townhouse in October 2010 witnessed strong opening weekend sales of 80%
- ❖ As of 31 December 2010, the Group had total pre-contracted sales of RMB7.38 billion yet to be recognised. To be recognised in subsequent quarters, this amount provides greater transparency and certainty of our FY 2011 performance
- ❖ Capitalising on its robust financial position, the Group continues to actively seek out opportunities to further augment its land bank and development strategies
- ❖ In December 2010 and January 2011, the Group successfully acquired prime residential land parcels in Shenzhen Longgang District and Tianjin Jinnan District with GFAs of 179,944 sqm and 364,787 sqm for considerations of RMB945.0 million and RMB1.16 billion respectively



*-Yanlord Townhouse
(Shanghai)*

Key Financial Highlights



Yanlord FY 2010 Business Review

- ❖ Demand for Yanlord's quality products continues to be strong despite current cooling measures, ASP recognised in FY 2010 was RMB 22,546 which was 14.7% higher than ASP in FY 2009 of RMB 19,658
- ❖ In line with the Group's delivery schedule, GFA delivered in FY 2010 was 325,509 sqm, from 381,597 sqm in FY 2009. Revenue in FY 2010 was marginally lower at RMB7,383.8 million from RMB7,450.5 million in FY 2009
- ❖ Driven mainly by continued support from buyers and a fair value gain on investment properties, profit attributable to equity holders in FY 2010 rose 30.2% to RMB1,948.0 million from RMB1,496.3 million in FY 2009
- ❖ Reflecting the growth in net profit attributable to equity holders, FY 2010 net attributable profit margin grew 6.3 percentage point to 26.4%. Gross profit margins remained fairly stable at 54.6% in FY 2010 from 55.8% in FY 2009
- ❖ The Group continues to maintain a robust financial position with cash and bank balances of RMB5.81 billion and has a net debt to total equity ratio of 33.8% as at 31 December 2010
- ❖ Proposed dividend of RMB5.99 cents (1.22 Singapore cents) per share to shareholders representing a payout of 6% of FY 2010 earnings



Income Statement – 4Q 2010 VS 4Q 2009

	4Q 2010	4Q 2009	% Change
GFA delivered (sqm)	33,088	75,575	(56.2)
ASP (RMB/sqm)	25,881	13,825	87.2
Revenue (RMB mil)	956.6	1,083.5	(11.7)
Cost of sales (RMB mil)	(350.8)	(649.0)	(45.9)
Gross profit (RMB mil)	605.8	434.5	39.4
Gross profit margin (%)	63.3	40.1	23.2 ppt
Profit before income tax (RMB mil)	1,418.2	872.8	62.5
Income tax (RMB mil)	(526.4)	(276.7)	90.3
Profit for the period (RMB mil)	891.8	596.1	49.6
Net profit margin (%)	93.2	55.0	38.2 ppt
Profit attributable to equity holders of the Company (RMB mil)	825.4	545.3	51.4
Net attributable profit margin (%)	86.3	50.3	36.0 ppt
Basic earnings per share* (RMB cents)	39.29	25.38	54.8

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



Income Statement – FY 2010 VS FY 2009

	FY 2010	FY 2009	% Change
GFA delivered (sqm)	325,509	381,597	(14.7)
ASP (RMB/sqm)	22,546	19,658	14.7
Revenue (RMB mil)	7,383.8	7,450.5	(0.9)
Cost of sales (RMB mil)	(3,354.7)	(3,290.1)	2.0
Gross profit (RMB mil)	4,029.1	4,160.4	(3.2)
Gross profit margin (%)	54.6	55.8	(1.2) ppt
Profit before income tax (RMB mil)	4,514.2	4,309.4	4.8
Income tax (RMB mil)	(2,170.3)	(2,298.4)	(5.6)
Profit for the period (RMB mil)	2,343.9	2,010.9	16.6
Net profit margin (%)	31.7	27.0	4.7 ppt
Profit attributable to equity holders of the Company (RMB mil)	1,948.0	1,496.3	30.2
Net attributable profit margin (%)	26.4	20.1	6.3 ppt
Basic earnings per share* (RMB cents)	92.38	74.44	24.1

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



Financials – Snapshot as of 31 December 2010

	As of 31 Dec 10	As of 31 Dec 09	% Change
Current assets (RMB mil)	22,485.1	19,284.4	16.6
Non-current assets (RMB mil)	22,328.2	13,117.3	70.2
Total assets (RMB mil)	44,813.3	32,401.7	38.3
Current liabilities (RMB mil)	13,856.3	10,576.1	31.0
Non-current liabilities (RMB mil)	11,126.6	6,421.5	73.3
Total equity (Incl. MI) (RMB mil)	19,830.4	15,404.1	28.7
Cash and bank balances (RMB mil)	5,814.5	6,552.7	(11.3)
Short-term debt (RMB mil)	2,191.5	1,343.1	63.2
Convertible notes * (RMB mil)	1,760.4	3,175.7	(44.6)
Senior Notes (RMB mil)	1,939.5	0	N/A
Long-term bank Loan (RMB mil)	6,617.2	2,448.5	170.3
Net debt (RMB mil)	6,694.1	610.6	996.3

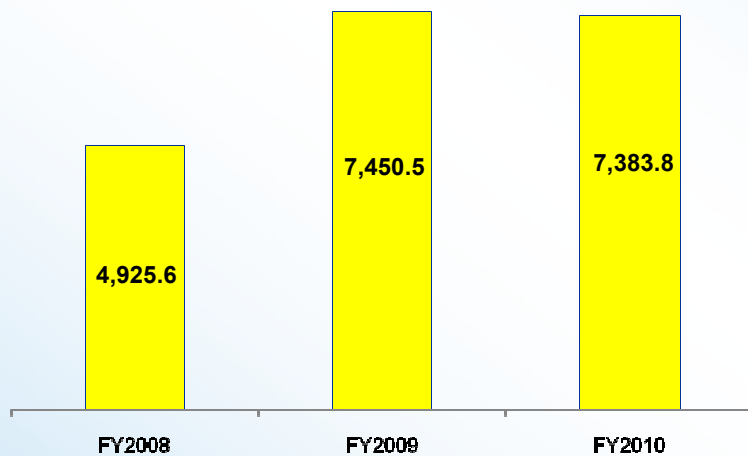
* Excluded the put option of bondholders of convertible notes due 2014 amounting to RMB12.0 million

Profitability and Sustained Growth

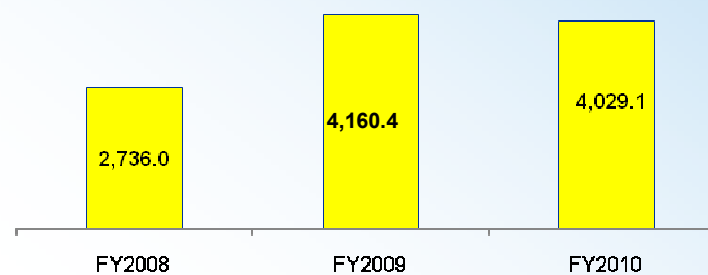


RMB million

Revenue

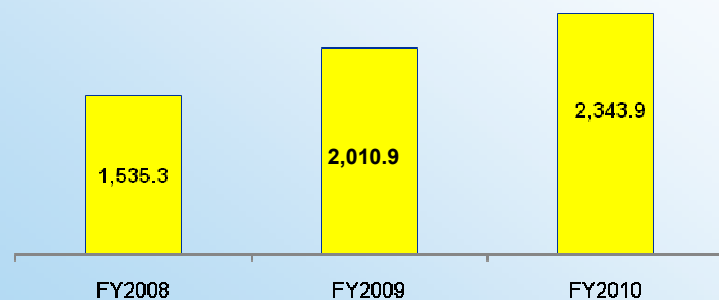


Gross Profit



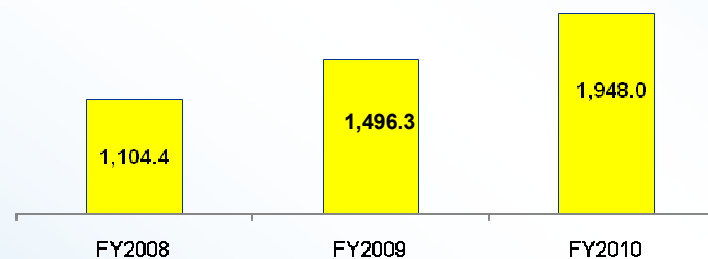
	FY08	FY09	FY10
Margins (%)	55.5	55.8	54.6

Profit for the Period



	FY08	FY09	FY10
Margins (%)	31.2	27.0	31.7

Profit Attributable to Equity Holders

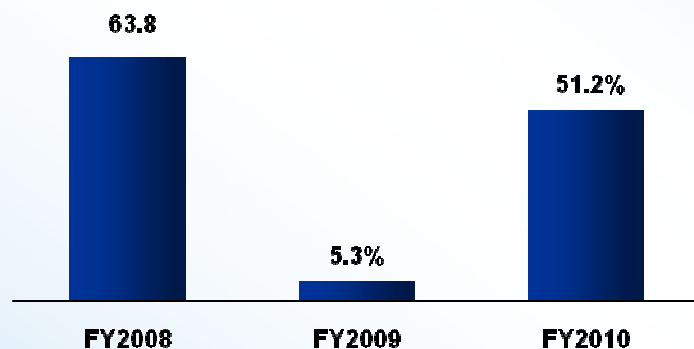


	FY08	FY09	FY10
Margins (%)	22.4	20.1	26.4

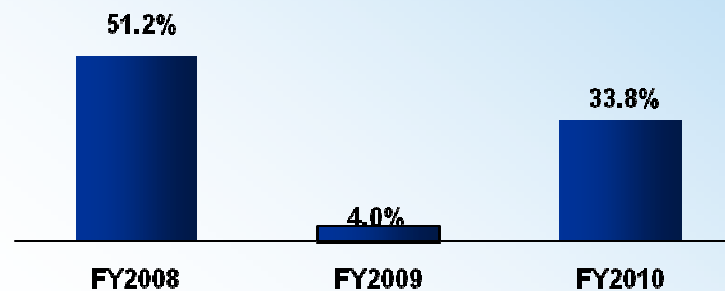
Strong Credit Statistics



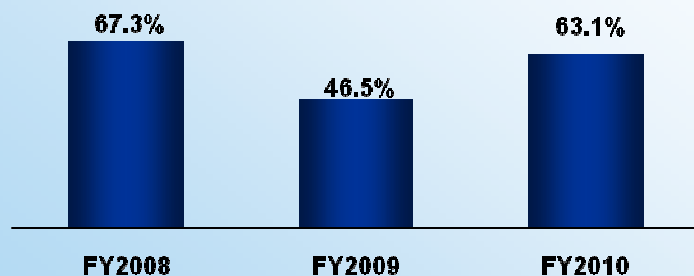
Net Debt / Equity (Excl. MI)



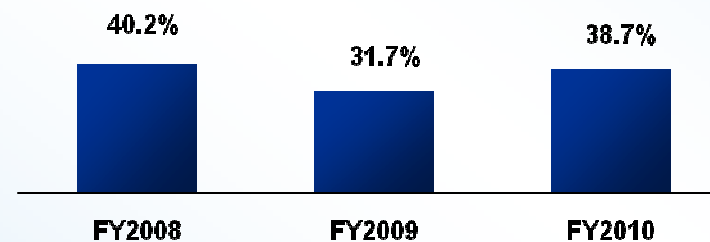
Net Debt / Total Equity (Incl. MI)



Total Debt / Total Equity (Incl. MI)



Total Debt / Capitalization*



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

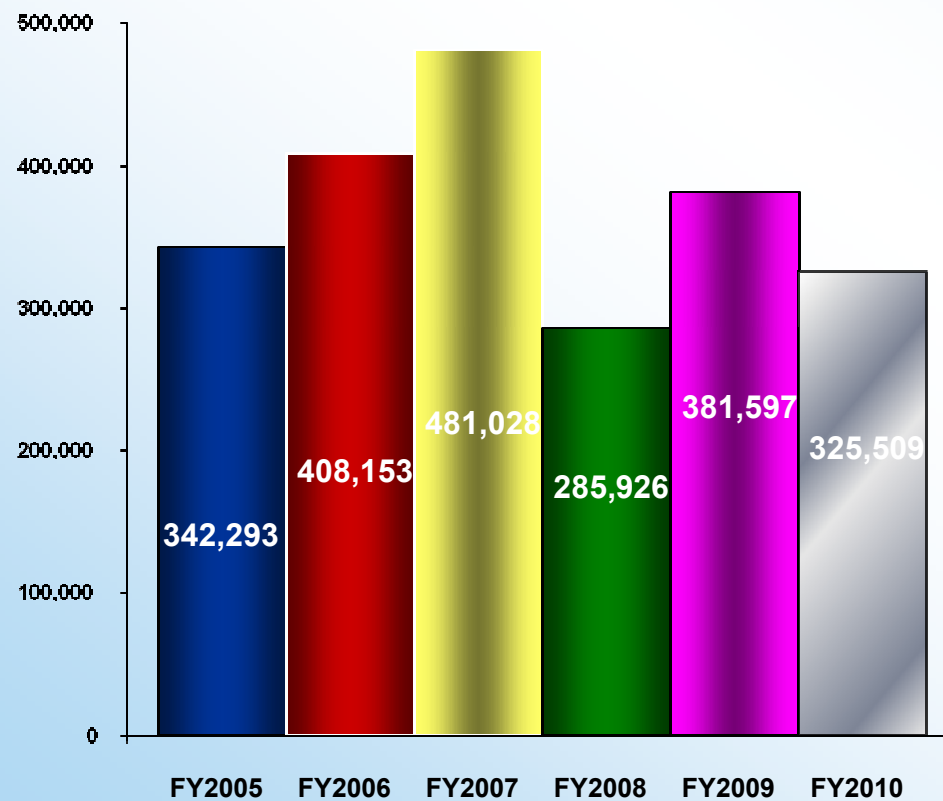


Business and Operation Overview

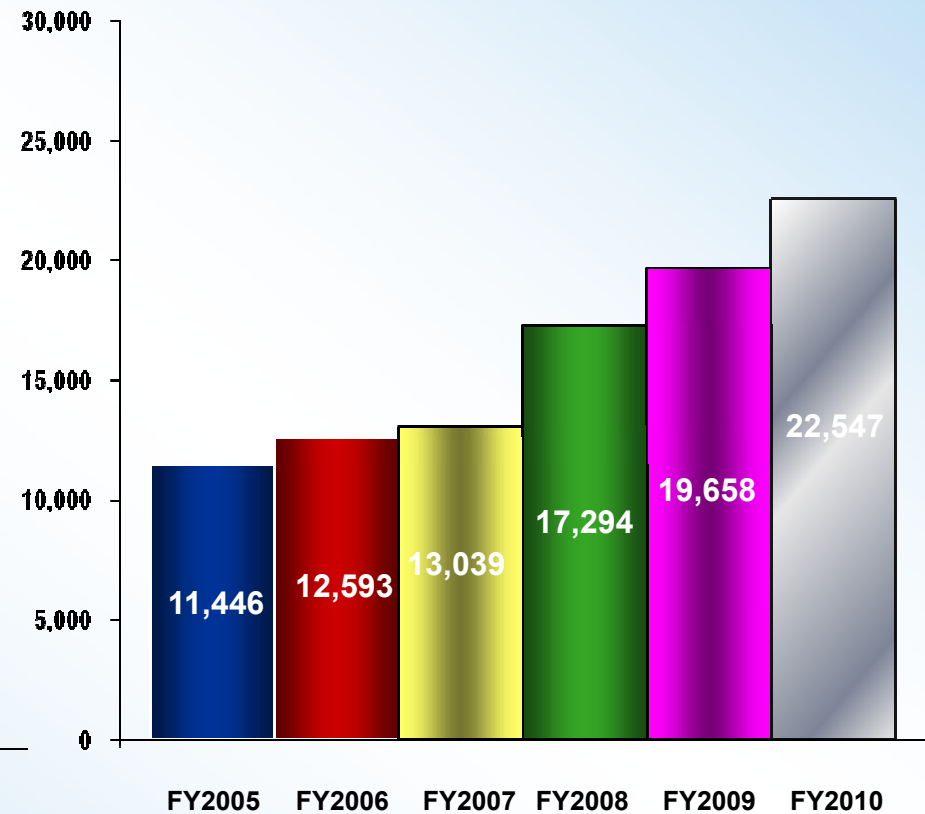


GFA & ASP Overview

GFA Delivered (sqm)



Overall ASP (RMB per sqm)



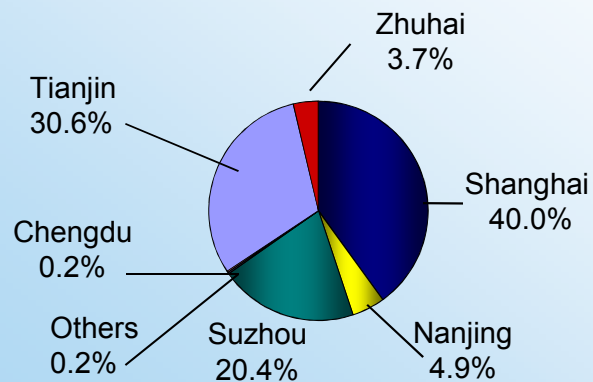


GFA/ Property Sale Contribution Analysis of FY 2010

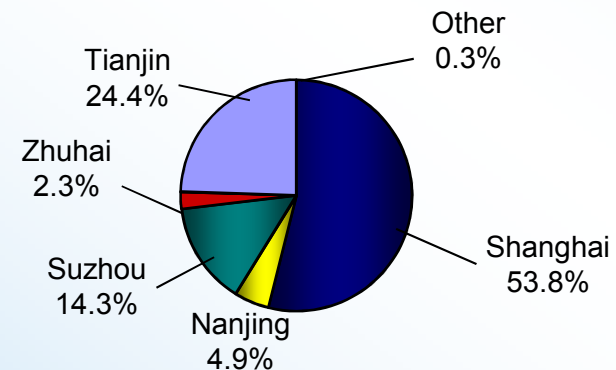
By City, Project and ASP

Major Projects Delivered in FY 2010	GFA (sqm)	ASP (RMB/sqm)	Property Sales by Project (%)
Yanlord International Apartments (Nanjing)	14,959	22,721	4.5
Yanlord Riverside City (Phase 3) (Shanghai)	70,492	46,798	44.8
Yunjie Riverside Gardens (Phase 2) (Shanghai)	58,048	10,497	8.1
Yanlord Peninsula (Apartment) (Suzhou)	50,139	13,242	8.9
Yanlord Peninsula (Townhouse) (Suzhou)	16,248	24,915	5.4
Yanlord Riverside Plaza (Phase 1) (Tianjin)	99,739	18,315	24.4
Yanlord New City Gardens (Phase 2 - Section 1) (Zhuhai)	11,647	11,800	2.2
Others	4,237	N/A	1.7

GFA Contribution by City



Property Sale Contribution by City

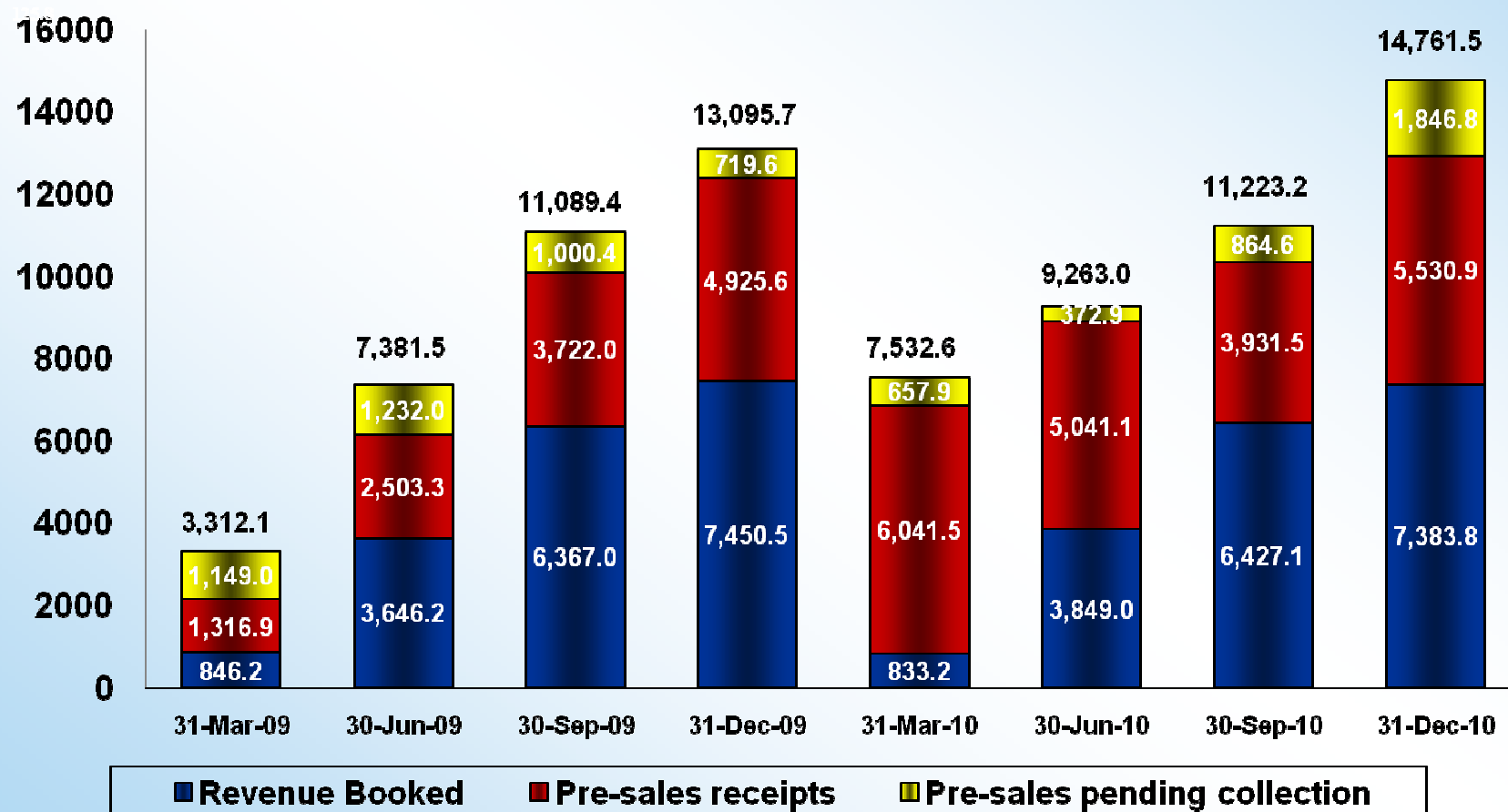


Pre-sales Contracts and Receipts

Resilient growth



Revenue Booked, Contract Sales and Proceeds Collected (RMB million)





Diversified Geographic Coverage

Abundant land bank in high-growth cities

Bohai Rim in 2005

Tianjin

- Yanlord Riverside Plaza (259,893 sqm)
- Yanlord Riverside Gardens (326,970 sqm)

Tangshan

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

Western China in 2003

Chengdu

- Yanlord Landmark (156,935 sqm)
- Hengye International Plaza (39,999 sqm)
- Hengye Star Gardens (4,130 sqm)
- Jinjiang Penchenggang Land (390,658 sqm)

As of 31 December 2010:

GFA Completed (mil sqm)	0.300
GFA under Development (mil sqm)	1.612
GFA for Future Development (mil sqm)	2.939
Total Land Bank (mil sqm)	4.851

Hainan in 2010

Sanya

- Hai Tang Bay - Land Parcel 9 (77,509 sqm)

Yangtze River Delta in 1993

Shanghai

- Yanlord Riverside City (19,910 sqm)
- Yunjie Riverside Gardens (42,206 sqm)
- San Jia Gang Land Plot (35,831 sqm)
- Yanlord Townhouse (65,753 sqm)
- Bayside Gardens (117,236 sqm)
- Yanlord Sunland Gardens (326,151 sqm)
- Qingpu Xujing Town Land (246,487 sqm)
- Yanlord Eastern Gardens (179,944 sqm)

Nanjing

- Bamboo Gardens (150 sqm)
- Yanlord Int'l Apartments Tower A (37,940 sqm)
- Yanlord Int'l Apartments Tower B (1,112 sqm)
- Yanlord Yangtze Riverbay Town (644,336 sqm)
- Yanlord G53 Apartment (98,471 sqm)

Suzhou

- Yanlord Peninsula (17,139 sqm)
- Yanlord Lakeview Bay (243,209 sqm)
- Wuzhong Area C1 Land (15,481 sqm)

Pearl River Delta in 2005

Zhuhai

- Yanlord New City Gardens (212,760 sqm)
- Yanlord Marina Centre (216,582 sqm)

Shenzhen

- Longgang District Redevelopment Project (390,000 sqm)
- Longgang District Economic Residential Housing (144,064 sqm)
- Longgang Town Centre Land (149,685 sqm)

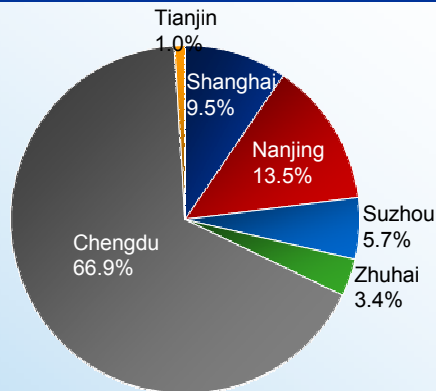
Development Strategies

Growth of business across high-growth cities



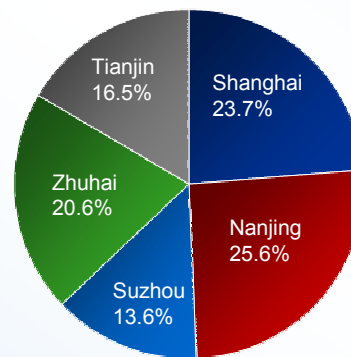
- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the 5 regions where Yanlord is currently in
- Existing land bank sustainable for development in each of these cities for approx. 5 years
- Future projects will be more diversified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

Completed Projects
(300,381 sqm⁽¹⁾)



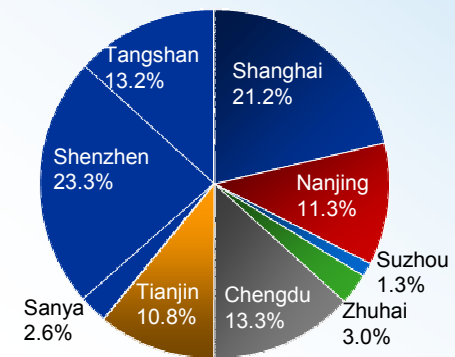
Residential	45,516 sqm
Investment	248,280 sqm
Fixed Assets	6,585 sqm

Projects Under Development
(1.61 million sqm)



Residential	1,367,635 sqm
Investment	244,400 sqm

Landbank: Future Development
(2.94 million sqm)



Residential	2,789,918 sqm
Investment	149,150 sqm

⁽¹⁾ The group has completed 3.58 million sqm out of which 300,381 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 1Q 2011



► **We continue to launch the following new projects and new batches of existing projects in 1Q 2011:**

▲ **Nanjing**

▲ Yanlord Yangtze Riverbay Town (Phase 2)

▲ **Shanghai**

▲ Yanlord Townhouse

▲ **Suzhou**

▲ Yanlord Lakeview Bay – Land Parcel A7

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