



仁恒置地集团 YANLORD LAND GROUP LIMITED

1Q 2011 Results Presentation

Presentation Content



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Yanlord 1Q 2011 Business Overview

- ❖ 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.
- ❖ As of 31 March 2011, the Group had total pre-contracted sales of RMB6.35 billion which will be recognised in subsequent quarters. These pre-contracted sales 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 January 2011, the Group successfully acquired a prime residential land parcel in Tianjin Jinnan District with GFA of 364,787 sqm for a consideration of RMB1.16 billion.
- ❖ 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 9.7% in 1Q 2011.



*-Yanlord Townhouse
(Shanghai)*

Key Financial Highlights



Yanlord 1Q 2011 Financial Review

- ❖ In line with the Group's delivery schedule, GFA delivered in 1Q 2011 jumped 483.6% to 185,056 sqm, from 31,709 sqm in 1Q 2010. Propelled by the increased GFA delivery, revenue in 1Q 2011 rose 252.0% to RMB2.933 billion from RMB833.2 million in 1Q 2010.
- ❖ Driven by the continued support from buyers, profit attributable to equity holders in 1Q 2011 rose 196.6% to RMB267.9 million from RMB90.3 million in 1Q 2010.
- ❖ Gross profit margin was lower at 32.2% due to the greater weight of Yanlord Yangtze Riverbay Town (Phase 1) delivered in 1Q 2011. In line with the Group's sale strategy, ASP and subsequently gross profit margin increases as each project matures.
- ❖ Despite lower gross profit margin in the period, net profit margin of the Group increased to 14.4% in 1Q 2011 owing to lower LAT charged for the period.
- ❖ The Group continues to maintain a robust financial position with cash and bank balances of RMB8.83 billion and has a net debt to total equity ratio of 36.1% as at 31 March 2011.
- ❖ To better capitalise on growth opportunities in the PRC, the Group completed the successful issuance of a US\$400 million, 10.625% senior note due 2018 in March 2011. With an oversubscription rate of five times, the positive response reflects the broader market's confidence about the long-term prospects of the Group.



Income Statement – 1Q 2010 VS 1Q 2011

	1Q 2011	1Q 2010	% Change
GFA delivered (sqm)	185,056	31,709	483.6
ASP (RMB/sqm)	15,325	25,050	(38.8)
Revenue (RMB mil)	2,933.0	833.2	252.0
Cost of sales (RMB mil)	1,989.4	356.8	457.5
Gross profit (RMB mil)	943.6	476.4	98.1
Gross profit margin (%)	32.2	57.2	(25) ppt
Profit before income tax (RMB mil)	784.2	340.5	130.3
Income tax (RMB mil)	(361.6)	(237.9)	52.0
Profit for the period (RMB mil)	422.6	102.5	312.3
Net profit margin (%)	14.4	12.3	2.1 ppt
Profit attributable to equity holders of the Company (RMB mil)	267.9	90.3	196.6
Net attributable profit margin (%)	9.1	10.8	(1.7) ppt
Basic earnings per share* (RMB cents)	12.77	4.30	197.0

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



Financials – Snapshot as of 31 March 2011

	As of 31 Mar 11	As of 31 Dec 10	% Change
Current assets (RMB mil)	25,084.8	22,485.1	11.6
Non-current assets (RMB mil)	22,688.8	22,328.2	1.6
Total assets (RMB mil)	47,773.6	44,813.3	6.6
Current liabilities (RMB mil)	15,679.7	13,856.3	13.2
Non-current liabilities (RMB mil)	11,867.5	11,126.6	6.7
Total equity (Incl. NCI) (RMB mil)	20,226.3	19,830.4	2.0
Cash and bank balances (RMB mil)	8,834.2	5,814.5	51.9
Short-term bank loan (RMB mil)	4,984.2	2,191.5	127.4
Convertible notes * (RMB mil)	1,806.6	1,760.4	(5.3)
Senior notes (RMB mil)	4,494.7	1,939.5	131.7
Long-term bank loan (RMB mil)	4,859.9	6,617.2	(26.6)
Net debt (RMB mil)	7,311.2	6,694.1	9.2

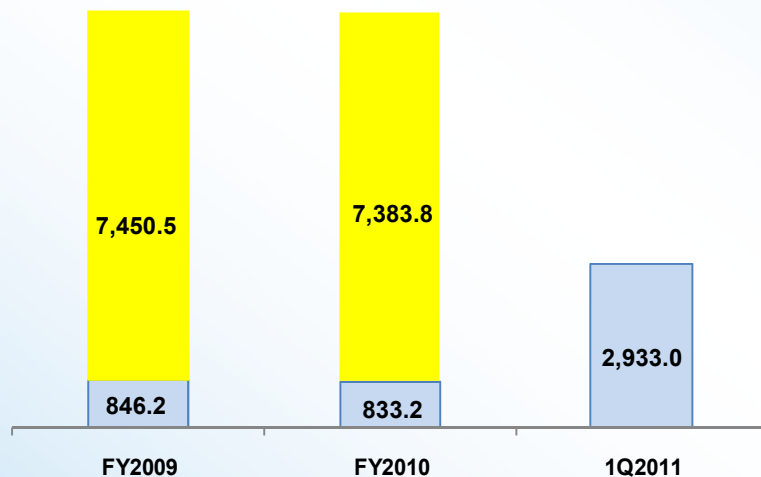
* Excluded the put option of bondholders of convertible notes due 2014 amounting to RMB12.1 million

Profitability and Sustained Growth

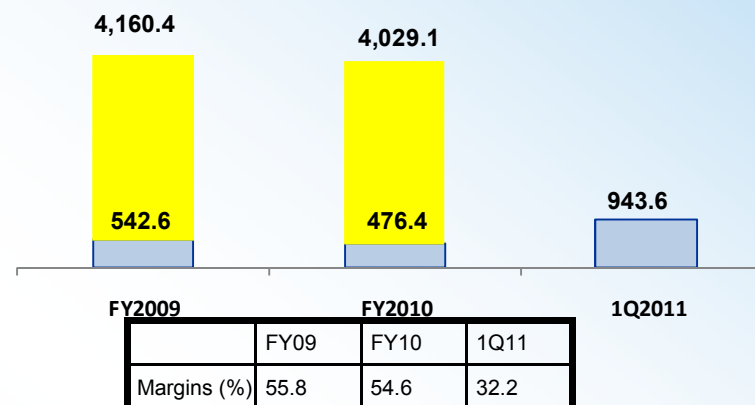


RMB million

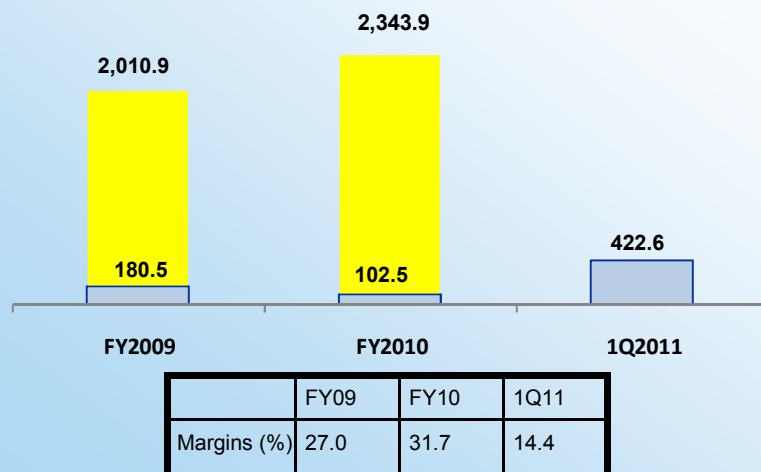
Revenue



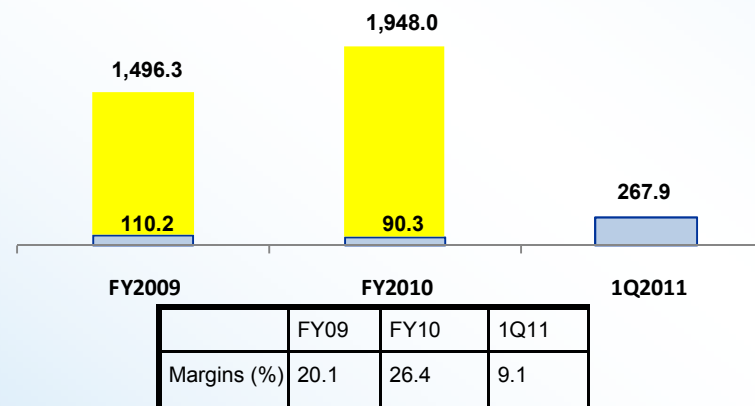
Gross Profit



Profit for the Period



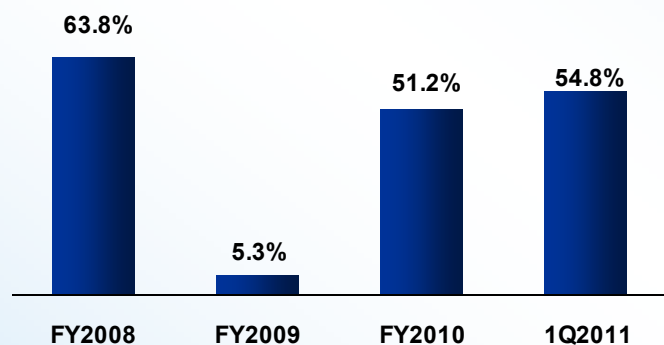
Profit Attributable to Equity Holders



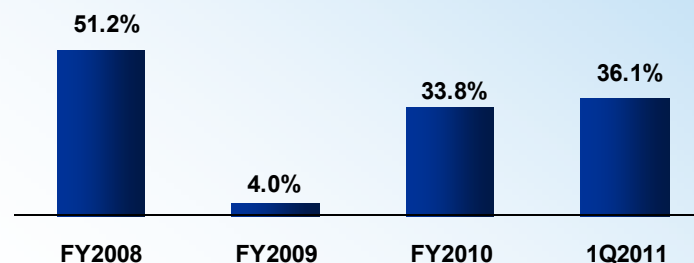
Strong Credit Statistics



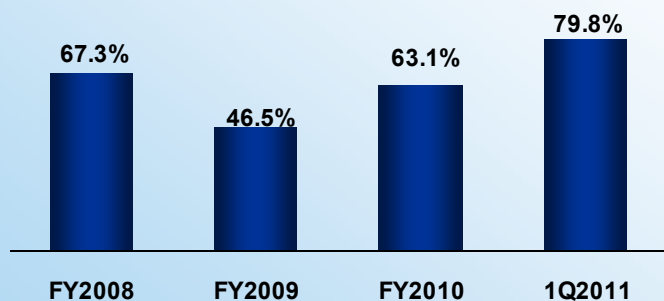
Net Debt / Equity (Excl. NCI)



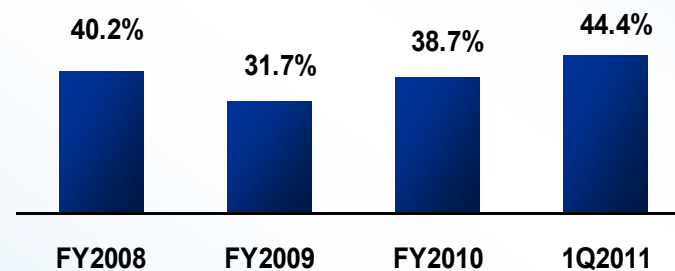
Net Debt / Total Equity (Incl. NCI)



Total Debt / Total Equity (Incl. NCI)



Total Debt / Capitalization*



Capitalization is equal to the sum of total equity and total debt (including non-controlling interests ("NCI"))

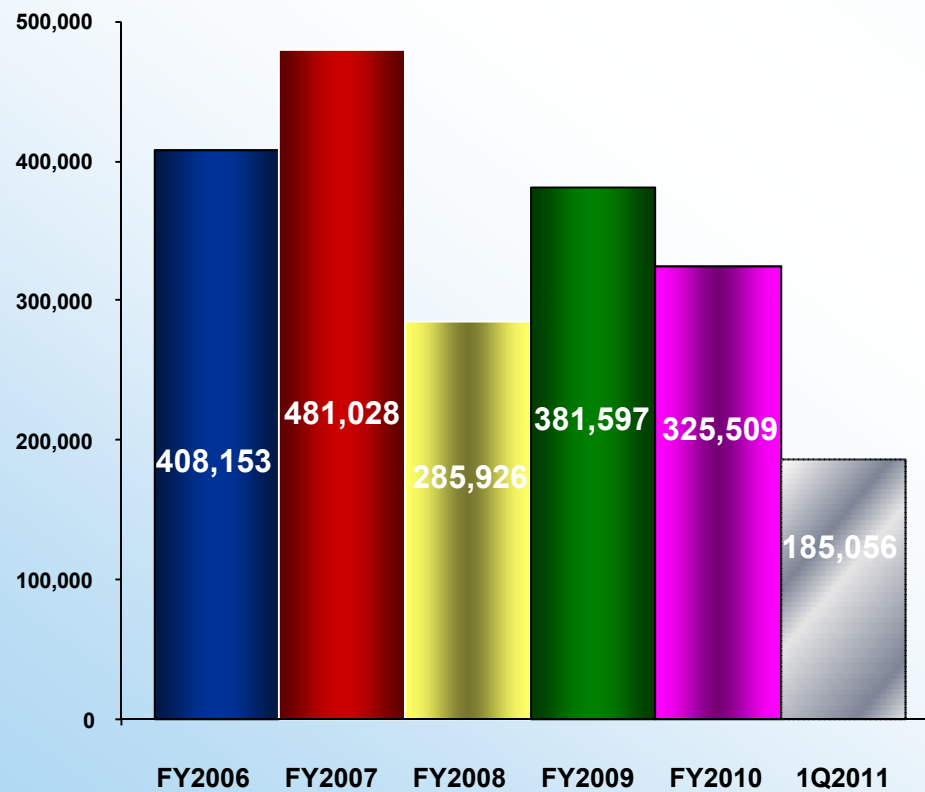


Business and Operation Overview

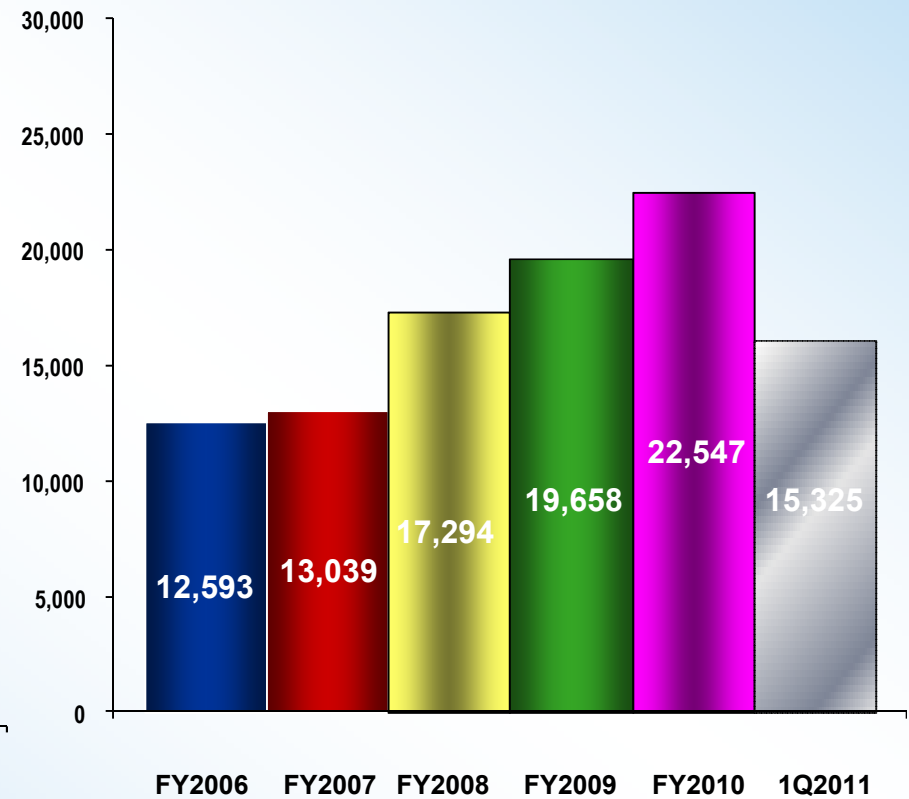
GFA & ASP Overview



GFA Delivered (sqm)



Overall ASP (RMB per sqm)



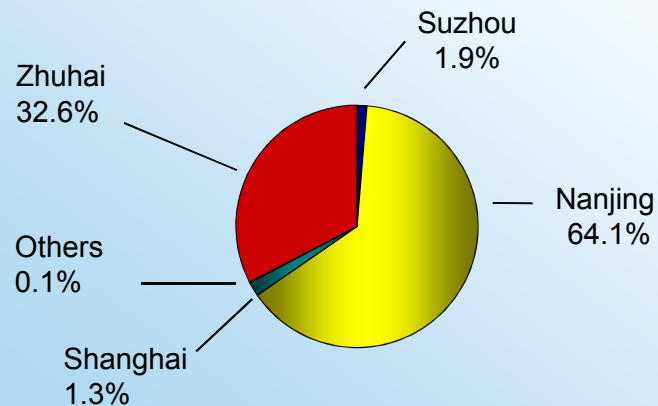


GFA/ Property Sale Contribution Analysis in 1Q 2011

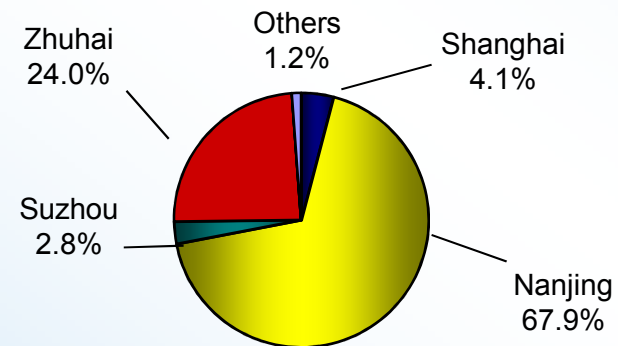
By City, Project and ASP

Major Projects Delivered in 1Q 2011	GFA (sqm)	ASP (RMB/sqm)	Property Sales by Project (%)
Yanlord Yangtze Riverbay Town (Phase 1) (Nanjing)	118,731	16,155	67.1
Yanlord Riverside City (Phase 3) (Shanghai)	1,926	53,363	3.5
Yunjie Riverside Gardens (Phase 2) (Shanghai)	498	14,098	0.3
Yanlord Peninsula (Apartment) (Suzhou)	1,986	17,748	1.2
Yanlord Peninsula (Townhouse) (Suzhou)	1,497	31,868	1.6
Yanlord New City Gardens (Phase 2 - Section 1) (Zhuhai)	1,992	14,116	1.0
Yanlord New City Gardens (Phase 2 - Section 2) (Zhuhai)	58,288	11,824	23.0
Others	138	N/A	2.3

GFA Contribution by City



Property Sale Contribution by City

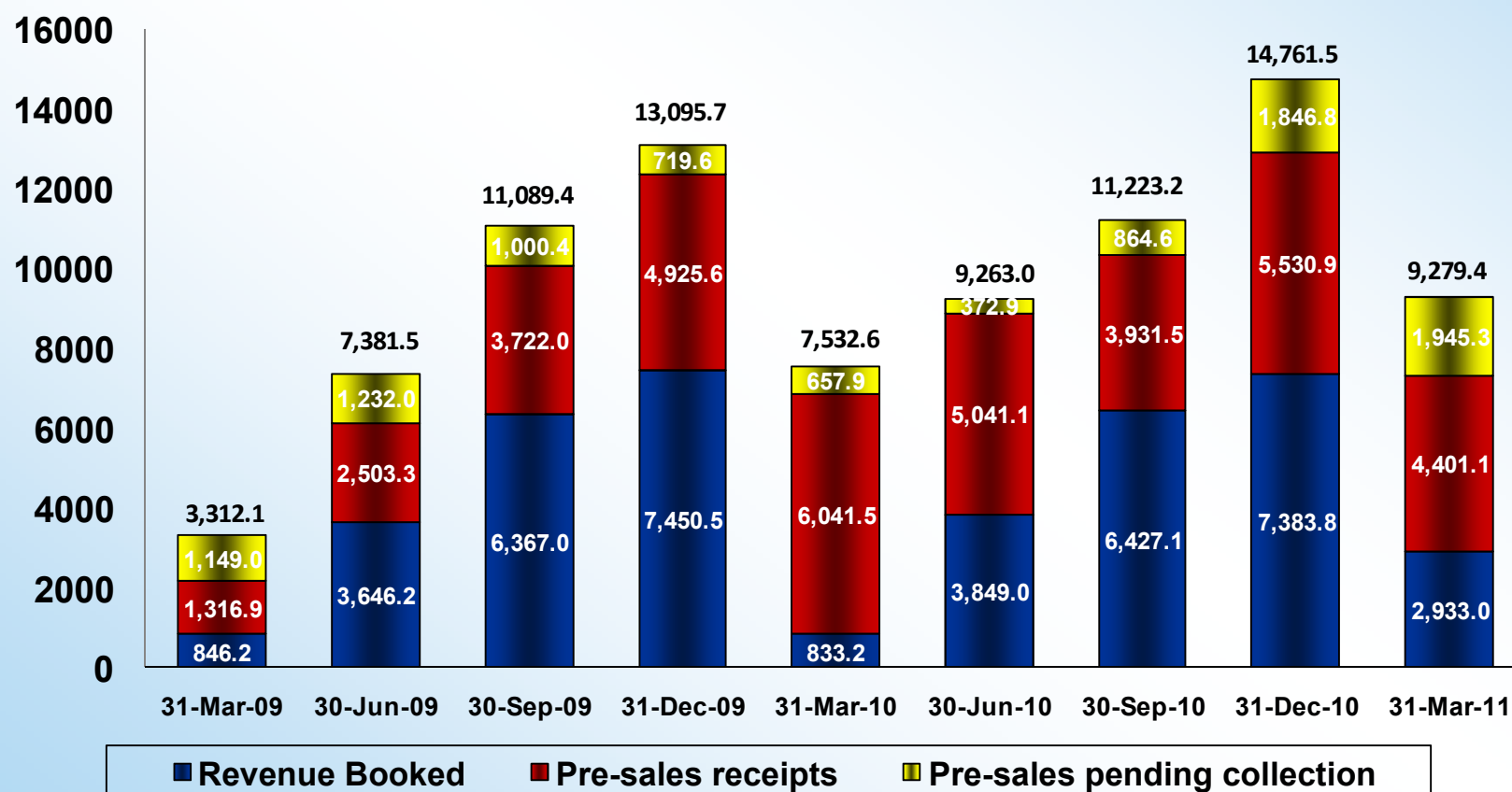


Pre-sales Contracts and Receipts

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 (263,025 sqm)
- Yanlord Riverside Gardens (326,970 sqm)
- Jinnan District Land (364,787 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 March 2011:

GFA Completed (mil sqm)	0.359
GFA under Development (mil sqm)	1.458
GFA for Future Development (mil sqm)	3.320
Total Land Bank (mil sqm)	5.137

Hainan in 2010

Sanya

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

Yangtze River Delta in 1993

Shanghai

- Yanlord Riverside City (17,984 sqm)
- Yunjie Riverside Gardens (41,708 sqm)
- San Jia Gang Land Plot (35,831 sqm)
- Yanlord Townhouse (65,753 sqm)
- Bayside Gardens (117,236 sqm)
- Yanlord Sunland Gardens (336,302 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 (871 sqm)
- Yanlord Yangtze Riverbay Town (524,374 sqm)
- Yanlord G53 Apartment (98,471 sqm)
- Plum Mansions, including Lakeside Mansions (967 sqm)
- Orchid Mansions (340 sqm)

Suzhou

- Yanlord Peninsula (13,656 sqm)
- Yanlord Lakeview Bay (337,185 sqm)
- Wuzhong Area C1 Land (15,481 sqm)

Pearl River Delta in 2005

Zhuhai

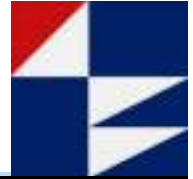
- Yanlord New City Gardens (152,512 sqm)
- Yanlord Marina Centre (216,582 sqm)

Shenzhen

- Longgang District Redevelopment Project (390,000 sqm)
- Longgang District Economic Residential Housing (144,064 sqm)
- Longgang Town Centre Land (149,700 sqm)

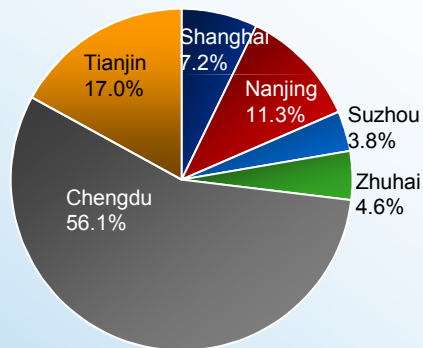
Development Strategies

Growth of business across high-growth cities



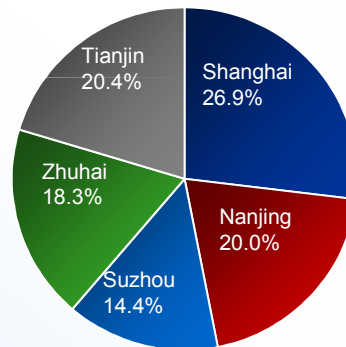
- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the 5 regions where Yanlord is currently in
- Existing land bank sustainable for development in each of these cities for approx. 5 years
- Future projects will be more diversified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

Completed Projects (358,580 sqm⁽¹⁾)



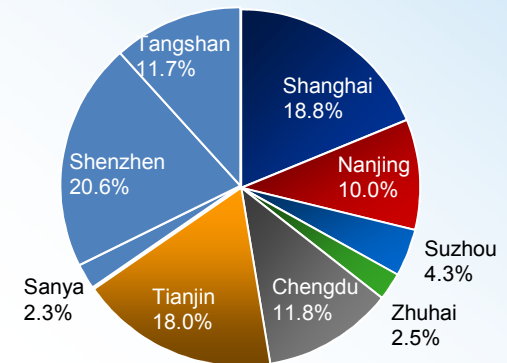
Residential and Commercial	46,308 sqm
Investment	306,347 sqm
Fixed Assets	5,925 sqm

Projects Under Development (1.46 million sqm)



Residential and Commercial	1,387,539 sqm
Investment	71,191 sqm

Landbank: Future Development (3.32 million sqm)



Residential and Commercial	3,170,517 sqm
Investment	149,150 sqm

⁽¹⁾The group has completed 3.83 million sqm out of which 358,580 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 2011



► **We continue to launch the following new project and new batches of existing projects in 2Q 2011:**

▲ **Nanjing**

▲ Yanlord Yangtze Riverbay Town (Phase 2)

▲ **Suzhou**

▲ Suzhou Wuzhong Area C1 Land – Villas

▲ **Suzhou**

▲ Yanlord Lakeview Bay – Land Parcel A7

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