



仁恒置地集团 YANLORD LAND GROUP LIMITED

2Q 2011 and 1H 2011 Results Presentation

Presentation Content



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Yanlord 1H 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 30 June 2011, the Group had total pre-contracted sales of RMB6.423 billion which will be recognised in subsequent quarters. These pre-contracted sales provides greater transparency and certainty of our FY 2011 performance.
- ❖ Inaugural launch of apartment units at Tianjin Yanlord Riverside Gardens (Phase 1) in July 2011 received positive response from buyers with 181 or 58.4% of units launched sold during the opening week. Pre-sale proceeds for the opening week was RMB572 million.
- ❖ 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 9.6% in 1H 2011.



-Yanlord Townhouse
(Shanghai)

Key Financial Highlights



Yanlord 1H 2011 Financial Review

- ❖ In line with the Group's delivery schedule, GFA delivered in 1H 2011 was higher at 213,307 sqm, however delivery of more lower ASP first phase units led to a lower revenue in 1H 2011 of RMB3.597 billion from RMB3.849 billion in 1H 2010.
- ❖ Similarly profit attributable to equity holders of the Company was lower in 1H 2011 at RMB308.7 million from RMB587.5 million in 1H 2010.
- ❖ Gross profit margin was lower at 37.7% 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.
- ❖ The Group continues to maintain a robust financial position with cash and bank balances of RMB5.364 billion and has a net debt to total equity ratio of 45.1% as at 30 June 2011.



Income Statement – 2Q 2011 VS 2Q 2010

	2Q 2011	2Q 2010	% Change
GFA delivered (sqm)	28,251	132,638	(78.7)
ASP (RMB/sqm)	20,366	23,156	(12.0)
Revenue (RMB mil)	664.4	3,015.8	(78.0)
Cost of sales (RMB mil)	(250.3)	(1,105.5)	(77.4)
Gross profit (RMB mil)	414.1	1,910.2	(78.3)
Gross profit margin (%)	62.3	63.3	(1) ppt
Profit before income tax (RMB mil)	289.7	1,782.8	(83.7)
Income tax (RMB mil)	(183.6)	(1,013.7)	(81.9)
Profit for the period (RMB mil)	106.2	769.0	(86.2)
Net profit margin (%)	16.0	25.5	(9.5) ppt
Profit attributable to equity holders of the Company (RMB mil)	40.8	497.2	(91.8)
Net attributable profit margin (%)	6.1	16.5	(10.4) ppt
Basic earnings per share* (RMB cents)	1.95	23.70	(91.8)

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



Income Statement – 1H 2011 VS 1H 2010

	1H 2011	1H 2010	% Change
GFA delivered (sqm)	213,307	164,348	29.8
ASP (RMB/sqm)	15,993	23,521	(32.0)
Revenue (RMB mil)	3,597.4	3,849.0	(6.5)
Cost of sales (RMB mil)	(2,239.7)	(1,462.3)	53.2
Gross profit (RMB mil)	1,357.7	2,386.6	(43.1)
Gross profit margin (%)	37.7	62.0	(24.3) ppt
Profit before income tax (RMB mil)	1,073.9	2,123.2	(49.4)
Income tax (RMB mil)	(545.1)	(1,251.7)	(56.4)
Profit for the period (RMB mil)	528.8	871.6	(39.3)
Net profit margin (%)	14.7	22.6	(7.9) ppt
Profit attributable to equity holders of the Company (RMB mil)	308.7	587.5	(47.5)
Net attributable profit margin (%)	8.6	15.3	(6.7) ppt
Basic earnings per share* (RMB cents)	14.72	27.79	(47.0)

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



Financials – Snapshot as of 30 June 2011

	As of 30 Jun 11	As of 31 Dec 10	% Change
Current assets (RMB mil)	22,849.0	22,485.1	1.6
Non-current assets (RMB mil)	23,655.2	22,328.2	5.9
Total assets (RMB mil)	46,504.2	44,813.3	3.8
Current liabilities (RMB mil)	13,203.0	13,856.3	(4.7)
Non-current liabilities (RMB mil)	13,109.9	11,126.6	17.8
Total equity (Incl. NCI) (RMB mil)	20,191.3	19,830.4	1.8
Cash and bank balances (RMB mil)	5,364.1	5,814.5	(7.7)
Short-term debt (RMB mil)	1,925.3	2,191.5	(12.1)
Convertible notes * (RMB mil)	1,844.3	1,760.4	(3.4)
Senior notes (RMB mil)	4,439.3	1,939.5	128.9
Long-term debt (RMB mil)	6,118.1	6,617.2	(7.5)
Net debt (RMB mil)	9,106.5	6,694.1	36.0

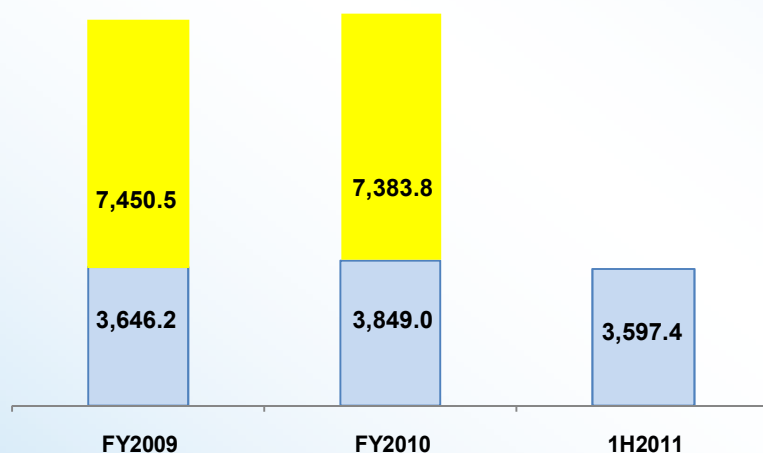
* Excluded the put option of bondholders of convertible notes due 2014 amounting to RMB12.3 million

Profitability and Sustained Growth

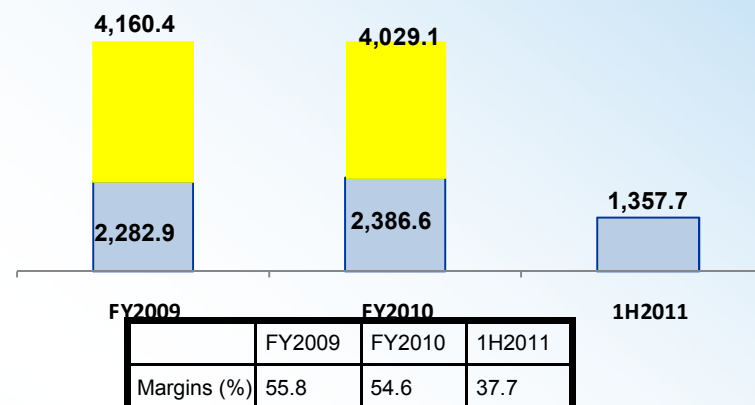


RMB million

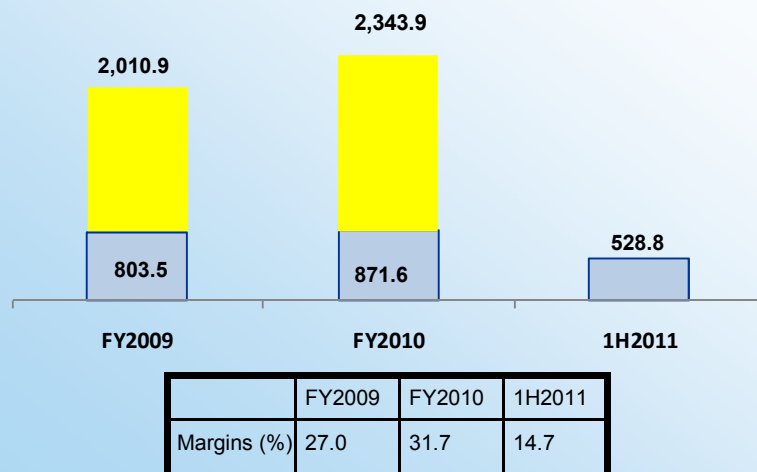
Revenue



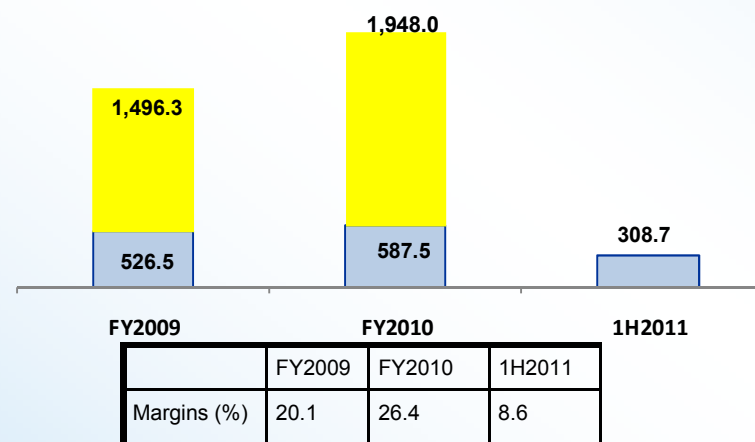
Gross Profit



Profit for the Period



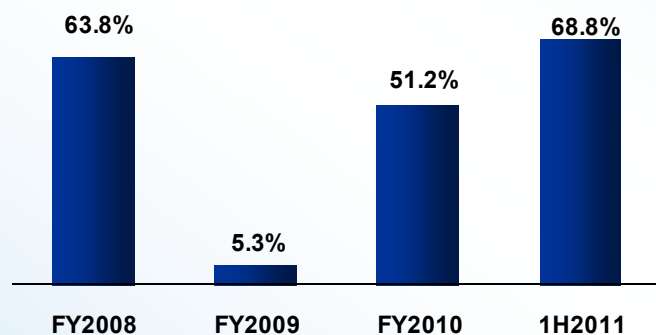
Profit Attributable to Equity Holders



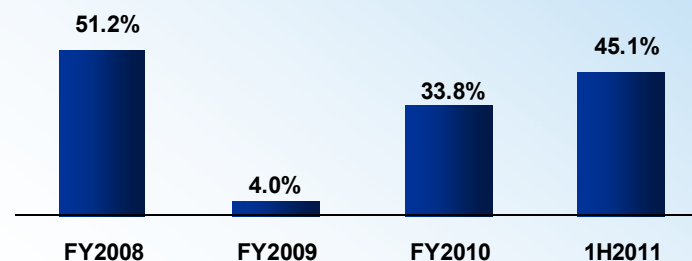
Strong Credit Statistics



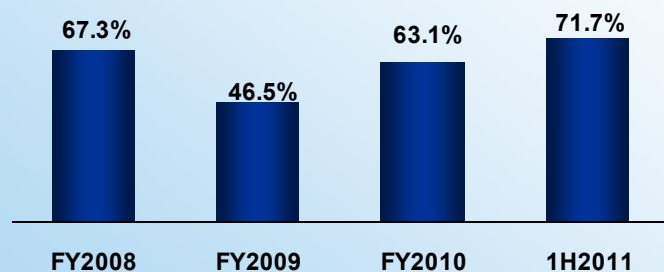
Net Debt / Equity (Excl. NCI)



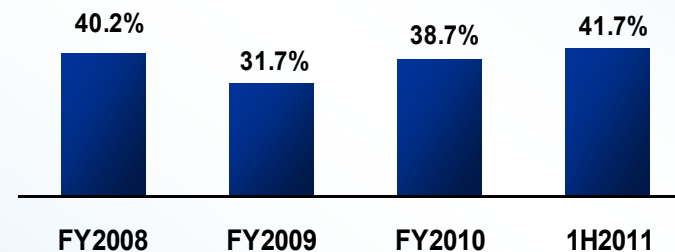
Net Debt / Total Equity (Incl. NCI)



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"))

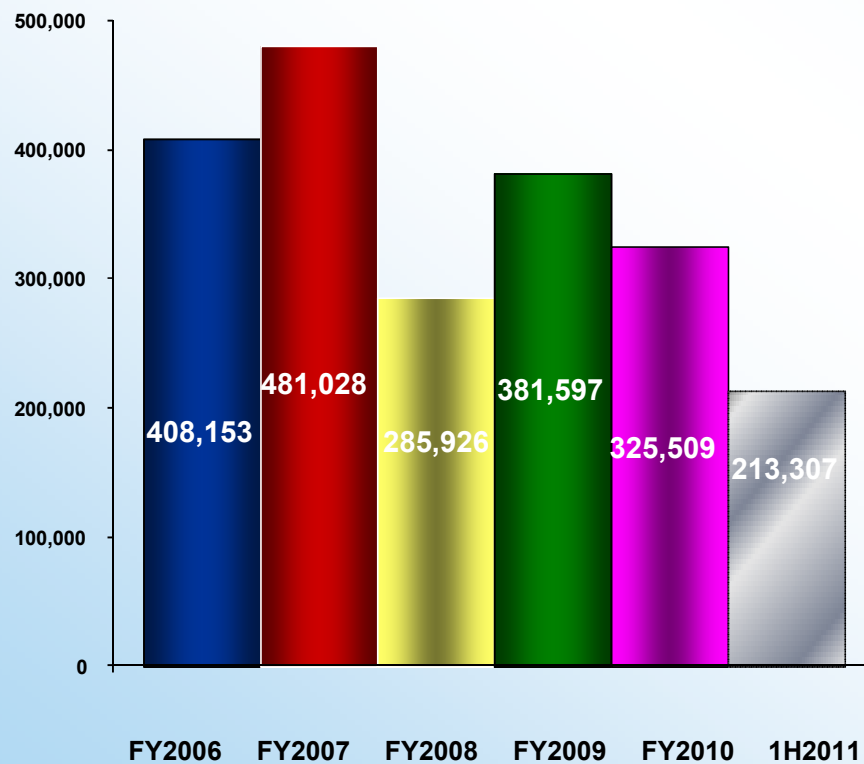


Business and Operation Overview

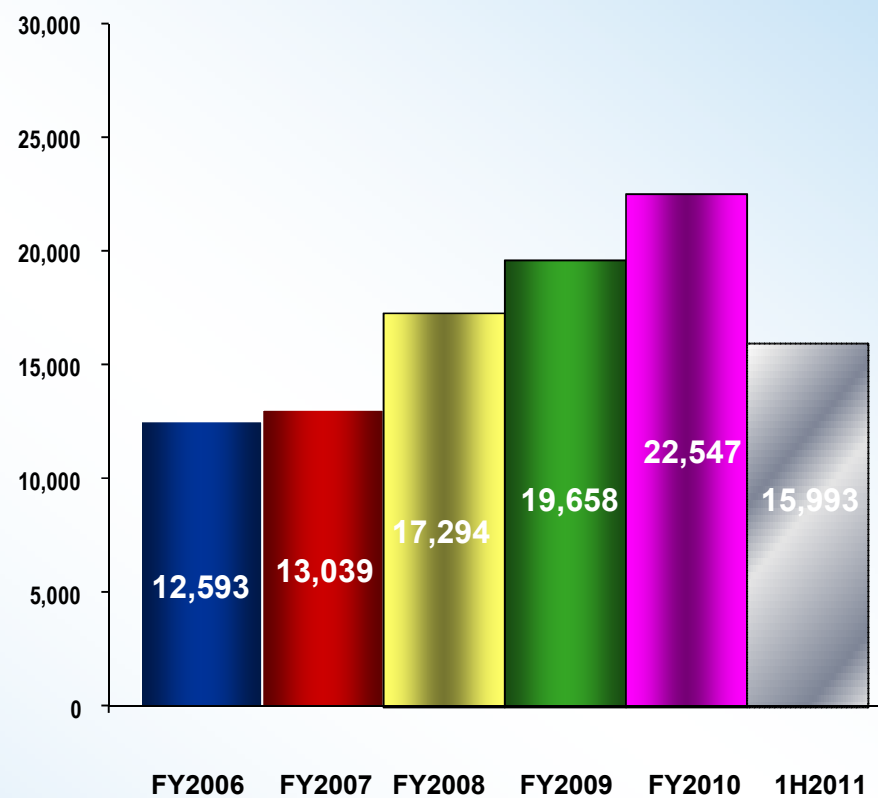
GFA & ASP Overview



GFA Delivered (sqm)



Overall ASP (RMB per sqm)



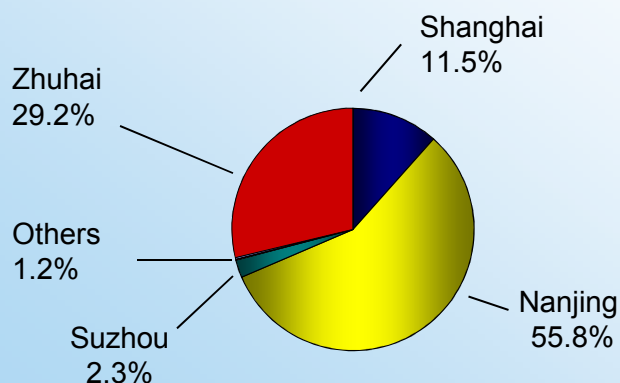
GFA/ Property Sale Contribution Analysis in 1H 2011

By City, Project and ASP

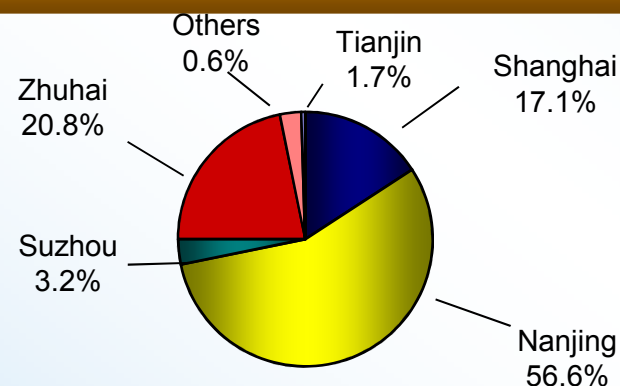


Major Projects Delivered in 1H 2011	GFA (sqm)	ASP (RMB/sqm)	Property Sales by Project (%)
Yanlord Yangtze Riverbay Town (Phase 1) (Nanjing)	118,731	16,155	56.0
Yanlord Riverside City (Phase 3) (Shanghai)	3,493	53,234	5.3
Yunjie Riverside Gardens (Phase 2) (Shanghai)	20,564	18,973	11.0
Yanlord Peninsula (Apartment) (Suzhou)	2,621	17,221	1.3
Yanlord Peninsula (Townhouse) (Suzhou)	2,265	30,249	1.9
Yanlord New City Gardens (Phase 2 - Section 1) (Zhuhai)	2,276	13,805	0.9
Yanlord New City Gardens (Phase 2 - Section 2) (Zhuhai)	60,017	11,867	19.9
Others	3,340	N/A	3.7

GFA Contribution by City



Property Sale Contribution by City

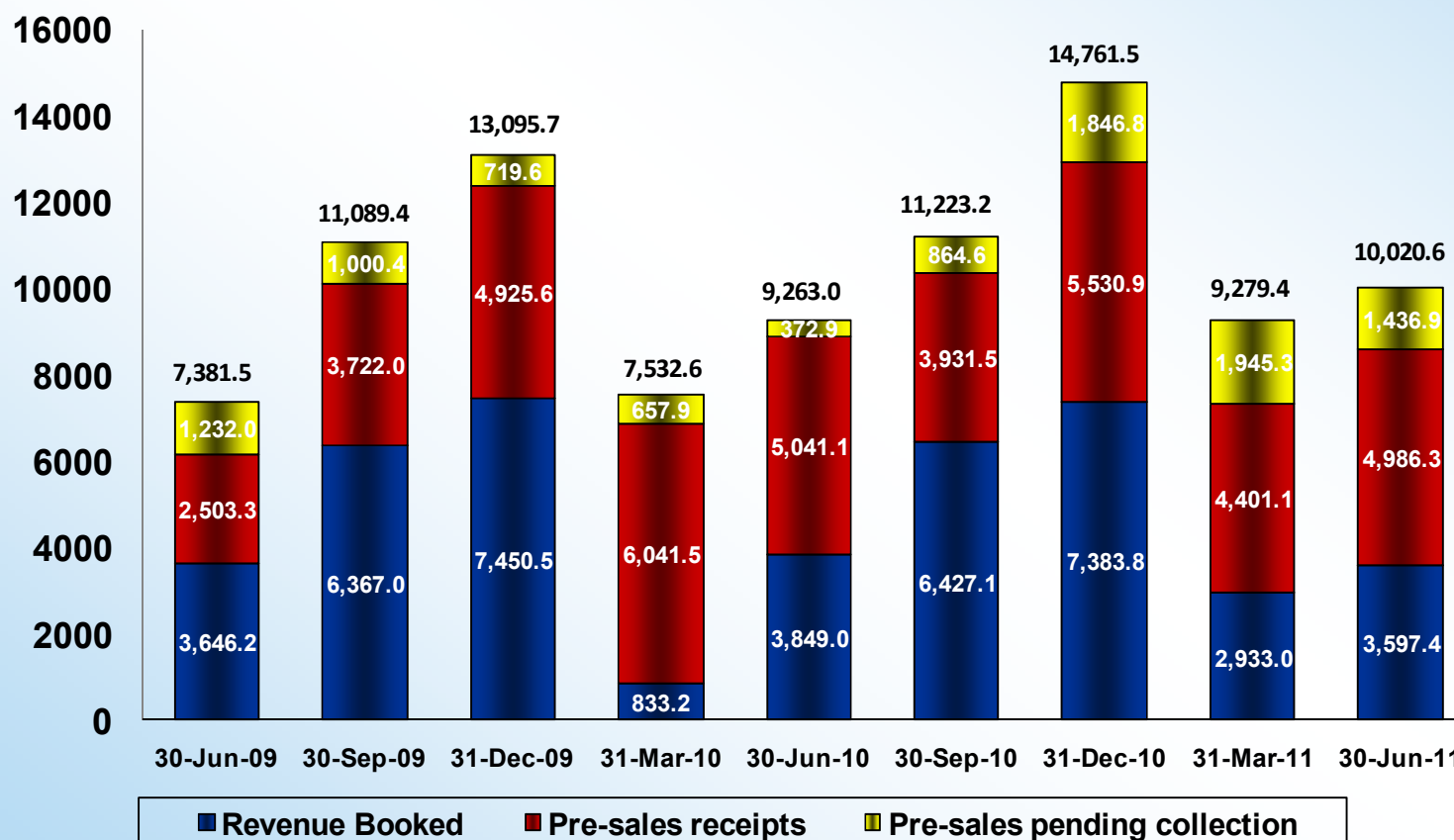


Pre-sales Contracts and Receipts

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 (262,215 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 (2,027 sqm)
- Jinjiang Penchenggang Land (390,658 sqm)

As of 30 June 2011:

GFA Completed (mil sqm)	0.364
GFA under Development (mil sqm)	1.475
GFA for Future Development (mil sqm)	3.269
Total Land Bank (mil sqm)	5.108

Hainan in 2010

Sanya

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

Yangtze River Delta in 1993

Shanghai

- Yanlord Riverside City (16,417 sqm)
- Yunjie Riverside Gardens (21,641 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 (524,746 sqm)
- Yanlord G53 Apartment (98,471 sqm)
- Plum Mansions, including Lakeside Mansions (928 sqm)
- Orchid Mansions (340 sqm)

Suzhou

- Yanlord Peninsula (12,254 sqm)
- Yanlord Lakeview Bay (337,185 sqm)
- Wuzhong Area C1 Land (14,474 sqm)

Pearl River Delta in 2005

Zhuhai

- Yanlord New City Gardens (150,500 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)

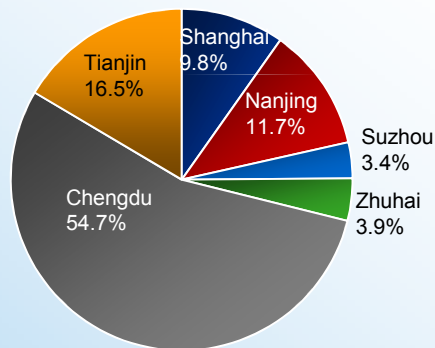
Development Strategies

Growth of business across high-growth cities



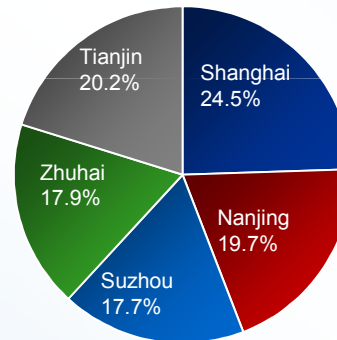
- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the 5 regions where Yanlord is currently in
- Existing land bank sustainable for development in each of these cities for approx. 5 years
- Future projects will be more diversified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

Completed Projects (363,979 sqm⁽¹⁾)



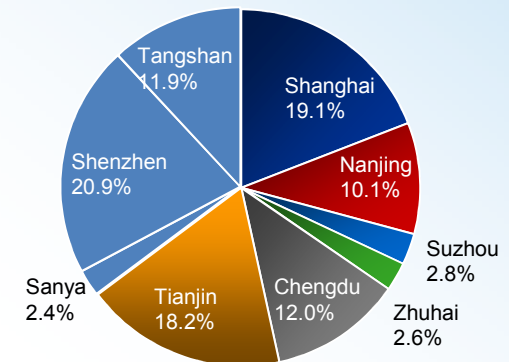
Residential and Commercial	51,707 sqm
Investment	306,347 sqm
Fixed Assets	5,925 sqm

Projects Under Development (1.48 million sqm)



Residential and Commercial	1,404,293 sqm
Investment	71,191 sqm

Landbank: Future Development (3.27 million sqm)



Residential and Commercial	3,119,440 sqm
Investment	149,150 sqm

⁽¹⁾The group has completed 3.86 million sqm out of which 363,979 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 3Q 2011



► We expect to launch the following new projects and new batches of existing projects in 3Q 2011:

▲ Nanjing

▲ Yanlord Yangtze Riverbay Town (Phase 2)

▲ Shanghai

▲ Yanlord Sunland Gardens (Phase 1)

▲ Suzhou

▲ Suzhou Wuzhong Area C1 Land – Villas

▲ Suzhou

▲ Yanlord Lakeview Bay – Land Parcels A6 and A7

▲ Tianjin

▲ Yanlord Riverside Gardens (Phase 1)

▲ Zhuhai

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

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