



仁恒置地集团 YANLORD LAND GROUP LIMITED

2Q and 1H 2012 Results Presentation

Presentation Content



I. Key Financial Highlights



II. Business and Operation Overview

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Yanlord 2Q 2012 Business Review

- ❖ Despite uncertainty arising from austerity measures introduced by the PRC central government to cool the property sector, demand for Yanlord's quality products continues to be resilient. Pre-contracted sales rose to RMB7.718 billion as at 30 June 2012 from RMB5.378 billion as at 31 December 2011.
- ❖ Driven by strong project delivery in 2Q 2012, revenue for the quarter rose 311.2% to RMB2.732 billion from RMB664.4 million in 2Q 2011. In line with the revenue growth, 2Q 2012 gross profit rose 130.1% to RMB952.7 million.
- ❖ Net profit attributable to equity holders of the company for 2Q 2012 rose 1,702.7% to RMB735.6 million from RMB40.8 million largely due to the greater delivery of units for the quarter, revaluation gains of Yanlord Riverside Plaza and net gain on disposal of available-for-sale investment.



Yanlord 1H 2012 Business Review

- ❖ In line with the Group's delivery schedule whereby a larger proportion of pre-contracted sales will be recognised in subsequent quarters, revenue and gross profit in 1H 2012 declined 11.1% and 17.3% to RMB3.198 billion and RMB1.123 billion respectively from 1H 2011.
- ❖ Despite the lower revenue recognised for the period, 1H 2012 net profit attributable to equity holders of the Company rose 182.2% to RMB871.2 million while net attributable margin similarly grew to 27.2% from 8.6% in 1H 2011.
- ❖ GFA delivered in 1H 2012 was 144,649 sqm while ASP recognized in 1H 2012 grew 31.2% to RMB20,988 per sqm from RMB15,993 per sqm in 1H 2011.
- ❖ Maintains a robust financial position; net debt to equity ratio declined to 45.7% as at 30 June 2012 from 51.9% as at 31 December 2012 while cash and cash equivalents posted a 14.7% increase to RMB4.902 billion as at 30 June 2012 from 31 December 2011.
- ❖ Yanlord remains confident about its performance for FY 2012, driven by continued sales of its developments and larger proportion of pre-contracted sales recognition in subsequent periods.



*-Yanlord Townhouse
(Shanghai)*

Key Financial Highlights



Income Statement – 2Q 2012 VS 2Q 2011

	2Q 2012	2Q 2011	% Change
GFA delivered (sqm)	134,150	28,251	374.9
ASP (RMB / sqm)	20,124	20,366	(1.2)
Revenue (RMB mil)	2,732.4	664.4	311.2
Cost of sales (RMB mil)	(1,779.7)	(250.3)	611.0
Gross profit (RMB mil)	952.7	414.1	130.1
Gross profit margin (%)	34.9	62.3	(27.4) ppt
Profit before income tax (RMB mil)	1,355.2	289.7	367.8
Income tax (RMB mil)	(517.7)	(183.6)	182.0
Profit for the period (RMB mil)	837.5	106.2	688.9
Net profit margin (%)	30.6	16.0	14.6 ppt
Profit attributable to equity holders of the Company (RMB mil)	735.6	40.8	1,702.7
Net attributable profit margin (%)	26.9	6.1	20.8 ppt
Basic earnings per share* (RMB cents)	35.11	1.95	1,700.5

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



Income Statement – 1H 2012 VS 1H 2011

	1H 2012	1H 2011	% Change
GFA delivered (sqm)	144,649	213,307	(32.2)
ASP (RMB / sqm)	20,988	15,993	31.2
Revenue (RMB mil)	3,198.5	3,597.4	(11.1)
Cost of sales (RMB mil)	(2,075.4)	(2,239.7)	(7.3)
Gross profit (RMB mil)	1,123.1	1,357.7	(17.3)
Gross profit margin (%)	35.1	37.7	(2.6) ppt
Profit before income tax (RMB mil)	1,539.8	1,073.9	43.4
Income tax (RMB mil)	(565.7)	(545.1)	3.8
Profit for the period (RMB mil)	974.0	528.8	84.2
Net profit margin (%)	30.5	14.7	15.8 ppt
Profit attributable to equity holders of the Company (RMB mil)	871.2	308.7	182.2
Net attributable profit margin (%)	27.2	8.6	18.6 ppt
Basic earnings per share* (RMB cents)	41.55	14.72	182.3

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



Financials – Snapshot as of 30 June 2012

	As of 30 Jun 12	As of 31 Dec 11	% Change
Current assets (RMB mil)	29,415.9	23,814.1	23.5
Non-current assets (RMB mil)	25,619.2	28,105.8	(8.8)
Total assets (RMB mil)	55,035.1	51,919.9	6.0
Current liabilities (RMB mil)	18,053.4	15,014.9	20.2
Non-current liabilities (RMB mil)	12,077.2	12,874.1	(6.2)
Total equity (Incl. NCI) (RMB mil)	24,904.6	24,030.9	3.6
Cash and bank balances (RMB mil)	4,901.5	4,273.6	14.7
Short-term debt (RMB mil)	3,878.7	3,100.8	25.1
Convertible notes * (RMB mil)	1,693.4	1,763.2	(5.4)
Senior notes (RMB mil)	4,349.2	4,327.2	0.5
Long-term debt (RMB mil)	6,357.7	7,558.2	(15.9)
Net debt (RMB mil)	11,377.5	12,475.8	(8.8)

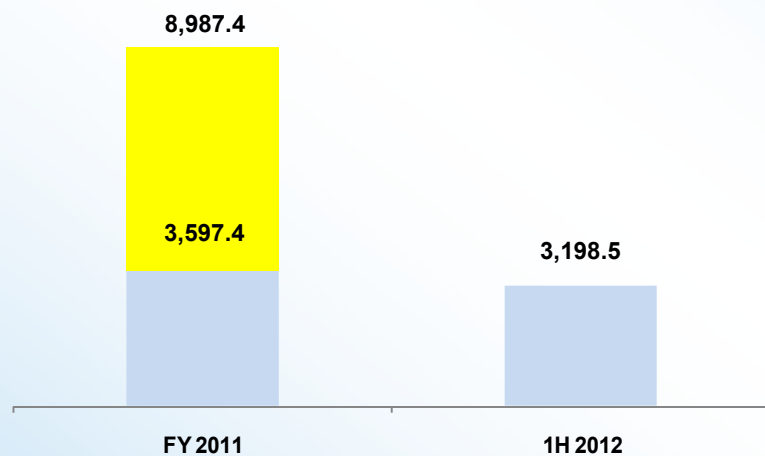
* Excluded the put option of bondholders of convertible notes due 2014 amounting to RMB27.8 million

Profitability Analysis

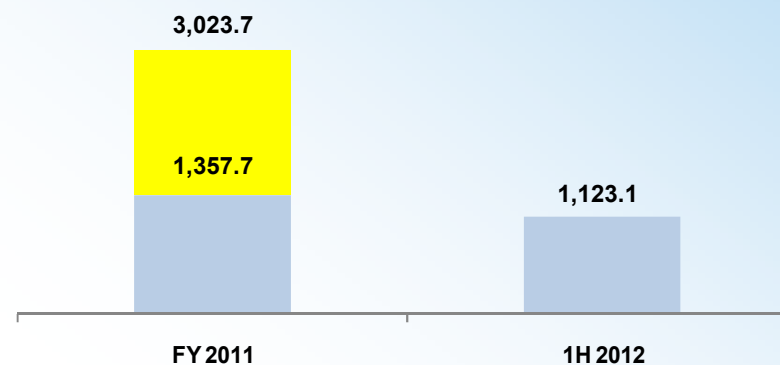


RMB million

Revenue

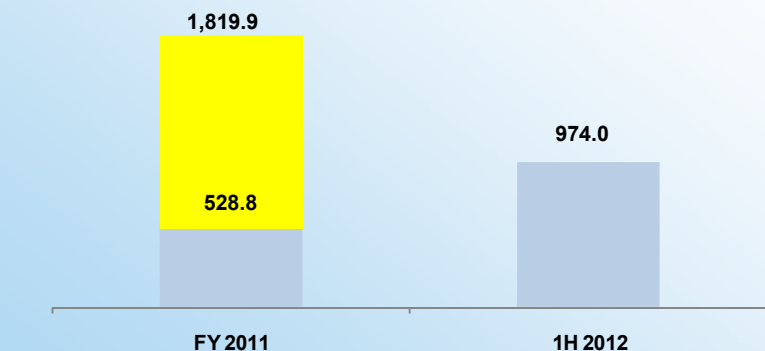


Gross Profit



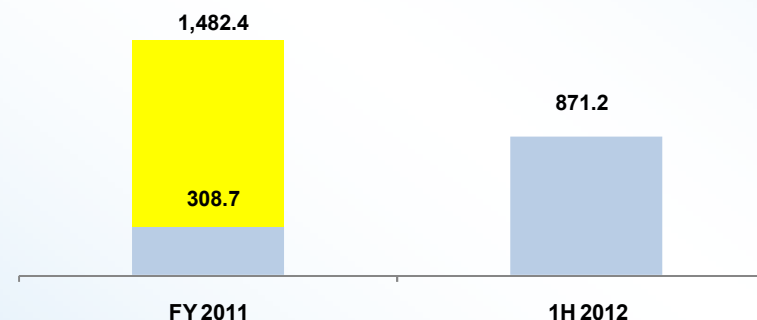
	FY 2011	1H 2012
Margins (%)	33.6	35.1

Profit for the Period



	FY 2011	1H 2012
Margins (%)	20.2	30.5

Profit Attributable to Equity Holders

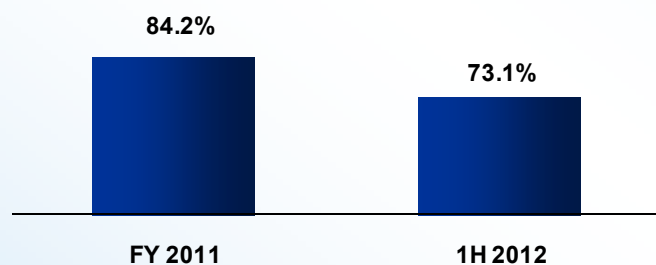


	FY 2011	1H 2012
Margins (%)	16.5	27.2

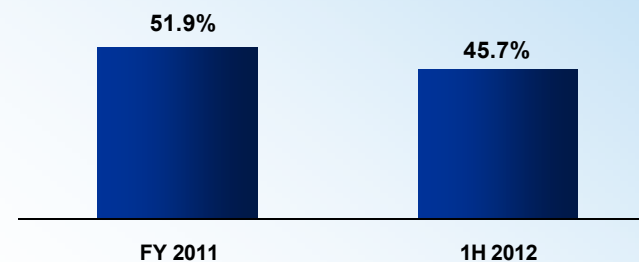
Strong Credit Statistics



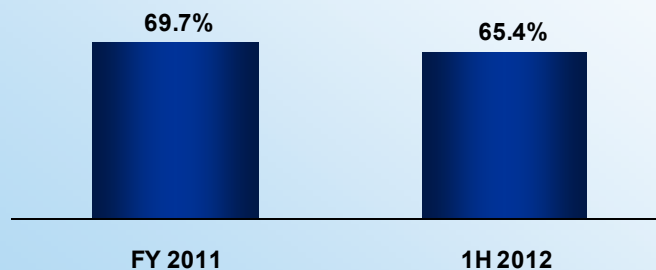
Net Debt / Equity (Excl. NCI)



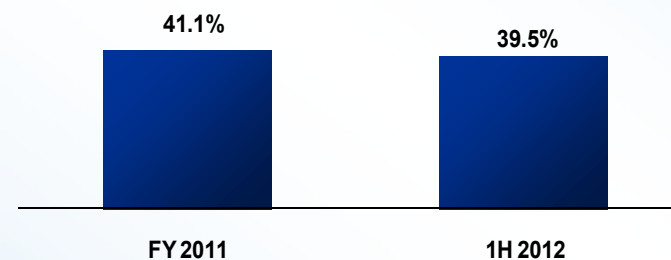
Net Debt / Total Equity (Incl. NCI)



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

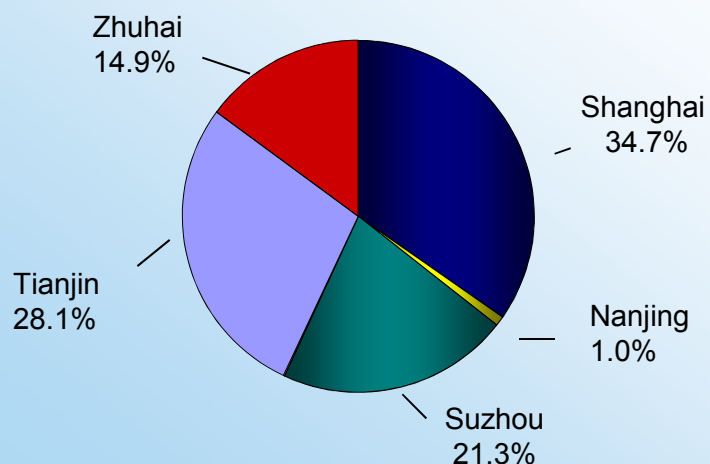
GFA / Property Sale Contribution Analysis in 1H 2012

By City, Project and ASP

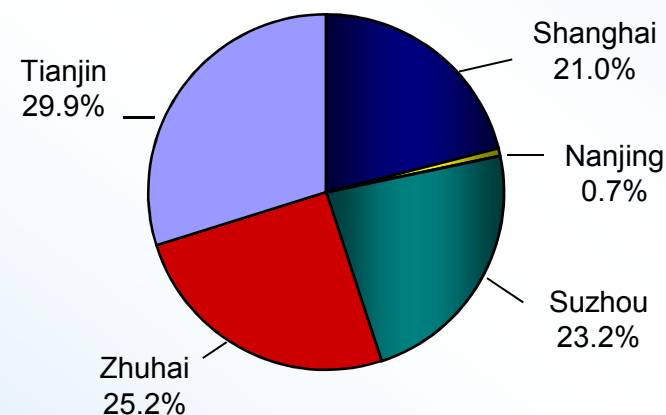


Major Projects Delivered in 1H 2012	GFA (sqm)	ASP (RMB/sqm)	Property Sales by Project (%)
Yanlord G53 Apartments (Nanjing)	1,003	21,013	0.7
Bayside Gardens (Shanghai)	14,915	18,923	9.2
Yanlord Townhouse (Shanghai)	11,914	58,354	23.0
Yunjie Riverside Gardens (Phase 2) (Shanghai)	3,318	19,498	2.1
Yanlord Lakeview Bay - Land Parcel A7 (Suzhou)	31,891	19,857	20.5
Yanlord Riverside Gardens (Phase 1) (Tianjin)	38,922	19,679	24.8
Yanlord Riverside Plaza (Phase 1) (Tianjin)	4,270	22,579	3.3
Yanlord New City Gardens (Phase 2 – Section 2) (Zhuhai)	36,519	12,104	14.9
Others	1,897	N/A	1.5

Property Sale Contribution by City



GFA Contribution by City

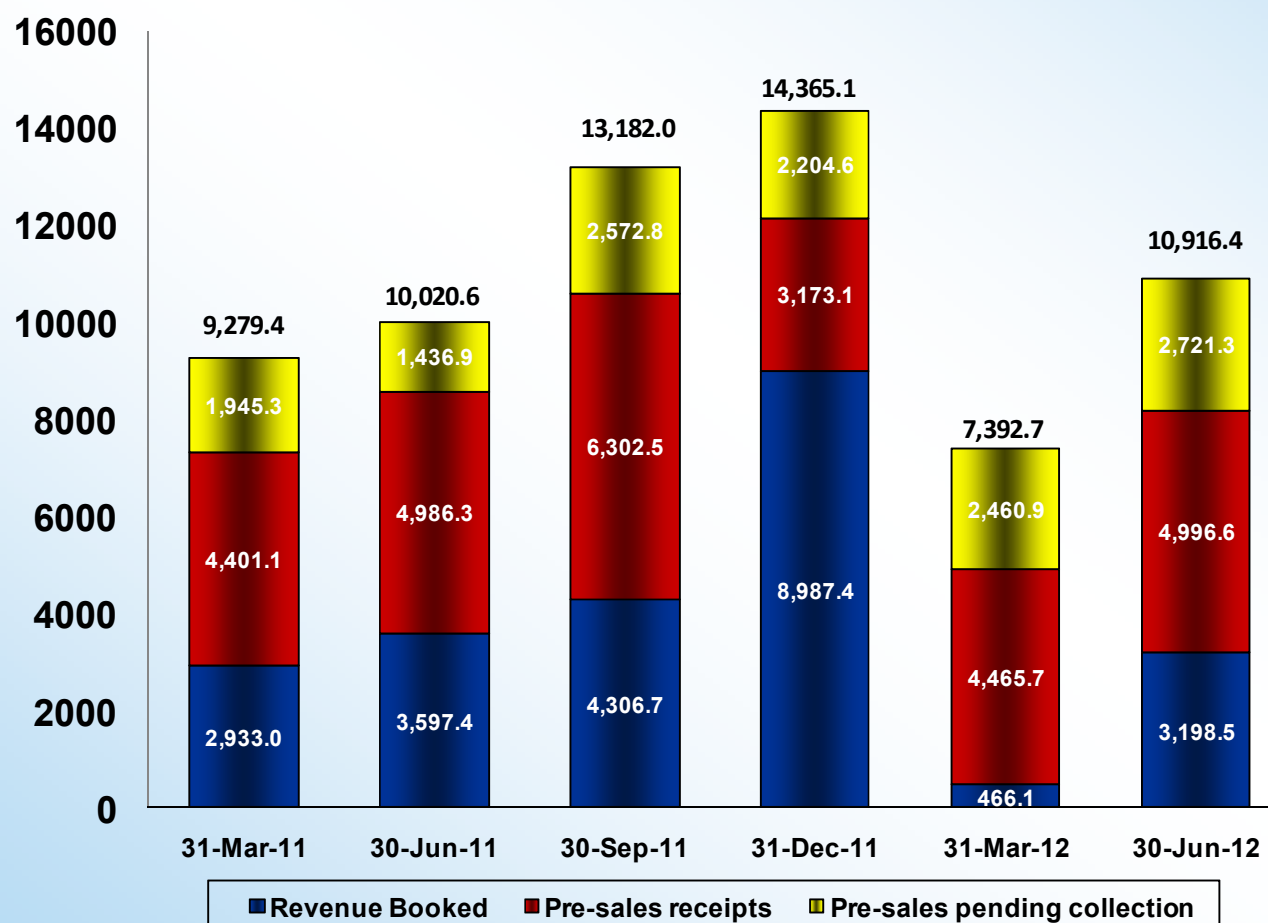


Pre-sales Contracts and Receipts

Resilient growth



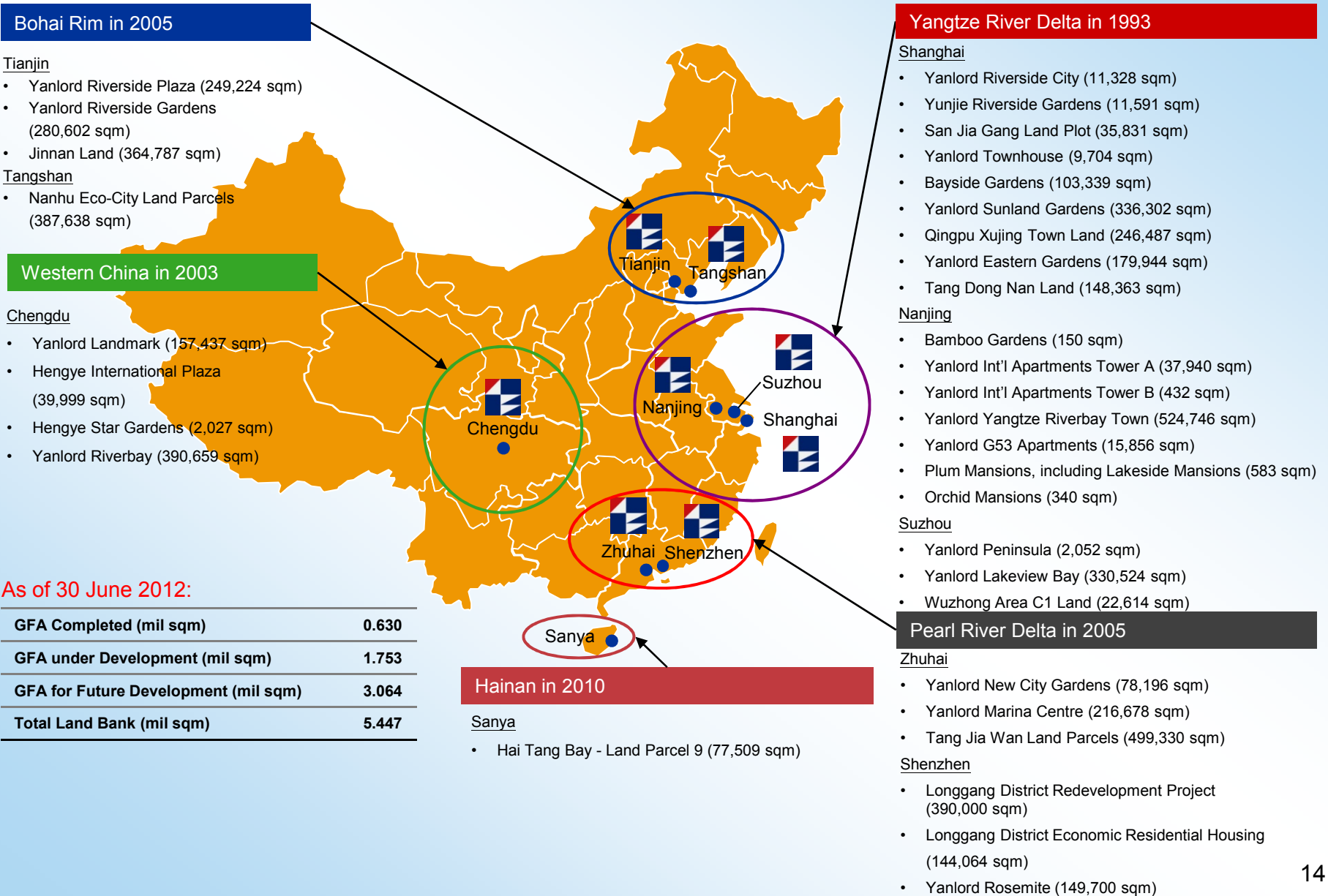
Revenue Booked, Contract Sales and Proceeds Collected (RMB million)





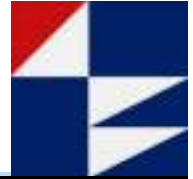
Diversified Geographic Coverage

Abundant land bank in high-growth cities



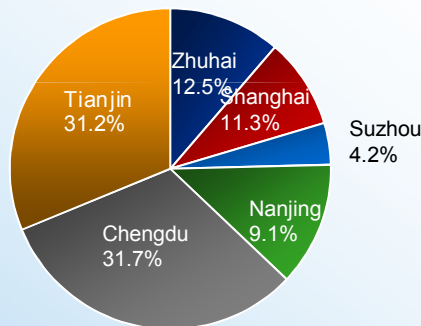
Development Strategies

Growth of business across high-growth cities



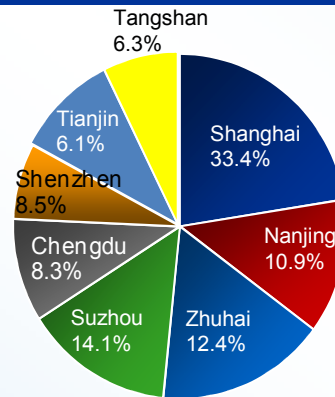
- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the 5 regions where Yanlord is currently in
- Existing land bank sustainable for development in each of these cities for approx. 5 years
- Future projects will be more diversified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

Completed Projects (629,631 sqm⁽¹⁾)



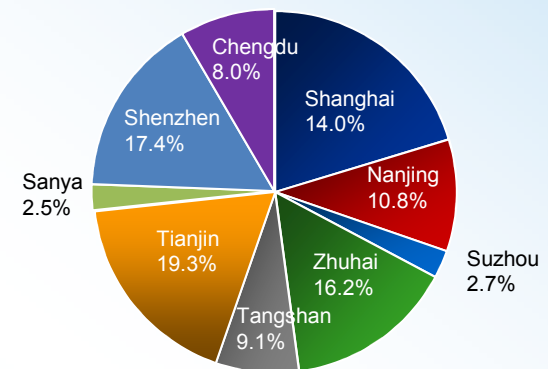
Residential and Commercial	289,365 sqm
Investment	331,026 sqm
Fixed Assets	9,240 sqm

Projects Under Development (1.75 million sqm)



Residential and Commercial	1,654,310 sqm
Investment	99,172 sqm

Landbank: Future Development (3.06 million sqm)



Residential and Commercial	2,955,060 sqm
Investment	109,300 sqm

⁽¹⁾The group has completed 5.45 million sqm out of which 629,631 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 2012



► **We expect to launch the following new project and new batches of existing projects in 3Q 2012:**

▲ **Nanjing**

▲ Yanlord Yangtze Riverbay Town (Phase 2)

▲ **Suzhou**

▲ Yanlord Lakeview Bay - Land Parcels A6

▲ **Tangshan**

▲ Tangshan Nanhu Eco-City - Land Parcel A9

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