



**Yanlord Land Group Limited**

***PRESS RELEASE – Unaudited FY 2012 Financial Results***

## **YANLORD FY 2012 NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS RISES 23.0% TO RMB1.823 BILLION ON STRONG DELIVERY OF HIGH-QUALITY RESIDENTIAL UNITS**

- Yanlord's FY 2012 revenue rises 14.6% to RMB10.302 billion on strong sale of properties and higher gross floor area ("GFA") of 447,139 square metres ("sqm") delivered
- Group continues to see strong demand for its high-quality developments, pre-contracted sales of RMB6.350 billion as at 31 December 2012 will be progressively recognized in subsequent quarters and provides greater confidence to the Group's future performance
- Net profit attributable to equity holders of the Company rose 23.0% to RMB1.823 billion, net attributable profit margin similarly rose 1.2 percentage points ("ppt") to 17.7% in FY 2012
- Fully diluted earnings per share in FY 2012 rose 27.0% to 89.59 RMB cents from 70.57 RMB cents in FY 2011; proposes first and final dividend of 9.37 RMB cents (equivalent to 1.86 Singapore cents) per share representing payout ratio of approximately 10.0%

	FY 2012	FY 2011	Change (%)
Average selling price ("ASP") (RMB / sqm)	22,545	22,239	1.4
GFA delivered (sqm)	447,139	394,722	13.3
Revenue (RMB mil)	10,301.9	8,987.4	14.6
Gross profit (RMB mil)	3,754.6	3,023.7	24.2
Gross profit margin (%)	36.4	33.6	2.8 ppt
Profit for the period (RMB mil)	2,451.8	1,819.9	34.7
Profit attributable to equity holders of the Company (RMB mil)	1,823.5	1,482.4	23.0
Net attributable profit margin (%)	17.7	16.5	1.2 ppt
Earnings per share (RMB cents) <sup>1</sup>	89.59	70.57	27.0

<sup>1</sup> Based on a fully diluted basis of 2,040,133,000 and 2,102,334,000 shares respectively

**Singapore/Hong Kong – 27 February 2013** – Singapore Exchange (“SGX”) listed **Yanlord Land Group Limited** (“Yanlord” or the “Company”, and together with its subsidiaries, the “Group”), a real estate developer focused on developing high-end integrated commercial and residential property projects in strategically selected high-growth cities in the People’s Republic of China (“PRC”), announced its results for the financial year ended 31 December 2012 (“FY 2012”).

## **FY 2012**

In line with the significant increase in GFA delivered and higher average selling price (“ASP”) achieved owing to the change in product mix composition for the year, recognized revenue of the Group in FY 2012 grew 14.6% or RMB1.314 billion to RMB10.302 billion as compared to RMB8.987 billion in FY 2011. Gross profit in FY 2012 similarly rose 24.2% to RMB3.755 billion from RMB3.024 billion in FY 2011 while gross margins grew 2.8 ppt to 36.4% from 33.6% in FY 2011. Driven by the increase in revenue for the year, net profit attributable to equity holders in FY 2012 rose 23.0% to RMB1.823 billion from RMB1.482 billion FY 2011, while net attributable profit margin for FY 2012 rose to 17.7% from 16.5% in FY 2011.

While volatilities arising from austerity measures promulgated by the PRC central government continue to weigh on the PRC real estate sector, Yanlord’s high quality developments continue to be well received in the PRC. Reflecting the continued buyer confidence, the Group’s pre-contracted sales as at 31 December 2012 rose to RMB6.350 billion from RMB5.378 billion as at 31 December 2011. The progressive recognition of these pre-contracted sales in the subsequent financial periods will provide greater assurance of the Group’s performance. As of 31 December 2012, the Group has received RMB4.461 billion as advances for pre-sold properties.

Attributable to the Group’s prudent financial policies, Yanlord remains in a strong financial position. Building on its strong performance for the period, the Group’s gearing or net debt to total equity ratio declined to 37.6% as at 31 December 2012 from 51.9% as at 31 December 2011. Cash and bank balances as at 31 December 2012 was RMB3.541 billion and will serve to fuel the Group’s future developments.

Underscored by the increased profit attributable to equity holders of the Company, fully diluted earnings per share in FY 2012 rose 27.0% to 89.59 RMB cents (based on 2,040,133,000 shares) compared with 70.57 RMB cents (based on 2,102,234,000 shares) in FY 2011.

To further enhance shareholder value and drive the Company's long term development strategy, the Board of Directors has proposed a first and final dividend of 9.37 RMB cents (equivalent to 1.86 Singapore cents) per share, representing a dividend payout of approximately 10.0% of FY 2012 net profits attributable to equity holders of the Company.

Commenting on the Group's financial performance, Mr. Zhong Sheng Jian, Yanlord's Chairman and Chief Executive Officer, said, "As urbanization continues to gain traction in China, migrants find themselves gravitating towards first and second tier cities owing to better opportunities as well as the comprehensive suite of amenities offered such as better healthcare, education and security. This influx of population coupled with increased wealth generation will undoubtedly drive demand for high-end residential developments. Ideally positioned, Yanlord's competitive advantage remains its ability to deliver high-quality developments that continue to meet customer demands and is reflected in our strong performance in FY 2012. Consistent with our project delivery schedule, we expect to recognise our current pre-contracted sales of RMB6.350 billion in the subsequent financial periods which will serve to drive our future performance."

### **New Launches**

The Group will continue to launch new batches of its existing projects in 1Q 2013, namely, Yanlord Sunland Gardens (Phase 1) (仁恒森兰雅苑一期) and Bayside Gardens (御澜湾苑) in Shanghai as well as Yanlord Lakeview Bay – Land Parcel A6 (仁恒双湖湾 – A6地块) in Suzhou and Yanlord Riverbay (Phase 1) (仁恒滨河湾一期) in Chengdu.

"While austerity measures promulgated by the PRC central government since 2010 continue to present near term challenges for the PRC real estate sector, we nonetheless remain confident about the long term development of the sector which is underpinned by strong demand arising from rapid urbanization and stable development of the PRC economy. To better mitigate against uncertainty posed by the macro environment, the Group will continue to maintain its healthy cash position and prudent financial policies. Led by an experienced and dedicated management team with extensive industry knowledge of the PRC real-estate sector, we will continue to focus on our business strategies and comparative advantages in the development of quality residential apartments in prime locations within high growth PRC cities. This will best allow for the sustainable growth of our core business segments and capitalise on the long term growth prospects of the PRC real estate sector," added Mr Zhong.

**### End ###**

*Issued on behalf of Yanlord Land Group Limited*

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**About Yanlord Land Group Limited:**

(Co. Reg. No. 200601911K)

Yanlord Land Group Limited (Z25.SI) is a real estate developer based in the People's Republic of China, with a focus on the development of high-end fully-fitted residential, commercial and integrated property projects in strategically selected key and high-growth cities in the PRC. Yanlord Land Group Limited was listed in June 2006 on the Mainboard of the Singapore Stock Exchange.

Since Yanlord's foray into the PRC market in 1993, it has successfully developed a number of large-scale residential property developments in Shanghai and Nanjing with international communities of residents, such as Yanlord Gardens, Yanlord Riverside Gardens and Yanlord Riverside City in Shanghai and Orchid Mansions, Bamboo Gardens and Yanlord International Apartments in Nanjing. The "Yanlord" name has been developed into a premium brand, synonymous with quality, within the property development industry of PRC. Currently, the Group has an established presence in nine key high-growth cities within the five major economic regions of the PRC, namely, (i) Yangtze River Delta – Shanghai, Nanjing and Suzhou; (ii) Western China – Chengdu; (iii) Bohai Rim – Tianjin and Tangshan; and (iv) Southern China – Zhuhai and Shenzhen and (v) Hainan – Sanya.

Yanlord has proactively extended its commercial property development projects, acquired a considerable number of land parcels for commercial use and commenced the construction of retail malls, offices, hotels and serviced residence developments. Upon completion, the projects are expected to generate a stable rental income and increase the asset value for Yanlord.

*For additional information pertaining to the Group's FY 2012 financial statement announcement and results presentation, please refer to the Group's website, [www.yanlordland.com](http://www.yanlordland.com).*