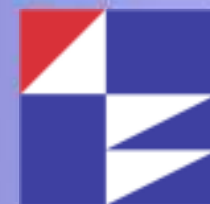




仁恒置地集团 YANLORD LAND GROUP LIMITED

Annual General Meeting Presentation



仁 恒
YANLORD





Yanlord 4Q and FY 2014 Business Review



Yanlord 4Q 2014 Business Review



- Recognised revenue in 4Q 2014 rose 58.9% to RMB7.484 billion from RMB4.711 billion in 4Q 2013 on higher ASP of RMB29,390 per sqm achieved and higher GFA of 257,551 sqm delivered.
- Gross profit in 4Q 2014 was 14.8% higher at RMB2.067 billion, however gross profit margin for the period was lower at 27.6% during the period owing to the change in the product mix composition to include the delivery of lower margin projects.
- In-line with the higher gross profit achieved, 4Q 2014 profit for the period rose 29.3% to RMB1.658 billion. Net profit attributable to equity holders of the Company in 4Q 2014 was RMB1.070 billion.



- Recognised revenue in FY 2014 posted a 4.0% increase to RMB11.733 billion on higher achieved ASP for the year. ASP of units delivered in FY 2014 rose 8.7% to RMB26,733 per sqm while GFA delivered in FY 2014 was 422,813 sqm.
- Underscored by the change in product mix composition in FY 2014 whereby the Group recognised three relatively lower gross margin projects namely, Yanlord Lakeview Bay – Land Parcel A5 in Suzhou, Yanlord Riverbay (Phase 1) in Chengdu and Yanlord Sunland Gardens (Phase 2) in Shanghai, gross profit margin and consequently gross profit in FY 2014 were lower at 29.2% and RMB3.431 billion respectively. Net profit attributable to equity holders of the Company was similarly lower at RMB1.359 billion in FY 2014 as compared to RMB1.474 billion in FY 2013.
- The Group continues to maintain a healthy financial position. Cash and cash equivalents balances of RMB6.590 billion as at 31 December 2014, coupled with a healthy net debt to total equity gearing ratio of 45.3% will serve to fuel the Group's future development.



- Healthy home buyer demand coupled with favourable regulatory policies, continued to drive sales of Yanlord's high-quality developments in 4Q 2014. The Group's accumulated pre-sales as at 31 December 2014 rose to RMB10.384 billion while advances for pre-sale properties received as at 31 December 2014 amounted to RMB6.891 billion.
- To further enhance shareholder value, the Board has proposed the payment of a first and final dividend of 1.30 Singapore cents per share (approximately 6.33 Renminbi cents per share) to shareholders representing a dividend payout ratio of approximately 9.1% of FY 2014 earnings per share of 69.76 Renminbi cents.
- Yanlord remains confident about its future performance, driven by continued sales of its developments and progressive recognition of accumulated pre-sales in subsequent periods.





Key Financial Highlights



Statement of Profit or Loss – 4Q 2014 VS 4Q 2013



	4Q 2014	4Q 2013	% Change
GFA delivered (sqm)	257,551	182,637	41.0
ASP (RMB/sqm)	29,390	25,476	15.4
Revenue (RMBm)	7,484.4	4,710.7	58.9
Cost of sales (RMBm)	(5,417.0)	(2,909.3)	86.2
Gross profit (RMBm)	2,067.4	1,801.4	14.8
Gross profit margin (%)	27.6	38.2	(10.6) ppt
Profit before income tax (RMBm)	2,679.5	2,173.5	23.3
Income tax (RMBm)	(1,021.9)	(891.9)	14.6%
Profit for the period (RMBm)	1,657.6	1,281.6	29.3
Net profit margin (%)	22.1	27.2	(5.1) ppt
Profit attributable to equity holders of the Company (RMBm)	1,070.2	1,093.3	(2.1)
Net attributable profit margin (%)	14.3	23.2	(8.9) ppt
Basic earnings per share ¹ (RMB cents)	54.92	55.40	(0.9)

Note:

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



Statement of Profit or Loss – FY 2014 VS FY 2013



	FY 2014	FY 2013	% Change
GFA delivered (sqm)	422,813	434,334	(2.7)
ASP (RMB/sqm)	26,733	24,599	8.7
Revenue (RMBm)	11,733.3	11,280.1	4.0
Cost of sales (RMBm)	(8,302.2)	(7,279.8)	14.0
Gross profit (RMBm)	3,431.2	4,000.3	(14.2)
Gross profit margin (%)	29.2	35.5	(6.3) ppt
Profit before income tax (RMBm)	3,598.2	3,738.0	(3.7)
Income tax (RMBm)	(1,478.8)	(1,645.9)	(10.2)
Profit for the period (RMBm)	2,119.4	2,092.1	1.3
Net profit margin (%)	18.1	18.5	(0.4) ppt
Profit attributable to equity holders of the Company (RMBm)	1,359.4	1,473.8	(7.8)
Net attributable profit margin (%)	11.6	13.1	(1.5) ppt
Basic earnings per share ¹ (RMB cents)	69.42	74.90	(7.3)

Note:

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



Financials – Snapshot as at 31 December 2014



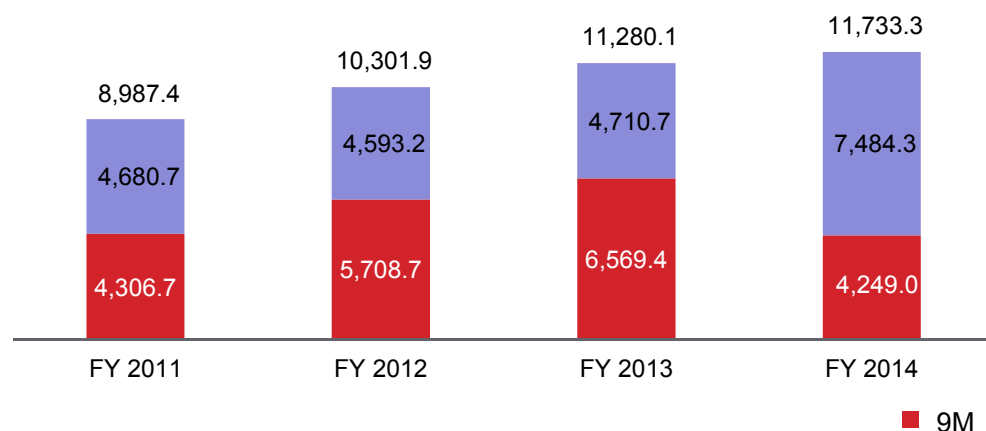
	As at 31 Dec 14	As at 31 Dec 13	% Change
Current assets (RMBm)	45,477.0	40,956.9	11.0
Non-current assets (RMBm)	21,849.6	20,482.1	6.7
Total assets (RMBm)	67,326.6	61,439.0	9.6
Current liabilities (RMBm)	18,560.5	18,476.1	0.5
Non-current liabilities (RMBm)	19,392.9	15,104.6	28.4
Total equity (Incl. NCI) (RMBm)	29,373.2	27,858.4	5.4
Cash and bank balances (RMBm)	6,590.1	7,082.0	(6.9)
Short-term debt (RMBm)	2,172.0	3,484.8	(37.7)
Convertible notes (RMBm)	-	326.3	(100.0)
Senior notes (RMBm)	6,243.9	6,185.4	0.9
Long-term debt (RMBm)	11,480.8	7,535.4	52.4
Net debt (RMBm)	13,306.6	10,449.9	27.3



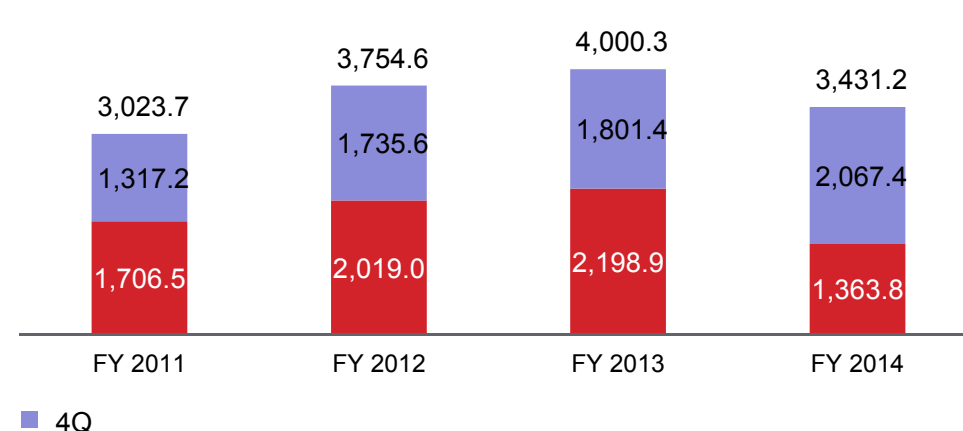
Profitability Analysis



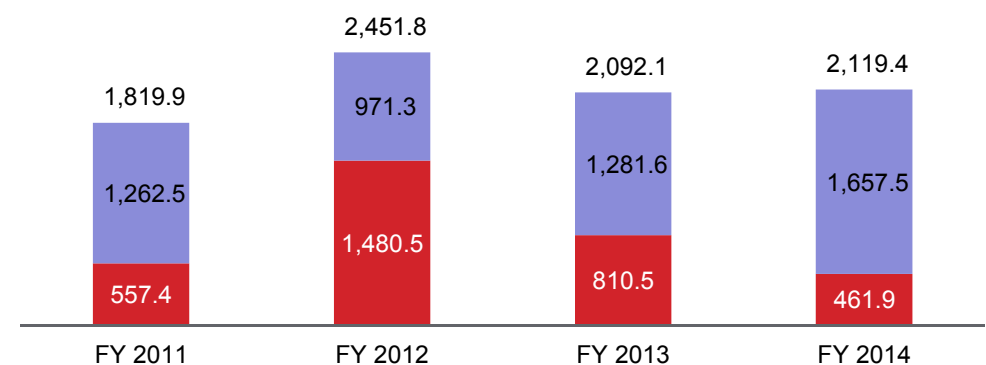
Revenue (RMBm)



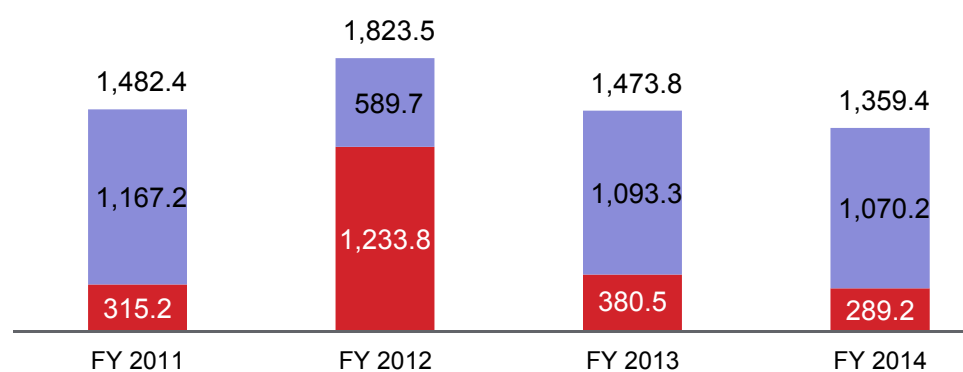
Gross profit (RMBm)



Profit for the period (RMBm)



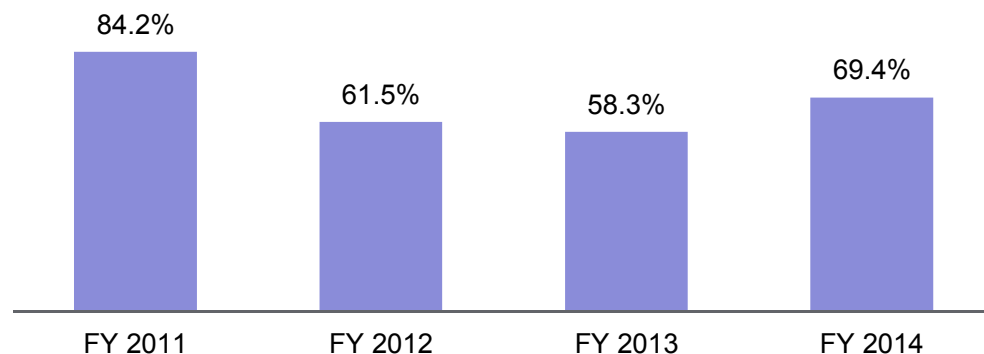
Profit attributable to equity holders (RMBm)



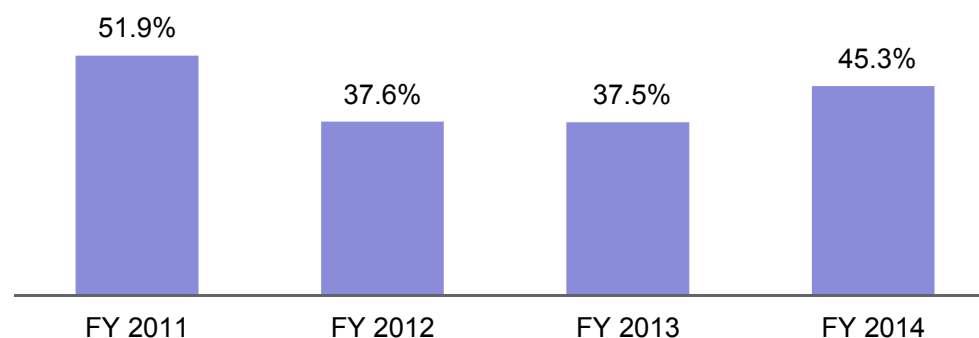
Strong Credit Metrics



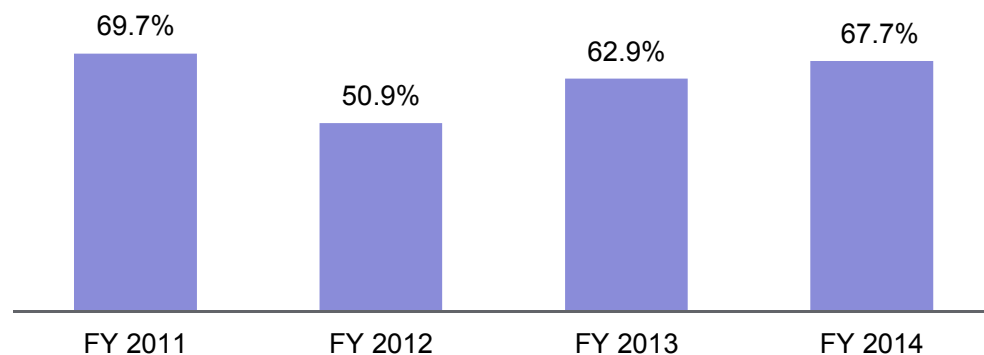
Net debt/ equity (Excl. NCI)



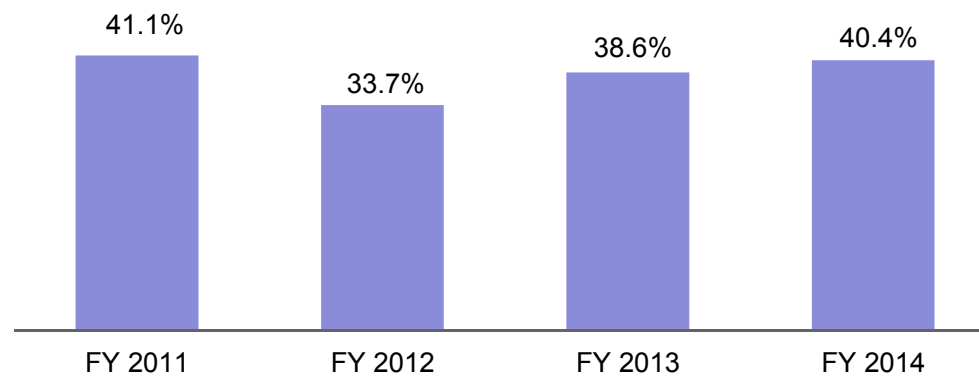
Net debt/ total equity (Incl. NCI)



Total debt/ total equity (Incl. NCI)



Total debt/ capitalization¹



Note:

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





Business and Operation Overview



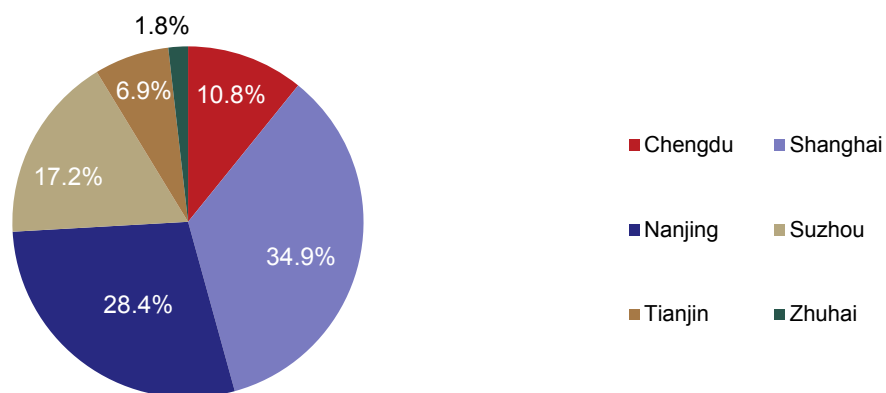
GFA/ Property Sale Contribution Analysis in FY 2014

By city, project and ASP

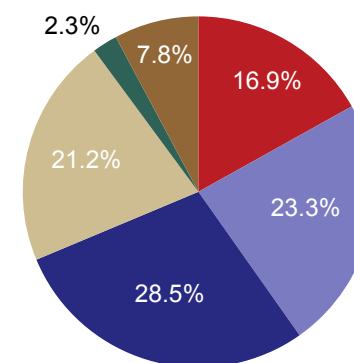


Major projects delivered in FY 2014	GFA (sqm)	ASP (RMB/ sqm)	Property sales by project (%)
Chengdu Yanlord Riverbay (Phase 1)	71,438	17,288	10.7
Nanjing Yanlord Yangtze Riverbay Town (Phase 3)	119,588	27,064	28.0
Shanghai Bayside Gardens	16,690	23,594	3.4
Shanghai Yanlord Sunland Gardens (Phase 1)	22,483	44,617	8.7
Shanghai Yanlord Sunland Gardens (Phase 2) - Residential	55,148	43,363	20.7
Suzhou Yanlord Lakeview Bay - Land Parcel A2	27,626	22,113	5.3
Suzhou Yanlord Lakeview Bay - Land Parcel A5	41,351	21,720	7.8
Tianjin Yanlord Riverside Gardens (Phase 1)	27,659	21,595	5.2
Others	40,830	N/A	10.2

Property Sale Contribution by City



GFA Contribution by City

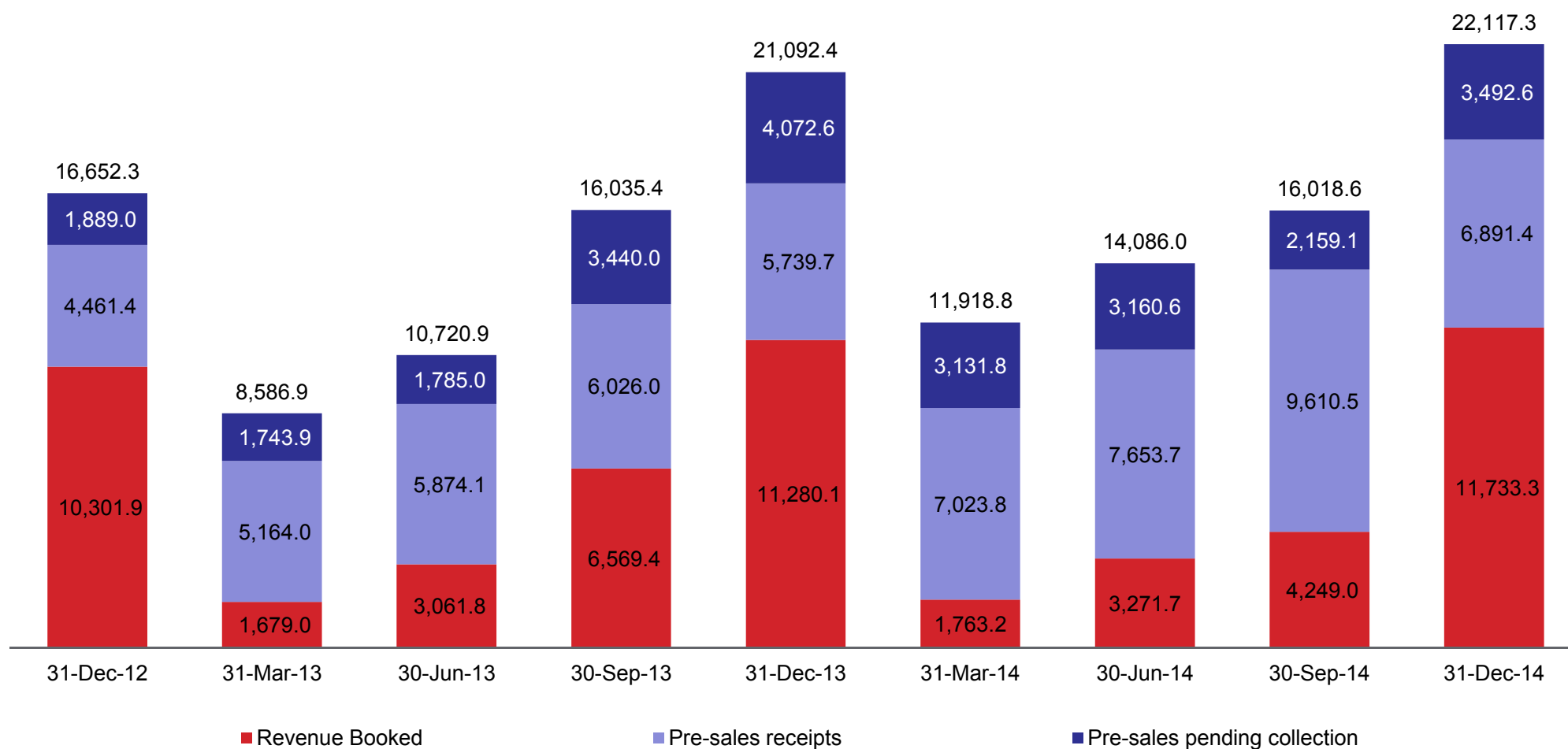


Pre-sales and Receipts

Resilient growth



Revenue Booked, Pre-Sales and Proceeds Collected (RMBm)



Diversified Geographic Coverage

Abundant land bank in high-growth cities



Bohai Rim since 2005

Tianjin

- Yanlord Riverside Plaza (157,706 sqm)
- Yanlord Riverside Gardens (164,319 sqm)
- Jinnan Land (368,978 sqm)

Tangshan

- Nanhu Eco-City Land Parcels (350,995 sqm)

Yangtze River Delta since 1993

Shanghai

- Yanlord Riverside City (8,634 sqm)
- Yunjie Riverside Gardens (6,921 sqm)
- San Jia Gang Land Plot (35,831 sqm)
- Yanlord Townhouse (7,388 sqm)
- Bayside Gardens (821 sqm)
- Yanlord Sunland Gardens (134,218 sqm)
- Yanlord Western Gardens (250,181 sqm)
- Yanlord Eastern Gardens (180,448 sqm)
- Yanlord on the Park (151,073 sqm)

Nanjing

- Bamboo Gardens (150 sqm)
- Yanlord Int'l Apartments Tower A (37,940 sqm)
- Yanlord Yangtze Riverbay Town (273,737 sqm)
- Yanlord G53 Apartments (9,604 sqm)
- Plum Mansions, including Lakeside Mansions (539 sqm)
- Orchid Mansions (340 sqm)
- Oasis New Island Gardens (273,940 sqm)

Suzhou

- Yanlord Peninsula (879 sqm)
- Yanlord Lakeview Bay (165,947 sqm)
- Wuzhong Area C1 Land (15,498 sqm)
- Gao Xin Land (172,069 sqm)

Pearl River Delta since 2005

Zhuhai

- Yanlord New City Gardens (7,661 sqm)
- Yanlord Marina Centre (216,678 sqm)
- Yanlord Marina Peninsula Gardens (512,670 sqm)

Shenzhen

- Longgang District Redevelopment Project (390,000 sqm)
- Longgang District Economic Residential Housing (144,064 sqm)
- Yanlord Rosemite (150,168 sqm)

Western China since 2003

Chengdu

- Yanlord Landmark (157,437 sqm)
- Hengye International Plaza (39,999 sqm)
- Hengye Star Gardens (144 sqm)
- Yanlord Riverbay (319,480 sqm)

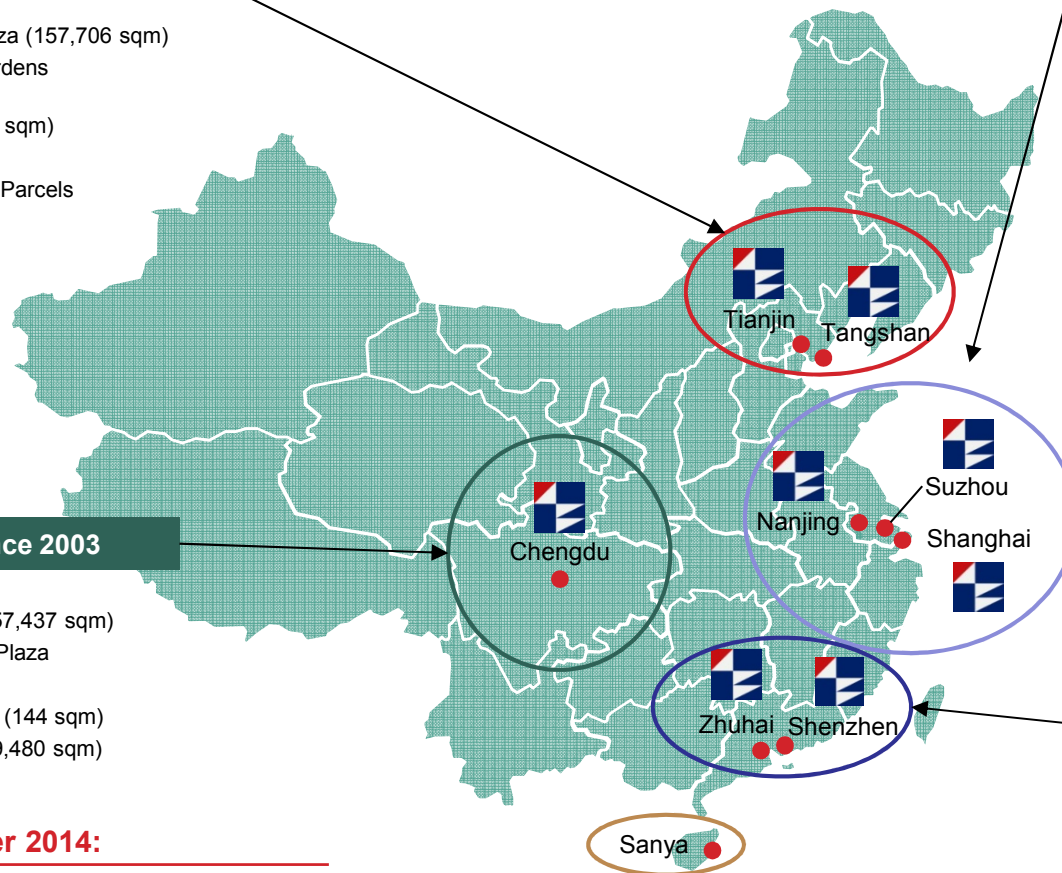
As of 31 December 2014:

GFA Completed (mil sqm)	0.573
GFA Under Development (mil sqm)	2.552
GFA for Future Development (mil sqm)	1.771
Total Land Bank (mil sqm)	4.896

Hainan since 2010

Sanya

- Hai Tang Bay - Land Parcel 9 (75,484 sqm)



Development Strategies

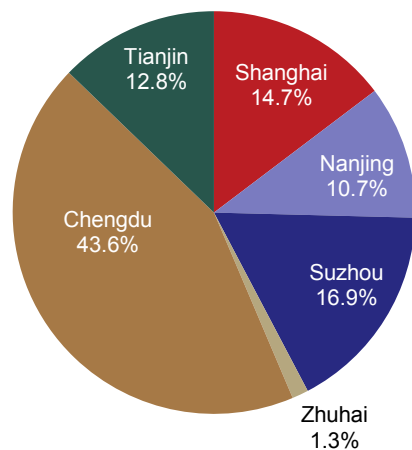
Growth of business across high-growth cities



- 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

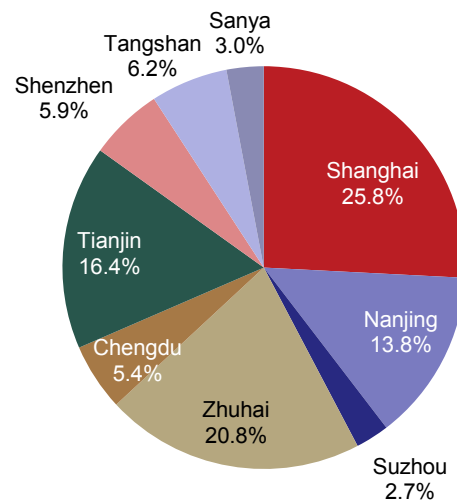
(573,156 sqm¹)



Residential and Commercial	219,731 sqm
Investment	341,405 sqm
Fixed Assets	12,020 sqm

Projects under development

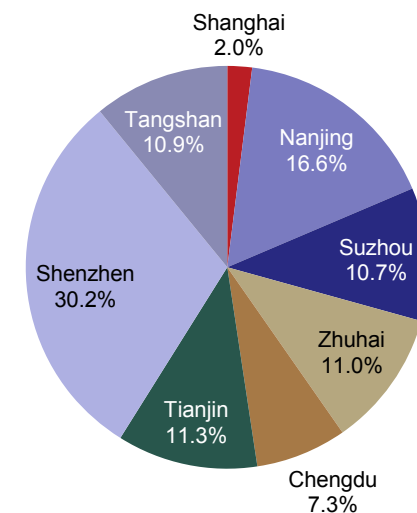
(2.552 million sqm)



Residential and Commercial	2,322,942 sqm
Investment	229,088 sqm

Land bank: Future development

(1.771 million sqm)



Residential and Commercial	1,770,922 sqm
Investment	-

Note:

1. The group has completed 5.614 million sqm out of which 573,156 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 2015



We launched the following new batches of existing projects in 1Q 2015:

- **Nanjing**
 - Oasis New Island Gardens (Phase 1)
- **Shanghai**
 - Yanlord Western Gardens
- **Shenzhen**
 - Yanlord Rosemite
- **Tianjin**
 - Tianjin Jinnan Land (Phase 2)
- **Zhuhai**
 - Yanlord Marina Peninsula Gardens (Phase1)



Financial Ratios Summary*



	2014	2013
Net Debt to Total Equity (%)	45.3	37.5
Dividend Payout Ratio (%)	9.1	8.5
Net Asset Value per share (RMB)	9.84	9.20
Return on Assets (%)	3.1	3.4
Return on Capital and Reserve (%)	7.2	7.5
Average interest cost (%)	6.85	7.40

* For reference purposes only



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