



Yanlord Land Group Limited

PRESS RELEASE – 4Q and FY 2008 RESULTS

YANLORD REMAINS RESILIENT DESPITE WEAKER MARKET SENTIMENTS; REPORTS FY 2008 NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF S\$225.8 MILLION ON 32.6% JUMP IN ASP TO RMB17,294 per sqm

- Despite weaker market sentiments, continued support for Yanlord's quality development drives average selling price ("ASP") up 32.6% to RMB17,294 per sqm in FY 2008
- Led by higher ASP, Gross Profit margin rose to 55.5% in FY2008 from 45.1% in FY2007; FY2008 Gross Profit was recorded at S\$559.5 million while total gross floor area ("GFA") delivered in FY2008 was 285,926 sqm compared to total GFA delivered in FY2007 which was 40.6% higher at 481,028 sqm
- As at 31 December 2008, Yanlord has cash and bank balances of S\$375.7 million and total contracted un-booked pre-sales of approximately S\$238.1 million comprising S\$128.3 million of advances received and S\$109.8 million to be recognised in FY2009
- Stimulus plans introduced by the China Central Government expected to strengthen demand for the PRC real-estate sector; Group remains optimistic of the PRC real-estate sector and targets to launch new apartment units in 7 existing and 2 new high-end residential projects located in Shanghai, Nanjing, Suzhou, Tianjin, Chengdu and Zhuhai for sale from 2009
- Yanlord continues to enjoy significant brand equity in the PRC with Yanlord Riverside City ranked No.1 in sales in Shanghai for 2007 and 2008
- Proposes first and final dividend of 1.23 Singapore cents per share representing pay out ratio of 10%

| | FY 2008 | FY 2007 | Change (%) |
|--|----------------|----------------|-----------------|
| GFA Delivered (sqm) | 285,926 | 481,028 | -40.6% |
| ASP (Rmb / sqm) | 17,294 | 13,038 | +32.6% |
| Revenue (S\$ mil) | 1,007.2 | 1,227.9 | (18) |
| Gross Profit (S\$ mil) | 559.5 | 553.3 | 1 |
| Gross Profit Margin (%) | 55.5 | 45.1 | 10.4 ppt |
| Profit for the year (S\$ mil) | 314.0 | 336.7 | (7) |
| Net Profit Margin (%) | 31.2 | 27.4 | 3.8 ppt |
| Net Profit Attributable to Shareholders (S\$ mil) | 225.8 | 221.5 | 2 |

Singapore/Hong Kong – 26 February 2009 – 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 today its resilient results for its financial year ended 31 December 2008 (“FY2008”).

FY2008

Revenue for FY2008 was recorded at S\$1.0072 billion with a total gross floor area (“GFA”) of 285,926 sqm delivered. While total GFA delivered and revenue recognised in FY2008 were lower than the GFA of 481,028 sqm delivered and revenue of S\$1.2279 billion recognised in FY2007, continued support for Yanlord’s high-end residential developments in the PRC propelled the average selling prices (“ASP”) of the Group’s properties up 32.6% to RMB17,294 per sqm (equivalent to S\$3,536) in FY2008 from RMB 13,039 per sqm (equivalent to S\$2,603) in FY2007. As a result of the higher ASP achieved in FY2008, Yanlord’s gross and net profit margin grew to 55.5% and 31.2% respectively. Net profit attributable to shareholders grew by 2% from S\$221.5 million in FY 2007 to S\$225.8 million in FY2008.

Reflecting the continued success of the Group’s business strategies and positioning within the PRC, its key development– Yanlord Riverside City (仁恒河滨城) – was ranked the top selling

real estate development for 2007 and 2008 in Shanghai. Driven by contributions from this and other key developments, namely Bamboo Gardens (Phase 3) (翠竹园三期) in Nanjing, Yanlord Peninsula (星島仁恒) in Suzhou, Yanlord International Apartments (Tower B) (仁恒国际公寓 B 栋) in Nanjing and Hengye Star Gardens (恒业星园) in Chengdu, Gross profit rose to S\$559.5 million while after tax profit for FY2008 was S\$314.0 million.

The Group's financial position remains robust. As at 31 December 2008, the Group has cash and bank balances of S\$375.7 million and total contracted pre-sales of S\$238.1 million of which S\$128.3 million has already been received while S\$109.8 million will be received in 2009.

4Q2008

Group revenue in 4Q2008 was recorded at S\$411.8 million with a total GFA of 98,263 sqm delivered in 4Q2008. While revenue recognized in 4Q2007 was higher at S\$932.4 million, it should be noted that revenue recognized in FY2008 was more evenly distributed while revenue recognition for FY2007 was largely concentrated in 4Q2007 contributing to the better performance in 4Q2007. ASP for properties recognized in 4Q2008 rose 61.5% to approximately RMB20,376 per sqm (equivalent to S\$4,290) from RMB12,613 per sqm (equivalent to S\$2,516) in 4Q2007 driven by the delivery of higher-margin units at Yanlord Riverside City (仁恒河滨城) in Shanghai over the corresponding period in 2007. Gross profit and profit for the period achieved for 4Q2008 were S\$256.7 million and S\$184.1 million respectively. The Group recorded gross and net profit margins of 62.3% and 44.7% while net profit margin attributable to shareholders margin grew to 34.1% in 4Q 2008 from 22.1% in 4Q 2007.

OUTLOOK

Commenting on the outlook of the company and industry trends, Mr. Zhong Sheng Jian, Yanlord's Chairman and Chief Executive Officer, said, "While the recent developments in global financial markets and economic instability have affected industries globally, the Group has managed to sustain its business performance and remains resilient due to our successful business strategies and strong management capability. Yanlord continues to enjoy significant brand equity within the high-end residential development sector which was reflected in the sustained increase in average selling prices achieved for apartment units delivered in FY2008. Moving forward, we will continue to leverage on our successful business strategies and prudent financial policy to ensure the sustainable development of the company."

The Group remains optimistic of the PRC real-estate sector. Capitalizing on the strong potential of the PRC real estate industry, Yanlord has targeted to launch new phases of its high-end residential apartment units through seven of its existing projects – located in Shanghai, Nanjing, Suzhou, Chengdu and Zhuhai – and two of its new projects located in Tianjin and Nanjing in 2009. Sited in prime locations, these projects, as with other Yanlord developments, will command a premium in pricing due to the quality of its apartments and is expected to contribute significantly to the future performance of the Group.

Barring any unforeseen circumstances, the Board of Directors remains confident of the Group's operating performance in relation to the industry trend for the next reporting period and the next 12 months based on the number of units pre-sold to-date, expected delivery schedules and on-schedule construction works in progress.

In appreciation of the support from our loyal shareholders, the Board of Directors has proposed a first and final dividend of 1.23 Singapore cent per share, representing a dividend payout of 10% of FY2008 net profits attributable to shareholders.

"The dividend payout represents our aim to strike a balance between future growth objectives and shareholder wants. Moving forward, we desire to maintain the practice of regular dividend payouts to reward our shareholders," said Mr Zhong.

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ABOUT YANLORD LAND GROUP LIMITED:

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. Listed in June 2006, Yanlord Land Group is a component stock of the Straits Times Index.

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 Garden, Yanlord Riverside Gardens and Yanlord Riverside City in Shanghai and Orchid Mansion, Bamboo Garden 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 established presence in eight key high-growth cities within the four major economic regions of the PRC, namely, (i) Yangtze River Delta – Shanghai, Nanjing and Suzhou; (ii) Western China – Chengdu and Guiyang; (iii) Bohai Rim – Tianjin; and (iv) Pearl River Delta – Zhuhai and Shenzhen.

The Group 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 stable rental income for the Group and increase the asset value of the Group.

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For additional information pertaining to the Group's 4Q and FY 2008 financial statement announcement and results presentation, please refer to the Group's website www.yanlordland.com