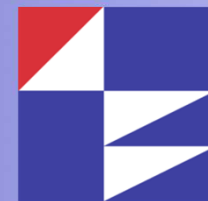




仁恒置地集团 YANLORD LAND GROUP LIMITED

2Q and 1H 2015 Results Presentation



仁恒
YANLORD



Presentation content



Yanlord 2Q and 1H 2015 Business Review

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Yanlord 2Q and 1H 2015 Business Review





- Healthy home buyer demand coupled with favourable regulatory policies continued to drive sales of Yanlord's high-quality developments. Capitalising on the positive market sentiments, the Group made significant strides in pre-sale accumulation in 1H 2015. Pre-sales of property and car parks rose to approximately RMB11.027 billion in 1H 2015 from RMB4.319 billion in 1H 2014. Accumulated pre-sales pending recognition as at 30 June 2015 was RMB18.117 billion.
- Revenue in 2Q 2015 and 1H 2015 rose 55.1% and 2.4% to RMB2.340 billion and RMB3.350 billion respectively on higher ASP achieved in the period.
- Underscored by the delivery higher-margin projects such as Yanlord Yangtze Riverbay Town (Phase 3) in Nanjing in 1H 2015, gross profit margin rose to 37.3% while gross profit in 1H 2015 rose 22.7% to RMB1.249 billion.
- While net profit for the period rose to RMB425.3 million in 1H 2015 from RMB416.5 million in 1H 2014, profit attributable to owners of the Company was lower at RMB186.5 million mainly due to a net foreign exchange loss on its senior notes and lower share of profit of joint venture as compared to 1H 2014.





- Strong home buyer demand continues to drive sales of Yanlord's high-quality developments. Subsequent to the end of the reporting period, the Group successfully launched the inaugural batch of apartments at Yanlord Yangtze Riverbay Town (Phase 4) in Nanjing in August 2015. Opening to strong response from the market, the Group netted approximately RMB2.344 billion of pre-sales on the opening day for the 225 units sold thereby setting a new record for the highest project opening day pre-sales in Nanjing.
- The Group continues to maintain a healthy financial position. Cash and cash equivalents balances rose to RMB7.978 billion as at 30 June 2015 from RMB6.590 billion as at 31 December 2014. Buoyed by the healthy pre-sales achieved in 1H 2015, net debt to total equity gearing ratio declined from 45.3% as at 31 December 2014 to 39.9% as at 30 June 2015.
- Yanlord remains confident about its performance for FY 2015, driven by continued sales of its developments and larger proportion of pre-sales recognition in subsequent periods.





Key Financial Highlights



Statement of Profit or Loss – 2Q 2015 VS 2Q 2014



	2Q 2015	2Q 2014	% Change
GFA delivered (sqm)	87,607	68,024	28.8
ASP (RMB/ sqm)	25,345	20,225	25.3
Revenue (RMBm)	2,339.5	1,508.5	55.1
Cost of sales (RMBm)	(1,522.5)	(1,130.8)	34.6
Gross profit (RMBm)	817.1	377.7	116.3
Gross profit margin (%)	34.9	25.0	9.9 ppt
Profit before income tax (RMBm)	692.5	172.6	301.2
Income tax (RMBm)	(345.6)	(114.4)	202.0
Profit for the period (RMBm)	346.9	58.2	496.2
Net profit margin (%)	14.8	3.9	10.9 ppt
Profit attributable to owners of the Company (RMBm)	171.1	14.8	1,055.2
Net attributable profit margin (%)	7.3	1.0	6.3 ppt
Basic earnings per share¹ (RMB cents)	8.78	0.76	1,055.3

Note:

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



Statement of Profit or Loss – 1H 2015 VS 1H 2014



	1H 2015	1H 2014	% Change
GFA delivered (sqm)	116,061	126,712	(8.4)
ASP (RMB/ sqm)	25,461	23,226	9.6
Revenue (RMBm)	3,350.3	3,271.7	2.4
Cost of sales (RMBm)	(2,101.5)	(2,253.8)	(6.8)
Gross profit (RMBm)	1,248.8	1,017.9	22.7
Gross profit margin (%)	37.3%	31.1%	6.2 ppt
Profit before income tax (RMBm)	910.2	786.2	15.8
Income tax (RMBm)	(484.9)	(369.7)	31.1
Profit for the period (RMBm)	425.3	416.5	2.1
Net profit margin (%)	12.7	12.7	0 ppt
Profit attributable to owners of the Company (RMBm)	186.5	280.8	(33.6)
Net attributable profit margin (%)	5.6	8.6	(3.0 ppt)
Basic earnings per share¹ (RMB cents)	9.57	14.38	(33.4)

Note:

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



Financials – Snapshot as at 30 June 2015



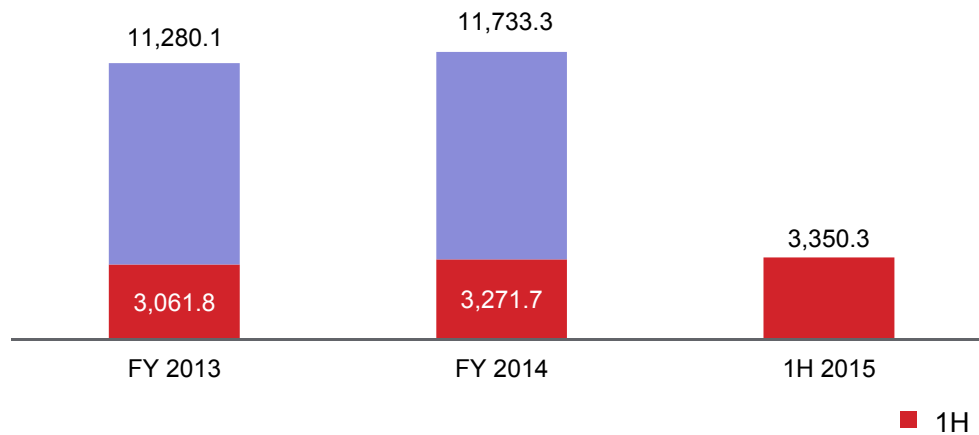
	As at 30 Jun 15	As at 31 Dec 14	% Change
Current assets (RMBm)	53,029.2	45,477.0	16.6
Non-current assets (RMBm)	20,093.0	21,849.6	(8.0)
Total assets (RMBm)	73,122.2	67,326.6	8.6
Current liabilities (RMBm)	27,091.4	18,560.5	46.0
Non-current liabilities (RMBm)	16,765.4	19,392.9	(13.5)
Total equity (Incl. NCI) (RMBm)	29,265.4	29,373.2	(0.4)
Cash and bank balances (RMBm)	7,977.8	6,590.1	21.1
Short-term debt (RMBm)	2,657.2	2,172.0	22.3
Senior notes (RMBm)	6,174.5	6,243.9	(1.1)
Long-term debt (RMBm)	10,826.3	11,480.8	(5.7)
Net debt (RMBm)	11,680.2	13,306.6	(12.2)



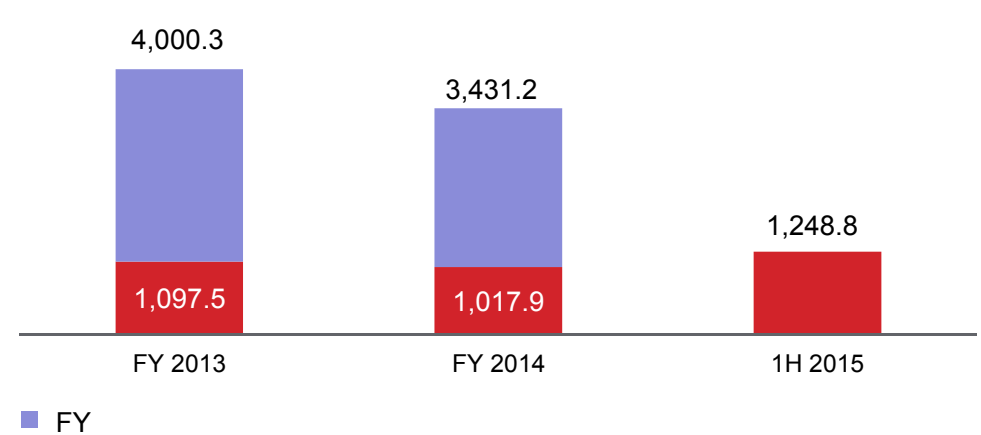
Profitability Analysis



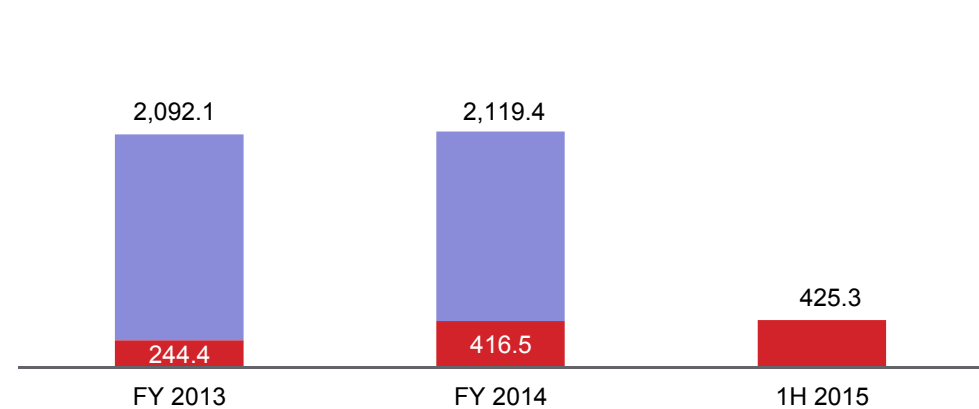
Revenue (RMBm)



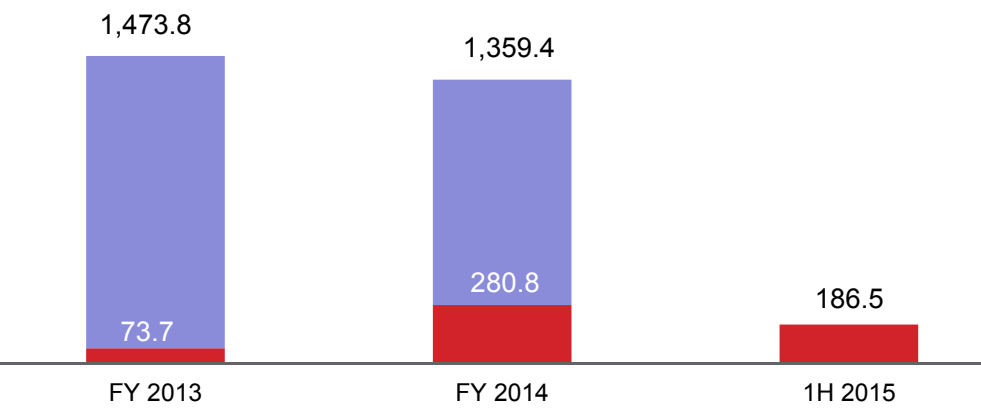
Gross profit (RMBm)



Profit for the period (RMBm)



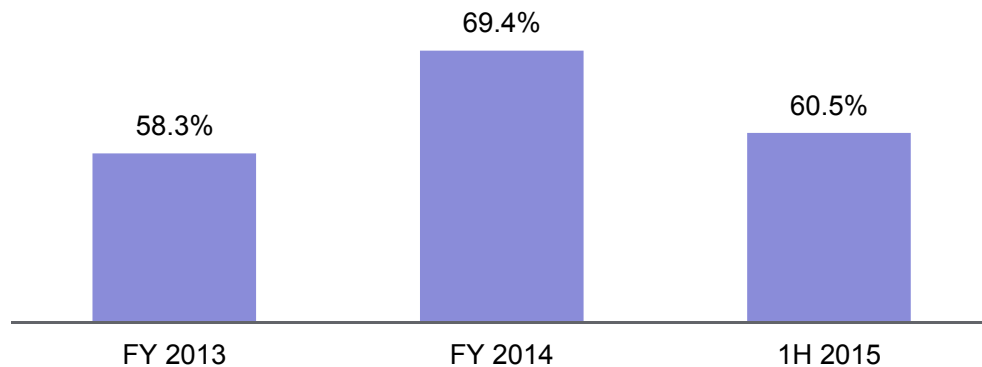
Profit attributable to owners of the Company (RMBm)



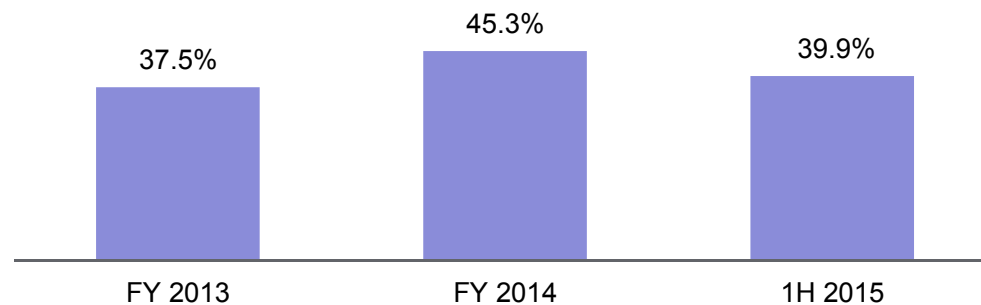
Strong Credit Metrics



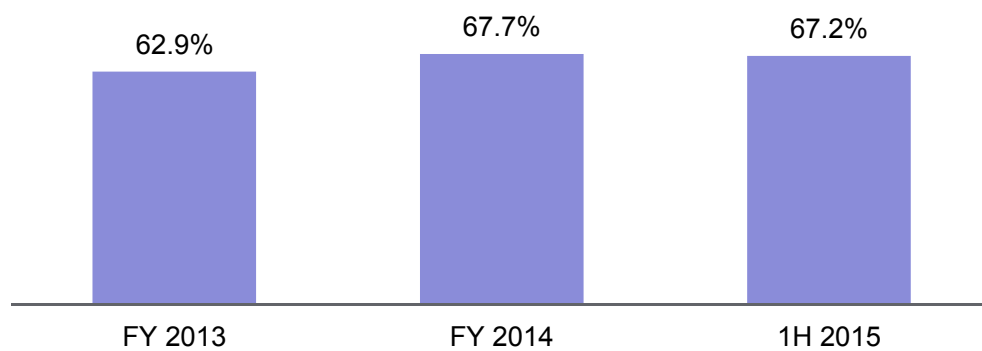
Net debt/ equity (Excl. NCI)



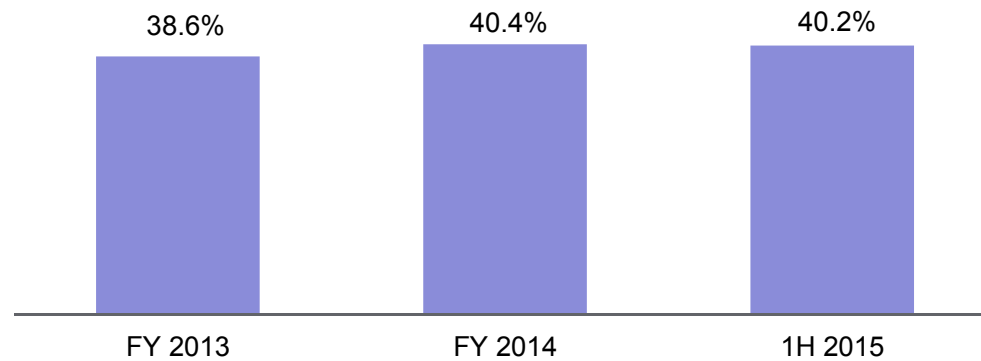
Net debt/ total equity (Incl. NCI)



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



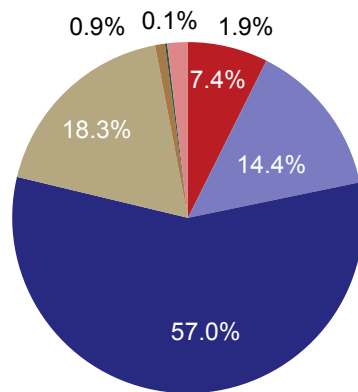
GFA/ Property Sale Contribution Analysis in 1H 2015

By city, project and ASP

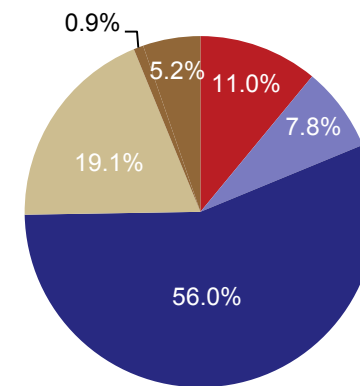


Major projects delivered in 1H 2015	GFA (sqm)	ASP (RMB/ sqm)	Property sales by project (%)
Chengdu Yanlord Riverbay (Phase 1)	12,710	17,507	7.4
Nanjing Yanlord Yangtze Riverbay Town (Phase 3)	64,873	26,539	56.9
Shanghai Yanlord Sunland Gardens (Phase 1)	2,258	44,617	3.4
Shanghai Yanlord Sunland Gardens (Phase 2)	6,087	40,733	9.4
Suzhou Yanlord Lakeview Bay - Land Parcel A2	10,979	22,702	8.2
Suzhou Yanlord Lakeview Bay - Land Parcel A5	10,127	27,528	9.2
Others	9,027	N/A	5.5

Property Sale Contribution by City



GFA Contribution by City

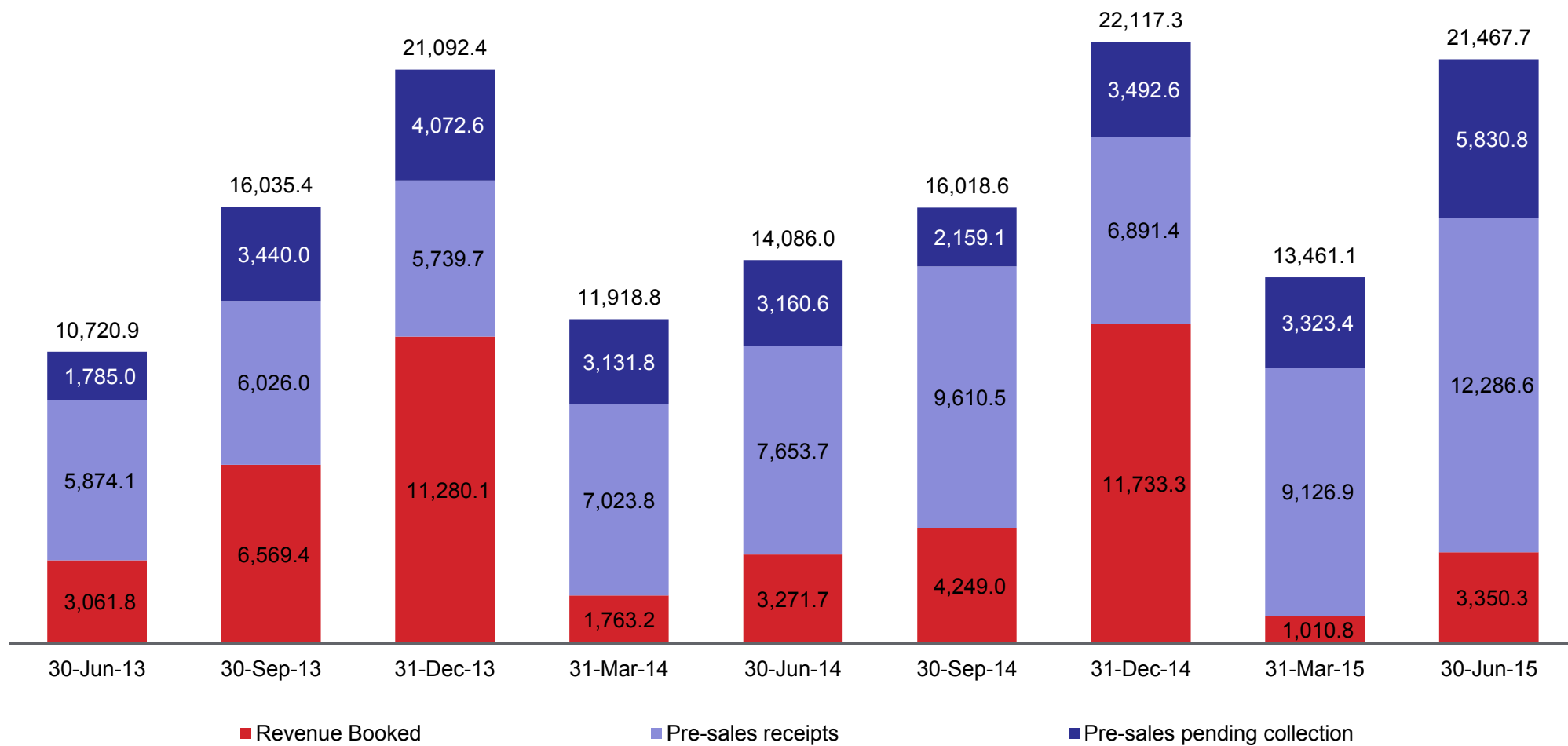


Pre-sales and Receipts

Resilient growth



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



Diversified Geographic Coverage

Abundant land bank in high-growth cities



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 (6,721 sqm)
- Bayside Gardens (821 sqm)
- Yanlord Sunland Gardens (125,873 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 (201,613 sqm)
- Yanlord G53 Apartments (9,524 sqm)
- Plum Mansions, including Lakeside Mansions (539 sqm)
- Orchid Mansions (340 sqm)
- Oasis New Island Gardens (273,733 sqm)
- Eco Hi-Tech Island – Land Parcel G73 (112,668 sqm)

Suzhou

- Yanlord Peninsula (879 sqm)
- Yanlord Lakeview Bay (153,687 sqm)
- Wuzhong Area C1 Land (15,495 sqm)
- Tang Yue Bay Gardens (172,538 sqm)

Pearl River Delta since 2005

Zhuhai

- Yanlord New City Gardens (7,669 sqm)
- Yanlord Marina Centre (216,678 sqm)
- Yanlord Marina Peninsula Gardens (504,570 sqm)

Shenzhen

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

Bohai Rim since 2005

Tianjin

- Yanlord Riverside Plaza (153,998 sqm)
- Yanlord Riverside Gardens (163,330 sqm)
- Jinnan Land (368,978 sqm)

Tangshan

- Nanhu Eco-City Land Parcels (344,852 sqm)

Western China since 2003

Chengdu

- Yanlord Landmark (157,437 sqm)
- Hengye International Plaza (39,999 sqm)
- Hengye Star Gardens (144 sqm)
- Yanlord Riverbay (306,770 sqm)

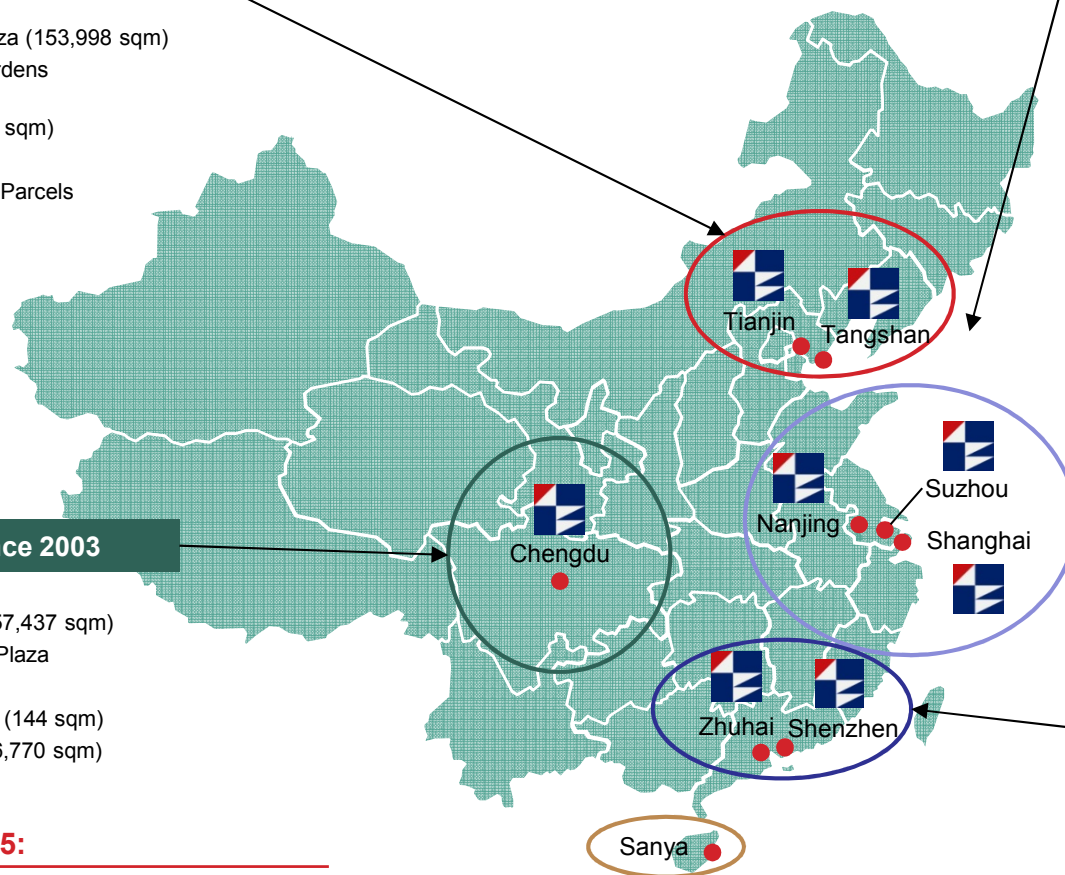
As of 30 June 2015:

GFA Completed (mil sqm)	0.561
GFA Under Development (mil sqm)	2.965
GFA for Future Development (mil sqm)	1.245
Total Land Bank (mil sqm)	4.771

Hainan since 2010

Sanya

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



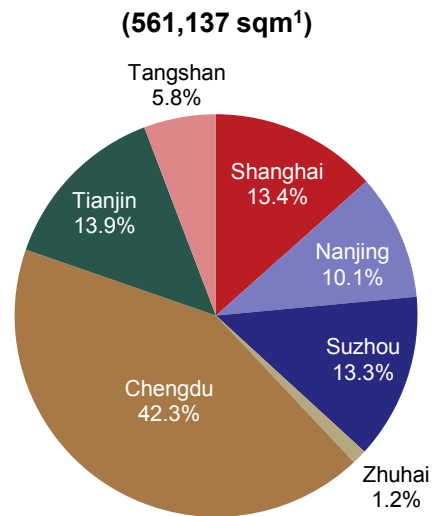
Development Strategies

Growth of business across high-growth cities



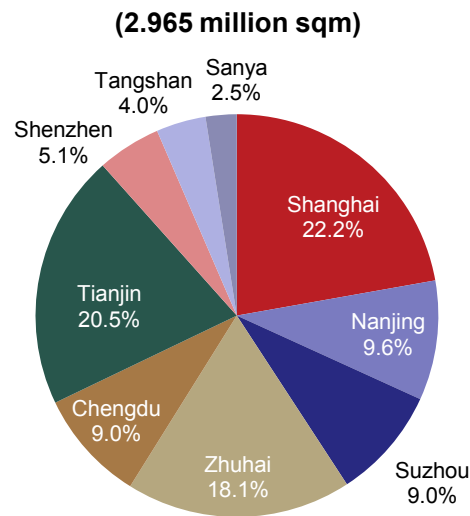
- Increase the market share in cities where Yanlord already has established a superior brand name
- Expand into new cities within the **5** regions where Yanlord is currently in
- Existing land bank sustainable for development in each of these cities for approx. 5 years
- Future projects will be more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

Completed projects



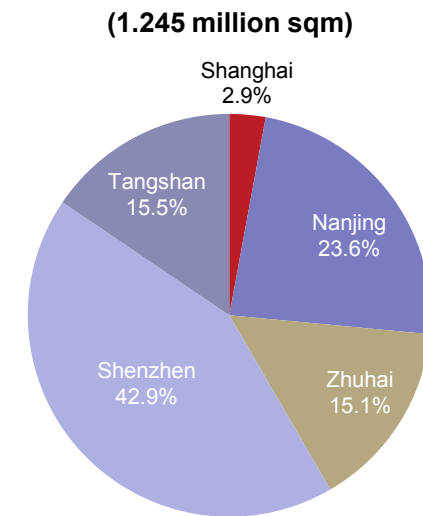
Residential and Commercial	202,470 sqm
Investment	346,647 sqm
Fixed Assets	12,020 sqm

Projects under development



Residential and Commercial	2,719,426 sqm
Investment	245,581 sqm

Land bank: Future development



Residential and Commercial	1,245,105 sqm
Investment	-

Note:
1. The group has completed 5.730 million sqm out of which 561,137 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 2015



We expect to launch the following two new projects and new batches of existing projects in 3Q 2015:

- **Chengdu**

- Yanlord Riverbay (Phase 2)

- **Shanghai**

- Yanlord Eastern Gardens
- Yanlord Sunland Gardens (Phase 2)
- Yanlord Western Gardens

- **Nanjing**

- Oasis New Island Gardens (Phase 2)
- Yanlord Yangtze Riverbay Town (Phase 4)

- **Zhuhai**

- Yanlord Marina Peninsula Gardens (Phase 1)



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