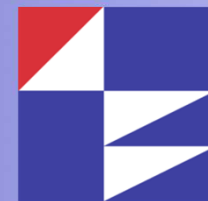




仁恒置地集团 YANLORD LAND GROUP LIMITED

3Q and 9M 2014 Results Presentation



仁恒
YANLORD



Presentation content



Yanlord 3Q and 9M 2014 Business Review

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Yanlord 3Q and 9M 2014 Business Review





- In line with the Group's delivery schedule whereby a significant portion of FY 2014 sales will be recognised in 4Q 2014, recognised revenue in 3Q 2014 was lower at RMB977.2 million compared to RMB3.508 billion in 3Q 2013. GFA delivered in 3Q 2014 was 38,549 sqm while ASP was RMB20,511 per sqm.
- Gross profit margin in 3Q 2014 was higher at 35.4% compared to 31.4% in 3Q 2013. However, owing to the lower GFA delivery in 3Q 2014, net profit attributable to equity holders of the Company in 3Q 2014 was lower at RMB8.4million.
- The Group continues to witness strong demand for its quality products. Accumulated pre-sales amount grew to RMB11.770 billion as at 30 September 2014 compared to RMB9.466 billion as at 30 September 2013. Advances for pre-sale properties received as at 30 September 2014 amounted to RMB9.610 billion.



- Recognised revenue in 9M 2014 was lower at RMB4.249 billion in-line with the Group's delivery schedule whereby a greater portion of deliveries will occur in 4Q 2014. GFA delivered in 9M 2014 was 165,261 sqm compared to 251,697 sqm in 9M 2013.
- Underscored by the change in product mix composition in 9M 2014 revenue and the Group's marketing strategy whereby units in first phase developments tend to be of lower ASP and gross margin when compared to subsequent phases, gross profit margin and ASP achieved in 9M 2014 was lower at 32.1% and RMB22,593 per sqm compared to 33.5% and RMB23,962 per sqm respectively.
- Net profit attributable to equity holders of the Company was RMB289.2 million in 9M 2014 as compared to RMB380.5 million in 9M 2013 due to lower delivery during the period.





- The Group continues to maintain a healthy financial position. Cash and cash equivalents balances of RMB3.782 billion as at 30 September 2014, coupled with net debt to total equity gearing ratio of 55.5% will serve to fuel the Group's future development.
- The Group continues to witness strong buyer demand for its quality projects. Subsequent to the end of the period, the Group launched the inaugural batches of apartments at Oasis New Island Gardens (Phase 1) in Nanjing and Yanlord Western Gardens in Shanghai on 8 November 2014. Opening to positive market response, Oasis New Island Gardens (Phase 1) achieved opening day pre-sales of approximately RMB1.381 billion, a sell-through of 92.2% for the 460 apartment units launched. Yanlord Western Gardens similarly saw a strong support from home buyers garnering approximately RMB599.1 million in pre-sales for the 104 apartment units sold on the day of launch.
- Yanlord remains confident about its future performance, 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 – 3Q 2014 VS 3Q 2013



	3Q 2014	3Q 2013	% Change
GFA delivered (sqm)	38,549	129,070	(70.1)
ASP (RMB/sqm)	20,511	26,414	(22.3)
Revenue (RMBm)	977.2	3,507.6	(72.1)
Cost of sales (RMBm)	(631.4)	(2,406.1)	(73.8)
Gross profit (RMBm)	345.8	1,101.4	(68.6)
Gross profit margin (%)	35.4	31.4	4.0 ppt
Profit before income tax (RMBm)	132.5	964.9	(86.3)
Income tax (RMBm)	(87.1)	(398.8)	(78.2)
Profit for the period (RMBm)	45.4	566.1	(92.0)
Net profit margin (%)	4.6	16.1	(11.5 ppt)
Profit attributable to equity holders of the Company (RMBm)	8.4	306.7	(97.3)
Net attributable profit margin (%)	0.9	8.7	(7.8 ppt)
Basic earnings per share ¹ (RMB cents)	0.43	15.60	(97.2)

Note:

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



Statement of Profit or Loss – 9M 2014 VS 9M 2013



	9M 2014	9M 2013	% Change
GFA delivered (sqm)	165,261	251,697	(34.3)
ASP (RMB/sqm)	22,593	23,962	(5.7)
Revenue (RMBm)	4,249.0	6,569.4	(35.3)
Cost of sales (RMBm)	(2,885.8)	(4,370.5)	(34.0)
Gross profit (RMBm)	1,363.8	2,198.9	(38.0)
Gross profit margin (%)	32.1	33.5	(1.4 ppt)
Profit before income tax (RMBm)	918.7	1,564.5	(41.3)
Income tax (RMBm)	(456.8)	(754.0)	(39.4)
Profit for the period (RMBm)	461.9	810.5	(43.0)
Net profit margin (%)	10.9	12.3	(1.4 ppt)
Profit attributable to equity holders of the Company (RMBm)	289.2	380.5	(24.0)
Net attributable profit margin (%)	6.8	5.8	1 ppt
Basic earnings per share¹ (RMB cents)	14.84	19.50	(23.9)

Note:

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



Financials – Snapshot as at 30 September 2014



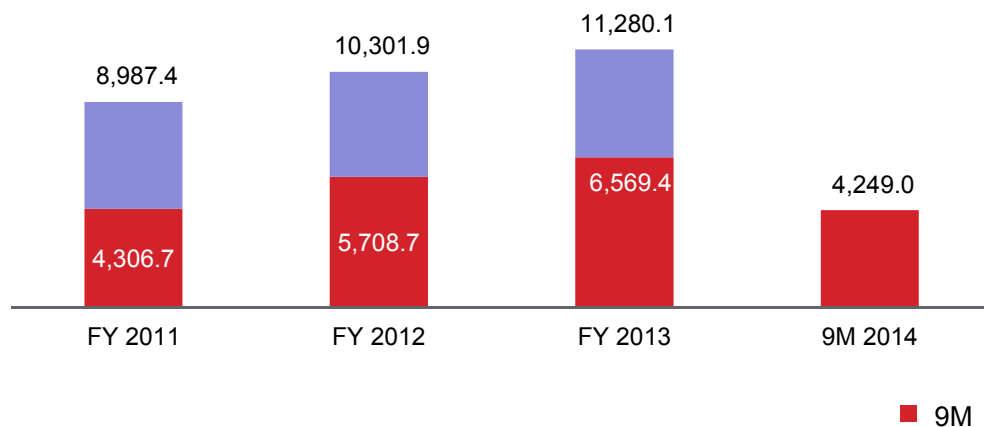
	As at 30 Sep 14	As at 31 Dec 13	% Change
Current assets (RMBm)	45,269.6	40,956.9	10.5
Non-current assets (RMBm)	20,643.9	20,482.1	0.8
Total assets (RMBm)	65,913.5	61,439.0	7.3
Current liabilities (RMBm)	19,788.3	18,476.1	7.1
Non-current liabilities (RMBm)	18,550.4	15,104.6	22.8
Total equity (Incl. NCI) (RMBm)	27,574.8	27,858.4	(1.0)
Cash and bank balances (RMBm)	3,781.6	7,082.0	2.8
Short-term debt (RMBm)	1,916.0	3,484.8	(45.0)
Convertible notes (RMBm)	--	326.3	(100.0)
Senior notes (RMBm)	6,326.4	6,185.4	2.3
Long-term debt (RMBm)	10,842.4	7,535.4	43.9
Net debt (RMBm)	15,303.2	10,449.9	46.4



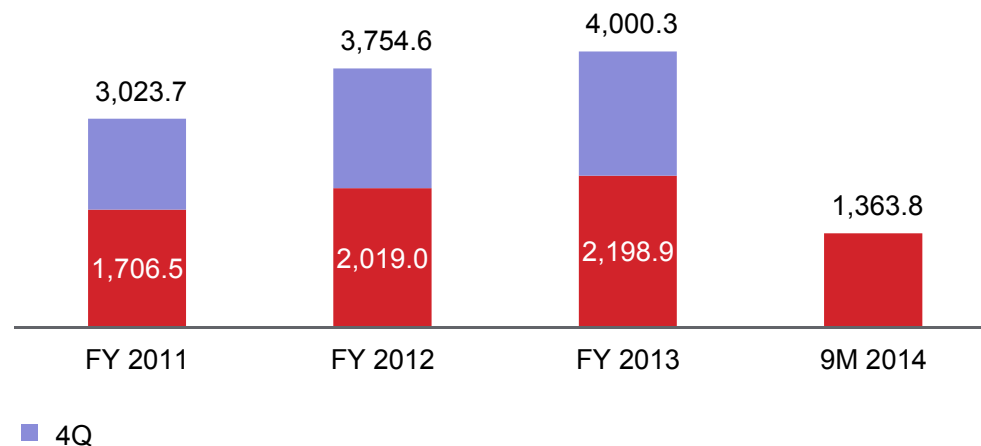
Profitability Analysis



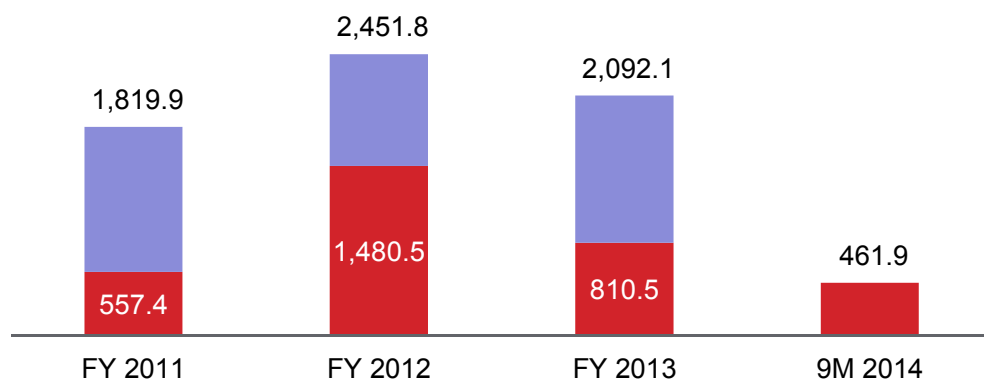
Revenue (RMBm)



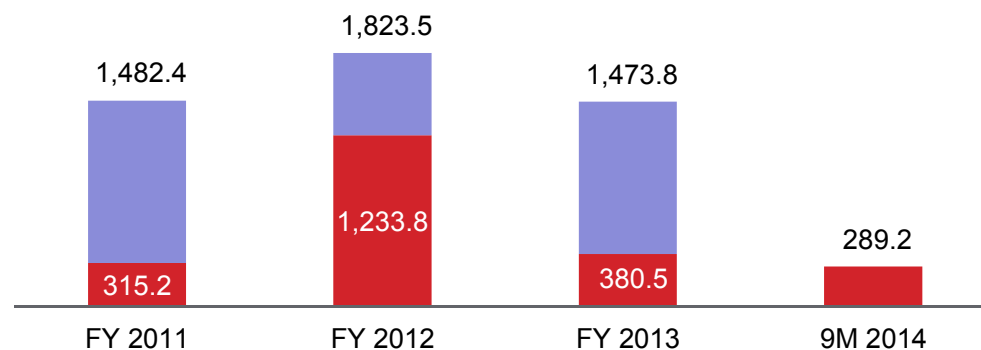
Gross profit (RMBm)



Profit for the period (RMBm)



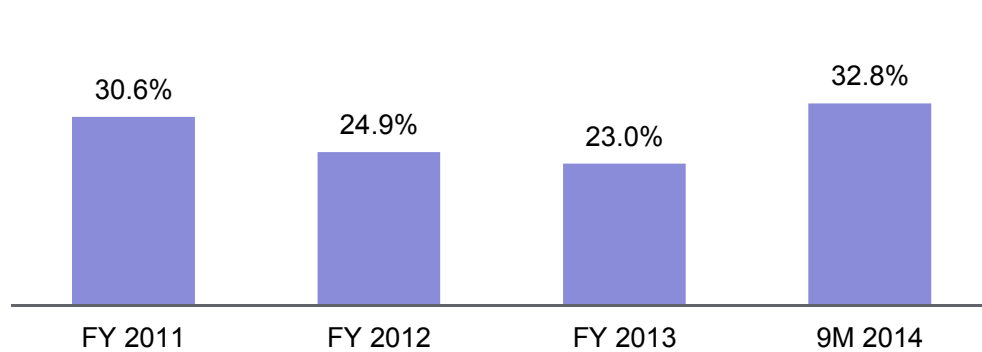
Profit attributable to equity holders (RMBm)



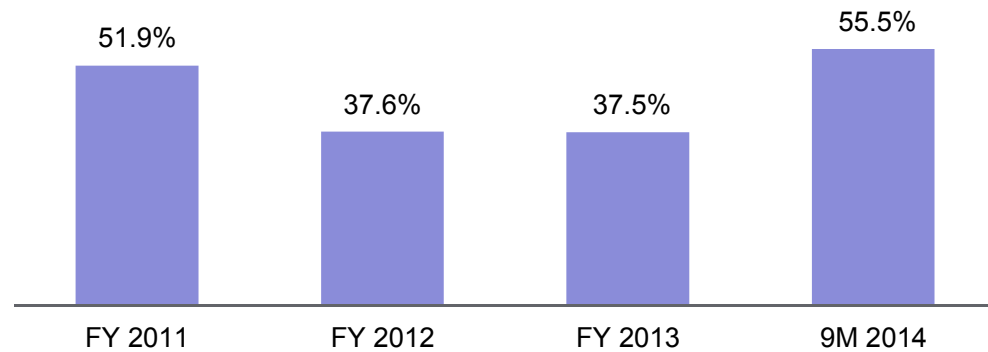
Strong Credit Metrics



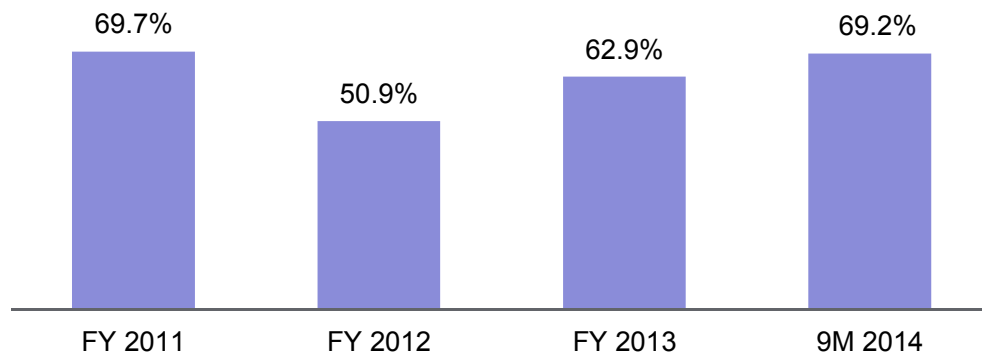
Net debt/ capitalization¹



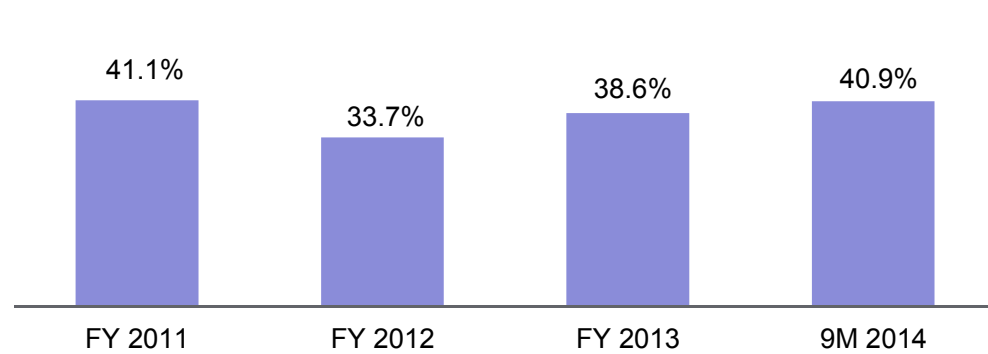
Net debt/ total equity (Incl. NCI)



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



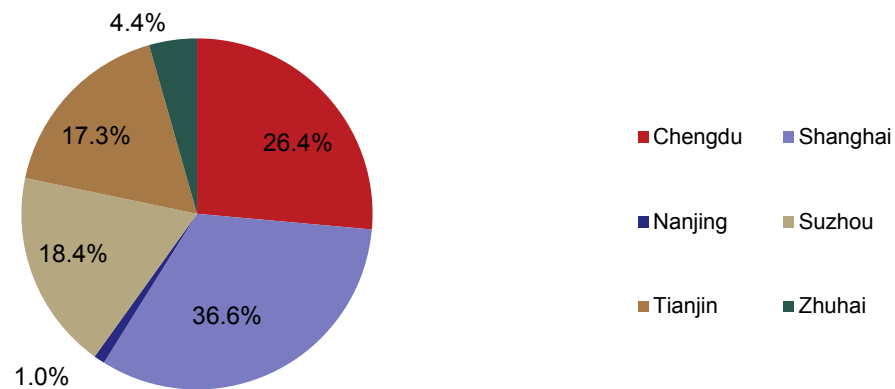
GFA/ Property Sale Contribution Analysis in 9M 2014

By city, project and ASP

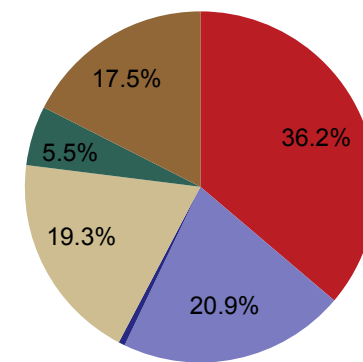


Major projects delivered in 9M 2014	GFA (sqm)	ASP (RMB/ sqm)	Property sales by project (%)
Yanlord Riverbay (Phase 1) (Chengdu)	59,742	17,281	26.4
Bayside Gardens (Shanghai)	16,117	23,591	10.0
Yanlord Sunland Gardens (Phase 1) (Shanghai)	17,486	43,491	20.3
Yanlord Lakeview Bay - Land Parcel A2 (Suzhou)	17,750	22,778	10.3
Yanlord Lakeview Bay - Land Parcel A6 (Suzhou)	9,020	21,085	5.1
Yanlord Riverside Gardens (Phase 1) (Tianjin)	24,228	21,356	13.5
Yanlord Riverside Plaza (Phase 2) (Tianjin)	3,221	24,354	2.8
Yanlord New City Gardens (Phase 2 – Section 2) (Zhuhai)	8,982	15,781	4.0
Others	8,715	N/A	7.6

Property Sale Contribution by City



GFA Contribution by City

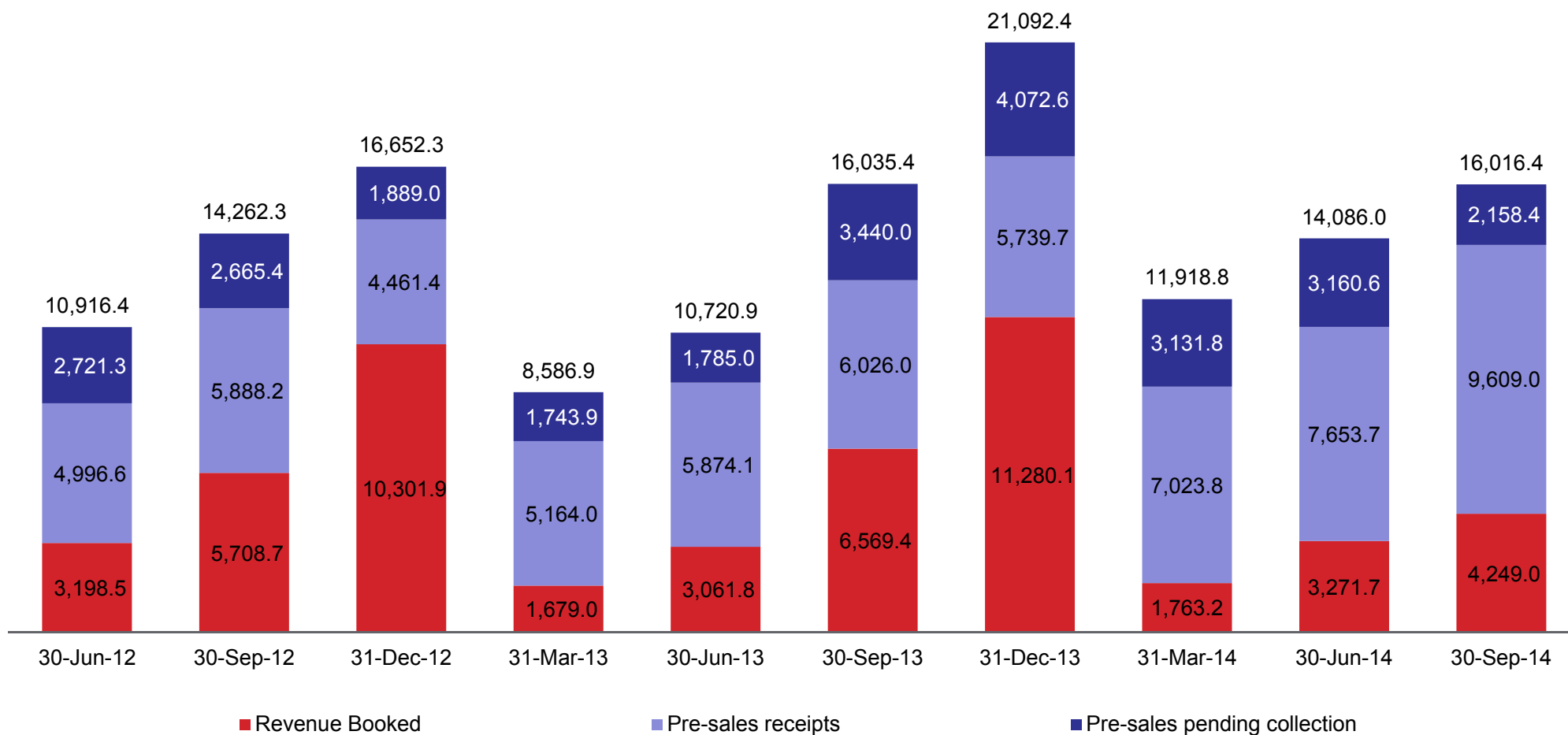


Pre-sales and Receipts

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 (146,305 sqm)
- Yanlord Riverside Gardens (167,749 sqm)
- Jinnan Land (364,787 sqm)

Tangshan

- Nanhu Eco-City Land Parcels (393,517 sqm)

Yangtze River Delta since 1993

Shanghai

- Yanlord Riverside City (8,904 sqm)
- Yunjie Riverside Gardens (6,921 sqm)
- San Jia Gang Land Plot (35,831 sqm)
- Yanlord Townhouse (8,070 sqm)
- Bayside Gardens (1,394 sqm)
- Yanlord Sunland Gardens (197,934 sqm)
- Yanlord Western Gardens (250,181 sqm)
- Yanlord Eastern Gardens (180,448 sqm)
- Yanlord on the Park (148,363 sqm)

Nanjing

- Yanlord Int'l Apartments Tower A (37,940 sqm)
- Yanlord Yangtze Riverbay Town (397,946 sqm)
- Yanlord G53 Apartments (9,604 sqm)
- Oasis New Island Gardens (386,608 sqm)

Suzhou

- Yanlord Peninsula (1,063 sqm)
- Yanlord Lakeview Bay (215,719 sqm)
- Wuzhong Area C1 Land (18,480 sqm)
- Gao Xin Land (171,206 sqm)

Pearl River Delta since 2005

Zhuhai

- Yanlord New City Gardens (8,264 sqm)
- Yanlord Marina Centre (216,678 sqm)
- Yanlord Marina Peninsula Gardens (511,480 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)
- Yanlord Riverbay (331,176 sqm)

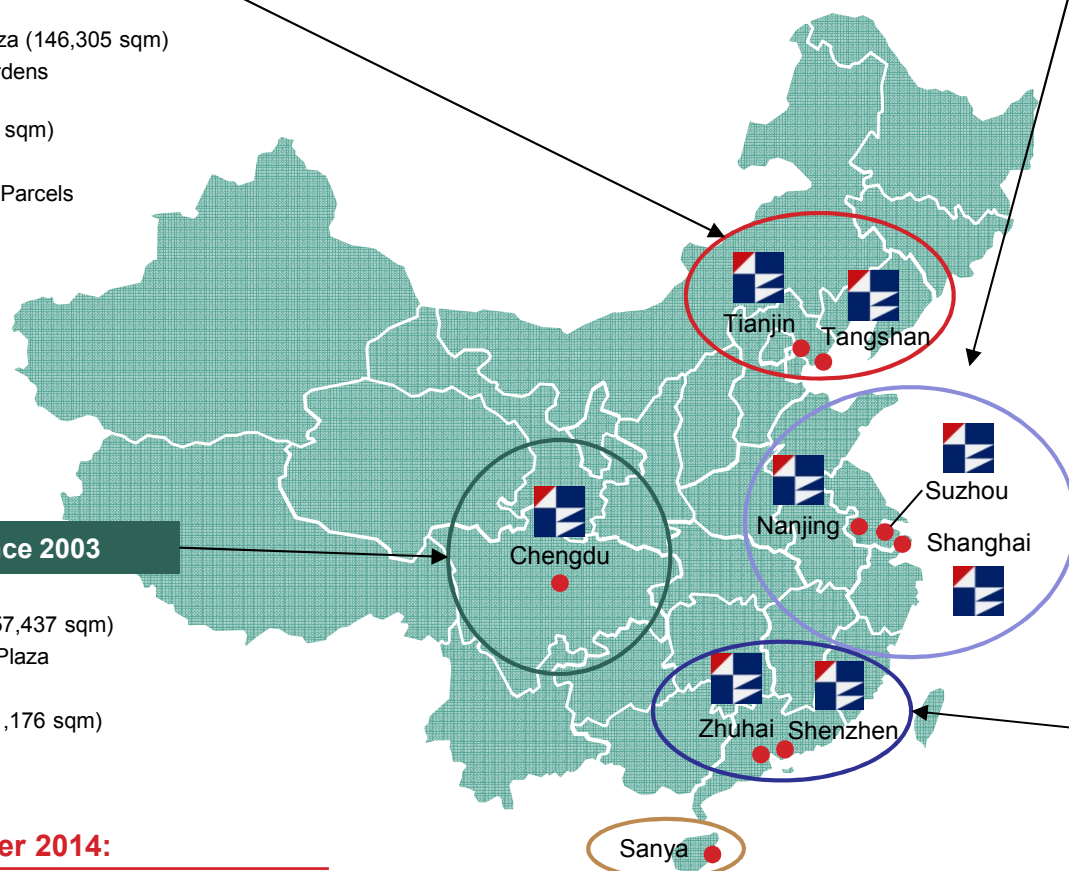
As of 30 September 2014:

GFA Completed (mil sqm)	0.554
GFA Under Development (mil sqm)	2.748
GFA for Future Development (mil sqm)	1.876
Total Land Bank (mil sqm)	5.178

Hainan since 2010

Sanya

- Hai Tang Bay - Land Parcel 9 (77,509 sqm)



Development Strategies

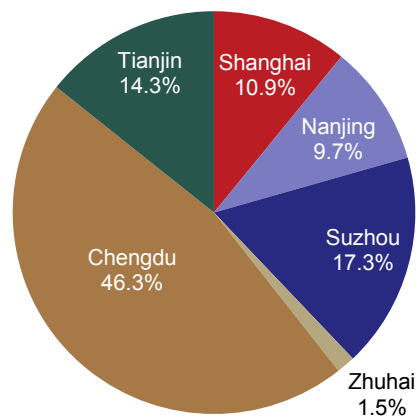
Growth of business across high-growth cities



- 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

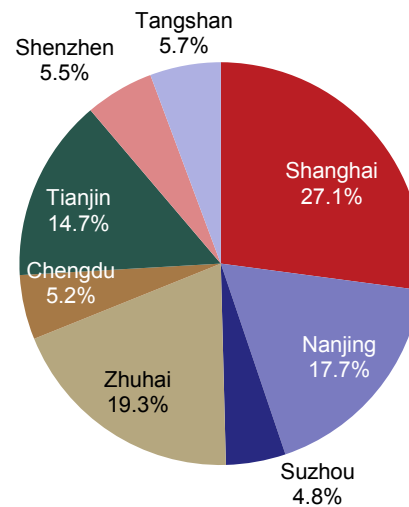
(554,239 sqm¹)



Residential and Commercial	205,478 sqm
Investment	341,405 sqm
Fixed Assets	7,356 sqm

Projects under development

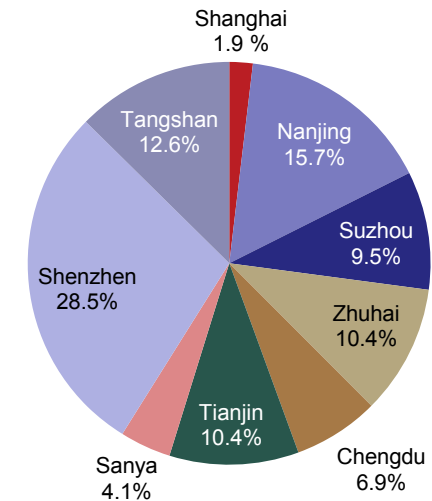
(2.748 million sqm)



Residential and Commercial	2,584,075 sqm
Investment	163,542 sqm

Land bank: Future development

(1.876 million sqm)



Residential and Commercial	1,825,982 sqm
Investment	50,580 sqm

Note:
1. The group has completed 5.327 million sqm out of which 554,239 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 4Q 2014



We expect to launch the following new projects and new batches of existing projects in 4Q 2014:

- **Shanghai**

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

- **Shenzhen**

- Yanlord Rosemite

- **Suzhou**

- Yanlord Lakeview Bay- Land Parcel A4

- **Tangshan**

- Tangshan Nanhu Eco-City – Land Parcels A19

- **Tianjin**

- Tianjin Jinnan Land (Phase 1)
- Yanlord Riverside Gardens (Phase 2)

- **Zhuhai**

- Yanlord Marina Centre – Section B
- Yanlord Marina Peninsula Gardens – Land Parcel SB



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