



Yanlord Land Group Limited

**PRESS RELEASE – Unaudited 4Q and FY 2017 Financial Results**

**YANLORD FY 2017 CORE PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY LEAPT 39.9% TO RMB3.206 BILLION**

- Underscored by the continued delivery of higher gross-profit-margin projects across the Group’s core markets, gross profit in FY 2017 surged **50.2%** to RMB12.044 billion while gross profit margin expanded to 47.0% in FY 2017 compared to 31.2% in FY 2016.
- Profit attributable to owners of the Company excluding fair value gain on investment properties, fair value from put liability to acquire non-controlling interests and net foreign exchange effect (“Core profit”) grew 39.9% to RMB3.206 billion.
- Healthy market sentiments in the PRC continue to drive demand for the Group’s developments, accumulated pre-sales pending recognition as at 31 December 2017 was RMB23.262 billion with advances received for pre-sale properties of RMB20.696 billion.
- The Group continues to maintain a healthy financial position with cash and cash equivalents position of RMB17.798 billion as at 31 December 2017. Fully diluted earnings per share in FY 2017 rose 19.9% to 166.12 Renminbi cents.
- Proposes higher first and final dividend of **6.80** Singapore cents (up **56.3%**) per ordinary share representing a payout ratio increase to approximately **20%**.

	FY 2017	FY 2016	Change (%)
ASP (RMB / sqm)	43,288	26,812	61.5
GFA Delivered (sqm)	556,237	944,834	(41.1)
Revenue (RMB mil)	25,638.4	25,664.4	(0.1)
Gross Profit (RMB mil)	12,043.9	8,019.7	50.2
Gross Profit Margin (%)	47.0	31.2	15.8 ppt
Profit for the year (RMB mil)	5,620.3	3,977.2	41.3
Profit Attributable to Owners of the Company (RMB mil)	3,216.4	2,697.4	19.2
Net Attributable Profit Margin (%)	12.5	10.5	2.0 ppt
Earnings per share (RMB cents) <sup>1</sup>	166.12	138.56	19.9

<sup>1</sup> Based on a fully diluted basis of 1,936,225,782 and 1,946,655,581 shares respectively

**Singapore/Hong Kong – 01 March 2018** – 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 period of January to December 2017 (“FY 2017”).

#### **4Q 2017**

Underlined by the higher average selling price (“ASP”) achieved during the period, Yanlord’s recognised revenue in 4Q 2017 rose 13.9% to RMB11.276 billion from RMB9.902 billion in 4Q 2016. Grounded in the revenue growth, gross profit margin rose to 49.0% in 4Q 2017 from 42.5% in 4Q 2016. Consequently, gross profit rose 31.5% to RMB5.529 billion in 4Q 2017 from RMB4.206 billion in 4Q 2016. The gross profit growth was mainly contributed by the higher priced projects namely, Yanlord On The Park (仁恒世纪公寓) and Yanlord Eastern Gardens (仁恒东邑雅苑) in Shanghai. Profit for the period similarly rose to RMB2.746 billion in 4Q 2017 from RMB2.384 billion in 4Q 2016.

Buoyed by the positive market environment in the Group’s core markets, accumulated pre-sales pending recognition as at 31 December 2017 stood at RMB23.262 billion with advances received for pre-sales of properties amounting to approximately RMB20.696 billion in FY 2017.

#### **FY 2017**

In-line with the Group’s delivery schedule, whereby a lower GFA was delivered, FY 2017 revenue declined marginally to RMB25.638 billion from RMB25.664 billion in FY 2016. Despite the decline in revenue, gross profit in FY 2017 rose **50.2%** to RMB 12.044 billion on the back of a healthy rise in gross profit margins which rose to 47.0% in FY 2017 from 31.2% in FY2016. This increase was attributed to the continued delivery of higher-gross-profit margin projects across the Group’s core markets.

In tandem with the above performance, profit for the year jumped 41.3% to RMB5.620 billion in FY 2017, led by the steady growth, profit attributable to owners of the Company in FY 2017 rose 19.2% to RMB3.217 billion. Fully diluted earnings per share in FY 2017 rose 19.9% to 166.12 Renminbi cents (based on 1,936,255,782 shares).

Excluding the fair value gain on investment properties, fair value gain from put liability to acquire non-controlling interests and the net foreign exchange effect, FY 2017 core profit attributable to

owners of the Company leapt **39.9%** or RMB914 million to RMB3.206 billion compared with RMB2.292 billion in FY 2016.

Attributable to the Group's prudent financial policies, Yanlord remains in a healthy financial position. The Group's cash and cash equivalent balance was RMB17.798 billion as at 31 December 2017, while net debt to total equity ratio of 50.8% provides the Group with the necessary foundations to drive its future development. In 1Q 2018, the Group has slated for launch a brand new project, Yanlord Majestive Mansions (仁恒海和院) in Tianjin.

To further enhance shareholder value and drive the Company's long term development strategy, the Board of Directors is pleased to propose a higher (**up 56.3%**) first and final dividend of 6.80 Singapore cents (approximately 33.31 Renminbi cents per ordinary share) representing a dividend payout ratio increase to approximately 20% of FY 2017 profit attributable to owners of the Company.

Commenting on the Group's financial performance, Mr. Zhong Sheng Jian, Yanlord's Chairman and Chief Executive Officer, said, "The performance for the year was achieved against the backdrop of the PRC Central government's support for the sustainable development of the PRC real estate sector. To better manage volatilities arising from austerity measures introduced, we strategically managed our launch schedules and inventory levels to better capture market opportunities for enhanced returns."

"To further capitalize on the PRC market potential, we actively sought to broaden our market presence in 2017 through a series of acquisitions and collaborations, adding 1.43 million sqm GFA of prime development landbank within our existing bases of Shanghai, Zhuhai, Nanjing, Chengdu as well as branching out into new cities namely Hangzhou, Jinan and Wuhan. Looking ahead, Yanlord remains confident about the long-term potential of the PRC real estate sector and will seek to leverage on our healthy financial position to explore opportunities to acquire fairly priced developments to further augment our existing holdings," added Mr Zhong.

##Ends##

*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 PRC, 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 15 key high-growth cities within the six major economic regions of the PRC, namely, (i) Yangtze River Delta – Shanghai, Nanjing, Suzhou, Hangzhou and Nantong (ii) Western China – Chengdu; (iii) Bohai Rim – Tianjin, Tangshan and Jinan; (iv) Southern China – Shenzhen, Zhuhai and Zhongshan; (v) Hainan – Haikou and Sanya; and (vi) Central China – Wuhan.

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

*For additional information pertaining to Yanlord Land Group Limited's FY 2017 financial statements, please refer to the Group's website, [www.yanlordland.com](http://www.yanlordland.com)*