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YANLORD

Yanlord Land Group Limited

PRESS RELEASE – 2Q and 1H 2014 Financial Results

YANLORD 1H 2014 NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS RISES 280.8% TO RMB280.8 MILLION

- Despite weaker sentiments in the PRC real estate sector, Yanlord continues to see steady demand for its high quality residential developments. Revenue in 1H 2014 rose steadily by 6.9% to RMB3.272 billion on higher average selling price (“ASP”) achieved and greater gross floor area (“GFA”) delivered in the period.
- Total pre-sales rose to RMB10.814 billion as at 30 June 2014 from RMB9.812 billion as at 31 December 2013. Progressive recognition of these pre-sales in subsequent quarters provides greater transparency and confidence of the Group’s FY 2014 financial performance.
- Net profit attributable to equity holders of the Company jumped 280.8% to RMB280.8 million in 1H 2014 as compared to RMB73.7 million in 1H 2013. Buoyed by stronger contributions from the Group’s Sino-Singapore Nanjing Eco Hi-Tech Island joint venture and a net foreign exchange gain.
- The Group continues to maintain a healthy financial position. Cash and cash equivalents of RMB5.333 billion as at 30 June 2014 will provide the necessary impetus to fuel the Group’s future development.

	1H 2014	1H 2013	Change (%)
ASP (RMB / sqm)	23,226	21,382	8.6
GFA Delivered (sqm)	126,712	122,627	3.3
Revenue (RMB mil)	3,271.7	3,061.8	6.9
Gross Profit (RMB mil)	1,017.9	1,097.5	(7.2)
Gross Profit Margin (%)	31.1	35.8	(4.7 ppt)
Profit for the period (RMB mil)	416.5	244.4	70.4
Profit Attributable to Equity Holders of the Company (RMB mil)	280.8	73.7	280.8
Net Attributable Profit Margin (%)	8.6	2.4	6.2 ppt
Earnings per share (RMB cents) ¹	14.38	3.78	280.4

¹ Based on a fully diluted basis of 1,976,560,000 and 1,948,736,000 shares respectively

Singapore/Hong Kong – 13 August 2014 – 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 June 2014 (“1H 2014”).

Underscored by sustained market demand for the Group’s quality developments in the PRC, recognised revenue of the Group rose 6.9% in 1H 2014 to RMB3.272 billion compared to RMB3.062 billion in 1H 2013. The growth in recognised revenue was driven by a higher achieved ASP of RMB23,226 per square metre (“sqm”) in 1H 2014 compared to RMB21,382 per sqm in 1H 2013 as well as a 3.3% increase to 126,712 sqm in total GFA delivered during the period. In-line with the Group’s marketing strategy whereby units in first phase developments tend to be of lower gross margin when compared to subsequent phases, gross profit in 1H 2014 declined to RMB1.018 billion from RMB1.097 billion in 1H 2013.

Contributions from the Group’s Sino-Singapore Nanjing Eco Hi-Tech Island joint venture continued to gain traction in 1H 2014 as share of profit of jointly controlled entities rose significantly to RMB97.7 million, reversing a RMB3.9 million share of loss in 1H 2013.

Buoyed by stronger contributions from the Group’s Sino-Singapore Nanjing Eco Hi-Tech Island joint venture and a net foreign exchange gain, net profit attributable to equity holders of the Company jumped 280.8% to RMB280.8 million in 1H 2014 as compared to RMB73.7 million in 1H 2013. Earnings per share on a fully diluted basis similarly rose 280.4% to RMB14.38 cents in 1H 2014 as compared to RMB3.78 cents in 1H 2013.

Near term uncertainties will persist in the PRC property sector due to continued weakness in the global economy as well as structural reforms currently being undertaken by the PRC central government to realign its economy. However, the Group remains confident about the long term potential of the sector and in particular that of its projects which are ideally situated within first and second tier cities of the PRC and will benefit from the on-going wave of rapid urbanisation.

Reflecting the continued demand for its quality developments, total pre-sale amount pending revenue recognition rose to RMB10.814 billion as at 30 June 2014 from RMB9.812 billion as at 31 December 2013, while advances received for pre-sale properties was RMB7.654 billion as at 30 June 2014. The progressive recognition of these pre-sales in subsequent financial periods will provide greater transparency and confidence of the Group’s performance in FY 2014.

Attributable to the Group's prudent financial policies, Yanlord remains in a strong financial position. Cash and cash equivalents of RMB5.333 billion as at 30 June 2014 coupled with a net debt to total equity gearing ratio of 52.3% provides the Group with the necessary foundations to drive its future development.

Moving forward, the Group will continue to launch new projects and new batches of its existing projects in 3Q 2014 namely, Yanlord Riverbay (Phase 2) (仁恒滨河湾二期) in Chengdu, Yanlord Rosemite (仁恒峦山美地花园) in Shenzhen, Yanlord Sunland Gardens (Phase 2) (仁恒森兰雅苑二期) in Shanghai, Tangshan Nanhu Eco-City - Land Parcels A9 and A19 (唐山南湖生态城 - A9及A19地块) and Yanlord Riverside Gardens (Phase 2) (仁恒河滨花园二期) in Tianjin as well as Tianjin Jinnan Land (Phase 1 and 2) (景新花园一期及二期).

Commenting on the Group's financial performance, Mr. Zhong Sheng Jian, Yanlord's Chairman and Chief Executive Officer, said, "While the weaker global economy coupled with the ongoing structural reforms to the PRC economy will continue to present near term challenges for the PRC real estate sector, we nonetheless remain confident about the long term development of the sector which is underpinned by strong demand arising from rapid urbanisation and stable development of the PRC economy. To better mitigate against uncertainty posed by the macro environment, the Group will continue to maintain its healthy cash position and prudent financial policies. Led by an experienced and dedicated management team with extensive industry knowledge of the PRC real-estate sector, we will continue to focus on our business strategies and comparative advantages in the development of quality residential apartments in prime locations within high growth PRC cities. This will best allow for the sustainable growth of our core business segments and capitalise on the long term growth prospects of the PRC real estate sector."

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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 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. 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 nine key high-growth cities within the five major economic regions of the PRC, namely, (i) Yangtze River Delta – Shanghai, Nanjing and Suzhou; (ii) Western China – Chengdu; (iii) Bohai Rim – Tianjin and Tangshan; (iv) Southern China – Zhuhai and Shenzhen; and (v) Hainan – Sanya.

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 the Group's 1H 2014 financial statement announcement and results presentation, please refer to the Group's website, www.yanlordland.com.