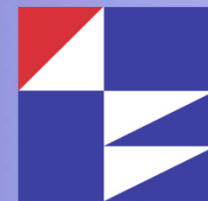




仁恒置地集团 YANLORD LAND GROUP LIMITED

2Q and 1H 2014 Results Presentation



仁 恒
YANLORD



Presentation content



Yanlord 2Q and 1H 2014 Business Review

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Yanlord 2Q and 1H 2014 Business Review



Yanlord 2Q 2014 Business Review



- Recognised revenue in 2Q 2014 rose 9.1% to RMB1.509 billion over the same period last year principally on higher GFA delivered.
- Gross profit in 2Q 2014 was 13.5% lower over 2Q 2013 at RMB377.7 million mainly due to the product mix composition which comprised mainly of the inaugural delivery of units at Yanlord Riverbay (Phase 1) in Chengdu with lower ASP during the period.
- Despite the decline in gross profit in 2Q 2014, net profit attributable to equity holders of the Company rose 130.1% to RMB14.8 million.



- Recognised revenue in 1H 2014 posted a stable 6.9% increase to RMB3.272 billion on higher achieved ASP and GFA delivered for the period. ASP of units delivered in 1H 2014 rose 8.6% to RMB23,226/sqm while GFA delivered rose 3.3% to 126,712 sqm.
- In-line with 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 in 1H 2014 declined by 7.2% to RMB1.018 billion as compared to 1H 2013.
- 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, net attributable profit margin to equity holders of the Company for the period rose to 8.6% from 2.4% in 1H 2013.



- The Group continues to maintain a healthy financial position. Cash and cash equivalents balances of RMB5.333 billion as at 30 June 2014, coupled with net debt to total equity gearing ratio of 52.3% will serve to fuel the Group's future development.
- The Group continues to witness strong demand for its quality products despite uncertainty arising from concerns over austerity measures introduced to cool the property sector. As at 30 June 2014, advances received for pre-sale properties was RMB7.654 billion. The total pre-sale amount pending for recognition of revenue was RMB10.814 billion.
- 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 – 2Q 2014 VS 2Q 2013



	2Q 2014	2Q 2013	% Change
GFA delivered (sqm)	68,024	54,485	24.8
ASP (RMB/sqm)	20,225	21,754	(7.0)
Revenue (RMBm)	1,508.5	1,382.8	9.1
Cost of sales (RMBm)	(1,130.8)	(946.1)	19.5
Gross profit (RMBm)	377.7	436.7	(13.5)
Gross profit margin (%)	25.0	31.6	(6.6 ppt)
Profit before income tax (RMBm)	172.6	202.0	(14.5)
Income tax (RMBm)	(114.4)	(123.3)	(7.2)
Profit for the period (RMBm)	58.2	78.6	(26.0)
Net profit margin (%)	3.9	5.7	(1.8 ppt)
Profit attributable to equity holders of the Company (RMBm)	14.8	6.4	130.1
Net attributable profit margin (%)	1.0	0.5	0.5 ppt
Basic earnings per share¹ (RMB cents)	0.76	0.33	130.3

Note:

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



Statement of Profit or Loss – 1H 2014 VS 1H 2013



	1H 2014	1H 2013	% Change
GFA delivered (sqm)	126,712	122,627	3.3
ASP (RMB/sqm)	23,226	21,382	8.6
Revenue (RMBm)	3,271.7	3,061.8	6.9
Cost of sales (RMBm)	(2,253.8)	(1,964.4)	14.7
Gross profit (RMBm)	1,017.9	1,097.5	(7.2)
Gross profit margin (%)	31.1	35.8	(4.7 ppt)
Profit before income tax (RMBm)	786.2	599.6	31.1
Income tax (RMBm)	(369.7)	(355.1)	4.1
Profit for the period (RMBm)	416.5	244.4	70.4
Net profit margin (%)	12.7	8.0	4.7 ppt
Profit attributable to equity holders of the Company (RMBm)	280.8	73.7	280.8
Net attributable profit margin (%)	8.6	2.4	6.2 ppt
Basic earnings per share ¹ (RMB cents)	14.38	3.78	280.4

Note:

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



Financials – Snapshot as at 30 June 2014



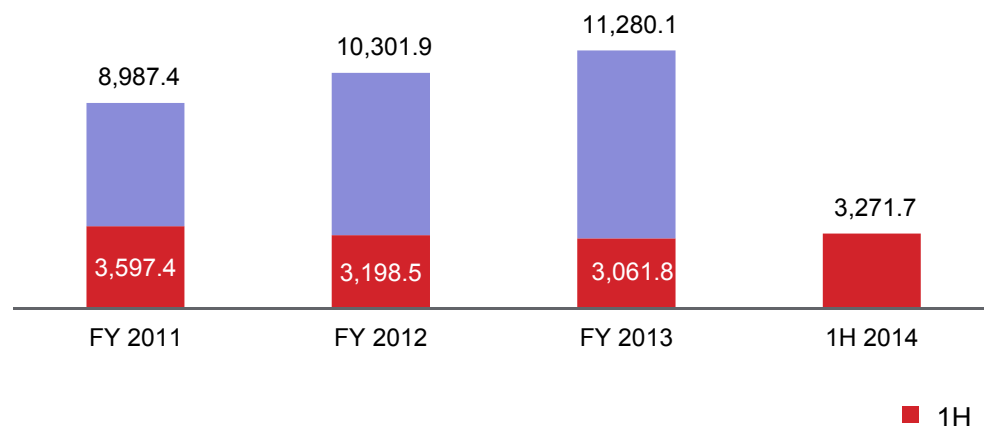
	As at 30 Jun 14	As at 31 Dec 13	% Change
Current assets (RMBm)	43,933.3	40,956.9	7.3
Non-current assets (RMBm)	20,704.7	20,482.1	1.1
Total assets (RMBm)	64,638.0	61,439.0	5.2
Current liabilities (RMBm)	20,336.8	18,476.1	10.1
Non-current liabilities (RMBm)	16,827.4	15,104.6	11.4
Total equity (Incl. NCI) (RMBm)	27,473.7	27,858.4	(1.4)
Cash and bank balances (RMBm)	5,332.8	7,082.0	(24.7)
Short-term debt (RMBm)	3,867.5	3,484.8	11.0
Convertible notes (RMBm)	347.6	326.3	6.6
Senior notes (RMBm)	6,377.9	6,185.4	3.1
Long-term debt (RMBm)	9,103.2	7,535.4	20.8
Net debt (RMBm)	14,363.4	10,449.9	37.5



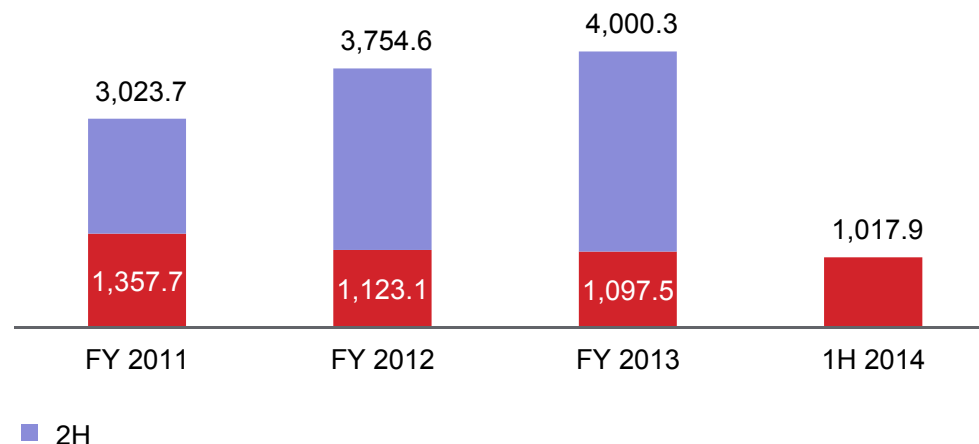
Profitability Analysis



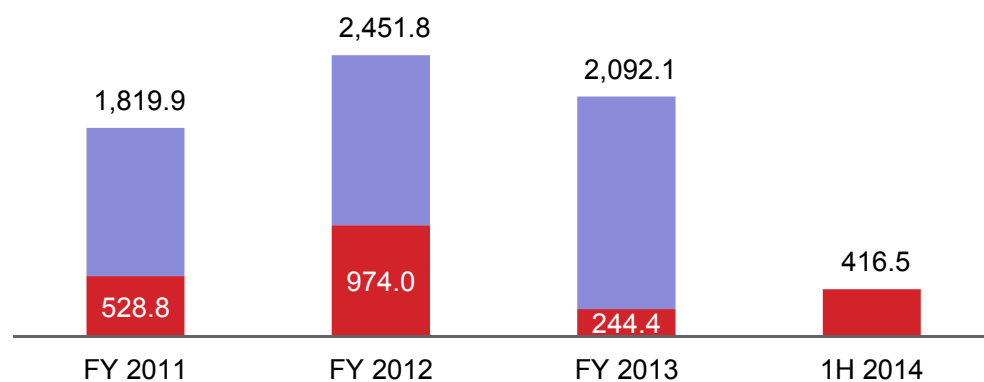
Revenue (RMBm)



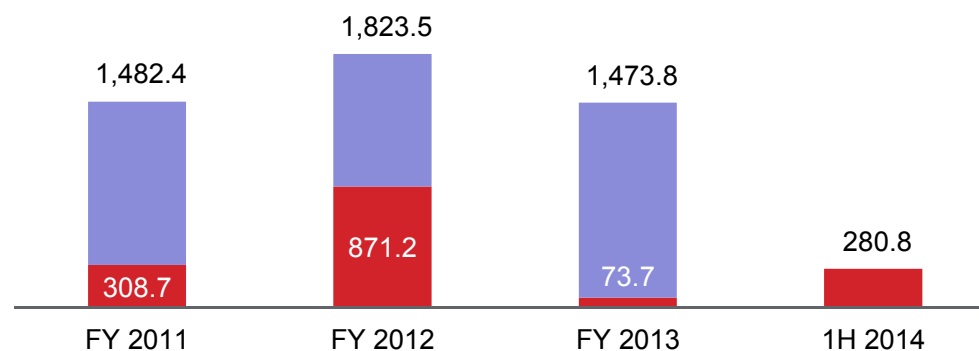
Gross profit (RMBm)



Profit for the period (RMBm)



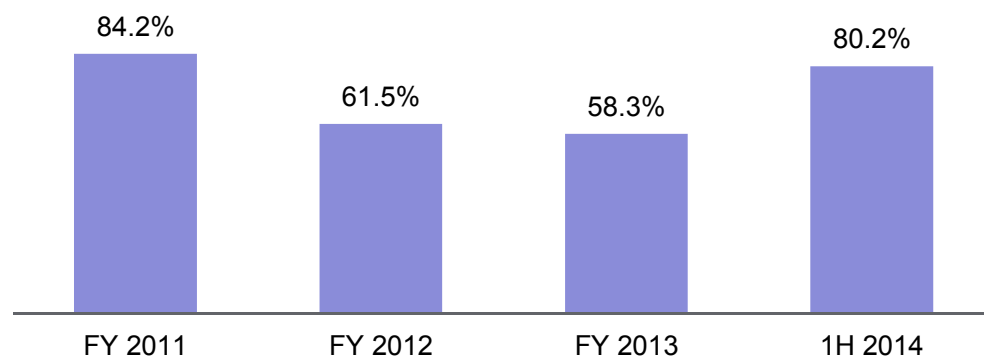
Profit attributable to equity holders (RMBm)



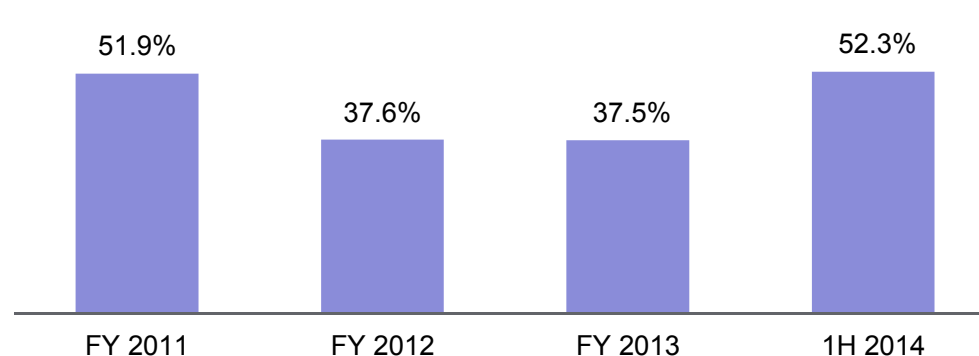
Strong Credit Metrics



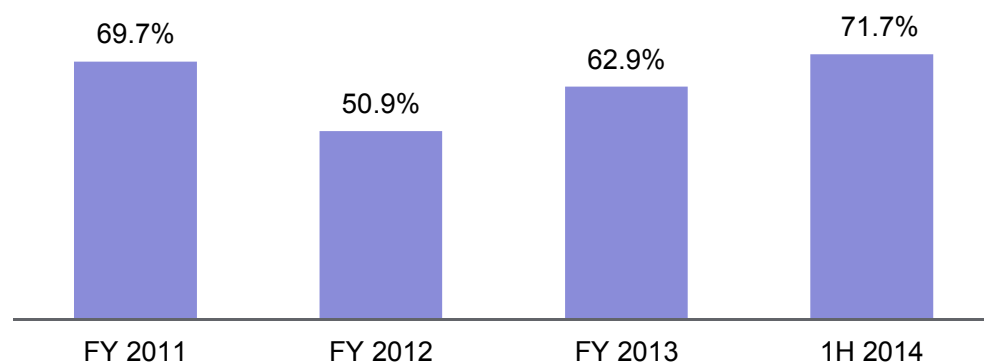
Net debt/ equity (Excl. NCI)



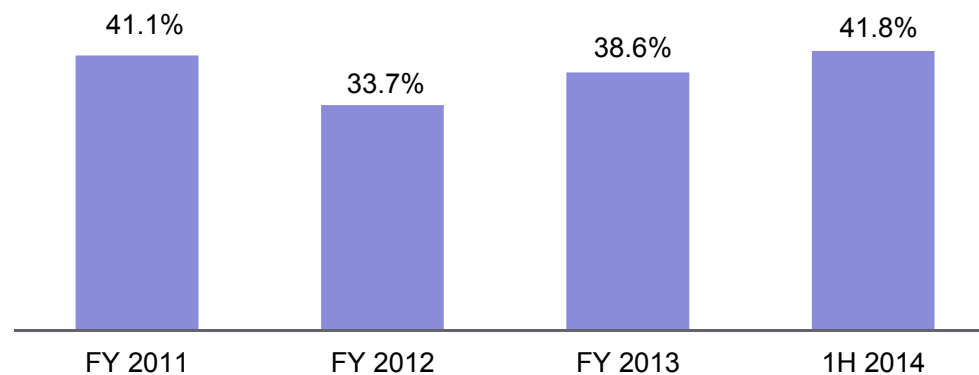
Net debt/ total equity (Incl. NCI)



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



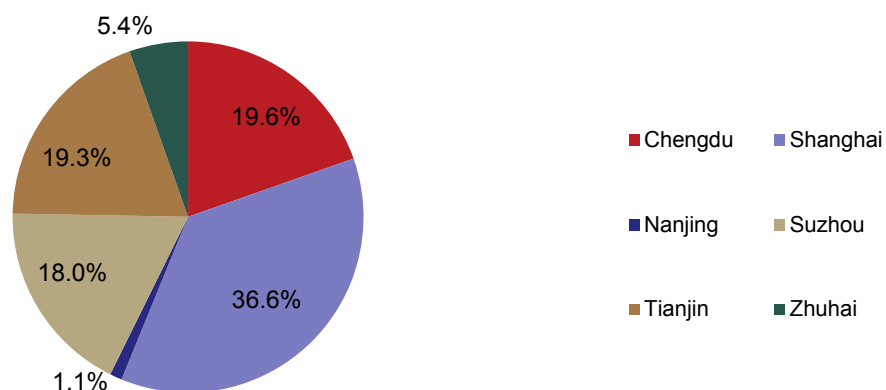
GFA/ Property Sale Contribution Analysis in 1H 2014

By city, project and ASP

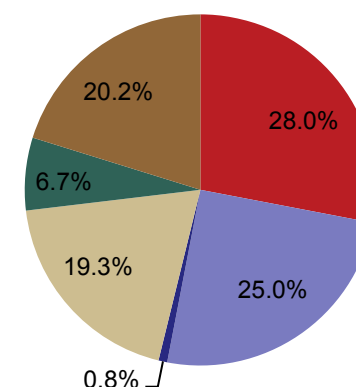


Major projects delivered in 1H 2014	GFA (sqm)	ASP (RMB/ sqm)	Property sales by project (%)
Yanlord Riverbay (Phase 1) (Chengdu)	35,322	17,120	19.6
Bayside Gardens (Shanghai)	14,866	23,577	11.7
Yanlord Sunland Gardens (Phase 1) (Shanghai)	15,689	42,960	22.9
Yanlord Lakeview Bay - Land Parcel A2 (Suzhou)	12,414	22,406	9.0
Yanlord Lakeview Bay - Land Parcel A6 (Suzhou)	8,633	21,015	6.1
Yanlord Riverside Gardens (Phase 1) (Tianjin)	20,861	20,971	14.5
Yanlord New City Gardens (Phase 2 – Section 2) (Zhuhai)	8,477	15,704	4.8
Others	10,450	N/A	11.4

Property Sale Contribution by City



GFA Contribution by City

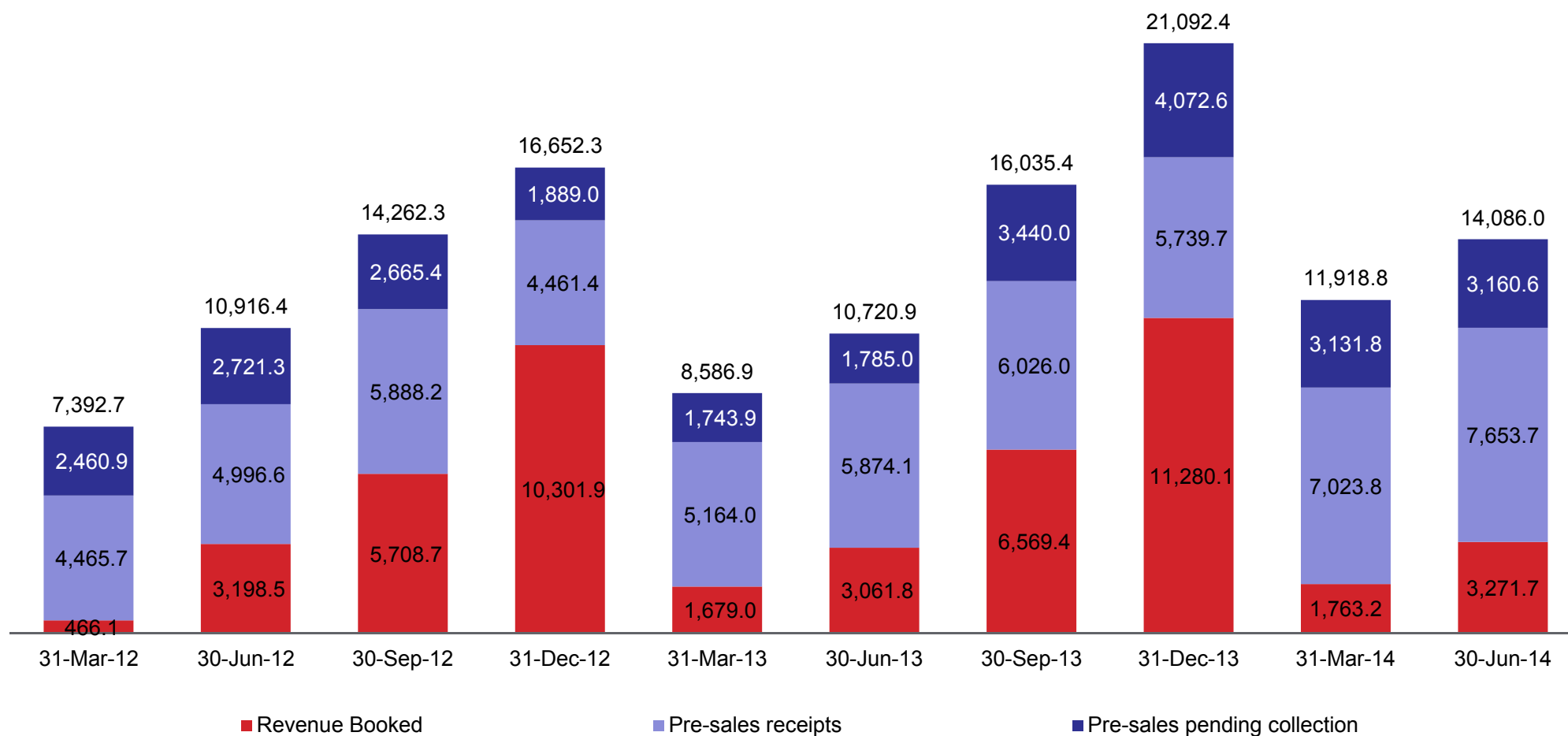


Pre-sales and Receipts

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 (146,309 sqm)
- Yanlord Riverside Gardens (165,799 sqm)
- Jinnan Land (364,787 sqm)

Tangshan

- Nanhu Eco-City Land Parcels (387,637 sqm)

Western China since 2003

Chengdu

- Yanlord Landmark (157,437 sqm)
- Hengye International Plaza (39,999 sqm)
- Hengye Star Gardens (144 sqm)
- Yanlord Riverbay (355,596 sqm)

As of 30 June 2014:

GFA Completed (mil sqm)	0.593
GFA Under Development (mil sqm)	2.567
GFA for Future Development (mil sqm)	2.033
Total Land Bank (mil sqm)	5.193

Hainan since 2010

Sanya

- Hai Tang Bay - Land Parcel 9 (77,509 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 (2,645 sqm)
- Yanlord Sunland Gardens (199,730 sqm)
- Yanlord Western Gardens (250,181 sqm)
- Yanlord Eastern Gardens (180,448 sqm)
- Yanlord on the Park (148,363 sqm)

Nanjing

- Bamboo Gardens (150 sqm)
- Yanlord Int'l Apartments Tower A (37,940 sqm)
- Yanlord Yangtze Riverbay Town (397,946 sqm)
- Yanlord G53 Apartments (9,604 sqm)
- Plum Mansions, including Lakeside Mansions (539 sqm)
- Orchid Mansions (340 sqm)
- Nanjing Eco Hi-tech Island – Land Parcel G73 (386,335 sqm)

Suzhou

- Yanlord Peninsula (1,064 sqm)
- Yanlord Lakeview Bay (222,803 sqm)
- Wuzhong Area C1 Land (18,480 sqm)
- Gao Xin Land (171,204 sqm)

Pearl River Delta since 2005

Zhuhai

- Yanlord New City Gardens (8,769 sqm)
- Yanlord Marina Centre (216,678 sqm)
- Yanlord Marina Peninsula Gardens (499,295 sqm)

Shenzhen

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



Development Strategies

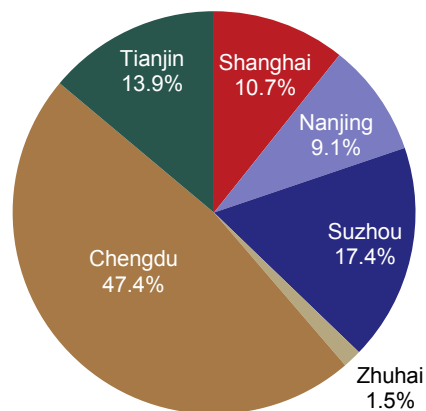
Growth of business across high-growth cities



- 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

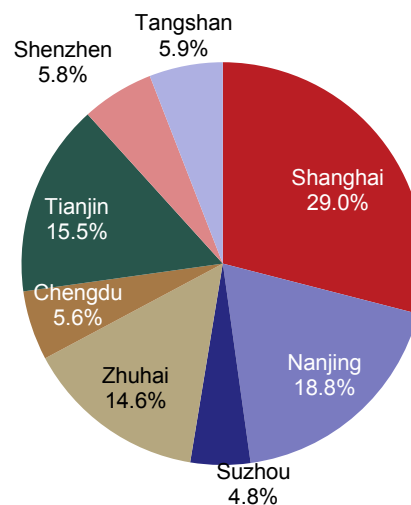
(592,791 sqm¹)



Residential and Commercial	244,030 sqm
Investment	341,405 sqm
Fixed Assets	7,356 sqm

Projects under development

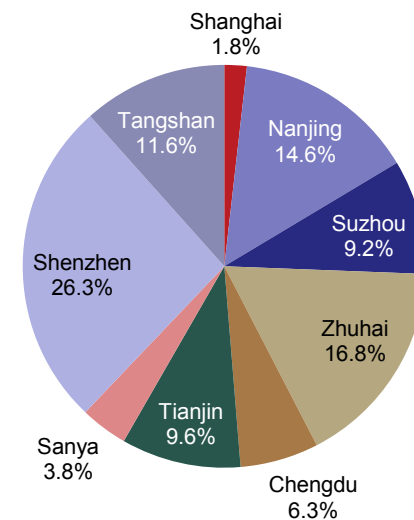
(2.567 million sqm)



Residential and Commercial	2,404,604 sqm
Investment	162,596 sqm

Land bank: Future development

(2.033 million sqm)



Residential and Commercial	1,982,618 sqm
Investment	50,580 sqm

Note:

1. The group has completed 5.328 million sqm out of which 592,791 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 2014



We expect to launch the following new projects and new batches of existing projects in 3Q 2014:

- **Chengdu**
 - Yanlord Riverbay (Phase 2)
- **Shanghai**
 - Yanlord Sunland Gardens (Phase 2)
- **Shenzhen**
 - Yanlord Rosemite
- **Tangshan**
 - Tangshan Nanhu Eco-City – Land Parcels A9 and A19
- **Tianjin**
 - Tianjin Jinnan Land (Phase 1 and 2)
 - Yanlord Riverside Gardens (Phase 2)



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