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YANLORD

Yanlord Land Group Limited

PRESS RELEASE – 1Q 2014 Financial Results

YANLORD 1Q 2014 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS JUMPS THREE FOLD TO RMB266.0 MILLION

- Revenue in 1Q 2014 rose steadily by 5.0% to RMB1.763 billion on higher average selling price (“ASP”) achieved for the period.
- Continued growth in contribution from the Sino-Singapore Nanjing Eco Hi-Tech Island joint venture to RMB99.6 million in 1Q 2014 coupled with higher other income propelled net profit attributable to equity holders of the Company up 295.2% to RMB266.0 million in 1Q 2014.
- Yanlord’s high quality developments continue to be well received by home buyers in the PRC. As at 31 March 2014, advances received for pre-sale properties was RMB7.024 billion, with a total pre-sale amount of RMB10.156 billion, which will be progressively recognised in subsequent quarters providing greater transparency and confidence of the Group’s FY 2014 financial performance.
- The Group continues to maintain a healthy financial position. Cash and cash equivalents of RMB5.873 billion as at 31 March 2014, coupled with net debt to total equity gearing ratio of 48.8% will serve to fuel the Group’s future development.

	1Q 2014	1Q 2013	Change (%)
ASP (RMB / sqm)	26,704	21,084	26.7
GFA Delivered (sqm)	58,688	68,142	(13.9)
Revenue (RMB mil)	1,763.2	1,679.0	5.0
Gross Profit (RMB mil)	640.2	660.7	(3.1)
Gross Profit Margin (%)	36.3	39.4	(3.1) ppt
Profit for the period (RMB mil)	358.3	165.8	116.1
Profit Attributable to Equity Holders of the Company (RMB mil)	266.0	67.3	295.2
Net Attributable Profit Margin (%)	15.1	4.0	11.1 ppt
Earnings per share (RMB cents) ¹	13.54	3.45	292.5

¹ Based on a fully diluted basis of 1,976,514,000 and 1,948,736,000 shares respectively

Singapore/Hong Kong – 14 May 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 March 2014 (“1Q 2014”).

Recognised revenue of the Group rose 5.0% in 1Q 2014 to RMB1.763 billion compared to RMB1.679 billion in 1Q 2013, underlined by sustained market demand for the Group’s quality developments in the PRC. The growth in recognised revenue was largely due to a higher achieved ASP of RMB26,704 per square metre (“sqm”) in 1Q 2014 compared to RMB21,084 per sqm in 1Q 2013 owing mainly to changes in product mix composition. Total gross floor area (“GFA”) delivered in 1Q 2014 was 58,688 sqm. 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 1Q 2014 declined marginally by 3.1% to RMB640.2 million from RMB660.7 million in 1Q 2013.

Contributions from the Group’s Sino-Singapore Nanjing Eco Hi-Tech Island joint venture continued to gain traction in 1Q 2014 as share of profit of jointly controlled entities rose significantly to RMB99.6 million compared with a loss of RMB2.4 million in 1Q 2013 and a profit of RMB87.6 million in FY 2013.

Led by the higher profit for the period, profit attributable to equity holders of the Company jumped 295.2% to RMB266.0 million in 1Q 2014 as compared to RMB67.3 million in 1Q 2013. Earnings per share on a fully diluted basis similarly rose three-fold to RMB13.54 cents in 1Q 2014 compared to RMB3.45 cents in 1Q 2013.

The Group continues to witness positive demand for its quality developments despite uncertainty arising from concerns over austerity measures introduced to cool the property sector. As at 31 March 2014, advances received for pre-sale properties was RMB7.024 billion with a total pre-sale amount of RMB10.156 billion. 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 RMB5.873 billion as at 31 March 2014 coupled with a net debt to total equity gearing ratio of 48.8% 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 1Q 2014 namely, Yanlord Yangtze Riverbay Town (Phase 3) (仁恒江湾城三期) in Nanjing, 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, Yanlord Lakeview Bay - Land Parcels A2 and A5 (仁恒双湖湾 – A2及A5地块) in Suzhou 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, "The commendable performance in 1Q 2014 is a reflection of the continued success of our business strategies. In addition to undertaking initiatives to enhance our operational effectiveness, we continue to enhance our property development revenue streams by participating in landmark projects such as the primary development of the Sino-Singapore Nanjing Eco Hi-Tech Island. As this project gains traction, we will not only benefit from the continued increase in distributed income, but will also derive new opportunities to lead the development of similar projects such as the recently announced Haimen City joint-venture. While changes and uncertainty in the market continue to weigh on the PRC real estate sector, we nonetheless remain confident about the long term development of the sector. Building on our healthy cash position and prudent financial policies, we will continue to focus on our business strategies and comparative advantages in the development of quality projects in prime locations within high growth PRC cities. This will best allow for the sustainable growth of our core business segments and to 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 1Q 2014 financial statement announcement and results presentation, please refer to the Group's website, www.yanlordland.com.