



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED FIRST QUARTER ENDED 31 MARCH 2009 FINANCIAL STATEMENT ANNOUNCEMENT

TABLE OF CONTENT

<u>Item No.</u>	<u>Description</u>	<u>Page</u>
1(a)	Unaudited Group Income Statements	2-5
1(b)(i)	Statements of Financial Position	6-7
1(b)(ii)	Aggregate Amount of Group's Borrowings and Debt Securities	8
1(c)	Unaudited Consolidated Statements of Cash Flows	9-10
1(d)	Unaudited Statements of Comprehensive Income	11
1(e)(i)	Unaudited Statements of Changes in Equity	12-14
1(e)(ii)(iii)(iv)	Details of Any Changes in Company's Issued Share Capital	15-16
2&3	Audit Statement	16
4&5	Changes in Accounting Policies	17
6	Earnings per Share	17
7	Net Asset Value per Share	18
8	Review of Performance	18-20
9	Variance from Previous Forecast or Prospect Statement	20
10	Outlook and Prospects	20-22
11&12	Dividend	22
13	Confirmation of the Board of Directors	23



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2009

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 AND Q4), HALF YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited Group Income Statements for the Period Ended 31 March 2009

	1Q 2009	1Q 2008	% Change
	S\$'000	S\$'000	+/(–)
Revenue	186,374	116,204	60
Cost of sales	(66,856)	(72,581)	(8)
Gross profit	119,518	43,623	174
Other operating income	2,473	9,912	(75)
Selling expenses	(5,028)	(4,843)	4
Administrative expenses	(15,911)	(15,895)	-
Other operating expenses	(577)	(1,246)	(54)
Finance cost	(2,340)	(591)	296
Profit before income tax	98,135	30,960	217
Income tax	(58,385)	(20,880)	180
Profit for the period	39,750	10,080	294
Profit attributable to:			
Equity holders of the Company	24,267	9,311	161
Minority interests	15,483	769	1913
	39,750	10,080	294



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Profit before income tax was arrived at after charging/(crediting) the following:

	1Q 2009	1Q 2008
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Depreciation expense	1,181	846
Equity-settled share-based payment expense	-	557
Fair value (gain) loss on a held-for-trading investment	(141)	983
Finance cost	2,340	591
Interest income	(934)	(2,135)
Gain on acquisition of additional interest from a minority shareholder	-	(20)
Net loss (gain) on disposal of property, plant and equipment	48	(9)
Net gain on disposal of investment properties	(7)	(50)
Net foreign exchange gain	(52)	(1,977)

Revenue and cost of sales

Despite a reduction in gross floor area (“GFA”) delivered in 1Q 2009 – a decrease of 21.6% as compared with 1Q 2008, the revenue of the Group, net of business tax, grew by 60.4% or S\$70.2 million to S\$186.4 million in 1Q 2009 from S\$116.2 million in 1Q 2008 mainly attributable to an increase in average selling price (“ASP”) per sqm for the apartment units in Shanghai delivered in 1Q 2009 as compared to the corresponding period last year. The higher ASP achieved was a result of higher-profit-margin properties delivered in 1Q 2009 over the respective period in 2008, particularly from the project at Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai which accounted for 80.0% of the Group’s gross revenue derived from the sales of properties in 1Q 2009.

The Group believes that the properties being delivered in FY 2009 will be more evenly spread out compared to that in FY 2008 whereby majority of the properties were delivered in 2Q 2008 and 4Q 2008.

Cost of sales, which primarily included land, construction and capitalised borrowing costs, declined by 7.9% or S\$5.7 million to S\$66.9 million in 1Q 2009 from S\$72.6 million in 1Q 2008 mainly due to a smaller GFA delivered in 1Q 2009 as compared to 1Q 2008.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

The Group derived substantially all its revenue from the sale of residential properties while a fraction came from the provision of property management services, rental and other ancillary services. The Group's accounting policy on revenue recognition is in line with the Financial Reporting Standard 18 - Revenue⁽¹⁾.

Other operating income

Other operating income, which mainly included tax and government subsidies, interest income and fair value gain on a held-for-trading investment, declined to S\$2.5 million in 1Q 2009 from S\$9.9 million in 1Q 2008. The higher other operating income in 1Q 2008 was due to the tax refunds on profit re-investment received from the tax bureau of the People's Republic of China ("PRC").

Selling expenses

Selling expenses, which principally included staff costs, advertising, promotion and exhibition expenses, increased slightly to S\$5.0 million in 1Q 2009 from S\$4.8 million in 1Q 2008.

Administrative expenses

Administrative expenses, which mainly included staff costs, utilities, travel, entertainment, legal and professional fee, other tax, rental, depreciation and office expense, remained constant at S\$15.9 million in both 1Q 2009 and 1Q 2008.

Other operating expenses

Other operating expenses in 1Q 2009 were slightly lower at S\$0.6 million compared with S\$1.2 million for the corresponding period in 2008. The decrease in expenses was mainly attributable to fair value loss on a held-for-trading investment recorded in 1Q 2008 as compared to fair value gain on a held-for-trading investment recorded in 1Q 2009, which was included in the above as "Other operating income".

¹ Revenue from properties developed for sale is recognised when the legal title passes to the buyer or when the equitable interest in the property vests in the buyer upon release of the handover notice of the property to the buyer, whichever is earlier.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Finance cost

Finance cost, net of capitalised interest, rose to S\$2.3 million in 1Q 2009 from S\$0.6 million in 1Q 2008 mainly due to a larger part of interest expense being recognised as an expense in the income statements during the current reporting period instead of being capitalised as a development cost of properties. In accordance with the Group's accounting policy, finance cost used to finance the development of the properties is capitalised. In 1Q 2009, interest expense was incurred on the Group's completed project in Nanjing and yet to be developed project in Shanghai and charged to finance cost in the income statements. As such, the finance cost recorded in the income statements for a given period may not be reflective of the Group's actual level of borrowings.

Income tax

Income tax, which took into account non-deductible expenses and temporary differences, was based on the statutory enterprise income tax rate of 25%, except for certain subsidiaries which had originally benefited from the preferential tax policies of lower tax rate, but would gradually transit to the tax rate of 25% within 5 years from 1 January 2008.

Income tax, which included statutory enterprise income tax and land appreciation tax ("LAT"), was higher at S\$58.4 million in 1Q 2009 as compared to S\$20.9 million in 1Q 2008, in tandem with the increases in revenue and profit before income tax. The higher income tax in 1Q 2009 was mainly attributable to higher statutory enterprise income tax as a result of improved profit before income tax and higher LAT incurred as a result of higher-profit-margin properties delivered. The LAT incurred for 1Q 2009 and 1Q 2008 were S\$45.7 million and S\$14.1 million respectively.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position as at 31 March 2009

	GROUP		COMPANY	
	31.03.2009	31.12.2008	31.03.2009	31.12.2008
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS				
Non-current assets:				
Property, plant and equipment	40,354	39,078	-	-
Investment properties	367,130	347,324	-	-
Properties for development	2,302,803	2,150,667	-	-
Investments in subsidiaries	-	-	515,319	515,319
An available-for-sale investment	11,049	10,445	-	-
Intangible asset	135	128	-	-
Deferred tax assets	7,422	5,637	-	-
Total non-current assets	2,728,893	2,553,279	515,319	515,319
Current assets:				
Inventories	465	477	-	-
Completed properties for sale	557,300	506,244	-	-
Properties under development for sale	1,331,636	1,246,708	-	-
Trade receivables	1,612	1,547	-	-
Other receivables and deposits	44,488	41,923	-	-
Non-trade amounts due from:				
Subsidiaries	-	-	1,413,530	1,352,640
Minority shareholders of subsidiaries	149,939	83,808	-	-
Other related party	118	80	-	-
A held-for-trading investment	1,308	1,101	-	-
Pledged bank deposits	102,209	8,272	-	-
Cash and bank balances	579,563	375,741	186	380
Total current assets	2,768,638	2,265,901	1,413,716	1,353,020
Total assets	5,497,531	4,819,180	1,929,035	1,868,339



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	GROUP		COMPANY	
	31.03.2009	31.12.2008	31.03.2009	31.12.2008
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<u>EQUITY AND LIABILITIES</u>				
Capital and reserves:				
Share capital	1,226,168	1,226,168	1,226,168	1,226,168
Reserves	777,865	643,157	76,111	35,093
Equity attributable to equity holders of the Company	2,004,033	1,869,325	1,302,279	1,261,261
Minority interests	696,976	461,051	-	-
Total capital and reserves	2,701,009	2,330,376	1,302,279	1,261,261
Non-current liabilities:				
Bank loans – due after one year	1,034,284	829,366	-	-
Convertible notes	329,893	323,562	329,893	323,562
Deferred tax liabilities	49,249	46,640	-	-
Non-trade amount due to a minority shareholder of a subsidiary	73,588	69,564	-	-
Total non-current liabilities	1,487,014	1,269,132	329,893	323,562
Current liabilities:				
Trade payables	352,719	335,511	-	-
Other payables	329,939	223,790	261	463
Non trade amounts due to:				
A subsidiary	-	-	285,879	271,538
Directors	8,196	7,186	8,056	7,045
A shareholder	2,667	4,470	2,667	4,470
Minority shareholders of subsidiaries	4,219	3,984	-	-
Other related party	1	1	-	-
Income tax payable	342,292	297,391	-	-
Bank loans – due within one year	269,475	347,339	-	-
Total current liabilities	1,309,508	1,219,672	296,863	283,516
Total equity and liabilities	5,497,531	4,819,180	1,929,035	1,868,339



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

	GROUP	
	As at 31.03.2009	As at 31.12.2008
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Amount repayable in one year or less, or on demand:-		
Secured	210,241	254,979
Unsecured	59,959	95,048
Sub-total 1	270,200	350,027
Amount repayable after one year:-		
Secured	588,854	461,537
Unsecured	848,911	760,955
Sub-total 2	1,437,765	1,222,492
Total debt	1,707,965	1,572,519

Details of any collateral

Secured borrowings are generally secured by the borrowing companies' leasehold land and buildings, investment properties, properties for development, properties under development for sale, completed properties for sale and bank deposits.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited Consolidated Statements of Cash Flows for the Period Ended 31 March 2009

	1Q 2009	1Q 2008
	S\$'000	S\$'000
OPERATING ACTIVITIES		
Profit before income tax	98,135	30,960
Adjustments for:		
Depreciation expense	1,181	846
Equity-settled share-based payment expense	-	557
Fair value (gain) loss on a held-for-trading investment	(141)	983
Finance cost	2,340	591
Interest income	(934)	(2,135)
Gain on acquisition of additional interest from a minority shareholder	-	(20)
Net loss (gain) on disposal of property, plant and equipment	48	(9)
Net gain on disposal of investment properties	(7)	(50)
Operating cash flows before movements in working capital	100,622	31,723
Properties for development	(19,929)	(11,854)
Inventories	12	2,571
Completed properties for sale	(21,671)	3,844
Properties under development for sale	3,950	(67,768)
Trade and other receivables and deposits	(2,630)	(6,209)
Trade and other payables	122,951	13,447
Cash generated from (used in) operations	183,305	(34,246)
Interest paid	(18,409)	(18,885)
Income tax paid	(33,204)	(47,317)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	131,692	(100,448)



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	1Q 2009	1Q 2008
	S\$'000	S\$'000
INVESTING ACTIVITIES		
Deposit for acquisition of an additional shareholding interest in an available-for-sale investment	-	(99,069)
Interest received	638	2,180
Increase in pledged bank deposits	(93,937)	(5)
Proceeds on disposal of property, plant and equipment	51	49
Proceeds on disposal of investments properties	291	370
Purchase of property, plant and equipment	(421)	(2,974)
Advance to minority shareholders of subsidiaries	(65,838)	(11,886)
Advance to other related party	(38)	(2)
NET CASH USED IN INVESTING ACTIVITIES	(159,254)	(111,337)
FINANCING ACTIVITIES		
Proceeds from bank loans	244,497	322,964
Repayment of bank loans	(185,836)	(46,562)
Advance from (repayment to) directors	1,010	(3,945)
Repayment to a shareholder	(1,823)	-
Advance from minority shareholders of subsidiaries	70	1,737
Advance from other related parties	-	133
Cash injection from (withdrawal by) minority shareholders of subsidiaries	173,503	(11,508)
NET CASH FROM FINANCING ACTIVITIES	231,421	262,819
INCREASE IN CASH AND CASH EQUIVALENTS	203,859	51,034
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	375,741	702,857
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(37)	(33,785)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	579,563	720,106



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

1(d) A statement of comprehensive income (for the issuer and Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited Statements of Comprehensive Income for the Period Ended 31 March 2009

	GROUP		COMPANY	
	1Q 2009	1Q 2008	1Q 2009	1Q 2008
	S\$'000	S\$'000	S\$'000	S\$'000
Profit (loss) for the period	39,750	10,080	41,018	(8,345)
Other comprehensive income (expense):				
Currency translation difference	157,380	(19,248)	-	-
Other comprehensive income (expense) for the period	157,380	(19,248)	-	-
Total comprehensive income (expense) for the period	197,130	(9,168)	41,018	(8,345)
Total comprehensive income (expense) attributable to:				
Equity holders of the Company	143,587	(15,017)	41,018	(8,345)
Minority interests	53,543	5,849	-	-
	197,130	(9,168)	41,018	(8,345)



仁恒
YANLORD

YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

1(e)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited Group Statements of Changes in Equity for the Three Months Ended 31 March 2009

	Share capital	Currency translation reserves	Equity reserves	Statutory reserves	Merger deficits	Other reserves	Accumulated profits	Attributable to equity holders of the Company	Minority interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2009	1,226,168	83,675	49,859	69,178	(386,571)	(48,628)	875,644	1,869,325	461,051	2,330,376
Total comprehensive income for the period	-	119,320	-	-	-	-	24,267	143,587	53,543	197,130
Change of interest in a subsidiary	-	-	-	-	-	(8,879)	-	(8,879)	8,879	-
Capital injection by a minority shareholder	-	-	-	-	-	-	-	-	173,503	173,503
Balance at 31 March 2009	1,226,168	202,995	49,859	69,178	(386,571)	(57,507)	899,911	2,004,033	696,976	2,701,009



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Group Statements of Changes in Equity for the Three Months Ended 31 March 2008

	Share capital	Currency translation reserves	Equity reserves	Statutory reserves	Merger deficits	Other reserves	Accumulated profits	Attributable to equity holders of the Company	Minority interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2008	1,219,081	(40,483)	50,720	43,142	(386,571)	(48,628)	697,931	1,535,192	454,607	1,989,799
Total comprehensive (expense) income for the period	-	(24,328)	-	-	-	-	9,311	(15,017)	5,849	(9,168)
Recognition of equity-settled share-based payment expense	-	-	557	-	-	-	-	557	-	557
Change of interest in a subsidiary	-	-	-	-	-	-	-	-	(20)	(20)
Return of a minority shareholder's share of reserves	-	-	-	-	-	-	-	-	(14,298)	(14,298)
Capital injection by minority shareholders	-	-	-	-	-	-	-	-	2,790	2,790
Appropriations	-	-	-	6	-	-	(6)	-	-	-
Balance at 31 March 2008	1,219,081	(64,811)	51,277	43,148	(386,571)	(48,628)	707,236	1,520,732	448,928	1,969,660



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Changes in Equity for the Three Months Ended 31 March 2009

	Share capital S\$'000	Equity reserves S\$'000	Accumulated (losses) profits S\$'000	Total S\$'000
Balance at 1 January 2009	1,226,168	49,859	(14,766)	1,261,261
Total comprehensive income for the period	-	-	41,018	41,018
Balance at 31 March 2009	<u>1,226,168</u>	<u>49,859</u>	<u>26,252</u>	<u>1,302,279</u>

Unaudited Company Statements of Changes in Equity for the Three Months Ended 31 March 2008

	Share capital S\$'000	Equity reserves S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 January 2008	1,219,081	50,720	(54,869)	1,214,932
Total comprehensive expense for the period	-	-	(8,345)	(8,345)
Recognition of equity-settled share-based payment expense	-	557	-	557
Balance at 31 March 2008	<u>1,219,081</u>	<u>51,277</u>	<u>(63,214)</u>	<u>1,207,144</u>



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

1(e)(ii) Details of any changes in the Company's share capital arising from right issue, bonus issue, share-buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

As at 31 March 2009, the issued and fully paid-up share capital of the Company was S\$1,226.2 million (31 December 2008: S\$1,226.2 million). Movements in the Company's issued ordinary shares during the financial period were as follows:

	Number of ordinary shares	
	'000	S\$'000
As at 1 January 2009	1,831,334	1,226,168
Issue of shares	-	-
As at 31 March 2009	<u>1,831,334</u>	<u>1,226,168</u>

The Company did not hold any treasury shares as at 31 March 2009 and 31 December 2008.

Share Options

The options to take up the unissued ordinary shares in the capital of the Company under the Company's Pre-IPO Share Option Scheme as at 31 March 2009 were as follows:

Date of grant of options	Exercise price per share (S\$)	No. of option shares outstanding as at 01.01.2009	No. of option shares lapsed	No. of option shares exercised	No. of option shares outstanding as at 31.03.2009
21.06.2006	0.92	7,402,000	Nil	Nil	7,402,000



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Convertible Notes Due 2012

As previously announced, the Company had in February 2007 issued S\$477.3 million convertible notes due in 2012 ("Notes" and each, a "Note") at a conversion price of S\$2.7531 per share. With effect from 1 June 2007 and as previously announced, the conversion price has been adjusted from S\$2.7531 per share to S\$2.71 per share.

As of 31 March 2009, S\$338.3 million Notes remained outstanding for conversion into ordinary shares. No Note has been converted into ordinary shares during the current financial period.

Based on the conversion price of S\$2.71 per share and assuming the Notes are fully converted, the number of new ordinary shares to be issued would be approximately 124,815,535 shares as at 31 March 2009 (31 March 2008: 124,815,535 shares).

1(e)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Please refer to Note 1(e)(ii).

1(e)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures for the first quarter ended 31 March 2009 have neither been audited nor reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter)

Not applicable.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared to those in the audited financial statements for the year ended 31 December 2008, except as disclosed in Note 5 below.

5. If there are any changes in the accounting policies and methods of computations, including any required by an accounting standard, what has changed, as well as the reasons for, the effect of, the change

In the current financial period, the Group has adopted the new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2009. The adoption of these new and revised FRSs and INT FRSs does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current financial period and the corresponding period in 2008.

The followings are the new and revised FRSs that are relevant to the Group and the Company:

FRS 1 – Presentation of Financial Statements (Revised)

FRS 108 – Operating Segments

6. Earnings per ordinary share (EPS) of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, based on profit after tax and minority interests attributable to the equity holders of the Company after deducting any provision for preference dividends.

	GROUP	
	1Q 2009 (Unaudited)	1Q 2008 (Unaudited)
EPS based on Group net profit attributable to shareholders:		
(i) On the weighted average number of shares (S\$)	1.33 cents	0.51 cents
- Weighted average number of shares ('000)	1,831,334	1,825,814
(ii) On a fully diluted basis (S\$)	1.27 cents	0.51 cents
- Adjusted weighted average number of shares ('000)	1,956,150	1,958,762



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (i) current period reported on; and**
- (ii) immediately preceding financial year**

	GROUP		COMPANY	
	31.03.2009 (Unaudited)	31.12.2008 (Unaudited)	31.03.2009 (Unaudited)	31.12.2008 (Unaudited)
Net assets value per share based on issued share capital at the end of the period/year (S\$)	1.09	1.02	0.71	0.69

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

1Q 2009 vs. 1Q 2008

Revenue of the Group amounted to S\$186.4 million in 1Q 2009 as compared to S\$116.2 million in 1Q 2008, representing an increase of 60.4% or S\$70.2 million. The higher ASP, which was mainly attributable to Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai, contributed to the increase in revenue notwithstanding the lower GFA of 32,662 sqm delivered in 1Q 2009 as compared to 1Q 2008. The Group continued to deliver existing projects in 1Q 2009, including mainly Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai and Bamboo Gardens (Phase 3) (翠竹园三期) in Nanjing and a new project, Yanlord Peninsula (Apartment – Phase 1) (星屿仁恒一期) in Suzhou, which accounted for 80.0%, 12.9% and 2.8% respectively of the Group's gross revenue derived from the sales of properties in 1Q 2009. The Group's ASP in 1Q 2009 increased by 44.4% to RMB24,968 per sqm as compared to RMB17,294 per sqm in FY 2008.

The Group believes that the properties being delivered in FY 2009 will be more evenly spread out compared to that in FY 2008 whereby majority of the properties were delivered in 2Q 2008 and 4Q 2008.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Group gross profit in 1Q 2009 grew almost threefold to S\$119.5 million from S\$43.6 million for the corresponding period in 2008. Apart from the decline in the cost of sales as a result of a smaller GFA delivered in 1Q 2009, the major contributor was the delivery of higher-profit-margin projects in 1Q 2009 as compared to 1Q 2008. As a large composition of revenue was generated from Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期), a project which provided a higher profit margin over other development projects of the Group, gross profit margin reached a high level of 64.1% in 1Q 2009 compared with 37.5% in 1Q 2008.

In tandem with the growth of gross profit, Group profit before income tax increased approximately threefold to S\$98.1 million in 1Q 2009 from S\$31.0 million in 1Q 2008. Moreover, profit before income tax margin increased considerably by 26.1 percentage points to 52.7% in 1Q 2009 from 26.6% in 1Q 2008.

Underpinned by the above improved performance, profit grew by about fourfold to S\$39.8 million in 1Q 2009 from S\$10.1 million in 1Q 2008. As a result, Group profit margin for the period in 1Q 2009 was 12.6 percentage points higher than the corresponding period in 2008, increasing to 21.3% in 1Q 2009 from 8.7% in 1Q 2008.

(b) any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.

STATEMENTS OF FINANCIAL POSITION

Pledged bank deposits

Compared with 31 December 2008, the pledged bank deposits increased by S\$93.9 million to S\$102.2 million as at 31 March 2009 primarily due to the increase in the deposits pledged to a bank to secure the bank loans.

Other payables

Compared with 31 December 2008, other payables, which primarily included advances received from customers, grew by S\$106.1 million to S\$329.9 million as at 31 March 2009 mainly due to the increase in advances received from customers for properties pre-sold.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

STATEMENTS OF CASH FLOWS

Net cash from (used in) operating activities

The Group recorded net cash from operating activities of S\$131.7 million in 1Q 2009 as compared to net cash used in operating activities of S\$100.4 million in 1Q 2008, representing an increase of 231.1% or S\$232.1 million. The net cash from operations was largely on account of cash generated from pre-sold properties, which was included in "Trade and other payables" in the statements of cash flows.

Net bank loan drawdown

Net bank loan drawdown represented proceeds from bank loans net of repayment of bank loans. The Group recorded a net cash inflow from the banks of S\$58.7 million in 1Q 2009 as compared to S\$276.4 million in 1Q 2008, representing a decrease of 78.8% or S\$217.7 million in net cash from the banks, a result of a lower amount of bank loans drawn down. The decrease was mainly due to the increase in the net cash from operating activities and the cash consideration received pursuant to the joint venture in Suzhou with an affiliate of GIC Real Estate Private Limited in 1Q 2009, details of which are found in the Company's announcement made on 27 February 2009.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement for the current financial period has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

INDUSTRY OUTLOOK

In view of the slower economic growth in the PRC, the Central government promulgated a broad array of economic stimulus plans including the fiscal spending of over RMB4.0 trillion to ensure the sustainable development of the domestic economy as well as plans to boost disposable income and spur domestic consumption among the population such as the easing of rules and regulations governing home ownership. Moreover, the PRC authorities instituted a reduction of the bank reserve requirement ratio so as to increase liquidity in the credit market and interest rate cuts targeted at reducing borrowing cost to both corporate and individual clients.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

To further support the housing industry in the PRC, the Central government also reduced the downpayment requirements for first-time home buyers from 30% to 20%. The Government also delegated some policy making decisions to the respective city levels so as to allow customisation of key policies that will benefit the sustainable development of the property sector. In addition, individual commercial banks can now re-evaluate their lending policies to suit the home ownership needs of their various clients.

Riding on the impetus of the stimulus package, the PRC real estate sector exhibited preliminary signs of recovery. Based on statistics released by the China National Bureau of Statistics, total volume of real estate sales concluded in 1Q 2009 rose 8.2% to 113.1 million sqm GFA from a year earlier. Value of contracted property sales in 1Q 2009 had also risen to RMB505.9 billion up 23.1% from a year earlier.

The Group believes that while the global financial crisis will continue to place pressures on market demand, the continued growth of the PRC domestic economy coupled with the introduction of new monetary policies by the PRC authorities will help stimulate the sustained development of the PRC economy and mitigate the challenges posed by a weaker global economy.

COMPANY OUTLOOK

Project Pre-sales

As at 31 March 2009, the Group has received advances for pre-sold properties – recorded as “Other payables” in the statements of financial position – amounting to S\$294.9 million. Based on existing sales contracts of these pre-sold units, the total pre-contracted sales amounting to S\$552.1 million as at 31 March 2009 will be progressively recognised as revenue in subsequent financial periods.

Outlook

Despite operating in a challenging market environment, the Group will continue to maintain its strong cash position and prudent financial policy to ensure the sustainable development of the Group. Led by an experienced and dedicated management team with extensive industry knowledge of the PRC real-estate sector, the Group will continue to focus on its business strategies and comparative advantages in the development of quality residential apartments in prime locations within high growth PRC cities to ensure the sustainable growth of its core business segments.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

New Batches and Projects Launch

Capitalising on the progressive recovery of the PRC real estate industry, new batches of the Group's existing projects have been slated for, namely, Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) and Yunjie Riverside Gardens (Phase 1) (运杰河滨花园一期) in Shanghai, Bamboo Gardens (Phase 3) (翠竹园三期) and Yanlord International Apartments (Tower B) (仁恒国际公寓 B 栋) in Nanjing, Yanlord Peninsula (Townhouse and Apartment) (星岛仁恒及星屿仁恒) in Suzhou, Yanlord New City Gardens (Phase 2) (仁恒星园二期) in Zhuhai and Hengye Star Gardens (恒业星园) in Chengdu.

In addition, the Group is also targeting to launch its latest and newest developments: i) Yanlord Riverside Plaza (Phase 1) (海河广场一期) in Tianjin in 2Q 2009 and ii) Yanlord Yangtze Riverside City (Phase 1) (仁恒江湾城一期) in Nanjing in 3Q 2009.

Barring any unforeseen circumstances, the Board of Directors is confident of the Group's performance for the next reporting period and the next 12 months based on the number of units pre-sold to-date, expected delivery schedules and on-schedule construction works in progress.

11. Dividend

- (a) Any dividend declared for the current financial period reported on? Nil.
- (b) Any dividend declared for the corresponding period of the immediately preceding financial year? Nil.
- (c) Date payable: Not applicable.
- (d) Books closure date: Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the period under review.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

13. Confirmation of the Board of Directors (“Board”)

We refer to the requirement under Rule 705(4) of the SGX-ST Listing Manual.

We, Zhong Sheng Jian and Chan Yiu Ling, directors of the Company, hereby confirm on behalf of the Board that, to the best of our knowledge, nothing has come to the attention of the Board, which may render the first quarter financial results of the Group for the period ended 31 March 2009 to be false or misleading in any material aspects.

ON BEHALF OF THE BOARD

Zhong Sheng Jian
Chairman and Chief Executive Officer

Chan Yiu Ling
Director

ON BEHALF OF THE BOARD

Zhong Sheng Jian
Chairman and Chief Executive Officer
12 May 2009