



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 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	9-11
1(d)	Unaudited Statements of Comprehensive Income	12-13
1(e)(i)	Unaudited Statements of Changes in Equity	14-16
1(e)(ii)(iii)(iv)	Details of Any Changes in Company's Issued Share Capital	17-18
2&3	Audit Statement	18
4&5	Changes in Accounting Policies	19
6	Earnings per Share	20
7	Net Asset Value per Share	20
8	Review of Performance	21-23
9	Variance from Previous Forecast or Prospect Statement	23
10	Outlook and Prospects	23-25
11&12	Dividend	25
13	Confirmation of the Board of Directors	26



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 JUNE 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 30 June 2009

	2Q 2009	2Q 2008	% Change	1H 2009	1H 2008	% Change
	S\$'000	S\$'000	+ / (-)	S\$'000	S\$'000	+ / (-)
Revenue	615,839	395,680	56	802,213	511,884	57
Cost of sales	(233,100)	(177,905)	31	(299,956)	(250,486)	20
Gross profit	382,739	217,775	76	502,257	261,398	92
Other operating income	2,057	3,714	(45)	4,530	13,626	(67)
Selling expenses	(6,679)	(5,470)	22	(11,707)	(10,313)	14
Administrative expenses	(14,068)	(14,140)	(1)	(29,979)	(30,035)	-
Other operating expenses	(51)	(2,262)	(98)	(628)	(3,508)	(82)
Finance cost	(2,191)	(601)	265	(4,531)	(1,192)	280
Profit before income tax	361,807	199,016	82	459,942	229,976	100
Income tax	(224,772)	(97,478)	131	(283,157)	(118,358)	139
Profit for the period	137,035	101,538	35	176,785	111,618	58
Profit attributable to:						
Equity holders of the						
Company	91,571	67,240	36	115,838	76,551	51
Minority interests	45,464	34,298	33	60,947	35,067	74
	137,035	101,538	35	176,785	111,618	58



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

	2Q 2009	2Q 2008	1H 2009	1H 2008
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Depreciation expense	1,132	954	2,313	1,800
Dividend income from an available-for-sale investment	-	(3,026)	-	(3,026)
Dividend income from a held-for-trading investment	-	(18)	-	(18)
Equity-settled share-based payment expense	-	591	-	1,148
Fair value (gain) loss on a held-for-trading investment	(795)	390	(936)	1,373
Finance cost	2,191	601	4,531	1,192
Interest income	(1,095)	(1,742)	(2,029)	(3,877)
Loss (gain) on acquisition of additional interest from a minority shareholder	-	5	-	(15)
Net (gain) loss on disposal of property, plant and equipment	(49)	1	(1)	(8)
Net gain on disposal of investment properties	(39)	(28)	(46)	(78)
Net foreign exchange loss (gain)	514	1,121	462	(856)

Revenue and cost of sales

Revenue of the Group, net of business tax, recorded a commendable increase of 55.6% or S\$220.2 million to S\$615.8 million in 2Q 2009 mainly attributable to an increase in the average selling price ("ASP") per square metre ("sqm") as compared to the corresponding period last year. Riding on this improved performance, revenue in 1H 2009 grew by 56.7% or S\$290.3 million to S\$802.2 million as compared to 1H 2008. The Group achieved a higher ASP in both 2Q 2009 and 1H 2009 primarily due to a change in the composition of product mix, whereby a higher percentage of high-profit-margin project at Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai were delivered as compared to the corresponding periods last year.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Cost of sales, which primarily included land, construction and capitalised borrowing costs, increased to S\$233.1 million in 2Q 2009 from S\$177.9 million in 2Q 2008 and to S\$300.0 million in 1H 2009 from S\$250.5 million in 1H 2008. Higher cost of sales in 2Q 2009 and 1H 2009 were primarily due to an increase in the average cost per sqm which was driven by the change in the composition of product mix as compared to the respective periods last year.

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 principally included tax and government subsidies, interest income and fair value gain on a held-for-trading investment, decreased by S\$1.7 million and S\$9.1 million in 2Q 2009 and 1H 2009 respectively over the corresponding periods last year. The higher other operating income in 1H 2008 was mainly due to the tax refunds from profit re-investment received from the tax bureau of the People's Republic of China ("PRC") and the dividend income generated from an available-for-sale investment.

Selling expenses

Selling expenses, which mainly included staff costs, advertising, promotion and exhibition expenses, grew by S\$1.2 million and S\$1.4 million in 2Q 2009 and 1H 2009 respectively as compared with the corresponding periods last year.

Administrative expenses

Administrative expenses, which primarily included staff costs, utilities, travel, entertainment, legal and professional fee, other tax, rental, depreciation and office expense remained constant in 2Q 2009 and 1H 2009 as compared to the respective periods in 2008.

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)

Other operating expenses

Other operating expenses in both 2Q 2009 and 1H 2009 declined by S\$2.2 million and S\$2.9 million respectively as compared with the corresponding periods in 2008. The higher other operating expenses in 2008 were mainly attributable to donations in response to the Sichuan earthquake relief efforts in 2Q 2008 and 1H 2008, as well as a fair value loss on a held-for-trading investment recorded in 2Q 2008 and 1H 2008 as compared to fair value gain on a held-for-trading investment recorded in respective periods in 2009, which was included in the above as "Other operating income".

Finance cost

Finance cost, net of capitalised interest, increased by S\$1.6 million in 2Q 2009 and S\$3.3 million in 1H 2009 as compared with respective periods last year mainly due to a larger portion of interest expense being recognised as an expense in the income statements during the current reporting periods 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 2Q 2009 and 1H 2009, interest expense incurred on the Group's completed projects and a yet to be developed project were 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.

In tandem with the movement in profit before income tax, income tax, which included statutory enterprise income tax, land appreciation tax ("LAT") and dividend withholding tax, in both 2Q 2009 and 1H 2009 were higher, amounting to an increase of S\$127.3 million and S\$164.8 million respectively over the comparable periods last year. The higher income tax in the current reporting periods were mainly on account of higher LAT driven by the high-profit-margin project delivered, higher statutory enterprise income tax and the increase in dividend withholding tax. The LAT incurred for 2Q 2009 and 1H 2009 were S\$128.8 million and S\$174.4 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 30 June 2009

	GROUP		COMPANY	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS				
Non-current assets:				
Property, plant and equipment	38,248	39,078	-	-
Investment properties	350,733	347,324	-	-
Properties for development	2,321,409	2,150,667	-	-
Investments in subsidiaries	-	-	515,319	515,319
An available-for-sale investment	10,570	10,445	-	-
Intangible asset	130	128	-	-
Deferred tax assets	18,462	5,637	-	-
Total non-current assets	2,739,552	2,553,279	515,319	515,319
Current assets:				
Inventories	558	477	-	-
Completed properties for sale	498,680	506,244	-	-
Properties under development for sale	1,248,065	1,246,708	-	-
Trade receivables	2,159	1,547	-	-
Other receivables and deposits	38,837	41,923	4,538	-
Non-trade amounts due from:				
Subsidiaries	-	-	1,368,681	1,352,640
Minority shareholders of subsidiaries	171,972	83,808	-	-
Other related party	113	80	-	-
A held-for-trading investment	2,025	1,101	-	-
Pledged bank deposits	88,116	8,272	-	-
Cash and bank balances	1,274,600	375,741	226,577	380
Total current assets	3,325,125	2,265,901	1,599,796	1,353,020
Total assets	6,064,677	4,819,180	2,115,115	1,868,339



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	GROUP		COMPANY	
	30.06.2009	31.12.2008	30.06.2009	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	1,452,237	1,226,168	1,452,237	1,226,168
Reserves	740,374	643,157	63,766	35,093
Equity attributable to equity holders of the Company	2,192,611	1,869,325	1,516,003	1,261,261
Minority interests	812,697	461,051	-	-
Total capital and reserves	3,005,308	2,330,376	1,516,003	1,261,261
Non-current liabilities:				
Bank loans – due after one year	750,181	829,366	-	-
Convertible notes	336,437	323,562	336,437	323,562
Deferred tax liabilities	88,938	46,640	-	-
Non-trade amount due to a minority shareholder of a subsidiary	41,983	69,564	-	-
Total non-current liabilities	1,217,539	1,269,132	336,437	323,562
Current liabilities:				
Trade payables	361,116	335,511	-	-
Other payables	584,383	223,790	5,115	463
Non trade amounts due to:				
A subsidiary	-	-	254,384	271,538
Directors	3,165	7,186	3,125	7,045
A shareholder	51	4,470	51	4,470
Minority shareholders of subsidiaries	31,864	3,984	-	-
Other related party	2	1	-	-
Income tax payable	463,758	297,391	-	-
Bank loans – due within one year	397,491	347,339	-	-
Total current liabilities	1,841,830	1,219,672	262,675	283,516
Total equity and liabilities	6,064,677	4,819,180	2,115,115	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 30.06.2009	As at 31.12.2008
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Amount repayable in one year or less, or on demand:-		
Secured	245,368	254,979
Unsecured	180,541	95,048
Sub-total 1	425,909	350,027
Amount repayable after one year:-		
Secured	394,024	461,537
Unsecured	734,577	760,955
Sub-total 2	1,128,601	1,222,492
Total debt	1,554,510	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 30 June 2009

	2Q 2009	2Q 2008	1H 2009	1H 2008
	S\$'000	S\$'000	S\$'000	S\$'000
OPERATING ACTIVITIES				
Profit before income tax	361,807	199,016	459,942	229,976
Adjustments for:				
Depreciation expense	1,132	954	2,313	1,800
Dividend income from an available-for-sale investment	-	(3,026)	-	(3,026)
Dividend income from a held-for-trading investment	-	(18)	-	(18)
Equity-settled share-based payment expense	-	591	-	1,148
Fair value (gain) loss on a held-for-trading investment	(795)	390	(936)	1,373
Finance cost	2,191	601	4,531	1,192
Goodwill written off	-	632	-	632
Interest income	(1,095)	(1,742)	(2,029)	(3,877)
Loss (gain) on acquisition of additional interest from a minority shareholder	-	5	-	(15)
Net (gain) loss on disposal of property, plant and equipment	(49)	1	(1)	(8)
Net gain on disposal of investment properties	(39)	(28)	(46)	(78)
Operating cash flows before movements in working capital	363,152	197,376	463,774	229,099



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	2Q 2009	2Q 2008	1H 2009	1H 2008
	S\$'000	S\$'000	S\$'000	S\$'000
Properties for development	(109,972)	(203,910)	(129,901)	(215,764)
Inventories	(92)	74	(80)	2,645
Completed properties for sale	35,350	(197,969)	13,679	(194,125)
Properties under development for sale	37,187	192,498	41,137	124,730
Trade and other receivables and deposits	5,217	6,284	2,587	75
Trade and other payables	263,135	(25,562)	386,086	(12,115)
Cash generated from (used in) operations	593,977	(31,209)	777,282	(65,455)
Interest paid	(14,180)	(13,556)	(32,589)	(32,441)
Income tax paid	(51,783)	(18,123)	(84,987)	(65,440)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	528,014	(62,888)	659,706	(163,336)
INVESTING ACTIVITIES				
Acquisition of a subsidiary	-	(35,673)	-	(134,742)
Dividend received from an available-for-sale investment	-	3,026	-	3,026
Dividend received from a held-for-trading investment	-	18	-	18
Interest received	681	1,742	1,319	3,922
Decrease (increase) in pledged bank deposits	14,093	(3,627)	(79,844)	(3,632)
Proceeds on disposal of property, plant and equipment	111	-	162	49
Proceeds on disposal of investment properties	547	220	838	590
Purchase of property, plant and equipment	(890)	(2,973)	(1,311)	(5,947)
Advance to minority shareholders of subsidiaries	(21,730)	(12,841)	(87,568)	(24,727)
Advance to other related party	-	(38)	(38)	(40)
NET CASH USED IN INVESTING ACTIVITIES	(7,188)	(50,146)	(166,442)	(161,483)



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	2Q 2009	2Q 2008	1H 2009	1H 2008
	S\$'000	S\$'000	S\$'000	S\$'000
FINANCING ACTIVITIES				
Dividend paid	(22,525)	(22,092)	(22,525)	(22,092)
Net proceeds on issue of new shares	226,069	-	226,069	-
Proceeds from bank loans	147,920	90,456	392,417	413,420
Repayment of bank loans	(250,388)	(24,990)	(436,224)	(71,552)
(Repayment to) advance from directors	(5,031)	719	(4,021)	(3,226)
(Repayment to) advance from a shareholder	(2,622)	16,355	(4,445)	16,355
Advance from (repayment to) minority shareholders of subsidiaries	47	(1,299)	117	438
Repayment to other related parties	-	(150)	-	(17)
Cash injection from (withdrawal by) minority shareholders of subsidiaries	106,416	-	279,919	(11,508)
NET CASH FROM FINANCING ACTIVITIES	199,886	58,999	431,307	321,818
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	720,712	(54,035)	924,571	(3,001)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	579,563	720,106	375,741	702,857
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(25,675)	8,635	(25,712)	(25,150)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,274,600	674,706	1,274,600	674,706



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 Group Statements of Comprehensive Income for the Period Ended 30 June 2009

	2Q 2009	2Q 2008	1H 2009	1H 2008
	S\$'000	S\$'000	S\$'000	S\$'000
Profit for the period	137,035	101,538	176,785	111,618
Other comprehensive (expense) income:				
Currency translation difference	(142,696)	12,666	14,684	(6,582)
Other comprehensive (expense) income for the period	(142,696)	12,666	14,684	(6,582)
Total comprehensive (expense) income for the period	(5,661)	114,204	191,469	105,036
Total comprehensive (expense) income attributable to:				
Equity holders of the Company	(14,966)	86,597	128,621	71,580
Minority interests	9,305	27,607	62,848	33,456
	(5,661)	114,204	191,469	105,036



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Comprehensive Income for the Period Ended 30 June 2009

	2Q 2009	2Q 2008	1H 2009	1H 2008
	S\$'000	S\$'000	S\$'000	S\$'000
Profit for the period	10,180	108,685	51,198	100,340
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	10,180	108,685	51,198	100,340
Total comprehensive income attributable to:				
Equity holders of the Company	10,180	108,685	51,198	100,340
Minority interests	-	-	-	-
	10,180	108,685	51,198	100,340



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 Half Year Ended 30 June 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
Total comprehensive (expense) income for the period	-	(106,537)	-	-	-	-	91,571	(14,966)	9,305	(5,661)
Issuance of new shares pursuant to concurrent offering exercise, net of expenses	226,069	-	-	-	-	-	-	226,069	-	226,069
Capital injection by a minority shareholder	-	-	-	-	-	-	-	-	106,416	106,416
Dividends	-	-	-	-	-	-	(22,525)	(22,525)	-	(22,525)
Appropriations	-	-	-	26,011	-	-	(26,011)	-	-	-
Balance at 30 June 2009	1,452,237	96,458	49,859	95,189	(386,571)	(57,507)	942,946	2,192,611	812,697	3,005,308



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Group Statements of Changes in Equity for the Half Year Ended 30 June 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
Total comprehensive income for the period	-	19,357	-	-	-	-	67,240	86,597	27,607	114,204
Recognition of equity-settled share-based payment expense	-	-	591	-	-	-	-	591	-	591
Change of interest in a subsidiary	-	-	-	-	-	-	-	-	5	5
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	637	637
Dividends	-	-	-	-	-	-	(22,092)	(22,092)	-	(22,092)
Balance at 30 June 2008	1,219,081	(45,454)	51,868	43,148	(386,571)	(48,628)	752,384	1,585,828	477,177	2,063,005



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Changes in Equity for the Half Year Ended 30 June 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	1,226,168	49,859	26,252	1,302,279
Total comprehensive income for the period	-	-	10,180	10,180
Issuance of new shares pursuant to concurrent offering exercise, net of expenses	226,069	-	-	226,069
Dividends	-	-	(22,525)	(22,525)
Balance at 30 June 2009	1,452,237	49,859	13,907	1,516,003

Unaudited Company Statements of Changes in Equity for the Half Year Ended 30 June 2008

	Share capital S\$'000	Equity reserves S\$'000	Accumulated (losses) profits 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	1,219,081	51,277	(63,214)	1,207,144
Total comprehensive income for the period	-	-	108,685	108,685
Recognition of equity-settled share-based payment expense	-	591	-	591
Dividends	-	-	(22,092)	(22,092)
Balance at 30 June 2008	1,219,081	51,868	23,379	1,294,328



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

1(e)(ii) Details of any changes in the Company's share capital arising from rights 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 30 June 2009, the issued and fully paid-up share capital of the Company, net of expenses, was S\$1,452.2 million (31 March 2009: 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 31 December 2008	1,831,334	1,226,168
As at 1 April 2009	1,831,334	1,226,168
Issue of shares for cash pursuant to a placement in June 2009	110,000	226,069
As at 30 June 2009	1,941,334	1,452,237

The Company did not hold any treasury shares as at 30 June 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 30 June 2009 were as follows:

Date of grant of options	Exercise price per share (S\$)	No. of option shares outstanding as at 01.04.2009	No. of option shares lapsed	No. of option shares exercised	No. of option shares outstanding as at 30.06.2009
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

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, the conversion price has been adjusted from S\$2.7531 per share to S\$2.71 per share and with effect from 5 June 2009, from S\$2.71 per share to S\$2.65 per share.

As of 30 June 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\$2.65 (30 June 2008: S\$2.71) per share and assuming the Notes are fully converted, the number of new ordinary shares to be issued would be approximately 127,641,509 shares as at 30 June 2009 (30 June 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 second quarter and half year ended 30 June 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 financial period 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.

Set out below 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



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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		GROUP	
	2Q 2009 (Unaudited)	2Q 2008 (Unaudited)	1H 2009 (Unaudited)	1H 2008 (Unaudited)
EPS based on Group net profit attributable to shareholders:				
(i) On the weighted average number of shares (S\$)	4.98 cents	3.68 cents	6.31 cents	4.19 cents
- Weighted average number of shares ('000)	1,837,378	1,825,814	1,834,373	1,825,814
(ii) On a fully diluted basis (S\$)	4.69 cents	3.46 cents	5.97 cents	3.97 cents
- Adjusted weighted average number of shares ('000)	1,966,682	1,958,450	1,962,026	1,958,610

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	
	30.06.2009 (Unaudited)	31.12.2008 (Unaudited)	30.06.2009 (Unaudited)	31.12.2008 (Unaudited)
Net asset value per share based on issued share capital at the end of the period/year (S\$)	1.13	1.02	0.78	0.69



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

2Q 2009 vs. 2Q 2008

Benefiting from the increase in ASP per sqm arising from the change in composition of product mix – a higher proportion of the high-profit-margin project at Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai was delivered compared to that in 2Q 2008, revenue in 2Q 2009 grew considerably by 55.6% or S\$220.2 million to S\$615.8 million. Revenue from Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) accounted for 78.5% of the Group's gross revenue derived from the sales of properties in 2Q 2009, while Yanlord Peninsula (Apartment) (星屿仁恒) in Suzhou and Bamboo Gardens (Phase 3) (翠竹园三期) in Nanjing accounted for 8.9% and 6.3% respectively.

In line with the growth in revenue, the Group attained an improved gross profit of S\$382.7 million in 2Q 2009, representing an increase of 75.7% or S\$165.0 million over the respective period last year. The higher gross profit was mainly attributable to the composition change in project being delivered in 2Q 2009, in particular, from Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai. The gross profit margin then grew by 7.1 percentage points to 62.1% in 2Q 2009 as compared to 55.0% in 2Q 2008.

Higher profit before income tax reported at S\$361.8 million in 2Q 2009 as compared to S\$199.0 million in 2Q 2008, and hence led to a higher profit for the period of S\$137.0 million in 2Q 2009 as compared to S\$101.5 million in 2Q 2008. Profit before income tax margin then recorded an increase to 58.8% in 2Q 2009 from 50.3% in 2Q 2008. Profit for the period margin was 22.3% in 2Q 2009 compared with 25.7% in 2Q 2008.

1H 2009 vs. 1H 2008

Revenue of the Group grew by 56.7% or S\$290.3 million to S\$802.2 million in 1H 2009 mainly attributable to the increase in ASP per sqm as compared to the corresponding period last year. The revenue in 1H 2009 was primarily derived from the delivery of Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai, Bamboo Gardens (Phase 3) (翠竹园三期) in Nanjing and Yanlord Peninsula (Apartment) (星屿仁恒) in Suzhou – which contributed 78.8%, 7.8% and 7.5% respectively to the Group's gross revenue derived from the sales of properties.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Due to a higher profit margin from the sale of Yanlord Riverside City (仁恒河滨城) achieved in 1H 2009 over the respective period in 2008, gross profit recorded high at S\$502.3 million representing an increase of 92.1% or S\$240.9 million as compared to 1H 2008. Gross profit margin increased by 11.5 percentage points over the corresponding period to 62.6% in 1H 2009.

As such, profit before income tax in 1H 2009 doubled, as compared with 1H 2008 amounting to S\$459.9 million in 1H 2009, despite a reduction in other operating income as a result of declined tax subsidies and dividend income from an available-for-sale investment. Profit before income tax margin increased by 12.4 percentage points over the corresponding period to 57.3% in 1H 2009.

Compared with the growth in profit before income tax, profit for the period grew at a lower rate by 58.4% to S\$176.8 million in 1H 2009 as compared to S\$111.6 million in 1H 2008, primarily on account of the increase in LAT, dividend withholding tax and enterprise income tax in 1H 2009. Profit for the period margin in 1H 2009 and 1H 2008 remained the same at about 22%.

(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\$79.8 million to S\$88.1 million as at 30 June 2009 primarily due to the increase in the deposits pledged to a bank to secure the bank loans.

Cash and bank balances

The Group's cash and bank balances as at 30 June 2009 grew more than threefold to S\$1,274.6 million as compared to S\$375.7 million as at 31 December 2008 mainly attributable to the improved net cash from operating activities of S\$659.7 million, net proceeds from issue of new shares in June 2009 of S\$226.1 million and cash injection from a minority shareholder of S\$279.9 million.

Other payables

Compared with 31 December 2008, other payables, which primarily included advances received from customers, grew by S\$360.6 million to S\$584.4 million as at 30 June 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 generated net cash inflow from operating activities of S\$528.0 million in 2Q 2009 and S\$659.7 million in 1H 2009 as compared to the cash outflow of S\$62.9 million in 2Q 2008 and S\$163.3 million in 1H 2008, amounting to a considerable increase of S\$590.9 million and S\$823.0 million respectively. The improved inflows were mainly attributable to the sound revenue streams which in return led to higher operating profits generated for the current reporting periods. In addition, the Group received substantial amounts of cash from pre-sold properties in 2Q 2009 and 1H 2009 as compared with the respective periods last year, which were included in "Trade and other payables" in the statements of cash flows.

Net bank loan repayment/drawdown

Net bank loan repayment/drawdown represented proceeds from bank loans net of repayment of bank loans. Net cash outflow to banks of S\$102.5 million in 2Q 2009 and S\$43.8 million in 1H 2009 were recorded as compared with the net cash inflow from banks of S\$65.5 million in 2Q 2008 and S\$341.9 million in 1H 2008. The Group utilised its cash surplus from operating activities to repay the bank borrowings in 2Q 2009 and 1H 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

Driven by the sustained recovery of the PRC economy with the GDP expanding 7.9% year-on-year in 2Q 2009, cumulative property transactions in the PRC for 1H 2009 rose 31.7% year-on-year while total transacted value for the same period rose 53% to RMB1.58 trillion based on statistics released by the PRC National Bureau of Statistics.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Underscoring the continued expansion of the PRC real estate sector were key initiatives promulgated by the PRC Central Government as part of its RMB4.0 trillion economic stimulus package to mitigate against the effects of slower economic growth in the PRC and support the housing sector which has been viewed as a key pillar to the country's economic development.

The Group believes that while the global economy still faces challenges, the continued growth of the PRC domestic economy and growing urbanisation will serve to encourage the sustained development of the PRC economy and its real estate sector.

COMPANY OUTLOOK

As at 30 June 2009, the Group has received advances for pre-sold properties – recorded as “Other payables” in the balance sheet – amounting to approximately S\$536.2 million. Based on existing sales contracts of these pre-sold units, the total contracted pre-sales amounting to S\$800.1 million as at 30 June 2009 will be progressively recognised as revenue in the subsequent quarters.

Capitalising on the progressive recovery of the PRC real estate industry, the Group shall continue to launch new batches of its existing projects, namely, Yanlord Riverside City (Phase 3) (仁恒河滨城三期) and Yunjie Riverside Gardens (Phase 2) (运杰河滨花园二期) in Shanghai, Yanlord Yangtze Riverbay Town (Phase 1) (previously known as Yanlord Yangtze Riverside City) (仁恒江湾城一期) and Yanlord International Apartments (Tower B) (仁恒国际公寓 B 栋) in Nanjing, Yanlord Peninsula (Apartment and Townhouse) (星屿仁恒及星岛仁恒) in Suzhou, Yanlord New City Gardens (Phase 2) (仁恒星园二期) in Zhuhai, Hengye Star Gardens (恒业星园) in Chengdu and Yanlord Riverside Plaza (Phase 1) (仁恒海河广场一期) in Tianjin.

In 2H 2009, the Group is planning to commence construction works for a number of key projects, namely Shanghai New Jiangwan Urban Area Land (仁恒怡庭) and Shanghai Qingpu District Land (上海青浦地块) in Shanghai, Yanlord Yangtze Riverbay Town (Phase 2) (仁恒江湾城二期) and Hexi New Urban Area Land (南京河西新地块) in Nanjing, Yanlord Lakeview Bay (Phase 1) (仁恒双湖湾一期) in Suzhou, Tianjin Haihe Land (Phase 1) (天津海河地块 - 仁恒滨河水岸一期) and Yanlord Riverside Plaza (Phase 2) (仁恒海河广场二期) in Tanjin as well as Yanlord Marina Centre (仁恒滨海中心) in Zhuhai, PRC. Sited in prime locations, the Group believes that these projects, as with other Yanlord developments, will contribute significantly to the future performance of the Group.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Outlook

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, 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 to ensure the sustainable growth of our core business segments.

Barring any unforeseen circumstances, the Board of Directors is confident of the Group's performance relative to the industry trend 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 second quarter and half year financial results of the Group for the period ended 30 June 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 August 2009