



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2010 FINANCIAL STATEMENTS 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	17-19
2&3	Audit Statement	19
4&5	Changes in Accounting Policies	19-20
6	Earnings per Share	20
7	Net Asset Value per Share	21
8	Review of Performance	21-24
9	Variance from Previous Forecast or Prospect Statement	24
10	Outlook and Prospects	24-25
11&12	Dividend	26
13	Confirmation of the Board of Directors	26



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

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 2010

	2Q 2010	2Q 2009	% Change	1H 2010	1H 2009	% Change
	S\$'000	S\$'000	+ / (-)	S\$'000	S\$'000	+ / (-)
Revenue	622,065	615,839	1	795,176	802,213	(1)
Cost of sales	(227,976)	(233,100)	(2)	(302,112)	(299,956)	1
Gross profit	394,089	382,739	3	493,064	502,257	(2)
Other operating income	3,156	2,057	53	5,965	4,530	32
Selling expenses	(4,666)	(6,679)	(30)	(10,461)	(11,707)	(11)
Administrative expenses	(14,296)	(14,068)	2	(33,403)	(29,979)	11
Other operating expenses	(3,661)	(51)	7078	(7,706)	(628)	1127
Finance cost	(9,386)	(2,191)	328	(11,464)	(4,531)	153
Share of loss of jointly controlled entities	(57)	-	NM	(82)	-	NM
Profit before income tax	365,179	361,807	1	435,913	459,942	(5)
Income tax	(209,151)	(224,772)	(7)	(258,585)	(283,157)	(9)
Profit for the period	156,028	137,035	14	177,328	176,785	0
Profit attributable to:						
Equity holders of the						
Company	99,882	91,571	9	118,646	115,838	2
Minority interests	56,146	45,464	23	58,682	60,947	(4)
	156,028	137,035	14	177,328	176,785	0

NM: Not meaningful



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

	2Q 2010	2Q 2009	1H 2010	1H 2009
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Allowance for doubtful debts and bad debts written off	2	-	2	-
Depreciation expense	1,118	1,132	2,160	2,313
Fair value loss on an investment property	3,359	-	3,359	-
Fair value loss (gain) on held-for-trading investment	217	(795)	340	(936)
Finance cost	9,386	2,191	11,464	4,531
Interest income	(2,255)	(1,095)	(3,760)	(2,029)
Net gain on disposal of property, plant and equipment	(4)	(49)	(21)	(1)
Net gain on disposal of investment properties	(24)	(39)	(41)	(46)
Net foreign exchange (gain) loss	(1,490)	514	(588)	462

Revenue and cost of sales

Revenue from sales of properties, in terms of the transacting currency of Renminbi ("RMB"), recorded an increase of 7.3% in 2Q 2010 and 5.0% in 1H 2010 over the corresponding periods in 2009 mainly due to increases in the gross floor area ("GFA") delivered to customers. In line with the revenue, cost of properties sold, in terms of RMB, grew by 4.0% in 2Q 2010 and 7.1% in 1H 2010 as compared to the respective periods last year.

Revenue of the Group in 2Q 2010 and 1H 2010, in terms of Singapore dollar ("SGD") and net of business tax, experienced a slight fluctuation of about 1% over the same periods in 2009 – which was S\$622.1 million in 2Q 2010 and S\$795.2 million in 1H 2010. Cost of sales, in terms of SGD, which mainly included land, construction and capitalised borrowing costs, in current reporting periods varied insignificantly at around 1% to 2% over the respective periods last year – which was S\$228.0 million in 2Q 2010 and S\$302.1 million in 1H 2010.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

The fluctuation, in terms of percentages, for revenue and cost of sales in SGD was smaller than that of RMB, primarily attributable to the strengthening of the SGD against RMB by approximately 6.5% in the current reporting periods as compared to the last respective periods.

The average selling price per square metre ("sqm"), in terms of RMB, remained constant in the current reporting periods as well as the comparable periods last year.

The Group derived substantially all its revenue from the sale of residential properties while a fraction came from the rental of investment properties, provision of property management services and other ancillary services.

Other operating income

Other operating income, which mainly included interest income, government subsidies, fair value gain on held-for-trading investment and net foreign exchange gain, increased by S\$1.1 million in 2Q 2010 and S\$1.4 million in 1H 2010 as compared to the respective periods last year. These increases were primarily on account of higher interest income earned from increasing fixed deposits in banks and a net foreign exchange gain recorded in current reporting periods, partly off set by the fair value gain on held-for-trading investment reported in the respective periods last year.

Selling expenses

Selling expenses, which mainly included staff cost, advertising, promotion and exhibition expenses, dropped by S\$2.0 million in 2Q 2010 and S\$1.2 million in 1H 2010 as compared to corresponding periods in 2009 mainly due to fewer publicity activities.

Administrative expenses

Administrative expenses, which primarily included staff cost, utilities, travel, entertainment, legal and professional fees, other tax, rental, depreciation, office expenses and bank charges, remained constant at approximately S\$14 million in both 2Q 2010 and 2Q 2009. In 1H 2010, these expenses reported an increase of S\$3.4 million as compared to the respective period last year. The increase in 1H 2010 was mainly a result of higher administrative expenses reported in 1Q 2010 which in return was attributable to the higher employees' incentive bonuses and staff headcount to facilitate the Group's long term business expansion as well as the commitment fee of bank loan facilities.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Other operating expenses

Other operating expenses grew by S\$3.6 million in 2Q 2010 as compared with 2Q 2009 mainly attributable to a fair value loss on an investment property in Shanghai, namely Yanlord Plaza (仁恒广场). Together with the loss incurred on the early redemption of convertible notes due in 2012 in 1Q 2010, these expenses in 1H 2010 increased by S\$7.1 million over the corresponding period in 2009.

Finance cost

Finance cost, net of capitalised interest, increased by S\$7.2 million in 2Q 2010 and S\$6.9 million in 1H 2010 over the same periods in 2009. These increases were primarily due to an increase in the interest expense charged to the finance cost in the income statement - for the period when the funds had yet to be used to finance property development projects - in particular, a result of the issuance of US\$300.0 million 9.5% Senior Notes due 2017 in 2Q 2010. In accordance with the Group's accounting policy, the finance cost used to finance the development of the Group's properties, was capitalised. Hence, 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 included statutory enterprise income tax, land appreciation tax and dividend withholding tax, declined by S\$15.6 million in 2Q 2010 and S\$24.6 million in 1H 2010 as compared with respective periods in 2009 mainly due to the decrease in dividend withholding tax. In 2Q 2009, the Group made a provision on dividend withholding tax in relation to the profits earned from 1 January 2008 to 30 June 2009 which led to a relatively higher withholding tax in 2Q 2009 and 1H 2009 as compared with the current reporting periods.



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 2010

	GROUP		COMPANY	
	30.06.2010	31.12.2009	30.06.2010	31.12.2009
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS				
Non-current assets				
Property, plant and equipment	38,156	34,997	-	-
Investment properties	726,912	667,480	-	-
Properties for development	2,721,373	1,954,692	-	-
Investments in subsidiaries	-	-	515,319	515,319
Investments in jointly controlled entities	28,462	28,340	-	-
Available-for-sale investment	10,294	10,220	-	-
Intangible asset	125	125	-	-
Deferred tax assets	24,831	17,254	-	-
Total non-current assets	3,550,153	2,713,108	515,319	515,319
Current assets				
Inventories	478	523	-	-
Completed properties for sale	261,498	240,364	-	-
Properties under development for sale	2,659,365	2,111,133	-	-
Trade receivables	2,408	1,621	-	-
Other receivables and deposits	122,626	112,686	2	-
Non-trade amounts due from:				
Subsidiaries	-	-	2,235,419	1,532,930
Jointly controlled entities	32	25	-	-
An associate	14	-	-	-
Minority shareholders of subsidiaries	240,036	163,008	-	-
Other related party	109	110	-	-
Held-for-trading investment	1,680	2,017	-	-
Pledged bank deposits	2,133	5,042	-	-
Cash and bank balances	1,428,746	1,357,059	3,081	247,244
Total current assets	4,719,125	3,993,588	2,238,502	1,780,174
Total assets	8,269,278	6,706,696	2,753,821	2,295,493



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	GROUP		COMPANY	
	30.06.2010	31.12.2009	30.06.2010	31.12.2009
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<u>EQUITY AND LIABILITIES</u>				
Capital and reserves				
Share capital	1,454,704	1,454,576	1,454,704	1,454,576
Reserves	1,015,286	920,379	103,646	60,022
Equity attributable to equity holders of the Company	2,469,990	2,374,955	1,558,350	1,514,598
Minority interests	1,217,354	810,082	-	-
Total capital and reserves	3,687,344	3,185,037	1,558,350	1,514,598
Non-current liabilities				
Bank loans – due after one year	1,063,082	507,083	-	-
Convertible notes	346,359	664,808	346,359	664,808
Senior notes	403,275	-	403,275	-
Deferred tax liabilities	138,177	118,875	-	-
Non-trade amount due to:				
A minority shareholder of a subsidiary	40,885	40,592	-	-
Total non-current liabilities	1,991,778	1,331,358	749,634	664,808
Current liabilities				
Trade payables	531,995	364,544	-	-
Other payables	1,115,202	1,081,362	17,262	10,765
Non-trade amounts due to:				
A subsidiary	-	-	421,055	99,992
Directors	7,559	5,319	7,520	5,280
A shareholder	-	50	-	50
Minority shareholders of subsidiaries	34,987	30,655	-	-
Income tax payable	646,544	457,687	-	-
Bank loans – due within one year	253,869	250,684	-	-
Total current liabilities	2,590,156	2,190,301	445,837	116,087
Total equity and liabilities	8,269,278	6,706,696	2,753,821	2,295,493



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

	GROUP	
	As at 30.06.2010	As at 31.12.2009
	S\$'000 (Unaudited)	S\$'000 (Unaudited)
Amount repayable in one year or less, or on demand:-		
Secured	187,008	93,505
Unsecured	77,847	184,654
Sub-total 1	264,855	278,159
Amount repayable after one year:-		
Secured	600,555	434,598
Unsecured	1,245,924	770,763
Sub-total 2	1,846,479	1,205,361
Total debt	2,111,334	1,483,520

Details of any collateral

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



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 2010

	2Q 2010	2Q 2009	1H 2010	1H 2009
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Profit before income tax	365,179	361,807	435,913	459,942
Adjustments for:				
Allowance for doubtful debts and bad debts written off	2	-	2	-
Depreciation expense	1,118	1,132	2,160	2,313
Fair value loss on an investment property	3,359	-	3,359	-
Fair value loss (gain) on held-for-trading investment	217	(795)	340	(936)
Finance cost	9,386	2,191	11,464	4,531
Interest income	(2,255)	(1,095)	(3,760)	(2,029)
Loss on redemption of convertible notes	-	-	3,732	-
Net gain on disposal of property, plant and equipment	(4)	(49)	(21)	(1)
Net gain on disposal of investment properties	(24)	(39)	(41)	(46)
Share of loss of jointly controlled entities	57	-	82	-
Operating cash flows before movements in working capital	377,035	363,152	453,230	463,774
Properties for development	(717,083)	(109,972)	(1,149,831)	(129,901)
Inventories	121	(92)	45	(80)
Completed properties for sale	(79,705)	35,350	(19,851)	13,679
Properties under development for sale	23,730	37,187	(106,893)	41,137
Trade and other receivables and deposits	(20,514)	5,217	(10,783)	2,587
Trade and other payables	(20,160)	263,135	186,927	386,086
Cash (used in) generated from operations	(436,576)	593,977	(647,156)	777,282
Interest paid	(16,713)	(14,180)	(79,310)	(32,589)
Income tax paid	(39,696)	(51,783)	(64,070)	(84,987)
Net cash (used in) from operating activities	(492,985)	528,014	(790,536)	659,706



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	2Q 2010	2Q 2009	1H 2010	1H 2009
	S\$'000	S\$'000	S\$'000	S\$'000
Investing activities				
Interest received	2,187	681	3,263	1,319
Decrease (increase) in pledged bank deposits	3,388	14,093	2,909	(79,844)
Proceeds on disposal of property, plant and equipment	20	111	51	162
Proceeds on disposal of investment properties	585	547	1,197	838
Purchase of property, plant and equipment	(1,283)	(890)	(2,364)	(1,311)
Payment for investment properties	(41,713)	-	(59,158)	-
Advance to jointly controlled entities	(7)	-	(7)	-
Advance to an associate	(14)	-	(14)	-
Advance to minority shareholders of subsidiaries	(154)	(21,730)	(75,535)	(87,568)
Advance to other related party	-	-	-	(38)
Net cash used in investing activities	(36,991)	(7,188)	(129,658)	(166,442)
Financing activities				
Dividend paid	(32,651)	(22,525)	(32,651)	(22,525)
Net proceeds on issue of new shares	-	226,069	-	226,069
Net proceeds on issue of new shares under Pre-IPO Share Option Scheme	-	-	92	-
Net proceeds on issue of senior notes	403,102	-	403,102	-
Proceeds from bank loans	112,733	147,920	746,011	392,417
Repayment of bank loans	(44,190)	(250,388)	(180,694)	(436,224)
Redemption of convertible notes	-	-	(314,500)	-
Advance from (repayment to) directors	920	(5,031)	2,240	(4,021)
Repayment to a shareholder	-	(2,622)	(50)	(4,445)
Advance from minority shareholders of subsidiaries	21,168	47	4,476	117
Cash injection from minority shareholders of subsidiaries	159,598	106,416	339,045	279,919
Net cash from financing activities	620,680	199,886	967,071	431,307



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	2Q 2010	2Q 2009	1H 2010	1H 2009
	S\$'000	S\$'000	S\$'000	S\$'000
Net increase in cash and cash equivalents	90,704	720,712	46,877	924,571
Cash and cash equivalents at beginning of period	1,315,171	579,563	1,357,059	375,741
Effect of exchange rate changes on the balance of cash held in foreign currencies	22,871	(25,675)	24,810	(25,712)
Cash and cash equivalents at end of period	1,428,746	1,274,600	1,428,746	1,274,600



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 2010

	2Q 2010	2Q 2009	1H 2010	1H 2009
	S\$'000	S\$'000	S\$'000	S\$'000
Profit for the period	156,028	137,035	177,328	176,785
Other comprehensive income				
(expense):				
Currency translation difference	39,803	(142,696)	41,134	14,684
Other comprehensive income				
(expense) for the period	39,803	(142,696)	41,134	14,684
Total comprehensive income				
(expense) for the period	195,831	(5,661)	218,462	191,469
Total comprehensive income				
(expense) attributable to:				
Equity holders of the Company	131,183	(14,966)	150,235	128,621
Minority interests	64,648	9,305	68,227	62,848
	195,831	(5,661)	218,462	191,469



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Comprehensive Income for the Period Ended 30 June 2010

	2Q 2010	2Q 2009	1H 2010	1H 2009
	S\$'000	S\$'000	S\$'000	S\$'000
Profit for the period	115,974	10,180	98,952	51,198
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	115,974	10,180	98,952	51,198
Total comprehensive income attributable to:				
Equity holders of the Company	115,974	10,180	98,952	51,198
Minority interests	-	-	-	-
	115,974	10,180	98,952	51,198



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 Period Ended 30 June 2010

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Other reserve	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 2010	1,454,576	7,832	108,972	94,842	(386,571)	(57,507)	1,152,811	2,374,955	810,082	3,185,037
Total comprehensive income for the period	-	288	-	-	-	-	18,764	19,052	3,579	22,631
Issuance of shares under Pre-IPO Share										
Option Scheme	128	-	(36)	-	-	-	-	92	-	92
Redemption of convertible notes	-	-	(22,641)	-	-	-	-	(22,641)	-	(22,641)
Capital injection by minority shareholders	-	-	-	-	-	-	-	-	179,447	179,447
Appropriations	-	-	-	(46,001)	-	-	46,001	-	-	-
Balance at 31 March 2010	1,454,704	8,120	86,295	48,841	(386,571)	(57,507)	1,217,576	2,371,458	993,108	3,364,566
Total comprehensive income for the period	-	31,301	-	-	-	-	99,882	131,183	64,648	195,831
Capital injection by a minority shareholder	-	-	-	-	-	-	-	-	159,598	159,598
Dividends	-	-	-	-	-	-	(32,651)	(32,651)	-	(32,651)
Appropriations	-	-	-	259	-	-	(259)	-	-	-
Balance at 30 June 2010	1,454,704	39,421	86,295	49,100	(386,571)	(57,507)	1,284,548	2,469,990	1,217,354	3,687,344



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Group Statements of Changes in Equity for the Period Ended 30 June 2009

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Other reserve	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 shares pursuant to 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 Company Statements of Changes in Equity for the Period Ended 30 June 2010

	Share capital S\$'000	Equity reserve S\$'000	Accumulated	
			(losses) profits S\$'000	Total S\$'000
Balance at 1 January 2010	1,454,576	108,972	(48,950)	1,514,598
Total comprehensive expense for the period	-	-	(17,022)	(17,022)
Issuance of shares under Pre-IPO Share Option Scheme	128	(36)	-	92
Redemption of convertible notes	-	(22,641)	-	(22,641)
Balance at 31 March 2010	1,454,704	86,295	(65,972)	1,475,027
Total comprehensive income for the period	-	-	115,974	115,974
Dividends	-	-	(32,651)	(32,651)
Balance at 30 June 2010	1,454,704	86,295	17,351	1,558,350

Unaudited Company Statements of Changes in Equity for the Period Ended 30 June 2009

	Share capital S\$'000	Equity reserve 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 shares pursuant to 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



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 2010, the issued and fully paid-up share capital of the Company, net of expenses, was S\$1.5 billion (31 March 2010: S\$1.5 billion). 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 2009	1,943,424	1,454,576
As at 1 April 2010	1,943,524	1,454,704
Issuance of shares	-	-
As at 30 June 2010	1,943,524	1,454,704

The Company did not hold any treasury shares as at 30 June 2010 and 31 December 2009.

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 2010 were as follows:

Date of grant of options	Exercise price per share (S\$)	No. of option shares outstanding as at 01.04.2010	No. of option shares lapsed	No. of option shares exercised	No. of option shares outstanding as at 30.06.2010
21.06.2006	0.92	5,212,000	Nil	Nil	5,212,000



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 2012” and each, a “Note 2012”) at a conversion price of S\$2.7531 per share. With effect from 1 June 2007, the conversion price was 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. With effect from 1 June 2010, the conversion price was further adjusted from S\$2.65 to S\$2.62 per share.

In February 2010, the holders of S\$314.5 million outstanding Notes 2012 exercised their redemption option. As of 30 June 2010, S\$23.8 million Notes 2012 remained outstanding for conversion into ordinary shares. No Note 2012 has been converted into ordinary shares in 2Q 2010.

Based on the conversion price of S\$2.62 (30 June 2009: S\$2.65) per share and assuming the Notes 2012 are fully converted, the number of new ordinary shares to be issued would be approximately 9,064,885 shares as at 30 June 2010 (30 June 2009: 127,641,509 shares).

Convertible Notes Due 2014

The Company had in July 2009 issued S\$375.0 million convertible notes due in 2014 (“Notes 2014” and each, a “Note 2014”) at a conversion price of S\$2.6208 per share. With effect from 1 June 2010, the conversion price was adjusted from S\$2.6208 per share to S\$2.59 per share.

As of 30 June 2010, S\$375.0 million Notes 2014 remained outstanding for conversion into ordinary shares. No Note 2014 has been converted into ordinary shares in 2Q 2010.

Based on the conversion price of S\$2.59 per share and assuming the Notes 2014 are fully converted, the number of new ordinary shares to be issued would be approximately 144,787,644 shares as at 30 June 2010.

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).



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2010 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.

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 2009, 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

Since 1 January 2010, the Group has adopted the relevant revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRSs ("INT FRSs") that are effective for the annual financial periods beginning on or after 1 July 2009. The adoption of these 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.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

FRS 27 (Revised) – Consolidation and Separate Financial Statements

FRS 103 (Revised) – Business Combinations

The revised FRS 27 and FRS 103 will be applied prospectively and therefore there will be no impact on prior periods in the Group's financial statements for the year ending 31 December 2010.

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 2010 (Unaudited)	2Q 2009 (Unaudited)	1H 2010 (Unaudited)	1H 2009 (Unaudited)
EPS based on Group net profit attributable to shareholders:				
(i) On the weighted average number of shares (S\$)	5.14 cents	4.98 cents	6.10 cents	6.31 cents
- Weighted average number of shares ('000)	1,943,524	1,837,378	1,943,508	1,834,373
(ii) On a fully diluted basis (S\$)	4.76 cents	4.69 cents	5.61 cents	5.97 cents
- Adjusted weighted average number of shares ('000)	2,098,592	1,966,682	2,122,031	1,962,026



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	
	30.06.2010 (Unaudited)	31.12.2009 (Unaudited)	30.06.2010 (Unaudited)	31.12.2009 (Unaudited)
Net asset value per share based on issued share capital at the end of the period/year (S\$)	1.27	1.22	0.80	0.78

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 2010 vs. 2Q 2009

Following the increase in GFA delivered, revenue of the Group experienced a growth of S\$6.2 million to S\$622.1 million in 2Q 2010 from S\$615.8 million in 2Q 2009. Other than the continuing delivery of the existing project at Yanlord Riverside City (Phase 3) (仁恒河滨城三期) in Shanghai, the Group delivered two new projects namely Yunjie Riverside Gardens (Phase 2) (运杰河滨花园二期) in Shanghai and Yanlord Peninsula (Apartment – Phase 2) (星屿仁恒二期) in Suzhou in 2Q 2010, which accounted for 68.2%, 16.7% and 10.5% respectively of the Group's gross revenue derived from the sales of properties in 2Q 2010.

Gross profit also grew by S\$11.4 million or 3.0% to S\$394.1 million in 2Q 2010 from S\$382.7 million in 2Q 2009 as a result of higher GFA delivered and lower cost of sales. Gross profit margin improved by 1.3 percentage points to 63.4% in 2Q 2010 as compared to 2Q 2009.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Profit before income tax and profit for the period increased in tandem with the gross profit to S\$365.2 million and S\$156.0 million in 2Q 2010 respectively, representing a growth of S\$3.4 million or 0.9% and S\$19.0 million or 13.9% respectively over the corresponding period in 2009. Profit before income tax margin remained constant at approximately 59% in both 2Q 2010 and 2Q 2009, and profit for the period margin increased to 25.1% in 2Q 2010 from 22.3% in 2Q 2009 mainly due to the decrease in dividend withholding tax as mentioned in Note 1(a).

1H 2010 vs. 1H 2009

Riding on the improved GFA delivered, revenue of the Group increased in terms of RMB. However, due to the strengthening of SGD against RMB as mentioned in Note 1(a), revenue was lower at S\$795.2 million in 1H 2010 as compared to S\$802.2 million in 1H 2009. The main revenue contributors in 1H 2010 were Yanlord Riverside City (Phase 3) (仁恒河滨城三期) in Shanghai, Yunjie Riverside Gardens (Phase 2) (运杰河滨花园二期) in Shanghai, Yanlord Peninsula (Apartment – Phase 2) (星屿仁恒二期) in Suzhou and Yanlord International Apartments (Tower B) (仁恒国际公寓 B 栋) in Nanjing, representing 63.9%, 13.2%, 8.3% and 6.8% respectively to the Group's gross revenue from properties sold in 1H 2010.

Gross profit declined slightly by 1.8% to S\$493.1 million in 1H 2010 from S\$502.3 million in 1H 2009, in tandem with the revenue, while gross profit margin remained stable at 62.0% in 1H 2010 as compared to 62.6% in 1H 2009.

Subsequent to the increase in certain administrative expenses and finance cost as well as the fair value loss on an investment property and the loss on early redemption of Notes 2012 as mentioned in Note 1(a), profit before income tax reduced to S\$435.9 million in 1H 2010 from S\$459.9 million in 1H 2009. A 54.8% profit before income tax margin reported in 1H 2010, representing 2.5 percentage points decrease over the comparable period last year.

On the contrary, the Group's profit for the period in 1H 2010 experienced an increase of S\$0.5 million or 0.3% to S\$177.3 million as compared to 1H 2009 mainly due to the decrease in dividend withholding tax as mentioned in Note 1(a). As such, profit for the period margin grew to 22.3% in 1H 2010 from 22.0% in 1H 2009.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

- 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

Convertible notes

Convertible notes decreased by S\$318.4 million to S\$346.4 million as at 30 June 2010 as compared to S\$664.8 million as at 31 December 2009, principally attributable to the redemption of Notes 2012 as exercised by the holders in 1Q 2010. The difference between the nominal value of convertible notes of S\$398.8 million (as mentioned in Note 1(e)(ii) of S\$23.8 million for Notes 2012 and S\$375.0 million for Notes 2014) and the book value of S\$346.4 million (as recorded herein) was mainly attributable to the fair value of conversion options (recorded as “Reserves” in the statements of financial position in accordance with the relevant accounting standards) and the cumulative interest charged.

Senior notes

Senior notes was S\$403.3 million as at 30 June 2010 as compared to nil as at 31 December 2009 mainly due to the issuance of US\$300.0 million 9.5% Senior Notes due 2017 in 2Q 2010. Transaction costs that related to the issuance were included in the carrying amount of the senior notes and amortised over the period of the senior notes using the effective interest method.

STATEMENTS OF CASH FLOWS

Net cash used in/from operating activities

The Group recorded a net cash outflow from operating activities of S\$493.0 million in 2Q 2010 and S\$790.5 million in 1H 2010 as compared to cash inflow of S\$528.0 million in 2Q 2009 and S\$659.7 million in 1H 2009 respectively mainly attributable to the increase in investments in land bank for future development. In 2Q 2010, the Group paid land costs for several projects, namely Chengdu Jinjiang Panchenggang Land (成都锦江攀成钢地块), Sanya Hai Tang Bay – Land Parcel 9 (三亚海棠湾 – 9号地块), Shanghai Qingpu Xujing Town Land (上海青浦徐泾镇地块) and Tangshan Nanhu Eco-City Land Parcels (唐山市南湖生态城地块).



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Net bank loan drawdown/repayment

Net bank loan drawdown/repayment represented proceeds from bank loans net of repayment of bank loans. Net cash inflow from banks of S\$68.5 million in 2Q 2010 and S\$565.3 million in 1H 2010 were recorded as compared with the net cash outflow to banks of S\$102.5 million in 2Q 2009 and S\$43.8 million in 1H 2009. The drawdowns were considered necessary to finance the continued land acquisition for land bank expansion and payment of construction cost for the various projects under development.

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

The PRC economy continues to exhibit strong growth trends with GDP rising 11.1% to RMB17.3 trillion in 1H 2010, based on statistics released by the PRC National Bureau of Statistics. Underscored by this sustained expansion of the domestic economy, total investment in residential developments for 1H 2010 rose 34.4% year on year to RMB1.4 trillion, while transacted property prices across 70 major cities in June 2010 grew 11.4% year on year.

COMPANY OUTLOOK

As at 30 June 2010, the Group has received advances for pre-sold properties (recorded as "Other payables" in the statements of financial position), amounting to approximately S\$1.05 billion. Based on existing sales contracts of these pre-sold units, the total pre-contracted sales amounting to S\$1.13 billion as at 30 June 2010 will be progressively recognised as revenue in the subsequent quarters.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Capitalising on the sustained expansion of the PRC real estate industry, the Group will continue to launch new projects and a new batch of its existing project in the second half of 2010, namely, Yanlord G53 Apartment (仁恒G53公寓), formerly known as Nanjing Hexi Land (南京河西地块), in Nanjing, Yanlord Townhouse (仁恒怡庭) in Shanghai and Yanlord New City Gardens (Phase 2) (仁恒星园二期) in Zhuhai.

The Group will also commence the construction of Yanlord Sunland Gardens (Phase 1) (仁恒森兰雅苑一期), formerly known as Shanghai Waigaoqiao Area Land (上海森兰外高桥地块), in Shanghai and Yanlord Yangtze Riverbay Town (Phase 3) (仁恒江湾城三期) in Nanjing in the second half of 2010.

In 3Q 2010, the Group will add a new milestone to its investment property portfolio with the opening of its prestigious Yanlord Landmark (仁恒置地广场), a commercial development in Chengdu, PRC. Earmarked by the Sichuan provincial government as a “keynote” development, the approximately 165,000 sqm GFA fully integrated Yanlord Landmark (仁恒置地广场) will incorporate Grade “A” office areas, serviced apartments and a high-end shopping mall.

Outlook

Given the volatilities in the global economy and the recent tightening measures of the government's credit policies in the PRC, the Group will continue to maintain its strong cash position and prudent financial policies to ensure the sustainable growth and 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. This will best allow for the sustainable growth of our core business segments and capitalise on the long term growth prospects of the PRC real estate sector.

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.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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.

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 2010 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
11 August 2010