



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED FIRST QUARTER ENDED 31 MARCH 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	9-10
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	15-17
2&3	Audit Statement	17
4&5	Changes in Accounting Policies	17-18
6	Earnings per Share	18
7	Net Asset Value per Share	18
8	Review of Performance	19-21
9	Variance from Previous Forecast or Prospect Statement	21
10	Outlook and Prospects	21-23
11&12	Dividend	23
13	Confirmation of the Board of Directors	24



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 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 31 March 2010

	1Q 2010	1Q 2009	% Change
	S\$'000	S\$'000	+ / (-)
Revenue	173,111	186,374	(7)
Cost of sales	(74,136)	(66,856)	11
Gross profit	98,975	119,518	(17)
Other operating income	2,809	2,473	14
Selling expenses	(5,795)	(5,028)	15
Administrative expenses	(19,107)	(15,911)	20
Other operating expenses	(4,045)	(577)	601
Finance cost	(2,078)	(2,340)	(11)
Share of loss of jointly controlled entities	(25)	-	NM
Profit before income tax	70,734	98,135	(28)
Income tax	(49,434)	(58,385)	(15)
Profit for the period	21,300	39,750	(46)
Profit attributable to:			
Equity holders of the Company	18,764	24,267	(23)
Minority interests	2,536	15,483	(84)
	21,300	39,750	(46)

NM: Not meaningful



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

	1Q 2010	1Q 2009
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Depreciation expense	1,042	1,181
Fair value loss (gain) on held-for-trading investment	123	(141)
Finance cost	2,078	2,340
Interest income	(1,505)	(934)
Net (gain) loss on disposal of property, plant and equipment	(17)	48
Net gain on disposal of investment properties	(17)	(7)
Net foreign exchange loss (gain)	902	(52)

Revenue and cost of sales

The Group achieved a commendable increase in total pre-contracted sales as at 31 March 2010 amounting to S\$1.4 billion – which represented a growth of 18.6% or S\$217.9 million as compared with S\$1.2 billion as at 31 December 2009. The S\$1.4 billion pre-contracted sales will be progressively recognised as revenue in the subsequent quarters.

Revenue of the Group, net of business tax, was S\$173.1 million in 1Q 2010 as compared to S\$186.4 million in 1Q 2009 representing a decrease of 7.1% mainly attributable to a decrease in the gross floor area (“GFA”) delivered in 1Q 2010 as compared with 1Q 2009. The average selling price (“ASP”) per square metre (“sqm”) in both 1Q 2010 and 1Q 2009 remained constant.

Cost of sales, which mainly included land, construction and capitalised borrowing costs, increased by S\$7.3 million to S\$74.1 million in 1Q 2010 from S\$66.9 million in 1Q 2009. The higher cost of sales in 1Q 2010 was on account of 37.0% of the product mix being at a relatively higher developmental cost.

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.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Other operating income

Other operating income, which primarily included interest income and government subsidies, grew to S\$2.8 million in 1Q 2010 from S\$2.5 million in 1Q 2009 mainly driven by an increase in interest income as a result of improved cash and bank balances as well as an increased amount of funds placed in fixed deposits.

Selling expenses

Selling expenses, which principally included staff cost, advertising, promotion and exhibition expenses, was higher at S\$5.8 million in 1Q 2010 as compared with S\$5.0 million in 1Q 2009, mainly a result of an increase in bonuses in respect of last year's sound performance together with an increasing number of marketing workforce and sales locations in the current reporting period.

Administrative expenses

Administrative expenses, which mainly included staff cost, utilities, travel, entertainment, legal and professional fees, other tax, rental, depreciation, office expenses, bank charges and net foreign exchange loss, recorded at S\$19.1 million in 1Q 2010 as compared to S\$15.9 million in 1Q 2009. The increase was primarily on account of a growth in employees' incentive bonuses and staff headcount to facilitate the Group's long term business expansion. Other contributors included higher exchange loss and commitment fee of bank loan facilities.

Other operating expenses

Other operating expenses in 1Q 2010 were higher at S\$4.0 million as compared with S\$0.6 million in 1Q 2009 amounting to an increase of S\$3.5 million mainly attributable to a S\$3.7 million loss on early redemption of convertible notes due in 2012 ("Notes 2012"). In February 2010, the holders of S\$314.5 million outstanding Notes 2012, representing approximately 93% of all S\$338.3 million outstanding, exercised their redemption options. As the liability component of the consideration paid was higher than its book value at the redemption date, the difference was recognised as a loss in the income statements in 1Q 2010 in accordance with the Financial Reporting Standard 32 - Financial Instruments: Presentation.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Finance cost

Finance cost, net of capitalised interest, dropped by S\$0.3 million to S\$2.1 million in 1Q 2010 over the corresponding period in 2009 principally attributable to a reduction in interest expense as a result of the early redemption of Notes 2012. In accordance with the Group's accounting policy, 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 ("LAT") and dividend withholding tax, declined by S\$9.0 million to S\$49.4 million in 1Q 2010 from S\$58.4 million in 1Q 2009 mainly due to a lower LAT as a result of a decrease in the percentage of the units delivered at the high-profit-margin project at Yanlord Riverside City (仁恒河滨城) in Shanghai in 1Q 2010 as compared with 1Q 2009.



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 2010

	GROUP		COMPANY	
	31.03.2010 S\$'000 (Unaudited)	31.12.2009 S\$'000 (Audited)	31.03.2010 S\$'000 (Unaudited)	31.12.2009 S\$'000 (Audited)
<u>ASSETS</u>				
Non-current assets				
Property, plant and equipment	34,940	34,997	-	-
Investment properties	684,332	667,480	-	-
Properties for development	2,381,682	1,954,692	-	-
Investments in subsidiaries	-	-	515,319	515,319
Investments in jointly controlled entities	28,312	28,340	-	-
Available-for-sale investment	10,220	10,220	-	-
Intangible asset	125	125	-	-
Deferred tax assets	19,067	17,254	-	-
Total non-current assets	3,158,678	2,713,108	515,319	515,319
Current assets				
Inventories	599	523	-	-
Completed properties for sale	180,511	240,364	-	-
Properties under development for sale	2,256,385	2,111,133	-	-
Trade receivables	2,255	1,621	-	-
Other receivables and deposits	102,540	112,686	3	-
Non-trade amounts due from:				
Subsidiaries	-	-	1,731,267	1,532,930
Jointly controlled entities	25	25	-	-
Minority shareholders of subsidiaries	238,594	163,008	-	-
Other related party	110	110	-	-
Held-for-trading investment	1,894	2,017	-	-
Pledged bank deposits	5,521	5,042	-	-
Cash and bank balances	1,315,171	1,357,059	7,987	247,244
Total current assets	4,103,605	3,993,588	1,739,257	1,780,174
Total assets	7,262,283	6,706,696	2,254,576	2,295,493



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	GROUP		COMPANY	
	31.03.2010	31.12.2009	31.03.2010	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	916,754	920,379	20,323	60,022
Equity attributable to equity holders of the Company	2,371,458	2,374,955	1,475,027	1,514,598
Minority interests	993,108	810,082	-	-
Total capital and reserves	3,364,566	3,185,037	1,475,027	1,514,598
Non-current liabilities				
Bank loans – due after one year	1,127,585	507,083	-	-
Convertible notes	342,910	664,808	342,910	664,808
Deferred tax liabilities	123,580	118,875	-	-
Non-trade amount due to:				
A minority shareholder of a subsidiary	51,499	40,592	-	-
Total non-current liabilities	1,645,574	1,331,358	342,910	664,808
Current liabilities				
Trade payables	356,017	364,544	-	-
Other payables	1,292,277	1,081,362	5,144	10,765
Non-trade amounts due to:				
A subsidiary	-	-	424,895	99,992
Directors	6,639	5,319	6,600	5,280
A shareholder	-	50	-	50
Minority shareholders of subsidiaries	3,182	30,655	-	-
Income tax payable	479,709	457,687	-	-
Bank loans – due within one year	114,319	250,684	-	-
Total current liabilities	2,252,143	2,190,301	436,639	116,087
Total equity and liabilities	7,262,283	6,706,696	2,254,576	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 31.03.2010	As at 31.12.2009
	S\$'000	S\$'000
	(Unaudited)	(Unaudited)
Amount repayable in one year or less, or on demand:-		
Secured	93,608	93,505
Unsecured	20,711	184,654
Sub-total 1	114,319	278,159
Amount repayable after one year:-		
Secured	601,417	434,598
Unsecured	913,455	770,763
Sub-total 2	1,514,872	1,205,361
Total debt	1,629,191	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 31 March 2010

	1Q 2010	1Q 2009
	S\$'000	S\$'000
Operating activities		
Profit before income tax	70,734	98,135
Adjustments for:		
Depreciation expense	1,042	1,181
Fair value loss (gain) on held-for-trading investment	123	(141)
Finance cost	2,078	2,340
Interest income	(1,505)	(934)
Loss on redemption of convertible notes	3,732	-
Net (gain) loss on disposal of property, plant and equipment	(17)	48
Net gain on disposal of investment properties	(17)	(7)
Share of loss of jointly controlled entities	25	-
Operating cash flows before movements in working capital	76,195	100,622
Properties for development	(432,748)	(19,929)
Inventories	(76)	12
Completed properties for sale	59,854	(21,671)
Properties under development for sale	(130,623)	3,950
Trade and other receivables and deposits	9,731	(2,630)
Trade and other payables	207,087	122,951
Cash (used in) generated from operations	(210,580)	183,305
Interest paid	(62,597)	(18,409)
Income tax paid	(24,374)	(33,204)
Net cash (used in) from operating activities	(297,551)	131,692



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	1Q 2010	1Q 2009
	S\$'000	S\$'000
Investing activities		
Interest received	1,076	638
Decrease in pledged bank deposits	(479)	(93,937)
Proceeds on disposal of property, plant and equipment	31	51
Proceeds on disposal of investment properties	612	291
Purchase of property, plant and equipment	(1,081)	(421)
Payment for investment properties	(17,445)	-
Advance to minority shareholders of subsidiaries	(75,381)	(65,838)
Advance to other related party	-	(38)
Net cash used in investing activities	<u>(92,667)</u>	<u>(159,254)</u>
Financing activities		
Net proceeds on issue of new shares under Pre-IPO Share Option Scheme	92	-
Proceeds from bank loans	633,278	244,497
Repayment of bank loans	(136,504)	(185,836)
Advance from directors	1,320	1,010
Redemption of convertible notes	(314,500)	-
Repayment to a shareholder	(50)	(1,823)
(Repayment to) advance from minority shareholders of subsidiaries	(16,692)	70
Cash injection from minority shareholders of subsidiaries	179,447	173,503
Net cash from financing activities	<u>346,391</u>	<u>231,421</u>
Net (decrease) increase in cash and cash equivalents	(43,827)	203,859
Cash and cash equivalents at beginning of period	1,357,059	375,741
Effect of exchange rate changes on the balance of cash held in foreign currencies	1,939	(37)
Cash and cash equivalents at end of period	<u><u>1,315,171</u></u>	<u><u>579,563</u></u>



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 2010

	GROUP		COMPANY	
	1Q 2010	1Q 2009	1Q 2010	1Q 2009
	S\$'000	S\$'000	S\$'000	S\$'000
Profit (loss) for the period	21,300	39,750	(17,022)	41,018
Other comprehensive income:				
Currency translation difference	1,331	157,380	-	-
Other comprehensive income for the period	1,331	157,380	-	-
Total comprehensive income (expense) for the period	22,631	197,130	(17,022)	41,018
Total comprehensive income (expense) attributable to:				
Equity holders of the Company	19,052	143,587	(17,022)	41,018
Minority interests	3,579	53,543	-	-
	22,631	197,130	(17,022)	41,018



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 Period Ended 31 March 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



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Group Statements of Changes in Equity for the Period Ended 31 March 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



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Changes in Equity for the Period Ended 31 March 2010

	Share capital S\$'000	Equity reserve S\$'000	Accumulated losses 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

Unaudited Company Statements of Changes in Equity for the Period Ended 31 March 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



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 31 March 2010, the issued and fully paid-up share capital of the Company, net of expenses, was S\$1.5 billion (31 December 2009: 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 1 January 2010	1,943,424	1,454,576
Issuance of shares under Pre-IPO Share Option Scheme	100	128
As at 31 March 2010	<u>1,943,524</u>	<u>1,454,704</u>

The Company did not hold any treasury shares as at 31 March 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 31 March 2010 were as follows:

Date of grant of options	Exercise price per share (S\$)	No. of option shares outstanding as at 01.01.2010	No. of option shares lapsed	No. of option shares exercised	No. of option shares outstanding as at 31.03.2010
21.06.2006	0.92	5,312,000	Nil	100,000	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.

In February 2010, the holders of S\$314.5 million outstanding Notes 2012 exercised their redemption option. As of 31 March 2010, S\$23.8 million Notes 2012 remained outstanding for conversion into ordinary shares. No Note 2012 has been converted into ordinary shares during the current financial period.

Based on the conversion price of S\$2.65 (31 March 2009: S\$2.71) per share and assuming the Notes 2012 are fully converted, the number of new ordinary shares to be issued would be approximately 8,962,264 shares as at 31 March 2010 (31 March 2009: 124,815,535 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.

As of 31 March 2010, S\$375.0 million Notes 2014 remained outstanding for conversion into ordinary shares. No Note 2014 has been converted into ordinary shares during the current financial period.

Based on the conversion price of S\$2.6208 per share and assuming the Notes 2014 are fully converted, the number of new ordinary shares to be issued would be approximately 143,086,080 shares as at 31 March 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 first quarter ended 31 March 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

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 July 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.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

The followings are the new and 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	
	1Q 2010	1Q 2009
	(Unaudited)	(Unaudited)
EPS based on Group net profit attributable to shareholders:		
(i) On the weighted average number of shares (S\$)	0.97 cents	1.33 cents
- Weighted average number of shares ('000)	1,943,491	1,831,334
(ii) On a fully diluted basis (S\$)	0.89 cents	1.27 cents
- Adjusted weighted average number of shares ('000)	2,145,717	1,956,150

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	
	31.03.2010	31.12.2009	31.03.2010	31.12.2009
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net asset value per share based on issued share capital at the end of the period/year (S\$)	1.22	1.22	0.76	0.78



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**

1Q 2010 vs. 1Q 2009

The Group recorded revenue of S\$173.1 million in 1Q 2010 representing a decrease of 7.1% or S\$13.3 million over the corresponding period in 2009. While GFA delivered to customers declined in 1Q 2010 as compared to 1Q 2009 in line with the Group's delivery schedule, ASP per sqm for the Group remained constant in both 1Q 2010 and 1Q 2009. Revenue of the Group in 1Q 2010 was mainly derived from the delivery of Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai, Yanlord International Apartments (Tower B) (仁恒国际公寓 B 栋) in Nanjing, Yanlord Peninsula (Townhouse) (星岛仁恒) in Suzhou, and Yanlord New City Gardens (Phase 1 and 2 – Section 1) (仁恒星园一期及二期一段) in Zhuhai, accounted for 48.0%, 24.9%, 12.1% and 7.9%, respectively, of the Group's gross revenue derived from the sales of properties in 1Q 2010. This compared against 1Q 2009 whereby 80.0% of the Group's gross revenue from the sales of properties was derived from Yanlord Riverside City (Phase 2 and 3) (仁恒河滨城二及三期) in Shanghai and reflected the growing maturity of the Group's developments in other regions with the PRC.

Following the lower revenue recognised and higher cost of sales as mentioned above and in Note 1(a), gross profit was lower at S\$99.0 million in 1Q 2010 as compared to S\$119.5 million in 1Q 2009. As such, gross profit margin declined to 57.2% in 1Q 2010 from 64.1% in 1Q 2009.

Profit before income tax and the profit margin decreased to S\$70.7 million and 40.9% in 1Q 2010 from S\$98.1 million and 52.7% in 1Q 2009, respectively, as a result of lower gross profit along side with the growth of general staff cost to sustain the on-going development of the Group as well as the additional loss incurred on the early redemption of Notes 2012, as mentioned in Note 1(a) above.

As such, profit for the period and the profit margin declined to S\$21.3 million and 12.3% in 1Q 2010 from S\$39.8 million and 21.3% in 1Q 2009, respectively.



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\$321.9 million to S\$342.9 million as at 31 March 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 February 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\$342.9 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.

Other payables

Other payables, which mainly included advances received from customers, grew to S\$1.3 billion as at 31 March 2010 from S\$1.1 billion as at 31 December 2009 primarily driven by the increased pre-sales proceeds received from customers.

STATEMENTS OF CASH FLOWS

Net cash used in/from operating activities

S\$297.6 million of net cash outflow from operating activities was recorded in 1Q 2010 as compared to S\$131.7 million inflow in 1Q 2009. In line with the business strategies and long term development plans, the Group continuously increased its investments in land bank for future development. In 1Q 2010, the land costs of several projects had been paid, particularly in Shanghai Waigaoqiao Area Land (上海森兰外高桥地块), Chengdu Jinjiang Panchenggang Land (成都锦江攀成钢地块) and Sanya Hai Tang Bay – Land Parcel 9 (三亚海棠湾 – 9号地块), and thus resulted in a significant cash outflow in operating activities in 1Q 2010. Besides, the funds used in properties under development for sale in 1Q 2010 also experienced an increase as compared with 1Q 2009, partially off set by an improved pre-sales proceeds received from customers.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Net bank loan drawdown

Net bank loan drawdown represented proceeds from bank loans net of repayment of bank loans. The Group recorded a higher net cash inflow from the banks in 1Q 2010 of S\$496.8 million as compared to S\$58.7 million in 1Q 2009 amounting to an increase of S\$438.1 million primarily as a result of the bank loan drawdown to fund the investments in various project developments.

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 reported its second consecutive quarter of double digit growth with GDP rising 11.9% to RMB8.1 trillion in 1Q 2010, based on statistics released by the PRC National Bureau of Statistics. Total investment in housing for 1Q 2010 rose 35.1% year on year to RMB6.6 trillion while transacted property prices across 70 major cities in March 2010 grew 14.2% year on year and 1.2% sequentially from the preceding month.

While near-term market sentiments in the property may be volatile following recent austerity measures introduced by the PRC central government, the Group remains confident about the long term potential of the PRC real estate sector driven by the sustained development of the PRC economy and believes that recent measures introduced will serve as a firm platform that encourages the long term development of the PRC real estate sector.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

COMPANY OUTLOOK

As at 31 March 2010, the Group has received advances for pre-sold properties (recorded as “Other payables” in the statements of financial position), amounting to approximately S\$1.3 billion. Based on existing sales contracts of these pre-sold units, the total pre-contracted sales amounting to S\$1.4 billion as at 31 March 2010 will be progressively recognised as revenue in the subsequent quarters.

Subsequent to the end of the period, the Group announced on 27 April 2010, its successful issue of US\$300 million 9.5% Senior Notes due 2017. Receiving the very positive response from the market, the notes were more than two times oversubscribed, reflecting the broader market's continued confidence about the long-term prospects of the Group. Its proceeds will be used to fund the acquisition of land.

Capitalising on the sustained expansion of the PRC real estate industry, the Group will continue to launch new batches of its existing projects in 2Q 2010, namely, Yunjie Riverside Gardens (Phase 2) (运杰河滨花园二期) in Shanghai, Yanlord Peninsula (Apartment) (星屿仁恒) in Suzhou, Yanlord Riverside Plaza (Phase 1) (海河广场一期) in Tianjin and Yanlord New City Gardens (Phase 2) (仁恒星园二期) in Zhuhai.

In 3Q 2010, the Group will add a new milestone to its investment property portfolio with the opening of its prestigious Yanlord Landmark 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 will incorporate Grade “A” office areas, serviced apartments and a high-end shopping mall offering retail, conference, residence as well as other business and recreational facilities catering to the needs of multinational corporations who plan to locate their regional headquarters in Chengdu. The epitome of retail malls in Chengdu, Yanlord Landmark will showcase the latest fashion and accessories from the flagship stores of many international luxury brands including Louis Vuitton, Christian Dior, Prada and Hugo Boss.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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.

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 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
13 May 2010