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MEDIA RELEASE

YAMADA 1Q11 NET PROFIT UP 17.6% TO RMB63.1 MILLION ON REVENUE OF RMB164.0 MILLION

- ***1Q11 revenue rose 31.4% on strong demand for self-cultivated edible fungus products such as shiitake mushrooms and black fungus***
- ***Sales of self-cultivated shiitake mushroom surged 36.5% to RMB123.5 million in 1Q11 due to higher selling price and progressive expansion of cultivation farm lands***
- ***Maiden contribution of RMB4.6 million from newly leased black fungus cultivation base***
- ***Higher margin self-cultivated edible fungus products contribution to Group revenue rose to 78.1% in 1Q11 from 72.5% in 1Q10***
- ***Expect positive contribution to Group earnings in 2011 and 2012 from on-going expansion of shiitake mushroom cultivation bases which increased significantly by 64% to 4,292 mu from 2,614 mu since April 2011***

Financial Highlights (RMB Million)	1Q11	1Q10	Change
Revenue	**164.0**	124.8	+31.4%
Gross Profit	**73.6**	61.5	+19.8%
Gross Profit Margin (%)	**44.9**	49.2	-4.3ppt
Profit after Tax	**63.1**	53.7	+17.6%
Earnings per share (RMB cents) *Based on 406,595,175 shares ** Based on 331,683,218 shares	**15.5***	16.2**	-0.7 cents

Singapore, 3 May 2011 – SGX Mainboard-listed Yamada Green Resources Limited ("Yamada", or "the Group" or "山田绿色资源有限公司"), a major supplier of self-cultivated shiitake mushrooms as well as a manufacturer and distributor of processed food products in Fujian Province, People's Republic of China ("PRC"), is pleased to announce its financial results for the first three months ended 31 March 2011 ("1Q11").

1Q11 Results Highlights

For 1Q11, Yamada posted a net profit after tax of RMB63.1 million, up 17.6% from RMB53.7 million in the same period last year (“1Q10”). The Group achieved its double-digit growth on the back of higher orders for both key product segments, namely self-cultivated edible fungus and processed food products.

The improvement in Group revenue was primarily due to the higher sales of self-cultivated edible fungus, whereby sales surged 41.5% to RMB128.1 million in 1Q11 from RMB90.5 million in 1Q10. The higher sales of self-cultivated edible fungus were due to the fact that in 1Q11, Yamada’s operated on a larger shiitake mushroom cultivation base on approximately 2,614 mu* compared with approximately 2,213 mu in 1Q10. As a result, sales of self-cultivated shiitake mushroom jumped 36.5% to RMB123.5 million in 1Q11. Yamada also benefited from maiden contribution of RMB4.6 million in sales from newly leased black fungus cultivation base and higher average selling price of fresh self-cultivated shiitake mushrooms, which rose 6% to RMB7.0 per kg in 1Q11 from RMB6.6 per kg in 1Q10.

Sales of processed food products also increased by 4.7% to RMB35.9 million in 1Q11 from RMB34.3 million in 1Q10. This was mainly due to higher demand from our key export market, namely Japan as well as growing domestic sales of dietary fibre food products including konjac-based processed food products which benefitted from our continuous promotional efforts in the China market.

In tandem with higher Group revenue, 1Q11 gross profit increased by 19.8% to RMB73.6 million from RMB61.5million in 1Q10. The gross profit margin decreased to 44.9% in 1Q11 from 49.2% in 1Q10 a result of rising raw material cost of our processed food as well as higher cost of synthetic logs of self-cultivated shiitake mushrooms. However, the increase in raw material costs were partly mitigated by the upward adjustment to our selling price of self-cultivated shiitake mushrooms in 1Q11.

Growing Contribution From Higher Margin Segment

As a result of stronger growth momentum for self-cultivated mushroom and new contribution from black fungus, self cultivated edible fungus products which commanded higher margins compared to processed food products saw higher contribution to Group revenue, rising to 78.1% of Group revenue in 1Q11 compared to 72.5% in 1Q10. Processed food products contribution to Group revenue declined to 21.9% in 1Q11 from 27.5% in 1Q10.

Selling and distribution expenses increased by approximately RMB2.1 million or 394.1%, from RMB0.5 million in 1Q10 to RMB2.6 million in 1Q11. This was mainly due to increase in sales commission paid to certain new customers who are also wholesalers of fresh shiitake mushrooms in an effort to increase our sales.

Administrative expenses increased by approximately RMB0.9 million or 25.6%, from RMB3.4 million in 1Q10 to RMB4.3 million in 1Q11. This was mainly attributable to the increase in salaries and salary-related costs such as social insurance contributions.

Financial Strength

Yamada continued to maintain a strong financial position in 1Q11. As at 31 March 2011, the Group's cash and bank balances stood at RMB67.1 million with zero gearing.

Mr Chen Qiuhai (陈秋海), Yamada's Executive Chairman and CEO, commented: "We are delighted to report a healthy set of results which reflected strong growth momentum from our higher margin self-cultivated edible fungus products segment, leading to a positive shift in our product mix."

"**Looking ahead, I expect sales momentum of self-cultivated edible fungus products, especially shiitake mushrooms to remain strong and contribute positively to Group earnings in 2011 and 2012. This is due to our on-going expansion plans for shiitake mushroom cultivation bases which increased significantly by 64% to 4,292 mu from 2,614 mu since April 2011. Mindful of the rising land costs in China, we will be sensible in executing our expansion plans."**

Future Outlook & Growth Strategies

We believe that the growing disposable income in the PRC as well as the greater emphasis towards green and healthy foods are factors that will create increased demand for some of our key products such as shiitake mushrooms and dietary fibre food products (including konjac-based processed food products).

To capitalise on potential growth opportunities, the Group will continue to execute its growth strategies such as expansion of shiitake mushroom cultivation base, expansion of production capacity, expansion of distribution network and securing upstream supply of sawdust for cultivation of shiitake mushroom.

The Group will continue to seek opportunities to expand the range of self-cultivated products in line with its strategic plans. In February 2011, the Group announced that it has commenced a feasibility study of small scale cultivation of black fungus with the leasing of black fungus cultivation plots measuring approximately 86 mu. The annual production capacity of fresh black fungus is estimated to be 2,800 tonnes. This recent investment will enable the Group to capitalise on its cultivation knowledge, experience and expertise.

Barring unforeseen circumstances, we are optimistic about our performance in FY2011.

*1 mu is equivalent to approximately 667 square metres

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About Yamada Green Resources Limited

Yamada is a major supplier of shiitake mushrooms, operating one of the largest shiitake mushrooms cultivation bases of approximately 4,292 mu in Fujian Province, PRC. Yamada possesses potential upstream resource sustainability with its eucalyptus plantations of approximately 30,000 mu, which can be harvested from 2012 onwards. The sawdust from the eucalyptus trees are the raw material for the synthetic logs used in the cultivation of shiitake mushrooms.

Yamada's products include self-cultivated shiitake mushrooms, which are mainly sold as fresh produce to wholesalers of agricultural food products in PRC and processed food products such as mushrooms and vegetable and convenience food products (mainly konjac-based). Its processed food products are sold in major cities in PRC such as Shanghai, Xiamen, Shenzhen and Guangzhou under its trademarked brands such as "旺成食品", "研食坊" and "懒人厨房". Yamada also exports its processed food products to mainly Japan and the US under its customers' own brands.

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