渝太地產集團有限公司*
Y. T. REALTY GROUP LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 75)

2007 Annual Results Announcement

The board of directors of Y. T. Realty Group Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2007. The annual results have been reviewed by the audit committee of the Company.

CONSOLIDATED INCOME STATEMENT
Year ended 31 December 2007

	Notes	**2007** *HK$'000*	2006 *HK$'000*
REVENUE	*2*	**116,520**	99,473
Direct outgoings		**(7,802)**	(5,383)
Cost of properties sold		**(570)**	(288)
		108,148	93,802
Other income		**26,526**	4,639
Administrative expenses		**(28,682)**	(29,368)
Finance costs		**(35,147)**	(34,313)
Changes in fair value of investment properties		**187,892**	190,004
Fair value gain of an unlisted share option granted by an associate		**-**	39,485
Impairment loss on other investments		**-**	(356)
Share of results of an associate		**109,742**	63,374
PROFIT BEFORE TAX	*3*	**368,479**	327,267
Tax	*4*	**(39,916)**	(39,179)
PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**328,563**	288,088
PROPOSED FINAL DIVIDEND	*5*	**23,987**	23,987
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic earnings per share	*6*	**HK41.1 cents**	HK36.0 cents

Per share information :		
- Dividend per share	**HK3.0 cents**	HK3.0 cents
- Net asset value per share	**HK$3.73**	HK$3.29

CONSOLIDATED BALANCE SHEET

31 December 2007

	Notes	**2007**	2006
		HK$'000	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**1,043**	1,490
Investment properties		**2,315,900**	2,125,050
Interest in an associate		**1,413,205**	1,290,349
Other investments		**800**	879
Total non-current assets		**3,730,948**	3,417,768
CURRENT ASSETS			
Properties held for sale		**1,136**	1,704
Trade receivables	*7*	**18,529**	6,935
Other receivables, deposits and prepayments		**7,204**	7,973
Tax recoverable		**-**	867
Cash and bank balances		**61,247**	42,954
Total current assets		**88,116**	60,433
CURRENT LIABILITIES			
Trade payables	*8*	**1,398**	6,595
Other payables and accrued expenses		**63,825**	59,572
Bank loans, secured		**253,100**	249,000
Tax payable		**563**	-
Total current liabilities		**318,886**	315,167
NET CURRENT LIABILITIES		**(230,770)**	(254,734)
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,500,178**	3,163,034
NON-CURRENT LIABILITIES			
Bank loans, secured		**363,900**	417,000
Deferred tax liabilities		**148,856**	111,883
Total non-current liabilities		**512,756**	528,883
Net assets		**2,987,422**	2,634,151
EQUITY			
Equity attributable to equity holders of the Company			
Issued share capital		**79,956**	79,956
Reserves		**2,883,479**	2,530,208
Proposed final dividend		**23,987**	23,987
Total equity		**2,987,422**	2,634,151

Notes :

1 Basis of preparation and accounting policies

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and an unlisted share option granted by an associate, which have been measured at fair value.

The basis of preparation and accounting policies used in the preparation of these financial statements are consistent with those used in the Group's audited financial statements for the year ended 31 December 2006, except in relation to the new and revised HKFRSs including HKFRS 7 "Financial Instruments: Disclosures", HKAS 1 Amendment "Presentation of Financial Statement-Capital Disclosures", HK(IFRIC)-Int 8 "Scope of HKFRS 2", HK(IFRIC)-Int 9 "Reassessment of Embedded Derivatives" and HK(IFRIC)-Int 10 "Interim Financial Reporting and Impairment". The adoption of these new and revised HKFRSs has had no material effect on these financial statements.

2 Revenue and segment information

The Group is principally engaged in property investment, property trading, provision of property management and related services and investment holding.

Revenue, which is also the Group's turnover, represents the aggregate of gross rental income received and receivable from investment properties, the proceeds from the sale of properties, and the income from property management and related services.

An analysis by principal activity and geographical area of operations of the Group's revenue and results are summarised as follows:

(a) Business segments

	Year ended 31 December 2007				
	Property investment *HK$'000*	**Property trading** *HK$'000*	**Property management and related services** *HK$'000*	**Operation of driver training centres and tunnel operation and management** *HK$'000*	**Consolidated** *HK$'000*
Segment revenue	**105,131**	**480**	**10,909**	**-**	**116,520**
Segment results	**262,706**	**(124)**	**7,708**	**-**	**270,290**
Unallocated income					**17,555**
Gain on disposal of subsidiaries					**6,039**
Finance costs					**(35,147)**
Share of results of an associate	**-**	**-**	**-**	**109,742**	**109,742**
Profit before tax					**368,479**
Tax					**(39,916)**
Profit for the year					**328,563**
Assets and liabilities					
Segment assets	**2,385,501**	**16,458**	**3,100**	**-**	**2,405,059**
Interest in an associate	**-**	**-**	**-**	**1,413,205**	**1,413,205**
Unallocated assets					**800**
Total assets					**3,819,064**
Segment liabilities	**45,265**	**15**	**19,942**	**-**	**65,222**
Unallocated liabilities					**766,420**
Total liabilities					**831,642**
Other segment information:					
Capital expenditure	**2,958**	**-**	**68**	**-**	**3,026**
Depreciation	**-**	**-**	**515**	**-**	**515**
Changes in fair value of investment properties	**187,892**	**-**	**-**	**-**	**187,892**

2 Revenue and segment information *(continued)*

(a) Business segments *(continued)*

	Year ended 31 December 2006				
	Property investment *HK$'000*	Property trading *HK$'000*	Property management and related services *HK$'000*	Operation of driver training centres and tunnel operation and management *HK$'000*	Consolidated *HK$'000*
Segment revenue	89,896	200	9,377	-	99,473
Segment results	253,469	(94)	7,748	-	261,123
Unallocated expenses					(2,402)
Finance costs					(34,313)
Fair value gain of an unlisted share option granted by an associate	-	-	-	39,485	39,485
Share of results of an associate	-	-	-	63,374	63,374
Profit before tax					327,267
Tax					(39,179)
Profit for the year					288,088
Assets and liabilities					
Segment assets	2,177,618	1,756	6,732	-	2,186,106
Interest in an associate	-	-	-	1,290,349	1,290,349
Unallocated assets					1,746
Total assets					3,478,201
Segment liabilities	46,953	2,843	16,371	-	66,167
Unallocated liabilities					777,883
Total liabilities					844,050
Other segment information:					
Capital expenditure	7,206	-	139	-	7,345
Depreciation	-	-	519	-	519
Changes in fair value of investment properties	190,004	-	-	-	190,004
Impairment loss on other investments	-	-	-	-	356

There are no sales or other transactions between the business segments.

(b) Geographical segments

	Segment revenue		Segment results	
	2007 ***HK$'000***	2006 *HK$'000*	**2007** ***HK$'000***	2006 *HK$'000*
Hong Kong	**116,520**	99,473	**252,862**	261,593
Mainland China	**-**	-	**17,428**	(470)
	116,520	99,473	**270,290**	261,123

There are no sales between the geographical segments.

3 Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	2007	2006
	HK$'000	*HK$'000*
Depreciation	**515**	519
Interest expenses	**34,237**	32,434
Gain on disposal of subsidiaries	**(6,039)**	-
Reversal of impairment losses on trade receivables	**(15,100)**	-
Interest income	**(1,392)**	(4,212)

4 Tax

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits arising in Hong Kong during the year.

	2007	2006
	HK$'000	*HK$'000*
Group:		
Current - Hong Kong	**2,967**	2,996
(Over provision)/under provision in prior years	**(24)**	7
	2,943	3,003
Deferred	**36,973**	36,176
Total tax charge for the year	**39,916**	39,179

5 Proposed final dividend

	2007	2006
	HK$'000	*HK$'000*
Proposed final dividend - HK3.0 cents (2006: HK3.0 cents) per ordinary share	**23,987**	23,987

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

6 Earnings per share attributable to ordinary equity holders of the Company

The calculation of the basic earnings per share amount for the year ended 31 December 2007 is based on the profit for the year attributable to ordinary equity holders of the Company of HK$328,563,000 (2006: HK$288,088,000) and the weighted average number of 799,557,415 (2006: 799,557,415) ordinary shares in issue during the year.

The diluted earnings per share amount for the years ended 31 December 2007 and 2006 have not been disclosed as no diluting events existed during the years.

7 Trade receivables

An aged analysis of the trade receivables at the balance sheet date, based on the invoice date and net of provisions, is as follows:

	2007	2006
	HK$'000	*HK$'000*
0 - 30 days	**2,721**	6,066
31 - 60 days	**544**	665
Over 60 days	**15,264**	204
	18,529	6,935

The trade receivables include proceeds receivable from sale of properties which settlement is based on payment schedule of the corresponding sale and purchase agreement, and rental receivables and property management and related services receivables which are normally due on the first day of each month and due within a 30-day period, respectively. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

8 Trade payables

An aged analysis of the trade payables at the balance sheet date is as follows:

	2007	2006
	HK$'000	*HK$'000*
0 - 30 days	**1,367**	6,141
31 - 60 days	**31**	454
	1,398	6,595

DIVIDENDS

The directors recommend the payment of a final dividend of HK3.0 cents per share for the year ended 31 December 2007. Subject to the approval of the Company's shareholders at the forthcoming annual general meeting, it is expected that the final dividend will be paid on 9 May 2008 to shareholders registered on 2 May 2008. No interim dividend was paid during the year. In respect of the preceding year, a final dividend of HK3.0 cents per share was paid and no interim dividend was declared.

BOOK CLOSE

The register of members and transfer books of the Company will be closed from Wednesday, 30 April 2008 to Friday, 2 May 2008, both days inclusive, during which period no transfer of shares in the Company shall be effected. In order to qualify for the final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch registrar, Tricor Abacus Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 29 April 2008.

NET ASSET VALUE

The consolidated net asset value per share of the Group as at 31 December 2007 was HK$3.73 based on the 799,557,415 shares in issue, an increase of approximately 13.4%, as compared to HK$3.29 per share and 799,557,415 shares in issue as at 31 December 2006.

BUSINESS REVIEW

The Group's net profit attributable to shareholders for the year was HK$328.6 million as compared to a net profit of HK$288.1 million in 2006, representing a 14.0% increase from 2006. Revenue for the year increased by 17.1% to HK$116.5 million as compared to HK$99.5 million reported in 2006. The increase in overall revenue was primarily attributable to increase in rental income.

Revaluation of the Group's portfolio of properties resulted in a surplus of HK$187.9 million (2006: HK$190.0 million). The revaluation surplus and the corresponding deferred tax arising from the revaluation of the Group's investment properties were reported in the income statement.

The Group's share of profit after taxation from the associated company, The Cross-Harbour (Holdings) Limited ("Cross-Harbour"), for the year was HK$109.7 million (2006: HK$63.4 million), an increase of 73.2% from last year. The substantial increase in profit contribution from Cross-Harbour was attributed to the profit growth of Cross-Harbour and the Group's increased shareholding in Cross-Harbour since May 2006. Cross-Harbour is listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and it is engaged in investment and management of tunnels, motoring schools and highway and tunnel toll system.

Property Business

The Group's major investment properties include:

Century Square
Prestige Tower

Gross rental income for the year amounted to HK$105.1 million which represents an increase of about 16.9% when compared with last year's income of HK$89.9 million. The increase in rental income in 2007 was due to the increase in rental rates as well as improvement in occupancy rates of the Group's investment properties.

During the year under review, Hong Kong was largely able to successfully preserve the strong fundamentals and maintain satisfactory economic growth despite major market volatility and the outbreak of credit crisis in the United States of America and major Europe.

Amongst all business sectors, real estate across all categories performed exceptionally well both in terms of rental growth and asset appreciation. In addition, tourist arrivals which is a main impetus for hotel and retail industries broke another record year with total number of visitors arriving Hong Kong well over 28.0 million.

Benefiting from robust local economic activities and bullish real estate markets in 2007, the overall revenue of the Group which is primarily derived from the Group's core investment properties recorded another consecutive year of satisfactory growth.

Backed by strenuous leasing efforts and diligent marketing endeavors, the Group's core investment properties, which are predominantly of retail and commercial nature, achieved strong rental performance in 2007 in terms of rising rental rates whilst at the same time maintaining a high percentage of occupancy. At the end of 2007, the Group's properties were close to full occupancy and there was less than 2.0% of vacant space to be let. Moreover, a number of reputable tenants were attracted to join our property portfolio including the leading, innovative and long-established hair salon "Rever".

In conclusion, despite volatility and uncertainty in the financial market, the fundamentals of the local economy continued to be sound. The overall performance of the Group during 2007 was considered to be satisfactory and up to if not exceed management's expectations.

FINANCING AND LIQUIDITY

Financial expenses for the year ended 31 December 2007 amounted to HK$35.1 million (2006: HK$34.3 million), a 2.4% increase as compared to last year. The increase in financial expenses was primarily due to the overall increase in interest rates during the year under review. As at the end of 2007, the bank loan balance was HK$617.0 million (2006: HK$666.0 million).

The bank loans are secured by mortgages on certain investment properties with an aggregate carrying value of HK$2,305.0 million (2006: HK$2,117.0 million) and the assignment of rental income from these properties.

The following is the maturing profile of the Group's bank borrowings as of 31 December 2007:

Within one year	41.0%
In the second year	9.3%
In the third to fifth years, inclusive	49.7%
	100.0%

The gearing ratio, which is calculated as the ratio of the net bank borrowings to shareholders' funds, was 18.6% (2006: 23.7%). Revolving loans with outstanding balance of HK$200.0 million will be renewable within the next financial year. Term loan in instalment payments repayable within one year is HK$53.1 million which will be serviced mainly by the Group's rental income.

At the end of 2007, the Group's cash and cash equivalents was HK$61.2 million. With its cash, available banking facilities and recurring rental income, the Group has sufficient resources to meet foreseeable funding needs for its working capital and capital expenditure.

Since the Group's borrowings are denominated in Hong Kong dollars and its sources of income are primarily denominated in Hong Kong dollars, there is basically no exposure to foreign exchange rate fluctuations.

On 3 July 2007, the Company entered into a placing agreement (the "Agreement") with a placing agent, pursuant to which the placing agent has conditionally agreed to place a maximum aggregate amount of HK$300.0 million of zero coupon convertible notes (the "Notes") with maturity date of 31 July 2010 at the conversion price of HK$1.9 per conversion share, on a best effort basis, to not less than six independent placees; each partial completion of the placing shall not be less than HK$50.0 million. If the conditions of the Agreement are not fulfilled by the long stop date which is nine months from the date of signing of the Agreement (or such later date as agreed between the Company and the placing agent), the Agreement will terminate and neither the Company nor the placing agent shall have any claims against each other. As at the end of 2007, none of the Notes has been placed.

PROSPECTS

The Group remains confident about the on-going economic development of Hong Kong in the coming years. Hong Kong's dual role both as a financial centre of China and as Asia's world class city to the international market will continue to be strengthened with the stanch support from the Mainland.

We are glad to see the commitment made by the Chief Executive of the HKSAR in the last Policy Address that the Government will invest heavily in infrastructure to enhance the efficiency and competitiveness of the economy of Hong Kong. These far-sighted planning and infrastructure development are vital to boosting the inter-connectivity between Hong Kong and the Mainland, cities in the Pearl River Delta in particular. This is important as the majority of our record-breaking numbers of tourist arrival are from the Mainland and the GDP growth in Pearl River Delta is amongst the highest in the Mainland.

On the financial development front, Hong Kong's world-class financial services sector with high concentration of international banks and broad international expertise will continue to offer unrivalled role in bridging the Mainland to the international market and vice versa. With the ever increasing popularity of Renminbi and in anticipation of further relaxation of qualified investors in the Mainland who are able to invest in Hong Kong, it is expected that we can continue to maintain our strong financial centre's position in the years to come.

Robust economy and bullish market sentiment will no doubt offer an opportunity for the Group to perhaps achieve another good year of revenue growth in 2008. Nonetheless, escalating rental will inevitably pose additional pressure on our existing tenants. The Group will monitor closely the execution of upward adjustment of rental vis-à-vis the occupancy rate of properties in order to strike a good balance between maintaining acceptable growth and retaining quality tenants.

Rapid increase in property value though strengthens our balance sheet but on the other hand poses difficulty for the Group to expand its property portfolio in Hong Kong. The Group will broaden its business sourcing radius to include other emerging markets in the neighboring cities such as Vietnam which is attracting enormous foreign investors' interests in the last few years. Our overall aim is to continue expand prudently to maintain sustainable growth for the Group's business and to bring about reasonable return to our shareholders.

CONTINGENT LIABILITIES

At 31 December 2007, the Company has executed guarantees totaling HK$1,217.5 million (2006: HK$1,268.9 million), with respect to banking facilities made available to its subsidiaries, of which HK$617.0 million were utilised as at 31 December 2007 (2006: HK$666.0 million).

STAFF

At 31 December 2007, the Group employed a staff of 33 members. Staff remuneration is reviewed by the Group from time to time. In addition to salaries, the Group provides staff benefits including medical insurance, life insurance, pension scheme and discretionary vocational tuition/training subsidies. Share options and bonuses are also available to employees of the Group at the discretion of the directors and depending upon the financial performance of the Group.

CORPORATE GOVERNANCE PRACTICES

Throughout the accounting period covered by the annual report, the Company has met the code provisions of the Code on Corporate Governance Practices in Appendix 14 to Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

RULES 3.10 AND 3.21 OF THE LISTING RULES

During the year, Mr. Wong Wai Kwong, David resigned as an independent non-executive director and a member and the chairman of the audit committee with effect from 26 July 2007. Following Mr. Wong's resignation, the number and qualifications of independent non-executive directors failed to meet the requirements under rule 3.10 of the Listing Rules, and the composition of the audit committee failed to meet the requirement under rule 3.21 of the Listing Rules.

In order to address the above non-compliance, the board appointed Mr. Luk Yu King, James as an independent non-executive director and a member and the chairman of the audit committee with effect from 10 September 2007.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code (the "Securities Code") for directors' dealings in its securities (of which the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules (the "Model Code") forms part) at least as exacting as the Model Code.

All directors have confirmed, following specific enquiries by the Company, that they have complied with the required standard set out in the Model Code and the Securities Code throughout the year.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares in the Company.

On behalf of the board
Wong Chi Keung
Managing Director

Hong Kong, 14 March 2008

As at the date of this announcement, the board of directors of the Company comprises Cheung Chung Kiu, Wong Chi Keung, Yuen Wing Shing and Tung Wai Lan, Iris who are executive directors; Lee Ka Sze, Carmelo and Wong Yat Fai who are non-executive directors; and Ng Kwok Fu, Luk Yu King, James and Leung Yu Ming, Steven who are independent non-executive directors.

* *For identification purpose only*