渝 太 地 產 集 團 有 限 公 司*

Y. T. REALTY GROUP LIMITED

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

2009 Interim Results Announcement

The board of directors of Y. T. Realty Group Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2009. The interim results have been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2009

	Notes	**Unaudited Six months ended 30 June 2009** *HK$'000*	2008 *HK$'000*
REVENUE	*2, 3*	**66,331**	60,609
Direct outgoings		**(4,450)**	(4,581)
		61,881	56,028
Other income		**248**	442
Administrative expenses		**(10,526)**	(9,525)
Finance costs		**(4,075)**	(9,822)
Changes in fair value of investment properties		**147,475**	121,303
Share of results of an associate		**77,442**	71,397
PROFIT BEFORE TAX	*4*	**272,445**	229,823
Tax	*5*	**(30,795)**	(16,043)
PROFIT FOR THE PERIOD		**241,650**	213,780
Attributable to:			
Equity holders of the Company		**241,701**	213,827
Minority interests		**(51)**	(47)
		241,650	213,780
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	*6*	**HK30.2 cents**	HK26.7 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2009

	Unaudited Six months ended 30 June 2009 *HK$'000*	2008 *HK$'000*
PROFIT FOR THE PERIOD	**241,650**	213,780
OTHER COMPREHENSIVE INCOME/(LOSS):		
Share of changes in fair value of available-for-sale securities of an associate	**7,040**	(102,740)
Share of changes in fair value of other financial instruments of an associate	**2,753**	227
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**9,793**	(102,513)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**251,443**	111,267
Attributable to:		
Equity holders of the Company	**251,494**	111,314
Minority interests	**(51)**	(47)
	251,443	111,267

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2009

	Notes	**30 June 2009 (Unaudited) *HK$'000***	31 December 2008 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**507**	682
Investment properties		**2,523,900**	2,374,230
Interest in an associate		**1,377,963**	1,327,569
Other investments		**793**	793
Total non-current assets		**3,903,163**	3,703,274
CURRENT ASSETS			
Properties held for sale		**1,136**	1,136
Trade receivables	*7*	**2,048**	1,776
Other receivables, deposits and prepayments		**8,234**	8,808
Cash and bank balances		**46,179**	45,108
Total current assets		**57,597**	56,828
CURRENT LIABILITIES			
Trade payables	*8*	**884**	3,163
Other payables and accrued expenses		**56,974**	111,684
Bank loans, secured		**217,200**	197,200
Tax payable		**6,225**	1,785
Total current liabilities		**281,283**	313,832
NET CURRENT LIABILITIES		**(223,686)**	(257,004)
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,679,477**	3,446,270
NON-CURRENT LIABILITIES			
Bank loans, secured		**278,100**	306,700
Deferred tax liabilities		**180,233**	153,878
Total non-current liabilities		**458,333**	460,578
Net assets		**3,221,144**	2,985,692
EQUITY			
Equity attributable to equity holders of the Company			
Issued share capital		**79,956**	79,956
Reserves		**3,141,473**	2,889,979
Proposed final dividend		**-**	15,991
		3,221,429	2,985,926
Minority interests		**(285)**	(234)
Total equity		**3,221,144**	2,985,692

Notes:

1 Basis of preparation and accounting policies

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of Appendix 16 of the Listing Rules. These unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 December 2008.

The accounting policies and basis of preparation adopted in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2008 and in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA, except that the Group has in the current period applied, for the first time the following new and revised HKFRSs:

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 Amendments	Amendments to HKFRS 2 Share-based Payment - Vesting Conditions and Cancellations
HKFRS 7 Amendments	Financial Instruments: Disclosures
HKFRS 8	Operating Segments
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation

Apart from the above, the Group has also adopted Improvements to HKFRSs* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording.

* Improvements to HKFRSs contain amendments to HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

1 Basis of preparation and accounting policies *(continued)*

The adoption of these new and revised HKFRSs has had no significant financial effect on these unaudited condensed consolidated interim financial statements and there have been no significant changes to the accounting policies applied in these unaudited condensed consolidated interim financial statements, except for the followings:

(a) HKFRS 8 Operating Segments

HKFRS 8 requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. The adoption of HKFRS 8 did not have any effect on the financial position or performance of the Group. The Group determined that the operating segments were the same as the business segments as previously identified under HKAS 14 Segment Reporting.

(b) HKAS 1 (Revised) Presentation of Financial Statements

HKAS 1 (Revised) has introduced a number of terminology changes (including revised titles for the financial statements) and has resulted in a number of changes in presentation and disclosure. HKAS 1 (Revised) also separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the standard introduces the statement of comprehensive income which presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present in two linked statements.

2 Segment information

The Group manages its diversified businesses according to the nature of the business activities. Management has determined four reportable operating segments for measuring operating results and effectively allocating resources. The following are the four operating segments:

(a) The property investment segment invests in properties for rental income and potential capital appreciation;

(b) The property trading segment comprises trading of properties;

(c) The property management and related services segment comprises the provision of property management and related technical consultancy services; and

(d) The operation of driver training centres and tunnel operation and management segment refers to the Group's share of results of its associated company which is engaged in the operation and investment in driver training centres and tunnel operation and management.

Management monitors and evaluates the operating results of these business segments for the purpose of performance assessment and resource allocation.

2 Segment information *(continued)*

	Unaudited Six months ended 30 June				
	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*
2009					
Segment revenue	**60,166**	**-**	**6,165**	**-**	**66,331**
Segment results	**195,002**	**(22)**	**4,098**	**-**	**199,078**
Finance costs					**(4,075)**
Share of results of an associate	**-**	**-**	**-**	**77,442**	**77,442**
Profit before tax					**272,445**
Tax					**(30,795)**
Profit for the period					**241,650**
2008					
Segment revenue	55,136	-	5,473	-	60,609
Segment results	164,299	(20)	3,969	-	168,248
Finance costs					(9,822)
Share of results of an associate	-	-	-	71,397	71,397
Profit before tax					229,823
Tax					(16,043)
Profit for the period					213,780

3 Revenue

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

4 Profit before tax

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

	Unaudited Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Depreciation	**175**	197
Outgoings in respect of other properties	**34**	33
Staff costs (including executive directors' remuneration):		
Wages and salaries	**5,228**	4,970
Pension scheme contributions	**212**	202
	5,440	5,172
Interest expenses	**3,393**	9,293
Interest income	**(2)**	(281)

5 Tax

	Unaudited Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Current - Hong Kong	**4,440**	1,826
Deferred	**26,355**	14,217
Total tax charge for the period	**30,795**	16,043

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

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

The calculation of basic earnings per share for the period ended 30 June 2009 is based on the profit for the period attributable to ordinary equity holders of the Company of HK$241,701,000 (2008: HK$213,827,000) and the number of 799,557,415 (2008: 799,557,415) ordinary shares in issue during the period.

The diluted earnings per share amount for the periods ended 30 June 2009 and 2008 have not been disclosed as no diluting events existed during the periods.

7 Trade receivables

An aged analysis of the trade receivables at the period/year end date, based on the invoice date and net of provisions, is as follows:

	30 June 2009 (Unaudited) ***HK$'000***	31 December 2008 (Audited) *HK$'000*
0 - 30 days	**1,418**	365
31 - 60 days	**47**	1,389
Over 60 days	**583**	22
	2,048	1,776

The trade receivables primarily include rental receivables and property management and related services receivables which are normally due on the first day of each month and within a 14-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 period/year end date is as follows:

	30 June 2009 (Unaudited) ***HK$'000***	31 December 2008 (Audited) *HK$'000*
0 - 30 days	**884**	2,193
31 - 60 days	**-**	970
	884	3,163

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's net profit attributable to shareholders for the first six months of 2009 was HK$241.7 million which is 13.0% higher than the results of the corresponding period of 2008. Earnings per share for the first six-month period of 2009 amounted to HK30.2 cents (2008: HK26.7 cents). Excluding the effect of property revaluation, its related deferred taxation and the effect on the opening deferred tax liabilities of 2008 due to decrease in tax rate, the profit after taxation for the first half of 2009 was 13.6% better than the corresponding period of last year.

Rental income from investment properties for the half-year ended 30 June 2009 amounted to HK$60.2 million, up 9.1% from HK$55.1 million for the corresponding period of last year. During the period under review, the Group's core properties recorded steady increase in rental yields.

The financial tsunami which was triggered by inter alia the collapse of a large investment bank in the United States of America in the later part of 2008 disrupted many economies around the world. Being an open economy and a free market, Hong Kong could not immune itself from such global financial shockwaves. The resultant impact of this financial crisis has been hitherto far from over and consequently a series of financial regulatory reforms and economic stimulus packages and incentives were promulgated by various major economies.

The market in the last six months could be described as rather volatile. At the beginning of the year, pessimism seemed to be proliferated amongst many businesses particularly the financial and insurance sectors. Worries over recession and tight credit market had brought about economic and business contraction. Hence downsizing of business operations and layoff of staff became frequent news in the headlines. To add frost to snow, the outbreak of swine flu during the period poised additional challenges to many businesses, travel and hotel industries in particular. Nonetheless, entering into the second quarter, the financial stimulus packages and quantitative easing in monetary policy adopted by many leading economies seemed to have taken effect in slowing the pace of economic downturn. Moreover, in anticipation of inflation due to quantitative easing in monetary policy, coupled with all time low interest offerings, investors again poured their funds into the capital, financial and real estate markets which helped these sectors to leap out first from the financial tsunami.

Although there have been positive signs for supporting gradual recovery of our economy from the financial tsunami, many businesses were still struggling and the local unemployment has risen to the current level of 5.4%. Under such backdrop of difficult market environment, the Group still managed to deliver a relatively satisfactory interim result to our shareholders and is pleased to report that the performance of its investment which primarily consists of prime commercial properties recorded steady growth during the first half of 2009. Whilst the management successfully achieved an overall rental growth for its properties during the first half of 2009, the occupancy rate somehow slid slightly below 90%. Such relatively high tenancy turnover as compared with prior year, which we hoped to be short-lived was not unexpected as some of the tenants were inevitably forced to move out to less prominent locations to save cost. Market adjustment though might poise challenges to some but many might see it as an opportunity. That explained why a number of quality tenants had still been attracted to our property portfolio at times of volatile market in the past few months. These include luxurious brands Hublot watch, Corum watch and Prince Jewellery and Watch Company. Favourable locations, appropriate market positioning of properties, and provision of comprehensive quality in-house professional management services to our tenants were key factors in achieving such relatively pleasing result.

The Group's investment property portfolio was independently valued at the end of the period resulting in a revaluation surplus of HK$147.5 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 period was HK$77.4 million (2008: HK$71.4 million), an increase of 8.5% from last period. Cross-Harbour is listed on The Stock Exchange of Hong Kong Limited and it is engaged in investment and management of tunnels, motoring schools and highway and tunnel toll system.

Prospects

The Group is cautiously optimistic that Hong Kong will be among those few regions that can emerge first from the financial crisis in the coming quarters. The financial stimulus packages and quantitative easing in monetary policy have gradually taken effect in slowing and even reversing the economic downturn. For real estate sector, there are some positive indicators to show that equity value for luxurious property is back to pre-crisis level.

Optimism seems to be prevalent in the market that economic revival is near term, at least to real estate, financial and capital markets. It is generally anticipated that satisfactory interim results will be recorded by various multi-national corporations and financial institutions. With more influx of funds, credit market will become more relaxed which will in term benefit virtually all businesses.

However, real and sustainable growth of our economy is yet to be confirmed. Many challenges still lie ahead for a full economic recovery although equally, there are not without opportunities. Hong Kong is expected to benefit by developing its closer co-operation with its neighbouring cities in the Pearl River Delta to form a new financial hub for the whole of China. With the rapid expansion of consumer market and rising number of middle class in the Mainland, there will be more opportunities for a great variety of cross-border trades. Moreover, there is a growing demand for bundling Macau, Taiwan, Hong Kong and cities in the Pearl River Delta into various forms of travel package and this demand if fully developed will certainly give rise to enormous business opportunities for hospitality industries in the Region.

To cope with the anticipated growing demand from gradual economic recovery in the near term, as well as to augment the competitiveness, the Group has taken the initiative of upgrading our property in Tsimshatsui district, the design scheme of which has been well received by interested prospective tenants. It is encouraging to see that whilst the upgrading work is being undertaken, some of the interests have already been translated into actual leasing commitments. The Group will therefore continue to seek ways to sharpening our competitive edge by improving our hardware and software, both of which are crucial in attracting and retaining quality tenants in our properties. On the other hand, we will not spare our effort in exploring good investment opportunities in the local and the Mainland markets in order to enhance sustainable corporate earnings for our shareholders. In doing so, we shall be cautious and to adopt prudent approach for our investments to safeguard the interest of shareholders.

Financing and Liquidity

The Group's financial expenses for the period amounted to HK$4.1 million, decreased by 58.5% from HK$9.8 million as compared to the same period last year as average interest rate was significantly lower in the first half of 2009 than the prior period.

The gearing ratio, which is calculated as the ratio of net bank borrowings to shareholders' funds, was 13.9% (31 December 2008: 15.4%). As at 30 June 2009, the total bank borrowing has decreased to HK$495.3 million from HK$503.9 million at end of 2008. Certain investment properties with aggregate carrying value of HK$2,512.0 million (31 December 2008: HK$2,363.0 million) were pledged, together with assignment of rental income, to secure loan facilities. Term loan instalments repayable within one year amounted to HK$57.2 million. Revolving bank loan with balance of HK$160.0 million is repayable and renewable within one year.

Financing and Liquidity *(continued)*

The following is the maturing profile of the Group's bank borrowings as of 30 June 2009:

Within one year	43.9%
In the second year	56.1%
Total	100.0%

As at 30 June 2009, the Group's cash and cash equivalents was HK$46.2 million. With cash, available banking facilities, and recurring rental income, the Group has sufficient resources to meet the foreseeable funding needs for working capital and capital expenditure.

As 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.

Contingent Liabilities

As at 30 June 2009, the Company has executed guarantees totaling HK$1,135.9 million (31 December 2008: HK$1,164.5 million), with respect to banking facilities made available to its subsidiaries, of which HK$495.3 million were utilised (31 December 2008: HK$503.9 million).

STAFF

As at 30 June 2009, the Group had 36 members of staff. Staff remuneration is reviewed by the Group from time to time to ensure the terms of employment offered to our staff are competitive in the market. 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.

INTERIM DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2009 (2008: Nil).

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company endorses good corporate governance practices. Throughout the accounting period covered by the interim report, the Company has met the code provisions of the Code on Corporate Governance Practices (the "CG Code") in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted codes of conduct regarding securities transactions by directors and by relevant employees (within the meaning of the CG Code) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in Appendix 10 to the Listing Rules.

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 Company’s code of conduct regarding directors’ securities transactions throughout the period.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the period, 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, 18 September 2009

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 purposes only*