WING TAI PROPERTIES LIMITED

永泰地產有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 369)

2010 INTERIM RESULTS ANNOUNCEMENT

CHAIRMAN'S STATEMENT

Dear Shareholders,

The Hong Kong economy experienced a steady recovery in the first half of the year on the back of improving economic fundamentals and stable growth on the Mainland. Sustained low interest rates, ample liquidity and continued demand against tight supply have provided solid support to the overall property market. Sales volume and prices picked up across most of the market sectors, particularly in the luxury residential market. The first half also saw a rise in capital values across all property sectors in Hong Kong.

During the period under review, the Group achieved a net profit of $794.3 million mainly attributable to recognised profits from the pre-sale of Forfar and Belle Vue Residences, increased rental from Landmark East, disposal of two industrial properties and fair value revaluation gains on investment properties.

Taking advantage of the strong run-up in capital values during the first half, the Group disposed of two industrial properties located in San Po Kong and Kwai Chung held through Winsor Properties Holdings Limited. The disposals helped the Group realise gains from our long-term investment in these properties at an attractive yield rate, allowing the Group to explore other opportunities to enhance its asset portfolio in a strengthened financial position.

The Grade A office leasing market underwent a dynamic period in the first half of this year with companies continued to look for space for relocation and expansion in decentralised areas such as Kowloon East. During the period under review, Landmark East recorded a significant increase in tenancy, with committed leasing rates hitting almost 80% as compared to 50% at the beginning of the year. Rental rates also strengthened with an average 25% growth recorded during the period under review. We expect this upward momentum to extend to the second half of the year as the economy and business conditions continue to improve and vacant Grade A office leasing space in this area rapidly diminishing.

Lanson Place, our serviced residences and boutique hotel operation, continued to perform well during the period on the back of a recovery in the hospitality industry that began in the fourth quarter of 2009. The business delivered strong growth in both occupancy and leasing rates at its serviced residences and hotel operations. Lanson Place Jin Qiao Residences in Shanghai, which was accredited as one of the Designated Serviced Residences for Shanghai World Expo 2010 was launched in May and achieved satisfactory performance during the period.

The Group's other residential developments are progressing on schedule. On the back of the positive market sentiment, the Group will consider putting the remaining units at Seymour and Forfar on the market in the second half of the year. Subject to market condition and regulatory approval, the Tai Po Pak Shek Kok sites, which the Group has 15% interests, will be ready for pre-sale in the first half of 2011. The latest acquisition of a redevelopment site at No.1- 2 Coronation Terrace in Mid-levels West reflects the Group's continued effort to explore opportunities of replenishing its land bank.

With effect from late June 2010, the Company has changed its name to "Wing Tai Properties Limited" to better reflect our business focus as an integrated property developer. The corporate rebranding is also expected to lend resonance to our property projects in Hong Kong and other gateway cities in Asia under the widely recognised "Wing Tai Asia" brand.

I would like to take this opportunity to thank our shareholders for their continued support, and to express my gratitude to my fellow directors for their guidance and our staff for their dedication and hard work.

Cheng Wai Chee, Christopher
Chairman

Hong Kong, 27 August 2010

INTERIM RESULTS

The Board of Directors (the "Directors") of Wing Tai Properties Limited (the "Company") presents the unaudited condensed consolidated interim financial information ("Interim Financial Information") of the Company and its subsidiaries (the "Group"), and its jointly controlled entities for the six months ended 30 June 2010.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2010

		Unaudited Six months ended 30 June	
		2010	2009
	Note	*HK$'M*	*HK$'M*
Revenue	*3*	1,356.6	417.0
Cost of sales		(925.4)	(228.1)
Gross profit		431.2	188.9
Other (losses)/gains, net		(10.8)	77.6
Selling and distribution costs		(95.5)	(69.1)
Administrative expenses		(143.8)	(112.2)
Change in fair value of investment properties		635.3	(8.0)
Gain on disposal of investment properties		137.8	-
Gain on disposal of other properties, plant and equipment		67.0	-
Profit from operations	*4*	1,021.2	77.2
Finance costs		(42.7)	(41.9)
Finance income		1.0	15.2
Share of results of associates		56.3	(5.2)
Profit before taxation		1,035.8	45.3
Taxation	*5*	(30.8)	(16.4)
Profit for the period		1,005.0	28.9
Attributable to:			
Equity holders of the Company		794.3	7.0
Non-controlling interests		210.7	21.9
		1,005.0	28.9
Earnings per share for profit attributable to equity holders of the Company (expressed in HK dollar per share)	*6*		
– Basic		HK$0.60	HK$0.01
– Diluted		HK$0.60	HK$0.01
Dividends (expressed in HK$'M)	*7*	99.2	29.6

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2010

	Unaudited Six months ended 30 June 2010 *HK$'M*	2009 *HK$'M*
Profit for the period	1,005.0	28.9
Other comprehensive income		
Exchange differences on translation of foreign operations	8.3	(8.0)
Release of other property revaluation reserve upon disposal of other properties, plant and equipment	(22.8)	-
Net (loss)/gain on cash flow hedge		
– Fair value losses	(49.5)	(22.6)
– Realised upon settlement	22.4	18.7
Net (loss)/gain arising on revaluation of available-for-sale financial assets		
– Fair value (loss)/gain	(1.6)	33.2
Other comprehensive income for the period, net of tax	(43.2)	21.3
Total comprehensive income for the period	961.8	50.2
Attributable to:		
Equity holders of the Company	759.5	22.1
Non-controlling interests	202.3	28.1
Total comprehensive income for the period	961.8	50.2

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2010

	Note	Unaudited 30 June 2010 HK$'M	Audited 31 December 2009 HK$'M (As restated)
ASSETS AND LIABILITIES			
Non-current assets			
Land use rights		3.4	3.4
Investment properties		10,469.2	10,532.0
Other properties, plant and equipment		153.4	227.6
Interests in associates		671.8	617.9
Available-for-sale financial assets		381.7	434.0
Loans and receivables		442.8	388.6
Held-to-maturity investments		34.4	31.0
Deferred tax assets		7.7	10.2
		12,164.4	12,244.7
Current assets			
Inventories		160.8	102.2
Properties for sale		2,990.1	3,432.5
Loans and receivables		2.9	26.2
Trade and other receivables, deposits and prepayments	*8*	1,770.0	172.0
Derivative financial instruments		0.1	-
Sales proceeds held in stakeholders' accounts		270.9	255.8
Amounts due from associates		0.9	1.7
Tax recoverable		1.6	4.7
Pledged bank deposits		10.1	38.1
Bank balances and cash		601.1	700.2
		5,808.5	4,733.4
Current liabilities			
Trade and other payables and accruals	*9*	1,040.1	1,015.5
Derivative financial instruments		42.7	41.1
Amounts due to associates		7.2	21.8
Tax payable		56.0	26.8
Bank loans due within one year		1,481.2	540.6
		2,627.2	1,645.8
Net current assets		3,181.3	3,087.6
Total assets less current liabilities		15,345.7	15,332.3

CONDENSED CONSOLIDATED BALANCE SHEET (cont'd)

As at 30 June 2010

	Unaudited 30 June 2010 *HK$'M*	Audited 31 December 2009 *HK$'M* (As restated)
Non-current liabilities		
Bank loans due after one year	3,387.7	4,281.8
Other long-term loans	32.5	43.0
Derivative financial instruments	83.3	55.3
Deferred tax liabilities	1,255.3	1,258.1
	4,758.8	5,638.2
NET ASSETS	10,586.9	9,694.1
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	661.4	659.6
Reserves	8,177.2	7,468.0
	8,838.6	8,127.6
Non-controlling interests	1,748.3	1,566.5
TOTAL EQUITY	10,586.9	9,694.1

NOTES:

1. Basis of preparation

This Interim Financial Information for the six months ended 30 June 2010 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2009.

The Interim Financial Information for the six months ended 30 June 2010 is unaudited, but reviewed by PricewaterhouseCoopers, the Company's independent auditor in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of Entity" issued by the HKICPA. The Interim Financial Information has also been reviewed by the Company's Audit Committee.

2. Significant accounting policies

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those adopted and described in the Company's annual financial statements for the year ended 31 December 2009, except for the adoption of new standards, amendments and improvements to standards and interpretations of HKFRS as of 1 January 2010, noted below.

The following new or revised standards, amendments and improvements to standards and interpretations of HKFRS are mandatory for accounting periods beginning on or after 1 January 2010 and were adopted by the Group in the current period:

HKAS 1 (Amendment)	Presentation of financial statements
HKAS 7 (Amendment)	Statement of cash flows
HKAS 17 (Amendment)	Leases
HKAS 18 (Amendment)	Revenues
HKAS 27 (Revised)	Consolidated and separate financial statements
HKAS 28 (Amendment)	Investments in associates
HKAS 31 (Amendment)	Interests in joint ventures
HKAS 36 (Amendment)	Unit of accounting for goodwill impairment test
HKAS 38 (Amendment)	Intangible assets
HKAS 39 (Amendment)	Financial instruments: recognition and measurement on eligible hedge items
HKAS 39 (Amendment)	Financial instruments: recognition and measurement
HKFRS 1 (Revised)	First-time adoption of HKFRSs
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters
HKFRS 2 (Amendment)	Share-based payment
HKFRS 3 (Revised)	Business combinations
HKFRS 5 (Amendment)	Non-current assets held for sale and discontinued operations
HKFRS 8 (Amendment)	Operating segments
HK(IFRIC) – Int 9 (Amendment)	Reassessment of embedded derivatives
HK(IFRIC) – Int 16 (Amendment)	Hedges of a net investment in a foreign operation
HK(IFRIC) – Int 17	Distribution of non-cash assets to owners

Except for HKAS 17 (Amendment), the adoption of the other new or revised standards, amendments and improvements to standards and interpretations of HKFRS stated above did not have any significant impacts to the Group's Interim Financial Information in current and prior periods.

2. Significant accounting policies (cont'd)

HKAS 17 (Amendment), "Leases" deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating lease using the general principles of HKAS 17, i.e. whether the lease transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Prior to the amendment, land interest of which title is not expected to pass to the Group by the end of the lease term and is not held for sale or earning rentals was classified as operating lease under "Leasehold land and land use rights", and amortised over the lease term.

HKAS 17 (Amendment) is adopted for annual period beginning on 1 January 2010 and is applied retrospectively. The Group has reassessed the classification of unexpired leasehold land and land use rights as at 1 January 2010 on the basis of information existing at the inception of those leases, and recognised the leasehold land in Hong Kong as finance lease retrospectively. As a result of the reassessment, the Group has reclassified certain leasehold land from operating lease to finance lease.

The accounting for land interest classified as finance lease is as below:

- If the property interest is held for own use, that land interest is accounted for as other properties, plant and equipment and is depreciated from the land interest available for its intended use over the shorter of the useful life of the asset and the lease term.
- If the property interest is held for sale in the ordinary course of business or is in the process of being developed for such sale, that land interest is accounted for as inventory under "Properties held for sale", and stated at the lower of cost and net realisable value.
- If the property interest is held to earn rentals and/or for capital appreciation, that land interest is accounted for as investment property and carried at fair value.

The adoption of this amendment has no impact on the Group's leasehold land categorised as properties held for sale and investment properties. The effect of the adoption of this amendment is as below:

(i) Effect on condensed consolidated balance sheet at 30 June 2010

	At 30 June 2010 (Under previous accounting policy)	Effect of HKAS17 (Amendment)	At 30 June 2010 (Under revised accounting policy)
	HK$'M	*HK$'M*	*HK$'M*
Leasehold land and land use rights	31.9	(31.9)	-
Land use rights	-	3.4	3.4
Other properties, plant and equipment	124.9	28.5	153.4
	156.8	-	156.8

(ii) Effect on condensed consolidated balance sheet at 31 December 2009

	At 31 December 2009 (As previously reported)	Effect of HKAS17 (Amendment)	At 31 December 2009 (As restated)
	HK$'M	*HK$'M*	*HK$'M*
Leasehold land and land use rights	38.3	(38.3)	-
Land use rights	-	3.4	3.4
Other properties, plant and equipment	192.7	34.9	227.6
	231.0	-	231.0

2. Significant accounting policies (cont'd)

The adoption of this amendment has no impact on opening retained earnings at 1 January 2010, profit for the periods ended 30 June 2009 and 2010, total comprehensive income for the periods ended 30 June 2009 and 2010, and earnings per share for the periods ended 30 June 2009 and 2010.

The Group has not early adopted the following new or revised standards, amendments and improvements to standards and interpretations of HKFRS that have been issued but are not yet effective for the period.

		Effective for accounting periods beginning on or after
HKAS 24 (Revised)	Related party disclosures	1 January 2011
HKAS 32 (Amendment)	Classification of rights issue	1 February 2010
HKFRS 9	Financial instruments	1 January 2013
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a minimum funding requirement	1 January 2011
HK(IFRIC) – Int 19	Extinguishing financial liabilities with equity instruments	1 July 2010

The HKICPA has made amendments to HKFRS in May 2010 in response to the annual improvements project.

		Effective for accounting periods beginning on or after
HKAS 1 (Amendment)	Presentation of financial statements	1 January 2011
HKAS 34 (Amendment)	Interim financial reporting	1 January 2011
HKFRS 1 (Amendment)	First-time adoption of Hong Kong financial reporting standards	1 January 2011
HKFRS 3 (Amendment)	Business combinations	1 July 2010
HKFRS 7 (Amendment)	Financial instruments: disclosure	1 July 2011
HK(IFRIC) – Int 13 (Amendment)	Customer loyalty programme	1 January 2011

The Group is in the process of making assessment of the impact of these new or revised standards, amendments and improvements to standards and interpretations of HKFRS and is not yet in a position to state whether they would have a significant impact on the Group's results and financial position.

3. Revenue and segment information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess its performance.

Segment information reported to the Group's management for the purposes of resources allocation and assessment of performance are analysed on the basis of the Group's operating divisions (i.e. property development, property investment and management, hospitality investment and management, garment manufacturing, branded products distribution, investing activities and corporate). The presentation of the Group's reportable segments has changed in a manner consistent with the internal reporting. Comparatives for 2009 segment disclosures have been restated to conform with current period's presentation.

3. Revenue and segment information (cont'd)

	Property development HK$'M	Property investment and management HK$'M	Hospitality investment and management HK$'M	Garment manufacturing HK$'M	Branded products distribution HK$'M	Investing activities HK$'M	Corporate HK$'M	Elimination HK$'M	Consolidated HK$'M
For the six months ended 30 June 2010									
REVENUE									
External sales	881.6	173.2	53.3	137.9	101.0	9.6	-	-	1,356.6
Inter-segment sales	-	9.8	-	-	-	-	-	(9.8)	-
Total	881.6	183.0	53.3	137.9	101.0	9.6	-	(9.8)	1,356.6
RESULTS									
Segment results before change in fair value of investment properties, impairment loss on available-for-sale financial assets and gain on disposals of investment properties and other properties, plant and equipment	146.4	94.1	21.9	(16.0)	(17.6)	12.5	(40.5)	-	200.8
Change in fair value of investment properties	-	629.1	5.6	0.6	-	-	-	-	635.3
Impairment loss of available-for-sale financial assets	-	(13.8)	-	-	-	(4.3)	(0.1)	-	(18.2)
Gain on disposal of investment properties	-	137.8	-	-	-	-	-	-	137.8
Gain on disposal of other properties, plant and equipment	-	67.0	-	-	-	-	-	-	67.0
Reportable segment results	146.4	914.2	27.5	(15.4)	(17.6)	8.2	(40.6)	-	1,022.7
Reconciliation:									
Fair value loss on derivative financial instruments	-	(1.5)	-	-	-	-	-	-	(1.5)
Profit from operations	146.4	912.7	27.5	(15.4)	(17.6)	8.2	(40.6)	-	1,021.2
Finance costs	(0.8)	(36.0)	(5.0)	-	(0.7)	-	(0.9)	0.7	(42.7)
Finance income	-	-	1.0	0.7	-	-	-	(0.7)	1.0
Share of results of associates	60.4	-	3.6	-	-	(7.7)	-	-	56.3
Profit before taxation	206.0	876.7	27.1	(14.7)	(18.3)	0.5	(41.5)	-	1,035.8
Taxation									(30.8)
Profit for the period									1,005.0
Other items									
Amortisation of trademark	-	-	0.1	-	-	-	-	-	0.1
Depreciation of other properties, plant and equipment	3.8	2.4	-	2.4	3.6	-	1.2	-	13.4
Write off/loss on disposal of other properties, plant and equipment	8.2	-	-	-	0.1	-	-	-	8.3
Provision for trade receivables, net	-	-	-	0.2	-	-	-	-	0.2

3. Revenue and segment information (cont'd)

	Property development *HK$'M* (As restated)	Property investment and management *HK$'M* (As restated)	Hospitality investment and management *HK$'M* (As restated)	Garment manufacturing *HK$'M* (As restated)	Branded products distribution *HK$'M* (As restated)	Investing activities *HK$'M* (As restated)	Corporate *HK$'M* (As restated)	Elimination *HK$'M* (As restated)	Consolidated *HK$'M* (As restated)
For the six months ended 30 June 2009									
REVENUE									
External sales	5.4	135.5	43.5	122.5	101.2	8.9	-	-	417.0
Inter-segment sales	-	8.2	-	-	-	-	-	(8.2)	-
Total	5.4	143.7	43.5	122.5	101.2	8.9	-	(8.2)	417.0
RESULTS									
Segment results before change in fair value of investment properties	(8.2)	61.9	33.1	(22.5)	(4.4)	9.5	(34.6)	-	34.8
Change in fair value of investment properties	-	(7.8)	(1.1)	0.9	-	-	-	-	(8.0)
Reportable segment results	(8.2)	54.1	32.0	(21.6)	(4.4)	9.5	(34.6)	-	26.8
Reconciliation:									
Fair value gain on derivative financial instruments	-	50.4	-	-	-	-	-	-	50.4
Profit from operations	(8.2)	104.5	32.0	(21.6)	(4.4)	9.5	(34.6)	-	77.2
Finance costs	(4.2)	(29.4)	(7.5)	-	(0.6)	-	(1.1)	0.9	(41.9)
Finance income	13.5	-	1.6	0.9	0.1	-	-	(0.9)	15.2
Share of results of associates	-	0.4	(1.5)	-	-	(4.1)	-	-	(5.2)
Profit before taxation	1.1	75.5	24.6	(20.7)	(4.9)	5.4	(35.7)	-	45.3
Taxation									(16.4)
Profit for the period									28.9
Other items									
Amortisation of trademark	-	-	0.1	-	-	-	-	-	0.1
Depreciation of other properties, plant and equipment	1.4	3.1	-	1.8	2.9	-	1.1	-	10.3
Write back of trade receivables, net	(9.8)	-	-	-	-	-	-	-	(9.8)
Provision for impairment of loans to an associate	-	-	-	-	-	-	1.6	-	1.6

3. Revenue and segment information (cont'd)

The following is an analysis of the Group's revenue by geographical areas in which the customer is located, irrespective of the origin of the goods/services:

	Revenue by geographical market Six months ended 30 June	
	2010	2009
	HK$'M	*HK$'M*
Hong Kong	1,098.2	181.0
North America	105.0	81.4
United Kingdom	95.3	96.0
Other areas	58.1	58.6
	1,356.6	417.0

4. Profit from operations

	Six months ended 30 June	
	2010	2009
	HK$'M	*HK$'M*
		(As restated)
Profit from operations has been arrived at after charging/(crediting) the following:		
Amortisation of interest income on held-to-maturity investments	(3.7)	(3.0)
Amortisation of trademark	0.1	0.1
Depreciation of other properties, plant and equipment	13.4	10.3
Net fair value loss/(gain) on derivative financial instruments	1.5	(50.4)
Share-based compensation expenses	4.4	2.4
Impairment loss on available-for-sale financial assets	18.2	-
Provision for diminution in value of inventories	2.8	0.1
Loss of disposal of other properties, plant and equipment	8.3	-
Provision for/(write back of) trade receivables, net	0.2	(9.8)
Provision for impairment of loans to an associate	-	1.6

5. Taxation

Hong Kong profits tax has been calculated at 16.5% (2009: 16.5%) of the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged to the condensed consolidated income statement represents:

	Six months ended 30 June	
	2010	2009
	HK$'M	*HK$'M*
Current taxation		
– Hong Kong profits tax	31.3	9.2
– Over-provision in prior years	-	(0.3)
– Taxation in other jurisdictions	0.1	(0.1)
	31.4	8.8
Deferred taxation		
– Change in fair value of investment properties	105.2	(0.3)
– Reversal upon disposals of investment properties and other properties, plant and equipment	(92.5)	-
– Other temporary differences	(13.3)	7.9
	(0.6)	7.6
	30.8	16.4

6. Earnings per share

The calculation of the basic and diluted earnings per share for profit attributable to equity holders of the Company is based on the following data:

	Six months ended 30 June	
	2010	2009
	HK$'M	*HK$'M*
Profit attributable to equity holders of the Company for the purpose of calculating basic and diluted earnings per share	794.3	7.0

Number of shares

		(As adjusted#)
Weighted average number of ordinary shares in issue	1,320,550,438	1,082,708,372
Effect of dilutive potential shares issuable under the Company's share option and share incentive schemes	6,621,351	3,363,038
Weighted average number of shares for the purpose of calculating diluted earnings per share	1,327,171,789	1,086,071,410

The weighted average number of shares in 2009 for the purpose of calculating the basic and diluted earnings per share have been adjusted for the Company's rights issue in December 2009.

7. Dividends

	Six months ended 30 June	
	2010	2009
	HK$'M	*HK$'M*
2009 final dividend paid on 1 June 2010 of HK4.0 cents (2009: 2008 final dividend of HK1.5 cents) per ordinary share approved at annual general meeting held on 18 May 2010	52.9	14.8
Interim dividend of HK3.5 cents (2009: HK1.5 cents) per ordinary share	46.3	14.8
	99.2	29.6

8. Trade and other receivables, deposits and prepayments

	30 June 2010 HK$'M	31 December 2009 HK$'M
Trade receivables	778.7	68.0
Less: provision for impairment	(3.7)	(12.2)
Trade receivables (net of provision)	775.0	55.8
Other receivables, deposits and prepayments	995.0	116.2
	1,770.0	172.0

The Group allows different credit periods to its customers. Credit periods vary from 30 to 90 days in accordance with the industry practice. The following is an ageing analysis of the Group's trade receivables (net of provision) at the balance sheet date:

	30 June 2010 HK$'M	31 December 2009 HK$'M
Not yet due	744.9	24.7
1 – 30 days	23.1	19.2
31 – 90 days	4.8	10.4
Over 90 days	2.2	1.5
	775.0	55.8

Other receivables as at 30 June 2010 included sale proceeds receivables from disposals of investment properties and other property of HK$858.9 million (31 December 2009: nil).

9. Trade and other payables and accruals

	30 June 2010 *HK$'M*	31 December 2009 *HK$'M*
Trade payables	84.7	102.3
Other payables and accruals	955.4	913.2
	1,040.1	1,015.5

The following is an ageing analysis of the Group's trade payables at the balance sheet date:

	30 June 2010 *HK$'M*	31 December 2009 *HK$'M*
0 – 30 days	68.2	81.4
31 – 90 days	7.7	17.0
Over 90 days	8.8	3.9
	84.7	102.3

INTERIM DIVIDEND AND RECORD DATE

The Directors declared the payment of an interim dividend of HK3.5 cents per share for the year ending 31 December 2010 (2009: HK1.5 cents). The interim dividend will be distributed on or around 14 October 2010 to the shareholders whose names appear on the register of members of the Company at the close of business on 28 September 2010 (the Record Date).

In order to qualify for the entitlement of the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrars, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 28 September 2010.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the first half of 2010, the Group reported consolidated profit attributable to equity holders of the Company of HK$794.3 million, compared with HK$7.0 million in 2009. The increase in profit was mainly due to fair value gain from the Group's investment properties, gain on disposal of the Group's investment properties and higher property sales recognised during the period. Revenue for the Group was HK$1,356.6 million in the first half of 2010, compared with HK$417.0 million in 2009.

Property

The Group's property division, which includes property development, property investment and management, and hospitality investment and management, recorded segment profit of HK$1,088.1 million in the first half of 2010, compared with HK$77.9 million in 2009.

Property Development

"Forfar", located in the traditional prestigious Kowloon residential district, was launched for presale in July 2009. Over 60% of the units were sold to-date generating approximately HK$900 million revenue which was recognised in the first half of 2010 upon obtaining of the occupation permit in January 2010. Delivery of the sold units is scheduled to complete in the fourth quarter of 2010.

"Seymour", the latest landmark in Mid-Levels West in which the Group has a 30% attributable share of interest, was launched for presale in November 2009. About 85% of the units were successfully sold during the period, generating approximately HK$3 billion revenue. Superstructure works are progressing according to schedule. This project is expected to obtain occupation permit in the second half of 2011.

The construction works of the Tai Po Town Lot Nos. 186, 187 and 188 are in good progress. These projects are expected to be completed between 2011 and 2012. The Group has a 15% interest in each of the three sites.

The Group's interest in the luxurious residential development in Singapore, "Belle Vue Residences" is held through its subsidiary, Winsor Properties Holdings Limited ("Winsor Properties"). Winsor Properties has a 30% interest in this project. About 60% of the units have been sold and occupation permit was obtained in May 2010. Delivery of the sold units is scheduled to complete in the second half of 2010.

For the PRC Shenyang residential developments, construction of show-flat areas and sales office for the initial phases of two sites for low-density residential units is progressing according to schedule. The Group has a 20% interests in these projects.

Property Investment and Management

Winsor Properties is the Group's investment holding arm in commercial, industrial and retail properties in Hong Kong. As at 30 June 2010, the Group's portfolio of investment properties, comprising 1.5 million square feet of Grade-A office buildings and 1.3 million square feet of industrial buildings located in urban Kowloon area had an aggregate fair market valuation of HK$9,024.0 million.

In June 2010, Winsor Properties disposed of two industrial buildings, namely Unimix Industrial Centre and Lucky Industrial Building, for a total consideration of HK$949.0 million. The Group considered that the disposals represent opportunities for it to realise its long-term investment in the investment properties at attractive returns. The Group has recorded a gain on disposals of approximately HK$204.8 million and reversal of deferred tax liabilities arising from the disposals of approximately HK$92.5 million as at 30 June 2010. The net proceeds generated from the disposals after repayment of bank term loan and expenses will be approximately HK$584.0 million upon completion in the fourth quarter of 2010, and will strengthen the financial position of the Group. The completion of the formal sale and purchase agreements are scheduled for the fourth quarter of 2010.

As at 30 June 2010, the Group's portfolio of industrial properties had an aggregate fair market valuation of HK$1,979.0 million. Average occupancy of these industrial properties, excluding the two properties disposed of, have improved slightly during the period under review and stood at approximately 91%.

Leasing of Landmark East, the Group's twin-tower Grade-A office development, continues to improve with committed leasing rate reaching approximately 80% to-date as compared to approximately 50% at the beginning of the year. W Square, the office and retail complex located at Wan Chai, was 98% leased as at 30 June 2010.

Hospitality Investment and Management

The Group's hospitality business continues to improve in terms of both occupancy and rental rate in line with economic recovery in Asian region. As at 30 June 2010, both Lanson Place Jinlin Tiandi Residences in Shanghai and Lanson Place Central Park Residences in Beijing achieved about 97% occupancy. Lanson Place Jin Qiao Residences in Shanghai, which has two towers, opened the entire first tower in mid May 2010 and will open the second tower in September 2010.

Apparel

The Group's apparel operation, which comprises garment manufacturing and branded products distribution, generated an aggregate revenue of HK$238.9 million in the first half of 2010, compared with HK$223.7 million in 2009. The segment loss for the period was HK$33.0 million, compared with HK$26.0 million loss in 2009.

The segment loss of manufacturing business for the period was mainly due to the seasonality of sweater business, and the loss has been reduced compared with 2009. However, the branded products distribution business continued to suffer from economic uncertainty in the United Kingdom, in particular in the high-end retail market where it operates.

Investing Activities

The Group's investing activities reported a segment profit of HK$8.2 million in the first half of 2010, compared with HK$9.5 million in 2009. The profit represents mainly dividend income from the Group's investments held through Winsor Properties.

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group's net assets totaled HK$10,586.9 million as at 30 June 2010 (31 December 2009: HK$9,694.1 million). The increase was mainly resulted from the profit for the period of HK$1,005.0 million, offset by the distribution of the 2009 final dividend of HK$52.9 million in the first half of 2010, a net decrease of hedging reserve of HK$21.3 million and the realisation of other properties revaluation reserve of HK$20.5 million upon disposal of properties.

As at 30 June 2010, the Group's net borrowings (total bank loans and other long-term loans less bank balances and cash) was HK$4,300.3 million (31 December 2009: HK$4,165.2 million), representing 40.6% of the Group's net assets (31 December 2009: 43.0%). Interest for the Group's bank borrowings was mainly on a floating rate basis. Around 69.6% of the Group's bank borrowings was repayable in periods beyond one year. The Group had unutilised general banking facilities in excess of HK$2,105.2 million as at 30 June 2010 (31 December 2009: HK$2,106.3 million).

Foreign Currencies

The Group principally operates in Hong Kong, and as a result, has minimal exposure to exchange rate fluctuation. The Group conducts its business mainly in Hong Kong Dollars, Renminbi, United States Dollars and UK pounds. For transactions in other foreign currencies, the Group will closely monitor the exposure, and if consider appropriate, hedge to the extent desirable.

Contingent Liabilities

As at 30 June 2010, the Group's contingent liabilities were guarantees given to banks of HK$434.1 million (31 December 2009: HK$438.1 million).

Pledge of Assets

At 30 June 2010, the Group's advances to associates/jointly controlled entities of HK$1,684.0 million (31 December 2009: HK$1,579.8 million) were subordinated to the loan facilities of associates/jointly controlled entities. The Group's advances to the associates/jointly controlled entities include amounts of HK$1,684.0 million (31 December 2009: HK$1,579.8 million) which are assigned, and the shares in these associates/jointly controlled entities beneficially owned by the Group are pledged to the financial institutions.

At 30 June 2010, certain of the Group's investment properties, other properties, plant and equipment, available-for-sale financial assets, properties for sale and bank deposits with carrying values of HK$10,359.6 million, HK$84.9 million, HK$238.0 million, HK$2,762.0 million and HK$10.1 million respectively were pledged to secure credit facilities for the Group.

PROSPECTS

We are cautiously optimistic about the prospects of the property market in the second half of the year. China's economy has sustained its steady growth though on a slower yet healthier pace. The lingering uncertainty in the global economy as well as measures from both the Mainland and Hong Kong governments to dampen speculations in its respective property markets might continue to impact on the prospect of the sector. We will continue to remain vigilant against any near term market volatility as part of our sales strategy for the launch of the remaining units at Forfar and Seymour as well as the pre-sale of the Tai Po Pak Shek Kok development. Further to the recent acquisition of a luxury property redevelopment project in the Mid-Levels, we will closely monitor the market to capture any acquisition opportunities.

The Group's investment property business is expected to continue to benefit from a growing demand and rental for Grade A office space in the second half of the year. We expect the occupancy rates and rental rates at Landmark East to improve further for the remainder of the year with continued trend of office decentralisation to Kowloon East districts. The recent disposal of two industrial properties will result in a more solid financial position, enabling us to continue to enhance our investment portfolio through the optimal utilisation of resources.

Lanson Place is expected to continue to deliver strong operating performance as the economy regains strength. Looking forward, Lanson Place will continue to explore investment and management opportunities in gateway cities in the Asia Pacific region to extend its reach and further expand its portfolio of businesses.

On the strength of our business platform, we are confident that the Group is well positioned to seize any growth opportunities ahead.

EMPLOYEES

As at 30 June 2010, the Group had about 1,600 staff and workers. The Group offers comprehensive remuneration and benefit packages to its employees, which are structured according to the prevailing salary levels in the market, individual merit and performance. The Group has a mandatory provident fund scheme to provide retirement benefits for all of its employees in Hong Kong. In addition, there is a defined contribution top-up scheme for qualifying employees of certain Hong Kong subsidiaries of the Group. The Group also operates a funded defined benefit pension scheme for certain overseas employees engaged prior to May 2001.

Employees, including executive directors, are eligible under the Company's share option scheme and share incentive scheme in which the share options and incentive shares are generally exercisable in stages within a period of ten years.

CORPORATE GOVERNANCE

The Company has complied throughout the six months ended 30 June 2010 with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules except that the non-executive directors of the Company have not been appointed for any specific terms as they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's bye-laws.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its code of conduct for securities transactions by directors of the Company.

All the directors have confirmed, following specific enquiry by the Company, that they have fully complied with the required standard set out in the Model Code throughout the period from 1 January 2010 to 30 June 2010.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the six months ended 30 June 2010, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

PUBLICATION OF INTERIM REPORT

The 2010 interim report will be dispatched to shareholders of the Company and available on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company at www.wingtaiproperties.com respectively by the third week of September 2010.

By Order of the Board
WING TAI PROPERTIES LIMITED
Fung Ching Man, Janet
Company Secretary and Chief Financial Officer

Hong Kong, 27 August 2010

As at the date of this announcement, the directors of the Company are:

Executive Directors:
Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward, Cheng Man Piu, Francis, Chow Wai Wai, John, Ng Tak Wai, Frederick and Au Hing Lun, Dennis

Non-Executive Directors:
Kwok Ping Luen, Raymond, Yung Wing Chung (also an alternate to Kwok Ping Luen, Raymond), Hong Pak Cheung, William and Loh Soo Eng

Independent Non-Executive Directors:
Simon Murray, Fang Hung, Kenneth and Yeung Kit Shing, Jackson