渝 太 地 產 集 團 有 限 公 司*
Y. T. REALTY GROUP LIMITED

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

2010 Interim Results Announcement

The board of directors of Y. T. Realty Group Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2010. The interim results have been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 June 2010

		Unaudited	
		Six months ended 30 June	
	Notes	**2010**	2009
		HK$'000	*HK$'000*
REVENUE	*2, 3*	**70,077**	66,331
Direct outgoings		**(4,243)**	(4,450)
Cost of properties sold		**(280)**	-
		65,554	61,881
Other income		**336**	248
Administrative expenses		**(10,210)**	(10,526)
Finance costs		**(3,760)**	(4,075)
Changes in fair value of investment properties		**170,974**	147,475
Share of results of an associate		**72,659**	77,442
PROFIT BEFORE TAX	*4*	**295,553**	272,445
Income tax expense	*5*	**(35,445)**	(30,795)
PROFIT FOR THE PERIOD		**260,108**	241,650
Attributable to:			
Equity holders of the Company		**260,125**	241,701
Non-controlling interests		**(17)**	(51)
		260,108	241,650
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic earnings per share	*6*	**HK32.5 cents**	HK30.2 cents
Diluted earnings per share	*6*	**HK32.2 cents**	HK30.2 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2010

	Unaudited Six months ended 30 June	
	2010	2009
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**260,108**	241,650
OTHER COMPREHENSIVE (LOSS)/INCOME		
Share of other comprehensive (loss)/income of an associate	**(4,057)**	9,793
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	**(4,057)**	9,793
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**256,051**	251,443
Attributable to:		
Equity holders of the Company	**256,068**	251,494
Non-controlling interests	**(17)**	(51)
	256,051	251,443

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2010

	Notes	30 June 2010 (Unaudited) HK$'000	31 December 2009 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**218**	372
Investment properties		**2,833,500**	2,654,900
Interest in an associate		**1,461,010**	1,420,354
Other investments		**793**	793
Total non-current assets		**4,295,521**	4,076,419
CURRENT ASSETS			
Properties held for sale		**-**	275
Trade receivables	*7*	**921**	2,293
Other receivables, deposits and prepayments		**10,607**	8,641
Cash and bank balances		**87,932**	66,934
Total current assets		**99,460**	78,143
CURRENT LIABILITIES			
Trade payables	*8*	**2,954**	725
Other payables and accrued expenses		**65,622**	75,839
Bank loans, secured		**203,000**	206,200
Tax payable		**8,290**	3,306
Total current liabilities		**279,866**	286,070
NET CURRENT LIABILITIES		**(180,406)**	(207,927)
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,115,115**	3,868,492
NON-CURRENT LIABILITIES			
Bank loans, secured		**240,600**	260,500
Deferred tax liabilities		**233,076**	202,615
Total non-current liabilities		**473,676**	463,115
Net assets		**3,641,439**	3,405,377
EQUITY			
Equity attributable to equity holders of the Company			
Issued share capital		**79,956**	79,956
Reserves		**3,561,483**	3,305,722
Proposed final dividends		**-**	19,989
		3,641,439	3,405,667
Non-controlling interests		**-**	(290)
Total equity		**3,641,439**	3,405,377

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 2009.

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 2009 and in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by HKICPA, except that the Group has in the current period applied, for the first time the following new and revised HKFRSs:

HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Reporting Standards
HKFRS 1 Amendments	Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards - Additional Exemptions for First-time Adopters
HKFRS 2 Amendments	Amendments to HKFRS 2 Share-based Payment - Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 Amendment	Amendment to HKAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners
Amendments to HKFRS 5 included in Improvements to HKFRSs issued in October 2008	Amendments to HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations - Plan to sell the controlling interest in a subsidiary
HK Interpretation 4 (Revised in December 2009)	Leases - Determination of the Length of Lease Term in respect of Hong Kong Land Leases

Apart from the above, the Group has also adopted Improvements to HKFRSs 2009* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording.

* Improvements to HKFRSs 2009 contain amendments to HKFRS 2, HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 36, HKAS 38, HKAS 39, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16.

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) HKAS 27 (Revised) Consolidated and Separate Financial Statements

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

The Group has not applied any new and revised HKFRSs, that have been issued but are not yet effective, in these unaudited condensed consolidated interim financial statements. However, the Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKFRS 9 and HKAS 24 (Revised) may result in changes in accounting policies, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2 Operating segment information

For management purposes, the Group is organised into business units based on its business activities and has four reportable operating segments as follows:

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

(b) The property trading segment comprises the 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 associate which is engaged in the operation and investment in driver training centres and tunnel operation and management.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss). The adjusted profit/(loss) is measured consistently with the Group's profit/(loss) except that finance costs and head office tax expense/(credit) are excluded from such measurement.

Segment assets exclude other investments, cash and bank balances as these assets are managed on a group basis.

Segment liabilities exclude bank loans and head office tax payable as these liabilities are managed on a group basis.

2 Operating 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*
2010					
Segment revenue	**65,175**	**270**	**4,632**	-	**70,077**
Segment results	**222,957**	**(10)**	**3,707**	**-**	**226,654**
Finance costs					**(3,760)**
Share of results of an associate	**-**	**-**	**-**	**72,659**	**72,659**
Profit before tax					**295,553**
Income tax expense	**(35,042)**	**-**	**(385)**	**-**	**(35,427)**
Unallocated income tax expense					**(18)**
Profit for the period					**260,108**
Assets and liabilities					
Segment assets	**2,844,456**	**-**	**790**	**-**	**2,845,246**
Interest in an associate	**-**	**-**	**-**	**1,461,010**	**1,461,010**
Unallocated assets					**88,725**
Total assets					**4,394,981**
Segment liabilities	**288,548**	**-**	**21,354**	**21**	**309,923**
Unallocated liabilities					**443,619**
Total liabilities					**753,542**
Other segment information:					
Capital expenditure	**7,626**	**-**	**-**	**-**	**7,626**
Depreciation	**-**	**-**	**154**	**-**	**154**
Changes in fair value of investment properties	**170,974**	**-**	**-**	**-**	**170,974**

2 Operating segment information *(continued)*

	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					
Six months ended 30 June					
(Unaudited)					
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
Income tax expense	(30,366)	-	(412)	-	(30,778)
Unallocated income tax expense					(17)
Profit for the period					241,650
At 31 December					
(Audited)					
Assets and liabilities					
Segment assets	2,665,036	496	949	-	2,666,481
Interest in an associate	-	-	-	1,420,354	1,420,354
Unallocated assets					67,727
Total assets					4,154,562
Segment liabilities	260,303	21	22,146	14	282,484
Unallocated liabilities					466,701
Total liabilities					749,185
Six months ended 30 June					
(Unaudited)					
Other segment information:					
Capital expenditure	2,195	-	-	-	2,195
Depreciation	-	-	175	-	175
Changes in fair value of investment properties	147,475	-	-	-	147,475

2 Operating segment information *(continued)*

Geographical information

(a) Revenue from external customers

	Unaudited Six months ended 30 June	
	2010	2009
	HK$'000	*HK$'000*
Hong Kong	**70,077**	66,331

The revenue information above is based on the location of the customers.

(b) Non-current assets

	30 June 2010 (Unaudited)	31 December 2009 (Audited)
	HK$'000	*HK$'000*
Hong Kong	**4,286,315**	4,067,309
Mainland China	**8,413**	8,317
	4,294,728	4,075,626

The non-current asset information above is based on the location of assets and excludes financial instruments.

Information about a major customer

During the period ended 30 June 2010, revenue of approximately HK$6,140,000 (2009: HK$12,017,000) was derived from a single customer under the property investment segment.

3 Revenue

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.

4 Profit before tax

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

	Unaudited Six months ended 30 June	
	2010	2009
	HK$'000	*HK$'000*
Depreciation	**154**	175
Staff costs (including executive directors' remuneration):		
Wages and salaries	**5,430**	5,228
Pension scheme contributions	**184**	212
	5,614	5,440
Interest expenses	**2,858**	3,393
Interest income	**(10)**	(2)

5 Income tax expense

	Unaudited Six months ended 30 June	
	2010	2009
	HK$'000	*HK$'000*
Current - Hong Kong	**4,984**	4,440
Deferred	**30,461**	26,355
Total tax charge for the period	**35,445**	30,795

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 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 the basic earnings per share amount for the period ended 30 June 2010 is based on the profit for the period attributable to ordinary equity holders of the Company of HK$260,125,000 (2009: HK$241,701,000) and the weighted average number of 799,557,415 (2009: 799,557,415) ordinary shares in issue during the period.

The calculation of the diluted earnings per share amount for the period ended 30 June 2010 is based on the adjusted profit for the period attributable to ordinary equity holders of the Company of HK$257,690,000, adjusted to reflect the effects of all dilutive potential ordinary shares of an associate of the Group resulting in a decrease in profit for the period of HK$2,435,000 as a result of dilution of interest in an associate, and the weighted average number of 799,557,415 ordinary shares in issue during the period.

7 Trade receivables

An aged analysis of the trade receivables at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2010 (Unaudited) ***HK$'000***	31 December 2009 (Audited) *HK$'000*
0 - 30 days	**650**	752
31 - 60 days	**188**	961
Over 60 days	**83**	580
	921	2,293

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 end of the reporting period, based on the invoice date, is as follows:

	30 June 2010 (Unaudited) ***HK$'000***	31 December 2009 (Audited) *HK$'000*
0 - 30 days	**2,954**	725

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's net profit attributable to shareholders for the first six months of 2010 was HK$260.1 million which is 7.6% higher than the results of the corresponding period of 2009. Earnings per share for the first six-month period of 2010 amounted to HK32.5 cents (2009: HK30.2 cents). Excluding the effect of property revaluation, its related deferred taxation and profit contribution from an associated company, the Group recorded a net profit increase of 8.7% when compared with the last corresponding period.

Rental income from investment properties for the half-year ended 30 June 2010 amounted to HK$65.2 million, up 8.3% from HK$60.2 million for the corresponding period of last year. During the period under review, the Group's core properties recorded steady increase in rental yield.

Entering into 2010, the overall economic situation in Hong Kong was much improved when compared with the corresponding period a year earlier. Thanks to the global "Quantitative Easing" financial policies, many companies and business entities in Hong Kong were able to return to the path of growth and profitability. The Group was no exception and the stable result was achieved for the first half of 2010.

The extremely low interest environment, coupled with increased flow of global liquidity, helped to largely restore the market sentiment and confidence. The property market where the Group has placed substantial long term investment performed exceptionally well. Although there are positive signs to support that the financial crisis is now behind us, there are growing concern that an economic bubble particularly in the property sector is being formed and the potential burst of such bubble could easily be triggered by factors such as hike in interest rate or further negative news of financial crisis being developed in Europe or the United States, the resultant situation of which could be more damaging to the property market. A number of measures to curb the overheated speculation in the residential property sector were therefore introduced by the Hong Kong Government during the period under review. These controlling measures, coupled with the World Cup effect, slowed down transaction activities in many business sectors close to the end of mid-2010. Against this backdrop of market volatility, occupancy rate of the Group's property portfolio dropped to under 90% at some point in the 2nd quarter due to departure of an anchor tenant in Prestige Tower at Tsimshatsui. After extensive marketing and promotional endeavours, the vacated premises were gradually taken up at escalated rental rates by various high end retail and fashion operators. Occupancy rate was subsequently raised to around 95% at the end of June 2010, with the latest figure further improved nearly 98%. Rental rate recorded satisfactory parallel growth at the same time.

We ascribe the strong resilience of our investment property portfolio to, inter alia, favourable locations of our properties, effective marketing endeavours, and provision of comprehensive quality management services to tenants by a dedicated team of in-house professional staff.

The Group's investment property portfolio was independently valued at the end of the period resulting in a revaluation surplus of HK$171.0 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 period was HK$72.7 million (2009: HK$77.4 million), a decrease of 6.2% 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 optimistic about the economic development of Hong Kong in the coming years. We envisage that the low interest rate environment will persist for a while, which will not only benefit many businesses but will stimulate spending as well as trade and commercial activities. Despite the controlling measures introduced by Hong Kong Government in the first half of 2010 to curb the overheated property market, we believe demand for quality properties, particularly high end residential units, both for long term investment and for self use, will continue to be strong. Likewise, prime retail and commercial properties will continue to be the key target for acquisition by investors who are driven to seek better investment return due to low interest offerings by banks. On the financial development side, we have witnessed the staunch support from the Central Government to place Hong Kong in the forefront in gradual internationalization of Renminbi. Moreover, tourism and retail sectors will benefit most from the anticipated revaluation of the Mainland currency and such currency factor will also strengthen the property sector as a great percentage of purchasing power is from across the border.

In view of the above economic outlook, the Group will expect to yield stable and satisfactory performance for the remaining half of the year. Riding on our success in transforming our office buildings into vertical retail complex, we will strive to seek ways to further sharpen our competitive edge by improving our hardware and software in these properties, both of which are crucial in attracting and retaining quality tenants. Despite the rising market, we shall continue to explore suitable investment opportunities to enhance sustainable corporate earnings for our shareholders. In doing so, we shall adopt the usual cautious and prudent approach to safeguard the interest of our shareholders.

Financing and Liquidity

The Group's financial expenses for the period amounted to HK$3.8 million, decreased by 7.7% from HK$4.1 million when compared to the same period last year as the Group's bank borrowings had been reduced.

The gearing ratio, which is calculated as the ratio of net bank borrowings to shareholders' funds, was 9.8% (31 December 2009: 11.7%). As at 30 June 2010, the total bank borrowing has decreased to HK$443.6 million from HK$466.7 million at end of 2009. Certain investment properties with aggregate carrying value of HK$2,819.0 million (31 December 2009: HK$2,641.0 million) were pledged, together with assignment of rental income, to secure loan facilities. Term loan instalments repayable within one year amounted to HK$43.0 million. Revolving bank loan with balance of HK$160.0 million is repayable and renewable within one year.

The following is the maturing profile of the Group's bank borrowings as of 30 June 2010:

Within one year	45.8%
In the second year	9.7%
In the third to fifth years, inclusive	23.9%
After the fifth year	20.6%
	100.0%

As at 30 June 2010, the Group's cash and cash equivalents was HK$87.9 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 2010, the Company has executed guarantees totaling HK$1,034.2 million (31 December 2009: HK$1,107.3 million), with respect to banking facilities made available to its subsidiaries, of which HK$443.6 million were utilised (31 December 2009: HK$466.7 million).

STAFF

As at 30 June 2010, the Group had 38 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 2010 (2009: 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") set out within 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 within the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 to the Listing Rules (as amended from time to time).

All directors have confirmed, following specific enquiries by the Company, that they have complied with the required standard set out within 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, 31 August 2010

As at the date hereof, 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*