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

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

2013 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 2013. The interim results have been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 June 2013

		Unaudited Six months ended 30 June	
	Notes	**2013**	2012
		HK$'000	*HK$'000*
REVENUE	*2, 3*	**99,823**	87,705
Direct outgoings		**(3,202)**	(4,382)
		96,621	83,323
Other income		**750**	1,037
Administrative expenses		**(11,984)**	(11,519)
Finance costs		**(1,807)**	(2,354)
Changes in fair value of investment properties		**77,134**	111,530
Share of results of an associate		**80,110**	81,146
PROFIT BEFORE TAX	*4*	**240,824**	263,163
Income tax expense	*5*	**(12,618)**	(10,467)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**228,206**	252,696
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	*6*	**HK28.5 cents**	HK31.6 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2013

	Unaudited Six months ended 30 June **2013**	 2012
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**228,206**	252,696
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:		
Share of other comprehensive (loss)/income of an associate	**(18,248)**	18,258
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	**(18,248)**	18,258
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	**209,958**	270,954

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2013

	Notes	**30 June 2013** *HK$'000* **(Unaudited)**	31 December 2012 *HK$'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**1,145**	1,311
Investment properties		**3,611,500**	3,532,800
Investment in an associate		**1,694,558**	1,660,643
Other investments		**1,790**	1,790
Total non-current assets		**5,308,993**	5,196,544
CURRENT ASSETS			
Trade receivables	*7*	**336**	1,617
Other receivables, deposits and prepayments		**10,106**	11,140
Dividend receivable from an associate		**9,315**	-
Cash and cash equivalents		**178,650**	138,845
Total current assets		**198,407**	151,602
CURRENT LIABILITIES			
Trade payables	*8*	**1,200**	1,921
Other payables and accrued expenses		**60,787**	73,903
Bank loans, secured		**43,000**	43,000
Tax payable		**14,742**	4,205
Total current liabilities		**119,729**	123,029
NET CURRENT ASSETS		**78,678**	28,573
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,387,671**	5,225,117
NON-CURRENT LIABILITIES			
Bank loans, secured		**111,600**	133,100
Deferred tax liabilities		**72,846**	70,765
Total non-current liabilities		**184,446**	203,865
Net assets		**5,203,225**	5,021,252
EQUITY			
Equity attributable to equity holders of the Company			
Issued share capital		**79,956**	79,956
Reserves		**5,123,269**	4,913,311
Proposed final dividends		**-**	27,985
Total equity		**5,203,225**	5,021,252

Notes:

1 Basis of Preparation and Accounting Policies

These unaudited interim condensed consolidated 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 to the Main Board Listing Rules (the "Listing Rules"). These unaudited interim condensed consolidated 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 2012.

The accounting policies and basis of preparation adopted in the preparation of these unaudited interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2012 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 Amendments	Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards - Government Loans
HKFRS 7 Amendments	Amendments to HKFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 - Transition Guidance
HKFRS 13	Fair Value Measurement
HKAS 1 Amendments	Amendments to HKAS 1 Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income
HKAS 19 (2011)	Employee Benefits
HKAS 27 (2011)	Separate Financial Statements
HKAS 28 (2011)	Investments in Associates and Joint Ventures
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine
Annual Improvements 2009-2011 Cycle	Amendments to a number of HKFRSs issued in June 2012

The adoption of the new and revised HKFRSs has had no significant financial effect on these unaudited interim condensed consolidated financial statements.

The Group has not early applied any new and revised HKFRSs, that have been issued but are not yet effective, in these unaudited interim condensed consolidated financial statements. However, the Group is in the process of making an assessment of the impact of the new and revised HKFRSs upon initial application, certain of which may be relevant to the Group's operation and may result in changes in the Group's accounting policies, and changes in presentation and measurement of certain items of the Group's financial information.

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 of 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 income tax expense/(credit) are excluded from this measurement.

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

Segment liabilities exclude bank loans, head office tax payable and head office deferred tax liabilities 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*
2013					
Segment revenue	**95,388**	**-**	**4,435**	**-**	**99,823**
Segment results	**158,806**	**-**	**3,715**	**-**	**162,521**
Finance costs					**(1,807)**
Share of results of an associate	**-**	**-**	**-**	**80,110**	**80,110**
Profit before tax					**240,824**
Income tax expense	**(11,620)**	**-**	**(387)**	**-**	**(12,007)**
Unallocated income tax expense					**(611)**
Profit for the period					**228,206**
Assets and liabilities					
Segment assets	**3,623,010**	**-**	**77**	**-**	**3,623,087**
Investment in an associate	**-**	**-**	**-**	**1,694,558**	**1,694,558**
Dividend receivable from an associate	**-**	**-**	**-**	**9,315**	**9,315**
Unallocated assets					**180,440**
Total assets					**5,507,400**
Segment liabilities	**140,916**	**-**	**7,937**	**24**	**148,877**
Unallocated liabilities					**155,298**
Total liabilities					**304,175**
Other segment information:					
Capital expenditure	**1,589**	**-**	**-**	**-**	**1,589**
Depreciation	**186**	**-**	**3**	**-**	**189**
Changes in fair value of investment properties	**77,134**	**-**	**-**	**-**	**77,134**

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*
2012					
Six months ended 30 June					
(Unaudited)					
Segment revenue	82,711	-	4,994	-	87,705
Segment results	180,648	-	3,723	-	184,371
Finance costs					(2,354)
Share of results of an associate	-	-	-	81,146	81,146
Profit before tax					263,163
Income tax expense	(9,431)	-	(369)	-	(9,800)
Unallocated income tax expense					(667)
Profit for the period					252,696
At 31 December					
(Audited)					
Assets and liabilities					
Segment assets	3,546,002	-	866	-	3,546,868
Investment in an associate	-	-	-	1,660,643	1,660,643
Unallocated assets					140,635
Total assets					5,348,146
Segment liabilities	143,140	-	7,550	17	150,707
Unallocated liabilities					176,187
Total liabilities					326,894
Six months ended 30 June					
(Unaudited)					
Other segment information:					
Capital expenditure	371	-	-	-	371
Depreciation	165	-	1	-	166
Changes in fair value of investment properties	111,530	-	-	-	111,530

2 Operating Segment Information *(continued)*

Geographical information

(a) Revenue from external customers

	Unaudited Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**99,823**	87,705

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

(b) Non-current assets

	30 June 2013	31 December 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Hong Kong	**5,296,201**	5,184,051
Mainland China	**11,002**	10,703
	5,307,203	5,194,754

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

Information about a major customer

During the period ended 30 June 2013, revenue of approximately HK$17,140,000 (2012: HK$10,257,000) 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 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	
	2013	2012
	HK$'000	*HK$'000*
Depreciation	**189**	166
Staff costs (including executive directors' remuneration):		
Wages and salaries	**7,022**	6,504
Pension scheme contributions	**233**	256
	7,255	6,760
Interest expenses	**1,082**	1,653
Interest income	**(453)**	(141)

5 Income Tax Expense

	Unaudited Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
Current - Hong Kong	**10,537**	8,478
Deferred	**2,081**	1,989
Total tax charge for the period	**12,618**	10,467

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdiction in which the Group operates.

6 Earnings Per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic earnings per share amount for the period is based on the profit for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic earnings per share amount presented for the periods ended 30 June 2013 and 2012 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these periods.

The calculation of basic and diluted earnings per share is based on:

	Unaudited Six months ended 30 June	
	2013	2012
	HK$'000	*HK$'000*
Earnings		
Profit for the period attributable to ordinary equity holders of the Company	**228,206**	252,696
	Number of shares	
	2013	2012
Shares		
Weighted average number of ordinary shares in issue during the period	**799,557,415**	799,557,415

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 2013	31 December 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 - 30 days	**336**	1,085
31 - 60 days	**-**	224
Over 60 days	**-**	308
	336	1,617

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 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 2013	31 December 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 - 30 days	**1,200**	1,921

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's net profit attributable to shareholders for the first six months of 2013 amounted to HK$228.2 million which was 9.7% lower than the results of the corresponding period of 2012. Earnings per share for the first six-month period of 2013 amounted to HK28.5 cents (2012: HK31.6 cents). Excluding the effect of property revaluation, the Group recorded a net profit increase of 7.1% when compared with the last corresponding period.

For the first half of 2013, the Group's revenue increased by 13.8% to HK$99.8 million as compared to the last corresponding period. Rental income from investment properties amounted to HK$95.4 million, up 15.3% from HK$82.7 million. During the period under review, the Group's core properties recorded steady increase in overall rental rates.

In the first six months of 2013, the economy of Hong Kong continued to advance slowly on its economic growth path which was primarily driven by domestic consumption, continuous low unemployment rate, and improvement on minimum wages. Investment on territory-wide large-scale infrastructure projects also played a key role in supporting our stable economic development. Nonetheless, growth momentum was somehow dragged by sluggish property market which was brought about by various austerity measures including tightened lending on properties by banks and imposition of further buyer's stamp duty as well as introduction of the onerous Residential Properties (First-hand Sales) Ordinance by the Government. Demand of purchasers, be it of investors or end-users, were largely suppressed, resulting in a stagnation of overall transactions for virtually all sectors of properties. On the other hand, tight liquidity and slower economic growth in the Mainland created another negative impact on our economy. Retail sector of luxurious and high-end goods was most hard hit. As a result, demand for and rental rates of high end retail properties were notably slipped. On the whole, thanks to strong public fiscal reserve, low interest rate environment, and most importantly the relatively low gearing ratio amongst owners and investors, market volatility though emerged was not out of expectation and control.

Against this backdrop, the Group is pleased to report a healthy half-year result for 2013. Overall rental rate could still achieve an encouraging double-digit growth whilst occupancy rate stood firmly at over 98%. We ascribed such pleasing result to the prestigious locations of our properties as well as proactive marketing endeavor and tenancy service by the well trained in-house management team. More importantly, the Group's effort in establishing unique branding for our different properties served the purpose well in both retaining tenants and attracting new comers.

Business Review *(continued)*

The Group's investment property portfolio was independently valued at the end of the period resulting in a revaluation surplus of HK$77.1 million. The revaluation surplus of the Group's investment properties was 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$80.1 million (2012: HK$81.1 million), decreased by 1.3% 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

While the first half year's result of the Group may be encouraging, we expect the market to be rather volatile in the coming months and years which may have implication on our performance. Whilst it is expected that the United States' Federal Reserve will gradually wind down its quantitative easing programmes and, the statement of which has already created some turbulence in the global financial markets, the European Central Bank will likely be forced to maintain its Outright Monetary Transactions programmes to provide the needed funds to support the European markets. In Asia, Japan has announced to adopt a new series of quantitative easing programmes which already posed pressure on the stability of its currency. Fear of long term negative consequences by these aggressive monetary policies has begun to emerge around region.

On the Mainland which Hong Kong depends heavily on in various key aspects, slower growth seems to be inevitable due to stagnant domestic consumption and recession in European markets. In addition, tight credit and liquidity problems put a lot of pressure on many of its businesses which will have a knock-on effect on Hong Kong. That said, we do see opportunities ahead as we believe that an economic growth engine has already been ignited in Hong Kong as the Government is speeding up its various large-scale infrastructure projects and massive new town and housing scheme as well as aggressive land sales programmes. All these initiatives will help create job opportunities and stimulate growth in Gross Domestic Products for our local economy despite some of the measures may have negative impact on property value of certain sectors.

It is therefore envisaged that the years ahead will be full of challenges but not without opportunities. The continual adjustment of property value to a more reasonable level will give rise to opportunity for the Group to suitably expand its property portfolio. To this end, we will actively identify suitable projects in the near future to fulfill such strategic investment direction. On the other hand, we will spare no efforts in exploring ways to improve our property service for our tenants and to add value to our investment assets so as to secure sustainable returns for our shareholders.

Financing and Liquidity

The Group's financial expenses for the period amounted to HK$1.8 million, decreased by 23.2% from HK$2.4 million when compared to the same period last year as the Group's bank borrowings was reduced during the period.

As at 30 June 2013, the total bank borrowings was HK$154.6 million, decreased from HK$176.1 million at end of 2012. Certain investment properties with aggregate carrying value of HK$3,590.0 million (31 December 2012: HK$3,512.0 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.

The following is the maturing profile of the Group's bank borrowings as of 30 June 2013:

Within one year	27.8%
In the second year	12.9%
In the third to fifth years, inclusive	38.8%
Beyond five years	20.5%
	100.0%

As at 30 June 2013, the Group's cash and cash equivalents was HK$178.7 million. As the Group had net cash and cash equivalents of HK$24.1 million, that represented zero gearing (31 December 2012: 0.7%). The gearing ratio, if any, is calculated as the ratio of net bank borrowings to shareholders' funds. 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 2013, the Company has executed guarantees totalling HK$905.2 million (31 December 2012: HK$926.7 million) with respect to banking facilities made available to its subsidiaries, out of which HK$154.6 million were utilised (31 December 2012: HK$176.1 million).

STAFF

As at 30 June 2013, the Group employed 44 staff 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 depending upon the financial performance of the Group.

INTERIM DIVIDEND

The board of directors does not recommend the payment of an interim dividend for the six months ended 30 June 2013 (2012: Nil).

CORPORATE GOVERNANCE CODE

Throughout the accounting period covered by the interim report, the Company complied with the relevant code provisions of the Corporate Governance Code (the "CG Code") set out within Appendix 14 to the Listing Rules save that the Company has no formal letters of appointment for directors except the managing director setting out the key terms and conditions of their appointment, and has therefore deviated from D.1.4 of the CG Code. This notwithstanding, every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. Shareholders are sent (at the same time as the notice of the relevant general meeting) a circular containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the re-election of each retiring director who stands for re-election at the meeting, including the information required to be disclosed pursuant to Rule 13.51(2) of 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) at least as exacting as the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out within Appendix 10 to the Listing Rules.

All directors confirmed that they had 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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares in the Company during the period.

On behalf of the board
Wong Chi Keung
Managing Director

Hong Kong, 26 August 2013

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*