

Digital Realty Trust, Inc.
Form 8-K/A
August 08, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 8, 2008

DIGITAL REALTY TRUST, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-32336
(Commission File Number)

26-0081711
(I.R.S. Employer
Identification Number)

560 Mission Street, Suite 2900

94105

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San Francisco, California
(Address of principal executive offices)

(415) 738-6500

(Zip Code)

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

This Form 8-K/A amends our Form 8-K, dated August 6, 2008, to replace page 20 of the supplemental operating and financial data we originally posted on August 6, 2008 on our website located at www.digitalrealtytrust.com.

Item 2.02 Results of Operations and Financial Condition.

The information in this Item 2.02 of this Current Report is also being furnished under Item 7.01 Regulation FD Disclosure of Form 8-K. Such information, including the exhibit attached hereto, is furnished pursuant to Item 2.02 and shall not be deemed filed for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of that Section. The information in this Current Report on Form 8-K shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended (the Securities Act), or the Exchange Act regardless of any general incorporation language in such filing.

This Form 8-K/A amends our Form 8-K, dated August 6, 2008, to replace page 20 of the supplemental operating and financial data we originally posted on August 6, 2008 on our website located at www.digitalrealtytrust.com. The revised page 20 is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

The information furnished in this Item 7.01 of this Current Report on Form 8-K, including the exhibit attached hereto, shall not be deemed filed for any purpose, including for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section. The information in this Item 7.01 of this Current Report on Form 8-K, including the exhibit attached hereto, shall not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act regardless of any general incorporation language in such filing.

This Form 8-K/A amends our Form 8-K, dated August 6, 2008, to replace page 20 of the supplemental operating and financial data we originally posted on August 6, 2008 on our website located at www.digitalrealtytrust.com. The revised page 20 is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Page 20 to Supplemental Operating and Financial Data posted August 6, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Digital Realty Trust, Inc.

By: /s/ Joshua A. Mills
Joshua A. Mills
General Counsel and Assistant Secretary

Date: August 8, 2008

EXHIBITS

Exhibit Number	Description
99.1	Page 20 to Supplemental Operating and Financial Data posted August 6, 2008.

a trading market to develop, or if a trading market does develop, may substantially reduce the market price of our common stock.

Risks Relating to Doing Business in the PRC

The PRC's economic, political and social conditions, as well as governmental policies, could affect the financial markets in the PRC, our liquidity and access to capital, and our ability to operate our business.

Our financial condition and results of operations may be adversely affected by government control over capital investments or changes in tax regulations that are applicable to us. The PRC economy differs from the economies of most developed countries in many respects, including the amount of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. While the PRC economy has experienced significant growth, growth has been uneven, both geographically and among various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and to guide the allocation of resources. The PRC economy has been transitioning from a planned economy to a more market-oriented economy. Although the PRC government has implemented measures since the late 1970s emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets, and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in the PRC are still owned by the PRC government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government also exercises significant control over its economic growth through the allocation of resources, controlling payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Since late 2003, the PRC government has implemented a number of measures, such as raising bank reserves against deposit rates to place additional limitations on the ability of commercial banks to make loans and raise interest rates, in order to slow down specific segments of the PRC's economy. These actions, as well as future actions and policies of the PRC government, could materially affect our liquidity and access to capital and our ability to operate our business.

The PRC legal system embodies uncertainties which could limit the legal protections available to us.

The PRC legal system is a civil law system based on written statutes. Unlike common law systems, it is a system in which decided legal cases have little precedential value. In 1979, the PRC government began to promulgate a comprehensive system of laws and regulations governing economic matters in general. The overall effect of legislation has been significantly enhanced protections afforded to various forms of foreign investment in the PRC. However, these laws, regulations and legal requirements change frequently, and their interpretation and enforcement involve uncertainties. For example, we may have to resort to administrative and court proceedings to enforce the legal protection that we enjoy either by law or contract. However, because PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. In addition, such uncertainties, including the inability to enforce our contracts, could materially and adversely affect our business and operation. Also, intellectual property rights and confidentiality protections in the PRC may not be as effective as in the United States or other countries. Accordingly, we cannot predict the effect of future developments in the PRC legal system, particularly with regard to the medical industry, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the preemption of local regulations by national laws. These uncertainties could limit the legal protections available to us.

U.S. investors may experience difficulties in attempting to enforce judgments based upon U.S. federal securities laws against us and our non-U.S. resident director.

All of our operations and our assets are located outside the United States. In addition, all of our officers and directors are foreign citizens. As a result, it may be difficult or impossible for U.S. investors to enforce judgments of U.S. courts for civil liabilities against any of our individual directors or officers.

MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

As used in this Current Report on Form 8-K, all references hereinafter to the "Company," "we," "our" and "us" for periods prior to the closing of the Share Exchange refer to the Registrant, and for periods subsequent to the closing of the Share Exchange refer to the Registrant and its subsidiaries.

The following discussion highlights the principal factors that have affected our financial condition and results of operations as well as our liquidity and capital resources for the periods described. This discussion contains forward-looking statements. Please see "Special cautionary statement concerning forward-looking statements" and "Risk factors" for a discussion of the uncertainties, risks and assumptions associated with these forward-looking statements. The operating results for the periods presented were not significantly affected by inflation.

Company Overview

The Registrant was originally incorporated in Delaware on November 15, 1955, under the name "Inland Mineral Resources Corp." and was formed for the purpose of engaging in all lawful businesses. On March 12, 2007, the Registrant changed its name to China RuiTai International Holdings Co., Ltd. On November 8, 2007, the Registrant acquired Pacific Capital Group Co., Ltd., and its majority-owned subsidiary, TaiAn RuiTai Cellulose Co., Ltd., pursuant to the terms of the Exchange Agreement discussed in item 2.01 above. This transaction was accounted for as a "reverse merger" with Pacific Capital Group deemed to be the accounting acquirer and the Registrant as the legal acquirer. Consequently, the assets and liabilities and the historical operations that will be reflected in the financial statements for periods prior to the Share Exchange will be those of Pacific Capital Group and its subsidiary and will be recorded at the historical cost basis of Pacific Capital Group. After completion of the Share Exchange, the Registrant's consolidated financial statements will include the assets and liabilities of both the Registrant and Pacific Capital Group, the historical operations of Pacific Capital Group and the operations of the Registrant and its subsidiaries from the closing date of the Share Exchange.

Pacific Capital Group was incorporated on November 26, 2006 under the laws of the Republic of Vanuatu as a holding company, for the purposes of seeking and consummating a merger or acquisition with a business entity. On April 26, 2007, following the approval by the relevant governmental authorities in the Peoples Republic of China ("PRC"), Pacific Capital Group acquired a 99% ownership interest in TaiAn RuiTai Cellulose Co., Ltd., a Chinese limited liability company, incorporated in the PRC on November 10, 1999. Subsequent to the transaction, TaiAn became a majority-owned subsidiary of Pacific Capital Group. Pacific Capital, through TaiAn, engages in the development, manufacturing, and distribution of cellulose ether. As such, Pacific Capital Group does not conduct any substantive operations of its own, but rather conducts its primary business operations through TaiAn, a Chinese company that established in November 1999 and specializes in chemical manufacturing. As a result of the Share Exchange, the Registrant intends to carry on the business of Pacific Capital Group's subsidiary, TaiAn as its sole line of business.

Results of Operations

Our financial statements are stated in US Dollars and are prepared in accordance with generally accepted accounting principals of the United States ("GAAP").

Consolidated Results of Operation for Pacific Capital Group and TaiAn for the Six-Months Ended June 30, 2007 Compared to the Six-Months Ended June 30, 2006.

Revenues. During the six months ended June 30, 2007, Pacific Capital Group had revenues of \$16,588,463 as compared to revenues of \$12,502,780 during the six months ended June 30, 2006, an increase of approximately 32.7%. This increase is attributable to an increase in sales due to greater demand for cellulose ether products, higher production capabilities of the Company, and the introduction of new products by the Company.

Gross Profit. Cost of goods sold, which consists of direct labor, overhead and product costs, were \$10,553,148 for the six months ended June 30, 2007 as compared to \$7,861,413 for the six months ended June 30, 2006. Gross profit was \$6,035,315 for the six months ended June 30, 2007 as compared to \$4,641,367 for the six months ended June 30, 2006, representing gross margins of approximately 36.4% and 37.1% respectively. The decrease in gross profit margins is attributable to an insufficient amount of increase in sales relative to an increased amount of cost of goods sold during the six months ending June 30, 2007.

Selling Expenses. Selling expenses which consist of advertising and promotion expenses, freight charges, exporting expenses, and sales commissions totaled \$997,371 for the six months ended June 30, 2007 as compared to \$851,251 for the six months ended June 30, 2006, an increase of approximately 17.2%. This increase is primarily attributable to expanding sales team and activities, which are in turn reflected in increased sales.

General and Administrative Expenses. General and administrative expenses totaled \$577,909 for the six months ended June 30, 2007, as compared to \$801,843 for the six months ended June 30, 2006, a decrease of approximately 27.9%. This decrease is primarily attributable to a decrease in repair and maintenance expenses and a decrease in bad debt expenses for the six months ended June 30, 2007.

Net Income. The Company had a net income of \$2,748,579 for the six months ended June 30, 2007 as compared to \$1,670,320 for the six months ended June 30, 2006. Comprehensive income, taking into account foreign currency conversion was \$2,886,270 and \$1,689,989 for the six months ended June 30, 2007 and June 30, 2006 respectively. The increase in net income is attributable to an increase in sales and a decrease in general and administrative expenses. TaiAn's management believes that net income will continue to increase as TaiAn introduces new products, increases sales, and expands production capacity.

Net Cash From Operations. Net cash derived from operating activities totaled \$1,163,592 for the six months ended June 30, 2007 as compared to net cash used by operating activities of \$777,779 for the six months ended June 30, 2006. The increase in net cash derived was primarily due to an increase in net income as well as a decrease in inventory and an increase in accounts and taxes payable.

Net Cash Used For Investing. Net cash used in investing activities was \$4,578,266 for the six months ended June 30, 2007 and net cash provided by investing activities was \$1,081,383 for the six months ended June 30, 2006. The increase in net cash used was primarily the result of the purchase of fixed assets and an increase in the amount of short term loans to a shareholder.

Net Cash Provided By Financing Activities. Net cash used by financing activities totaled \$779,193 for the six months ended June 30, 2007 as compared to net cash used by financing activities of \$1,111,427 for the six months ended June 30, 2006. The reason for this decrease in the amount of net cash used was because of a decrease in restricted cash to secure bank checks.

Inventories. Inventories at June 30, 2007 were \$4,949,837.

Results of Operations of TaiAn for the Year Ended December 31, 2006 Compared to the Year Ended December 31, 2005.

Revenues. During the year ended December 31, 2006, TaiAn had revenues of \$28,090,238 as compared to revenues of \$23,644,780 during the year ended December 31, 2005, an increase of approximately 18.8%. This increase is attributable to an increase in sales due to greater demand for cellulose ether products, higher production capabilities of the Company, and the introduction of new products by the Company. Management believes that its sales will continue to grow because of the increasing global demand for cellulose ether products as well as the increased production capabilities of the Company resulting in the potential for increased sales.

Gross Profit. Cost of goods sold, which consists of direct labor, overhead and product costs, were \$19,153,553 for the year ended December 31, 2006 as compared to \$16,498,898 for the year ended December 31, 2005. Gross profit was \$8,963,685 for the year ended December 31, 2006 as compared to \$7,145,882 for the year ended December 31, 2005, representing gross margins of approximately 31.8% and 30.2%, respectively. The increase in gross profits is attributable to increased sales. Management believes that this trend will continue as sales are expected to increase while gross margin will remain relatively stable at the current level.

Selling Expenses. Selling expenses which consist of advertising and promotion expenses, freight charges, exporting expenses, and sales commissions totaled \$2,128,099 for the year ended December 31, 2006 as compared to \$1,719,372 for the year ended December 31, 2005, an increase of approximately 23.8%. This increase is primarily attributable to expanding sales team and activities, which are in turn reflected in increased sales. TaiAn management believes that its selling expenses will continue to increase as sales continue to grow.

General and Administrative Expenses. General and administrative expenses totaled \$1,491,118 for the year ended December 31, 2006, as compared to \$1,170,581 for the year ended December 31, 2005, an increase of approximately 27.4%. This increase is primarily attributable to the expansion of TaiAn's sales and operations.

Net Income. The Company had a net income of \$3,036,362 for the year ended December 31, 2006 as compared to \$2,851,086 for the year ended December 31, 2005. Comprehensive income, taking into account foreign currency conversion was \$3,142,032 and \$2,826,611 for the years ended December 31, 2006 and December 31, 2005, respectively. The increase in net income is attributable to an increase in sales. TaiAn's management believes that net income will continue to increase as TaiAn introduces new products, increases sales, and expands production capacity.

Net Cash From Operations. TaiAn generated positive cash flow from operations for the year ended December 31, 2006 and negative cash flow from operations for the year ended December 31, 2005. Specifically, net cash derived from operating activities totaled \$2,416,715 for the year ended December 31, 2006 as compared to a negative \$563,889 for the year ended December 31, 2005. The increase was primarily due to an increase in net income and a smaller decrease in accounts payable, which was partially offset by an increase in accounts receivable and prepaid expenses.

Net Cash Used For Investing. Net cash used in investing activities was \$8,869,934 for the year ended December 31, 2006 and net cash used in investing activities was \$1,666,013 for the year ended December 31, 2005. The cash was used for the purchase of land use rights and fixed assets and short-term loans to a shareholder and to unaffiliated suppliers.

Net Cash Provided By Financing Activities. Net cash provided by financing activities totaled \$8,580,881 for the year ended December 31, 2006 as compared to \$5,455,773 for the year ended December 31, 2005. The reason for this increase was due to an increase in bank loans and proceeds from bank checks and commercial paper.

Changes in Inventories. Inventories at December 31, 2006 were \$5,209,747, compared to \$5,188,407 at December 31, 2005. The increased amount of inventories was mainly due to increased production activities associated to increased sales.

Liquidity and Capital Resources

As of June 30, 2007 Pacific Capital Group had cash and cash equivalents of \$2,204,550.

Advance to Employees. TaiAn has a process of making advances to employees. "Advances to Employees" are advances to employees who are working on projects on behalf of TaiAn. After the work is finished, they will submit expense reports with supporting documents to the accounting department. Then, the expenses are debited into the relevant accounts and the advances are credited out. Cash flows from these activities are classified into operating activities. The total advance to employees was \$1,629,857, \$1,694,438, and \$1,769,585 for the years ended December 31, 2006, 2005, and 2004, respectively.

Due From A Shareholder. "Due from a shareholder" represents temporary short-term loans made by TaiAn to its then a majority shareholder, Shandong Ruitai Chemicals Co., Ltd. ("Shandong Ruitai"). Shandong Ruitai had owned a 75% equity ownership interest in TaiAn from January 2000 through February 2007. On March 20, 2007, Shandong Ruitai sold a 74% equity ownership interest in TaiAn to Pacific Capital Group Co., Ltd. These loans are unsecured, non-interest bearing and have no fixed terms of repayment, therefore, deemed payable on demand. Cash flows from due from a shareholder are classified as cash flows from investing activities. The total loans to the shareholder was \$82,904,688, \$69,709,583, and \$40,949,756 in 2006, 2005, and 2004, respectively. The Company is collecting these loans from Shandong Ruitai. The Management believes that it will be able to collect all these loans back by September 2008.

Bank Loan. TaiAn has entered into various loan agreements to borrow a total of \$15,861,401 from Feicheng Branch of Bank of China, Taian Branch of Transportation Bank, Wenyang Branch of Feicheng Credit Bank, and Wenyang Branch of Agriculture Bank. The following chart shows the amount, duration, and interest rate for each of the bank loan contracts as of June 30, 2007:

Financial Institution	Loan Amount	Duration	Monthly Interest Rate
Feicheng Branch of Bank of China	\$ 393,453	2/2/2007-2/1/2008	6.12%
Feicheng Branch of Bank of China	\$ 1,311,510	2/27/2007-2/26/2008	6.12%
Feicheng Branch of Bank of China	\$ 1,180,359	3/14/2007-3/13/2008	6.12%
Feicheng Branch of Bank of China	\$ 786,906	3/28/2006-3/27/2007	6.39%
Feicheng Branch of Bank of China	\$ 1,311,510	4/24/2007-4/23/2008	6.39%
Feicheng Branch of Bank of China	\$ 918,057	6/15/2007-6/14/2008	6.02%
Feicheng Branch of Bank of China	\$ 1,180,359	11/22/2006-11/21/2007	6.12%
Feicheng Branch of Bank of China	\$ 1,311,510	12/21/2006-12/20/2007	6.12%
Taian Branch of Transportation Bank	\$ 655,755	2/27/2007-8/27/2007	110% of rate quoted by People's Bank of China at due date of interest payment
Wenyang Branch of Feicheng Credit Bank	\$ 721,330	5/24/2007-5/23/2008	4.65%
Wenyang Branch of Feicheng Credit Bank	\$ 1,154,129	1/31/2007-1/31/2008	5.31%
Wenyang Branch of Feicheng Credit Bank	\$ 1,001,993	1/31/2007-1/31/2008	5.31%
Wenyang Branch of Feicheng Credit Bank	\$ 1,311,510	1/31/2007-1/31/2008	5.31%
Wenyang Branch of Agriculture Bank	\$ 1,311,510	5/28/2007-12/25/2007	6.57%
Wenyang Branch of Agriculture Bank	\$ 1,311,510	12/23/2006-12/22/2007	6.975%
Total	\$ 15,861,401		

Off Balance Sheet Arrangements

As of November 8, 2007, the Company does not have any off balance sheet arrangements.

DESCRIPTION OF PROPERTY

TaiAn's headquarters are located in Wenyang County, in the Feicheng District of Tai'an City in the Shandong Province of China. In the PRC, all land belongs to the State. Enterprises and Individuals can pay the State a fee to obtain the rights to use a parcel of land for either commercial or residential purposes for initial periods of either 50 or 70 years. The Company currently owns the use rights of two parcels of adjoining land, totaling approximately 56.76 acres, on which its manufacturing plant and office building are located. Specifically, the Company's land use rights are for: i) approximately a 20 acre parcel for a 50 year period ending on December 2, 2055; and ii) a 36 acre parcel ending on June 5, 2054. The Company's manufacturing plant encompasses approximately 2,798,640 square feet of space and includes ten workshops with over 3,000 pieces of manufacturing equipment. The Company also maintains a 322,920

square foot office building on its property.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of November 8, 2007, the ownership of each executive officer and director of the Company, of all executive officers and directors of the Company as a group, and of each person known by the Company to be a beneficial owner of 5% or more of its Common Stock. Except as otherwise noted, each person listed below is the sole beneficial owner of the shares and has sole investment and voting power as to such shares. No person listed below has any options, warrant or other right to acquire additional securities of the Company except as may be otherwise noted.

Title of Class	Name and Address	Number of Shares Beneficially Owned	Percent of Class
Common	Dian Min Ma, Chairman of Board of Directors, Chief Executive Officer, Secretary Wenyang Town Feicheng City ShanDong, China 270016	11,936,372	45.9%
Common	Xing Fu Lu, President, Director Wenyang Town Feicheng City ShanDong, China 270016	11,096,220	42.7%
Common	Gang Ma, Chief Financial Officer Wenyang Town Feicheng City ShanDong, China 270016	0	0%
Common	Jin Tian, Director Wenyang Town Feicheng City ShanDong, China 270016	0	0%
	All Officers and Directors as a Group (4 in number)	23,032,592	88.6%

DIRECTORS AND EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS**Directors and Executive Officers**

The respective positions and ages of our directors and executive officers and the year in which each director was first elected are shown in the following table. Each director has been elected to hold office until the next annual meeting of stockholders and thereafter until his successor is elected and has qualified. Vacancies in the existing Board of Directors are filled by majority vote of the remaining Directors. There are no agreements or understandings for any officer or director to resign at the request of another person, and no officer or director is acting on behalf of or will act at the direction of any other person.

Name	Age	Position	Director/ Executive Officer Since
Dian Min Ma	42	Director, CEO, Secretary	August 2007
Xing Fu Lu	56	Director, President	August 2007
Gang Ma	35	Chief Financial Officer	November 2007
Jin Tian	36	Director	November 2007

Directors and Officers

Dian Min Ma. Dian Min Ma has been a director of the Registrant since August 2007 and has been the CEO of the Registrant since November 8, 2007. His primary responsibilities are focused on the general management of the Company. In addition to his work with China RuiTai International Holdings Co., Ltd., Mr. Ma serves as the Finance Manager for TaiAn; he has served in this position since August 2004. Mr. Ma is a Professional Accountant with close to 20 years of experience. He has formerly served as Finance Manager for FeiCheng JinTai Company, FeiCheng Oil Chemical Plant, and FeiCheng RuiTai Fine Chemical Company, Ltd.

Xing Fu Lu. Xing Fu Lu has been a director of the Registrant since August 2007 and has been the President of the Registrant since November 8, 2007. In addition to his work with China RuiTai International Holdings Co., Ltd., Mr. Lu is the Chief Executive Officer of TaiAn. Mr. Lu is a Professional Engineer with over 25 years of experience. Prior to accepting his position as CEO with TaiAn, he was General Manager in FeiCheng Oil Chemical Plant, and FeiCheng RuiTai Fine Chemical Company, Ltd.

Gang Ma. Gang Ma has been the Chief Financial Officer of the Registrant since November 8, 2007. In addition to his work with China RuiTai International Holdings Co., Ltd., Mr. Ma works as the Director of the Financial Department for TaiAn, a position that he has held since July 1999. Prior to working for TaiAn, Mr. Ma worked for Shangdong GMB Company from August 1995 to July 1999 in the company's financial and accounting department.

Jin Tian. Jin Tian has been a director of the Registrant since November 8, 2007. In addition to his work with China RuiTai International Holdings Co., Ltd., Jin Tian works as an accountant for TaiAn, a position he has held since approximately October 2002.

Significant Employees

Jibin Tian. Jibin Tian has been the Production Manager for TaiAn since August 2004. He has 25 years of experience including working as Production Manger in FeiCheng Oil Chemical Plant and FeiCheng RuiTai Fine Chemical Company, Ltd.

Jiangang Sun. Jiangang Sun has served as the Engineering Manager for TaiAn since August 2004. Mr. Sun is a Professional Engineer and prior to starting at TaiAn, he was the Engineering Manager at FeiCheng Oil Chemical Plant, and FeiCheng Rui Tai Fine Chemical Company, Ltd. He has close to 20 years of experience.

Family Relationships

There are no family relationship between any of our directors or executive officers.

Involvement in Certain Legal Proceedings

There have been no legal proceedings involving either our directors or executive officers during the past five years that are material to an evaluation of the ability or integrity of any director or executive officer of the Company.

EXECUTIVE COMPENSATION**Summary Compensation Table**

The following table sets forth, for the years indicated, all compensation paid, distributed or accrued for services, including salary and bonus amounts, rendered in all capacities by the Company's chief executive officer, chief financial officer and all other executive officers who received or are entitled to receive remuneration in excess of \$100,000 during the stated periods; the information contained below represents compensation paid to the Registrant's officers and directors for their work related to the Registrant's subsidiary, TaiAn. These officers are referred to herein as the "named executive officers." The compensation table excludes other compensation in the form of perquisites and other personal benefits that constituted less than \$10,000 in value in 2006.

Summary Compensation Table

(a) Name and Principle Position	(b) Year	Annual Compensation			Long Term Compensation		(g) Other Restricted Securities Award(s) Options/SARs Underlying LTIP Payouts Payouts (\$)	(h) All Other Compensation (\$)	(i)
		(c) Salary (\$)	(d) Bonus (\$)	(e) Compensation (\$)	(f) Awards (\$)	(g) Payouts (\$)			
Dian Min Ma, CEO	2006	\$ 185,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2005	\$ 67,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2004	\$ 67,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Xing Fu Lu, President	2006	\$ 198,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2005	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2004	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gang Ma, CFO	2006	\$ 67,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2005	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	2004	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Option Grants in Last Fiscal Year

There were no options granted to any of the named executive officers during the fiscal year ended December 31, 2006.

TaiAn Employment Agreements

TaiAn has entered into an employment agreement with Dian Min Ma, its general manager for a ten-year term beginning on October 6, 2000 and ending on October 6, 2010. The agreement establishes the working relationship between TaiAn and Dian Min Ma. A copy of the agreement is attached hereto as Exhibit 10.1.

TaiAn has entered into an employment agreement with Xing Fu Lu, its president for a ten-year term beginning on October 6, 2000 and ending on October 6, 2010. The agreement establishes the working relationship between TaiAn and Xing Fu Lu. A copy of the agreement is attached hereto as Exhibit 10.2.

TaiAn has entered into an employment agreement with Gang Ma, its chief financial officer for a ten-year term beginning on October 6, 2000 and ending on October 6, 2010. The agreement establishes the working relationship between TaiAn and Gang Ma. A copy of the agreement is attached hereto as Exhibit 10.3.

TaiAn has entered into an employment agreement with Jibin Tian, its production manager for a ten-year term beginning on October 6, 2000 and ending on October 6, 2010. The agreement establishes the working relationship between TaiAn and Jibin Tian. A copy of the agreement is attached hereto as Exhibit 10.4.

TaiAn has entered into an employment agreement with Jiangang Sun, its engineering manager for a ten-year term beginning on October 6, 2000 and ending on October 6, 2010. The agreement establishes the working relationship between TaiAn and Jiangang Sun. A copy of the agreement is attached hereto as Exhibit 10.5.

Equity Compensation Plan Information

The Company currently does not have any equity compensation plans.

Directors' and Officers' Liability Insurance

The Company currently does not have insurance insuring directors and officers against liability. However, the Company is in the process of acquiring such insurance.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The related party transaction status and balances as of December 31, 2005, December 31, 2006 and June 30, 2007 are summarized below:

Advance to Employees. TaiAn has a process of making advances to employees. "Advances to Employees" are advances to employees who are working on projects on behalf of TaiAn. After the work is finished, they will submit expense reports with supporting documents to the accounting department. Then, the expenses are debited into the relevant accounts and the advances are credited out. Cash flows from these activities are classified into operating activities. The total advance to employees was \$1,629,857, \$1,694,438, and \$1,769,585 for the years ended December 31, 2006, 2005, and 2004, respectively.

Due From A Shareholder. "Due from a shareholder" represents temporary short-term loans made by TaiAn to its then majority shareholder, Shandong Ruitai Chemicals Co., Ltd. ("Shandong Ruitai"). Shandong Ruitai had owned 75% equity ownership interest of the Company from January 2000 through February 2007. On March 20, 2007, Shandong Ruitai sold a 74% equity ownership interest in TaiAn to Pacific Capital Group Co., Ltd. These loans are unsecured, non-interest bearing and have no fixed terms of repayment, therefore they are deemed payable on demand. Cash flows from due from a shareholder are classified as cash flows from investing activities. The total loans to the shareholder was \$82,904,688, \$69,709,583, and \$40,949,756 in 2006, 2005, and 2004, respectively. The Company is collecting these loans from Shandong Ruitai as the Company is in the process to become a public company. The Management believes that it will be able to collect all these loans back by September 2008.

Due to Employees. Due to Employees represents temporary short-term loans from employees to finance TaiAn's operations due to a lack of cash resources. These loans are unsecured, non-interest bearing and have no fixed terms of repayment, therefore, they are deemed payable on demand. Cash flows from these activities are classified as cash flows from financing activities. The total borrowing from employees was \$9,007 and \$131,358 for the six months ended June 30, 2007 and 2006, respectively.

Land Use Right Transaction. On October 25, 2006, the Company purchased the use right of a piece of land, approximately 36 acre, located in Wenyang County, Shandong Province, from its majority shareholder, Shandong Ruitai, for \$3,352,840, a copy of the Land Transfer Agreement is attached hereto as Exhibit 10.6, and is hereby incorporated by reference. The local government approved the transaction and certified that the purchase price is at the fair market value. The consideration has been paid to the seller, and the title transferal is under going. The Management believes the transaction is on terms no less favorable to the Company than those reasonably obtainable from third parties.

Director Independence

The NASDAQ Stock Market has instituted director independence guidelines that have been adopted by the Securities & Exchange Commission. These guidelines provide that a director is deemed “independent” only if the board of directors affirmatively determines that the director has no relationship with the company which, in the board’s opinion, would interfere with the director’s exercise of independent judgment in carrying out his or her responsibilities. Significant stock ownership will not, by itself, preclude a board finding of independence.

For NASDAQ Stock Market listed companies, the director independence rules list six types of disqualifying relationships that preclude an independence filing. The Company’s board of directors may not find independent a director who:

1. is an employee of the company or any parent or subsidiary of the company;
2. accepts, or who has a family member who accepts, more than \$60,000 per year in payments from the company or any parent or subsidiary of the company other than (a) payments from board or committee services; (b) payments arising solely from investments in the company’s securities; (c) compensation paid to a family member who is a non-executive employee of the company’ (d) benefits under a tax qualified retirement plan or non-discretionary compensation; or (e) loans to directors and executive officers permitted under Section 13(k) of the Exchange Act;
3. is a family member of an individual who is employed as an executive officer by the company or any parent or subsidiary of the company;
4. is, or has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the company made, or from which the company received, payments for property or services that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more, other than (a) payments arising solely from investments in the company’s securities or (b) payments under non-discretionary charitable contribution matching programs;
5. is employed, or who has a family member who is employed, as an executive officer of another company whose compensation committee includes any executive officer of the listed company; or
6. is, or has a family member who is, a current partner of the company’s outside auditor, or was a partner or employee of the company’s outside auditor who worked on the company’s audit.

Based upon the foregoing criteria, our Board of Directors has determined that Dian Min Ma, Xing Fu Lu, and Jin Tian are not independent directors under these rules as they are also employed by the Company as its CEO, President, and as an accountant for a subsidiary, respectively.

DESCRIPTION OF SECURITIES

The Company is authorized to issue 50,000,000 shares of common stock. Prior to the closing of the share exchange on November 8, 2007, there were 3,354,652 shares of common stock issued and outstanding. Subsequent to the closing of the share exchange on November 8, 2007, there were 26,000,000 shares of common stock issued and outstanding.

Common Stock

The holders of common stock are entitled to one vote per share. The holders of common stock are entitled to receive ratably such dividends, if any, as may be declared by the board of directors out of legally available funds. However, the current policy of the board of directors is to retain earnings, if any, for operations and growth. Upon liquidation, dissolution or winding-up, the holders of common stock are entitled to share ratably in all assets that are legally available for distribution. The holders of common stock have no preemptive, subscription, redemption or conversion rights. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of any series of preferred stock, which may be designated solely by action of the board of directors and issued in the future.

MARKET PRICE AND DIVIDENDS ON COMMON STOCK

Trading Information

The Company's common stock is currently approved for quotation on the OTC Bulletin Board maintained by the National Association of Securities Dealers, Inc. under the symbol "CRUI," but there is currently no liquid trading market. As soon as is practicable and assuming we satisfy the necessary initial listing requirements, the Company intends to apply to have its common stock listed for trading on the American Stock Exchange or NASDAQ Stock Market, although the Company cannot be certain that any of these applications will be submitted or approved.

The transfer agent for our common stock is Interwest Transfer Company, Inc. 1981 East Murray Holladay Road, Suite 100, Salt Lake City, UT 84117.

Dividends

For the foreseeable future, the Company does not intend to pay cash dividends to its stockholders.

LEGAL PROCEEDINGS

The Company does not know of any material, active or pending legal proceedings against them; nor is the Company involved as a plaintiff in any material proceedings or pending litigation.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS

We have had no changes in or disagreements with our accountants required to be disclosed pursuant to Item 304 of Regulation S-B.

RECENT SALES OF UNREGISTERED SECURITIES

As disclosed on Form 8-K filed with the Securities and Exchange Commission on June 11, 2007, which is hereby incorporated by reference, the Registrant authorized the issuance, and subsequently issued, 1,300,000 shares of its common stock pursuant to the terms of an Advisory Agreement entered by and between the Registrant and Mid-Continental Securities Corp., its agents and/or assigns ("Advisor"). Under the terms of the Advisory Agreement, in

return for the issuance of 1,300,000 shares of common stock of the Registrant, the Advisor agreed to advise the Registrant with respect to the operation of the Registrant's business, including but not limited to, advisement with respect to investor and public relations, communications and co-ordinations, mergers and acquisitions, corporate filings, market strategies, structure of deals and strategic relationships and alliances, and assisting the Registrant in obtaining equity or debt financing, and such other matters as the Registrant and Advisor shall mutually agree upon. For the above share issuances the shares were not registered under the Securities Act in reliance upon the exemption from registration provided in Section 4(2) of the Securities Act. No underwriters were used, nor were any brokerage commissions paid in connection with the above share issuances.

On November 8, 2007 pursuant to the closing of the Agreement for Share Exchange dated August 29, 2007, by and between China RuiTai International Holdings Co., Ltd., Pacific Capital Group Co., Ltd., and the shareholders of Pacific Capital Group Co., Ltd., the Registrant issued 22,645,348 shares of common stock. As set forth under Item 2.01 of this Current Report on Form 8-K, which disclosure is incorporated herein by reference, in return for the issuance of 22,645,348 shares of its common stock, the Registrant received all of the issued and outstanding common stock of Pacific Capital Group, thereby making Pacific Capital Group and its majority owned subsidiary TaiAn, wholly and majority owned subsidiaries, respectively, of the Registrant. For the above share issuances the shares were not registered under the Securities Act in reliance upon the exemption from registration provided in Regulation S of the Securities Act. No underwriters were used, nor were any brokerage commissions paid in connection with the above share issuances.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Company's Bylaws provide that the Company shall have the power to indemnify any person who is or was a director, officer, employee or agent of the Company, or who is or has served at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, in accordance with and to the full extent permitted by the Delaware GCL as in effect at the time of adoption of this bylaw or as amended from time to time.

Section 145 of the Delaware General Corporation Law provides, in general, that a corporation incorporated under the laws of the State of Delaware, such as the Company, may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than a derivative action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. In the case of a derivative action, a Delaware corporation may indemnify any such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification will be made in respect of any claim, issue or matter as to which such person will have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or any other court in which such action was brought determines such person is fairly and reasonably entitled to indemnity for such expenses.

ITEM 5.01 - CHANGES IN CONTROL OF REGISTRANT

Reference is made to the disclosure set forth under Item 2.01 of this Current Report on Form 8-K, which disclosure is incorporated herein by reference.

ITEM 5.02 - DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS

Pursuant to the terms of the Exchange Agreement, in conjunction with the closing of the Share Exchange on November 8, 2007, Anna Herbst, Frank Pioppi and Cosmo Palmieri, resigned from their respective positions as directors and officers of the Company. Prior to their resignation, pursuant to the terms of the Exchange Agreement, Dian Min Ma was appointed as the Company's Chairman of its Board of Directors, the CEO, and the Secretary, Xing Fu Lu was appointed as the Company's President, Jin Tian was appointed as a director, and Gang Ma was appointed as the Company's CFO. Reference is made to the disclosure set forth under Item 2.01 of this Current Report on Form 8-K, which disclosure is incorporated herein by reference.

ITEM 5.03 - AMENDMENTS TO ARTICLES OF INCORPORATION OR BYLAWS

On November 8, 2007, through a unanimous consent in lieu of a meeting, pursuant to the authority granted to the Company's Directors in the Company's Articles of Incorporation, the Directors adopted new Bylaws for the Company, a copy of which is attached as an exhibit to this Form 8-K.

ITEM 5.06 - CHANGE IN SHELL COMPANY STATUS

See Item 2.01 above relating to the share exchange with Pacific Capital Group. As a result of the share exchange, the Registrant ceased to be a shell company.

The Registrant was a shell company (as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended) immediately before the reverse merger with Pacific Capital Group as described in Item 2.01. As a result of the merger, the Registrant has acquired a subsidiary that possesses an operating business. Consequently, the Registrant believes that the reverse merger has caused it to cease to be a shell company. For information about the merger transactions, please see the information set forth above under Item 2.01 of this Current Report on Form 8-K, which information is incorporated hereunder by this reference.

ITEM 9.01 - FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements of Businesses Acquired.

In accordance with Item 9.01(a), Pacific Capital Group's audited financial statements for the fiscal year ended December 31, 2006 and Pacific Capital Group's consolidated unaudited financial statements for the six-month interim period ended June 30, 2007 are filed in this Current Report on Form 8-K as Exhibit 99.1.

In addition, because Pacific Capital Group did not acquire TaiAn RuiTai Cellulose Co., Ltd. until March of 2007, the audited financial statements for TaiAn RuiTai Cellulose Co., Ltd. for the fiscal years ended December 31, 2006, 2005, 2004 are filed in this Current Report on Form 8-K as Exhibit 99.1.

(b) Pro Forma Financial Information.

In accordance with Item 9.01(b), the Company's pro forma financial statements as of the fiscal year ended December 31, 2006 and as of the period ended June 30, 2007 are filed in this Current Report on Form 8-K as Exhibit 99.2.

(d) Exhibits.

The exhibits listed in the following Exhibit Index are filed as part of this Current Report on Form 8-K.

Exhibit No.	Description
2.4	Share Exchange Agreement dated August 29, 2007, by and between China RuiTai International Holdings, Pacific Capital Group Co., Ltd., and the shareholders of Pacific Capital Group Co., Ltd., (incorporated by reference from exhibit to Form 8-K filed on September 5, 2007.)
3.1(i)	Articles of Incorporation, dated November 11, 1955
3.1.1(i)	Articles of Amendment to Articles of Incorporation, dated December 8, 1955
3.1(ii)	Bylaws of China RuiTai International Holdings Co., Ltd.
10.1	Labor Contract dated October 6, 2000, by and between TaiAn RuiTai Cellulose Co., Ltd. and Ma Dianmin.
10.2	Labor Contract dated October 6, 2000, by and between TaiAn RuiTai Cellulose Co., Ltd. and Lu Xingfu.
10.3	Labor Contract dated October 6, 2000, by and between TaiAn RuiTai Cellulose Co., Ltd. and Ma Gang.
10.4	Labor Contract dated October 6, 2000, by and between TaiAn RuiTai Cellulose Co., Ltd. and Tian Jibin.
10.5	Labor Contract dated October 6, 2000, by and between TaiAn RuiTai Cellulose Co., Ltd. and Sun Jiangang.
10.6	Land Transfer Agreement, dated October 25, 2006 by and between TaiAn RuiTai Cellulose Co., Ltd. and Shandong RuiTai Chemical Co., Ltd.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned duly authorized.

China RuiTai International Holdings Co., Ltd.
(Registrant)

Date: November 9, 2007

/s/ Dian Min Ma, Chief Executive Officer

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