





New Living

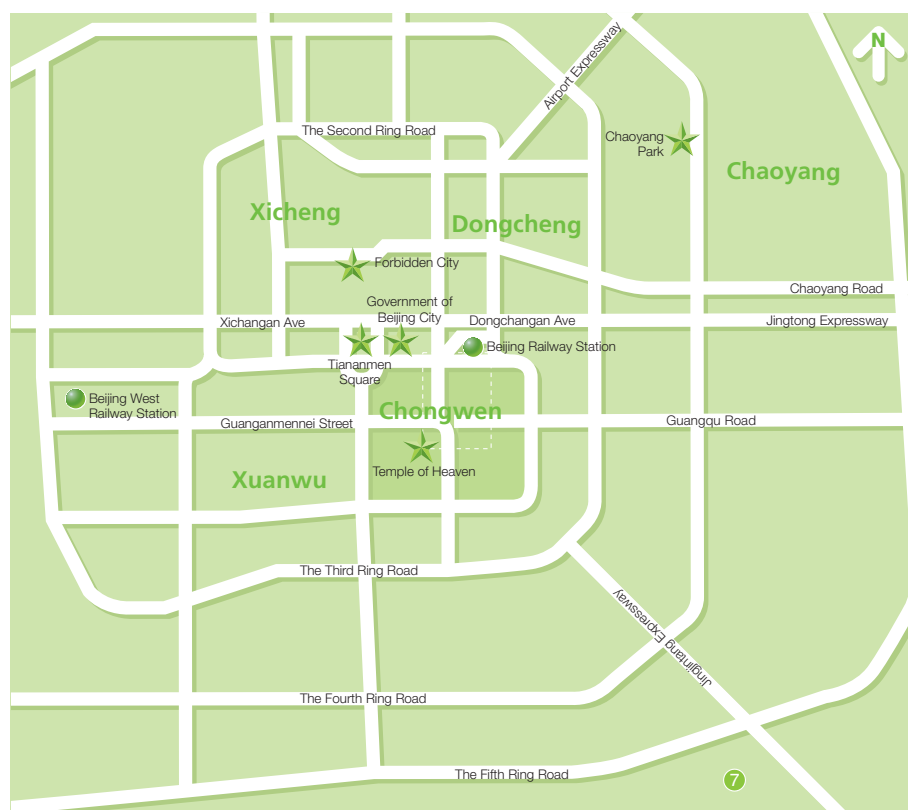
In the city, our residential developments including residential communities, luxurious apartments, serviced apartments and villas all have distinctive characteristics to cater for different housing needs. Our wide range of developments provides ideal living environments and enriched living experiences for the city dwellers who value the convenience of city life. The prime locations, top quality and craftsmanship, together with professional property management, preserve the long term value of the properties for their owners.





HIGHLIGHTS

With the advent of the 2008 Beijing Olympic Games, Beijing substantiated its status as the national hub for cultural, political and economic activities of Mainland China. In the past few years, Beijing has accelerated its development, attracting more investments from overseas. Foreign developers bring new paradigm in property development, revitalising Beijing's urban landscape. Concurrently, the government has improved the public facilities and city infrastructure. The further development and beautification of downtown area increase the attractiveness of urban living. Core central area like Chongwen District, where the Group owns a comprehensive property portfolio, becomes one of the most sought after location for prime residential properties.



- Railway station
 - 7 Beijing Xin Kang Garden
- (For project details, please refer to 'Major project profiles' starting from page 154)

Beijing — completion schedule

			sq.m.
FY2005	Beijing New World Garden Phase II	Residential	57,416
	Beijing New World Garden Phase II	Carpark	26,606
	Beijing Xin Yang Commercial Building	Office	1,588
	Beijing New View Garden	Carpark	5,668
Total			91,278
FY2006	Beijing Xin Cheng Commercial Building Phase I	Commercial	6,718
	Beijing Xin Cheng Commercial Building Phase I	Office	30,246
	Beijing Xin Cheng Commercial Building Phase I	Carpark	9,704
	Beijing Xin Yi Garden Phase I	Residential	107,796
	Beijing Xin Yi Garden Phase I	Commercial	3,647
	Beijing Xin Yi Garden Phase I	Carpark	24,415
	Beijing New View Garden Phase II	Residential	125,825
	Beijing New View Garden Phase II	Office	6,103
	Beijing New View Garden Phase II	Carpark	11,526
	Beijing Xin Kang Garden Phase III	Commercial	16,073
	Total		
FY2007	Beijing Xin Yi Garden Blocks 5-8	Residential	107,950
	Beijing Xin Yi Garden Blocks 5-8	Carpark	43,818
	Beijing Liang Guang Road Block 2	Residential	25,101
	Beijing Liang Guang Road Block 2	Office	10,832
	Beijing Liang Guang Road	Carpark	11,600
	Beijing Xin Kang Garden Phase III	Residential	7,000
Total			206,301



Following the government’s plan to have a revitalised Beijing, Chongwen District repositioned itself as the new commercial focal point of Beijing. Apart from middle to high-end residential projects, the Group also develops prime office and retail properties in Chongwen District. The Group’s high-end apartments in Chongwen District, Beijing New World Garden Phase II and Beijing Xin Yi Garden, received overwhelming responses from the market, with 90% and 60% of units sold respectively despite minimal marketing efforts. Middle-class apartment, Beijing New View Garden Phase II, is the favourite choice of the younger generation.

Located next to the Wenyu River, Beijing Chateau Regalia, which is a prestigious residential development, had sold 80% of its villas and leased the service apartments at a satisfactory rate.

PROPERTY PORTFOLIO

There are seven major property development projects with GFA of 2,964,476 sq.m.. A saleable GFA of 59,004 sq.m. was completed during the year, including 57,416 sq.m. of residential space and 1,588 sq.m. of office space. We expect to build 233,621 sq.m. of residential space, 26,438 sq.m. of commercial space and 36,349 sq.m. of office space in FY2006, and 140,051 sq.m. of residential space and 10,832 sq.m. of office space in FY2007.

INVESTMENT PROPERTIES

There are five completed investment property projects with a total GFA of 317,356 sq.m..

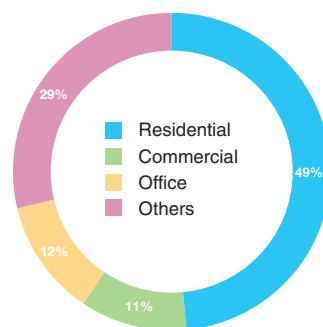
With the high pedestrian traffic in Chongwen District, the shopping space of Beijing New World Centre Phase I and Phase II are fully leased, while its office space recorded high occupancy.

New World Courtyard Hotel, Beijing in Chongwen District recorded an average occupancy rate of over 85% during the year.



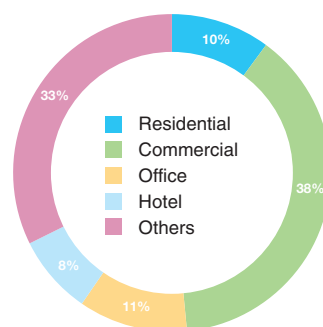
Beijing — development properties for sale

Total GFA 2,964,476 sq.m.



Beijing — completed investment properties

Total GFA 317,356 sq.m.





HIGHLIGHTS

As the co-host to the 2008 Beijing Olympics, Tianjin has benefited from the continual investments by local government in large scale urban infrastructure improvement projects such as the Hai River Banks Redevelopment and the construction of Subway Line No. 1, 2 and 3.

Municipal government's urban renewal projects have provided the existing residents with relocation compensations and mortgage finance to buy new homes. This arrangement has created a strong demand for residential property in Tianjin. As a result, first and second-hand property transaction volume had experienced remarkable 40% and 80% increase respectively in past 12 months.



- Metro line
 - Bridge
 - Completed development
 - To be completed next two years
 - Future development
 - Tianjin Xin An Garden
 - Tianjin New World Garden
 - Tianjin Xin Chun Hua Yuan
 - Tianjin New World Plaza
- (For project details, please refer to 'Major project profiles' starting from page 154)

Tianjin — completion schedule

			sq.m.
FY2007	Tianjin Xin Chun Hua Yuan Phase III	Residential	39,769
	Tianjin Xin Chun Hua Yuan Phase III	Commercial	831
	Total		40,600



All residential units of Tianjin New World Garden Phase II were almost sold out during FY2005. Construction of Tianjin Xin Chun Hua Yuan Phase III is well underway to capture the surging demand of the market. The Group's remaining development projects is on the pipeline to meet Tianjin's growing demand for high-end residential properties.

As the main port serving Beijing and the rest of Hebei province, Tianjin's commercial property is far from sufficient to cater the local demand. The rental rates for retail and office properties in urban centre are on the rising track.

Located in the Central Business District and of proximity to famous historical tourists attractions, Palm Spring Shopping Arcade, the commercial portion of Tianjin New World Garden, launched to the market during the year under review.

PROPERTY PORTFOLIO

There are three major property development projects with GFA of 128,907 sq.m.. 39,769 sq.m. of residential space and 831 sq.m. of commercial space are expected to be completed in FY2007.

INVESTMENT PROPERTIES

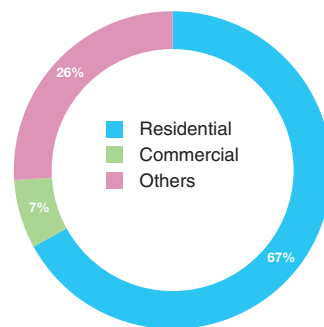
There are two completed investment properties with a total GFA of 118,548 sq.m..

Tianjin New World Plaza and Tianjin Xin Chun Hua Yuan Phase I consist of 98,824 sq.m. of commercial space and 9,540 sq.m. of office space. The occupancy rates in both sectors were satisfactory.



Tianjin — development properties for sale

Total GFA 128,907 sq.m.



Tianjin — completed investment properties

Total GFA 118,548 sq.m.

