





## New Way to Work

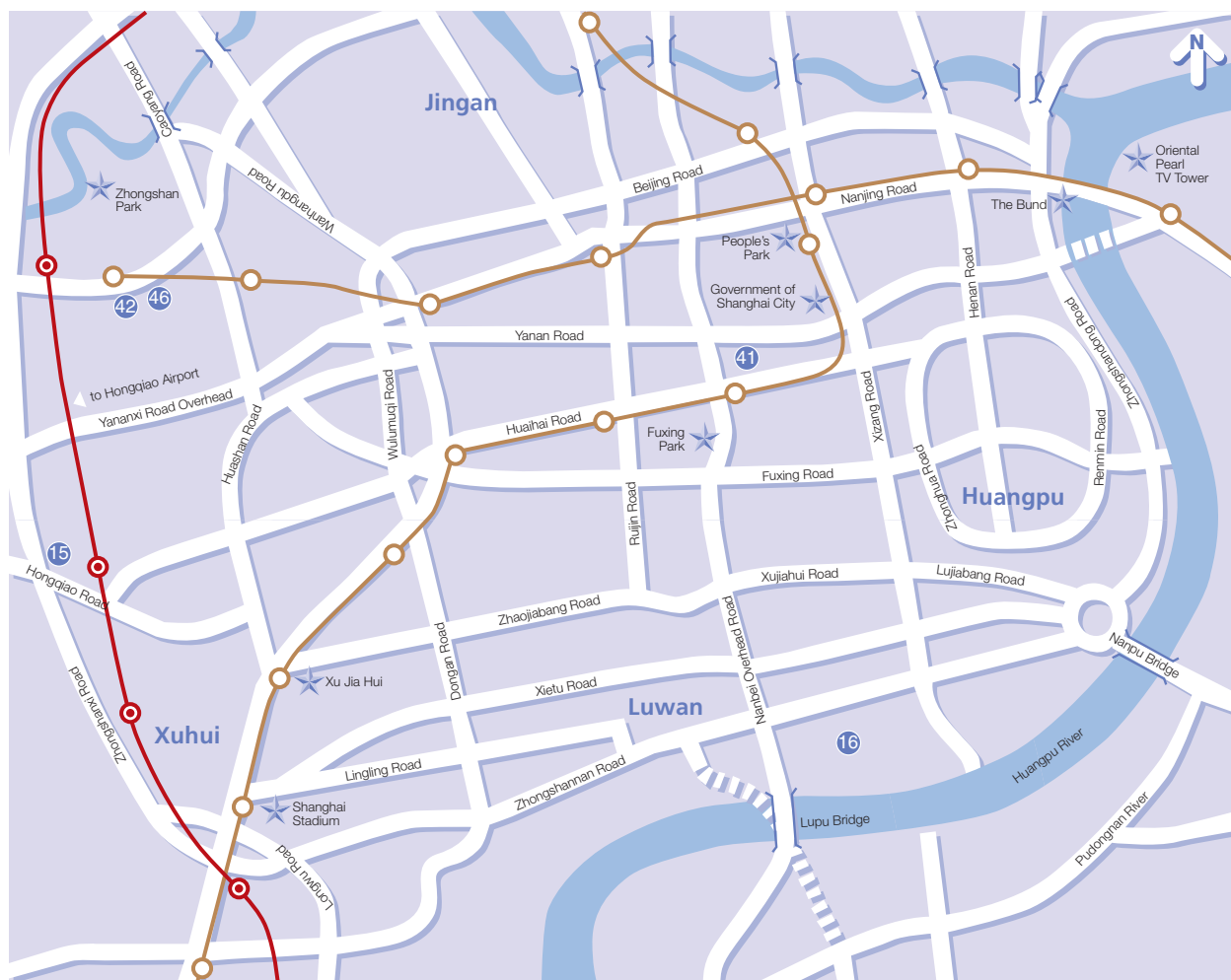
In major cities of Mainland China, we develop world-class offices and shopping arcades for professionals and entrepreneurs to make the best use of their talents. Our business ancillary facilities, such as hotels, service apartments and convention facilities, offer executives from all over the world the experience of efficient and delicate traditional Chinese services, demonstrating the world-class level of our professional business services.





## HIGHLIGHTS

Shanghai is the leading commercial city of the Yangtze River Delta and is now decorated with stunning new urban architecture and vibrant metropolitan lifestyle. The hosting of the Year of France in China, which just ended in September 2005, has enhanced its image as an international modern city.








- Light rail transit
- Metro line
- Bridge
- Tunnel
- 15 Shanghai Zhongshan Square
- 16 Shanghai Hong Kong New World Garden
- 41 Shanghai Hong Kong New World Tower
- 42 Shanghai Ramada Plaza
- 46 Mayfair Hotel Shanghai

(For project details, please refer to 'Major project profiles' starting from page 154)

The continual influx of foreign companies, especially financial institution, into Shanghai had driven the vacancy rate of Grade A office down to only 5%.

Despite central government's new policies to curb rising property prices, projects at core urban area were able to avoid price plunge as witnessed in the outskirts areas because of lack of new supply. Urban centre redevelopment is facing the difficulties in relocating the existing residents. According to the Shanghai Administrative Bureau of Housing and Land Resources, only 5% of the new land supply was located in the core urban area in the past year.

-  Bridge
-  Completed development
-  Future development
-  World Expo Sites
-  Shanghai Hong Kong New World Garden

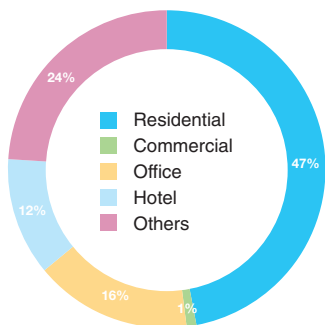


Shanghai Hong Kong New World Tower, the Group’s flagship investment property in Shanghai’s bustling Huaihai Road Central commercial area, was 83% leased by the end of FY2005. Shanghai Hong Kong New World Tower is situated at the golden CBD of Huaihai Road Central. Municipal government office, museum and Shanghai Theatre are all within 500 meters of the project. The exterior of the 60 storey building is equipped with a multi-colour neon lighting display system which is the first of its kind operating in Mainland China, providing a playful focus to the opposite Xintiandi tourist spot. Shanghai Hong Kong New World Tower has become the landmark in Puxi area and the focal point of community activities during public festivals.

Initial planning for the development of the remaining phases of Shanghai Hong Kong New World Garden is well underway. Overlooking the well-known Huangpu River and being part of the Shanghai World Expo 2010 site, the development is expected to be one of the largest luxurious residential developments in the core urban area of Shanghai.

**Shanghai — development properties for sale**

Total GFA 672,322 sq.m.



**PROPERTY PORTFOLIO**

There are two major property development projects with GFA of 672,322 sq.m.. Shanghai Zhongshan Square Phase III and Shanghai Hong Kong New World Garden Remaining Phases are under planning, it will comprise a large scale development complex of residential, commercial, office and hotel buildings.

### INVESTMENT PROPERTIES

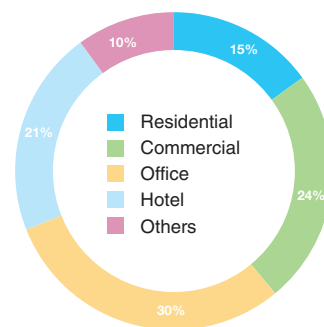
There are three completed investment properties with GFA of 269,544 sq.m..

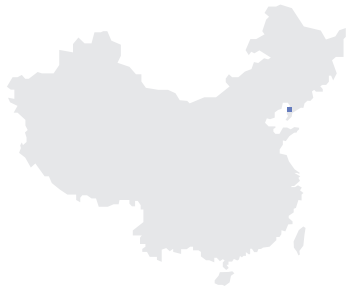
Benefiting from the mature property market in Shanghai, the occupancy rates of the office space and shopping malls of Shanghai Hong Kong New World Tower and Shanghai Ramada Plaza recorded over 80% and 75% respectively during the year under review.

Mayfair Hotel Shanghai, the largest 4-star hotel in Shanghai with over 860 guest rooms recorded high occupancy rates during the year under review. Meanwhile, Apartment Belvedere of Shanghai Ramada Plaza recorded over 95% occupancy rate.

### Shanghai completed investment properties

Total GFA 269,544 sq.m.





## HIGHLIGHTS

With the growing economic environment in Liaoning Province and closer economic ties with Korea and Japan, property demand in Dalian is expected to sustain.



## Dalian — completion schedule

			sq.m.
FY2007	Dalian New World Tower	Commercial	42,870
	Dalian New World Tower	Carpark	33,520
	<b>Total</b>		<b>76,390</b>

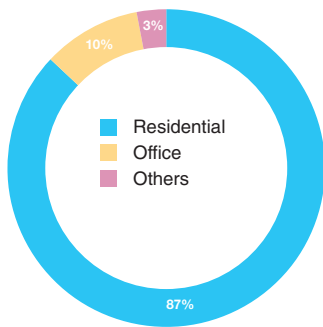
The Group's portfolio in Dalian consists of Dalian New World Plaza, the completed high-end shopping arcade; Dalian Manhattan Towers, the completed twin residential and office tower complex standing on top of Dalian New World Plaza; and Dalian New World Tower, a hotel/retail/residential complex under development.

Sales and leasing activities for the residential units of Dalian Manhattan Towers enjoyed satisfactory results, with over 80% of the Tower II floor space already sold.



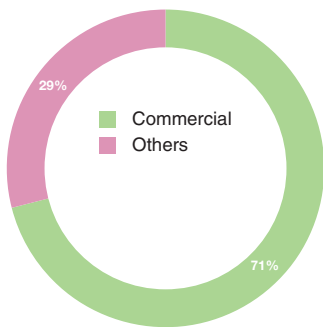
**Dalian — development property for sale**

Total GFA 153,447 sq.m.



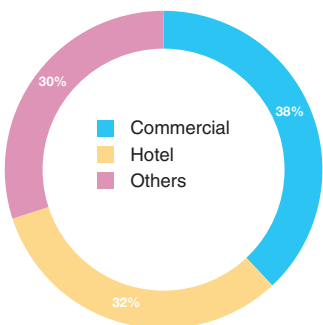
**Dalian — completed investment property**

Total GFA 69,196 sq.m.



**Dalian — investment property under development**

Total GFA 111,960 sq.m.



**PROPERTY PORTFOLIO**

There are two major property development projects, Dalian Manhattan Tower I and II and Dalian New World Tower, consists of 153,447 sq.m. of saleable GFA. We expect to build 42,870 sq.m. of commercial space in FY2007.

**INVESTMENT PROPERTY**

Dalian New World Plaza consists of 69,196 sq.m. of commercial space, of which around 32,000 sq.m. was leased by Dalian New World Department Store.

The hotel portion of Dalian New World Tower will enable the Group to enter into hospitality business in Dalian to provide 531 rooms.