

PRICING AND ALLOCATION

Offer Price Range

The Offer Price will be not more than HK\$8.55 per Offer Share and is expected to be not less than HK\$7.30 per Offer Share, unless otherwise announced no later than the morning of the last day for lodging applications under the Hong Kong Public Offering, as explained below. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this prospectus.**

Price Payable on Application

Applicants for Hong Kong Offer Shares under the Hong Kong Public Offering are required to pay, on application, the maximum Offer Price of HK\$8.55 for each Hong Kong Offer Share (plus brokerage, SFC transaction levy and Hong Kong Stock Exchange trading fees). If the Offer Price is less than HK\$8.55, appropriate refund payments (including brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fees attributable to the surplus application monies) will be made to successful applicants. See the section headed “Further Terms and Conditions of the Hong Kong Public Offering — 8. Refund of Application Monies.”

Determining the Offer Price

The International Purchasers are soliciting from prospective investors indications of interest in acquiring our H Shares in the International Offering. Prospective investors will be required to specify the number of our H Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building,” is expected to continue up to, but to cease on or around, September 15, 2006.

The Offer Price is expected to be fixed by agreement between the Joint Bookrunners (on behalf of the Underwriters) and us, on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or around September 15, 2006 and in any event, no later than September 19, 2006.

If, for any reason, we and the Joint Bookrunners (on behalf of the Underwriters) are unable to reach agreement on the Offer Price on or before September 19, 2006, the Global Offering will not proceed.

Reduction in Offer Price Range and/or Number of Offer Shares

If, based on the level of interest expressed by prospective institutional, professional and other investors during the book-building process, the Joint Bookrunners (on behalf of the Underwriters and with our consent) consider it appropriate, the indicative Offer Price range and/or the number of Offer Shares may be reduced below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering.

In such a case, we will, as soon as practicable following the decision to make any such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) notice of the reduction in the indicative Offer Price range

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and/or number of Offer Shares. Such notice will also include confirmation or revision, as appropriate, of the offering statistics as currently set out in the section headed “Summary” and any other financial information which may change as a result of such reduction. The Offer Price, if agreed upon, will be fixed within such revised Offer Price range. **Before submitting applications for Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the indicative Offer Price range and/or number of Offer Shares may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. Applicants under the Hong Kong Public Offering should note that in no circumstances can applications be withdrawn once submitted, even if the indicative Offer Price range and/or number of Offer Shares is so reduced.**

Allocation

The H Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Bookrunners.

Allocation of our H Shares pursuant to the International Offering will be determined by the Joint Bookrunners and will be based on a number of factors including the level and timing of demand, total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further, and/or hold or sell H Shares after the listing of our H Shares on the Hong Kong Stock Exchange. Such allocation may be made to professional, institutional, corporate and (in the case of the public offer without listing in Japan) retail investors and is intended to result in a distribution of our H Shares on a basis which would lead to the establishment of a stable shareholder base to the benefit of our company and our shareholders as a whole.

Allocation of H Shares to investors under the Hong Kong Public Offering will be based solely on the level of applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares applied for by applicants. The allocation of Hong Kong Offer Shares could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

Announcement of Offer Price and Basis of Allocations

The Offer Price is expected to be announced on September 18, 2006, and the level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Offering, and the basis of allocations of the Hong Kong Offer Shares are expected to be announced on September 21, 2006, in both cases in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

CONDITIONS OF THE HONG KONG PUBLIC OFFERING

Acceptance of all applications for the Offer Shares pursuant to the Hong Kong Public Offering will be conditional on:

- the Listing Committee of the Hong Kong Stock Exchange granting listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering (including

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(i) any H Shares which may be issued pursuant to the exercise of the Over-allotment Option; and (ii) any H Shares, converted from domestic shares, which are to be held by SSF (including such H Shares converted from domestic shares upon the exercise of the Over-allotment Option);

- the Offer Price having been duly agreed upon between us and the Joint Bookrunners (on behalf of the Hong Kong Underwriters);
- the execution and delivery of the International Purchase Agreement on or around the Price Determination Date; and
- the obligations of the underwriters under both the Hong Kong Underwriting Agreement and the International Purchase Agreement having become unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in such underwriting agreements (unless and to the extent such conditions are waived on or before such dates and times) and in any event not later than October 8, 2006.

The consummation of both the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Hong Kong Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be caused to be published by us in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on the next day following such lapse. In such situation, all application monies will be returned, without interest, on the terms set out in the section headed “Further Terms and Conditions of the Hong Kong Public Offering — 8. Refund of Application Monies.” In the meantime, the application monies will be held in separate bank account(s) with the receiving bankers or other bank(s) in Hong Kong licensed under the Banking Ordinance.

Share certificates for the Offer Shares are expected to be issued on September 21, 2006 but will only become valid certificates of title at 8:00 a.m. on September 22, 2006, provided that (i) the Global Offering has become unconditional in all respects and (ii) the right of termination as described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination” has not been exercised.

THE HONG KONG PUBLIC OFFERING

We are initially offering 110,000,000 Offer Shares at the Offer Price, representing approximately 5% of the 2,200,000,000 Offer Shares initially available under the Global Offering, for subscription by the public in Hong Kong.

The total number of Hong Kong Offer Shares available under the Hong Kong Public Offering will initially be divided into two pools for allocation purposes as follows:

- Pool A: The Offer Shares in Pool A will be allocated on an equitable basis to applicants who have applied for Offer Shares with a total subscription amount (excluding brokerage,

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SFC transaction levy and the Hong Kong Stock Exchange trading fee) of HK\$5,000,000 or less; and

- Pool B: The Offer Shares in Pool B will be allocated on an equitable basis to applicants who have applied for Offer Shares with a total subscription amount (excluding brokerage, SFC transaction levy and the Hong Kong Stock Exchange trading fee) of more than HK\$5,000,000 and up to the value of Pool B.

Applicants should be aware that applications in Pool A and Pool B are likely to receive different allocation ratios. If Hong Kong Offer Shares in one pool (but not both pools) are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly.

Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B but not from both pools. Multiple or suspected multiple applications and any application for more than 55,000,000 Hong Kong Offer Shares will be rejected.

Paragraph 4.2 of Practice Note 18 of the Hong Kong Listing Rules requires a clawback mechanism to be put in place which would have the effect of increasing the number of Hong Kong Offer Shares to certain percentages of the total number of Offer Shares offered in the Global Offering if certain prescribed total demand levels are reached. An application has been made for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with paragraph 4.2 of Practice Note 18 of the Hong Kong Listing Rules such that, in the event of over-applications, the Joint Lead Managers of the Hong Kong Public Offering, after consultation with us, shall apply a clawback mechanism following the closing of the application lists on the following basis:

- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 15 times or more but less than 50 times the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then shares will be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 165,000,000 Offer Shares, representing approximately 7.5% of the Offer Shares initially available under the Global Offering;
- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 50 times or more but less than 100 times the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased so that the total number of Offer Shares available under the Hong Kong Public Offering will be 220,000,000 Offer Shares, representing approximately 10% of the Offer Shares initially available under the Global Offering; and
- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 100 times or more the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 440,000,000 Offer Shares, representing approximately 20% of the Offer Shares initially available under the Global Offering.

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If the Hong Kong Public Offering is not fully subscribed, the Joint Bookrunners have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering. The Joint Bookrunners also have the discretion to reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering.

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application form submitted by him or her that he or she and any person(s) for whose benefit he or she is making the application have not indicated an interest for or taken up and will not indicate an interest for or take up any International Offer Shares, and such applicant's application will be rejected if the said undertaking and/or confirmation is breached and/or untrue.

Our company, our directors and the Hong Kong Underwriters will take reasonable steps to identify and reject applications under the Hong Kong Public Offering from investors who have received H Shares in the International Offering, and to identify and reject indications of interest in the International Offering from investors who have received H Shares in the Hong Kong Public Offering.

The Joint Bookrunners (on behalf of the Underwriters) may require any investor who has been offered H Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Joint Lead Managers of the Hong Kong Public Offering so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that it is excluded from any application for H Shares under the Hong Kong Public Offering.

References in this prospectus to applications, application forms, application monies or to the procedure for application relate solely to the Hong Kong Public Offering.

THE INTERNATIONAL OFFERING

The International Offering will consist of initially 2,090,000,000 H Shares, to be offered by us (a) in the United States to qualified institutional buyers ("QIBs"), as such term is defined in Rule 144A under the U.S. Securities Act, and (b) outside of the United States in reliance on Regulation S under the U.S. Securities Act, including professional and institutional investors in Hong Kong, and pursuant to a public offering without listing in Japan.

Our company is expected to grant to the International Purchasers the Over-allotment Option, exercisable by the Joint Bookrunners on behalf of the International Purchasers at any time from the date of signing of the International Purchase Agreement until 30 days after the last day for the lodging of applications in the Hong Kong Public Offering, to require our company to allot and issue up to an aggregate of 220,000,000 additional shares, representing approximately 10% of the Offer Shares initially available under the Global Offering. These shares will be issued or sold at the same price per share under the International Offering to cover, among other things, over-allocations in the International Offering, if any.

H SHARES WILL BE ELIGIBLE FOR CCASS

All necessary arrangements have been made to enable the H Shares to be admitted into the CCASS.

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If the Hong Kong Stock Exchange grants the listing of, and permission to deal in, the H Shares and our company complies with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Hong Kong Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Hong Kong Stock Exchange is required to take place in CCASS on the second business day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, September 22, 2006, it is expected that dealings in our H Shares on the Hong Kong Stock Exchange will commence at 9:30 a.m. on Friday, September 22, 2006.

Our H Shares will be traded in board lots of 500 H Shares each.