

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this prospectus received from Sallmanns (Far East) Limited, an independent valuer, in connection with its valuation as at June 30, 2006 of the property interests of the Group. As described in section “Documents Delivered to the Registrar of Companies and Available for Inspection” in Appendix XII, a copy of the full valuation report will be made available for public inspection.



# Sallmanns

Corporate valuation and consultancy

[www.sallmanns.com](http://www.sallmanns.com)



22nd Floor, Siu On Centre  
188 Lockhart Road  
Wanchai, Hong Kong  
Tel: (852) 2169 6000  
Fax: (852) 2528 5079

September 8, 2006

The Board of Directors  
China Merchants Bank Co., Ltd.  
China Merchants Bank Tower  
No. 7088 Shennan Boulevard  
Futian District Shenzhen  
Guangdong Province  
The People's Republic of China

Dear Sirs,

In accordance with your instructions to value the properties in which China Merchants Bank Co., Ltd. (the “Company”) and its subsidiary (hereinafter together referred to as the “Group”) have interests, we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital values of the property interests as at June 30, 2006 (the “date of valuation”).

We have categorized the property interests held by the Group in the PRC and Hong Kong into 22 sub-groups according to their locations. The property interests of each sub-group are located in a province, an autonomous region or a directly administered municipality in the PRC and in Hong Kong.

Our valuations of the property interests represent the market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

We have valued the property interests in Group I, II, III, IV and V by the direct comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sale transactions as available in the relevant market.

We have attributed no commercial value to the property interests in Group VI and VII which are leased by the Group, due either to the short-term nature of the leases or the prohibition against assignment or sub-letting or otherwise due to the lack of substantial profit rents.

The Group held 976 properties with an aggregate gross floor area of approximately 528,444.006 sq.m. in the PRC, of which 179 properties are commercial properties, 776 properties are residential properties and 21 properties are ancillary properties. The Group also held 2 parcels of land for future development with an aggregate site area of approximately 18,717.4 sq.m. in the PRC. In addition, the Group held 9 properties in Hong Kong with an aggregate gross floor area of approximately 980.05 sq.m. for commercial and residential purposes.

In addition to the above properties, The Group held 88 foreclosed properties in the PRC that were obtained from foreclosure agreements or court decisions, including 77 buildings and units with an aggregate gross floor area of approximately 91,669.262 sq.m. and 11 parcels of vacant land with an aggregate site area of approximately 2,304,304.55 sq.m.

In addition to the above properties, the Group has entered into Sale and Purchase Agreements with various real estate developers in respect of acquiring 1 commercial property with a gross floor area of approximately 20,118 sq.m. and 104 residential properties with an aggregate gross floor area of approximately 16,869.03 sq.m. Owing to the fact that some of them are still under construction and not all the required payments have been fully paid as at the date of valuation, the properties have not been assigned to the Group and thus the title of the properties is not vested in the Group. Therefore we have not attributed any commercial value to these properties.

The Group leases 1,117 properties in the PRC with an aggregate gross floor area of approximately 570,604 sq.m. and 2 properties in Hong Kong and USA with an aggregate gross floor area of approximately 1,477.017 sq.m. from various independent third parties.

For the 179 commercial properties held by the Group in the PRC, the Group has obtained relevant Land Use Rights Certificates (“LURCs”), Building Ownership Certificates (“BOCs”) or Real Estate Title Certificates (“RETCs”) for 151 properties of them representing a total gross floor area of approximately 255,115.01 sq.m. According to the opinion given by the Company’s PRC legal adviser, these properties are legally owned by the Group and can be transferred, leased or mortgaged by the Group. For the remaining 28 commercial properties with a total gross floor area of approximately 126,203.01 sq.m., the Group has not obtained valid title certificates.

For the 776 residential properties held by the Group in the PRC, the Group has obtained LURCs, BOCs or RETCs for 419 properties of them representing a total gross floor area of approximately 43,192.81 sq.m. According to the opinion given by the Company’s PRC legal adviser, these properties are legally owned by the Group and can be transferred, leased or mortgaged by the Group. For the remaining 357 residential properties with a total gross floor area of approximately 72,229.57 sq.m., the Group has not obtained valid title certificates.

For the 21 properties used as ancillary facilities held by the Group in the PRC, the Group has obtained LURCs, BOCs or RETCs for 19 of them representing a total gross floor area of approximately 30,380.606 sq.m. According to the opinion given by the Company’s PRC legal adviser, these properties are legally owned by the Group and can be transferred, leased or mortgaged by the Group. For the remaining 2 ancillary properties with a total gross floor area of approximately 1,323 sq.m., the Group has not obtained valid title certificates.

For the 2 parcels of land for future development held by the Group in the PRC, the Group has obtained all the LURCs for them representing a total site area of approximately 18,717.4 sq.m. According to the opinion given by the Company's PRC legal adviser, the land use rights of the land are legally owned by the Group and can be transferred, leased or mortgaged freely by the Group.

For the 88 foreclosed properties held by the Group in the PRC, according to the opinion given by the Company's PRC legal adviser, the Group has obtained the rights to take control of or liquidate 77 buildings and units of them representing a total gross floor area of approximately 91,669.262 sq.m. and 11 parcels of vacant land of them representing a total site area of approximately 2,304,304.55 sq.m., which are legally owned by the Group.

Among the 976 properties, the Group has obtained the right to use or occupy 12 properties by administrative allocation. According to the Company's PRC legal opinion, the Group will have the rights to occupy, use, transfer, leased or mortgage the land use rights of such properties upon obtaining the granted or leasehold LURCs.

For the leased properties in the PRC, the relevant lessors have either provided the BOCs, RETCs or property owner's consent to sublease or registered with the relevant government authorities for 749 properties representing a total gross floor area of approximately 428,418.195 sq.m. According to the opinion given by the Company's PRC legal adviser, the relevant lease agreements for such properties are legally binding and enforceable. For the remaining 368 leased properties, the Group has not been provided with the relevant BOCs, RETCs, property owner's consent to sublease or registration with the relevant government authorities.

Our valuations have been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charges, mortgages or amounts owing on any of the property interests valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing those property interests of the Group in Hong Kong held under the Government Leases expiring before June 30, 1997, we have taken account of the stipulations contained in Annex III of the Joint Declaration of the Government of the United Kingdom and the Government of the People's Republic of China on the question of Hong Kong and the New Territories Leases (Extension) Ordinance 1988 that such leases have been extended without premium until June 30, 2047 and that a rent of three per cent of the then rateable value is charged per annum from the date of extension.

In valuing the property interests, we have complied with all the requirements contained in Chapter 5, Practice Note 12 and Practice Note 16 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited except for those in respect of which a waiver has been applied relating to Rules 5.01, 5.06(1), 19A.27(4) and paragraph 3(a) of Practice Note 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited; the RICS Appraisal and Valuation Standards (5<sup>th</sup> Edition May 2003) published by the Royal Institution of Chartered Surveyors; and the HKIS Valuation Standards on Properties (1<sup>st</sup> Edition January 2005) published by the Hong Kong Institute of Surveyors.

As the Company is in compliance with paragraph 3(b) of Practice Note 16 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, the Company has obtained a waiver to exclude the full details of the individual leased properties from the valuation certificates in our valuation report in this prospectus. A summary of all these interests in land and buildings covered by this exemption is included in the Summary of Values and the Certificate for Leased Properties.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of various title documents including State-owned Land Use Rights Certificates, Building Ownership Certificates and official plans relating to the property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing titles to the property interests in the PRC and any material encumbrances that might be attached to the property interests or any lease amendments. We have relied considerably on the advice given by the Company's PRC legal advisers — Jun He Law Office, concerning the validity of the Group's titles to the property interests in the PRC.

We have not been provided with copies of the title documents and lease agreements relating to the property interests and have caused searches to be made at the Hong Kong Land Registries. However, we have not searched the original documents to verify ownership or to ascertain any amendment.

We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB). In property interests in Group IV and VII, we have adopted exchange rates of HK\$1 to RMB1.0291 and US\$1 to RMB7.9935, which were prevailing as at the date of valuation.

Our valuations are summarized below and the valuation certificates are attached.

Yours faithfully,

for and on behalf of  
**Sallmanns (Far East) Limited**  
**Paul L. Brown**  
*B.Sc. FRICS FHKIS*  
*Director*

*Note: Paul L. Brown is a Chartered Surveyor who has 23 years' experience in the valuation of properties in the PRC and 26 years of property valuation experience in Hong Kong, the United Kingdom, the United States of America and the Asia-Pacific region.*

## SUMMARY OF VALUES

**GROUP I — PROPERTY INTERESTS HELD AND OCCUPIED BY THE GROUP IN THE PRC**

<u>No.</u>	<u>Property</u>	Capital value in existing state as at June 30, 2006
		RMB
1.	Various properties located in Beijing The PRC	376,327,000
2.	Various properties located in Guangdong Province The PRC	2,665,145,000
3.	Various properties located in Shanghai The PRC	564,676,000
4.	4 commercial units located in Tianjin The PRC	No commercial value
5.	A property located in Fuzhou, Fujian Province The PRC	30,223,000
6.	Various properties located in Zhejiang Province The PRC	8,527,000
7.	Various properties located in Jiangsu Province The PRC	274,381,000
8.	Various properties located in Hefei, Anhui Province The PRC	No commercial value
9.	Various properties located in Qingdao, Shandong Province The PRC	No commercial value
10.	26 residential units located in Changsha, Hunan Province The PRC	12,104,000
11.	24 residential units located in Nanchang, Jiangxi Province The PRC	No commercial value
12.	Various properties located in Hubei Province The PRC	125,734,000
13.	Various properties located in Urumqi Xinjiang Uygur Autonomous Region The PRC	105,444,000
14.	Various properties located in Lanzhou, Gansu Province The PRC	No commercial value
15.	Various properties located in Xi'an, Shaanxi Province The PRC	47,738,000
16.	Various properties located in Liaoning Province The PRC	292,997,000
17.	Various properties located in Chengdu, Sichuan Province The PRC	96,347,000

<u>No.</u>	<u>Property</u>	Capital value in existing state as at June 30, 2006 RMB
18.	A property located in Kunming, Yunnan Province The PRC	85,517,000
19.	Various properties located in Chongqing The PRC	246,684,000
20.	A property located in Harbin, Heilongjiang Province The PRC	90,205,000
21.	A property located in Haikou, Hainan Province The PRC	778,000
Sub-total: .....		<u>5,022,827,000</u>

#### GROUP II — PROPERTY INTEREST HELD FOR DEVELOPMENT BY THE GROUP IN THE PRC

<u>No.</u>	<u>Property</u>	Capital value in existing state as at June 30, 2006 RMB
22.	Two parcels of land located at Dongchangjie Pudongxin District, Shanghai The PRC	409,860,000
Sub-total: .....		<u>409,860,000</u>

#### GROUP III — FORECLOSED PROPERTY INTERESTS HELD BY THE GROUP IN THE PRC

<u>No.</u>	<u>Property</u>	Capital Value in existing state as at June 30, 2006 RMB
23.	Various properties located in The PRC	384,149,000
Sub-total: .....		<u>384,149,000</u>

#### GROUP IV — PROPERTY INTERESTS HELD BY THE GROUP IN HONG KONG

<u>No.</u>	<u>Property</u>	Capital Value in existing state as at June 30, 2006 RMB
24.	Various properties located in Hong Kong	73,000,000
Sub-total: .....		<u>73,000,000</u>

**GROUP V — PROPERTY INTERESTS CONTRACTED TO BE ACQUIRED BY THE GROUP IN THE PRC**

<u>No.</u>	<u>Property</u>	Capital Value in existing state as at June 30, 2006
		<u>RMB</u>
25.	Various properties located in The PRC	No commercial value
	Sub-total: .....	<u>No commercial value</u>

**GROUP VI — PROPERTY INTERESTS RENTED AND OCCUPIED BY THE GROUP IN THE PRC**

<u>No.</u>	<u>Property</u>	Capital Value in existing state as at June 30, 2006
		<u>RMB</u>
26.	1,117 leased properties located in The PRC	No commercial value
	Sub-total: .....	<u>No commercial value</u>

**GROUP VII — PROPERTY INTERESTS RENTED AND OCCUPIED BY THE GROUP IN HONG KONG AND USA**

<u>No.</u>	<u>Property</u>	Capital Value in existing state as at June 30, 2006
		<u>RMB</u>
27.	2 commercial units located in Hong Kong and USA	No commercial value
	Sub-total: .....	<u>No commercial value</u>
	<b>Total:</b> .....	<u>5,889,836,000</u>



## VALUATION CERTIFICATE

## GROUP I — PROPERTY INTERESTS HELD AND OCCUPIED BY THE GROUP IN THE PRC

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at June 30, 2006</u> <u>RMB</u>								
1. Various properties located in Beijing The PRC	<p>The properties comprise 8 commercial units and 1 residential unit mainly completed between 1991 and 1999.</p> <p>The properties have a total gross floor area of approximately 18,254.27 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> <u>(sq.m.)</u></th></tr><tr><td>Commercial</td><td>18,164.74</td></tr><tr><td>Residential</td><td>89.53</td></tr><tr><td>Total .....</td><td>18,254.27</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> <u>(sq.m.)</u>	Commercial	18,164.74	Residential	89.53	Total .....	18,254.27	<p>The properties are currently occupied by the Company for commercial and residential purposes.</p>	<p>376,327,000</p> <p>100% interest attributable to the Group:</p> <p>RMB376,327,000</p>
<u>Usage</u>	<u>Gross Floor Area</u> <u>(sq.m.)</u>										
Commercial	18,164.74										
Residential	89.53										
Total .....	18,254.27										

Notes:

1. According to 2 BOCs and 2 LURCs, 2 items of the properties representing a total gross floor area of approximately 13,209.44 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 2 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. For the remaining 7 items of the properties with a total gross floor area of approximately 5,044.83 sq.m., which comprise 6 commercial properties with a total gross floor area of approximately 4,955.3 sq.m. and one residential property with a gross floor area of approximately 89.53 sq.m., we have been provided with BOCs for 4 properties but have not been provided with the LURCs and/or BOCs and/or RETCs for other 3 properties. According to the opinion given by the Company's PRC legal adviser, the Company has legal rights to occupy 4 properties with BOCs. The Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such 7 properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB108,648,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
3. According to the opinion given by the Company's PRC legal adviser, for the 3 commercial properties with a total gross floor area of approximately 4,645.74 sq.m., there is no legal impediment to obtain the LURCs.
4. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB456,857,000.

## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006										
Property	Description and tenure	Particulars of occupancy	RMB										
2. Various properties located in Guangdong Province The PRC	<p>The properties comprise 109 commercial buildings and units, 350 residential units and 18 ancillary buildings and units mainly completed between 1988 and 2005.</p> <p>The properties have a total gross floor area of approximately 246,365.576 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Commercial</td><td>179,732.95</td></tr><tr><td>Residential</td><td>35,502.43</td></tr><tr><td>Ancillary</td><td>31,130.196</td></tr><tr><td>Total . . . . .</td><td>246,365.576</td></tr></table>	Usage	Gross Floor Area (sq.m.)	Commercial	179,732.95	Residential	35,502.43	Ancillary	31,130.196	Total . . . . .	246,365.576	<p>The properties are currently occupied by the Company for commercial, residential and ancillary purposes except for 8 items with a total gross floor area of approximately 8,312.84 sq.m. which are subject to 6 lease agreements as stated in note 4.</p>	<p>2,665,145,000 100% interest attributable to the Group: RMB2,665,145,000</p>
Usage	Gross Floor Area (sq.m.)												
Commercial	179,732.95												
Residential	35,502.43												
Ancillary	31,130.196												
Total . . . . .	246,365.576												

## Notes:

1. According to 367 RETCs, 370 items of the properties representing a total gross floor area of approximately 164,438.996 sq.m. have obtained RETCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained the RETCs for the 370 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. According to 1 RETC, 1 item of the properties with a gross floor area of approximately 49,658.01 sq. m. has obtained the land use rights. According to the opinion given by the Company's PRC legal advisor, the Company has obtained the land use rights and passed the acceptance inspection for the 1 item of the properties. There is no legal impediment to obtain the building ownership.
3. For the remaining 106 items of the properties with a total gross floor area of approximately 32,268.57 sq.m., which comprise 7 commercial properties with a total gross floor area of approximately 14,473.62 sq.m., 98 residential properties with a total gross floor area of approximately 16,531.95 sq.m. and one ancillary property with a gross floor area of approximately 1,263 sq.m., we have been provided with RETCs for 2 properties but have not been provided with the LURCs and/or BOCs and/or RETCs for other 104 properties. According to the opinion given by the Company's PRC legal adviser, 2 properties have obtained the RETCs, but has not obtained the land use rights and 104 properties have not obtained any valid title certificates. The Company has legal rights to occupy the 2 properties with RETCs and would have legal rights to freely transfer, lease, mortgage or otherwise dispose such 106 properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB248,134,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
4. According to 6 lease agreements, 8 items of the properties with a total gross floor area of approximately 8,312.84 sq.m. are leased to various independent third parties for various terms with the latest expiry date of June 10, 2020 at a total annual rental of RMB5,618,777.
5. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB2,496,032,000.

## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006								
<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>RMB</u>								
3. Various properties located in Shanghai The PRC	<p>The properties comprise 9 commercial buildings and units and 7 residential units mainly completed between 1993 and 2000.</p> <p>The properties have a total gross floor area of approximately 12,794.51 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> (sq.m.)</th></tr><tr><td>Commercial</td><td>12,081.72</td></tr><tr><td>Residential</td><td>712.79</td></tr><tr><td>Total . . . . .</td><td>12,794.51</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)	Commercial	12,081.72	Residential	712.79	Total . . . . .	12,794.51	The properties are currently occupied by the Company for commercial and residential purposes.	564,676,000 100% interest attributable to the Group: RMB564,676,000
<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)										
Commercial	12,081.72										
Residential	712.79										
Total . . . . .	12,794.51										

## Notes:

1. According to 14 RETCs, 14 items of the properties representing a total gross floor area of approximately 12,081.72 sq.m. have obtained RETCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained the RETCs for the 14 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. For the remaining 2 items of the properties with a total gross floor area of approximately 712.79 sq.m., which comprise one commercial property with a gross floor area of approximately 559.56 sq.m. and one residential property with a gross floor area of approximately 153.23 sq.m., we have not been provided with the LURCs and/or BOCs and/or RETCs. According to the opinion given by the Company's PRC legal adviser, 2 properties have not obtained any valid title certificates. The Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB18,879,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
3. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB273,846,000.

## VALUATION CERTIFICATE

				Capital value in existing state as at June 30, 2006
	Property	Description and tenure	Particulars of occupancy	RMB
4.	4 commercial units located in Tianjin The PRC	The properties comprise 4 commercial units completed in about 1999.  The properties have a total gross floor area of approximately 6,818.65 sq.m.	The properties are currently occupied by the Company for commercial purpose except for 1 item with a gross floor area of approximately 1,519 sq.m. which is subject to a lease agreement as stated in note 2.	No commercial value

## Notes:

- For the properties with a total gross floor area of approximately 6,818.65 sq.m., we have been provided with relevant the BOCs, but have not been provided with the LURCs. According to the opinion given by the Company's PRC legal adviser, 4 properties have obtained the BOCs only. Among them, 1 property is erected on administratively-allocated land. The Company has legal rights to occupy the properties and would have legal rights to transfer, lease, mortgage or otherwise dispose the properties upon obtaining the granted or leasehold land use rights. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB78,487,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
- According to a lease agreement, 1 item of the properties with a gross floor area of approximately 1,519 sq.m. is leased to an independent third party for a term at an annual rental of RMB1,001,373 for a term expiring on April 30, 2009.
- As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB58,340,000.

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at June 30, 2006 RMB
5. A property located in Fuzhou Fujian Province The PRC	The property comprises a commercial unit on Levels 1 (Portion) and 15 to 17 of a 19-storey commercial building completed in about 1999.  The property has a total gross floor area of approximately 4,317.63 sq.m.  The land use rights of the property have been granted with an apportioned land area of approximately 667.9 sq.m.	The property is currently occupied by the Company for commercial purpose.	30,223,000 100% interest attributable to the Group: RMB30,223,000

Notes:

1. According to a LURC, the land use rights of the property with an apportioned land area of approximately 667.9 sq.m. have been granted to the Company. According to the opinion given by the Company's PRC legal adviser, the land use rights of the property are legally owned by the Company.
2. According to a BOC, the Company has obtained the building ownership of the property with a gross floor area of approximately 4,317.63 sq.m. According to the opinion given by the Company's PRC Legal adviser, the title of the property is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such property.
3. As advised by the Company, the total acquisition cost and the cost expended on the property is approximately RMB22,176,000.

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at June 30, 2006										
			RMB										
6. Various properties located in Zhejiang Province The PRC	<p>The properties comprise 2 commercial building and unit, 49 residential units and 1 ancillary building mainly completed between 2000 and 2006.</p> <p>The properties have a total gross floor area of approximately 22,010.44 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table> <tr> <th>Usage</th> <th>Gross Floor Area (sq.m.)</th> </tr> <tr> <td>Commercial</td> <td>16,625.48</td> </tr> <tr> <td>Residential</td> <td>5,324.96</td> </tr> <tr> <td>Ancillary</td> <td>60</td> </tr> <tr> <td>Total . . . . .</td> <td>22,010.44</td> </tr> </table>	Usage	Gross Floor Area (sq.m.)	Commercial	16,625.48	Residential	5,324.96	Ancillary	60	Total . . . . .	22,010.44	<p>The properties are currently occupied by the Company for commercial, residential and ancillary purposes except for 1 item of the properties with a gross floor area of approximately 76.3 sq.m. which is currently vacant.</p>	<p>8,527,000</p> <p>100% interest attributable to the Group:</p> <p>RMB8,527,000</p>
Usage	Gross Floor Area (sq.m.)												
Commercial	16,625.48												
Residential	5,324.96												
Ancillary	60												
Total . . . . .	22,010.44												

## Notes:

1. According to 5 BOCs and 5 LURCs, 5 items of the properties representing a total gross floor area of approximately 602.46 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 5 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. As advised by the Company, 35 residential properties with a total gross floor area of approximately 3,743.85 sq.m., are co-owned by the Company and its employees. According to the opinion given by the Company's PRC legal adviser, 10 of these co-owned properties with a total gross floor area of approximately 948.24 sq.m. have obtained both the BOCs and LURCs, the Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining the approvals from the relevant employees. For the remaining 25 properties with a total gross floor area of approximately 2,795.61 sq.m., the Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining the valid title for the properties and the approvals from the relevant employees.
3. For the remaining 12 items of the properties with a total gross floor area of approximately 17,664.13 sq.m., which comprise one commercial property with a gross floor area of approximately 16,549.18 sq.m., one ancillary property with a gross floor area of approximately 60 sq.m. and 10 residential properties with a total gross floor area of approximately 1,054.95 sq.m., we have not been provided with the LURCs and/or BOCs and/or RETCs. According to the opinion given by the Company's PRC legal adviser, the Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining the relevant title certificates.
4. Therefore, we have attributed no commercial value to the properties in notes 2 and 3. For reference purposes, we are of the opinion that the capital value of these properties would be RMB255,455,000, provided that all the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
5. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB236,645,000.

## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006								
<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>RMB</u>								
7. Various properties located in Jiangsu Province The PRC	<p>The properties comprise a commercial building, a commercial unit and 4 residential units mainly completed between 1998 and 2002.</p> <p>The properties have a total gross floor area of approximately 21,103.38 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> (sq.m.)</th></tr><tr><td>Commercial</td><td>19,626.82</td></tr><tr><td>Residential</td><td>1,476.56</td></tr><tr><td>Total . . . . .</td><td>21,103.38</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)	Commercial	19,626.82	Residential	1,476.56	Total . . . . .	21,103.38	The properties are currently occupied by the Company for commercial and residential purposes.	274,381,000 100% interest attributable to the Group: RMB274,381,000
<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)										
Commercial	19,626.82										
Residential	1,476.56										
Total . . . . .	21,103.38										

## Notes:

1. According to 6 BOCs and 6 LURCs, 6 items of the properties representing a total gross floor area of approximately 21,103.38 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 6 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB204,376,000.

## VALUATION CERTIFICATE

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Capital value in existing state as at June 30, 2006
			RMB
8. Various properties located in Hefei Anhui Province The PRC	<p>The properties comprise 32 residential units completed in about 2005.</p> <p>The properties have a total gross floor area of approximately 5,141.4 sq.m.</p>	The properties are currently vacant.	No commercial value

Notes:

- For the properties with a total gross floor area of approximately 5,141.4 sq.m., we have been provided with relevant the BOCs, but have not been provided with the LURCs. According to the opinion given by the Company's PRC legal adviser, 32 properties have obtained the BOCs only. The Company has legal rights to occupy the properties and would have legal rights to transfer, lease, mortgage or otherwise dispose the properties upon obtaining the granted or leasehold land use rights. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB20,487,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
- As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB20,573,000.



## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006 RMB								
<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>									
9. Various properties located in Qingdao Shandong Province The PRC	<p>The properties comprise Levels 1 to 3 and 22 to 27 of a commercial building and 1 residential building completed in 2003 and 2004 respectively.</p> <p>The properties have a total gross floor area of approximately 12,940.9 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> (sq.m.)</th></tr><tr><td>Commercial</td><td>6,283.23</td></tr><tr><td>Residential</td><td>6,657.67</td></tr><tr><td>Total . . . . .</td><td>12,940.9</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)	Commercial	6,283.23	Residential	6,657.67	Total . . . . .	12,940.9	The properties are currently occupied by the Company for commercial and residential purposes.	No commercial value
<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)										
Commercial	6,283.23										
Residential	6,657.67										
Total . . . . .	12,940.9										

## Notes:

- For the properties with a total gross floor area of approximately 12,940.9 sq.m., which comprise one commercial property with a gross floor area of approximately 6,283.23 sq.m. and one residential property with a gross floor area of approximately 6,657.67 sq.m., we have not been provided with the LURCs and/or BOCs and/or RETCs. According to the opinion given by the Company's PRC legal adviser, 2 properties have not obtained any valid title certificates. The Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB137,376,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
- As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB99,780,000.

## VALUATION CERTIFICATE

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Capital value in existing state as at June 30, 2006 RMB
10. 26 residential units located in Changsha Hunan Province The PRC	The properties comprise 26 residential units completed in about 2002.  The properties have a total gross floor area of approximately 3,458.17 sq.m.	The properties are currently occupied by the Company for residential purpose.	12,104,000 100% interest attributable to the Group: RMB12,104,000

Notes:

1. According to 26 BOCs and 26 LURCs, 26 items of the properties representing a total gross floor area of approximately 3,458.17 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 26 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB10,006,000.

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at June 30, 2006
			RMB
11. 24 residential units located in Nanchang Jiangxi Province The PRC	The properties comprise 24 residential units completed in about 2005.  The properties have a total gross floor area of approximately 2,450.34 sq.m.	The properties are currently occupied by the Company for residential purpose.	No commercial value

Notes:

- For the properties with a total gross floor area of approximately 2,450.34 sq.m., we have been provided with BOCs for 21 properties but have not been provided with the LURCs and/or BOCs and/or RETCs for the remaining 3 properties. According to the opinion given by the Company's PRC legal adviser, the Company has legal rights to occupy the 21 properties with BOCs and would have legal rights to transfer, lease, mortgage or otherwise dispose all of the properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB12,001,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
- As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB8,743,000.

## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006										
<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>RMB</u>										
12. Various properties located in Hubei Province The PRC	<p>The properties comprise 5 commercial units, 108 residential units and 1 ancillary unit mainly completed between 1996 and 2001.</p> <p>The properties have a total gross floor area of approximately 29,839.96 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> (sq.m.)</th></tr><tr><td>Commercial</td><td>14,522.77</td></tr><tr><td>Residential</td><td>15,114.96</td></tr><tr><td>Ancillary</td><td>202.23</td></tr><tr><td>Total .....</td><td>29,839.96</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)	Commercial	14,522.77	Residential	15,114.96	Ancillary	202.23	Total .....	29,839.96	The properties are currently occupied by the Company for commercial, residential and ancillary purposes.	125,734,000 100% interest attributable to the Group: RMB125,734,000
<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)												
Commercial	14,522.77												
Residential	15,114.96												
Ancillary	202.23												
Total .....	29,839.96												

## Notes:

1. According to 35 BOCs and 35 LURCs, 66 items of the properties representing a total gross floor area of approximately 21,723.84 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 66 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. For the remaining 48 items of the properties with a total gross floor area of approximately 8,116.12 sq.m., which comprise one commercial property with a gross floor area of approximately 1,915.9 sq.m. and 47 residential properties with a total gross floor area of approximately 6,200.22 sq.m., we have been provided with BOCs for 43 properties but have not been provided with the LURCs and/or BOCs and/or RETCs for other 5 properties. According to the opinion given by the Company's PRC legal adviser, the Company has legal rights to occupy the 43 properties with BOCs. Among the 43 properties, 10 properties are erected on administratively-allocated land. The Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such 48 properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB28,752,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
3. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB132,612,000.

## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006								
Property	Description and tenure	Particulars of occupancy	RMB								
13. Various properties located in Urumqi Xinjiang Uygur Autonomous Region The PRC	<p>The properties comprise 10 commercial units and 26 residential units mainly completed between 2002 and 2005.</p> <p>The properties have a total gross floor area of approximately 19,546.04 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Commercial</td><td>15,431.67</td></tr><tr><td>Residential</td><td>4,114.37</td></tr><tr><td>Total .....</td><td>19,546.04</td></tr></table>	Usage	Gross Floor Area (sq.m.)	Commercial	15,431.67	Residential	4,114.37	Total .....	19,546.04	<p>The properties are currently occupied by the Company for commercial and residential purposes except for 3 items with a total gross floor area of approximately 6,410.72 sq.m. which is currently vacant.</p>	<p>105,444,000</p> <p>100% interest attributable to the Group: RMB105,444,000</p>
Usage	Gross Floor Area (sq.m.)										
Commercial	15,431.67										
Residential	4,114.37										
Total .....	19,546.04										

## Notes:

1. According to 10 BOCs and 1 LURC, 10 items of the properties representing a total gross floor area of approximately 15,431.67 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 10 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. For the remaining 26 residential properties with a total gross floor area of approximately 4,114.37 sq.m., we have not been provided with the LURCs and/or BOCs and/or RETCs. According to the opinion given by the Company's PRC legal adviser, 26 properties have not obtained any valid title certificates. The Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB16,218,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
3. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB120,860,000.

VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006 RMB								
<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>									
14. Various properties located in Lanzhou Gansu Province The PRC	<p>The properties comprise 1 commercial unit and 1 residential building completed in 2001 and 2005 respectively.</p> <p>The properties have a total gross floor area of approximately 14,367.96 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> (sq.m.)</th></tr><tr><td>Commercial</td><td>9,003.96</td></tr><tr><td>Residential</td><td>5,364</td></tr><tr><td>Total . . . . .</td><td>14,367.96</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)	Commercial	9,003.96	Residential	5,364	Total . . . . .	14,367.96	The properties are currently occupied by the Company for commercial and residential purposes.	No commercial value
<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)										
Commercial	9,003.96										
Residential	5,364										
Total . . . . .	14,367.96										

- Notes:
- 1. For the properties with a total gross floor area of approximately 14,367.96 sq.m., which comprise 1 commercial property with a gross floor area of approximately 9,003.96 sq.m. and 1 residential property with a gross floor area of approximately 5,364 sq.m., we have been provided with BOCs for these 2 properties. According to the opinion given by the Company's PRC legal adviser, the Company has legal rights to occupy the properties and would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB77,798,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
  - 2. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB66,869,000.

VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006								
<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>RMB</u>								
15. Various properties located in Xi'an Shaanxi Province The PRC	<p>The properties comprise 1 commercial building and 27 residential units mainly completed between 1996 and 2005.</p> <p>The properties have a total gross floor area of approximately 21,622.32 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> (sq.m.)</th></tr><tr><td>Commercial</td><td>8,259.25</td></tr><tr><td>Residential</td><td>13,363.07</td></tr><tr><td>Total . . . . .</td><td>21,622.32</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)	Commercial	8,259.25	Residential	13,363.07	Total . . . . .	21,622.32	The properties are currently occupied by the Company for commercial and residential purposes.	47,738,000 100% interest attributable to the Group: RMB47,738,000
<u>Usage</u>	<u>Gross Floor Area</u> (sq.m.)										
Commercial	8,259.25										
Residential	13,363.07										
Total . . . . .	21,622.32										

- Notes:
1. According to a BOC and a LURC, 1 item of the properties representing a gross floor area of approximately 8,259.25 sq.m. has obtained both the BOC and LURC. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOC and LURC for this item of the properties. The title to such property is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such property.
  2. For the remaining 27 residential properties with a total gross floor area of approximately 13,363.07 sq.m., we have been provided with relevant the BOCs, but have not been provided with the LURCs. According to the opinion given by the Company's PRC legal adviser, 27 of such properties have obtained the BOCs only. The Company has legal rights to occupy the 27 properties and would have legal rights to freely transfer, lease, mortgage or otherwise dispose such properties upon obtaining the granted or leasehold land use rights. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB44,141,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer or mortgage such properties.
  3. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB77,379,000.

## VALUATION CERTIFICATE

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at June 30, 2006</u> <u>RMB</u>								
16. Various properties located in Liaoning Province The PRC	<p>The properties comprise 6 commercial buildings and units and 89 residential units mainly completed between 1990 and 2002.</p> <p>The properties have a total gross floor area of approximately 40,885.62 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Gross Floor Area</u> <u>(sq.m.)</u></th></tr><tr><td>Commercial</td><td>27,969.23</td></tr><tr><td>Residential</td><td>12,916.39</td></tr><tr><td>Total . . . . .</td><td>40,885.62</td></tr></table>	<u>Usage</u>	<u>Gross Floor Area</u> <u>(sq.m.)</u>	Commercial	27,969.23	Residential	12,916.39	Total . . . . .	40,885.62	<p>The properties are currently occupied by the Company for commercial and residential purposes.</p>	<p>292,997,000</p> <p>100% interest attributable to the Group:</p> <p>RMB292,997,000</p>
<u>Usage</u>	<u>Gross Floor Area</u> <u>(sq.m.)</u>										
Commercial	27,969.23										
Residential	12,916.39										
Total . . . . .	40,885.62										

## Notes:

1. According to 34 BOCs and 39 LURCs, 39 items of the properties representing a total gross floor area of approximately 18,911.64 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 39 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. For the remaining 56 items of the properties with a total gross floor area of approximately 21,973.98 sq.m., which comprise 2 commercial properties with a total gross floor area of approximately 14,608.99 sq.m. and 54 residential properties with a total gross floor area of approximately 7,364.99 sq.m., we have been provided with BOCs for 52 properties but have not been provided with the LURCs and/or BOCs and/or RETCs for other 4 properties. According to the opinion given by the Company's PRC legal adviser, the Company has legal rights to occupy the 52 properties with BOCs. Among the 52 properties, a property is erected on administratively allocated land. The Company would have legal rights to freely transfer, lease, mortgage or otherwise dispose such 56 properties upon obtaining all the relevant title certificates. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB123,472,000, provided that the relevant title certificates have been obtained by the Company and the Company to freely transfer or mortgage such properties.
3. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB388,221,000.



## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006								
Property	Description and tenure	Particulars of occupancy	RMB								
17. Various properties located in Chengdu Sichuan Province The PRC	<p>The properties comprise 5 commercial units and 23 residential units mainly completed between 1995 and 2000.</p> <p>The properties have a total gross floor area of approximately 12,070.71 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Commercial</td><td>9,507.31</td></tr><tr><td>Residential</td><td>2,563.4</td></tr><tr><td>Total . . . . .</td><td>12,070.71</td></tr></table>	Usage	Gross Floor Area (sq.m.)	Commercial	9,507.31	Residential	2,563.4	Total . . . . .	12,070.71	<p>The properties are currently occupied by the Company for commercial and residential purposes except for 3 items with a total gross floor area of approximately 1,200.36 sq.m. which are subject to 2 lease agreements as stated in note 3.</p>	<p>96,347,000</p> <p>100% interest attributable to the Group:</p> <p>RMB96,347,000</p>
Usage	Gross Floor Area (sq.m.)										
Commercial	9,507.31										
Residential	2,563.4										
Total . . . . .	12,070.71										

## Notes:

1. According to 25 BOCs and 25 LURCs, 25 items of the properties representing a total gross floor area of approximately 10,694.1 sq.m. have obtained both the BOCs and LURCs. According to the opinion given by the Company's PRC legal adviser, the Company has obtained both the BOCs and LURCs for the 25 items of the properties. The title to such properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
2. For the remaining 3 commercial properties with a total gross floor area of approximately 1,376.61 sq.m., we have been provided with relevant the BOCs, but have not been provided with the LURCs. According to the opinion given by the Company's PRC legal adviser, 3 of such properties have obtained the BOCs only. The Group has legal rights to occupy the properties and has legal rights to transfer, lease, mortgage or otherwise dispose the properties upon obtaining the granted or leasehold land use rights. As such, we have attributed no commercial value to them. For reference purposes, we are of the opinion that the capital value of these properties would be RMB11,276,000, provided that the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
3. According to 2 lease agreements, 3 items of the properties with a total gross floor area of approximately 1,200.36 sq.m. are leased to various independent third parties for various terms with the latest expiry date of November 30, 2011 at a total annual rental of RMB676,550.
4. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB101,560,000.

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at June 30, 2006 RMB
18. A property located in Kunming Yunnan Province The PRC	The property comprises 5 commercial units on Levels 1 to 5 of a 20-storey commercial building completed in about 1999.  The property has a total gross floor area of approximately 10,197.86 sq.m.	The property is currently occupied by the Company for commercial purpose except for portion of the property with a gross floor area of approximately 1,767.14 sq.m. which is subject to a lease agreement as stated in note 3.	85,517,000 100% interest attributable to the Group: RMB85,517,000

*Notes:*

1. According to 5 LURCs, the land use rights of the property with a total apportioned land area of approximately 582.92 sq.m. have been granted to the Company. According to the opinion given by the Company's PRC legal adviser, the land use rights of the property are legally owned by the Company.
2. According to 5 BOCs, the Company has obtained the building ownership of the property, representing a total gross floor area of approximately 10,197.86 sq.m. According to the opinion given by the Company's PRC Legal adviser, the title of the property is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose the property.
3. According to a lease agreement, portion of the property with a gross floor area of approximately 1,767.14 sq.m. is leased to an independent third party for a term at an annual rental of RMB763,386 for a term expiring on January 31, 2009.
4. As advised by the Company, the total acquisition cost and the cost expended on the property is approximately RMB89,045,000.

## VALUATION CERTIFICATE

			Capital value in existing state as at June 30, 2006								
Property	Description and tenure	Particulars of occupancy	RMB								
19. Various properties located in Chongqing The PRC	<p>The properties comprise 9 commercial units and 8 residential units mainly completed between 1997 and 2004.</p> <p>The properties have a total gross floor area of approximately 15,971.4 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Commercial</td><td>14,798.92</td></tr><tr><td>Residential</td><td>1,172.48</td></tr><tr><td>Total . . . . .</td><td>15,971.4</td></tr></table>	Usage	Gross Floor Area (sq.m.)	Commercial	14,798.92	Residential	1,172.48	Total . . . . .	15,971.4	The properties are currently occupied by the Company for commercial and residential purposes except for 1 item of the properties with a gross floor area of approximately 106 sq.m. which is subject to a lease agreement as stated in note 3.	246,684,000 100% interest attributable to the Group: RMB246,684,000
Usage	Gross Floor Area (sq.m.)										
Commercial	14,798.92										
Residential	1,172.48										
Total . . . . .	15,971.4										

## Notes:

1. According to 17 LURCs, the land use rights of the properties with a total apportioned land area of approximately 6,771.95 sq.m. have been granted to the Company. According to the opinion given by the Company's PRC legal adviser, the land use rights of the properties are legally owned by the Company.
2. According to 17 BOCs, the Company has obtained the building ownership of the properties, representing a total gross floor area of approximately 15,971.4 sq.m. According to the opinion given by the Company's PRC Legal adviser, the title of the properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such properties.
3. According to a lease agreement, 1 item of the properties with a gross floor area of approximately 106 sq.m. is leased to an independent third party for a term at an annual rental of RMB139,920 for a term expiring on July 31, 2007.
4. As advised by the Company, the total acquisition cost and the cost expended on the properties is approximately RMB172,372,000.

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at June 30, 2006
			RMB
20. A property located in Harbin Heilongjiang Province The PRC	<p>The property comprises an 11-storey commercial building completed in about 2003.</p> <p>The property has a total gross floor area of approximately 7,975.69 sq.m.</p> <p>The property is erected on a parcel of land with a site area of approximately 1,548.1 sq.m.</p>	The property is currently occupied by the Company for commercial purpose.	<p>90,205,000</p> <p>100% interest attributable to the Group:</p> <p>RMB90,205,000</p>

## Notes:

1. According to a LURC, the land use rights of the property with a site area of approximately 1,548.1 sq.m. have been granted to the Company. According to the opinion given by the Company's PRC legal adviser, the land use rights of the property are legally owned by the Company.
2. According to a BOC, the Company has obtained the building ownership of the property, representing a total gross floor area of approximately 7,975.69 sq.m. According to the opinion given by the Company's PRC Legal adviser, the title of the property is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such property.
3. As advised by the Company, the total acquisition cost and the cost expended on the property is approximately RMB91,415,000.

## VALUATION CERTIFICATE

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Capital value in existing state as at June 30, 2006 RMB
21. A property located in Haikou Hainan Province The PRC	The property comprises a 3-storey ancillary building completed in about 1999.  The property has a total gross floor area of approximately 311.18 sq.m.  The property is erected on a parcel of land with a site area of approximately 179.83 sq.m.	The property is currently occupied by the Company for ancillary purpose.	778,000 100% interest attributable to the Group: RMB778,000

Notes:

1. According to a LURC, the land use rights of the property with a site area of approximately 179.83 sq.m. have been granted to the Company. According to the opinion given by the Company's PRC legal adviser, the land use rights of the property are legally owned by the Company.
2. According to a BOC, the Company has obtained the building ownership of the property, representing a gross floor area of approximately 311.18 sq.m. According to the opinion given by the Company's PRC Legal adviser, the title of the property is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such property.
3. As advised by the Company, the total acquisition cost and the cost expended on the property is approximately RMB1,264,000.

## VALUATION CERTIFICATE

## GROUP II — PROPERTY INTEREST HELD FOR DEVELOPMENT BY THE GROUP IN THE PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at June 30, 2006 RMB
22. Two parcels of land located at Dongchangjie Pudongxin District Shanghai The PRC	<p>The property comprises 2 parcels of adjacent land with a total site area of approximately 18,717.4 sq.m.</p> <p>The Company has planned to develop a commercial /office building with a planned total gross floor area of 75,000 sq.m.</p> <p>The total investment of the development is estimated to be approximately RMB1,350,000,000.</p> <p>The land use rights of the property were granted for terms of 40 and 50 years expiring on March 3, 2044 and March 3, 2054 respectively, for composite use.</p>	The property is currently vacant.	409,860,000 100% interest attributable to the Group: RMB409,860,000

## Notes:

1. According to 2 LURCs, the land use rights of the property with a total site area of approximately 18,717.4 sq.m. have been granted to the Company. According to the opinion given by the Company's PRC legal adviser, the land use rights of the property are legally owned by the Company and the title of the properties is vested in the Company, which is entitled to freely transfer, lease, mortgage or otherwise dispose such property.
2. As advised by the Company, the property was acquired by the Company at a total consideration of approximately RMB392,600,000.

## VALUATION CERTIFICATE

## GROUP III — FORECLOSED PROPERTY INTERESTS HELD BY THE GROUP IN THE PRC

			Capital value in existing state as at June 30, 2006 RMB										
Property	Description and tenure	Particulars of occupancy											
23. Various properties located in The PRC	<p>The properties comprise 38 commercial buildings and units, 32 residential units and 7 ancillary buildings and units mainly completed between 1986 and 2003.</p> <p>The properties have a total gross floor area of approximately 91,669.262 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Commercial</td><td>64,668.012</td></tr><tr><td>Residential</td><td>7,939.51</td></tr><tr><td>Ancillary</td><td>19,061.74</td></tr><tr><td>Total . . . . .</td><td>91,669.262</td></tr></table> <p>The properties also comprise 11 parcels of vacant land with a total site area of approximately 2,304,304.55 sq.m. for composite, industrial or agricultural uses.</p>	Usage	Gross Floor Area (sq.m.)	Commercial	64,668.012	Residential	7,939.51	Ancillary	19,061.74	Total . . . . .	91,669.262	As advised by the Company, the foreclosed properties are currently vacant except for 4 items with a total gross floor area of approximately 14,286.1 sq.m. which are subject to 3 lease agreements as stated in note 3.	384,149,000 100% interest attributable to the Group: RMB384,149,000
Usage	Gross Floor Area (sq.m.)												
Commercial	64,668.012												
Residential	7,939.51												
Ancillary	19,061.74												
Total . . . . .	91,669.262												

## Notes:

1. According to the opinion given by the Company's PRC legal advisor, the Company has obtained building ownership and/or land use rights for the properties and the Company has legal rights to dispose the properties.
2. According to the opinion given by the Company's PRC legal advisor, the Company has obtained the ownership of the properties, is entitled and should liquidate the total 77 buildings and units of the properties representing a total gross floor area of approximately 91,669.262 sq.m. and the 11 parcels of land representing a total site area of approximately 2,304,304.55 sq.m. within two years from the date of title acquisition in accordance with the PRC laws.
3. According to 3 lease agreements, 4 items of the properties with a total gross floor area of approximately 14,286.1 sq.m. are leased to various independent third parties for various terms with the latest expiry date of December 31, 2008 at a total annual rental of RMB608,791.2.

## VALUATION CERTIFICATE

## GROUP IV — PROPERTY INTERESTS HELD BY THE GROUP IN HONG KONG

			Capital value in existing state as at June 30, 2006										
Property	Description and tenure	Particulars of occupancy	RMB										
24. Various properties located in Hong Kong	<p>The properties comprise 4 office units and 5 residential units and 3 car parking spaces mainly completed between 1975 and 1993.</p> <p>The properties have a total gross floor area of approximately 980.05 sq.m. and the approximate gross floor areas of the properties for each usage are shown as follows:</p> <table><tr><th>Usage</th><th>Gross Floor Area</th></tr><tr><td></td><td>(sq.m.)</td></tr><tr><td>Office</td><td>642.45</td></tr><tr><td>Residential</td><td>337.6</td></tr><tr><td>Total</td><td>980.05</td></tr></table>	Usage	Gross Floor Area		(sq.m.)	Office	642.45	Residential	337.6	Total	980.05	The properties are currently occupied by the Group for commercial and residential purposes except for 4 properties with a total gross floor area of approximately 219.06 sq.m. which is subject to 4 lease agreements as stated in note 2.	73,000,000 100% interest attributable to the Group: RMB73,000,000
Usage	Gross Floor Area												
	(sq.m.)												
Office	642.45												
Residential	337.6												
Total	980.05												

## Notes:

1. The registered owner of 2 office units, 5 residential units and 2 car parking spaces of the properties is the Company. For the remaining portion of the properties, the registered owner is CMB International Capital Corporation Limited, a wholly-owned subsidiary of the Company.
2. According to 4 lease agreements, 4 properties with a total gross floor area of approximately 219.06 sq.m. are leased to various independent third parties for various terms with the latest expiry date of December 14, 2007 at a total annual rental of HK\$273,600.



## VALUATION CERTIFICATE

## GROUP V — PROPERTY INTERESTS CONTRACTED TO BE ACQUIRED BY THE GROUP IN THE PRC

Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at June 30, 2006 RMB
25. Various properties located in The PRC	The properties comprise 19 residential units completed between 2005 and 2006. They have a total gross floor area of approximately 2,447.02 sq.m.  The properties also comprise 1 commercial unit and 85 residential units under construction as at the date of valuation. They have a total gross floor area of approximately 34,540.01 sq.m. upon completion and they are scheduled to be completed in 2006 or 2007.	The properties are currently vacant or under construction.	No commercial value

## Notes:

1. According to various Commodity Property Sales and Purchase Agreements entered into between the Company and various real estate developers, the Company has purchased 1 commercial unit and 104 residential units with a total gross floor area of approximately 36,987.03 sq.m. at a total consideration of approximately RMB231,726,000. Among them, 15 residential properties were purchased by the Company and its employees.
2. As at the date of valuation, the properties have not been assigned to the Company and thus the title of the properties is not vested in the Company. Therefore we have not attributed any commercial value to these properties. For reference purpose, we are of the opinion that the capital value of the properties would be RMB232,506,000, on the condition that the properties are completed, the relevant title certificates have been obtained by the Company and the Company is entitled to freely transfer, lease, mortgage or otherwise dispose the properties.
3. As informed by the Company, a total amount of approximately RMB178,672,000 has been paid by the Company up to the valuation date to purchase the properties.

## VALUATION CERTIFICATE

## GROUP VI — PROPERTY INTERESTS RENTED AND OCCUPIED BY THE GROUP IN THE PRC

			Capital value in existing state as at June 30, 2006										
<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>RMB</u>										
26. 1,117 leased properties located in The PRC	<p>The properties comprise 1,100 commercial units, 3 residential units and 14 ancillary buildings and units in various cities in the PRC mainly completed between 1943 and 2006.</p> <p>The properties have a total lease area of approximately 570,604 sq.m. Details of the lease areas of the properties are summarized as follows:</p> <table><tr><th><u>Usage</u></th><th><u>Lease Area</u> (sq.m.)</th></tr><tr><td>Commercial</td><td>565,142.153</td></tr><tr><td>Residential</td><td>364.58</td></tr><tr><td>Ancillary</td><td>5,097.267</td></tr><tr><td>Total .....</td><td>570,604</td></tr></table>	<u>Usage</u>	<u>Lease Area</u> (sq.m.)	Commercial	565,142.153	Residential	364.58	Ancillary	5,097.267	Total .....	570,604	<p>The properties are currently occupied by the Company for commercial/office residential and ancillary purposes.</p>	<p>No commercial value</p>
<u>Usage</u>	<u>Lease Area</u> (sq.m.)												
Commercial	565,142.153												
Residential	364.58												
Ancillary	5,097.267												
Total .....	570,604												

## Notes:

According to the opinion provided by the Company's PRC legal adviser:

1. The Company has leased 1,117 properties with a total lease area of approximately 570,604 sq.m. in the PRC.
2. For 749 properties out of the 1,117 leased properties with a total lease area of approximately 428,418.195 sq.m., the lessors have provided to the Company with the relevant building ownership certificates, real estate title certificates, registration with the relevant government authorities or property owner's consent to sublease. The lease agreements with respect to such properties are legally binding and enforceable. There is no legal impediment for the Company to use and occupy the properties.
3. For the remaining 368 properties with a total lease area of approximately 142,185.805 sq.m., the Company has not been provided with the relevant building ownership certificates, real estate title certificates, registration with the relevant government departments or property owner's consent to sublease. Among them, the lessors of 202 properties have provided to the Company with property indemnity undertakings. The lessors of the remaining 166 properties have no right to lease the properties without the relevant building ownership certificates or real estate title certificates. There may be a risk that the Company could not occupy the properties legally in case of any dissent from any third parties.

## VALUATION CERTIFICATE

## GROUP VII — PROPERTY INTERESTS RENTED AND OCCUPIED BY THE GROUP IN HONG KONG AND USA

<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	Capital value in existing state as at June 30, 2006 RMB
27. 2 commercial units located in Hong Kong and USA	The properties comprise 2 commercial units completed in 1929 and 1975 respectively.  The properties have a total gross floor area of approximately 1,477.017 sq.m.	The properties are currently occupied by the Company for commercial purpose.	No commercial value

Notes:

1. According to a lease agreement, an item of the properties with a gross floor area of approximately 187.565 sq.m. is leased from an independent third party at an annual rental of RMB854,880.84 for a term expiring on December 31, 2007.
2. According to a lease agreement, an item of the properties with a gross floor area of approximately 1,289.452 sq.m. is leased from an independent third party at an annual rental of RMB3,685,248.26 for a term expiring on January 31, 2008.