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**APPENDIX IV****PROPERTY VALUATION**

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*The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this document received from Jones Lang LaSalle Sallmanns Limited, an independent valuer, in connection with its valuation as at 31 August 2009 of the property interests of the Group. As described in section "Documents Available for Inspection" in Appendix [●], a copy of the full valuation report will be made available for public inspection.*



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[● November 2009]

The Board of Directors  
Sany Heavy Equipment International Holdings Company Limited  
Cricket Square  
Hutchins Drive  
PO Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

Dear Sirs,

In accordance with your instructions to value the properties in which Sany Heavy Equipment International Holdings Company Limited (the "Company") and its subsidiaries (hereinafter together referred to as the "Group") have interests in the People's Republic of China (the "PRC"), 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 [31 August 2009] (the "date of valuation").

Our valuation of the property interests represents 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 interest of property no. 2 in Group I by direct comparison approach assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the relevant market.

Where, due to the nature of the buildings and structures of property no. 1 in Group I and the particular locations in which they are situated, there are unlikely to be relevant market comparable sales readily available, the property interest has been valued on the basis of its depreciated replacement cost.

Depreciated replacement cost is defined as "the current cost of replacement (reproduction) of a property less deductions for physical deterioration and all relevant forms of obsolescence and

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optimization." It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the improvements, less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business.

In valuing the property interests in Group II which were under construction as at the date of valuation, we have assumed that they will be developed and completed in accordance with the latest development proposals provided to us by the Group. In arriving at our opinion of value, we have taken into account the construction costs and professional fees relevant to the stage of construction as at the date of valuation and the remainder of the costs and fees to be expended to complete the development.

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

Our valuation has 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 charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation Standards (6th Edition) published by the Royal Institution of Chartered Surveyors; and the HKIS Valuation Standards on Properties (1st Edition 2005) published by the Hong Kong Institute of Surveyors.

As the Group is in compliance with paragraph 3(b) of Practice Note 16 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and section 6 of Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, the full details of the individual leased properties under operating lease have been excluded from the valuation certificates in our valuation report to this document, of which a summary 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

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the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal advisers — Jingtian & Gongcheng Attorneys at Law, concerning the validity of the property interests in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title 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, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory and that no unexpected cost and delay will be incurred during construction. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. 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 arrive 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).

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

Yours faithfully,  
for and on behalf of  
**Jones Lang LaSalle Sallmanns Limited**  
**Paul L. Brown**  
*B.Sc. FRICS FHKIS*  
*Director*

*Note: Paul L. Brown is a Chartered Surveyor who has 26 years' experience in the valuation of properties in the PRC and 29 years of property valuation experience in Hong Kong, the United Kingdom and the Asia-Pacific region.*

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**SUMMARY OF VALUES****Group I - Property interests held and occupied by the Group in the PRC**

<b>No.</b>	<b>Property</b>	<b>Capital value in existing state as at [31 August 2009] RMB</b>
1.	A parcel of land, 7 buildings and various structures No. 31 Yansaihu Street Economic and Technological Development Area Shenyang City Liaoning Province The PRC	267,940,000
2.	20 residential units of Jinsha Yanxiangyuan Nos. 26-1, 28-1, 30-1, 32-1 and 34-1 Yansaihu Street Economic and Technological Development Area Shenyang City Liaoning Province The PRC	8,108,000
		<b>Sub-total:</b> <u>276,048,000</u>

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**Group II - Property interest held under development by the Group in the PRC**

<b>No.</b>	<b>Property</b>	<b>Capital value in existing state as at [31 August 2009] RMB</b>
3.	3 parcels of land, an industrial building and a dormitory building No. 25 Kaifa Road Economic and Technological Development Area Shenyang City Liaoning Province The PRC	330,230,000
	<b>Sub-total:</b>	<u>330,230,000</u>

**Group III - Property interests rented and occupied by the Group in the PRC**

<b>No.</b>	<b>Property</b>	<b>Capital value in existing state as at 31 August 2009 RMB</b>
4.	77 leased properties located in the PRC	No commercial value
	<b>Sub-total:</b>	<u>Nil</u>
	<b>Grand total:</b>	<u>606,278,000</u>

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**Group I - Property interests held and occupied by the Group in the PRC**

<b>No.</b>	<b>Property</b>	<b>Description and tenure</b>	<b>Particulars of occupancy</b>	<b>Capital value in existing state as at [31 August 2009]</b>																		
				<b>RMB</b>																		
1.	A parcel of land, 7 buildings and various structures No. 31 Yansaihu Street Economic and Technological Development Area Shenyang City Liaoning Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 215,070.44 sq.m. and 7 buildings and various ancillary structures erected thereon which were completed in various stages between 2004 and 2009.</p> <p>The buildings have a total gross floor area of approximately 87,709.51 sq.m. and comprise 5 industrial buildings, an office building and a dormitory building.</p> <p>The details are set out as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: right;"><b>Gross Floor Area (sq.m.)</b></th> </tr> </thead> <tbody> <tr> <td>No.1 Workshop</td> <td style="text-align: right;">30,568.04</td> </tr> <tr> <td>No.2 Workshop</td> <td style="text-align: right;">30,568.04</td> </tr> <tr> <td>Office building</td> <td style="text-align: right;">4,017.04</td> </tr> <tr> <td>Complex Workshop</td> <td style="text-align: right;">5,025.13</td> </tr> <tr> <td>Dormitory building</td> <td style="text-align: right;">12,490.57</td> </tr> <tr> <td>Repair Workshop</td> <td style="text-align: right;">2,323.39</td> </tr> <tr> <td>Garage</td> <td style="text-align: right;">2,717.30</td> </tr> <tr> <td><b>Total:</b></td> <td style="text-align: right;"><b>87,709.51</b></td> </tr> </tbody> </table> <p>The structures mainly include water pool, pump room and warehouses.</p> <p>The land use rights of the property have been granted for a term expiring on 14 July 2053 for industrial use.</p>		<b>Gross Floor Area (sq.m.)</b>	No.1 Workshop	30,568.04	No.2 Workshop	30,568.04	Office building	4,017.04	Complex Workshop	5,025.13	Dormitory building	12,490.57	Repair Workshop	2,323.39	Garage	2,717.30	<b>Total:</b>	<b>87,709.51</b>	<p>The property is currently occupied by the Group for production, office and staff dormitory purposes except for a portion of an industrial building with a gross floor area of approximately [1,134.42] sq.m. which is rented to a connected party. (Refer to note 4).</p>	267,940,000
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No.2 Workshop	30,568.04																					
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Dormitory building	12,490.57																					
Repair Workshop	2,323.39																					
Garage	2,717.30																					
<b>Total:</b>	<b>87,709.51</b>																					

*Notes:*

1. Sany Group Shenyang Mining Transportation Equipment Co., Ltd. ("Sany Transportation") is a wholly-owned subsidiary of the Company.
2. Pursuant to a State-owned Land Use Rights Certificate — Shen Kai Guo Yong (2009) Di No. 0145, the land use rights of a parcel of land with a site area of approximately 215,070.44 sq.m. have been granted to Sany Transportation for a term expiring on 14 July 2053 for industrial use.
3. Pursuant to 7 Building Ownership Certificates — Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di Nos. 011566 to 011568 and 011773 to 011776, 7 buildings with a total gross floor area of approximately 87,709.51 sq.m. are owned by Sany Transportation.

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Details of the said certificates are shown as below:

<b>Building Ownership Certificate No.</b>	<b>Use</b>	<b>Number of Storey</b>	<b>Gross Floor Area (sq.m.)</b>
Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di No. 011566 . .	Industrial	1	30,568.04
Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di No. 011567 . .	Industrial	1	30,568.04
Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di No. 011568 . .	Office	3	4,017.04
Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di No.011773 . .	Industrial	1	5,025.13
Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di No.011774 . .	Ancillary	6	12,490.57
Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di No.011775 . .	Industrial	1	2,323.39
Shen Fang Quan Zheng Jing Ji Ji Shu Kai Fa Zi Di No.011776 . .	Industrial	2	<u>2,717.30</u>
		<b>Total:</b>	<b><u>87,709.51</u></b>

4. Pursuant to a Tenancy Agreement, a portion of an industrial building with a gross floor area of approximately [1,134.42] sq.m is rented to a connected party for two years commencing from 1 January 2009 and expiring on 31 December 2010 at an annual rent of RMB[219,000] for use as repair and maintenance centre.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, *inter alia*, the following:
  - a. The Building Ownership Certificates and Land Use Rights Certificates are valid and legal.
  - b. The land use rights of the property can be legally occupied, used, leased, transferred and mortgaged by Sany Transportation in accordance with the provisions stipulated in the Land Use Rights Grant Contracts and other relevant agreements.
  - c. The buildings of the property can be legally occupied, used, leased, transferred and mortgaged by Sany Transportation.

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<b>No.</b>	<b>Property</b>	<b>Description and tenure</b>	<b>Particulars of occupancy</b>	<b>Capital value in existing state as at [31 August 2009]</b> <b>RMB</b>
2.	20 residential units of Jinsha Yanxiangyuan Nos. 26-1, 28-1, 30-1, 32-1 and 34-1 Yansaihu Street Economic and Technological Development Area Shenyang City Liaoning Province The PRC	The property comprises 20 residential units with a total gross floor area of approximately 2,488.79 sq.m. in Jinsha Yanxiangyuan, which is a residential development completed in about 2006.	The property is currently occupied by the Group for residential purpose.	8,108,000

*Notes:*

1. Sany Heavy Equipment Co., Ltd. ("Sany Heavy Equipment") is a wholly-owned subsidiary of the Company.
2. Pursuant to 20 Building Ownership Certificates — Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di Nos. 005914 to 005933, 20 residential units with a total gross floor area of approximately 2,488.79 sq.m. are owned by Sany Heavy Equipment.

Details of the said certificates are shown as below:

<b>Building Ownership Certificate No.</b>	<b>Use</b>	<b>Number of Storey</b>	<b>Gross Floor Area (sq.m.)</b>
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005914 . . . . .	Residential	3	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005915 . . . . .	Residential	2	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005916 . . . . .	Residential	6	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005917 . . . . .	Residential	6	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005918 . . . . .	Residential	6	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005919 . . . . .	Residential	4	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005920 . . . . .	Residential	2	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005921 . . . . .	Residential	5	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005922 . . . . .	Residential	6	113.46
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005923 . . . . .	Residential	6	113.06



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Building Ownership Certificate No.	Use	Number of Storey	Gross Floor Area (sq.m.)
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005924 . . . . .	Residential	1	117.76
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005925 . . . . .	Residential	6	117.76
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005926 . . . . .	Residential	6	141.15
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005927 . . . . .	Residential	6	141.41
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005928 . . . . .	Residential	4	141.41
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005929 . . . . .	Residential	6	141.41
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005930 . . . . .	Residential	6	141.41
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005931 . . . . .	Residential	1	141.15
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005932 . . . . .	Residential	5	141.41
Shen Fang Quan Zheng Shen Yang Jing Ji Ji Shu Kai Fa Qu Zi Di No. 005933 . . . . .	Residential	4	<u>129.72</u>
<b>Total:</b>			<b><u>2,488.79</u></b>

3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, *inter alia*, the following:
- a. The Building Ownership Certificates are valid and legal.
  - b. The building ownership rights of the property are legally occupied, used, leased, transferred and mortgaged by Sany Heavy Equipment.

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**Group II - Property interest held under development by the Group in the PRC**

<u>No.</u>	<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at [31 August 2009]</u> <b>RMB</b>
3.	3 parcels of land, an industrial building and a dormitory building No. 25 Kaifa Road Economic and Technological Development Area Shenyang City Liaoning Province The PRC	<p>The property comprises 3 parcels of land with a total site area of approximately 629,015.20 sq.m. and an industrial building and a dormitory building which were being constructed thereon as at the date of valuation.</p> <p>The property is scheduled to be developed into an industrial zone, of which 2 buildings were being constructed as at the date of valuation (the "CIP") and are scheduled to be completed in May 2010. Upon completion, the 2 buildings will have a total planned gross floor area of approximately 35,159 sq.m.</p> <p>The total construction cost of the CIP is estimated to be approximately RMB[65,000,000], of which RMB21,410,478 had been paid up to the date of valuation.</p> <p>The land use rights of the property have been granted for terms expiring on 22 March 2059 and 27 April 2059 for industrial use.</p>	The property is currently under construction.	330,230,000

*Notes:*

1. Sany Heavy Integrated Coal Mining Equipment Co., Ltd. ("Sany Zongcai") is a wholly-owned subsidiary of the Company.
2. Pursuant to 3 State-owned Land Use Rights Grant Contracts entered into between the State-owned Land and Resource Bureau of Shenyang City and Sany Zongcai, the land use rights of 3 parcels of land with a total site area of approximately 629,015.20 sq.m. were contracted to be granted to Sany Zongcai for terms expiring on 22 March 2059 and 27 April 2059 for industrial use. The total land premium was RMB[301,927,296].
3. Pursuant to 3 State-owned Land Use Rights Certificates — Shen Kai Guo Yong (2009) Di Nos. 103, 104 and 00079, the land use rights of the property with a total site area of approximately 629,015.20 sq.m. have been granted to Sany Zongcai for terms expiring on 22 March 2059 and 27 April 2059 for industrial use.
4. Pursuant to a Construction Work Planning Permit — Jian Fu Zi No. 210106200910186 in favour of Sany Zongcai, 9 buildings with a total planned gross floor area of approximately 169,022 sq.m. have been approved for construction.
5. Pursuant to 2 Construction Work Commencement Permits — Nos. 210116200909250101 and 210116200909250201 in favour of Sany Zongcai, permission by the relevant local authority was given to commence the construction work of 2 buildings with a total gross floor area of approximately 35,159 sq.m.

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6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, *inter alia*, the following:
  - a. The State-owned Land Use Rights Grant Contracts and State-owned Land Use Rights Certificates are valid and legal.
  - b. The land use rights of the property are legally owned by Sany Zongcai and can be legally transferred, use, occupied, sublet or mortgaged by Sany Zongcai in accordance with the provisions stipulated in the relevant Land Use Rights Grant Contracts.
  - c. The CIP is legal.

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**Group III - Property interests rented and occupied by the Group in the PRC**

<u>No.</u>	<u>Property</u>	<u>Description and tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at [31 August 2009]</u> <b>RMB</b>
4.	77 leased properties located in the PRC	<p>The properties comprise 77 buildings or units with a total lettable area of approximately 15,738.48 sq.m. which were completed in various stages between [1991] and [2008].</p> <p>The properties are leased to [the Group] from various independent parties (the "Lessors") for various terms.</p>	The properties are currently occupied by the Group for office, storage and residential purposes.	No commercial value

*Notes:*

1. Pursuant to various Tenancy Agreements entered into between the Group and various independent third parties, 77 buildings or units with a total lettable area of approximately 15,738.48 sq.m. are leased to the Group from various independent third parties for various terms at a total annual rent of RMB2,568,821 for office, storage and residential uses.
2. [We have been provided with a legal opinion on the legality of the tenancy agreement to the properties issued by the Company's PRC legal advisers, which contains, *inter alia*, the following:
  - a. For one of the 77 leased properties with a lettable area of 2,100 sq.m., the Lessor has obtained the Building Ownership Certificate and the Tenancy Agreement has been registered with the local government authority. The Tenancy Agreement is legal, valid and enforceable. The Group has the rights to occupy and use such property.
  - b. For 17 of the 77 leased properties with a total lettable area of 3,190.34 sq.m., the Lessors have obtained the Building Ownership Certificates but the Tenancy Agreements have not been registered with the local government authorities. The Lessors should register the Tenancy Agreements with the local government authorities. The Group has the rights to occupy and use such property.
  - c. For 36 of the 77 leased properties with a total lettable area of 4,829.59 sq.m., the Lessors have not obtained the Building Ownership Certificates and the Tenancy Agreements have not been registered with the local government authorities. The Lessors have provided the confirmation letters and consented that they would pay all the losses to the Group as a result of lack of relevant title certificates.
  - d. For 23 of the 77 leased properties with a total lettable area of 5,618.55 sq.m., the Lessors have not obtained the Building Ownership Certificates. The Tenancy Agreements would be required to be terminated at any time before the Building Ownership Certificates are obtained.