

SHANGHAI THE HUB

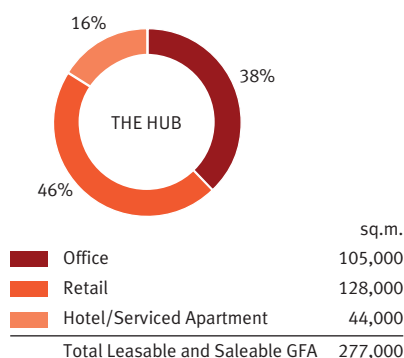


Site Location: THE HUB, is located in the Hongqiao Commercial Core Area and is linked directly to the Hongqiao Transportation Hub. The transportation hub consists of the Shanghai High Speed Rail Terminal that connects to all major cities in China, Terminal 2 of the Shanghai Hongqiao International Airport, five Metro lines connecting to Shanghai's old town area, and the future Shanghai Maglev terminal connecting to Pudong International Airport.

Master-plan: The HUB comprises a large retail component, offices and a hotel spanning a total GFA of 277,000 sq.m. The Group acquired this land for RMB3.2 billion through a public land auction in September 2010. The development is positioned as the Central Business District ("CBD") of the Yangtze River Delta, strategically located to suit domestic and international corporations seeking to set up their regional headquarters and offices in Shanghai. The construction works have commenced at the site, with completion planned progressively from 2014.

The following table shows the usage mix of the project as of 31 December 2011:

GFA by Usage



SHANGHAI

Shanghai is an economic metropolis of China, the country's leading commercial, financial and port centre. Shanghai is one of the four municipalities of the PRC, with a total population of more than 23 million as of 2011. Since the 1980s, Shanghai has been one of the fastest developing cities in the world. In 2011, total GDP stood at RMB 1.92 trillion with GDP per capita of RMB 82,560 in 2011. Currently, approximately 1,079 financial institutions have a presence in Shanghai, 353 multinational corporations have set up their regional headquarters and 334 research and development centers of overseas companies have been established in the city.



Rendering of THE HUB (southern wing)



- ① TAIPINGQIAO
- ② RUI HONG XIN CHENG
- ③ KNOWLEDGE AND INNOVATION COMMUNITY (KIC)
- ④ THE HUB

GREATER HONGQIAO AREA, SHANGHAI

The Greater Hongqiao Area is one of the four key economic drivers for Shanghai's 12th Five Year Plan (2011-2015). The other three drivers are the EXPO Area, the Greater Pudong Area and the Disneyland Area. The planned site in the Greater Hongqiao Area is three times larger than the Pudong Lujiazui Financial Zone. The aim is to balance the development of western and eastern Shanghai and to ease traffic congestion in the city core. "West

Gate" is an alternate and fitting name, referring to the area's role as a gateway for people and companies worldwide to enter China through the Yangtze River Delta via its comprehensive transportation network.

MANAGEMENT DISCUSSION AND ANALYSIS
MARKET UPDATES & PROJECT PROFILES



Rendering of THE HUB (northern wing)

The table below shows the development status of THE HUB as of 31 December 2011, which is subject to variation according to future development plans:

	Approximate/Estimated leasable and saleable area				Subtotal GFA sq.m	Clubhouse, carpark and other facilities sq.m	Total GFA sq.m	Group's interest %
	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Property under development								
Lot 6 (D17)	–	78,000	18,000	44,000	140,000	42,000	182,000	100.0%
Lot 6 (D19)	–	27,000	110,000	–	137,000	68,000	205,000	100.0%
Total	–	105,000	128,000	44,000	277,000	110,000	387,000	



A modern international commercial centre of the Yangtze River Delta and East Asia – THE HUB

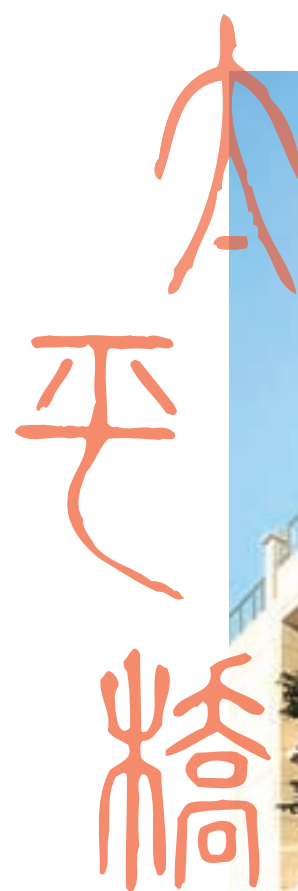
SHANGHAI TAIPINGQIAO PROJECT

Site location: The Taipingqiao project is located in the Huangpu District, along with one of Shanghai's main commercial thoroughfares, Huai Hai Middle Road. Leveraging on the city rejuvenation of Shanghai for the World EXPO in 2010, the 110-year-old Huai Hai Middle Road has been transformed into a world-class business and leisure area, now home to the flagship stores of a host of luxury brands. Metro Lines 1, 8 and 10 connect this project to major urban areas of Shanghai. Metro Line 13, which is currently under construction, will also serve the community when completed.

Master-plan: The project is a large-scale city-core redevelopment, with an emphasis on the preservation and restoration of historic buildings and the establishment of an integrated community. It blends the chic architecture of "Old Shanghai" with modern features and amenities. The project consists of four main zones: Shanghai Xintiandi is the historic restoration zone, Corporate Avenue is the corporate headquarters zone, Lakeville Regency and Casa Lakeville is the up-market residential zone, and there is also a retail and theatre zone. The Group has been developing the project in phases since 1996.

Opening in 2001, Shanghai Xintiandi marked its 10th anniversary in 2011. Together with Xintiandi Style and Corporate Avenue, a total GFA of 167,000 sq.m. in this project, are currently held as investment properties in the Group's portfolio. During the first half of 2011, construction works commenced for Corporate Avenue Phase 2 (Lot 126). These works provide for a 73,000 sq.m GFA grade A office tower incorporating a retail podium. Lot 127 offers an additional GFA of 83,000 sq.m. earmarked for office and retail space. The Group has obtained signed relocation agreements from about 94% of the area's residents.

In residential terms, Lakeville, Phases 1 to 3 with a GFA of more than 250,000 sq.m., have been sold and delivered since 2002. The initial ASP was RMB20,000 per sq.m.. The most recent transaction attained an impressive ASP of RMB178,100 per sq.m.. Currently, Stage 1 of Lakeville Phase 4 (Lot 116) is undergoing the second round of relocation consultations. As of the end 2011, 80% of area residents had signed the relocation agreements. The Group owns 50% of the site. Further relocation consultations for the remaining 496,000 sq.m. of GFA for various land lots has yet to commence.





Courtyard of The Manor at Casa Lakeville

HUANGPU DISTRICT, SHANGHAI

Huangpu District is located in central Shanghai, on the west side of the Huangpu River, facing Pudong Lujiazui Financial District. Approved by the State Council, the existing Huangpu District

has been extended since June 2011 to include the old Luwan District.

The Bund, also located in Huangpu District, is famous for its historical buildings overlooking the Huangpu River. Extending from the Bund westward are several major

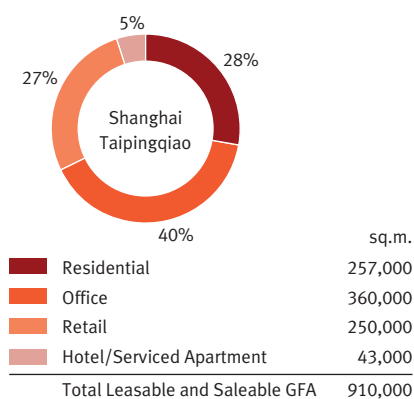
commercial streets, including East Nanjing Road, Fuzhou Road and Huai Hai Road. The 5,500-meter long Huai Hai Road is a well-known shopping area in Shanghai. The People's Square, another landmark of the Huangpu District, is where the Shanghai Municipal Government is located.



Romantic atmosphere at Shanghai Xintiandi

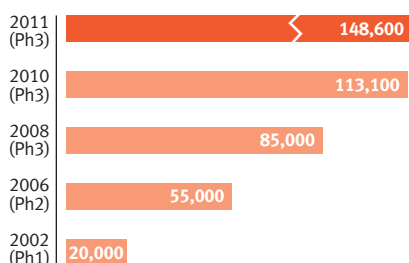
The following tables show the usage mix of the project as of 31 December 2011 and the information of residential ASP:

GFA by Usage



Residential ASP

(RMB/sq.m.)



SHUI ON PLAZA*

Shui On Plaza is located at Huai Hai Middle Road, right next to our Taipingqiao Project. The building is a mixed-use commercial development with 30,000 sq.m. of GFA grade A office space and a retail area of 28,000 sq.m. of GFA. In 2011, Shui On Plaza generated RMB 151 million in rental income, a rise of 5.6% compared to 2010. As of 31 July 2011, market value was RMB3,098 million with occupancy rates of 99% and 100% respectively for the office space and the retail area. Shui On Plaza has a well diversified tenant mix consisting of large, established MNC's and well-known local corporations. Long-term anchor tenants including Pacific Department Store, IBM, PWC, Theron Capital, Shui On Group and SOHO are contributing approximately 65% of total rental income.

LANGHAM XINTIANDI HOTEL*

Langham Xintiandi Hotel adjoins to Shui On Plaza, Xintiandi and Corporate Avenue. The hotel has a total GFA of 34,000 sq.m. accommodating 356 rooms, and about 70% of its floor area has been in operation since October 2010. The Group holds 66.7% ownership of the hotel, which is professionally managed by Langham Hotel International. In addition to the features and amenities of an upscale hotel, guests enjoy sumptuous Shanghaiese and Cantonese delicacies at the hotel's signature restaurant Ming Court, or sit back and relax at XTD, an elevated outdoor lounge and terrace that is slated to open in Spring 2012. The hotel also features expansive multi-purpose meeting and event spaces that are adaptable to suit any conference, function or business event.

The retail pavilions of Langham Xintiandi Hotel further enhance the standing of Xintiandi as the "Luxury Street of Shanghai". Internationally-renowned jewelry stores including Harry Winston will open their largest flagship stores during the first half of 2012.

* Acquired by the Group in 2011, with transactions be completed in March 2012

The table below shows the development status of the Shanghai Taipingqiao project as of 31 December 2011, which is subject to variation according to future development plans:

	Approximate/Estimated leasable and saleable area				Subtotal GFA sq.m	Clubhouse, carpark and other facilities sq.m	Total GFA sq.m	Group's interest %
	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Completed property								
Xintiandi	–	5,000	47,000	5,000	57,000	12,000	69,000	97.0%
Corporate Avenue	–	76,000	7,000	–	83,000	16,000	99,000	99.0%
The Lakeville and Lakeville Regency	–	–	–	–	–	29,000	29,000	99.0%
Casa Lakeville and Xintiandi Style	1,000	–	27,000	–	28,000	25,000	53,000	99.0%
Subtotal	1,000	81,000	81,000	5,000	168,000	82,000	250,000	
Property under development								
Lot 126	–	50,000	23,000	–	73,000	35,000	108,000	99.0%
Lot 127	–	55,000	28,000	–	83,000	43,000	126,000	99.0%
Lot 116	90,000	–	–	–	90,000	–	90,000	50.0%
Subtotal	90,000	105,000	51,000	–	246,000	78,000	324,000	
Property for future development								
Subtotal	166,000	174,000	118,000	38,000	496,000	44,000	540,000	99.0%
Total	257,000	360,000	250,000	43,000	910,000	204,000	1,114,000	



Private garden of The Manor at Casa Lakeville

SHANGHAI RUI HONG XIN CHENG



Master-plan of Rui Hong Xin Cheng

HONGKOU DISTRICT

Hongkou District is situated in downtown Shanghai. It has a long history and deep cultural roots. It is currently being transformed into a modern integrated district with bustling

commerce, a livable environment, unique culture and efficient public services. The North Bund area of Hongkou District is the landmark shipping and logistics services development hub for Shanghai, which

serves more than 3,000 shipping and logistics companies. Shipping services, knowledge industries, leisure and entertainment services and the real estate industry are the main economic driving forces for the Hongkou District.



Site location: The Rui Hong Xin Cheng project, also known as Rainbow City, is located in Hongkou District, which is adjacent to the North Bund and the North Sichuan Road business district. It is served by Metro Lines 4, 8 and 10 as well as two tunnels, Xinjian Road Tunnel and Dalian Road Tunnel, connecting Rui Hong Xin Cheng to Lujiazui CBD and Pudong commercial district.

Master-plan: Rui Hong Xin Cheng is a large-scale city-core redevelopment project in Shanghai. According to the Master-plan, the development will become a community served by office buildings, retail podiums, hotels, entertainment, cultural and residential properties. Upon completion it will be a fashionable urban living centre in Northeast Shanghai.

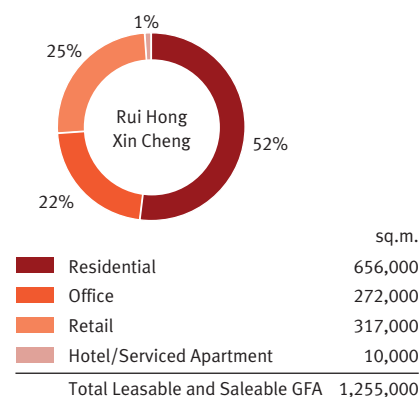
Since 1998, the Group has developed, sold and delivered more than 446,000 sq.m. in GFA of residential units developed in four phases, the latest being completed in 2011. ASP of contracted sales has progressively

risen from RMB16,600 per sq.m. in 2007 to RMB39,600 per sq.m. in 2011. On the commercial side, 47,000 sq.m. of GFA have been developed into a retail podium and retained in the Group's investment property portfolio. Construction commenced on Residential Phase 5 (Lot 6) in the first half of 2011 with planned GFA of 116,000 sq.m. and 18,000 sq.m. respectively earmarked for residential use and retail use. The residential apartments are scheduled to be pre-sold in 2012 and beyond.

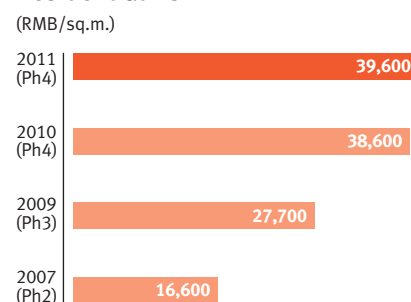
Lots 2, 3, 9 and 10, encompassing a total planned GFA of 569,000 sq.m., are currently undergoing relocation negotiations. The four sites are to be developed as residential apartments, offices, shopping centres, a hotel and an entertainment area. As of 31 December 2011, 76%, 79%, 80%, and 77% respectively of residents had signed relocation agreements. Further relocation work for the remaining 500,000 sq.m. of GFA for Lots 1, 7, 167A and 167B has yet to commence.

The following tables show the usage mix of the project as of 31 December 2011 and the information of residential ASP:

GFA by Usage



Residential ASP



The table below shows the development status of the Shanghai Rui Hong Xin Cheng project as of 31 December 2011, which is subject to variation according to future development plans:

	Approximate/Estimated leasable and saleable area				Subtotal GFA sq.m	Clubhouse, carpark and other facilities sq.m	Total GFA sq.m	Group's interest %
	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Completed property								
RHXC Phase 1	—	—	5,000	—	5,000	13,000	18,000	75.0%
RHXC Phase 2	—	—	28,000	—	28,000	21,000	49,000	74.3%
RHXC Phase 3 Lot 8	—	—	2,000	—	2,000	3,000	5,000	74.3%
RHXC Phase 4 Lot 4	5,000	—	12,000	—	17,000	32,000	49,000	74.3%
Subtotal	5,000	—	47,000	—	52,000	69,000	121,000	
Property under development								
RHXC Phase 5 Lot 6	116,000	—	18,000	—	134,000	52,000	186,000	74.3% ¹
Subtotal	116,000	—	18,000	—	134,000	52,000	186,000	
Property for future development								
Subtotal	535,000	272,000	252,000	10,000	1,069,000	12,000	1,081,000	74.3% ²
Total	656,000	272,000	317,000	10,000	1,255,000	133,000	1,388,000	

1. The Group has a 99.0% effective interest in the non-retail portion.

2. The Group has a 75.0% interest in Lot 167A and Lot 167B and 74.3% interest in the remaining Lots.

SHANGHAI KNOWLEDGE AND INNOVATION COMMUNITY



KIC Plaza Phase 2

YANGPU DISTRICT, SHANGHAI

Yangpu District is closed to Hongkou District. The heart of the district, the Wujiaochang – KIC – Jiangwanxincheng area, is designated by the Shanghai municipal government as one of the city's four urban sub-centres. Yangpu District has been transformed into

a knowledge industry and support services hub to complement one of Shanghai's development goals: becoming the value-added service centre of China. The district is also home to more than 10 universities and colleges, including Fudan University, Tongji University and Shanghai

University of Finance and Economics; and 22 key state laboratories and 65 scientific research institutes, giving the district an unparalleled competitive advantage in becoming the intellectual hub of Shanghai.



Site location: The Knowledge and Innovation Community project is located in the immediate vicinity of major universities and colleges in Yangpu District, northeast of downtown Shanghai. The project is well connected to the city centre via the public transportation network, including the Middle-Ring Highway, over 30 public transportation routes and Metro Lines 3, 8 and 10.

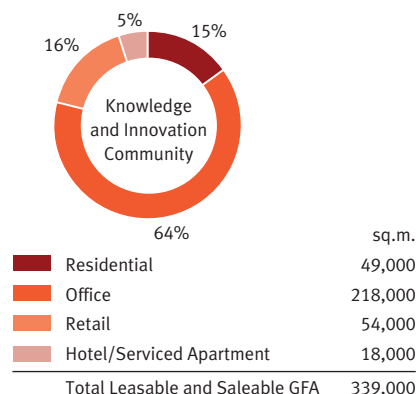
Master-plan: The project is designed to be a multi-functional community with a lifestyle characterised by health and sustainability. Through the project, the Group is facilitating the transformation of the Yangpu District from an industrial and manufacturing area to a knowledge and innovation centre. Project plans draw on readily available educational and human resources in the vicinity to create an environment that fosters innovation, commercialisation, technology development, cultural activities, research and business incubation, growth and development.

Since 2003, more than 184,000 sq.m. of GFA have been progressively developed as office buildings in this project. The occupancy rate remains high, with reputable technology companies, including EMC, EBAO and IBM as tenants. In 2011, three more office buildings with retail podiums were completed on Lot C2 offering a GFA of 56,000 sq.m.. A portion of the office, retail and car park spaces was sold to the Yangpu Branch of the Industrial and Commercial Bank of China ("ICBC") in the second half of 2011.

For property sales, 133,000 sq.m. of GFA have been sold and delivered. ASP of contracted sales has risen from RMB 18,700 per sq.m. in 2007 to RMB 25,100 per sq.m. in 2010. Construction of residential units of 49,000 sq.m. in GFA at Lot 311 scheduled to be launched in the second half of 2012, commenced in 2011. Construction is also underway at Lot 311 on office towers occupying GFA 93,000 sq.m. in GFA and a hotel development on an area of 18,000 sq.m. in GFA.

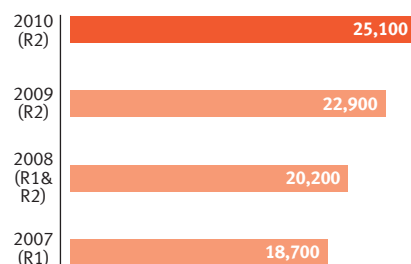
The following tables show the usage mix of the project as of 31 December 2011 and the information of properties ASP:

GFA by Usage



Properties ASP

(RMB/sq.m.)



The table below shows the development status of the Shanghai Knowledge and Innovation Community project as of 31 December 2011, which is subject to variation according to future development plans:

	Approximate/Estimated leasable and saleable area				Subtotal GFA sq.m	Clubhouse, carpark and other facilities sq.m	Total GFA sq.m	Group's interest %
	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Completed property								
KIC Village R1	—	7,000	7,000	—	14,000	12,000	26,000	86.8%
KIC Village R2 (Lots 7-9, 8-2)	—	9,000	3,000	—	12,000	8,000	20,000	86.8%
KIC Village R2 (Lot 7-7)	—	6,000	1,000	—	7,000	18,000	25,000	86.8%
KIC Plaza Phase 1	—	29,000	21,000	—	50,000	25,000	75,000	86.8%
KIC Plaza Phase 2	—	39,000	10,000	—	49,000	30,000	79,000	86.8%
KIC C2 (Lots 5-7, 5-8)	—	30,000	12,000	—	42,000	12,000	54,000	86.8%
Subtotal	—	120,000	54,000	—	174,000	105,000	279,000	
Property under development								
Lot 311 Phase 1	49,000	—	—	—	49,000	25,000	74,000	99.0%
Lot 311 Phase 2	—	93,000	—	18,000	111,000	—	111,000	99.0%
Lot 12-8	—	5,000	—	—	5,000	—	5,000	86.8%
Subtotal	49,000	98,000	—	18,000	165,000	25,000	190,000	
Total	49,000	218,000	54,000	18,000	339,000	130,000	469,000	

WUHAN WUHAN TIANDI



Site location: The Wuhan Tiandi project is situated in the city centre of Hankou District. It has a prime location on the Yangtze River waterfront, with an unparalleled view of the Yangtze River and scenic Jiangtan Park. In December 2008, the municipal government formally approved the planning of a “Riverside Business Zone”, which includes the Wuhan Tiandi project. The Riverside Business Zone is designed to be one of the city’s financial and business centres, as well as an innovation hub and a cultural destination.

Master plan: Wuhan Tiandi is a large-scale mixed-use redevelopment comprising two major sites. Site A includes office towers, retail, food and beverage, and entertainment facilities, together with some residential blocks. Site B is mainly composed of residential and office buildings, together with a retail centre. The total site area is 61 hectares. Upon completion, the total GFA will be 1.6 million sq.m.. Through

preserving local historical architecture while injecting new commercial value, the project has become a landmark in Wuhan. The retail and food and beverage portion has been open since 2007 with total GFA of 46,000 sq.m. and is included in the Group’s investment property portfolio.

Residential developments in Wuhan Tiandi have been well received by the market. A total of 201,000 sq.m. of GFA has been sold and delivered. ASP of contracted sales was RMB13,400 per sq.m. in 2008 and reached RMB 32,000 per sq.m. in 2011. Construction of The Riverview Phase 3 (Lots A11 and A12 of Site A) was completed and released to customers in 2011. In addition, the Group disposed of an office building, Corporate Centre No. 5 (Lot A5 of Site A) for a total consideration of RMB963 million. The completed building has been handed over to Ping An Life Insurance Company of China, Ltd., the buyer.





Wuhan Tiandi at the riverside

WUHAN

Situated at the junction of the Yangtze and Han rivers, Wuhan is the capital city of Hubei Province. Major cities in China are located within an 800 km radius of Wuhan. Wuhan has developed into a major commercial and manufacturing centre, especially for the automobile, commodities and hi-tech industries. The city's East Lake High-tech Development Zone was approved as the second National Innovation Model Park after Zhongguancun in Beijing. In line with the national policy to develop central China, the Central Government approved Wuhan City Circle as one of China's Experimental Zones, alongside Shanghai Pudong, Tianjin New Zone, Chengdu and Chongqing.

The Government's goal is to build a "resource-saving and environment-friendly society" in Wuhan. The city has been designated as the most important transportation hub and logistics centre in central China, and is also one of four railway hubs in the country. By the end of 2012 the railway network will bring Guangzhou, Shanghai, Beijing and Chengdu within five hours' travel time of Wuhan. Furthermore, Wuhan will be one of six important aviation hubs in China. The city is building a second airport in the East Lake High-tech Development Zone under the Twelfth Five-year Plan. Wuhan had a permanent population of 10 million in 2011 and serves as a regional centre for a hinterland of more than 30 million people.



1 WUHAN TIANDI

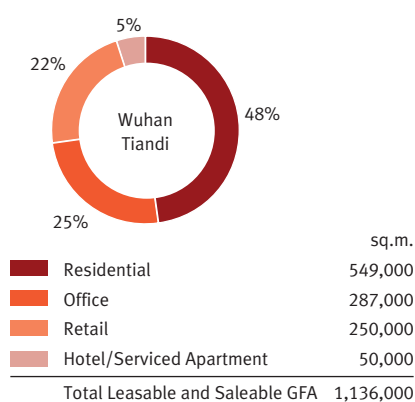


Benz SLS AMG Sports Car Tour Show in Square of Wuhan Xin Tiandi Phase 3

Wuhan Tiandi Site B has been under development since 2011. According to the Master-plan, a total of 544,000 sq.m. of GFA or 81% of the site is planned for development as residential units. The remaining parcel of 129,000 sq.m. of GFA is earmarked for development as retail and office space. Currently, construction of Regal Riverview Phase 1 (Lots B9 and B11 of Site B) is underway while Lot B9 was launched for pre-sale on 31 December 2011. All the units are scheduled to be delivered in 2012 and 2013.

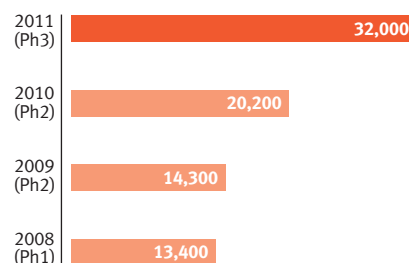
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GFA by Usage



Properties ASP

(RMB/sq.m.)



The table below shows the development status of the Wuhan Tiandi project as of 31 December 2011, which is subject to variation according to future development plans:

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	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Completed property								
Wuhan Tiandi (Lots A4-1/2/3)	–	–	46,000	–	46,000	25,000	71,000	75.0%
The Riverview (Lots A6, A7)	1,000	–	–	–	1,000	2,000	3,000	75.0%
The Riverview Phase 3 (Lots A11/A12)	4,000	–	–	–	4,000	18,000	22,000	75.0%
Lot A5	–	–	–	–	–	24,000	24,000	75.0%
Subtotal	5,000	–	46,000	–	51,000	69,000	120,000	
Property under development								
Residential Phase 4 (Lot B9)	66,000	–	1,000	–	67,000	18,000	85,000	75.0%
Residential Phase 4 (Lot B11)	54,000	–	1,000	–	55,000	13,000	68,000	75.0%
Lots A1/A2/A3–Retail Podium	–	–	110,000	–	110,000	–	110,000	75.0%
Subtotal	120,000	–	112,000	–	232,000	31,000	263,000	
Property for future development								
Subtotal	424,000	287,000	92,000	50,000	853,000	4,000	857,000	75.0%
Total	549,000	287,000	250,000	50,000	1,136,000	104,000	1,240,000	



Night view of Wuhan Tiandi

CHONGQING CHONGQING TIANDI



Site location: The Chongqing Tiandi project is located in Yuzhong district, the traditional central business district of Chongqing.

Master-plan: Chongqing Tiandi is an urban redevelopment project. The project Master-plan includes a man-made lake with pavilions and a promenade along the waterfront, a commercial core comprising of Grade A office buildings, exhibition and conference facilities, luxury-standard hotels, and retail and entertainment outlets. Residential clusters on the hillside were designed to replicate Chongqing's traditional hill-town characteristics and offer scenic views of the lake and river. This project is to be developed with the goal of establishing a service hub to support Chongqing's extensive modern industrial and agricultural sectors.

Chongqing Tiandi is the biggest projects among all in terms of area with a total GFA of 3.6 million sq.m. upon completion.

Since 2004, residential, office, retail as well as different amenities such as the man-made lake have been completed. Phase 1 and Towers 1 to 12 of Phase 2 of the Riviera residential development have been delivered to purchasers. The remaining towers of Phase 2 are scheduled to be launched for pre-sale and delivery in 2012. The Riviera Phases 3, 4 and 5 in Lots B19, B20-5 and B18 with a leasable and saleable GFA of 396,000 sq.m. are now under construction, and scheduled to be launched for pre-sale in 2012 and 2013. ASP of contracted sales of the sold residential units has risen from RMB 7,100 per sq.m. in 2008 to 13,700 sq.m. in 2011.



雍江苑
THE RIVIERA



雍江艺庭
THE RIVIERA II



雍江悦庭
THE RIVIERA III



The club house of The Riviera IV at Chongqing Tiandi

CHONGQING

Chongqing is strategically located in eastern Sichuan Province in the Sanxia (or Three Gorges) area, in the upstream section of the Yangtze River. It is the only municipality in western China (the other three municipalities being Beijing, Shanghai and Tianjin). Chongqing's status as the pre-eminent regional economic centre of western China was cemented when it was designated as one of China's five national central cities as promulgated by the Ministry of Housing and Urban-Rural Development (MOHURD) in 2010.

A series of infrastructure projects connecting the western region to Chongqing, and Chongqing to the rest of China, have enabled Chongqing to

play a dominant role as the catalyst for growth in western China. In 2011, Chongqing completed the construction of China's first bonded port for international trade thereby claiming its position as one of China's leading river ports. The Chongqing-Shanghai Expressway linking Chongqing, Chengdu, Wuhan, Nanjing and Shanghai has been completed and is open to traffic. In addition, ten new expressways and seven proposed light railway lines are targeted for completion by 2015.

In 2011, Chongqing had a GDP of RMB790 billion and FDI of US\$6.4 billion, the latter representing approximately 6.1% of total national FDI. Chongqing is one of the world's largest cities, with a population of 28.6

million at the end of 2011. Combined with its neighbouring five provinces, Chongqing covers a regional market with a population in its hinterland of about 300 million.



1 CHONGQING TIANDI

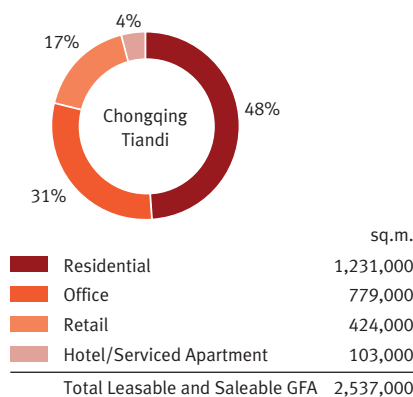
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In the commercial sector, various office buildings together with retail shopping centres occupying a total GFA of 1,042,000 sq.m. at Lots B11, B12 and B13, are under construction. Out of the total area, 754,000 sq.m. of GFA is designated as office space, 263,000 sq.m. of GFA is planned to be a retail shopping centre and the remaining 25,000 sq.m. is for hotel use. In December 2011, the Group entered into multiple transactions to sell various office buildings with a total GFA of 233,200 sq.m for a total consideration of RMB3,232 million. These office buildings are planned for completion and delivery in 2012 and 2013.

The following tables show the usage mix of the project as of 31 December 2011 and the information of residential ASP:

GFA by Usage



Residential ASP*

(RMB/sq.m.)

2011 (Ph 2&3)	13,700
2010 (Ph 1&2)	12,400
2009 (Ph1)	7,100

* ASP of Chongqing residential sales is based on net floor area, a common market practice in the region.

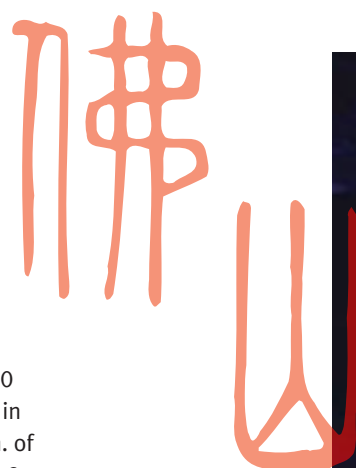


Overlook of The Riviera IV at Chongqing Tiandi

The table below shows the development status of the Chongqing Tiandi project as of 31 December 2011, which is subject to variation according to future development plans:

	Approximate/Estimated leasable and saleable area				Subtotal GFA sq.m	Clubhouse, carpark and other facilities sq.m	Total GFA sq.m	Group's interest %
	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Completed property								
The Riviera Phase 1 (Lot B1-1/01)	3,000	–	2,000	–	5,000	14,000	19,000	79.4%
The Riviera Phase 2 Stage 1 (Lot B2-1/01)	2,000	–	2,000	–	4,000	12,000	16,000	79.4%
The Riviera Phase 2 Stage 2 (Lot B2-1/01)	18,000	–	–	–	18,000	39,000	57,000	79.4%
Chongqing Tiandi (Lot B3/01)	–	–	49,000	–	49,000	25,000	74,000	79.4%
Subtotal	23,000	–	53,000	–	76,000	90,000	166,000	
Property under development								
The Riviera Phase 2 Remaining (Lot B2-1/01)	43,000	–	6,000	–	49,000	9,000	58,000	79.4%
Residential Phase 3 (Lot B19/01)	117,000	–	6,000	–	123,000	34,000	157,000	79.4%
Residential Phase 4 (Lot B20-5/01)	88,000	–	–	–	88,000	27,000	115,000	79.4%
Residential Phase 5 (Lot B18/02)	180,000	–	5,000	–	185,000	45,000	230,000	79.4%
Super High Rise (Lot B11-1/02)	–	376,000	114,000	25,000	515,000	173,000	688,000	59.5%
Lot B12-1/02	–	97,000	2,000	–	99,000	34,000	133,000	79.4%
Lot B12-3/02	–	68,000	35,000	–	103,000	39,000	142,000	79.4%
Lot B12-4/02	–	61,000	29,000	–	90,000	31,000	121,000	79.4%
Lot B13/03	–	152,000	83,000	–	235,000	57,000	292,000	79.4%
Subtotal	428,000	754,000	280,000	25,000	1,487,000	449,000	1,936,000	
Property for future development								
Subtotal	780,000	25,000	91,000	78,000	974,000	218,000	1,192,000	79.4%
Total	1,231,000	779,000	424,000	103,000	2,537,000	757,000	3,294,000	

FOSHAN FOSHAN LINGNAN TIANDI



Site Location: The Foshan Lingnan Tiandi project is well located in the old town centre of central Chancheng District, Foshan's traditional downtown area and public transportation hub. Two subway stations of the Guangzhou – Foshan line connect to the project site.

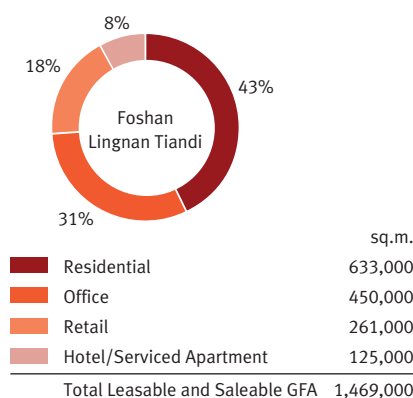
Master-plan: The project is a large-scale urban redevelopment project comprising office, retail, hotel and cultural facilities and residential complexes in an integrated community. The centre-piece of Foshan's cultural heritage is Zumiao, an immaculately-preserved, 900-year-old Taoist temple. This and another well-known historic area, the Donghuali, are both located within the project. The Foshan municipal government's plan is to upgrade the area into a business and commercial zone, focusing on business, culture, and tourism.

Residential sales have achieved excellent results since the first launch in 2010 of the Foshan Lingnan Tiandi project. The ASP of contracted sales for low-rise apartments reached 19,500 per sq.m. while ASP for townhouses reached 39,900 per sq.m. in 2011. Low-rise apartments at The Regency Phase 1 in Lot 4 and the townhouses at The Legendary Phase 1 in Lot 14 were delivered to buyers starting in 2011. Currently, Phase 2 of the Regency in Lot 5 and Phase 2 of the Legendary in Lot 15 are under construction and scheduled for pre-sale in 2012. Further GFA of 184,000 sq.m. for residential developments located at Lots 6, 16, 18 and E are also under construction and scheduled for pre-sale starting from 2013.

The first stage of Foshan Lingnan Tiandi in Lot 1 with a GFA of 16,000 sq.m. was completed and opened in 2011. A total GFA of 103,000 sq.m. of retail space located at Lot G, Lot 1-2, Lot 1-3, Lot 18 and Lot E is currently under development. Completion is planned for 2013 and 2015. In addition, construction works for the Macro Polo Hotel at Lot D have been largely completed and the soft opening commenced on 21 December 2011.

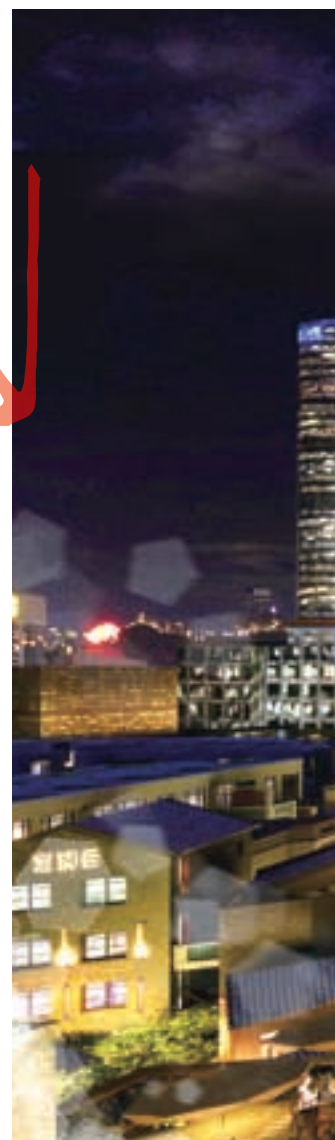
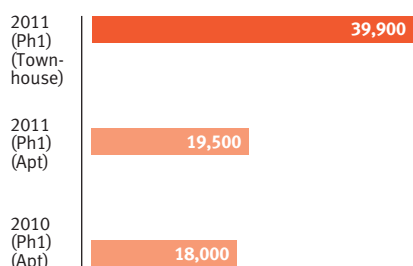
The following tables show the usage mix of the project as of 31 December 2011 and the information of residential ASP:

GFA by Usage



Residential ASP

(RMB/sq.m.)



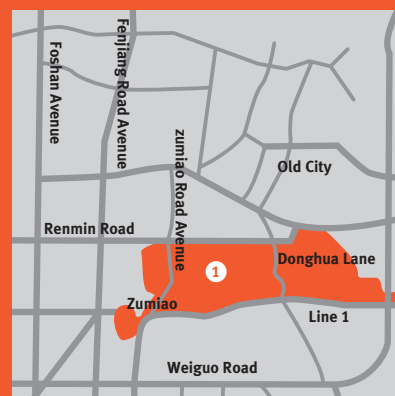


Night view of Foshan Lingnan Tiandi

FOSHAN

Foshan is a thriving city within the Pearl River Delta, possessing economic dynamism along with a rich historical and cultural heritage. Foshan is advantageously located within the Pearl River Delta Economic Zone, and lies 28 km southwest of the city centre of Guangzhou. The city has the third largest economy in the Pearl River Delta, after Guangzhou and Shenzhen. Foshan has a strong manufacturing base and has assumed a leading national position in a number of industries, including ceramics, home appliances, electronics, furniture, aluminum and

stainless steel. Foshan has extensive transportation infrastructure plans that will dramatically enhance its accessibility to the downtown area of Guangzhou and enable the city to become part of the greater Guangzhou area. The Guangzhou-Foshan Metro Line commenced operations in 2010 and has reduced the travelling time between the city centres of the two cities to 45 minutes. The Hong Kong-Guangzhou Intercity Express Train is expected to begin operations in 2015-2016, providing a seamless connection of about an hour's travel time between Hong Kong and Foshan.



1 FOSHAN LINGNAN TIANDI

MANAGEMENT DISCUSSION AND ANALYSIS

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Foshan Lingnan Tiandi blends traditional culture and modern life

The table below shows the development status of the Foshan Lingnan Tiandi project as of 31 December 2011, which is subject to variation according to future development plans:

	Approximate/Estimated leasable and saleable area				Subtotal GFA sq.m	Clubhouse, carpark and other facilities sq.m	Total GFA sq.m	Group's interest %
	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Completed property								
The Regency Phase 1 (Lot 4)	1,000	—	—	—	1,000	18,000	19,000	100.0%
The Legendary Phase 1 (Lot 14)	3,000	—	—	—	3,000	11,000	14,000	100.0%
Lingnan Tiandi Stage 1 (Lot 1-1)	—	—	16,000	—	16,000	1,000	17,000	100.0%
Subtotal	4,000	—	16,000	—	20,000	30,000	50,000	
Property under development								
Residential Phase 2 (Lot 5)	49,000	—	1,000	—	50,000	20,000	70,000	100.0%
Residential Phase 2 (Lot 15)	17,000	—	1,000	—	18,000	15,000	33,000	100.0%
Lingnan Tiandi Stage 2 (Lot 1-2)	—	—	26,000	8,000	34,000	3,000	37,000	100.0%
Lingnan Tiandi Stage 2 (Lot 1-3)	—	—	5,000	—	5,000	—	5,000	100.0%
Lot D+G	—	—	17,000	37,000	54,000	25,000	79,000	100.0%
Lot 13b	—	—	—	—	—	5,000	5,000	100.0%
Lot 6	46,000	—	—	—	46,000	13,000	59,000	100.0%
Lot 16	16,000	—	—	—	16,000	9,000	25,000	100.0%
Lot 18	104,000	—	12,000	—	116,000	34,000	150,000	100.0%
Lots E1, E2, Eos	18,000	—	58,000	—	76,000	53,000	129,000	100.0%
Subtotal	250,000	—	120,000	45,000	415,000	177,000	592,000	
Property for future development								
Subtotal	379,000	450,000	125,000	80,000	1,034,000	28,000	1,062,000	100.0%
Total	633,000	450,000	261,000	125,000	1,469,000	235,000	1,704,000	



Foshan Lingnan Tiandi to build new landmark for Southern China

DALIAN DALIAN TIANDI



Site location: Dalian Tiandi is an integrated mixed-use development set in the scenic city of Dalian in China's northeast Liaoning Province.

Master plan: The Dalian Tiandi project offers a green, highly modern, trendsetting lifestyle to attract green-living enthusiasts and knowledge workers. Situated at the midpoint of South Lvshun Road Software Industry Belt, Dalian Tiandi extends across a 12.5 km range. It features a total GFA of 3.4 million sq.m. upon completion, and is envisioned as a superb new urban centre.

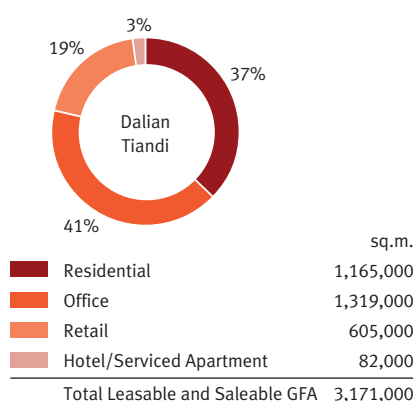
Launched in 2007, the project is set to achieve build-out in 2020, a time when the community's living and working population is estimated to reach 300,000. To date, a total of 155,000 sq.m. of GFA has been developed into office spaces, with tenants including famous technology companies such as IBM, Ambow, and Chinasoft.

In terms of its residential profile, town houses and residential apartments have been launched since 2010 with ASP in 2011 of RMB 23,200 per sq.m. and RMB11,500 per sq.m. respectively. A total GFA of 1,108,000 sq.m. is currently under development, planned for use

as software office buildings, an IT Tiandi commercial complex, hotel and residential apartments.

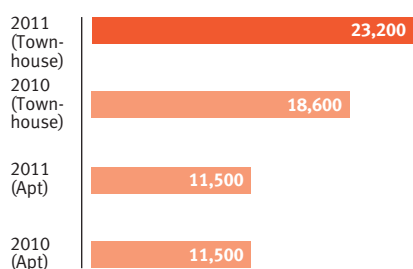
The following tables show the usage mix of the project as of 31 December 2011 and the information of residential ASP:

GFA by Usage



Residential ASP

(RMB/sq.m.)



大连天地
DALIAN TIANDI





Hekou Bay Plate of Dalian Tiandi

DALIAN

Dalian is located at the southern tip of the Eastern Liaoning Peninsula and serves as a gateway to Beijing, Tianjin and the Bohai Bay Economic Rim. It is an important communication hub in northern China and a major transportation centre for northeast Asia, due to its strategic geographical location. The city has a proven track record in developing information technology outsourcing and in the business process outsourcing industries.

Backed by the Central Government, Dalian is steadily migrating towards a high value-added IT industry development model. Dalian recorded annual GDP growth of 14% in 2011 and is a leading city in terms of property investment and living standards in Liaoning Province. The city realised a 10% growth of FDI in 2011 and has undergone a comprehensive upgrading of infrastructure and an increase in public spending, thereby acquiring the status of an international city.



- ① HEKOU BAY
- ② HUANGNICHUAN NORTH
- ③ HUANGNICHUAN SOUTH
- ④ NANHAITOU
- ⑤ RESORT HOTEL SITE

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET UPDATES & PROJECT PROFILES

The table below shows the development status of the Dalian Tiandi project as of 31 December 2011, which is subject to variation according to future development plans:

	Approximate/Estimated leasable and saleable area				Subtotal GFA sq.m	Clubhouse, carpark and other facilities sq.m	Total GFA sq.m	Group's interest %
	Residential sq.m	Office sq.m	Retail sq.m	Hotel/ serviced apartment sq.m				
Completed property								
Lot D22 – Software Office	–	42,000	–	–	42,000	15,000	57,000	48.0%
Lot E06	27,000	–	–	–	27,000	–	27,000	48.0%
Lot B02 – Ambow training school	–	113,000	–	–	113,000	4,000	117,000	48.0%
Subtotal	27,000	155,000	–	–	182,000	19,000	201,000	
Property under development								
Huangnichuan North								
Lots E06/E29	58,000	–	–	–	58,000	64,000	122,000	48.0%
Lot D14	–	88,000	–	–	88,000	26,000	114,000	48.0%
Lot C10	40,000	–	–	–	40,000	8,000	48,000	48.0%
Lot D10	–	–	41,000	33,000	74,000	22,000	96,000	48.0%
Lot C14	33,000	–	–	–	33,000	23,000	56,000	48.0%
other lots	282,000	16,000	–	–	298,000	10,000	308,000	48.0%
Hekou Bay								
Lots B09/B13/C01	93,000	–	–	–	93,000	45,000	138,000	48.0%
other lots	63,000	159,000	202,000	–	424,000	22,000	446,000	48.0%
Subtotal	569,000	263,000	243,000	33,000	1,108,000	220,000	1,328,000	
Property for future development ¹								
Subtotal	569,000	901,000	362,000	49,000	1,881,000	2,000.00	1,883,000	48.0%
Total	1,165,000	1,319,000	605,000	82,000	3,171,000	241,000	3,412,000	

¹ Dalian Tiandi has a landbank of 3.4 million sq.m. in GFA. As of 31 December 2011, approximately 3.1 million sq.m. had been acquired. The remaining GFA of approximately 0.3 million sq.m. will be acquired through public bidding in due course.



Huang Ni Chuan Plate of Dalian Tiandi