



*The Group has acquired 17 sites  
in the Mainland since mid-2005 for  
a total of HK\$30 billion.*

*It now commands an attributable  
land bank of development and  
investment properties of about  
90 million square feet in  
plot ratio GFA.*

# China Properties





## Balance Sheet (Extract)

As at 31 December 2007

	HK\$ Million
Investment properties	6,095
Other properties and fixed assets	2,016
	8,111
Interest in jointly controlled entities	4,237
Property inventory and development	8,419
Net current liabilities	(1,349)
Other non-current liabilities	(1,458)
Net business assets (before debt)	17,960

All three completed investment properties, namely Beijing Capital Times Square, Shanghai Times Square and the retail podium of Chongqing Times Square, performed satisfactorily. Total revenue was up by 21% and operating profit by 52% during the year.

Solid growth in development profit from China properties was recorded during the year. Relevant development profit from sales of two launched projects jumped to HK\$718 million (2006: HK\$2 million). Wellington Garden, a high-end residential and office-apartment development in Shanghai, has launched its first phase of two residential blocks since mid-2006 and all launched units were sold at excellent unit price in the city by the end of 2007. Wuhan Times Square also successfully sold 98% of its first phase consisting of two residential towers at record high unit price in that city as at the year-end.

The second phase of both projects has been launched since mid-December of 2007, with favourable responses. Profits arising from the disposal of the second phase of both projects would be booked in 2008. The residential and apartment units of Wuhan Times Square were completed in January 2008, with the rest comprising retail and a hotel, scheduled for completion during 2008.

Tian Fu Times Square in Chengdu launched its pre-sale of two residential towers in September 2007 and all units were promptly sold within a few days. Pre-sale of the second phase comprising the third residential block has been launched since mid-January 2008 and was met with enthusiastic responses. Overall, 97% of these three residential blocks were successfully pre-sold at record high unit price in the city. Construction work of the remaining project comprising retail, office, hotel and residential is well underway and development completion is scheduled in 2009-2011.

### Other Projects under Development

Dalian Times Square is a retail and residential complex, with attributable plot ratio GFA of 1.5 million square feet.

Superstructure works are in progress and the development is scheduled for completion by the fourth quarter of 2008. The 180,000-square-foot shopping mall, targeting for opening in the fourth quarter of 2008, has secured the commitment of a host of top-notch brands including Dior, Fendi, Giorgio Armani, Gucci, Hermès, Louis Vuitton (over 10,000 square feet), Prada, Versace, etc. The two residential blocks atop the retail podium, with a total GFA of about 1.3 million square feet are scheduled for pre-sale in 2008 by two phases.

Shanghai Wheelock Square, with attributable plot ratio GFA of 1.2 million square feet, comprises a top quality Grade A office tower plus a retail annex. Superstructure work is in progress. The development is scheduled for completion by 2009.



**Left:** A league of super deluxe retailers will be joining Dalian Times Square on its opening in the last quarter of 2008

Two high-end residential projects in Shanghai, No. 1 Xin Hua Road (新華路) and Jingan Garden are progressing according to plan.

No. 10 Gaoxin District (高新區) in Chengdu, with attributable plot ratio GFA of 4.4 million square feet, is planned for residential and commercial developments. Construction work for phase one is in progress and the project is expected to be completed in phases between 2009–2011.

Superbly located in Shuangliu Development Zone (雙流發展區), the Group's third site in Chengdu will be developed into a mixed-use complex comprising an outlet mall, hotel and residential space with attributable plot ratio GFA of 9.8 million square feet. Construction of the outlet mall commenced in December 2007 and is scheduled for completion by early 2009.

The Group's sites in the Nanchang District (南長區), Wuxi, comprise two parcels of land planned for an upscale residential project with an attributable plot ratio GFA of 8.9 million square feet and a high-rise commercial development project with an attributable plot ratio GFA of 3.0 million square feet respectively. Development of residential blocks on the first parcel is expected to be completed in phases between 2010–2014. The 339-metre super tower at Taihu Plaza will be the tallest landmark of Wuxi and its construction work is scheduled for completion by 2012.

In September 2007, the Group acquired its fourth site in Chengdu at a public auction for RMB7,242 million. Superbly located on Hongxing Road (紅星路) in the prime Jinjiang District (錦江區), the site is right in the heart of Chengdu's vibrant business centre. The parcel has a total site area of more than 590,000 square feet, roughly the same size of Hong Kong's Harbour City, and offers attributable plot ratio GFA of 4.7 million square feet. It will be developed into a mixed-use project comprising Grade A offices, a five-star hotel and a high-end retail complex, with the retail portion commanding about one-third of the total floor area. Planning of the development is underway. Preliminary construction work commenced at the end of 2007.



The Group's first site acquired in Suzhou is superbly located between Jinji Lake (金雞湖) and Dushu Lake (獨墅湖) in the eastern side of the city next to a 27-hole golf club. It will be developed into premier deluxe low density residences with attributable plot ratio GFA of 2.2 million square feet. Construction work will commence in mid-2008. The project is scheduled for completion by 2010.

The Group's second lot in Suzhou is ideally located in the Suzhou Industrial Park (蘇州工業園區) next to Qing Jian Hu (青劍湖) and Wei Ting Sun Island Golf & Resorts (唯亭太陽島高爾夫俱樂部). It was acquired in July 2007, through a joint venture, which committed a price of RMB1,010 million at a public auction. The Group and the China Merchants Property group will jointly develop the site on a 50:50 ownership basis. The project will be a residential development with attributable plot ratio GFA of 908,000 square feet. Planning is well underway. The project is expected to be completed by 2012.

The Group's first lot in Hangzhou is superbly situated in a prime area in the Xihu District (西湖區), Zhuantang town (轉塘鎮) and is in the proximity of Songcheng (宋城) next to West Lake International Golf & Country Club (西湖國際高爾夫俱樂部). It comprises four land parcels, which was acquired through a joint-venture company at a public auction for RMB3,091 million in late August 2007. The Group and Jindu Group, a leading developer in Hangzhou, have each taken a 50% stake in the joint-venture company. These connected sites have a total site area of more than 2.0 million square feet and offer attributable plot ratio GFA of 2.0 million square feet. The project is scheduled for completion by 2012.

In November 2007, the Group acquired a land parcel in Nanan District (南岸區), Chongqing at a public auction through a joint-venture company for RMB7,500 million. The Group and China Overseas group will jointly develop the site on a 40:60 ownership basis. Ideally located at Danzishi (彈子石) of Nanan District, next to Yangtze River (長江), the parcel boasts a total site area of about 6.1 million square feet and offers attributable plot ratio GFA of 9.0 million square feet. It will be developed into a high-end residential and commercial project. The project is expected to be completed by 2014.

## China Property List

	Project Nature	Attributable Plot Ratio GFA (sq. ft.)	Status	Completion	Effective % Owned
Beijing Capital Times Square	Office/Retail	1,114,000	For Lease	1999	88
Shanghai Times Square	Office/Retail/Apartment	973,000	For Lease	1999	100
Chongqing Times Square	Office/Retail	591,800	For Lease	2004	100
Wellington Garden Tower 3 (Shanghai)	Residential *	209,100	For Sale	2007	59
Wuhan Times Square Towers 3 & 4	Residential	24,300	For Sale	2007	100
Wuhan Times Square Towers 1, 2, 8 & 9	Hotel/Residential *	1,002,000 #	Under Construction	2008	100
Dalian Times Square	Retail/Residential	1,529,000	Under Construction	2008	100
Shanghai Wheelock Square*	Office/Retail	1,228,000	Under Construction	2009	98
No.1 Xin Hua Road (Shanghai)	Residential	206,000	Under Construction	2009	85
Tian Fu Times Square (Chengdu)**	Office/Retail/Hotel/Residential	4,856,200 #	Under Construction	2009-2011	100
Wuxi Taihu Plaza Project					
Taihu Plaza Project (Wuxi)	Residential	8,949,000	Under Construction	2010-2014	100
Wuxi Super Tower	Office/Retail/Hotel/Residential *	3,023,000	Under Planning	2012	100
No.10 Gaoxin District (Chengdu)	Office/Retail/Residential	4,422,000	Under Construction	2011	100
Lot No. 68210 Suzhou Industrial Park	Residential	2,192,000	Under Planning	2010	100
Chengdu IFC (Chengdu)	Office/Retail/Hotel/Residential	4,724,000	Under Planning	2011	100
Jingan Garden (Shanghai)	Residential *	773,000	Under Planning	2011	55
Shuangliu Development Zone (Chengdu)	Retail/Hotel/Residential *	9,807,000	Under Planning	2012	100
Changzhou Dinosaur Park Project	Hotel/Residential	8,681,000	Under Planning	2012	67
Jiangbei City Project (Chongqing)	Residential	2,524,000 (55%) ##	Under Planning	2012	37
Zhuantang Town Project (Hangzhou)	Retail/Residential	2,005,000 (50%) ##	Under Planning	2012	50
Nanjing Xianlin Project	Residential	2,263,000 (50%) ##	Under Planning	2012	50
Hangzhou CBD Project	Office/Retail/Hotel/Residential	1,280,000 (40%) ##	Under Planning	2012	27
Suzhou Wei Ting Project, Suzhou Industrial Park	Residential	908,000 (50%) ##	Under Planning	2012	50
Suzhou Industrial Park					
Xiandai Da Dao	Residential	9,765,000	Under Planning	2013	53
Suzhou Super Tower	Office/Retail/Hotel/Apartment	3,780,000	Under Planning	2013	53
Wuxi Old Canal Development	Office/Residential	8,740,000	Under Planning	2013	100
Danzishi Project (Chongqing)	Retail/Residential	9,039,000 (40%) ##	Under Planning	2014	40

\* Formerly known as Lot 1717 Nan Jing Xi Road \*\* Formerly known as No. 11 Dong Da Jie \* Residential includes office-apartments

# Partly pre-sold ## Being attributable percentage held through jointly controlled entities and the respective GFA are shown on an attributable basis

**Right:** Chongqing Times Square reported satisfactory performance in 2007





In December 2007, the Group acquired a land parcel in Qixia/ Xianlin New District (棲霞區/仙林新區) of Nanjing through a joint-venture company at a public auction for RMB2,410 million. The Group and the China Merchants Property group have each taken a 50% stake in the joint-venture company. The site boasts a site area of about 3.6 million square feet and offers plot ratio GFA of 4.5 million square feet, of which 2.3 million square feet is attributable to the Group. Planning is underway to develop the site into a high-end residential project. With the relocation of Nanjing University (南京大學) into the district and the completion of Xianlin metro station in the near future, this well-known university town's community facilities and transportation network will be further enhanced. The project is scheduled for completion by 2012.

The Group through Harbour Centre Development Limited ("HCDL"), also acquired five excellent sites in the cities of Chongqing, Suzhou, Hangzhou and Changzhou during 2007. Acquisition of the first four sites has been made through partnering with strong local property companies while the remaining site in Changzhou is wholly-owned by HCDL. Descriptions of these projects are as follows:

In September 2007, HCDL acquired a land lot in Jiangbei City (江北城) of Jiangbei District (江北區), Chongqing, through a joint-venture company at a public auction, for RMB2,540 million. HCDL and the China Overseas group will jointly develop the land, on a 55:45 ownership basis. Superbly located in the eastern side of Jiangbei City, facing Yangtze River (長江) in the east and north and Jialing River (嘉陵江) in the south, the land lot has a total site area of about one million square feet and offers attributable plot ratio GFA of 2.5 million square feet. It will be developed into a high-end residential project. Development completion is scheduled in 2012.

In early October 2007, HCDL acquired two land parcels on Xinghu Jie (星湖街) and Xiandai Da Dao (現代大道) in Suzhou Industrial Park (蘇州工業園區) respectively for a total of RMB3,073 million through a joint-venture company between HCDL and Zhong Xin Suzhou Industrial on a 80:20 ownership basis. The parcels command a total site area of about 5.65 million square feet and offer attributable plot ratio GFA of 13.5 million square feet. A 420-metre skyscraper landmark, the tallest development in Suzhou, will be built at the site of Xinghu Jie while the site at Xiandai Da Dao will be for residential development. The project is scheduled for completion by 2013.

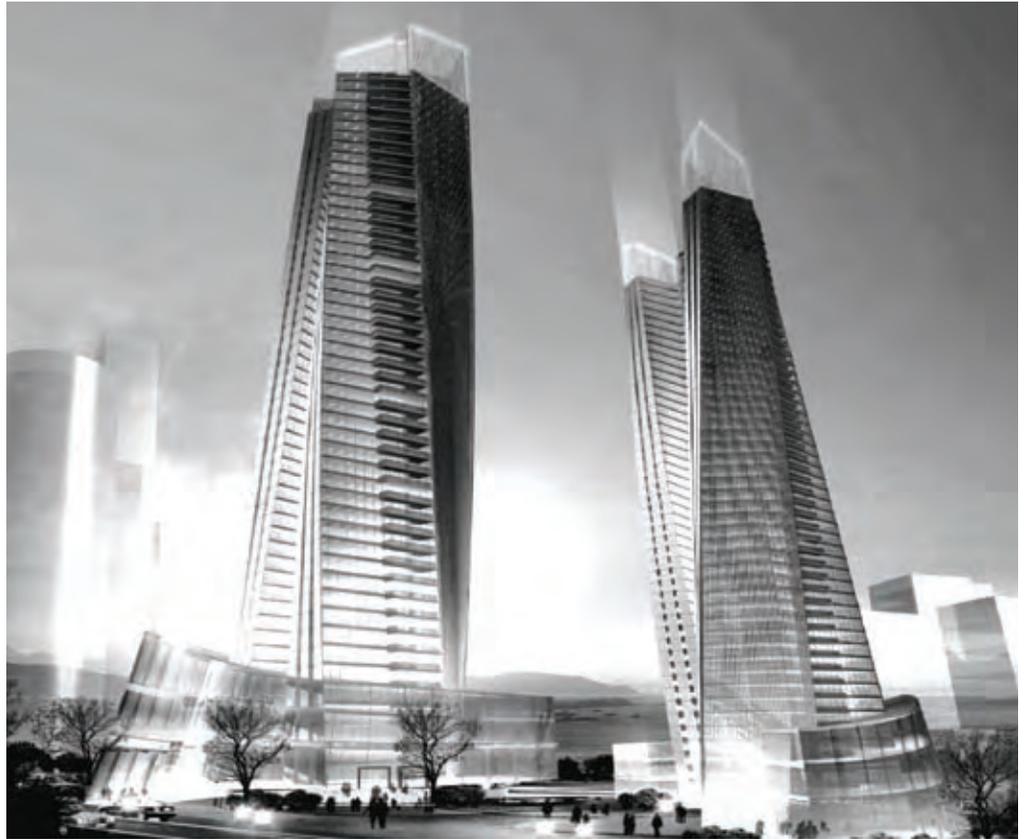
Following the acquisition of the Suzhou site, HCDL entered into an agreement with Greentown China Holdings Limited in mid-October 2007 for the joint development of a land parcel in Hangzhou. HCDL and Greentown China Holdings Limited have taken respectively 40% and 60% stake in the joint-venture company. Superbly situated in the new Hangzhou Central Business District (錢江新城) and frontal to the Qingtang Jiang (錢塘江), the site boasts a total site area of about 907,000 square feet and offers plot ratio GFA of 3.2 million square feet of which 1.3 million square feet is attributable to the Group. The plan is to develop the site into a commercial, hotel and residential complex. Development completion is scheduled in 2012.

The Group through HCDL, also acquired a land parcel in Xinbei District (新北區) of Changzhou at a public auction for RMB1,470 million. The parcel commands a total site area of about 4.4 million square feet and offers a plot ratio GFA of 8.7 million square feet. Ideally located in the prime area of Xinbei District, the parcel is just five kilometres away from the city centre, in the vicinity of China Changzhou Dinosaur Land theme park (中華恐龍園) and Xin Qu Park (新區公園). It boasts superb



**Left:** Suzhou Super Tower, a 420-metre skyscraper landmark and the tallest development in Suzhou, is scheduled for completion by 2013

**Right:** The Jiangbei City site, which offers an attributable plot ratio GFA of 2.5 million square feet, will be developed into a high-end residential project



air-sea-land transportation links including Changzhou Civil Aviation Airport and Huning Express Railway. The project is scheduled for completion in 2012.

### New Acquisitions

In January 2008, the Group acquired one prime site (three pieces of land lot) in Wuxi as detailed hereunder.

The Group acquired another three land parcels in the city of Wuxi at a public auction in January 2008. Superbly located in Nanchang District (南長區) of Wuxi alongside the 2,500-year-old ancient canal, these land parcels boast a site area of 4.8 million square feet and offer plot ratio GFA of 8.7 million square feet. It is planned for commercial and residential development. Ongoing discussion with prospective property partner is underway and no fixed decision has yet been made.