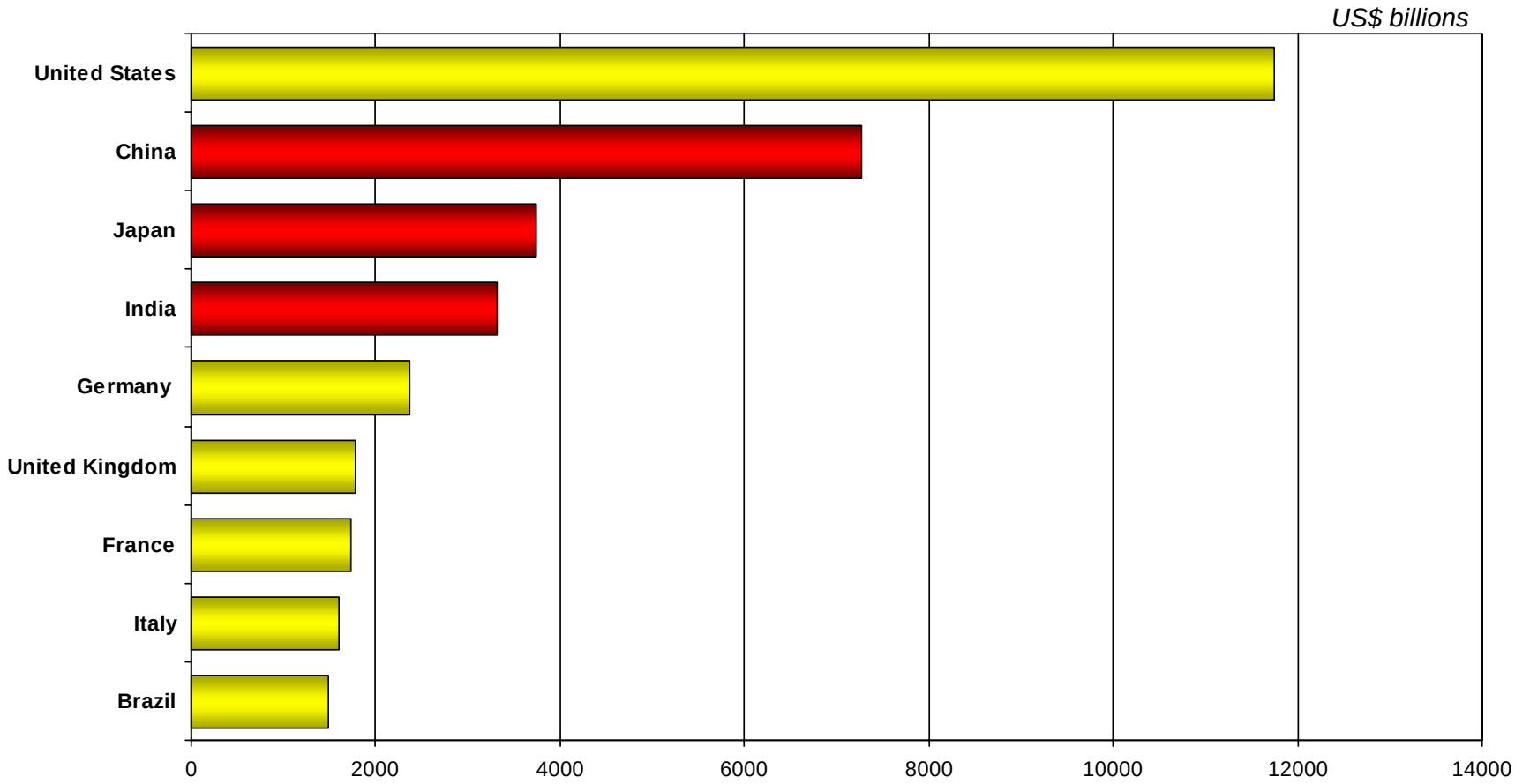
Main Drivers

- **Labour**
- **Consumerism**
- **Weight of Money**

Purchasing Power Parity



Source: DTZ Research

Financial Services in China

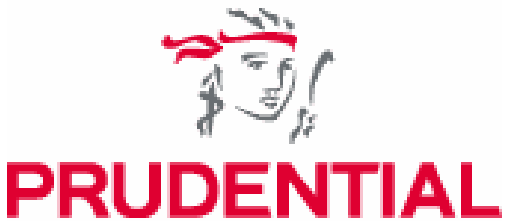






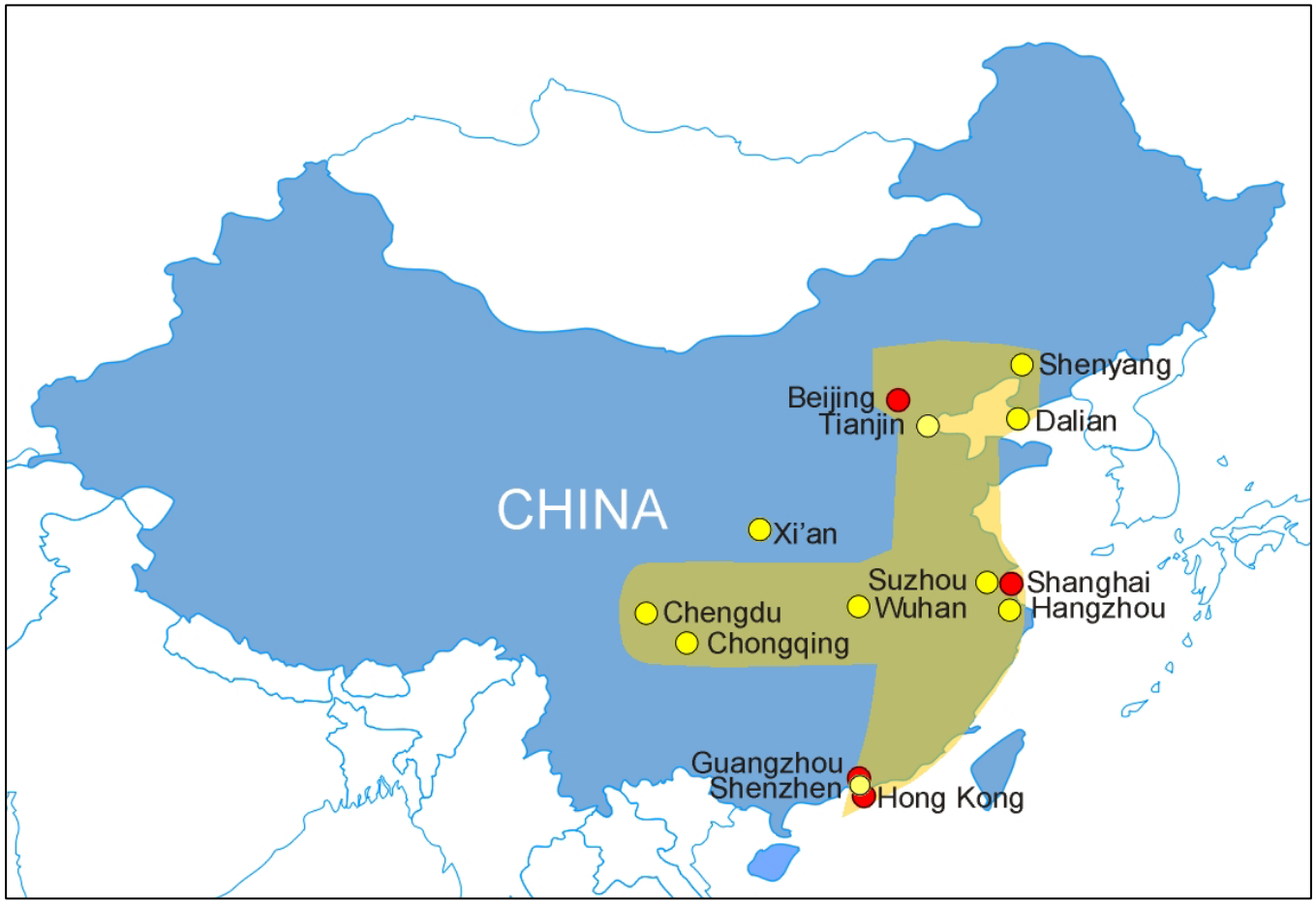




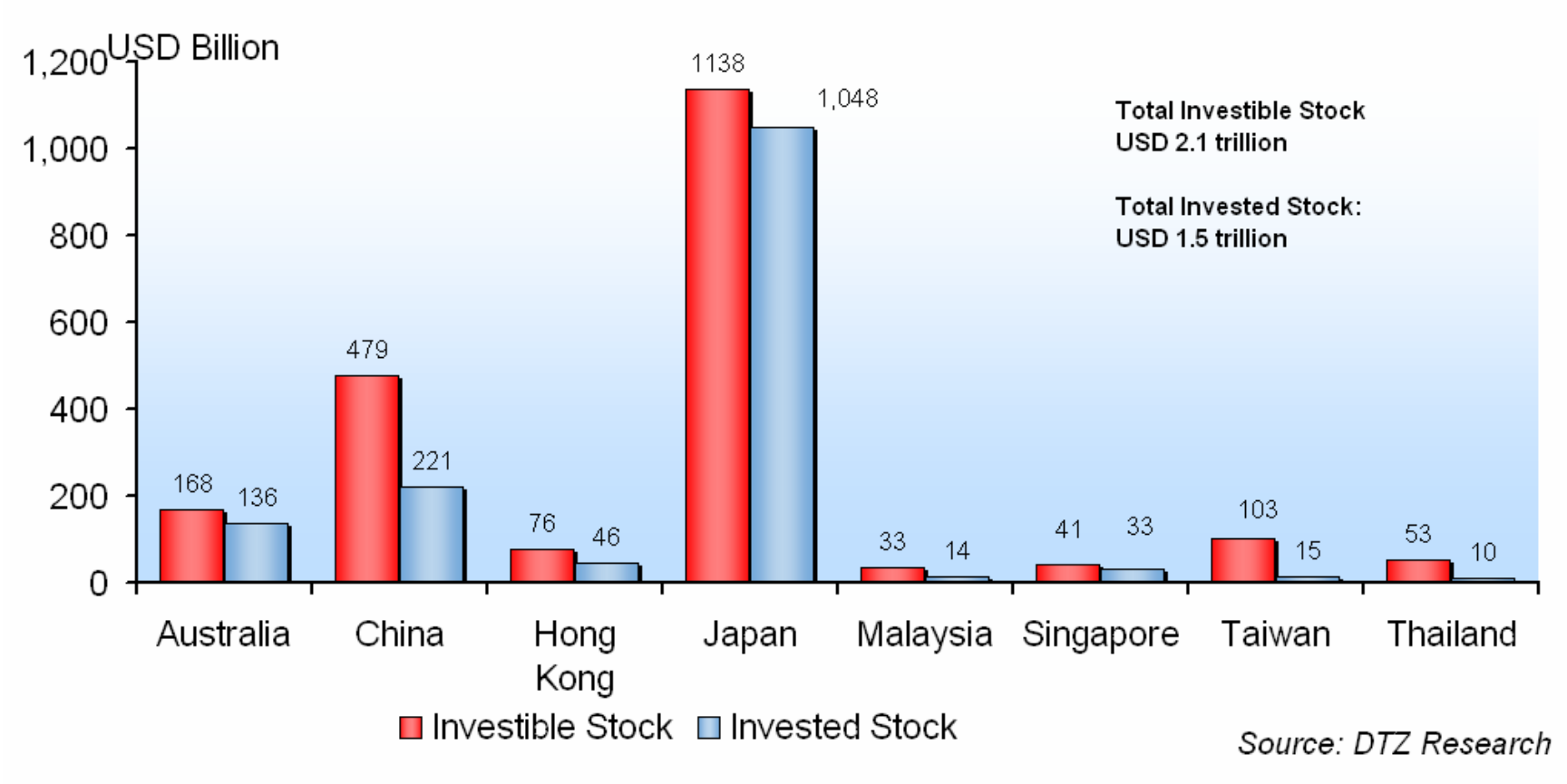




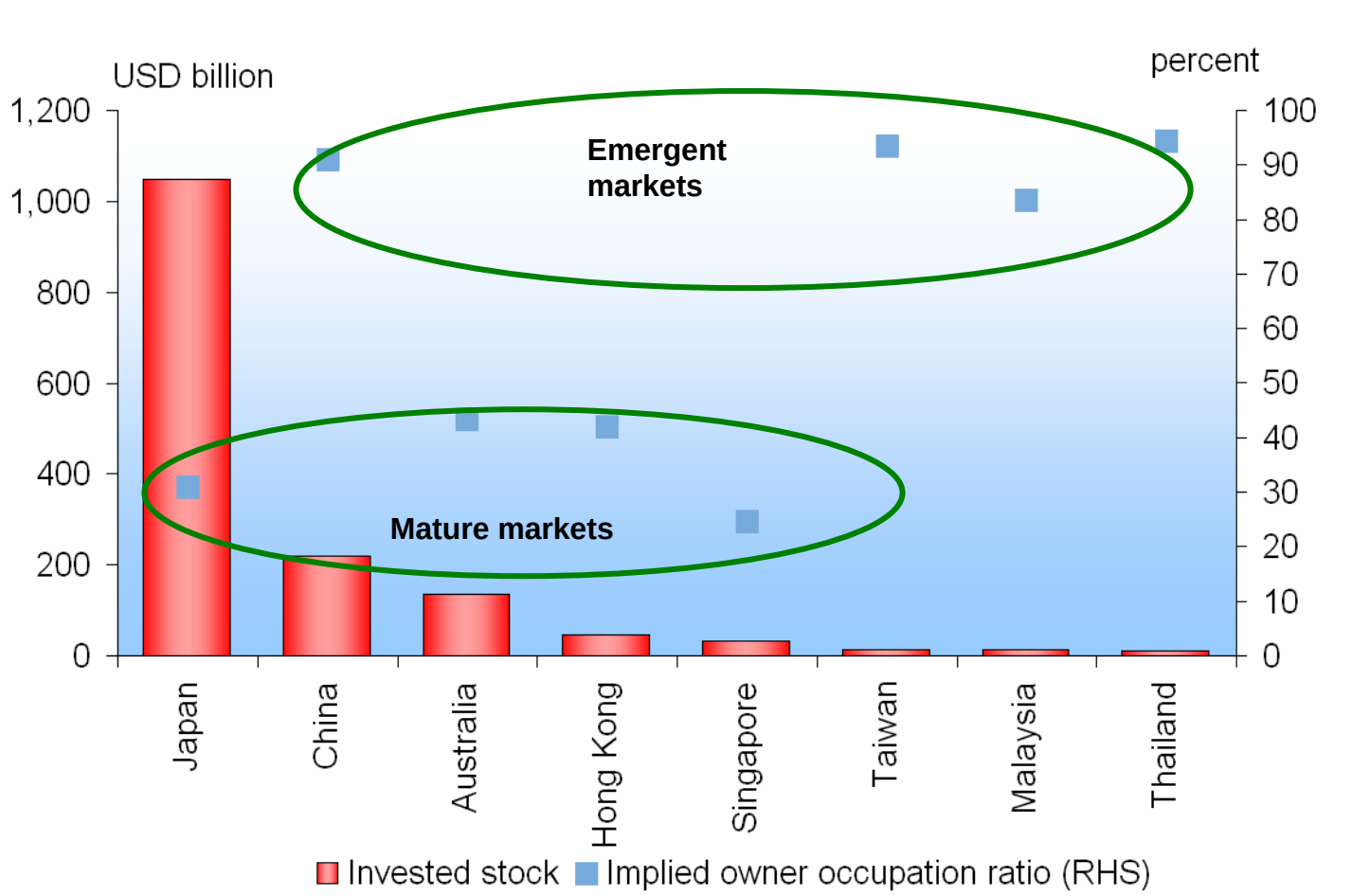
China's 'Golden Hammer'



Asia-Pacific Invested Stock and Investible Stock of Commercial Real Estate: Geographic Distribution

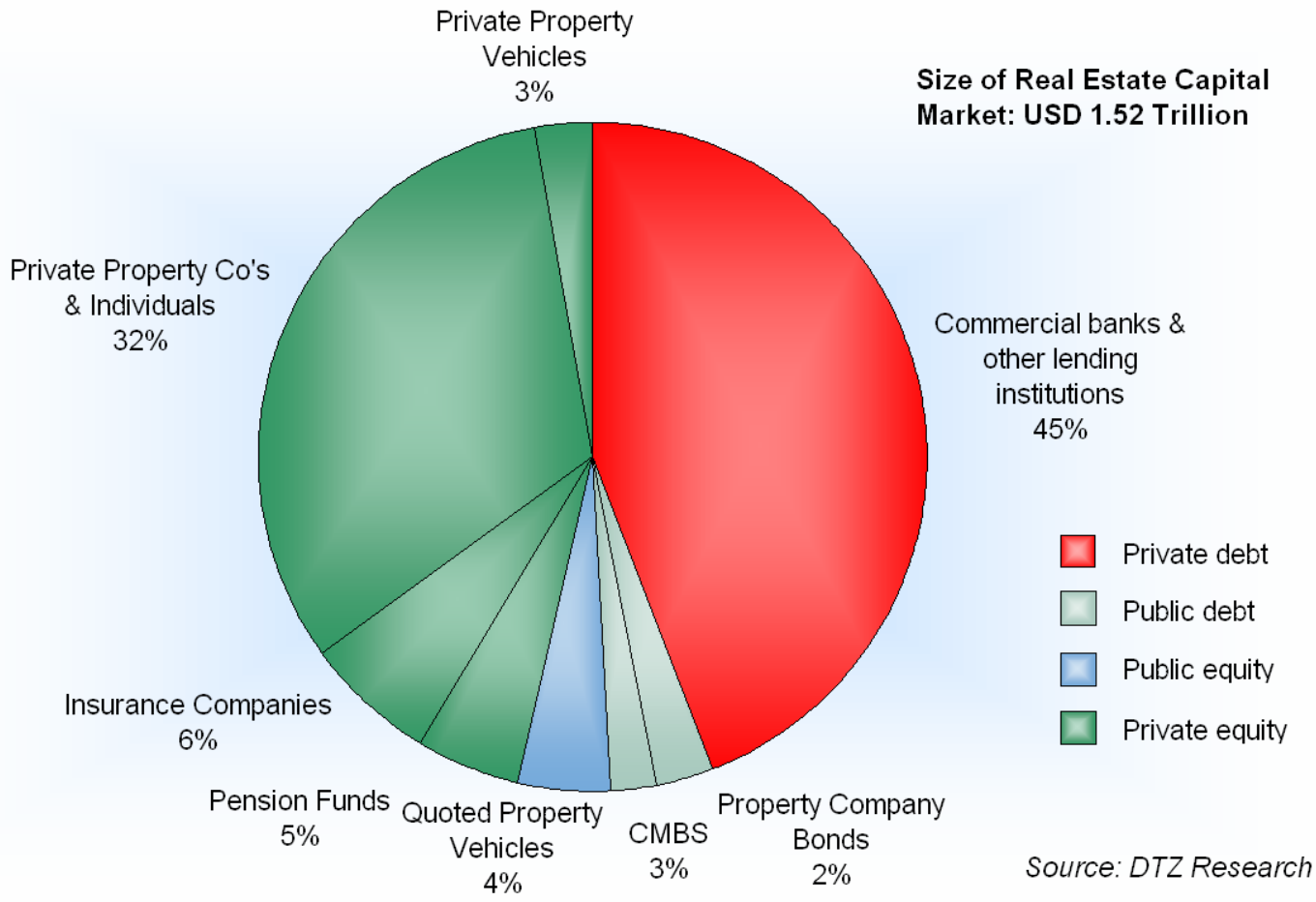


Invested Real Estate Stock and Implied Owner-Occupation Ratios



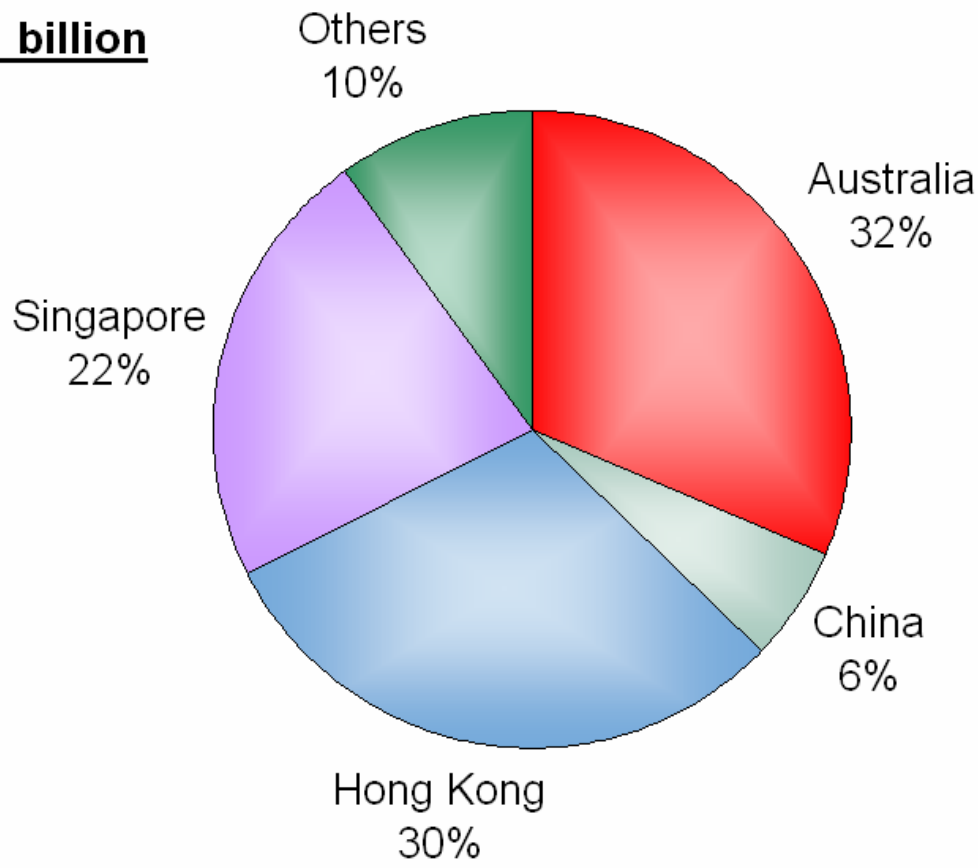
Source: DTZ Research

Asia-Pacific Commercial Real Estate Capital Market – end 2004



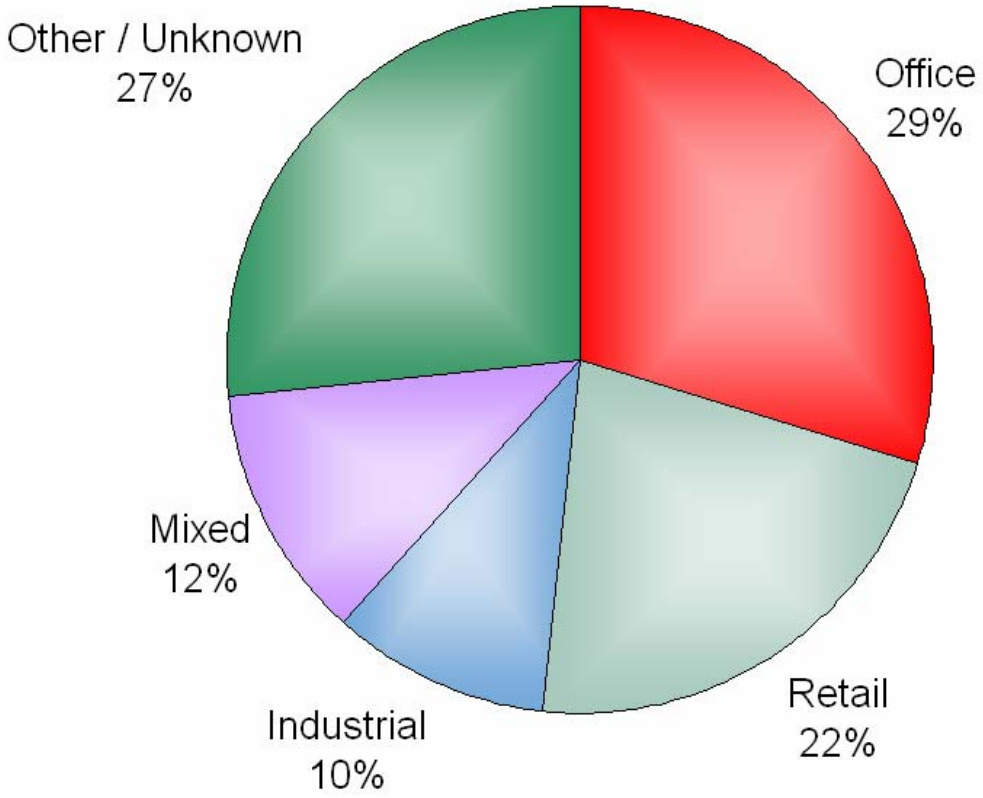
Purchases of Asia-Pacific Commercial Real Estate in 2004 by Location

Total: USD 21 billion



Purchases of Asia-Pacific Commercial Real Estate by Sector

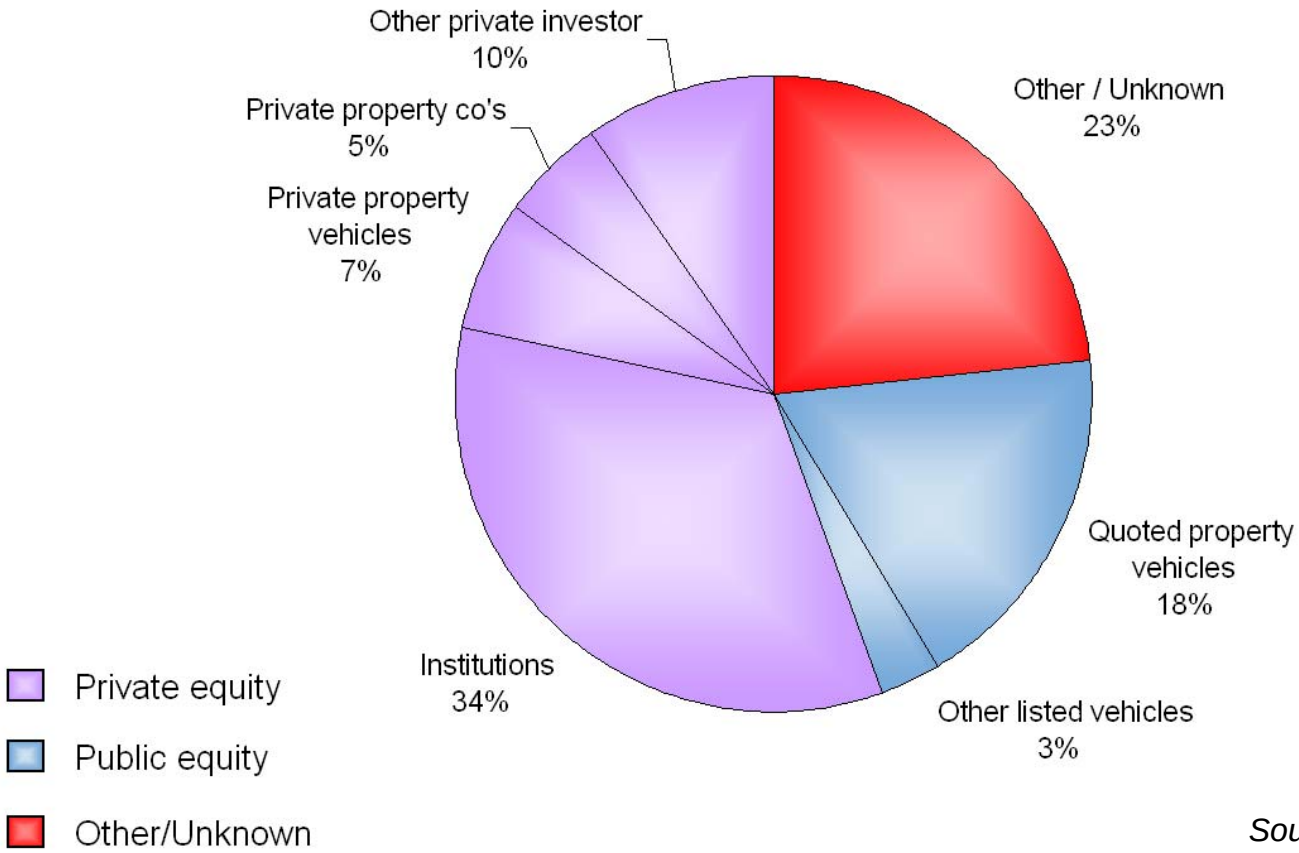
Total: USD 21 billion



Source: DTZ Research

Purchases of Asia-Pacific Real Estate by Investor Type

Total: USD 21 billion



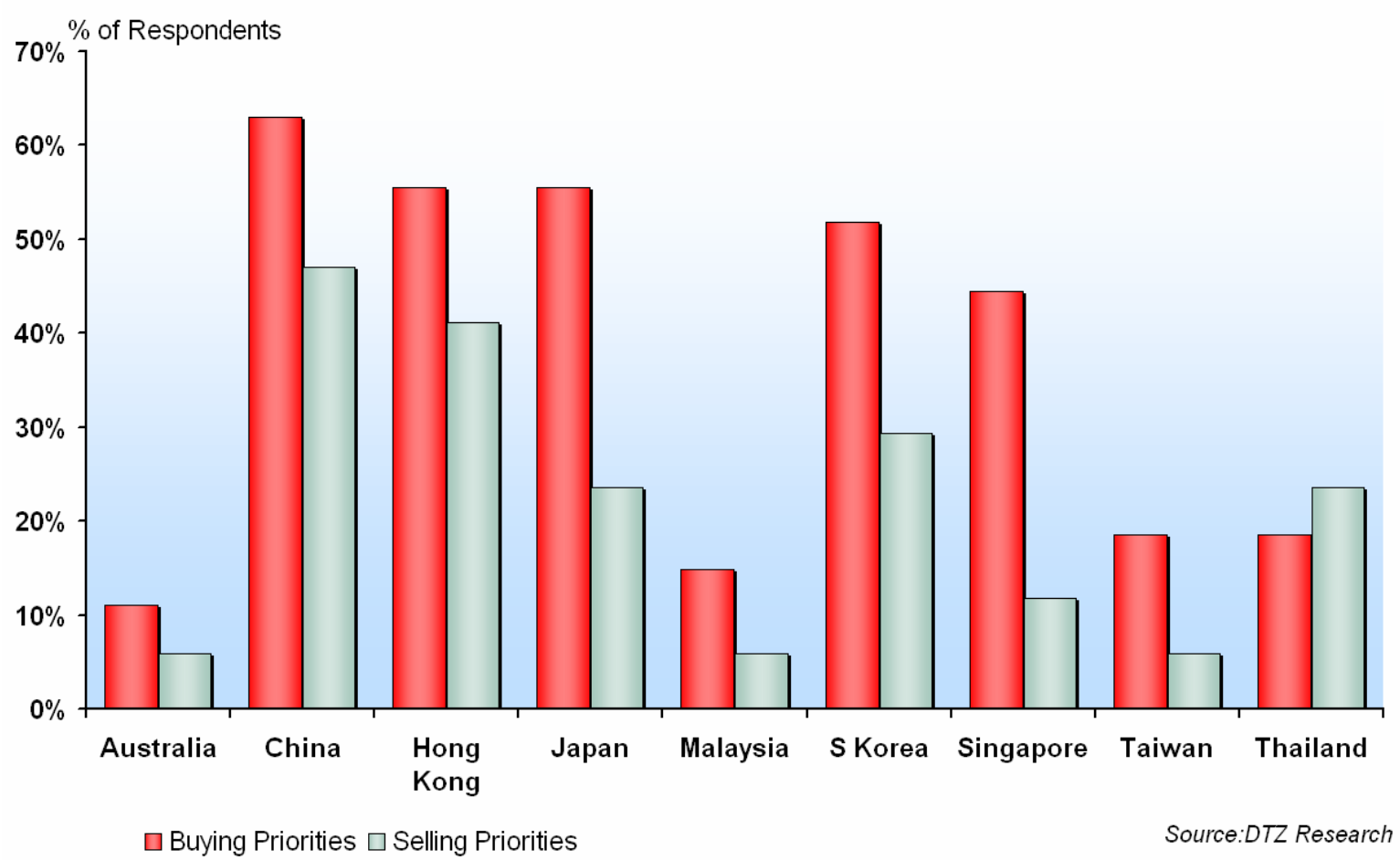
Source: DTZ Research

Top 5 Investment Locations in Asia-Pacific

	Current	2006
1	*China*	*China*
2	*Australia*	*Australia*
3	*Hong Kong*	*Japan*
4	*Japan*	*S Korea*
5	*S Korea*	*Hong Kong*

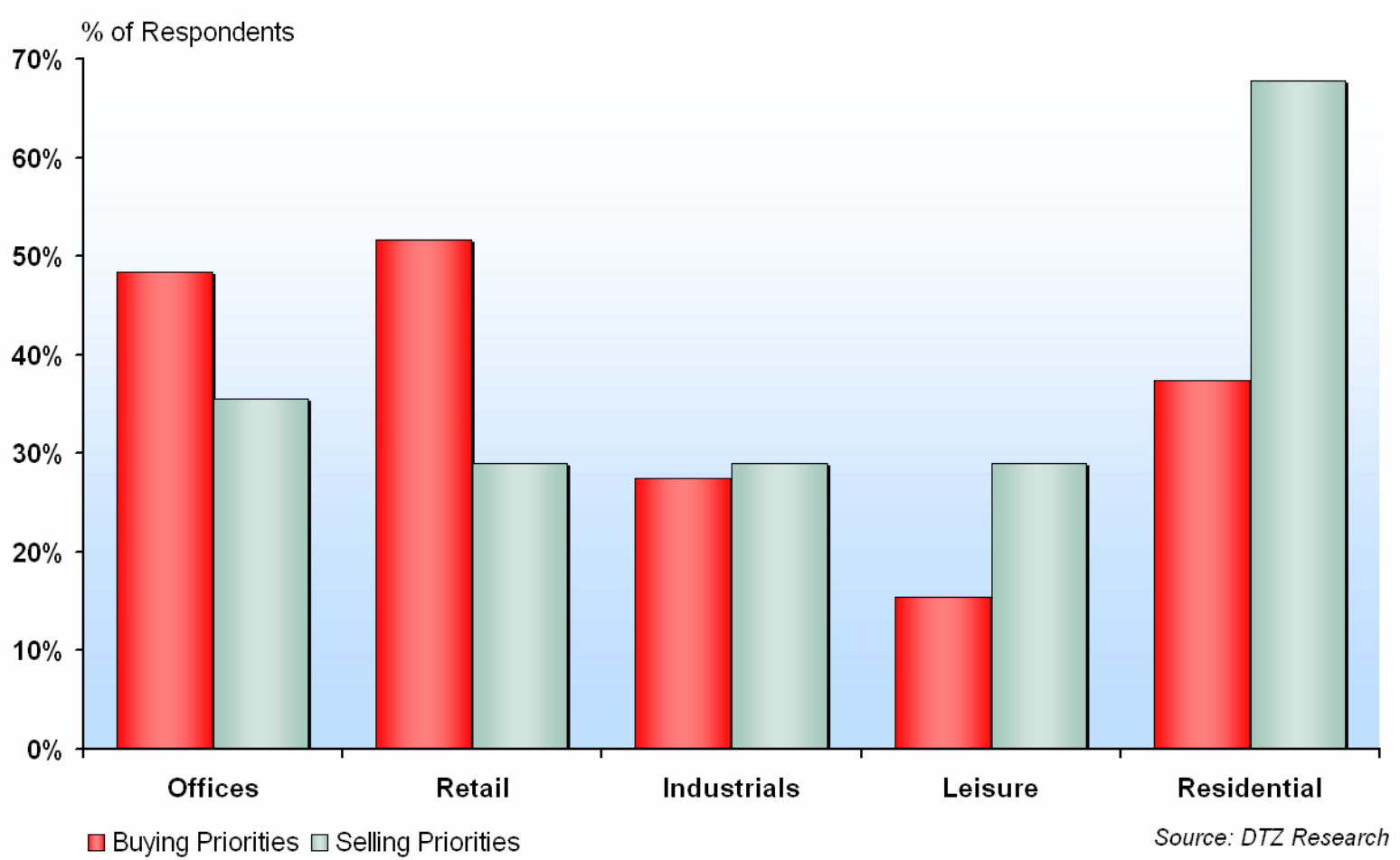
Source: DTZ Research

Asia-Pacific Real Estate Investors Cross-border buying Priorities in 2005: by Country

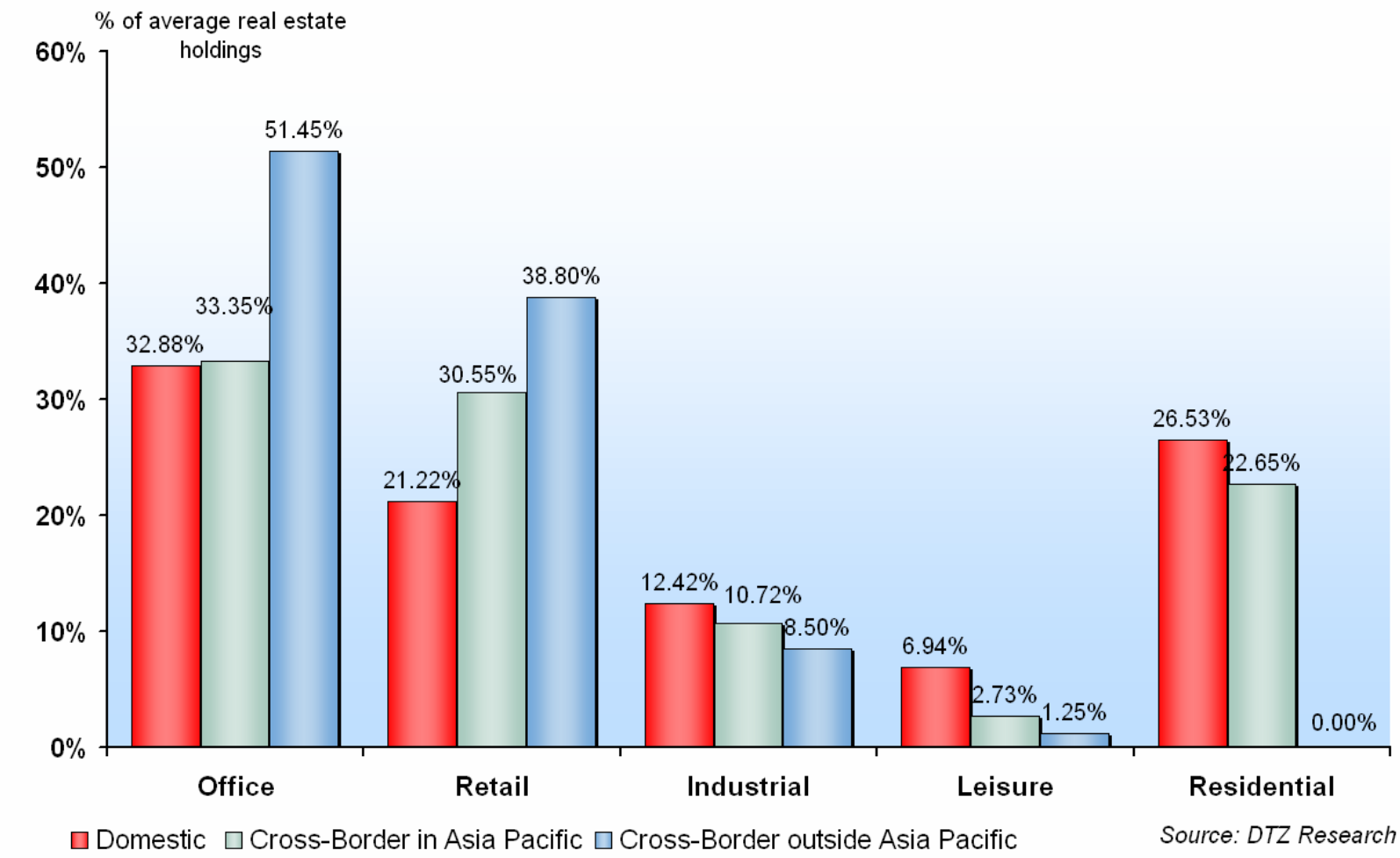


Source:DTZ Research

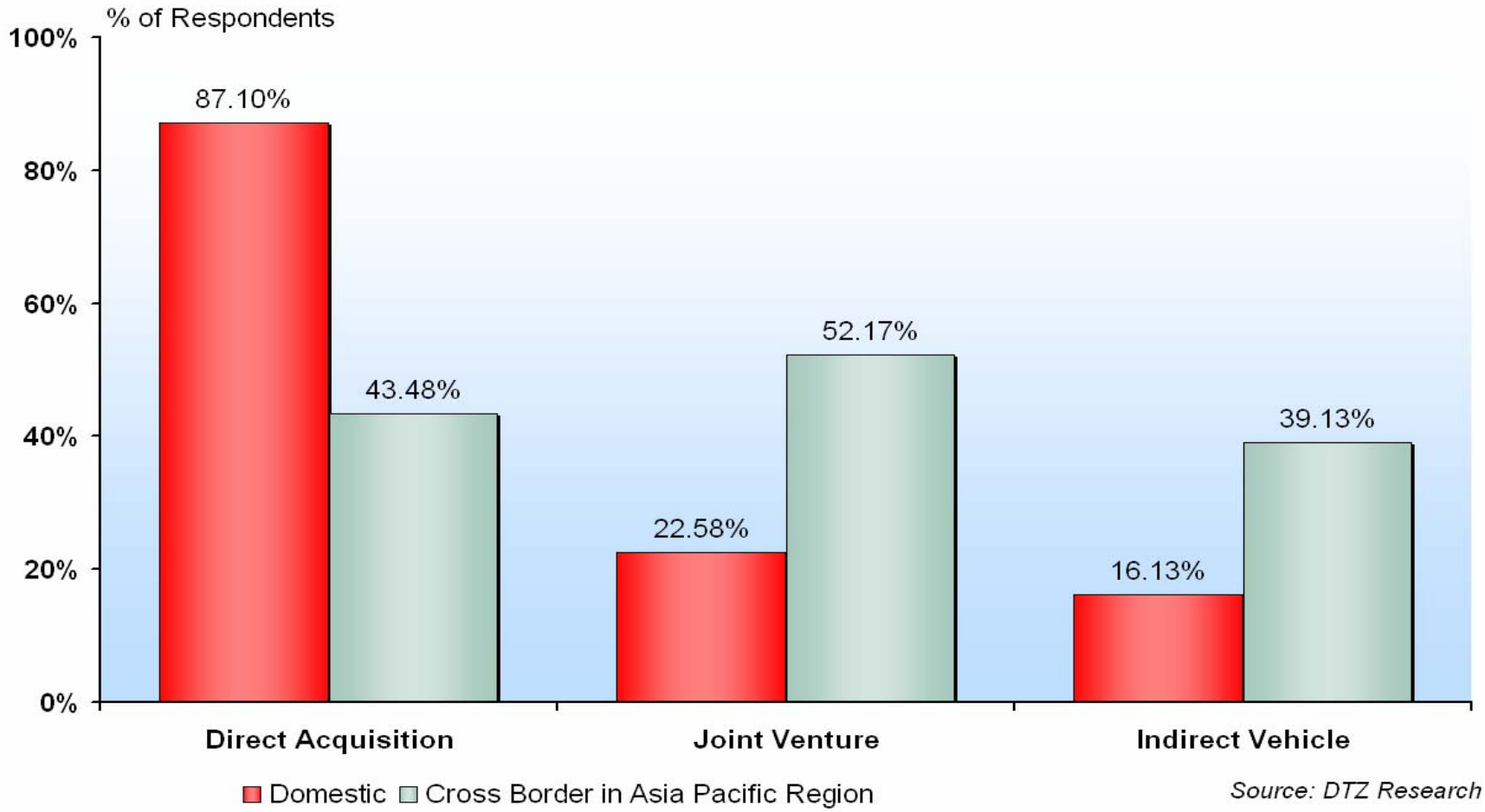
Asia-R Estate Investors Buying and Selling Priorities in 2005: by Sector



Distribution of Real Estate Holdings by Sector (Domestic vs Cross-border)



Preferred Route of Entry Into Domestic and Foreign Real Estate Market

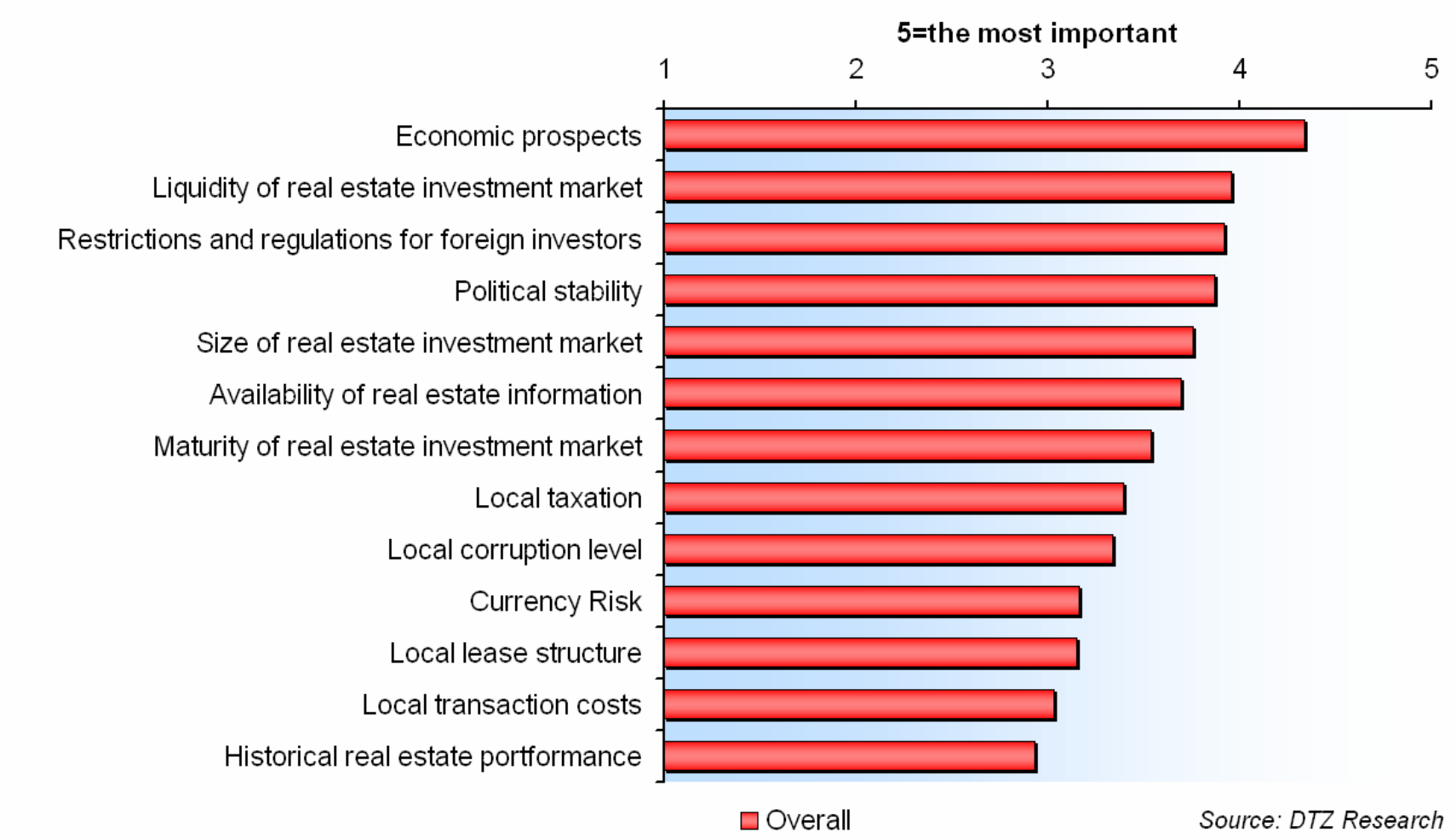


Public equity: Asian REITs

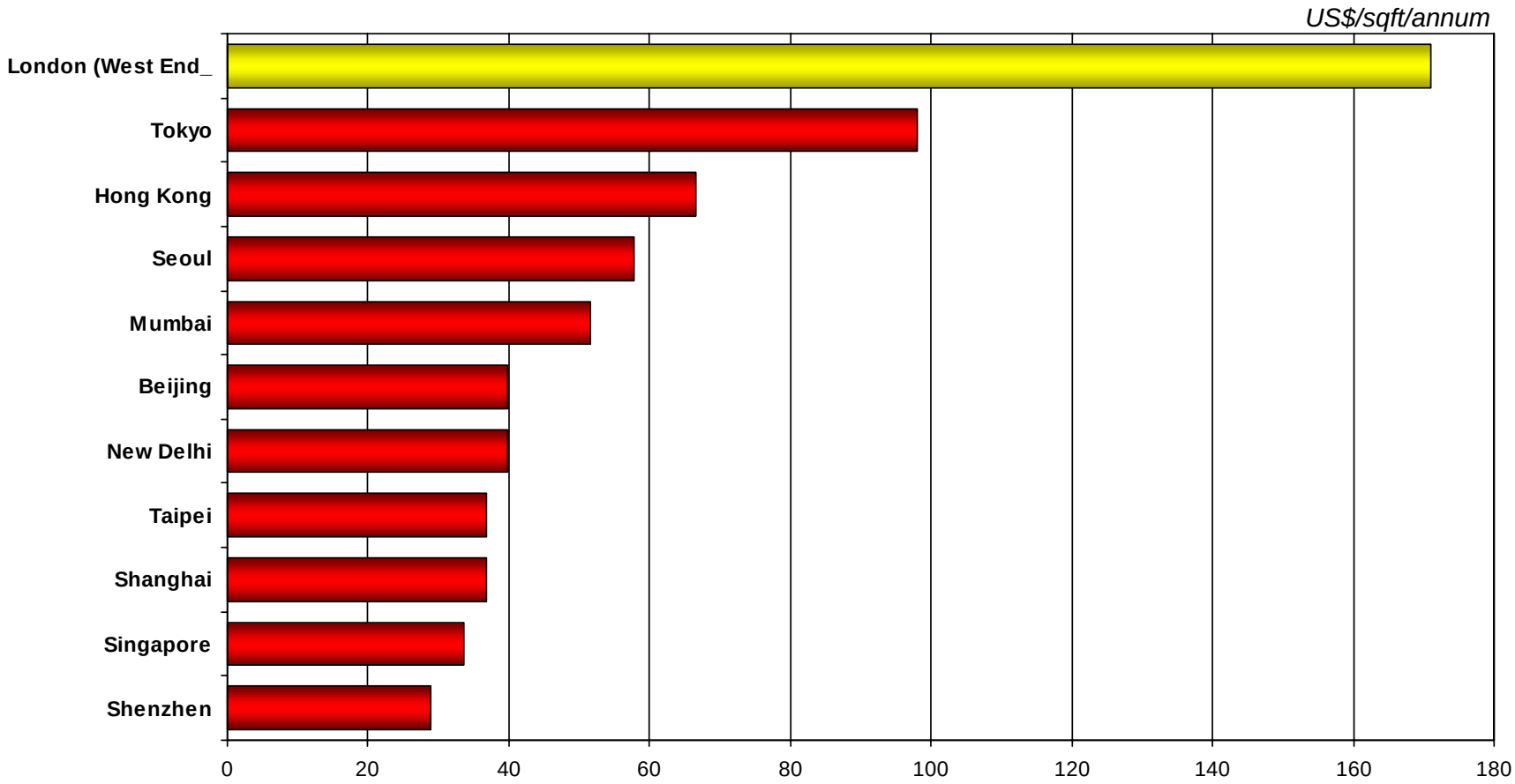
	Australia	Hong Kong	Japan	Singapore
Introduced	*1971*	*Aug 2003*	*Nov 2000*	*May 1999*
Maiden REIT		*Not Yet*	*Sep 2001*	*2002*
Market Cap (USD bn)	*80*	*-*	*20*	*5*
No. of REITs	*50*	*0*	*17*	*5*
Minimum Dividend	*90%*	*90%*	*90%*	*90%*
Gearing Limit	*No limit*	*35% (increase to 45% in 06/2005)*	*No limit*	*35%*
Real Estate Investment	*>50% of revenue*	*90%*	*75%*	*70%*
Foreign Assets	*Yes*	*No to Yes in 06/05*	*Yes*	*Yes*
Development	*Yes*	*No*	*No*	*No*
Tax Transparency	*Yes*	*No*	*Yes*	*Yes*

Source: DTZ Research

Priority Reasons for Foreign Real Estate Investment

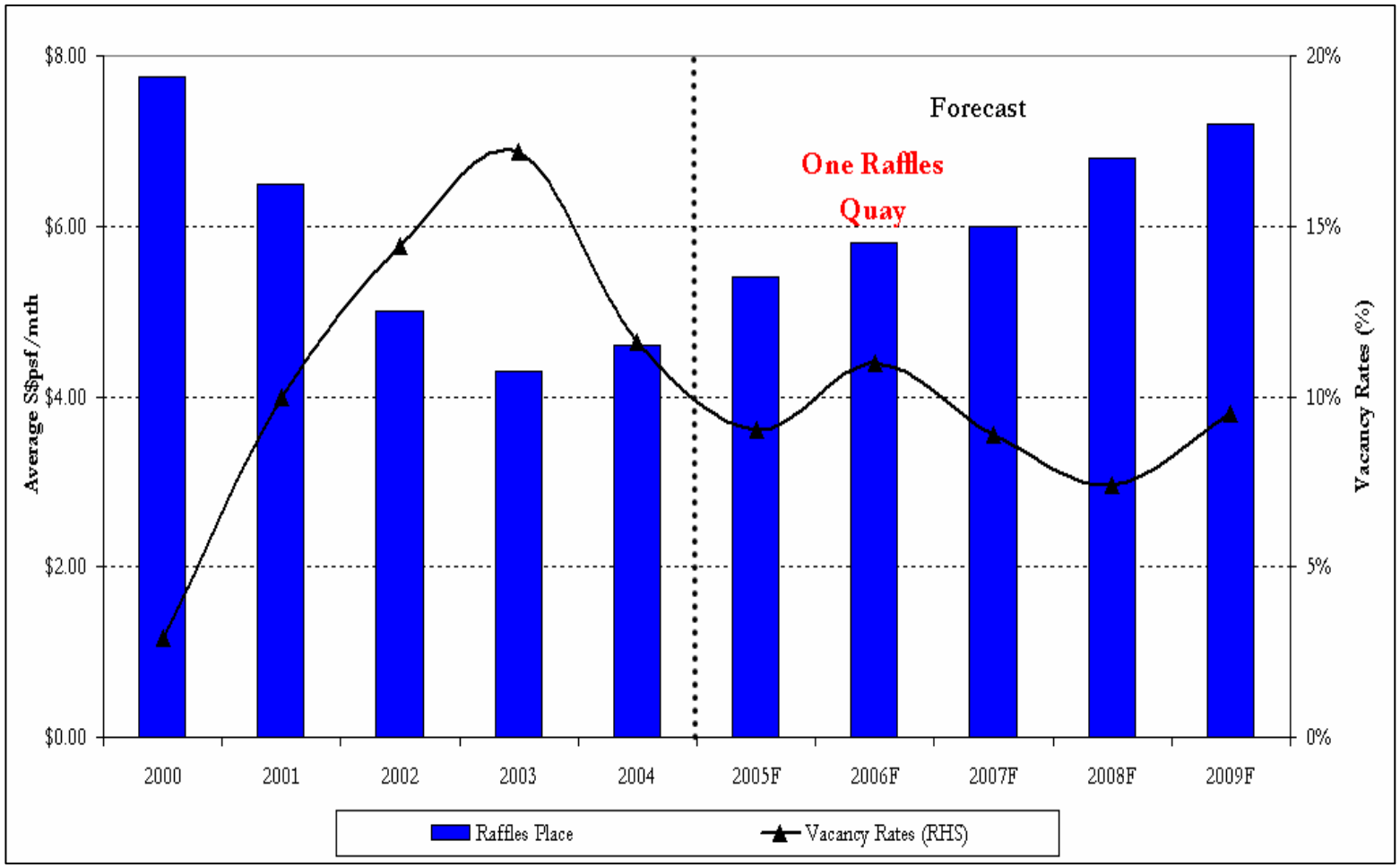


Top 10 Asian Total Office Occupancy Costs

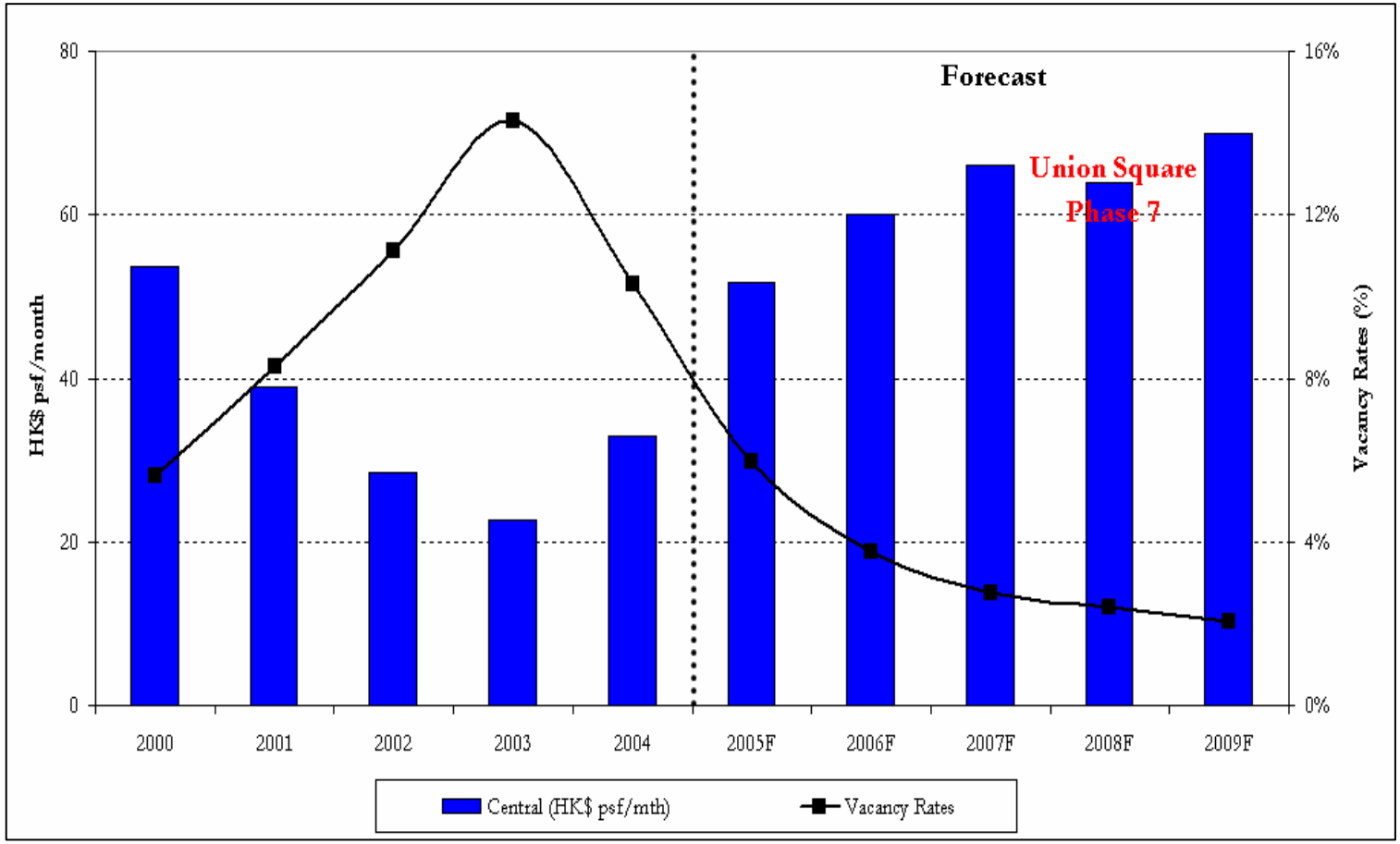


Source: DTZ Research

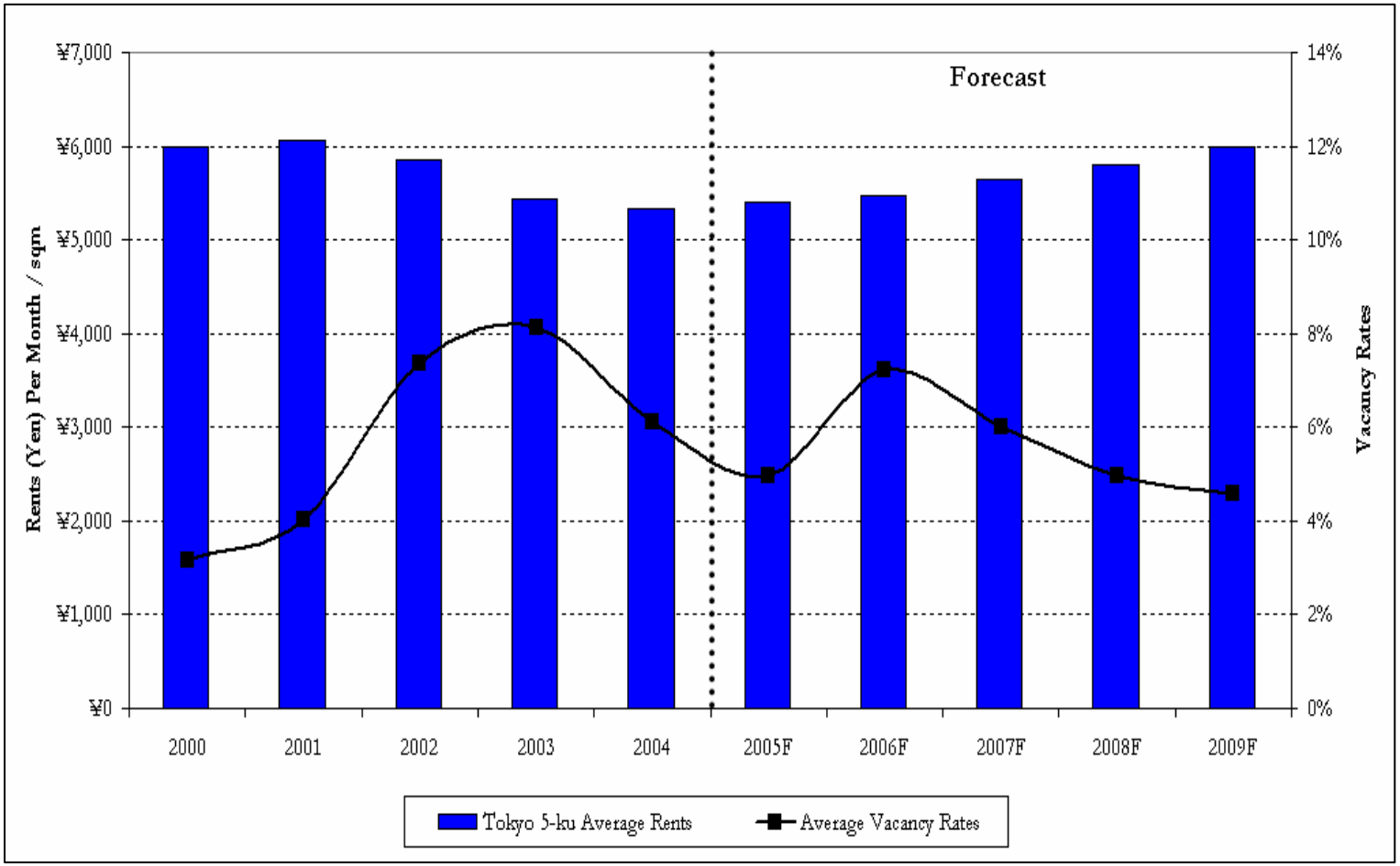
Singapore Raffles Place Rent and Vacancy Rate Forecasts



Hong Kong Central Grade A Office Net Effective Rent and Vacancy Rate Forecasts

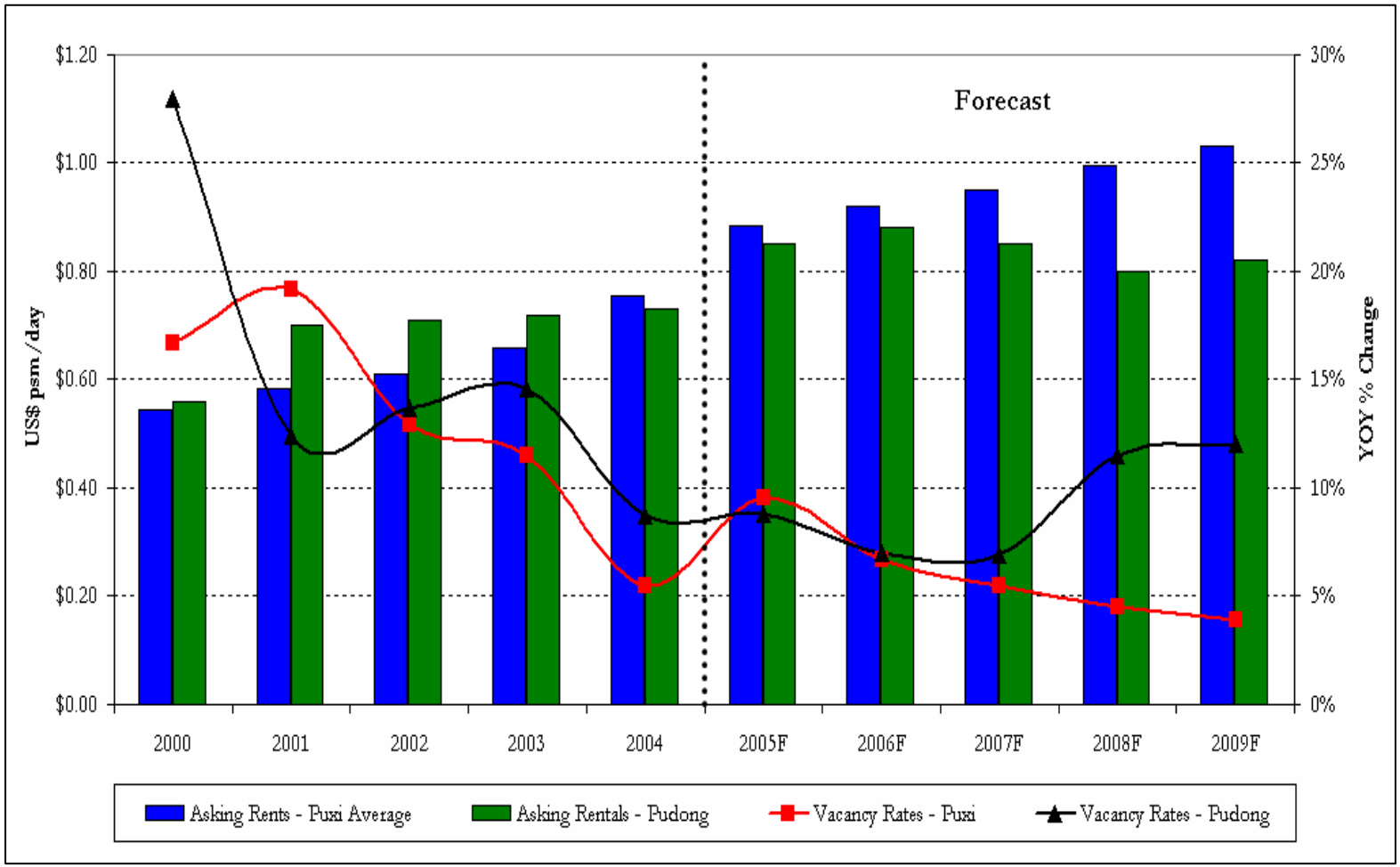


Tokyo 5-ku Average Office Rent and Vacancy Rate Forecasts



Source: Miki Shoji

Shanghai Grade A Office Rents and Vacancy Rate Forecasts



Beijing Grade A Office Rent and Vacancy Rate Forecasts

