Q1 2007

ASIAN OFFICE MARKET FLASH

CBRE RESEARCH

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REGIONAL MARKET OVERVIEW

TABLE OF CONTENTS

PRC-Beijing - Activity was subdued in Beijing's office market in the first quarter of 2007, normally a slow season for office rental and sale transactions, partly because it coincides with the Spring Festival. Average prime office rents continued their steady increase, rising 0.7% q-o-q, to RMB 175.2 psm (US$2.11 psf) per month (gross exclusive). Two new office projects entered operations during the quarter: China Central Place (Towers 1 and 2) to the east of the CBD, and Beijing Financial City B (Bank of Beijing) in Finance Street. As a result of the 1.6-million sf of new supply, the prime office vacancy rate rose 0.7 of a percentage point to 12.6% during the quarter.

PRC-Shanghai - Average office rents continued to trend north in the first quarter of 2007, increasing 2.5% q-o-q to RMB 203.9 psm (US$2.45 psf) per month. Grade A rent has reached RMB 314.4 psm (US$3.78 psf) per month, up 2.3% from the end of 2006, while Grade B rent also increased 2.7% q-o-q to RMB 172.1 psm (US$2.07 psf) per month. As no new supply came on stream during the quarter, available space was rapidly absorbed and there was significant pre-commitment activity. The citywide vacancy rate tightened 2.1 percentage points q-o-q to 5.6%.

PRC-Guangzhou - Office leasing transactions continued to be driven by relocation or expansion of MNCs, with the IT and banking industries dominating the active Grade A office market. Teem Tower opened during the quarter, positioned itself as a premium Grade A facility. Tenants of Teem Tower include Siemens, which rented three floors totaling 73,200 sf as its South China headquarters, and Adidas (24,400 sf). The Yuexiu District was also a focus of activity for overseas enterprises.

PRC-Hong Kong - Demand for prestigious office space in Central remained strong, with limited stock available in premium Grade A buildings such as IFC, Cheung Kong Center, Chater House and AIG Tower. The CBD has witnessed rapid rental growth as a result of persistent demand, especially from the banking and hedge fund sectors. For example, during the period under review a hedge fund committed to 5,000 sf in Two IFC at an effective rent of HK$170 (US$21.8) psf per month (lettable).

Taiwan-Taipei - No new office buildings were completed in Taipei in the first quarter of 2007, and none are expected until 2008, when most of the new space will be reserved for self-use. Though take-up declined slightly from the high level recorded in the fourth quarter, demand remained strong. Most major prime buildings are at full occupancy, and KPMG and ING Life's moves into Taipei 101 pushed it to over 70% occupancy. Grade A rents edged upward during the quarter and vacancy tightened, trends expected to continue for the remainder of 2007.

Japan-Tokyo - A shortage of prime office space and robust tenant demand continued to drive rents north, further reinforcing the strong position of Tokyo's landlords during the review period. Average prime market rents, inclusive of common area management fees, reached JPY 56,750 per tsubo (US$13.51 psf) per month, an increase of 2.7% q-o-q and 24.7% y-o-y. Four Grade A office buildings, totalling 2.3 million sf of net leasable space, opened at full occupancy during the quarter. The Grade A vacancy rate continued to tighten, falling by 0.7 of a percentage point to 0.7%.

South Korea-Seoul - Rents increased 1.3% q-o-q in Seoul's Grade A office market in the first quarter of 2007, due largely to the annual rent adjustment at the beginning of the year. Four new buildings with a total of nearly 1.68 million sf of office space entered operation during the quarter. While the Samsung Sunhwa 2 Building was reserved for self-use, the other three buildings are 100% for lease and the market is actively absorbing the space. Despite the new stock and tenant movements to new buildings, vacancy rates remained low due to high demand.

India-New Delhi - The rental and capital values of commercial properties continued to move upwards in the first quarter of 2007, reaching new highs across Delhi and the National Capital Region (NCR). Given the limited availability of office space in the CBD, the movement to the suburbs, especially Gurgaon and Noida (in order of preference), is expected to continue through at least the medium term. The NCR market remains a preferred corporate destination, especially among IT/ ITES companies.

India-Mumbai - Vacancy in the CBD reached 2.1%, another record low in the first quarter. Space in prominent buildings freed by movements to other micro-markets was rapidly absorbed, largely by financial institutions seeking stopgap space as they consolidate in other areas.

The only new office building in the pipeline in the CBD, Thapar House at Fort, has been fully committed, with Tata Motors taking the entire building (approximately 85,000 sf) except for one floor, to be occupied by BNP Paribas.

India-Bangalore - The prime office supply crunch in Bangalore's CBD continued, due in part to the scarcity of land with clear titles. Most developers now prefer to lease buildings upon completion in order to achieve higher rentals. Rents quoted in the CBD increased by over 15.4% q-o-q in the first quarter of 2007, with most sizeable transactions involving space released as leases expired. The quarter's prominent transactions included Curam Software (40,000 sf), PWC (60,000 sf), Athimi (12,000 sf), AT&T (12,000 sf) and UT Star (4,500 sf).

Indonesia-Jakarta - Jakarta's office market was active in the first quarter of 2007. Though some companies have left the CBD for secondary areas, vacancy remained steady due to relocations and expansion in the CBD. Companies are also expanding in, and relocating to, secondary areas, most notably Jl. TB Simatupang in South Jakarta.

Several CBD projects are in the finishing stage, and these new projects, including Satrio Tower, Menara Karya and Senayan City, will add approximately 1.2 million sf of office space over the next quarter.

Malaysia-Kuala Lumpur - Kuala Lumpur's prime office leasing market was fairly active in the first quarter, with large-scale occupations of office buildings completed in 2006. No new prime office space will be released onto the market in 2007. Notable leasing transactions within the quarter included TSH Resources Sdn Bhd moving into its new headquarters in Menara TSH, located in the fringe area of Damansara Heights, while Perbadanan Usahawan Nasional Berhad took up 45,000 sf in Plaza Sentral's Block 1B.

Philippines-Manila - The BPO/call centre sector is expected to continue to drive growth in the Metro Manila office market. The sector is expected to grow 33% in terms of seat number in 2007, spurring demand for office space among BPO/call centre companies. In the Makati CBD, strong demand and limited supply have led to further rental increases, prompting many call centre companies to leave Makati for alternative CBDs such as Eastwood and Alabang in search of cheaper space.

Singapore - The leasing market remained active in the first quarter of 2007 in spite of the tight supply situation and vacated space was quickly taken-up. Expansion in the financial sector continued to dominate leasing deals. Although the SIF Building (59,000 sf) was completed early this quarter, it provided little respite to the tight availability situation. As a result, prime office rent rose to an average S$8.60 (US$5.66) psf per month, an increase of 10.1% q-o-q and 53.6% y-o-y.

Thailand-Bangkok - The prime office market in Bangkok remained sluggish due to the ongoing political instability and the uncertainty over policies on foreign investors. Demand was weak as many companies took "wait and see" attitude. Net take-up of prime office space shrank to 59,000 sf in the first quarter of 2007, versus the average 200,000 sf of quarterly absorption recorded in 2006. Rental rates dropped slightly for the first time since 2000. The total supply of prime office space in Bangkok remained unchanged for the fourth consecutive quarter, with the last new completion in the first quarter of 2006.

Vietnam-Ho Chi Minh City - Ho Chi Minh City's office market continued to grapple with pent-up demand in the first quarter of 2007, although 634,430 sf of new non-Grade A office space entered the market, bringing total office supply to 4.8 million sf. Despite the new space, occupancy levels remained at a record high of 97% across all grades. No new Grade A office buildings entered the market during the quarter to satisfy growing demand, with prospective tenants having to wait until the end of the year when the Fideco-VP Bank Tower, expected to be Grade A, is scheduled for completion.

REGIONAL MARKET OVERVIEW

SUMMARY OF PRIME OFFICE RENTS (AS AT Q1 2007)

COUNTRY	CITY	MARKET RENT local measure/month		MARKET RENT US$ psf/month	Quarter-on-Quarter Change	Year-on-Year Change
GREATER CHINA	**Beijing**					
	Jianguomen	RMB 201.2	psm(1)	2.42	1.5%	2.1%
	Zhongguancun	142.8		1.72	-2.2%	1.7%
	Finance Street	192.6		2.32	3.5%	2.9%
	Shanghai					
	Pudong	RMB 217.0	psm(1)	2.61	6.0%	13.1%
	Puxi	200.0		2.40	1.5%	4.9%
	Guangzhou	RMB 91.0	psm(1)	1.09	-0.8%	-0.1%
	Hong Kong	HK$53.68	psf(3)	6.87	7.5%	26.9%
	Taipei	NT$2,333	pping(2)	1.99	1.0%	2.8%
JAPAN	**Tokyo**	JPY 50,750	ptsubo(3)	12.08	3.0%	28.5%
SOUTH KOREA	**Seoul**					
	CBD	KRW 86,306	ppyung(1)	2.58	1.7%	2.7%
	Gangnam	68,786		2.06	0.4%	2.2%
	Yeouido	54,208		1.62	1.8%	2.8%
INDIA	**New Delhi**					
	Connaught Place	INR 275.0	psf(1)	6.33	10.0%	83.3%
	Gurgaon	75.0		1.73	0.0%	97.4%
	Mumbai					
	Nariman Point	INR 320.0	psf(1)	7.36	14.3%	52.4%
	Bandra Kurla Complex	285.0		6.56	14.0%	111.1%
	Bangalore	INR 75.0	psf(1)	1.73	15.4%	38.9%
INDONESIA	**Jakarta**	IDR 76,950	psm(6)	0.78	7.8%	7.8%
MALAYSIA	**Kuala Lumpur**	RM 5.2	psf(4)	1.50	4.0%	15.6%
PHILIPPINES	**Manila**	PHP 900	psm(3)	1.73	6.7%	47.5%
SINGAPORE	**Singapore**	S$8.60	psf(4)	5.66	10.1%	53.6%
THAILAND	**Bangkok**	THB 741	psm(4)	1.97	-0.3%	5.3%
VIETNAM	**Ho Chi Minh City**	US$40	psm(5)	3.72	21.2%	33.3%

(1) Gross rent excluding service charges / management fees
(2) Gross rent including property taxes but excluding service charges / management fees
(3) Net rent excluding service charges / management fees and property taxes
(4) Net rent including service charges / management fees and property taxes
(5) Net rent including service charges / management fees but excluding VAT
(6) Semi-gross rent excluding service charges / management fees and property taxes

EXCHANGE RATE TO US$ (AS AT 30 MARCH 2007)

PRC	7.73	Japan	118.08	Indonesia	9,125.00	Singapore	1.52
Hong Kong	7.81	South Korea	940.60	Malaysia	3.46	Thailand	35.01
Taiwan	33.09	India	43.47	Philippines	48.25	Vietnam	16,020.00

PEOPLE'S REPUBLIC OF CHINA — BEIJING

MONTHLY RENTAL	VACANCY RATE	NEW SUPPLY
- CBD: RMB 201.2 psm (+1.5%, Q-o-Q) - Zhongguancun: RMB 142.8 psm (-2.2%, Q-o-Q) - Finance Street: RMB 192.6 psm (+3.5%, Q-o-Q)	12.6% (+0.7% pts, Q-o-Q)	1,616,000 SF (Q1 07)

The first quarter is the slow season in the office market, and net take-up of prime office space during the quarter declined to about one million sf. However, the average rental of prime office space continued to increase, rising 0.7% q-o-q to RMB 175.2 psm (US$2.11 psf) per month (gross exclusive).

Two office buildings entered the market during the quarter, namely China Central Place (Towers 1 and 2) in the CBD and Beijing Financial City Tower B in Finance Street. China Central Place, offering 1.3 million sf of office space, was acquired by Japanese fund Re-plus in 2006. With a total GFA of 721,200 sf, Beijing Financial City B is owned by Bank of Beijing, which is offering 322,920 sf of office space for rent and is holding the remaining space for self-use. The vacancy rate increased 0.7 of a percentage point to 12.6% during the quarter.

Tenants are increasingly considering building quality in addition to location. In the CBD, the market welcomed China Central Place for its higher quality, while some tenants with long-term plans are showing interest in upcoming premium office buildings such as the Excel, Prosper Centre and Beijing World Finance Centre.

Many companies are now actively seeking office space, including those taking more office space in line with business expansion, examples include AT&T, which moved from China World Trade Centre West Building to a larger office in the Tower 1 of the same project.

About 1.6 million sf of prime office space is scheduled for completion in the second quarter of 2007. Supply will peak during the second half of the year, with most new space concentrated in the CBD and Finance Street, placing pressure on the rents and prices of some projects in these areas.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
China Resources Building	Dongcheng	6,650	SoGen
China Resources Building	Dongcheng	1,600	SOGECAP
Air China Plaza	Chaoyang	2,150	Medrad

PEOPLE'S REPUBLIC OF CHINA — SHANGHAI

MONTHLY RENTAL	VACANCY RATE	NEW SUPPLY
- Pudong: RMB 217.0 psm (+6.0%, Q-o-Q) - Puxi: RMB 200.0 psm (+1.5%, Q-o-Q)	5.6% (-2.1% pts, Q-o-Q)	NIL (Q1 07)

The opening of China's retail banking sector in December 2006 appears to have given office rents in Pudong a further boost. In the first quarter, Pudong office rents increased by 6% q-o-q to RMB 217 psm (US$2.61 psf) per month. Rents also increased in Puxi, rising by 1.5% to RMB 200 psm (US$2.4 psf) per month. No new projects were launched during the quarter while demand remained strong, with net take-up reaching 1.36 million sf for the quarter, leading to a 2.1-percentage point q-o-q drop in vacancy to 5.6%.

The average prime office rent in the Lujiazui CBD, one of China's leading financial districts, has exceeded RMB 243.3 psm (US$2.92 psf) per month, the highest rate among the office submarkets. The rental growth is backed by tight vacancy, currently below 2%, and strong demand driven by both financial institutions and manufacturers establishing their headquarters in the sub-market. During the first quarter Deutsche Bank took up 11,800 sf of space in the Azia Centre, and Bayer leased 26,900 sf of space in the Citigroup Tower, both of which properties are situated in Lujiazui. Scarcity of available space and pent-up demand in Lujiazui have made tenants consider other locations in Pudong.

Major office sub-markets in Puxi also recorded a number of significant deals. In the Nanjing West Road area Merck & Co, currently settled in United Plaza, has pre-committed to 81,800 sf in Park Place, slated for completion in 2007. Two law firms, Norton Rose and Weil, Gotshal & Manges respectively took up 11,840 sf and 26,920 sf in 2 Plaza 66.

In 2007, about 7.75 million sf of new space is expected to come on stream, the largest amount since 1999. This large amount of new space is not projected to exert great downward pressure upon rents however, due to strong level of support from demand drivers. The overall vacancy level is forecast to reach 7.5-8.5% at the end of 2007, up slightly from the current 5.6%.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Park Place	Jing'an	81,800	Merck & Co
Citigroup Tower	Pudong	26,900	Bayer
K. Wah Centre	Xuhui	21,500	Micron

PEOPLE'S REPUBLIC OF CHINA GUANGZHOU

MONTHLY RENTAL - RMB 91.0 psm (-0.8%, Q-o-Q) | **VACANCY RATE - 17.9% (+2.6% pts, Q-o-Q)** | **NEW SUPPLY - 3,567,700 SF (Q1 07)**

New office supply in Guangzhou exceeded 3.5 million sf in the first quarter of 2007, including the Grade A Teem Tower and Poly International Plaza. The overall vacancy rate increased by 2.6 percentage points to 17.9% on the back of the large quantum of new space released. The addition of new Grade B office buildings quoting at lower rental levels pulled average office rent down slightly to RMB 91.0 psm (US$1.09 psf) per month, a 0.8% drop q-o-q. Meanwhile new Grade A offices revised their asking rents upwards during the quarter.

The formal implementation of the restriction on commercial use of residential property in 2005 significantly increased demand for Grade B office space, which had not been fulfilled until recently, when developments with small office units came onto the market. Developments targeted at small- and medium-sized enterprises, including the Peace Commercial Centre in the Haizhu District and the Jinbin Tengyue Building in Pearl River New City, supply flexible unit sizes ranging from 50 to 200 sm (540-2,150 sf) and have seen strong leasing activity.

Grade A vacancy in Tianhe Sports Centre, supported by strong demand from MNCs, tightened to 6% during the quarter. The tightening availability has prompted many enterprises seeking larger size office accommodation to consider Pearl River New City, Guangzhou's new emerging CBD.

New supply during the remainder of the year will be dominated by Grade A projects, including the R&F Centre, China Shine Plaza, China International Centre and Victory Plaza, bringing on stream total new supply exceeding one million sm (10.8 million sf). A series of Grade B buildings will also be released. The rapid increase in Grade A supply is expected to lead to intense rental competition and upward pressure on vacancies by year-end 2007 and well into 2008.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Guangdong Telecom Plaza	Yuexiu	27,450	Wanlian Securities
Teem Tower	Tianhe	73,200	Siemens
Teem Tower	Tianhe	24,400	Adidas

PEOPLE'S REPUBLIC OF CHINA HONG KONG

MONTHLY RENTAL - HK$53.68 psf (+7.5%, Q-o-Q) | **VACANCY RATE - 4.0% (+0.1 pts, Q-o-Q)** | **NEW SUPPLY - NIL (Q1 07)**

Strong expansionary demand from the financial sector is maintaining vacancy rates in the CBD at low levels and exerting upward pressure on rents, which are being quoted at record highs. Two more tenants committed to the newly completed York House in Central during the first quarter, with Providence Equity Partners leasing 8,200 sf for a six-year term while DE Shaw & Company took 5,600 sf.

Some Central tenants are making tentative plans to move to new buildings nearing completion, especially the International Commerce Centre (ICC) at Kowloon Station (Phase I opening late 2007), and One Island East in Quarry Bay, scheduled to open in March 2008. The two projects are attracting considerable pre-commitment interest, and this is likely to continue throughout 2007.

The looming supply of quality buildings in East Kowloon is also providing more options for tenants, and the area's emergence as a commercial hub is exerting downward pressure on rents in non-core commercial areas.

However space in Central remains the most sought-after, despite the high rental levels, and the small drop in take-up witnessed over the quarter is entirely attributable to lack of available space. Demand from the financial sector is expected to remain strong and Central will remain extremely tight for Grade A space over the near term.

The record high level of rents in the core CBD is acting to continue to accelerate the decentralisation process, and given the limited availability of quality stock in the CBD market we expect activity in non-core business areas to increase further in 2007.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Two IFC	Central	23,000	Lehman Brothers
Central Tower	Central	22,500	White & Case
Gloucester Tower	Central	18,500	Fried Frank

Note: CBRE Research Hong Kong conducted a review on the gradation of office buildings and revised the office property basket in the first quarter of 2007 accordingly.

TAIWAN TAIPEI

MONTHLY RENTAL - NT$ 2,333 pping (+1.0%, Q-o-Q) | **VACANCY RATE - 11.6% (-1.8% pts, Q-o-Q)** | **NEW SUPPLY - NIL (Q1 07)**

The Grade A office market has entered a tighter phase of the property cycle, with vacancies dropping to 11.6% in the first quarter of 2007 from 13.4% in the fourth quarter of 2006.

The net take-up of Grade A office space in the first quarter of 2007 declined to 275,800 sf, while the average vacancy rate declining to 11.6%. The level of demand has continued to rise, driven predominantly by financial institution occupiers. Net take-up in the Xinyi-Jilong Area accounted for more than 85% of citywide net take-up. Among Grade A buildings, Taipei 101 witnessed the most dramatic increases in space absorbed. As more companies have shown a willingness to pay a premium for quality office facilities, it is likely that demand will continue to drive the office market for some time, keeping the vacancy rate steady at around or below 10%.

The average achievable rent for Grade A office rose to NT$2,333 per ping (US$1.99 psf) per month in the first quarter, reflecting a quarterly increase of 1%.

Looking forward, a significant number of new office buildings will be completed between 2008 and 2010. However most of this new space will be reserved for self-use and little will reach the leasing market. With the robust level of demand for quality office accommodation and the majority of office space under development to be held for self-use, the average rent for Grade A properties is expected to rise at a steady rate in the short-to medium-term. In the Grade B office market, changes in achievable rentals have not been significant in recent quarters.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Uni-President International Building	Xinyi	47,700	Motorola
Shin Kong Manhattan World Trade Building	Xinyi	11,700	Prudential Financial
Taipei 101	Xinyi	1,950	D&G

JAPAN TOKYO

MONTHLY RENTAL - JPY 50,750 ptsubo (+3.0%, Q-o-Q) | **VACANCY RATE - 0.7% (-0.7% pts, Q-o-Q)** | **NEW SUPPLY - 2,312,000 sf (Q1 07)**

Four new Grade A office buildings totalling approximately 2.3 million sf of net leasable area entered the office market during the first quarter. This marked the largest volume of new supply since the so-called "2003 problem" when 7.8 million sf of Grade A office space was completed during the first half of the year alone. However, unlike 2003, when landlords offered attractive rents and incentives to attract occupiers, the latest developments have been released into an environment where demand for high specification office space outstrips supply. JR East's Sapia Tower and the three office buildings forming part of Mitsui Fudosan's Tokyo MidTown Complex were all fully leased prior to their March openings. The tight market conditions are also reflected in the quarter's Grade A office vacancy rate, which contracted by 70 basis points q-o-q to 0.7%, after briefly rebounding above the 1% level during the second half of 2006. The vacancy rate for all-grade office buildings in Tokyo's central five wards dropped to a 16-year low of 1.8% during the quarter.

In addition to a steady stream of existing office occupiers wishing to upgrade accommodations and expand operations, demand in the first quarter was also supplemented by a growing trend of new office openings by financial companies, particularly hedge funds.

With the market firmly in their favour, landlords of prime office buildings are increasingly pushing for fixed-term leases, which give them greater control over occupier tenure and rental discussions. Average prime market rents inclusive of common area management fees for new lettings in the Marunouchi/Otemachi/Yurakucho districts reached JPY 56,750 per tsubo (US$13.51 psf) per month, marking an increase of 2.7% q-o-q and 24.7% y-o-y.

With the remainder of 2007's circa 3.7 million sf of new Grade A supply heavily pre-committed, we expect rental growth in both new and existing Grade A properties to persist through 2007 and into 2008.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Grand Tokyo North Tower	Chiyoda-ku	111,600	BNP Paribas
Think Park Tower	Shinagawa-ku	96,000	Motorola
Art Village Osaki Central Tower	Shinagawa-ku	30,000	Tomoe Engineering

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SOUTH KOREA SEOUL

MONTHLY RENTAL - CBD: KRW 86,306 ppyung (+1.7%, Q-o-Q)
- Gangnam: KRW 68,786 ppyung (+0.4%, Q-o-Q)
- Yeouido: KRW 54,208 ppyung (+1.8%, Q-o-Q)

VACANCY RATE* - 1.8% (+0.1% pts, Q-o-Q)

NEW SUPPLY * - 1,675,500 SF (Q1 07)

The launch of a number of new Grade A buildings had little impact on the tight vacancy in Seoul's Grade A office market. Three CBD office projects, M Tower, the Samsung Sunhwa 2 Building, and STX Namsan Tower, provided over 1.3 million sf of space, about 90% of which was occupied by the end of March. In Yeouido, the Saewoo Corporation Building was launched with full occupancy.

The Grade A office market was stable in the first quarter, with the space released by the new buildings having little effect on market rents in Seoul's three primary business districts. Average office rent edged up 1.3% q-o-q in the first quarter, due largely to the annual rent adjustment, as rates in most Grade A buildings remained unchanged. Grade A office rent in the CBD posted a 1.7% q-o-q increase for the quarter to record at KRW 86,306 ppyung (US$2.58 psf) per month, while rentals in the other two business districts, Gangnam and Yeouido, increased 0.4% and 1.8% respectively to KRW 68,786 ppyung (US$2.06 psf) and KRW 54,208 ppyung (US$1.62 psf).

The overall vacancy rate in Seoul remained extremely low, recording at 1.8% despite the large pocket of new supply hitting the market during the review period. Vacancy rates in the CBD and Gangnam are especially low; and considering frictional vacancy of about 1% for relocations, the office market in major districts remains extremely tight.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Gangnam Finance Center	Gangnam	74,700	Nike
Gangnam Finance Center	Gangnam	56,700	Google
Jongno Tower	CBD	41,600	Yoongjin Happyall

** The figures refer to Grade A office markets in the three major office districts in Seoul, including CBD in Chung Gu, Gangnam and Yeouido.*

INDIA NEW DELHI

MONTHLY RENTAL - CBD: INR 275 psf (+10.0%, Q-o-Q)
- Gurgaon: INR 75 psf (+0.0%, Q-o-Q)

VACANCY RATE* - 5.0% (-1.0% pts, Q-o-Q)

NEW SUPPLY* - NIL (Q1 07)

The supply-demand imbalance in 2006 led to heavy pre-leasing activity to secure space due to enter the market in 2007, with IT, ITES and BPO companies most active. Rental and capital values across all micro markets in the NCR are expected to continue to appreciate given the shortage of supply amid soaring demand. Amidst the lack of new stock, vacancy in the CBD continued to shrink to 5% during the quarter, falling one percentage point q-o-q. Average rentals in the CBD increased 10% q-o-q to INR 275 (US$6.33) psf per month.

The new Master Plan for Delhi 2021 released by the Government in February, though it remains subject to further approval, is expected to open up more supply. The new plan will allow mixed land use in residential areas, thus permitting residential buildings to be converted to commercial uses. This would provide an alternative to the large-scale shift to Gurgaon and Noida in the long term.

The peripheral markets are buoyant, with sustained demand from the IT/ITES, insurance, banking and corporate sectors. The trend towards pre-commitment is expected to continue, since buildings in the new growth corridors of Sohna Road and Manesar will not be ready for occupation for some time.

Rental and capital values are expected to be stable and no significant correction is expected in the short- to medium-term. Notable transactions in Gurgaon included Aviva Insurance taking up approximately 80,000 sf in Statement, DE Shaw and GlaxoSmithKline taking space on Golf Course Road, and rentals by PWC, Deloitte and Honeywell.

Key transactions in Noida included IBM and Samsung taking space in the Corenthum, as well as leases by Tech Mahindra (approximately 100,000 sf) and Birla Soft (approximately 130,000 sf).

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Unitech Info space	Gurgaon	100,000	Ernst & Young
DLF 9B	Gurgaon	80,000	Honeywell
The Corenthum	Noida	100,000	IBM

** The figures refer to the Connaught Place CBD area only.*

MONTHLY RENTAL - CBD: INR 320 psf (+14.3%, Q-o-Q)
- Bandra Kurla: INR 285 psf (+14.0%, Q-o-Q)

VACANCY RATE* - 2.1% (-0.7% pts, Q-o-Q)

NEW SUPPLY* - NIL (Q1 07)

While rental and capital values continued to increase across micro-markets, rental increases were steeper in some districts. Both the CBD and the Extended Business District (Worli) saw leasing transactions with rentals above INR 400 (US$9.2) psf per month (gross, exclusive) in premium buildings. Similarly, rentals in the Peripheral Business District of Powai have now crossed INR 100 (US$2.3) psf per month, up about 16% q-o-q.

Capital values in the Alternate Business District of Bandra Kurla Complex (BKC) also reached new highs, with the British Deputy High Commission acquiring the top three floors of Naman Centre (approximately 42,000 sf), currently under construction, for US$792.6 psf or a total consideration of US$33.3 million. Along with the construction of several five-star hotels and the growing number of large domestic and MNCs considering the district, the transaction highlighted BKC's growing prominence and its emergence as Mumbai's new CBD.

The rise of BKC also supports a high level of land sale activity, including the recent purchase of a two-acre plot located in Kalina, on the periphery of the BKC. Orbit Constructions acquired the plot for US$75.4 million from Gujarat Ambuja Cement at auction. Three BKC plots will be offered at auction by the end of April and the Mumbai Metropolitan Region Development Authority, the statutory body which owns the land in BKC, has set the reserve price at nearly double the level seen during last year's auction.

Another significant event was the Central Government's imposition of a service tax (currently set at 12.24%) on commercial rentals from 1 April 2007. This is likely to considerably increase tenant expenses as landlords are expected to pass on the tax burden to their tenants. However, the new tax is being challenged in the courts.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Thapar House	Fort (CBD)	85,000	Tata Motors
Silver Metropolis	Jogeshwari (SBD)	70,000	Tata Consultancy Services
Silver Metropolis	Jogeshwari (SBD)	45,000	Bharti Airtel

** The figures refer to the Nariman Point CBD area only.*

INDIA BANGALORE

MONTHLY RENTAL - INR 75 psf (+15.4%, Q-o-Q)

VACANCY RATE - 2.2% (-2.6% pts, Q-o-Q)

NEW SUPPLY - 45,000 SF (Q1 07)

Quoted rentals for warm-shell office buildings increased in most regions of Bangalore, with rentals increasing by 15% to 25% q-o-q. However, rental rates in Whitefield, the key suburban growth corridor, have remained stable in spite of oversupply, due to MNCs such as Accenture and IBM committing to large spaces in this micro-market.

In the first quarter of 2007, about 207,260 sf of prime office space was absorbed in the CBD, while only 45,000 sf of new supply was released in the precinct. The vacancy rate in the CBD fell to 2.2% from the previous quarter's 4.8%. However, a substantial amount of supply is expected to re-enter the market later this year, as several leases will expire later in 2007.

Rental rates in the CBD increased by 15.4% q-o-q, with current rents for warm-shell space ranging between US$1.60-1.80 psf per month for prime buildings. The low availability of quality supply in the CBD has forced companies to consider non-CBD and suburban locations to meet their office space requirements. Rental rates in these locations have therefore increased, with the exception of Whitefield. However, companies already located in the CBD have typically preferred to expand in the CBD where possible. PWC, currently located on multiple floors in an old building, is now consolidating their presence in a prime building in the same area. Curam Software has committed to an additional 40,000 sf of space in their present location.

A small number of buildings are currently under construction in the CBD and should be completed in three to four months. Given the current supply-demand situation, rentals are expected to increase by at least 8-10% in the second quarter of 2007.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
RMZ Millennia	CBD	60,000	PWC
RMZ Millennia	CBD	40,000	Curam Software
Embassy Icon	CBD	25,000	Google

INDONESIA — JAKARTA

MONTHLY RENTAL - IDR 76,950 psm (+7.8%, Q-o-Q) | **VACANCY RATE - 14.8% (+0.6% pts, Q-o-Q)** | **NEW SUPPLY - 1,188,700 SF (Q1 07)**

The new office buildings entering the market in 2007 will increase competition for tenants, placing pressure on rents. However, in the first quarter, the rental rate increased by 7.8% q-o-q to IDR 76,950 psm (US$0.78 psf) per month, while service charges for building management in the CBD also rose, increasing by 2.6% q-o-q to IDR 50,500 psm per month. The rise in rent and service charges was almost entirely confined to newer buildings, while management of older buildings have not increased service charges in order to retain tenants.

While the CBD remains the most prestigious district in Jakarta, ease of access is becoming an increasing factor in location decisions, due to the city's perennial traffic jams. Some new entrants have chosen to establish offices in secondary areas, while other companies are relocating offices from the CBD to secondary areas, primarily Jl. TB Simatupang.

New office buildings opening in secondary areas have supported their emergence as business districts. Office projects in the pipeline in Jl. TB Simatupang include the Petrosea Tower, Oleos Tower and Cilandak Office Park.

In the CBD, a number of new projects should be up and running by the end of 2007 or early 2008, including Graha Energi in Jl. Jend. Sudirman, The Plaza on Jl. MH Thamrin, Menara Palma and Menara DEA 2 in the Kuningan area, and the Rasuna Epicentrum and Kota Kasablanka mixed-use mega projects, also in Kuningan.

The vacancy rate in the CBD edged slightly upward in the first quarter, reaching 14.8%, an increase of 0.6 percentage points q-o-q. Net take-up was strong in the period under review, reaching 820,400 sf.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Plaza Marein (Sudirman Plaza 2)	South/Sudirman Area	2,480	A finance company
Plaza ABDA	South/Sudirman Area	4,310	Sun Microsystems
Jakarta Stock Exchange Tower 1	South/Sudirman Area	1,810	Infiny System Indonesia

MALAYSIA (This section is contributed by CH Williams Talhar & Wong) — KUALA LUMPUR

MONTHLY RENTAL - RM 5.2 psf (+4.0%, Q-o-Q) | **VACANCY RATE - 8.3% (-0.6% pts, Q-o-Q)** | **NEW SUPPLY - NIL (Q1 07)**

Kuala Lumpur's prime office leasing market saw a number of large-scale leasing transactions in the first quarter of 2007. Notable leasing market events included TSH Resources Sdn Bhd moving into its new headquarters in Menara TSH, located in Damansara Heights, and Perbadanan Usahawan Nasional Berhad taking 50,000 sf in Plaza Sentral's Block 1B. Net take-up in the first quarter was 156,000 sf.

No new prime office space was released during the period under review and none is scheduled for release in 2007. Four prime projects are in the pipeline for completion in 2008, however two of these buildings, Menara Commerce and KL Pavilion's DBKL Tower, will be entirely owner occupied. The quantum of prime office space to be released onto the leasing market in the near- to medium-term is thus limited. Overall vacancy declined by 0.6 of a percentage point q-o-q to 8.3% due to tightening in supply and upbeat demand.

The services sector continued to be the major driver of demand for prime office space during the period under review, but a spate of expansions and relocations by existing occupiers, including MNCs, were also noted within the quarter.

As a result of the tightening supply of prime office space, the market saw positive rental and capital value growth in the first quarter. Excluding the Petronas Twin Towers, which are leasing at a higher-than-market rental level ranging from RM 9 to RM 12 psf per month, average prime office monthly rentals increased 4% q-o-q to about RM 5.2 (US$1.5) psf per month. Prime capital values edged up by 0.8%, q-o-q, to RM 620 (US$179.3) psf.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Menara TSH	Kuala Lumpur	90,000	TSH Resources Sdn Bhd
Plaza Sentral - Block 1B	Kuala Lumpur	50,000	Perbadanan Usahawan Nasional Berhad
Empire Tower	Kuala Lumpur	24,000	Ranhill Berhad

PHILIPPINES

MONTHLY RENTAL* - PHP 900 psm (+6.7%, Q-o-Q) | **VACANCY RATE* - 1.4% (-0.2% pts, Q-o-Q)** | **NEW SUPPLY* - NIL (Q1 07)**

As the Philippines re-positions itself to become a major centre of global outsourcing, the Metro Manila office market continues to benefit from the strong demand from BPO/call centre companies. The enormous demand from the BPO market in recent years has dramatically increased rents and reduced vacancy levels in the city's major business districts.

The average rent of prime office space in the Makati CBD during the first quarter of 2007 was PHP 900 psm (US$1.73 psf) per month, a 6.7% increase q-o-q. The vacancy rate for prime office space continued to tighten, falling from 1.6% in the fourth quarter of 2006 to 1.4%. Leasing activity remained strong in the Ortigas CBD, with most transactions involving small amounts of space. The average rent for Grade A office space in Ortigas was PHP 465 psm (US$ 0.9 psf) per month.

Aggressive office construction plans are underway in alternative CBDs. In Alabang, Israeli conglomerate Africa Israel Investments Ltd committed to develop BPO buildings and other facilities in Filinvest Development Corporation's 18-hectare Northgate Cyberzone IT Park in Filinvest Corporate City.

Major new completions during the period under review included the Paragon Corporate Center, developed by Intermed Inc Located in Madrigal Business Park, Alabang CBD. The 16-storey building has an 800-sm (8,600 sf) floorplate. Asking rents for the building started at PHP 400 psm (US$0.77 psf) per month.

The Ansons Building, located along ADB Avenue in Ortigas, also came on stream during the quarter. The 12-storey building was developed by Ansons and six floors house the Ansons headquarters, while the remaining six floors have been offered at PHP 350 psm (US$0.67 psf) per month.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Robinsons Cybergate Center	Mandaluyong	116,200	Accenture
JAKA Tower	Makati CBD	75,350	People Support
New Solid House Building	Makati CBD	38,750	Ericsson

** The figures refer to the Makati CBD area only.*

SINGAPORE

MONTHLY RENTAL - S$8.6 psf (+10.1%, Q-o-Q) | **GRADE A VACANCY RATE - 0.4% (-0.4% pts, Q-o-Q)** | **GRADE A NEW SUPPLY - NIL (Q1 07)**

Supply remains extremely tight in the Core CBD as well as in the fringe and decentralised areas, and vacancy is under 5% in most micro-markets. The vacancy rate in Grade A office space reached 0.4%, tightening even further from the rate of 0.8% in the fourth quarter of 2006. The completion of the SIF Building (59,000 sf) provided little respite to the tight availability situation. The market faces the loss of another 915,000 sf of office stock from the redevelopment of UIC Building, Ocean Building, Satnam House and 71 Robinson Road over the next few years.

Leasing deals continued to be dominated by the expanding financial sector, though there were also relocations by law firms and shipping companies. Some forward-looking tenants are also in the advance stages of pre-committing at the Marina Bay Financial Centre (MBFC) Phase 1 Prime office rent rose 10.1% q-o-q and 53.6% y-o-y, to average S$8.60 (US$5.66) psf per month.

In a span of just nine quarters, the market has seen a three-fold rental increase in buildings such as OUB Centre, Singapore Land Tower and Republic Plaza. Occupiers who upgraded in 2002/2003 may be faced with an affordability crunch in upcoming lease renewals/rent reviews, and we could see greater fluidity in the market as tenants seek to contain occupancy costs. Business parks can be expected to see higher levels of interest.

Looking ahead, we expect demand drivers to remain strong, though demand in 2007 may not reach the exceptional level of 2.4 million sf seen in 2006, principally due to the constraints imposed by the lack of new supply and extremely tight vacancy. Some demand is likely to be diverted to business parks and high-tech industrial space.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Samsung Hub	Raffles Place	52,000	Barclays
Republic Plaza 1	Raffles Place	17,000	Latham & Watkins
PSA Building	Alexandra / Harbourfront	15,000	Hanjin Shipping

Note: CBRE Research Singapore conducted a review on the gradation of office buildings and revised the office property basket in the first quarter of 2007 accordingly.

THAILAND BANGKOK

MONTHLY RENTAL - THB 741 psm (-0.3%, Q-o-Q) | **VACANCY RATE - 7.8% (-0.4% pts, Q-o-Q)** | **NEW SUPPLY - NIL (Q1 07)**

The total supply of prime office spce in Bangkok remained unchanged for the fourth consecutive quarter, with the last new office buildings completed in the first quarter of 2006. The next prime office building expected to come on stream is Athenee Tower, slated to enter the market in late 2007.

The demand for prime office space dropped significantly in the quarter under review, due mainly to the continued weakening of investor confidence, the presence of political instability and the unclear resolution of the earlier move to implement the Foreign Business Act. The Bank of Thailand has revised its economic forecast for the country downwards to 3.8-4.8% in 2007 from the earlier level of 4-5%.

Net take-up in the first quarter was recorded at 59,000 sf, a significant decrease of 61.5% q-o-q and 80.8% y-o-y. Many companies are suspending their expansion plans and taking a wait-and-see approach. IT related firms, business services companies and insurance companies continued to have requirements for prime office space, providing some support to the diminished level of office demand.

Amid this less favourable sentiment, some prime office landlords offered additional discounts on rents to maintain high occupancy rates. This resulted in a slight dip of prime office rental to THB 741 psm (US$1.97 psf) per month in the quarter under review, down 0.3% q-o-q. No new prime office supply came on stream during the quarter and the prime office vacancy rate dropped to 7.8%, a slight decrease of 0.4 of a percentage point q-o-q.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
Q House Lumpini	Lumpini	8,900	Cadbury Adams
M Thai Tower (All Season Place)	Lumpini	4,960	Momentive Performance Material

VIETNAM HO CHI MINH CITY

MONTHLY RENTAL - US$40.0 psm (+21.2%, Q-o-Q) | **VACANCY RATE - 0.0% (-0.0% pts, Q-o-Q)** | **NEW SUPPLY - NIL (Q1 07)**

In the first quarter of 2007, 634,430 sf of new office space came on stream, with only three of the new buildings of Grade B quality: Saigon Finance Centre (Dinh Tien Hoang St, District 1), Petro Vietnam (Le Duan St, District 1) and E-Town 2 (Cong Hoa St, Tan Binh District). Reflecting the strength of pent-up demand, the new buildings were approximately 85% occupied by the end of the first quarter.

Due to the continued shortage of supply, prime office rental levels continued to rise, increasing by approximately 33% y-o-y, and office space becoming available in prime buildings in the CBD was quickly absorbed.

At the end of the first quarter, Grade A rents had increased to approximately US$40 psm (US$3.72 psf) per month, including service charge and excluding 10% VAT. The current asking rents of Grade B+ office buildings in the CBD are US$30 psm (US$2.79 psf) per month (excluding service charge and VAT).

Location remains overridingly important in the Ho Chi Minh office market. However with the acute shortage of quality office space in the CBD, even lesser quality buildings have now reached full occupancy, although rents in buildings outside the CBD are approximately 20-30% lower.

Despite a number of smaller buildings slated to come on stream in the near future, office supply will continue to trail the strong demand in Ho Chi Minh City and asking rents for major office buildings in the CBD are therefore expected to rise further in the run up to 2008.

MAJOR LEASING TRANSACTIONS IN Q1 2007

Property	District	Size (sf)	Tenant
E - Town II	Tan Binh	61,400	Diethelm
Saigon Finance Centre	1	8,800	Premier Oil
Saigon Finance Centre	1	4,300	ICA

PRIME OFFICE PROPERTIES

Modern office facilities with exceptional accessibility and a definite market presence along with high-quality standard finishes; state-of-the-art systems, flexible layout and large floor pates; effective central air-conditioning; good management and parking facilities are normally available.

TOTAL OCCUPANCY COST

Total occupancy cost reflects all costs of occupancy, including base rent and other occupancy-related expenses such as service charges/ management fees, property taxes and the opportunity cost of any large deposit paid to landlords on the commencement of the lease term. This corresponds to "inclusive" rents in most of the Asian markets or "gross" rents in the Australia/New Zealand markets.

For comparison purposes and taking into the account the differences in space measurement and rent quotation in various markets in the Asia Pacific region, the total occupancy cost figures in our publication are calculated on a net lettable area basis and are quoted in terms of US dollars per square foot on a per month basis.

RENT - LOCAL CURRENCY / MEASURE

The rent quoted is usually the typical "achievable" rent for a unit in a Grade A office building in a prime location. **Rents are expressed as headline rent, without accounting for any tenant incentives which may be necessary to achieve it.**

Rents are stated in the local currency and prevailing unit of measure, as well as in those terms - gross or net, inclusive (including management fees and/or property taxes) or exclusive (excluding management fees and property taxes) - that are customarily employed in the respective market.

GROSS FLOOR AREA

Gross Floor Area shall include all areas contained within the external walls at each floor level and the whole thickness of the external walls.

In general, mechanical and electrical services rooms, refuse chambers and rooms, water tanks, car parking floors and all lifts and staircases passing through these floors shall be excluded from the Gross Floor Area calculation.

INTERNAL FLOOR AREA

Internal Floor Area shall be measured to the internal finish of structural, external and / or party walls. All common areas such as toilets, lift lobbies, plant rooms, stairs and corridors are excluded.

LETTABLE AREA

The Lettable Area of whole floors shall include toilets and lift lobbies but exclude common areas such as lift shafts, stairs, plant rooms and smoke lobbies.

Lettable Area for sub-divided units shall be the Saleable Area of that unit plus a proportionate share of the communal toilets, lift lobbies and passageways among sub-divided units on that floor.

SALEABLE AREA

The Saleable Area of a unit is measured up to the centre line of the wall separating adjoining units. The full thickness of the walls separating the units from common areas, lift shafts, light wells, staircases, etc. is included.

NET FLOOR AREA

Net Floor Area shall exclude all common areas such as common corridors, stairs, lift lobbies, toilets and plant room. It shall be measured from the centre of the enclosing external and /or party walls.

SEMI-GROSS FLOOR AREA

Semi-Gross Floor Area equates to Net Floor Area plus proportion of the common areas and lift lobbies for each relevant floor.

Net TAKE-UP

Net take-up figures represent the net increase in occupied floor space in the period. The figures are arrived at using the following method:

Net take-up = New Completions
\+ Vacancy figures at the beginning of period
– Demolition
– Vacancy figures at period-end

CBRE
CB RICHARD ELLIS

LOCAL MARKET INFORMATION

	Definition of Prime Office Markets	Leasing Practices in Local Markets
INDIA		
Bangalore	The Bangalore CBD refers to the City of Bangalore which comprises MG Road and its immediate environs including Residency Road, Richmond Road, Ulsoor, St. Marks Road and K.B. Road.	The market practices in these three Indian cities are generally the same. The efficiency rate of Grade A office properties in India is around 75%. Rents are quoted on a gross floor area basis, in Rupees psf per month, exclusive of service charges.
Mumbai	The traditional office sub-markets are situated in South Mumbai around Nariman Point and Ballard Estate, but new office sub-market areas are emerging in Bandra Kurla Complex, Malad and Andheri.	
New Delhi	The central New Delhi CBD area comprises all commercial developments in and around Connaught Place, which is the traditional prime office sub-market. New office sub-markets are emerging in suburban areas like Gurgaon.	
INDONESIA Jakarta	The central business district, namely Jakarta's Golden Triangle, comprises five major sub-markets, including Jl. MH Thamrin, North Jl. Jend. Sudirman, South Jl. Jend. Sudirman, Jl. HR Rasuna Said and Jl. Gatot Soebroto.	Rents are quoted on a semi-gross floor area basis (85% efficiency), in IDR psm per month, excluding monthly service charges and government taxes. Prices are quoted on a saleable floor area basis.
JAPAN Tokyo	The Central Five Wards, where the majority of prime office property in Tokyo is located, are collectively referred to as the central business district of Tokyo, comprising Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku.	The market covered in this publication refers to the Central Five Wards of Tokyo. Rents in the Tokyo office market are asking rents quoted by landlords to brokers or the public. The rents are quoted in local currency per tsubo per month excluding consumption tax and are calculated on an internal floor basis. One "tsubo" is equal to approximately 3.3 sm (i.e. 35.58 sf), which is equivalent to two tatamis. Service charges are referred to as "common area maintenance fees" and they are usually paid in addition to the base rent.
MALAYSIA Kuala Lumpur	The Kuala Lumpur office market is defined by the Kuala Lumpur Central Area (KLCA) and Kuala Lumpur Metropolitan (KLM). The KLCA comprises areas generally within the central business district while the KLM comprises major suburban areas located at the city fringe areas.	Rents are quoted in RM psf per month on net lettable area, including services charges and property taxes.
PHILIPPINES Manila	The premier central business district in Manila is Makati, which is one of the two major business districts in Metro Manila.	Rents are quoted in PHP psm per month on lettable area basis. Prices are based on saleable floor area.
PRC		
Beijing	Prime office properties in Beijing are concentrated in four main districts: the Jianguomenwai CBD in Chaoyang; Wangfujing/Chang'an East Avenue in Dongcheng; Zhongguancun in Haidian and the Fuchengmenwai/ Fuxingmen Finance Street areas in Xicheng.	Office rents in these three Chinese cities are quoted in RMB psm per month, excluding management fees/service charges as well as incentives offered by the landlord. In Beijing, Shanghai and Guangzhou rents and prices are quoted in terms of gross floor area.
Shanghai	Prime office properties are found in both the Puxi and Pudong areas. In Puxi, prime office properties are concentrated in the Huangpu, Jingan and Luwan districts along Nanjing West and Huai Hai Middle roads. In Pudong, prime office properties are mainly clustered in Lujiazui, Shanghai Commercial City and the Zhuyuan Commercial and Trade Zone.	
Guangzhou	Prime office properties in Guangzhou are concentrated in the Tianhe and Yuexiu districts. In Tianhe, prime office properties are located in both Tianhe Sports Centre and Pearl River New City. In Yuexiu, prime office properties are clustered along Huanshi East Road, Dongfeng Road and Zhongshan Road.	
Hong Kong	Prime office districts in Hong Kong are situated along both sides of Victoria Harbour, comprising Central, Wan Chai, Causeway Bay and Tsim Sha Tsui.	In the general market, rents are quoted in HK$ psf per month on either net, lettable or gross basis, excluding management fees, taxes, government rents and incentives. For the purpose of publication, rental figures provided in this report are based on net floor area. Prices are quoted psf on a gross basis.

	Definition of Prime Office Markets	Leasing Practices in Local Office Markets
SINGAPORE	Singapore comprises an islandwide office market of which 90% of office space is located in the Central Region, with the remainder located in the city's outlying regional centres.	The gross rent, based on the net floor area, comprises the base rent plus service charge and is payable either monthly or quarterly in advance. The service charge is an amount to be paid by the tenant to the landlord for providing specified services to the premises including lift maintenance, common area cleaning, security and air-conditioning during normal office hours, just to name a few. The amount varies from building to building. For office buildings, the service charge ranges between S$1.00 and S$1.30 psf per month. Most leases provide that the service charge may be adjusted at any time during the lease term if the cost of providing the specified services to the building increases.
SOUTH KOREA Seoul	There are three major office districts in Seoul, including CBD in Chung Gu, Gangnam and Yeouido.	Rents are quoted in Won per pyung per month, measured on a net floor area basis. "Pyung", which is the same as "tsubo" and "ping", is equivalent to 3.3 sm (i.e.35.58 sf). The typical efficiency of Grade A office buildings is around 65%. Usually, a substantial rental deposit is payable at the commencement of the lease and this may impact on the effective rent.
TAIWAN Taipei	In Taipei, prime office sub-markets are situated in areas near the Taipei Main Station (TMS), along Zhongshan North Road (ZNR), and in Nanjing-Songjiang Area (NJA), Minsheng-Dunhua Area (MDA), Dunhua-Renai Area (DRA), and Xinyi-Jilong Area (XJA) in central Taipei City.	The local unit of measurement is the "ping", which is the same as "tsubo" and "pyung", and is equivalent to 3.3 sm. Rents and prices are quoted in NT$ on a gross floor area basis.
THAILAND Bangkok	The Central Business District in Bangkok incorporates the Silom, Sathorn, early Sukhumvit and Lumpini sub-markets.	Rents are quoted in THB psm per month on internal floor area basis, including service charges and household taxes. Prices are also quoted on an internal floor area basis in local currency.
VIETNAM Ho Chi Minh City	The Central Business District in Ho Chi Minh City is District 1.	Rents are quoted in US$ psm per month on the net floor area, including service and management charges but excluding 10% VAT.

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