



ASIAN RETAIL MARKET FLASH

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EXECUTIVE SUMMARY

The second quarter of 2007 saw continued expansion by both local and international retailers in most major Asian cities. Driven by rising consumer and tourist spending, developers in the first-tier cities of China, the Philippines and India remained keen on building prime shopping centres. The major exception to this trend was Bangkok, where consumer confidence hit a 65-month low as ongoing political uncertainty and rising oil prices continued to impact market sentiment.

With major brands expanding operations, demand for well-located **Tokyo** retail units remained competitive and the lack of available prime retail space in newly fashionable locations saw rents continue to increase.

In **Greater China**, international retailers aggressively opened shops in prime shopping districts while local retailers were also actively looking for prime premises in light of strong domestic spending and stable growth in tourism.

Four new department store openings in the second quarter brought **Beijing's** prime retail stock to 38.5 million sf. Amid strong demand, rents for ground floor mall locations increased 0.9% q-o-q, to RMB 28.5 psm per day (US\$10.6 psf per month), a record high. Renovation and tenant restructuring are ongoing in several **Shanghai** retail hubs as facilities compete for quality retailers and consumers. In Nanjing Road East, the opening of Hongyi Plaza and Phase II of Brilliance Shimao International Plaza in the first half of 2007 injected new life into the traditional retail district. **Guangzhou's** prime retail market maintained its steady growth in the second quarter, with rents for ground floor space in prime retail properties registering an increase of 1.4% q-o-q, to RMB 35.7 psm per day (US\$13.3 psf per month).

Hong Kong's retail leasing market remained robust across the board in the second quarter of 2007. A growing number of global luxury brands were eager to open stores at prominent locations in prime shopping districts in a bid to capitalise on the increasing demand for high-end merchandise from Mainland tourists.

In **Taipei**, the majority of leasing transactions took place in the Zhongxiao Road area, where the average achievable rent reached NT\$509 psf per month. Several renowned retailers, including Marks & Spencer and Hankyu entered Taiwan in the second quarter, exerting upward pressure on rents in the already competitive retail market.

In **Singapore**, efforts to reinforce Orchard Road's status as a premiere shopping destination are beginning to pay off and rents are fast approaching the 1996 peak seen before the Asian financial crisis.

In **Seoul**, consumer sentiment improved in the second quarter of 2007 on the back of the robust stock market, solid export growth and strong domestic demand. However, rents in large shopping malls slid further and vacancy continued to increase due to oversupply.

The retail market is emerging as the second biggest driver of **India's** economy after the IT sector, attracting enormous investments from domestic and international retailers. Domestic players have large-scale expansion plans, while international brands continue to enter New Delhi.

Bangkok's retail market remained lacklustre in the second quarter of 2007 and mall operators offered deeper discounts and longer operating hours to attract shoppers. In the **Philippines**, developers are tapping into the growing demand for modern retail space in areas outside Metro Manila. Blok M Square, scheduled for completion in late 2008, is the only standalone shopping mall under development in **Jakarta** following a series of completions. However several mixed-use projects are being developed by major developers.

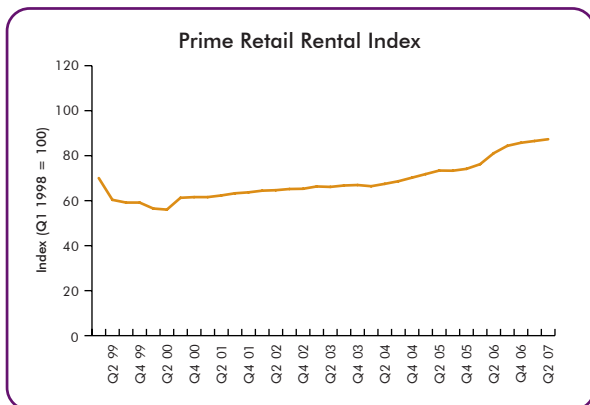
Ho Chi Minh City's retail growth has made the city a top destination for international retailers and demand for retail space is expected to continue to increase for the foreseeable future. Retail demand also continued to rise in **Hanoi**, especially from high-end and luxury brands, and the fashion sector continued to dominate available retail space. An increasing number of hypermarkets and supermarkets are entering Hanoi.

Region/ Country	City	Shopping District	Prime Retail Rents* (psf month)		Forex (30 Jun 07)	
			Local currency	US\$ equivalent		
NORTH ASIA						
Japan	Tokyo	Ginza	JPY	5,100 - 7,700	41.3 - 62.4	123.495
		Omotesando		3,400 - 5,100	27.5 - 41.3	
		Shibuya		2,625 - 4,410	21.3 - 35.7	
		Shinjuku		2,310 - 4,410	18.7 - 35.7	
		Harajuku		2,000 - 3,500	16.2 - 28.3	
GREATER CHINA						
PRC	Beijing	Xidan	RMB	73 - 113	9.6 - 14.8	7.613
		Wangfujing		89 - 149	11.7 - 19.6	
		Jianguomenwai		43 - 103	5.6 - 13.5	
		Chaoyangmenwai		54 - 94	7.1 - 12.3	
	Shanghai	Huaihai Middle Road	RMB	101 - 158	13.3 - 20.8	7.613
		Nanjing East Road		86 - 158	11.3 - 20.8	
		Nanjing West Road		112 - 164	14.7 - 21.5	
		Xujiahui		86 - 158	11.3 - 20.8	
	Guangzhou	Shangxiajiu Road	RMB	75 - 95	9.9 - 12.5	7.613
		Tianhe CBD		76 - 200	10 - 26.3	
		Beijing Road and Lingyuanxi		160 - 190	21 - 25	
		Huanshidong		100 - 125	13.1 - 16.4	
	Hong Kong	Central	HK\$	342	43.7	7.818
		Causeway Bay		423	54.1	
		Tsim Sha Tsui		331	42.4	
Mong Kok			300	38.4		
Taiwan	Taipei	Zhongxiao Road	NT\$	509	15.5	32.866
		Nanjing/Zhongshan N Road		245	7.5	
		Ximentin		585	17.8	
		Dunhua S Road		200	6.1	
SOUTH & SOUTHEAST ASIA						
Singapore	Singapore	Orchard Road	S\$	34.4	22.5	1.53
		City Hall/Marina Centre		25.9	16.9	
		Suburban		28.1	18.4	
Thailand	Bangkok	Pratumwan	THB	139 - 279	4 - 8.1	34.525
		Silom		112 - 232	3.2 - 6.7	
		Sukhumvit		112 - 279	3.2 - 8.1	
Philippines	Manila	Makati CBD	PHP	80.3	1.7	46.250
Indonesia	Jakarta	Jakarta CBD	IDR	27,300 - 91,000	3 - 10.1	9,035
		Blok M		18,200 - 37,100	2 - 4.1	
India	New Delhi	South Extension	INR	650 - 750	16 - 18.4	40.728
		Connaught Place		700 - 800	17.2 - 19.6	
		Greater Kailash I		750 - 850	18.4 - 20.9	
		Greater Kailash II		220 - 280	5.4 - 6.9	
		Khan Market		750 - 950	18.4 - 23.3	
		Basant Lok		400 - 550	9.8 - 12.3	
Vietnam	Ho Chi Minh City	CBD		-	7.2	16,135
	Hanoi	CBD		-	8.4	

* Quoted Rents are based on Ground Floor Shops with area about 1,000 sf (gross).

PEOPLE'S REPUBLIC OF CHINA

BEIJING



Along with a wave of department store openings and major lettings, conditions in the Beijing retail market remained buoyant in the first half of 2007. The most prominent of the quarter's four new department stores, Shin Kong Place, in the 1.9 million-sf China Central Place, accommodates 938 brands including Prada, Chanel and Gucci. Japan's largest mall developer and operator, AEON, and Zhongguancun International Mall Development agreed to develop a 1.6 million-sf AEON mall at the junction of Badaling Highway and Beiqing Road scheduled to open before the 2008 Olympics, while ISETAN rented an operating area of 484,400 sf at Xidan Maxon International Plaza for its first Beijing store. In other transactions, UK retailer Tesco opened its second Beijing store (107,600 sf) in the Vecchio Plaza of Overseas Chinese City and Carrefour pre-leased 269,100 sf (built-up area) in the Huacai International Centre in Wangjing.

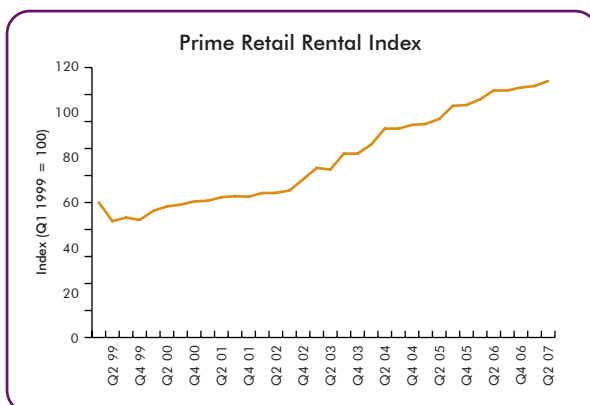
MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
Chaoyang	China Central Mall	3,990	Brooks Brothers
Chaoyang	China Central Mall	2,690	Canali
Chaoyang	China Central Mall	2,400	Olio
Chaoyang	China Central Mall	1,090	Yogen Fruz

The above leasing transactions are reported according to the best of our knowledge but we do not guarantee their accuracy.

PEOPLE'S REPUBLIC OF CHINA

SHANGHAI



Consumer confidence remained buoyant in the second quarter of 2007. Prime ground floor rent rose 2.0% to RMB 40.5 psm per day (US\$15 psf per month), while prime first floor rent remained stable at RMB 28.9 psm per day (US\$10.7 psf per month). The prime retail vacancy rate dipped 0.1 of a percentage point to 5.3%. The Nanjing Road East retail hub has undergone a dramatic revitalisation in the past six months. On the heels of Hongyi Plaza's opening at the beginning of the year, Phase II of Brilliance Shimao International Plaza came on stream at the end of May, adding another 376,700 sf of retail space to the western end of the sub-market. Many overseas retailers are looking into opportunities in suburban fringe areas. Parkson plans to open a third outlet, probably in the Xinzhuang area of the city's southwest corner. The bulk of new prime retail supply in the coming year will be in Puxi, including Plaza 336, No. 1 Department Store (expansion), Siyuan Mall in Peoples' Square, and Park Place along Nanjing Road West.

MAJOR LEASING TRANSACTIONS

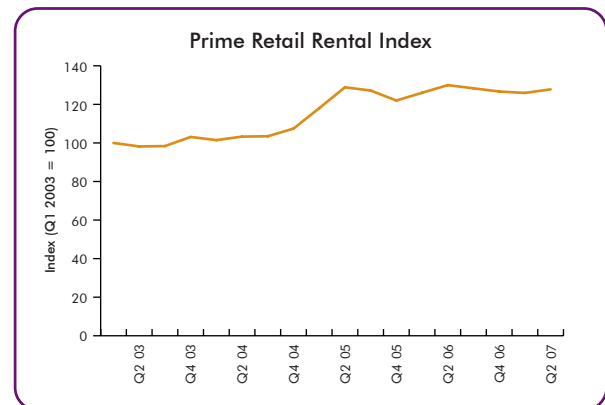
District	Property	Approx. Size (sf)	Tenant
Luwan	Infiniti	19,900	Fu Lin Xuan
Luwan	Infiniti	3,900	Bellagio
Pudong	Jinmao	540	Jamaica Blue

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PEOPLE'S REPUBLIC OF CHINA

GUANGZHOU

Demand for retail space in Guangzhou is being driven by both domestic chains and overseas retailers in the cosmetics, fashion and accessories sectors. Besides its flagship store in Victory Plaza, Gome opened stores in TeeMall Plaza and Hong Kong City. High-end cosmetics brands and chains took up space in quality premises: Sisley and Sephora entered TeeMall Plaza while Chloe leased space in La Perle. Strong demand drove average ground floor rents in shopping malls up by 1.4% q-o-q in the second quarter, with the Tianhe CBD, Huanshi East Road and Beijing Road the most sought-after locations. Vacancy rates in these districts were below 5%. By 2010, approximately 7.3 million sf of retail space will enter the market, composed of high-end shopping centres in core areas or emerging markets. In Pearl River New City construction will commence on Happy Valley, a large mall expected to open before the 2010 Asian Games.



MAJOR LEASING TRANSACTIONS

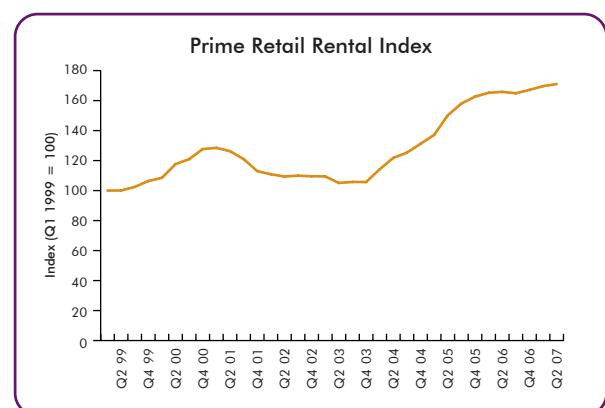
District	Property	Approx. Size (sf)	Tenant
Tianhe	Victory Plaza	64,000	Gome Appliances
Tianhe	TeeMall Plaza	32,300	Gome Appliances
Yuexiu	Hong Kong City	53,800	Gome Appliances
Yuexiu	La Perle	4,400	Chloe

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PEOPLE'S REPUBLIC OF CHINA

HONG KONG

Amid strong domestic spending and stable growth in tourism, Hong Kong saw a rising number of international luxury brands keen to enter the market while local retailers were actively seeking expansion. The growing interest from international brands following the success of H&M's 38,000-sf Queen's Road Central mega-shop (opened in March 2007) further intensified demand. This has prompted pre-commitments in Central months before leases expire. In Tsim Sha Tsui, Canton Road registered a high degree of leasing activity, including Nike's lease of 8,000 sf of Silvercord, and Sa Sa's lease of 2,000 sf on the ground floor of 86-98 Canton Road. After several years without the completion of a sizeable shopping mall, June saw the opening of the 1.2 million-sf MegaBox in Kowloon Bay. Its success in attracting overseas retailers to open their first Hong Kong stores in the mall has boosted foot traffic in this former industrial district.



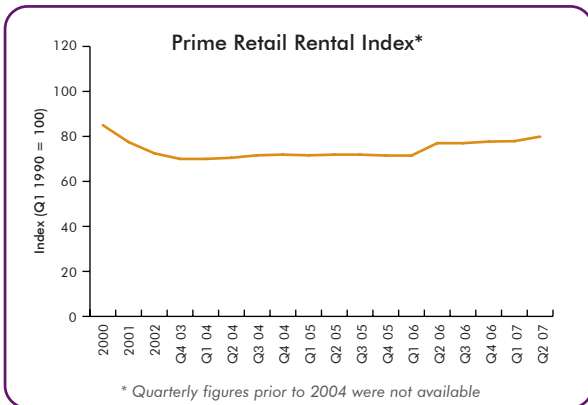
MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
Causeway Bay	Kingston Building	5,200 (lettable)	GUESS
Causeway Bay	Fashion Island	4,300 (lettable)	Stefanel
Tsim Sha Tsui	Silvercord Arcade	8,000 (gross)	Nike
Central	Wellington Street	3,368 (gross)	On Pedder

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TAIWAN

TAIPEI



The impact of the credit and cash card debt storm that began in 2005, causing difficulties for retailers island-wide, is diminishing. The unemployment rate fell to 3.86% in the first half of 2007, the lowest rate since 2001, fuelling anticipation of a recovery in consumer spending. While the overall market was hit hard by the consumer debt crisis, high-end shops saw robust demand, leading to rent increases in the upscale Regent Area of the Nanjing Zhongshan North sub-market. Average rentals increased by 2.6% q-o-q in the second quarter, causing more retailers to relocate from street-front shops to department stores. The ATT Group leased 7,380 sf along Zhongxiao East Road. Through subsidiary President Chain Store Corp, Uni-President Group brought several international retailers to Taiwan. In a JV with President Chain Store, Marks & Spencer has opened one store and will open another within the year, while Japan’s Hankyu opened its first store outside Japan in Taiwan during the quarter.

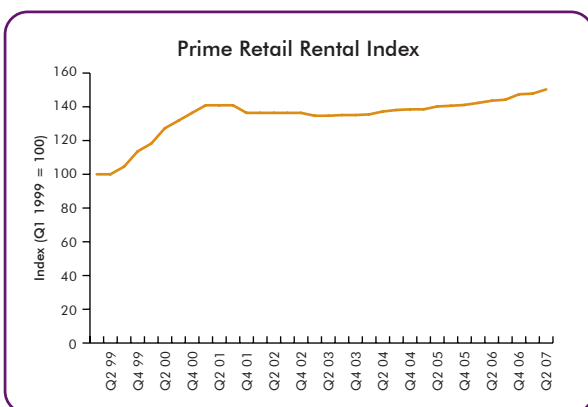
MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
Zhongxiao Road	No. 148, Sec.4, Zhongxiao E. Rd.	7,380	ATT Group
Zhongxiao Road	No. 61, Sec.4, Zhongxiao E. Rd.	4,800	size Plasis
Zhongxiao Road	No. 153, Sec.4, Zhongxiao E. Rd.	3,500	MASTINA
Zhongxiao Road	No. 128, Sec.4, Zhongxiao E. Rd.	3,200	Best

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SINGAPORE

SINGAPORE



The CBRE islandwide prime rental index registered a 1.4% increase q-o-q in the second quarter, with average prime rents in the suburbs and Orchard Road rising 1% and 1.8%, respectively, q-o-q. The second quarter saw more new entrants, including Roots (Canada) and Promod (France), while Camper will return after leaving in 2005, opening a store in VivoCity later in 2007. Spanish fashion labels have established a significant presence in recent years, and Cortefiel will join the ranks of Mango, Zara and Massimo Dutti towards the end of the year. Department stores are also bringing in foreign labels; Episode, Jessica and Danish fashion chain Cottonfield can be found in Robinson stores. Eight retail or mixed-use buildings have recently been put up for sale, including the Kovan Centre, Ruby Plaza and Balestier Towers. The indicative prices range between S\$670 psf/plot ratio and S\$2,000 psf/plot ratio. Besides local developers, overseas institutional funds and REITs are also attracted by retail properties' stable income stream.

MAJOR LEASING TRANSACTIONS

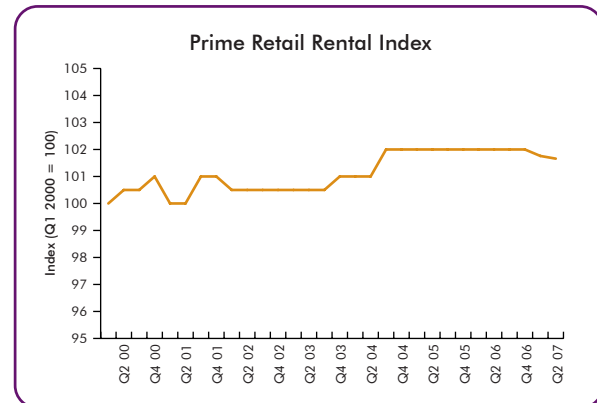
District	Property	Approx. Size (sf)	Tenant
City Hall/Marina Centre	Suntec City Convention Centre	15,000	Food Republic
City Hall/Marina Centre	Raffles City	8,000	River Island
Other City/City Fringe	Central	10,000	Barang Barang
Suburban	Changi Airport Terminal 2	8,500	Luxury Fashion (Duty Free shop)

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THAILAND

BANGKOK

An additional 360,300 sf of retail space came on stream in the second quarter. Prime rents remained static for most retail developments. Siri Project Construction Co Ltd completed the 140,000-sf retail development at the new southern bus terminal on the Pinklao - Nakhon Chaisri Highway on the outskirts of Bangkok. Most tenants provide F&B or banking services. Major leasing transactions in the second quarter included Jusco Supermarket (10,700 sf) at Pure Place, a community mall in suburban Bangkok, Vivienne Tam (6,450 sf) at Central World Plaza and Valentino (3,000 sf) at Siam Paragon. Shopping at retail centres close to home has become increasingly popular with Bangkok consumers, leading to the development of community malls featuring shops and restaurants suited to this target market. Convenience stores, supermarkets and coffee shops anchor these new community malls.



MAJOR LEASING TRANSACTIONS

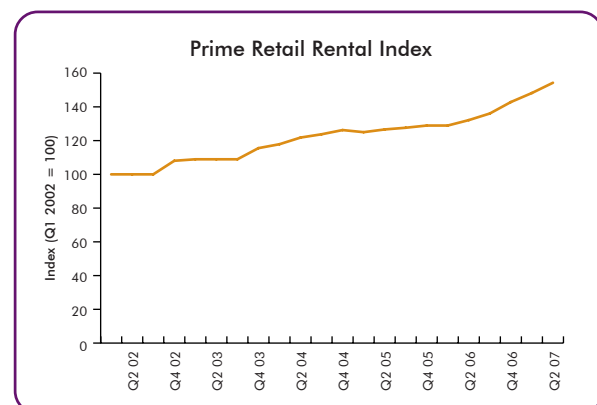
District	Property	Approx. Size (sf)	Tenant
Rangsit	Pure Place	10,700	Jusco Supermarket
Rama I	Central World Plaza	6,450	Vivienne Tam
Pathumwan	Siam Paragon	3,000	Valentino
Ratchadapisek	The Esplanade	1,400	Asian Property condominium sales office

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PHILIPPINES

MANILA

The Philippines' retail building boom continued into the second quarter as mall developers remained in an expansion mode. Several new malls will open in the second half of 2007, including SM Prime's malls in Muntinlupa and Taytay in Rizal province and Robinsons Dumaguete in Negros Oriental province. Robinsons Dumaguete will open within the year, and Robinsons Land plans to develop a mall in Cabanatuan City, north of Metro Manila. Ayala Land's newest mall, Triangle North of Manila (TriNoMa), opened during the second quarter in North EDSA, Quezon City and is already 90% leased out. A number of new outlets opened in the second quarter in Metro Manila. Doughnut shop Krispy Kreme opened its third Philippines location in the Greenhills Shopping Center in San Juan City, and plans to open 30 stores in major cities in the next five years.



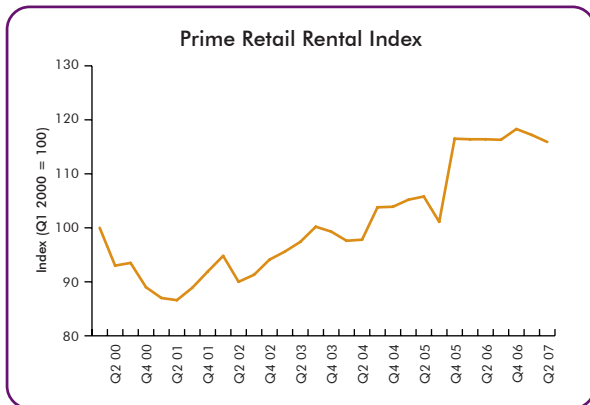
MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
San Juan City	Greenhills Shopping Center	2,150	Krispy Kreme

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INDONESIA

JAKARTA



Leasing activity in Jakarta's shopping centres in the first half of 2007 continued to be dominated by the F&B sector, which received high demand from both domestic and international operators. F&B retailers preferred locations in the CBD, such as Pacific Place and Grand Indonesia Shopping Town. Notable transactions within this quarter included Gyukaku leasing 5,400 sf in Pacific Place, where the No Signboard Seafood Restaurant and Pasta Matrix also leased 7,500 sf and 3,200 sf, respectively. Grand Indonesia Shopping Town also attracted F&B retailers, though its alteration had caused several delays in the hand-over of pre-leased space. Despite the strong demand, the base rent for shopping malls remained unchanged at US\$6.2 psf per month, while rents quoted in IDR decreased 2.2% q-o-q to IDR 592,500, largely due to the depreciation of the IDR against the US dollar.

MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
South	Pacific Place	7,530	No Signboard Seafood Restaurant
South	Pacific Place	5,380	Gyukaku Restaurant
South	Pacific Place	3,230	Pasta Matrix Restaurant
Central	Grand Indonesia	3,230	Kiadon restaurant

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INDIA

NEW DELHI

Expansion by the top seven players is expected to constitute the majority of investment in the retail market over the next five years. Among the most active domestic retailers are Reliance Industries, Aditya Birla Group, Bharti - Wal-Mart and Future Group. They have established unlisted corporate entities (e.g. Reliance Retail Ltd, Aditya Birla Retail and Bharti Retail) to spearhead their retail activities. Foreign companies active in India include Metro, Carrefour, Auchan and Tesco.

US\$2 billion to launch 40 Reliance Fresh outlets, as well as specialty stores and hypermarkets. Christian Dior is poised to enter India and other brands eyeing the market include the Landmark Group, Starbucks, LuLu, Hamleys and the GKK-Taurus Group. Expanding international brands include Gini & Jony (an additional 200 stores by 2008), Levi Strauss, LVMH, jewellery retailer Damas and Tommy Hilfiger, the latter planning to open approximately 11 additional stores by 2008.

The Future Group, parent of India's largest retailer Pantaloon, plans to invest INR 3.5 billion (US\$85.9 million) in new facilities over the next several years, including approximately 40 Home Solutions stores, as well as specialty stores. Over the next five years Reliance Retail will invest

Highway malls are one of the fastest growing retail formats, especially in the Delhi/NCR region. Some are already in operation in the NCR (Crown Plaza and PVR SRS); many more are under construction along National Highway 8 (NH 8). One of the largest highway mall projects is the 3.6 million-sf Mall of India scheduled to open in 2008 on NH 8.

MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
Basant Lok	Standalone Building	10,000	United Colors of Benetton
Saket District Centre	MGF Metropolitan	2,500	Canary Blue
Gurgaon	Ambi Mall	3,000	Build a Bear
Gurgaon	Ambi Mall	2,000	Lladro

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VIETNAM

In June 2007, leading Malaysian retail operator Parkson Group opened Parkson Hung Vuong Plaza, the largest department store in Vietnam. The store, Parkson's second in Ho Chi Minh City, is located in District 5. Parkson leased 258,340 sf on the bottom four floors of Hung Vuong Plaza, a 29-storey development complex. Parkson will open another outlet in Hanoi in early 2008. Parkson Hung Vuong Plaza offers an array of products and international brands including Calvin Klein, Guess, Nike, Esprit and Shiseido. The department store opened on 29 June and is fully occupied with some tenants in the fitting-out stage. The average rent is US\$4.65-\$5.57 psf per month, excluding service charge and VAT, while that in the CBD is US\$7.15 psf per month.

HO CHI MINH CITY

Another luxury department store, Saigon Paragon, will open at the end of 2007 in Phu My Hung, District 7, the second luxury department store (after Parkson Hung Vuong Plaza) to be located outside the CBD.

Fierce competition between domestic and overseas retailers is anticipated as Vietnam honours its WTO commitments to open its retail market. Currently, a JV with a Vietnamese partner is required and foreign capital must not exceed 49% equity. In January 2008 the equity limitation will be abolished, and in January 2009 overseas companies will no longer need a Vietnamese partner.

MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
5	Hung Vuong Plaza	258,340	Parkson

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VIETNAM

Hanoi's retail sales volume growth remained fairly constant over the second quarter, increasing 1.4% q-o-q and 23.1% y-o-y. Consumption trends and behaviour are gradually changing, and an increasing number of new hypermarkets and supermarkets are entering Hanoi. Three Fivimart supermarkets opened in Hanoi in the second quarter, which also saw Malaysia's Parkson Department Store enter the Hanoi market by taking seven floors (approximately 118,400 sf) in the Viet Tower, after testing the waters in northern Vietnam in Hai Phong.

Demand for retail space continued to come mostly from cosmetics, fashion and fashion accessory companies. Both Elizabeth Arden and Mont Blanc took space on the ground floor of Vincom City Towers.

HANOI

The opening of the Grade A mixed-use Pacific Place complex added 10,000 sf of retail space in the CBD. The quarter also saw the launch of Ruby Plaza, a 50,000 sf specialty centre for jewelry and cosmetics.

Though there is still a shortage of retail space suitable for high-end brands, development activity has increased rapidly over the last 12 months and looks set to increase further given the pipeline of proposals. Though some of these schemes are likely to be delayed, increased development activity and supply looks inevitable over the next few years. Schemes involving over 850,000 sf are under construction and scheduled to open in the next two to three years, and additional projects involving approximately four million sf have been proposed.

MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
Dong Da	Viet Tower	118,400	Parkson Department Store
Hai Ba Trung	Kinh Do Tower	5,060	Fivimart Supermarket
Hai Ba Trung	Ruby Plaza	1,340	Shiseido
Hai Ba Trung	Ruby Plaza	415	L'Oreal

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JAPAN

TOKYO

Retailers across all categories remained active throughout the quarter, but it was the casual fashion mega-brands that dominated the leasing headlines. The second quarter saw H&M pre-commit to the first to third floors and basement of a prime retail scheme under development in the upmarket Ginza district of central Tokyo. Scheduled to open in September 2008, the Ginza store is likely to be H&M's first opening in Japan.

Uniqlo, the dominant domestic casual retailer in Japan, has adopted a strategy of closing a large number of smaller store formats to make way for concept stores larger than 18,000 sf. May saw Uniqlo open it's third large-scale location, a 32,000-sf store in Tokyo's Setagaya ward. The quarter also saw the grand opening of Swatch Group Japan's 14-storey

Nicolas G. Hayek Centre in Ginza.

Highlighting the continued strong interest in the Japanese market from foreign brands, Zara, GAP, Banana Republic and Abercrombie & Fitch all revealed plans to expand into major cities across Japan. Competition among large retailers for the best locations is expected to be fierce. However, demand alone may not be enough to drive future rental growth. Patchy consumer spending and high construction costs may force retailers to take a more conservative approach to real estate in the short term. Sharp increases in retail rents have recently forced more conservative retailers to seek opportunities off the major thoroughfares.

MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
Ginza	Nicolas G. Hayek Center	59,000	Swatch Group
Setagaya	3-20-2 Chitosedai	32,000	Uniqlo
Ginza	TG Ginza Building	15,000	H&M
Ginza	Veloqx Marronier Dori Development	4,500	Gianfranco Ferre

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SOUTH KOREA

SEOUL

Seoul's retail property market remained weak during the second quarter despite increasing investor demand as taxes on residential transactions led investors to consider other sectors. The high capital values of properties in the major retail sub-markets resulted in few transactions during the period under review.

The retail sector is also attracting more interest from REITs, which have begun to broaden their scope beyond the office sector as competition for the few investment-grade office properties on the market intensifies. Leading K-REIT management company Koramco filed for permission to establish its second retail REIT, KOCREF NPS 3, during the second quarter, with an initial portfolio of one HOMEVER hypermarket. KOCREF NPS 2, established in December 2006, consists of 10 HOMEVER

hypermarkets. The HOMEVER facilities, previously owned by Carrefour, were renamed after being purchased by E-land in 2006.

Samsung Corporation's ongoing relocation to the new Samsung Town in Gangnam continued to send ripples through Seoul's retail sub-markets during the second quarter. Gangnam, and especially the area around Gangnam Station, remained the city's most buoyant and active retail sub-market, as the growing number of office workers working in the area as a result of Samsung affiliate relocations to Samsung Town stimulated demand for retail facilities. Capital values and rents in Gangnam's retail sector increased throughout the quarter as demand outstripped supply.

MAJOR LEASING TRANSACTIONS

District	Property	Approx. Size (sf)	Tenant
Gangnam	Gangnam Finance Centre	1,580	Union Square
Gangnam	Gangnam Finance Centre	1,030	Rose Hill
Gangnam	Gangnam Finance Centre	480	Coffee Bean

The above leasing transactions are reported according to the best of our knowledge but we do not guarantee their accuracy.



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Q2 2007



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