

Highlights from:

The Promised Land of Paradise, The High Quality Life in Xiacheng

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This brochure explains the ideal growth vision in Hagzhou, China, to create technology cities for both business and residential. I have attached several pages from their brochure.

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杭州下城
XIACHENG
GOVERNMENT

THE PROMISED LAND OF PARADISE
THE HIGH QUALITY LIFE IN XIACHENG

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天堂福地 品质下城



November 11, 2010

Rich & Golden land

● Hangzhou has always been known as "the earthly paradise" from ancient times and now become a prosperous capital. The city's economy has maintained double-digit growth for the past 17 years, with GDP keeping top 3 in all deputy provincial cities of China. In 2008, the per-capita GDP of Hangzhou reached record USD10,000 which marked the city has stepped to a level of high or intermediately developed countries according to the standard of per capita USD8,000 classified by the World Bank, and approaches the level of rich world. Both people's living standard and social civilization of Hangzhou are increased.

Powerful City in Culture & Education

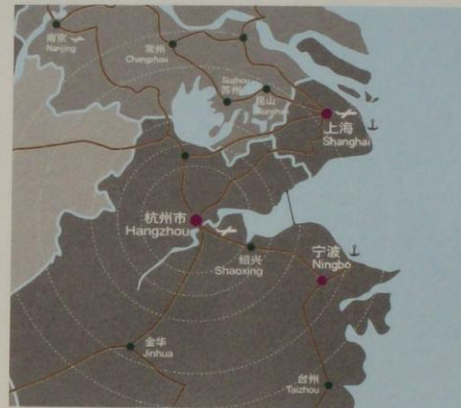
● Hangzhou has a high overall human source quality. There are 34 general colleges and universities that provide talents to enterprises, including Zhejiang university with a fame of "Eastern Cambridge", China Academy of Art which is the world famous and highest art educational institution of China, and Zhejiang Industrial University which is a provincial comprehensive university.

Main junction on south Yangtze River Delta

● Hangzhou is a main junction of population flow, capital flow and information flow on south Yangtze River Delta. It is only 38 minutes' distance from Shanghai with the completion of Shanghai-Hangzhou high railway before Shanghai World EXPO. Yangtze River Delta became railway-delta. Hangzhou will relieve the city pressure of Shanghai while enjoy its resources due to relatively low land and human resources and living costs. And, it turns to an important economic partner of Shanghai from "shanghai's back garden" that emphasizing on casual and tourism.

● Hangzhou is attractive not only for its paradise beauty and comfortable living environment, but also its economic environment and innovative undertaking condition above national average level. Related policies formulated by the city government provide powerful backup to development of enterprises and talent introduction. Hangzhou has made great success in city construction, social humane and investment promotion. Honorary titles awarded:

- ◆ National key tourist city
- ◆ National famous historical cultural city
- ◆ International garden city
- ◆ China's best commercial city (No.1) graded by Forbes for five successive years
- ◆ China's best city for investment graded by the World Bank for two successive years
- ◆ China's safest city (No.1)
- ◆ China's happiest city
- ◆ One of top 10 comfortable residence city of China



Core area of Hangzhou- Xiacheng

● Xiacheng, is the same with lower town (southern part is called higher town and northern part is called lower town) because it's located on the north of Southern Song Dynasty, Beijing-Hangzhou canal to the north, fairy west lake to south. Xiacheng district's trading history stretches back into ancient times. It is a prosperous business place of Wulin (old name of Hangzhou) since ancient times. It was called "Prosperous Northern Fair" in Yuan Dynasty and became the silk handcraft industry center since Ming & Qing Dynasty.

● Xiacheng, as the core of Hangzhou city, is one of the most important CBD of Hangzhou, the main area for finance, trade, business, culture and Expo in Zhejiang province. Its core status is equal to Chaoyang district of Beijing or Jing'an district of Shanghai. Main institutions and facilities such as economy, finance, culture, media and sports gather here, providing a prosperous spectacle of bustling and hustling of metropolis.

● Xiacheng, covers an area of 31.46 square kilometers with 390,000 permanent residents including 200,000 floating population. Since reform and opening to the outside world, Xiacheng district has made headway in economic development that maintained double-digit growth for more than 20 years. In 2008, the district realized gross product of RMB36.621 billion, total fiscal revenues of RMB9.648 billion, local fiscal revenues of RMB5.272 billion, and the last two items rank top 3 in 90 counties and districts of Zhejiang province. The district has been leading the band in economic and social development.

State-level honorary titles awarded in year 2008

- ◆ Test area for national sustainable development
- ◆ National advanced district of scientific and technological progress
- ◆ The first test area for national education comprehensive reform
- ◆ National communication education demonstration zone

Trade center

Financial center

Cultural center

Expo center

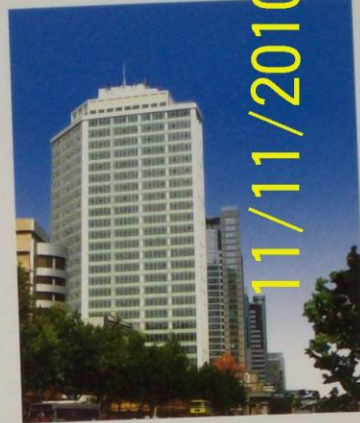


Industrial Guide

Two-wheel drive: Modern service industry/ High-tech industry

● Establish the principle of development of "Two-wheel drive"(both modern service industry and high-tech industry), and accelerate the optimization of the industrial structure. In 2008, the added value of service industry of whole district shared 84.56% of that local gross product. Above-scale high-tech industries realized added value of RMB 2.895 billion, up 10.21% annually, and shared 77.2% of industrial added value.

● According to the strategy of "developing the south finely and the north quickly", District Committee and District Government quicken step of project construction, stressing on headquarter economy and building economy. Now, the total investment of performing 12 projects including over 120 constructive items has exceeded RMB60 billion. Hangzhou Xiacheng district is a good choice from consideration of whether markets and resources to logistics and costs.



New Space for Innovation & Carve Out : "New-type city complex, Innovation & Carve Out foundation"

- Located in the north of Xiacheng district, planning land area about 56.7 hectares, will build a secondary commercial and business center.
- ◆ Culture creation industry base of Hangzhou
- ◆ Growth business district, providing overall service to enterprises
- ◆ Leisure commercial park, one-stop fashion shopping area
- ◆ Experiential communication, perfect balance between work and life



● New Space for Innovation & Carve Out

High-end Platform

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● Thriving Xiacheng district wins the favor of many large enterprises home and abroad. Where 14 enterprises among the world top 500, 14 enterprises among china top 500 and 14 enterprises, more than 130 domestic and foreign enterprises with registered capital over RMB50 million have settled down. 39 buildings are rated at RMB10 million building a year, 9 of which can reach more than RMB0.1 billion. The benefit made by building economy ranks the best of Hangzhou City.

● More than financial enterprises clustered in the district, occupying over 50% of Hangzhou City on quantity and business sum and 80% of Zhejiang province for provincial bank headquarters. Type "L" zone, Qingchun road & Yan'an road as the axis, has a financial enterprise every 15 meters. Now, it has appeared that a variety of financial forms coexist including bank, security, insurance, trust, leasing and so on; and formed a pattern that national and regional financial enterprises develops ultimately. For example, provincial and municipal headquarters like CPIC, Taikang Life and Huatai Insurance, foreign-fund insurance institutions like Tokyo Marine and Nichido Fire Insurance Co. Ltd (TMNF) gathered in the Xiacheng district. Well developed financial industry has become the powerful backing for the strength of enterprises.



● Every square kilometer around Wulin Square creates fiscal revenue of RMB1.586 billion, taking the absolute advantages in Hangzhou and Zhejiang. Wulin business circle assembles retail leaders like Hangzhou Tower, Intime Department Store and Hangzhou Department Store. Three stores realized total sales of RMB3.805 billion, RMB2.285 billion and RMB1.48 billion respectively in 2008, and Hangzhou Tower captured three titles of sales, profits and taxes in China's single-store retail industry. The Street of Chic Ladies Wear in Wulin Road and Hangzhou Silk market are well-known in the fashion field of China.

● Xiacheng district is the cultural center of Zhejiang province and Hangzhou city, where Province Radio, City Radio, Zhejiang Newspaper Group and Hangzhou Daily Group locate. North Zhongshan road which cross the core of CBD of Hangzhou will be protected and updated to develop culture creation industry focusing on Cartoon Game and combining info service, design service and modern media. It will become a business featured street of creation on new morphology, new ecology and new culture.



Strong Support

Policy Service

● The government of Xiacheng district increases the policies to support the development of enterprises and promote the industrial agglomeration, besides carrying out the preferential policies of the city, its newly establishing policy of developing "1+X" industry will invest 160 million yuan to support headquarter economy and building economy. Financial enterprises, trade and business companies, high-tech, cultural innovation and real estate enterprises will enjoy the preferential and feedback policies to encourage more innovation and develop bigger and better.



Zhejiang Business Flat Roof

● Zhejiang business has been developing a brand in the whole country even the whole world. Zhejiang business entrepreneurship and Zhejiang business fortune have been an important force. Among China Top 500 Private Enterprises, Zhejiang enterprises list 174 seats, the total quantity is on the top of the whole country, which has been 11 years. At present, Zhejiang Private Enterprises have entered a new phase and hoped to cooperate with large enterprises all-dimensionally from abroad.



Hangzhou
Xiacheng District

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Note: These are excerpts from brochure.