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Unless otherwise defined in this announcement, terms defined in the prospectus of the Company dated 20 September 2006 (the "Prospectus") have the same meanings when used in this announcement.



Shui On Land Limited 瑞安房地產有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock code: 272)

EXERCISE OF OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option granted by the Company referred to in the Prospectus was fully exercised by the Stabilizing Manager in consultation with the Joint Global Coordinators on 9 October 2006 in respect of an aggregate of 115,874,600 Shares, representing 10% of the 1,158,746,000 Shares initially offered under the Global Offering.

The Company announces that the Over-allotment Option granted by the Company referred to in the Prospectus was fully exercised by the Stabilizing Manager in consultation with the Joint Global Coordinators on 9 October 2006 in respect of an aggregate of 115,874,600 Shares (the "Over-allotment Shares"), representing 10% of the 1,158,746,000 Shares initially offered under the Global Offering.

The Over-allotment Shares will be issued and allotted by the Company, at HK\$5.35 per Share (excluding brokerage fee of 1%, SFC transaction levy of 0.005% and Stock Exchange trading fee of 0.005%), being the Offer Price under the Global Offering. The Stabilizing Manager has borrowed 115,874,600 Shares from Shui On Investment Company Limited pursuant to a stock borrowing agreement solely to cover over-allocations in the International Offer. The Over-allotment Shares will be used to facilitate the return in full to Shui On Investment Company Limited of the 115,874,600 borrowed Shares.

Listing of and permission to deal in the Over-allotment Shares have already been granted by the Listing Committee of the Stock Exchange. Listing of and dealing in such Over-allotment Shares are expected to commence on the main board of the Stock Exchange at 9:30 a.m. on 12 October, 2006.

The shareholding structure of the Company immediately before and immediately after the issue of the Over-allotment Shares is as follows:

Shareholders	Immediately before the issue of the Over-allotment Shares		Immediately after the issue of the Over-allotment Shares	
	Approximate Number of Shares	Approximate % of issued share capital	Approximate Number of Shares	Approximate % of issued share capital
Shui On Investment Company Limited ⁽¹⁾	563,713,901	13.9%	563,713,901	13.5%
Shui On Properties Limited ⁽¹⁾	940,000,000	23.1%	940,000,000	22.5%
New Rainbow Investments Limited ⁽²⁾	746,695,324	18.3%	746,695,324	17.8%
Public shareholders	1,818,813,346	44.7%	1,934,687,946	46.2%
Total issued share capital	4,069,222,571	100.0%	4,185,097,171	100.0%

Notes:

(1) A member of the Shui On Group

(2) A wholly owned subsidiary of Shui On Construction and Materials Limited

The net proceeds from the issue of the Over-allotment Shares to be received by the Company are approximately HK\$601.3 million. Please refer to the section "Future Plans and Use of Proceeds — Use of Proceeds" in the Prospectus for information on the intended use of proceeds.

As at the date of this announcement, the directors of the Company are Mr. Vincent H.S. Lo, Mr. Wilfred Y.W. Wong, Mr. William T. Addison, Sir John R.H. Bond**, The Honourable C.Y. Leung**, Dr. Edgar W.K. Cheng**, Dr. William K.L. Fung**, Professor Gary C. Biddle**, Dr. Roger L. McCarthy** and Mr. David J. Shaw**.

By order of the Board of Directors
Mr. Vincent H. S. Lo
Chairman

Hong Kong, 9 October 2006

* for identification only

** Independent non-executive director