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Shui On Land Limited
瑞安房地產有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 272)

ANNOUNCEMENT
MAJOR TRANSACTION - ACQUISITION OF LAND

The Board is pleased to announce that on 30 November 2007, the HK Companies, the indirect wholly owned subsidiaries of the Company, were successful in its bid for the Land located in the city centre of Foshan, the PRC at a price of RMB7,510 million (approximately HK\$7,905 million). On 30 November 2007, the HK Companies entered into the Confirmation Agreement with the Land Exchange Center confirming the HK Companies' successful bid for the Land.

On the basis that the applicable percentage ratios in respect of the acquisition of the Land (i.e. the "Acquisition") is greater than 25% but less than 100% for the purposes of Rule 14.07 of the Listing Rules, the Acquisition constitutes a major transaction for the Company under the Listing Rules.

Under the Listing Rules, the Acquisition is subject to the approval of the Shareholders. Shui On Properties Limited, Shui On Investment Company Limited and New Rainbow Investments Limited, a closely allied group of Shareholders, each being a subsidiary of Shui On Company Limited, holds 940,000,000 shares, 788,845,761 shares and 526,279,964 shares in the Company respectively. Together, they hold approximately 53.87% in the issued share capital of the Company.

Since none of the Shareholders is required to abstain from voting on the Acquisition, written approval of Shui On Properties Limited, Shui On Investment Company Limited and New Rainbow Investments Limited has been obtained for the purpose of approving the Acquisition in lieu of an approval from the Shareholders at a Shareholders' meeting pursuant to Rule 14.44 of the Listing Rules.

A circular containing, among other things, information relating to the Acquisition will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

1. INTRODUCTION

The Board is pleased to announce that on 30 November 2007, the HK Companies, indirect wholly owned subsidiaries of the Company, were successful in its bid for the Land located in the city centre of Foshan, the PRC for and on behalf of the Group at a price of RMB7,510 million (approximately HK\$7,905 million).

2. DETAILS OF THE TENDER AND THE ACQUISITION

Bidding opening date : 21 November 2007

Bidding closing date : 30 November 2007

Parties : the Land Exchange Center as the tenderer. The Company confirmed that to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Land Exchange Center and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

the HK Companies as the successful bidders

Subject matter : the Land

Purpose : development of the Project, details of the Land and the Project are set out in the section headed "Particulars of the Land and the Project" below.

Confirmation Agreement

On 30 November 2007, the HK Companies entered into the Confirmation Agreement with the Land Exchange Center confirming the HK Companies' successful bid for the Land. Pursuant to the terms of the Confirmation Agreement, the Acquisition is conditional upon (a) the development of the Land in line with the PRC Government relocation plan, (b) the approval by the PRC Government with respect to the master planning of the Project, (c) the payment of the consideration for the Land, (d) the formation of the PRC project company(ies) within 6 months, and (e) signing of the land use rights contract for the Land.

Consideration and payment terms

Under the Confirmation Agreement, the total consideration for acquiring, through the successful bid, the land use rights of the Land is RMB7,510 million (approximately HK\$7,905 million), and will be payable in cash as follows:-

Date of payment	Amount payable
19 November 2007	RMB1,200 million (approximately HK\$1,263 million) (being deposit for the bidding)
On or before 29 January 2008	RMB1,053 million (approximately HK\$1,108 million)
Balance of the consideration (representing 70% of the total consideration) will be paid in stages in line with the relocation progress of the Land	RMB5,257 million (approximately HK\$5,534 million)

The consideration was the amount bid by the HK Companies under the public bidding held by the Land Exchange Center during the period from 21 to 30 November 2007 in accordance with the relevant PRC laws and regulations. The amount was determined with reference to the average market price of similar plots of land in the proximity. The Group will fund the consideration partly by its internal resources and partly by bank borrowings.

3. PARTICULARS OF THE LAND AND THE PROJECT

The Land covers an area of approximately 639,320 square metres, within which the planned net developable land area is approximately 517,471 square metres. The Foshan Government has already commenced relocation process over the Land, and the first plot of cleared land of approximately 24,410 square metres is expected to be delivered to the Group within one month after the payment of 30% of the total consideration for the Acquisition. The remaining plots constituting the Land are expected to be cleared and delivered in stages and the entire Land is expected to be delivered to the Group by or around 2010. However, the timing of the delivery of each plot of the Land is subject to change depending on the progress of the relocation. Pursuant to the form of the land use rights contract for the Land attached to the bidding documents issued by the Land Exchange Center, cleared land will be delivered to the successful bidder(s) which means the Foshan Government will be responsible for all the relocation costs and related costs with respect to the relocation of the Land.

The Project will be a large scale city centre redevelopment project for Foshan with a comprehensive mixed use community comprising approximately 1,500,000 square metres gross floor area of office, retail, hotel, cultural facilities and residential property and a “Foshan Tiandi”, a restoration project similar to the Shanghai Xintiandi. The Project is named after two protected relics located adjacent to the Land, known as Zumiao (an ancient temple) and Donghuali (a lane inhabited by rich people during the Qing Dynasty). In line with the business model of the Group, the Group may also invite strategic partners to co-invest in the Project if and when suitable opportunity arises, but no definite plans or terms has been fixed.

4. REASONS FOR AND BENEFITS OF THE ACQUISITION

The Project aligns well with the Group’s business model and core competence in developing large scale multiphase integrated property projects. The Directors believe that the Acquisition is a good investment opportunity for the Group to broaden its asset and earning base, and to further develop another landmark in the PRC.

The Directors consider that the terms of the Acquisition are fair and reasonable, and that the Acquisition is on normal commercial terms and in the best interests of the Company and its shareholders as a whole.

5. INFORMATION REGARDING THE LAND EXCHANGE CENTER

The Land Exchange Center is an agent of the Foshan government, PRC. The main functions of the Land Exchange Center include (i) being in charge of preliminary examination of the transfer of, lease of and mortgage over the land within Chancheng District, witnessing land transactions and calculating and collecting relevant taxes and fees; and (ii) accepting requests from the PRC government authorities and other enterprises or individuals to conduct tenders, auctions and public quotations relating to land use rights transactions.

6. INFORMATION REGARDING THE COMPANY

The Company through its subsidiaries and associates is one of the leading property developers in the PRC. The Group engages principally in the development, sale, leasing, management and the long-term ownership of high-quality residential, office, retail, entertainment and cultural properties in the PRC.

7. IMPLICATIONS OF THE LISTING RULES

On the basis that the applicable percentage ratios in respect of the Acquisition is greater than 25% but less than 100% for the purposes of Rule 14.07 of the Listing Rules, the Acquisition constitutes a major transaction for the Company under the Listing Rules.

Under the Listing Rules, the Acquisition is subject to the approval of the Shareholders. Shui On Properties Limited, Shui On Investment Company Limited and New Rainbow Investments Limited, a closely allied group of Shareholders, each being a subsidiary of Shui On Company Limited, holds 940,000,000 shares, 788,845,761 shares and 526,279,964 shares in the Company respectively. Together, they hold approximately 53.87% in the issued share capital of the Company. Since none of the Shareholders is required to abstain from voting on the Acquisition, written approval of Shui On Properties Limited, Shui On Investment Company Limited and New Rainbow Investments Limited has been obtained for the purpose of approving the Acquisition in lieu of an approval from the Shareholders at a shareholders' meeting pursuant to Rule 14.44 of the Listing Rules.

A circular containing, among other things, information relating to the Acquisition will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

DEFINITIONS

“Acquisition”	the acquisition of the land use rights of the Land pursuant to the successful bid on 30 November 2007;
“associate”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“Company”	Shui On Land Limited, a company incorporated in the Cayman Islands whose shares are listed on The Stock Exchange of Hong Kong Limited;
“Confirmation Agreement”	the agreement dated 30 November 2007 between the HK Companies and the Land Exchange Center;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“HK Companies”	Crown Fame Limited, Eastern View Limited, Info Union Limited, Land Pacific Limited, Oriental Host Limited, Regal Victory Limited, Rich Prime Limited and Smart Century Limited, companies incorporated in Hong Kong with limited liability, each being an indirect wholly owned subsidiary of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Land”	a piece of land with an area of approximately 639,320 square metres, within which the planned net developable land area is approximately 517,471 square metres, located at south of Ren Min Road (Liao Yuan Road), both sides of Zu Miao Road, both sides of Cheng Men Tou Road, north of Jian Xin Road (Zhao Xiang Road), both sides of Shi Dong Road in Chancheng District, Foshan City, Guangdong Province, the PRC;
“Land Exchange Center”	Land Exchange Center, Chancheng District, Foshan City (佛山市禪城區土地交易中心) in the PRC, an agent of the Foshan government, PRC under the Foshan Bureau of Land and Resources;

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China;
“Project”	the project in relation to the development of the Land;
“RMB”	Renminbi, the lawful currency of the PRC; and
“Shareholders”	holders of shares of the Company.

Unless otherwise specified in this announcement and for the purpose of illustration only, RMB is translated to HK\$ at the rate of HK\$1.00 = RMB0.95. No representation is made that any amount in RMB has been or could be converted at the above rate or at any other rates or at all.

By Order of the Board
Shui On Land Limited
Vincent H. S. LO
Chairman

Hong Kong, 30 November 2007

As at the date of this announcement, the executive directors of the Company are Mr. Vincent H.S. LO (Chairman and Chief Executive Officer) and Mr. William T. ADDISON; the non-executive director of the Company is The Honourable LEUNG Chun Ying; and the independent non-executive directors of the Company are Sir John R.H. BOND, Dr. Edgar W.K. CHENG, Dr. William K.L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY and Mr. David J. SHAW.

** for identification purpose only*