



Shui On Land Limited
瑞安房地產有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 272)

**Sale and Purchase of the Company's Shares
among Two Substantial Shareholders**

Shui On Land Limited (the "Company") wishes to state that it was informed by Shui On Construction and Materials Limited ("SOCAM"), a substantial shareholder of the Company, that New Rainbow Investments Limited ("New Rainbow"), a wholly owned subsidiary of SOCAM, has entered into a sale and purchase agreement on 4 March 2008 (the "Agreement") with Shui On Investment Company Limited ("SOI"), a substantial shareholder of the Company and a wholly owned subsidiary of Shui On Company Limited ("SOCL"), whereby New Rainbow agrees to sell to SOI approximately HK\$1,000,000,000 worth of the Company's ordinary shares of nominal value US\$0.0025 each (the "Shares") at a price per Share (the "Purchase Price") determined in accordance with the Agreement (the "Proposed Disposal"). In the event that the Purchase Price as determined in accordance with the Agreement exceeds the maximum Purchase Price of HK\$8.50 per Share, SOI shall have the right to terminate the Agreement. If the transaction contemplated under the Agreement materialises, the interest of SOCAM and its subsidiaries ("SOCAM Group") in the Company will be reduced from approximately 12.57% to approximately 9.46% (assuming the Purchase Price is the minimum Purchase Price of HK\$7.68) and approximately 9.76% (assuming the Purchase Price is the maximum Purchase Price of HK\$8.50). SOI and its subsidiaries will increase their interest in the Company from approximately 41.58% to approximately 44.39% (assuming the Purchase Price is the maximum Purchase Price of HK\$8.50) and approximately 44.69% (assuming the Purchase Price is the minimum Purchase Price of HK\$7.68). **The collective interest of SOCL and its subsidiaries ("SOCL Group") held through SOI and its subsidiaries and the SOCAM Group in the Company will remain unchanged at approximately 54.15%.**

Shareholders of the Company and potential investors should note that the transaction contemplated under the Agreement is subject to a number of conditions and SOI's right to terminate the Agreement in the event that the Purchase Price as determined in accordance with the Agreement exceeds the maximum Purchase Price of HK\$8.50 per Share. The release of this announcement does not in any way indicate that the Proposed Disposal will be successfully completed. Shareholders of the Company and potential investors should therefore exercise caution when dealing in the securities of the Company.

The Company wishes to state that it was informed by SOCAM that New Rainbow has entered into the Agreement with SOI whereby New Rainbow agrees to sell to SOI approximately HK\$1,000,000,000 worth of the Shares at the Purchase Price determined in accordance with the Agreement. In the event that the Purchase Price as determined in accordance with the Agreement exceeds the maximum Purchase Price of HK\$8.50 per Share, SOI shall have the right to terminate the Agreement.

For the avoidance of doubt, the Company is not a party to the Agreement.

SOCL Group is the controlling shareholder interested in approximately 54.15% of the issued share capital of the Company.

At the date of this announcement, the Company is owned as to approximately 12.57% by the SOCAM Group, and as to approximately 41.58% by SOI and its subsidiaries. Collectively, SOCL Group holds approximately 54.15% in the issued share capital of the Company through SOI and its subsidiaries and SOCAM Group.

If the transaction contemplated under the Agreement materialises, SOCAM Group's interest in the Company will be reduced from approximately 12.57% to approximately 9.46% (assuming the Purchase Price is the minimum Purchase Price of HK\$7.68) and approximately 9.76% (assuming the Purchase Price is the maximum Purchase Price of HK\$8.50). SOI and its subsidiaries will increase their interest in the Company from approximately 41.58% to approximately 44.39% (assuming the Purchase Price is the maximum Purchase Price of HK\$8.50) and approximately 44.69% (assuming the Purchase Price is the minimum Purchase Price of HK\$7.68). **The collective interest of the SOCL Group held through SOI and its subsidiaries and the SOCAM Group in the Company will remain unchanged at approximately 54.15%.**

Shareholders of the Company and potential investors should note that the transaction contemplated under the Agreement is subject to a number of conditions and SOI's right to terminate the Agreement in the event that the Purchase Price as determined in accordance with the Agreement exceeds the maximum Purchase Price of HK\$8.50 per Share. The release of this announcement does not in any way indicate that the Proposed Disposal will be successfully completed. Shareholders of the Company and potential investors should therefore exercise caution when dealing in the securities of the Company.

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

Hong Kong, 4 March 2008

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 purposes only*