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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
PRICE-SENSITIVE INFORMATION REGARDING 2009 INTERIM RESULTS

This announcement is made by Shui On Land Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

The board of directors of the Company (“**Board**”) wishes to inform potential investors and shareholders of the Company that it is expected that the profit of the Group for the six months ended 30 June 2009 is likely to decline significantly as compared with that for the corresponding period in 2008.

Based on the information currently available to the Company, the Board believes that this is mainly attributable to the following:

- a. the adoption, in accordance with requirements under the International Financial Reporting Standards, of a new interpretation on the accounting treatments for “Agreements for the Construction of Real Estate” (the “**New Interpretation**”), which changes the timing of revenue recognition of property sales; and
- b. there was no gain on disposal of equity interests in subsidiaries as compared with that for the corresponding period in 2008.

In the prior periods, sales revenue was recognised upon completion of the development at which the completion certificate for the relevant property has been obtained, which is the time when equitable interest in the property can be taken as vested in the purchasers. With the adoption of the New Interpretation, sales revenue will now only be recognised upon delivery of properties to the purchasers.

The Board remains positive on the long term prospects of the Group. The property market in China improved early this year, our Company property's sales has benefited from such pick up since second quarter of year 2009. However, most of these properties sold have not yet been delivered to the buyers, and the Group cannot recognize these sales revenue under the New Interpretation until the Group has delivered the properties to the buyers, which the Group expects delivery will be in the second half of year 2009. Property sales remained stable for the six months ended 30 June 2009. Up to 31 July 2009, the Group recorded contracted sales in the sum of RMB3.1 billion as compared to RMB2.5 billion in the corresponding period in 2008.

In line with the Group's stated strategy, the Group will continue its efforts in bringing in strategic partners to co-develop the Group's projects and in making strategic disposal of equity interests in its subsidiaries to suitable strategic partners including Winnington Capital Limited and other independent third parties. With respect to such disposal, the Group will comply with the relevant Listing Rules as and when appropriate.

The Company is still in the process of finalizing the results of the Group for the six months ended 30 June 2009. The information contained in this announcement is only a preliminary assessment of unaudited management accounts by the management of the Company.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

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

Hong Kong, 11 August 2009

At the date of this announcement, the executive directors of the Company are Mr. Vincent H. S. LO (Chairman and Chief Executive Officer), Mr. Louis H. W. WONG and Mr. Aloysius T. S. LEE; 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*