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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)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

The Board announces that on 4 September 2009, the Company offered to grant 23,906,457 Replacement Options to subscribe for new Shares of the Company to the Grantees in exchange for the cancellation of share options previously granted to them under the 12th Grant.

It is noted that the exercise price of HK\$1.60 with respect to the 12th Grant was significantly lower than that of other share options granted by the Company, while the number of options granted to the relevant Employees under the 12th Grant was higher than the other share option granted by the Company. The exercise price of HK\$1.60 with respect to the 12th Grant and the number of options granted thereunder were determined pursuant to the terms of the Share Option Scheme and by reference to the trading price of the Shares at the time of the grant.

The objectives of the Share Option Scheme are mainly to provide incentives for Employees on a fair and equitable basis, and to enhance the Company's long-term growth and value. To better achieve the effectiveness of the Share Option Scheme, all relevant Employees have voluntarily expressed their consent (although such consent is not required under the Share Option Scheme) to the cancellation of the share options granted to them under the 12th Grant.

The Board, upon recommendation of the Remuneration Committee of the Company, has resolved to implement the Share Options Exchange Program. The Share Options Exchange Program is to cancel the 12th Grant and to issue the Replacement Options to the Grantees at an exercise price to be determined on the date of grant of the Replacement Options pursuant to the Share Option Scheme.

The Replacement Options will be issued under the Initial Mandate Limit granted by the Shareholders to the Directors on 8 June 2007. The Board considers that the Share Options Exchange Program would not have any material adverse financial impact on the Group.

The details of the grant of Replacement Options are set out below:

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| Date of grant | : 4 September 2009 |
| Exercise price of share options granted | : HK\$4.90 per Share |
| Number of share options granted | : 23,906,457 |
| Exercise period of the share options | : From 3 November 2010 to 2 November 2017 |

** the vesting schedule of the Replacement Options will remain the same as the 12th Grant, that is, starting from 3 November 2008.*

None of the Grantees is a Director, chief executive or substantial shareholder of the Company, or an associate of any of them.

The closing price of the Shares on the date of grant is HK\$4.90 per Share.

DEFINITIONS

In this announcement, unless the context otherwise requires the following expressions have the following meanings:

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| “associate”, “substantial shareholder(s)” | each 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; |
| “Directors” | the directors of the Company; |
| “Employee” or “Employees” | has the meaning ascribed to it in the Share Option Scheme; |
| “12th Grant” | the grant of an aggregate of 100,250,000 share options by the Company to the relevant Employees at an exercise price of HK\$1.60 per Share with an exercise period from 3 November 2010 to 2 November 2017 on 3 November 2008 in accordance with the Share Option Scheme; |
| “Grantees” | with respect to the cancellation of the 12 th Grant, refers to Employees who were granted the 12 th Grant; and with respect to the Replacement Options, refers to those Employees who were granted the 12 th Grant but exclude any person who has ceased to be an Employee as of 4 September 2009; |
| “Group” | the Company and its subsidiaries; |

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| “ HK\$ ” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “ Hong Kong ” | the Hong Kong Special Administrative Region of the PRC; |
| “ Initial Mandate Limit ” | has the meaning ascribed to it in the Share Option Scheme; |
| “ Listing Rules ” | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “ Replacement Options ” | such new share options to be granted by the Company in replacement of any options that will be surrendered by the Grantees (excluding any person who has ceased to be an Employee as of 4 September 2009) subject to their respective acceptances; |
| “ Share Options Exchange Program ” | the cancellation of the 12 th Grant and the issuance of the Replacement Options; |
| “ Share Option Scheme ” | the share option scheme adopted by the Company on 8 June 2007; |
| “ Shareholders ” | holder(s) of Share(s) in issue; |
| “ Shares ” | ordinary share(s) of US\$0.0025 each in the share capital of the Company; |
| “ Stock Exchange ” | The Stock Exchange of Hong Kong Limited; and |
| “ US\$ ” | United States Dollars, the lawful currency of the United States of America. |

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

Hong Kong, 4 September 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, Mr. Aloysius T. S. LEE and Mr. Daniel Y. K. WAN; 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*