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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)

CONTINUING CONNECTED TRANSACTIONS
USE OF AIRCRAFT AGREEMENT

On 4 September 2009, the Company has entered into the Agreement with Top Dynasty pursuant to which the SOL Group will use an Aircraft owned by Top Dynasty for the purpose of transporting passengers for business of the SOL Group.

Mr. Lo is a director, the Chairman and Chief Executive Officer of the Company in which he has an interest of approximately 49.98% in its issued share capital. Mr. Lo is therefore a connected person of the Company. Top Dynasty is an associate of Mr. Lo, and is therefore an associate of a connected person of the Company. Accordingly, the transactions contemplated under the Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Since the applicable relevant percentage ratios (other than the profits ratio) as defined in Rule 14A.10 of the Listing Rules in respect of the Continuing Connected Transactions are more than 0.1% but less than 2.5%, the Continuing Connected Transactions are subject to the reporting and announcement requirements but exempt from independent shareholders' approval under the Listing Rules.

THE AGREEMENT

Date

4 September 2009

Parties

- (1) Top Dynasty; and
- (2) The Company

Major Terms

Pursuant to the Agreement, the SOL Group will use an Aircraft owned by Top Dynasty for the purpose of transporting passengers for business of the SOL Group. The Fees will be calculated based on the actual travelling schedules of the passengers. The term of the Agreement is from 4 September 2009 and expiring on 31 December 2010.

ANNUAL CAPS

It is expected that the maximum annual Fees payable by the SOL Group to the Top Dynasty Group under the Agreement for the period from the date of the Agreement up to 31 December 2009 will be HK\$7 million, and for the year ending 31 December 2010 will be HK\$20 million.

The Annual Caps are determined based on the previous travelling schedules of the Chairman and the senior management of the Company, and the internal projection of the Fees to be incurred by reference to the estimated flight hours based on SOL Group's business growth, the high inflation and fuel costs environment, and the prevailing market rates of similar services offered by an independent aircraft service provider. The Directors are of the view that the Annual Caps as set out above are reasonable.

REASONS FOR ENTERING INTO THE AGREEMENT AND THE CONTINUING CONNECTED TRANSACTIONS

The senior management of the Company has extensive and sometimes unexpected travel schedules around different parts of PRC and occasionally to other parts of the world. The benefits of entering into the Agreement are the time costs which would have been saved from the rigid adherence to the fixed schedule as well as unexpected waiting time in commercial flights, especially in regions where commercial flights are either scarce or even absent. In addition, travelling on the Aircraft provides a venue for senior management meetings immediately before the arrival at the destination concerned. In comparison with meeting in any other venue, confidentiality can be better secured. The Directors (including the independent non-executive Directors), with Mr. Lo being abstained from voting on the Board Resolutions, are of the view that procuring the use of the Aircraft will increase the efficiency of the Company, and consider that the terms of the Agreement (together with the Continuing Connected Transactions and the Annual Caps) are fair and reasonable, and that the transactions are on normal commercial terms in the ordinary and usual course of business of the Company and in the best interests of the Company and its Shareholders as a whole.

IMPLICATIONS OF THE LISTING RULES

Mr. Lo is a director, the Chairman and Chief Executive Officer of the Company in which he has an interest of approximately 49.98% in its issued share capital. Mr. Lo is therefore a connected person of the Company. Pursuant to the Listing Rules, Top Dynasty is an associate of Mr. Lo, and is therefore an associate of a connected person of the Company. Accordingly, the transactions contemplated under the Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Since the applicable relevant percentage ratios (other than the profits ratio) as defined in Rule 14A.10 of the Listing Rules in respect of the Continuing Connected Transactions are more than 0.1% but less than 2.5%, the Continuing Connected Transactions are subject to the reporting and announcement requirements but exempt from independent shareholders' approval under the Listing Rules.

GENERAL INFORMATION

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

The principal business activity of Top Dynasty is aircraft holding.

DEFINITIONS

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

“Agreement”	the agreement dated 4 September 2009 entered into between the Company and Top Dynasty in relation to the use of the Aircraft;
“Aircraft”	the aircraft which is provided by the Top Dynasty Group to the SOL Group from time to time under the Agreement;
“Annual Cap(s)”	the maximum annual Fees payable by the SOL Group to the Top Dynasty Group under the Agreement;
“associate”, “connected person(s)”	each has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“Board Resolutions”	the board resolutions for approving the terms of the Agreement, the Continuing Connected Transactions and the Annual Caps;
“Company”	Shui On Land Limited, a company incorporated in the Cayman Islands whose shares are listed on the Stock Exchange;
“Continuing Connected Transactions”	the continuing connected transactions to be entered into between the SOL Group and the Top Dynasty Group in relation to the transactions contemplated under the Agreement;
“Directors”	the directors of the Company;
“Fees”	fees for the use of the Aircraft under the Agreement which include but not limited to fuel, insurance and maintenance of the Aircraft, air navigation, costs for the flight crew, passenger airport taxes and airport charges;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Mr. Lo”	Mr. Vincent H. S. LO;
“PRC”	the People’s Republic of China including Hong Kong and the Macau Special Administrative Region;
“Shareholders”	holders of shares in the ordinary share capital of the Company;
“SOL Group”	the Company and its subsidiaries;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Top Dynasty”	Top Dynasty Investment Limited, a company incorporated under the laws of Hong Kong and also a subsidiary of Shui On Company Limited, a company incorporated under the laws of the British Virgin Islands and owned by the Bosrich Unit Trust. The trustee of Bosrich Unit Trust is Bosrich Holdings (PTC) Inc.. The units of Bosrich Unit Trust are the property of a discretionary trust, of which Mr. Lo is a discretionary beneficiary; and
“Top Dynasty Group”	Top Dynasty and its direct or indirect holding companies and subsidiaries; and subsidiaries of Top Dynasty’s direct or indirect holding companies.

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*