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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)

**RMB2,720 MILLION USD SETTLED 4.50% CONVERTIBLE
BONDS DUE 2015 (THE “BONDS”)**

ADJUSTMENT TO CONVERSION PRICE OF THE BONDS

The Company announces that the Conversion Price of the Bonds will be adjusted from HK\$4.65 per Share to HK\$4.53 per Share with effect from 16 July 2012 as a result of the payment of final dividend in respect of the year ended 31 December 2011.

Reference is made to the announcements of Shui On Land Limited (the “**Company**”) dated 29 September 2010 and 7 October 2011 (collectively, the “**Announcements**”) in relation to the issue of the Firm Bonds and the Option Bonds (collectively, the “**Bonds**”), and the previous adjustments to the conversion price of the Bonds. The Bonds are listed on the Singapore Exchange Securities Trading Limited. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless otherwise stated.

On 21 March 2012, the Board had recommended a final dividend of HK\$0.10 per Share in respect of the year ended 31 December 2011 (the “**Final Dividend**”) for approval by the Shareholders. On 7 June 2012, a resolution was duly passed by the Shareholders at the annual general meeting to approve the payment of Final Dividend to Shareholders whose names appear on the register of members of the Company on 13 June 2012. The Final Dividend will be payable in the form of cash (herein described as the “**Cash Dividend**”) and/or Shares (herein described as the “**Scrip Dividend**”) as Shareholders were given the option to elect to receive Scrip Dividend in lieu of all or part of cash. Details of the scrip dividend scheme in respect of the Final Dividend are set out in the circular of the Company dated 22 June 2012. Holders of 4,110,905,373 Shares have elected to receive Scrip Dividend and the remaining holders of 1,714,212,020 Shares will receive Cash Dividend.

Notice is hereby given that, based on the adjustment provisions in the terms and conditions of the Bonds (the “**Conditions**”), no adjustment needs to be made to the Conversion Price as a result of the Scrip Dividend but an adjustment will be made to the Conversion Price as a result of the Cash Dividend, pursuant to Condition 6(C)(3).

The Conversion Price of the Bonds, currently HK\$4.65 per Share, will be adjusted to HK\$4.53 per Share with effect from 16 July 2012.

An amount of HK\$0.001 (being an amount by which the Conversion Price has been rounded down) shall be carried forward and taken into account in any subsequent adjustment pursuant to Clause 7.3 of the Trust Deed entered into between the Company and The Bank of New York Mellon.

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

Hong Kong, 16 July 2012

At the date of this announcement, the executive directors of the Company are Mr. Vincent H. S. LO (Chairman), Mr. Freddy C. K. LEE (Chief Executive Officer) and Mr. Daniel Y. K. WAN; the non-executive director of the Company is Mr. Frankie Y. L. WONG; and the independent non-executive directors of the Company are Sir John R. H. BOND, Dr. William K. L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY and Mr. David J. SHAW.

** For identification purposes only*