

Shui On Land Limited (272.HK)

2010 Interim Results

19 August 2010

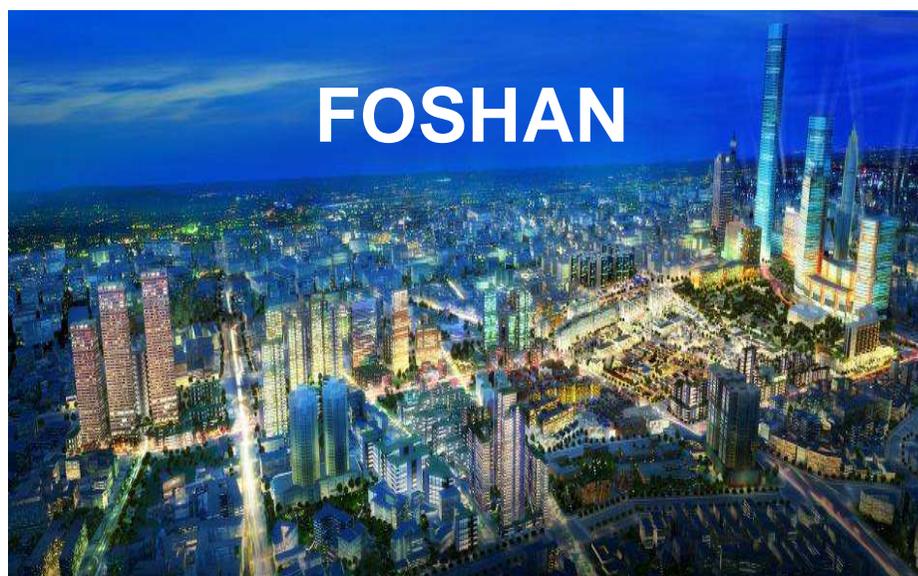
- 1. Corporate Strategy**
2. Financial Highlights and Business Review
3. Three-Year Plan
4. Key Launches in 2H 2010

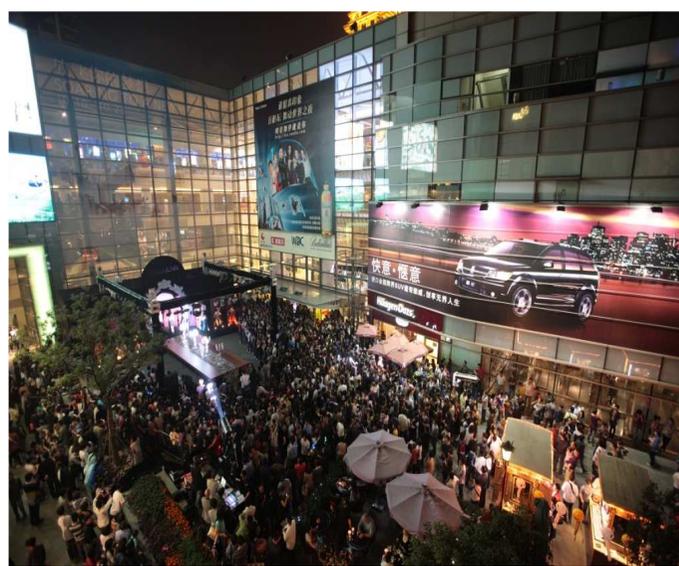
Large scale, mixed-use city core communities in high growth cities:

- **A harmonious blend of premium retail areas, offices and luxurious residential with tranquil amenities like parks and/or lakes**
- **Preservation of local heritage and architecture**
- **Icon of fashionable lifestyle**
- **Landmark of the city**
- **Live-Work-Play communities**



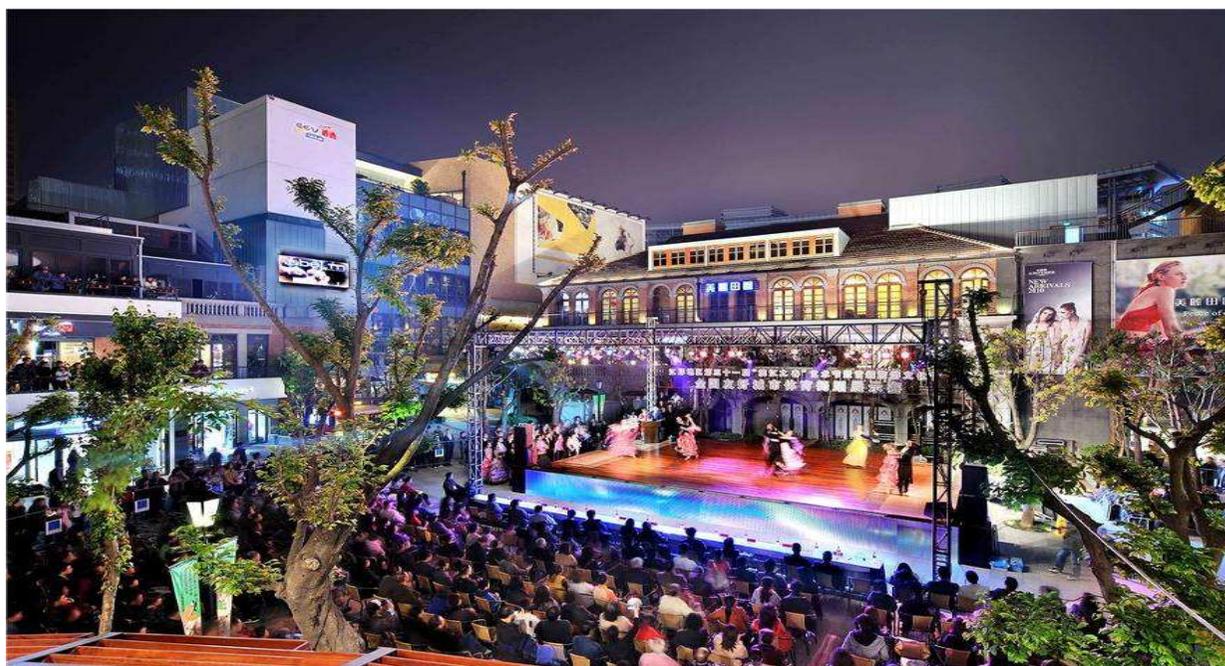
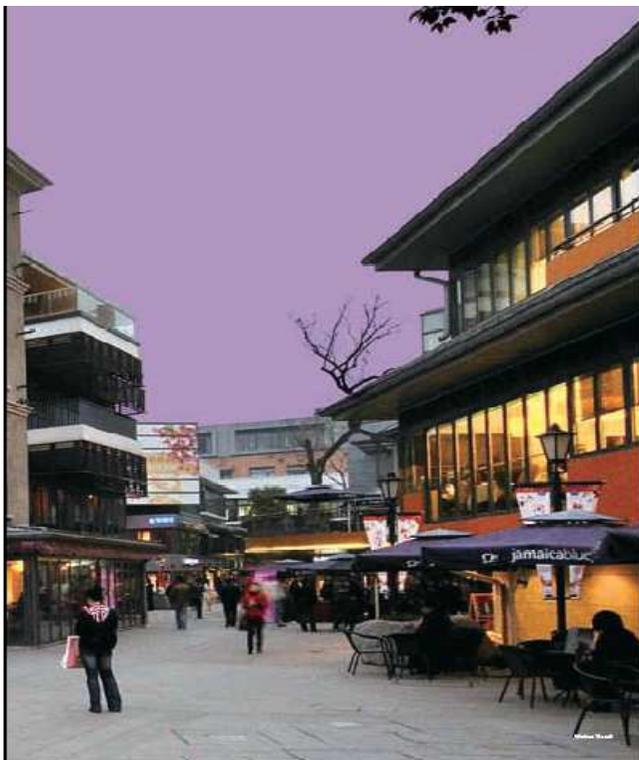
Successfully Replicating our “Tiandi” Model





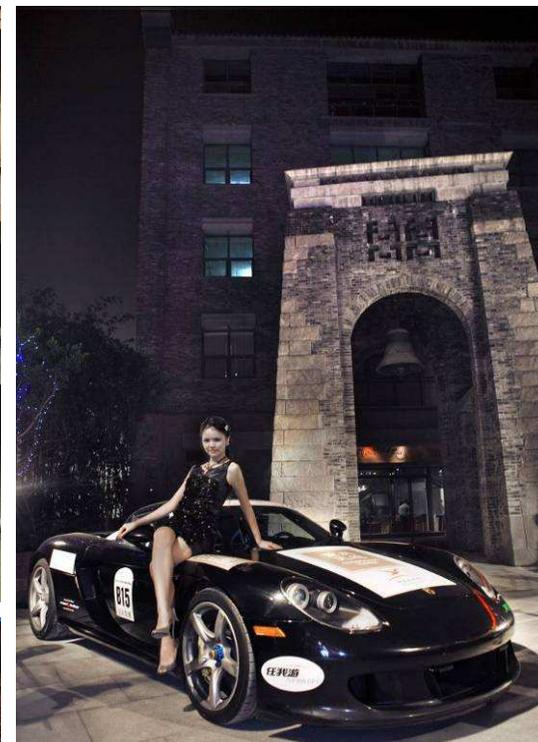
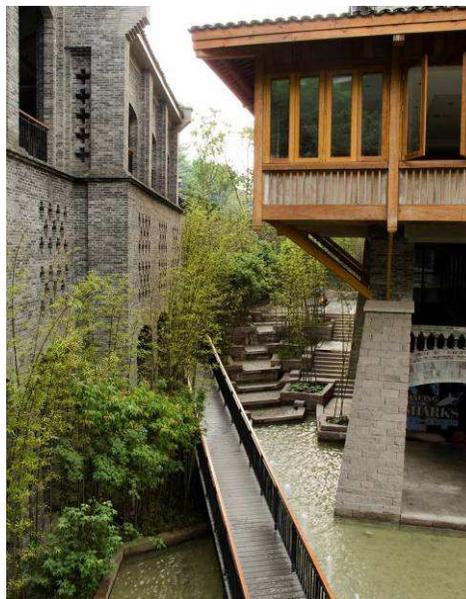


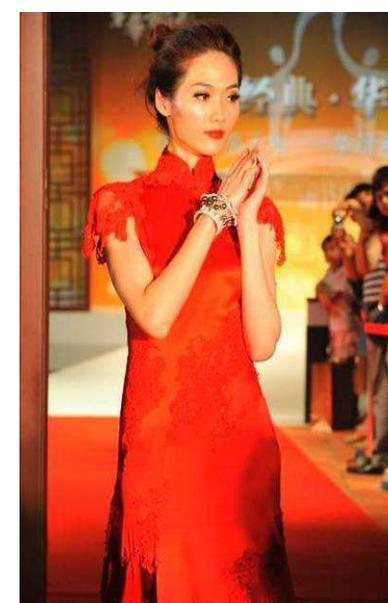
Wuhan Tiandi





Chongqing Tiandi





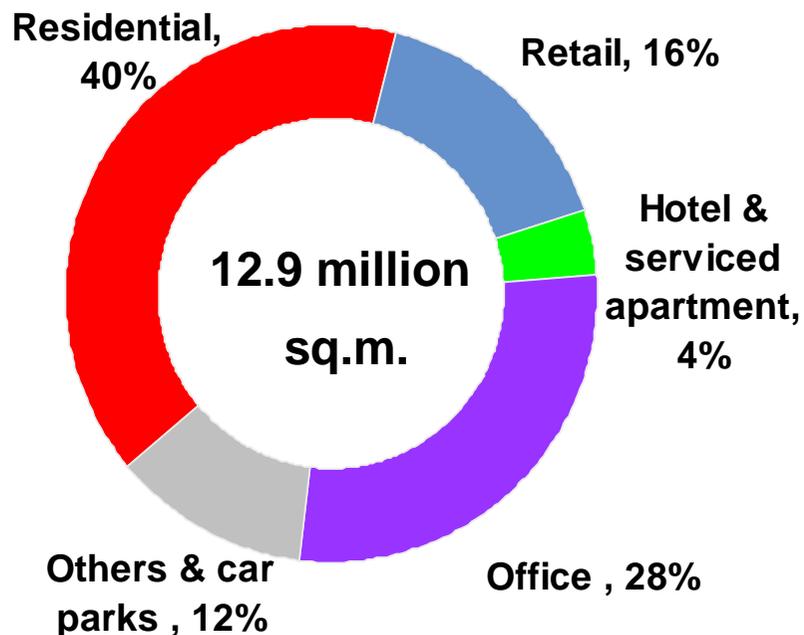
	Year of Entrance	Per Capita GDP (USD/person)	Current year	Per Capita GDP (USD/person)	10-year average GDP growth rate	
					City	China
Shanghai	1996	2,500	2009	11,600	11.5%	10.0%
Chongqing	2004	1,200	2009	3,400	12.0%	
Wuhan	2005	3,300	2009	7,300	13.6%	
Foshan	2007	8,300	2009	11,800	15.8%	
Dalian	2007	7,100	2009	10,500	14.9%	

Source: City Statistics Bureau

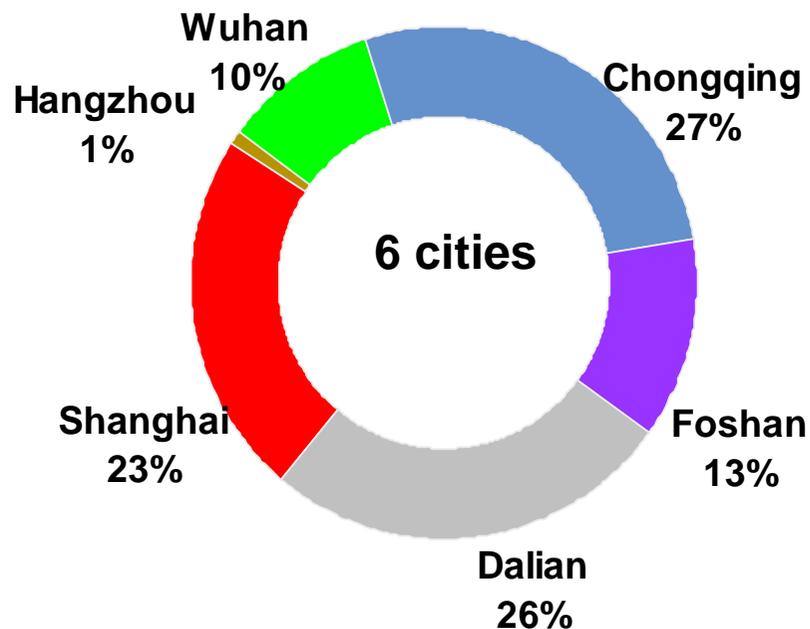
Mixed-use Community

Well positioned to capture the economic growth, strong housing demand and surging domestic consumptions in Mainland China

Total GFA by usage



Total GFA by city





Setting a Platform for the Next Stage of Growth

PAST

2006 – 2009

- Acquired 12.9 million sq.m. GFA landbank at good value in core areas of high growth cities
- Completed the master plans of all projects
- Built “Tiandi” commercial cluster along with various phases of residential developments
- Established the “Tiandi” brand

PRESENT

2010 – 2011

- Implementing the Three-Year Plan
- Expediting project development
- Collaborating with strategic partners and stakeholders
- Commanding higher average selling price and gross profit margin

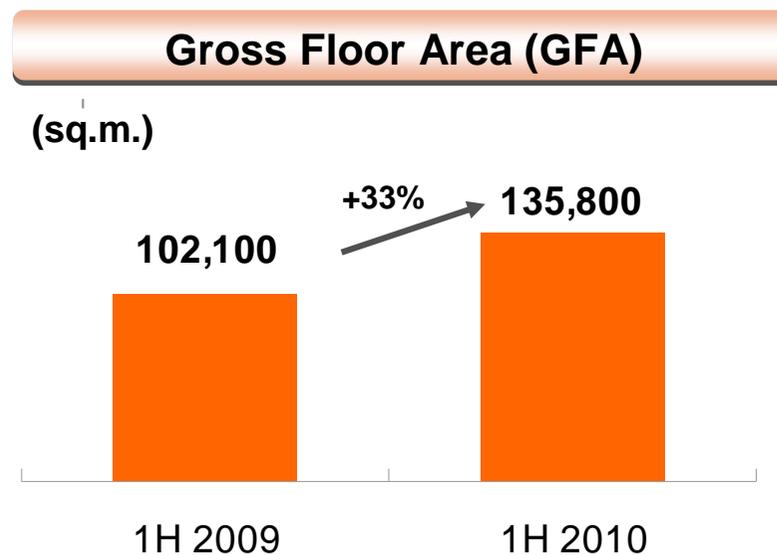
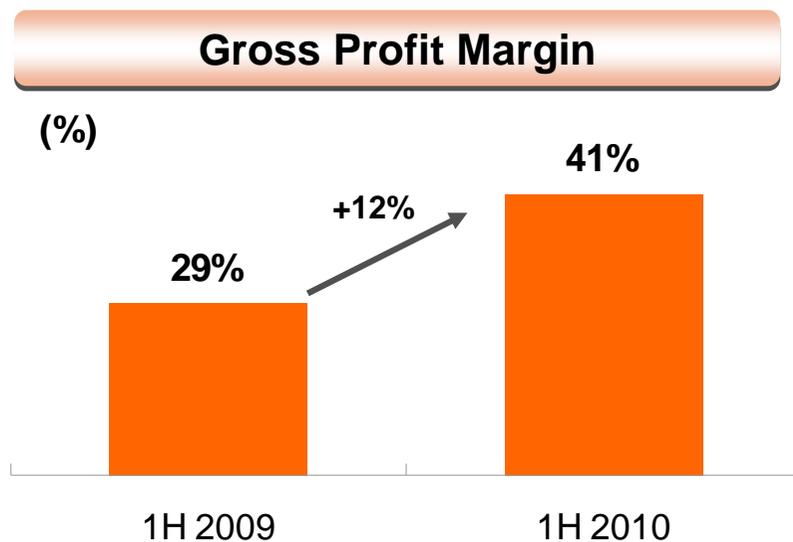
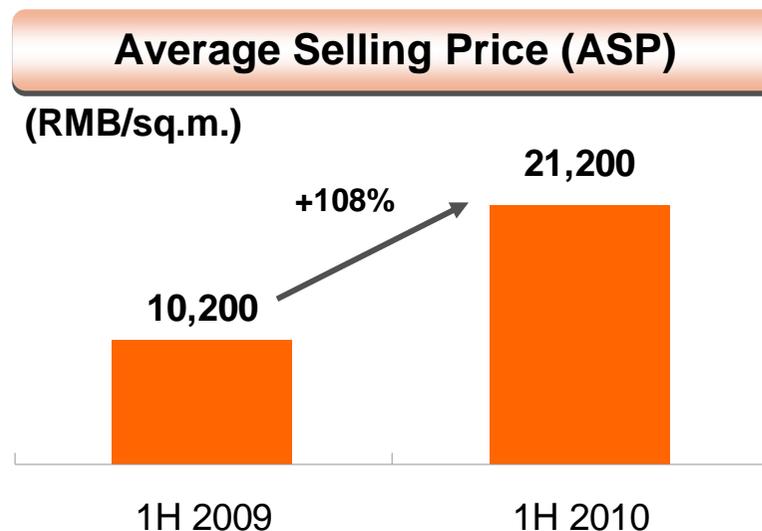
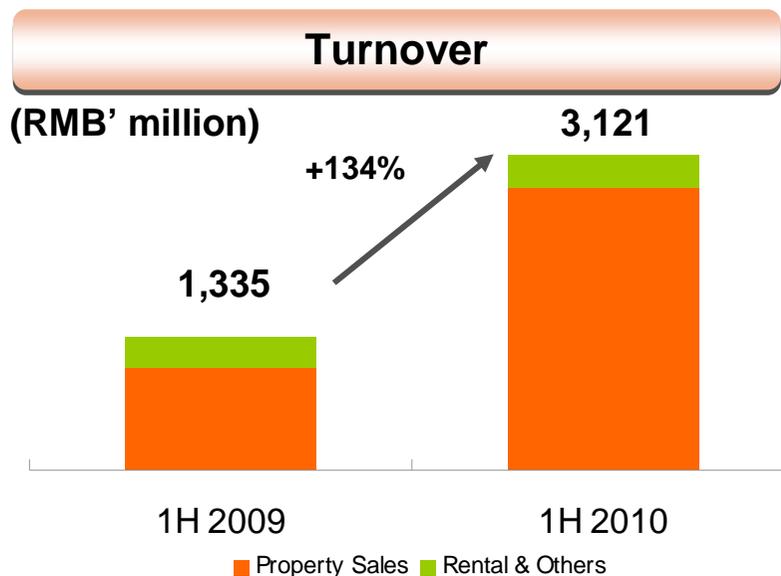
FUTURE

2012 and beyond

- To accelerate asset turnover
- To achieve sustainable earnings growth

1. Corporate Strategy
2. **Financial Highlights and Business Review**
3. Three-Year Plan
4. Key Launches in 2H 2010

Top Line Growth and Margin Expansion



Income Statement – Strong Earnings Growth

RMB' million	Six months ended 30 June		
	2010	2009	Changes
Turnover	3,121	1,335	↑ 134%
Gross profit	1,272	390	↑ 226%
Increase in fair value of investment properties	1,461	199	↑ 634%
Profit for the period	1,708	656	↑ 160%
Profit attributable to shareholders	1,557	718	↑ 117%
Earnings per share – basic (RMB)	0.31	0.16	↑ 94%
Interim dividend (HK\$)	0.06	0.01	↑ 500%

Fair Value Gain (Loss) on Investment Properties

Project	Fair value as of 30 June 2010		Fair value gain (loss) in 1H 2010
	RMB' million	RMB / sq.m.	RMB' million
Shanghai Taipingqiao			
- Xintiandi	3,418	60,000	116
- Xintiandi Style	1,800	62,000	461
- Corporate Avenue Phase1	3,567	43,000	88
- Corporate Avenue Phase2	3,745	24,000	305
Shanghai Rui Hong Xin Cheng	616	18,000	23
Shanghai KIC	2,984	16,000	471
Wuhan	594	13,000	107
Chongqing	1,126	-	(110)
Others	5,546	-	-
Total	23.676	-	1,461

Note: The fair value was carried out by Knight Frank, an independent qualified professional valuer.

RMB' million	30 June 2010	31 December 2009	Changes
Total assets	46,604	42,592	↑ 9%
Total liabilities	22,840	20,018	↑ 14%
Total equity	23,764	22,574	↑ 5%
Total bank borrowings	12,473	10,203	↑ 22%
Cash and bank balances	4,929	4,947	–
Net gearing ratio	32%	23%	↑ 9% ppt

Total debt: RMB12.5 billion

- Long-term debt vs. Short-term debt: **88% vs. 12%** (2009: 79% vs. 21%)
- RMB debt vs. Foreign currency debt: **34% vs. 66%** (2009: 35% vs. 65%)
- Effective interest rate: **4.3%** (2009: 4.1%)

Currency Denomination	<1 year	1-2 years	> 2years	Total (RMB' million equivalent)
RMB	534	1,560	2,179	4,273
HK\$	702	1,704	5,556	7,962
US\$	238	-	-	238
Total	1,474	3,264	7,735	12,473

Estimated Capital Expenditure

RMB' billion	2010		2011E	2012E
	1H Actual	2H Estimate		
Construction cost	1.3	2.5	4.6	8.8
Land cost¹	2.3	4.1	5.7	1.9
Total CAPEX	3.6	6.6	10.3	10.7

Note1: Land cost includes land premium and relocation cost.

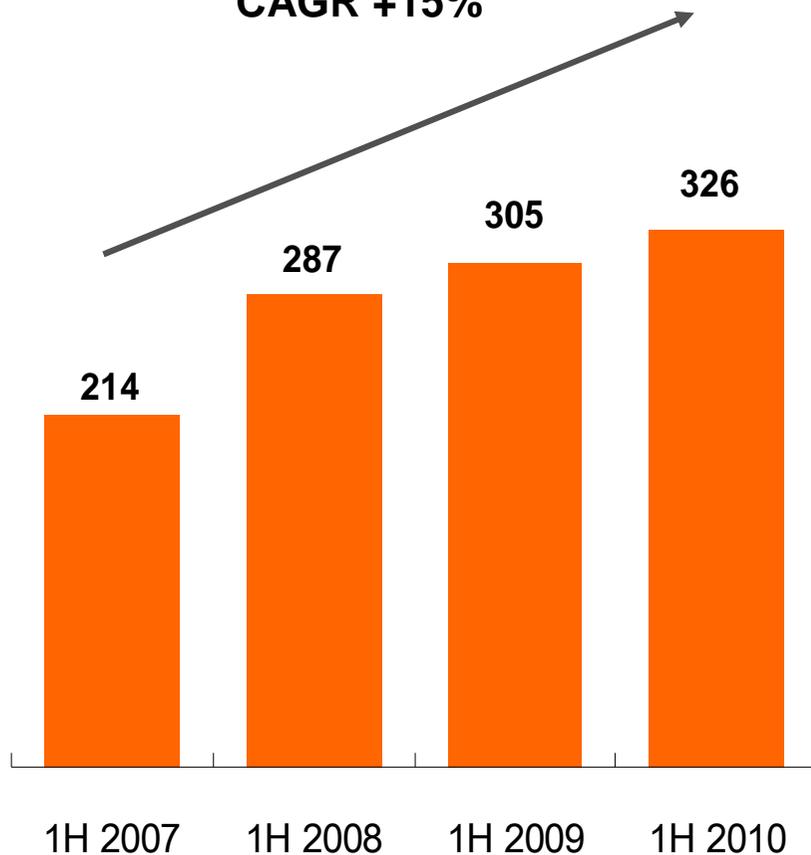


Strong Rental Income Growth and Asset Appreciation

Rental Income

(RMB' million)

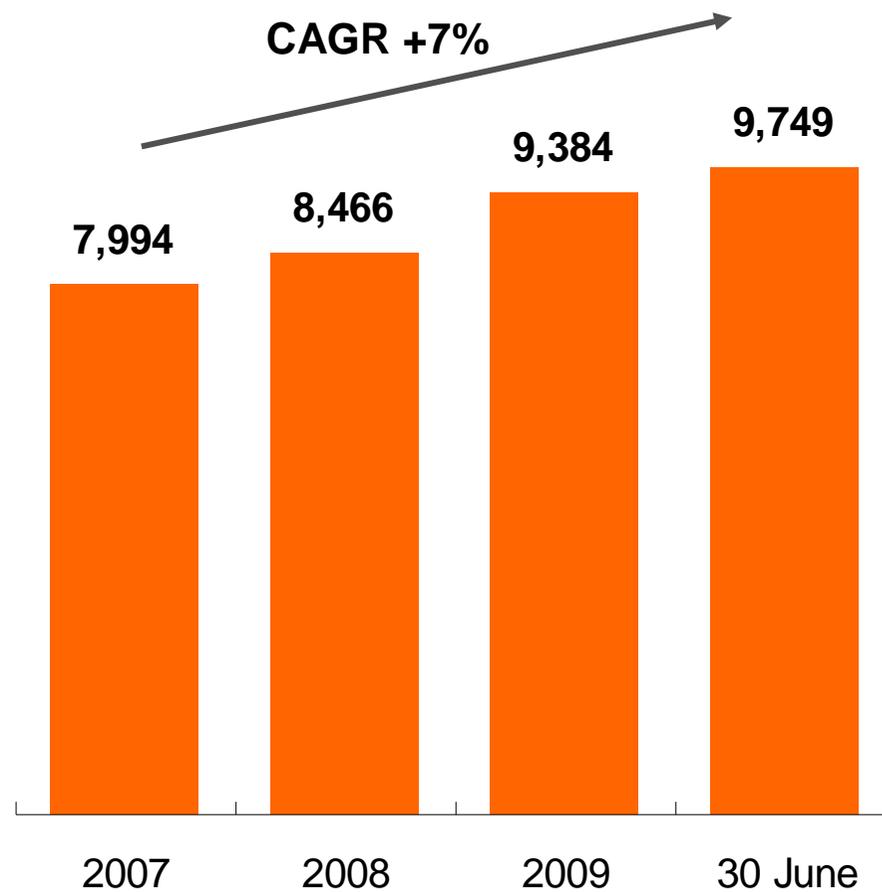
CAGR +15%



Investment Properties Value

(RMB' million)

CAGR +7%



High Occupancy Rate of Investment Properties

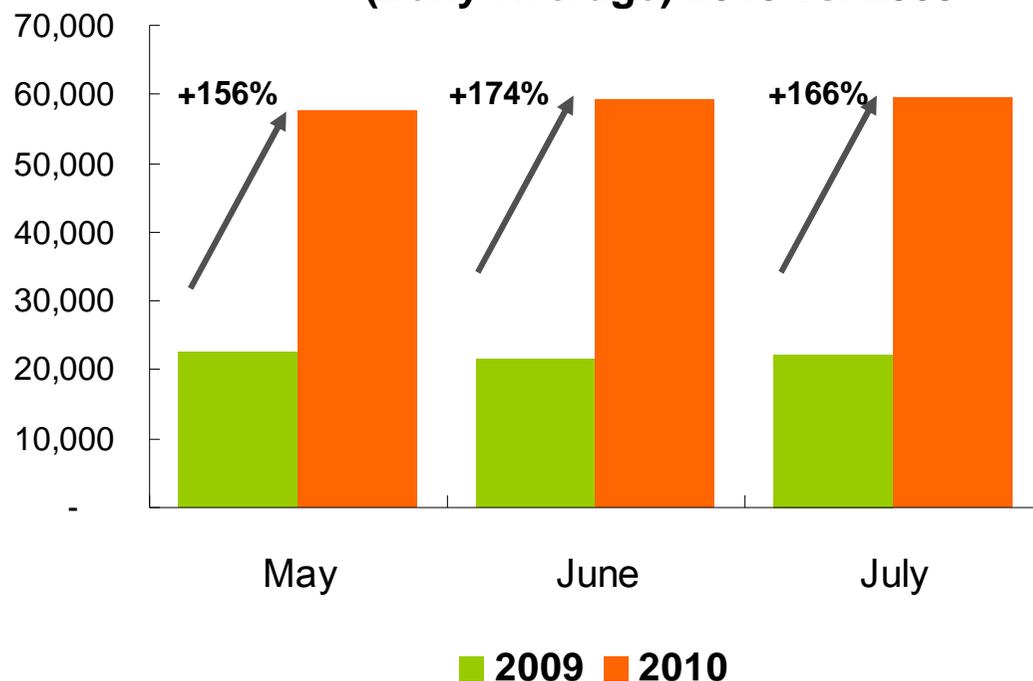
Total Leasable GFA 355,000 sq.m.

- By usage: Office 49% Retail 49% Serviced apartment 2%
- By geographic: Shanghai 73% Other cities 27%

Project	Type	Leasable GFA (sq.m.)	Occupancy Rate	
			30 June 2010	31 December 2009
Shanghai Taipingqiao - Xintiandi - Corporate Avenue Phase 1	Retail	57,000	96%	100%
	Office	83,000	99%	96%
Shanghai Rui Hong Xin Cheng	Retail	33,000	99%	100%
Shanghai KIC	Office & Retail	75,000	70%	69%
Hangzhou	Retail	6,000	100%	100%
Wuhan	Retail	46,000	82%	71%
Chongqing	Retail	2,000	100%	16%
Leasable GFA completed before 2010		302,000		
New completion in 1H 2010		53,000		
Total leasable GFA		355,000		

Significant Increase of Traffic Flow in Xintiandi during Shanghai Expo

Number of visitors to Shanghai Xintiandi
(Daily Average) 2010 vs. 2009



New Investment Properties in 2010



Dalian Software Office



“Xintiandi Style” – A new extension of Xintiandi



KIC Plaza Phase 2



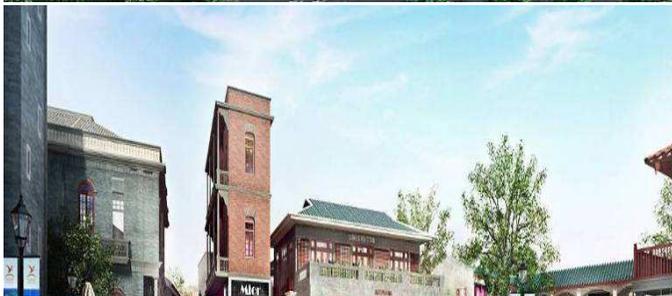
Growing Investment Property Portfolio



Foshan Hotel and Retail



Dalian IT Tiandi



Foshan Lingnan Tiandi



Wuhan Office



Shanghai Corporate Avenue Phase 2



Wuhan Shopping Centre



Chongqing Office

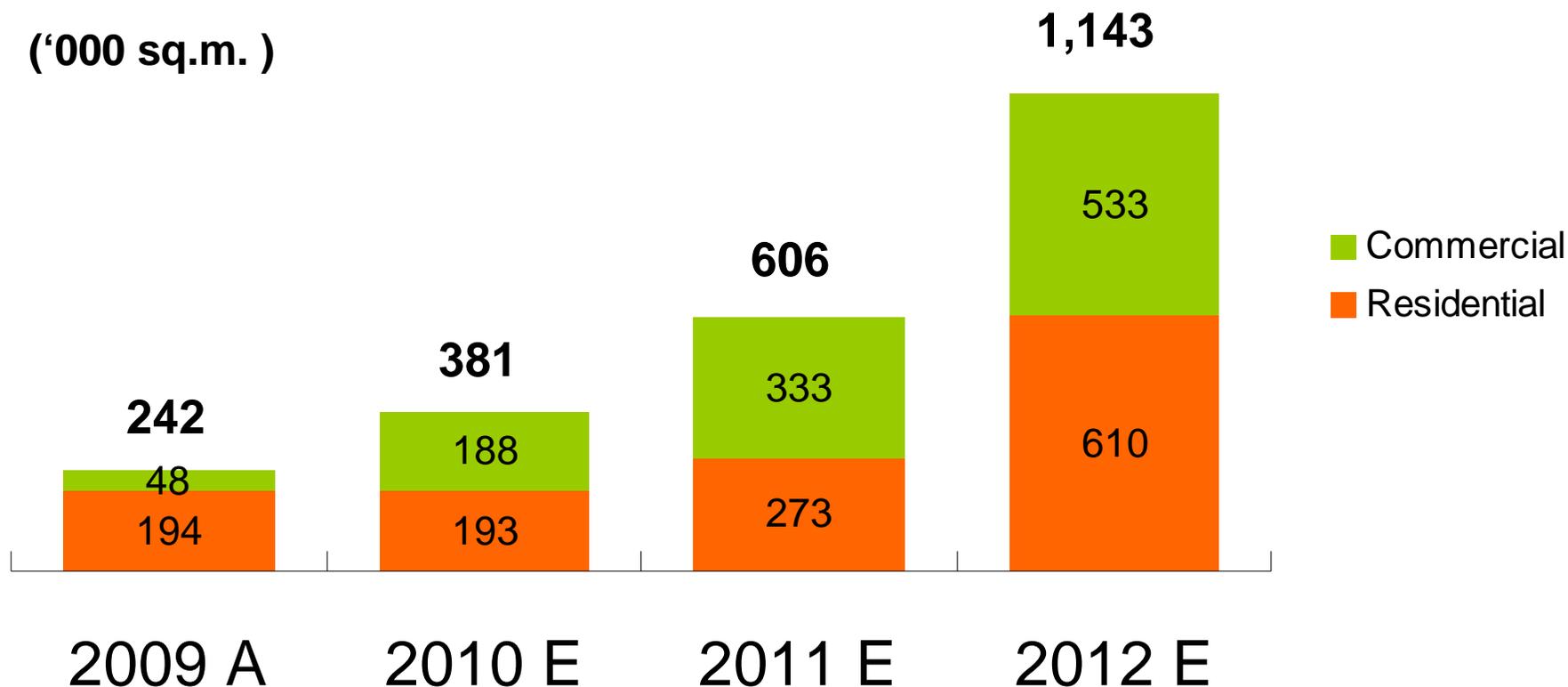
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Three-Year Plan

- **Deliver a minimum of 1 million sq.m. per annum from 2012 and onwards**
- **Cost control**
- **Decentralisation and Re-organisation**

Deliver a minimum of 1 million sq.m. per annum from 2012 and onwards



Growing production scale in the coming three years

Achievement on Cost Control

Headcount - property development	1,261	1,429
- property management	1,230	1,114
GFA under development per headcount	2,400 sq.m.	1,400 sq.m.

- **Decentralisation and project-based organisation**
- **Standardisation of project management**
 - **Design**
 - **Construction**
 - **Procurement**
 - **E-tendering system**
- **Customisation in fitting out features**
- **Quality management**
- **Construction cost control**
- **Betterment on property management**

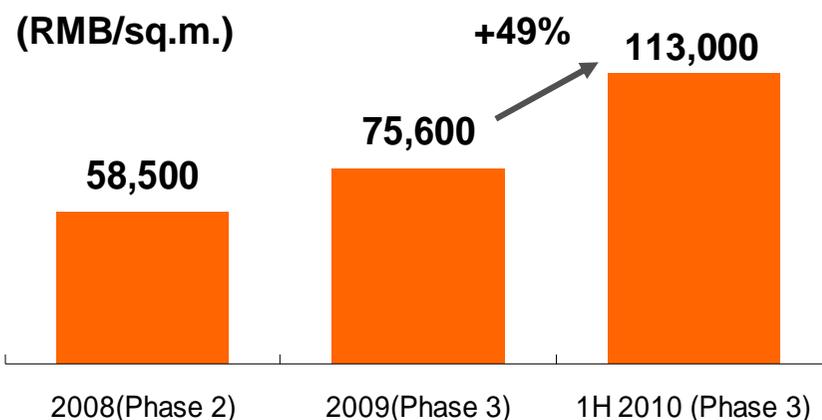
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4. **Key Launches in 2H 2010**

Key Launches of Residential Sales in 2H 2010

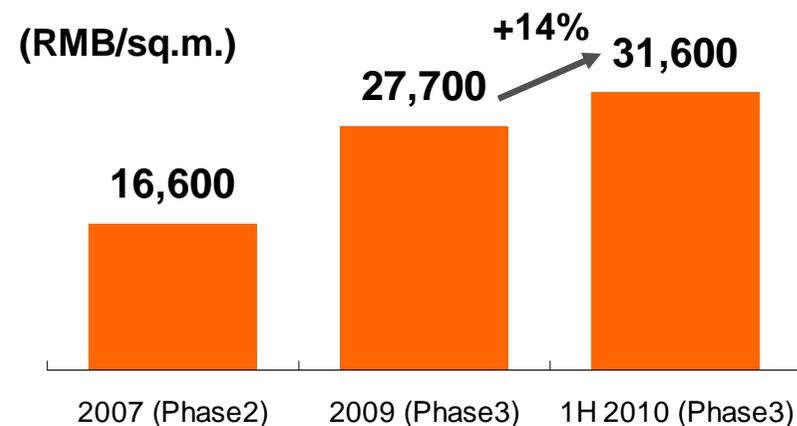
Project	GFA available for launch (sq.m.)	Group's interest
Shanghai Taipingqiao	8,800	99.0%
Shanghai Rui Hong Xin Cheng	30,500	74.3%
Wuhan	11,400	75.0%
Chongqing	121,900	79.4%
Foshan	55,000	100.0%
Dalian	107,000	48.0%
Total	334,600	-

Continuous increase in ASP across all our Projects

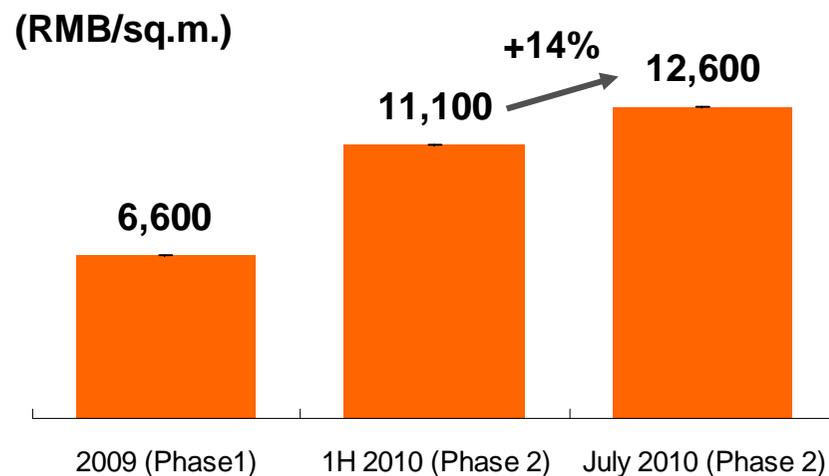
Shanghai Taipingqiao



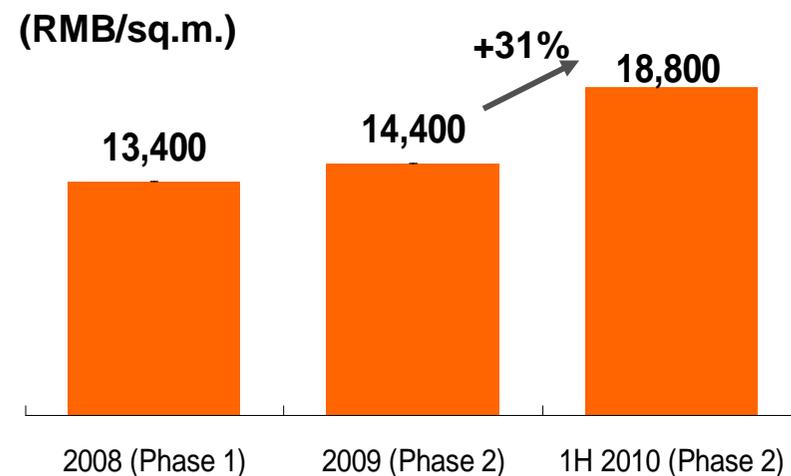
Shanghai Rui Hong Xin Cheng



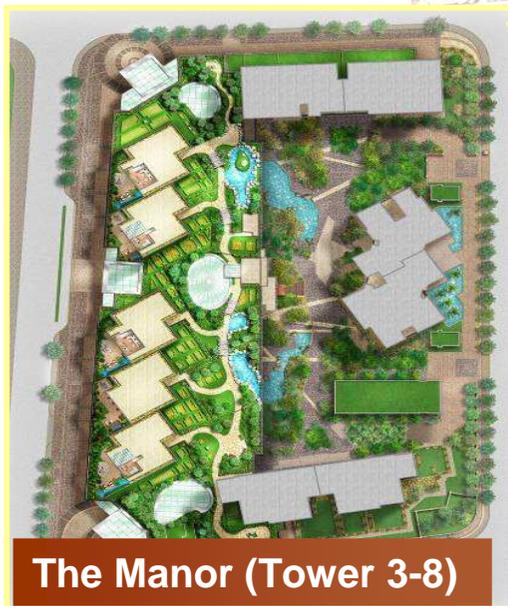
Chongqing Tiandi



Wuhan Tiandi

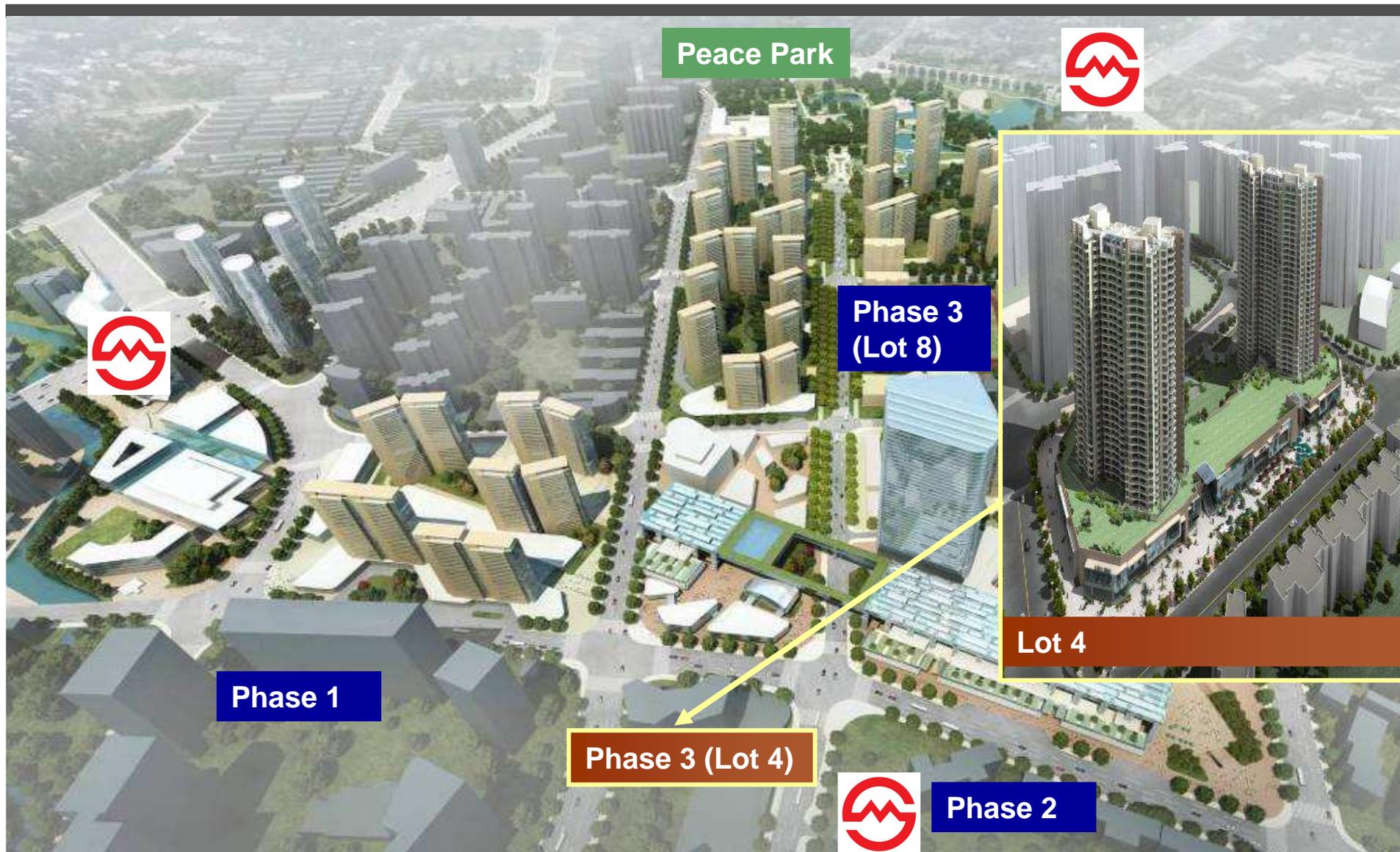


Shanghai Taipingqiao Residential Phase 3 - "The Manor" - Art of Luxury





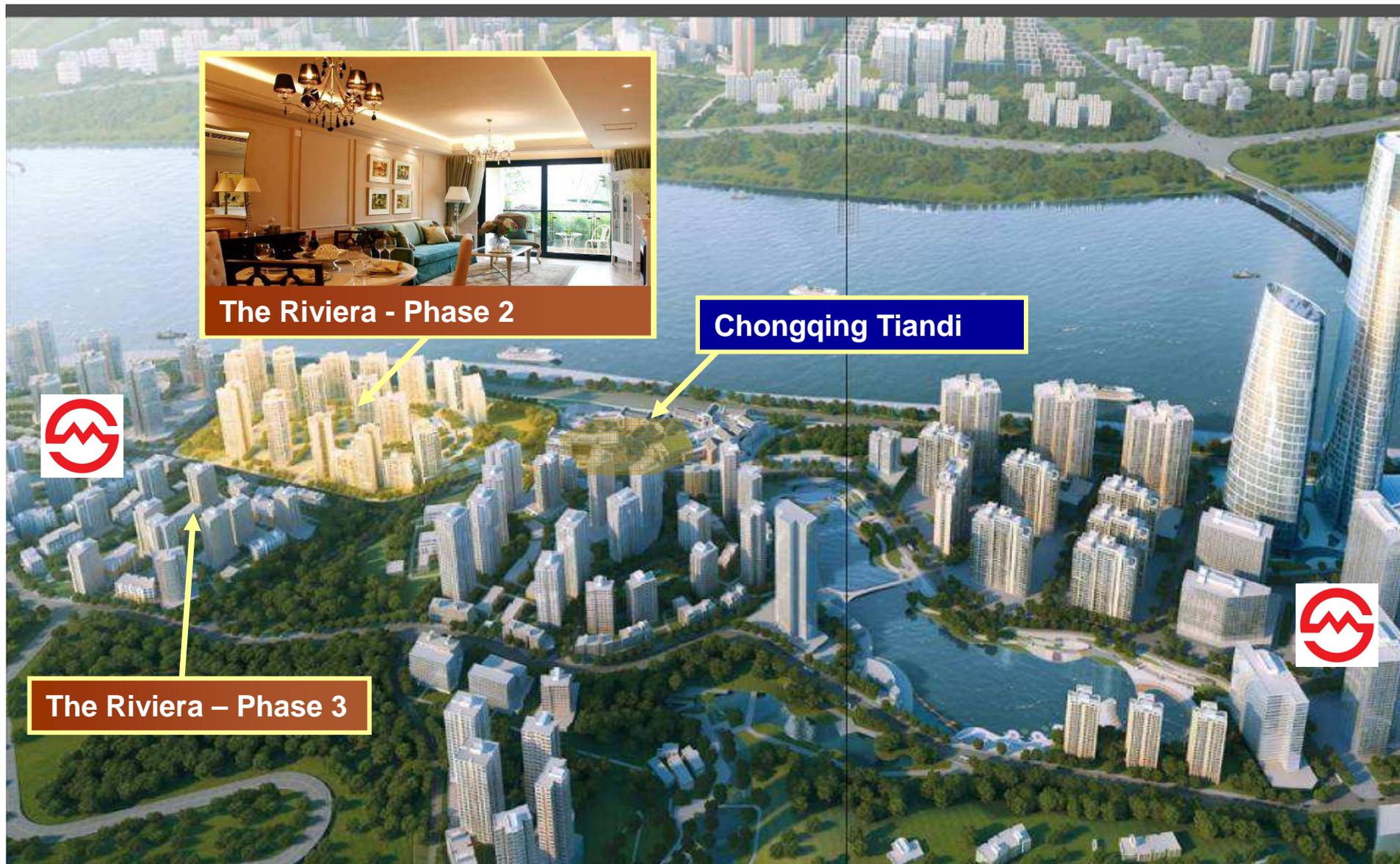
Shanghai Rui Hong Xin Cheng Residential Phase 3 - Large Community with access to 3 Metro Lines



Wuhan Residential Phase 3 - Waterfront Homes, a Haven of Peace and Serenity



Chongqing Residential Phase 2 - Lavish Riverview with Convenient Amenities



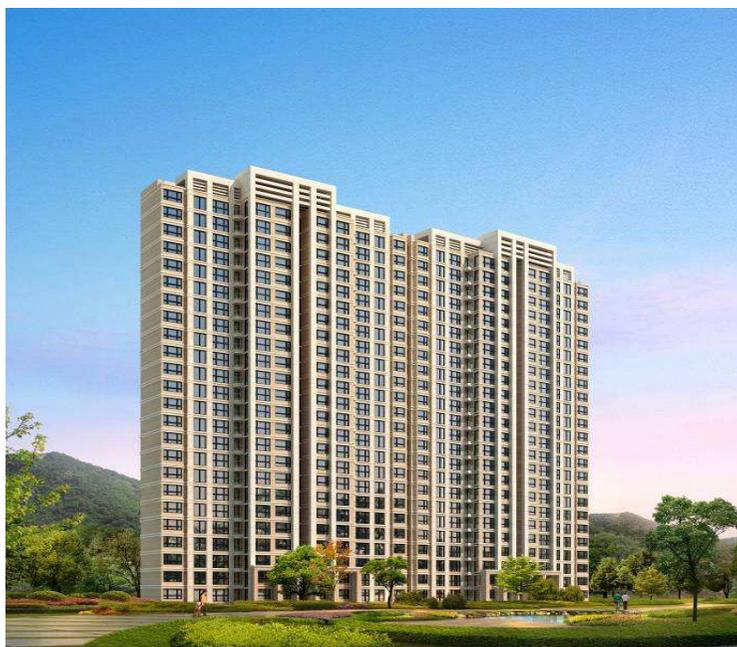


Foshan Residential Phase 1 - Opening of Show Flats Ready for Launch





Dalian Residential Phase 1 - Overwhelming Responses in Open House



Thank You

Q&A

Appendix

Delivery Schedule from 2010 to 2012

Project (sq.m.)	2010E	2011E	2012E
Shanghai Taipingqiao	36,000	-	-
Shanghai Rui Hong Xin Cheng	34,000	15,000	59,000
Shanghai KIC	81,000	53,000	-
Wuhan	87,000	-	294,000
Chongqing	101,000	169,000	442,000
Foshan	-	129,000	201,000
Dalian	42,000	240,000	147,000
Total	381,000	606,000	1,143,000

Property Sales Recognized Rose by 175%

Project	1H 2010			1H 2009			ASP growth
	Sales Revenue	GFA Sold	ASP ¹	Sales Revenue	GFA Sold	ASP ¹	
	RMB' million	sq.m.	RMB/sq.m.	RMB' million	sq.m.	RMB/sq.m.	%
Shanghai Taipingqiao	324	3,900	87,400	-	-	-	-
Shanghai Rui Hong Xin Cheng	821	31,200	27,700	-	-	-	-
Shanghai KIC	717	30,700	24,600	261	14,000	19,600	26%
Wuhan	759	55,700	14,300	447	32,800	14,300	-
Chongqing	112	14,300	10,300 ²	279	55,300	6,600 ²	56%
Sub Total	2,733	135,800	21,200	987	102,100	10,200	-
Car park & others	45	-	-	23	-	-	-
Total	2,778	135,800	-	1,010	102,100	-	-

Notes: 1) ASP is before business tax of 5% whereas the sales revenue is net of business tax.

2) ASP of Chongqing project is based on net floor area, a common practice in the region.

Contracted Sales - ASPs on Rising Trend Across All the Projects

Project	1H 2010			1H 2009			ASP growth
	Contracted Sales	GFA Sold	ASP	Contracted Sales	GFA Sold	ASP	
	RMB' million	sq.m.	RMB/ sq.m.	RMB' million	sq.m.	RMB/ sq.m.	%
Shanghai -Taipingqiao	204	1,900	113,300	1,119	17,800	66,200	71%
Shanghai –Rui Hong Xin Cheng	9	300	31,600	-	-	-	-
Shanghai - KIC	193	8,200	24,800	131	6,700	20,600	20%
Wuhan	485	27,200	18,800	437	36,800	12,500	50%
Chongqing	546	64,500	11,100	310	61,100	6,600	68%
Sub Total	1,437	102,100	14,800	1,997	122,400	17,200	-
Car park & others	35	-	-	24	-	-	-
Total	1,472	102,100	-	2,021	122,400	-	-

Shanghai Taipingqiao Casa Lakeville Towers 3-8 - “The Manor” Picturesque Representation of Luxury





Shanghai Taipingqiao Casa Lakeville Towers 3-8 - Opulent and Exquisite Finishing





Shanghai Taipingqiao Casa Lakeville Towers 3-8 - Elegant and Spacious Master Bedroom



Interior Customisation – A Range of Free Choices



Colour Scheme & Layout



Materials & Texture



Exterior Customisation – Personalised Gardens

French Style Garden



Japanese Style Garden



Luxurious State of the Art Kitchens

Poggenpohl

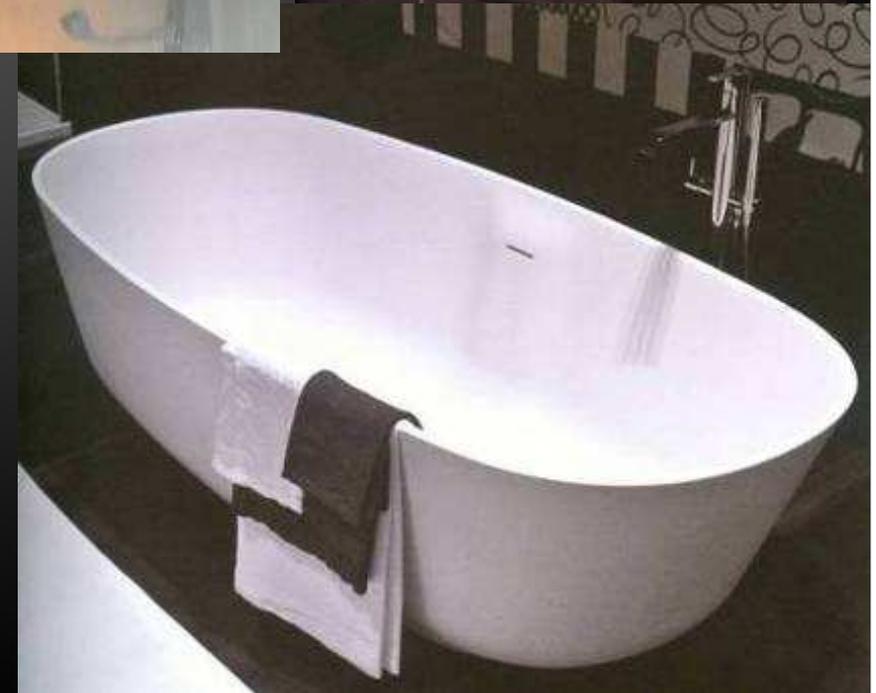
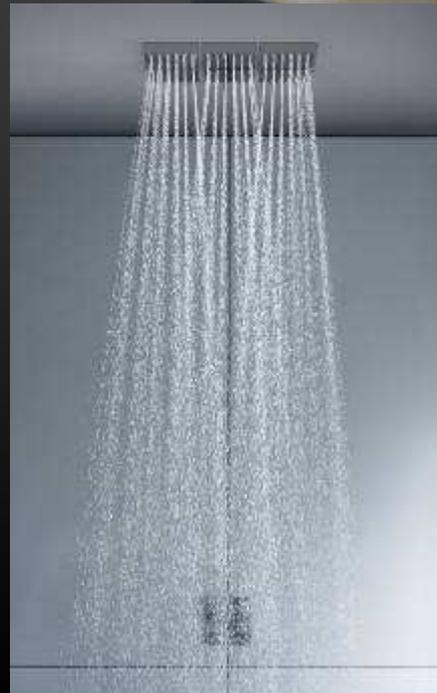


Gaggenau

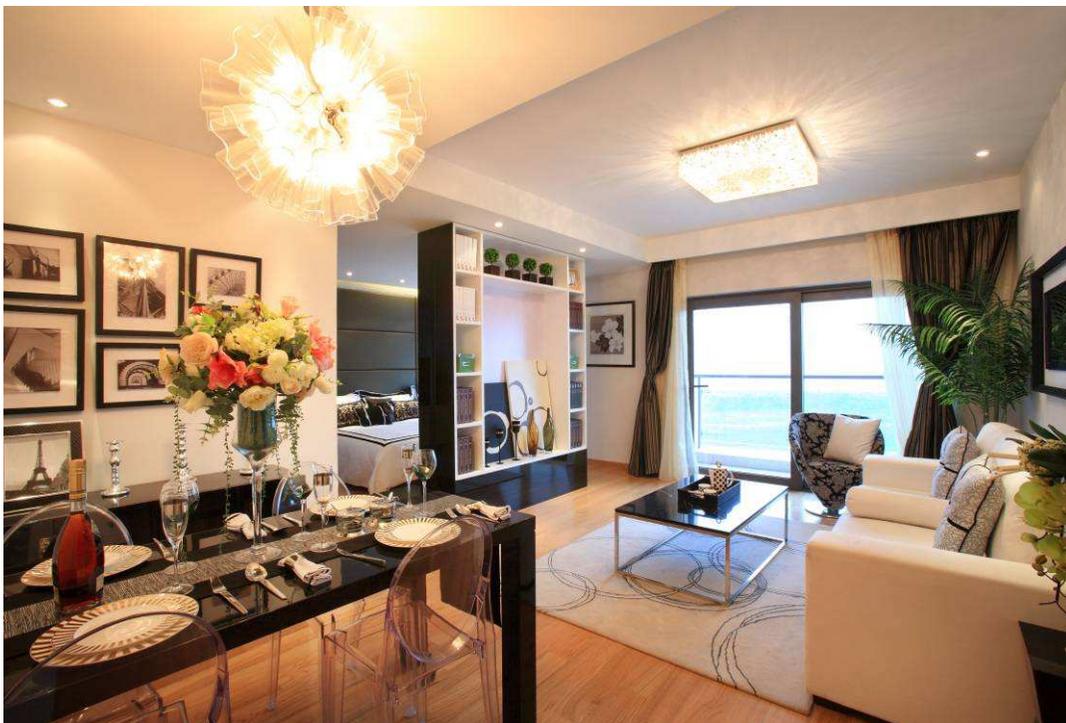


Meticulous Bathroom Features

Gessi
Antoniolupi
Hansgrohe



Chongqing Residential The Riviera - Peace and Tranquil Environment



Chongqing Residential The Riviera Phase 2 - Well Received Market Response





Chongqing Residential Riviera Phase 2 - Distinctive Artistic Apartments





Chongqing - Full Features Amenities



Foshan Residential Phase 1 - Tremendous Viewing Traffic in the Show Flats



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