

Shui On Land Limited (0272.HK)

2013 Interim Results Announcement

“DELIVER RESULTS, BUILD CONFIDENCE”

27 August 2013

1. 1H 2013 Financial Highlights

2. Business Updates

3. The Establishment of China Xintiandi

Income Statement

- Turnover and operating profit surged 121% and 120%



RMB' mn	For the six months ended 30 June		Change
	2013	2012	
Turnover of the Group	3,623	1,643	121%
Property sales	2,913	1,062	174%
Rental & related income and others	710	581	22%
Cost of sales	(2,204)	(906)	143%
Gross profit	1,419	737	93%
Other income	128	160	(20%)
Selling & Marketing expenses	(143)	(64)	123%
General & Administrative expenses	(406)	(379)	7%
Operating profit	998	454	120%
Increase in fair value of investment properties	1,138	1,268	(10%)
Share of results of associates	3	2	50%
Gain on disposal of investment properties	21	-	-
Finance costs	(94)	(244)	(61%)
Net exchange gain/(loss)	205	(68)	(401%)
Interest costs and others	(299)	(176)	70%

Income Statement

- Profit attributable to shareholders increased by 27%



RMB' mn	For the six months ended 30 June		Change
	2013	2012	
Profit before taxation	2,066	1,480	40%
Taxation	(743)	(512)	45%
Profit for the period	1,323	968	37%
Profit attributable to shareholders	1,051	825	27%
Core earnings	387	15	2,480%
Earnings per share – Basic	RMB0.15	RMB0.14	7%
Dividend per share –			
Interim dividend	HK\$0.022	HK\$0.025	
Net asset value per share – Basic	RMB5.88	RMB6.28	(6%)

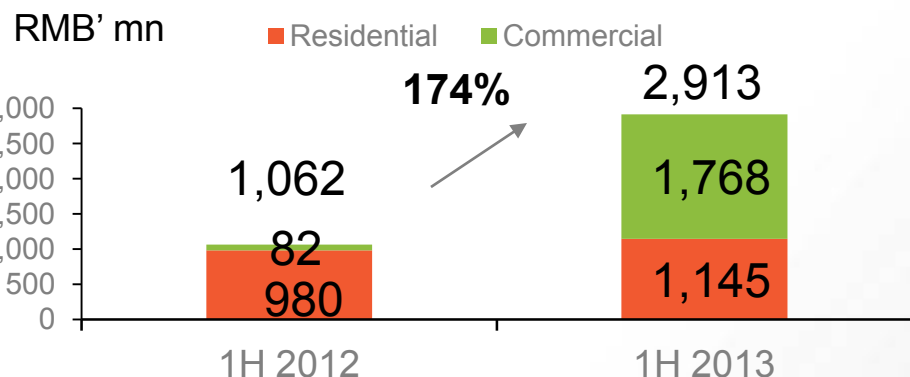
Gross profit margin	39%	45%	(6 ppt)
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Recognised Property Sales

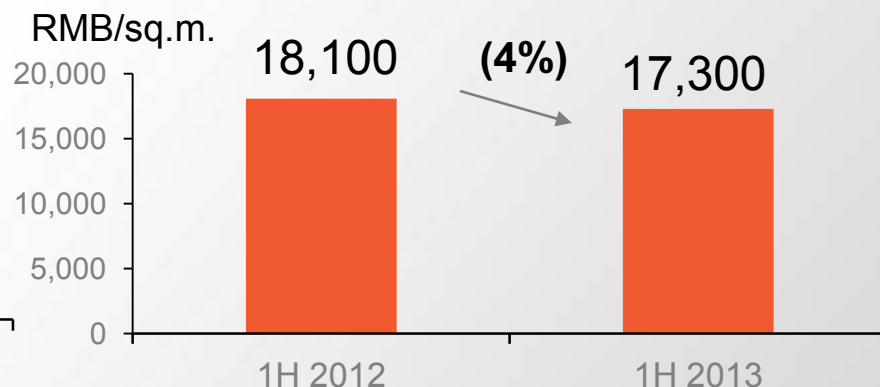
- Delivered three office buildings in Chongqing



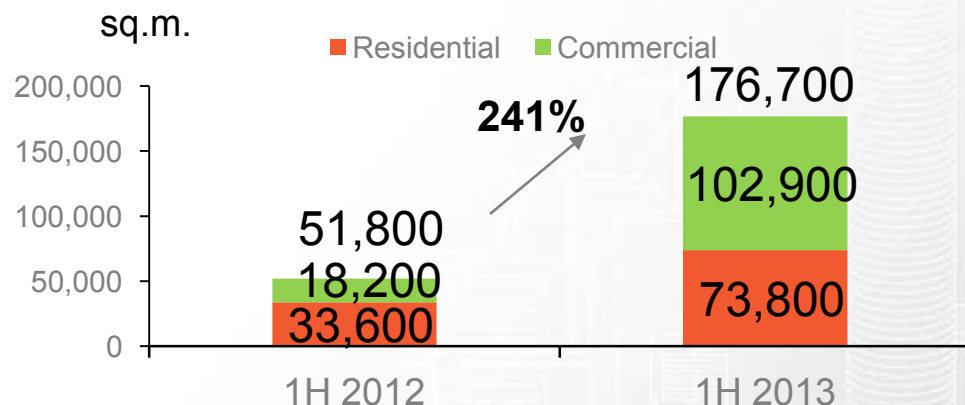
Recognised Property Sales*



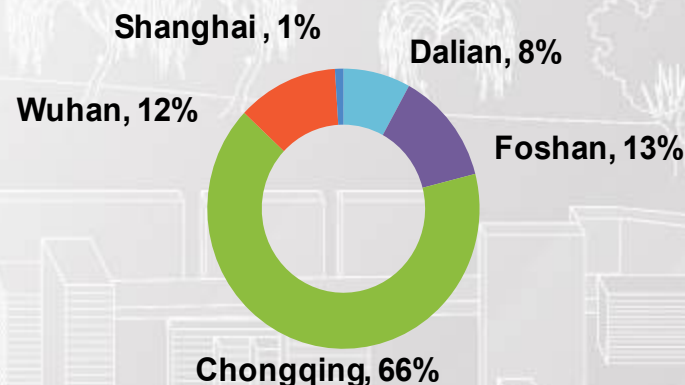
Recognised Average Selling Price ("ASP")



Total GFA Delivered*



Property Sales by City Distribution



*Excluding Dalian and disposal of investment properties

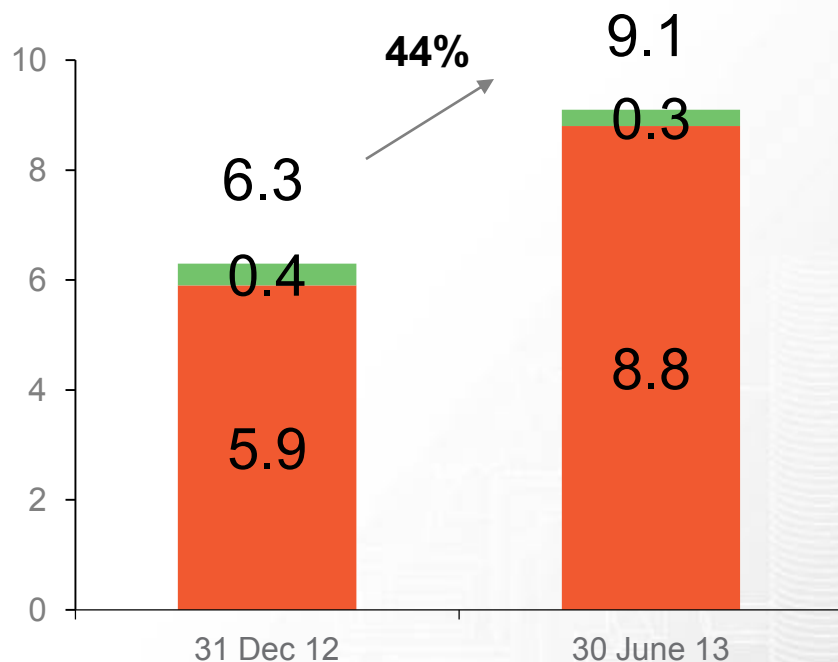
Locked-in Sales

- Strong contracted sales achieved in 1H 2013

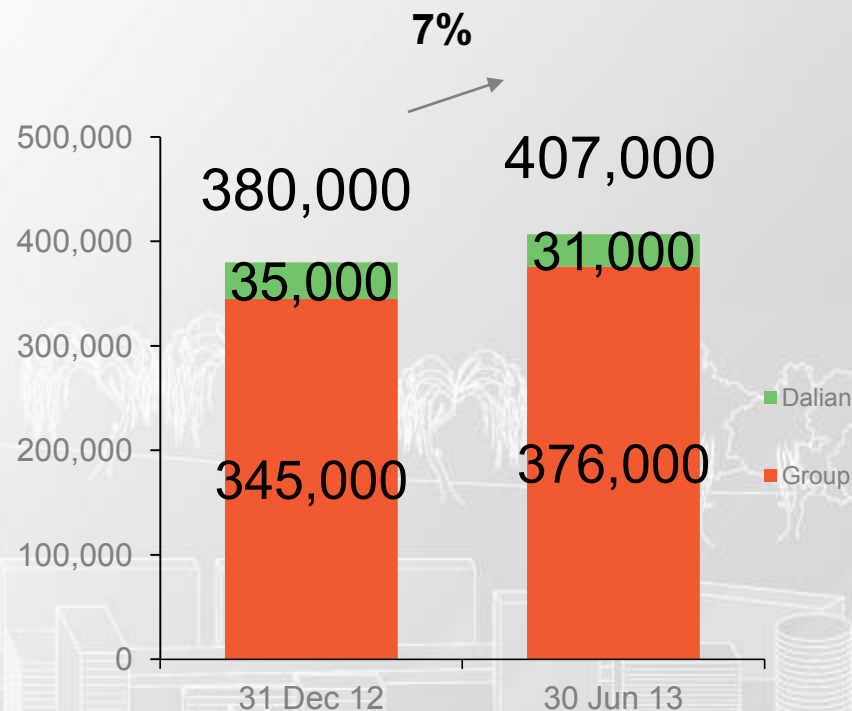


Locked-in Sales

RMB' bn



GFA (sq.m.)

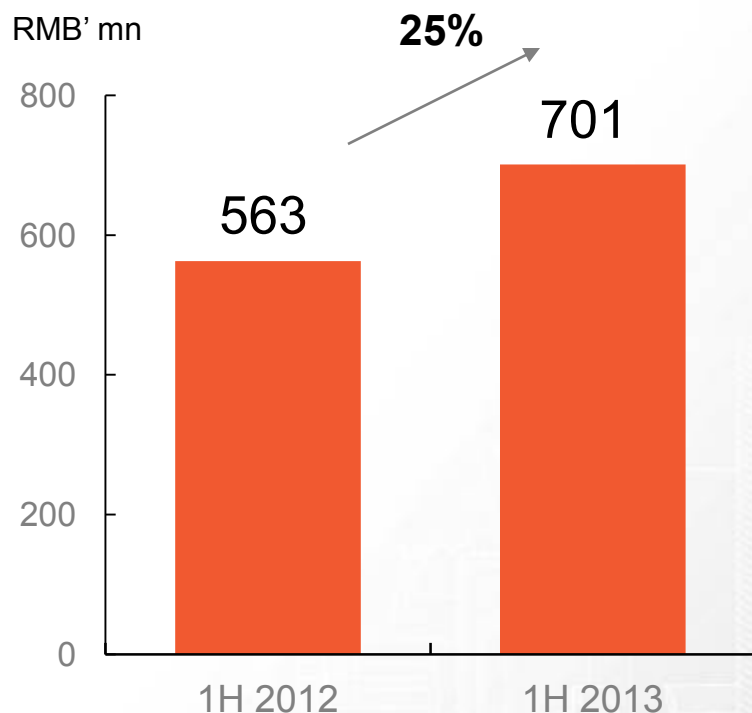


Investment Property Portfolio

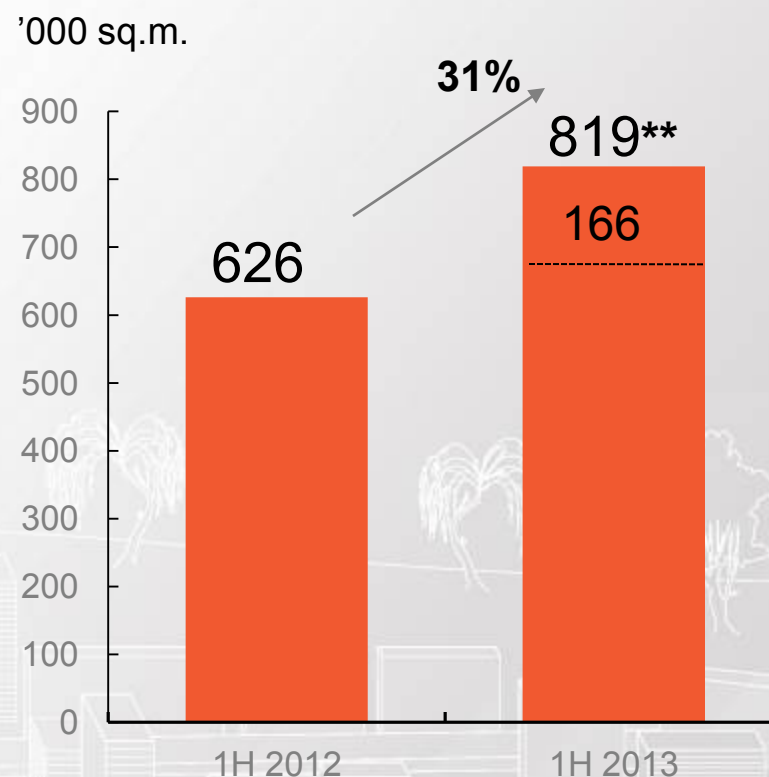
- Income generated continue to grow steadily



Income from Investment Properties *



Investment Property Portfolio (GFA)*



* Excluding Dalian.

** A total GFA of 166,000 sq.m. of investment property was newly completed in 1H 2013. There had yet to contribute rental and related income in 1H 2013.

Completed Investment Properties & Hotel Properties

- Worth RMB28 billion



Completed Investment Properties at valuation		Leasable GFA	Increase in Fair Value for 1H 2013	Carrying Value as of 30 June 2013		Valuation Gain to Carrying Value
		sq.m.	RMB' mn	RMB' mn	RMB/sq.m.	%
Shanghai Taipingqiao	Xintiandi, Xintiandi Style and Langham Xintiandi Hotel Retail Portion	80,000	20	6,213	77,700	0.3%
	Corporate Avenue Phase I	83,000	20	4,501	54,200	0.4%
	Shui On Plaza	50,000	27	2,768	55,400	1%
Shanghai RHXC		47,000	13	1,014	21,600	1%
Shanghai KIC		160,000	130	4,633	29,000	3%
Wuhan Tiandi		46,000	41	1,192	25,900	3%
Chongqing Tiandi		176,000	83	3,020	17,200	3%
Foshan Lingnan Tiandi		66,000	27	1,965	29,800	1%
Total		708,000	361	25,306	35,700	1%
Hotel Properties			GFA	Carrying Value as of 30 June 2013		
			sq.m.	RMB' mn		
Shanghai Langham Xintiandi Hotel & 88 Xintiandi Hotel			38,000	1,859		
Marco Polo Lingnan Tiandi Foshan Hotel			38,000	529		
Total			76,000	2,388		

Investment Properties Under Development at Valuation

- Worth RMB14 billion



Project	Product Type	GFA	Increase in Fair Value for 1H 2013	Carrying Value as of 30 June 2013		Valuation Gain to Carrying Value
		sq.m.	RMB' mn	RMB' mn	RMB/sq.m.	%
Shanghai Taipingqiao -Corporate Avenue Phase II	Office & Retail	161,000	524	6,636	41,200	8%
THE HUB	Office & Retail	233,000	211	5,087	21,800	4%
Shanghai RHXC -Phase 5	Retail	19,000	34	348	18,300	10%
Shanghai KIC	Office	5,000	-	25	5,000	-
Wuhan Tiandi -Lots A1/2/3 Shopping Mall	Retail	110,000	8	956	8,700	1%
Chongqing Tiandi -Towers 1 & 11 Corporate Avenue	Office & Retail	363,000	-	1,235	3,400	-
Total		891,000	777	14,287	16,000	5%

Financial Position

- Net gearing ratio dropped to 59%



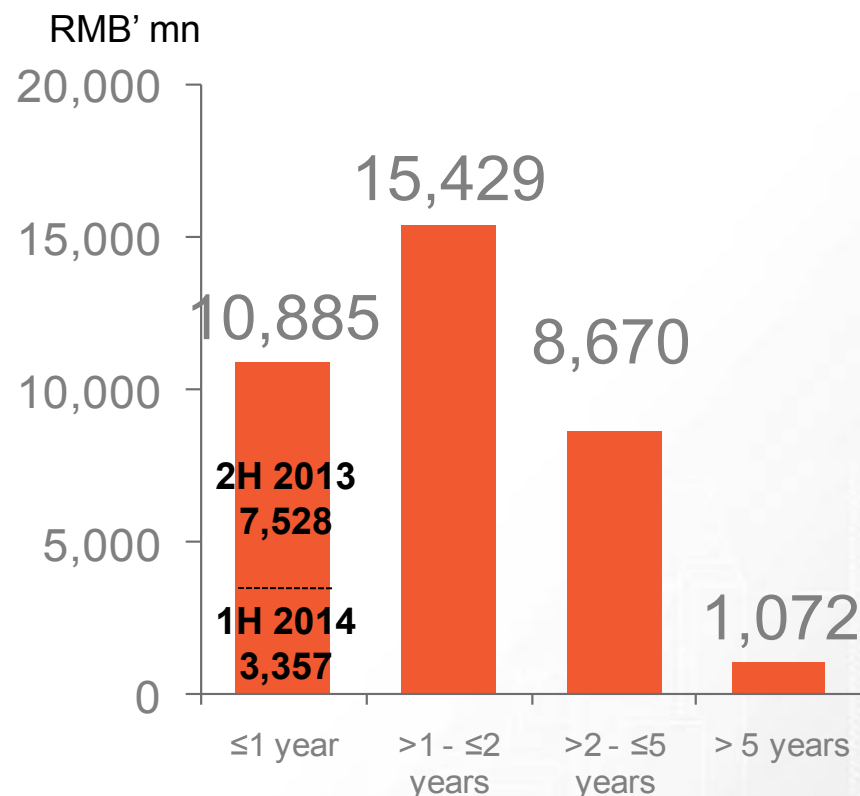
RMB' mn	30 June 2013	31 December 2012	Change
Total assets	97,263	89,617	9%
Bank and other borrowings	20,170	18,803	7%
Convertible bonds and notes	15,886	15,865	-
Total debt	36,056	34,668	4%
Total bank balances and cash	12,053	8,633	40%
Net debt	24,003	26,035	(8%)
Total equity	41,020	37,268	10%
Net gearing (based on total equity)	59%	70%	(11 ppt)
Net asset value per share – Basic	RMB5.88	RMB6.28	(6%)

- Average cost of debt of 1H 2013: 7.2% (2012: 7.1%)

Debt Profile



Debt Maturity – 70% Long-term Debt



By Nature and Currency

Type of Debt	RMB' bn	% of the Total Debt
RMB Convertible Bonds	2.5	7%
RMB Synthetic Bonds	6.6	18%
SG\$ Bonds	1.2	3%
USD Bonds	5.6	15%
Subtotal	15.9	43%
HKD Bank Loans	6.8	19%
USD Bank Loans	2.4	7%
RMB Bank Loans	11.0	31%
Subtotal	20.2	57%
Total	36.1	100%

- RMB12 billion of cash and bank balance ready for debt repayment
- Committed un-drawn bank loan facilities: RMB8 billion

Capital Expenditures (CAPEX)



RMB' bn	2010	2011	2012	1H 2013	2H 2013E
Construction Costs	2.8	4.7	5.5	2.9	5.0
Land Premium	2.9	4.1	0.9	0.3	0.5
Relocation Cost	3.3	4.3	3.8	0.4	1.5
Total CAPEX	9.0	13.1	10.2	3.6	7.0

1. 1H 2013 Financial Highlights

2. Business Updates

- 1H 2013 Contracted Sales and ASP Review
- 2H 2013 Available for Sale
- Construction Progress Update
- Relocation Progress Update

3. The Establishment of China Xintaindi

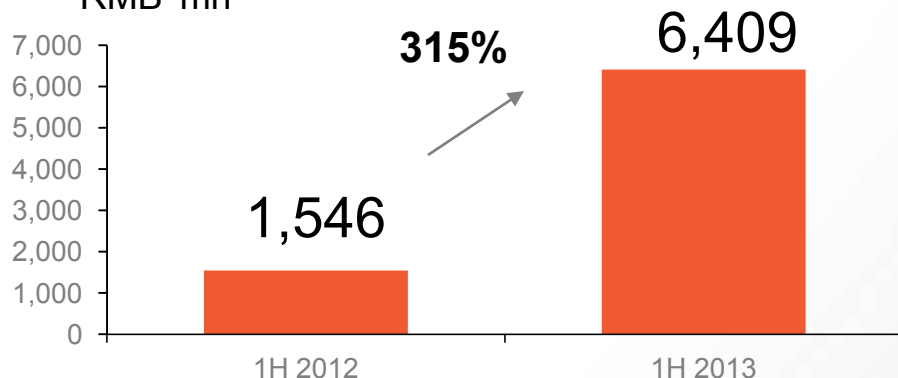
Contracted Sales

-79% Sell-through rate



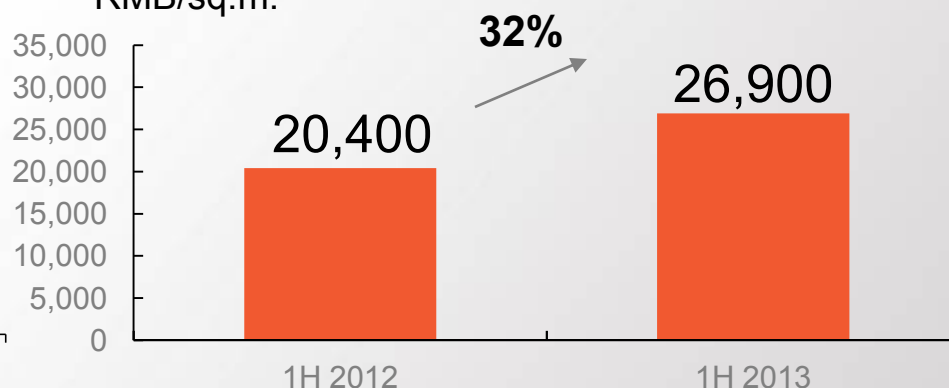
Contracted Sales

RMB' mn



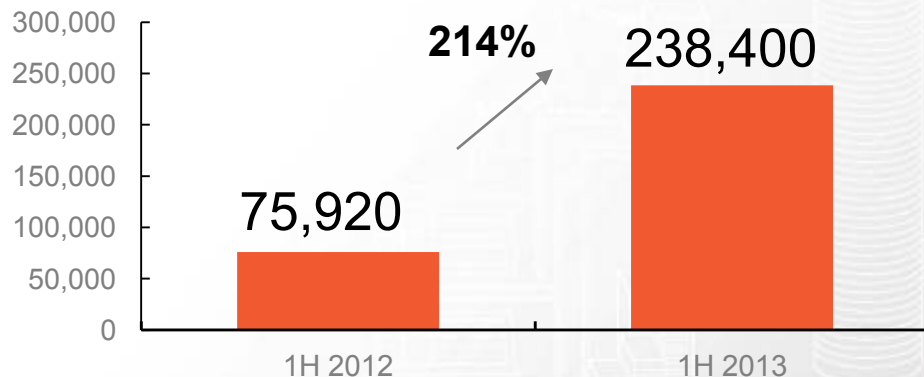
ASP

RMB/sq.m.

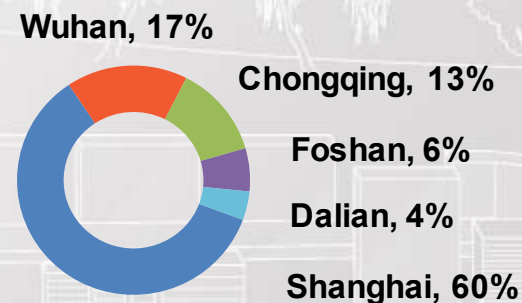


Total GFA

sq.m.



Contracted Sales by City Distribution



2H 2013 Saleable Resources

- Up the end of July, RMB8 billion of contracted and subscribed sales achieved, representing 89% of residential sales target



- Residential sales target: RMB9 billion
- Commercial *en-bloc* sales target : RMB2 billion

Residential projects	Under development sq.m.	Completed sq.m.
Shanghai RHXC - Jing Ting, Phase 5	42,900	-
Shanghai KIC - Jiangwan Regency, Lot 311	4,100	-
Wuhan Tiandi - Wuhan Tiandi B9, B11 and B13	71,000	400
Chongqing Tiandi - The Riviera Phases 2-5	106,700	23,400
Foshan Lingnan Tiandi - Legendary Regency Phases 1-3	44,700 11,900	15,500 10,700
Dalian Tiandi - Huangnichuan Hekou Bay	- 82,300	28,100 -
Sub-total	363,600	78,100
Total		441,700

Construction Progress Update – Commercial

- Chongqing Tiandi 3-5 Corporate Avenue



- ❑ 3, 4 & 5 Corporate Avenue (Lot B12-1) had been delivered to certain affiliates of Ping An Group in 1H 2013
- ❑ A total of 99,000 sq.m. of office, ancillary retail space and carparks for a total amount of RMB1,588 million



Construction Progress Update – Residential

- Shanghai RHXC & KIC



Rui Hong Xin Cheng Phase 5 – Jing Ting (Lot 6)



Ranked No.1 in terms of sales amount in 1H 2013 in Shanghai with total contracted amount of RMB3.5 billion

- ❑ 1st batch launched in Dec 2012 achieved ASP of RMB44,000 per sq.m.
- ❑ 2nd batch launched in Mar 2013 achieved ASP of RMB49,000 per sq.m.

KIC Jiangwan Regency (Lot 311)



As of 30 June 2013, 92% of GFA had been contracted since first launched in Oct 2012 for a total contracted amount of RMB1.9 billion at ASP of RMB37,900 per sq.m.

- ❑ It is scheduled to be delivered in 2H 2013

Construction Progress Update – Residential

- Wuhan Tiandi Site B

Wuhan Tiandi B9



- ❑ 99% of GFA at Wuhan Tiandi B9 had been sold and delivered to customers as of 30 June 2013
- ❑ 73% of GFA at Wuhan Tiandi B11 had been contracted since first launched in Oct 2012, and is scheduled to be delivered to customers in 2H 2013
- ❑ Wuhan Tiandi B13 is under construction and is scheduled to be launched progressively from 2H 2013

Wuhan Tiandi B11



Wuhan Tiandi B13



Construction Progress Update – Residential

- Chongqing Tiandi



Residential Phases 2-5



- ❑ As of 30 June 2013, a GFA of 73,000 sq.m. at Lot B20-5 had been launched and 77% had been contracted. It is scheduled to be delivered in 1H & 2H 2013 in two batches
- ❑ Lot B18/02 with a total GFA of 184,000 sq.m. is under construction, and is expected to be launched progressively from 2H 2013

Residential Phase 4 (Lot B20-5)



Residential Phase 5 (Lot B18/02)



Construction Progress Update – Residential

- Foshan Lingnan Tiandi

❑ Lot 15 was completed in 1H 2013.

❑ Development works are in progress at Lots 1 Phase 3, Lots 6, 16, 18 and E where a total GFA of 264,000 sq.m. will accommodate residential and retail space. The development is scheduled to be progressively completed from 2H 2013 to 2015.

Lot 18



Lot 6



Lot 15



Construction Progress Update – Residential

- Dalian Tiandi



Hekou Bay



Hekou Bay

GFA 91,000 sq.m. under construction for pre-sale



Huangnichuan

GFA 74,000 sq.m. was completed in 1H 2013



Construction Progress Update – Commercial

- Shanghai TPQ Lots 126 & 127



5 Corporate Avenue (Lot 126) GFA of 79,000 sq.m.



3 Corporate Avenue (Lot 127) GFA of 82,000 sq.m.



**Grade A office GFA of 106,000 sq.m.
Shopping mall GFA 55,000 sq.m.**



Construction Progress Update – Commercial

- THE HUB

- ❑ Total GFA: 277,000 sq.m.
- ❑ To be completed in 2013: GFA 75,000 sq.m.
 - 59,000 sq.m. office
 - 16,000 sq.m. entertainment and restaurant facilities)
- ❑ To be completed in 2014: GFA 202,000 sq.m.
 - 103,000 sq.m. shopping mall
 - 44,000 sq.m. a 5-Star Hotel
 - 46,000 sq.m. office and 9,000 sq.m. retail

Overall construction progress of THE HUB



Lot D17



Lot D19



Construction Progress Update – Commercial

- Shanghai KIC 1-7 Corporate Avenue



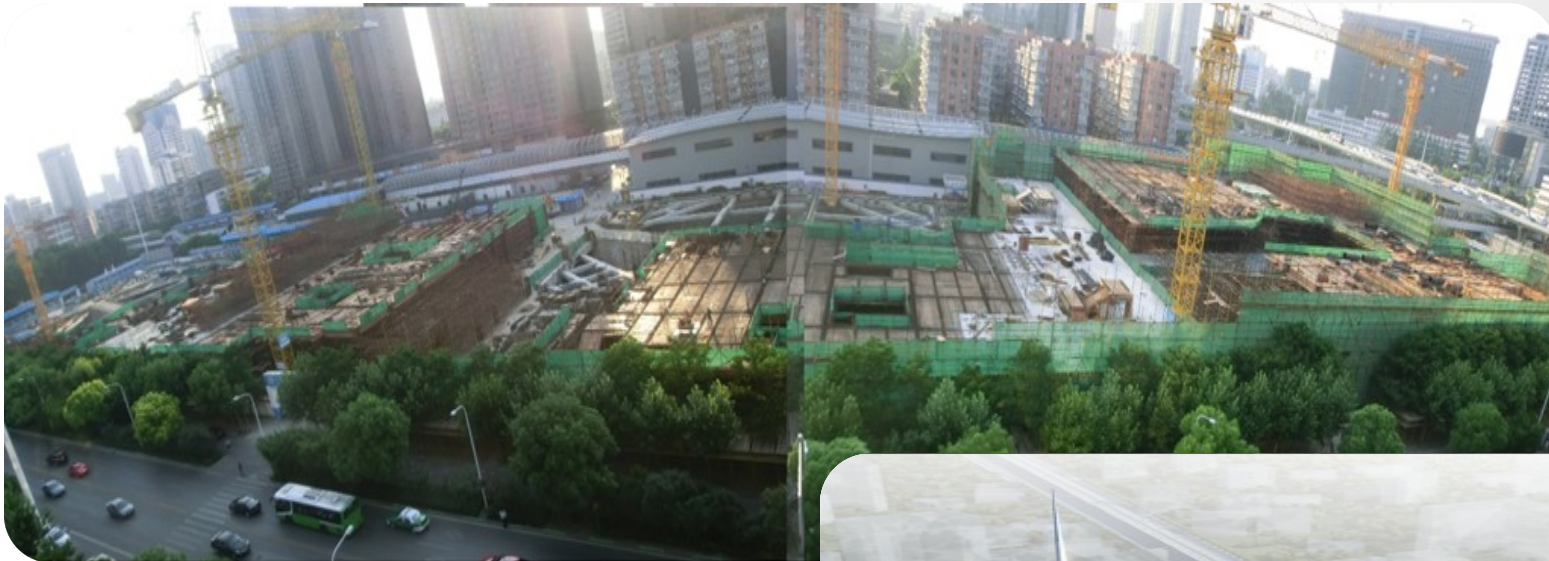
■ A total GFA of 95,000 sq.m. of office and 6,000 sq.m. of retail space will be completed by 2014.



Construction Progress Update – Commercial

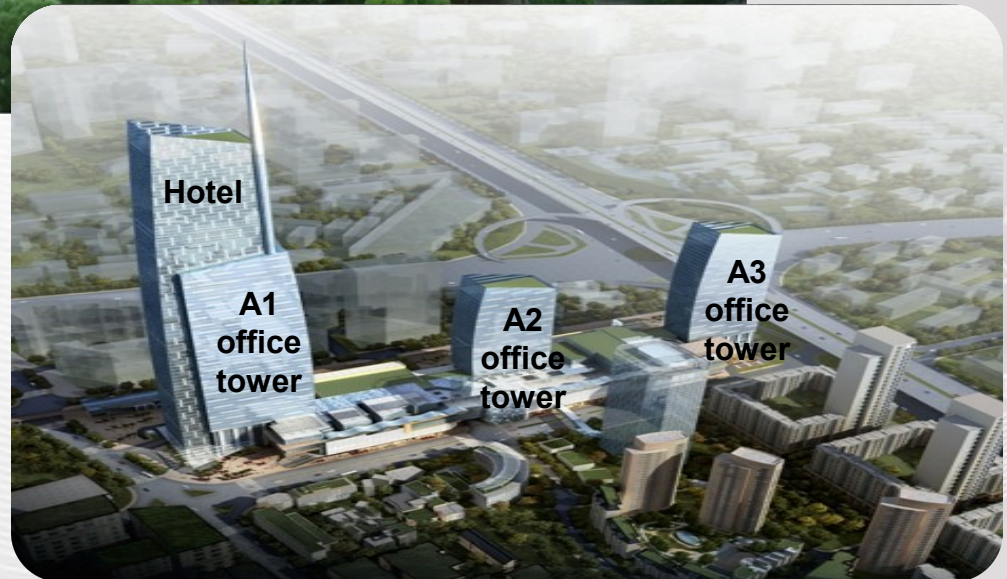
- Wuhan Tiandi Site A

Wuhan Tiandi Lots A1/A2/A3



❑ Lots A1/A2/A3 – Shopping mall and Lot A2 - Office Tower with a total GFA of 156,000 sq.m. are expected to be completed in 2014

❑ Lot A3 - Office Tower with a total GFA of 60,000 sq.m. is expected to be completed in 2015



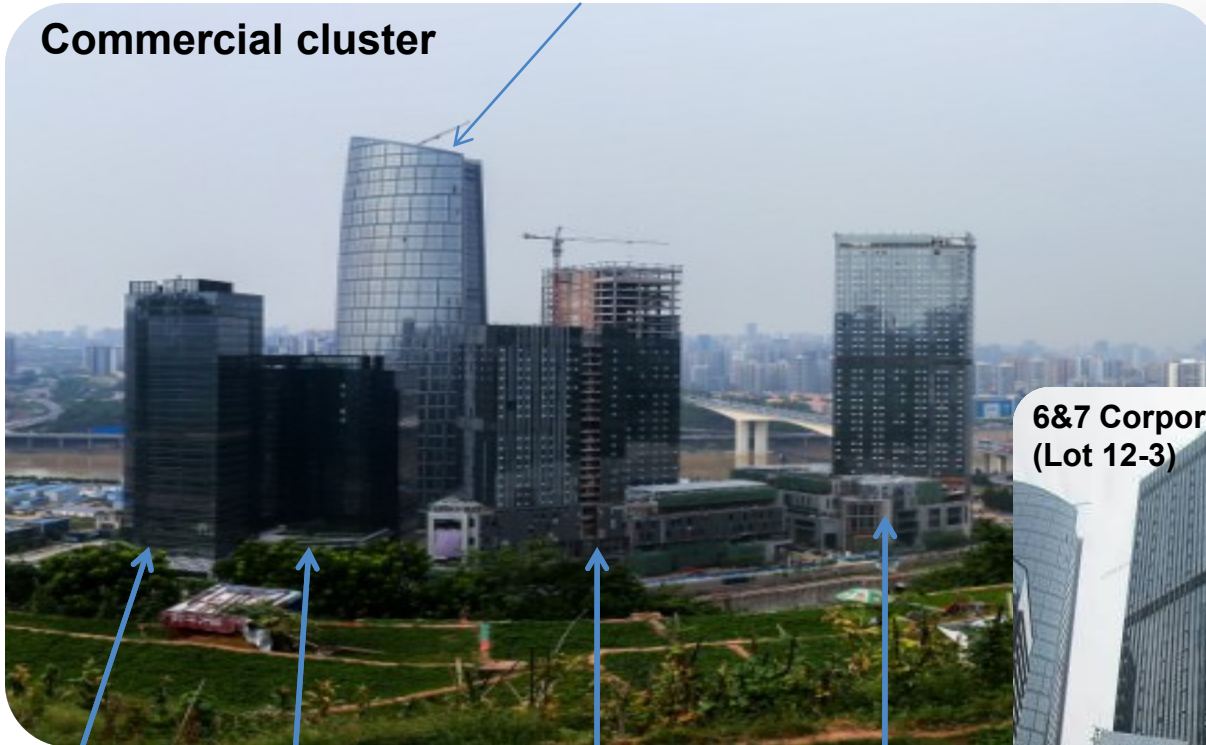
Construction Progress Update – Commercial

- Chongqing Tiandi



2 Corporate Avenue completed in 1H 2013
GFA: 130,000 sq.m.

Commercial cluster



3 Corporate Avenue

4 & 5 Corporate Avenue

6 & 7 Corporate Avenue

8 Corporate Avenue

Completed in 2H 2012
GFA: 99,900 sq.m.

To be completed in 2H 2013
GFA: 133,000 sq.m.

❑ A total GFA of 133,000 sq.m. of office and 73,000 sq.m. of retail space will be completed by 2013.

❑ 6,7 & 8 Corporate Avenue (Lot 12-3 and Lot 12-4) had been *en-bloc* sold for a total sales amount of RMB1.6 billion and are scheduled to be completed in 2H 2013.

6&7 Corporate Avenue
(Lot 12-3)



8 Corporate Avenue
(Lot 12-4)



Relocation Progress Updates

- as of 25 August 2013

Lot 2



Relocation Progress as of 25 August 2013 :

- ❑ TPQ Lot 116: 93%
- ❑ RHXC Lot 3: 98%
- ❑ RHXC Lot 9: 88%
- ❑ RHXC Lot 2: 85%
- ❑ RHXC Lot 10: 78%

Lot 3



1. 1H 2013 Financial Highlights
2. Business Updates
- 3. The Establishment of China Xintaindi**

China Xintiandi established on 1 March 2013



□ As of 30 June 2013, a total of 238 employees had been transferred to CXTD. Together with the newly instated retail leasing team from TCBL, a combined total of 362 employees work on asset management of the investment properties portfolio at CXTD

□ Appointed Mr. Philip Wong as the CEO of CXTD on 1 July 2013

- Appendix 1
 - Additional Information of the Results
- Appendix 2
 - Company Introduction

Market Outlook

- High growth and strong economic fundamentals in our selected cities



		Shanghai	Wuhan	Chongqing	Foshan	Dalian	China
Population (million)	2012	23.8	10.1	29.5	7.3	6.9	1,354
Per Capita GDP (RMB)	2012	84,000	79,000	39,000	92,000	102,000	38,354
Real GDP Growth	10-yr Avg.	11.0%	14.0%	14.1%	15.6%	15.0%	10.6%
	2012	7.5%	11.4%	13.6%	8.2%	10.3%	7.8%
	1H 2013	7.7%	9.6%	12.4%	9.5%	9.3%	7.6%
Inflation Rate	2012	2.8%	2.8%	2.6%	2.6%	3.4%	2.5%
	1H 2013	2.3%	2.3%	2.5%	2.3%	2.7%	2.4%
Housing Price Growth	2011	2.2%	14.1%	13.2%	9.6%	5.6%	6.1%
	2012	1.7%	1.9%	-5.5%	-6.6%	-2.0%	8.8%
	1H 2013	5.0%	3.9%	9.9%	4.9%	0.8%	12.0%
Transaction Area (million sq.m.)	2011	7.3	7.1	11.1	6.3	2.6	970
	2012	9.5	9.0	18.1	6.7	2.8	985
	1H 2013	6.1	5.0	9.2	4.4	1.6	461
City Centre ASP (RMB/sq.m.)	2011	50,170	7,573	7,029	10,060	12,747	4,993
	2012	58,795	7,719	6,645	8,829	12,489	5,430
	1H 2013	54,078	8,066	7,129	11,080	12,427	6,121

Source: City Statistics Bureau

Recognised Property Sales with ASP



Project	1H 2013			1H 2012			ASP
	Sales	GFA	ASP	Sales	GFA	ASP	Growth rate
	RMB' mn	sq.m.	RMB/sq.m.	RMB' mn	sq.m.	RMB/sq.m.	%
Shanghai Taipingqiao	-	-	-	50	360	147,200	-
Shanghai RHXC	-	-	-	190	5,100	39,500	-
Shanghai KIC							
Small Office	74	3,000	26,100	35	1,900	19,500	34%
Grade A Office	161	4,600	37,100	-	-	-	-
Wuhan Tiandi							
Site A Residential	-	-	-	96	3,500	29,100	-
Site B Residential	255	12,600	21,500	-	-	-	-
Site B Retail	46	1,100	44,300	-	-	-	-
Chongqing Tiandi							
Residential*	450	44,200	13,200	431	40,300	13,800	(4%)
Retail & Office	1,535	100,900	16,100	-	-	-	-
Foshan Lingnan Tiandi	423	19,000	23,600	18	840	22,700	4%
Subtotal	2,944	185,400		820	52,000		
Carparks and others	244	-	-	246	-	-	-
Dalian Tiandi	265	25,800	10,900	389	33,100	12,500	(13%)
Total	3,453**	211,200	17,300	1,455	85,100	18,100	(4%)

*ASP of Chongqing residential sales is based on net floor area, a common market practice in the region.

**Among which, RMB2,913 million is recognized as turnover of the Group while RMB275 million and RMB265 million are recognized as disposal of investment properties and turnover of associates.

Contracted Sales with ASP



Project	1H 2013			1H 2012			ASP
	Sales	GFA	ASP	Sales	GFA	ASP	Growth rate
	RMB' mn	sq.m.	RMB/sq.m.	RMB' mn	sq.m.	RMB/sq.m.	%
Shanghai Taipingqiao	-	-	-	53	360	147,200	-
Shanghai RHXC	3,487	75,600	46,100	14	360	38,900	19%
Shanghai KIC							
Office	34	1,400	24,300	40	1,400	28,600	(15%)
Lot 311 - Jiangwan Regency	297	7,800	38,100	-	-	-	-
Wuhan Tiandi							
Site A Residential	-	-	-	65	2,100	31,000	-
Site B Residential	942	42,100	22,400	512	22,900	22,400	0%
Site B Retail	72	1,600	45,000	-	-	-	-
Chongqing Tiandi							
Residential*	714	70,600	12,300	319	30,000	13,000	(5%)
Retail	103	2,500	41,200	-	-	-	-
Foshan Lingnan Tiandi							
Low/mid - rises	205	11,700	17,500	10	500	20,000	(13%)
Townhouses & Retail	175	3,900	44,900	150	3,700	40,500	11%
Subtotal	6,029	217,200	27,800	1,163	61,320	19,000	46%
Dalian Tiandi	242	21,200	11,400	179	14,600	12,300	(7%)
Carparks and others	138	-	-	204	-	-	-
Total	6,409	238,400	26,900	1,546	75,920	20,400	32%

* ASP of Chongqing residential sales is based on net floor area, a common market practice in the region.

Completed Investment Properties & Hotel Properties

- RMB701 million income generated



Completed Investment Properties		Leasable GFA	Rental & related income RMB' mn		YoY change %
		sq.m.	1H 2013	1H 2012	
Shanghai Taipingqiao	Xintiandi, Xintiandi Style and Langham Xintiandi Hotel Retail Portion	80,000	186	169	10%
	Corporate Avenue Phase I	83,000	120	117	3%
	Shui On Plaza	50,000	64	44	45%
	Subtotal	213,000	370	330	12%
Shanghai RHXC		47,000	29	25	16%
Shanghai KIC		160,000	91	75	21%
Wuhan Tiandi		46,000	27	27	-
Chongqing Tiandi		46,000	10	7	43%
Foshan Lingnan Tiandi		30,000	32	25	28%
Hangzhou Xihu Tiandi		-	9	9	-
Total		542,000*	568	498	14%

Hotel Properties	Income from hotel operations (RMB' mn)		YoY change %
	1H 2013	1H 2012	
Shanghai Langham Xintiandi Hotel & 88 Xintaindi Hotel	105	63	67%
Marco Polo Lingnan Tiandi Foshan Hotel	28	2	1,300%
Total	133	65	105%

*A total GFA of 166,000 sq.m. of investment property was newly completed in 1H 2013. It is not included in this table for comparison because there was no contribution to rental and related income in 1H 2013.

Occupancy Rate of Investment Properties



Project		Leasable GFA (sq.m.)	Occupancy rate as of 30 Jun 2013
<i>Shanghai Taipingqiao</i>	Xintiandi	52,000	99%
	Xintiandi Style	27,000	99%
	Corporate Avenue Phase I	83,000	100%
	Shui On Plaza	58,000	100%
	Langham Xintiandi Hotel Retail Portion	1,000	100%
<i>Shanghai RHXC</i>	The Palette 1 - 3 & 5	47,000	95%
<i>Shanghai KIC</i>	1 - 3 & 5 - 10 KIC Plaza	99,000	83%
	KIC Village	27,000	86%
	11 & 12 KIC Plaza	38,000	73%
<i>Hangzhou Xihu Tiandi</i>	Xihu Tiandi	6,000	100%

Occupancy Rate of Investment Properties (Continued)



Project		Leasable GFA (sq.m.)	Occupancy rate as of 30 Jun 2013
<i>Wuhan Tiandi</i>	Lot A4-1	16,000	94%
	Lots A4-2 and 3	30,000	84%
<i>Chongqing Tiandi</i>	The Riviera Phase 1	2,000	92%
	The Riviera Phase 2	6,000	74%
	Lot B3/01 Phase 1 – Upper and lower village	10,000	100%
	Lot B3/01 Phase 2 – Main buildings	39,000	70%
	The Riviera Phase 3	6,000	0%
<i>Foshan Lingnan Tiandi</i>	Lingnan Tiandi Phase 1	16,000	88%
	Marco Polo Lingnan Tiandi Foshan Hotel Retail Portion	14,000	2%
<i>Dalian Tiandi</i>	Software Office Buildings (D22)	42,000	75%
	Ambow Training School	113,000	100%
	Software Office Buildings (D14-SO2/SO4)	52,000	38%

Relocation Progress of The Two Shanghai Projects

- Taipingqiao & Rui Hong Xin Cheng



Relocation started in 2011 and 2012

(Under new relocation method – two rounds of consultation and legal arbitration)

Lot	GFA sq.m.	Type	% of relocation completed as of 30 Jun 2013	% of relocation completed as of 31 Dec 2012	Estimated year of relocation completed	Total land & relocation cost paid as of 30 Jun 2013 RMB 'mn	Estimated outstanding relocation cost RMB 'mn	Estimated gross development value RMB' mn
TPQ Lot 116	90,000	Residential	92%	85%	2013	3,173	800	9,000
RHXC Lot 3	72,000	Retail & Hotel	96%	92%	2013	1,478	278	3,200
RHXC Lot 9	84,000	Residential & Retail	83%	83%	2014	1,489	450	3,800
RHXC Lot 2	105,000	Residential & Retail	76%	76%	2014	1,383	476	4,700
RHXC Lot 10	308,000	Office & Retail	77%	77%	2014/ 2015	1,593	1,646	14,000
Total	659,000					9,116	3,650	34,700

Note: Taipingqiao Lots 118, 119, 120, 122, 123, 124, and 132 with a total GFA of 496,000 sq.m.; Rui Hong Xin Cheng Lot 167 and Lots 1 & 7 with a total GFA of 500,000 sq.m. have not yet started relocation and the timetable is to be determined.

- Appendix 1
 - Additional Information of the Results
- Appendix 2
 - Company Introduction

High Quality Landbank in High Growth Cities



Dalian
3.1mn sq.m.



Wuhan
1.1mn sq.m.



Chongqing
2.3mn sq.m.



Foshan
1.4mn sq.m.

**Total Landbank*:
GFA 10.8mn sq.m.**



**Shanghai
Taipingqiao**
1.0mn sq.m.



**Shanghai
RHXC**
1.3mn sq.m.



**Shanghai
KIC**
0.3mn sq.m.



THE HUB
0.3mn sq.m.

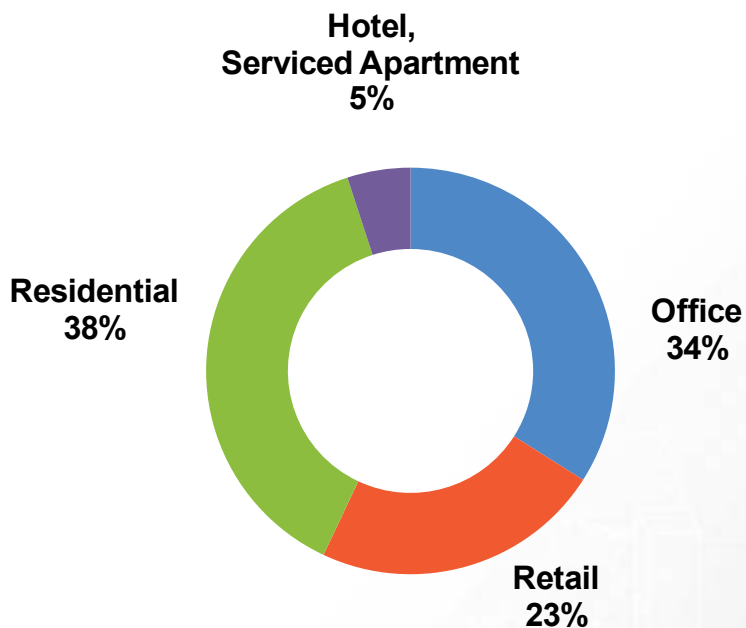
Completed property: GFA 1.2mn sq.m.
Under development: GFA 3.6mn sq.m.
Future development: GFA 6.0mn sq.m.

* Total leasable and saleable landbank excluding 2.1 million sq.m. of clubhouse, carpark and other facilities.

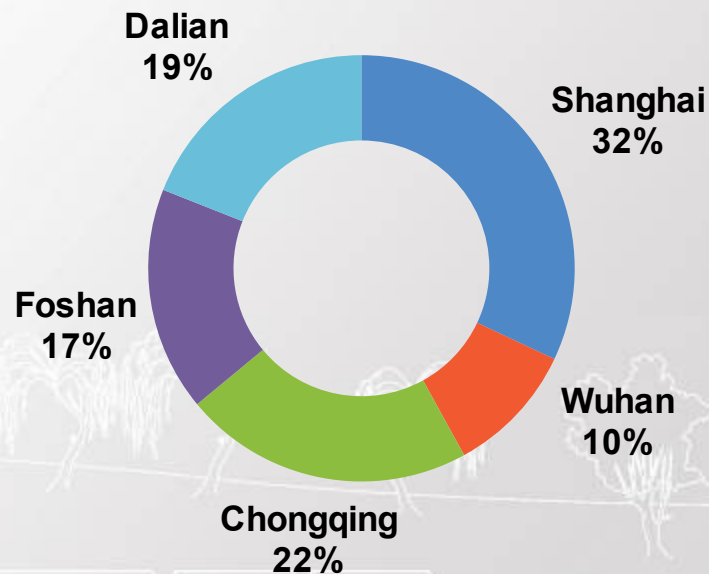
Superior and Diversified Landbank



Attributable GFA by Property Type



Attributable GFA by City



- 97% of the landbank was acquired in or before year 2007
- 85% of the landbank is booked at cost
- 6% of the landbank is under relocation, 9% of the landbank is yet to be relocated

Shanghai Taipingqiao

- Large-scale mixed-use city centre development



Xintiandi – Entertainment Area



Corporate Avenue – Grade A Office Tower



High-end Residential



Shopping Centre



Man-made Lake

The Creation of “Tiandi”

1. Identify Strategic Locations

Preserving Heritage in High Growth Cities

- Old town development in good locations, in line with government policies
- Greater flexibility in development schedule

2. Master Planning

Designing the new community

- Strategically develop new communities by keeping local heritage
- Well planned construction order to create people traffic
- Master planning in each city to make it a unique landmark

Stage
One

Stage
Two and
After

3. Develop Entertainment Area

The “Tiandi” brand

- Developing high-end restaurants and shops blended with local heritage and tranquil amenities like parks and lakes under the “Tiandi” brand
- This creates an attraction and builds a landmark in the city

4. Build Residential Local High-end Customers

- Targeting high-end segments
- Provide a ‘Live-Work-Play’ community to the home buyers
- High delivery standard: fully fitted move-in condition
- Club house and sports facilities

5. Develop Commercial Offices and Shopping Malls

- Development of commercial buildings for recurrent and growing rental income
- Ongoing asset value appreciation through the community development
- Alternative funding channel through mortgage financing

Typically Takes 2–3 Years for Each Phase to Complete

Tiandi – Unique Business Model

Large Scale, Mixed-use City Center Community Developments in High Growth Cities

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



Shanghai



Wuhan



Chongqing



Foshan

Experienced Management Team

- Over 20 years of operations in China



Mr. Vincent H. S. Lo
Chairman and Executive Director



Mr. Lo has won various awards:

- The Gold Bauhinia Star in 1998 and The Justice of the Peace in 1999 by HKSAR Government
- The Chevalier des Arts et des Lettres by the French government in 2005
- The "Ernst & Young China Entrepreneur of The Year 2009" and also as "Entrepreneur of The Year 2009" in the China Real Estate Sector
- The lifetime Achievement Award for Leadership in Property Sector by the 4th World Chinese Economic Forum

Mr. Freddy C. K. Lee
Executive Director, Managing Director and CEO



Mr. Lee:

- Member of the Royal Institution of Chartered Surveyors in the UK
- Member of the Hong Kong Institute of Surveyors
- Has over 15 years of working experience in construction management and 12 years of working experience in property development in the PRC
- Joined the Shui On Group in 1986
- Appointed as CEO in March 2011

Mr. Daniel Y. K. Wan
Executive Director, Managing Director and CFO



Mr. Wan:

- Former General Manager and Group CFO of The Bank of East Asia prior to joining the Company
- Fellow member of HKICPA
- Former member of the Accounting Standards Advisory Panel and former member of the Auditing Standards Committee of the Hong Kong Society of Accountants
- Former Chairman of the Investment Committee of the Travel Industry Compensation Fund
- Over 20 years of senior management experience in the financial industry

Mr. Charles Chan
Executive Director
Shui On Development Ltd
Shanghai KIC and Dalian
Tiandi



Mr. Ka-Wah Tang
Executive Director
Shui On Development Ltd
Chongqing Tiandi



Mr. Bryan Chan
Project Director
THE HUB



Mr. Adam Li
Deputy Project Director
Taipingqiao



Mr. Dixon Man
Deputy Project Director
Foshan Lingnan Tiandi



Ms. Jessica Wang
Project Director
Shanghai Rui Hong Xin
Cheng



Mr. Matthew Guo
Project Director
Wuhan Tiandi



Expertise Across All Disciplines



Mr. Frankie Y.L. Wong Non-executive Director



- Previously the Vice Chairman and CEO of SOCAM Development Limited
- Joined the Shui On Group in 1981
- Non-executive Director of Walcom Group Limited
- Independent Non-executive Director of Solomon Systech (International) Limited
- Director of Sichuan Shuangma Cement Co. Ltd

Sir John R. H. Bond Independent Non-executive Director



- Served as an INED of the Company since September 2006
- Previously the Group Chairman of HSBC Holdings plc and the Chairman of Vodafone Group Plc

Dr. William K. L. Fung Independent Non-executive Director



- Served as an INED of the Company since May 2006
- Group Chairman of Li & Fung Limited
- Independent Non-executive Director of VTech Holdings Limited, Sun Hung Kai Properties Limited and The Hongkong and Shanghai Hotels Limited
- Independent Director of Singapore Airlines Limited.

Professor Gary C. Biddle Independent Non-executive Director



- Served as an INED of the Company since May 2006
- Independent Non-executive Director of Kingdee International Software Group Company Limited
- His research appears in the premier academic journals globally and in financial publications

Dr. Roger L. McCarthy Independent Non-executive Director



- Served as an INED of the Company since May 2006
- Currently the principal of McCarthy Engineering
- Appointed by the first President Bush to the President's Commission on the National Medal of Science
- Member of the US National Academies Panel on Mechanical Science and Engineering at the Army Research Laboratory (2013-2014 Term)

Mr. David J. Shaw Independent Non-executive Director

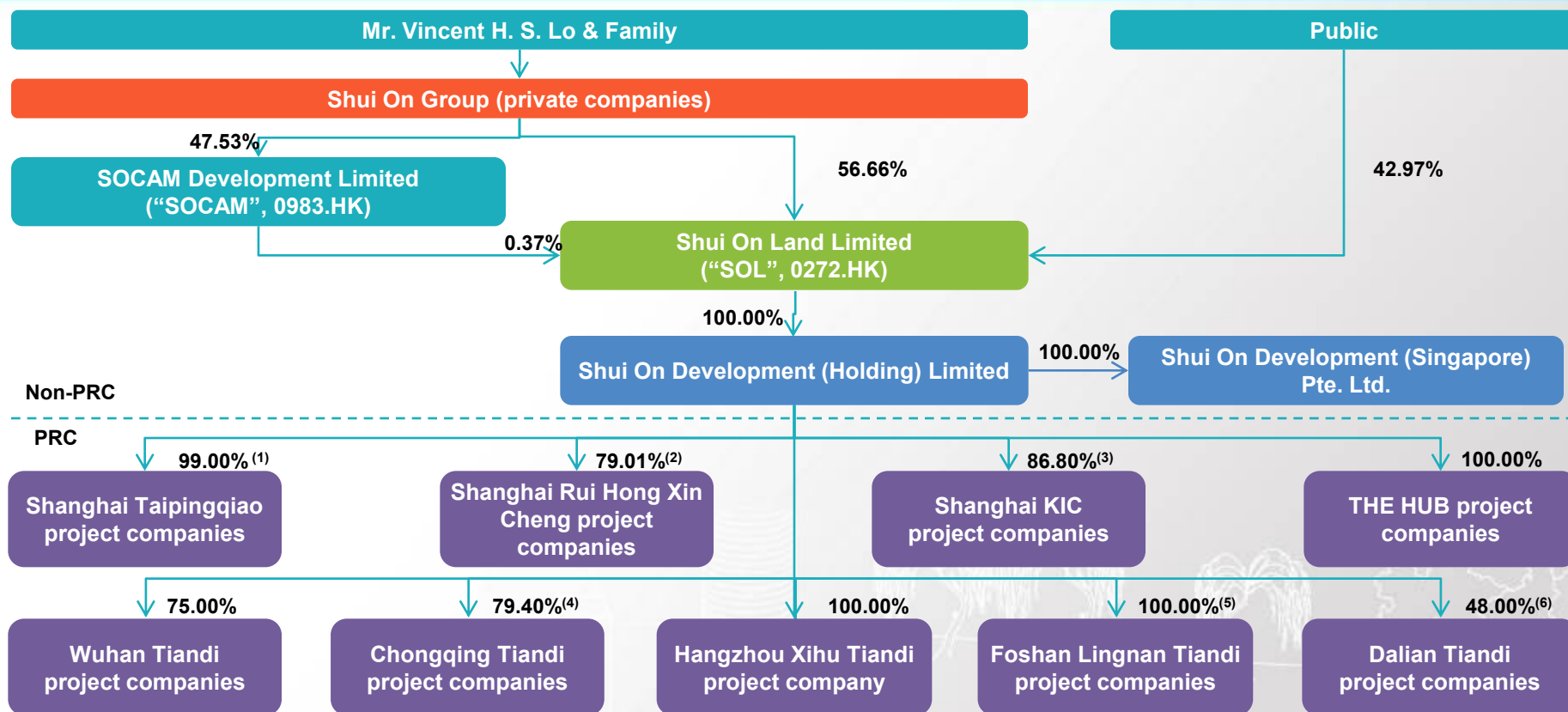


- Served as an INED of the Company since May 2006
- Adviser to the Board of HSBC Holdings plc
- Non-executive Director of HSBC Bank Bermuda Limited
- Independent Non-executive Director of Kowloon Development Company Limited

World Class Corporate Governance

- Strong corporate governance procedures and internal controls in place
 - Remuneration Committee (comprises Mr. Lo and 2 independent non-executive directors ("INEDs"))
 - Audit Committee (comprises 3 members, 2 of whom are INEDs)
 - Finance Committee (comprises 7 members, 3 of whom are INEDs)
 - Nomination Committee (comprises Mr. Lo and 2 INEDs)
- Out of the 9 board members, 5 are INEDs
- Separation of the role of Chairman and CEO

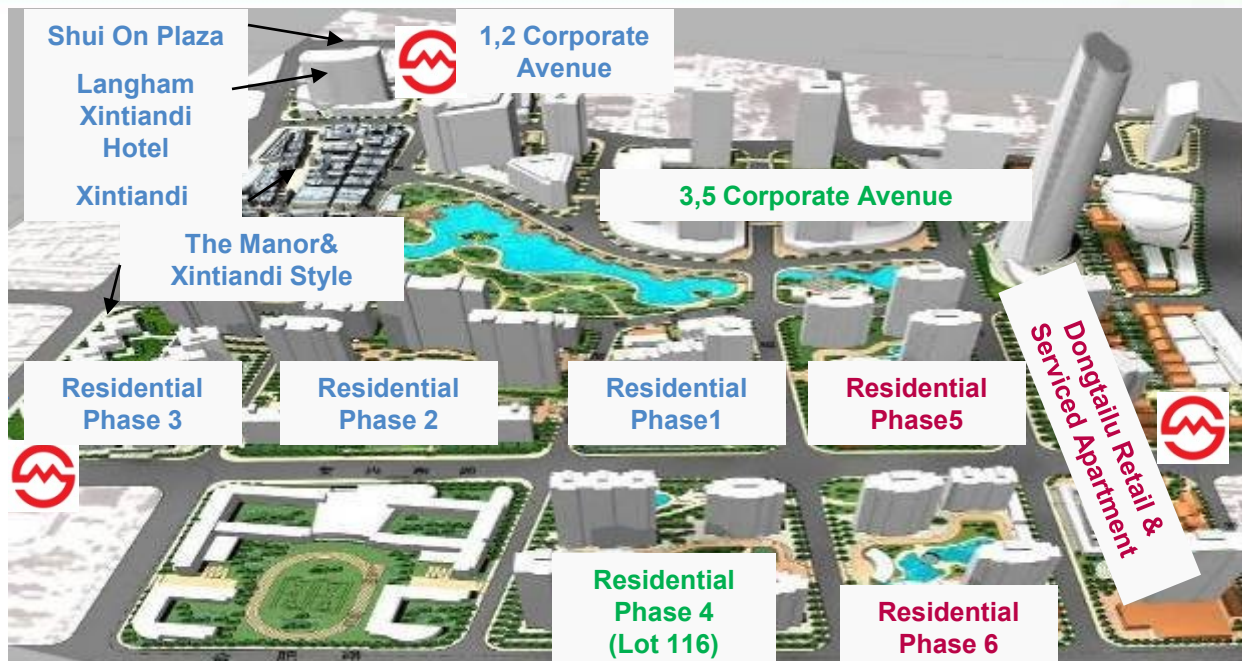
Simplified Corporate Structure (As of 31 July 2013)



Notes:

- 1 The Group has a 99.0% interest in all the remaining lots, except for Shanghai Xintiandi, Corporate Avenue Phase I, Lot 116, Shui On Plaza and Langham Xintiandi Hotel, in which the Group has 100.0%, 100.0%, 50.0%, 80.0% and 66.7% effective interest, respectively.
- 2 The Group has a 79.8% interest in Phase 1, Lot 167A and Lot 167B of Shanghai Rui Hong Xin Cheng, a 99.0% interest in the non-retail portion of Lot 6 (Phase 5) and a 79.0% interest in the remaining phases.
- 3 The Group has a 99.0% and an 86.8% interest respectively in KIC Lot 311 and KIC Lot 12-8.
- 4 The Group has a 79.4% interest in Chongqing Tiandi, except for Lot B11-1/02, in which the Group has a 59.5% effective interest. The development of super-high-rise towers is planned for Lot B11-1/02 for a total leasable and saleable GFA of 518,000 sq.m..
- 5 The Group has a 100.0% interest in Foshan Lingnan Tiandi, except for Lot 6, Lot 16, and Lot 18. For Lots 6 and 16, the Group has 55.9% effective interest and the joint venture partner, Mitsui has 44.1% effective interest. For Lot 18, the Group has 54.92% effective interest and Mitsui has 45.08% effective interest.
- 6 The Group has a 48% interest in Dalian Tiandi, except for Lots C01, C03, B08, B09, E02A and D06 in which the Group has a 33.6% effective interest.

Shanghai Taipingqiao



Residential ASP
(RMB/sq.m.)



Project Information (representing leasable & saleable GFA)

Total Project GFA

1,259,000 sq.m.

Completed Properties

253,000 sq.m. Sold & Delivered (Residential Ph 1-3)
259,000 sq.m. Investment Properties (Xintiandi, Xintaindi Style, 1,2 Corporate Avenue, Langham Xintiandi Hotel & Retail and Shui On Plaza)

Properties Under Development

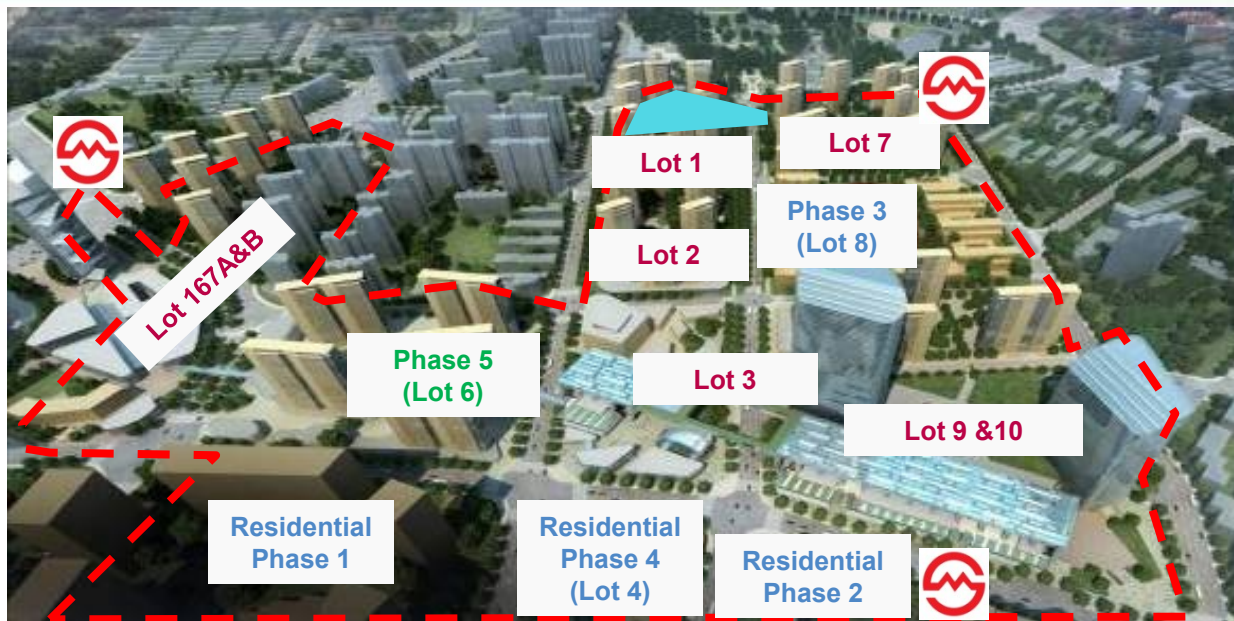
251,000 sq.m. 3, 5 Corporate Avenue, Residential Ph 4

Properties for Future Development

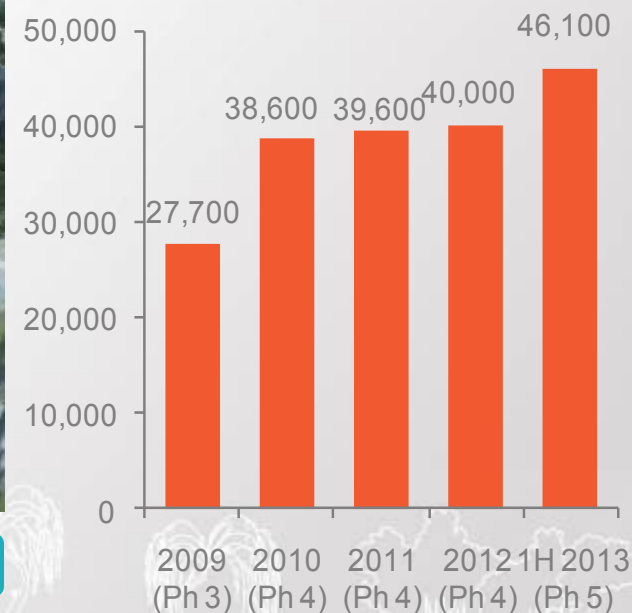
496,000 sq.m. Residential Ph 5-6, Office, Retail, Serviced Apt

Note: Launched Ph 1 & 2 in 2002 & 2006 with ASP at RMB20,000/sq.m. and RMB55,000/sq.m. respectively

Shanghai Rui Hong Xin Cheng (“Rainbow City”)



Residential ASP
(RMB/sq.m.)



Project Information (representing leasable & saleable GFA)

Total Project GFA

1,704,000 sq.m.

Completed Properties

451,000 sq.m. Sold & Delivered (Residential Ph 1- 4)
47,000 sq.m. Investment Properties (Ph 1- 4)

Properties Under Development

137,000 sq.m. Residential Ph 5, Retail

Properties for Future Development

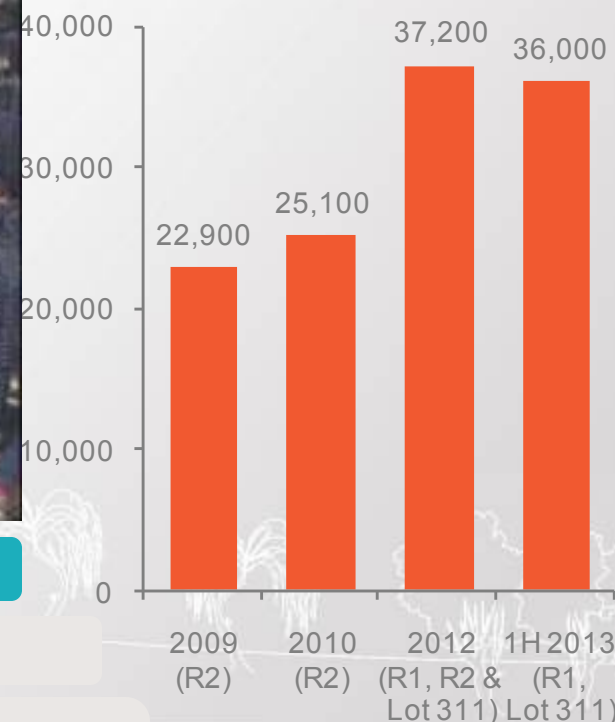
1,069,000 sq.m. Residential, Office, Retail, Hotel
 (Lots 2, 3, 9 & 10 - 569,000 sq.m. under relocation)

Note: Launched Ph 1 in 1997 with ASP at RMB6,800/sq.m.

Shanghai Knowledge & Innovation Community (“KIC”)



Properties ASP
(RMB/sq.m.)



Project Information (representing leasable & saleable GFA)

Total Project GFA

497,000 sq.m.

Completed Properties

157,000 sq.m. Sold & Delivered (KIC Village, 10 KIC Plaza, 15 KIC Plaza)

164,000 sq.m. Investment Properties (1 - 3 & 5 - 10 KIC Plaza, KIC Village, 11 & 12 KIC Plaza)

Properties Under Development

176,000 sq.m. Lot 311 Residential, Office, Retail and Hotel
Lot 12-8 Office

THE HUB



Project Information (representing leasable & saleable GFA)

Total Project GFA

277,000 sq.m.

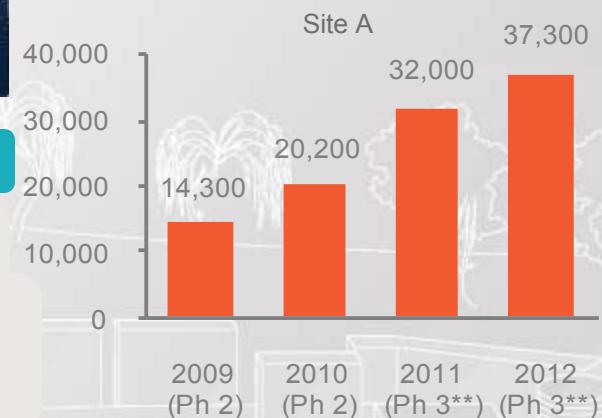
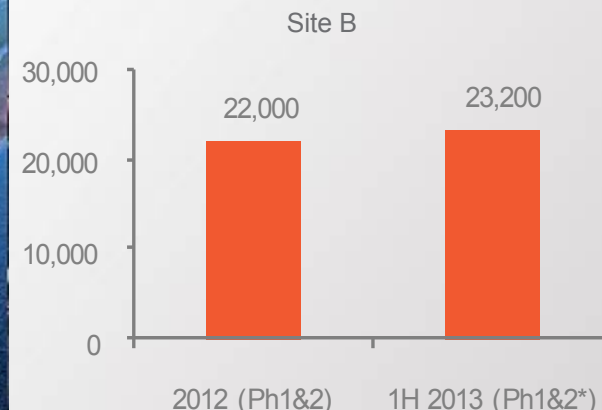
Properties Under Development

277,000 sq.m. Office, Retail, Exhibition and Hotel

Wuhan Tiandi



Residential ASP (RMB/sq.m.)



*Residential Ph 1, Ph 2 and Retail

**Mainly from Riverfront Low/high-rises and townhouses

Project Information (representing leasable & saleable GFA)

Total Project GFA

1,396,000 sq.m.

Completed Properties

331,000 sq.m. Sold & Delivered (Site A Residential Ph 1-3, Office A5, Site B Residential Ph 1 & Retail)
1,000 sq.m. Sold yet to be delivered, and available for sale
46,000 sq.m. Investment Properties (Wuhan Tiandi A4-1,2&3)

Properties Under Development

513,000 sq.m. Residential Ph 2-3 in Site B, Shopping Mall, Office Tower and Hotel Properties (Lots A1/2/3)

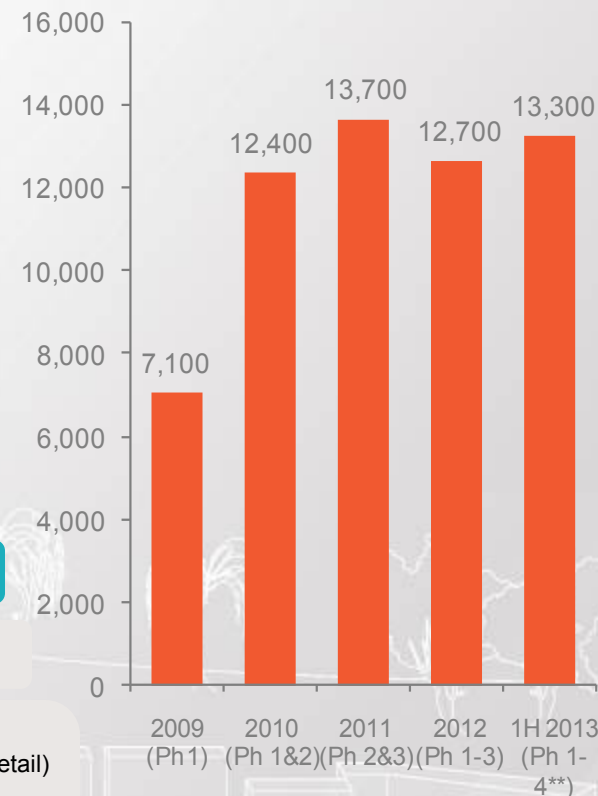
Properties for Future Development

505,000 sq.m. Remaining Areas in Site B, Commercial Zone

Chongqing Tiandi



Properties ASP*
(RMB/sq.m.)



Project Information (representing leasable & saleable GFA)

Total Project GFA

2,786,000 sq.m.

Completed Properties

504,000 sq.m. Sold & Delivered (Residential Ph 1-3, Stage 1 of Residential Ph 4, Ph 2 Retail, B12-1 Office and Retail)
37,000 sq.m. Sold yet to be delivered, and available for sale
193,000 sq.m. Investment Properties (Chongqing Tiandi B3/01, Residential Ph1-3 Retail Shops, B11-1/02 Super High Rise Ph1 Office and Retail)

Properties Under Development

1,078,000 sq.m. Residential Ph 4 remaining and Ph5, Office, Retail, Hotel

Properties for Future Development

974,000 sq.m. Residential, Office and Retail

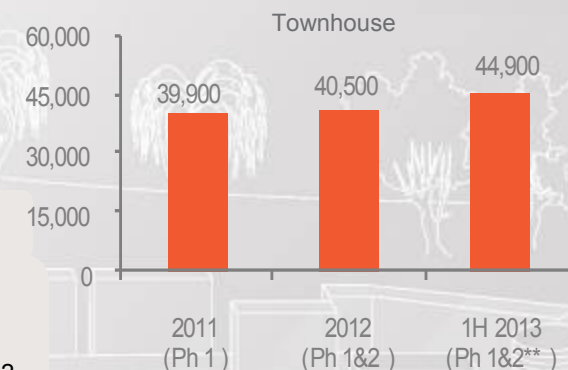
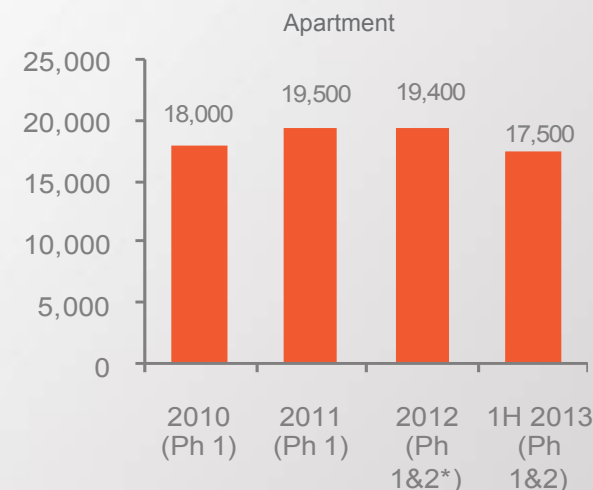
*ASP of Chongqing residential sales is based on net floor area, a common practice in the region.

** Residential Phases 1-4 and retail Phases 1 & 2

Foshan Lingnan Tiandi



Residential ASP (RMB/sq.m.)



Project Information (representing leasable & saleable GFA)

Total Project GFA

1,528,000 sq.m.

Completed Properties

88,000 sq.m. Sold & Delivered (Residential Ph 1 Lot 4 & 14, Residential Ph 2 Lot 5 & 15, Retail Lot 4, 5 & 15)
36,000 sq.m. Sold yet to be delivered, and available for sale
104,000 sq.m. Investment Properties (Lingnan Tiandi Lot 1 Ph 1& 2 Retail, Lot D Retail and Hotel Properties)

Properties Under Development

268,000 sq.m. Lingnan Tiandi Lot 1 remaining, Residential Ph 3 Lot 6 & 16, Lot 18, Lot E and Lot 3 Ph1, Retail

Properties for Future Development

1,032,000 sq.m. Residential and Commercial Zones

*Lowrise Ph 1 and Low/mid-rise Ph 2 & Retail

**Townhouse Ph1 and Townhouse Ph 2 & Retail

Dalian Tiandi



Residential ASP
(RMB/sq.m.)



Project Information (representing leasable & saleable GFA)

Total Project GFA

3,198,000 sq.m.

Completed Properties

87,000 sq.m. Sold & Delivered
86,000 sq.m.* Sold yet to be delivered, and available for sale
248,000 sq.m. Investment Properties (Software Offices, ITTD, Ambow Training School)

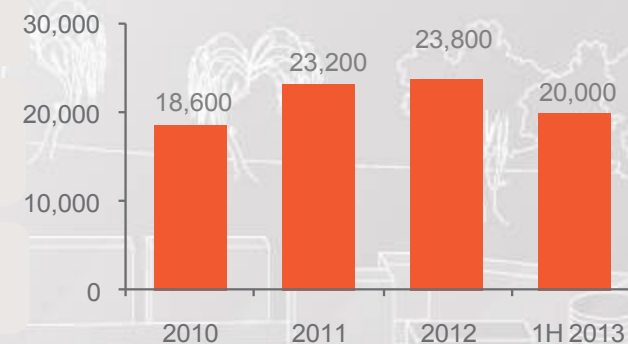
Properties Under Development

901,000 sq.m. Software Office Phase 2, Residential, Retail

Properties for Future Development

1,876,000 sq.m. Residential, Office, Retail, Hotel

Townhouse



*Including leasehold of 37,000 sq.m.

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Thank You

Q&A