



Press Release

KIC Village (Phase II) Passes National AAA Pre-evaluation of Residential Buildings' Performance – Successful Application of Precast Facade Technology Facilitates the Industrialisation of Residential Buildings

[Shanghai, 17 March 2008] – Shui On Land Limited (“Shui On Land”, Stock Code 0272) today announced that its second phase of Knowledge and Innovation Community (KIC) Village has successfully passed the national AAA pre-evaluation of residential buildings’ performance, which is one of the first Shanghai projects passing the pre-evaluation of the “*Technical Standard for Performance Assessment of Residential Buildings*” implemented nationwide in 2006.

KIC Village (Phase II) has been recognised by experts for its excellent performance in five aspects: applicability, safety, durability, environment and economy. The successful trial of its precast facade system has made Shui On Land a pioneer in the industry, promoting the industrialisation of residential buildings in the Chinese Mainland. Shui On Land has therefore contributed to the drafting of the national “*Technical Specification for Precast Concrete Buildings*”.

Mr. Louis Wong, Managing Director of Shui On Land, is very proud that KIC Village (Phase II) has become one of the first projects in Shanghai successfully passing the national AAA pre-evaluation of residential buildings’ performance. He said, “The passing of the test confirms the quality of Shui On Land’s services and products, reassuring our leading position in the industry. Unlike other evaluations, the performance assessment is the sole national evaluation standard for residential

buildings in the Chinese Mainland. Under the guidance of the Center for Housing Industrialization of the Ministry of Construction, Shanghai municipal of housing, land and resource administration introduces a third-party assessment by construction experts of various fields, aiming to scientifically and fairly reflect the integrated performance of residential buildings. Projects that pass the evaluation will prove to be excellent in the performance of residential buildings. The test will serve as a fresh new start for us to build more high quality and environmental friendly residences for the community.”

Shui On Land is dedicated to providing quality, environmental friendly and energy saving residences for the community, and exploring advanced building technologies for large-scale developments that satisfy social needs for quality and sustainable development. In KIC Village (Phase II), Shui On Land has applied precast concrete facade and sandwich thermal insulation technology to the outer walls of residential buildings as well as commercial-cum-residential apartments. The new initiative not only further assures the quality of the buildings, but also echoes the green and energy-saving principles.

To enhance construction quality, the precast concrete structures are manufactured through mass production in well-equipped factories, where strict quality control in manufacturing procedures and steam maintenance measures has been adopted. The precast facade walls will thus have a better weather resistance and durability than traditional ones. Moreover, as the factories have installed window frames in the precast structures before they are assembled at the construction site, the window leaking problems that are common in residential buildings can be resolved.

In respect of energy saving, the precast facade system of KIC Village (Phase II) introduces the unique sandwich thermal insulation technology, which places heat preservation boards in the middle of the precast structures, to achieve higher durability. An enduring, quality temperature-control mechanism also reduces energy

consumption of air conditioning systems and showcases Shui On Land's efforts in energy saving and environmental protection.

In addition, the application of mass production and on-site installation can help enhance construction efficiency and improve the construction site environment.

As a pioneer in the precast structure technology in the property industry, Shui On Land realises its goals of achieving sustainable development, saving energy and protecting the environment, and helps facilitate the industrialisation of residential buildings, which will ultimately lead to a healthier property industry in the Chinese Mainland.

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On the Technical Standard for Performance Assessment of Residential Buildings

The *Technical Standard for Performance Assessment of Residential Buildings*, effective nationwide since March 2006, is the sole national evaluation standard for the performance of residential buildings. It assesses the quality of residential buildings from five aspects, namely applicability, safety, durability, environment, as well as economy. By using scores and comprehensive comments, the standard classifies residential buildings into two types: Class A and Class B. Class A residential buildings are those that can best meet the national standard for residential buildings.

Unlike other evaluations, the assessment of performance of residential buildings is carried out by experts and institutes entrusted by the nation's ministry for construction. Residential buildings are evaluated, in accordance with the performance standard promulgated by the nation and following strict procedures, to provide a comprehensive, objective and authoritative assessment of their quality.

On Prefabrication Technology

Prefabrication technology is a construction practice in which components of a structure are massively manufactured in a factory, and then transported for assembly on site. Precast components vary from structures of staircases, floors, outer walls to kitchens and bath rooms. In short, houses are built through an industrialised means of production that can improve both the productivity and the quality of buildings, reduce

costs and physical consumption, and boost sustainable development. At present, this technology is widely used in advanced regions in the world such as Europe, Japan and Singapore.

About Shui On Land

Headquartered in Shanghai, Shui On Land Limited (0272.HK) is the flagship property company of the Shui On Group in the Chinese Mainland with a proven track record in developing large-scale, mixed-use city-core development projects and integrated residential development projects. The Company has projects under development in prime locations of major cities, with a gross floor area of 13.5 million square metres (including interests of other investors). The Company was listed on the Hong Kong Stock Exchange on 4 October 2006, the largest Chinese real estate enterprise listed that year.

Shui On Land Limited was included in the MSCI Standard Index Series, MSCI World Index, Hang Seng Composite Index Series and Hang Seng Freefloat Index Series in March 2007.

For further information about Shui On Land, please visit our website:

<http://www.shuionland.com>.

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