



Press release

Shui On Land & China Telecom Shanghai sign cooperation agreement Bringing FTTH technology to further development of digital communities

[Shanghai, 10 October 2008] Shui On Land Limited ("Shui On Land") entered a cooperation agreement with China Telecom Corporation Limited Shanghai Branch today to introduce FTTH (Fiber to the Home) digital lifestyle to its residents of Casa Lakeville and Knowledge and Innovation Community (KIC) Village Phase II. This marks further cooperation between the two Companies since they formed strategic cooperation last year, enabling more customers to enjoy the convenience brought by high technology.

Hui Shing Sun, Executive Director of Shui On Land, said, "Last year's strategic cooperation between Shui On Land and China Telecom Shanghai formed the solid foundation of our dedication to bringing advanced technology into today's new homes. Under this new cooperation agreement, we will bring high-quality, technologically-convenient lifestyle to more Shui On customers, giving further impetus to 'knowledge economy' development in Shanghai. By enhancing the use of technology in the community, we can promote the development of knowledge communities as well as set a new model and benchmark for holistic community development in the Chinese Mainland."

A representative from China Telecom Shanghai said, "As Shanghai's leading communication operator, China Telecom Shanghai always strives to work with the government and corporate sectors to enhance the use of information technology (IT) so as to enable more people to enjoy a new IT lifestyle. We offer the latest technology and products to Shui On Land's customers, and hope that by the concerted efforts with Shui On Land, we will create a better IT environment in the city."

Shui On Land and China Telecom Shanghai will introduce a series of advanced IT services to Casa Lakeville and KIC Village Phase II residents. For instance, they will enjoy 8M and 4M FTTH wired broadband service respectively, which will enable them to browse local and overseas websites at high speed. In addition, users will be able to simultaneously access the Internet from multiple terminals, and will enjoy services such as IPTV, high-definition IPTV and e-Home Phone.

FTTH technology requires installation of optical cable at an early stage of property development. With high installation costs and requirements, FTTH is still a new advanced information technology development in the Chinese Mainland. Casa Lakeville and KIC Village Phase II will be two of a very few communities in Shanghai that offer FTTH services. Shui On Land is the first property company in Shanghai to sign a cooperation agreement with China Telecom Shanghai to jointly promote the development of high-tech communities. According to the agreement, Shui On Land will offer residents of Casa Lakeville and KIC Village Phase II one-year free FTTH service. If customers encounter any technical problems during the period, China Telecom Shanghai will arrange for repair service immediately. When customers renew their service contracts after one year, they will enjoy special discounts.

High-tech lifestyle

Shui On Land and China Telecom Shanghai have been ready to provide a wide variety of FTTH services to residents of Casa Lakeville and KIC Village Phase II including:

- Casa Lakeville and KIC Village Phase II residents will enjoy 8M and 4M FTTH wired bandwidth, respectively
- ➤ Casa Lakeville residents will enjoy a special service of "Fast International Internet", which will enable them to access overseas websites at higher speed
- Customers will be able to simultaneously access the Internet from multiple terminals
- Wireless broadband service in public areas
- ➤ Wireless broadband roaming nation-wide
- > IPTV and high-definition IPTV
- **E-Home Phone and E-Home Assistant.**
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About Shui On Land

Headquartered in Shanghai, Shui On Land (HKSE: 272) is the flagship property company of the Shui On Land 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 Group has eight projects in various stages of development in prime locations of major cities, with a gross floor area of approximately 13.2 million sq.m. (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 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.

About China Telecom Shanghai

China Telecom Corporation Limited Shanghai Branch (China Telecom Shanghai), previously known as Shanghai Telecom Co., Ltd, was officially founded on 18 November 2002. A fully funded subsidiary of overseas-listed China Telecom Corporation Limited, China Telecom Shanghai has built the largest urban telephone network in the Chinese Mainland as well as an advanced IP metropolitan area network. It also takes the lead in building solid communication technologies such as international and local optical fiber communication, microwave communication, satellite communication and emergency communication, providing fast, convenient and precise voice, data, graphic and multimedia communication and information services.

China Telecom Shanghai is the sole communication and information partner for the 2007 Special Olympics World Summer Games. China Telecom is global partner for World Expo 2010 Shanghai China.

China Telecom Shanghai website: http://www.shanghaitelecom.com.cn

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About FTTH (Fiber To The Home)

FTTH is a form of fiber optic access network in which the optical signal reaches the end user's living or office space. Specifically, optical network units (ONU) are installed at residential or corporate properties. It is the closest to the end user among all fiber optic access networks except for FTTD (Fiber To The Desk). FTTH not only offers higher bandwidth, but also makes the network's data format, speed, wavelength and protocol more transparent, thus relaxing requirements on the environment and power supply and simplifying maintenance and installation.

There are five advantages associated with FTTH: it is a passive network, so there are no active components from the central office to the end user; its wide bandwidth offers an end user up to 100M bandwidth; as it is run on fiber optic, its transmission distance can reach 20km, thus meeting operators' need for large-scale deployment; it supports various protocols, thus suitable for multi-service access and tri-play; the technology is well developed and ready for large-scale deployment.

Fiber access networks come in many other varieties, depending on the termination point, such as FTTB (Fiber To The Building), FTTC (Fiber To The Curb), and FTTSA (Fiber To The Service Area).

As installation costs and requirements are high, FTTH is currently mainly used by government and business units, while usage in residential communities is not widely promoted.

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