



Press Release

Shui On Land Signed a Framework Agreement with CITIC China to Sell Two New Commercial Properties at Wuhan Tiandi for RMB4.50 Billion

(3 May, 2016, Shanghai) Shui On Land Limited (“Shui On Land” or the “Company”, Stock Code: 272) announced today that its subsidiaries had entered into a framework agreement with CITIC Pacific China Holdings Limited (“CITIC China”), to sell two new commercial properties at Wuhan Tiandi for a total consideration of approximately RMB4.50 billion. CITIC China has a further option to purchase the car parking spaces in the two subject properties and if exercised, it will bring the total consideration to approximately RMB4.65 billion.

The two subject properties are commercial properties located at the land parcel of Lot A123 in the Jiang'an District, Wuhan, Hubei. One subject property (“A1 Property”) involves the development of a super high-rise tower for office use and certain portion of a podium, with a saleable gross floor area (“GFA”) estimated to be 177,116.60 square metres (“sq.m.”). The podium of A1 Property is under construction while the super high-rise tower has yet to commence construction. It is scheduled to be completed in 2020.

The other subject property (“A3 Property”) comprises a tower for office use and certain portion of a podium, with a saleable GFA estimated to be 55,053.10 sq.m.. To date, the office tower has been completed whereas the podium of A3 Property is under construction. The building is scheduled to be completed in 2016.

After deducting estimated tax, development costs and other expenses, the Company expects that it will realise a net profit of approximately RMB173 million (equivalent to approximately HK\$208 million) in 2016 as a result of the disposal of A3 Property and a net profit of approximately RMB200 million (equivalent to approximately HK\$240 million) in 2020 from the divestment of A1 Property, subject to actual development cost to be incurred and actual development progress of the property. The Company plans to use the proceeds from the transaction to repay bank loans and for working capital purposes.

The transaction demonstrates the continuous execution of the Company’s strategic plan to accelerate asset turnover. It is a major step in realising the value of our commercial assets in second tier cities, which further unlocks the value of the Company’s asset portfolio. The payment terms of the transaction ensures funding for the construction of the properties. The transaction also helps to reduce debt, while facilitates growth for the Company.

Note: Please make reference to the related Announcement for the details of this transaction.

About Shui On Land

Headquartered in Shanghai, Shui On Land (Stock Code: 272) is the flagship property development company of the Shui On Group in the Chinese Mainland with a proven track record in developing mixed-use, sustainable communities. As of 31 December 2015, the Company has eight projects in various stages of development in prime locations of major cities, with a landbank of 11.8 million sq.m. (9.4 million sq.m. of leasable and saleable GFA, and 2.4 million sq.m. of clubhouses, car parking spaces and other facilities). The Company was listed on the Hong Kong Stock Exchange on October 4, 2006, the largest Chinese real estate enterprise listed that year. Shui On Land was included in the 200-Stock 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 www.shuionland.com

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