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**Shui On Land Limited**

**瑞安房地產有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 272)**

**(1) COMMENCEMENT OF EXCHANGE OFFER FOR  
OUTSTANDING US\$875,000,000 9.750% SENIOR NOTES**

**(2) COMMENCEMENT OF EXCHANGE AND TENDER OFFER FOR  
OUTSTANDING RMB3,500,000,000 US\$ SETTLED 7.625% SENIOR NOTES**

**AND**

**(3) PROPOSED NOTES ISSUE TO BE GUARANTEED BY THE COMPANY**

**Dealer Managers**



This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the Securities Futures Ordinance (Cap. 571 of the laws of Hong Kong).

On 14 April 2014, the Issuer commenced the US\$ Notes Exchange Offer for the outstanding US\$875,000,000 9.750% Senior Notes due 2015 and the RMB Notes Exchange and Tender Offer for its outstanding RMB3,500,000,000 (equivalent to US\$569,151,964 calculated by reference to the exchange rate of US\$1.00=RMB6.1495, the State Administration of Exchange Controls' USDCNY rate as of April 11, 2014) US\$ settled 7.625% Senior Notes due 2015.

Each Eligible Holder who validly gives Instructions to exchange the US\$ Notes pursuant to the US\$ Notes Exchange Offer by 5:00 p.m. London time on 28 April 2014 and does not validly withdraw such Instructions will receive the Early Participation Payment of US\$7.50 per US\$1,000.

Each Eligible Holder who validly gives Instructions to exchange or sell the RMB Notes pursuant to the RMB Notes Exchange and Tender Offer by 5:00 p.m. London time on 28 April 2014 and does not validly withdraw such Instructions will receive the Early Participation Payment of US\$122.00 per RMB100,000.

The consideration in the US\$ Notes Exchange Offer will consist of, with respect to each US\$1,000 principal amount of US\$ Notes (1) at the election of the Eligible Holder, (a) a principal amount of US\$1,000 of New 2018 Notes; OR (b) a principal amount of US\$1,000 of New 2020 Notes, in each case subject to the provisions relating to minimum denominations; PLUS (2) the Exchange Premium of US\$45.00; PLUS (3) Accrued Interest; PLUS (4) the Early Participation Payment of US\$7.50 (if applicable). Such consideration, excluding Accrued Interest, results in a theoretical exchange price for the US\$ Notes of 105.25% for Instructions submitted before the Early Participation Date and 104.50% for Instructions submitted after the Early Participation Date but before the Expiration Date. These theoretical prices are shown only for illustration purposes.

The consideration in the RMB Notes Exchange and Tender Offer will consist of, with respect to each RMB100,000 principal amount of RMB Notes (A) in the case of an Eligible Holder electing to exchange, (1) at the election of the Eligible Holder, (a) a principal amount of US\$16,261.50 of New 2018 Notes; OR (b) a principal amount of US\$16,261.50 of New 2020 Notes, in each case subject to the provisions relating to minimum denominations and delivery of cash in lieu of fractional notes; PLUS (2) the Exchange Premium of US\$284.60; PLUS (3) any

Fractional Cash Payment; PLUS (4) Accrued Interest; PLUS (5) the Early Participation Payment of US\$122.00 (if applicable); OR, (B) in the case of an Eligible Holder electing to tender, (1) cash in the amount of US\$16,546.10; PLUS (2) the Early Participation Payment of US\$122.00 (if applicable); PLUS (3) Accrued Interest. Such consideration, excluding any Accrued Interest, results in theoretical exchange and tender prices for the RMB Notes of 102.50% for Instructions submitted before the Early Participation Date and 101.75% for Instructions submitted after the Early Participation Date but before the Expiration Date. These theoretical prices are calculated based on an USDCNY exchange rate of 6.1495 and are shown only for illustration purposes.

The interest rate and yield for the New 2018 Notes will be no less than 8.50% per year. The interest rate and yield for the New 2020 Notes will be no less than 9.25% per year.

For detailed descriptions of the terms and conditions of the Offers, Eligible Holders should refer to the Offer Memoranda.

The Issuer is conducting a separate concurrent offering to issue and sell New Notes to institutional investors in Asia and Europe. The New Notes are expected to be issued by the Issuer and guaranteed by the Company.

The completion of the Concurrent New Money Issuance is subject to market conditions and investors' interest. The Issuer expects that any New Notes sold in the Current New Money Issuance will be sold at an issuance price that is equal to or greater than 100% of the principal amount of such New Notes sold.

Approval in-principle has been received for the listing of the New Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Admission of the New Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company, the Issuer or the New Notes. No listing of the New Notes has been, or will be, sought in Hong Kong.

In addition, the Company wishes to provide the market with some recent developments. During the three months ended 31 March, 2014, the Group repaid a total of RMB2,130 million of its bank and other borrowings and incurred a total of RMB3,162 million of additional bank borrowings. On 19 February 2014, the Issuer issued RMB2,500,000,000 6.875% Senior Notes due 2017 guaranteed by the Company.

**Shareholders, holders of the Old Notes and potential investors should note that completion of the Offers and the Concurrent New Money Issuance is subject to the fulfillment or waiver of the conditions precedent to the Offers and the Concurrent New Money Issuance as set forth in the Offer Memoranda and summarised in the announcement. No assurance can be given that the Offers and the Concurrent New Money Issuance will be completed and the Issuer reserves the right to amend, withdraw or terminate the Offers and the Concurrent New Money Issuance with or without conditions. The Issuer may, in its sole discretion, amend or waive certain of the conditions precedent to the Offers and the Concurrent New Money Issuance. As the Offers and the Concurrent New Money Issuance may or may not proceed, shareholders, holders of the Old Notes and potential investors should exercise caution when dealing in the shares of the Company or the Old Notes.**

## **INTRODUCTION TO THE OFFERS**

The Issuer is offering to (i) exchange outstanding US\$ Notes held by Eligible Holders in the manner more fully described in the US\$ Notes Exchange Offer Memorandum, which is summarised under “US\$ Notes Exchange Offer” below and (ii) exchange or purchase for cash outstanding RMB Notes, in the manner more fully described in the RMB Notes Exchange and Tender Offer Memorandum, which is summarised under “RMB Notes Exchange and Tender Offer” below.

The Offers will expire at 5:00 p.m., London time on 12 May 2014, unless the Offers are extended or earlier terminated. An appropriate announcement will be made if and when the Offer Expiration Date is extended or earlier terminated. The Offers are subject to certain conditions, including conditions with respect to the issuance of the New Notes, no material adverse change and others, as summarised under “Conditions Precedent to the Offers” below. Eligible Holders may withdraw their Instructions prior to the Withdrawal Deadline. Instructions may not be withdrawn any time on or after the Withdrawal Deadline except in limited circumstances.

In addition, the Issuer is conducting a separate concurrent offering to issue and sell New Notes to institutional investors in Asia and Europe. The New Notes are expected to be issued by the Issuer and guaranteed by the Company. The completion of the Concurrent New Money Issuance is subject to market conditions and investors’ interest. Standard Chartered Bank and UBS as the initial purchasers and joint bookrunners, are managing the Concurrent New Money Issuance.

The New Notes and the related guarantee by the Company have not been, and will not be, registered under the U.S. Securities Act. The New Notes will be offered outside the United States in compliance with Regulation S and will not be offered to, or for the account or benefit of, U.S. persons (as defined in Regulation S). None of the New Notes will be offered to the public in Hong Kong nor will be initially placed to any connected persons of the Company.

The Offers are not being made, and will not be made, directly or indirectly, in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). This restriction includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the Internet. Accordingly, copies of the Offer Memoranda and any other documents or materials relating to the exchange offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded in or into the United States or to U.S. persons, and the Offers cannot be accepted by any such use, means, instruments or facilities or from within the United States or by U.S. persons. Any purported offer to exchange RMB Notes and/ or US\$ Notes resulting directly or indirectly from a violation of these restrictions will be invalid, and any tenders of RMB Notes and/ or US\$ Notes or any purported offer to exchange made by a resident of the United States or from U.S. persons or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person will not be accepted.

## US\$ NOTES EXCHANGE OFFER

### *Summary of terms of the US\$ Notes Exchange Offer*

According to the terms and conditions of the US\$ Notes Exchange Offer Memorandum, the Issuer is offering Eligible Holders that validly give Instructions under the US\$ Notes Exchange Offer and do not validly withdraw their Instructions prior to the Offer Expiration Date, for US\$ Notes validly tendered, the following consideration:

<b>Offer</b>	<b><u>Instructions validly given prior to the Early Participation Date and not revoked prior to the Early Participation Date</u></b>	<b><u>Instructions validly given after the Early Participation Date and not validly withdrawn</u></b>
<b>US\$ Notes Exchange Offer</b>	With respect to each US\$1,000 principal amount of US\$ Notes, (1) at the election of the Eligible Holder, (a) a principal amount of US\$1,000 of New 2018 Notes; OR (b) a principal amount of US\$1,000 of New 2020 Notes, in each case subject to the provisions relating to minimum denominations; PLUS (2) the Exchange Premium of US\$45.00; PLUS (3) Accrued Interest; PLUS (4) the Early Participation Payment of US\$7.50.	With respect to each US\$1,000 principal amount of US\$ Notes, (1) at the election of the Eligible Holder, (a) a principal amount of US\$1,000 of New 2018 Notes; OR (b) a principal amount of US\$1,000 of New 2020 Notes, in each case subject to the provisions relating to minimum denominations; PLUS (2) the Exchange Premium of US\$45.00; PLUS (3) Accrued Interest.

The consideration described above, excluding Accrued Interest, results in a theoretical exchange price for the US\$ Notes of 105.25% for Instructions submitted before the Early Participation Date and 104.50% for Instructions submitted after the Early Participation Date but before the Expiration Date. These theoretical prices are shown only for illustration purposes.

The interest rate and yield for the New 2018 Notes will be no less than 8.50% per year. The interest rate and yield for the New 2020 Notes will be no less than 9.25% per year.

Instructions given pursuant to the US\$ Notes Exchange Offer may only be submitted for US\$ Notes with a minimum principal amount of US\$200,000 or in higher integral multiples of US\$1,000 in excess thereof. No Eligible Holder may give Instructions in respect of US\$ Notes if, upon acceptance for exchange of such US\$ Notes, such

Eligible Holder will hold US\$ Notes in an amount of less than US\$200,000. The New 2018 Notes and the New 2020 Notes will be issued in minimum denominations of US\$150,000 of principal amount and integral multiples of US\$1,000 in excess thereof.

The US\$ Notes Exchange Offer will expire at 5:00 p.m., London time, on 12 May 2014, unless extended or earlier terminated. In order to be entitled to the Early Participation Payment, Eligible Holders must give relevant Instructions to exchange by the Early Participation Date. It is expected that settlement will be on or about 19 May 2014, assuming that the Offer Expiration Date is not extended and that Instructions are given pursuant to the US\$ Notes Exchange Offer prior to the Offer Expiration Date.

As at 13 April 2014, the outstanding aggregate principal amount under the US\$ Notes is US\$875,000,000.

***Summary timetable with respect to the US\$ Notes Exchange Offer***

<b>Date</b>	<b>Event</b>
14 April 2014	Commencement of the US\$ Notes Exchange Offer and announcement through Euroclear and Clearstream. Commencement of the RMB Notes Exchange and Tender Offer and the Concurrent New Money Issuance concurrently.
5:00 p.m., London Time, on 28 April 2014	Early Participation Date, which is the time prior to which the Eligible Holder must give relevant Instructions in order to be entitled to the Early Participation Payment.
5:00 p.m., London Time, on 28 April 2014	Withdrawal Deadline, prior to which the Eligible Holders may withdraw tendered US\$ Notes.
After the Early Participation Date but no later than the Offer Expiration Date	Pricing of the Concurrent New Money Issuance and announcement of the pricing details of the New Notes.
5:00 p.m., London Time, on 12 May 2014	Offer Expiration Date, which is the deadline for the receipt of all Instructions as this is the last date and time for Eligible Holders of the US\$ Notes to participate in the US\$ Notes Exchange Offer.
Prior to 5:00 p.m., London Time, on 13 May 2014	Announcement of the results of the US\$ Notes Exchange Offer.

On or about 19 May 2014

Exchange Settlement Date.

On or about 20 May 2014

Listing of the New Notes on the SGX-ST.

## **RMB NOTES EXCHANGE AND TENDER OFFER**

According to the terms and conditions of the RMB Notes Exchange and Tender Offer Memorandum, the Issuer is offering to exchange or purchase for cash any and all of the outstanding RMB Notes and each Eligible Holder can elect either to exchange or sell the RMB Notes as described below.

<b>Offer</b>	<b>Instructions validly given prior to the Early Participation Date and not revoked prior to the Early Participation Date</b>	<b>Instructions validly given after the Early Participation Date and not validly withdrawn</b>
<b>RMB Notes Exchange Offer</b>	With respect to each RMB100,000 principal amount of RMB Notes, (1) at the election of the Eligible Holder, (a) a principal amount of US\$16,261.50 of New 2018 Notes; OR (b) a principal amount of US\$16,261.50 of New 2020 Notes, in each case subject to the provisions relating to minimum denominations and delivery of cash in lieu of fractional notes; PLUS (2) the Exchange Premium of US\$284.60; PLUS (3) any Fractional Cash Payment; PLUS (4) Accrued Interest <sup>1</sup> ; PLUS (5) the Early Participation Payment of US\$122.00.	With respect to each RMB100,000 principal amount of the RMB Notes, (1) at the election of the Eligible Holder, (a) a principal amount of US\$16,261.50 of New 2018 Notes; OR (b) a principal amount of US\$16,261.50 of New 2020 Notes, in each case subject to the provisions relating to minimum denominations and delivery of cash in lieu of fractional notes; PLUS (2) the Exchange Premium of US\$284.60; PLUS (3) any Fractional Cash Payment; PLUS (4) Accrued Interest <sup>1</sup> .
<b>RMB Notes Tender Offer</b>	With respect to each RMB100,000 principal amount of RMB Notes, (1) cash in the amount of US\$16,546.10; PLUS (2) the Early Participation Payment of US\$122.00; PLUS (3) Accrued Interest <sup>1</sup> .	With respect to each RMB100,000 principal amount of RMB Notes, (1) cash in the amount of US\$16,546.10; PLUS (2) Accrued Interest <sup>1</sup> .

*Note:*

<sup>1</sup> Accrued Interest will be converted into and paid in U.S. dollars and calculated based on the provisions of the RMB Notes.



The consideration described above, excluding any Accrued Interest, results in theoretical exchange and tender prices for the RMB Notes of 102.50% for Instructions submitted before the Early Participation Date and 101.75% for Instructions submitted after the Early Participation Date but before the Expiration Date. These theoretical prices are calculated based on an USDCNY exchange rate of 6.1495 and are shown only for illustration purposes.

The interest rate and yield for the New 2018 Notes will be no less than 8.50% per year. The interest rate and yield for the New 2020 Notes will be no less than 9.25% per year.

Instructions given pursuant to an RMB Notes Exchange Offer or RMB Notes Tender Offer may only be submitted for RMB Notes for a minimum principal amount of RMB1,000,000 or in higher integral multiples of RMB100,000 in excess thereof. No Eligible Holder may give Instructions in respect of such RMB Notes if, upon acceptance for exchange or purchase of such RMB Notes, the Eligible Holder will hold RMB Notes in an amount of less than RMB1,000,000. The New 2018 Notes and the New 2020 Notes will be issued in minimum denominations of US\$150,000 of principal amount and integral multiples of US\$1,000 in excess thereof. The Issuer will not issue any fractional New Notes. Any fractional amounts will be paid in US\$ in cash.

The RMB Notes Exchange and Tender Offer will expire at 5:00 p.m., London time, on 12 May 2014, unless extended or earlier terminated. In order to be entitled to the Early Participation Payment, Eligible Holders must give relevant Instructions to exchange or tender by the Early Participation Date. It is expected that settlement for the RMB Notes Exchange Offer will be on or about 19 May 2014 and the settlement for the RMB Notes Tender Offer will be on or about 20 May 2014, assuming that the Offer Expiration Date is not extended and that Instructions are given pursuant to the RMB Notes Exchange Offer or RMB Notes Tender Offer prior to the Offer Expiration Date.

As at 13 April 2014, the outstanding aggregate principal amount under the RMB Notes is RMB3,500,000,000 (equivalent to US\$569,151,964 calculated by reference to the exchange rate of US\$1.00=RMB6.1495, the State Administration of Exchange Controls' USDCNY rate as of April 11, 2014).

*Summary timetable with respect to the RMB Notes Exchange and Tender Offer*

<b>Date</b>	<b>Event</b>
14 April 2014	Commencement of the RMB Notes Exchange and Tender Offer and announcement through Euroclear and Clearstream. Commencement of the US\$ Notes Exchange Offer and the Concurrent New Money Issuance concurrently.
5:00 p.m., London Time, on 28 April 2014	Early Participation Date, which is the time prior to which the Eligible Holder must give relevant Instructions in order to be entitled to the Early Participation Payment.
5:00 p.m., London Time, on 28 April 2014	Withdrawal Deadline, prior to which the Eligible Holders may withdraw tendered RMB Notes.
After the Early Participation Date but no later than the Offer Expiration Date	Pricing of the Concurrent New Money Issuance and announcement of the pricing details of the New Notes.
5:00 p.m., London Time, on 12 May 2014	Offer Expiration Date, which is the deadline for the receipt of all Instructions as this is the last date and time for Eligible Holders of the RMB Notes to participate in the RMB Notes Exchange and Tender Offer.
Prior to 5:00 p.m., London Time, on 13 May 2014	Announcement of the results of the RMB Notes Exchange and Tender Offer.
On or about 19 May 2014	Exchange Settlement Date.
On or about 20 May 2014	Tender Settlement Date.
On or about 20 May 2014	Listing of the New Notes on the SGX-ST.

## **CONDITIONS TO THE OFFERS**

The Issuer's obligation to consummate the US\$ Notes Exchange Offer and the RMB Notes Exchange and Tender Offer is subject to the satisfaction of a number of conditions, including those listed below.

### ***No Material Adverse Change***

The Issuer may terminate or withdraw the Offers in the event that there is a material adverse change in the market from the date of the Offer Memoranda to the Exchange Settlement Date.

### ***RMB Notes Tender Offer Conditions***

The RMB Notes Tender Offer will only be consummated if at least one of the Additional New 2018 Notes Offering or the Additional New 2020 Notes Offering closes. If neither the Additional New 2018 Notes Offering nor the Additional New 2020 Notes Offering closes, the RMB Notes Tender Offer will be terminated, even though the RMB Notes Exchange Offer may be consummated.

In the event that the US\$ amount received by the Issuer in the Concurrent New Money Issuance is less than the aggregate RMB Notes Tender Consideration payable by the Issuer, the Issuer will, in its sole discretion, have the right to pro-rate the RMB Notes tendered for purchase in the RMB Notes Tender Offer so that the aggregate amount of RMB Notes Tender Consideration payable by the Issuer is equal to an amount that is no less than the proceeds from the Concurrent New Money Issuance.

### ***New 2020 Notes Issuance Condition***

The Issuer will not issue any New 2020 Notes pursuant to the Offers if the aggregate principal amount of all New 2020 Notes to be issued pursuant to (1) the RMB Notes Exchange and Tender Offer; PLUS (2) the US\$ Notes Exchange Offer; PLUS (3) the Concurrent New Money Issuance equals an amount less than US\$200,000,000. If no New 2020 Notes are issued as a result of the New 2020 Notes Issuance Condition not being satisfied, any Eligible Holder that has given Instructions to participate in either of the Offers and has elected to receive New 2020 Notes will receive an amount of New 2018 Notes instead of the New 2020 Notes that such Eligible Holder would have received if the New 2020 Notes Issuance Condition had been satisfied. If both the New 2020 Notes Issuance Condition and the New 2018 Notes Issuance Condition are not satisfied, the relevant Eligible Holder will retain its Old Notes and will not receive any consideration under the Offers.

### ***New 2018 Notes Issuance Condition***

The Issuer will not issue any New 2018 Notes pursuant to the Offers if the aggregate principal amount of all New 2018 Notes to be issued pursuant to (1) the RMB Notes Exchange and Tender Offer; PLUS (2) the US\$ Notes Exchange Offer; PLUS (3) the Concurrent New Money Issuance equals an amount less than US\$200,000,000. If no New 2018 Notes are issued as a result of such condition not being satisfied, any Eligible Holder that has given Instructions to participate in either of the Offers and has elected to receive New 2018 Notes or would have received New 2018 Notes as a result of the New 2020 Notes Issuance Condition not being met, will retain its Old Notes and not receive any consideration pursuant to the Offers.

Subject to applicable law, the Issuer may terminate or withdraw the Offers if any of the conditions are not satisfied or waived by the Offer Expiration Date. The Issuer may also extend the US\$ Notes Exchange Offer or RMB Notes Exchange and Tender Offer from time to time until the conditions are satisfied or waived. In the event that the Offers are withdrawn, terminated or otherwise not completed, no consideration, Early Participation Payment or any other payment will be paid or become payable to Eligible Holders. The Old Notes tendered pursuant to the Offers will be promptly returned to the Eligible Holder.

Although the Issuer has no present plans or arrangements to do so, the Issuer reserves the right to amend, modify or waive, at any time, the terms and conditions of the Offers, subject to applicable law. The Issuer will give notice of any amendments, modifications or waivers as and if required by applicable law.

### **PURPOSE OF THE OFFERS**

The purpose of the Offers and the Concurrent New Money Issuance is to extend the maturity of a portion of the Issuer's indebtedness due in 2015.

### **CONCURRENT NEW MONEY ISSUANCE**

The Issuer is conducting a separate concurrent offering to issue and sell New Notes to institutional investors in Asia and Europe. The New Notes are expected to be issued by the Issuer and guaranteed by the Company. The completion of the Concurrent New Money Issuance is subject to market conditions and investors' interest. Standard Chartered Bank and UBS, as the initial purchasers and joint bookrunners, are managing the Concurrent New Money Issuance.

The interest rate and yield for the New 2018 Notes will be no less than 8.50% per year. The interest rate and yield for the New 2020 Notes will be no less than 9.25% per year. The Issuer expects that any New Notes sold in the Current New Money Issuance will be sold at an issuance price that is equal to or greater than 100% of the principal amount of such New Notes sold.

If the New Notes are issued, the Group intends to use the net proceeds from the New Notes issued in the Concurrent New Money Issuance to (i) pay the cash portion of the consideration payable under the Offers; (ii) pay any other expenses in connection with the Offers; and (iii) if any remainder, for repayment of existing indebtedness with near term maturity and capital expenditure related to the Group's real estate or equipment.

We expect to announce the pricing terms of the Concurrent New Money Issuance on the business day following any such pricing or, if we decide not to proceed with the Concurrent New Money Issuance (or any portion thereof), we will announce such decision as soon as practicable after it is made. Pricing of the Concurrent New Money Issuance is expected to occur after the Early Participation Date and on or prior to the Offer Expiration Date. However, there can be no assurance that the Concurrent New Money Issuance will price at all, and, if it does price, whether it will price with respect to the Additional New 2018 Notes Offering or the Additional New 2020 Notes Offering or both.

### *Listing of New Notes*

Approval in-principle has been received for the listing of the New Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Admission of the New Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company, the Issuer or the New Notes. No listing of the New Notes has been, or will be, sought in Hong Kong.

### **RECENT DEVELOPMENTS**

During the three months ended 31 March, 2014, the Group repaid a total of RMB2,130 million of its bank and other borrowings and incurred a total of RMB3,162 million of additional bank borrowings. On 19 February 2014, the Issuer issued RMB2,500,000,000 6.875% Senior Notes due 2017 guaranteed by the Company.

## **FURTHER INFORMATION**

For a detailed statement of the terms and conditions of the US\$ Notes Exchange Offer and the RMB Notes Exchange and Tender Offers, Eligible Holders should refer to the Offer Memoranda. The Company and Issuer have engaged Standard Chartered Bank and UBS to act as the dealer managers for the Offers. Questions regarding these transactions from the Eligible Holders should be directed to the information, exchange and tender agent at:

D.F. King & Co., Inc

Address: 11<sup>th</sup> Floor, Citypoint, 1 Ropemaker Street, London, EC2Y 9AW

Telephone: +44 207 920 9700 or +1 (212) 269 5550

Attention: Damian Watkin / Katerina Papamichael

E-mail: Sol@king-worldwide.com

## **INFORMATION ABOUT THE COMPANY**

The Company, through its subsidiaries and associates, is one of the leading property developers in the PRC. The Company engages principally in the development, sale, leasing, management and long-term ownership of high-quality residential, office, retail, entertainment and cultural properties in the PRC.

## **GENERAL**

This announcement is not an offer to purchase or a solicitation of an offer to sell securities and neither this announcement nor anything herein forms the basis for any contract or commitment whatsoever. This announcement does not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. This announcement is not for release, publication or distribution in or into, or to any person resident and/or located in, any jurisdiction where such release, publication or distribution is unlawful.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions. Forward-looking statements in this announcement, including, among others, those statements relating to the Offers and the Concurrent New Money Issuance are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve risks, uncertainties and assumptions and are difficult to predict with any precision. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for each of the Old Notes, changes in the business and financial condition of the Company and its subsidiaries, changes in the property industry, and changes in the capital markets in general.

**No assurance can be given that the Offers and the Concurrent New Money Issuance will be completed and the Issuer reserves the right to amend, withdraw or terminate the Offers and the Concurrent New Money Issuance with or without conditions. The Issuer may, in its sole discretion, amend or waive certain of the conditions precedent to the Offers and the Concurrent New Money Issuance. As the Offers and the Concurrent New Money Issuance may or may not proceed, shareholders, holders of the Old Notes and potential investors should exercise caution when dealing in the Shares or the Old Notes.**

## **DEFINITIONS**

*In this announcement, unless the context otherwise requires, the following expressions have the following meanings:*

“Accrued Interest”	the cash equal to the accrued and unpaid interest in respect of the Old Notes from the most recent interest payment date to, but not including, the Exchange Settlement Date or the Tender Settlement Date, as the case may be, payable in US\$ and calculated based on the provisions of the Old Notes
“Additional New 2018 Notes Offering”	the offering of additional New 2018 Notes by the Issuer as part of the Concurrent New Money Issuance
“Additional New 2020 Notes Offering”	the offering of additional New 2020 Notes by the Issuer as part of the Concurrent New Money Issuance
“Board”	the board of Directors
“Clearstream”	Clearstream Banking, société anonyme
“Company”	Shui On Land Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Hong Kong Stock Exchange
“Concurrent New Money Issuance”	a concurrent offering by the Issuer to issue and sell additional New Notes that will form a single series with the corresponding New Notes issued in the Offers
“Early Participation Date”	5:00 p.m., London time, on 28 April 2014, unless extended by the Issuer in its sole discretion

“Early Participation Payment”	the cash payment made by the Issuer to the respective Eligible Holders of the Old Notes in respect of an Instruction that is validly delivered (and not validly withdrawn) prior to the Early Participation Date
“Eligible Holder(s)”	as defined in the Offer Memoranda, eligible holders of the Old Notes who are non-U.S. persons (as defined in Regulation S) located outside the United States and hold the Old Notes through Eurostream and Clearstream, or certain fiduciaries holding accounts for the benefit of non-U.S. persons (as defined in Regulation S) outside the United States and hold the Old Notes through Euroclear and Clearstream
“Euroclear”	Euroclear Bank SA/NV
“Exchange Premium”	the RMB Notes Exchange Premium and the US\$ Notes Exchange Premium
“Exchange Settlement Date”	anticipated to be on or about the fifth business day following the Offer Expiration Date, being 19 May 2014, unless the Offers are extended, amended or earlier terminated
“Fractional Cash Payment”	the cash paid in U.S. dollars equal to the principal amount of any fraction of New Notes which the Eligible Holders are otherwise entitled to pursuant to the RMB Notes Exchange and Tender Offer.
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Instruction”	The electronic instruction submitted or delivered through the Euroclear or Clearstream by Eligible Holders of Old Notes to tender or exchange the Old Notes
“Issuer”	Shui On Development (Holding) Limited, a company incorporated in the Cayman Islands with limited liability, and a wholly-owned subsidiary of the Company



“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“New 2018 Notes”	the new notes to be issued by the Issuer that will mature on the fourth anniversary of the Exchange Settlement Date and will accrue interest from the Exchange Settlement Date
“New 2020 Notes”	the new notes to be issued by the Issuer that will mature on the sixth anniversary of the Exchange Settlement Date and will accrue interest from the Exchange Settlement Date
“New 2018 Notes Issuance Condition”	the condition under which the Issuer will issue the New 2018 Notes as described herein
“New 2020 Notes Issuance Condition”	the condition under which the Issuer will issue the New 2020 Notes as described herein
“New Notes”	either or both of the New 2018 Notes and New 2020 Notes
“Offers”	collectively, the US\$ Exchange Notes Offer and RMB Notes Exchange and Tender Offer
“Offer Expiration Date”	5:00 p.m., London time on 12 May 2014, unless extended or earlier terminated in the Issuer’s sole discretion
“Offer Memoranda”	collectively, the US\$ Notes Exchange Offer Memorandum and the RMB Notes Exchange and Tender Offer Memorandum
“Old Notes”	collectively, the RMB Notes and US\$ Notes
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Regulation S”	Regulation S under the U.S. Securities Act
“RMB”	Renminbi, the lawful currency of the PRC

“RMB Notes”	RMB3,500,000,000 in aggregate principal amount of US\$ settled 7.625% Senior Notes due 2015 (Common Code 058417629; ISIN Number XS0584176290) issued by the Issuer and are listed on the SGX-ST
“RMB Notes Exchange and Tender Offer”	collectively, the RMB Notes Exchange Offer and RMB Notes Tender Offer
“RMB Notes Exchange and Tender Offer Memorandum”	the exchange and tender offer memorandum dated 14 April 2014 sent electronically to the Eligible Holders of the RMB Notes in relation to the RMB Notes Exchange and Tender Offer
“RMB Notes Exchange Premium”	cash in an amount of US\$284.60 per RMB100,000 principal amount of RMB Notes
“RMB Notes Exchange Offer”	the offer made by the Issuer to exchange the RMB Notes upon the terms and subject to the conditions set out in the RMB Notes Exchange and Tender Offer Memorandum
“RMB Notes Tender Consideration”	with respect to each RMB100,000 principal amount of RMB Notes, cash in the amount of US\$16,546.10 PLUS the Early Participation Payment (if applicable) of US\$122.00 per RMB100,000 PLUS Accrued Interest
“RMB Notes Tender Offer”	the offer made by the Issuer to purchase the RMB Notes upon the terms and subject to the conditions set out in the RMB Notes Exchange and Tender Offer Memorandum
“SGX — ST”	the Singapore Exchange Securities Trading Limited
“Standard Chartered Bank”	Standard Chartered Bank, one of the dealer managers in respect of the Offers and one of the initial purchasers and joint bookrunners in respect of the offer and sale of the New Notes
“Tender Settlement Date”	anticipated to occur on or about 20 May 2014, being one business day after the Exchange Settlement Date
“UBS”	UBS AG, Hong Kong Branch, one of the dealer managers in respect of the Offers and one of the initial purchasers and joint bookrunners in respect of the offer and sale of the New Notes

“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$” or “U.S. dollars”	United States dollar, the lawful currency of the United States
“US\$ Notes”	US\$875,000,000 in aggregate principal amount of 9.75% Senior Notes due 2015 (Common Code 074530583; ISIN Number XS0745305838) issued by the Issuer and are listed on the SGX-ST
“US\$ Notes Exchange Offer”	the offer made by the Issuer upon the terms and subject to the conditions set forth in the US\$ Notes Exchange Offer Memorandum
“US\$ Notes Exchange Offer Memorandum”	the exchange offer memorandum dated 14 April 2014 sent electronically to the Eligible Holders of the US\$ Notes in relation to the US\$ Notes Exchange Offer
“US\$ Note Exchange Premium”	cash in an amount of US\$45.00 per US\$1,000 principal amount of US\$ Notes
“U.S. Securities Act”	United States Securities Act of 1933, as amended
“Withdrawal Deadline”	The last time that Eligible Holders may withdraw Instructions given pursuant to the Offers, which is, unless extended or terminated, 5:00 p.m., London time on 28 April 2014
“%”	per cent.

By Order of the Board  
**Shui On Land Limited**  
**Vincent H. S. LO**  
*Chairman*

Hong Kong, 14 April 2014

*As at the date of this announcement, the executive Directors are Mr. Vincent H. S. LO (Chairman), Mr. Daniel Y. K. WAN and Mr. Philip K.T. Wong; the non-executive Director is Mr. Frankie Y. L. WONG; and the independent non-executive Directors are Sir John R. H. BOND, Dr. William K. L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY and Mr. David J. SHAW.*

\* *For identification purposes only*