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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)**

**ANNOUNCEMENT**

**2014 INTERIM RESULTS PROFIT ALERT**

This announcement is made by Shui On Land Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Cap. 571) and Rule 13.09(2)(a) of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform potential investors and shareholders of the Company that, based on a preliminary review and analysis of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2014 and the information currently available to the Company, it is expected that profit attributable to shareholders of the Company for the six months ended 30 June 2014 is likely to decline by approximately 25% as compared with the figure for the corresponding period in 2013.

During the six months ended 30 June 2014, despite the increase in overall revenue recorded by the Group compared with the figure for the six months ended 30 June 2013, the decrease in the profit attributable to shareholders of the Company is mainly due to the following reasons:

- (a) a decrease in gross profit margin of the Group by 7% resulting from lower gross profits for property sales;
- (b) an exchange loss of around RMB120 million as a result of the depreciation of the Renminbi during the six months ended 30 June 2014, as compared to an appreciation of the Renminbi for the six months ended 30 June 2013 which generated a gain of RMB205 million;
- (c) an increase in general and administration expenses as a result of the establishment of the fully integrated asset management platform for China Xintiandi Holding Company Limited (“**CXTD Holding**”) during the reporting period;
- (d) a distribution to the owners of Convertible Perpetual Securities of CXTD Holding following the completion of the transaction as announced on 17 February 2014; and
- (e) a loss on the Group’s share of results of an associated company versus a gain for the six months ended 30 June 2013 due to a lower gross profit margin for the associate.

The Group is modifying its business strategies to better cope with the changing policy and market environment in China, and preparing for the spin-off of CXTD Holding.

The Company remains cautiously optimistic regarding its long-term performance. The Group expects a stronger sales performance from Shanghai Rui Hong Xin Cheng from second half of 2015 due to completion of the relocation of various sites and a stronger rental growth with completion of investment properties in Shanghai in the coming year.

The information contained in this announcement is based on a preliminary review and analysis and the information available as of the date of this announcement, which have not been audited or reviewed by the auditor of the Company.

The Company is still in the process of finalizing the results of the Group for the six months ended 30 June 2014. Details of the Group's financial information for the six months ended 30 June 2014 will be disclosed in its interim results announcement which is expected to be published by the end of August 2014.

**Shareholders of the Company and potential investors are advised to exercise caution in dealing in the securities of the Company.**

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

Hong Kong, 13 August 2014

*At the date of this announcement, the executive directors of the Company are Mr. Vincent H. S. LO (Chairman), Mr. Daniel Y. K. WAN and Mr. Philip K. T. WONG; the non-executive director of the Company is Mr. Frankie Y. L. WONG; and the independent non-executive directors of the Company 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*