



Shui On Land Limited

(stock code: 272 HK)

Annual Results Presentation For the year ended 31 December 2008

April 16, 2009

Member of Shui On Group

www.shuionland.com

Contents

1. **Key Financial Highlights**
2. Review of 2008 Annual Results
3. Outlook & Prospects



Key Financial Highlights

- Turnover : **RMB3,556 million** or **HK\$3,940 million** (↓22%)
(2007: RMB4,570 million or HK\$4,689 million)
- Profit attributable to Company's shareholders :
 - **RMB2,480 million** or **HK\$2,748 million** (↑1%)
(2007: RMB2,462 million or HK\$2,526 million)
- Underlying profit attributable to the Company's shareholders¹ :
 - **RMB2,214 million** or **HK\$2,453 million** (↑7%)
(2007: RMB2,060 million or HK\$2,114 million)
- Basic earnings per share: **RMB0.59** or **HK\$0.65**
(2007: RMB0.59 or HK\$0.61)
- Recommend a final dividend of HK\$0.01, In addition, the Directors propose a bonus issue of one new share for every ten shares.

1. Excluding the effect of revaluation of investment properties and fair value adjustment on derivative financial instruments
2. The HK dollar figures presented above are shown for reference only and have been arrived at based on the exchange rate of RMB1.000 to HK\$1.108 for 2008 and RMB 1.000 to HK\$1.026 for 2007, being the average exchange rates that prevailed during the respective years.



Key Financial Highlights

- Total assets as of 31 Dec 08: **RMB35.1 billion** (31 Dec 07: RMB29.9 billion) (↑17%)
- Total equity as of 31 Dec 08: **RMB19.2 billion** (31 Dec 07: RMB16.7 billion) (↑15%)
- Net debt as of 31 Dec 08: **RMB4,818 million** (31 Dec 07: RMB3,375 million)
- Net gearing ratio as of 31 Dec 2008: **25%** (31 Dec 07: 20%) (↑ 5%)
- Landbank: **13.2 million sq.m.** of GFA in **8 large-scale projects** in **prime locations** over **6 key cities**

Project Name	City	GFA (sqm)
Taipingqiao	Shanghai	1.2m
Rui Hong Xin Cheng	Shanghai	1.2m
Xihu Tiandi	Hangzhou	0.08m
Chongqing Tiandi	Chongqing	3.6m
Wuhan Tiandi	Wuhan	1.5m
Foshan Lingnan Tiandi	Foshan	1.6m
Knowledge and Innovation Community ("KIC")	Shanghai	0.5m
DALIAN TIANDI • software hub	Dalian	3.5m



Contents

1. Key Financial Highlights
2. Review of 2008 Annual Results
3. Outlook & Prospects



Review of 2008 Annual Results

for the year ended 31 December

	2008	2007
	HK\$' million	
Turnover	3,940	4,689
Gross Profit	2,251	2,755
Profit attributable to shareholders	2,748	2,526
Underlying profit attributable to shareholders*	2,453	2,114
Gross Margin	57%	59%
Net Profit Margin	77%	63%

EPS – basic (cents)	65	61
Final dividend per share (cents)	1	10

2008	2007	Change
RMB' million		%
3,556	4,570	↓ 22
2,032	2,685	↓ 24
2,480	2,462	↑ 1
2,214	2,060	↑ 7
57%	59%	↓ 2
77%	63%	↑ 14

59	59	-
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In addition, the Directors propose a bonus issue of shares on the basis of one new share for every ten shares held.



* Underlying profit attributable to shareholders is *before* revaluation of investment properties and fair value adjustment on derivative financial instruments.

Financial Position as of 31 December

<i>RMB'million</i>	2008	2007	Change
Total Assets	35,050	29,879	↑ 17%
Total Liabilities	15,886	13,173	↑ 21%
Total Equity	19,164	16,706	↑ 15%
Cash and Bank Balances (Note 1)	3,380	3,697	↓ 9%
Net Gearing Ratio (Note 2)	25%	20%	↑ 5%

Landbank('000 sq.m.)

Completed Properties	586	282
Properties under development	4,541	1,581
Properties under future development	8,038	11,252
Total	13,165	13,115



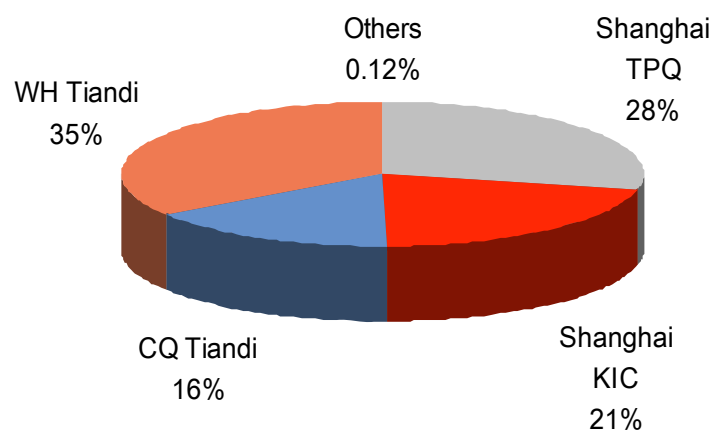
Note 1 : Includes pledged bank deposits of RMB1,709 million(2007: RMB854 million)

Note 2 : Calculated on the basis of dividing the excess of the sum of bank loans and /or notes payable over the sum of bank balances and cash by total equity.

Sales Performance and Analysis

Sold **85,100 sq.m** for total sales proceeds of approximately **RMB2,939 million** in 2008. The main contributor is Shanghai Casa Lakeville and The Riverview, Wuhan Tiandi Lot A7.

Total GFA sold by projects



Project	Total GFA sold (sq.m.)	Average selling price (RMB/sq.m.)	Group's interest
Shanghai Taipingqiao, Lot 113 (Casa Lakeville)	24,200	85,300	99.0%
Shanghai KIC R1,R2	18,000	20,200	86.8%*
Chongqing Tiandi, LotB1-1/01 (The Riviera)	13,600	10,300**	79.4%
Wuhan Tiandi, Lot A7 (The Riverview)	29,100	14,600	75.0%
Others	200	Various	Various
Total GFA (sq.m.)	85,100		

*Agreement has been reached to increase the interest from 70% to 86.8%, subject to completion of capital injection.

**The average selling price is quoted based on the net floor area which is the common practice in Chongqing's property market.

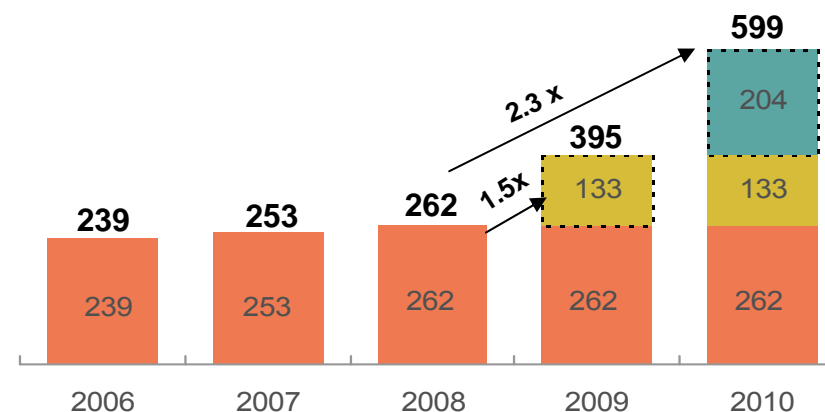


Investment Property and Results

Project		GFA (sqm)	Occupancy rate
Xintiandi		57,000	99%
Corporate Avenue		83,000	99%
RHXC	Phase 1	5,000	55%
	Phase 2	28,000	99%
KIC	Village R1	15,000	59%
	Plaza Phase 1	52,000	82%
Wuhan		16,000	89%
Hangzhou		6,000	100%

Expanding investment property portfolio

GFA ('000 sq.m.)



Total leaseable GFA of 262,000 sq.m.,

Total income from investment properties is RMB593 million in 2008 (2007: RMB474 million), an increase of 25% over 2007.

The Group's rental income for 2008 expressed as a percentage of the Group's total interest costs before capitalization to property under development was approximately 60% (2007: 88%).



Debt Schedule

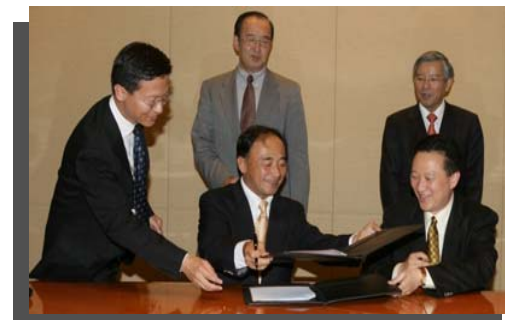
Currency Denomination	Total (RMB million)	Due within 1 year (RMB million)	Due more than 1 year but not exceeding 2 years (RMB million)	Due 2 years or more (RMB million)
RMB	1,794	462	576	756
US\$	750	750	-	-
HKD	5,654	741	974	3,939
Total	8,198	1,953	1,550	4,695
	<i>100%</i>	<i>24%</i>	<i>19%</i>	<i>57%</i>

- Cash and bank deposits amounted to **RMB3,380 million** as of 31 December 2008 (31 December 2007: RMB 3,697 million), which included RMB1,709 million (31 December 2007: RMB 854 million) of deposits pledged to banks.
- Collaborate with domestic banks for provision of banking facilities for our property development
 - ✓ Agricultural Bank of China: Signed a MOU for a three-year loan facility up to RMB8 billion for SOL property development.
 - ✓ Bank of China: Offered a Letter of Intent for medium to long term loan facility of RMB4 billion for our Foshan project.



Strategic Partnerships

Project	Transaction date	Stake disposed	Gross Proceeds (before minority interest) (RMB'million)	Attributable Profits (RMB'million)
Chongqing Tiandi	Sep-06	19.8%	1,006	582
Wuhan Tiandi	Jun-07	25%	1,245	480
Taipingqiao Lot116	Jun-07	49%	364	364
Rui Hong Xin Cheng ("RHXC")	May-08	25%	1,125	862
Chongqing Super High Rise ("CQ SHR")	Aug-08	25%¹	1,021	819²
Total			4,761	3,107



1. Prior to the partial disposal of equity interest to a strategic partner in August 2008, the Group had 79.4% interests in Lot B11-1/02 which will be developed into super high rise. Subsequent to this transaction, the Group has 59.5% effective interest in the Chongqing Super High Rise project.
2. Represents the gain on partial disposal of equity interests of RMB1,021 million, offset by the strategic partner's share of profits of RMB202 million.

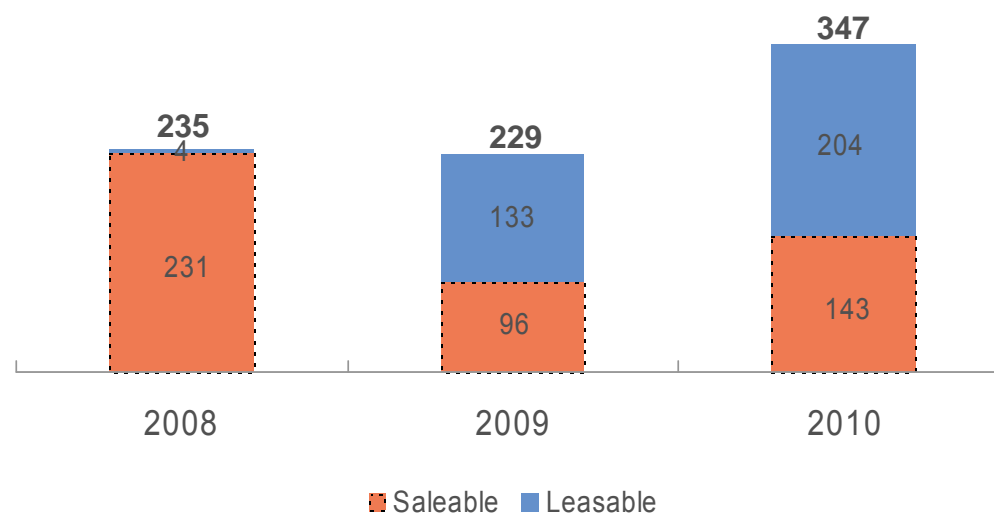
It remains the Group's strategy to forge strategic partnerships with developers, contractors, consultants and other investors and replicate those relationships in our other projects in the same city or elsewhere, to the extent commercially feasible.



Construction Pipeline

- Total GFA completed in 2008 and GFA to be completed in 2009 & 2010

Project GFA('000 sq.m.)	Shanghai Taipingqiao	Shanghai Rui Hong Xin Cheng	Shanghai KIC	Hangzhou Xihu Tiandi	Chongqing Tiandi	Wuhan Tiandi	DALIAN TIANDI · software hub	Foshan Lingnan Tiandi	Total
2008	Saleable	55		30		107		39	231
	Leasable							4	4
2009	Saleable	16	32	22				26	96
	Leasable		2	58		42		31	133
2010	Saleable	7				47	59	30	143
	Leasable	29		19		17	2	105	204



Note: Figures presented above may be subject to changes depending on the actual progress of construction

Expected Launch of Residential Properties

- GFA available for sale/presale in 2009 & beyond

Projects	Available for sale & pre-sale in 2008 (sq.m.)	GFA sold in 2008 (sq.m.)	Sold in first quarter of 2009 subject to formal sale and purchase agreements (sq.m.)	GFA that will be made available for sale & pre-sale in 2009 (sq.m.)	GFA available for sale/presale in 2009 & after (sq.m.)
Shanghai Taipingqiao, Casa Lakeville (Lot 113)	71,000	(24,200)	(700)	7,000	53,100
Shanghai Rui Hong Xin Cheng Phase 3 (Lot 8)	-	-	-	32,300	32,300
Shanghai KIC Village R1/R2	43,200	(18,000)	(4,000)	22,700	43,900
Wuhan Tiandi The Riverview (Lot A7,A10)	39,000	(29,100)	(18,800)	26,100	17,200
Chongqing Tiandi The Riviera (Lot B1-1/01)	107,200	(13,600)	(52,700)	-	40,900
Total GFA (sq.m.)	260,400	(84,900)	(76,200)	88,100	187,400
Add: GFA sold in 2007 with sale and purchase agreements signed in 2008, net of return		(200)			
Total saleable GFA sold and recognised as sales turnover		(85,100)			

- Sales take-up may not be as fast as those experienced in 2007 but they can generally be sold within months.
- Our residential properties is segmented into **high-end luxury residential** and **mid-end residential**.



Contents

1. Key Financial Highlights
2. Review of 2008 Annual Results
3. Outlook & SOL Strategy



Outlook

Worldwide

- Heightened volatility in global financial markets following failure of key financial institutions & fear of a collapse of financial system
- Government intervention to stabilise the banking systems, restore credit flows and strengthen economic activity
- Global lending has been slow to return to normal levels.

China

- Stimulate domestic demand and rebalance economy away from excessive dependence on exports.
- Domestic lending conditions are loosening.
- Property sector
 - ✓ Encourage home sales by reducing transaction and borrowing costs as well as tax incentives
 - ✓ Since Nov-08, home transactions in major cities have improved.

We remain optimistic in long-term development of the property market in Chinese Mainland

Increasing urbanisation and growing affluent population aspiring for higher quality of life will continue to spur demand for high quality housing.



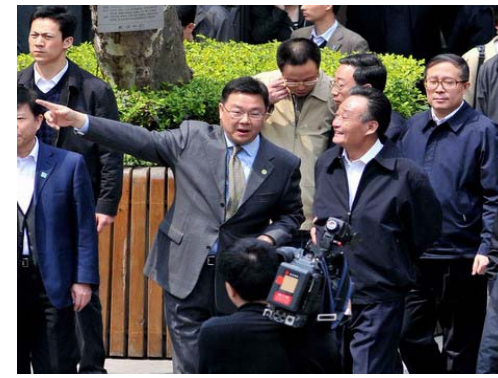
SOL Strategy

- *Opportune Strategy Timely Moves*

To be the premier innovative property developer in the Chinese Mainland, the most exciting property market in the world

Continue to work with our existing business model which has proven to be highly effective even under adverse market conditions but will fine-tune our plans at the tactical level to meet the changing market conditions.

- Utilising our strengths in **master planning** with well-researched analyses of **market trends** and needs of the cities.
- We **work closely with the government** to develop comprehensive master plans that can assist in achieving their goals and the transformation of their cities.
- We create **landmarks** in our projects to attract visitors and buyers.



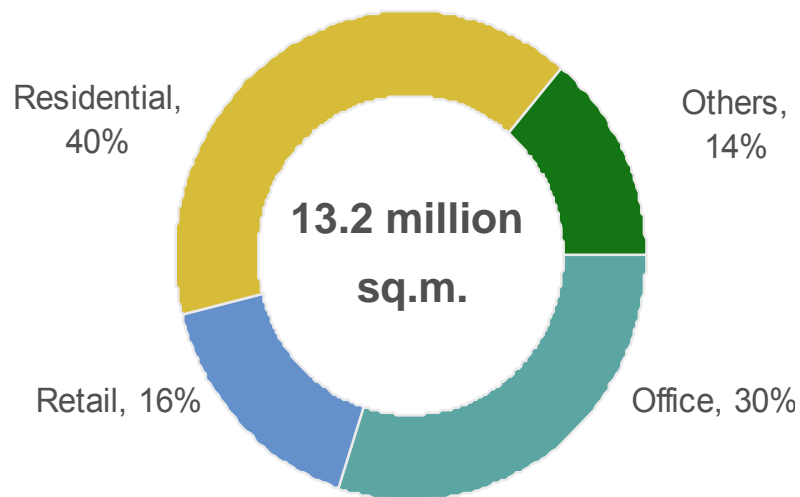
Prime location + Good master-planned community = Land appreciation

SOL Strategy

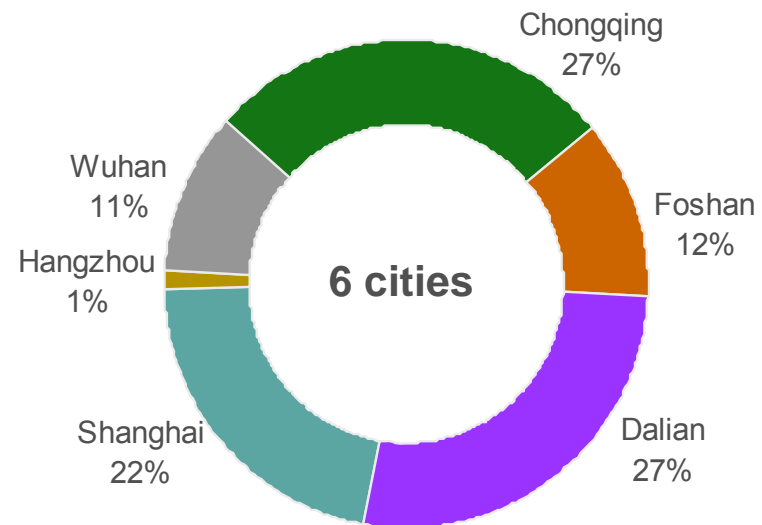
- Landbanking

Total landbank: 13.2 mn sqm,
Attributable landbank: 9.7 mn sqm

Total GFA by usage



Total GFA by city



Landbank is sufficient for the next 10 years of development

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Questions & Answers



Thank You