

[For Immediate Release]

China Xin Yongan Futures Company Ltd. officially opens its operations in Hong Kong

Hong Kong, 27 May 2007 – Sun Hung Kai Financial (“SHKF”), the leading non-bank financial institution in Hong Kong, confirmed that its joint venture company in Hong Kong with Zhejiang Province Yongan Futures Broker Co. Limited (“Yongan Futures”), named China Xin Yongan Futures Company Limited (the “Company” or “China Xin Yongan Futures”), officially opened its operations in Hong Kong on 10 May 2007.

Targeting retail customers in Hong Kong and China as well as China-based corporations operating in Hong Kong, the Company provides brokerage services in local and foreign commodities futures. It will benefit clients through the combined experience, reputation and customer base of the two companies. At present, the Company is further refining its operations and structuring its sales strategies.

China’s futures market has entered a new era with the recent announcement of the new Regulations on Administration of Futures Trading. The ruling has enriched the financial futures and options trading markets with the re-adjustment of the limitations imposed on foreign commodities trading and the introduction of other measures to encourage the healthy development of the capital markets. As such, financial futures and commodities futures can now co-exist in the market.

Mr. Shi Jianjun, President of Yongan Futures, said, “As the local economy continues to grow and financial markets open further, both corporations and consumers alike will continue to grow and prosper. Local investors have learnt to gain the highest returns by investing in both domestic and overseas markets. With the combined experience and expertise of Yongan Futures and SHKF, we have great confidence that China Xin Yongan Futures will have a competitive edge, providing customers with expert advice on overseas commodities trading and hedging strategies. Moreover, under the existing QDII scheme, various restrictions apply on specific products, but we see that in the near future, as the restrictions gradually lessen and product range widens, China will emerge with unlimited market opportunities.”

Mr. Joseph Tong, Executive Director and CEO of Wealth Management, Capital Markets and Brokerage of Sun Hung Kai Financial, said, “With the ongoing globalisation of economies, overseas investors are particularly keen on unique commodities products like white sugar, bean oil, PTA and zinc currently available in China’s commodities futures market. Investors are attracted by product features like hedging and efficient price discovery. The launch of financial futures will provide investors with the hedging tool against the equities market in which short selling is restricted. This also offers investors more flexibility in their investment choices. With these developments, we expect the number of overseas investors investing in the Chinese market to dramatically increase.”

“The opening of China Xin Yongan Futures is timely as we see unlimited opportunities quickly opening up in China’s financial markets. This will allow the company to extend its services to qualified mainland investors and larger enterprises. We are very optimistic about the future of the company,” **Mr. Tong** concluded.

About China Xin Yongan Futures Company Limited and Zhejiang Province Yongan Futures Broker Co. Limited

China Xin Yongan Futures Company Limited is a joint venture company, formed by Sun Hung Kai Securities Limited, a member of Sun Hung Kai Financial, and Zhejiang Province Yongan Futures Broker Co. Limited. Yongan Futures is one of the three futures companies in China permitted by the China Securities Regulatory Commission to set up companies in Hong Kong pursuant to the CEPA (‘Closer Economic Partnership Arrangement’) policy. Founded in 1997 with a registered capital of RMB 80 million, Yongan Futures’ operation scale has been ranked No.1 for eight consecutive years in Zhejiang Province and has been one of the top three future brokerages in mainland for the past three years. It is also the only mainland futures company permitted to accept foreign shareholders of its sub-companies outside China.

About Sun Hung Kai & Co. Limited and Sun Hung Kai Financial

With its foundation dating back to 1969, Sun Hung Kai & Co. Limited, which operates under the name Sun Hung Kai Financial, is one of the leading non-bank financial institutions in Hong Kong. The Group currently has over HK\$40 billion in assets under management, custody and/or advice, and over HK\$8 billion of equity attributable to equity holders. Its core areas of focus include wealth management and brokerage, asset management, capital markets, consumer finance as well as principal investments. Listed on the HKEx (stock code: 00086), the Group is currently capitalized over HK\$10 billion. It employs over 1,300 dedicated professionals (excluding employees from the healthcare business) and has an extensive branch and office network in over 50 locations in Hong Kong, Macau and China.

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For enquiries:

Sun Hung Kai Financial

Rebecca Neufeld	+ (852) 2822 5079	rebeccaneufeld@shkco.com
Queenie Tse	+ (852) 2592 6724	queenie.tse@shkco.com
Grace Leung	+ (852) 2592 6701	grace.leung@shkco.com
Fax:	+ (852) 2822 5688	

Edelman

Cynthia Ng	+ (852) 2837 4738	cynthia.ng@edelman.com
Eda Yek	+ (852) 2837 4731	eda.yek@edelman.com
Fax:	+ (852) 2804 1303	