

[For Immediate Release]

Sun Hung Kai & Co. Limited weathers adverse economic environment to post commendable results

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Sun Hung Kai & Co. Limited Annual Results 2008

Hong Kong, 2 April 2009 – Sun Hung Kai & Co. Limited (Stock Code: 86) (the “Company”, and together with its subsidiaries, the “Group”), operating its financial services under Sun Hung Kai Financial (“SHKF”), today announced its audited results for the year ended 31 December 2008.

Despite a year of unprecedented global turmoil and volatility, the Group posted a commendable set of financial results, demonstrating the strength of its diversified business platform, which includes Wealth Management & Brokerage; Asset Management; Corporate Finance; Consumer Finance; and Principal Investments. However, while the negative effects of the markets were somewhat mitigated by the Group’s diversity, its results for the year were not immune to the deteriorating market conditions, reflecting similar trends experienced by businesses globally.

During the period under review, the Group’s revenue declined to HK\$2,785.4 million (2007: HK\$4,630.7 million), while profit before tax dropped to HK\$533.0 million (2007: HK\$2,193.8 million). Profit attributable to equity holders of the Company amounted to HK\$346.5 million (2007: HK\$1,897.6 million). There are several non-recurring charges which should be considered when assessing these results, including an impairment charge relating to the carrying value of the intangible assets of the Group’s Consumer Finance business; ongoing amortisation charges of intangible assets; and realised and unrealised losses on financial instruments as a result of declining market prices. Excluding these charges, SHKF would have achieved a profit before tax for 2008 of HK\$1,236.2 million.

The Directors have recommended a final dividend of HK5 cents (2007: HK25 cents) per share. This proposed final dividend, together with the 2008 interim dividend paid of HK5 cents per share, represents a total dividend for 2008 of HK10 cents (2007: HK35 cents) per share. This dividend is in line with the Company’s strategy of maintaining a payout ratio of at least 30% of profit after tax.

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During this challenging year, the Group continued its expansion plans in a careful and prudent manner. Its Wealth Management & Brokerage branch network grew by approximately 10%, which included the opening of its flagship SHK Wealth Management Centre in Causeway Bay. The Group also sought to tap an increasing number of professionals available in the labour market, resulting in its front-line Investment Consultant team expanding by approximately 6%.

The Group's Consumer Finance business, which operates as United Asia Finance Limited ("UAF"), increased its revenues and broadened its distribution network in Hong Kong and China, with 10 new branches opened over 2008 across Hong Kong and Shenzhen. UAF, which recently received its fourth consecutive "Best Consumer Finance Company" at the Capital Outstanding Enterprise Awards in Hong Kong, also further developed its mainland strategy, turning a profit for the first time in China.

Mr. Lee Seng Huang, Executive Chairman, Sun Hung Kai Financial, said: "As we celebrate our 40th Anniversary, these results will ensure we remain on track in executing our long-term strategy. Our diversified business operations combined with our balance sheet strength, risk management framework and cost containment strategy have largely allowed us to weather the worst of this financial crisis. We plan to leverage the strength of our balance sheet to capitalise on future growth opportunities, and further build our position as Hong Kong's leading non-bank financial institution.

Recognising the Group's strong brokerage business and the depth of its equities research offering, SHKF was again named "Best Broker Hong Kong" by *FinanceAsia*, the region's leading financial publication. *The Asset* awarded the Group its "Trailblazer 2008" award for SHKF's role in launching the region's first property derivative, and *The Banker*, a leading magazine for the investment, retail and commercial banking sectors globally and part of the Financial Times Group, included SHKF for the first time in its "Top 500 Global Financial Brands" ranking.

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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 the leading non-bank financial institution in Hong Kong. The Group currently has approximately HK\$50 billion in assets under management, custody and/or advice, and more than HK\$11 billion of shareholders' equity*. Its core areas of focus include wealth management and brokerage, asset management, corporate finance, consumer finance as well as principal investments. Listed on the HKEx (stock code: 86), the Group has an extensive branch and office network in over 60 locations in Hong Kong, Macau, China and Singapore. (* *Figures 31.12.2008*).

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