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(Incorporated in Hong Kong with limited liability)

(Stock Code: 86)

**Scrip Dividend Scheme
in relation to the Final Dividend
for the year ended 31st December 2007**

On 9th April 2008, it was announced that the Directors recommended the payment of a final dividend of HK25 cents per share of HK\$0.20 each in the issued share capital of the Company for the year ended 31st December 2007 by way of scrip with an option to elect cash, payable to Shareholders whose names were recorded on the register of members of the Company as at 5th June 2008.

The purpose of this announcement is to advise Shareholders as to (a) approval of the Final Dividend at the AGM held on 5th June 2008; (b) how the scrip dividend entitlements are arrived at; (c) further details with respect to the election for cash dividend; (d) the despatch to Shareholders of a circular containing details of the Scrip Dividend Scheme and the relevant cash election form on or about Friday, 20th June 2008; and (e) the despatch of dividend warrants and/or share certificates for the Scrip Shares on or about Tuesday, 29th July 2008.

On 9th April 2008, Sun Hung Kai & Co. Limited (the “Company”) announced that the directors of the Company (the “Directors”) recommended the payment of a final dividend (the “Final Dividend”) of HK25 cents per share of HK\$0.20 each in the issued share capital of the Company (the “Share”) for the year ended 31st December 2007 by way of a scrip (the “Scrip Shares”) with an option to elect cash, payable to shareholders of the Company (the “Shareholders”) whose names were recorded on the register of members of the Company as at 5th June 2008 (the “Scrip Dividend Scheme”).

The Final Dividend has been approved at the Annual General Meeting of the Company held on 5th June 2008 (the “AGM”) and the Scrip Dividend Scheme was confirmed by the Directors immediately thereafter. The Scrip Dividend Scheme is conditional upon listing approval being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in respect of the Scrip Shares to be issued pursuant thereto. Application will be made to the said Listing Committee for the listing of, and permission to deal in, the Scrip Shares.

The market value for calculating the number of Scrip Shares to be allotted to Shareholders pursuant to the Scrip Dividend Scheme was HK\$6.906 per share, being the average of the closing prices of the Shares on the Stock Exchange for the five (5) consecutive trading days ended on 5th June 2008. Accordingly, the number of Scrip Shares which the Shareholders will receive in respect of their shareholdings on 5th June 2008 under the Scrip Dividend Scheme will be calculated as follows:

$$\begin{array}{rcl} \text{Number of Scrip} & & \text{Number of existing Shares} \\ \text{Shares to be allotted} & = & \text{held on 5th June 2008} \end{array} \times \frac{\text{HK\$0.25}}{\text{HK\$6.906}}$$

The Scrip Shares to be issued will rank *pari passu* in all respects with the Shares, except that they will not rank for the Final Dividend. The number of Scrip Shares to be allotted to each Shareholder will be rounded down to the nearest whole number. Fractional entitlements to Scrip Shares will not be allotted but will be aggregated and sold for the benefit of the Company.

A circular (the “Circular”) containing details of the Scrip Dividend Scheme together with the relevant cash election form will be sent to the Shareholders on or about Friday, 20th June 2008. Shareholders who wish to elect to receive cash in lieu of Scrip Shares in respect of the Final Dividend, either in whole or in part, should complete and sign the cash election form in accordance with the instructions printed thereon and **return it to the registrar of the Company, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not later than 4:00 p.m. Monday, 14th July 2008.** It will be noticed from the Circular that certain overseas Shareholders may not be permitted to participate in the Scrip Dividend Scheme and accordingly they will receive the Final Dividend wholly in cash. No cash election form will be sent to such Shareholders. It is expected that the relevant dividend warrants and/or share certificates for the Scrip Shares will be sent to the Shareholders by post at the risk of those entitled thereto on or about Tuesday, 29th July 2008 and dealings of the Scrip Shares will commence on Thursday, 31st July 2008.

By Order of the Board
Sun Hung Kai & Co. Limited
Hester Wong Lam Chun
Company Secretary

Hong Kong, 5th June 2008

As at the date of this announcement, the board of directors of the Company comprises Messrs. Lee Seng Huang (Chairman) and Joseph Tong Tang being the Executive Directors; Messrs. Abdulhakeem Abdulhussain Ali Kamkar, Amin Rafie Bin Othman (also as alternate to Mr. Abdulhakeem Abdulhussain Ali Kamkar) and Patrick Lee Seng Wei being the Non-Executive Directors; and Messrs. David Craig Bartlett, Alan Stephen Jones, Carlisle Caldwell Procter and Peter Wong Man Kong being the Independent Non-Executive Directors.