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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 31 December 2010

On 28 March 2011, it was announced that the Board recommended the payment of the Final Dividend by way of scrip with an option to elect cash in respect of part or all of such dividend, payable to Shareholders whose names appeared on the register of members of the Company as at 25 May 2011. The Final Dividend has been approved by the shareholders of the Company at the Annual General Meeting held on 25 May 2011.

This announcement is to advise Shareholders as to (a) how the scrip dividend entitlements are calculated; (b) details with respect to the election for cash dividend; (c) the despatch of the Circular containing details of the Scrip Dividend Scheme and the relevant cash election form on or about Monday, 30 May 2011; and (d) the despatch of dividend warrants and/or share certificates for the Scrip Shares on or about Tuesday, 21 June 2011.

INTRODUCTION

On 28 March 2011, it was announced that the Board of Directors (the “Board”) of Sun Hung Kai & Co. Limited (the “Company”) recommended the payment of a final dividend (the “Final Dividend”) of HK18 cents per share of the Company (the “Share”) for the year ended 31 December 2010 by way of scrip (the “Scrip Shares”) with an option to elect cash in respect of part or all of such dividend (the “Scrip Dividend Scheme”), payable to shareholders of the Company whose names appeared on the register of members of the Company as at 25 May 2011 (the “Shareholders”). The Final Dividend has been approved at the Annual General Meeting of the Company held on 25 May 2011.

MARKET VALUE OF 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\$6.506 per Share, being the average of the closing prices of the Shares quoted on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the five (5) consecutive trading days ended on 25 May 2011.

CALCULATION OF THE NUMBER OF SCRIP SHARES

The number of Scrip Shares which the Shareholders will receive in respect of their shareholding as at 25 May 2011 under the Scrip Dividend Scheme will be calculated as follows:

$$\text{Number of Scrip Shares to be received} = \text{Number of existing Shares elected for Scrip Shares} \times \frac{\text{HK\$0.18}}{\text{HK\$6.506}}$$

The Scrip Shares to be issued will rank pari passu in all respects with the existing issued 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 the Scrip Shares will not be allotted but will be aggregated and sold for the benefit of the Company.

OVERSEAS SHAREHOLDERS

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 overseas Shareholders. Details regarding participation of overseas Shareholders in the Scrip Dividend Scheme will be disclosed in the Circular (as defined below) to be published in due course.

DESPATCH OF CIRCULAR AND FORM OF ELECTION

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 Monday, 30 May 2011. 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 of 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Tuesday, 14 June 2011.**

GENERAL INFORMATION

The Scrip Dividend Scheme is conditional upon listing approval being granted by the Listing Committee of the Stock Exchange in respect of the Scrip Shares to be issued pursuant thereto. Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Scrip Shares. It is expected that the relevant cheques for cash entitlements (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, 21 June 2011 and dealings of the Scrip Shares will commence on Thursday, 23 June 2011.

By Order of the Board
Sun Hung Kai & Co. Limited
Peter Anthony Curry
Executive Director

Hong Kong, 25 May 2011

As at the date of this announcement, the Board comprises:

Executive Directors:

Messrs. Lee Seng Huang (*Chairman*), Joseph Tong Tang and Peter Anthony Curry

Non-Executive Directors:

Messrs. Goh Joo Chuan, Patrick Lee Seng Wei, Leung Pak To, Ming Cheng, Roy Kuan and Ho Chi Kit (*alternate to Mr. Roy Kuan*)

Independent Non-Executive Directors:

Messrs. David Craig Bartlett, Alan Stephen Jones, Carlisle Caldwell Procter and Peter Wong Man Kong