

Sun Hung Kai & Co. Limited posts another set of solid financial results

Hong Kong, 24 August 2011 – Sun Hung Kai & Co. Limited (Stock Code: 86) (the “Company” and its subsidiaries, the “Group”) today announced its interim results for the period ended 30 June 2011.

The Group delivered another solid set of results during the period under review against a backdrop of continued market volatility. The Group’s revenue totalled HK\$1.7 billion, an increase of 18% over the same period in 2010. Profit before taxation was HK\$929.3 million (2010: HK\$762.7 million), and profit attributable to the owners of the Company amounted to HK\$601.3 million, a commendable increase of 22% over the first half of 2010. The Board of Directors has recommended paying an interim dividend of HK10 cents per share (2010: HK10 cents) for the period.

The improved set of results was mainly driven by continued growth in the Group’s loan books across margin finance, structured finance and consumer finance, as well as fee income increase in the Capital Markets segment.

Mr. Lee Seng Huang, Executive Chairman, Sun Hung Kai & Co. Limited, said: “The Group finished the first half year with a steady profit growth in an increasingly difficult economic environment. Going forward, we continue to see strong growth prospects in our consumer finance and capital markets business segments.”

The Wealth Management and Brokerage division’s contribution to pre-tax earnings increased 42% from the same period last year, mainly driven by the interest income growth from the Group’s margin finance loan book. The increase more than offset the reduction in commission income that was a consequence of relatively subdued trading by retail investors during the first half of 2011.

The Capital Markets segment performed strongly with a 52% increase in revenue over the same period last year as a consequence of investments made over the past year to develop our capabilities. The segment’s revenue excluding interest income saw an increase of 24%, reflecting a satisfactory growth in fee income.

The Consumer Finance business delivered another set of record interim profits in the first half of 2011, mainly driven by strong growth in the Mainland China loans business. Operating under United Asia Finance Limited (together with its subsidiaries, “UAF”), the division’s revenue overall increased by 22% to HK\$961.9 million as a result of 130% revenue growth in Mainland China and 8% revenue increase in Hong Kong. To fund its rapid expansion on the Mainland with 40 branches across 7 cities, UAF established a US\$3 billion Medium Term Note programme and in April 2011 issued an inaugural RMB500 million three-year bond under this programme at a rate of 4%.

“It is encouraging to see that the growth of the Consumer Finance business is gaining momentum. With a new licence to start our loan business in Beijing, we are optimistic about our prospects in Mainland China. With our diversified mix of revenue streams and strong balance sheet, we are well positioned to capitalise on the gradual but continued liberalisation of the Chinese financial industry,” concluded Mr. Lee.

The Group also won the “Outstanding Brand Award” from *Economic Digest* for the fourth consecutive year and was recently named as the “Best Securities Company” by *Capital Magazine*. For the ninth consecutive year, the Group was also nominated as a “Caring Company” by the Hong Kong Council of Social Service.

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

Sun Hung Kai & Co. Limited (the “Company”) is the leading non-bank financial institution in Hong Kong. Founded in 1969 and listed on the Stock Exchange of Hong Kong Limited in 1983 (Stock Code: 86), the Company, through its subsidiaries, offers customised financial solutions to retail, corporate and institutional clients. Its business segments consist of wealth management and brokerage, capital markets, asset management, consumer finance, and principal investments. Operating under the brands of Sun Hung Kai Financial, SHK Private, SHK Direct, UA Finance and SHK Finance, with an extensive branch and office network of approximately 100 locations in Hong Kong, China, Macau and Singapore, the Company, through its subsidiaries, currently has over HK\$72 billion* in assets under management, custody and/or advice and more than HK\$11.5 billion* in shareholders equity. (*Figures as at 30 June 2011).

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