

Sun Hung Kai & Co. Limited Announces 2007 Interim Results

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Net Profit Leaps by 320% to HK\$747 million
 Strong Performance Across All Business Divisions

Financial Highlights:

	For the six months ended 30 June		
	2007	2006	Changes
Turnover (HK\$ '000)	2,012,819	604,286	233.09%
Profit attributable to equity holders of the Company (HK\$ '000)	747,085	178,026	319.65%
Basic earnings per share (HK cents)	50.0	14.3	249.65%
Dividend per share (HK cents)	10	5	100.00%

Hong Kong, 12 September 2007 – **Sun Hung Kai & Co. Limited** (stock code: 00086, operating its financial services under the name of **Sun Hung Kai Financial**) announced today its interim results for the six months ended 30 June 2007.

In the first half of 2007, Sun Hung Kai Financial's turnover soared to a record high of HK\$2,012.8 million (2006: HK\$604.3 million) with profit for the period surging to HK\$844.5 million, 374% above that of 2006. Basic earnings per share was up by 250% to HK50 cents per share and profit attributable to equity holders of the Company increased by 320% to HK\$747.1 million (2006: HK\$178 million). An interim dividend of HK10 cents per share (2006: HK5 cents per share) was recommended.

The Group has benefited from the buoyant domestic and Chinese economies consolidating its position as one of the leading non-bank financial institutions in Hong Kong. There was significant growth across all the business divisions.

Mr. Lee Seng Huang, Executive Chairman said, "It was a very pleasing first half for Sun Hung Kai Financial although I believe we are far from realizing the full potential of our platform and are just beginning to see the results of the initiatives management has put in train."

Strong Operational Achievements

The wealth management and brokerage division recorded substantial improvement across all its key performance indicators including new accounts opened, clients' assets under custody as well as non-equities product revenue growth. In addition, the surging market turnover has sustained the Group's leadership in IPO financing and margin lending. SHK Online, the company's self-directed internet execution service, rose significantly in turnover and profitability. The Group was also recently awarded the "Best Broker in Hong Kong" by FinanceAsia, a leading regional financial publication.

In Corporate Finance, the Group substantially boosted its fee income net of expenses by more than 70% as compared to the corresponding period of 2006 through aggressive sourcing and execution of transactions in both the primary and secondary equity markets.

The Asset Management business remained a high-growth area of focus for the Group and recorded a very encouraging increase in both profitability and assets under management (AUM). Our AUM as at 30 June 2007 was approximately US\$760 million, up from approximately US\$620 million at the same time last year. An office in Singapore was established to improve our service to our Southeast Asian investors. Tribridge AF1, a fund managed by an associated company of the Group, won the Asian Investor Achievement Award in the Best Fixed-Income Hedge Fund category.

United Asia Finance (UAF), the Group's Consumer Finance business achieved satisfactory growth in both its loan portfolio and loan interest income. Currently UAF has 39 branches in Hong Kong and recently added its first branch in China. UAF will continue to expand its branch network to provide greater client coverage.

The Group's HK\$5 billion principal investments portfolio continued to perform well. Our 39.59% investment in Tian An Investments, one of the largest foreign developers in China by landbank, is well positioned to capitalize on the continued strength of the mainland real estate market. Other investments, including a 51.15% stake in Quality Healthcare, Hong Kong largest private health care provider, continue to perform satisfactorily.

Management continued to rationalize the Group's structure and balance sheet in line with its focus to improve return on capital employed, with almost HK\$1 billion worth of non core asset disposals announced and/or completed by the Group and its associates during the period. There are significant opportunities to further streamline the Group's structure.

Outlook

"As one of the leading non-bank financial institutions in Hong Kong, we believe that Sun Hung Kai Financial is well positioned to benefit from the continued liberalization of the Chinese financial industry," concluded Mr. Lee.

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\$50 billion in assets under management, custody and/or advice, and in excess of HK\$9 billion of shareholders' funds. Its core areas of focus include wealth management/brokerage, asset management, corporate finance, consumer finance as well as principal investments. Listed on the HKEx (stock code: 00086), the Group is currently capitalized at over HK\$15 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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