

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Incorporated in Hong Kong with limited liability)
(Stock Code: 86)

PROFIT ALERT

Positive Alert on Profit from Continuing Operations

This announcement is made by Sun Hung Kai & Co. Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, based on the current information available to the management and a preliminary review and assessment of the latest unaudited consolidated management accounts of the Group for the year ended 31 December 2016 (“the “**Management Accounts**”), it is expected that the profit attributable to the owners of the Company (“**Attributable Profit**”) for the second half of 2016 will show a very substantial increase from the first half of 2016. As a result, the Attributable Profit for the full year ended 31 December 2016 based on continuing operations will increase by over 50% from HK\$667.7 million for the year ended 31 December 2015.

The estimated increase in Attributable Profit in the second half of 2016 compared to the first half is mainly attributable to (i) the stronger performance of the Company’s Principal Investments, (ii) a recovery of credit quality in the Consumer Finance business; and (iii) an increased contribution from the Structured Finance business.

However, it is worth noting that the Attributable Profit for the whole 2016 year will still be lower than 2015. For the year ended 31 December 2015, the Group’s total Attributable Profit was HK\$3,896.5 million, including a non-recurring gain from the sale of a 70% equity interest in Sun Hung Kai Financial Group Limited and its 100% profit contribution up to the date of sale amounting to HK\$3,228.8 million in aggregate.

The information above is based only on management’s preliminary review of the Management Accounts which has not been reviewed or audited by the auditor of the Company. The audited final results of the Group for the year ended 31 December 2016 are expected to be announced in the second half of March 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

On behalf of the Board
Sun Hung Kai & Co. Limited
Peter Anthony Curry
Executive Director

Hong Kong, 23 January 2017

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

Executive Directors:

Messrs. Lee Seng Huang (*Group Executive Chairman*), Simon Chow Wing Charn and Peter Anthony Curry

Non-Executive Director:

Mr. Jonathan Andrew Cimino (*Joseph Kamal Iskander as his alternate*)

Independent Non-Executive Directors:

Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Jacqueline Alee Leung and Mr. Peter Wong Man Kong