



Hysan Development Company Limited (希慎興業有限公司)

Incorporated under Hong Kong Companies Ordinance, Cap. 32 with limited liability

8 May 2001

Final Dividend for the year ended 31 December 2000 - Option to receive shares in lieu of cash dividend and calculation of market value

At the Annual General Meeting of Shareholders of the Company held on 8 May 2001, an ordinary resolution had been passed to declare a final dividend of HK\$0.31 per ordinary share in the capital of the Company (each as a "Share"), to shareholders whose names appeared on the Register of Members on that day. Eligible shareholders may elect to receive such dividend in the form of cash or in the form of new shares, or a combination of these.

The number of new shares of par value HK\$5.00 each ("New Shares") to be allotted to shareholders who elect to receive their dividends in scrip is calculated by dividing the total amount of the cash dividend which each of them would otherwise have been entitled to receive by the market value of a New Share (the "Market Value").

The Market Value has been determined to be HK\$10.13 , being the average of the closing prices of the Shares on The Stock Exchange of Hong Kong Limited ("Stock Exchange") for the last five consecutive Stock Exchange dealing days commencing Wednesday, 2 May 2001 (the first day the Shares traded ex dividend).

The formula used for calculating the entitlement is as follows:

Number of Shares held as at 8 May 2001 x HK\$0.31 = Maximum dividend available

$$\begin{array}{rcl} \text{Maximum dividend available} & & \text{maximum number of New Shares} \\ \text{-----} & = & \text{(rounded down to the nearest whole} \\ & & \text{number)} \\ \text{HK\$10.13} & & \end{array}$$

Application has been made to the Stock Exchange for listing of and permission to deal in the New Shares. A circular to shareholders giving details of the scrip dividend , together with an election form, will be sent to eligible shareholders on or

about Thursday, 10 May 2001. Shareholders who wish to receive, in lieu of the cash dividend, in whole or in part, an allotment of New Shares should complete and sign the form of election and return it to the Share Registrars and Transfer Office of the Company, Standard Registrars Limited, 5/F, Wing On Centre, 111 Connaught Road Central, Hong Kong not later than 4:00 p.m. on Wednesday, 30 May 2001. It is expected that cheques for cash entitlements and/or (subject to such application being granted) definitive share certificates for the New Shares will be posted to shareholders at their risks on or about Tuesday, 5 June 2001. Expected first day of dealings in the New Shares in Hong Kong is Thursday, 7 June 2001.

By order of the Board

Wendy W. Y. Yung

Company Secretary

Hong Kong, 8 May 2001