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## KERRY PROPERTIES LIMITED

*(Incorporated in Bermuda with limited liability)*

嘉里建設有限公司\*

website: [www.kerryprops.com](http://www.kerryprops.com)

(Stock Code: 00683)

### **FINAL DIVIDEND OF HK\$0.65 PER SHARE FOR THE YEAR ENDED 31 DECEMBER 2007 - MARKET VALUE OF FINAL SCRIP DIVIDEND SHARES**

This announcement is to advise the shareholders of the Company who are entitled to receive the 2007 Final Dividend the following information regarding the 2007 Final Scrip Dividend Scheme:

- a. how the final scrip dividend entitlements are derived;
- b. further details with respect to the election for Final Scrip Dividend Shares; and
- c. the despatch of dividend warrants and/or share certificates.

The market value of a new Share to be allotted pursuant to the 2007 Final Scrip Dividend Scheme has been set at HK\$54.47.

#### **INTRODUCTION**

On Wednesday, 19 March 2008, the Directors recommended the 2007 Final Dividend and that entitled shareholders of the Company may elect to receive such dividend wholly or partly by allotment of Final Scrip Dividend Shares. At the annual general meeting of the Company held on Tuesday, 6 May 2008, the 2007 Final Dividend was approved. The registers of members of the Company were closed from Friday, 2 May 2008 to Tuesday, 6 May 2008, both days inclusive.

#### **MARKET VALUE OF THE FINAL SCRIP DIVIDEND SHARES**

The market value of Final Scrip Dividend Shares has been set at HK\$54.47 per Share, which is equivalent to the average closing prices of the Shares quoted on the Stock Exchange for the five consecutive trading days immediately after the Record Date. If no elections for Final Scrip Dividend Shares were received, the total cash dividend payable by the Company would be HK\$926,156,039.25.

## CALCULATION OF THE NUMBER OF FINAL SCRIP DIVIDEND SHARES

The number of Final Scrip Dividend Shares that electing shareholders of the Company will receive will be calculated as follows:

$$\begin{array}{r} \text{Number of Final Scrip} \\ \text{Dividend Shares to be received} \end{array} = \begin{array}{r} \text{Number of existing Shares held} \\ \text{on the Record Date for which} \\ \text{election is made under the 2007} \\ \text{Final Scrip Dividend Scheme} \end{array} \times \frac{\text{HK\$0.65}}{\text{HK\$54.47}}$$

The number of Final Scrip Dividend Shares to be received will be rounded down to the nearest whole number thereof. No shareholder of the Company is entitled to be issued any fraction of a Share under the 2007 Final Scrip Dividend Scheme. Fractional entitlements to the Final Scrip Dividend Shares will be disregarded and will be aggregated and sold for the benefit of the Company. The Final Scrip Dividend Shares will rank *pari passu* in all respects with the existing issued Shares except that they shall not rank for the 2007 Final Dividend.

## OVERSEAS SHAREHOLDERS

No person resident in any jurisdiction other than in Hong Kong may join the 2007 Final Scrip Dividend Scheme unless in such jurisdiction it would be lawful to join without contravention of any registration or other legal requirements. The overseas shareholders of the Company on the Record Date had registered addresses in Australia (New South Wales), Canada (Ontario), Indonesia, Isle of Man, Malaysia, the Philippines, the PRC, Singapore, Thailand, the United Kingdom and the United States of America.

The Directors have been advised by legal counsel that, without complying with local approval and/or registration requirements and/or other formalities or procedures to ensure compliance with the laws of the relevant jurisdictions, subject to certain exceptions as mentioned in the following paragraphs of this section headed "Overseas Shareholders", the 2007 Final Scrip Dividend Scheme may not be offered to or for the account of shareholders of the Company with registered addresses in the United States of America (including its territories and possessions), Malaysia, the Philippines and the PRC. As it would not be cost-effective or expedient for the Company to comply with the approval and/or registration requirements and/or other formalities under the laws of the relevant jurisdictions, the Directors have decided that, subject to certain exceptions as mentioned in the following paragraphs of this section headed "Overseas Shareholders", it would be expedient to exclude shareholders of the Company with registered addresses in these jurisdictions (the "Excluded Shareholders") from the 2007 Final Scrip Dividend Scheme.

The 2007 Final Scrip Dividend Scheme will be offered to those Excluded Shareholders that can prove to the satisfaction of the Company that such action would not result in a contravention of any applicable legal or regulatory requirements. Excluded Shareholders who wish to participate in the 2007 Final Scrip Dividend Scheme should notify the Company in writing immediately. Forms of election will be sent to all shareholders of the Company as at the Record Date other than the Excluded Shareholders who did not or could not prove to the satisfaction of the Company that such action will not result in a contravention of any applicable laws or regulatory requirements by the Company. A circular giving details of the 2007 Final Scrip Dividend Scheme will be sent to all shareholders of the Company as at the Record Date. However, Excluded Shareholders will be deemed to have received such circular for information only. Excluded Shareholders, other than those participating in the 2007 Final Scrip Dividend Scheme in accordance with this paragraph, will receive their dividends in cash in the usual way.

The Directors have been advised that shareholders of the Company in the Province of Ontario, Canada may be lawfully offered the option to participate in the 2007 Final Scrip Dividend Scheme without a prospectus, registration or other formalities under Canadian securities legislation. However, unless certain conditions are satisfied, securities obtained by way of scrip dividend can only be traded under a prospectus or in accordance with exemptions from prospectus and registration requirements. While shareholders of the Company in the Province of Ontario will not be excluded from the 2007 Final Scrip Dividend Scheme, such shareholders are advised to consult their own professional advisers whether it would be beneficial or expedient for them to participate in the 2007 Final Scrip Dividend Scheme. The Company is not aware that it has any shareholders in Canada with a registered address outside the Province of Ontario.

The Directors have also been advised that shareholders of the Company in the United Kingdom may be lawfully offered the option to participate in the 2007 Final Scrip Dividend Scheme without a prospectus, registration or other formalities under UK securities legislation.

## **DESPATCH OF CIRCULARS AND FORMS OF ELECTION**

A circular giving details of the 2007 Final Scrip Dividend Scheme together with the relevant form of election for electing Final Scrip Dividend Shares, if applicable, will be sent to the shareholders of the Company in accordance with relevant local and overseas laws, regulations and requirements on or about Thursday, 22 May 2008.

## **DEADLINE FOR RETURNING FORMS OF ELECTION**

Eligible shareholders of the Company who wish to elect to receive the 2007 Final Dividend wholly in Final Scrip Dividend Shares, or partly in Final Scrip Dividend Shares and partly in cash, must lodge the forms of election with Tricor Abacus Limited, the Company's branch share registrar and transfer office in Hong Kong, of 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Friday, 6 June 2008.

## **GENERAL INFORMATION**

Application will be made to the Stock Exchange for the grant of listing of, and permission to deal in, the Final Scrip Dividend Shares. It is expected that the dividend warrants in relation to the 2007 Final Dividend and/or share certificates with respect to the Final Scrip Dividend Shares will be despatched at the risk of those shareholders entitled thereto at their respective registered addresses on or about Tuesday, 17 June 2008.

As at the date of this announcement, the Directors are Messrs. Ang Keng Lam<sup>+</sup>, Wong Siu Kong<sup>+</sup>, Ho Shut Kan<sup>+</sup>, Ma Wing Kai, William<sup>+</sup>, So Hing Woh, Victor, MBE, JP<sup>+</sup>, Chan Wai Ming, William, Qian Shaohua, Tse Kai Chi<sup>@</sup>, Ku Moon Lun<sup>#</sup> and Lau Ling Fai, Herald<sup>#</sup>.

<sup>+</sup> *Executive director*

<sup>@</sup> *Non-executive director*

<sup>#</sup> *Independent non-executive director*

## DEFINITIONS

“2007 Final Dividend”	the final dividend of HK\$0.65 per Share for the year ended 31 December 2007 payable on Tuesday, 17 June 2008 to the shareholders of the Company whose names were recorded on the registers of members of the Company on the Record Date
“2007 Final Scrip Dividend Scheme”	the scheme proposed by the Directors on Wednesday, 19 March 2008 in relation to the 2007 Final Dividend to offer the shareholders of the Company a scrip alternative to elect to receive such dividend wholly or partly by allotment of new Shares credited as fully paid in lieu of cash
“Company”	Kerry Properties Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Final Scrip Dividend Shares”	new Shares to be issued under the 2007 Final Scrip Dividend Scheme
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China
“Record Date”	Tuesday, 6 May 2008
“Share(s)”	ordinary share(s) of par value HK\$1.00 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board  
**Kerry Properties Limited**  
**Li Siu Ching, Liz**  
*Company Secretary*

Hong Kong, 14 May 2008

\* *For identification purpose only*