

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



新世界發展有限公司

New World Development Company Limited

(Incorporated in Hong Kong with limited liability)

FINAL DIVIDEND FOR THE YEAR ENDED 30TH JUNE, 2001

On 10th October, 2001, the Directors of New World Development Company Limited (the “Company”) resolved to recommend a final dividend for the year ended 30th June, 2001 of HK\$0.10 per share, and as to HK\$0.01 per share, this dividend will be paid in cash and as to HK\$0.09 per share, this dividend should take the form of scrip dividend with a cash option to shareholders on the register of members as at 6th December, 2001. At the annual general meeting held on 6th December, 2001, the said final dividend was approved. This announcement is to advise the shareholders how the scrip entitlements to the said final dividend are being arrived at.

A circular setting out details of the said final dividend was sent to shareholders on 6th December, 2001. It was mentioned, inter alia, that for the purpose of calculating the number of shares of HK\$1.00 each of the Company (“Share(s)”) to be allotted, the market value of a new Share will be calculated as an amount equal to 97% of the average of the closing prices of an existing Share on The Stock Exchange of Hong Kong Limited for the five trading days up to and including 8th January, 2002. It is now determined that the said average closing price is HK\$7.10. Accordingly, the number of new Shares which shareholders of the Company will receive in respect of their existing Shares for which cash election of the scrip entitlements to the said final dividend is not made will be calculated as follows:-

$$\begin{array}{rcccl} \text{Number of new} & & \text{Number of existing} & & \text{HK\$0.09} \\ \text{Shares to be} & = & \text{Shares for which cash} & \times & \hline \text{received} & & \text{election is not made} & \times & \frac{97}{100} \\ & & & \times & \text{HK\$7.10} \end{array}$$

The number of new Shares to be received will be rounded down to the nearest whole number of new Shares. Fractional entitlements to the new Shares will not be allotted but will be disregarded and the benefit thereof will accrue to the Company. The new shares will not rank for the final dividend in respect of the year ended 30th June, 2001 but will rank pari passu in all other respects with the existing Shares.

Application has been made to the Listing Committee of The Stock Exchange of Hong Kong Limited for the grant of listing of and permission to deal in the new Shares. It is expected that certificates for the new Shares and cheques for cash entitlements will be posted to shareholders of the Company at the risk of those entitled thereto on or before 14th January, 2002.

By Order of the Board
Leung Chi Kin
Secretary
Hong Kong, 8th January, 2002

Please also refer to the published version of this announcement in the South China Morning Post.