

HONG KONG'S 40 RICHEST ON THE LATEST FORBES LIST HURT BY REAL ESTATE TIGHTENING AND CLOUDY ECONOMIC OUTLOOK

Li Ka-shing remains the richest, Cheng Yu-tung sees biggest gain

Hong Kong, 6 January 2012 – The net worth of Hong Kong's 40 richest individuals suffered a 7.4% decline to US\$151 billion from \$163 billion last year due to an easing of China's economic expansion, according to *Forbes'* latest Hong Kong Rich List, appearing in the January issue of *Forbes Asia*. The full list is available on www.forbes.com/hongkong

Hong Kong's wealthiest have long prospered from the mainland's booming economy but with slower economic growth across the border and tight interest rates to tame inflation, the city's super rich are feeling the undertow. Real estate developers are among the hardest hit; top property tycoons such as Li Ka-shing, Lee Shau Kee and the Kwok family of Sun Hung Kai Properties all suffered a decline in their fortunes.

Li Ka-shing, the 83-year old chairman of Cheung Kong Holdings is still at the top of the list despite an 8.3% fall in his wealth to \$22 billion. He has extended his vast Cheung Kong empire by acquiring British utility Northumbrian Water and UK Power Networks. He also owns stakes in tech outfits such as Facebook, Spotify, Siri, and took a gamble in Summly Ltd, run by a 16-year old American whiz kid.

Second on the list is Lee Shau Kee with net worth of \$17 billion, down \$2.5 billion from last year. He moves up one rank even though the market value of his flagship, Henderson Land, dropped by a quarter last year amid concerns about the outlook for Hong Kong and mainland real estate prices.

The Kwok family of Sun Hung Kai Properties is in third place with a net worth of \$15.4 billion, down from \$20 billion a year ago as Sun Hung Kai Properties' shares were off 25%. The company is heavily exposed to changes in policy and prices in China, where it has 86 million square feet in its land reserve, nearly double what it has in Hong Kong.

This year's biggest gainer is jewelry merchant Cheng Yu-tung who ranks fourth on the list. His wealth rose to \$15 billion from \$9 billion a year ago after he took Chow Tai Fook Jewelry public in one of Hong Kong's biggest IPOs of the year.

Commenting on this year's list, Russell Flannery, Senior Editor, Forbes, said "Both the world economy and China's have had a relatively tough stretch in the past several months, and the fallout is clear in Hong Kong's stock market and the new Hong Kong Rich List. This year's list further underscores the deepening involvement of Hong Kong's real estate industry in the mainland."

The minimum net worth needed to make this year's list fell to \$950 million, down from \$1 billion. Overall, 24 fortunes fell, three were flat, six were up, six were new and one returned to the list. The newcomers on the 2012 Hong Kong Rich List include apparel tycoon Silas Chou, co-founder of Duty Free Shopping Robert Miller, and Pollyanna Chu of Kingston Financial.

Another newcomer is a family who has made a name for itself in apparel for more than one generation, the Yang family of Esquel Group, one of the world's largest shirtmakers. The family is ranked No. 37 with a net worth of \$1 billion. Esquel was founded by the late Yang Yuan-loong; daughters Marjorie and Teresa are the chairman and vice chairman. Business has been booming—revenue more than doubled over the last five years to \$1.2 billion from \$530 million in 2006.

Macau gaming magnate Stanley Ho is no longer on the list but two of his family members made the cut. Daughter Pansy Ho is now ranked No. 12 on the list with \$3.3 billion after MGM China's IPO boosted her wealth. She is the eldest child of Stanley Ho's second wife and seen as the likely heir to her father's empire. Angela Leong, one of Ho's wives, also made the list for the first time at No. 21 with a fortune of \$1.6 billion.

The full list of Hong Kong's 40 richest can be found in the January issue of *Forbes Asia*, which is available on newsstands now.

The top 10 richest in Hong Kong are:

- 1) Li Ka-shing; US\$22 billion
- 2) Lee Shau Kee; \$17 billion
- 3) Kwok family; \$15.4 billion
- 4) Cheng Yu-tung; \$15 billion
- 5) Joseph Lau; \$6.5 billion
- 6) Michael Kadoorie; \$6.4 billion
- 7) Victor & William Fung; \$6.2 billion
- 8) Lui Che Woo; \$4.6 billion
- 9) Tang Yiu; \$4.2 billion

10) Chee Chen (C.C.) Tung; \$3.9 billion

Unlike the Forbes billionaire ranking, the Hong Kong list includes fortunes that are shared among extended families. For instance, Forbes Asia has combined the wealth of Li & Fung siblings William and Victor Fung. The list was compiled using shareholding and financial information obtained from the families and individuals, stock exchanges and analysts. Net worths are based on stock prices and exchange rates as of the close of markets on December 16, 2011. Private companies were valued based on comparisons with similar publicly traded companies.

For more information, visit www.forbes.com/hongkong.

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The Editor is available for interview

Russell Flannery, Forbes Senior Editor, cell: +86 139 1658 7303

For media queries, please contact:

Catherine Ong Associates Pte Ltd

Catherine Ong
tel: +65 6327 6088
cell: +65 9697 0007
cath@catherineong.com

Ronald Chong
tel: +65 6222 1680
cell: +65 9172 1180
ronald@catherineong.com