



Hong Kong Exchanges and Clearing Limited
香港交易及結算所有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 388)

Employees' Share Award Scheme

Pursuant to the rules of the Employees' Share Award Scheme ("Scheme") (as amended and restated on 16 August 2006), the board of directors ("Board") of Hong Kong Exchanges and Clearing Limited ("HKEx") today in accordance with the recommendation of the Remuneration Committee resolved to provide an amount of HK\$26.3 million ("Reference Awarded Sums") for the purchase of shares of HK\$1.00 each in the capital of HKEx ("Shares") to be awarded to certain eligible employees ("Selected Employees").

On 12 December 2007 ("Reference Date"), the Board pursuant to the Scheme, resolved to provide the Reference Awarded Sums, for the purchase of Shares for the Selected Employees as a recognition of their contributions and an incentive to retain them for the continual operation and development of HKEx. Based on today's closing price of HK\$231.4 per Share, the number of Shares in board lot to be purchased is about 113,500 Shares, which represents approximately 0.01 per cent of the issued share capital of HKEx as at the date of adoption of the Scheme (1,062,385,846 shares).

Under the amended and restated Scheme rules, the Board shall cause to pay an amount ("Reference Amount"), being the sum of the Reference Awarded Sums and the related purchase expenses to the trustee of the Scheme ("Trustee") from HKEx's resources as soon as practicable. The Trustee shall, within 20 business days (or such longer period as the Trustee and the Board may agree from time to time having regard to the circumstances of the purchase concerned) after receiving the Reference Amount, apply the Reference Amount towards the purchase of the maximum number of board lots of Shares at the prevailing market price. Any balance of the Reference Amount shall be returned by the Trustee to HKEx forthwith after completion of the purchase. The Shares so purchased with the Reference Amount shall be allocated to each Selected Employee proportionate to the amount so determined for him/her against the aggregate of the Reference Awarded Sums for all Selected Employees with no fractional Shares to be allocated. For the avoidance of doubt, the Shares so purchased shall form part of the capital of the trust fund of the trust constituted by the amended and restated Trust Deed dated 22 August 2006 entered into between the HKEx and the Trustee.

The Shares allocated by the Trustee to the Selected Employees ("Awarded Shares") and the related income derived therefrom are subject to a vesting scale by which the Awarded Shares and the related income will be vested on the Selected Employees in tranches of 25 per cent each on every anniversary date of the Reference Date starting from the second anniversary date until the fifth. When the Selected Employee has satisfied all the vesting conditions specified by the Board at the time of making the award and becomes entitled to the Shares forming the subject of the award, the Trustee shall transfer the relevant vested Shares (Awarded Shares, related scrip distribution and further Shares acquired or subscribed out of the income derived therefrom) to that Selected Employee at no cost.

The amended and restated rules relating to the Scheme can be found from HKEx's corporate website at <http://www.hkex.com.hk>.

By Order of the Board
Hong Kong Exchanges and Clearing Limited
Joseph Mau
Company Secretary

Hong Kong, 12 December 2007

As at the date of this announcement, the Board of Directors of Hong Kong Exchanges and Clearing Limited comprises 12 Independent Non-executive Directors, namely Mr ARCULLI, Ronald Joseph (Chairman), Mrs CHA May-Lung, Laura, Dr CHENG Mo Chi, Moses, Dr CHEUNG Kin Tung, Marvin, Mr FAN Hung Ling, Henry, Mr FONG Hup, Dr KWOK Chi Piu, Bill, Mr LEE Kwan Ho, Vincent Marshall, Dr LOH Kung Wai, Christine, Mr STRICKLAND, John Estmond, Mr WEBB, David Michael and Mr WONG Sai Hung, Oscar, and one Executive Director, Mr CHOW Man Yiu, Paul, who is also the Chief Executive.