Previous research has demonstrated the effects of a special shared-book reading technique called Dialogic Reading on children's language and literacy development. Dialogic Reading alters roles during shared-book reading so that children gradually become the storytellers under parents' scaffolding. Eighty-six Hong Kong kindergarten 3 children were pretested on the Preschool and Primary Chinese Literacy Scale (PPCLS) and the Peabody Picture Vocabulary Test - Third Edition (PPVT-III), and assigned randomly within schools to 1 of 3 conditions, dialogic reading, typical reading and control. Storybooks were provided to the dialogic reading and typical reading groups every week during the 8-week intervention and the parents read with their children twice in a week for 15 minutes each time. After the 8-week intervention, the children were posttested. A significant main group effect was found for the PPCLS among three groups, F(2, 72) = 4.06, p = .02, in which a higher performance was indicated by the children in the dialogic reading group than by the children in the typical reading group, p = .016. Differences favoring the dialogic reading intervention were also found for the PPVT-III. Educationally significant effects of dialogic reading were indicated by both of the PPCLS and the PPVT-III.