

NEWS RELEASE

To: Business Editor

 6th March 2008
 For immediate release

The following announcement was issued today to a Regulatory Information Service approved by the Financial Services Authority in the United Kingdom.

**HONGKONG LAND HOLDINGS LIMITED
 2007 PRELIMINARY ANNOUNCEMENT OF RESULTS**
Highlights

- Continued strength in Hong Kong capital values, rents and occupancy
- Good profits from residential developments in Singapore and mainland China
- Underlying earnings per share up 37%
- Adjusted net assets per share* up 29%
- Full-year dividend per share increased by 30%

“The positive rental reversion cycle in Hong Kong together with the recognition of profits on the completion of residential properties will continue to enhance earnings in 2008 and beyond, while the Group’s strong balance sheet will stand it in good stead if the economic environment becomes more difficult.”

 Simon Keswick, *Chairman*
 6th March 2008

Results

	Year ended 31st December		Change %
	2007 US\$m	2006 US\$m	
Underlying profit attributable to shareholders	345	245	+41
Profit attributable to shareholders	2,840	1,901	+49
Shareholders’ funds	11,833	9,197	+29
Adjusted shareholders’ funds*	14,041	10,922	+29
Net debt	2,431	2,312	+5
	US¢	US¢	%
Underlying earnings per share	15.02	10.98	+37
Earnings per share	123.72	85.31	+45
Dividends per share	13.00	10.00	+30
	US\$	US\$	%
Net asset value per share	5.16	4.01	+29
Adjusted net asset value per share*	6.12	4.76	+29

* In preparing the Group’s financial statements under International Financial Reporting Standards (‘IFRS’), the fair value model for investment properties has been adopted. In accordance with this model, the Group’s leasehold investment properties have been included at their open market value as determined by independent valuers. In the territories where the Group has significant leasehold investment properties, no capital gains tax would be payable on the sale of these properties. In relation to leasehold investment properties, however, IFRS require deferred tax on any revaluation amount to be calculated using income tax rates. This is in contrast to the treatment for the revaluation element of freehold properties where IFRS require capital gains tax rates to be used.

As Management considers that the Group’s long leasehold properties have very similar characteristics to freehold property, the adjusted shareholders’ funds and adjusted net asset value per share information is presented on the basis that would be applicable if the leasehold properties were freehold. The adjustments made add back the deferred tax provided in the financial statements that would not be payable if the properties were sold. See note 11.

The final dividend of US¢9.00 per share will be payable on 14th May 2008, subject to approval at the Annual General Meeting to be held on 7th May 2008, to shareholders on the register of members at the close of business on 20th March 2008. The ex-dividend date will be on 18th March 2008, and the share registers will be closed from 24th to 28th March 2008, inclusive.

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 Issued by: **Hongkong Land Limited**

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HONGKONG LAND HOLDINGS LIMITED

PRELIMINARY ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2007

OVERVIEW

Broad-based demand and higher occupancy in Hong Kong's Central district continued to drive rents and capital values higher in both the office and retail sectors in 2007. A number of the Group's residential development projects also reached completion during the year leading to a higher contribution from this sector. Overall, the Group made good progress towards its strategic aims of extending its reach regionally and developing a significant capability in the residential sector.

PERFORMANCE

Positive rental reversions throughout 2007 led to a growth in net rental income of 26% compared with 2006. The completion of residential projects in mainland China and Singapore enabled a profit of US\$73 million to be recognised, an increase of 90% over that of the prior year. Financing charges were lower than in 2006 largely due to higher interest income received. Overall, underlying profit rose 41% to US\$345 million.

Capital values in the Group's investment property portfolio rose sharply, exceeding the gains recorded in 2006. The independent valuation of the Group's commercial investment properties at the end of 2007, including the Group's share of investment properties in joint ventures and associates, was US\$15,075 million, representing an increase of 25%. Adjusted net asset value per share rose 29% to US\$6.12. Profit attributable to shareholders for the year, including the revaluation, was US\$2,840 million compared with US\$1,901 million in 2006.

Following an increase in the interim dividend, the Directors are also recommending a higher final dividend of US¢9.00 per share for 2007, providing a total dividend for the year of US¢13.00 per share, up 30%.

GROUP REVIEW

Rents continued to rise in Hong Kong's Central district for the fourth consecutive year. There was demand for high quality commercial office space across all business sectors, and rents and occupancy reached their strongest levels in a decade. While new supply is now becoming available elsewhere in Hong Kong, there is little to be found in Central and so far the effect on the Group's portfolio has been minimal. The luxury retail market also performed well in Hong Kong during the year, underpinning the contribution from the Group's premium luxury retail space in Central.

The Singapore office market also witnessed further rent increases, supported by expansion in the financial services sector. The Group's results include the first full-year contribution from the One Raffles Quay properties. This strong demand has enabled the Group to enter into a number of pre-commitments for space in the Marina Bay Financial Centre joint venture development, a partnership with Cheung Kong and Keppel Land, which is due to complete in two phases in 2010 and 2011.

In the residential sector, Phase III of Central Park in Beijing and MCL Land's 'The Calrose' were completed before the year end, which allowed profits on these projects to be recognised in the 2007 results. There were also a number of successful sales launches during the year, including Phase I of Bamboo Grove in Chongqing and four MCL Land projects in Singapore, with almost all units sold following release. After a slow start, sales of Phase IV of Central Park in Beijing have improved significantly.

OUTLOOK

In conclusion, the Chairman, Simon Keswick said, "The positive rental reversion cycle in Hong Kong together with the recognition of profits on the completion of residential properties will continue to enhance earnings in 2008 and beyond, while the Group's strong balance sheet will stand it in good stead if the economic environment becomes more difficult."

CHIEF EXECUTIVE'S REVIEW

With the refurbishment and extension of the Landmark complex now largely complete and the 'Cityscape' street environment upgrade project in its final stages, our Hong Kong portfolio, which remains our prime focus of attention, is enjoying strong rental income growth and close to 100% occupancy. Despite new supply becoming available in some decentralised areas in Hong Kong and Kowloon, the continuing strong demand for space in the Group's buildings confirms Central's undisputed position as Hong Kong's centre for international business and its leading destination for luxury retail.

The broadening of our commercial property activities regionally has continued to progress well. In 2007 we saw the first full-year contribution from One Raffles Quay ('ORQ') in Singapore, which is fully let, while the construction of the 190,000 sq. m. of gross floor area of Phase I of the Marina Bay Financial Centre ('MBFC') remains on track for completion in 2010. In February the MBFC consortium partners exercised their option to develop the remainder of the MBFC site. This second phase will comprise some 140,000 sq. m. of gross floor area of premium office space and is scheduled for completion in 2011. These developments will give Hongkong Land a critical mass of prime commercial office space in this important Asian market.

Our aim is also to grow our residential business so that it can make a significant, capital-efficient and sustainable contribution to profit. Following successful launches of projects in Macau, Singapore and Beijing, and the acquisition of MCL Land in 2006, further progress was made in 2007 with well received launches in Chongqing and Singapore. The Group also acquired further development sites in 2007, thereby ensuring a steady stream of project completions in the years ahead. MCL Land acquired three new sites and entered into agreements to acquire two others. Together with USI Holdings Limited, the Group has entered into a 50/50 joint venture with a local developer to acquire residential development sites in Shenyang in mainland China totalling some 200,000 sq. m.

COMMERCIAL PROPERTY

Hong Kong Central Portfolio

Office rents in Central in Hong Kong increased for a fourth consecutive year leading to a 32% rise in average rents during 2007. Vacancy fell from 4.5% at the end of 2006 to 2% at the year end. The reversion pattern in our portfolio has been strongly positive since mid-2005, and this will continue in 2008 with market rents now exceeding HK\$100 psf per month in most buildings.

Even though significant new supply is now approaching completion in a number of decentralised locations, demand for high quality centrally-located space remains strong. While some tenants have elected to relocate to areas outside Central, many others are renewing leases and seeking additional space, more than compensating for those who are leaving.

The first full-year contribution was made by York House in 2007, following receipt of its full Occupation Permit at the end of 2006. All but one floor of York House had been leased by the end of the year, thereby ensuring a further increase in its contribution to net rental income in 2008.

The luxury retail sector generated increased sales again in 2007, enjoying another buoyant year, with an exceptional Christmas season.

Commercial Properties other than in Hong Kong

Singapore continued to increase in significance to the Group in 2007 with the first full-year contribution from ORQ, which was fully let on completion in 2006. One Raffles Link, our wholly-owned development in the city, also remains fully let at good rents. The decision by Hongkong Land and its consortium partners to exercise the option to acquire the remainder of the land at the MBFC was made against the backdrop of continuing strong demand for high quality office space in Singapore. The office portion of Phase II of MBFC, which will comprise some 140,000 sq. m. of gross floor area, is scheduled to complete in 2011.

Construction of One Central, our joint venture development with Shun Tak in the heart of the Macau peninsula, is on track for completion in 2009. One Central will comprise some 37,000 sq. m. of luxury retail space together with a Mandarin Oriental hotel, serviced apartments and 137,000 sq. m. of residential apartments.

Our commercial investment properties in other markets in the region are located in Hanoi, Jakarta and Bangkok. Our two buildings in Hanoi are fully let in a market where rents continue to strengthen and Jakarta Land's portfolio is achieving occupancy levels of over 93% at premium rents. In Bangkok, however, our 49%-owned luxury retail centre and office development, Gaysorn, continues to experience difficult trading conditions in a weak market.

RESIDENTIAL PROPERTY

The profit contribution from our residential businesses in 2007 rose by 90% over that for 2006. This was due mainly to the contribution from Phase III of Central Park, our joint venture development in Beijing, and MCL Land's project, 'The Calrose', in Singapore. From a sales perspective, the Group had another good year with launches in Chongqing and four MCL Land projects in Singapore being largely sold within a short period of the projects being launched.

The 796 unit residential element of One Central in Macau is now over 97% pre-sold. In Singapore, construction of Marina Bay Residences, the residential component of the first phase of the MBFC, is on schedule for handover in 2010. Phase II of the MBFC will also incorporate a tower of residential apartments, Marina Bay Suites.

Construction of the final phase of Central Park, our joint venture development in Beijing, is progressing well, with some 82% of the 492 units having been pre-sold by the end of 2007. Completion is on schedule for the middle of 2008. Elsewhere in mainland China, the sales launch of the 650 units in Phase I of Bamboo Grove, our joint venture with the Longhu Group in Chongqing, was well received with most units being sold soon after launch. This is the first of a number of phases of this large site with a total land area of some 780,000 sq. m.

In December the Group, together with USI Holdings, acquired a 50% interest in a 200,000 sq. m. landbank in Shenyang in North-Eastern China. Hongkong Land has an effective interest of 30% in the project.

MCL LAND

MCL Land completed three projects in 2007, 'Mera East', 'The Metz' and 'The Calrose', and recorded a 97% increase in underlying earnings. MCL Land's pre-sale of four new developments in 2007 exceeded expectations, with almost all the units taken up. This has given MCL Land a good pipeline of profits that will be recognised upon completion of the projects in 2009 and 2010. MCL Land also acquired further sites in 2007 that should contribute to the Group's earnings beyond 2009.

FINANCE

The Group's financial position remains healthy. At the end of 2007 adjusted gearing was 17% with net debt at US\$2.4 billion, up slightly from US\$2.3 billion at the end of 2006. While the Group did not have any major re-financing requirements during the year, it took the opportunity of favourable borrowing conditions to establish a number of new committed facilities.

OUTLOOK

Hong Kong's Central district is commanding premium rents at a time where only limited supply will become available in the district in the medium term. Accordingly the outlook for investment income remains positive, although possible effects of the economic slowdown in the United States and Europe are yet to be seen. The new projects that will complete in Singapore and Macau in the coming years will strengthen further our commercial revenues. Our success in residential sales in Macau, Singapore and mainland China will add an additional stream of profits in the years ahead.

Y K Pang

Chief Executive

6th March 2008

Hongkong Land Holdings Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2007

	2007			2006		
	Underlying business performance US\$m	Non-trading items US\$m	Total US\$m	Underlying business performance US\$m	Non-trading items US\$m	Total US\$m
Revenue (<i>note 2</i>)	933.2	-	933.2	555.9	-	555.9
Cost of sales (<i>note 3</i>)	(442.2)	-	(442.2)	(197.5)	-	(197.5)
Gross profit	491.0	-	491.0	358.4	-	358.4
Other income	0.6	-	0.6	23.0	-	23.0
Administrative and other expenses	(52.2)	-	(52.2)	(33.7)	-	(33.7)
	439.4	-	439.4	347.7	-	347.7
Increase in fair value of investment properties (<i>note 7</i>)	-	2,588.9	2,588.9	-	1,952.6	1,952.6
Asset impairment provisions, reversals and disposals (<i>note 7</i>)	-	9.4	9.4	-	(5.8)	(5.8)
Operating profit	439.4	2,598.3	3,037.7	347.7	1,946.8	2,294.5
Net financing charges	(50.0)	-	(50.0)	(72.3)	-	(72.3)
Share of results of joint ventures (<i>note 4</i>)	24.0	362.6	386.6	(0.2)	50.9	50.7
Profit before tax	413.4	2,960.9	3,374.3	275.2	1,997.7	2,272.9
Tax (<i>note 5</i>)	(56.2)	(463.2)	(519.4)	(25.3)	(340.2)	(365.5)
Profit for the year	357.2	2,497.7	2,854.9	249.9	1,657.5	1,907.4
Attributable to:						
Shareholders of the Company	344.7	2,494.9	2,839.6	244.7	1,656.2	1,900.9
Minority interests	12.5	2.8	15.3	5.2	1.3	6.5
	357.2	2,497.7	2,854.9	249.9	1,657.5	1,907.4
	US¢		US¢	US¢		US¢
Earnings per share (<i>note 6</i>)						
- basic	15.02		123.72	10.98		85.31
- diluted	15.02		119.18	10.98		82.35

Hongkong Land Holdings Limited
Consolidated Balance Sheet
at 31st December 2007

	2007 US\$m	2006 US\$m
Net operating assets		
Tangible assets (<i>note 8</i>)		
Investment properties	14,260.6	11,650.7
Others	12.3	13.1
	14,272.9	11,663.8
Joint ventures	1,653.9	894.5
Other investments	17.5	16.1
Deferred tax assets	2.6	0.5
Pension assets	17.3	13.9
Non-current debtors	36.7	22.9
	16,000.9	12,611.7
Non-current assets		
Properties for sale	895.0	800.3
Current debtors	414.2	208.0
Bank balances	1,104.0	1,166.5
	2,413.2	2,174.8
Non-current assets classified as held for sale (<i>note 9</i>)	-	188.8
	2,413.2	2,363.6
Current assets		
Current creditors	(659.2)	(403.4)
Current borrowings (<i>note 10</i>)	(140.9)	(116.8)
Current tax liabilities	(43.2)	(25.8)
	(843.3)	(546.0)
Liabilities directly associated with non-current assets classified as held for sale (<i>note 9</i>)	-	(3.0)
	(843.3)	(549.0)
Current liabilities		
Net current assets	1,569.9	1,814.6
Long-term borrowings (<i>note 10</i>)	(3,393.9)	(3,361.9)
Deferred tax liabilities	(2,207.2)	(1,739.6)
Non-current creditors	(12.6)	(21.3)
	11,957.1	9,303.5
Total equity		
Share capital	229.5	229.5
Revenue and other reserves	11,603.5	8,967.8
	11,833.0	9,197.3
Shareholders' funds	124.1	106.2
Minority interests	124.1	106.2
	11,957.1	9,303.5

Hongkong Land Holdings Limited
Consolidated Statement of Recognised Income and Expense
for the year ended 31st December 2007

	2007	2006
	US\$m	US\$m
Net exchange translation differences	33.1	22.3
Actuarial gains on defined benefit pension plans	2.8	3.5
Revaluation of other investments		
- fair value gains	1.4	2.7
- reversal of loss on business combination	-	0.6
Gains/(losses) on cash flow hedges	7.1	(24.7)
Tax on items taken directly to equity	(1.3)	2.4
Net income recognised directly in equity	43.1	6.8
Transfer to consolidated profit and loss account on disposal of other investments	-	(3.0)
Transfer to consolidated profit and loss account in respect of cash flow hedges	5.5	9.1
Profit for the year	2,854.9	1,907.4
Total recognised income and expense for the year	2,903.5	1,920.3
Attributable to:		
Shareholders of the Company	2,888.2	1,913.8
Minority interests	15.3	6.5
	2,903.5	1,920.3

Hongkong Land Holdings Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2007

	2007 US\$m	2006 US\$m
Operating activities		
Operating profit	3,037.7	2,294.5
Depreciation	0.9	1.2
Negative goodwill on acquisition of a subsidiary	-	(14.1)
Increase in fair value of investment properties	(2,588.9)	(1,952.6)
Asset impairment provisions, reversals and disposals	(9.4)	5.8
Increase in properties for sale	(59.2)	(262.5)
Increase in debtors, prepayments and others	(197.9)	(13.0)
Increase in creditors and accruals	279.9	77.1
Interest received	88.8	66.2
Interest and other financing charges paid	(126.7)	(121.8)
Tax paid	(32.0)	(12.5)
Dividends received	11.1	15.0
Cash flows from operating activities	404.3	83.3
Investing activities		
Major renovations expenditure	(22.2)	(33.5)
Developments capital expenditure	(23.5)	(40.1)
Purchase of subsidiaries (<i>note 13</i>)	-	(237.8)
Investments in and loans to joint ventures (<i>note 14</i>)	(316.8)	(167.3)
Disposal of joint ventures and other investments	7.6	1.5
Disposal of investment and other properties	188.9	18.9
Cash flows from investing activities	(166.0)	(458.3)
Financing activities		
Drawdown of bank loans	407.5	571.5
Repayment of bank loans/notes	(454.0)	(193.1)
Disposal of own shares held	-	268.5
Dividends paid by the Company	(251.1)	(199.1)
Dividends paid to minority shareholders	(3.6)	(2.7)
Cash flows from financing activities	(301.2)	445.1
Effect of exchange rate changes	2.1	3.7
Net (decrease)/increase in cash and cash equivalents	(60.8)	73.8
Cash and cash equivalents at 1st January	1,163.7	1,089.9
Cash and cash equivalents at 31st December	1,102.9	1,163.7

Hongkong Land Holdings Limited
Notes

1. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial information contained in this announcement has been based on the audited results for the year ended 31st December 2007 which have been prepared in conformity with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board.

In 2007, the Group adopted the following standard, amendment and interpretations to existing standards which are relevant to its operations:

IFRS 7, Financial Instruments: Disclosures
 Amendment to IAS 1, Capital Disclosures
 IFRIC 8, Scope of IFRS 2
 IFRIC 9, Reassessment of Embedded Derivatives
 IFRIC 10, Interim Financial Reporting and Impairment

There have been no changes to the accounting policies as a result of adoption of the above standard, amendment and interpretations.

2. REVENUE

	2007	2006
	US\$m	US\$m
Rental income	440.5	348.7
Service income	97.7	95.4
Sales of trading properties	395.0	111.8
	933.2	555.9

Service income includes service and management charges and hospitality service income.

Total contingent rents included in rental income amounted to US\$7.1 million (2006: US\$6.4 million).

3. COST OF SALES

	2007	2006
	US\$m	US\$m
Investment properties' direct operating expenses	115.9	107.9
Cost of properties sold	326.3	89.6
	442.2	197.5

4. SHARE OF RESULTS OF JOINT VENTURES

	2007	2006
	US\$m	US\$m
<i>By business</i>		
Commercial property	6.5	(0.9)
Residential property	17.5	0.7
	24.0	(0.2)
Increase in fair value of investment properties		
- Commercial property	352.8	46.7
- Residential property	9.0	3.1
	361.8	49.8
Asset impairment provision, reversals and disposals	0.8	1.1
	386.6	50.7

Results are shown after tax and minority interests. The share of revenue of joint ventures was US\$128.7 million (2006: US\$42.2 million).

5. TAX

	2007	2006
	US\$m	US\$m
Current tax	(49.8)	(21.8)
Deferred tax		
- increase in fair value of investment properties	(463.2)	(340.2)
- other temporary differences	(6.4)	(3.5)
	(469.6)	(343.7)
	(519.4)	(365.5)

Tax on profits is provided at the rates of taxation prevailing in the territories in which the Group operates. The Group has no tax payable in the United Kingdom.

6. EARNINGS PER SHARE

Basic earnings per share are calculated on profit attributable to shareholders of US\$2,839.6 million (2006: US\$1,900.9 million) and on the weighted average number of 2,295.2 million (2006: 2,228.1 million) shares in issue during the year.

Diluted earnings per share are calculated on profit attributable to shareholders of US\$2,859.3 million (2006: US\$1,920.4 million), which is after adjusting for the effects of the conversion of convertible bonds, and on the weighted average number of 2,399.1 million (2006: 2,332.0 million) shares in issue during the year. The number of shares for basic and diluted earnings per share is reconciled as follows:

	Ordinary shares in millions	
	2007	2006
Weighted average number of shares in issue	2,295.2	2,228.1
Adjustment for shares to be issued on conversion of convertible bonds	103.9	103.9
Weighted average number of shares for diluted earnings per share calculation	2,399.1	2,332.0

Earnings per share are additionally calculated based on underlying profit attributable to shareholders. The difference between underlying profit attributable to shareholders and profit attributable to shareholders is reconciled as follows:

	2007	2006
	US\$m	US\$m
Underlying profit attributable to shareholders	344.7	244.7
Non-trading items (note 7)	2,494.9	1,656.2
Profit attributable to shareholders	2,839.6	1,900.9
Interest expense on convertible bonds (net of tax)	19.7	19.5
Profit for calculation of diluted earnings per share	2,859.3	1,920.4

7. NON-TRADING ITEMS

	2007	2006
	US\$m	US\$m
Revaluation surpluses of investment properties	2,588.9	1,952.6
Deferred tax charges on revaluation surpluses of investment properties	(463.2)	(340.2)
Share of revaluation surpluses of investment properties of joint ventures (net of deferred tax)	361.8	49.8
Asset impairment provisions, reversals and disposals	9.4	(5.8)
Share of asset disposals of joint ventures	0.8	1.1
Minority interests	(2.8)	(1.3)
	2,494.9	1,656.2

8. TANGIBLE ASSETS

	2007	2006
	US\$m	US\$m
Net book value at 1st January	11,663.8	9,791.0
Exchange rate adjustments	(4.1)	(0.5)
New subsidiary	-	25.9
Additions	38.3	85.2
Depreciation	(0.9)	(1.2)
Disposal	(13.1)	(0.3)
Net revaluation surplus of investment properties	2,588.9	1,952.6
Classified as non-current assets held for sale	-	(187.8)
Transfer to properties for sale	-	(1.1)
Net book value at 31st December	14,272.9	11,663.8

9. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

The non-current assets classified as held for sale at 31st December 2006 were related to the Group's investment property situated at 1063 King's Road, Hong Kong. The sale was completed on 9th February 2007.

10. BORROWINGS

	2007 US\$m	2006 US\$m
<i>Current</i>		
Bank overdrafts	1.1	2.8
Short-term borrowings	94.7	103.2
Current portion of long-term borrowings	45.1	10.8
	140.9	116.8
<i>Long-term borrowings</i>		
Bank loans	1,442.2	1,467.7
7% United States Dollar bonds due 2011	618.3	617.2
5.5% United States Dollar bonds due 2014	501.4	487.5
3.01% Singapore Dollar notes due 2010	224.2	206.7
3.65% Singapore Dollar notes due 2015	258.5	242.2
2.75% United States Dollar convertible bonds due 2012	349.3	340.6
	3,393.9	3,361.9
	3,534.8	3,478.7
Secured	182.8	242.1
Unsecured	3,352.0	3,236.6
	3,534.8	3,478.7

11. NET ASSET VALUE PER SHARE

Net asset value per share is calculated on shareholders' funds of US\$11,833.0 million (2006: US\$9,197.3 million) and on 2,295.2 million (2006: 2,295.2 million) shares in issue at the year end.

Net asset value per share is additionally calculated based on adjusted shareholders' funds. The difference between adjusted shareholders' funds and shareholders' funds is reconciled as follows:

	2007 US\$m	2006 US\$m
Shareholders' funds	11,833.0	9,197.3
Deferred tax on revaluation surpluses of investment properties	2,165.4	1,708.1
Share of deferred tax on revaluation surpluses of investment properties of joint ventures	42.6	16.7
Adjusted shareholders' funds	14,041.0	10,922.1

12. DIVIDENDS

	2007	2006
	US\$m	US\$m
Final dividend in respect of 2006 of US¢7.00 (2005: US¢6.00) per share	160.7	133.5
Interim dividend in respect of 2007 of US¢4.00 (2006: US¢3.00) per share	91.8	66.8
	252.5	200.3

A final dividend in respect of 2007 of US¢9.00 (2006: US¢7.00) per share amounting to a total of US\$206.6 million (2006: US\$160.7 million) is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the Annual General Meeting. The amount will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2008.

13. PURCHASE OF SUBSIDIARIES

Purchase of subsidiaries in 2006 was related to the Group's acquisition of 77.4% interest in MCL Land.

14. INVESTMENTS IN AND LOANS TO JOINT VENTURES

Investments in joint ventures during the year included US\$22.1 million and US\$22.0 million acquisition for 40% interest in Ampang Investments and 50% interest in K.K. Halifax respectively.

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

	2007	2006
	US\$m	US\$m
Capital commitments	463.0	64.6
Contribution to joint ventures	953.5	1,060.3

Various Group companies are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made in the financial statements.

The final dividend of US\$9.00 per share will be payable on 14th May 2008, subject to approval at the Annual General Meeting to be held on 7th May 2008, to shareholders on the register of members at the close of business on 20th March 2008. The ex-dividend date will be on 18th March 2008, and the share registers will be closed from 24th to 28th March 2008, inclusive. Shareholders will receive their dividends in United States Dollars, unless they are registered on the Jersey branch register where they will have the option to elect for Sterling. These shareholders may make new currency elections for the 2007 final dividend by notifying the United Kingdom transfer agent in writing by 25th April 2008. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 30th April 2008. Shareholders holding their shares through The Central Depository (Pte) Limited ('CDP') in Singapore will receive United States Dollars unless they elect, through CDP, to receive Singapore Dollars.

- end -

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Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2007 can be accessed through the Internet at 'www.hkland.com'.

NOTE TO EDITORS

Hongkong Land is one of Asia's leading property investment, management and development groups. Founded in Hong Kong in 1889, the Group has business interests across the region. Hongkong Land's business is built on partnership, integrity and excellence.

In Hong Kong, the Group owns and manages some five million sq. ft of prime commercial space that defines the heart of the Central Business District. In Singapore, it is helping to create the city-state's new Central Business District with the expansion of its joint venture portfolio of new developments. Hongkong Land's properties in these and other Asian centres are recognised as market leaders and house the world's foremost financial, business and luxury retail names.

Hongkong Land also develops premium residential properties in a number of cities in the region, not least in Singapore where its 77%-owned listed affiliate, MCL Land, is a significant developer.

Hongkong Land Holdings Limited is incorporated in Bermuda. Its primary listing is in London, and its shares are also listed in Bermuda and Singapore. The Group's assets and investments are managed from Hong Kong by Hongkong Land Limited. Hongkong Land is a member of the Jardine Matheson Group.