

NEWS RELEASE

To: Business Editor

5th March 2009

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
2008 PRELIMINARY ANNOUNCEMENT OF RESULTS**
Highlights

- Underlying earnings per share up 9% to US¢16.41
- Commercial property net rental income up 29%
- US\$140 million provision against value of Singapore residential developments
- Capital values of investment properties down 4% on the year

“Although trading conditions are difficult, increases in rentals achieved in Hong Kong during 2008 together with the recognition of profits on the completion of residential properties already sold in Singapore and Macau should benefit earnings in 2009. The Group’s balance sheet remains strong and will stand it in good stead in the current uncertain economic climate.”

Simon Keswick, *Chairman*
5th March 2009

Results

	Year ended 31st December		Change %
	2008 US\$m	2007 US\$m	
Underlying profit attributable to shareholders	375	345	+9
(Loss)/profit attributable to shareholders	(109)	2,840	n/m
Shareholders’ funds	11,313	11,833	–4
Adjusted shareholders’ funds*	13,308	14,041	–5
Net debt	2,601	2,431	+7
	US¢	US¢	%
Underlying earnings per share	16.41	15.02	+9
(Loss)/earnings per share	(4.79)	123.72	n/m
Dividends per share	13.00	13.00	–
	US\$	US\$	%
Net asset value per share	5.03	5.16	–3
Adjusted net asset value per share*	5.92	6.12	–3

* 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¢7.00 per share will be payable on 13th May 2009, subject to approval at the Annual General Meeting to be held on 6th May 2009, to shareholders on the register of members at the close of business on 20th March 2009. The ex-dividend date will be on 18th March 2009, and the share registers will be closed from 23rd to 27th March 2009, inclusive.

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Issued by: **Hongkong Land Limited**

Incorporated in Bermuda with limited liability

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HONGKONG LAND HOLDINGS LIMITED

PRELIMINARY ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2008

OVERVIEW

Strong demand and high occupancy in Hong Kong's Central district continued to underpin both the office and retail sectors in 2008, enabling the Group to report a reasonable increase in underlying profit despite provisions made against residential development properties in Singapore. Although the positive rental reversion cycle continued throughout the year and supply of grade A office space remains limited, it is evident that the market in Hong Kong has now begun to decline.

PERFORMANCE

Underlying profit rose 9% to US\$375 million, while underlying earnings per share were 9% higher at US¢16.41. Net rental income was up 29% compared with 2007. The contribution from residential development projects, however, was offset by a write-down in the carrying value of development properties by MCL Land. Financing charges were slightly lower than in 2007 due mainly to lower interest rates.

The independent valuation of the Group's commercial investment properties at the end of 2008, including the Group's share of investment properties in joint ventures and associates, was US\$14,525 million, representing a decrease of 4% from the valuation at the end of 2007. This reversed an increase of 11% at the half year. The adjusted net asset value per share fell 3% to US\$5.92 over the year. The loss attributable to shareholders for 2008, after taking account of the revaluation, was US\$109 million, and compared with a profit of US\$2,840 million in 2007.

The Directors are recommending a final dividend of US¢7.00 per share for 2008, providing a total dividend for the year of US¢13.00 per share, unchanged from 2007.

GROUP REVIEW

Rents remained at record levels throughout 2008 in Hong Kong's Central district. While demand for high quality commercial office space continued to be strong across all business sectors, there were signs of weakening towards the end of the year. The luxury retail market also performed well in Hong Kong for the first three quarters of 2008, but it too started to weaken in the fourth quarter.

The Singapore office market also began to soften in the second half of the year, although the Group's wholly owned property One Raffles Link and its joint venture property One Raffles Quay both remain fully let. The Group's joint venture development, Marina Bay Financial Centre, which is on schedule to complete in two phases in 2010 and 2012, is also in a good position with over 60% of the commercial office space already pre-committed.

In the residential sector, Phase IV of Central Park in Beijing, Phase I of Bamboo Grove in Chongqing and MCL Land's projects, Mera Springs and The Esta, completed during the year allowing profits on these projects to be recognised in the 2008 results. MCL Land did, however, make provision against the carrying value of some of its development properties in Singapore, the Company's share of which was US\$140 million.

The Company repurchased 45.9 million of its own shares during the second half of the year at a cost of US\$120 million, which has enhanced both earnings per share and net asset value per share. The Group did not have any major financing requirement during the year and its financial position remains strong.

OUTLOOK

In conclusion, the Chairman, Simon Keswick said, "Although trading conditions are difficult, increases in rentals achieved in Hong Kong during 2008 together with the recognition of profits on the completion of residential properties already sold in Singapore and Macau should benefit earnings in 2009. The Group's balance sheet remains strong and will stand it in good stead in the current uncertain economic climate."

CHIEF EXECUTIVE'S REVIEW

The Group's Hong Kong commercial property portfolio, which remains the largest contributor to earnings, enjoyed excellent rental income growth and high occupancy throughout 2008. Despite new supply becoming available during the year in some decentralised locations on Hong Kong Island and in Kowloon, the continuing demand for space in the Group's buildings reinforces Central as Hong Kong's prime location for international business and finance, and its leading destination for luxury retail. While 2008 was a good year for the Group's commercial property business, the global economic problems are now starting to impact our tenants and business, and the outlook is more difficult than it has been for some time.

Despite the economic uncertainty, the Group is continuing to pursue the expansion of its commercial property activities throughout the region at a measured pace. In Singapore, construction of the 340,000 sq. m. joint venture development Marina Bay Financial Centre ('MBFC') is on track for phased completion in 2010 and 2012. Hongkong Land's wholly owned building One Raffles Link ('ORL') and our joint venture development One Raffles Quay ('ORQ') are both fully let. When MBFC is completed, Hongkong Land's attributable interests in this important regional business centre will extend to some 150,000 sq. m. of the best commercial office space.

Our aim is also to continue to grow our residential business so that it can make a significant, capital-efficient and sustainable contribution to the Group's earnings. Successful completions in Beijing, Chongqing and Singapore during the year made a positive contribution in 2008. Residential completions in Hong Kong, Singapore and Macau should benefit earnings strongly in 2009 and 2010. Residential projects in Chongqing and Shenyang in mainland China will complete in phases over the medium term.

COMMERCIAL PROPERTY

Hong Kong Central Portfolio

Demand for high quality centrally-located space remained strong throughout 2008 for both the commercial office and retail segments. However, with the global economic weakening starting to affect the Asian region, the capital value of the Group's investment properties in Hong Kong fell by 4%.

Occupancy in the Group's office portfolio remained high, but an increase in vacancy can be expected as some tenants elect to relocate to areas outside Central or reduce their office space upon lease renewal. Vacancy was 2.6% at the year end, compared with 2.0% at the end of 2007. Vacancy subsequently increased to 5.5% in January 2009 following the decision of a major tenant not to renew its lease, although some 70% of the additional vacant space has been re-let.

Office rents in Central in Hong Kong were high throughout 2008, and average rents for the Group's properties in Hong Kong rose by 34% during the year.

A refurbishment of the basement level retail space in Jardine House was completed, and opportunities to improve the quality of the Group's buildings continue to be evaluated.

Sales in the luxury retail sector held up well during 2008. Like the office sector, there were signs of the market becoming more difficult towards the end of the year. Average rents for the Group's luxury retail space in Hong Kong rose by 10% during the year, while occupancy was 100% at the end of 2008 and 2007.

Commercial Properties other than in Hong Kong

Singapore continued to increase its contribution to the Group's performance in 2008 with both ORL and ORQ fully let at good rental levels. Construction of MBFC is targeted to complete in two phases, in 2010 and 2012. The two phases comprising 190,000 sq. m. and 150,000 sq. m. of gross floor area, respectively, are more than 60% pre-committed.

Construction of the residential units and luxury retail centre in One Central, our joint venture development in the heart of the Macau Peninsula, continues on track. 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. The retail space is currently some 70% pre-committed.

Our other commercial investment properties are located in Hanoi, Jakarta, Bangkok and Bermuda. Our two buildings in Hanoi are fully let at the highest rents in that market. Jakarta Land's portfolio is achieving occupancy levels of over 95% also at good rents. In Bangkok, our 49%-owned luxury retail centre and office development, Gaysorn, continues to face

difficult trading conditions. In Bermuda, Jardine Gibbons Property, in which Hongkong Land has a 40% interest, owns four small commercial buildings in the commercial centre of Hamilton which are fully let.

RESIDENTIAL PROPERTY

The residential business recorded a breakeven result in 2008. Profits were recognised upon the completion and handover of Phase IV of Central Park in Beijing, Phase I of Bamboo Grove in Chongqing, and MCL Land's projects, Mera Springs and The Esta in Singapore. The overall result was, however, negatively impacted by an impairment provision of US\$140 million, being Hongkong Land's share of a write-down by MCL Land of the value of some of its development properties in Singapore.

Construction of the Group's two residential projects in Hong Kong, The Sail at Victoria and Tai Hang Road, is progressing well and completion is due in 2009 and 2010, respectively. The local residential property market, particularly at the luxury end, has softened considerably since the middle of 2008.

In One Central, Macau, the 796 unit residential units have been over 97% pre-sold and are on schedule for completion in the second half of 2009. Completion of the hotel will take place in the first half of 2010, as will the completion of 98 serviced apartments which have not yet been launched for sale.

In Singapore, construction of Marina Bay Residences, the residential component of Phase I of the MBFC, is on schedule for completion and handover to buyers in 2010. Phase II of the MBFC will also incorporate a tower of residential apartments, Marina Bay Suites, although construction of this tower has not yet commenced.

In mainland China, the first phase of the Park Life development in Shenyang, in which the Group has a 30% interest, completed during 2008. Subsequent phases of Park Life and a second site in Shenyang in which the Group also has a 30% interest are under master planning. In Chongqing, construction of Phase II of Bamboo Grove comprising some 964 units is progressing well, with completion and handover scheduled for the second half of 2009 and the first half of 2010. Some 65% of the units in Phase II have been pre-sold, despite difficult market conditions.

MCL LAND

MCL Land completed three projects in 2008, The Grange, Mera Springs and The Esta. Its results were, however, negatively impacted by a write-down in the values of some of its development properties in Singapore. The construction is in progress of three projects scheduled for completion in 2009 and a further two scheduled for completion in 2010. These projects are nearly 100% pre-sold, giving MCL Land a good pipeline of profits that will be recognised upon completion. The residential property market in Singapore, like those elsewhere in the region, has slowed. 'D'Pavilion' and 'The Peak@Balmeg' were launched during the year and the number of the units being pre-sold at the year end was 28% and 25%, respectively. MCL Land completed the acquisitions of three development sites in 2008, the total cost of which was US\$240 million.

FINANCE AND CORPORATE ACTIVITIES

The Group repurchased 45.9 million of its own shares during the year at a total cost of US\$120 million with the effects of enhancing both earnings per share and net asset value per share. The Group's financial position remains healthy. At the end of 2008 adjusted gearing was 19% with net debt at US\$2.6 billion, up from US\$2.4 billion at the end of 2007. The Group did not have any major re-financing requirements during the year, and its liquidity remains strong with no significant re-financing requirements until 2011.

OUTLOOK

The outlook at the end of 2008 is more uncertain than it has been for some years as the full effects of the global economic downturn start to be felt across Asia. Although commercial property markets are becoming more difficult in Hong Kong and other centres in which the Group has operations, our commercial property business remains in good health underpinned by its high quality tenant base. Additionally, our commercial property projects under development in Singapore and Macau are proceeding on track and will strengthen further our commercial revenues in the coming years. Residential property markets in the region have also slowed, although the Group's projects that will complete in Hong Kong, mainland China, Singapore and Macau will add an additional earnings stream in the years ahead.

While global economic conditions are expected to remain volatile and uncertain for some time, the Group's strong financial position places it in a good position to weather the difficult markets that we are now facing.

Y K Pang

Chief Executive

5th March 2009

Hongkong Land Holdings Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2008

	2008			2007		
	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>)	1,022.3	-	1,022.3	933.2	-	933.2
Cost of sales (<i>note 3</i>)	(574.3)	-	(574.3)	(442.2)	-	(442.2)
Gross profit	448.0	-	448.0	491.0	-	491.0
Other income	0.8	-	0.8	0.6	-	0.6
Administrative and other expenses	(53.0)	-	(53.0)	(52.2)	-	(52.2)
	395.8	-	395.8	439.4	-	439.4
(Decrease)/increase in fair value of investment properties	-	(698.9)	(698.9)	-	2,588.9	2,588.9
Asset impairment provisions, reversals and disposals	-	1.8	1.8	-	9.4	9.4
Operating (loss)/profit (<i>note 4</i>)	395.8	(697.1)	(301.3)	439.4	2,598.3	3,037.7
Net financing charges	(44.5)	-	(44.5)	(50.0)	-	(50.0)
Share of results of joint ventures (<i>note 5</i>)	81.3	(16.4)	64.9	24.0	362.6	386.6
(Loss)/profit before tax	432.6	(713.5)	(280.9)	413.4	2,960.9	3,374.3
Tax (<i>note 6</i>)	(81.1)	228.6	147.5	(56.2)	(463.2)	(519.4)
(Loss)/profit after tax	351.5	(484.9)	(133.4)	357.2	2,497.7	2,854.9
Attributable to:						
Shareholders of the Company	375.1	(484.5)	(109.4)	344.7	2,494.9	2,839.6
Minority interests	(23.6)	(0.4)	(24.0)	12.5	2.8	15.3
	351.5	(484.9)	(133.4)	357.2	2,497.7	2,854.9
	US¢		US¢	US¢		US¢
(Loss)/earnings per share (<i>note 8</i>)						
- basic	16.41		(4.79)	15.02		123.72
- diluted	16.41		(4.79)	15.02		119.18

Hongkong Land Holdings Limited
Consolidated Balance Sheet
at 31st December 2008

	2008 US\$m	2007 US\$m
Net operating assets		
Tangible assets (<i>note 9</i>)		
Investment properties	13,702.7	14,260.6
Others	14.8	12.3
	13,717.5	14,272.9
Joint ventures	1,797.5	1,653.9
Other investments	-	17.5
Deferred tax assets	4.5	2.6
Pension assets	6.1	17.3
Non-current debtors	101.9	36.7
Non-current assets	15,627.5	16,000.9
Properties for sale	838.9	895.0
Current debtors	289.2	414.2
Bank balances	1,119.0	1,104.0
Current assets	2,247.1	2,413.2
Current creditors	(668.8)	(659.2)
Current borrowings (<i>note 10</i>)	(95.4)	(140.9)
Current tax liabilities	(58.2)	(43.2)
Current liabilities	(822.4)	(843.3)
Net current assets	1,424.7	1,569.9
Long-term borrowings (<i>note 10</i>)	(3,624.1)	(3,393.9)
Deferred tax liabilities	(1,992.9)	(2,207.2)
Non-current creditors	(26.8)	(12.6)
	11,408.4	11,957.1
Total equity		
Share capital	224.9	229.5
Revenue and other reserves	11,088.4	11,603.5
Shareholders' funds	11,313.3	11,833.0
Minority interests	95.1	124.1
	11,408.4	11,957.1

Hongkong Land Holdings Limited
Consolidated Statement of Recognised Income and Expense
for the year ended 31st December 2008

	2008	2007
	US\$m	US\$m
Net exchange translation differences	72.3	33.1
Actuarial (losses)/gains on defined benefit pension plans	(12.1)	2.8
Gains on revaluation of other investments	-	1.4
(Losses)/gains on cash flow hedges	(0.6)	7.1
Tax credit/(charge) on items taken directly to equity	3.8	(1.3)
	<hr/>	<hr/>
Net income recognised directly in equity	63.4	43.1
Revaluation gains of other investments transferred to consolidated profit and loss account	(6.1)	-
Transfer to consolidated profit and loss account in respect of cash flow hedges	(3.6)	5.5
(Loss)/profit after tax	(133.4)	2,854.9
	<hr/>	<hr/>
Total recognised income and expense for the year	(79.7)	2,903.5
	<hr/>	<hr/>
Attributable to:		
Shareholders of the Company	(55.7)	2,888.2
Minority interests	(24.0)	15.3
	<hr/>	<hr/>
	(79.7)	2,903.5
	<hr/>	<hr/>

Hongkong Land Holdings Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2008

	2008	2007
	US\$m	US\$m
Operating activities		
Operating (loss)/profit	(301.3)	3,037.7
Depreciation	1.7	0.9
Provision on properties for sale	180.2	-
Decrease/(increase) in fair value of investment properties	698.9	(2,588.9)
Asset impairment provisions, reversals and disposals	(1.8)	(9.4)
Increase in properties for sale	(159.9)	(59.2)
Decrease/(increase) in debtors, prepayments and others	159.0	(197.9)
Increase in creditors and accruals	6.6	279.9
Interest received	68.8	88.8
Interest and other financing charges paid	(109.3)	(126.7)
Tax paid	(62.3)	(32.0)
Dividends received	50.4	11.1
Cash flows from operating activities	531.0	404.3
Investing activities		
Major renovations expenditure	(29.8)	(22.2)
Developments capital expenditure	(15.0)	(23.5)
Investments in and loans to joint ventures	(111.5)	(316.8)
Disposal of joint ventures and other investments	-	7.6
Disposal of investment and other properties	-	188.9
Cash flows from investing activities	(156.3)	(166.0)
Financing activities		
Drawdown of bank loans	391.5	407.5
Repayment of bank loans	(291.4)	(454.0)
Repurchase of shares	(119.7)	-
Capital contribution from minority shareholders	2.0	-
Dividends paid by the Company	(343.1)	(251.1)
Dividends paid to minority shareholders	(6.3)	(3.6)
Cash flows from financing activities	(367.0)	(301.2)
Effect of exchange rate changes	6.5	2.1
Net increase/(decrease) in cash and cash equivalents	14.2	(60.8)
Cash and cash equivalents at 1st January	1,102.9	1,163.7
Cash and cash equivalents at 31st December	1,117.1	1,102.9

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 2008 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 2008, the Group adopted the following interpretations to existing standards which are relevant to its operations:

IFRIC 11	IFRS 2 - Group and Treasury Share Transactions
IFRIC 14	IAS19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

There have been no changes to the accounting policies described in 2007 annual financial statements as a result of adoption of the above interpretations.

2. REVENUE

	2008	2007
	US\$m	US\$m
<i>By business</i>		
Commercial Property		
Rental income	571.6	437.9
Service income	104.6	97.7
	676.2	535.6
Residential Property		
Rental income	2.5	2.6
Sales of properties	343.6	395.0
	346.1	397.6
	1,022.3	933.2

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

Total contingent rents included in rental income amounted to US\$7.8 million (2007: US\$7.1 million).

3. COST OF SALES

	2008	2007
	US\$m	US\$m
Investment properties' direct operating expenses	136.0	115.9
Cost of properties sold	438.3	326.3
	574.3	442.2

Included in cost of properties sold was US\$180.2 million write-down on development properties held for sales.

4. OPERATING PROFIT

	2008	2007
	US\$m	US\$m
<i>By business</i>		
Commercial property	542.0	420.4
Residential property	(102.6)	62.0
Corporate	(43.6)	(43.0)
	395.8	439.4
(Decrease)/increase in fair value of investment properties	(698.9)	2,588.9
Asset impairment provisions, reversals and disposals	1.8	9.4
	(301.3)	3,037.7

5. SHARE OF RESULTS OF JOINT VENTURES

	2008	2007
	US\$m	US\$m
<i>By business</i>		
Commercial property	17.8	6.5
Residential property	63.5	17.5
	81.3	24.0
(Decrease)/increase in fair value of investment properties		
- Commercial property	(9.8)	352.8
- Residential property	(6.3)	9.0
	(16.1)	361.8
Asset impairment provisions, reversals and disposals	(0.3)	0.8
	64.9	386.6

Results are shown after tax and minority interests. The share of revenue of joint ventures was US\$362.3 million (2007: US\$128.7 million).

6. TAX

	2008	2007
	US\$m	US\$m
Current tax	(79.7)	(49.8)
Deferred tax		
- changes in fair value of investment properties	228.6	(463.2)
- other temporary differences	(1.4)	(6.4)
	227.2	(469.6)
	147.5	(519.4)

Tax on profits is provided at the rates of taxation prevailing in the territories in which the Group operates. The US\$228.6 million deferred tax credit in relation to the changes in fair value of investment properties included US\$121.7 million resulting from the reduction in profits tax rate in Hong Kong. The Group has no tax payable in the United Kingdom.

7. NON-TRADING ITEMS

	2008	2007
	US\$m	US\$m
Revaluation (deficits)/surpluses of investment properties	(698.9)	2,588.9
Deferred tax credit/(charges) on revaluation		
deficits/surpluses of investment properties	228.6	(463.2)
Share of revaluation (deficits)/surpluses of investment		
properties of joint ventures (net of deferred tax)	(16.1)	361.8
Asset impairment provisions, reversals and disposals	1.8	9.4
Share of (loss)/gain on asset disposals of joint ventures	(0.3)	0.8
Minority interests	0.4	(2.8)
	(484.5)	2,494.9

8. EARNINGS PER SHARE

Basic loss/earnings per share are calculated on loss attributable to shareholders of US\$109.4 million (2007: profit of US\$2,839.6 million) and on the weighted average number of 2,285.9 million (2007: 2,295.2 million) shares in issue during the year.

Diluted loss/earnings per share are calculated on loss attributable to shareholders of US\$89.3 million (2007: profit of US\$2,859.3 million), which is after adjusting for the effects of the conversion of convertible bonds, and on the weighted average number of 2,389.8 million (2007: 2,399.1 million) shares in issue during the year.

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

	2008		US\$m	2007	
	Basic earnings per share US\$m	Diluted earnings per share US¢		Basic earnings per share US¢	Diluted earnings per share US¢
Underlying profit attributable to shareholders	375.1	16.41	344.7	15.02	15.02
Non-trading items (note 7)	(484.5)		2,494.9		
(Loss)/profit attributable to shareholders	(109.4)	(4.79)	2,839.6	123.72	
Interest expense on convertible bonds (net of tax)	20.1		19.7		
(Loss)/profit for calculation of diluted earnings per share	(89.3)	(4.79)	2,859.3		119.18

9. TANGIBLE ASSETS

	2008 US\$m	2007 US\$m
Net book value at 1st January	14,272.9	11,663.8
Exchange rate adjustments	96.5	(4.1)
Additions	48.8	38.3
Depreciation	(1.7)	(0.9)
Disposals	(0.1)	(13.1)
Net revaluation (deficits)/surpluses	(698.9)	2,588.9
Net book value at 31st December	13,717.5	14,272.9

10. BORROWINGS

	2008 US\$m	2007 US\$m
<i>Current</i>		
Bank overdrafts	1.9	1.1
Short-term borrowings	9.0	94.7
Current portion of long-term borrowings	84.5	45.1
	95.4	140.9
<i>Long-term borrowings</i>		
Bank loans	1,587.8	1,442.2
7% United States Dollar bonds due 2011	629.1	618.3
5.5% United States Dollar bonds due 2014	555.2	501.4
3.01% Singapore Dollar notes due 2010	229.4	224.2
3.65% Singapore Dollar notes due 2015	264.2	258.5
2.75% United States Dollar convertible bonds due 2012	358.4	349.3
	3,624.1	3,393.9
	3,719.5	3,534.8
Secured	258.9	182.8
Unsecured	3,460.6	3,352.0
	3,719.5	3,534.8

Certain subsidiaries of the Company have mortgaged their development properties for sale as security for bank loans. The carrying value of properties mortgaged as at 31st December 2008 was US\$296.6 million (2007: US\$325.8 million).

11. NET ASSET VALUE PER SHARE

Net asset value per share is calculated on shareholders' funds of US\$11,313.3 million (2007: US\$11,833.0 million) and on 2,249.3 million (2007: 2,295.2 million) shares issued at 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:

	2008 US\$m	2007 US\$m
Shareholders' funds	11,313.3	11,833.0
Deferred tax on revaluation surpluses of investment properties	1,951.7	2,165.4
Share of deferred tax on revaluation surpluses of investment properties of joint ventures	43.1	42.6
Adjusted shareholders' funds	13,308.1	14,041.0

12. DIVIDENDS

	2008	2007
	US\$m	US\$m
Final dividend in respect of 2007 of US¢9.00 (2006: US¢7.00) per share	206.6	160.7
Interim dividend in respect of 2008 of US¢6.00 (2007: US¢4.00) per share	137.7	91.8
	344.3	252.5

A final dividend in respect of 2008 of US¢7.00 (2007: US¢9.00) per share amounting to a total of US\$157.5 million (2007: US\$206.6 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 2009.

13. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

	2008	2007
	US\$m	US\$m
Capital commitments	155.4	463.0
Contribution to joint ventures	744.4	953.5

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¢7.00 per share will be payable on 13th May 2009, subject to approval at the Annual General Meeting to be held on 6th May 2009, to shareholders on the register of members at the close of business on 20th March 2009. The ex-dividend date will be on 18th March 2009, and the share registers will be closed from 23rd to 27th March 2009, 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 2008 final dividend by notifying the United Kingdom transfer agent in writing by 24th April 2009. The sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 29th April 2009. 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.

Hongkong Land Group

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.

- end -

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Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2008 can be accessed through the Internet at 'www.hkland.com'.