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The Hong Kong Building and Loan Agency Limited

香港建屋貸款有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 145)

ANNOUNCEMENT COMPLETION OF PLACING AND RESTORATION OF PUBLIC FLOAT

References are made to (i) the joint announcements dated 28 August 2009, 25 September 2009, 2 October 2009 and 23 October 2009 issued by the Offeror and the Company; (ii) the offer document dated 2 October 2009 issued by the Offeror and the Company in connection with the Offer; and (iii) the announcement dated 5 November 2009 issued by the Company.

COMPLETION OF PLACING

The Board is pleased to announce that the Company has been informed by the Offeror that it has placed down 56,500,000 Shares (representing approximately 25.12% of the issued share capital of the Company) owned by Island New to independent places through a placing agent (the “**Placing**”) on 6 November 2009 pursuant to a placing agreement dated 4 November 2009 between the Offeror and the placing agent. The Placing is unconditional and was completed on 10 November 2009. To the best knowledge, information and belief of the Company, having made all reasonable enquiries, the places and their respective ultimate beneficial owners are third parties independent of and not connected with the Company and connected persons of the Company.

RESTORATION OF PUBLIC FLOAT

Immediately after the close of the Offer and before the Placing, the Offeror, through holding Island New and parties acting in concert with it, were interested in 169,325,000 Shares, representing approximately 75.26% of the issued share capital of the Company. Accordingly, only 55,675,000 Shares, representing approximately 24.74% of the issued share capital of the Company, were held by the public. After completion of the Placing,

a total of 112,175,000 Shares representing approximately 49.86% of the issued share capital of the Company are held by public Shareholders of the Company. Accordingly, the minimum public float of 25% as prescribed under the Listing Rules has been restored.

Set out below is a table showing the shareholding structure of the Company (i) immediately after the close of the Offer and before the Placing; and (ii) after completion of the Placing:

	Immediately after the close of the Offer and before the Placing		After completion of the Placing	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
The Offeror, through Island New and parties acting in concert with it:	169,325,000	75.26	112,825,000	50.14
Placees	–	–	56,500,000	25.12
Other public Shareholders	55,675,000	24.74	55,675,000	24.74
Sub-total of public Shareholders	<u>55,675,000</u>	<u>24.74</u>	<u>112,175,000</u>	<u>49.86</u>
Total	225,000,000	100.00	225,000,000	100.00

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“BVI”	British Virgin Islands
“Company”	The Hong Kong Building and Loan Agency Limited (stock code: 145), a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Island New”	Island New Finance Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Offeror as at the date of this announcement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	the mandatory unconditional cash offer to be made by Sun Hung Kai International Limited on behalf of the Offeror for all the issued Shares other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it pursuant to Rule 26.1 of the Takeovers Code
“Offeror”	Hyde Park Group Limited, a company incorporated in the BVI with limited liability which is beneficially and wholly-owned by Mr. Tang Yu Ming, Nelson who is a non-executive Director of the Company as at the date of this announcement
“Share(s)”	ordinary share(s) of HK\$1.00 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
The Hong Kong Building and Loan Agency Limited
Tang Yu Ming, Nelson
Chairman

Hong Kong, 10 November 2009

As at the date of this announcement, the Board comprises Mr. Lau Yu Fung, Wilson, Mr. Chan Chun Wai and Mr. Au Tin Fung being executive Directors; Mr. Tang Yu Ming, Nelson (Chairman) being non-executive Director; and Mr. Yu Kam Kee, Lawrence and Mr. Chan Chi Yuen being independent non-executive Directors.