



ALLIED GROUP LIMITED
(聯合集團有限公司)
(Incorporated in Hong Kong with limited liability)
(Stock Code: 373)



ALLIED PROPERTIES (H.K.) LIMITED
(聯合地產(香港)有限公司)
(Incorporated in Hong Kong with limited liability)
(Stock Code: 56)
DISCLOSEABLE TRANSACTION



新鴻基有限公司
SUN HUNG KAI & CO. LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 86)

JOINT ANNOUNCEMENT

(1) Completion of the sale and purchase of the entire issued share capital of Island New Finance Limited



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)

(2) Establishment of independent board committee and appointment of independent financial adviser

Reference is made to the joint announcement of Allied Group Limited, Allied Properties (H.K.) Limited, Sun Hung Kai & Co. Limited and The Hong Kong Building and Loan Agency Limited dated 16th May, 2007 (the “Joint Announcement”) in connection with the conditional sale and purchase of the entire issued share capital of Island New Finance Limited and a possible unconditional mandatory cash offer for all the issued shares in The Hong Kong Building and Loan Agency Limited (other than those already owned by or agreed to be acquired by Mercurius Partners Investments Limited and parties acting in concert with it). Unless otherwise indicated, terms defined in the Joint Announcement have the same meanings when used in this announcement.

COMPLETION OF THE SALE AND PURCHASE OF THE SALE SHARE

The AGL Directors, the APL Directors and the SHK Directors are pleased to announce that completion of the sale and purchase of the Sale Share took place on 31st May, 2007 in accordance with the provisions of the Agreement.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

An independent board committee of HKBLA (the “Independent Board Committee”) has been established to make recommendation to the independent shareholders of HKBLA in respect of the Offer. The Independent Board Committee comprises Mr. Chan Bo Ching, Mr. Li Chak Hung and Mr. Yuen Wai Ho, who are independent non-executive directors of HKBLA.

Partners Capital International Limited has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer and the appointment has been approved by the Independent Board Committee.

DIRECTORS

AGL Directors

As at the date of this announcement, the AGL Directors are:

Executive Directors:

Mr. Lee Seng Hui (*Chief Executive*), Mr. Edwin Lo King Yau, Mr. Mak Pak Hung

Non-executive Directors:

Mr. Arthur George Dew (*Chairman*), Ms. Lee Su Hwei

Independent non-executive Directors:

Mr. Wong Po Yan, Mr. David Craig Bartlett, Mr. John Douglas Mackie, Mr. Alan Stephen Jones

APL Directors

As at the date of this announcement, the APL Directors are:

Executive Directors:

Mr. Patrick Lee Seng Wei (*Chief Executive*), Mr. Li Chi Kong

Non-executive Directors:

Mr. Arthur George Dew (*Chairman*), Mr. Henry Lai Hin Wing, Mr. Steven Lee Siu Chung

Independent non-executive Directors:

Mr. John Douglas Mackie, Mr. Steven Samuel Zoellner, Mr. Alan Stephen Jones

SHK Directors

As at the date of this announcement, the SHK Directors are:

Executive Directors:

Mr. Lee Seng Huang (*Chairman*), Mr. Joseph Tong Tang

Non-executive Director:

Mr. Patrick Lee Seng Wei

Independent non-executive Directors:

Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Mr. Carlisle Caldwell Procter, Mr. Peter Wong Man Kong

HKBLA Directors

As at the date of this announcement, the HKBLA Directors are:

Executive Directors:

Mr. Akihiro Nagahara (*Chairman*), Mr. Stephen Lo Kam Fai (*Chief Executive*), Mr. Poon Mo Yiu

Independent non-executive Directors:

Mr. Chan Bo Ching, Mr. Li Chak Hung, Mr. Yuen Wai Ho

On behalf of the Board
Allied Group Limited
Edwin Lo King Yau
Executive Director

On behalf of the Board
Sun Hung Kai & Co. Limited
Joseph Tong Tang
Executive Director

On behalf of the Board
Allied Properties (H.K.) Limited
Li Chi Kong
Executive Director

On behalf of the Board
The Hong Kong Building and Loan Agency Limited
Stephen Lo Kam Fai
Executive Director

Hong Kong, 31st May, 2007

The directors of Allied Group Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration, and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of Allied Properties (H.K.) Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration, and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of Sun Hung Kai & Co. Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration, and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of The Hong Kong Building and Loan Agency Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration, and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.