

**HONG LEONG ASIA LTD.**  
(Company Registration No. 196300306G)  
(Incorporated in the Republic of Singapore)

**ANNOUNCEMENT**

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**PROPOSED SELECTIVE CAPITAL REDUCTION (THE “HLA SELECTIVE CAPITAL REDUCTION”)**

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Further to the announcement by the Company on 17 August 2009 (the “**17 August Announcement**”) in relation to the proposed HLA Selective Capital Reduction, the Board of Directors of the Company wishes to announce that the Company has today despatched a circular dated 15 September 2009 (the “**Circular**”) in relation to the HLA Selective Capital Reduction, to shareholders of the Company (“**Shareholders**”).

Terms and references used in this Announcement which have not been defined herein bear the same meaning as ascribed to them in the 17 August Announcement and the Circular.

The Circular contains information on the HLA Selective Capital Reduction as well as the Notice of the Extraordinary General Meeting (the “**EGM**”) of the Company to be held on Thursday, 8 October 2009. A copy of the Notice of EGM dated 15 September 2009 is attached to this Announcement.

Shareholders who do not receive the Circular within a week from the date hereof should contact the share registrar of the Company at the following address:-

**M & C Services Private Limited**  
138 Robinson Road  
#17-00 The Corporate Office  
Singapore 068906

As stated in the 17 August Announcement, the amount of share capital of the Company to be cancelled upon cancelling the Relevant HLA Shares under the HLA Selective Capital Reduction is dependent on the last done price of the HLA Shares on the SCIC Books Closure Date. The directors of SCIC have determined the SCIC Books Closure Date to be 2 September 2009. The closing market price of the HLA Shares on the SCIC Books Closure Date was S\$1.64. Accordingly, the HLA Selective Capital Reduction will involve the reduction of the issued and paid-up share capital of the Company by the amount of S\$14,890,640.76 (equivalent to S\$1.64 for each Relevant HLA Share cancelled), with such reduction to be effected by cancelling the Relevant HLA Shares which are held by SCIC and which represent HLA’s entitlement under the SCIC Capital Distribution. Pursuant to the HLA Selective Capital Reduction, the issued and paid-up share capital of HLA will be reduced from S\$278,664,005.41 comprising 381,392,018 HLA Shares, to S\$263,773,364.65 comprising 372,312,359 HLA Shares.

A copy of the Circular is available on the website of the Singapore Exchange Securities Trading Limited at [www.sgx.com](http://www.sgx.com).

Shareholders are requested to note the following important dates and times in respect of the EGM:-

Last date and time for lodgement of Proxy Form	:	6 October 2009 at 3.00 p.m.
Date and time of EGM	:	8 October 2009 at 3.00 p.m.
Place of EGM	:	M Hotel Singapore Banquet Suite, Level 10 81 Anson Road Singapore 079908

By Order of the Board

Yeo Swee Gim, Joanne  
Ng Siew Ping, Jaslin  
Company Secretaries

15 September 2009