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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)

**RESULTS OF
OPEN OFFER OF 562,500,000 OFFER SHARES
ON THE BASIS OF ONE OFFER SHARE FOR
EVERY FOUR SHARES
HELD ON THE RECORD DATE WITH OPTION TO
SUBSCRIBE FOR CONVERTIBLE BONDS
AND
RESUMPTION OF TRADING**

Underwriter



Fortune (HK) Securities Limited

RESULTS OF THE OPEN OFFER

The Board is pleased to announce that the Open Offer became unconditional at 4:00 p.m. on Monday, 3 May 2010.

According to the proposed timetable as set out in the Prospectus, the date of announcement of the results of the Open Offer was 4 May 2010. However, as more time was required to ascertain the number of the Offer Shares subscribed by the Subscribers as well as to clarify the number of the Offer Shares taken up by the Underwriter, this announcement was postponed to one later day.

As at 4:00 p.m. on Thursday, 29 April 2010, being the latest time for acceptance of, and payment for the Offer Shares, a total of 29 valid applications have been received for a total of 375,039,954 Offer Shares, representing approximately 66.67% of the total number of the Offer Shares available for subscription under the Open Offer. The Open Offer was under-subscribed and the balance of 187,460,046 Offer Shares, representing approximately 33.33% of the total number of the Offer Shares, have been fully underwritten by the Underwriter pursuant to the Underwriting Agreement. The Subscribers and the Underwriter are entitled to the Option to subscribe for the Convertible Bonds with a principal amount of equal or not more than 80% of the aggregate value of the Offer Shares allotted to the relevant Subscriber and the Underwriter. The Option Holders may exercise their rights to subscribe for the Convertible Bonds within 12 months from the date of granting of the Option.

DESPATCH OF SHARE CERTIFICATES AND OPTION CERTIFICATES

Notwithstanding the fact that this announcement was postponed to one later day, other dates as set out in the proposed timetable for the Open Offer have not been affected. According to the proposed timetable, the share certificates for the Offer Shares together with option certificates for the Option have already been despatched to the Subscribers and the Underwriter by ordinary post on Wednesday, 5 May 2010 at their own risk.

Dealings in the Offer Shares, in fully-paid form, on the Stock Exchange is expected to commence at 9:30 a.m. on Friday, 7 May 2010.

SUSPENSION AND RESUMPTION OF TRADING

Trading in the Shares on the Stock Exchange has been suspended since 9:30 a.m. on 5 May 2010 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 6 May 2010.

Reference is made to the announcement of the Company dated 24 March 2010 and the prospectus of the Company dated 15 April 2010 (the "Prospectus") in relation to the Open Offer of 562,500,000 Offer Shares on the basis one Offer Share for every four Shares held on the Record Date, with a further Option to subscribe for the Convertible Bonds. Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Prospectus.

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SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge and information, set out below is the shareholding structure of the Company immediately before and after completion of the Open Offer, and upon full conversion of the Convertible Bonds:

	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer		Immediately after completion of the Open Offer and full conversion of the Convertible Bonds	
	<i>Shares</i>	<i>%</i>	<i>Shares</i>	<i>%</i>	<i>Shares</i>	<i>%</i>
The Underwriter and sub-underwriters	–	–	187,460,046	6.66	337,428,082	10.34
Substantial shareholder:						
Tang Yu Ming, Nelson	688,170,000	30.59	689,597,500	24.52	690,739,500	21.17
Public Shareholders:	<u>1,561,830,000</u>	<u>69.41</u>	<u>1,935,442,454</u>	<u>68.82</u>	<u>2,234,332,415</u>	<u>68.49</u>
Total	<u><u>2,250,000,000</u></u>	<u><u>100.00</u></u>	<u><u>2,812,500,000</u></u>	<u><u>100.00</u></u>	<u><u>3,262,499,997</u></u>	<u><u>100.00</u></u>

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By order of the Board
The Hong Kong Building and Loan Agency Limited
Au Tin Fung
Executive Director

Hong Kong, 5 May 2010

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. Chan Chi Yuen, Mr. So Yuen Chun and Mr. Ng Cheuk Fan, Keith being independent non-executive Directors.