Jardine Strategic Holdings Limited
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Jardine Strategic

Press Release

www.jardines.com

To: Business Editor

6th March 2014
For immediate release

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

Jardine Strategic Holdings Limited
2013 Preliminary Announcement of Results

Highlights

- Underlying earnings* up 3%
- Full-year dividend up 6%
- Hongkong Land, Mandarin Oriental and Jardine Motors perform well
- Solid rupiah result from Astra
- 20% interest acquired in leading China motor dealership group

"While the Group's businesses have generally started 2014 trading well, it is expected that the overall performance for the year will be affected by the continuation of last year's uneven market conditions, a reduced contribution from Hongkong Land's residential completions and a weaker average exchange rate for the Indonesian rupiah."

Sir Henry Keswick, *Chairman*
6th March 2014

Results

	Year ended 31st December		
	2013 US$m	2012 US$m restated†	Change %
Revenue together with revenue of Jardine Matheson, associates and joint ventures+	**61,380**	60,453	+2
Underlying profit* before tax	**4,431**	4,580	–3
Underlying profit* attributable to shareholders	**1,616**	1,575	+3
Profit attributable to shareholders	**1,700**	1,827	–7
Shareholders' funds	**22,028**	21,341	+3
	US$	US$	%
Underlying earnings per share*	**2.65**	2.56	+3
Earnings per share	**2.79**	2.97	–6
Dividends per share	**0.255**	0.240	+6
Net asset value per share#	**50.34**	60.65	–17

+ Includes 100% of revenue from Jardine Matheson, associates and joint ventures.

* The Group uses 'underlying profit' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in note 1 to the financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.

Net asset value per share is calculated on a market value basis, details of which are set out in note 17.

† The accounts have been restated due to a change in accounting policy upon adoption of IAS 19 (amended 2011) 'Employee Benefits', as set out in note 1.

The final dividend of US¢18.00 per share will be payable on 14th May 2014, subject to approval at the Annual General Meeting to be held on 8th May 2014, to shareholders on the register of members at the close of business on 21st March 2014 and will be available in cash with a scrip alternative. The ex-dividend date will be on 19th March 2014, and the share registers will be closed from 24th to 28th March 2014, inclusive.

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Jardine Strategic Holdings Limited

Preliminary Announcement of Results For The Year Ended 31st December 2013

Overview

Good trading performances were achieved by a number of the Group's businesses during 2013. Overall earnings growth, however, was held back by a softer rupiah exchange rate and certain operations suffering in the face of difficult markets. In January of this year, the Company agreed to acquire a minority interest in Zhongsheng Group, which is one of mainland China's leading motor dealership groups, increasing significantly its investment in the country in a business sector that the Group knows well.

Performance

The Group's revenue for 2013, including 100% of revenue from Jardine Matheson, associates and joint ventures, was US$61.4 billion, compared with US$60.5 billion in 2012. The underlying profit before tax was US$4,431 million in 2013, a 3% decline from the prior year. Underlying profit attributable to shareholders was 3% higher at US$1,616 million, while underlying earnings per share were also up 3% at US$2.65.

Within Jardine Matheson's interests, Jardine Pacific's operations produced mixed results in more difficult trading conditions. Jardine Motors achieved a promising turnaround in its mainland China operation and improved results in the United Kingdom and Hong Kong. Jardine Lloyd Thompson's good profit growth benefited from organic growth, cost control and acquisitions.

Hongkong Land reported an excellent profit with strong contributions from both its commercial and its residential interests. Dairy Farm's sales were higher and its Hong Kong operations recorded good results, but it faced more challenging markets elsewhere. Most of Mandarin Oriental's hotels maintained their trading performances, while its reported result also benefited from gains arising from the acquisition of the freehold of its Paris property. The results from Jardine Cycle & Carriage's motor activities were mixed as most markets remained difficult. Astra achieved good rupiah results in its financial services, motorcycle and mining contracting operations, although this was countered by weaker results elsewhere.

The Group's profit attributable to shareholders of US$1,700 million included its US$135 million share of the increase in the valuation of investment properties, and compares with US$1,827 million in 2012 which included an increase of US$341 million in investment property values.

The Group continues to enjoy strong operating cash flows, ample committed facilities and access to the capital markets. This provides a sound financial base on which to support investment in developing its leading market positions. Total capital investment across the Group, including 100% of Jardine Matheson, associates and joint ventures, exceeded US$5.2 billion in 2013. The consolidated net debt at the end of 2013, excluding financial services companies, was US$2.3 billion, representing gearing of 5%, which compares to US$3.1 billion at the end of 2012 and gearing of 7%.

In the light of the Group's strong liquidity, the Board is recommending a final dividend of US¢18.00 per share, which represents an increase of 6% for the full year.

Business Developments

Within Jardine Matheson's directly held interests, Jardine Pacific's businesses produced a lower contribution reflecting some mixed underlying performances. Earnings from Hong Kong Air Cargo Terminals were reduced following the planned move of a major customer to its own dedicated facility. There were disappointing performances by the group's KFC business in Taiwan and by Jardine OneSolution, although good results were achieved by its engineering and construction operations. Jardine Motors produced an increased profit as its Mercedes-Benz sales activities in mainland China reversed their earnings decline, and its dealerships in the United Kingdom and Hong Kong traded well. JLT had another year of good organic growth, with encouraging results from Reinsurance, Asia, Latin America and Employee Benefits, culminating in the acquisition of Towers Watson's reinsurance broking business for US$250 million.

Hongkong Land reported an excellent result in 2013 with improved performances from both its commercial property interests and its residential developments. In Hong Kong, rent reversions remained positive for both its office and retail portfolios, while in Singapore it benefited from a full-year's contribution from Marina Bay Financial Centre and higher average rents. Hongkong Land's residential earnings reflected the completion of three projects in Singapore. The group currently has commercial developments underway in Beijing, Jakarta and Phnom Penh, and is expanding its residential activities in the region with new ventures in mainland China, Indonesia and the Philippines.

Dairy Farm achieved sales growth across all its divisions, but its profit was held back by mixed performances within its Food businesses in Southeast Asia. The group made several operational changes during the year which are designed to lay the foundations for further growth. It has been reorganized by format into four divisions so as to allow greater focus on its offer to consumers, enable scale to be built more quickly, and improve its financial performance over the longer term. In parallel, Dairy Farm is investing significantly in its people, infrastructure and systems.

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Most of Mandarin Oriental's hotels were able to maintain or enhance their competitive positions in 2013. The group's growth strategy was progressed during the year with the opening of hotels in Guangzhou and Shanghai, and the announcement of management contracts for hotels under development in Bali, Chongqing, Istanbul and Shenzhen. Meanwhile, five new hotels are scheduled to open over the next 18 months in Taipei, Bodrum, Marrakech, Beijing and Milan.

Jardine Cycle & Carriage's non-Astra motor operations continued to face difficult trading conditions in a number of markets in Southeast Asia, although there was a pleasing improvement in Truong Hai Auto Corporation in Vietnam. The group has expanded its motor operations with a new joint venture in Myanmar.

Astra maintained its profit performance in its reporting currency, with strong earnings in its financial services, motorcycle and coal mining contracting businesses more than compensating for declines elsewhere. Its contribution to the Group's results, however, was lower due to an 11% decline in the average rupiah exchange rate against the US dollar. Astra is pursuing a strategy of expansion into new areas where it believes that it can develop market-leading businesses by building on its existing expertise, customer base and reputation for quality. Initiatives included the launch of Low Cost Green Cars, the acquisition of a stake in a wheel rim manufacturer, the launch of a commercial and residential property development project in central Jakarta alongside Hongkong Land, and in January 2014 the announcement of a new life insurance joint venture with Aviva plc.

In January 2014, the Company agreed to invest US$731 million for an interest in Hong Kong-listed Zhongsheng Group, which is one of mainland China's leading motor dealership groups. The investment represents an initial 11% equity interest together with convertible bonds, which entitles the Group's interest to increase to 20%. Zhongsheng represents a range of major international marques and operates over 170 outlets in some 60 cities across 15 provinces and regions.

Corporate Developments

The Company has announced its intention, subject to shareholder approval, to transfer the listing of its shares on the Main Market of the London Stock Exchange to the Standard listing category from the current Premium listing category. The Standard listing category represents the common listing standards across all European Union member states and complies fully with the relevant European Directives. A circular containing full details of the proposals, including the notice of a Special General Meeting, is being dispatched to shareholders.

People

David Hsu joined the Board on 6th January 2014.

Outlook

While the Group's businesses have generally started 2014 trading well, it is expected that the overall performance for the year will be affected by the continuation of last year's uneven market conditions, a reduced contribution from Hongkong Land's residential completions and a weaker average exchange rate for the Indonesian rupiah.

Sir Henry Keswick
Chairman
6th March 2014

Operating Review

Business Model

Jardine Strategic is a holding company within the Jardine Matheson Group which takes long-term strategic investments in multinational businesses and other high quality companies with existing or potential links to the Group. The Company's investments are focused principally on Greater China and Southeast Asia, although some of its operations have a more global reach. The Group companies are leaders in the fields of motor vehicles and related activities, property investment and development, retailing and restaurants, engineering and construction, transport services, luxury hotels, financial services, heavy equipment, mining and agribusiness.

The Group's representation in this broad mix of business sectors and the spread between cash generating activities and long-term property assets enables it to focus its investment in high growth markets while spreading the risk that might otherwise be associated with its geographic concentration. This strategy, combined with a strong balance sheet, is designed to achieve long-term growth in both earnings and net asset value.

Jardine Matheson

Jardine Matheson achieved an underlying profit before tax for the year of US$4,600 million, a decrease of 3%. Underlying profit attributable to shareholders was up 3% at US$1,502 million, while underlying earnings per share were 2% higher at US$4.09. Its profit attributable to shareholders was US$1,566 million, compared with US$1,671 million in 2012, reflecting a modest increase in investment property portfolio values.

- **Jardine Pacific**
  Jardine Pacific's underlying profit of US$110 million was 24% lower than 2012 reflecting the mixed results within its businesses. The profit attributable to shareholders was US$112 million, compared with US$155 million in 2012. Shareholders' funds were US$703 million at the end of 2013, and the underlying return on average shareholders' funds was 17%. The group's engineering and construction businesses all performed well generating higher earnings, and Gammon's order book increased to US$4.5 billion. Hong Kong Air Cargo Terminals saw its earnings decline as a major customer undertook a planned move to its own dedicated facility, while the results of Jardine Shipping Services and Jardine Aviation Services improved slightly. Jardine Restaurants' Pizza Hut operations in Hong Kong and Taiwan produced higher sales and profits, but its KFC franchise in Taiwan reported a loss as a result of difficult trading conditions and an increased franchise fee. The group acquired the KFC franchise in Hong Kong during the year. Jardine OneSolution saw a decline in revenue and recorded a trading loss following an underperformance in all its markets.

- **Jardine Motors**
  Jardine Motors recorded a much improved underlying profit result of US$59 million, compared with US$15 million in 2012. A breakeven result was achieved in mainland China, following a loss recorded in 2012, as its service operations produced higher income and losses arising on new car sales were reduced as margins improved slightly. Zung Fu produced a modest increase in profit in Hong Kong and Macau, with higher deliveries of Mercedes-Benz passenger cars and an increased contribution from Hyundai. The group's dealerships in the United Kingdom performed better with vehicle sales up and margins enhanced slightly, and the result included a US$3.6 million gain from the sale of dealerships.

- **Jardine Lloyd Thompson**
  JLT's total revenue for the year was US$1,533 million, up 11% in its reporting currency. Underlying profit after tax and non-controlling interests was US$188 million, a reported increase of 13%. This result was achieved through continued investment, cost control and organic growth across the business with good performances from its Reinsurance, Asia, Latin America and Employee Benefits operations. JLT's contribution to Jardine Matheson's underlying profit was up 7% after adjusting for foreign exchange movements and costs associated with the relocation of its London head office. The Risk & Insurance group, comprising specialist insurance, wholesale and reinsurance broking businesses, achieved revenue growth of 7% all of which was organic and underlying trading profit also grew by 7%. In November, JLT acquired Towers Watson's reinsurance broking business, which significantly increased its reinsurance operation, particularly in North America. The Employee Benefits group delivered strong results with revenue growth of 25%, including organic growth of 14%, while underlying trading profit grew by 29%.

Hongkong Land

Hongkong Land reported a record underlying profit attributable to shareholders of US$935 million, up 20%, with improved performances from both its commercial and residential activities. The profit attributable to shareholders of US$1,190 million included US$255 million of property valuation gains, and compares with US$1,438 million in 2012 which included valuation gains of US$662 million. The net asset value per share at 31st December 2013 was US$11.41, compared with US$11.11 at the end of 2012. The group remained financially robust with year-end net debt of US$3.0 billion and gearing of 11%.

In its commercial properties rental reversions remained largely positive in Hong Kong, despite demand for office space remaining subdued, while its retail portfolio was fully occupied. The contribution from Singapore rose due to the inclusion of a full year of results from the now complete Marina Bay Financial Centre and higher average rents. In mainland China, the development of a luxury retail complex on a prime site at Wangfujing in Beijing, which will incorporate a Mandarin Oriental hotel, is progressing.

Earnings from residential developments rose strongly following the completion in Singapore of two fully-sold projects by MCL Land and the one-third owned Marina Bay Suites which was some 90% pre-sold. In mainland China, sales completions continued in projects in Beijing and Chongqing, and sales of further units were also completed in Hong Kong and Macau. In Indonesia, construction began at a residential joint venture near central Jakarta, and planning is underway for a second project in the city in conjunction with Astra. In the Philippines, the final phase of a development of luxury apartments in central Manila is being progressed.

Dairy Farm

Dairy Farm's sales, including 100% of associates and joint ventures, rose 8% to US$12.4 billion in 2013. Underlying profit was up 8% at US$480 million. The profit attributable to shareholders was US$501 million, an increase of 12%, including a net non-trading gain of US$21 million arising mainly from a property disposal in Indonesia.

If the write-off of prior years' Malaysian supplier income is excluded from Dairy Farm's 2012 results, underlying earnings in 2013 were 4% lower. This was largely a reflection of the mixed performances within Dairy Farm's Food businesses. There was increased profitability in Hong Kong and mainland China, but lower earnings in Indonesia, Singapore and Malaysia due to increased competition, higher operating costs, a weaker economic environment and adverse currency movements. In Malaysia, steps are being taken to rebuild the fundamentals of the hypermarket and supermarket operations, which has shown some stabilization. In contrast to the Food division, there were record sales and profits from the group's Health & Beauty, Home Furnishings and Restaurants divisions.

A fifth IKEA store in Taiwan was opened in early September with encouraging initial results, and the construction of the first IKEA store in Indonesia is currently on track for opening by the end of the year. Across both the Food and Health & Beauty divisions significant work is underway to develop a stronger own-label offering. The group is also investing in the renovation of existing stores to enhance the shopping experience for its customers, while improvements are being made in its supply chain to obtain greater efficiencies and higher productivity.

Mandarin Oriental

Mandarin Oriental performed well with underlying profit up 35% to a record US$93 million. The underlying earnings benefited from a profit of US$7 million arising upon the acquisition in February of the freehold rights of the group's Paris hotel together with an increased contribution from the hotel itself. Profit attributable to shareholders was US$96 million in 2013, compared to US$71 million in the prior year.

The occupancy and average rates were maintained at the group's two wholly-owned hotels in Hong Kong, while the performance in Tokyo improved significantly. The trading performances of its other Asian hotels were resilient. In Europe, a continued strong performance in Munich more than offset subdued results in Geneva. London was marginally down following a record year in 2012, while in Paris the hotel stabilized further with improvements in occupancy and average rate. In America, increased demand led to an overall improved performance.

Mandarin Oriental opened luxury hotels in Guangzhou and Shanghai during the year, while it ceased to manage the Chiang Mai resort and the Grand Lapa in Macau. The group has announced management contracts for hotels under development in Bali, Chongqing, Istanbul and Shenzhen, and within the next 18 months, expects to open five new hotels in Taipei, Bodrum, Marrakech, Beijing and Milan. Mandarin Oriental now operates 26 hotels with a further 18 under development, and has six *Residences at Mandarin Oriental* connected to its properties with a further seven under development.

Jardine Cycle & Carriage

Jardine Cycle & Carriage's underlying profit declined by 12% to US$894 million in 2013. Profit attributable to shareholders was 7% lower at US$915 million after accounting for non-trading items. Astra's contribution to underlying profit at US$849 million was 13% lower than 2012, largely due to an 11% decline in the average rupiah exchange rate. The contribution from the group's other motor interests was little changed.

Among the group's non-Astra motor businesses, its Singapore operations did well with only a marginal decline in earnings despite government measures to curb demand for vehicles. Intense competition led to a lower profit for Cycle & Carriage Bintang in Malaysia, although investment continued with the opening of a tenth Mercedes-Benz outlet. In Indonesia, Tunas Ridean's profits suffered lower margins and increased labour costs, although its finance operation did well. In Vietnam, the contribution from Truong Hai Auto Corporation increased significantly due to improved sales and margins, and lower interest costs. Jardine Cycle & Carriage has recently entered into a 60%-owned joint venture in Myanmar and has secured rights for the distribution and after-sales service of Mercedes-Benz, Mazda and Fuso vehicles.

Astra

Astra produced a net profit under Indonesian accounting standards that was little changed at Rp19.4 trillion, equivalent to US$1,838 million. Strong results from its financial services and mining contracting businesses were offset by a decline in earnings from its heavy equipment and palm oil subsidiaries. Its automotive activities delivered slightly improved results, as a decline in the contribution from its components business was countered by an improved result from its motorcycle operations.

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While automotive demand remained favourable during 2013, increased competition from additional domestic capacity coupled with higher labour costs led to the earnings contribution from the car sector being little changed. Astra's automotive component businesses achieved higher sales volumes, but earnings fell 4% following rises in both material and labour costs. There was, however, an improved contribution from the motorcycle businesses, which saw its market share increasing from 58% to 61%.

Net income from the group's financial services businesses grew by 15% in 2013. Strong growth in Permata Bank and the automotive-focused Astra Credit Companies, Toyota Astra Financial Services and Federal International Finance, was partly offset by a decline in the group's heavy equipment-focused finance companies, Surya Artha Nusantara Finance and Komatsu Astra Finance. Insurance company, Asuransi Astra Buana, recorded higher earnings.

United Tractors reported net income 16% lower as sales of Komatsu heavy equipment fell 32% following a decline in demand from the mining sector due to weaker coal prices. The coal mine contracting operations of subsidiary, Pamapersada Nusantara, benefited from increased mine site capacity and reported a 13% improvement in revenue. United Tractors' mining subsidiaries reported a decline in revenue of 34%, with coal sales 26% lower and average coal prices down 14%.

Astra Agro Lestari saw net income fall 25% despite an increase in sales. Average crude palm oil prices achieved were down 1%, and income also suffered from lower crop yield, higher labour costs and foreign exchange translation loss on US dollar borrowings.

Net income from infrastructure, logistics and other businesses increased by 10%, however, if items classified as non-trading are excluded, net income was down 19%. Its toll road saw increased traffic volume, while its TRAC car rental business experienced a 33% decline in net income due to higher depreciation and operating costs. Astra Graphia, which is active in the area of document information and communication technology solutions, reported net income up 22%.

Ben Keswick
Managing Director
6th March 2014

Jardine Strategic Holdings Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2013

	2013 Underlying business performance **US$m**	Non-trading items **US$m**	Total **US$m**	2012 Underlying business performance US$m restated	Non-trading items US$m	Total US$m restated
Revenue *(note 2)*	**32,666**	**-**	**32,666**	33,098	-	33,098
Net operating costs *(note 3)*	**(29,239)**	**(31)**	**(29,270)**	(29,441)	-	(29,441)
Change in fair value of investment properties	**-**	**(62)**	**(62)**	-	321	321
Operating profit	**3,427**	**(93)**	**3,334**	3,657	321	3,978
Net financing charges						
- financing charges	**(242)**	**-**	**(242)**	(239)	-	(239)
- financing income	**139**	**-**	**139**	123	-	123
	(103)	**-**	**(103)**	(116)	-	(116)
Share of results of Jardine Matheson *(note 4)*	**173**	**(5)**	**168**	169	4	173
Share of results of associates and joint ventures *(note 5)*						
- before change in fair value of investment properties	**934**	**(23)**	**911**	870	(45)	825
- change in fair value of investment properties	**-**	**352**	**352**	-	361	361
	934	**329**	**1,263**	870	316	1,186
Sale of an associate *(note 6)*	**-**	**-**	**-**	-	(66)	(66)
Profit before tax	**4,431**	**231**	**4,662**	4,580	575	5,155
Tax *(note 7)*	**(805)**	**(7)**	**(812)**	(842)	(14)	(856)
Profit after tax	**3,626**	**224**	**3,850**	3,738	561	4,299
Attributable to:						
Shareholders of the Company *(notes 8 & 10)*	**1,616**	**84**	**1,700**	1,575	252	1,827
Non-controlling interests	**2,010**	**140**	**2,150**	2,163	309	2,472
	3,626	**224**	**3,850**	3,738	561	4,299
	US$		**US$**	US$		US$
Earnings per share *(note 9)*						
- basic	**2.65**		**2.79**	2.56		2.97
- diluted	**2.65**		**2.79**	2.56		2.97

Jardine Strategic Holdings Limited
Consolidated Statement of Comprehensive Income
for the year ended 31st December 2013

	2013 US$m	2012 US$m restated
Profit for the year	**3,850**	4,299
Other comprehensive income/(expense)		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans	**41**	(54)
Net revaluation surplus before transfer to investment properties		
- intangible assets	**2**	-
- tangible assets	**1**	-
Tax on items that will not be reclassified	**(9)**	13
	35	(41)
Share of other comprehensive income/(expense) of Jardine Matheson	**27**	(24)
Share of other comprehensive income/(expense) of associates and joint ventures	**1**	(21)
	63	(86)
Items that may be reclassified subsequently to profit or loss:		
Net exchange translation differences		
- net loss arising during the year	**(1,794)**	(323)
- transfer to profit and loss	**(1)**	(2)
	(1,795)	(325)
Revaluation of other investments		
- net (loss)/gain arising during the year	**(28)**	180
- transfer to profit and loss	**(11)**	(75)
	(39)	105
Impairment of other investments	**55**	-
Cash flow hedges		
- net loss arising during the year	**(40)**	(15)
- transfer to profit and loss	**77**	19
	37	4
Tax relating to items that may be reclassified	**(8)**	1
Share of other comprehensive income of Jardine Matheson	**6**	25
Share of other comprehensive (expense)/income of associates and joint ventures	**(641)**	33
	(2,385)	(157)
Other comprehensive expense for the year, net of tax	**(2,322)**	(243)
Total comprehensive income for the year	**1,528**	4,056
Attributable to:		
Shareholders of the Company	**973**	1,888
Non-controlling interests	**555**	2,168
	1,528	4,056

Jardine Strategic Holdings Limited
Consolidated Balance Sheet
at 31st December 2013

	At 31st December		At 1st January
	2013	2012	2012
	US$m	US$m restated	US$m restated
Assets			
Intangible assets	**2,088**	2,269	2,126
Tangible assets	**6,426**	6,582	5,628
Investment properties	**23,688**	23,561	22,589
Plantations	**856**	1,026	1,058
Investment in Jardine Matheson	**1,734**	1,511	1,227
Associates and joint ventures	**7,749**	7,261	6,461
Other investments	**1,096**	1,208	1,065
Non-current debtors	**2,792**	2,682	2,500
Deferred tax assets	**226**	221	153
Pension assets	**30**	17	20
Non-current assets	**46,685**	46,338	42,827
Properties for sale	**2,670**	2,513	1,521
Stocks and work in progress	**2,330**	2,706	2,405
Current debtors	**5,269**	5,907	5,359
Current investments	**17**	13	4
Current tax assets	**129**	113	69
Bank balances and other liquid funds			
- non-financial services companies	**4,617**	3,629	3,699
- financial services companies	**284**	318	222
	4,901	3,947	3,921
	15,316	15,199	13,279
Non-current assets classified as held for sale	**7**	8	47
Current assets	**15,323**	15,207	13,326
Total assets	**62,008**	61,545	56,153

(Consolidated Balance Sheet continued on page 14)

Jardine Strategic Holdings Limited
Consolidated Balance Sheet
at 31st December 2013 (continued)

	At 31st December **2013** **US$m**	2012 US$m restated	At 1st January 2012 US$m restated
Equity			
Share capital	**56**	56	56
Share premium and capital reserves	**1,370**	1,366	1, 356
Revenue and other reserves	**22,440**	21,646	19,949
Own shares held	**(1,838)**	(1,727)	(1,714)
Shareholders' funds	**22,028**	21,341	19,647
Non-controlling interests	**20,862**	21,036	19,599
Total equity	**42,890**	42,377	39,246
Liabilities			
Long-term borrowings			
- non-financial services companies	**4,552**	5,342	4,620
- financial services companies	**1,674**	2,319	2,002
	6,226	7,661	6,622
Deferred tax liabilities	**707**	773	626
Pension liabilities	**213**	260	189
Non-current creditors	**384**	382	280
Non-current provisions	**116**	123	99
Non-current liabilities	**7,646**	9,199	7,816
Current creditors	**6,742**	6,439	6,133
Current borrowings			
- non-financial services companies	**2,385**	1,425	947
- financial services companies	**2,079**	1,803	1,670
	4,464	3,228	2,617
Current tax liabilities	**210**	258	297
Current provisions	**56**	44	44
Current liabilities	**11,472**	9,969	9,091
Total liabilities	**19,118**	19,168	16,907
Total equity and liabilities	**62,008**	61,545	56,153

Jardine Strategic Holdings Limited
Consolidated Statement of Changes in Equity
for the year ended 31st December 2013

	Share capital US$m	Share premium US$m	Capital reserves US$m	Revenue reserves US$m	Contributed surplus US$m	Asset revaluation reserves US$m	Hedging reserves US$m	Exchange reserves US$m	Own shares held US$m	Attributable to shareholders of the Company US$m	Attributable to non-controlling interests US$m	Total equity US$m
2013												
At 1st January												
- as previously reported	56	1,199	167	21,050	304	213	(23)	105	(1,727)	21,344	21,046	**42,390**
- change in accounting policy for employee benefits	-	-	-	(3)	-	-	-	-	-	(3)	(10)	**(13)**
- as restated	56	1,199	167	21,047	304	213	(23)	105	(1,727)	21,341	21,036	**42,377**
Total comprehensive income	-	-	-	1,797	-	1	24	(849)	-	973	555	**1,528**
Dividends paid by the Company *(note 11)*	-	-	-	(150)	-	-	-	-	-	(150)	-	**(150)**
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(951)	**(951)**
Employee share option schemes	-	-	14	-	-	-	-	-	-	14	3	**17**
Scrip issued in lieu of dividends	-	-	-	6	-	-	-	-	-	6	-	**6**
Increase in own shares held	-	-	-	-	-	-	-	-	(111)	(111)	-	**(111)**
Subsidiaries acquired	-	-	-	-	-	-	-	-	-	-	52	**52**
Subsidiaries disposed of	-	-	-	-	-	-	-	-	-	-	(1)	**(1)**
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	75	**75**
Change in interests in subsidiaries	-	-	-	(44)	-	-	-	-	-	(44)	93	**49**
Change in interests in associates and joint ventures	-	-	-	(1)	-	-	-	-	-	(1)	-	**(1)**
Transfer	-	-	(10)	10	-	-	-	-	-	-	-	**-**
At 31st December	**56**	**1,199**	**171**	**22,665**	**304**	**214**	**1**	**(744)**	**(1,838)**	**22,028**	**20,862**	**42,890**
2012												
At 1st January												
- as previously reported	56	1,199	157	19,344	304	213	(41)	134	(1,714)	19,652	19,609	39,261
- change in accounting policy for employee benefits	-	-	-	(4)	-	-	-	(1)	-	(5)	(10)	(15)
- as restated	56	1,199	157	19,340	304	213	(41)	133	(1,714)	19,647	19,599	39,246
Total comprehensive income	-	-	-	1,899	-	-	18	(29)	-	1,888	2,168	4,056
Dividends paid by the Company *(note 11)*	-	-	-	(141)	-	-	-	-	-	(141)	-	(141)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,003)	(1,003)
Unclaimed dividends forfeited	-	-	-	3	-	-	-	-	-	3	3	6
Employee share option schemes	-	-	11	-	-	-	-	-	-	11	2	13
Scrip issued in lieu of dividends	-	-	-	6	-	-	-	-	-	6	-	6
Increase in own shares held	-	-	-	-	-	-	-	-	(13)	(13)	-	(13)
Subsidiaries acquired	-	-	-	-	-	-	-	-	-	-	152	152
Subsidiaries disposed of	-	-	-	-	-	-	-	-	-	-	(1)	(1)
Conversion of convertible bonds in a subsidiary	-	-	-	-	-	-	-	-	-	-	56	56
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	5	5
Change in interests in subsidiaries	-	-	-	(59)	-	-	-	-	-	(59)	55	(4)
Change in interests in associates and joint ventures	-	-	-	(1)	-	-	-	-	-	(1)	-	(1)
Transfer	-	-	(1)	-	-	-	-	1	-	-	-	-
At 31st December	56	1,199	167	21,047	304	213	(23)	105	(1,727)	21,341	21,036	42,377

Total comprehensive income included in revenue reserves comprises profit attributable to shareholders of the Company of US$1,700 million *(2012: US$1,827 million)* and net fair value gain on other investments (net of impairment and transfer to profit and loss) of US$51 million *(2012: US$121 million)*. Cumulative net fair value gain on other investments amounted to US$311 million *(2012: US$260 million)*.

Contributed surplus represents the excess in value of shares acquired in consideration for the issue of the Company's shares, over the nominal value of those shares issued. Under the Bye-Laws of the Company, the contributed surplus is distributable.

Jardine Strategic Holdings Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2013

	2013 US$m	2012 US$m restated
Operating activities		
Operating profit	**3,334**	3,978
Change in fair value of investment properties	**62**	(321)
Depreciation and amortization	**992**	981
Other non-cash items	**298**	318
Increase in working capital	**(358)**	(2,239)
Interest received	**133**	121
Interest and other financing charges paid	**(253)**	(210)
Tax paid	**(933)**	(962)
	3,275	1,666
Dividends from associates and joint ventures	**533**	622
Cash flows from operating activities	**3,808**	2,288
Investing activities		
Purchase of subsidiaries *(note 12(a))*	**(74)**	(127)
Purchase of associates and joint ventures *(note 12(b))*	**(488)**	(253)
Purchase of other investments *(note 12(c))*	**(106)**	(256)
Purchase of intangible assets	**(294)**	(296)
Purchase of tangible assets	**(1,397)**	(1,281)
Additions to investment properties	**(223)**	(562)
Additions to plantations	**(65)**	(87)
Advance to associates, joint ventures and others *(note 12(d))*	**(6)**	(367)
Advance and repayment from associates, joint ventures and others *(note 12(e))*	**219**	59
Sale of subsidiaries *(note 12(f))*	**14**	8
Sale of associates and joint ventures	**-**	8
Sale of other investments *(note 12(g))*	**109**	423
Sale of intangible assets	**8**	4
Sale of tangible assets	**72**	38
Sale of investment properties	**1**	8
Cash flows from investing activities	**(2,230)**	(2,681)
Financing activities		
Capital contribution from non-controlling interests	**75**	5
Advance from non-controlling interests	**1**	22
Change in interests in subsidiaries *(note 12(h))*	**73**	(28)
Drawdown of borrowings	**8,492**	7,475
Repayment of borrowings	**(7,798)**	(5,757)
Dividends paid by the Company	**(268)**	(251)
Dividends paid to non-controlling interests	**(951)**	(1,003)
Cash flows from financing activities	**(376)**	463
Net increase in cash and cash equivalents	**1,202**	70
Cash and cash equivalents at 1st January	**3,918**	3,904
Effect of exchange rate changes	**(225)**	(56)
Cash and cash equivalents at 31st December	**4,895**	3,918

Jardine Strategic Holdings Limited
Notes

1. 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 2013 which have been prepared in conformity with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board.

The following standards, amendments and interpretations which are effective in the current accounting year and relevant to the Group's operations are adopted in 2013:

IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
Amendments to IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to IFRSs 10, 11 and 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income
IAS 19 (amended 2011)	Employee Benefits
IAS 27 (2011)	Separate Financial Statements
IAS 28 (2011)	Investments in Associates and Joint Ventures
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine
Annual Improvements to IFRSs	2009 – 2011 Cycle

As set out on page 18, the only standard adopted that impacts the consolidated profit and loss account and balance sheet is IAS 19 (amended 2011).

IFRS 10 'Consolidated Financial Statements' replaces SIC Interpretation 12 'Consolidation – Special Purpose Entities' and most of IAS 27 'Consolidated and Separate Financial Statements'. It contains a new single consolidation model that identifies control as the basis for consolidation for all types of entities. It provides a definition of control that comprises the elements of power over an investee; exposure of rights to variable returns from an investee; and ability to use power to affect the reporting entity's returns.

IFRS 11 'Joint Arrangements' replaces IAS 31 'Interests in Joint Ventures' and SIC 13 'Jointly Controlled Entities – Non Monetary Contributions by Venturers'. Under IFRS 11, joint arrangements are classified as either joint operations (whereby the parties that have joint control have rights to the assets and obligations for the liabilities of the joint arrangements) or joint ventures (whereby the parties that have joint control have rights to the net assets of the joint arrangements). Joint operations are accounted for by showing the party's interest in the assets, liabilities, revenue and expenses, and/or its relative share of jointly controlled assets, liabilities, revenue and expenses, if any. Accounting for joint ventures is now covered by IAS 28 (2011) as proportionate consolidation is no longer permitted.

1. Accounting Policies and Basis of Preparation (continued)

IFRS 12 'Disclosure of Interests in Other Entities' requires entities to disclose information that helps financial statements readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. Disclosure required includes significant judgements and assumptions made in determining whether an entity controls, jointly controls, significantly influences or has some other interest in other entities.

IFRS 13 'Fair Value Measurement' requires entities to disclose information about the valuation techniques and inputs used to measure fair value, as well as information about the uncertainty inherent in fair value measurements. The standard applies to both financial and non-financial items measured at fair value. Fair value is now defined as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date' (i.e. an exit price).

Amendments to IFRS 7 'Disclosures – Offsetting Financial Assets and Financial Liabilities' focus on disclosures of quantitative information about recognized financial instruments that are offset in the balance sheet, as well as those recognized financial instruments that are subject to master netting or similar arrangements irrespective of whether they are offset.

Amendments to IFRSs 10, 11 and 12 on transition guidance provide additional transition relief to IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments remove the requirement to present comparative information for periods before IFRS 12 is first applied.

Amendments to IAS 1 'Presentation of Items of Other Comprehensive Income' improve the consistency and clarity of the presentation of items of other comprehensive income. The amendments require entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be reclassified to profit or loss in the future. Items that will not be reclassified − such as remeasurements of defined benefit pension plans − will be presented separately from items that may be reclassified in the future − such as deferred gains and losses on cash flow hedges. The amounts of tax related to the two groups are required to be allocated on the same basis.

IAS 19 (amended 2011) 'Employee Benefits' requires, for defined benefit plans, the assumed return on plan assets recognized in the profit and loss to be the same as the rate used to discount the defined benefit obligation. Previously, the Group determined income on plan assets based on their long-term rate of expected return. It also requires past service costs to be recognized immediately in profit or loss. Additional disclosures are required to present the characteristics of defined benefit plans, the amount recognized in the financial statements, and the risks arising from defined benefit plans and multi-employer plans. The Group has applied the amended standard retrospectively and the comparative financial statements have been restated in accordance with the transition provisions of the standard. Details of the effect of the change are set out on page 20.

IAS 27 (2011) 'Separate Financial Statements' supersedes IAS 27 (2008) and prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. There is no impact on the consolidated financial statements as the changes only affect the separate financial statements of the investing entity.

1. Accounting Policies and Basis of Preparation (continued)

IAS 28 (2011) ‘Investments in Associates and Joint Ventures’ supersedes IAS 28 (2008) and prescribes the accounting for investments in associates and joint ventures and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

IFRIC 20 ‘Stripping Costs in the Production Phase of a Surface Mine’ clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods.

Annual improvements to IFRSs 2009 - 2011 Cycle comprises a number of non-urgent but necessary amendments to IFRSs. The amendments which are relevant to the Group’s operations include the following:

Amendment to IAS 1 ‘Presentation of Financial Statements’ clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either as required by IAS 8, ‘Accounting policies, changes in accounting estimates and errors’; or voluntarily. When an entity produces an additional balance sheet as required by IAS 8, the balance sheet should be as at the date of the beginning of the preceding period – that is, the opening position. No notes are required to support this balance sheet. When management provides additional comparative information voluntarily – for example, profit and loss account, balance sheet – it should present the supporting notes to these additional statements.

Amendment to IAS 16 ‘Property, Plant and Equipment’ clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment. The previous wording of IAS 16 indicated that servicing equipment should be classified as inventory, even if it was used for more than one period. Following the amendment, this equipment used for more than one period is classified as property, plant and equipment.

Amendment to IAS 32 ‘Financial Instruments: Presentation’ clarifies that income tax related to profit distributions is recognized in the profit and loss account, and income tax related to the costs of equity transactions is recognized in equity. Prior to the amendment, IAS 32 was ambiguous as to whether the tax effects of distributions and the tax effects of equity transactions should be accounted for in the profit and loss account or in equity.

Amendment to IAS 34 ‘Interim Financial Reporting’ clarifies the disclosure requirements for segment assets and liabilities in interim financial statements. A measure of total assets and liabilities is required for an operating segment in interim financial statements if such information is regularly provided to the chief operating decision maker and there has been a material change in those measures since the last annual financial statements.

- more -

1. Accounting Policies and Basis of Preparation (continued)

The effects of adopting IAS 19 (amended 2011) on the current financial year are not material and those on the comparative financial statements were as follows:

(a) On the consolidated profit and loss for the year ended 31st December 2012

	Increase/(decrease) in profit US$m
Net operating costs	(10)
Share of results of Jardine Matheson	(7)
Tax	1
Profit after tax	(16)
Attributable to:	
Shareholders of the Company	(12)
Non-controlling interests	(4)
Basic earnings per share (US$)	(0.02)
Diluted earnings per share (US$)	(0.02)

(b) On the consolidated statement of comprehensive income for the year ended 31st December 2012

	Increase/(decrease) in total comprehensive income US$m
Profit after tax	(16)
Remeasurement of defined benefit plans	10
Tax on items that will not be reclassified	(1)
Share of other comprehensive expense of Jardine Matheson	7
Share of other comprehensive expense of associates and joint ventures	1
Net exchange translation differences	1
Total comprehensive income for the year	2
Attributable to:	
Shareholders of the Company	2

(c) On the consolidated balance sheet

	Increase/(decrease) 31st December 2012 US$m	1st January 2012 US$m
Associates and joint ventures	(2)	(3)
Deferred tax assets	3	3
Total assets	1	-
Revenue and other reserves	(3)	(5)
Non-controlling interests	(10)	(10)
Deferred tax liabilities	(1)	(1)
Pension liabilities	15	16
Total equity and liabilities	1	-

The adoption does not have any effect on the consolidated cash flows.

2. Revenue

	Gross revenue		Revenue	
	2013 US$m	2012 US$m	**2013 US$m**	2012 US$m
By business:				
Jardine Matheson	**11,379**	10,796	**-**	-
Hongkong Land	**3,643**	2,526	**1,857**	1,115
Dairy Farm	**12,432**	11,541	**10,357**	9,801
Mandarin Oriental	**1,035**	1,012	**669**	648
Jardine Cycle & Carriage	**3,019**	3,059	**1,348**	1,502
Astra	**30,646**	31,831	**18,440**	20,039
Corporate and other interests	**-**	503	**-**	-
Intersegment transactions	**(774)**	(815)	**(5)**	(7)
	61,380	60,453	**32,666**	33,098

Gross revenue comprises revenue together with 100% of revenue from Jardine Matheson, associates and joint ventures.

3. Net Operating Costs

	2013 US$m	2012 US$m
Cost of sales	**(24,814)**	(25,138)
Other operating income	**512**	523
Selling and distribution costs	**(3,214)**	(3,112)
Administration expenses	**(1,580)**	(1,611)
Other operating expenses	**(174)**	(103)
	(29,270)	(29,441)
Net operating costs included the following gains/(losses) from non-trading items:		
Decrease in fair value of plantations	**(15)**	(52)
Asset impairment	**(55)**	2
Sale and closure of businesses	**10**	(12)
Sale of investments	**-**	57
Sale of property interests	**29**	5
	(31)	-

4. Share of Results of Jardine Matheson

	2013 US$m	2012 US$m
By business:		
Jardine Pacific	**63**	85
Jardine Motors	**31**	9
Jardine Lloyd Thompson	**37**	38
Corporate and other interests	**37**	41
	168	173
Share of results of Jardine Matheson included the following gains/(losses) from non-trading items:		
Increase in fair value of investment properties	**1**	5
Restructuring of businesses	**(6)**	(2)
Other	**-**	1
	(5)	4

Results are shown after tax and non-controlling interests in Jardine Matheson.

5. Share of Results of Associates and Joint Ventures

	2013 US$m	2012 US$m
By business:		
Hongkong Land	**586**	527
Dairy Farm	**66**	63
Mandarin Oriental	**21**	15
Jardine Cycle & Carriage	**27**	(21)
Astra	**563**	598
Corporate and other interests	**-**	4
	1,263	1,186
Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:		
Increase in fair value of investment properties	**352**	361
Asset impairment	**(21)**	(45)
Restructuring of businesses	**(2)**	-
	329	316

Results are shown after tax and non-controlling interests in the associates and joint ventures.

6. Sale of an Associate

In June 2012 the Group participated in the restructuring of the Rothschild group interests, pursuant to which it sold its holding of 21% in Rothschilds Continuation Holdings, which it originally acquired for US$181 million, in exchange for new shares in Paris Orléans ('PO') with a market value of US$172 million. The Group subsequently sold slightly less than 50% of its interest in PO for cash. These transactions together resulted in a non-trading loss of US$66 million *(note 10).* The remaining PO shares held by the Group are classified as other investments.

7. Tax

	2013 US$m	2012 US$m
Tax charged to profit and loss is analyzed as follows:		
Current tax	**(869)**	(877)
Deferred tax	**57**	21
	(812)	(856)
Greater China	**(189)**	(173)
Southeast Asia	**(614)**	(677)
United Kingdom	**(3)**	(3)
Rest of the world	**(6)**	(3)
	(812)	(856)
Tax relating to components of other comprehensive (expense)/income is analyzed as follows:		
Remeasurements of defined benefit plans	**(9)**	13
Cash flow hedges	**(8)**	1
	(17)	14

Tax on profits has been calculated at rates of taxation prevailing in the territories in which the Group operates.

Share of tax charge of Jardine Matheson of US$17 million and US$7 million *(2012: US$12 million and credit of US$2 million)* are included in share of results of Jardine Matheson and share of other comprehensive income of Jardine Matheson, respectively. Share of tax charge of associates and joint ventures of US$326 million and US$1 million *(2012: US$322 million and credit of US$6 million)* are included in share of results of associates and joint ventures and share of other comprehensive income of associates and joint ventures, respectively.

8. Profit attributable to Shareholders

	2013 US$m	2012 US$m
Operating segments:		
Jardine Matheson	**173**	169
Hongkong Land	**467**	390
Dairy Farm	**373**	345
Mandarin Oriental	**69**	51
Jardine Cycle & Carriage	**43**	42
Astra	**617**	695
	1,742	1,692
Corporate and other interests	**(126)**	(117)
Underlying profit attributable to shareholders*	**1,616**	1,575
Revaluation of investment properties	**135**	341
Other non-trading items	**(51)**	(89)
Profit attributable to shareholders	**1,700**	1,827

*Underlying profit attributable to shareholders is the measure of profit adopted by the Group in accordance with IFRS 8 'Operating Segments'.

9. Earnings per Share

Basic earnings per share are calculated on profit attributable to shareholders of US$1,700 million *(2012: US$1,827 million)* and on the weighted average number of 610 million *(2012: 614 million)* shares in issue during the year.

Diluted earnings per share are calculated on profit attributable to shareholders of US$1,699 million *(2012: US$1,825 million)*, which is after adjusting for the effects of the conversion of dilutive potential ordinary shares of Jardine Matheson, subsidiaries, associates or joint ventures, and on the weighted average number of 610 million *(2012: 614 million)* shares in issue during the year.

The weighted average number of shares is arrived as follows:

	Ordinary shares in millions	
	2013	2012
Weighted average number of shares in issue	**1,120**	1,120
Company's share of shares held by Jardine Matheson	**(510)**	(506)
Weighted average number of shares for earnings per share calculation	**610**	614

Additional basic and diluted earnings per share are also calculated based on underlying profit attributable to shareholders. A reconciliation of earnings is set out below:

	2013			2012		
	US$m	Basic earnings per share **US$**	Diluted earnings per share **US$**	US$m	Basic earnings per share US$	Diluted earnings per share US$
Profit attributable to shareholders	**1,700**	**2.79**	**2.79**	1,827	2.97	2.97
Non-trading items *(note 10)*	**(84)**			(252)		
Underlying profit attributable to shareholders	**1,616**	**2.65**	**2.65**	1,575	2.56	2.56

10. Non-trading Items

Non-trading items are separately identified to provide greater understanding of the Group's underlying business performance. Items classified as non-trading items include fair value gains or losses on revaluation of investment properties and plantations; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets and other investments; provisions for the closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

	2013 US$m	2012 US$m
By business:		
Jardine Matheson	**(5)**	4
Hongkong Land	**127**	332
Dairy Farm	**16**	2
Mandarin Oriental	**2**	1
Jardine Cycle & Carriage	**-**	12
Astra	**(1)**	(33)
Corporate and other interests	**(55)**	(66)
	84	252

An analysis of non-trading items after interest, tax and non-controlling interests is set out below:

	2013 US$m	2012 US$m
Increase in fair value of investment properties		
- Hongkong Land	**127**	331
- other	**8**	10
	135	341
Decrease in fair value of plantations	**(3)**	(12)
Asset impairment	**(61)**	(31)
Sale and closure of businesses	**3**	(1)
Sale of investments	**-**	41
Sale of property interests	**18**	3
Restructuring of businesses	**(8)**	(2)
Restructuring of Rothschild and subsequent partial sale of investment in Paris Orléans	**-**	(66)
Withholding tax	**-**	(22)
Other	**-**	1
	84	252

11. Dividends

	2013 US$m	2012 US$m
Final dividend in respect of 2012 of US¢17.00 *(2011: US¢16.00)* per share	**190**	179
Interim dividend in respect of 2013 of US¢7.50 *(2012: US¢7.00)* per share	**84**	78
	274	257
Company's share of dividends paid on the shares held by Jardine Matheson	**(124)**	(116)
	150	141

A final dividend in respect of 2013 of US¢18.00 *(2012: US¢17.00)* per share amounting to a total of US$202 million *(2012: US$190 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 net amount after deducting the Company's share of the dividends payable on the shares held by Jardine Matheson of US$92 million *(2012: US$86 million)* will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2014.

12. Notes to Consolidated Cash Flow Statement

(a) Purchase of subsidiaries

	2013 Fair value US$m	2012 Fair value US$m
Intangible assets	**59**	4
Tangible assets	**70**	496
Associates and joint ventures	**9**	-
Non-current debtors	**1**	-
Current tax assets	**4**	-
Current assets	**72**	6
Deferred tax liabilities	**(4)**	(123)
Pension liabilities	**(5)**	-
Current liabilities	**(59)**	-
Non-controlling interests	**-**	(38)
Fair value of identifiable net assets acquired	**147**	345
Adjustment for non-controlling interests	**(52)**	(114)
Goodwill	**13**	25
Total consideration	**108**	256
Adjustment for contingent consideration	**-**	(65)
Payment for contingent consideration	**1**	-
Consideration paid in previous year	**-**	(63)
Cash and cash equivalents of subsidiaries acquired	**(35)**	(1)
Net cash outflow	**74**	127

For the subsidiaries acquired during 2013, the fair value of the identifiable assets and liabilities at the acquisition date is provisional and will be finalized within one year after the acquisition dates.

The fair value of the identifiable assets and liabilities at the acquisition dates of certain subsidiaries acquired during 2012 as included in the comparative figures was provisional. The fair value was finalized in 2013. As the difference between the provisional and the finalized fair value was not material, the comparative figures have not been adjusted.

Net cash outflow for purchase of subsidiaries in 2013 included US$42 million and US$31 million for Astra's acquisition of a 100% interest in PT Pelabuhan Penajam Banua Taka, a port business in Indonesia, in January 2013, and a 51% interest in PT Pakoakuina, a producer of wheel rims for both motor cars and motorcycles, in April 2013, respectively.

12. Notes to Consolidated Cash Flow Statement (continued)

(a) Purchase of subsidiaries (continued)

Net cash outflow in 2012 included US$32 million for Dairy Farm's acquisition of a 70% interest in the Lucky supermarket chain in Cambodia in March 2012, and US$43 million and US$52 million for Astra's acquisition of a 60% interest in PT Duta Nurcahya, a mining company completed in April 2012 and a 100% interest in PT Borneo Berkat Makmur, a mining company completed in September 2012, respectively.

The total purchase consideration of PT Duta Nurcahya amounted to US$171 million and included contingent consideration of US$65 million which represents the fair value of service fee payable for mining services to be provided by the vendor. US$63 million of the consideration was prepaid in 2011.

The goodwill arising from the acquisition of the Lucky supermarket chain amounted to US$25 million and was attributable to its leading market position in Cambodia and retail market.

None of the goodwill is expected to be deductible for tax purposes.

Revenue and loss after tax since acquisition in respect of subsidiaries acquired during the year amounted to US$100 million and US$6 million, respectively. Had the acquisitions occurred on 1st January 2013, consolidated revenue and consolidated profit after tax for the year ended 31st December 2013 would have been US$32,714 million and US$3,866 million, respectively.

(b) Purchase of associates and joint ventures in 2013 included US$394 million for Hongkong Land's investments in new joint venutres mainly in China and Indonesia, and US$65 million for Astra's capital injection into certain associates and joint ventures in Indonesia.

Purchase in 2012 included US$112 million in Dairy Farm, mainly for its acquisition of a 50% interest in Rustan Supercenters Inc. in the Philippines; and US$33 million and US$95 million for Astra's capital injections into certain associates and joint ventures in Indonesia, and subscription to Bank Permata's rights issue, respectively.

(c) Purchase of other investments in 2013 mainly included acquisition of securities by Astra.

Purchase of other investments in 2012 mainly included acquisition of securities by Jardine Cycle & Carriage and Astra.

(d) Advance to associates, joint ventures and others in 2013 comprised Hongkong Land's loans to its property joint ventures.

Advance in 2012 comprised Hongkong Land's loans to its property joint ventures of US$348 million and Mandarin Oriental's loan to Mandarin Oriental, New York of US$19 million.

(e) Advance and repayment from associates, joint ventures and others in 2013 mainly included advance and repayment from Hongkong Land's property joint ventures.

Advance and repayment in 2012 mainly included repayment from Hongkong Land's property joint ventures of US$58 million.

12. Notes to Consolidated Cash Flow Statement (continued)

(f) Sale of subsidiaries

	2013 US$m	2012 US$m
Investment properties	**12**	-
Other investment	**4**	-
Current assets	**2**	6
Current liabilities	**(12)**	-
Net assets	**6**	6
Adjustment for non-controlling interests	**(1)**	(1)
Net assets disposed of	**5**	5
Profit on disposal	**10**	2
Sale proceeds	**15**	7
Adjustment for deferred consideration	**1**	1
Cash and cash equivalents of subsidiaries disposed of	**(2)**	-
Net cash inflow	**14**	8

Sale of subsidiaries in 2013 included US$9 million from Astra's disposal of its 100% interest in PT Suryaraya Prawira.

The revenue and profit after tax in respect of subsidiaries disposed of during the year amounted to US$1 million and US$1 million, respectively.

(g) Sale of other investments in 2013 mainly comprised Astra's sale of securities.

Sale in 2012 mainly included Jardine Cycle & Carriage's sale of securities of US$134 million, Astra's sale of securities of US$192 million and the Company's partial sale of its interest in Paris Orléans of US$93 million.

(h) Change in interests in subsidiaries

	2013 US$m	2012 US$m
Increase in attributable interests		
- Jardine Cycle & Carriage	**136**	132
- other	**51**	35
Decrease in attributable interests	**(260)**	(139)
	(73)	28

Increase in attributable interests in other subsidiaries in 2013 comprised Astra's acquisition of an additional 15% interest in PT Asmin Bara Bronang, increasing its controlling shareholding to 75%.

Decrease in attributable interests in 2013 comprised Astra's reduction in its interest in PT Astra Otoparts from 96% to 80%.

Decrease in 2012 comprised Dairy Farm's reduction in its interest in PT Hero Supermarket from 94% to 81%.

- more -

13. Jardine Strategic Corporate Cash Flow and Net Cash

	2013 US$m	2012 US$m
Dividends receivable		
Subsidiaries	**811**	771
Jardine Matheson	**508**	461
Joint ventures	**2**	2
Other holdings	**11**	11
	1,332	1,245
Less taken in scrip	**(508)**	(461)
	824	784
Other operating cash flows	**(184)**	(132)
Cash flows from operating activities	**640**	652
Investing activities		
Capital injection in joint ventures	**-**	(1)
Purchase of other investment	**(5)**	(1)
Sale of investment in joint ventures	**-**	8
Sale of other investment	**-**	93
Cash flows from investing activities	**(5)**	99
Financing activities		
Purchase of additional interests in subsidiaries	**(136)**	(132)
Dividends paid by the Company	**(268)**	(252)
Cash flows from financing activities	**(404)**	(384)
Net increase in net cash	**231**	367
Net cash at 1st January	**617**	250
Net cash at 31st December	**848**	617
Represented by:		
Bank balances and other liquid funds	**848**	617
	848	617

Corporate cash flow and net cash comprises the cash flows and net cash of the Company and of its investment holding and financing subsidiaries.

14. Capital Commitments and Contingent Liabilities

Total capital commitments at 31st December 2013 amounted to US$2,065 million *(2012: US$2,195 million).*

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.

15. Related Party Transactions

In accordance with the Bye-laws of the Company, Jardine Matheson Limited, a wholly-owned subsidiary of Jardine Matheson Holdings Limited ('Jardine Matheson'), has been appointed General Manager of the Company under a General Manager Agreement. With effect from 1st January 2008, Jardine Matheson Limited has sub-delegated certain of its responsibilities under the agreement to a fellow subsidiary. Total fees payable for services provided to the Company in 2013 amounted to US$132 million *(2012: US$127 million)*.

In the normal course of business the Group undertakes a variety of transactions with Jardine Matheson, and with certain of its associates and joint ventures.

The most significant of such transactions relate to the purchase of motor vehicles and spare parts from the Group's associates and joint ventures in Indonesia including PT Toyota-Astra Motor, PT Astra Honda Motor and PT Astra Daihatsu Motor. Total cost of motor vehicles and spare parts purchased in 2013 amounted to US$8,019 million *(2012: US$8,466 million).* The Group also sells motor vehicles and spare parts to its associates and joint ventures in Indonesia including PT Astra Honda Motor, PT Astra Daihatsu Motor and PT Tunas Ridean. Total revenue from sale of motor vehicles and spare parts in 2013 amounted to US$1,174 million *(2012: US$1,166 million)*.

Bank Permata provides banking services to the Group. The Group's deposits with Bank Permata at 31st December 2013 amounted to US$652 million *(2012: US$398 million)*.

There were no other related party transactions that might be considered to have a material effect on the financial position or performance of the Group that were entered into or changed during the year.

Amounts of outstanding balances with Jardine Matheson, and associates and joint ventures are included in debtors and creditors, as appropriate. The Group has also committed to provide loan facilities to Jardine Matheson. Undrawn facilities at 31st December 2013 amounted to US$160 million *(2012: US$116 million)*.

16. Post Balance Sheet Event

In January 2014, the Company purchased new shares in Zhongsheng Group Holdings Limited ('Zhongsheng') equivalent to 12.5% of existing share capital for a consideration equivalent to US$332 million, and agreed to subscribe for an equivalent of US$399 million of convertible bonds. Zhongsheng is one of mainland China's leading motor dealership groups and its shares are listed in Hong Kong. The bonds are exercisable within three years, at the Company's discretion, for a further 12.5% of the existing share capital of Zhongsheng. After fully exercising the convertible bonds, the Company will have an interest of some 20% of the then issued share capital of Zhongsheng. The investment will be financed through the Group's existing cash resources.

17. Market Value Basis Net Assets

	2013 US$m	2012 US$m
Jardine Matheson	**3,344**	4,914
Hongkong Land	**6,942**	8,225
Dairy Farm	**9,971**	11,440
Mandarin Oriental	**1,231**	1,069
Jardine Cycle & Carriage	**7,406**	10,113
Other holdings	**623**	611
	29,517	36,372
Jardine Strategic Corporate	**1,054**	766
	30,571	37,138
	US$	US$
Net asset value per share	**50.34**	60.65

'Market value basis net assets' are calculated based on the market price of the Company's holdings for listed companies, with the exception of the holding in Jardine Matheson which has been calculated by reference to the market value of US$19,762 million *(2012: US$22,926 million)* less the Company's share of the market value of Jardine Matheson's interest in the Company. For unlisted companies a Directors' valuation has been used.

Net asset value per share is calculated on 'market value basis net assets' of US$30,571 million *(2012: US$37,138 million)* and on 607 million *(2012: 612 million)* shares outstanding at the year end which excludes the Company's share of the shares held by Jardine Matheson of 513 million *(2012: 508 million)* shares.

Jardine Strategic Holdings Limited
Principal Risks and Uncertainties

The Board has overall responsibility for risk management and internal control. The process by which the Group identifies and manages risk will be set out in more detail in the Corporate Governance section of the Company's 2013 Annual Report (the 'Report'). The following are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the Disclosure and Transparency Rules issued by the Financial Conduct Authority of the United Kingdom and are in addition to the matters referred to in the Chairman's Statement and Operating Review.

Economic Risk
Most of the Group's businesses are exposed to the risk of negative developments in global and regional economies and financial markets, either directly or through the impact on the Group's joint venture partners, franchisors, bankers, suppliers or customers. These developments can result in recession, inflation, deflation, currency fluctuations, restrictions in the availability of credit, business failures, or increases in financing costs, oil prices and in the cost of raw materials. Such developments might increase operating costs, reduce revenues, lower asset values or result in the Group's businesses being unable to meet in full their strategic objectives.

Commercial Risk and Financial Risk
Risks are an integral part of normal commercial practices, and where practicable steps are taken to mitigate such risks. These risks are further pronounced when operating in volatile markets.

A number of the Group's businesses make significant investment decisions in respect of developments or projects that take time to come to fruition and achieve the desired returns and are, therefore, subject to market risks.

The Group's businesses operate in areas that are highly competitive, and failure to compete effectively in terms of price, product specification or levels of service can have an adverse effect on earnings. Significant pressure from such competition may lead to reduced margins. The quality and safety of the products and services provided by the Group's businesses are also important and there is an associated risk if they are below standard.

The steps taken by the Group to manage its exposure to financial risk will be set out in the Financial Review and in a note to the Financial Statements in the Report.

Concessions, Franchises and Key Contracts
A number of the Group's businesses and projects are reliant on concessions, franchises, management or other key contracts. Cancellation, expiry or termination, or the renegotiation of any such concession, franchise, management or other key contracts, could have an adverse effect on the financial condition and results of operations of certain subsidiaries, associates and joint ventures of the Group.

Regulatory and Political Risk
The Group's businesses are subject to a number of regulatory environments in the territories in which they operate. Changes in the regulatory approach to such matters as foreign ownership of assets and businesses, exchange controls, planning controls, emission regulations, tax rules and employment legislation have the potential to impact the operations and profitability of the Group's businesses. Changes in the political environment in such territories can also affect the Group's businesses.

Terrorism, Pandemic and Natural Disasters
A number of the Group's operations are vulnerable to the effects of terrorism, either directly through the impact of an act of terrorism or indirectly through the impact of generally reduced economic activity in response to the threat of or an actual act of terrorism.

All Group businesses would be impacted by a global or regional pandemic which could be expected to seriously affect economic activity and the ability of our businesses to operate smoothly. In addition, many of the territories in which the Group operates can experience from time to time natural disasters such as earthquakes and typhoons.

Responsibility Statement

The Directors of the Company confirm to the best of their knowledge that:

(a) the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board; and

(b) the sections of the Company's 2013 Annual Report, including the Chairman's Statement, Operating Review and Principal Risks and Uncertainties, which constitute the management report include a fair review of all information required to be disclosed by the Disclosure and Transparency Rules 4.1.8 to 4.1.11 issued by the Financial Conduct Authority of the United Kingdom.

For and on behalf of the Board

Ben Keswick
Adam Keswick

Directors

6th March 2014

The final dividend of US¢18.00 per share will be payable on 14th May 2014, subject to approval at the Annual General Meeting to be held on 8th May 2014, to shareholders on the register of members at the close of business on 21st March 2014, and will be available in cash with a scrip alternative. The ex-dividend date will be on 19th March 2014, and the share registers will be closed from 24th to 28th March 2014, inclusive. Shareholders will receive their cash 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 2013 final dividend by notifying the United Kingdom transfer agent in writing by 25th April 2014. The sterling equivalent of dividends declared in United States dollars will be calculated by reference to a rate prevailing on 29th April 2014. 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 or the scrip alternative.

Jardine Strategic

Jardine Strategic is a holding company which takes long-term strategic investments in multinational businesses, particularly those with an Asian focus, and in other high quality companies with existing or potential links with the Group. Its principal attributable interests are in Jardine Matheson 56%, Hongkong Land 50%, Dairy Farm 78%, Mandarin Oriental 74% and Jardine Cycle & Carriage 73%, which in turn has a 50% interest in Astra. Jardine Strategic is 83%-held by Jardine Matheson.

Jardine Strategic Holdings Limited is incorporated in Bermuda and has a Premium listing on the London Stock Exchange, with secondary listings in Bermuda and Singapore. The Company's interests are managed from Hong Kong by Jardine Matheson Limited.

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For further information, please contact:

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Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2013 can be accessed through the internet at www.jardines.com.