 香 港 交 易 所

Monthly Return of Equity Issuer on Movements in Securities

For the month ended (dd/mm/yyyy) :   __31/05/2011__

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer   The Hong Kong Building and Loan Agency Limited

Date Submitted   1 June 2011

I. Movements in Authorised Share Capital

1. Ordinary Shares

(1) Stock code :   00145   Description :   HK BLDG & LOAN

	No. of ordinary shares	Par value *(State currency)*	Authorised share capital *(State currency)*
Balance at close of preceding month	5,000,000,000	HK$0.10	HK$500,000,000.00
Increase/(decrease)	0		0
Balance at close of the month	5,000,000,000	HK$0.10	HK$500,000,000.00

(2) Stock code :   - -   Description :   - -

	No. of ordinary shares	Par value *(State currency)*	Authorised share capital *(State currency)*
Balance at close of preceding month			
Increase/(decrease)			
Balance at close of the month			

2. Preference Shares

	No. of preference shares	Par value *(State currency)*	Authorised share capital *(State currency)*
Stock code : - - Description : - -			
Balance at close of preceding month			
Increase/(decrease)			
Balance at close of the month			

3. Other Classes of Shares

	No. of other classes of shares	Par value *(State currency)*	Authorised share capital *(State currency)*
Stock code : - - Description : - -			
Balance at close of preceding month			
Increase/(decrease)			
Balance at close of the month			

Total authorised share capital at the end of the month *(State currency)* :   **HK$500,000,000.00**

II. Movements in Issued Share Capital

	No. of ordinary shares		No of preference shares	No. of other classes of shares
	(1)	(2)		
Balance at close of preceding month	**4,041,256,358**	- -	- -	- -
Increase/ (decrease) during the month	**28,818,649**	- -	- -	- -
Balance at close of the month	**4,070,075,007**	- -	- -	- -

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable	Movement during the month				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
	Granted	Exercised	Cancelled	Lapsed		
1. _____ _____ _____ (/ /) shares *(Note 1)*						
2. _____ _____ _____ (/ /) shares *(Note 1)*						
3. _____ _____ _____ (/ /) shares *(Note 1)*						

Total A.   (Ordinary shares) _____
(Preference shares) _____
(Other class) _____

Total funds raised during the month from exercise of options (State currency)

_____

Warrants to Issue Shares of the Issuer which are to be Listed

Description of warrants (Date of expiry - dd/mm/yyyy)	Currency of nominal value	Nominal value at close of preceding month	Exercised during the month	Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Non-listed Warrants (See Remark (1))	HK$	5,520,000.00	0	5,520,000.00	0	552,000,000
(21/06/2012)						
Stock code (if listed)	N/A					
Class of shares issuable (Note 1)	Ordinary					
Subscription price	HK$0.147 (subject to adjustment)					
EGM approval date (if applicable) (dd/mm/yyyy)	(28/05/2010)					
2. N/A						
(/ /)						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
3.						
(/ /)						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
4.						
(/ /)						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					

Total B.   (Ordinary shares)   0
(Preference shares)   N/A
(Other class)   N/A

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed)

Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Convertible Bonds						
	HK$	2,038,846.00	2,881,864.90	28,220,086.00 (See Remark (2))	28,818,649	282,200,860
Stock code (if listed)	N/A					
Class of shares issuable (Note 1)	Ordinary					
Subscription price	HK$0.10					
EGM approval date (if applicable) (dd/mm/yyyy))	(/ /)					
2. N/A						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
3.						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					
4.						
Stock code (if listed)						
Class of shares issuable (Note 1)						
Subscription price						
EGM approval date (if applicable) (dd/mm/yyyy)	(/ /)					

Total C. (Ordinary shares)	28,818,649	
(Preference shares)	N/A	
(Other class)	N/A	

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

Full particulars including EGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable:	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Open Offer of 562,500,000 Offer Shares at the Subscription Price on the basis of one Offer Share for every four Shares held on the Record Date, with a further 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 subscriber (i.e. the maximum number of the Conversion Shares is 449,999,997) (Details please refer to the Company's prospectus dated 15 April 2010 and announcement dated 5 May 2010) (/ /) Ordinary shares *(Note 1)*	(See Remarks (3) and (4))	282,200,860
2. _____ _____ _____ (/ /) shares *(Note 1)*		
3. _____ _____ _____ (/ /) shares *(Note 1)*		
Total D. (Ordinary shares)	0	
(Preference shares)	N/A	
(Other class)	N/A	

Other Movements in Issued Share Capital

Type of Issue			No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Rights issue	At price : State currency ———	Class of shares issuable ——— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	———	———
2. Open offer	At price : State currency ———	Class of shares issuable ——— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	———	———
3. Placing	At price : State currency ———	Class of shares issuable ——— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	———	———
4. Bonus issue		Class of shares issuable ——— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)	———	———

Type of Issue		No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
5. Scrip dividend At price : State currency ———	Class of shares issuable ——— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	——— ———
6. Repurchase of shares	Class of shares repurchased *(Note 1)* ——— Cancellation date : (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	——— ———
7. Redemption of shares	Class of shares redeemed *(Note 1)* ——— Redemption date : (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	——— ———
8. Consideration issue At price : State currency ———	Class of shares issuable ——— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) EGM approval date: (dd/mm/yyyy)	(/ /) (/ /)	——— ———

Type of Issue		No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
9. Capital reorganisation	Class of shares issuable ———— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)		
10. Other (Please specify)	At price : State currency ———— Class of shares issuable ———— *(Note 1)* Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)		
	Total E. (Ordinary shares) ———— (Preference shares) ———— (Other class) ————		

Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):	(1)	28,818,649	
	(2)	- -	
Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):		- -	
Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):		- -	

(These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").)

Remarks (if any):

(1) Pursuant to the Supplemental Warrant Placing Agreement entered into between the Company and the Placing Agent on 7 June 2010, 562,000,000 non-listed Warrants have been subscribed by the Placees at a warrant issue price of HK$0.01 per Warrant. The Warrant entitling the holder thereof to subscribe for one ordinary share of the Company at an initial warrant exercise price of HK$0.147 per share (subject to adjustment) for a period of 24 months commencing from the date of issue of the Warrants.

(2) Convertible Bonds in the aggregate principal amount of HK$29,063,104.90 have been subscribed by the Option Holders during the month of May 2011.

(Details please refer to the Company's prospectus dated 15 April 2010 and announcement dated 5 May 2010).

(3) 28,818,649 shares have been issued under the conversion of Convertible Bonds in the aggregate principle amount of HK$2,881,864.90 during the month of May 2011 (as set out in the Section of Convertibles in this return).

(4) The exercise period of the Option ended on 4 May 2011. Thereafter, any Options remaining unexercised lapsed forthwith.

Submitted by: _____ Tricor Tengis Limited _____

Title: _____ Share Registrar _____
            (Director, Secretary or other duly authorised officer)

Notes :

1.   State the class of shares (e.g. ordinary, preference or other).

2.   If there is insufficient space, please append the prescribed continuation sheet