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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)

EXPECTED TIMETABLE FOR THE PROPOSED CAPITAL REORGANISATION

Reference is made to the announcement of The Hong Kong Building and Loan Agency Limited (the “**Company**”) dated 19 April 2012 (the “**Announcement**”) in respect of, among others, the proposed Capital Reorganisation. Unless otherwise stated, capitalised terms used herein have the same meaning as defined in the Announcement.

The expected timetable for the implementation of the Capital Reorganisation is set out below:

Last time for lodging form of proxy in respect of the EGM 10:30 a.m. Monday,
28 May 2012

EGM 10:30 a.m. Wednesday,
30 May 2012

Announcement of the result of the EGM to be published not later than 11:00 p.m.,
Wednesday, 30 May 2012

Notice of the hearing date of the petition published
in the newspapers (*Note 1*) on or before Monday,
16 July 2012

Hearing of petition for confirmation of
the Capital Reduction by the Court (*Note 1*) on or before Monday,
30 July 2012

Announcement of the result of hearing of
petition to confirm the proposed Capital Reduction and
the Effective Date to be published (*Note 1*) Monday, 30 July 2012

Registration of the Confirmation Order to
confirm the proposed Capital Reduction and
the minute thereof with the Companies Registrar (*Note 2*) on or before Wednesday,
1 August 2012

Effective date of the Capital Reorganisation (*Note 2*) after 4:00 p.m., Wednesday,
1 August 2012

First day of free exchange of the existing Share certificates
for the Adjusted Share certificates Thursday, 2 August 2012

Dealing in the Adjusted Shares commence. 9:00 a.m., Thursday,
2 August 2012

Original counter for trading in existing Shares
in board lots of 8,000 Shares (in the form of
existing share certificates) closes 9:00 a.m., Thursday,
2 August 2012

Temporary counter for trading in the Adjusted Shares
in board lots of 800 Adjusted Shares (in the form of
existing share certificates) opens 9:00 a.m., Thursday,
2 August 2012

First day for designated broker to stand in the market to
provide matching service for selling and buying of
odd lots of the Adjusted Shares 9:00 a.m., Thursday,
16 August 2012

Original counter for trading in the Adjusted Shares
in board lots of 8,000 Adjusted Shares (in the form of
new share certificates) re-opens 9:00 a.m., Thursday,
16 August 2012

Parallel trading in the Adjusted Shares
(in the form of new and
existing share certifications) commences 9:00 a.m., Thursday,
16 August 2012

Latest time for designated broker to
stand in the market to provide matching service
for selling and buying of odd lots of the Adjusted Shares. 4:00 p.m., Wednesday,
5 September 2012

Temporary counter for trading in the Adjusted Shares
in board lots of 800 Adjusted Shares
(in the form of existing share certificates) removed 4:00 p.m., Wednesday,
5 September 2012

Parallel trading in the Adjusted Shares
(in the form of new and existing share certificates) ends 4:00 p.m., Wednesday,
5 September 2012

Last day of free exchange of the existing Share certificates
for the Adjusted Share certificates Friday, 7 September 2012

Notes:

1. The hearing date of the petition is subject to the availability of the Court and is subject to change. Further announcement(s) will be made as and when appropriate.
2. The proposed Capital Reduction will become effective when it is confirmed by the Court and a copy of the Confirming Order and a minute of the Company approved by the Court containing the particulars required under the Companies Ordinance are delivered to the Companies Registrar for registration, which is expected to be taken place on or before 1 August 2012.

If there is any change in this expected timetable, the Company will make further announcement(s). All times stated in the above timetable refer to Hong Kong time.

FRACTIONAL SHARES AND ODD LOT ARRANGEMENTS

As disclosed in the Announcement, fractional Adjusted Shares will be disregarded and will not be issued to the Shareholders, but all such fractional Adjusted Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional adjusted Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.

In order to alleviate the difficulties arising from the existence of odd lots of the Adjusted Shares, the Company will procure an agent to stand in the market to provide matching services for the odd lots of the Adjusted Shares on a best-effort basis. Further details will be set out in the circular in respect of the Capital Reorganisation that will be dispatched in due course.

By order of the Board
The Hong Kong Building and Loan Agency Limited
So Yuen Chun
Executive Director

Hong Kong, 27 April 2012

As at the date of this announcement, the Board comprises Mr. So Yuen Chun and Mr. Yeung Kwok Leung being executive Directors; Mr. Lam Kwok Hing, Wilfred being non-executive Director; Mr. Ng Cheuk Fan, Keith, Mr. Yeung Wai Hung, Peter and Mr. Lam Raymond Shiu Cheung being independent non-executive Directors.