



Press Release

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For immediate release

To: Business Editor

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

Jardine Strategic Holdings Limited Interim Results for the Six Months ended 30th June 2007

Highlights

- Strong increase in underlying earnings per share*
- Good profit growth across the Group
- Hongkong Land property portfolio value up 10%
- Net asset value per share[†] up 27% to US\$24.69

“The exceptional rate of increase in profits for the first half of 2007 was partly due to comparison with a relatively weak first half in 2006. While the pace of growth over the full year will inevitably slow, the Group’s businesses should continue to perform well if the current benign environment persists.”

Henry Keswick, *Chairman*
15th August 2007

Results

	(unaudited)		
	Six months ended 30th June		
	2007	2006	Change
	US\$m	US\$m	%
Underlying profit attributable to shareholders*	315	220	+43
Profit attributable to shareholders	883	615	+44
Shareholders' funds [†]	8,566	7,627	+12
	US\$	US\$	%
Underlying earnings per share*	0.51	0.36	+42
Earnings per share	1.43	1.00	+43
Net asset value per share [†]	24.69	19.38	+27
	US¢	US¢	%
Interim dividend per share	5.60	5.30	+6

* The Group uses 'underlying business performance' in its internal financial reporting to distinguish between the underlying profits and non-trading items, as more fully described in note 9 to the condensed financial statements. Management considers this to be a key measure and has provided this analysis as additional information in order to provide greater understanding of the Group's underlying business performance.

[†] At 30th June 2007 and 31st December 2006, respectively. Net asset value per share is calculated on a market value basis, details of which are set out in note 15 to the condensed financial statements.

The interim dividend of US¢5.60 per share will be payable on 24th October 2007 to shareholders on the register of members at the close of business on 31st August 2007 and will be available in cash with a scrip alternative. The ex-dividend date will be on 29th August 2007, and the share registers will be closed from 3rd to 7th September 2007, inclusive.

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Jardine Strategic Holdings Limited Interim Results for the Six Months ended 30th June 2007

Overview

The Company's businesses produced good results in the first half of 2007 as a positive economic environment persisted in most of their major markets.

Results

The Company's underlying profit attributable to shareholders for the first half of 2007 was US\$315 million, an increase of 43% compared with the previous year's first half. Underlying earnings per share for the first six months rose by 42% to US\$0.51.

Non-trading items include a net gain of US\$495 million arising from a further increase in Hongkong Land's investment property values during the period, compared with a US\$360 million gain in 2006. This has been taken through the profit and loss account. Non-trading items also include profits arising on the sale of part of the Company's shareholding in Butterfield Bank, the disposal by Mandarin Oriental of half of its 50% interest in its New York property, and the restructuring of Jardine Lloyd Thompson's interest in its French associate. After non-trading items, the Company's profit attributable to shareholders was US\$883 million.

Net asset value per share at 30th June 2007, calculated on a market value basis, was US\$24.69, an increase of 27% from 31st December 2006.

An increased interim dividend of US¢5.60 per share has been declared.

Business Performance

Robust commercial property markets in Hong Kong and Singapore enabled Hongkong Land to achieve a significant increase in both earnings and capital values. Construction is under way at the group's latest joint venture development in Singapore, Marina Bay Financial Centre, which is scheduled for phased completion from 2010. Hongkong Land's residential developments in Hong Kong, Macau, mainland China and Singapore are progressing on target, while its Singapore subsidiary, MCL Land, experienced strong demand on the launch of three new residential projects.

Jardine Cycle & Carriage's earnings were sharply higher as the recovery in Indonesia boosted Astra's results. Astra's motor vehicle sales rose significantly, although motorcycle sales showed only marginal growth in the face of keen competition. Its financial services businesses and palm oil operations are performing well, and United Tractors achieved profit growth despite its coal mining activities experiencing a poor start to the year. Jardine Cycle & Carriage's directly held motor dealership interests also reported an increased contribution.

Dairy Farm posted another good result with all its major retail formats performing well. The group has continued to build scale in its major markets across Asia with further store openings; the group now operates 57 hypermarkets in Southeast Asia. The expansion of its 7-Eleven chain in Southern China gathered pace in June with the acquisition and re-branding of a convenience store chain in Guangdong. Dairy Farm is now established in Vietnam, with its first four stores laying the foundation for a more substantial business, while in India its supermarket and health & beauty joint ventures continue to make progress. The company has announced plans for a special dividend, which its strong cash position will enable it to pay without impairing its development programme.

Within Jardine Matheson's directly held interests, most of Jardine Pacific's businesses produced improved profit performances in the first half. HACTL's medium-term prospects, however, remain uncertain due to the additional capacity that will be coming available at Hong Kong's airport in 2011. Jardine Motors achieved increased earnings from its Asian operations and UK dealerships, but its results for the full year are unlikely to reach those achieved in 2006 as they will not enjoy favourable pension adjustments or the same level of property gains. Jardine Lloyd Thompson reported improved earnings from continuing operations primarily due to firm cost control despite facing continued downward pressure on insurance rates and further weakness in the US dollar.

Mandarin Oriental's excellent results were due to higher average room rates in its key markets together with a full contribution from its freshly-renovated flagship hotel in Hong Kong. The strength of its brand continues to attract interest from owners and developers, and the group now has 16 hotels under development following the announcement of five new projects during the first half of the year. These include a 241-room hotel in the headquarters of China Central Television in Beijing and a 150-room property in central Paris.

There was an enhanced contribution from the Company's stake in Rothschilds Continuation Holdings as its investment banking business produced record revenues in a positive business environment. The group has recently announced a reorganization of its shareholding interests to consolidate its French banking activities within the same holding structure as N.M. Rothschild & Sons under Rothschilds Continuation Holdings.

Outlook

In conclusion, the Chairman, Henry Keswick said, "The exceptional rate of increase in profits for the first half of 2007 was partly due to comparison with a relatively weak first half in 2006. While the pace of growth over the full year will inevitably slow, the Group's businesses should continue to perform well if the current benign environment persists."

Operating Review

Jardine Matheson

Jardine Matheson's underlying profit for the first six months of 2007 was US\$320 million, up 41% over the same period in 2006. Underlying earnings per share were 38% higher at US\$0.90. Of the company's directly held interests:

- **Jardine Pacific**

Jardine Pacific's underlying profit from continuing businesses for the period was 16% higher at US\$53 million with further strong performances from Jardine Restaurants and Gammon. There was a lower contribution from its aviation and shipping operations, with HACTL's result little changed following only a modest increase in cargo throughput. Gammon continued to perform well in Hong Kong and Macau, while Jardine Schindler and JEC increased their contributions. Jardine Restaurants achieved significant earnings growth from its Pizza Hut operation in Hong Kong, and Jardine OneSolution achieved higher profits following a 12% increase in sales. The group's interest in Colliers Halifax, a property services joint venture in Japan, was sold to Hongkong Land in early June. Jardine Pacific's businesses should produce steady performances in the second half of the year.

- **Jardine Motors Group**

Jardine Motors' underlying profit from continuing businesses for the first half of 2007 was US\$34 million, up 21%. Zung Fu's new Mercedes-Benz car deliveries remained strong in Hong Kong, although below the level achieved in the same period last year following the successful launch of the new S-Class. The performance of the Mercedes-Benz dealership in Macau improved, while the dealerships in Southern China continued their profitable growth. The United Kingdom businesses benefited from a satisfactory new car market, the acquisition of a dealership group and gains arising from disposals. Jardine Motors is not expected to achieve the same level of earnings in 2007 as in 2006, when the group benefited from one-off pension and property gains.

- **Jardine Lloyd Thompson**

Jardine Lloyd Thompson's turnover for its continuing operations, following disposals in the United States, was marginally ahead for the period at US\$484 million. The results of the actions to raise efficiency taken by management are beginning to be seen. Underlying trading margin improved to 17% from 15%, and underlying trading profit from continuing operations was up 10% at US\$80 million. The Risk & Insurance group produced a modest growth in turnover, notwithstanding continued pressure on rates, intense competition and further weakness in the US dollar, while the Employee Benefits business in the United Kingdom made steady progress. The continuing deterioration in insurance markets and the dollar-sterling exchange rate will, however, restrict profit growth for the full year.

Hongkong Land

Continued strength in the commercial property markets in Hong Kong and Singapore and lower financing charges enabled Hongkong Land to increase underlying profit by 32% to US\$155 million. A 10% improvement in capital values was recorded over the period.

Competition for prime Central district office space in Hong Kong continues, driven primarily by the financial services sector and underpinned by tight supply. Vacancy in Hongkong Land's office portfolio at the end of June was 3%. The group's retail portfolio is also benefiting from high demand and is fully leased.

The strength of the financial services sector in Singapore is also behind the demand for high quality office space. The recently completed One Raffles Quay, developed by a consortium in which Hongkong Land holds a one-third interest, has established itself as the leading office building in Singapore's prime business district. The same consortium has now begun construction of the larger Marina Bay Financial Centre.

Hongkong Land has a number of residential projects under development in Hong Kong, Macau, mainland China and Singapore, which will contribute to its results upon their completion over the next few years. Singapore subsidiary, MCL Land, had an active first half in which it successfully launched three residential projects and secured three additional development sites. The level of its profit recognition on developments in 2007 will depend on whether a 421-unit project completes before the year end or in early 2008.

The outlook for Hongkong Land for the remainder of the year is encouraging as it will continue to benefit from positive rental reversions in its key markets.

Dairy Farm

Dairy Farm performed well in the first half of 2007 as it benefited from favourable trading environments in its major markets. Sales, including those of associates, increased by 11% to US\$3.2 billion, and underlying profit for the period was 17% higher at US\$101 million.

Dairy Farm's North Asian businesses performed well with improved results from retail banners in Hong Kong and Macau. In Taiwan, its supermarket operation traded in line with last year in a highly competitive market, but IKEA's results remain below expectations. The group now operates over 400 7-Eleven outlets in Southern China following the acquisition and re-branding of a convenience store chain in Guangdong. Hong Kong restaurant associate, Maxim's, enjoyed good growth as its fast food operations continued to recover.

Sales and profit in East Asia grew following another good performance from Malaysia, where there was further expansion in all formats, particularly in East Malaysia. Earnings in Indonesia, however, remained unsatisfactory and management changes were made to address the issues. The group has entered the Vietnamese market with the acquisition of four supermarkets.

In South Asia sales rose 16%, but operating profit was only marginally higher as the contribution from Singapore was affected by expenses incurred in the relocation of its head office and distribution centre, and costs in establishing two new Giant hypermarkets. The group's supermarket and health and beauty joint ventures in India added 14 outlets, while the remodelling of older stores is progressing. In Thailand, 13 health and beauty stores are now being operated in Greater Bangkok.

Dairy Farm's retail businesses continue to enjoy leading positions in their market sectors, and the prospects for the remainder of the year are positive.

Mandarin Oriental

Conditions in Mandarin Oriental's key markets remained strong in the first half of 2007. Increases in average room rates together with a full contribution from the newly-renovated Mandarin Oriental, Hong Kong enabled the group to achieve a significant improvement in earnings. Underlying profit rose 150% to US\$34 million. The net result benefited from a US\$16 million gain arising on the sale of half of its 50% equity interest in Mandarin Oriental, New York.

Mandarin Oriental, Hong Kong achieved a higher average room rate following its refurbishment, and The Excelsior, Hong Kong also produced good growth in room rate. The contribution from hotels in London and Geneva was higher due to the strengthening of occupancy and room rates, while in the United States, its Washington D.C. property continued to improve. Despite the reduced investment in its New York property, contribution from associates and joint ventures also increased.

Excellent progress was made in Mandarin Oriental's expansion programme with the announcement of five projects during the first half of 2007. The group now has 16 hotels under development and, with the exception of Paris, these will be management contracts requiring little or no investment from the group. Eight will also incorporate a 'residences' component. Mandarin Oriental has some 9,800 rooms in operation or planned, and its geographic spread has increased significantly with more than half of its portfolio outside of Asia.

Mandarin Oriental is expected to continue to experience favourable conditions during the remainder of the year.

Jardine Cycle & Carriage

Jardine Cycle & Carriage achieved a good level of profit growth in the first half of 2007 as the businesses of its 50.1%-held subsidiary, Astra, benefited from the continued strengthening of the Indonesian economy. Underlying profit for the six months increased by 56% to US\$152 million.

Astra's contribution was 46% higher at US\$147 million, enhanced in part by a stronger Rupiah. Improved earnings were achieved in its automotive, financial services, palm oil and heavy equipment activities.

The contribution to Jardine Cycle & Carriage from its directly held motor operations rose 43% to US\$19 million. In Singapore, its operations produced a good result, supported by strong demand for Mercedes-Benz passenger cars. Indonesian associate, Tunas Ridean, performed well in line with the strong market, but Cycle & Carriage Bintang continued to struggle as trading conditions in the Malaysian automotive sector remained difficult.

The encouraging performances in most of Jardine Cycle & Carriage's key businesses are expected to continue for the remainder of the year, although the motorcycle sector in Indonesia will remain challenging for Astra.

Astra International

Astra performed well as the Indonesian automotive market continued to recover, particularly in the motor vehicle sector which has seen a greater decline in 2006 than motorcycles. The wholesale motor vehicle market grew by 32% to 197,300 units in the first six months of the year. Astra's motor vehicle sales also increased, but at the lower rate of 25% to 104,300 units. This led to its market share reducing from 56% to 53%. Sales in the wholesale motorcycle market in Indonesia rose 17% during the same period, reaching 2.1 million units. In the face of keen competition, however, Astra's wholesale motorcycle sales were only marginally higher at 923,400 units and its market share fell from 50% to 44%.

Astra's financial services activities benefited from the growth in the automotive market, while Bank Permata performed well due to the higher net interest margins achieved. Astra Agro Lestari's earnings were strongly ahead following a 56% increase in crude palm oil prices, which more than offset the effects of a 12% decline in production. United Tractors produced a modest growth in earnings as a 57% increase in unit sales of Komatsu equipment compensated for a lower contribution from its coal mining subsidiary, Pamapersada Nusantara, resulting from adverse weather conditions and operational interruptions.

Jardine Strategic Holdings Limited
Consolidated Profit and Loss Account

	(unaudited)						Year ended 31st December		
	Six months ended 30th June			2006			2006		
	Underlying business performance	Non-trading items	Total	Underlying business performance	Non-trading items	Total	Underlying business performance	Non-trading items	Total
US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	
Revenue (<i>note 2</i>)	7,174	-	7,174	6,220	-	6,220	12,845	-	12,845
Net operating costs (<i>note 3</i>)	(6,612)	77	(6,535)	(5,850)	87	(5,763)	(11,996)	98	(11,898)
Operating profit (<i>note 4</i>)	562	77	639	370	87	457	849	98	947
Financing charges	(95)	-	(95)	(81)	-	(81)	(176)	-	(176)
Financing income	38	-	38	33	-	33	70	-	70
Net financing charges	(57)	-	(57)	(48)	-	(48)	(106)	-	(106)
Share of results of Jardine Matheson (<i>note 5</i>)	63	16	79	48	7	55	105	105	210
Share of results of associates and joint ventures (<i>note 6</i>)	198	492	690	148	360	508	330	747	1,077
Profit before tax	766	585	1,351	518	454	972	1,178	950	2,128
Tax (<i>note 7</i>)	(155)	(9)	(164)	(94)	(46)	(140)	(214)	(44)	(258)
Profit after tax	611	576	1,187	424	408	832	964	906	1,870
Attributable to:									
Shareholders of the Company	315	568	883	220	395	615	526	886	1,412
Minority interests	296	8	304	204	13	217	438	20	458
	611	576	1,187	424	408	832	964	906	1,870
	US\$		US\$	US\$		US\$	US\$		US\$
Earnings per share (<i>note 8</i>)									
- basic	0.51		1.43	0.36		1.00	0.86		2.30
- diluted	0.51		1.40	0.36		0.98	0.85		2.25

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Jardine Strategic Holdings Limited
Consolidated Balance Sheet

	(unaudited) At 30th June Restated 2007 US\$m	2006 US\$m	At 31st December 2006 US\$m
Assets			
Intangible assets	1,775	1,666	1,741
Tangible assets	2,743	2,387	2,697
Investment properties	29	27	33
Plantations	474	413	460
Investment in Jardine Matheson	951	792	946
Associates and joint ventures	6,792	5,156	6,135
Other investments	642	492	577
Non-current debtors	878	1,140	1,051
Deferred tax assets	93	80	95
Pension assets	87	74	89
Non-current assets	14,464	12,227	13,824
Stocks and work in progress	1,122	1,146	1,138
Current debtors	2,106	2,067	1,910
Current investments	13	-	3
Current tax assets	138	83	140
Bank balances and other liquid funds			
- non-financial services companies	1,358	1,069	1,145
- financial services companies	233	189	173
	1,591	1,258	1,318
	4,970	4,554	4,509
Non-current assets classified as held for sale (<i>note 10</i>)	7	2	56
Current assets	4,977	4,556	4,565
Total assets	19,441	16,783	18,389

(Consolidated Balance Sheet continued on page 10)

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Jardine Strategic Holdings Limited
Consolidated Balance Sheet (continued)

	(unaudited) At 30th June Restated 2007 US\$m	2006 US\$m	At 31st December 2006 US\$m
Equity			
Share capital	54	53	54
Share premium and capital reserves	1,327	1,323	1,325
Revenue and other reserves	8,292	6,376	7,302
Own shares held	(1,107)	(1,030)	(1,054)
Shareholders' funds (<i>note 11</i>)	8,566	6,722	7,627
Minority interests	3,336	2,894	3,183
Total equity	11,902	9,616	10,810
Liabilities			
Long-term borrowings			
- non-financial services companies	1,697	1,634	1,841
- financial services companies	680	825	723
	2,377	2,459	2,564
Deferred tax liabilities	498	411	485
Pension liabilities	74	56	64
Non-current creditors	128	148	185
Non-current provisions	17	12	15
Non-current liabilities	3,094	3,086	3,313
Current creditors			
Current borrowings	2,852	2,133	2,269
- non-financial services companies	566	772	937
- financial services companies	854	1,027	954
	1,420	1,799	1,891
Current tax liabilities	145	123	80
Current provisions	28	25	26
	4,445	4,080	4,266
Liabilities directly associated with non-current assets classified as held for sale (<i>note 10</i>)	-	1	-
Current liabilities	4,445	4,081	4,266
Total liabilities	7,539	7,167	7,579
Total equity and liabilities	19,441	16,783	18,389

Jardine Strategic Holdings Limited
Consolidated Statement of Recognized Income and Expense

	(unaudited) Six months ended 30th June	Year ended 31st December	
	2007 US\$m	2006 US\$m	
		2006 US\$m	
Surpluses on revaluation of properties	1	-	120
Gains on revaluation of other investments	124	198	264
Actuarial gains/(losses) on defined benefit pension plans	7	(10)	22
Net exchange translation differences	(6)	221	381
Gains/(losses) on cash flow hedges	3	-	(15)
Tax on items taken directly to equity	(21)	4	(67)
	<hr/>	<hr/>	<hr/>
Net income recognized directly in equity	108	413	705
Transfer to profit and loss on disposal of other investments	(44)	(4)	(45)
Transfer to profit and loss on realization of exchange reserves	(3)	1	(3)
Transfer to profit and loss in respect of cash flow hedges	1	2	3
Profit after tax	1,187	832	1,870
	<hr/>	<hr/>	<hr/>
Total recognized income and expense for the period	1,249	1,244	2,530
	<hr/>	<hr/>	<hr/>
Attributable to:			
Shareholders of the Company	958	884	1,794
Minority interests	291	360	736
	<hr/>	<hr/>	<hr/>
	1,249	1,244	2,530
	<hr/>	<hr/>	<hr/>

Jardine Strategic Holdings Limited
Consolidated Cash Flow Statement

	(unaudited)	Year	
	Six months ended	ended	
	30th June	31st	
	2007	2006	
	US\$m	US\$m	
		December	
		2006	
		US\$m	
Operating activities			
Operating profit	639	457	947
Depreciation and amortization	218	181	377
Other non-cash items	1	14	65
Decrease in working capital	370	241	588
Interest received	36	32	67
Interest and other financing charges paid	(89)	(83)	(169)
Tax paid	(107)	(174)	(337)
	1,068	668	1,538
Dividends from Jardine Matheson	87	-	11
Dividends from associates and joint ventures	109	188	272
Cash flows from operating activities	1,264	856	1,821
Investing activities			
Purchase of subsidiary undertakings (note 13(a))	-	(23)	(47)
Purchase of associates and joint ventures (note 13(b))	(104)	(45)	(465)
Purchase of other investments	(27)	(5)	(94)
Purchase of land use rights	(3)	(4)	(17)
Purchase of other intangible assets	(48)	-	(4)
Purchase of tangible assets	(239)	(349)	(686)
Purchase of plantations	(16)	(8)	(22)
Advance of mezzanine loans	(3)	-	-
Repayment of mezzanine loans	12	-	-
Capital distribution from associates	12	1	1
Sale of subsidiary undertakings (note 13(c))	-	272	227
Sale of associates and joint ventures (note 13(d))	80	-	1
Sale of other investments (note 13(e))	72	-	27
Sale of land use rights	12	8	26
Sale of tangible assets	24	26	50
Cash flows from investing activities	(228)	(127)	(1,003)
Financing activities			
Capital contribution from minority shareholders	-	11	14
Drawdown of borrowings	1,611	1,662	3,481
Repayment of borrowings	(2,281)	(2,161)	(3,870)
Dividends paid by the Company	(22)	(18)	(26)
Dividends paid to minority shareholders	(74)	(57)	(216)
Cash flows from financing activities	(766)	(563)	(617)
Effect of exchange rate changes	-	18	42
Net increase in cash and cash equivalents	270	184	243
Cash and cash equivalents at beginning of period	1,287	1,044	1,044
Cash and cash equivalents at end of period	1,557	1,228	1,287

Jardine Strategic Holdings Limited
Notes

1. Accounting Policies and Basis of Preparation

The financial information contained in this announcement has been based on the unaudited interim condensed financial statements, which have been prepared in accordance with IAS 34, Interim Financial Reporting.

In 2007, the Group adopted the following standards and interpretations to existing standards which are relevant to its operations:

IFRS 7	Financial Instruments: Disclosures
IAS 1 (amended 2005)	Presentation of Financial Statements - Capital Disclosures
IFRIC 8	Scope of IFRS 2
IFRIC 9	Reassessment of Embedded Derivatives
IFRIC 10	Interim Financial Reporting and Impairment

There have been no changes to the accounting policies described in the 2006 annual financial statements as a result of adoption of the above standards and interpretations.

The comparative figures for the six months ended 30th June 2006 have been restated to reflect revisions to the provisional fair value of certain liabilities in Rothschilds determined at the date of acquisition, which were reflected in the 2006 annual financial statements.

Certain comparative figures have been reclassified to conform with the current period presentation.

The Group's reportable segments are set out in note 2 and are described on pages 4 to 7.

2. Revenue

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
<i>By business:</i>		
Dairy Farm	2,796	2,496
Mandarin Oriental	250	183
Jardine Cycle & Carriage	642	558
Astra	3,486	2,980
Other activities	-	3
	7,174	6,220

3. Net Operating Costs

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
Cost of sales	(5,377)	(4,669)
Other operating income	150	155
Selling and distribution costs	(902)	(873)
Administration expenses	(394)	(364)
Other operating expenses	(12)	(12)
	(6,535)	(5,763)

4. Operating Profit

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
<i>By business:</i>		
Dairy Farm	113	97
Mandarin Oriental	70	92
Jardine Cycle & Carriage	21	18
Astra	415	267
	619	474
Corporate and other interests	20	(17)
	639	457

Operating profit included the following gains from non-trading items:

Sale and closure of businesses	21	85
Sale of investments	47	-
Discount on acquisition of businesses	9	-
Other	-	2
	77	87

5. Share of Results of Jardine Matheson

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
Share of results of Jardine Matheson included the following gains from non-trading items:		
Sale and closure of businesses	3	-
Sale of investments	-	7
Restructuring of SIACI in Jardine Lloyd Thompson	10	-
Realization of exchange gains*	3	-
	16	7

Results are shown after tax and minority interests in Jardine Matheson.

* Arising on repatriation of capital from a foreign subsidiary undertaking.

6. Share of Results of Associates and Joint Ventures

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
<i>By business:</i>		
Hongkong Land	568	406
Dairy Farm	12	10
Mandarin Oriental	8	6
Jardine Cycle & Carriage	4	2
Astra	86	70
Corporate and other interests	12	14
	690	508
Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:		
Increase in fair value of investment properties	495	360
Sale and closure of businesses	(3)	-
Sale of investments	-	3
Other	-	(3)
	492	360

Results are shown after tax and minority interests in the associates and joint ventures.

7. Tax

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
United Kingdom	2	1
Other jurisdictions	162	139
	164	140

Tax on profits has been calculated at rates of taxation prevailing in the territories in which the Group operates. Share of tax of Jardine Matheson of US\$11 million (*2006: US\$9 million*) and of associates and joint ventures of US\$150 million (*2006: US\$113 million*) are included in share of results of Jardine Matheson and share of results of associates and joint ventures respectively.

8. Earnings per Share

Basic earnings per share are calculated on profit attributable to shareholders of US\$883 million (2006: US\$615 million) and on the weighted average number of 618 million (2006: 613 million) shares in issue during the period.

Diluted earnings per share are calculated on profit attributable to shareholders of US\$862 million (2006: US\$598 million), which is after adjusting for the effects of the conversion of dilutive potential ordinary shares of Jardine Matheson, subsidiary undertakings, associates or joint ventures.

The weighted average number of shares is arrived at as follows:

	Ordinary shares in millions	
	2007	2006
Weighted average number of shares in issue	1,073	1,059
Company's share of shares held by Jardine Matheson	(455)	(446)
Weighted average number of shares for earnings per share calculation	<u>618</u>	<u>613</u>

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:

	Six months ended 30th June					
	US\$m	2007		US\$m	2006	
		Basic earnings per share US\$	Diluted earnings per share US\$		Basic earnings per share US\$	Diluted earnings per share US\$
Profit attributable to shareholders	883	1.43	1.40	615	1.00	0.98
Non-trading items (note 9)	(568)			(395)		
Underlying profit attributable to shareholders	<u>315</u>	<u>0.51</u>	<u>0.51</u>	<u>220</u>	0.36	0.36

9. 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; 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; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

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

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
Increase in fair value of investment properties in Hongkong Land	495	360
Sale and closure of businesses		
- 25% interest in Mandarin Oriental, New York	12	-
- The Mark	-	26
- other	(1)	2
	11	28
Sale of investments	47	10
Restructuring of SIACI in Jardine Lloyd Thompson	10	-
Realization of exchange gains*	3	-
Discount on acquisition of businesses	2	-
Other	-	(3)
	568	395

* Arising on repatriation of capital from a foreign subsidiary undertaking of Jardine Matheson.

10. Non-current Assets Classified as Held for Sale

The major classes of assets and liabilities classified as held for sale are set out below:

	At 30th June 2007 US\$m	At 30th June 2006 US\$m	At 31st December 2006 US\$m
Tangible assets	-	2	-
Investment properties	7	-	2
Associates and joint ventures	-	-	14
Non-current debtors	-	-	31
Current assets	-	-	9
Total assets	7	2	56
Deferred tax liabilities	-	1	-
Total liabilities	-	1	-

At 30th June 2007, the non-current assets classified as held for sale comprised Jardine Cycle & Carriage's investment properties in Malaysia.

Non-current assets classified as held for sale at 31st December 2006 principally related to Mandarin Oriental's 25% interest in Mandarin Oriental, New York of US\$14 million and its mezzanine loan to the hotel of US\$40 million. The sale was completed in March 2007 resulting in a profit before tax of US\$25 million, which was included in other operating income.

11. Shareholders' Funds

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
At 1st January		
- as previously reported	7,627	5,860
- revision of fair value adjustments on acquisition of Rothschilds	-	(1)
- as restated	7,627	5,859
Recognized income and expense attributable to shareholders	958	884
Dividends (<i>note 12</i>)	(72)	(67)
Employee share option schemes		
- value of employee services	2	2
Scrip issued in lieu of dividends	103	98
Change in attributable interests	1	1
Increase in own shares held	(53)	(55)
At 30th June	8,566	6,722

12. Dividends

	Six months ended 30th June	
	2007	2006
	US\$m	US\$m
Final dividend in respect of 2006 of US¢11.70 (2005: US¢11.00) per share	125	116
Company's share of dividends paid on the shares held by Jardine Matheson	(53)	(49)
	72	67

An interim dividend in respect of 2007 of US¢5.60 (2006: US¢5.30) per share amounting to a total of US\$60 million (2006: US\$57 million) is declared by the Board. The net amount after deducting the Company's share of the dividends payable on the shares held by Jardine Matheson of US\$26 million (2006: US\$24 million) will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2007.

13. Notes to Consolidated Cash Flow Statement

- (a) Purchase of subsidiary undertakings for the six months ended 30th June 2006 included the Company's increased interest in Jardine Cycle & Carriage of US\$20 million.
- (b) Purchase of associates and joint ventures for the six months ended 30th June 2007 included the Company's increased interest in Hongkong Land of US\$96 million. Purchase of associates and joint ventures for the six months ended 30th June 2006 included US\$26 million for Astra's interest in Toyota Astra Financial Services and the Company's increased interest in Hongkong Land of US\$13 million.
- (c) Sale of subsidiary undertakings for the six months ended 30th June 2006 included US\$143 million from Mandarin Oriental's sale of its interest in The Mark, New York, US\$28 million from Astra's partial sale of its interest in Aisin and US\$163 million from the sale of the Company's interest in MCL Land.
- (d) Sale of associates and joint ventures for the six months ended 30th June 2007 included US\$75 million from Mandarin Oriental's sale of its 25% interest in Mandarin Oriental, New York.
- (e) Sale of other investments for the six months ended 30th June 2007 included US\$50 million and US\$12 million from the Company's sale of its interest in The Bank of N.T. Butterfield & Son and CNAC respectively.

14. Capital Commitments and Contingent Liabilities

	At 30th June 2007 US\$m	At 31st December 2006 US\$m
Capital commitments	210	191

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. Market Value Basis Net Assets

	At 30th June 2007 US\$m	At 31st December 2006 US\$m
Jardine Matheson	1,726	949
Hongkong Land	4,857	4,212
Dairy Farm	4,744	3,568
Mandarin Oriental	1,605	1,201
Jardine Cycle & Carriage	2,234	2,102
Other holdings	745	693
Jardine Strategic Corporate	(588)	(770)
	15,323	11,955
Net asset value per share (US\$)	24.69	19.38

'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\$7,834 million (2006: US\$7,004 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\$15,323 million (2006: US\$11,955 million) and on 621 million (2006: 617 million) shares outstanding at the period end which excludes the Company's share of the shares held by Jardine Matheson of 459 million (2006: 455 million) shares.

The interim dividend of US\$5.60 per share will be payable on 24th October 2007 to shareholders on the register of members at the close of business on 31st August 2007, and will be available in cash with a scrip alternative. The ex-dividend date will be on 29th August 2007, and the share registers will be closed from 3rd to 7th September 2007, 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 by notifying the United Kingdom transfer agent in writing by 5th October 2007. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 10th October 2007. 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.

- end -

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This and other Group announcements can be accessed through the Internet at 'www.jardines.com'.

Note to Editors

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 53%, Hongkong Land 47%, Dairy Farm 78%, Mandarin Oriental 74% and Jardine Cycle & Carriage 64%.

The primary share listing of the parent company, Jardine Strategic Holdings Limited, is in London, with secondary listings in Bermuda and Singapore. The Company is incorporated in Bermuda and its interests are managed from Hong Kong by Jardine Matheson Limited.