Jardine Strategic

Jardine Strategic Holdings Limited
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Press Release

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To: Business Editor

7th August 2009
For immediate release

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
Half-Yearly Results for the Six Months ended 30th June 2009

Highlights

- 10% decline in first half underlying earnings
- Improved contributions from Hongkong Land and Dairy Farm
- Challenging markets for hotels, motors and aviation services
- Hongkong Land commercial investment property values down 8%
- Hongkong Land consolidated as a subsidiary from 30th June

"Jardine Strategic's full-year results should benefit from improved performances from certain of the Group's businesses. Hongkong Land, in particular, is expected to see a strong second half. Overall, the Group remains well financed and its long-term prospects are excellent."

Sir Henry Keswick, *Chairman*
7th August 2009

Results

	(unaudited) Six months ended 30th June		
	2009 **US$m**	2008 US$m	Change %
Underlying profit attributable to shareholders*	**418**	465	–10
Profit attributable to shareholders	**292**	1,171	–75
Shareholders' funds†	**10,068**	9,705	+4
	US$	US$	%
Underlying earnings per share*	**0.67**	0.76	–12
Earnings per share	**0.47**	1.90	–75
Net asset value per share†	**28.91**	18.15	+59
	US¢	US¢	%
Interim dividend per share	**6.00**	5.90	+2

* 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 11 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 business performance.

† At 30th June 2009 and 31st December 2008, respectively. Net asset value per share is calculated on a market value basis, details of which are set out in note 18 to the condensed financial statements.

The interim dividend of US¢6.00 per share will be payable on 21st October 2009 to shareholders on the register of members at the close of business on 28th August 2009 and will be available in cash with a scrip alternative. The ex-dividend date will be on 26th August 2009, and the share registers will be closed from 31st August to 4th September 2009, inclusive.

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Jardine Strategic Holdings Limited
Half-Yearly Results for the Six Months ended 30th June 2009

Overview

The global economic downturn has affected the Group's businesses to varying degrees. While overall earnings have declined from the record result seen in the first half of 2008, there were relatively good contributions from Hongkong Land and Dairy Farm.

Performance

The Company's underlying profit for the first six months of 2009 was US$418 million, a decline of 10% over the same period in 2008. Underlying earnings per share were 12% lower at US$0.67. The turnover of the Group, including 100% of the turnover of associates and joint ventures, was US$15.7 billion, compared to US$18.5 billion in the first half of 2008.

The Group's share of investment property valuations in Hongkong Land at the end of June gave rise to a net deficit of US$339 million, which has been taken through the profit and loss account. This compares with a US$667 million gain in the first half of 2008. Non-trading items for the period also included the Company's US$56 million share of a gain on a property disposal within Mandarin Oriental, a US$50 million gain arising on the reclassification of perpetual notes as equity by Rothschilds Continuation and a gain of US$96 million arising on an increase in the Company's interest in Hongkong Land. After non-trading items, the Company's profit attributable to shareholders was US$292 million for the six months, compared with US$1,171 million in 2008.

Net asset value per share at 30th June 2009 calculated on a market value basis was US$28.91, an increase of 59% from 31st December 2008 reflecting a strengthening of the equity markets.

The Board has declared an increased interim dividend of US¢6.00 per share, up 2%.

Business Activity

Within Jardine Matheson's directly held interests, a number of Jardine Pacific's businesses suffered from the effects of the economic downturn leading to an overall lower profit for the period. While its engineering and construction activities are continuing to trade well, Jardine Pacific's results for the full year will remain below those of 2008. Jardine Motors' earnings declined further due to weaker results in its three main markets. Its dealerships in Southern China were least affected as demand remained relatively strong. Jardine Lloyd Thompson did well in winning new business and controlling costs, but its earnings contribution was held back by reduced interest income from its cash holdings and a sharp decline in sterling.

Hongkong Land continued to achieve positive rental reversions despite the commercial property markets in both Hong Kong and Singapore softening in the first half of the year. In the residential sector it has seen some recent improvement in sentiment in the markets where the group is active. Hongkong Land's full-year results will show a strong increase due to earnings from the completion of residential properties already sold and the absence of the write-downs seen at the end of 2008. Hongkong Land became a Group subsidiary after many years of steady open market share purchases and has been consolidated with effect from 30th June 2009.

Dairy Farm produced further increases in sales and profit during the first half of 2009. The group continued to expand its retail network increasing its total number of stores in operation by 207 to 4,847. Its health and beauty operations in mainland China, in particular, are being developed with the addition of new stores in a number of major cities.

Occupancy levels across most of Mandarin Oriental's hotels were substantially below those achieved in the same period last year as a result of reduced travel worldwide. Average room rates were also negatively affected. Demand in Europe was less influenced by the economic conditions, and the group's London property performed relatively well. Mandarin Oriental's development programme is continuing and three new hotels under management contracts are due to open over the next six months. Its Jakarta property will also reopen in October following an extensive renovation.

Jardine Cycle & Carriage's earnings were lower, principally due to profit declines in Astra's motor and palm oil activities and a weaker average rupiah exchange rate. Astra's financial services, heavy equipment and contract coal mining businesses, however, were able to produce improved performances. Jardine Cycle & Carriage's own motor activities were affected by the softer markets, although there was a modest contribution from the now 25%-owned Truong Hai Auto Corporation in Vietnam.

The Company's subsidiary, JSH (Mauritius), sold its 20% stake in Tata Industries in July 2009 for proceeds of some US$158 million. The company has since reinvested the funds in a shareholding of approximately 3% in the publicly-listed Tata Power Company, India's largest private sector power utility company.

Outlook

Jardine Strategic's full-year results should benefit from improved performances from certain of the Group's businesses. Hongkong Land, in particular, is expected to see a strong second half. Overall, the Group remains well financed and its long-term prospects are excellent.

Sir Henry Keswick
Chairman
7th August 2009

Operating Review

Jardine Matheson

Jardine Matheson reported an underlying profit for the first six months of 2009 of US$389 million, a decline of 13%. After investment property revaluations and other non-trading items, the company's profit attributable to shareholders was US$249 million for the six months, compared with US$1,018 million in 2008. The contribution of Jardine Matheson's directly held interests to the Company's underlying profit was down 31% at US$47 million. Of the Jardine Matheson's directly held interests:

- **Jardine Pacific**
  Jardine Pacific's underlying profit was 22% lower at US$43 million. Its contribution to Jardine Strategic's underlying profit was US$23 million, down 22%. The revaluation of residential properties gave rise to a non-trading gain of US$8 million, producing a profit attributable to shareholders of US$51 million. The group's aviation and shipping activities suffered from reduced market activity, with Hong Kong Air Cargo Terminals recording a 38% decline in profit as cargo throughput fell by 21%. Gammon's earnings were weaker, although the second half of the year will benefit from its strong order book. Jardine Schindler and JEC both produced enhanced profits. Jardine Restaurants experienced lower sales and pressure on margins in Hong Kong, while JOS recorded a fall in earnings following a significant reduction in revenues. The outlook continues to be challenging.

- **Jardine Motors**
  Jardine Motors' underlying profit for the first half of 2009 was down 46% at US$17 million due to the impact of the economic downturn in the group's markets. Its contribution to the Company's underlying profit was down 46% at US$9 million. Its profit attributable to shareholders, which benefited from a recovery of VAT and the write-back of a provision, was 21% lower at US$26 million. Zung Fu's performance in Hong Kong and Macau reflected a new car market that was down by 42%. Its aftersales business remained steady and its commercial vehicle business benefited from government orders. Zung Fu continued to grow its Mercedes-Benz dealerships in Southern China with a 44% increase in deliveries. There was pressure on new car margins, however, and the overall performance was held back by the start-up costs of new operations. The United Kingdom witnessed significant weakening in new vehicle demand and margins, and despite cost reductions and working capital improvements undertaken by the group, earnings were severely affected.

- **Jardine Lloyd Thompson**
  Jardine Lloyd Thompson achieved a good overall performance despite mixed insurance markets and the benefits of a stronger dollar being offset by lower returns on cash

balances. Turnover increased by 16% and underlying profit before tax was up 12%, as measured in its reporting currency of sterling. The company's contribution to Jardine Strategic's underlying profit, however, fell 15% to US$10 million due to the marked decline in sterling in the period. Jardine Lloyd Thompson's risk and insurance group achieved good growth in both revenue and trading profit. Its employee benefits business in the United Kingdom produced a modest growth in revenue, although it has suffered from the more difficult economic conditions. The group remains in a good position to make further progress for the year as a whole.

Hongkong Land

Hongkong Land's underlying profit increased by 16% to US$281 million in the first half of the year as higher net rental income offset lower earnings from residential property. This represented a 21% increase in its contribution to Jardine Strategic's underlying profit at US$139 million. The valuation of Hongkong Land's commercial investment properties at the end of June produced an 8% reduction in value, the decline being most marked in Singapore where values fell by 28%. The resulting deficit, offset in part by an increase in the value of its investment properties under development which are required to be revalued for the first time, produced a loss attributable to shareholders of US$402 million. This compares with a profit of US$1,629 million in the first half of 2008. The consolidation of Hongkong Land for the first time at 30th June 2009 has resulted in significant changes to the face of the Jardine Strategic balance sheet.

A reduction in demand for office space in Hong Kong produced a vacancy rate of 5.5% in Hongkong Land's portfolio at the end of June, although its retail space remained fully leased. Its commercial property interests in Singapore remained fully let in a slowing market. Construction at Marina Bay Financial Centre in Singapore, in which Hongkong Land holds a one-third interest, is continuing on schedule for a two-phased completion in 2010 and 2012.

In the residential sector, MCL Land completed two projects in Singapore and its full-year result should also benefit from a further completion. Hongkong Land's developments in mainland China are progressing well, and recent sales launches in Chongqing attracted a good response. Construction is ongoing at its two Hong Kong residential development projects, one of which is scheduled for completion later this year and has achieved encouraging sales. The residential and retail elements of its One Central joint venture development in Macau are due to complete in the second half of 2009.

While operating conditions are likely to remain uncertain for the remainder of 2009, Hongkong Land is expected to produce a good result for the year as its pre-sold residential properties reach completion.

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Dairy Farm

Dairy Farm achieved further growth in the first half of 2009. Sales, including 100% of associates, increased by 1% to US$3.8 billion, while underlying net profit was 10% higher at US$156 million; representing increases of 7% and 16%, respectively, at constant rates of exchange. At the Jardine Strategic level, the contribution to underlying profit was up 9% at US$121 million. Dairy Farm's profit attributable to shareholders was little changed from the first half of 2008, which had included a US$13 million non-recurring gain.

The group's supermarket and health and beauty businesses in North Asia produced further profit growth, but those operations more exposed to discretionary spending, such as convenience stores, generally saw lower profits. The expansion of its health and beauty chain in mainland China is progressing well with the opening of new stores in cities such as Beijing, Shanghai, Nanjing and Chongqing. Hong Kong restaurant associate, Maxim's, produced a reasonable result despite a decline in consumer spending in a difficult market.

The group's businesses in Malaysia and Brunei increased their profit contributions. There were better results in Singapore, and the overall performance in Indonesia also continued to improve. Further opportunities for expansion are being sought in Vietnam, while in India the group's supermarket and health and beauty joint ventures concentrated on consolidating their market positions.

Dairy Farm's major businesses are expected to continue to trade well in the second half of 2009 and to produce a satisfactory performance for the full year.

Mandarin Oriental

Mandarin Oriental had a difficult first half and recorded an underlying profit for the six months of US$1 million, compared with US$36 million in 2008. There was a contribution of US$1 million to Jardine Strategic's underlying profit for the period, compared with a profit of US$28 million in 2008. The completion of sale of its interest in its Macau hotel enabled Mandarin Oriental to report a profit attributable to shareholders for the period of US$74 million, compared with US$36 million in 2008.

Occupancy levels across most of Mandarin Oriental's hotels were substantially below those achieved in the same period last year due to depressed demand resulting from the global economic downturn, while H1N1 influenza also had a negative impact on travel patterns. Average room rates were also negatively affected, particularly in Asia. The results in Europe were less influenced by the economic conditions as demand for leisure travel, particularly in London, remained relatively resilient. It is expected that market conditions will remain poor for the remainder of the year.

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Mandarin Oriental currently operates 23 hotels and has a further 18 under development. These comprise 17 properties in Asia, 14 in The Americas and ten in Europe and North Africa representing approximately 10,000 rooms in 25 countries. Over the next six months, Mandarin Oriental plans to open hotels in Barcelona, Marrakech and Las Vegas. The group continues to liaise with the developers on the timing of its other hotels under development, all of which, except Paris, are management contracts.

Jardine Cycle & Carriage

Most of Jardine Cycle & Carriage's major businesses were affected by the global economic downturn. Revenue was down 19% at US$4.6 billion for the half year, and underlying profit fell by 23% to US$203 million. Profit attributable to shareholders at US$207 million showed a decline of 22% after accounting for a non-trading gain of US$4 million.

Astra's contribution to the underlying profit of Jardine Cycle & Carriage was 22% lower at US$197 million, due in part to the weaker average rupiah exchange rate, while the contribution to underlying profit from Jardine Cycle & Carriage's other motor interests was 17% down at US$21 million. At the Jardine Strategic level, Astra's contribution to underlying profit was down 18% to US$128 million, while that of the other motor interests was 15% lower at US$14 million.

There were weaker performances by the Singapore motor operations and 38%-owned Indonesian associate, Tunas Ridean. In Malaysia, 59%-owned Cycle & Carriage Bintang's results benefited from lower overheads following a restructuring in 2008. Truong Hai Auto Corporation in Vietnam, in which an initial interest was acquired in July 2008, made a modest contribution to profit. A further 4.4% interest was purchased in June 2009 for US$15 million, raising the shareholding to 25%.

Astra

Astra saw reduced earnings from its motor and palm oil activities. It produced a net profit, under Indonesian accounting standards, equivalent to US$384 million, a decrease of 11% in its reporting currency, the rupiah.

Weaker consumer demand resulted in the Indonesian wholesale motor vehicle market falling by 28% to 210,000 units in the first half of 2009. Astra's automotive sales fell at a lower rate of 18%, producing an improved market share of 58%. The wholesale motorcycle market declined by 17% to 2.5 million units during the same period. Astra Honda Motors' sales declined at a similar rate, maintaining its market share at 46%. Component manufacturer, Astra Otoparts, reported an 18% decrease in net income. Growth in their overall loan books enabled Astra's consumer finance operations to achieve an increase in profit. Higher net interest and other operating income produced an 18% rise in net profit for Bank Permata.

Astra's heavy equipment subsidiary, United Tractors, performed well and recorded a 55% rise in earnings. Sales of Komatsu equipment fell by 44%, although the profit was slightly better due to the sales mix. Mining subsidiary, Pamapersada Nusantara, made good progress with an increase of 3% in coal extracted to 30 million tonnes and an increase of 30% in overburden removed to 272 million bcm. Astra Agro Lestari reported a 52% decline in its profits as crude palm oil prices achieved were on average 23% down on the previous year. Astra's information technology activities suffered from reduced margins, while its infrastructure investments performed satisfactorily.

While Astra's operations have seen some recent improvement, it remains to be seen whether this recovery can be sustained.

Jardine Strategic Holdings Limited
Consolidated Profit and Loss Account

	(unaudited) Six months ended 30th June						Year ended 31st December		
	2009			2008			2008		
	Underlying business performance **US$m**	Non-trading items **US$m**	Total **US$m**	Underlying business performance US$m	Non-trading items US$m	Total US$m	Underlying business performance US$m	Non-trading items US$m	Total US$m
Revenue *(note 2)*	**8,173**	**-**	**8,173**	9,300	-	9,300	18,455	-	18,455
Net operating costs *(note 3)*	**(7,391)**	**-**	**(7,391)**	(8,352)	3	(8,349)	(16,775)	(121)	(16,896)
Operating profit	**782**	**-**	**782**	948	3	951	1,680	(121)	1,559
Financing charges	**(52)**	**-**	**(52)**	(66)	-	(66)	(123)	-	(123)
Financing income	**36**	**-**	**36**	42	-	42	87	-	87
Net financing charges	**(16)**	**-**	**(16)**	(24)	-	(24)	(36)	-	(36)
Share of results of Jardine Matheson *(note 4)*	**46**	**10**	**56**	67	10	77	119	(3)	116
Share of results of associates and joint ventures *(note 5)*	**236**	**(288)**	**(52)**	279	672	951	497	(246)	251
Net discount on acquisition of Hongkong Land *(note 6)*	**-**	**96**	**96**	-	17	17	-	97	97
Sale of associates and joint ventures *(note 7)*	**-**	**77**	**77**	-	12	12	-	15	15
Profit before tax	**1,048**	**(105)**	**943**	1,270	714	1,984	2,260	(258)	2,002
Tax *(note 8)*	**(231)**	**-**	**(231)**	(300)	(4)	(304)	(481)	31	(450)
Profit after tax	**817**	**(105)**	**712**	970	710	1,680	1,779	(227)	1,552
Attributable to:									
Shareholders of the Company *(note 9)*	**418**	**(126)**	**292**	465	706	1,171	859	(167)	692
Minority interests	**399**	**21**	**420**	505	4	509	920	(60)	860
	817	**(105)**	**712**	970	710	1,680	1,779	(227)	1,552
			US$			US$			US$
Earnings per share *(note 10)*									
- basic			**0.47**			1.90			1.12
- diluted			**0.47**			1.85			1.12

Jardine Strategic Holdings Limited
Consolidated Statement of Comprehensive Income

	(unaudited) Six months ended 30th June		Year ended 31st December
	2009 **US$m**	2008 US$m	2008 US$m
Profit for the period	**712**	1,680	1,552
Revaluation of intangible assets	**-**	-	13
Revaluation of properties	**-**	-	14
Revaluation of other investments			
- gains/(losses) arising during the period	**86**	(148)	(245)
- transfer to profit and loss	**-**	(1)	4
	86	(149)	(241)
Actuarial (losses)/gains on employee benefit plans	**(6)**	4	(118)
Net exchange translation differences			
- gains/(losses) arising during the period	**267**	102	(756)
- transfer to profit and loss	**-**	-	(1)
	267	102	(757)
Cash flow hedges			
- (losses)/gains arising during the period	**(24)**	13	(13)
Share of other comprehensive income of Jardine Matheson	**18**	7	(123)
Share of other comprehensive income of associates and joint ventures	**(16)**	(15)	(63)
Tax relating to components of other comprehensive income *(note 8)*	**7**	(3)	87
Other comprehensive income for the period	**332**	(41)	(1,201)
Total comprehensive income for the period	**1,044**	1,639	351
Attributable to:			
Shareholders of the Company	**399**	1,056	(45)
Minority interests	**645**	583	396
	1,044	1,639	351

Jardine Strategic Holdings Limited
Consolidated Balance Sheet

	(unaudited) At 30th June **2009** **US$m**	(unaudited) At 30th June 2008 US$m	At 31st December 2008 US$m
Assets			
Intangible assets	**1,944**	1,882	1,865
Tangible assets	**3,418**	3,279	3,097
Investment properties	**12,929**	23	17
Plantations	**411**	560	353
Investment in Jardine Matheson	**859**	937	793
Associates and joint ventures	**3,882**	8,341	7,440
Other investments	**672**	597	562
Non-current debtors	**1,121**	1,141	1,032
Deferred tax assets	**102**	109	92
Pension assets	**22**	106	15
Non-current assets	**25,360**	16,975	15,266
Properties for sale	**817**	-	-
Stocks and work in progress	**1,409**	1,353	1,574
Current debtors	**2,411**	2,267	1,872
Current investments	**2**	37	4
Current tax assets	**86**	89	76
Bank balances and other liquid funds			
- non-financial services companies	**3,256**	1,849	1,709
- financial services companies	**144**	158	183
	3,400	2,007	1,892
	8,125	5,753	5,418
Non-current assets classified as held for sale *(note 12)*	**82**	43	65
Current assets	**8,207**	5,796	5,483
Total assets	**33,567**	22,771	20,749

(Consolidated Balance Sheet continued on page 12)

Jardine Strategic Holdings Limited
Consolidated Balance Sheet (continued)

	(unaudited) At 30th June **2009 US$m**	At 30th June 2008 US$m	At 31st December 2008 US$m
Equity			
Share capital	**55**	55	55
Share premium and capital reserves	**1,341**	1,334	1,338
Revenue and other reserves	**10,054**	10,703	9,620
Own shares held	**(1,382)**	(1,277)	(1,308)
Shareholders' funds	**10,068**	10,815	9,705
Minority interests	**9,527**	3,850	3,632
Total equity	**19,595**	14,665	13,337
Liabilities			
Long-term borrowings			
- non-financial services companies	**5,159**	1,737	1,754
- financial services companies	**535**	648	563
	5,694	2,385	2,317
Deferred tax liabilities	**2,261**	585	389
Pension liabilities	**111**	64	94
Non-current creditors	**178**	80	133
Non-current provisions	**52**	37	48
Non-current liabilities	**8,296**	3,151	2,981
Current creditors	**3,723**	3,206	2,903
Current borrowings			
- non-financial services companies	**843**	622	483
- financial services companies	**812**	849	798
	1,655	1,471	1,281
Current tax liabilities	**270**	238	220
Current provisions	**28**	36	27
	5,676	4,951	4,431
Liabilities directly associated with non-current assets classified as held for sale *(note 12)*	**-**	4	-
Current liabilities	**5,676**	4,955	4,431
Total liabilities	**13,972**	8,106	7,412
Total equity and liabilities	**33,567**	22,771	20,749

Jardine Strategic Holdings Limited
Consolidated Statement of Changes in Equity

	Attributable to shareholders of the Company											
	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$m	Total US$m	Attributable to minority interests US$m	Total equity US$m
Six months ended 30th June 2009												
At 1st January 2009	55	1,209	129	9,227	304	402	(38)	(275)	(1,308)	9,705	3,632	13,337
Total comprehensive income	-	-	-	307	-	35	6	51	-	399	645	1,044
Dividends paid by the Company *(note 13)*	-	-	-	(81)	-	-	-	-	-	(81)	-	(81)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(234)	(234)
Employee share option schemes	-	-	3	-	-	-	-	-	-	3	1	4
Scrip issued in lieu of dividends	-	-	-	121	-	-	-	-	-	121	-	121
Increase in own shares held	-	-	-	-	-	-	-	-	(74)	(74)	-	(74)
New subsidiary undertakings	-	-	-	-	-	-	-	-	-	-	5,510	5,510
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	3	3
Change in attributable interests	-	-	-	(5)	-	-	-	-	-	(5)	(30)	(35)
Transfer	-	-	-	37	-	(37)	-	-	-	-	-	-
At 30th June 2009	55	1,209	132	9,606	304	400	(32)	(224)	(1,382)	10,068	9,527	19,595
Six months ended 30th June 2008												
At 1st January 2008	54	1,210	121	8,909	304	384	(8)	22	(1,209)	9,787	3,531	13,318
Total comprehensive income	-	-	-	977	-	-	9	70	-	1,056	583	1,639
Dividends paid by the Company *(note 13)*	-	-	-	(76)	-	-	-	-	-	(76)	-	(76)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(240)	(240)
Employee share option schemes	-	-	4	-	-	-	-	-	-	4	1	5
Scrip issued in lieu of dividends	1	(1)	-	112	-	-	-	-	-	112	-	112
Increase in own shares held	-	-	-	-	-	-	-	-	(68)	(68)	-	(68)
New subsidiary undertakings	-	-	-	-	-	-	-	-	-	-	50	50
Subsidiary undertakings disposed of	-	-	-	-	-	-	-	-	-	-	(25)	(25)
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	6	6
Change in attributable interests	-	-	-	-	-	-	-	-	-	-	(56)	(56)
At 30th June 2008	55	1,209	125	9,922	304	384	1	92	(1,277)	10,815	3,850	14,665

(Consolidated Statement of Changes in Equity continued on page 14)

Jardine Strategic Holdings Limited
Consolidated Statement of Changes in Equity (continued)

	Attributable to shareholders of the Company											
	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$m	Total US$m	Attributable to minority interests US$m	Total equity US$m
Year ended 31st December 2008												
At 1st January 2008	54	1,210	121	8,909	304	384	(8)	22	(1,209)	9,787	3,531	13,318
Total comprehensive income	-	-	-	263	-	19	(30)	(297)	-	(45)	396	351
Dividends paid by the Company	-	-	-	(112)	-	-	-	-	-	(112)	-	(112)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	(363)	(363)
Employee share option schemes	-	-	8	-	-	-	-	-	-	8	2	10
Scrip issued in lieu of dividends	1	(1)	-	166	-	-	-	-	-	166	-	166
Increase in own shares held	-	-	-	-	-	-	-	-	(99)	(99)	-	(99)
New subsidiary undertakings	-	-	-	-	-	-	-	-	-	-	28	28
Subsidiary undertakings disposed of	-	-	-	-	-	-	-	-	-	-	(24)	(24)
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	-	159	159
Change in attributable interests	-	-	-	-	-	-	-	-	-	-	(97)	(97)
Transfer	-	-	-	1	-	(1)	-	-	-	-	-	-
At 31st December 2008	55	1,209	129	9,227	304	402	(38)	(275)	(1,308)	9,705	3,632	13,337

Total comprehensive income for the six months ended 30th June 2009 included in revenue reserves comprises profit attributable to shareholders of the Company of US$292 million *(2008: US$1,171 million),* fair value gains on revaluation of other investments of US$39 million *(2008: losses of US$194 million)* and actuarial losses on employee benefit plans of US$24 million *(2008: nil).*

Total comprehensive income for the year ended 31st December 2008 included in revenue reserves comprises profit attributable to shareholders of the Company of US$692 million, fair value losses on revaluation of other investments of US$277 million and actuarial losses on employee benefit plans of US$152 million.

Jardine Strategic Holdings Limited
Consolidated Cash Flow Statement

	(unaudited) Six months ended 30th June		Year ended 31st December
	2009	2008	2008
	US$m	US$m	US$m
Operating activities			
Operating profit	**782**	951	1,559
Depreciation and amortization	**259**	252	490
Other non-cash items	**(8)**	81	329
Increase in working capital	**(24)**	(202)	(338)
Interest received	**30**	41	89
Interest and other financing charges paid	**(53)**	(71)	(129)
Tax paid	**(278)**	(221)	(407)
	708	831	1,593
Dividends from Jardine Matheson	**-**	99	152
Dividends from associates and joint ventures	**221**	261	386
Cash flows from operating activities	**929**	1,191	2,131
Investing activities			
Purchase of Hongkong Land *(note 14(a))*	**1,082**	(90)	(97)
Purchase of other subsidiary undertakings *(note 14(b))*	**(35)**	(263)	(413)
Purchase of associates and joint ventures *(note 14(c))*	**(16)**	(8)	(108)
Purchase of other investments *(note 14(d))*	**(50)**	(74)	(204)
Purchase of land use rights	**(21)**	(51)	(54)
Purchase of other intangible assets	**(19)**	(14)	(38)
Purchase of tangible assets	**(379)**	(303)	(792)
Purchase of plantations	**(32)**	(34)	(71)
Advance of mezzanine loans	**-**	(2)	(1)
Capital distribution from associates	**-**	22	23
Sale of subsidiary undertakings *(note 14(e))*	**-**	(38)	(33)
Sale of associates and joint ventures *(note 14(f))*	**91**	25	25
Sale of other investments *(note 14(g))*	**21**	19	82
Sale of land use rights	**1**	6	9
Sale of tangible assets	**11**	5	57
Sale of investment properties	**-**	9	9
Sale of plantations	**-**	-	14
Cash flows from investing activities	**654**	(791)	(1,592)
Financing activities			
Capital contribution from minority shareholders	**3**	6	159
Drawdown of borrowings	**1,479**	2,056	3,555
Repayment of borrowings	**(1,456)**	(1,930)	(3,421)
Dividends paid by the Company	**(23)**	(21)	(32)
Dividends paid to minority shareholders	**(130)**	(94)	(363)
Cash flows from financing activities	**(127)**	17	(102)
Effect of exchange rate changes	**48**	17	(109)
Net increase in cash and cash equivalents	**1,504**	434	328
Cash and cash equivalents at beginning of period	**1,882**	1,554	1,554
Cash and cash equivalents at end of period	**3,386**	1,988	1,882

Jardine Strategic Holdings Limited
Notes to Condensed Financial Statements

1. Accounting Policies and Basis of Preparation

The condensed financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The condensed financial statements have not been audited or reviewed by the Group's auditor pursuant to the UK Auditing Practices Board guidance on the review of interim financial information.

In 2009, the Group adopted the following standards, and amendments and interpretations to existing standards which are effective in the current accounting period and relevant to its operations:

IFRS 8	Operating Segments
IAS 1 (revised 2007)	Presentation of Financial Statements
IAS 23 (revised 2007)	Borrowing Costs
Amendments to IFRS 1 and IAS 27	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to IFRS 2	Vesting Conditions and Cancellations
Amendments to IFRS 7	Improving Disclosures about Financial Instruments
IFRIC 13	Customer Loyalty Programmes
IFRIC 15	Agreements for the Construction of Real Estate
IFRIC 16	Hedges of a Net Investment in a Foreign Operation
Improvements to IFRSs (2008)	

With the exception of amendments to IFRS 1 and IAS 27, IFRIC 13, and amendments to IAS 16 and IAS 40 included in the 2008 improvement project, there are no changes in accounting policies that affect the Group's financial statements resulting from adoption of the above standards, amendments and interpretations as they are consistent with the policies already adopted by the Group.

IFRS 8 'Operating Segments' supersedes IAS 14 'Segment Reporting' and requires the reporting of financial and descriptive information about an entity's reportable segments on the basis of internal reports that are regularly reviewed by its management. There is no change in the Group's reportable segments from 2008 as they remain consistent with the internal reporting provided to management. The Group's reportable segments are set out on page 23. Further information on each operating segment is described on page 4 of the Company's 2008 Annual Report. No operating segments have been aggregated to form the reportable segments.

As a result of adoption of IAS 1 (revised 2007), two new primary statements, 'Consolidated Statement of Comprehensive Income' and 'Consolidated Statement of Changes in Equity' have been presented in these interim financial statements. The former replaces the 'Consolidated Statement of Recognized Income and Expense' presented in the 2008 annual financial statements. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

1. Accounting Policies and Basis of Preparation (continued)

Amendments to IFRS 1 and IAS 27 'Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate' remove the definition of the cost method from IAS 27 and allow an entity to recognize a dividend from subsidiary, jointly controlled entity or associate in profit and loss in its separate financial statements when its right to receive the dividend is established. There is no impact on the consolidated financial statements as the changes only affect the separate financial statements of the investing entity.

IFRIC 13 'Customer Loyalty Programmes' addresses the accounting by entities that grant loyalty award credits to customers who buy goods or services. It requires that the consideration receivable from the customer is allocated between the separately identifiable components of the sale transaction using fair values. There is no significant impact on the results of the Group on adoption of this interpretation.

The improvements to IFRSs (2008) comprise amendments to a number of IFRSs, of which the following two amendments have impact on the Group's financial statements.

Amendment to IAS 16 'Property, Plant and Equipment' and the consequential amendment to IAS 7 'Statement of Cash Flows' specifies that entities whose ordinary activities include renting and subsequently selling the same items of property, plant and equipment should transfer such assets to stocks at their carrying amounts when they cease to be rented and become held for sale. The cash flows arising from the purchase, rental and subsequent sale of those assets should be classified as cash flows from operating activities. There is no significant impact on the results of the Group on adoption of these amendments. The comparative figures in the Consolidated Cash Flow Statement have been reclassified to conform with the current period presentation.

Amendments to IAS 40 'Investment Property' requires investment property under construction to be carried at fair value at the earlier of when the fair value first becomes reliably measurable and the date of completion of the property with any gain or loss recognized in profit and loss. This is a change in accounting policy as previously such property was carried at cost until the construction was completed.

The Group also early adopted the following standard and amendment to an existing standard which are relevant to its operations:

IFRS 3 (revised 2008)	Business Combinations
Amendment to IAS 27	Consolidated and Separate Financial Statements

IFRS 3 (revised) and the related amendment to IAS 27 (both effective prospectively from 1st July 2009) require the immediate expensing of all acquisition-related costs, the inclusion in the cost of acquisition of the fair value at acquisition date of any contingent purchase consideration, the remeasurement of previously held equity interest in the acquiree at fair value in a business combination achieved in stages, and accounting for changes in a parent's ownership interest in a subsidiary undertaking that do not result in the loss of control as equity transactions. The early adoption of IFRS 3 (revised) and the related amendment to IAS 27 has resulted in changes in the Group's accounting policies for goodwill and change in attributable interests in

1. Accounting Policies and Basis of Preparation (continued)

subsidiary undertakings. Until 31st December 2008, acquisition-related costs were included in the cost of a business combination; contingent purchase consideration was recognized in goodwill as incurred; the cost of each exchange transaction in a business combination achieved in stages was compared with the fair values of the acquiree's identifiable net assets to determine the amount of goodwill associated with that transaction; the difference between the cost of acquisition and the carrying amount of the proportion of minority interest acquired in respect of an increase in attributable interest in a subsidiary undertaking was recognized as goodwill or credited to the consolidated profit and loss account as discount on acquisition, where appropriate; and the difference between the proceeds and the carrying amount of the proportion sold in respect of a decrease in attributable interest in a subsidiary undertaking was recognized in the consolidated profit and loss account as profit or loss on disposal. The Group continues to measure minority interest in an acquiree in a business combination at the minority interest's proportionate share of the acquiree's identifiable net assets.

In addition, on implementation of IFRS 8, the Group early adopted an amendment to IFRS 8 'Operating Segments' (effective from 1st January 2010) included in the 2009 improvement project. The amendment clarifies that a measure of total assets should be disclosed in the financial statements only if that amount is regularly provided to management.

There have been no other changes to the accounting policies described in the 2008 annual financial statements.

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

2. Revenue

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Dairy Farm	**3,353**	3,315
Mandarin Oriental	**205**	266
Jardine Cycle & Carriage	**550**	691
Astra	**4,065**	5,028
	8,173	9,300

3. Net Operating Costs

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Cost of sales	**(6,029)**	(6,912)
Other operating income	**84**	69
Selling and distribution costs	**(998)**	(1,043)
Administration expenses	**(433)**	(448)
Other operating expenses	**(15)**	(15)
	(7,391)	(8,349)
Net operating costs included the following gains/(losses) from non-trading items:		
Increase in fair value of investment properties	**-**	1
Asset impairment	**(4)**	-
Sale and closure of businesses	**-**	4
Sale of investments	**-**	1
Sale of property interests	**-**	2
Change in attributable interest in a subsidiary undertaking	**-**	(4)
Repurchase of convertible bonds in Hongkong Land	**4**	-
Other	**-**	(1)
	-	3

4. Share of Results of Jardine Matheson

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Jardine Pacific	**27**	38
Jardine Motors	**14**	18
Jardine Lloyd Thompson	**11**	12
Corporate and other interests	**4**	9
	56	77
Share of results of Jardine Matheson included the following gains from non-trading items:		
Increase in fair value of investment properties	**5**	5
Sale and closure of businesses	**3**	2
Sale of property interests	**-**	2
Value added tax recovery in Jardine Motors	**2**	1
	10	10

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

5. Share of Results of Associates and Joint Ventures

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Hongkong Land	**(202)**	782
Dairy Farm	**10**	12
Mandarin Oriental	**(1)**	9
Jardine Cycle & Carriage	**9**	5
Astra	**87**	127
Corporate and other interests	**45**	16
	(52)	951
Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:		
(Decrease)/increase in fair value of investment properties	**(339)**	667
Asset impairment	**(2)**	-
Sale and closure of businesses	**3**	1
Sale of investments	**-**	4
Derecognition of perpetual liabilities in Rothschilds Continuation*	**50**	-
	(288)	672

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

* Fair value gain arising on reclassification of perpetual notes to equity following removal of the contractual obligation to repay principal or to pay interest on those notes.

6. Net Discount on Acquisition of Hongkong Land

During the period, the Company acquired an additional 0.9% interest in Hongkong Land increasing its holding to 50.01%. Due to the proximity to 30th June 2009 when the Company obtained legal control of Hongkong Land, this date has been taken as the effective date of acquisition.

In accordance with IFRS 3 (revised), the Group remeasured its previously held interest in Hongkong Land at the acquisition date fair value calculated by reference to the quoted share price on that date and recognized the resulting loss, including reclassification adjustments of amounts previously recognized in other comprehensive income, in profit and loss. The Group simultaneously recognized in profit and loss a discount on acquisition, being the excess of the fair value of identifiable net assets over the fair value of the previously held interest *(note 14(a)).*

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Discount on increased interest prior to the date of acquisition	**54**	17
Fair value loss on remeasurement of previously held interest	**(1,599)**	-
Discount on acquisition	**1,641**	-
	96	17

7. Sale of Associates and Joint Ventures

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Sale of associates and joint ventures included the following items:		
50% interest in Mandarin Oriental, Macau	**77**	-
50% interest in Olive Young	**-**	12
	77	12

8. Tax

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Tax charged to profit and loss is analyzed as follows:		
Current tax	**232**	316
Deferred tax	**(1)**	(12)
	231	304
Greater China	**16**	18
Southeast Asia	**215**	283
United Kingdom	**1**	3
Rest of the world	**(1)**	-
	231	304
Tax relating to components of other comprehensive income is analyzed as follows:		
Actuarial (losses)/gains on employee benefit plans	**(1)**	-
Cash flow hedges	**(6)**	3
	(7)	3

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$6 million and US$4 million *(2008: US$10 million and US$1 million)* are included in share of results of Jardine Matheson and share of other comprehensive income of Jardine Matheson respectively. Share of tax credit of associates and joint ventures of US$6 million and charge of US$6 million *(2008: charges of US$134 million and US$3 million)* are included in share of results of associates and joint ventures and share of other comprehensive income of associates and joint ventures respectively.

9. Profit attributable to shareholders

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Operating segment		
Jardine Matheson	**47**	67
Hongkong Land	**139**	115
Dairy Farm	**121**	111
Mandarin Oriental	**1**	28
Jardine Cycle & Carriage	**14**	16
Astra	**128**	158
	450	495
Corporate and other interests	**(32)**	(30)
Underlying profit attributable to shareholders*	**418**	465
(Decrease)/increase in fair value of investment properties	**(335)**	673
Other non-trading items	**209**	33
Profit attributable to shareholders	**292**	1,171

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

10. Earnings per Share

Basic earnings per share are calculated on profit attributable to shareholders of US$292 million *(2008: US$1,171 million)* and on the weighted average number of 620 million *(2008: 617 million)* shares in issue during the period.

Diluted earnings per share are calculated on profit attributable to shareholders of US$292 million *(2008: US$1,141 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	
	2009	2008
Weighted average number of shares in issue	**1,094**	1,084
Company's share of shares held by Jardine Matheson	**(474)**	(467)
Weighted average number of shares for earnings per share calculation	**620**	617

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					
		2009			2008	
		Basic earnings per share	Diluted earnings per share		Basic earnings per share	Diluted earnings per share
	US$m	**US$**	**US$**	US$m	US$	US$
Profit attributable to shareholders	**292**	**0.47**	**0.47**	1,171	1.90	1.85
Non-trading items *(note 11)*	**126**			(706)		
Underlying profit attributable to shareholders	**418**	**0.67**	**0.67**	465	0.76	0.75

11. 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.

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

	Six months ended 30th June	
	2009	2008
	US$m	US$m
(Decrease)/increase in fair value of investment properties		
- Hongkong Land	**(339)**	667
- other	**4**	6
	(335)	673
Asset impairment	**(5)**	-
Sale and closure of businesses		
- 50% interest in Mandarin Oriental, Macau	**56**	-
- 50% interest in Olive Young	**-**	9
- other	**6**	3
	62	12
Sale of investments	**-**	4
Sale of property interests	**-**	2
Change in attributable interest in a subsidiary undertaking	**-**	(4)
Value added tax recovery in Jardine Motors	**2**	1
Derecognition of perpetual liabilities in Rothschilds Continuation*	**50**	-
Repurchase of convertible bonds in Hongkong Land	**4**	-
Net discount on acquisition of Hongkong Land	**96**	17
Other	**-**	1
	(126)	706

* Fair value gain arising on reclassification of perpetual notes to equity following removal of the contractual obligation to repay principal or to pay interest on those notes.

12. 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		At 31st December
	2009	2008	2008
	US$m	US$m	US$m
Intangible assets	**15**	-	15
Tangible assets	**67**	36	50
Current assets	**-**	7	-
Total assets	**82**	43	65
Deferred tax liabilities	**-**	-	-
Current liabilities	**-**	4	-
Total liabilities	**-**	4	-

At 30th June 2009, the non-current assets classified as held for sale comprised Dairy Farm's interest in three retail properties in Malaysia. Two of these properties were held on 31st December 2008 at a carrying amount of US$65 million. All three properties are expected to be disposed of during the second half of 2009.

13. Dividends

	Six months ended 30th June	
	2009	2008
	US$m	US$m
Final dividend in respect of 2008 of US¢13.10 *(2007: US¢12.40)* per share	**143**	134
Company's share of dividends paid on the shares held by Jardine Matheson	**(62)**	(58)
	81	76

An interim dividend in respect of 2009 of US¢6.00 *(2008: US¢5.90)* per share amounting to a total of US$66 million *(2008: US$64 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$29 million *(2008: US$28 million)* will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2009.

14. Notes to Consolidated Cash Flow Statement

(a) Purchase of Hongkong Land

	Six months ended 30th June **2009** **US$m**
Tangible assets	**6**
Investment properties	**12,911**
Joint ventures	**1,987**
Deferred tax assets	**4**
Pension assets	**6**
Non-current debtors	**69**
Current assets	**2,246**
Long-term borrowings	**(3,509)**
Deferred tax liabilities	**(1,864)**
Non-current creditors	**(23)**
Current liabilities	**(915)**
Minority interests	**(102)**
Provisional fair value of net assets	**10,816**
Adjustment for minority interests	**(5,408)**
Net assets acquired	**5,408**
Discount on acquisition	**(1,641)**
Fair value of previously held interest	**3,767**
Discount on increased interest prior to the date of acquisition	**(54)**
Carrying amount of previously held interest	**(5,323)**
Fair value loss on remeasurement of previously held interest	**1,599**
Reclassification adjustments of other comprehensive income	**59**
Cash and cash equivalents of Hongkong Land at the date of acquisition	**(1,130)**
Cash inflow	**(1,082)**

The carrying amount of Hongkong Land's assets and liabilities at 30th June 2009 has been taken as the provisional fair value. The fair values of identifiable assets and liabilities at the date of acquisition will be finalized at the year end.

Had Hongkong Land been consolidated from 1st January 2009, consolidated revenue and consolidated profit after tax for the six months ended 30th June 2009 would have been US$8,695 million and US$526 million respectively.

14. Notes to Consolidated Cash Flow Statement (continued)

	Six months ended 30th June	
	2009	2008
(b) Purchase of other subsidiary undertakings	**US$m**	US$m
Intangible assets	**-**	4
Tangible assets	**-**	232
Current assets	**-**	3
Deferred tax liabilities	**-**	(70)
Current liabilities	**-**	(2)
Fair value of net assets	**-**	167
Adjustment for minority interests	**-**	(50)
Net assets acquired	**-**	117
Goodwill	**-**	4
Total consideration	**-**	121
Adjustment for carrying value of associates and joint ventures	**-**	(1)
Net cash outflow	**-**	120
Increase in interest in Mandarin Oriental	**7**	1
Increase in interest in Jardine Cycle & Carriage	**28**	86
Increase in interests in other subsidiary undertakings	**-**	56
	35	263

Net cash outflow in 2008 of US$120 million included US$116 million for PT United Tractors' acquisition of a 70% interest in a company which holds coal mining rights in Central Kalimantan.

Increase in interests in other subsidiary undertakings in 2008 included US$42 million for Dairy Farm's acquisition of an additional 25% interest in PT Hero Supermarket under a put option and US$14 million for Astra's increased interest in PT Astra Otoparts.

(c) Purchase of associates and joint ventures for the six months ended 30th June 2009 included US$15 million for Jardine Cycle & Carriage's acquisition of an additional 4% interest in Truong Hai Auto Corporation.

14. Notes to Consolidated Cash Flow Statement (continued)

(d) Purchase of other investments for the six months ended 30th June 2009 included US$50 million for Astra's purchase of securities. Purchase of other investments for the six months ended 30th June 2008 included US$45 million for Astra's purchase of securities, and US$22 million and US$6 million for the Company's purchase of shares in Paris Orléans and subscription for Asia Commercial Bank convertible bonds respectively.

	Six months ended 30th June	
	2009	2008
(e) Sale of subsidiary undertakings	**US$m**	US$m
Intangible assets	**-**	1
Tangible assets	**-**	4
Associates and joint ventures	**-**	2
Non-current debtors	**-**	2
Deferred tax assets	**-**	4
Current assets	**-**	99
Current liabilities	**-**	(30)
Net assets	**-**	82
Adjustment for minority interests	**-**	(25)
Net assets disposed of	**-**	57
Profit on disposal	**-**	4
Sale proceeds	**-**	61
Adjustment for carrying value of associates and joint ventures	**-**	(37)
Cash and cash equivalents of subsidiary undertakings disposed of	**-**	(62)
Net cash outflow	**-**	(38)

Sale proceeds in 2008 of US$61 million included US$51 million from Astra's sale of a 15% interest in PT Pantja Motor, reducing its effective interest from 65% to 50%.

(f) Sale of associates and joint ventures for the six months ended 30th June 2009 included US$91 million from Mandarin Oriental's sale of its 50% interest in Mandarin Oriental, Macau. Sale of associates and joint ventures for the six months ended 30th June 2008 included US$21 million from Dairy Farm's sale of its 50% interest in Olive Young.

(g) Sale of other investments for the six months ended 30th June 2009 and 2008 mainly comprised Astra's sale of securities.

15. Capital Commitments and Contingent Liabilities

Total capital commitments at 30th June 2009 and 31st December 2008 amounted to US$2,165 million and US$469 million respectively.

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 condensed financial statements.

16. Related Party Transactions

In the normal course of business the Group undertakes a variety of transactions 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 from associates and joint ventures for the six months ended 30th June 2009 amounted to US$1,465 million *(2008: US$1,975 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 first six months of the current financial year.

17. Post Balance Sheet Event

In July, the Group disposed of its 20% interest in Tata Industries for approximately US$158 million and has reinvested the funds in a shareholding of approximately 3% in the publicly-listed Tata Power Company.

- more -

18. Market Value Basis Net Assets

	At 30th June 2009 US$m	At 31st December 2008 US$m
Jardine Matheson	**2,231**	1,236
Hongkong Land	**3,981**	2,738
Dairy Farm	**6,780**	4,482
Mandarin Oriental	**969**	710
Jardine Cycle & Carriage	**3,261**	1,604
Other holdings	**733**	691
Jardine Strategic Corporate	**2**	(201)
	17,957	11,260
Net asset value per share (US$)	**28.91**	18.15

'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$9,347 million *(2008: US$6,151 million)* less the Company's share of the market value of Jardine Matheson's interest in the Company. For unlisted companies a Director's valuation has been used.

Net asset value per share is calculated on 'market value basis net assets' of US$17,957 million *(2008: US$11,260 million)* and on 621 million *(2008: 620 million)* shares outstanding at the period end which excludes the Company's share of the shares held by Jardine Matheson of 483 million *(2008: 473 million)* shares.

Jardine Strategic Holdings Limited
Principal Risks and Uncertainties

The Board has overall responsibility for risk management and internal control. The following have been identified previously as the areas of principal risk and uncertainty facing the Company, and they remain relevant in the second half of the year:

- Economic Risk
- Commercial Risk and Financial Risk
- Concessions, Franchises and Key Contracts
- Regulatory and Political Risk
- Terrorism, Pandemic and Natural Disasters

For greater detail, please refer to page 90 of the Company's Annual Report for 2008, a copy of which is available on the Company's website www.jardines.com.

Responsibility Statement

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

(a) the condensed financial statements have been prepared in accordance with IAS 34; and

(b) the interim management report includes a fair review of all information required to be disclosed by the Disclosure and Transparency Rules 4.2.7 and 4.2.8 issued by the Financial Services Authority of the United Kingdom.

For and on behalf of the Board

A.J.L. Nightingale
Lord Leach of Fairford

Directors

7th August 2009

The interim dividend of US¢6.00 per share will be payable on 21st October 2009 to shareholders on the register of members at the close of business on 28th August 2009, and will be available in cash with a scrip alternative. The ex-dividend date will be on 26th August 2009, and the share registers will be closed from 31st August to 4th September 2009, 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 2009 interim dividend by notifying the United Kingdom transfer agent in writing by 2nd October 2009. The sterling equivalent of dividends declared in United States dollars will be calculated by reference to a rate prevailing on 7th October 2009. 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 54%, Hongkong Land 50%, Dairy Farm 78%, Mandarin Oriental 74% and Jardine Cycle & Carriage 69%, which in turn has a 50% interest in Astra. Jardine Strategic is 81%-held by Jardine Matheson. The Company also has a 21% interest in Rothschilds Continuation.

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.

- end -

For further information, please contact:

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As permitted by the Disclosure and Transparency Rules of the Financial Services Authority of the United Kingdom, the Company will not be posting a printed version of the Half-Yearly Results announcement to shareholders. The Half-Yearly Results announcement will remain available on the Company's website, www.jardines.com, together with other Group announcements.