



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 Conduct Authority in the United Kingdom.

**Jardine Matheson Holdings Limited
Half-Yearly Results for the Six Months ended 30th June 2014**

Highlights

- Underlying earnings little changed
- Interim dividend up 3%
- Astra net profit up 11% in rupiah, but lower contribution in US dollars
- Hongkong Land's result affected by lack of Singapore residential completions although commercial property performed well
- Good profit growth at Jardine Motors and JLT

"The Group did well to maintain its first-half results in the face of a weaker Indonesian rupiah, fewer residential project completions and increased margin pressures in some of its businesses. The full-year profit is also expected to remain broadly in line with last year."

Sir Henry Keswick, *Chairman*
1st August 2014

Results

	(unaudited) Six months ended 30th June		Change %
	2014 US\$m	2013 US\$m	
Revenue together with revenue of associates and joint ventures*	30,782	31,359	-2
Underlying profit [†] attributable to shareholders	739	753	-2
Profit attributable to shareholders	818	784	+4
Shareholders' funds [#]	19,019	18,386	+3
	US\$	US\$	%
Underlying earnings per share [†]	2.00	2.05	-2
Earnings per share	2.22	2.14	+4
Net asset value per share [#]	51.26	49.84	+3
	US¢	US¢	%
Interim dividend per share	38.00	37.00	+3

* Includes 100% of revenue from associates and joint ventures.

[†] The Group uses 'underlying profit' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in note 7 to the condensed financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.

[#] At 30th June 2014 and 31st December 2013, respectively. Net asset value per share is based on the book value of shareholders' funds.

The interim dividend of US¢38.00 per share will be payable on 15th October 2014 to shareholders on the register of members at the close of business on 22nd August 2014 and will be available in cash with a scrip alternative. The ex-dividend date will be on 20th August 2014, and the share registers will be closed from 25th to 29th August 2014, inclusive.

Jardine Matheson Holdings Limited

Half-Yearly Results for the Six Months ended 30th June 2014

Overview

Mixed performances within Jardine Matheson's businesses in the first half of 2014 resulted in the underlying earnings for the Group being little changed from 2013. Strong profits from Astra in rupiah terms were more than offset by a weaker exchange rate. Fewer residential project completions resulted in a lower contribution from Hongkong Land despite higher commercial property earnings. Satisfactory growth was seen in Jardine Motors and Jardine Lloyd Thompson, while the results from Dairy Farm and Jardine Pacific were in line with last year.

Results

Jardine Matheson's underlying profit for the first six months of 2014 was US\$739 million, 2% below the same period in 2013. Underlying earnings per share were also 2% lower at US\$2.00. The revenue of the Group, including 100% of the revenue from associates and joint ventures, was US\$30.8 billion, compared to US\$31.4 billion in the first half of 2013.

Non-trading items in the first half produced a gain of US\$79 million, primarily due to an increase in investment property values in Hongkong Land, and compares with a non-trading gain of US\$31 million in the first half of 2013. As a result, the Group's profit attributable to shareholders was US\$818 million for the six months under review, compared with US\$784 million in 2013.

The Board has declared an interim dividend of US¢38.00 per share, up 3%.

Business Performances

Jardine Pacific saw an increase in profit for the period. While there was a significant reduction in the contribution from its transport services businesses, following the move last year of a major customer of Hactl to its own dedicated facility at Hong Kong International Airport, the effect was largely offset by improved results in the group's Restaurant operations and a return to profit in JOS.

Jardine Motors performed better with all its operations producing enhanced results. In particular in mainland China, where it now has 31 outlets, a profit was recorded following improvements in both sales and margins.

In April 2014, Jardine Strategic completed a US\$731 million investment in shares and convertible bonds representing up to a 20% interest in Zhongsheng Group, which is one of mainland China's leading motor dealership groups. Zhongsheng represents a range of major international marques and operates some 180 outlets across 15 provinces and regions.

JLT enjoyed a satisfactory first half with good performances across the group, particularly in Asia, Latin America and its international employee benefits business, continuing the strong organic revenue growth of recent years. Progress has been made on the integration of the Towers Watson Re business which was acquired in November 2013.

Hongkong Land's commercial property operations in Hong Kong and Singapore continued to trade well during the first six months of the year. Satisfactory progress was made in several development projects, including a luxury retail complex at Wangfujing in Beijing, an office tower in central Jakarta and a mixed-use development in Phnom Penh. The absence of residential project completions in Singapore, however, led to an overall decline in earnings for the period. Further residential completions are expected in the second half of the year, which will benefit the full-year result.

Dairy Farm achieved higher sales in all divisions, although its underlying profit was marginally lower. Its Health and Beauty, Home Furnishings and Restaurants divisions each achieved improved profits, but its Food division saw lower earnings due to sustained margin pressure. To support its long-term growth objectives, Dairy Farm is investing significantly in existing stores, in modernizing its IT infrastructure and supply chain, and in building its human resource capability. The group is focused on Greater China and Southeast Asia, having recently disposed of its interests in its Indian operations to its joint venture partner.

While the performance of a majority of Mandarin Oriental's hotels was stable during the period, challenging conditions in certain markets led to a lower profit. Mandarin Oriental continues to develop its portfolio, which now consists of 27 hotels in operation and 17 under development. Three new hotels are to be opened within the next 18 months, in Marrakech, Milan and Beijing. The group has also agreed to invest some US\$170 million over a number of years to expand its Munich property.

Jardine Cycle & Carriage's first-half results reflected generally strong trading performances from Astra's operations, which led to an 11% improvement in its rupiah earnings, although its contribution on consolidation was hit by a 17% weaker exchange rate. The group's other motor interests produced a higher profit overall.

Astra's businesses faced a number of challenges, not least heightened competition in the car market eroding margins and the effect of subdued coal prices. Improved results were seen from its agribusiness and contract mining operations, although these were partially offset by a decline in earnings from car sales. Its financial services interests recorded lower underlying earnings, although benefited from a non-trading gain on the establishment of Astra Aviva Life. Progress is being made with a luxury residential joint-venture development alongside Hongkong Land in Jakarta's Central Business District, and initial sales launches are expected during the third quarter.

During the period, the Group's 2.9% shareholding in Tata Power was sold for a total consideration of some US\$120 million.

Corporate Developments

Following shareholder approval at a Special General Meeting held in April, the transfer of the Company's listing on the Main Market of the London Stock Exchange to the standard listing category was completed on 27th May 2014.

Outlook

The Group did well to maintain its first-half results in the face of a weaker Indonesian rupiah, fewer residential project completions and increased margin pressures in some of its businesses. The full-year profit is also expected to remain broadly in line with last year.

Sir Henry Keswick

Chairman

1st August 2014

Operating Review

Jardine Pacific

Jardine Pacific's underlying profit for the first half of 2014 at US\$47 million was 6% ahead of 2013. With the value of the group's investment property portfolio remaining unchanged, the profit attributable to shareholders was also US\$47 million.

Jardine Schindler recorded a profit in line with last year and further growth in its maintenance portfolio. Gammon's earnings suffered from delays in major projects, although some improvement is expected in the second half. JEC produced a higher profit, with stronger performances in its regional businesses being only partially offset by a softer result in Thailand.

Earnings of the group's transport services businesses declined following the move last year of a major customer of Hactl to its own dedicated facility at Hong Kong International Airport. The results of Jardine Restaurants benefited from its recent acquisition of the KFC franchise in Hong Kong and a lower loss in its KFC business in Taiwan. JOS achieved increased revenues and a small profit following a difficult year in 2013.

Jardine Motors

Jardine Motors produced a much improved underlying profit of US\$52 million in the first half, compared to US\$20 million in 2013. Zung Fu performed well in Hong Kong and Macau with higher deliveries of Mercedes-Benz cars at better margins reflecting a favourable mix of models following new product launches. While the market remained challenging in mainland China, growth in new car sales and enhanced margins enabled a profit to be recorded for the first half. The group's United Kingdom operations achieved a good result with vehicles sales up as trading conditions improved.

During the first half, Jardine Strategic invested US\$731 million for a minority interest in Hong Kong-listed Zhongsheng Group, which is one of mainland China's leading motor dealership groups. The investment represents an initial 11% equity interest together with convertible bonds, which entitles the Group's interest to increase to 20%.

Jardine Lloyd Thompson

Jardine Lloyd Thompson's revenue for the period was equivalent to US\$937 million, up 15% in its reporting currency. This reflects organic growth of 6% and an increase in the contribution from acquisitions of 16%, primarily relating to the acquisition in late 2013 of Towers Watson Re, offset by a 7% negative foreign exchange rate impact. The contribution to Group profits rose by 23%. These good results are set against a marked decline towards the end of the period in the insurance and reinsurance rating environment coupled with the continued strength of sterling.

The company's specialist Risk and Insurance business produced a 15% improvement in revenues, of which 5% was organic, with strong performances from its Asian and Latin American operations. The underlying trading profit was up 15%, reflecting the benefit of the Towers Watson Re acquisition. The Employee Benefits business achieved revenue growth of 13%, of which 12% was organic, with its international operations once again making an increased contribution. Its underlying trading profit rose 23%.

Hongkong Land

Hongkong Land produced an underlying profit in the first half in line with expectations of US\$433 million, compared with US\$519 million in 2013. The contribution from its commercial property was higher, but the absence of residential project completions in Singapore led to an overall decline in earnings. A US\$130 million uplift in the value of investment properties produced a profit attributable to shareholders of US\$563 million, compared with a US\$79 million increase and an attributable profit of US\$598 million in 2013.

While sentiment in the Hong Kong office leasing market was cautious, rental reversions in the group's portfolio were positive overall and vacancy at the end of June 2014 was 6.0%, compared with 5.0% at the end of 2013. The retail space remained fully let and rental reversions were positive. There was some evidence of increasing demand in the Singapore office leasing market, where the group's office portfolio saw a steady performance and occupancy levels. In Jakarta, its 50%-owned office portfolio was 96% let. Hongkong Land is making satisfactory progress with several development projects, including a luxury retail complex at Wangfujing in Beijing, an office tower in central Jakarta and a mixed-use development in Phnom Penh.

The contribution from residential activities was significantly lower as no projects were completed in Singapore in the first half of 2014, compared with two large projects completed in the first six months of 2013. Positive sales activity did, however, allow US\$34 million of writedowns previously made to be reversed. MCL Land expects to complete two projects in Singapore in the second half of the year, with additional completions due in 2015. In Hong Kong, further sales at its Serenade project were completed. In Chongqing, sales completions continued at its 50%-owned Bamboo Grove project, although there was a decline in the group's contracted sales across its residential projects in mainland China resulting from general market uncertainty and a less liquid mortgage market. In Indonesia, work is progressing well at the group's two joint venture residential projects, where initial launches are planned for the second half of the year.

Dairy Farm

Dairy Farm's sales for the period, including 100% of associates and joint ventures, rose 5% to US\$6.3 billion. Underlying net profit was marginally lower at US\$224 million. The profit attributable to shareholders of US\$234 million includes gains arising from the disposal of properties, and compares with US\$229 million in 2013. The group's financial position remains healthy with net cash of US\$568 million at 30th June 2014.

The group's Health and Beauty, Home Furnishings, and Restaurants divisions each achieved solid growth in sales and earnings. Despite improved sales in the Food division, profits were down due to sustained margin pressure arising from competitive market conditions and increased costs. Its Food banners in Hong Kong had a satisfactory first half and Malaysia produced higher sales and profits, but lower earnings were recorded in Singapore and Indonesia. Less favourable exchange rates also affected the group's results on translation into US dollars.

In May 2014, Maxim's announced that it had entered into a new franchise relationship with The Cheesecake Factory to bring this US casual dining concept to Asia. In July 2014, Dairy Farm sold its 49% interest in Foodworld and 50% interest in Health and Glow in India to its joint venture partner. Also in July, Dairy Farm agreed to increase its shareholding in Rustan Supercenters, Inc. in the Philippines to 66% with the purchase of an additional 16% interest. The construction of the first IKEA store in Indonesia is progressing well.

Mandarin Oriental

Mandarin Oriental's underlying profit for the period was US\$46 million, including US\$9 million of branding fees, which compares with a profit US\$54 million in 2013 that benefited from a US\$7 million gain recognized on the acquisition of the freehold rights of its Paris hotel. Profit attributable to shareholders was US\$46 million, compared with US\$57 million in the first half of 2013.

Occupancy was stable at Mandarin Oriental's two wholly-owned Hong Kong hotels, while elsewhere in Asia, Bangkok was adversely affected by ongoing political uncertainty and there were weaker performances in Jakarta and Manila. In Europe, further progress was made in the Paris hotel and an improvement in Geneva offset softer demand in London and Munich. The overall performance in North America was impacted by lower demand in Washington D.C.

Hotels were recently opened in Taipei and Bodrum, while a further three new hotels in Marrakech, Milan and Beijing are due over the next 18 months. New management contracts have been announced for Bali in 2017 and Manila in 2020, the latter replacing the group's existing property which is due to close later this year.

Jardine Cycle & Carriage

Jardine Cycle & Carriage reported an underlying profit down 9% at US\$413 million, while profit attributable to shareholders at US\$433 million was 4% lower, after a net gain of US\$20 million primarily relating to the recognition of negative goodwill arising on the establishment of Astra Aviva Life. Astra contributed US\$381 million to the group's underlying profit, which was 12% lower due primarily to the rupiah exchange rate being on average 17% weaker than in the first half of 2013. The contribution from the group's other motor interests grew 50% to US\$37 million.

Earnings from the Singapore motor operations were up 30% following increased contribution from Mercedes-Benz passenger cars, after-sales, Kia passenger cars and taxis and used cars. In Malaysia, Cycle & Carriage Bintang's earnings improved following good demand for the newer Mercedes-Benz models. In Indonesia, Tunas Ridean's contribution was down 25% in the face of competitive pressures in the car market and reduced gains on the sale of ex-rental vehicles. In Vietnam, Truong Hai Auto Corporation performed well due to the strong sales, good margins and lower financing costs. The new operations in Myanmar incurred a small loss.

Astra

Astra reported a net profit equivalent to US\$837 million under Indonesian accounting standards, 11% up on its reporting currency. Improved results from its agribusiness and contract mining operations were partially offset by a decline in earnings from its automotive businesses as discounting continued to impact on margins in the car sector.

The wholesale market for cars grew by 7%, while Astra's car sales rose by 4% to 334,000 units resulting in its market share decreasing slightly from 53% to 52%. The wholesale market for motorcycles increased by 7%, and Astra Honda Motor's sales were up by 11% to 2.6 million units, producing a market share of 62% up from 60%. Astra's component business made a lower contribution following the reduction in its shareholding in Astra Otoparts from 96% to 80% in 2013, while net income also fell by 11% on lower manufacturing margins despite higher sales volumes.

Net income from Astra's financial services operations increased by 15% to US\$211 million with the inclusion of a US\$38 million non-trading gain arising on the establishment of Astra Aviva Life. The amount financed through its automotive-focused consumer finance operations rose 11% to US\$2.6 billion, while the amount financed in the heavy equipment sector declined by 23% to US\$168 million following lower sales. Astra sold a 25% interest in Astra Sedaya Finance to Bank Permata, Astra's 45%-held joint venture, for a cash consideration of US\$187 million, with the resulting US\$89 million gain recorded directly in equity. Bank Permata reported net income down 2% to US\$68 million. Group insurance company, Asuransi Astra Buana, saw reduced profits as growth in premiums was offset by a

lower contribution from investment earnings following the recognition of one-off gains in 2013.

United Tractors, which is 60%-owned, reported net income up 42% to US\$280 million. In construction machinery, a marginal fall in net revenue reflected a 10% decline in sales of Komatsu heavy equipment offset by growth in parts and service revenue. The contract mining operations of subsidiary, Pamapersada Nusantara, benefited from improved coal volumes on lower stripping ratios. Net revenue grew 12% as contract coal production rose 20% to 60 million tonnes, although contract overburden removal was 3% lower at 401 million bank cubic metres. United Tractors' mining subsidiaries reported an increase in net revenue of 46%, with coal sales 51% higher at 3.4 million tonnes, although the average coal sale prices declined by 7%. Rises in fuel costs also reduced the gross profit margins.

Astra Agro Lestari, which is 80%-held, saw net income grow 91% to US\$117 million. Average crude palm oil prices achieved were up 32%, although crude palm oil sales were reduced by 10% to 675,000 tonnes, primarily due to the commencement of operations of Astra Agro Lestari's refinery in West Sulawesi.

Net income from infrastructure and logistics fell by 23%. The 79%-owned Tangerang-Merak toll road reported 4% growth in traffic volumes with 14% higher average tariffs. Serasi Autoraya's revenue improved, but the benefit was offset by an increase in operating costs resulting in a 25% decline in net income. Within information technology, Astra Graphia reported net income of US\$9 million, up 53%.

Anandamaya Residences, a 60%-held luxury residential development located in Jakarta's Central Business District, is expected to commence initial sales launches during the third quarter. This high-end development, in joint venture with Hongkong Land, consists of approximately 500 apartment units, with completion expected in 2018.

Jardine Matheson Holdings Limited
Consolidated Profit and Loss Account

	(unaudited)						Year ended 31st December		
	Six months ended 30th June			2013			2013		
	2014		Total US\$m	2013		Total US\$m	2013		Total US\$m
Underlying business performance US\$m	Non-trading items US\$m	Underlying business performance US\$m		Non-trading items US\$m	Underlying business performance US\$m		Non-trading items US\$m		
Revenue (<i>note 2</i>)	19,565	-	19,565	19,996	-	19,996	39,465	-	39,465
Net operating costs (<i>note 3</i>)	(17,769)	34	(17,735)	(18,218)	1	(18,217)	(35,864)	(31)	(35,895)
Change in fair value of investment properties	-	16	16	-	(43)	(43)	-	(60)	(60)
Operating profit	1,796	50	1,846	1,778	(42)	1,736	3,601	(91)	3,510
Net financing charges									
- financing charges	(122)	-	(122)	(135)	-	(135)	(260)	-	(260)
- financing income	85	-	85	56	-	56	137	-	137
	(37)	-	(37)	(79)	-	(79)	(123)	-	(123)
Share of results of associates and joint ventures (<i>note 4</i>)									
- before change in fair value of investment properties	458	33	491	600	(1)	599	1,122	(32)	1,090
- change in fair value of investment properties	-	123	123	-	131	131	-	352	352
	458	156	614	600	130	730	1,122	320	1,442
Profit before tax	2,217	206	2,423	2,299	88	2,387	4,600	229	4,829
Tax (<i>note 5</i>)	(406)	(8)	(414)	(381)	(6)	(387)	(835)	(9)	(844)
Profit after tax	1,811	198	2,009	1,918	82	2,000	3,765	220	3,985
Attributable to:									
Shareholders of the Company	739	79	818	753	31	784	1,502	64	1,566
Non-controlling interests	1,072	119	1,191	1,165	51	1,216	2,263	156	2,419
	1,811	198	2,009	1,918	82	2,000	3,765	220	3,985
	US\$		US\$	US\$		US\$	US\$		US\$
Earnings per share (<i>note 6</i>)									
- basic	2.00		2.22	2.05		2.14	4.09		4.26
- diluted	2.00		2.21	2.04		2.13	4.07		4.25

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Jardine Matheson Holdings Limited
Consolidated Statement of Comprehensive Income

	2014 US\$m	(unaudited) Six months ended 30th June 2013 US\$m	Year ended 31st December 2013 US\$m
Profit for the period	2,009	2,000	3,985
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	(3)	(8)	90
Net revaluation surplus before transfer to investment properties			
- intangible assets	6	-	2
- tangible assets	-	-	1
Tax on items that will not be reclassified	1	1	(19)
	4	(7)	74
Share of other comprehensive (expense)/income of associates and joint ventures	(8)	(5)	12
	(4)	(12)	86
Items that may be reclassified subsequently to profit or loss:			
Net exchange translation differences			
- net gain/(loss) arising during the period	110	(273)	(1,793)
- transfer to profit and loss	-	-	(1)
	110	(273)	(1,794)
Revaluation of other investments			
- net loss arising during the period	(4)	(52)	(28)
- transfer to profit and loss	-	(13)	(11)
	(4)	(65)	(39)
Impairment of other investments transfer to profit and loss	-	-	55
Cash flow hedges			
- net (loss)/gain arising during the period	(66)	19	(40)
- transfer to profit and loss	45	16	77
	(21)	35	37
Tax relating to items that may be reclassified	6	(7)	(8)
Share of other comprehensive income/(expense) of associates and joint ventures	60	(192)	(637)
	151	(502)	(2,386)
Other comprehensive income/(expense) for the period, net of tax	147	(514)	(2,300)
Total comprehensive income for the period	<u>2,156</u>	<u>1,486</u>	<u>1,685</u>
Attributable to:			
Shareholders of the Company	862	574	994
Non-controlling interests	1,294	912	691
	<u>2,156</u>	<u>1,486</u>	<u>1,685</u>

Jardine Matheson Holdings Limited
Consolidated Balance Sheet

	2014 US\$m	(unaudited) At 30th June 2013 US\$m	At 31st December 2013 US\$m
Assets			
Intangible assets	2,478	2,577	2,333
Tangible assets	6,977	7,244	6,823
Investment properties	24,215	23,979	24,088
Plantations	897	1,032	856
Associates and joint ventures	9,017	8,416	8,694
Other investments	1,380	1,151	1,129
Non-current debtors	3,417	2,899	2,811
Deferred tax assets	293	301	264
Pension assets	45	26	51
Non-current assets	<u>48,719</u>	<u>47,625</u>	<u>47,049</u>
Properties for sale	3,211	2,677	2,670
Stocks and work in progress	3,444	3,269	3,015
Current debtors	6,291	6,761	5,733
Current investments	15	30	17
Current tax assets	132	171	130
Bank balances and other liquid funds			
- non-financial services companies	4,317	4,311	4,930
- financial services companies	323	297	284
	<u>4,640</u>	<u>4,608</u>	<u>5,214</u>
	17,733	17,516	16,779
Non-current assets classified as held for sale	<u>4</u>	<u>4</u>	<u>7</u>
Current assets	<u>17,737</u>	<u>17,520</u>	<u>16,786</u>
Total assets	<u>66,456</u>	<u>65,145</u>	<u>63,835</u>

(Consolidated Balance Sheet continued on page 13)

Jardine Matheson Holdings Limited
Consolidated Balance Sheet (continued)

	2014 US\$m	(unaudited) At 30th June 2013 US\$m	At 31st December 2013 US\$m
Equity			
Share capital	172	169	170
Share premium and capital reserves	130	117	119
Revenue and other reserves	21,702	20,320	20,761
Own shares held	<u>(2,985)</u>	<u>(2,549)</u>	<u>(2,664)</u>
Shareholders' funds	19,019	18,057	18,386
Non-controlling interests	<u>25,165</u>	<u>24,926</u>	<u>24,396</u>
Total equity	<u>44,184</u>	<u>42,983</u>	<u>42,782</u>
Liabilities			
Long-term borrowings			
- non-financial services companies	5,550	5,127	4,799
- financial services companies	1,744	1,998	1,674
	7,294	7,125	6,473
Deferred tax liabilities	721	792	733
Pension liabilities	309	394	294
Non-current creditors	426	411	390
Non-current provisions	<u>147</u>	<u>147</u>	<u>134</u>
Non-current liabilities	<u>8,897</u>	<u>8,869</u>	<u>8,024</u>
Current creditors	8,889	7,985	7,921
Current borrowings			
- non-financial services companies	2,004	2,731	2,732
- financial services companies	2,096	2,242	2,079
	4,100	4,973	4,811
Current tax liabilities	315	278	226
Current provisions	<u>71</u>	<u>57</u>	<u>71</u>
Current liabilities	<u>13,375</u>	<u>13,293</u>	<u>13,029</u>
Total liabilities	<u>22,272</u>	<u>22,162</u>	<u>21,053</u>
Total equity and liabilities	<u>66,456</u>	<u>65,145</u>	<u>63,835</u>

Jardine Matheson Holdings Limited
Consolidated Statement of Changes in Equity

	Share capital US\$m	Share premium US\$m	Capital reserves US\$m	Revenue reserves US\$m	Asset revaluation reserves US\$m	Hedging reserves US\$m	Exchange reserves US\$m	Own shares held US\$m	Attributable to shareholders of the Company US\$m	Attributable to non-controlling interests US\$m	Total equity US\$m
Six months ended 30th June 2014 (unaudited)											
At 1st January 2014	170	19	100	21,224	169	7	(639)	(2,664)	18,386	24,396	42,782
Total comprehensive income	-	-	-	802	2	(6)	64	-	862	1,294	2,156
Dividends paid by the Company (note 8)	-	-	-	(380)	-	-	-	-	(380)	68	(312)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(663)	(663)
Issue of shares	-	2	-	-	-	-	-	-	2	-	2
Employee share option schemes	-	-	11	-	-	-	-	-	11	1	12
Scrip issued in lieu of dividends	2	(2)	-	449	-	-	-	-	449	-	449
Increase in own shares held	-	-	-	-	-	-	-	(321)	(321)	(68)	(389)
Change in interests in subsidiaries	-	-	-	12	-	-	-	-	12	137	149
Change in interests in associates and joint ventures	-	-	-	(2)	-	-	-	-	(2)	-	(2)
Transfer	-	1	(1)	-	-	-	-	-	-	-	-
At 30th June 2014	172	20	110	22,105	171	1	(575)	(2,985)	19,019	25,165	44,184
Six months ended 30th June 2013 (unaudited)											
At 1st January 2013	168	16	89	19,545	168	(19)	67	(2,234)	17,800	24,573	42,373
Total comprehensive income	-	-	-	752	-	5	(183)	-	574	912	1,486
Dividends paid by the Company (note 8)	-	-	-	(367)	-	-	-	-	(367)	66	(301)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(738)	(738)
Issue of shares	-	2	-	-	-	-	-	-	2	-	2
Employee share option schemes	-	-	11	-	-	-	-	-	11	2	13
Scrip issued in lieu of dividends	1	(1)	-	453	-	-	-	-	453	-	453
Increase in own shares held	-	-	-	-	-	-	-	(315)	(315)	(55)	(370)
Subsidiaries acquired	-	-	-	-	-	-	-	-	-	68	68
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	76	76
Change in interests in subsidiaries	-	-	-	(98)	-	-	-	-	(98)	22	(76)
Change interests in associates and joint ventures	-	-	-	(3)	-	-	-	-	(3)	-	(3)
Transfer	-	1	(1)	-	-	-	-	-	-	-	-
At 30th June 2013	169	18	99	20,282	168	(14)	(116)	(2,549)	18,057	24,926	42,983

(Consolidated Statement of Changes in Equity continued on page 15)

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

	Share capital US\$m	Share premium US\$m	Capital reserves US\$m	Revenue reserves US\$m	Asset revaluation reserves US\$m	Hedging reserves US\$m	Exchange reserves US\$m	Own shares held US\$m	Attributable to shareholders of the Company US\$m	Attributable to non-controlling interests US\$m	Total equity US\$m
<i>Year ended 31st December 2013</i>											
At 1st January 2013	168	16	89	19,545	168	(19)	67	(2,234)	17,800	24,573	42,373
Total comprehensive income	-	-	-	1,673	1	26	(706)	-	994	691	1,685
Dividends paid by the Company	-	-	-	(503)	-	-	-	-	(503)	90	(413)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(996)	(996)
Issue of shares	-	3	-	1	-	-	-	-	4	-	4
Employee share option schemes	-	-	21	-	-	-	-	-	21	3	24
Scrip issued in lieu of dividends	2	(2)	-	626	-	-	-	-	626	-	626
Increase in own shares held	-	-	-	-	-	-	-	(430)	(430)	(78)	(508)
Subsidiaries acquired	-	-	-	-	-	-	-	-	-	54	54
Subsidiaries disposed of	-	-	-	-	-	-	-	-	-	(1)	(1)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	75	75
Change in interests in subsidiaries	-	-	-	(123)	-	-	-	-	(123)	(15)	(138)
Change in interests in associates and joint ventures	-	-	-	(3)	-	-	-	-	(3)	-	(3)
Transfer	-	2	(10)	8	-	-	-	-	-	-	-
At 31st December 2013	<u>170</u>	<u>19</u>	<u>100</u>	<u>21,224</u>	<u>169</u>	<u>7</u>	<u>(639)</u>	<u>(2,664)</u>	<u>18,386</u>	<u>24,396</u>	<u>42,782</u>

Total comprehensive income for the six months ended 30th June 2014 included in revenue reserves comprises profit attributable to shareholders of the Company of US\$818 million (2013: US\$784 million) and net fair value loss on other investments of US\$5 million (2013: US\$32 million). Cumulative net fair value gain on other investments amounted to US\$264 million.

Total comprehensive income for the year ended 31st December 2013 included in revenue reserves comprises profit attributable to shareholders of the Company of US\$1,566 million and net fair value gain on other investments (net of impairment and transfer to profit and loss) of US\$43 million. Cumulative net fair value gain on other investments amounted to US\$269 million.

Jardine Matheson Holdings Limited
Consolidated Cash Flow Statement

	(unaudited) Six months ended 30th June 2014 US\$m	2013 US\$m	Year ended 31st December 2013 US\$m
Operating activities			
Operating profit	1,846	1,736	3,510
Change in fair value of investment properties	(16)	43	60
Depreciation and amortization	491	536	1,039
Other non-cash items	52	97	309
Increase in working capital	(747)	(355)	(258)
Interest received	92	56	131
Interest and other financing charges paid	(138)	(148)	(271)
Tax paid	(364)	(489)	(970)
	1,216	1,476	3,550
Dividends from associates and joint ventures	427	348	650
Cash flows from operating activities	1,643	1,824	4,200
Investing activities			
Purchase of subsidiaries (<i>note 10(a)</i>)	(3)	(87)	(127)
Purchase of associates and joint ventures (<i>note 10(b)</i>)	(121)	(80)	(492)
Purchase of shares and convertible bonds in Zhongsheng	(731)	-	-
Purchase of other investments (<i>note 10(c)</i>)	(36)	(92)	(107)
Purchase of intangible assets	(158)	(160)	(296)
Purchase of tangible assets	(601)	(947)	(1,506)
Additions to investment properties	(104)	(86)	(229)
Additions to plantations	(27)	(36)	(65)
Advance to associates, joint ventures and others (<i>note 10(d)</i>)	(7)	(94)	(6)
Advance and repayment from associates, joint ventures and others (<i>note 10(e)</i>)	42	72	219
Sale of subsidiaries (<i>note 10(f)</i>)	-	29	39
Sale of other investments (<i>note 10(g)</i>)	138	94	109
Sale of intangible assets	1	1	8
Sale of tangible assets	44	19	80
Sale of investment properties	-	-	1
Cash flows from investing activities	(1,563)	(1,367)	(2,372)
Financing activities			
Issue of shares	2	2	4
Capital contribution from non-controlling interests	-	76	75
Advance from non-controlling interests	-	-	1
Change in interests in subsidiaries (<i>note 10(h)</i>)	151	(52)	(114)
Drawdown of borrowings	9,969	8,889	16,632
Repayment of borrowings	(9,915)	(8,102)	(15,973)
Dividends paid by the Company	(252)	(218)	(295)
Dividends paid to non-controlling interests	(663)	(738)	(996)
Cash flows from financing activities	(708)	(143)	(666)
Net (decrease)/increase in cash and cash equivalents	(628)	314	1,162
Cash and cash equivalents at beginning of period	5,189	4,253	4,253
Effect of exchange rate changes	47	(25)	(226)
Cash and cash equivalents at end of period	4,608	4,542	5,189

Jardine Matheson Holdings Limited
Analysis of Profit Contribution

	2014 US\$m	(unaudited) Six months ended 30th June 2013 US\$m	Year ended 31st December 2013 US\$m
Reportable segments			
Jardine Pacific	47	44	110
Jardine Motors	52	20	59
Jardine Lloyd Thompson	52	42	76
Hongkong Land	178	213	385
Dairy Farm	143	145	307
Mandarin Oriental	28	32	56
Jardine Cycle & Carriage	22	15	35
Astra	231	258	508
	<u>753</u>	<u>769</u>	<u>1,536</u>
Corporate and other interests	(14)	(16)	(34)
Underlying profit attributable to shareholders*	739	753	1,502
Increase in fair value of investment properties	54	33	113
Other non-trading items	25	(2)	(49)
Profit attributable to shareholders	<u>818</u>	<u>784</u>	<u>1,566</u>
Analysis of Jardine Pacific's contribution			
Jardine Schindler	17	17	36
Jardine Engineering Corporation	8	6	28
Gammon	3	6	27
Jardine Restaurants	11	6	6
Transport Services	9	16	31
Jardine OneSolution	3	(1)	(5)
Jardine Property Investment	3	3	5
Corporate and other interests	(7)	(9)	(18)
	<u>47</u>	<u>44</u>	<u>110</u>
Analysis of Jardine Motors' contribution			
Hong Kong and mainland China	38	8	39
United Kingdom	15	12	21
Corporate	(1)	-	(1)
	<u>52</u>	<u>20</u>	<u>59</u>

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

Jardine Matheson 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 been prepared on a going concern basis. The condensed financial statements have not been audited or reviewed by the Group's auditors pursuant to the UK Auditing Practices Board guidance on the review of interim financial information.

The following amendments and interpretation which are effective in the current accounting period and relevant to the Group's operations are adopted in 2014:

Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	Levies

Amendments to IAS 32 'Offsetting Financial Assets and Financial Liabilities' are made to the application guidance in IAS 32 and clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of offset' and 'simultaneous realization and settlement'.

Amendments to IAS 36 'Recoverable Amount Disclosures for Non-Financial Assets' set out the changes to the disclosures when recoverable amount is determined based on fair value less costs of disposal. The key amendments are (a) to remove the requirement to disclose recoverable amount when a cash generating unit (CGU) contains goodwill or indefinite lived intangible assets but there has been no impairment, (b) to require disclosure of the recoverable amount of an asset or CGU when an impairment loss has been recognized or reversed, and (c) to require detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognized or reversed.

Amendments to IAS 39 'Novation of Derivatives and Continuation of Hedge Accounting' provide relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty meets specified criteria.

IFRIC 21 'Levies' sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

There have been no changes to the accounting policies described in the 2013 annual financial statements upon the adoption of the above amendments and interpretation to existing standards. The adoption of these amendments and interpretation do not have any significant impact on the results or financial position of the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. Revenue

	Six months ended 30th June			
	Gross revenue		Revenue	
	2014 US\$m	2013 US\$m	2014 US\$m	2013 US\$m
<i>By business:</i>				
Jardine Pacific	2,779	2,527	1,234	1,104
Jardine Motors	2,597	2,158	2,597	2,158
Jardine Lloyd Thompson	937	748	-	-
Hongkong Land	1,069	2,039	602	912
Dairy Farm	6,312	6,033	5,299	5,102
Mandarin Oriental	518	509	341	327
Jardine Cycle & Carriage	1,731	1,565	808	701
Astra	15,196	16,205	8,694	9,702
Intersegment transactions	(357)	(425)	(10)	(10)
	30,782	31,359	19,565	19,996

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

3. Net Operating Costs

	Six months ended 30th June	
	2014 US\$m	2013 US\$m
Cost of sales	(15,048)	(15,638)
Other operating income	270	263
Selling and distribution costs	(2,004)	(1,906)
Administration expenses	(918)	(923)
Other operating expenses	(35)	(13)
	(17,735)	(18,217)

Net operating costs included the following gains/(losses) from non-trading items:

Sale of property interests	11	1
Sale of other investments	16	-
Sale of business	10	-
Fair value gain on convertible component of Zhongsheng bonds	4	-
Expenses relating to transfer of listing segment of group companies' shares	(6)	-
Other	(1)	-
	34	1

4. Share of Results of Associates and Joint Ventures

	Six months ended 30th June	
	2014 US\$m	2013 US\$m
<i>By business:</i>		
Jardine Pacific	38	47
Jardine Lloyd Thompson	46	38
Hongkong Land	199	286
Dairy Farm	22	22
Mandarin Oriental	7	13
Jardine Cycle & Carriage	20	13
Astra	282	311
	614	730
Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:		
Increase in fair value of investment properties	123	131
Reversal of asset impairment	-	3
Restructuring of businesses	(5)	(4)
Negative goodwill on acquisition of business	38	-
	156	130

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

5. Tax

	Six months ended 30th June	
	2014	2013
	US\$m	US\$m
Tax charged to profit and loss is analyzed as follows:		
Current tax	(451)	(438)
Deferred tax	<u>37</u>	<u>51</u>
	<u>(414)</u>	<u>(387)</u>
Greater China	(124)	(102)
Southeast Asia	(280)	(278)
United Kingdom	(6)	(4)
Rest of the world	<u>(4)</u>	<u>(3)</u>
	<u>(414)</u>	<u>(387)</u>
Tax relating to components of other comprehensive income or expense is analyzed as follows:		
Remeasurements of defined benefit plans	1	1
Cash flow hedges	<u>6</u>	<u>(7)</u>
	<u>7</u>	<u>(6)</u>

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

Share of tax charge of associates and joint ventures of US\$150 million and credit of US\$4 million (2013: US\$181 million and US\$2 million) are included in share of results of associates and joint ventures and share of other comprehensive expense of associates and joint ventures, respectively.

6. Earnings per Share

Basic earnings per share are calculated on profit attributable to shareholders of US\$818 million (2013: US\$784 million) and on the weighted average number of 369 million (2013: 376 million) shares in issue during the period.

Diluted earnings per share are calculated on profit attributable to shareholders of US\$818 million (2013: US\$784 million), which is after adjusting for the effects of the conversion of dilutive potential ordinary shares of subsidiaries, associates or joint ventures, and on the weighted average number of 370 million (2013: 368 million) shares after adjusting for the number of shares which are deemed to be issued for no consideration under the Senior Executive Share Incentive Schemes based on the average share price during the period.

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

	Ordinary shares in millions	
	2014	2013
Weighted average number of shares in issue	682	672
Company's share of shares held by subsidiaries	<u>(313)</u>	<u>(305)</u>
Weighted average number of shares for basic earnings per share calculation	369	367
Adjustment for shares deemed to be issued for no consideration under the Senior Executive Share Incentive Schemes	<u>1</u>	<u>1</u>
Weighted average number of shares for diluted earnings per share calculation	<u>370</u>	<u>368</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					
	2014		2013			
	US\$m	Basic earnings per share US\$	Diluted earnings per share US\$	US\$m	Basic earnings per share US\$	Diluted earnings per share US\$
Profit attributable to shareholders	818	2.22	2.21	784	2.14	2.13
Non-trading items (note 7)	<u>(79)</u>			<u>(31)</u>		
Underlying profit attributable to shareholders	<u>739</u>	2.00	2.00	<u>753</u>	2.05	2.04

7. 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.

	Six months ended 30th June	
	2014 US\$m	2013 US\$m
<i>By business:</i>		
Jardine Motors	(1)	-
Jardine Lloyd Thompson	(5)	(4)
Hongkong Land	54	33
Dairy Farm	6	-
Mandarin Oriental	-	2
Jardine Cycle & Carriage	(1)	-
Astra	13	-
Corporate and other interests	13	-
	<u>79</u>	<u>31</u>

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

Increase in fair value of investment properties		
- Hongkong Land	54	33
Reversal of asset impairment	-	2
Sale of property interests	7	-
Sale of other investments	14	-
Sale of business	2	-
Restructuring of businesses	(7)	(4)
Fair value gain on convertible component of Zhongsheng bonds	3	-
Expenses relating to transfer of listing segment of group companies' shares	(4)	-
Negative goodwill on acquisition of business	11	-
Other	(1)	-
	<u>79</u>	<u>31</u>

8. Dividends

	Six months ended 30th June	
	2014	2013
	US\$m	US\$m
Final dividend in respect of 2013 of US¢103.00 (2012: US¢100.00) per share	701	671
Company's share of dividends paid on the shares held by subsidiaries	<u>(321)</u>	<u>(304)</u>
	<u>380</u>	<u>367</u>

An interim dividend in respect of 2014 of US¢38.00 (2013: US¢37.00) per share amounting to a total of US\$261 million (2013: US\$251 million) is declared by the Board. The net amount after deducting the Company's share of the dividends payable on the shares held by subsidiaries of US\$121 million (2013: US\$115 million) will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2014.

9. Financial Instruments

Financial instruments by category

The fair values of financial assets and financial liabilities, together with carrying amounts at 30th June 2014 and 31st December 2013 are as follows:

	Loans and receivables US\$m	Derivatives US\$m	Available- for-sale US\$m	Fair value through profit or loss US\$m	Other financial liabilities at amortized cost US\$m	Total carrying amount US\$m	Fair value US\$m
30th June 2014							
Assets							
Other investments	-	-	1,395	-	-	1,395	1,395
Debtors	8,435	185	-	22	-	8,642	8,413
Bank balances and other liquid funds	4,640	-	-	-	-	4,640	4,640
	13,075	185	1,395	22	-	14,677	14,448
Liabilities							
Borrowings							
(excluding finance lease liabilities)	-	-	-	-	(11,291)	(11,291)	(11,308)
Finance lease liabilities	-	-	-	-	(103)	(103)	(103)
Trade and other payables excluding non-financial liabilities	-	(59)	-	(66)	(7,160)	(7,285)	(7,285)
	-	(59)	-	(66)	(18,554)	(18,679)	(18,696)
31st December 2013							
Assets							
Other investments	-	-	1,146	-	-	1,146	1,146
Debtors	7,350	294	-	-	-	7,644	7,239
Bank balances and other liquid funds	5,214	-	-	-	-	5,214	5,214
	12,564	294	1,146	-	-	14,004	13,599
Liabilities							
Borrowings							
(excluding finance lease liabilities)	-	-	-	-	(11,161)	(11,161)	(11,075)
Finance lease liabilities	-	-	-	-	(123)	(123)	(123)
Trade and other payables excluding non-financial liabilities	-	(59)	-	(66)	(6,573)	(6,698)	(6,698)
	-	(59)	-	(66)	(17,857)	(17,982)	(17,896)

- more -

9. Financial Instruments (continued)

Fair value estimation

(i) Financial instruments that are measured at fair value

For financial instruments that are measured at fair value in the balance sheet, the corresponding fair value measurements are disclosed by level of the following fair value measurement hierarchy:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities ('quoted prices in active markets')

The fair value of listed securities, which are classified as available-for-sale, is based on quoted prices in active markets at the balance sheet date. The quoted market price used for listed investments held by the Group is the current bid price.

(b) Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly ('observable current market transactions')

The fair values of derivative financial instruments are determined using rates quoted by the Group's bankers at the balance sheet date. The rates for interest rate swaps and caps, cross-currency swaps, forward foreign exchange contracts and credit default swaps are calculated by reference to market interest rates and foreign exchange rates, and for the convertible component of convertible bonds held reference is also made to the quoted price of the underlying shares.

The fair values of unlisted investments, which are classified as available-for-sale and mainly include club and school debentures, are determined using prices quoted by brokers at the balance sheet date.

(c) Inputs for assets or liabilities that are not based on observable market data ('unobservable inputs')

The fair value of other unlisted investments, which are classified as available-for-sale, is determined using valuation techniques by reference to observable current market transactions (including price-to-earnings and price-to-book ratios of listed securities of entities engaged in similar industries) or the market prices of the underlying investments with certain degree of entity specific estimates.

There were no changes in valuation techniques during the periods.

9. Financial Instruments (continued)

The table below analyzes financial instruments carried at fair value at 30th June 2014 and 31st December 2013, by the levels in the fair value measurement hierarchy:

	Quoted prices in active markets US\$m	Observable current market transactions US\$m	Unobservable inputs US\$m	Total US\$m
30th June 2014				
Assets				
Available-for-sale financial assets				
- listed securities	1,176	-	-	1,176
- unlisted investments	-	42	177	219
	1,176	42	177	1,395
Derivatives designated at fair value				
- through other comprehensive income	-	185	-	185
- through profit and loss	-	22	-	22
	1,176	249	177	1,602
Liabilities				
Contingent consideration payable	-	-	(66)	(66)
Derivatives designated at fair value				
- through other comprehensive income	-	(59)	-	(59)
	-	(59)	(66)	(125)
31st December 2013				
Assets				
Available-for-sale financial assets				
- listed securities	943	-	-	943
- unlisted investments	-	42	161	203
	943	42	161	1,146
Derivatives designated at fair value				
- through other comprehensive income	-	294	-	294
	943	336	161	1,440
Liabilities				
Contingent consideration payable	-	-	(66)	(66)
Derivatives designated at fair value				
- through other comprehensive income	-	(59)	-	(59)
	-	(59)	(66)	(125)

There were no transfers among the three categories during the periods.

9. Financial Instruments (continued)

Movement of financial instruments which are valued based on unobservable inputs during the six months ended 30th June 2014 and 2013 are as follows:

	Available-for- sale financial assets US\$m	Contingent consideration payable US\$m
At 1st January 2014	161	66
Exchange differences	1	-
Additions	1	-
Net change in fair value during the period included in other comprehensive income	<u>14</u>	<u>-</u>
At 30th June 2014	<u>177</u>	<u>66</u>
At 1st January 2013	134	68
Exchange differences	(1)	-
Additions	13	-
Payment of contingent consideration	-	(2)
Net change in fair value during the period included in other comprehensive income	<u>13</u>	<u>-</u>
At 30th June 2013	<u>159</u>	<u>66</u>

The contingent consideration payable mainly arose from Astra's acquisition of a 60% interest in PT Duta Nurcahya in 2012 and represents the fair value of service fee payable for mining services to be provided by the vendor.

(ii) Financial instruments that are not measured at fair value

The fair values of current debtors, bank balances and other liquid funds, current creditors and current borrowings are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

The fair values of long-term borrowings are based on market prices or are estimated using the expected future payments discounted at market interest rates.

10. Notes to Consolidated Cash Flow Statement

(a) Purchase of subsidiaries

	Six months ended 30th June	
	2014	2013
	US\$m	US\$m
	<u> </u>	<u> </u>
Intangible assets	-	66
Tangible assets	1	90
Associates and joint ventures	-	10
Current assets	3	78
Deferred tax liabilities	-	(7)
Pension liabilities	-	(5)
Current liabilities	(3)	(63)
Fair value of identifiable net assets acquired	1	169
Adjustment for non-controlling interests	-	(68)
Goodwill	3	21
Total consideration	4	122
Payment for contingent consideration	-	2
Adjustment for deferred consideration	2	-
Fair value of associates and joint ventures	(1)	-
Payment for deferred consideration	-	1
Cash and cash equivalents of subsidiaries acquired	(2)	(38)
Net cash outflow	3	87

For the subsidiaries acquired during the first half of 2013, the fair value of the identifiable assets and liabilities at the acquisition dates as included in the comparative figures was provisional. The fair value was finalized between the second half of 2013 and early 2014. As the difference between the provisional and the finalized fair value was not material, the comparative figures have not been adjusted.

Net cash outflow for the six months ended 30th June 2013 included US\$45 million and US\$31 million for Astra's acquisition of a 100% interest in PT Pelabuhan Penajam Banua Taka, a port business in Indonesia, in January 2013, and a 51% interest in PT Pakoakuina, a producer of wheel rims for both motor cars and motorcycles, in April 2013, respectively.

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

The Group acquired a subsidiary in January 2014. Revenue and loss after tax since acquisition in respect of the subsidiary amounted to US\$6 million and US\$1 million, respectively.

10. Notes to Consolidated Cash Flow Statement (continued)

- (b) Purchase of associates and joint ventures for the six months ended 30th June 2014 included US\$35 million for Hongkong Land's investments in the Philippines and Indonesia, and US\$57 million and US\$25 million for Astra's subscription to PT Bank Permata's rights issue and capital injection into PT Aisin, respectively.

Purchase for the six months ended 30th June 2013 included US\$18 million for Dairy Farm's acquisition of a 30% interest in Jutaria Gemiland in Malaysia and US\$51 million and US\$10 million for Astra's capital injection into PT Isuzu Astra Motor Indonesia and PT TD Automotive Compressor Indonesia, respectively.

- (c) Purchase of other investments for the six months ended 30th June 2014 and 2013 mainly included acquisition of securities by Astra.
- (d) Advance to associates, joint ventures and others for the six months ended 30th June 2014 and 2013 comprised Hongkong Land's loans to its property joint ventures.
- (e) Advance and repayment from associates, joint ventures and others for the six months ended 30th June 2014 and 2013 comprised advance and repayment from Hongkong Land's property joint ventures.
- (f) Sale of subsidiaries

	Six months ended 30th June	
	2014 US\$m	2013 US\$m
Intangible assets	-	2
Tangible assets	-	17
Other investments	-	5
Current assets	-	10
Current liabilities	-	(8)
Net assets disposed of	-	26
Realization of fair value reserves	-	(1)
Profit on disposal	-	4
Sale proceeds	-	29

Sale of subsidiaries for the six months ended 30th June 2013 included US\$25 million from Jardine Motors' sale of certain dealerships in the United Kingdom.

- (g) Sale of other investments for the six months ended 30th June 2014 comprised US\$119 million for Jardine Strategic's sale of Tata Power and US\$19 million for Astra's sale of securities.

Sale for the six months ended 30th June 2013 comprised Astra's sale of securities.

10. Notes to Consolidated Cash Flow Statement (continued)

(h) Change in interests in subsidiaries

	Six months ended 30th June	
	2014 US\$m	2013 US\$m
Increase in attributable interests		
- Jardine Cycle & Carriage	33	96
- Jardine Strategic	-	182
- other	3	58
Decrease in attributable interests		
- PT Astra Sedaya Finance	(187)	-
- PT Astra Otoparts	-	(284)
	<u>(151)</u>	<u>52</u>

Increase in attributable interests in other subsidiaries for the six months ended 30th June 2013 included US\$56 million for Astra's acquisition of an additional 15% interest in PT Asmin Bara Bronang, increasing its controlling interest to 75%.

11. Capital Commitments and Contingent Liabilities

Total capital commitments at 30th June 2014 and 31st December 2013 amounted to US\$2,356 million and US\$2,164 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.

12. 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 purchases 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 for the six months ended 30th June 2014 amounted to US\$3,799 million (2013: US\$4,361 million). The Group also sells motor vehicles and spare parts to its associates and joint ventures in Indonesia including PT Astra Honda Motor, PT Astra Daihatsu Motor and PT Tunas Ridean. Total revenue from sales of motor vehicles and spare parts for the six months ended 30th June 2014 amounted to US\$586 million (2013: US\$622 million).

PT Bank Permata provides banking services to the Group. The Group's deposits with PT Bank Permata at 30th June 2014 amounted to US\$443 million (2013: US\$568 million).

During the second quarter of 2014, Astra completed the disposal of a 25% interest in PT Astra Sedaya Finance to PT Bank Permata for a cash consideration of US\$187 million, with the resulting gain of US\$89 million recorded directly in equity.

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.

Amounts of outstanding balances with associates and joint ventures are included in debtors and creditors, as appropriate.

Jardine Matheson 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 122 of the Company's Annual Report for 2013, 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 Conduct Authority in the United Kingdom.

For and on behalf of the Board

Ben Keswick
James Riley

Directors

1st August 2014

The interim dividend of US\$38.00 per share will be payable on 15th October 2014 to shareholders on the register of members at the close of business on 22nd August 2014, and will be available in cash with a scrip alternative. The ex-dividend date will be on 20th August 2014, and the share registers will be closed from 25th to 29th August 2014, inclusive. Shareholders will receive their cash dividends in United States dollars, unless they are registered on the Jersey branch register where they will have the option to elect for sterling. These shareholders may make new currency elections for the 2014 interim dividend by notifying the United Kingdom transfer agent in writing by 26th September 2014. The sterling equivalent of dividends declared in United States dollars will be calculated by reference to a rate prevailing on 30th September 2014. Shareholders holding their shares through The Central Depository (Pte) Limited ('CDP') in Singapore will receive United States dollars unless they elect, through CDP, to receive Singapore dollars or the scrip alternative.

The Jardine Matheson Group

Founded as a trading company in China in 1832, Jardine Matheson is today a diversified business group focused principally on Asia. Its businesses comprise a combination of cash generating activities and long-term property assets.

Jardine Matheson holds interests directly in Jardine Pacific (100%), Jardine Motors (100%) and Jardine Lloyd Thompson (42%), while its 83%-held Group holding company, Jardine Strategic, is interested in Hongkong Land (50%), Dairy Farm (78%), Mandarin Oriental (73%) and Jardine Cycle & Carriage (74%), which in turn has a 50% shareholding in Astra. Jardine Strategic also has a 56% shareholding in Jardine Matheson.

These companies are leaders in the fields of engineering and construction, transport services, insurance broking, property investment and development, retailing, restaurants, luxury hotels, motor vehicles and related activities, financial services, heavy equipment, mining and agribusiness.

Jardine Matheson Holdings Limited is incorporated in Bermuda and has a standard listing on the London Stock Exchange as its primary listing, with secondary listings in Bermuda and Singapore. Jardine Matheson Limited operates from Hong Kong and provides management services to Group companies.

- end -

For further information, please contact:

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As permitted by the Disclosure and Transparency Rules of the Financial Conduct Authority in 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.