

General Announcement

Reference No **ML-110616-58022**

Submitting Merchant Bank : HONG LEONG INVESTMENT BANK BERHAD
Company Name : **HONG LEONG INDUSTRIES BERHAD**
Stock Name : HLIND
Date Announced : 16/06/2011

Type : Announcement
Subject : MULTIPLE PROPOSALS
Description : Hong Leong Industries Berhad ("HLI")
- Proposed Acquisition
- Proposed Subscription
- Proposed Rights Issue
- Proposed Demerger
(collectively referred to as the "Proposals")

Announcement Details/Table Section :

We refer to HLI's earlier announcements in relation to the Proposals and the announcement dated 1 June 2011 in relation to the Notice of Book Closure for the Proposed Demerger, where the entitlement date has been fixed on 16 June 2011 ("Entitlement Date").

On behalf of HLI, Hong Leong Investment Bank Berhad wishes to announce that in respect of the Proposed Demerger, a copy of the order granted by the High Court of Malaya confirming the following:

(a) reduction in the share capital of HLI by cancelling the ordinary shares of RM0.50 each in HLI ("HLI Shares") in issue (excluding the HLI Shares held as treasury shares) on the basis of 100 HLI Shares cancelled for every 300 HLI Shares held as at 5.00 p.m. on 16 June 2011; and

(b) reduction in the share premium reserve of HLI by RM562,150,671.00,

("Capital Reduction") had been lodged with the Companies Commission of Malaysia on 16 June 2011. Accordingly, the Capital Reduction has become effective.

As at 16 June 2011, the issued and paid-up share capital of HLI (including 8,432,500 HLI Shares held as treasury shares) of RM243,820,857.50 comprising 487,641,715 HLI Shares is reduced to RM163,952,655.00 comprising 327,905,310 HLI Shares by the cancellation of RM79,868,202.50 comprising 159,736,405 HLI Shares and the share premium reserve of the Company is reduced from RM949,398,994.00 to RM387,248,323.00.

Correspondingly, the MPI Distribution Shares will be credited into the accounts of the shareholders of HLI whose names appear in the Record of Depositors on 16 June 2011, within 5 market days from the Entitlement Date.

This announcement is dated 16 June 2011.