

**General Announcement**Reference No **HL-110303-53328**

Company Name : **HONG LEONG FINANCIAL GROUP BERHAD**  
 Stock Name : **HLFG**  
 Date Announced : **03/03/2011**

Type : Reply to query  
 Reply to Bursa : IJ-110302-61979  
 Malaysia's Query  
 Letter - Reference ID  
 Subject : **HONG LEONG FINANCIAL GROUP BERHAD**

- Proposed Acquisition by HLA Holdings Sdn Bhd (“HLAH”) of 35% Equity Interest in Hong Leong Tokio Marine Takaful Berhad (“HLTMT”) from Tokio Marine & Nichido Fire Insurance Co., Ltd (“TMNFI”) for a Cash Consideration of RM33,642,700 (“Proposed Acquisition”); and

- Proposed Disposal by HLAH of 35% Equity Interest in HLTMT to Mitsui Sumitomo Insurance Company, Limited (“MSIJ”) for a Cash Consideration of RM33,642,700 (“Proposed Disposal”)

(collectively referred to as the “Proposals”)

Description : Further to our announcement dated 1 March 2011, HLFG writes to inform that the Proposed Disposal will complete immediately after the completion of the Proposed Acquisition. The end result of the Proposals is a change of our takaful partner in HLTMT from TMNFI to MSIJ. HLAH’s equity interest of 65% in HLTMT will remain unchanged. HLFG’s involvement in the Proposals is to facilitate the proposed transfer of the equity interest held by the partner.

HLTMT is principally involved in the management of family takaful including investment-linked business and all classes of general takaful business.

HLAH is currently in a strategic partnership with MSIJ for its Malaysian insurance business, whereby it has a 30% equity interest in MSIG Insurance (Malaysia) Bhd, a subsidiary of MSIJ, and MSIJ has a 30% equity interest in Hong Leong Assurance Berhad.

The Proposals will enable HLAH to have MSIJ as the common strategic partner in all its Malaysian insurance and takaful ventures.

As the considerations for the Proposed Acquisition and the Proposed Disposal are similar at RM33,642,700 in cash, there would not be any gain or loss to HLFG. The Proposals would not have any effect on the share capital and substantial shareholders’ shareholdings of HLFG, as well as on the earning, net assets and gearing of the HLFG Group.

None of the Directors and major shareholders of HLFG, and/or persons connected with them has any interest, direct or indirect, in the Proposals.

This announcement is dated 3 March 2011.

Query Letter content : We refer to your Company's announcement dated 1 March 2011, in respect of the aforesaid matter.

In this connection, kindly furnish Bursa Malaysia Securities Berhad ("Bursa Securities") with the additional information pursuant to Appendix 10A, Part A of the Main Market Listing Requirements for public release.

Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.

Yours faithfully

HENG TECK HENG  
Head, Issuers  
Listing Division  
Regulation

HTH/IJ  
copy to:- General Manager & Head, Market Surveillance, Securities  
Commission  
(via fax)

Announcement Details/Table Section :

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