THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your Ordinary Shares in Jardine Lloyd Thompson Group plc you should immediately forward this document and the accompanying form of proxy to the purchaser or to the stockbroker, bank, or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

JARDINE LLOYD THOMPSON
Group plc

(incorporated in England and Wales under the Companies Acts 1948 to 1981 with the registered number 1679424)

Notice of Annual General Meeting and special business to be transacted

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This document should be read in conjunction with the Annual Report and Accounts of the Company for the year ended 31st December, 2006.

Notice of the Annual General Meeting of the Company to be held at 12.00 noon on Thursday, 26th April, 2007 at 6 Crutched Friars, London EC3N 2PH is set out at the end of this document.

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CONTENTS

DEFINITIONS

The following definitions apply throughout this document and the accompanying form of proxy unless the context otherwise requires.

"2006 Final Dividend"	the final dividend of 12p (net) per Ordinary Share proposed to be paid in respect of the year ended 31st December, 2006
"Act"	the Companies Act 1985 (as amended)
"Annual General Meeting"	the annual general meeting of the Company convened to be held at 12.00 noon on Thursday, 26th April, 2007, notice of which is set out on pages 40 to 42 of this document
"Annual Report and Accounts"	the audited consolidated accounts of the Group and the reports of the Directors and Auditors for the year ended 31st December, 2006
"Articles of Association"	the present articles of association of the Company
"Auditors"	PricewaterhouseCoopers LLP
"Code"	The City Code on Takeovers and Mergers
"Company"	Jardine Lloyd Thompson Group plc
"Directors" or "Board"	the directors of the Company
"FSA"	The Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000
"Group"	the Company and its subsidiaries
"Independent Directors"	the Directors, other than Lord Leach and S L Keswick, being those Directors associated with the Jardine Matheson Group
"Independent Shareholders"	the shareholders of the Company, excluding any of the Jardine Matheson Group and any person acting in concert with Jardine Matheson
"Jardine Matheson"	Jardine Matheson Holdings Limited, Jardine House, 33-35 Reid Street, Hamilton, Bermuda
"Jardine Matheson Directors"	the directors of Jardine Matheson
"Jardine Matheson Group"	Jardine Matheson and its subsidiaries
"Jardine Matheson Shares"	ordinary shares of US¢25 each in the capital of Jardine Matheson
"JPMorgan Cazenove"	JPMorgan Cazenove Limited
"Listing Rules"	the listing rules of the FSA
"London Stock Exchange"	London Stock Exchange plc
"Notice of AGM"	the notice of the Annual General Meeting
"Ordinary Shares" or "Jardine Lloyd Thompson Ordinary Shares"	ordinary shares of 5p each in the capital of the Company
"Panel"	The Panel on Takeovers and Mergers
"Record Date"	the close of business on 30th March 2007
"Remuneration Report"	The Remuneration Report for the year ended 31st December, 2006, as set out on pages 32 to 43 of the Annual Report and Accounts
"Rule 9 Dispensation"	the procedure stipulated by the Code, whereby a waiver granted by the Panel from the requirement under Rule 9 of the Code to make a mandatory cash offer for a company can be acted upon by the parties concerned, provided that the waiver has previously been approved by a vote of Independent Shareholders of the Company on a poll in general meeting
"Rule 9 Dispensation Proposal"	the proposal referred to in this document relating to the approval of the waiver granted by the Panel from the potential requirement for Jardine Matheson or its subsidiaries to make a mandatory offer for the Company under Rule 9 of the Code

JARDINE LLOYD THOMPSON
Group plc

6 Crutched Friars
London EC3N 2PH
20th March, 2007

To the holders of Jardine Lloyd Thompson Ordinary Shares and, for information only, to holders of options under the Jardine Lloyd Thompson share option schemes.

Dear Shareholder

1. Annual General Meeting

Notice of the Annual General Meeting of the Company to be held at 6 Crutched Friars, London EC3N 2PH on Thursday, 26th April, 2007 commencing at 12 noon is set out on pages 40 to 42 of this document. At the Annual General Meeting the following resolutions will be proposed:

– **Ordinary Business: Resolutions 1-10**

Resolutions

(a) Resolution 1, an ordinary resolution to receive the Annual Report and Accounts.

(b) Resolution 2, an ordinary resolution to approve the final dividend of 12p net per Ordinary Share.

(c) Resolution 3, an ordinary resolution to re-elect as a director Lord Leach who is aged 72 and retires in accordance with the Articles of Association.[1]

(d) Resolution 4, an ordinary resolution to re-elect as a director Mr B P Carpenter who retires in accordance with the Articles of Association.

(e) Resolution 5, an ordinary resolution to re-elect as a director Mr S L Keswick who retires in accordance with the Articles of Association.

(f) Resolution 6, an ordinary resolution to re-elect as a director Mr W J N Nabarro who retires in accordance with the Articles of Association.

(g) Resolution 7, an ordinary resolution to re-elect as a director Mr J W Rush who retires in accordance with the Articles of Association.

(h) Resolution 8, an ordinary resolution to re-elect as a director Mr R A Scott who retires in accordance with the Articles of Association.

(i) Resolution 9, an ordinary resolution to approve the Remuneration Report.

(j) Resolution 10, an ordinary resolution to reappoint PricewaterhouseCoopers LLP, Chartered Accountants and Registered Auditors, as auditors to the Company until the conclusion of the next general meeting at which accounts are laid before shareholders and to authorise the directors to determine the remuneration of the auditors.

[1] In accordance with s293 and 379 of the Act, special notice has been given by a member of the intention to propose Resolution 3 as an ordinary resolution at the next Annual General Meeting of the Company.

Registered Office: 6 Crutched Friars, London EC3N 2PH. Registered in England No. 1679424. VAT No. 244 2321 96

– **Special Business: Resolutions 11-15**

(k) Resolution 11, a special resolution seeking general authority for the Company to purchase up to 21,283,720 Ordinary Shares in the market.

(l) Resolution 12, an ordinary resolution to approve the waiver by the Panel of any obligation under Rule 9 of the Code to make a takeover bid for the Company, which might otherwise be incurred by members of the Jardine Matheson Group, both individually or collectively, following any increase in their aggregate voting rights as a result of the implementation of the buy-back authority referred to in Resolution 11 above.

(m) Resolution 13, an ordinary resolution to renew the authority of the directors to allot securities up to the available unissued capital.

(n) Resolution 14, a special resolution to disapply statutory pre-emption rights in relation to the allotment of securities.

(o) Resolution 15, a special resolution seeking to amend the Memorandum and Articles of Association.

The proposed authority in Resolution 11 and the conditions which attach to it are within the guidelines laid down by the Investment Committees of the Association of British Insurers and the National Association of Pension Funds and by the FSA. The terms of Resolution 12 are in accordance with the requirements of the Code and the requirements of the Panel.

Those members of the Jardine Matheson Group who are holders of Ordinary Shares are interested in the outcome of Resolution 12 and, accordingly, have undertaken not to vote on this resolution. The voting on this resolution will be decided by means of a poll.

An explanation of the special business to be considered at the Annual General Meeting is set out in the following paragraphs.

Further information and biographical details on the Directors are contained in the Annual Report and Accounts which accompanies this circular.

2. Share Buy-Back Authority

In common with a number of other listed companies, the Directors have in recent years included a resolution in the notice of the annual general meeting of the Company to give limited authority to make market purchases of Ordinary Shares. The Directors consider that it would be in the interests of all shareholders for the Company to be able to continue to have the right to purchase its own shares in the market, although the Company has not in the past made use of this power.

Accordingly, in conjunction with the Rule 9 Dispensation Proposal described in paragraph 3 below, the Board is seeking authority for the Company to have the ability to purchase up to approximately 10 per cent. of the ordinary share capital of the Company now in issue, amounting to 21,283,720 Ordinary Shares. If the Directors exercise this authority, the maximum price payable by the Company on any repurchase of Ordinary Shares will be not more than 105 per cent, exclusive of all expenses, of the average middle market price of an Ordinary Share for the five business days immediately preceding such purchase. The minimum price payable by the Company will be 5p per share (the nominal value of each share) exclusive of all expenses.

The Directors will only exercise the power to make market purchases of the Company's Ordinary Shares if they believe that it is in the best interests of the shareholders and will result in an improvement in earnings per share. In exercising this authority, the Directors will neither be encouraging nor recommending shareholders to buy or sell shares in the Company nor in any way suggesting that it is an appropriate time to deal in such shares.

Pursuant to the Act, the Company now has the choice of cancelling shares which have been repurchased or holding them as treasury shares (or a combination of both). Treasury shares are essentially shares which have been repurchased by the Company and which it is allowed to hold pending either reselling them for cash, cancelling them or, if authorised, using them for the purposes of its employee share plans. The Directors believe that it is desirable for the Company to have this choice. Holding the repurchased shares as treasury shares would give the Company the ability to re-issue them quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

3. Rule 9 Dispensation Proposal

JMH Investments Limited, a member of the Jardine Matheson Group, beneficially holds 64,514,916 Ordinary Shares, representing approximately 30.31 per cent. of the issued share capital. Further details of these interests are set out in paragraph 4 of Appendix 1 to this document.

Under Rule 9 of the Code, any person who acquires shares which, when taken together with shares already held by him or held or acquired by persons acting in concert with him, carry 30 per cent. or more of the voting rights of a company, or who holds more than 30 per cent. but not more than 50 per cent. of the voting rights of a company and acquires any additional shares carrying voting rights of that company, is normally required under Rule 9 of the Code to make a general offer to all shareholders of that company. Rule 37 of the Code extends this principle so that an obligation to make such a mandatory offer can arise if the interests of a person or group of persons acting in concert increase above the percentage levels mentioned above as a result of a share repurchase, even where there is no direct acquisition of further shares by the relevant person(s). In the case of the Company, if any Ordinary Shares were to be repurchased, Rule 37 would require Jardine Matheson to make a mandatory offer for the shares not already owned by the Jardine Matheson Group because of the fact that certain Directors of the Company are representatives of Jardine Matheson.

In order to avoid triggering this mandatory offer obligation by virtue of the application of Rule 37 of the Code, a Rule 9 Dispensation in respect of the Ordinary Shares held by the Jardine Matheson Group is required as a condition to the implementation of any repurchase of Ordinary Shares by the Company. This is because any increase in the aggregate percentage shareholding of the Jardine Matheson Group, whether as a result of the purchase of shares by any member of it or as a result of the implementation of the share buy-back authority or otherwise, would, prima facie, have the effect of triggering the requirement for a mandatory cash offer under Rule 9 of the Code.

The Panel has agreed to waive the requirement for the Jardine Matheson Group to make a general offer to all shareholders in circumstances where, following purchases of Ordinary Shares by the Company in the market, the aggregate percentage holding of the members of the Jardine Matheson Group increases, provided that this has previously been approved by a vote of Independent Shareholders of the Company on a poll in general meeting. Resolution 12 to be proposed at the Annual General Meeting seeks this approval. This Resolution is in the same form as that which was approved at the Company's Annual General Meeting in 2006 and prior years. An offer under Rule 9 must be in cash and at the highest price paid by the person or group of persons acting in concert in the preceding 12 months.

If the Company were to repurchase and cancel the full amount of Ordinary Shares for which it is now seeking authority, namely, 21,283,720 Ordinary Shares, then, assuming no further change in the issued share capital of the Company and no change in the number of Ordinary Shares held by the Jardine Matheson Group, the voting rights attributable to the Ordinary Shares held by the members of the **Jardine Matheson Group would increase from approximately 30.31 per cent. to 33.68 per cent of the voting share capital and accordingly any further increase in that shareholding as a result of purchases of Ordinary Shares by the Jardine Matheson Group will be subject to the provisions of Rule 9.**

Your attention is drawn to the further information set out in Appendix I to this document, including details of the interests of members of the Jardine Matheson Group which are contained in paragraph 4 of Appendix I. Financial information relating to Jardine Matheson is contained in Appendix II.

4. Renewal of the Board's authority to allot shares and disapplication of pre-emption rights

Shareholders are being asked, pursuant to the provisions of section 80 of the Act, to renew the authority for the allotment of shares which was conferred on the Board at the Annual General Meeting held in 2006. If Resolution 13 is passed, the new authority would permit the allotment of relevant securities with an aggregate nominal value of up to £1,858,139 representing 37,162,791 Ordinary Shares of 5 pence each and representing 14.87 per cent. of the total ordinary share capital of the Company in issue as at 19th March, 2007. This authority shall expire on the date of the Annual General Meeting in 2008 or on 25th July, 2008, whichever is the earlier. Save for the allotment of Ordinary Shares under the Company's share option schemes, or as may arise with the acquisition of minority interests, the Directors have no present intention to exercise this authority.

Shareholders are being asked, pursuant to section 89 of the Act, to grant authority for a further year for disapplication (under the provisions of section 95 of the Act) of the pre-emption provisions contained in this Act. Accordingly, Resolution 14 proposes an authority, until the earlier of the date of the Annual General Meeting in 2008 and 25th July, 2008, to issue Ordinary Shares for cash consideration either by way of a rights issue or to persons other than existing shareholders, in the latter case limited to a total of some 10,641,860 Ordinary Shares, representing approximately 5 per cent. of the Company's issued ordinary share capital at 19th March, 2007.

5. Memorandum and Articles of Association

It is proposed that the Memorandum and Articles of Association be amended to bring them up to date with recent developments in company law and practice, including the electronic communication provisions of the Companies Act 2006.

Electronic communication

Shareholders will recall that at the Annual General Meeting of the Company in 2004 the Articles of Association were updated to include the ability to communicate with shareholders by electronic means. With the Transparency Directive and Sections 1143 to 1148 and schedules 4 and 5 of the Companies Act 2006 coming into force in January 2007 the Board believes it is appropriate to amend the Articles of Association to include the most up to date provisions.

Authority for the Company to communicate with shareholders electronically (Resolution 15)

Resolution 15(a) is a special resolution that authorises the Company to take advantage of the new rules conferred by the Companies Act 2006 to allow companies to make increased use of electronic communications with their shareholders, and makes consequential amendments to the Articles of Association. The Company wishes to have the ability to take advantage of the new rules permitting it to use increased electronic communications because:

– The new rules will allow documents and information to be delivered and received by the shareholders more speedily,

– The Company may be able to reduce its printing and postage costs, and

– Electronic communications avoid the unnecessary depletion of environmental resources.

If the shareholders agree to pass Resolution 15, then the Company will have the general power to send or supply shareholders with documents and information in electronic form (such as by e-mail) and by means of a website. However, the Company may not begin to communicate with you by e-mail unless and until you give your specific individual consent. Also, the Company may not supply you with information by means of a website if you request to receive information in hard copy form. The Company may in the future seek to implement this power and will, at that time, write to you to seek your specific consent to e-mail and website communication.

The purpose of the specific amendments are:

The amendments numbered 2(i), 2(ii) and 2(iii) of Schedule 1 to the Notice of AGM set out on page 44 of this document effect consequential changes to the definitions contained in the Articles of Association that result from the application of the new Company Communication Provisions of the Companies Act 2006.

The amendments numbered 2(iv), 2(v), 2(vi) and 2(viii) of Schedule 1 to the Notice of AGM set out on pages 44 and 45 of this document allow for the use of electronic communications in certain situations when a signature would ordinarily be required, provided that the relevant electronic communication is authenticated in accordance with the Articles of Association.

The amendment numbered 2(vii) of Schedule 1 to the Notice of AGM set out on page 45 of this document enables the Directors to pass written resolutions electronically, for example via email, or using a combination of electronic means and other forms of writing.

The amendment numbered 2(ix) of Schedule 1 of the Notice of AGM set out on pages 45 and 46 of this document allows the Company to send all types of notices, documents and information to shareholders by electronic means, including via a website, and provides for the deemed delivery of such communications.

If the postal service is suspended at any time, the amendment numbered 2(x) of Schedule 1 of the Notice of AGM set out on page 46 of this document allows the Company to be deemed to have given notice to shareholders by placing an advert in a national newspaper.

The amendment numbered 2(xi) of Schedule 1 of the Notice of AGM set out on page 46 of this document sets out the methods by which an electronic communication may be authenticated and also provides for consequential changes to the Articles of Association that result from the application to the Company of the Company Communication Provisions of the Companies Act 2006.

Directors' indemnification

New provisions were included in the Act which became effective during 2005, in respect of directors' indemnities and the payments of director's defence costs. In particular, companies are now permitted to indemnify their directors in relation to proceedings brought by third parties. This indemnity can cover both legal costs and the financial costs of an adverse judgement, although this does not include the legal costs of an unsuccessful defence of criminal proceedings or proceedings brought by the Company itself or fines imposed by regulatory bodies such as the FSA. Companies are now also permitted to pay directors' costs of defending proceedings as they are incurred, rather than after final judgement in the director's favour has been given. Should the defence be unsuccessful the director would be liable to pay any damages awarded and repay defence costs to the Company (except where the proceedings have been brought by a third party and the Company chooses to indemnify the director).

Although the Company already has the power to indemnify directors to the limited extent permitted before these changes were made to the Act, the Board believes it is appropriate that the benefits of the new provisions should be made available to Directors and it is also important to ensure that the Company continues to attract and retain directors of the highest calibre. Should the Company indemnify a Director, it is required to disclose this in the Directors' Report and shareholders have the right to inspect any indemnification agreement.

Consequential amendments – Companies Act 2006

As part of the Company's preparation for the implementation of the Companies Act 2006 and the introduction of age discrimination legislation the following amendments to the Articles are proposed:

(a) An update to the provisions relating to the retirement of directors by the deletion in Article 87 of the words 'who is due to retire at the meeting by reason of age or'; and

(b) Article 97(B)(v) will be deleted and replaced with a new wording and Article 97(F) will also be updated. These amendments reflect the repeal of sections 198 to 211 of the Act in January 2007 and the new definition of connected persons in the Companies Act 2006 (when it comes into force).

6. Action to Be Taken

A form of proxy for use in connection with the Annual General Meeting is enclosed. Whether or not you intend to be present at the Annual General Meeting, you are asked to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event so that it is received not later than 48 hours before the time of the Annual General Meeting. The completion and return of a form of proxy will not preclude you from attending the Annual General Meeting and voting in person if you so wish.

If you are a CREST member you can vote via the CREST system and further information is given on page 42 to 43.

7. Further Information

Your attention is drawn to the Annual Report and Accounts which are enclosed with this document, and to the Appendices to this document which include information required by the Code and/or the FSA.

8. Recommendations and Independent Advice

The Directors consider the resolutions to be put to you at the Annual General Meeting (other than Resolution 12 which, because of its nature, has been considered only by the Independent Directors, as referred to below) to be in the best interests of shareholders as a whole and unanimously recommend you to vote in favour of such resolutions at the Annual General Meeting.

The Independent Directors, who have been so advised by JPMorgan Cazenove, consider the waiver of the obligation to make a mandatory offer for the Company which would otherwise fall on members of the Jardine Matheson Group under Rule 9 of the Code as a result of the implementation of the share buy-back authority to be fair and reasonable. In providing its financial advice JPMorgan Cazenove has taken into account, *inter alia*, the commercial assessments of the Independent Directors.

Accordingly, the Independent Directors recommend you to vote in favour of Resolution 12 as they intend to do in respect of their own voting shareholdings totalling 101,006 Ordinary Shares, representing approximately 0.047 per cent. of the voting share capital of the Company. Furthermore the Independent Directors believe that this is in the best interests of the shareholders as a whole.

The members of the Jardine Matheson Group, who are holders of Ordinary Shares, are interested in the outcome of Resolution 12 and accordingly have undertaken not to vote on this resolution.

Yours faithfully

Geoffrey Howe
Chairman

APPENDIX I

Information Required by the Code

1. Responsibility

(a) The Directors of the Company, whose names are set out below, accept responsibility for the information set out in this document, other than information relating to the Jardine Matheson Group, the Jardine Matheson Directors, members of their immediate families and related trusts, and for any information in the Annual Report and Accounts referred to in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information in this document for which they take responsibility and that in the Annual Report and Accounts is in accordance with the facts and does not omit anything likely to affect the import of such information.

(b) The Jardine Matheson Directors, whose names are set out below, accept responsibility for the information set out in this document relating to the Jardine Matheson Group, the Jardine Matheson Directors, members of their immediate families and related trusts. To the best of the knowledge and belief of the Jardine Matheson Directors (who have taken all reasonable care to ensure that such is the case), the information in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

(a) The Directors of the Company are:

G M T Howe *(Chairman, Non-Executive)*
Lord Leach (*Deputy Chairman, Non-Executive*)
D J Burke *(Chief Executive)*
B P Carpenter
C A Keljik OBE *(Non-Executive)*
S L Keswick (*Non-Executive*)
N R MacAndrew *(Non-Executive)*
W J N Nabarro
J W Rush *(Finance Director)*
R A Scott, CBE *(Non-Executive)*
V Y A C Wade

Further information relating to the Directors is included on pages 24 and 25 of the Annual Report and Accounts. The Directors' business address is at 6 Crutched Friars, London EC3N 2PH.

(b) The Jardine Matheson Directors are:-

H N L Keswick (*Chairman*)
A J L Nightingale (*Managing Director*)
J Hui
S L Keswick
R C Kwok
Lord Leach
Dr R Lee
E P K Weatherall

3. Continuation of Business

The Directors intend to continue to conduct the business of the Company and its subsidiaries generally in the same manner as it is currently conducted. Both the Company and Jardine Matheson intend that the Company continues to carry on its business on an arm's length basis from the Jardine Matheson Group. As such, Jardine Matheson does not currently have any strategic plans regarding the Company, employment of the employees or management of the Company and its subsidiaries or with regard to the redeployment of the fixed assets of the Company or its places of business.

4. Interests and Dealings

(a) Ordinary Shares

(i) At 19th March, 2007 (being the latest practicable date prior to the posting of this document), the interests of the Jardine Matheson Group in Ordinary Shares were as set out below:

Member	*Number of Ordinary Shares*	*Existing percentage of issued share capital*	*Maximum percentage of issued share capital (note)*
JMH Investments Limited	64,514,916	30.31	33.68
Total Jardine Matheson Group	64,514,916	30.31	33.68

Note: Assuming buy back authority exercised in full.

JMH Investments Limited is a wholly owned subsidiary of Jardine Matheson Holdings Limited.

(ii) At 19th March, 2007 (being the latest practicable date prior to the posting of this document), the interests (all of which were beneficial other than as indicated below) of the Directors in Ordinary Shares which have been notified to the Company pursuant to Section 324 or 328 of the Act, or which are required to be entered in the register maintained under Section 325 of the Act or are interests of a person connected with any Director (within the meaning of Section 346 of the Act) which would, if the connected person were a Director, be required to be disclosed as set out above and the existence of which is known or could with reasonable diligence be ascertained by the relevant Director, are set out below:

	Total Interest
D J Burke	26,931
B P Carpenter	56,486
G M T Howe	5,000
C A Keljik	6,000
S L Keswick	2,249
Lord Leach	22,500
J W Rush	96
R A Scott	4,000
V Y A C Wade	2,493
	125,755

In addition, executive directors are deemed to be interested in share schemes operated by the Group under employee benefit trusts, namely; the Jardine Lloyd Thompson Group Restricted Share Scheme, the Long Term Incentive Plan 2004 and the Deferred Bonus Scheme. These schemes operate on a discretionary basis under trusts.

At 19th March, 2007 (being the latest practicable date prior to the posting of this document), Ordinary Shares held under these schemes were as follows:

	Ordinary Shares
Total held by trustees	5,245,983
of shares allocated	6,950,070

By virtue of the Act, each executive director of the Company, being a potential beneficiary of the above schemes, is deemed to have an interest in all the Ordinary Shares held by the trustees of the above schemes.

At 19th March, 2007 (being the latest practicable date prior to the posting of this document), the holdings by Directors of options over Ordinary Shares in the Company, were as shown below:

	At 19th March 2007	*Exercise price*	*Date from which exercisable*	*Expiry date*	*Note*
D J Burke	138,000	nil	31.03.08	30.03.15	*(a)*
	43,103	nil	13.03.09	12.04.09	*(b)*
	2,020	£4.565	01.11.06	30.04.07	*(d)*
	1,811	£3.13	01.11.09	30.04.10	*(d)*
	244,500	nil	24.11.09	23.11.16	*(a)*
B P Carpenter	5,991	nil	01.03.03	09.04.11	*(f)*
	52,770	nil	28.03.06	27.03.13	*(f)*
	8,332	nil	08.04.04	07.04.12	*(f)*
	15,831	nil	28.04.05	27.03.13	*(f)*
	1,680	A$7.75	01.11.09	30.04.10	*(e)*
	91,700	nil	24.11.09	23.11.16	*(a)*
W J N Nabarro	19,337	nil	06.04.08	05.04.15	*(c)*
	21,876	nil	18.04.09	17.05.09	*(b)*
	1,811	£3.13	01.11.09	30.04.10	*(d)*
	128,400	nil	24.11.09	23.11.16	*(a)*
J W Rush	1,811	£3.13	01.11.09	30.04.10	*(d)*
	128,400	nil	24.11.09	23.11.16	*(a)*
V Y A C Wade	72,000	nil	31.03.08	30.03.15	*(a)*
	110,000	nil	24.11.09	23.11.16	*(a)*

(a) *These options are held under the Jardine Lloyd Thompson Group Long Term Incentive Plan 2004 operated in conjunction with an Employee Share Ownership Plan Trust. Awards are generally exercisable between 36 months and 120 months after the date of award. Performance criteria attach to these awards.*

(b) *These options are held under the Jardine Lloyd Thompson Group Deferred Bonus Share Plan 2006. Awards vest 36 months after the effective date of award. Performance criteria are not attached to these awards.*

(c) *These options are held under the Jardine Lloyd Thompson Group Performance Share Plan 2004. Awards are generally exercisable between 36 months and 120 months after the date of award. Performance criteria can attach to awards made under this Plan but do not attach to these particular awards, as they were granted by way of deferred bonus.*

(d) *Options held under the Jardine Lloyd Thompson Group Sharesave Scheme 1997 (which is a three or five year savings related share option scheme).*

(e) *Options held under the Jardine Lloyd Thompson Group Overseas Sharesave Scheme 1997 (which is a three or five year savings related share option scheme).*

(f) *Options held under the Jardin Lloyd Thompson Restricted Share scheme. Awards are generally exercisable between 36 months and 120 months after the date of award. Performance criteria can attach to awards made under the Plan but have either been satisfied or do not attach to these particular awards.*

(iii) At 19th March, 2007 (being the latest practicable date prior to the posting of this document), the interests of the Jardine Matheson Directors in Ordinary Shares are set out below:

Director	*Number of Ordinary Shares*	*Percentage of voting share capital*
S L Keswick	2,249	0.0011
Lord Leach	22,500	0.0106

(iv) The following dealings in Ordinary Shares by Directors have taken place in the 12 months ended on 19th March, 2007 (being the latest practicable date prior to the posting of this document):

Name	*Date of Transactions*	*Transactions*	*No of Shares*	*Price £*
D J Burke	27.09.06	Award made under Deferred bonus plan	43,103	Nil
	09.10.06	Option granted under Sharesave Scheme	1,811	3.13
	24.11.06	Award of Option under LTIP 2004	244,500	Nil
B P Carpenter	09.10.06	Option granted under Jardine Lloyd Thompson Group Overseas Sharesave scheme	1,680	A$7.75
	24.11.06	Award of Option under LTIP 2004	91,700	Nil
W J N Nabarro	27.09.06	Award made under the Deferred Bonus Plan	21,876	Nil
	09.10.06	Option granted under Sharesave Scheme	1,811	3.13
	24.11.06	Award of Option under LTIP 2004	128,400	Nil
J W Rush	09.10.06	Option granted under Sharesave Scheme	1,811	3.13
	24.11.06	Award of Option under LTIP 2004	128,400	Nil
V Y A C Wade	20.11.06	Exercise of option under Restricted Share Scheme	18,600	Nil
	20.11.06	Sale of shares	17,600	4.1689
	24.11.06	Award of Option under LTIP 2004	110,000	Nil

In addition to the above, between 21st March, 2006 and 19th March, 2007, the trustees of the Jardine Lloyd Thompson Group plc All Employee Share Plan have acquired 419 Ordinary Shares on behalf of D J Burke and 96 Ordinary shares on behalf of J W Rush.

(b) Jardine Matheson Shares

(i) At 19th March, 2007 (being the latest practicable date prior to the posting of this document), the Directors had the following interests (all of which were beneficial other than as indicated below) in Jardine Matheson Shares:

Director	*Number of Jardine Matheson Shares*	*Percentage of voting share capital*
S L Keswick	9,507,770	1.5415
	2,722,552*	0.4414
Lord Leach	955,508	0.1549

* non-beneficial

Messrs S L Keswick and Lord Leach also had deemed interests in 35,915,991 Jardine Matheson Shares as discretionary objects under a trust, the income of which is available for distribution to senior executive officers and employees of Jardine Matheson and its wholly-owned subsidiaries.

(ii) The following dealings in Jardine Matheson Shares by the Directors have taken place in the 12 months ended on 19th March, 2007 (being the latest practicable date prior to the posting of this document):

Name	*Date of Transactions*	*Transactions*	*Number of Jardine Matheson Shares*	*Price US$*
S L Keswick	21.06.06	Scrip dividend	117,092	18.58
	22.11.06	Scrip dividend	26,335	19.82
Lord Leach	21.06.06	Scrip dividend	17,898	18.58
	22.11.06	Scrip dividend	4,796	19.82

(c) General

(i) Save as disclosed in paragraph 4(a)(i) and 4 (a)(iii), neither Jardine Matheson, its subsidiaries nor any of the Jardine Matheson Directors, nor any member of their immediate families or connected persons, nor any person acting in concert with Jardine Matheson owns or controls or (in the case of the Jardine Matheson Directors and their immediate families or connected persons) is interested, directly or indirectly in, or has borrowed or lent (save for any borrowed securities which have either been on-lent or sold), has rights to subscribe to, or has any short position in, any relevant securities as defined in paragraph 4(d)(iii) below, nor has any such person dealt for value therein during the 12 months prior to the latest practicable date prior to the posting of this document.

(ii) Save as disclosed in paragraph 4(a)(ii) and 4(a)(iv), neither any of the Directors nor any member of their immediate families or related trusts (so far as the Directors are aware having made due enquiry) is interested, directly or indirectly, has rights to subscribe to, or has any short position in relevant securities, nor has any such person dealt therein for value during the 12 months prior to the latest practicable date prior to the posting of this document.

(iii) Save as disclosed in paragraph 4(b)(i) and 4(b)(ii), neither the Company nor any of the Directors nor any member of their immediate families or related trusts, owns or controls or (in the case of the Directors and their families or related trusts) is interested, directly or indirectly in, or has any short position in, Jardine Matheson Shares or any securities convertible into, or exchangeable for, rights to subscribe for and options (including traded options) in respect of, and derivatives referenced to, any of the foregoing, or has dealt for value in any such securities in the 12 months prior to the latest practicable date prior to the posting of this document.

(iv) Neither the Company, the Directors, nor any person acting in concert with the Directors has borrowed or lent any relevant securities (save for any borrowed securities which have either been on-lent or sold).

(v) No connected adviser to the Company or to any associate of the Company or to any company which is an associate of the Company or to any concert party of the Company (other than an exempt principal trader or an exempt fund manager) nor any person controlling, controlled by or under the same control as any such connected adviser, nor any associates of the Company (as defined in paragraph (d)(i) below), nor any pension fund of the Company or any of its associates, nor any employee benefit trust of the Company or any of its associates, owns, controls, or is interested, directly or indirectly, in, or has rights to subscribe to, or has any short position in, any relevant securities.

(vi) Neither Jardine Matheson nor any person acting in concert with Jardine Matheson has any arrangement, agreement or understanding, formal or informal, of whatever nature relating to relevant securities which may be an inducement to deal or refrain from dealing.

(d) For the purposes of this paragraph:

(i) references to an ''associate'' of a company include the company's parent, its subsidiaries and fellow subsidiaries and their associated companies and companies of which such companies are associated companies (for this purpose ownership or control of 20% or more of the equity share capital of a company is regarded as the test of associated company status).

(ii) references to a person having an ''interest'' in relevant securities includes where a person:

(a) owns securities;

(b) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities or has general control of them;

(c) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

(d) is party to any derivative whose value is determined by reference to the prices of securities and which results, or may result, in his having a long position in them;

(iii) references to ''relevant securities'' means Ordinary Shares and any securities convertible into, or exchangeable for, rights to subscribe for and options (including traded options) in respect of, and derivatives referenced to, any of the foregoing; and

(iv) derivatives include any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security.

5. Options to Subscribe for Ordinary Shares

At 19th March, 2007 (being the latest practicable date prior to the publication of this document), options were outstanding over 11,432,077 Ordinary Shares, representing 5.37% per cent. of the issued share capital at that date and 5.97% per cent. of the issued share capital if the full authority to purchase Ordinary Shares (existing and being sought) is used. There are no outstanding warrants to subscribe for Ordinary Shares.

6. Directors' Service Contracts

All the Directors' service contracts can be terminated by the Company giving notice not exceeding one year. S L Keswick renewed his service contract with the Company on 10th January 2007 and W J N Nabarro entered into a service contract with the Company on 31st December 2006. These are the only two contracts that have been entered into or amended within the last six months. Further details of the Directors' service contracts are set out at pages 36 and 38 in the remuneration report in the Annual Report and Accounts.

7. Middle Market Quotations

The middle market quotations for Ordinary Shares on the first business day of each of the six months preceding the date of this document and on 19th March, 2007 being the latest practicable date prior to the posting of this document, as derived from the London Stock Exchange Daily Official List, were:

2006	*pence*
2nd October	392.0
1st November	412.75
1st December	408.5
2007	
2nd January	425.5
1st February	397.0
1st March	426.0
19th March	439.75

8. Jardine Matheson's Business and Financial and Trading Prospects

Details of Jardine Matheson's business and financial and trading prospects are set out in Appendix II on pages 19 to 39.

9. Material contracts

Save as set out below, there have been no contracts entered into by the Group which are or may be material, other than those entered into in the ordinary course of business, in the two years immediately preceding the publication of this document.

(a) On 15th April, 2005 the Group acquired 100% of the share capital of Risk Solutions Limited, an Auckland based insurance broker for a maximum consideration of £1,822,000. An initial cash consideration of £531,000 was paid in 2005 with the balance being due in 2006 to 2008 dependent on the results of the vendor company.

(b) On 1st May 2006, JLT Services Corporation sold a portfolio of insurance broking, marketing and administration business in Chicago for a consideration of $6,250,000.

(c) On 17th October, 2006 the Group completed the sale of its US based Property and Casualty Insurance and Employee Benefits businesses for a consideration of US$100m, of which US$5m is deferred consideration payable by instalments at the end of 2008 and 2009, dependent on the profitability of the businesses being sold.

(d) On 12th February, 2007 the Company announced an agreement under which its 32% owned associate SIACI S.A. will combine with Assurances et Conseils Saint-Honore (ACSH). The 2 entities will continue to trade as separate operating subsidiaries of Newstone Courtage (Newstone). The transaction should complete once approvals have been received from the Spanish insurance regulator and the French competition authority. At that time JLT will become a 20% shareholder in Newstone and will receive a cash consideration of €21.4m (£14.2m). The Group will also become a 70% shareholder in SIACI's businesses in Italy and Poland and a 62% shareholder in SIACI's Spanish business. This will increase JLT's current interests in the Italian and Polish businesses from 30% and 50% respectively.

10. General

(a) No agreement, arrangement or understanding (including any compensation arrangement) exists between any members of the Jardine Matheson Group or any person acting in concert with them and any of the Directors, recent directors, shareholders or recent shareholders of the Company, which has any connection with or is dependent upon the proposals set out in this document.

(b) JPMorgan Cazenove has given and not withdrawn its consent to the inclusion of its name and references to it in this document in the form and context in which they appear.

(c) The Directors are not aware of any material change in the financial or trading position of the Company since 31st December, 2006.

(d) If the resolution relating to the share buy-back authority is approved at the Annual General Meeting, any shares acquired will be treated as cancelled, the issued share capital of the Company will be reduced by the nominal amount of those shares but the authorised share capital of the Company will not be reduced. No agreement, arrangement or understanding exists whereby any of the securities acquired in pursuance of the Rule 9 Dispensation Proposal will be transferred to any other persons.

(e) Financial information on the Company required to be included under the Code is included in the Annual Report and Accounts.

(f) The Rule 9 Dispensation Proposal relates to Jardine Matheson and its subsidiaries. The registered office of Jardine Matheson is at Jardine House, 33-35 Reid Street, Hamilton, Bermuda.

(g) Jardine Matheson has no financing arrangements which are dependent on the business of the Company and any acquisition of shares in the Company by Jardine Matheson will be made out of its own cash resources.

11. Documents available for inspection

Copies of the following documents are available for inspection at the Company's registered office, 6 Crutched Friars, London EC3N 2PH and at the offices of Linklaters, One Silk Street, London EC2Y 8HQ during normal business hours on any weekday, (Saturdays excepted) up to and including 26th April, 2007 and at the Annual General Meeting:

(a) the Memorandum of Association and Articles of Association of the Company;

(b) the Memorandum and Bye-laws of Jardine Matheson;

(c) the audited consolidated accounts of the Company for the two financial years ended 31st December, 2006;

(d) the audited consolidated accounts of Jardine Matheson for the two financial years ended 31st December 2006;

(e) the material contracts summarised in paragraph 9 above;

(f) the consent referred to in paragraph 10(b) above; and

(g) the Directors service contracts.

APPENDIX II

FINANCIAL INFORMATION ON
JARDINE MATHESON HOLDINGS LIMITED

Set out below is financial information on Jardine Matheson Holdings Limited for the three years ended 31st December 2006. The financial information has been prepared in accordance with International Financial Reporting Standards (''IFRS'') and has been extracted, without material adjustment, from the audited consolidated financial statements of Jardine Matheson Holdings Limited.

In the context of Appendix II, the term ''Company'' shall mean Jardine Matheson Holdings Limited and the term ''Group'' shall mean Jardine Matheson Group.

Consolidated Profit and Loss Accounts
For the three years ended 31st December 2006

	2006			*Restated 2005*			*2004*
	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*	*US$m*
Revenue	**16,281**	**–**	**16,281**	11,929	–	11,929	8,970
Net operating costs	**(15,274)**	**302**	**(14,972)**	(11,331)	155	(11,176)	(8,500)
Operating profit	**1,007**	**302**	**1,309**	598	155	753	470
Financing charges	**(234)**	**–**	**(234)**	(176)	–	(176)	(138)
Financing income	**102**	**–**	**102**	79	–	79	14
Net financing charges	**(132)**	**–**	**(132)**	(97)	–	(97)	(124)
Share of results of associates and joint ventures	**439**	**748**	**1,187**	499	837	1,336	1,137
Profit before tax	**1,314**	**1,050**	**2,364**	1,000	992	1,992	1,483
Tax	**(252)**	**(58)**	**(310)**	(160)	(13)	(173)	(100)
Profit after tax	**1,062**	**992**	**2,054**	840	979	1,819	1,383
Attributable to:							
Shareholders of the Company	**533**	**815**	**1,348**	463	781	1,244	947
Minority interests	**529**	**177**	**706**	377	198	575	436
	1,062	**992**	**2,054**	840	979	1,819	1,383
	US$		***US$***	*US$*		*US$*	*US$*
Earnings per share							
– basic	**1.52**		**3.83**	1.33		3.58	2.69
– diluted	**1.51**		**3.75**	1.32		3.55	2.67

Consolidated Balance Sheet

at 31st December 2004, 2005 and 2006

	2006	*Restated* 2005	2004
	US$m	*US$m*	*US$m*
Assets			
Intangible assets	**1,825**	1,689	853
Tangible assets	**2,931**	2,404	1,423
Investment properties	**271**	179	153
Plantations	**460**	383	–
Associates and joint ventures	**6,476**	5,062	4,059
Other investments	**597**	686	688
Financing and other debtors	**1,052**	1,349	1
Deferred tax assets	**119**	103	58
Pension assets	**174**	152	136
Non-current assets	**13,905**	12,007	7,371
Properties for sale	**–**	–	286
Stocks and work in progress	**1,478**	1,491	800
Trade, financing and other debtors	**2,262**	2,382	656
Current investments	**3**	–	–
Current tax assets	**142**	56	18
Bank balances and other liquid funds			
– non-finance companies	**2,355**	1,503	1,300
– finance companies	**173**	187	–
	2,528	1,690	1,300
	6,413	5,619	3,060
Non-current assets classified as held for sale	**60**	690	149
Current assets	**6,473**	6,309	3,209
Total assets	**20,378**	18,316	10,580

	2006	Restated 2005	2004
	US$m	*US$m*	*US$m*
Equity			
Share capital	**154**	151	148
Share premium and capital reserves	**29**	21	4
Revenue and other reserves	**7,303**	5,607	4,164
Own shares held	**(892)**	(781)	(677)
Shareholders' funds	**6,594**	4,998	3,639
Minority interests	**4,509**	3,876	1,746
Total equity	**11,103**	8,874	5,385
Liabilities			
Long-term borrowings			
– non-finance companies	**2,074**	2,631	2,382
– finance companies	**723**	1,005	–
	2,797	3,636	2,382
Deferred tax liabilities	**557**	459	159
Pension liabilities	**151**	176	153
Non-current provisions	**20**	16	6
Other non-current liabilities	**190**	151	33
Non-current liabilities	**3,715**	4,438	2,733
Creditors and accruals	**2,920**	2,838	1,807
Current borrowings			
– non-finance companies	**1,522**	619	507
– finance companies	**954**	1,169	–
	2,476	1,788	507
Current tax liabilities	**101**	128	79
Current provisions	**63**	54	68
	5,560	4,808	2,461
Liabilities directly associated with non-current assets classified as held for sale	**–**	196	1
Current liabilities	**5,560**	5,004	2,462
Total liabilities	**9,275**	9,442	5,195
Total equity and liabilities	**20,378**	18,316	10,580

Consolidated Statement of Recognised Income and Expense

for the three years ended 31st December 2006

	2006 ***US$m***	*Restated* *2005* *US$m*	*2004* *US$m*
Surpluses on revaluation of intangible assets	**–**	458	–
Surpluses on revaluation of properties	**120**	77	62
Gains on revaluation of other investments	**306**	48	63
Actuarial gains on defined benefit pension plans	**40**	14	34
Net exchange translation differences	**393**	(84)	(24)
(Losses)/gains on cash flow hedges	**(13)**	24	(8)
Tax on items taken directly to equity	**(71)**	(170)	(28)
Net income recognised directly in equity	**775**	367	99
Transfer to profit and loss on disposal and impairment of other investments	**(91)**	(20)	124
Transfer to profit and loss on disposal of subsidiary undertakings, associates and joint ventures	**(3)**	(1)	36
Transfer to profit and loss in respect of cash flow hedges	**4**	–	5
Profit after tax	**2,054**	1,819	1,383
Total recognised income and expense for the year	**2,739**	2,165	1,647
Attributable to:			
Shareholders of the Company	**1,681**	1,399	1,178
Minority interests	**1,058**	766	469
	2,739	2,165	1,647

Surpluses on revaluation of intangible assets represent the increase in fair value attributable to the Group's previously held interests in Astra and PT Hero Supermarket on the date they became subsidiary undertakings.

Consolidated Cash Flow Statement

for the three years ended 31st December 2006

	2006 US$m	*Restated 2005 US$m*	*2004 US$m*
Operating activities			
Operating profit	**1,309**	753	484
Interest income	**–**	–	(14)
Depreciation and amortisation	**403**	249	161
Other non-cash items	**(138)**	(21)	(9)
Decrease/(increase) in working capital	**478**	(377)	27
Interest received	**95**	55	16
Interest and other financing charges paid	**(212)**	(165)	(111)
Tax paid	**(362)**	(179)	(65)
	1,573	315	489
Dividends from associates and joint ventures	**377**	303	241
Cash flows from operating activities	**1,950**	618	730
Investing activities			
Purchase of Astra	**–**	320	(319)
Purchase of other subsidiary undertakings	**(55)**	(101)	(169)
Purchase of associates and joint ventures	**(465)**	(302)	(69)
Purchase of other investments	**(94)**	(12)	(20)
Purchase of land use rights	**(17)**	(12)	(10)
Purchase of other tangible assets	**(6)**	–	–
Purchase of tangible assets	**(725)**	(458)	(194)
Purchase of investment properties	**(2)**	(18)	(1)
Purchase of plantations	**(22)**	(6)	–
Loans to associates, joint ventures and other	**–**	(13)	–
Sale of subsidiary undertakings	**231**	80	210
Sale of associates and joint ventures	**101**	181	49
Sale of other investments	**480**	40	66
Sale of land use rights	**26**	33	79
Sale of tangible assets	**75**	63	36
Sale of investment properties	**–**	49	183
Cash flows from investing activities	**(473)**	(156)	(159)
Financing activities			
Issue of shares	**3**	13	15
Repurchase of shares	**–**	–	(204)
Capital contribution from minority shareholders	**13**	4	7
Drawdown of borrowings	**7,611**	9,735	5,636
Repayment of borrowings	**(8,008)**	(9,516)	(5,578)
Dividends paid by the Company	**(91)**	(76)	(68)
Dividends paid to minority shareholders	**(243)**	(199)	(64)
Cash flows from financing activities	**(715)**	(39)	(256)
Effect of exchange rate changes	**45**	(2)	8
Net increase in cash and cash equivalents	**807**	421	323
Cash and cash equivalents at 1st January	**1,684**	1,263	940
Cash and cash equivalents at 31st December	**2,491**	1,684	1,263

Jardine Matheson Holdings Limited
Analysis of Profit Contribution

for the three years ended 31st December 2006

	2006 US$m	*2005 US$m*	*2004 US$m*
Group contribution			
Jardine Pacific	**103**	90	94
Jardine Motors Group	**67**	47	36
Jardine Lloyd Thompson	**28**	29	37
Hongkong Land	**85**	65	66
Dairy Farm	**131**	118	101
Mandarin Oriental	**27**	21	10
Jardine Cycle & Carriage	**16**	23	37
Astra	**101**	127	98
Corporate and other interests	**(25)**	(57)	(85)
Underlying profit	**533**	463	394
Increase in fair value of investment properties	**671**	664	503
Other non-trading items	**144**	117	50
Profit attributable to shareholders	**1,348**	1,244	947
Analysis of Jardine Pacific's contribution			
Gammon	**14**	1	(8)
HACTL	**33**	33	29
Jardine Aviation Services	**9**	9	8
JEC	**12**	10	10
JOS	**11**	6	8
Jardine Property Investment	**3**	3	3
Jardine Restaurants	**14**	13	10
Jardine Schindler	**12**	13	11
Jardine Shipping Services	**4**	7	9
Other interests	**3**	–	2
Corporate	**(12)**	(14)	(9)
	103	81	73
Discontinued businesses	**–**	9	21
	103	90	94
Analysis of Jardine Motors Group's contribution			
Hong Kong and Mainland China	**36**	24	21
United Kingdom	**29**	16	9
Corporate	**(2)**	(1)	(2)
	63	39	28
Discontinued businesses	**4**	8	12
	67	47	40
Land use rights written off	**–**	–	(4)
	67	47	36

JARDINE MATHESON HOLDINGS LIMITED

NOTES

1. Accounting Policies and Basis of Preparation

The financial information contained in this announcement has been based on the audited results for the year ended 31st December 2006 which have been prepared in conformity with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board.

In 2006, the Group adopted the following amendments and interpretation to existing standards which are relevant to its operations:

IAS 21 (amended 2005)	Net Investment in a Foreign Operation
IAS 39 (amended 2005)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
IAS 39 (amended 2005)	The Fair Value Option
IAS 39 and IFRS 4 (amended 2005)	Financial Guarantee Contracts
IFRIC 4	Determining whether an Arrangement contains a Lease

There have been no changes to the accounting policies as a result of adoption of the above amendments and interpretation.

Following completion of the initial accounting in respect of the acquisition of Astra and Rothschilds, the comparative figures for 2005 have been restated principally to reflect revisions to the provisional fair value of franchise rights in Astra determined at the date of acquisition, and the consequential change in the surplus on revaluation attributable to the Group's previously held interest.

The Group's reportable segments are set out in note 2.

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

2. Revenue

	2006 US$m	*2005 US$m*	*2004 US$m*
By business			
Jardine Pacific	**1,082**	1,024	1,093
Jardine Motors Group	**2,352**	2,078	2,082
Dairy Farm	**5,175**	4,749	3,956
Mandarin Oriental	**405**	399	337
Jardine Cycle & Carriage	**1,119**	1,087	1,500
Astra	**6,143**	2,590	–
Other Activities	**5**	2	2
	16,281	11,929	8,970

3. Net Operating Costs

	2006 US$m	*2005 US$m*	*2004 US$m*
Cost of sales	**(12,507)**	(9,131)	(6,871)
Other operating income	**537**	299	316
Selling and distribution costs	**(1,995)**	(1,593)	(1,305)
Administration expenses	**(854)**	(695)	(442)
Other operating expenses	**(153)**	(56)	(198)
	(14,972)	(11,176)	(8,500)

Net Operating Costs (continued)

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

	2006 ***US$m***	*2005* *US$m*	*2004* *US$m*
Increase in fair value of investment properties	**91**	19	(Note)
Sale and closure of businesses	**127**	96	
Sale of investments	**80**	20	
Revaluation of properties	**–**	3	
Sale of property interests	**10**	1	
Restructuring of businesses	**(5)**	–	
Other	**(1)**	16	
	302	155	

Note: not available for 2004.

4. Share of Results of Associates and joint ventures

	2006 ***US$m***	*2005* *US$m*	*2004* *US$m*
By business			
Jardine Pacific	**80**	64	55
Jardine Motors Group	**3**	8	13
Jardine Lloyd Thompson	**27**	47	32
Hongkong Land	**856**	900	110
Dairy Farm	**28**	29	21
Mandarin Oriental	**13**	12	12
Jardine Cycle & Carriage	**3**	193	283
Astra	**151**	82	–
Corporate and other interests	**26**	1	–
	1,187	1,336	526

Share of results of associates and joint ventures included the following gains/(losses) from non-trading items:

	2006	2005	2004
Increase in fair value of investment properties	**752**	814	(Note)
Sale and closure of businesses	**(13)**	6	
Sale of investments	**4**	–	
Pension curtailment	**13**	1	
Buyout of minority interests in Jardine Lloyd Thompson	**–**	18	
Revaluation of properties	**–**	4	
Restructuring of businesses	**(5)**	(2)	
Other	**(3)**	(4)	
	748	837	

Results are shown after tax and minority interests.

Note: not available for 2004.

5. **Tax**

	2006 US$m	*2005 US$m*	*2004 US$m*
Current tax			
– charge for the year	**(298)**	(147)	(106)
– over/(under) provision in prior years	**3**	(15)	4
Deferred tax	**(15)**	(11)	2
	(310)	(173)	(100)

Tax on profits has been calculated at rates of taxation prevailing in the territories in which the Group operates and includes United Kingdom tax of US$15 million (2005: US$2 million and 2004: US$2 million after netting off US$1 million and US$9 million related to value added tax recovery in Jardine Motors Group in 2005 and 2004 respectively).

6. **Earnings Per Share**

Basic earnings per share are calculated on profit attributable to shareholders of US$1,348 million (2005: US$1,244 million and 2004: US$947 million) and on the weighted average number of 352 million (2005: 347 million and 2004: 352 million) shares in issue during the year. The weighted average number excludes the Company's share of the shares held by subsidiary undertakings and the shares held by the Trustee under the Senior Executive Share Incentive Schemes.

Diluted earnings per share are calculated on profit attributable to shareholders of US$1,324 million (2005: US$1,242 million and 2004: US$946 million), which is after adjusting for the effects of the conversion of dilutive potential ordinary shares of subsidiary undertakings, associates or joint ventures, and on the weighted average number of 353 million (2005: 350 million and 2004: 355 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 year.

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:

		2006			*2005*			*2004*	
	US$m	***Basic earnings per share US$***	***Diluted earnings per share US$***	*US$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	**1,348**	**3.83**	**3.75**	1,244	**3.58**	**3.55**	**947**	**2.69**	**2.67**
Non-trading items (*Note 7*)	**(815)**			(781)			**(553)**		
Underlying profit attributable to shareholders	**533**	**1.52**	**1.51**	463	**1.33**	**1.32**	**394**	**1.12**	**1.11**

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; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets and other investments; provisions for the closure of businesses; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

Non-trading Items (continued)

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

	2006 ***US$m***	*2005* *US$m*	*2004* *US$m*
Increase in fair value of investment properties			
– Hongkong Land	**599**	647	484
– Other	**72**	17	19
	671	664	503
Sale and closure of businesses			
– Appleyard Vehicle Contracts	**38**	–	–
– EastPoint	**–**	23	–
– Pacific Finance	**–**	22	–
– The Mark	**21**	–	–
– Kahala Mandarin Oriental	**–**	22	–
– Hawaiian restaurant operations	**–**	–	17
– Asia Container Terminals	**–**	–	20
– Hong Kong Ice & Cold Storage	**–**	–	9
– Motor operations	**2**	5	42
– Insurance broking	**(8)**	1	–
– Other	**6**	6	(4)
	59	79	84
Asset impairment			
– Listed investment+	**–**	–	(110)
– Mandarin Oriental, Kuala Lumpur	**–**	–	6
– Port facilities	**–**	–	(25)
– Other	**(2)**	(1)	1
	(2)	(1)	(128)
Sale of investments	**83**	16	17
Pension curtailment	**13**	1	–
Buyout of minority interests in Jardine Lloyd Thompson	**–**	18	–
Realisation of exchange losses*	**–**	–	(9)
Revaluation of properties	**–**	5	(4)
Fair value gain on conversion option component of 4.75% Guarantees Bonds due 2007	**–**	–	7
Sale of property interests	**2**	(1)	40
Restructuring of businesses	**(10)**	(2)	(4)
Value added tax recovery in Jardine Motors Group	**–**	3	46
Other	**(1)**	(1)	1
	815	781	553

+ In view of the duration and the extent to which the fair value of the Group's investment in JPMorgan Chase was less than its cost, the Directors concluded that the investment was impaired and it was appropriate to write down the cost to market value at 31st December 2004. Accordingly, the cumulative fair value loss of US$110 million as at that date was transferred from reserves to the consolidated profit and loss account.

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

8. Non-current Assets Classified as Held for Sale

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

	2006	*2005*	*2004*
	US$m	*US$m*	*US$m*
Intangible assets	**-**	7	–
Tangible assets	**4**	72	108
Investment properties	**2**	24	41
Associates and joint ventures	**14**	34	–
Other investments	**–**	28	–
Financing and other debtors	**31**	–	–
Deferred tax assets	**–**	1	–
Current assets*	**9**	524	–
Total assets	**60**	690	149
Long-term borrowings	**–**	81	–
Deferred tax liabilities	**–**	1	–
Other non-current liabilities	**–**	2	–
Current liabilities	**–**	112	1
Total liabilities	**–**	196	1

Non-current assets held for sale at 31st December 2006 principally related to Mandarin Oriental's 25% interest in Mandarin Oriental, New York of US$14 million and its mezzanine loan to the hotel of US$40 million. Non-current assets held for sale at 31st December 2005 principally related to Mandarin Oriental's interest in The Mark, New York, and Jardine Cycle & Carriage's interest in MCL Land. Non-current assets held for sale at 31st December 2004 principally related to Dairy Farm's property portfolio in Malaysia of US$107 million and Jardine Cycle & Carriage's investment properties in Malaysia of US$41 million.

* Carrying amount in 2005 included bank balances and other liquid funds of US$26million.

9. Shareholders' Funds

	2006	*2005*	*2004*
	US$m	*US$m*	*US$m*
At 1st January			
– as previously reported	**5,020**	3,639	2,540
– revision of fair value adjustments	**(22)**	–	–
– effect of adopting IFRS 3	**–**	–	208
– As restated	**4,998**	3,639	2,748
Recognised income and expense attributable to shareholders	**1,681**	1,399	1,178
Dividends *(Note 10)*	**(160)**	(141)	(120)
Employee share option shares			
– value of employee services	**8**	7	1
– exercise of share options	**3**	13	15
Scrip issued in lieu of dividends	**175**	167	30
Repurchase of shares	**–**	–	(204)
Equity component of convertible bonds issued by an associate	**–**	22	–
Change in attributable interests	**–**	(4)	(2)
Increase in own shares held	**(111)**	(104)	(7)
At 31st December	**6,594**	4,998	3,639

10. Dividends

	2006 *US$m*	*2005* *US$m*	*2004* *US$m*
Final dividend in respect of 2005 of US¢35.65 *(2004: US¢31.50 and 2003: US¢25.20)* per share	**216**	187	152
Interim dividend in respect of 2006 of US¢10.00 *(2005: US¢9.35 and 2004: US¢8.50)* per share	**61**	56	51
	277	243	203
Less Company's share of dividends paid on the shares held by subsidiary undertakings	**(117)**	(102)	(83)
	160	141	120

A final dividend in respect of 2006 of US¢40.00 (2005: US¢35.65 and 2004: US¢31.50) per share amounting to a total of US$246 million (2005: US$216 million and 2004: US$187 million) is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the Annual General Meeting. The net amount after deducting the Company's share of the dividends payable on the shares held by subsidiary undertakings of US$104 million (2005: US$91 million and 2004: US$78 million) will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2007.

11. Notes to Consolidated Cash Flow Statement

(a) Purchase of other subsidiary undertakings

	2006 *US$m*	*2005* *US$m*	*2004* *US$m*
Intangible assets	**6**	27	–
Tangible assets	**15**	47	3
Deferred tax assets	**–**	5	–
Current assets	**18**	99	7
Long-term borrowings	**–**	(9)	–
Deferred tax liabilities	**(1)**	(8)	–
Pension liabilities	**(1)**	(9)	–
Current liabilities	**(9)**	(85)	(3)
Minority liabilities	**–**	13	1
Net assets	**28**	80	8
Adjustment for minority interests	**–**	(27)	–
Net assets acquired	**28**	53	8
Goodwill	**12**	39	18
Total consideration	**40**	92	26
Adjustment for deferred consideration and carrying value of associates and joint ventures	**(7)**	(23)	–
Adjustment to fair values relating to previously held interests	**–**	(4)	–
Cash and cash equivalents of subsidiary undertakings acquired	**–**	(5)	–
Net cash outflow	**33**	60	26
Payment of deferred consideration	**–**	–	1
Purchase of shares in Jardine Strategic	**–**	–	50
Purchase of shares in Dairy Farm	**–**	–	40
Purchase of shares in Jardine Cycle & Carriage	**22**	41	52
	55	101	169

Notes to Consolidated Cash Flow Statement (continued)

Net cash outflow in 2006 of US$33 million included US$6 million for Jardine Motors Group's acquisition of dealerships in the United Kingdom, and US$17 million for Dairy Farm's store acquisitions in Malaysia and Vietnam.

Net cash outflow in 2005 of US$60 million included US$39 million for acquisition of an additional 32.3% interest in PT Hero Supermarket in Dairy Farm, and US$7 million for an additional 30% interest in Republic Auto and US$8 million for an additional 30% interest in Century Gardens in Jardine Cycle & Carriage.

Net cash outflow in 2004 of US$26 million included US$10 million for acquisition of dealerships in the United Kingdom in Jardine Motors Group and US$16 million for store acquisitions in Dairy Farm.

(b) Purchase of associates and joint ventures in 2006 included US$26 million, US$26 million, US$19 million and US$98 million for Astra's interest in Toyota Astra Financial Services, PT PAM Lyonnaise Jaya, Astra Daihatsu Motor and an additional 12.95% interest in Bank Permata respectively, and Jardine Strategic's increased interest in Hongkong Land of US$289 million. Purchase of associates and joint ventures in 2005 included US$21 million for increased interest in Landmarks Land and Properties in Jardine Cycle & Carriage, US$15 million for Astra's interest in PT Marga, US$71 million for increased interest in Hongkong Land and US$187 million for a 20% interest in Rothschilds in Jardine Strategic. Purchase of associates and joint ventures in 2004 included US$55 million for increased interest in Hongkong Land in Jardine Strategic.

(c) Purchase of other investments in 2006 included US$80 million for Astra's purchase of securities.

(d) Sale of subsidiary undertakings

	2006 US$m	*2005 US$m*	*2004 US$m*
Intangible assets	**12**	4	1
Tangible assets	**94**	–	76
Deferred tax assets	**–**	–	3
Investment properties	**24**	–	–
Associates and joint ventures	**35**	–	–
Financing and other debtors	**1**	–	–
Deferred tax assets	**1**	–	–
Current assets	**626**	167	139
Long-term borrowings	**(100)**	–	(2)
Deferred tax liabilities	**(2)**	–	(6)
Pension liabilities	**–**	–	(2)
Current liabilities	**(207)**	(57)	(66)
Minority interests	**–**	–	(4)
Net assets	**484**	114	139
Adjustment for minority interests	**(262)**	–	–
Net assets disposed of	**222**	114	139
Cumulative exchange translation differences	**(8)**	–	5
Profit on disposal	**88**	25	88
Sale proceeds	**302**	139	232
Adjustment for deferred consideration	**1**	–	4
Adjustment for carrying value of associates and joint ventures	**(14)**	–	–
Tax and other expenses paid on disposals	**–**	(7)	(23)
Cash and cash equivalents of subsidiary undertakings disposed of	**(58)**	(52)	(3)
Net cash inflow	**231**	80	210

Notes to Consolidated Cash Flow Statement (continued)

Sale proceeds in 2006 of US$302 million included US$99 million from Mandarin Oriental's sale of its interest in The Mark, New York, US$28 million from Astra's partial sale of its interest in Aisin and US$163 million from Jardine Strategic's sale of its interest in MCL Land.

Sale proceeds in 2005 of US$139 million included US$29 million from Jardine Pacific's sale of its interest in EastPoint and US$96 million from Dairy Farm's sale of its interest in Hartanah Progresif, a property-owning subsidiary undertaking.

Sale proceeds in 2004 of US$232 million included US$53 million from sale of Caterpillar dealerships in Hawaii and Taiwan, US$40 million from sale of Hawaiian restaurant operations and US$13 million from sale of United Terminal in Jardine Pacific, US$53 million from sale of United States motor operations in Jardine Motors Group, US$20 million from sale of Hong Kong Ice and Cold Storage in Dairy Farm, and US$48 million from sale of Jardine Cycle & Carriage's New Zealand motor operations.

(e) Sale of associates and joint ventures in 2006 included US$72 million from Jardine Motors Group's sale of its interest in Appleyard Vehicle Contracts. Sale of associates and joint ventures in 2005 included US$59 million from sale of Pacific Finance in Jardine Pacific and US$97 million from sale of Kahala Mandarin Oriental in Mandarin Oriental. Sale of associates and joint ventures in 2004 included US$30 million from sale of Polar Motor Group in Jardine Motors Group, US$7 million from repayment of shareholders' loan by Mandarin Oriental, Kuala Lumpur in Mandarin Oriental, and US$6 million from sale of Jardine Cycle & Carriage's remaining Australian motor operations.

(f) Sale of other investments in 2006 included US$31 million from Jardine Pacific's sale of its interest in BALtrans, US$27 million from Astra's sale of securities and US$407 million from sale of the Group's interest in JPMorgan Chase. Sale of other investments in 2005 included US$36 million from Jardine Strategic's sale of its interest in EON Capital. Sale of other investments in 2004 included US$13 million from sale of corporate investments in Mandarin Oriental, US$20 million from sale of Hap Seng Consolidated in Jardine Strategic and US$24 million from sale of other corporate investments.

12. Capital Commitments, Financial Guarantees and Contingent Liabilities

	2006 US$m	*2005 US$m*	*2004 US$m*
Capital commitments	**202**	310	197
Financial guarantees in respect of facilities made available to associates and joint ventures	**70**	78	79

Financial guarantees in respect of facilities made available to associates and joint ventures are stated at their total respective contracted amounts. It is probable that the Group has no obligations under such guarantees.

Various Group companies are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made in the financial statements.

13. Post Balance Sheet Event

In December 2006, Mandarin Oriental announced that it had entered into an agreement to sell half of its investment in Mandarin Oriental, New York reducing its interest in the hotel from 50% to 25%. The sale was completed in March 2007 resulting in a profit after tax of approximately US$16 million.

JARDINE MATHESON HOLDINGS LIMITED
PRELIMINARY ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31ST DECEMBER 2006

Performance

A generally favourable economic environment and good performances from a number of Group companies in 2006 enabled Jardine Matheson to achieve a record underlying profit of US$533 million, an increase of 15%. The turnover of the Group including 100% of the turnover of associates and joint ventures was US$27.1 billion, compared to US$24.1 billion in 2005.

Among the Group's associates and subsidiaries, Hongkong Land, Jardine Pacific, Jardine Motors and Dairy Farm all produced good profit increases, but Jardine Cycle & Carriage's earnings were lower. The investment in Rothschilds Continuation made a valuable first contribution, and a first dividend was received from Tata Industries.

The Group's financial position has continued to improve. Despite active investment programmes, consolidated net debt excluding finance companies fell by 31% to US$1.2 billion, due to proceeds from disposals and careful cash flow management. Property values again rose strongly in 2006, although not quite matching the increases of the previous year, and together with the gains on disposals led to a higher net profit of US$1,348 million. Shareholders' funds increased 32% to US$6.6 billion.

The Board is recommending a final dividend of US¢40.00 per share, representing an overall increase of 11% for the full year.

Business Activity

Business confidence in Asia remained strong in 2006, driven in large part by the continued growth in the Chinese economy. Moreover, the increasing sophistication of China's markets is expanding the opportunities in sectors that are attractive to the Group's service businesses, such as commercial and residential property, hotel management, retail stores, motor dealerships and insurance broking.

The stability of the Group's earnings benefits from its broad business mix, not only by commercial sector but also by geographic spread. Southeast Asia, for example, accounted for some 40% of underlying profit in 2006, having more than doubled its share over five years.

The removal of fuel subsidies in Indonesia in late 2005 led to a sharp increase in inflation, higher interest rates and a fall in consumer confidence, which affected Astra's motor related activities. Sentiment began to improve towards the end of 2006, and the medium-term outlook remains positive. The steadiness of the currency throughout the year was an encouraging feature.

In 2007 Jardine Matheson will mark the 175th anniversary of its founding as a partnership in Canton in 1832. The Firm has experienced many business cycles and political changes as it has survived and prospered in the region's volatile markets, and the past twenty-five years have been no exception. The globalization of commerce has led to Asia's markets maturing, making redundant the agency role that was once the mainstay of many of the Group's operations. Jardine Matheson has responded by investing in businesses where it could control its own destiny, and has today established a portfolio of focused companies that are at the forefront of their chosen markets; each well financed and possessing sound growth prospects.

These companies have continued to build their businesses over the past year. Among the more notable examples, Hongkong Land expanded its property activities on a substantial scale both regionally and into the residential sector; Dairy Farm extended its banners across its Asian markets and has promising opportunities in India and Vietnam; and the development of Mandarin Oriental's hotel portfolio gathered pace with a record number of new developments and the reopening of the refurbished Mandarin Oriental, Hong Kong.

Outlook

In conclusion, the Chairman, Henry Keswick said, ''The outlook for the majority of our markets remains promising. Following the excellent result in 2006, it may, however, be demanding to match the level of growth in 2007 that has been seen in recent years.''

''Looking further ahead, Hongkong Land will recognize profits in the three years from 2008 upon completion of residential properties already sold, and most of our other businesses are also expected to perform well as they grow their operations.''

Managing Director's Review

Jardine Matheson's underlying profit in 2006 was US$533 million, an increase of 15%, which was helped by property and pension gains in Jardine Motors and a first dividend from Tata Industries. Underlying earnings per share rose 14% to US$1.52.

Jardine Pacific produced a creditable improvement in earnings following good performances from a number of its operations, most notably its construction business. Jardine Motors also achieved an excellent result, benefiting from property disposals and changes in pension liabilities in the United Kingdom, while Jardine Lloyd Thompson's result was little changed in a year of restructuring.

Among the Group's listed affiliates, Dairy Farm posted another good result with all its major operations performing well, and Hongkong Land increased its contribution as it benefited from rising net rental income and the acquisition of MCL Land. At Mandarin Oriental, healthy markets and income from new hotels offset the impact of the closure for renovation of its major Hong Kong property. Jardine Cycle & Carriage's contribution, however, fell due to a reduction in Astra's earnings. The Group's results also reflect a US$21 million contribution from its 20% investment in Rothschilds Continuation and a dividend received by Jardine Strategic from Tata Industries.

The Company's share of a 21% upward revaluation of Hongkong Land's portfolio in 2006 amounted to US$599 million, compared with US$647 million in 2005, and a US$70 million increase was also recorded by Jardine Pacific. In accordance with International Financial Reporting Standards, such revaluations of investment properties are taken through the profit and loss account. The net profit of US$1,348 million includes these revaluations together with non-trading items such as gains on disposals in Jardine Motors, Jardine Pacific and Mandarin Oriental as well as the advance disposal of shares in JPMorgan Chase underlying the Company's exchangeable bond. This disposal produced a non-trading profit of US$69 million, after allowing for the cost of ensuring availability of stock to meet any conversions prior to bond redemption in September 2007.

In December, Hongkong Land raised US$269 million through the sale by its wholly-owned subsidiary of some 3% of Hongkong Land's existing share capital to Jardine Strategic at the prevailing market price. Jardine Strategic now has a direct interest of 46% in Hongkong Land.

Jardine Pacific

Jardine Pacific's underlying profit from continuing businesses in 2006 increased 27% to US$103 million as the majority of its operations performed well, particularly Gammon. In addition, an upward revaluation of the group's residential property investment portfolio produced a gain of US$70 million. The company's net profit was US$191 million. Shareholders' funds rose 10% to US$363 million at the year end, producing an underlying return of 30%. During 2006, Jardine Pacific sold its interest in a Hong Kong mid-stream cargo handling joint venture and minority shareholdings in both BALtrans and the River Trade Terminal.

Financial information of Jardine Pacific's larger businesses is summarized below:

	Underlying profit		*Shareholders' funds*	
	2006	*2005*	***2006***	*2005*
	US$m	*US$m*	***US$m***	*US$m*
Gammon	**14**	1	**49**	43
HACTL	**33**	33	**100**	109
Jardine Aviation Services	**9**	9	**22**	16
JEC	**12**	10	**26**	27
JOS	**11**	6	**19**	18
Jardine Property Investment	**3**	3	**187**	116
Jardine Restaurants	**14**	13	**8**	5
Jardine Schindler	**12**	13	**29**	29
Jardine Shipping Services	**4**	7	**15**	13
Other	**3**	–	**15**	11
Corporate	**(12)**	(14)	**(105)**	(91)
Continuing Businesses	**103**	81	**365**	296
Discontinued Businesses	**–**	9	**(2)**	34
	103	90	**363**	330

HONG KONG AIR CARGO TERMINALS (''HACTL'') enjoyed record cargo volumes, but its profit contribution was little changed at US$33 million due to higher operating costs. HACTL has expressed its interest in developing a new cargo terminal at Hong Kong International Airport and believes it is well qualified to deliver the Airport Authority's requirements. JARDINE AVIATION SERVICES also benefited from the increased activity at Hong Kong's airport producing a 7% increase in profit. Weaker shipping freight rates led to a lower contribution of US$4 million from JARDINE SHIPPING SERVICES.

Claims income from contracts completed in prior years and good progress in projects in Macau enabled GAMMON to achieve a significantly improved result, Jardine Pacific's share of which was US$14 million. The profit contribution from JARDINE SCHINDLER of US$12 million was slightly down on 2005 due mainly to increased losses in its subsidiary in Korea. JEC's earnings rose 13% to nearly US$12 million as its operations in Hong Kong and Thailand performed well, although it continued to face challenging markets in mainland China. In 2006 it sold its 30% interest in Thorn Lighting to its joint venture partner.

JARDINE RESTAURANTS continued to achieve good earnings growth, up 12% at some US$14 million, with a strong performance from its Pizza Hut operation in Hong Kong. In Taiwan, it opened its first Long John Silver's restaurant. JOS recorded a higher profit of US$11 million with an 8% increase in sales. ROOMPLUS, a self storage business in Hong Kong, completed its first full year of operation and recorded a small loss. COLLIERS HALIFAX produced an improved contribution from its property activities in Japan.

Jardine Pacific will incur higher financing charges in 2007 and a number of its businesses are facing more challenging conditions. Despite this, the group is expected to maintain an excellent return on shareholders' funds.

Jardine Motors

Jardine Motors' continuing operations produced commendable performances achieving an underlying net profit of US$63 million, up 62%. The result was enhanced by gains from property sales and a change in pension and tax law in the United Kingdom. The group's net profit for the year of US$104 million included a non-trading gain of US$38 million arising from the sale of its 50% interest in Appleyard Vehicle Contracts in the United Kingdom.

Deliveries by Zung Fu of the new S-Class, following its well received launch in late 2005, increased the Mercedes-Benz share of the new car market in Hong Kong, which reached 15% in 2006. The market for commercial vehicles in Hong Kong, however, was softer, while competitive pressures led to a small loss from Hyundai. The contributions from Zung Fu's service centres remained healthy and its car parks business was steady. The Mercedes-Benz dealership in Macau recorded increased deliveries. Zung Fu continued to expand its dealership network in Southern China and achieved good growth in profitability with higher sales volumes and service income. A new Mercedes-Benz centre was opened in Foshan in

January 2007, bringing the total to 11, and three additional sites have been secured for further expansion in 2007.

Operating profits improved in the United Kingdom, despite a weaker car market, due to a resilient sales performance, higher earnings from services and further reductions in central overheads. In January 2007, a group of four Audi dealerships was acquired, which is expected to be earnings enhancing.

Jardine Motors continues to build its market position in the United Kingdom, Hong Kong and mainland China, but in 2007 its underlying profit will not benefit from the same level of property gains.

Jardine Lloyd Thompson

Jardine Lloyd Thompson (''JLT'') achieved a creditable performance in 2006 against the background of challenging trading conditions and further weakening of the US dollar. The turnover of its continuing operations, following disposals in the United States, rose modestly to US$851 million. Underlying profit was maintained at US$91 million, although net profit was lower at US$86 million. Non-trading items included a curtailment gain following the closure of a defined benefit scheme to reduce the group's pension exposure in the United Kingdom, offset by a loss on the sale of the group's discontinued US operations.

The Risk & Insurance group, which accounts for more than 80% of JLT's revenue, faced insurance rates under pressure and intense competition for market share. Good performances from most of its retail operations, however, produced a 2% growth in turnover despite the adverse dollar movement. In May, approval was received to start operations in a 51%-owned subsidiary as an insurance and re-insurance broker across mainland China. After the year end, the group's associate SIACI announced a merger which should significantly strengthen its position in France.

The Employee Benefits business in the United Kingdom performed well. Turnover was 8% higher at US$141 million and the trading profit rose 15% to US$24 million. The business is developing product categories in response to market changes as companies seek alternatives to defined benefit pension schemes.

In 2006, progress was made in the repositioning of JLT with the strengthening of its senior management, the sale of underperforming operations in the United States and the reorganization of its London market activities. Steps were also taken to reduce costs. The benefits from these actions should begin to be seen in 2007 and more fully in 2008.

Hongkong Land

Hongkong Land's net rental income from commercial property increased by 25% in 2006 as broad-based demand and reduced supply in Hong Kong's Central district produced higher rents and capital values. Vacancy in its commercial portfolio was maintained at 4.5% despite having added 2.8% with the completion of York House. Earnings from residential property were higher, largely due to a first contribution from the company's 77%-held affiliate in Singapore, MCL Land. Overall, underlying profit for 2006 rose 31% to US$245 million.

The value of Hongkong Land's investment assets again rose in 2006 ending the year 21% higher at US$11.7 billion, resulting in an adjusted net asset value per share of US$4.76, up 23%. The group's net profit for 2006, including the revaluation, was US$1,901 million.

Hongkong Land's strategy of broadening its commercial business regionally gained momentum as it significantly increased its portfolio in Singapore. Its joint venture development at One Raffles Quay in Singapore was fully let on completion in October 2006, while at the adjacent Marina Bay Financial Centre joint venture development, construction has begun on the first phase that includes 180,000 sq. m of office space and 428 residential units. A 194,000 sq. m second phase is also to be developed by the consortium.

Hongkong Land's reputation for quality in the commercial sector is also being recognized in the residential market, as was demonstrated in the excellent response to its new joint venture developments in Macau and Singapore. The developments of MCL Land have also attracted strong interest. Response to the launch of the final phase of Hongkong Land's joint venture development at Central Park in Beijing was more subdued following measures announced by the Government designed to dampen certain market sectors, while elsewhere in mainland China construction began on the 650-unit Phase I of Bamboo Grove, a joint venture in Chongqing.

The prospects for Hongkong Land are encouraging as the office leasing reversion cycle in its Hong Kong portfolio will continue to enhance earnings, while the retail element is expected to remain strong. This will be complemented in the coming years by the recognition of profits on residential sales.

Dairy Farm

Dairy Farm's strategy has been to build leading retail businesses in Asia's growing consumer markets, and it now has 27 operations in nine countries. The group had another good year in 2006 with increases in both sales and earnings as its operations benefited from its investment progamme and favourable economic conditions in its major markets. Sales, including 100% of those of associates, were up 9% to US$6.0 billion, and its underlying profit for the year rose by 11% to US$211 million.

In North Asia, sales were 4% higher in 2006, and operating profit rose by 6%. All major retail formats in Hong Kong produced improved operating results. In Southern China, the group's 7-Eleven operation increased sales and reduced losses. It ended the year with 284 stores, including the first franchised outlets, and acquired a further 110 in March 2007. In Taiwan, IKEA incurred significant pre-opening costs for two new large stores, but has laid the foundation for future growth. Most divisions of Hong Kong restaurant associate, Maxim's, achieved good results, with excellent progress being made by the Genki Sushi chain.

In South Asia, Dairy Farm's businesses generally performed well. Sales rose 15%, but profits were only 3% higher due to costs associated with the repositioning of the Giant hypermarkets in Singapore. Active expansion programmes are being pursued in Malaysia by Giant and the Guardian health and beauty stores, both of which enjoyed substantial increases in sales and operating profit. The group's operations in Indonesia have yet to produce the required returns, but are showing some improvement and the medium-term prospects remain attractive. There was an encouraging growth in sales in India in what is becoming an increasingly competitive market. Dairy Farm acquired a small supermarket chain in Vietnam following the receipt of a license to operate a number of stores on a wholly-owned basis.

Dairy Farm's financial position remains sound and it has ample cash flow to fund its ongoing investment requirements in its Asian markets.

Mandarin Oriental

Continued improvement in Mandarin Oriental's key markets and the contribution from new hotels offset the impact on earnings arising from the nine month closure for renovation of its Hong Kong flagship property. Underlying earnings were US$45 million, compared with US$41 million in 2005 when Mandarin Oriental, Hong Kong was open throughout the year.

Net profit in 2006 was US$80 million, including a gain of US$35 million on the sale of The Mark hotel in New York. This compares with US$77 million in 2005, which included a US$36 million gain on the disposal of a property interest in Hawaii. A further gain of some US$16 million was realized in March 2007 following completion of the sale of half of the group's 50% equity interest in Mandarin Oriental, New York.

There were strong results from the group's owned hotels as The Excelsior, Hong Kong and its European properties benefited from higher room rates and increases in occupancy. Its Tokyo hotel also improved significantly as its 2005 result had included pre-opening costs. Mandarin Oriental, Hong Kong has been well received since its reopening in September 2006, achieving a 50% increase in its average room rate. The contribution from associates and joint ventures also rose, largely due to impressive performances in Singapore and New York.

Mandarin Oriental's international expansion accelerated in 2006 with the announcement of five new management contracts and the opening of its latest hotel in Prague. In the first two months of 2007, luxury hotel developments were announced in Guangzhou, Paris and Taipei. The group's portfolio now comprises 20 hotels with a further 14 under development, giving a total of 9,500 rooms in 20 countries.

Market demand is expected to remain strong in 2007, and Mandarin Oriental's results will benefit from its renovated Hong Kong property. Over the longer term, the group will see increasing contributions from its many hotels currently under development.

Jardine Cycle & Carriage

Jardine Cycle & Carriage's underlying profit for 2006 fell by 29% to US$211 million. The prior year comparative included 13 months' contribution from Astra required to align its accounting period and

US$19 million from the group's shareholding in MCL Land, which was distributed in specie in early 2006. Without these elements, the decline would have been 18%.

Jardine Cycle & Carriage's consolidated net debt, excluding borrowing within Astra's financial services operations, was slightly lower at US$600 million with the proceeds from disposal of properties in Malaysia and the removal of MCL Land's net debt being substantially offset by capital expenditure in Astra.

Poor market conditions in Indonesia, particularly in the automotive sector, led to a material reduction in earnings at Astra, although the effect of the decline on Jardine Cycle & Carriage's results was lessened by the strengthening of the Rupiah against the US dollar. Astra's contribution, on a comparable 12 month basis, was 18% lower at US$208 million.

The contribution from Jardine Cycle & Carriage's directly-held motor interests increased marginally to US$32 million. Profits from its operations in Singapore improved strongly with Mitsubishi and Mercedes-Benz performing well, offsetting declines in Cycle & Carriage Bintang in Malaysia and PT Tunas Ridean in Indonesia and the cessation of contribution from Australia. The new National Automotive Policy in Malaysia impacted Cycle & Carriage Bintang, although the efficiency of its balance sheet was enhanced following the payment of a special dividend in October. Tunas Ridean suffered from the difficult conditions in Indonesia.

Astra International

The Indonesian economy was affected by a sharp increase in inflation and high interest rates following the removal of fuel subsidies in late 2005. Towards the end of 2006 interest rates were lowered, leading to improvements in consumer confidence. Within Astra's automotive operations, motor vehicle sales in 2006 were down 32%, although market share rose from 49% to 55% with a number of new model launches. The decline in Astra's motorcycle sales was less severe at 12% as volumes increased in the second half, albeit at lower margins, and its market share was stable at some 53%.

Astra's financial services businesses, which primarily support its automotive operations, declined in line with the market and recorded increases in doubtful debt provisions. Its automotive component manufacturing and trading operations were similarly affected. Earnings from Astra's agribusiness improved in US dollar terms, but in Rupiah were flat as higher costs offset a 11% increase in crude palm oil sales volumes and firmer prices. Nevertheless, the prospects remain promising, and Astra is continuing to source land for new oil palm and rubber plantations.

Its heavy equipment business, United Tractors, produced satisfactory growth in contract mining with 20% increases achieved in both overburden removal and coal extraction, although additional provisions for doubtful debts were required for mining contracts. The company's overall profit was also affected by lower sales of Komatsu equipment despite its market share remaining at 48%. In January 2007, its mining subsidiary acquired for US$34 million the rights to mine and market the coal from concessions located in South Kalimantan.

In September, Astra increased its shareholding in Bank Permata from 31.6% to 44.5% in tandem with its partner, Standard Chartered Bank. Bank Permata produced a marginal increase in profit, but further steps are being taken to improve productivity and profitability to an acceptable level. In infrastructure, Astra's investment in a toll road project performed satisfactorily. In July, it acquired a 30% interest in the franchise for the Western Jakarta water utility and is considering further infrastructure investments.

Astra's performance is expected to show improvement as Indonesian markets continue to recover, although competitive pressures remain significant. In the medium term, Astra's leadership in the automotive sector, its established market positions in financial services, agribusiness and heavy equipment, and its infrastructure investments, provide excellent opportunities for growth.

Further Interests

Rothschilds Continuation

In late 2005 Jardine Strategic acquired a 20% interest in Rothschilds Continuation, an unlisted financial services holding company within the Rothschild group whose interests include the investment bank N M Rothschild & Sons. It contributed US$21 million to the Group's earnings in 2006 as its investment banking operations benefited from the high level of M&A activity in the London market. The group's other activities also showed improvement under a new management team.

Tata Industries

Tata Industries is an unlisted Indian investment company in which Jardine Strategic has a 20% shareholding. In June 2006, Tata Industries sold its largest strategic investment, a 48% holding in IDEA Cellular Ltd., realizing a substantial gain. The net proceeds were applied in part to debt reduction and to the payment of a first dividend, of which Jardine Strategic's share was US$16 million, with the balance being retained for future investment.

Others

Edaran Otomobil Nasional, the Malaysian motor dealership group in which Jardine Strategic holds a 20% interest, experienced a difficult year in 2006 reporting only a modest net profit after tax of US$2.5 million. With the new National Automotive Policy leading to increased competition, the group's operations were impacted by the fall in market share of the Proton. The company is reviewing a number of options to reposition the business, but in the short term its prospects remain challenging.

Of Jardine Strategic's smaller investments, its 7% interest in The Bank of N. T. Butterfield & Son in Bermuda has performed well and the valuation of the stake has increased significantly. The value of the company's 7% shareholding in Vietnamese bank, Asia Commercial Bank, has also enjoyed strong growth. The bank, which was floated on the Hanoi Securities Trading Center in November 2006, focuses on consumers and SMEs and has a network of 80 branches.

Anthony Nightingale
Managing Director

7th March 2007

JARDINE LLOYD THOMPSON GROUP PLC

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Jardine Lloyd Thompson Group plc will be held at 6 Crutched Friars, London EC3N 2PH on Thursday, 26th April, 2007 at 12 noon for the purpose of considering and, if thought fit, passing the following Resolutions of which Resolutions 1 to 10, 12 and 13, will be proposed as Ordinary Resolutions and Resolutions 11, 14 and 15 as Special Resolutions:

Ordinary Business

Ordinary Resolutions

1. To receive the audited consolidated accounts of the Group and the reports of the Directors and Auditors for the year ended 31st December, 2006.

2. To approve the final dividend of 12p net per Ordinary Share.

3. To re-elect as a director Lord Leach who is aged 72 and retires in accordance with the Company's Articles of Association. [2]

4. To re-elect as a director Mr B P Carpenter who retires in accordance with the Company's Articles of Association.

5. To re-elect as a director Mr S L Keswick who retires in accordance with the Company's Articles of Association.

6. To re-elect as a director Mr W J N Nabarro who retires in accordance with the Company's Articles of Association.

7. To re-elect as a director Mr J W Rush who retires in accordance with the Company's Articles of Association.

8. To re-elect as a director Mr R A Scott who retires in accordance with the Company's Articles of Association.

9. To approve the Remuneration Report for the year ended 31st December, 2006.

10. To re-appoint PricewaterhouseCoopers LLP, Chartered Accountants and Registered Auditors, as auditors to the Company until the conclusion of the next general meeting at which accounts are laid before the Shareholders and to authorise the Directors to determine the remuneration of the auditors.

Special Business

Special Resolution

11. THAT, subject to the passing of Resolution 12 contained in the notice of the meeting at which this resolution is to be proposed, the Company be generally and unconditionally authorised for the purpose of Section 166 of the Companies Act 1985 to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985) of Ordinary Shares of 5p each in the capital of the Company provided that:

11.1 the maximum number of Ordinary Shares hereby authorised to be purchased is 21,283,720 representing approximately 10 per cent. of the issued share capital of the Company as at 19th March, 2007;

11.2 the minimum price which may be paid for an Ordinary Share is 5p, exclusive of all expenses;

11.3 the maximum price which may be paid for an Ordinary Share is an amount, exclusive of all expenses, equal to 105 per cent. of the average of the middle market quotations of the Ordinary Shares as derived from the Daily Official List of the London Stock Exchange for each of the five business days immediately preceding the day on which the Ordinary Share is contracted to be purchased;

2 In accordance with S293 and 379 of the Act, special notice has been given by a member of the intention to propose Resolution 3 as an ordinary resolution at the next Annual General Meeting of the Company.

11.4 the authority hereby conferred shall expire on 25th July, 2008 or at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution, whichever is the earlier, unless such authority is renewed, varied or revoked prior to such time; and

11.5 the Company may validly make a contract to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may validly make a purchase of Ordinary Shares in pursuance of any such contract.

Ordinary Resolutions

12. THAT the waiver of the Panel on Takeovers and Mergers of the obligation which might otherwise fall on Jardine Matheson Holdings Limited or any of its subsidiaries, collectively or individually, to make a general offer pursuant to Rule 9 of the City Code on Takeovers and Mergers as a result of any increase in their aggregate percentage shareholding from approximately 30.31 per cent. to a maximum of 33.69 per cent. following the purchase by the Company of up to a maximum of 21,283,720 Ordinary Shares in the Company in the market, pursuant to the authority granted by Resolution 11, as described in the Company's Circular to shareholders of which this notice forms part, be and is hereby approved.

13. THAT:

13.1 the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 80 of the Companies Act 1985 (the ''Act'') to exercise all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £1,858,139.55;

13.2 such authority shall expire on the date of the Annual General Meeting in 2008 or on 25th July, 2008, whichever is the earlier, and shall be in substitution for all previous authorities pursuant to Section 80 of the Act, which are hereby revoked, without prejudice to any allotment of securities pursuant thereto;

13.3 by such authority the Directors may make offers or agreements which would or might require securities to be allotted after the expiry of such period; and

13.4 for the purposes of this Resolution words and expressions defined in or for the purposes of the said Section shall bear the same meanings herein.

Special Resolutions

14. THAT:

14.1 the Directors be empowered to allot equity securities wholly for cash:

(i) in connection with a rights issue; and

(ii) otherwise than in connection with a rights issue, up to an aggregate nominal amount of £532,093.02;

as if Section 89(1) of the Act did not apply to any such allotment;

14.2 by such power the Directors may make offers or agreements which would or might require securities to be allotted after the expiry of such period;

14.3 for the purposes of this Resolution:

(i) ''rights issue'' means an offer of equity securities open for acceptance for a period fixed by the Directors to (a) holders on the register on a record date fixed by the Directors of Ordinary Shares in proportion to their respective holdings (for which purpose holdings in certificated and uncertificated form may be treated as separate holdings) and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory;

(ii) references (except in paragraph 14.4 below) to an allotment of equity securities shall include a sale of treasury shares;

(iii) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights; and

(iv) words and expressions defined in or for the purposes of Part IV of the Act shall bear the same meanings herein; and

14.4 the power in paragraph 14.1 above, insofar as it relates to the allotment of equity securities rather than the sale of treasury shares, is granted pursuant to the resolution conferring authority under Section 80 of the Act passed on the date hereof.

15. THAT

(a) the Company be authorised, subject to and in accordance with the provisions of the Companies Act 2006 and the Articles of Association, to send, convey or supply all types of notices, documents or information to the shareholders by means of electronic equipment for the processing (including digital compression), storage and transmission of data, employing wires, radio optical technologies, or any other electromagnetic means, including by making such notices, documents or information available on a website; and

(b) the Memorandum and Articles of Association be and are hereby amended in accordance with the schedule of changes set out in the appendix marked ''Schedule 1'' accompanying the notice of Annual General Meeting dated 26th April, 2007.

By order of the Board,

D J Hickman
Secretary

20th March, 2007

Registered office:
6 Crutched Friars
London
EC3N 2PH

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy (or proxies) to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.

2. A form of proxy is enclosed. The appointment of a proxy will not prevent a Shareholder from subsequently attending and voting at the meeting in person.

3. To be effective the instrument appointing a proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be deposited at the offices of the Company's Registrars not less than 48 hours before the time for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used.

4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a ''CREST Proxy Instruction'') must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in paragraph 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. Copies of all contracts of service under which Directors of the Company are employed by the Company or any of its subsidiaries are available for inspection at the Company's registered office and at the offices of Linklaters, One Silk Street, London EC2Y 8HQ during business hours on any weekday (Saturdays and public holidays excluded) and will also be available for inspection at the place of the meeting from 15 minutes before it is held until its conclusion.

6. A copy of the register of interests of the Directors of the Company will be available for inspection at the place of the meeting from 15 minutes before it is held until its conclusion.

7. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those Shareholders entered on the Company's register of members at 12 noon on 24th April, 2007 or, if the meeting is adjourned, on the Company's register of members 48 hours before the time fixed for the adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Company's register of members after 12 noon on 24th April, 2007 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.

8. Voting on Resolution 12 will be by means of a poll of the shareholders, apart from members of the Jardine Matheson Group (as defined in this circular), who are seeking to rely on the waiver.

Schedule 1

Proposed amendments to the Memorandum and Articles of Association of Jardine Lloyd Thompson Group plc.

The amendments in this Schedule 1 set out all the differences between the proposed and existing Memorandum and Articles of Association. The proposed Memorandum and Articles of Association are to take effect upon the passing of Resolution 15.

1. Directors Indemnity

1.1 A new clause (w) should be added to the Company's Memorandum of Association.

(w) (a) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees or auditors of the Company, or of any associated company, or who are or were at any time trustees of any pension fund or employees' share scheme in which any employees of the Company or of any associated company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to the Company or associated company or pension fund or employees' share scheme; to such extent as may be permitted by law;

(b) otherwise to indemnify any such person against or from any such liability; and

(c) (i) to provide a Director with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with any application under those provisions of the Act referred to in Section 337A(2) of the Act; and

(ii) to do anything to enable a Director to avoid incurring such expenditure.

1.2 The Company's Articles of Association should be amended in the following way:

(i) Article 143 should be deleted and replaced with the following:

143.1 Subject to the provisions of, and so far as may be permitted by and consistent with, the Statutes, every Director and officer of the Company shall be indemnified by the Company out of its own funds against (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company other than (i) any liability to the Company or any associated company (as defined in Section 309A(6) of the Act) and (ii) any liability of the kind referred to in Sections 309B(3) or (4) of the Act; and (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Where a Director or officer is indemnified against any liability in accordance with this paragraph 143.1, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

143.2 Without prejudice to paragraph 144 below, the Directors shall have power to purchase and maintain insurance for or for the benefit of (i) any person who is or was at any time a Director or officer of any Relevant Company (as defined in paragraph 143.3 below), or (ii) any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by or attaching to him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto).

143.3 For the purpose of paragraph 143.2 above ''Relevant Company'' shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.

143.4 Subject to the provisions of and so far as may be permitted by the Statutes, the Company (i) may provide a Director or officer with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with any application under the provisions mentioned in Section 337A(2) of the Act and (ii) may do anything to enable a Director or officer to avoid incurring such expenditure, but so that the terms set out in Section 337A(4) of the Act shall apply to any such provision of funds or other things done.

(ii) Article 97(B)(i) should be deleted and replaced with the following:

97(B)(i) any proposal concerning (i) insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors, or (ii) indemnities in favour of Directors, or (iii) the funding of expenditure by one or more Directors on defending proceedings against him or them, or (iv) doing anything to enable such Director or Directors to avoid incurring such expenditure.

(iii) Articles 97(B)(ii) and 97(B)(iv) should be deleted and the existing Articles 97(B)(i) to 97(B)(vi) renumbered accordingly.

2. Electronic Communications

(i) The definitions in Article 2 of ''Statutes'' and ''In writing'' should be deleted and replaced with the following:

''Statutes''	The Companies Acts, the CREST Regulations and every other enactment for the time being in force concerning companies and affecting the Company.
''In writing''	Written or produced by any substitute for writing (including anything in electronic form) or partly one and partly another.

(ii) The fourth and fifth paragraphs under the listed definitions in Article 2 should be deleted and replaced with the following:

''The expressions ''hard copy form'', ''electronic form'' and ''electronic means'' shall have the same respective meanings as in the Company Communications Provisions.

The expression ''address'' shall include any number or address (including, in the case of any Uncertificated Proxy Instruction permitted under Article 71, an identification number of a participant in the relevant system) used for the purposes of sending or receiving notices, documents or information by electronic means or by means of a website.

The expression ''Companies Acts'' shall have the meaning given thereto by Section 2 of the Companies Act 2006 but shall only extend to provisions which are in force at the relevant date.

The expression ''Company Communications Provisions'' shall have the same meaning as in the Companies Acts.

(iii) In the penultimate paragraph of Article 2, delete the existing word ''Act'' and replace it with ''Companies Acts''.

(iv) Article 70 should be deleted and replaced with the following:

70 The appointment of a proxy must be in writing in any usual or common form or in any other form which the Directors may approve and:

(a) in the case of an individual must either be signed by the appointor or his attorney or authenticated in accordance with Article 146; and

(b) in the case of a corporation must be either given under its common seal or be signed on its behalf by an attorney or a duly authorised officer of the corporation or authenticated in accordance with Article 146.

Any signature on or authentication of such appointment need not be witnessed. Where an instrument appointing a proxy is signed or authenticated in accordance with Article 146 on behalf of the appointor by an attorney, the power of attorney or a copy thereof certified notarially or in some other way approved by the Directors must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the appointment may be treated as invalid.

(v) In Article 71(B) delete the words ''means of an electronic communication'' and replace with ''electronic means''.

(vi) Article 90 should be deleted and replaced by the following:

90 No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any General Meeting unless not less than seven nor more than forty-two days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed or authenticated in accordance with Article 146 by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed (or sufficiently authenticated to the satisfaction of the Directors) by the person to be proposed of his willingness to be elected.

(vii) Article 100 should be deleted and replaced with the following:

100 A resolution in writing of all the Directors for the time being in the United Kingdom and entitled to vote thereon shall be as valid and effectual as a resolution duly passed at a meeting of the Directors and may consist of several documents in the same or similar form.

(viii) Article 123 should be deleted and replaced with the following:

123 The waiver in whole or in part of any dividend on any share by any document shall be effective only if such waiver is in writing (whether or not executed as a deed) signed or authenticated in accordance with Article 146 by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or otherwise by operation of law) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

(ix) The heading ''NOTICES'' and Articles 135, 136 and 137 should be deleted and replaced with the following:

COMMUNICATIONS WITH MEMBERS

135 (A) The Company may, subject to and in accordance with the Companies Acts and these Articles, send all types of notices, documents or information to members by electronic means, including by making such notices, documents or information available on a website.

(B) The Company Communications Provisions have effect for the purposes of any provision of the Companies Acts or these Articles that authorises or requires notices, documents or information to be sent or supplied by or to the Company.

(C) Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, and which is sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 hours (or, where second class mail is employed, 48 hours) after the time it was posted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, pre-paid and posted. In the case of a member registered on a branch register any such notice or document may be posted either in the United Kingdom or in the territory in which such branch register is maintained.

(D) Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient at 9 a.m. on the day following that on which it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.

(E) Any notice, document or information which is sent or supplied by the Company by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

(F) The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.

(G) The provisions of this Article shall have effect, subject to any mandatory provision of the Statutes, in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

136 (A) Anything which needs to be agreed or specified by the joint holders of a share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the Register in respect of the share.

(B) Any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the

Register in respect of the share, to the exclusion of the other joint holders. For such purpose, a joint holder having no registered address in the United Kingdom and not having supplied an address within the United Kingdom for the service of notices may, subject to the Statutes, be disregarded.

(C) The provisions of this Article shall have effect, subject to the Statutes, in place of the Company Communications Provisions regarding joint holders of shares.

137 (A) A person who claims to be entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall supply to the Company:

(i) such evidence as the Directors may reasonably require to show his title to the share,

(ii) an address within the United Kingdom for the service of notices,

whereupon he shall be entitled to have served upon or delivered to him at such address any notice, or document or information to which the said member would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice, document or information on all persons interested (whether jointly with or as claiming through or under him) in the share.

(B) Save as provided by paragraph 137(A), any notice, document or information delivered or sent by post to or left at the address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member as sole or first-named joint holder.

(C) The provisions of this Article shall have effect, subject to any mandatory provision of the Statutes, in place of the Company Communications Provisions regarding the death or bankruptcy of a holder of shares in the Company.

(x) At the beginning of Article 138 insert the following words: ‘‘Subject to the Statutes,’’.

(xi) The last sentence of Article 139 should be deleted and replaced with the following:

In any such case, the Company shall (i) make such notice available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof and (ii) send confirmatory copies of the notice by post to such members if at least seven days prior to the meeting the posting of notices again becomes practicable.

(xii) The heading ‘‘SIGNATURE OF DOCUMENTS’’ and Articles 146 should be deleted and replaced with the following:

SIGNATURE OR AUTHENTICATION OF DOCUMENTS SENT BY ELECTRONIC MEANS

146 Where these Articles require a notice or other document to be signed or authenticated by a member or other person, then any notice or other document sent or supplied in electronic form is sufficiently authenticated in any manner authorised by the Company Communications Provisions or in such other manner approved by the Directors. The Directors may designate mechanisms for validating any such notice or other document, and any such notice or other document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

(xiii) Article 147 should be deleted and replaced with the following:

147 Deleted: 26th April 2007.

3. Consequential Companies Act 2006 Amendments

(i) Article 87 should be amended by deleting the following words: ‘‘who is due to retire at the meeting by reason of age or’’.

(ii) Article 97(B)(v) should be deleted and replaced with the following:

(v) any proposal concerning any other body corporate in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him within the meaning of the Companies Acts) does not have an interest (as that term is used in Part 22 of the Companies Act 2006) in one per cent or more of the issued equity share capital of any class of such body corporate (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances); and’’

(iii) Article 97(F) shall be amended by deleting ‘‘within the meaning of Section 346 of the Act’’ and replacing it with ‘‘as such expression is defined in the Companies Acts’’.

4. Miscellaneous Amendment

The typographical error ‘‘thereat’’ in Article 4(B) should be deleted and replaced with ‘‘the meeting’’.

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