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Corporate Communications Department
Hong Kong Exchanges & Clearing Ltd.,
12th Floor, One International Finance Centre
1 Harbour View Street, Central
Hong Kong

26 January 2009

RE: Consultation Conclusions on extension to the blackout period for directors

Dear Sir or Madam,

I am writing to you on behalf of F&C Management Ltd, a United Kingdom-based global asset management firm whose institutional and retail clients collectively represent over €165 billion of assets¹, with significant investments in Hong Kong-listed companies.

In follow-up to our letter of 3 April regarding the Combined Consultation Paper, we are writing in response to the recent announcement that the HKEx has suspended the implementation of points 281-285 regarding the extension of the director blackout period. Although we did not comment on this specific point in our earlier consultation, F&C strongly supports the extension of the director blackout period and encourages you to implement this amendment without further delay.

As an active foreign investor in Hong Kong, we support the extension of the director blackout period for the following reasons:

- Extending the blackout period reduces the risk of insider trading and potential share price manipulation;
- Doing so will align Hong Kong governance standards with global standards at a time when investors increasingly value good governance;
- Implementation of this amendment will encourage listed issuers to publish their financial results earlier in order to reduce the blackout period, which will benefit all investors.

For these reasons, we strongly urge the HKEx to pursue implementation of all of the amendments – including the extension of the director blackout period – outlined in the Combined Consultation period as soon as possible.

Thank you very much for your attention to this letter.

Yours Sincerely,

Alexis B. Krajewski

Associate Director, Governance & Sustainable Investment

CC Mike Hanbury-Williams, Director, Head of Pacific Equities, F&C

¹ As at 30th September 2008, F&C Management directly managed £93.3 billion in assets. In addition, F&C has been mandated to vote and/or engage in dialogue on behalf of a further 20 investment institutions whose assets total over £63 billion. These institutions are identified in our quarterly **reo** reports: http://www.fandc.com/FundNets_FileLibrary/File/co_qsi_reo_public_report.pdf