



STRICTLY PRIVATE & CONFIDENTIAL

May 19, 2010

Corporate Finance Division
The Securities and Futures Commission
8/F Chater House
8 Connaught Road Central
Hong Kong

Dear Sirs,

Re: Consultation Paper on (1) proposal to stop commenting on routine announcements under the Codes on Takeovers and Mergers and Share Repurchases and (2) proposed miscellaneous amendments to the Codes

We refer to your Consultation Paper dated 21 April 2010. Our comments to the proposed changes to the Codes on Takeovers and Mergers and Share Repurchases are as follow (each of your questions is also reproduced in italics for ease of reference):

Question 1: Do you agree that the Executive should stop commenting on certain routine announcements as listed in paragraph 6 above?

We agree that the Executive should stop commenting on certain routine announcements such as those listed in Part 1 of paragraph 6 of the Consultation Paper.

Question 2: If your answer to Question 1 is yes, do you agree with the proposed amendments to Rule 12.1 and Note 2 to Rule 12 as well as the introduction of a new Note to Rule 12.1?

We agree with the proposed amendments to Rule 12.1 and Note 2 to Rule 12 as well as the introduction of a new Note to Rule 12. 1.

Question 3: Do you have any comment on the draft Practice Note (attached as Appendix 2)?

We have no comments on the draft Practice Note regarding post-vetting of certain announcements under Rule 12.1.

Question 4: Do you agree with the proposed changes to section 16.1 of the Introduction to the Codes?

Whilst we support transparency and the benefits it brings, we also believe that it is important to only publish rulings or outcome of hearings when the information is no longer price sensitive or commercially confidential. Having said this, we would like to suggest all hearings be conducted on a no name basis to protect parties involved in the transaction since often times, the matters discussed at these hearings are price sensitive or subject to confidentiality considerations of a commercial nature.

We agree with the proposed changes to section 16.1 of the Introduction to the Codes.

We further propose to amend section 15.2 of the Introduction to the Codes to the effect that all hearings be conducted on a no name basis to preserve commercial confidentiality such as price information.

Question 5: Do you agree with the proposal to clarify that negative statements should be made if any of the disclosures required under paragraphs (c) to (h) of Rule 3.5 is not applicable?

We disagree with proposed requirements for negative statements as it runs contrary to Note 1 to Notes to Rule 3.5 which accepts that details of holdings by a group of which an



adviser is a member (a person acting in concert with the offeror) can be disclosed after the announcement of an offer.

Question 6: Do you agree that the final paragraph of each of Notes 1 and 2 to Rule 8 should be deleted as proposed?

We agree that the final paragraph of each of Notes 1 and 2 to Rule 8 should be deleted.

Question 7: Do you agree that references to "press" in Rule 10.2, Rule 10.4 and Note 6(a) to Rule 22 should be deleted as proposed?

We agree that references to "press" in Rule 10.2, Rule 10.4 and Note 6(a) to Rule 22 be deleted.

Question 8: Do you agree with the proposed amendments to Rule 10.7, paragraph 12(a)(i) of Schedule I, paragraph 6(a)(i) of Schedule II and paragraph 16(a)(i) of Schedule III?

We agree with the proposed amendments to Rule 10.7, paragraph 12(a)(i) of Schedule I, paragraph 6(a)(i) of Schedule II and paragraph 16(a)(i) of Schedule III.

Question 9: Do you agree with the proposed amendments to Rule 19.1?

We agree with the proposed amendments to Rule 19.1.

Question 10: Do you agree with the proposed amendment to Rule 22.1(b)(ii)?

We agree with the proposed amendment to Rule 22.1(b)(ii).

Question 11: Do you agree with the proposed amendments to Note 6 to Rule 22?

We agree with the proposed amendments to Note 6 to Rule 22.

Question 12: Do you agree with the proposal to clarify Note 5 to Rule 23.1?

We agree with the proposal to clarify Note 5 to Rule 23.1.

Question 13: Do you agree that Rule 26.7 should be deleted?

We agree with deleting Rule 26.7.

Yours faithfully,

Citigroup Global Markets Asia Limited