



Great Eagle
Holdings Limited
鷹君集團有限公司
(Incorporated in Bermuda with limited liability)

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9 November 2007

Corporate Communications Department
Re : Consultation Paper on Periodic Financial Reporting
Hong Kong Exchanges and Clearing Limited
12/F One International Finance Centre
1 Harbour View Street
Central
Hong Kong

By fax no. (852) 2524-0149

Dear Sirs

Consultation Paper on Quarterly Financial Reporting

First I apologize for this late submission since I have been away. We refer to the subject Consultation Paper and would like to strongly express our objection to Quarterly Reporting as follows :-

1. We question whether the expenditure of time and money on the independent valuation of the entire portfolio of a property company on a quarterly basis would be worthwhile. Yet that is what is needed if a fair report is to be presented. Property development works on long time horizons not short ones. Investors know this and are hardly likely to be impressed by the quarterly fluctuations.
2. We would also point out that securing timely valuations for portfolios of companies with investments in property in several different countries is likely to be very difficult.
3. We see that there is a considerable risk that too frequent reporting will provide investors a distorted view. Property companies do not have smooth revenue flows. Fluctuations between quarters could result in highly misleading comparisons and risks creating unwarranted share price volatility.
4. We note that Hong Kong already has extensive and mature rules on immediate and continuous disclosure. These work well, and have the advantage of being more timely than regular reports and relatively easy for investors to understand.
5. We consider that the 45 days allowed for announcement and despatch of quarterly results is too tight.

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Website : www.greateagle.com.hk

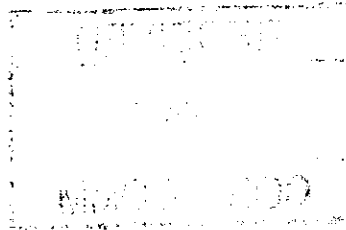


6. We are concerned that quarterly reporting may lead investors and management to take a short term view instead of looking at long term financial performance. This has been the case elsewhere and we regard it as unhealthy.
7. We think manpower shortage would be another major area of difficulty. There is simply insufficient manpower with accountant expertise to handle all the limited companies' quarterly reporting in Hong Kong.

Notwithstanding our above negative response on the proposals, we support the Exchange's initiatives to promote timely disclosure of information to shareholders and investors, but would appreciate your understanding to our difficulties as herein mentioned.

Thank you for your kind attention.

Yours faithfully,
For and on behalf of
Great Eagle Holdings Limited



Dr. K. S. Lo
Chairman and Managing Director