



DRSC e. V. • Zimmerstr. 30 • 10969 Berlin

EFRAG
Stig Enevoldsen
35 Square Meeûs
B-1000 Brussels
Belgium

Telefon +49 (0)30 206412-12
Telefax +49 (0)30 206412-15
E-Mail info@drsc.de

Berlin, 4 September 2009

Dear Stig,

EFRAG's Assessment of the April 2009 Improvements to International Financial Reporting Standards (Project Cycle 2007-2009)

The German Accounting Standards Board (GASB) appreciates the opportunity to comment on EFRAG's Assessment of the Improvements to International Financial Reporting Standards.

We agree with EFRAG's technical assessment of the amendments regarding the technical criteria for endorsement, i.e. we support the positive endorsement advice to the European Commission regarding the adoption of 'Improvements to IFRSs'.

This view is supported by the majority of answers that we received following a survey that the GASB carried out with selected companies in Germany. For this purpose we sent your questionnaire to the DAX30 companies. We received responses from eight preparers as a result of the survey, seven of whom fully support the EFRAG's technical assessment regarding the amendments. One respondent disagrees with EFRAG's assessment regarding the amendment to IAS 39, scope exemption for business combination contracts, and refers for its rationale to the view of a minority of EFRAG TEG members set out in paragraph 25 of appendix 2 (EFRAG's technical assessment of the amendments against the endorsement criteria). Another respondent points out that in his/her view all amendments contained in the 2009 Improvements to IFRSs standard are important and will improve financial reporting. This respondent refers in particular to the IFRS 8 amendment, disclosure of information about segment assets, and thereby disagrees with the view of a minority of EFRAG TEG members (set out in paragraph 6(a) of appendix 2 of EFRAG's technical assessment of the amendments against the endorsement criteria) who think the amendment means an omission of relevant information from financial statements.

Zimmerstr. 30 · 10969 Berlin · Telefon +49 (0)30 206412-0 · Telefax +49 (0)30 206412-15 · E-Mail: info@drsc.de

Bankverbindung: Deutsche Bank Berlin, Konto-Nr. 0 700 781 00, BLZ 100 700 00

IBAN-Nr. DE26 1007 0000 0070 0781 00, BIC (Swift-Code) DEUTDEBB

Vereinsregister: Amtsgericht Berlin-Charlottenburg, VR 18526 Nz

Vorstandsausschuss: Heinz-Joachim Neubürger (Vorsitzender), Prof. Dr. Helmut Perlet (Stellvertreter),
Prof. Dr. Rolf Nonnenmacher (Schatzmeister), Dr. Kurt Bock, Dr. Werner Brandt



The GASB as a standard setter has not itself evaluated the costs and benefits that are likely to arise for preparers and users by the implementation of the amendments. However, all eight respondents to the above-mentioned survey agree with EFRAG's assessment of the costs and benefits arising, which means they support EFRAG's conclusion that the benefits to be derived from applying the amendments will exceed the costs involved.

For further details we refer to the responses that we received from the preparers as a result of our survey and that we have attached to this letter. Please note that one response has not been attached because the respective company wants to remain anonymous.

If you have any further questions, please do not hesitate to contact me.

Yours sincerely,

Liesel Knorr
President

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS OF THE APRIL 2009 IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Comments should be sent to commentletter@efrag.org or uploaded via our website by 4 September 2009

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the April 2009 *Improvements to International Financial Reporting Standards* ('the Amendments'). In order to do that, EFRAG has been carrying out a technical assessment of the Amendments against the criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the EU.

A summary of the Amendments is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Christiane Ohlgart

SAP AG, Walldorf

- (b) Are you/ls your organisation or company a:

Preparer User Other (please specify)

- (c) Please provide a short description of your activity/ the general activity of your organisation or company:

Development, Marketing and Sale of Business Software Solutions and Related Services

- (d) Country where you/your organisation or company is located:

Germany

(e) Contact details including e-mail address:

Christiane Ohlgart, SAP AG, Dietmar Hopp Allee 16, 69190
Walldorf

Christiane.ohlgart@sap.com

2 EFRAG’s initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the true and fair principle and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG’s reasoning is set out in Appendix 2.

(a) Do you agree with this assessment?

Yes No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG’s endorsement advice.

(b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

We just would like to point out that we believe all amendments are important and will improve financial reporting.

This is particularly true for the IFRS 8 amendment. When IFRS 8 was available for comment we already pointed out in our comment letter to the IASB that it should be made clear whether segmented total asset disclosures were mandatory because a number of companies (including ourselves) would not have this figure readily available since the chief decision maker does not review assets by segments. We segment assets only for impairment testing purposes but not on a regular basis. As a result for us the IFRS 8 clarification would save cost at year-end. It removes a disclosure of highly questionable value as it is hard to imagine that a segment disclosure is useful to investors if it is of no importance to the management of the reporting entity.

3 EFRAG is also assessing the costs that will arise for preparers and for users to implement the Amendments, both in year one and in subsequent years. Some

initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment are set out in Appendix 3. To summarise, EFRAG’s initial assessment is that the Amendments are:

- (a) likely to involve some preparers in some additional year one and ongoing costs. Taken individually those costs will, EFRAG believes, generally be insignificant (although for a few companies the costs could be more significant); indeed, some entities will already be applying some IFRSs in a way that is identical or very similar to that required by some or all of the individual amendments and for those entities it is likely that there will be little if any incremental cost involved in implementing those particular amendments. As a result, EFRAG’s assessment is that when considered in aggregate, those costs will be insignificant.
- (b) likely to involve users in no year one or ongoing incremental costs.

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

- 4 The Amendments are likely to result in improvements in the quality of the information provided. Taken individually, most of these improvements are likely to be relatively small; however, EFRAG’s initial assessment is that taken together the amendments are likely to have a noticeable effect on the quality of the information provided. Its initial assessment furthermore is that the benefits to be derived from applying the Amendments will exceed the costs involved (Appendix 3, paragraphs 26 and 27).

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

- 5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

Yes

No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS OF THE APRIL 2009 IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Comments should be sent to commentletter@efrag.org or uploaded via our website by 4 September 2009

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the April 2009 *Improvements to International Financial Reporting Standards* ("the Amendments"). In order to do that, EFRAG has been carrying out a technical assessment of the Amendments against the criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the EU.

A summary of the Amendments is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Salzgitter AG

- (b) Are you/Is your organisation or company a:

Preparer User Other (please specify)

- (c) Please provide a short description of your activity/ the general activity of your organisation or company:

steel producer

- (d) Country where you/your organisation or company is located:

Germany

(e) Contact details including e-mail address:

Mar kus Böttcher
Eisenhüttenstrasse 99 , 38239 Salzgitter - Germany
Boettcher.m@Salzgitter-AG.DE

2 EFRAG’s initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the true and fair principle and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG’s reasoning is set out in Appendix 2.

(a) Do you agree with this assessment?

Yes No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG’s endorsement advice.

(b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

No

3 EFRAG is also assessing the costs that will arise for preparers and for users to implement the Amendments, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment are set out in Appendix 3. To summarise, EFRAG’s initial assessment is that the Amendments are:

(a) likely to involve some preparers in some additional year one and ongoing costs. Taken individually those costs will, EFRAG believes, generally be insignificant (although for a few companies the costs could be more significant); indeed, some entities will already be applying some IFRSs in a way that is identical or very similar to that required by some or all of the individual amendments and for those entities it is likely that there will be little if any incremental cost involved in implementing those particular amendments. As a result, EFRAG’s assessment is that when considered in aggregate, those costs will be insignificant.

(b) likely to involve users in no year one or ongoing incremental costs.

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

- 4 The Amendments are likely to result in improvements in the quality of the information provided. Taken individually, most of these improvements are likely to be relatively small; however, EFRAG’s initial assessment is that taken together the amendments are likely to have a noticeable effect on the quality of the information provided. Its initial assessment furthermore is that the benefits to be derived from applying the Amendments will exceed the costs involved (Appendix 3, paragraphs 26 and 27).

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

- 5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS OF THE APRIL 2009 IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Comments should be sent to commentletter@efrag.org or uploaded via our website by 4 September 2009

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the April 2009 *Improvements to International Financial Reporting Standards* ('the Amendments'). In order to do that, EFRAG has been carrying out a technical assessment of the Amendments against the criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the EU.

A summary of the Amendments is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Dr. Klaus Kretschik, ThyssenKrupp AG

- (b) Are you/ls your organisation or company a:

X Preparer User Other (please specify)

- (c) Please provide a short description of your activity/ the general activity of your organisation or company:

Senior Manager, Corporate Department Accounting and Financial Reporting/ Diversified multi-national conglomerate focused in steelmaking, manufacturing, materials trading, industrial services

(d) Country where you/your organisation or company is located:

Germany

(e) Contact details including e-mail address:

Dr. Klaus Kretschik, ThyssenKrupp AG, Accounting

and Financial Reporting, August-Thyssen-Str. 1,

40211 Düsseldorf, Germany

Phone: +49 211 824 38042; Klaus.kretschik@thyssenkrupp.com

2 EFRAG’s initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the true and fair principle and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG’s reasoning is set out in Appendix 2.

(a) Do you agree with this assessment?

X Yes

No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG’s endorsement advice.

(b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

No

3 EFRAG is also assessing the costs that will arise for preparers and for users to implement the Amendments, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment are set out in Appendix 3. To summarise, EFRAG’s initial assessment is that the Amendments are:

(a) likely to involve some preparers in some additional year one and ongoing costs. Taken individually those costs will, EFRAG believes, generally be insignificant (although for a few companies the costs could be more significant); indeed, some entities will already be applying some IFRSs in a

way that is identical or very similar to that required by some or all of the individual amendments and for those entities it is likely that there will be little if any incremental cost involved in implementing those particular amendments. As a result, EFRAG’s assessment is that when considered in aggregate, those costs will be insignificant.

(b) likely to involve users in no year one or ongoing incremental costs.

Do you agree with this assessment?

X Yes No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

- 4 The Amendments are likely to result in improvements in the quality of the information provided. Taken individually, most of these improvements are likely to be relatively small; however, EFRAG’s initial assessment is that taken together the amendments are likely to have a noticeable effect on the quality of the information provided. Its initial assessment furthermore is that the benefits to be derived from applying the Amendments will exceed the costs involved (Appendix 3, paragraphs 26 and 27).

Do you agree with this assessment?

X Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

- 5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

X Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS OF THE APRIL 2009 IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Comments should be sent to commentletter@efrag.org or uploaded via our website by 4 September 2009

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the April 2009 *Improvements to International Financial Reporting Standards* ('the Amendments'). In order to do that, EFRAG has been carrying out a technical assessment of the Amendments against the criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the EU.

A summary of the Amendments is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Deutsche Bank AG

- (b) Are you/ls your organisation or company a:

Preparer User Other (please specify)

- (c) Please provide a short description of your activity/ the general activity of your organisation or company:

Financial Services

- (d) Country where you/your organisation or company is located:

Germany

- (e) Contact details including e-mail address:

Theodor-Heuss-Allee 70

60486 FRANKFURT

Wolfgang.weber@db.com

- 2 EFRAG’s initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the true and fair principle and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG’s reasoning is set out in Appendix 2.

- (a) Do you agree with this assessment?

Yes

No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG’s endorsement advice.

We do not agree with the change to IAS 39 – Scope Exemption for business combination contracts, for the reasons set out in the dissenting view on page 15. However, we agree with the endorsement of the changes overall.

- (b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

No

- 3 EFRAG is also assessing the costs that will arise for preparers and for users to implement the Amendments, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment are set out in Appendix 3. To summarise, EFRAG’s initial assessment is that the Amendments are:

- (a) likely to involve some preparers in some additional year one and ongoing costs. Taken individually those costs will, EFRAG believes, generally be insignificant (although for a few companies the costs could be more significant); indeed, some entities will already be applying some IFRSs in a way that is identical or very similar to that required by some or all of the individual amendments and for those entities it is likely that there will be little if any incremental cost involved in implementing those particular amendments.

As a result, EFRAG’s assessment is that when considered in aggregate, those costs will be insignificant.

(b) likely to involve users in no year one or ongoing incremental costs.

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

- 4 The Amendments are likely to result in improvements in the quality of the information provided. Taken individually, most of these improvements are likely to be relatively small; however, EFRAG’s initial assessment is that taken together the amendments are likely to have a noticeable effect on the quality of the information provided. Its initial assessment furthermore is that the benefits to be derived from applying the Amendments will exceed the costs involved (Appendix 3, paragraphs 26 and 27).

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

- 5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS OF THE APRIL 2009 IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Comments should be sent to commentletter@efrag.org or uploaded via our website by 4 September 2009

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the April 2009 *Improvements to International Financial Reporting Standards* ('the Amendments'). In order to do that, EFRAG has been carrying out a technical assessment of the Amendments against the criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the EU.

A summary of the Amendments is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Deutsche Post DHL

- (b) Are you/ls your organisation or company a:

Preparer User Other (please specify)

- (c) Please provide a short description of your activity/ the general activity of your organisation or company:

Logistics (Mail, Express, Supply Chain, Global Forwarding, Freight)

- (d) Country where you/your organisation or company is located:

Germany

(e) Contact details including e-mail address:

~~_____~~ peter.missler@deutschepost.de

2 EFRAG’s initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the true and fair principle and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG’s reasoning is set out in Appendix 2.

(a) Do you agree with this assessment?

Yes No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG’s endorsement advice.

(b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

3 EFRAG is also assessing the costs that will arise for preparers and for users to implement the Amendments, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment are set out in Appendix 3. To summarise, EFRAG’s initial assessment is that the Amendments are:

(a) likely to involve some preparers in some additional year one and ongoing costs. Taken individually those costs will, EFRAG believes, generally be insignificant (although for a few companies the costs could be more significant); indeed, some entities will already be applying some IFRSs in a way that is identical or very similar to that required by some or all of the individual amendments and for those entities it is likely that there will be little if any incremental cost involved in implementing those particular amendments. As a result, EFRAG’s assessment is that when considered in aggregate, those costs will be insignificant.

(b) likely to involve users in no year one or ongoing incremental costs.

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

- 4 The Amendments are likely to result in improvements in the quality of the information provided. Taken individually, most of these improvements are likely to be relatively small; however, EFRAG’s initial assessment is that taken together the amendments are likely to have a noticeable effect on the quality of the information provided. Its initial assessment furthermore is that the benefits to be derived from applying the Amendments will exceed the costs involved (Appendix 3, paragraphs 26 and 27).

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

- 5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS OF THE APRIL 2009 IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Comments should be sent to commentletter@efrag.org or uploaded via our website by 4 September 2009

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the April 2009 *Improvements to International Financial Reporting Standards* ('the Amendments'). In order to do that, EFRAG has been carrying out a technical assessment of the Amendments against the criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the EU.

A summary of the Amendments is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Munich Re Group, Munich

- (b) Are you/ls your organisation or company a:

X Preparer User Other (please specify)

./.

- (c) Please provide a short description of your activity/ the general activity of your organisation or company:

Reinsurance

- (d) Country where you/your organisation or company is located:

Germany

(e) Contact details including e-mail address:

Isabella Pfaller, Head of Central Division

IPfaller@munichre.com

2 EFRAG’s initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the true and fair principle and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG’s reasoning is set out in Appendix 2.

(a) Do you agree with this assessment?

X Yes No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG’s endorsement advice.

. / .

(b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

. / .

3 EFRAG is also assessing the costs that will arise for preparers and for users to implement the Amendments, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment are set out in Appendix 3. To summarise, EFRAG’s initial assessment is that the Amendments are:

(a) likely to involve some preparers in some additional year one and ongoing costs. Taken individually those costs will, EFRAG believes, generally be insignificant (although for a few companies the costs could be more significant); indeed, some entities will already be applying some IFRSs in a way that is identical or very similar to that required by some or all of the individual amendments and for those entities it is likely that there will be little if any incremental cost involved in implementing those particular amendments. As a result, EFRAG’s assessment is that when considered in aggregate, those costs will be insignificant.

(b) likely to involve users in no year one or ongoing incremental costs.

Do you agree with this assessment?

X Yes No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

./.

4 The Amendments are likely to result in improvements in the quality of the information provided. Taken individually, most of these improvements are likely to be relatively small; however, EFRAG’s initial assessment is that taken together the amendments are likely to have a noticeable effect on the quality of the information provided. Its initial assessment furthermore is that the benefits to be derived from applying the Amendments will exceed the costs involved (Appendix 3, paragraphs 26 and 27).

Do you agree with this assessment?

X Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

./.

5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

X Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

./.

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS OF THE APRIL 2009 IMPROVEMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Comments should be sent to commentletter@efrag.org or uploaded via our website by 4 September 2009

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the April 2009 *Improvements to International Financial Reporting Standards* ('the Amendments'). In order to do that, EFRAG has been carrying out a technical assessment of the Amendments against the criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the EU.

A summary of the Amendments is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1 Please provide the following details about yourself:

- (a) Your name or, if you are responding on behalf of an organisation or company, its name:

Allianz Group

- (b) Are you/ls your organisation or company a:

Preparer User Other (please specify)

- (c) Please provide a short description of your activity/ the general activity of your organisation or company:

Financial Services

- (d) Country where you/your organisation or company is located:

Headquarter in Germany, globally represented

- (e) Contact details including e-mail address:

Postal address: Königstraße 28 80539 München

Phone: +49 89 3800 14604

E-mail: michael.schiebel@allianz.com

- 2 EFRAG’s initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, they are not contrary to the true and fair principle and they meet the criteria of understandability, relevance, reliability and comparability. EFRAG’s reasoning is set out in Appendix 2.

- (a) Do you agree with this assessment?

Yes No

If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG’s endorsement advice.

- (b) Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

- 3 EFRAG is also assessing the costs that will arise for preparers and for users to implement the Amendments, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment.

The results of the initial assessment are set out in Appendix 3. To summarise, EFRAG’s initial assessment is that the Amendments are:

- (a) likely to involve some preparers in some additional year one and ongoing costs. Taken individually those costs will, EFRAG believes, generally be insignificant (although for a few companies the costs could be more significant); indeed, some entities will already be applying some IFRSs in a way that is identical or very similar to that required by some or all of the individual amendments and for those entities it is likely that there will be little if any incremental cost involved in implementing those particular amendments. As a result, EFRAG’s assessment is that when considered in aggregate, those costs will be insignificant.

(b) likely to involve users in no year one or ongoing incremental costs.

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

- 4 The Amendments are likely to result in improvements in the quality of the information provided. Taken individually, most of these improvements are likely to be relatively small; however, EFRAG’s initial assessment is that taken together the amendments are likely to have a noticeable effect on the quality of the information provided. Its initial assessment furthermore is that the benefits to be derived from applying the Amendments will exceed the costs involved (Appendix 3, paragraphs 26 and 27).

Do you agree with this assessment?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?

- 5 EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendments.

Do you agree that there are no other factors?

Yes No

If you do not, please explain why you do not and what you think the implications should be for EFRAG’s endorsement advice?
