



Ref: 08-648

Stig Enevoldsen
Chairman
European Financial Reporting Advisory Group
Avenue des Arts 13-14
1210 Brussels
Belgium

commentletter@efrag.org

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Comments regarding the draft endorsement advices on IFRS 3 Business Combinations (revised) and IAS 27 Consolidated and separate financial statements

Dear Mr. Enevoldsen,

The Committee of European Securities Regulators (CESR), through its standing committee on financial reporting (CESR-Fin), has considered EFRAG's draft endorsement advices on IFRS 3 Business combinations (revised) and IAS 27A Consolidated and separate financial statements.

We would like to thank you for this opportunity to comment on your draft letters and we are pleased to provide you with the following comments:

- CESR is supportive of the draft endorsement advices prepared by EFRAG on these issues. CESR therefore supports the endorsement of IFRS 3 Business Combinations (revised) and IAS 27A Consolidated and separate financial statements.
- CESR has considered the nature and number of changes in the final version of IFRS 3R and IAS 27A compared to exposure drafts. The changes in the final version of IFRS 3R compared to the exposure draft have been substantive and considering this fact, re-exposure of IFRS 3 (revised) and IAS 27A would have been desirable. The fact, that IASB decided not to re-expose these standards, does not though change the overall conclusion for CESR, which is that we support the advice of positive endorsement as stated in the draft endorsement advice.
- CESR has also considered the contents of the dissenting views of a minority of the EFRAG members as expressed in the appendix of the draft endorsement advice issued by EFRAG. CESR has though come to the conclusion that the issues raised in the dissenting views do not change the overall view for CESR which is that we support the advice of positive endorsement as stated in the draft endorsement advice.

I would be happy to further discuss any of the above issues with you.

Yours sincerely,

Fernando Restoy
Chair of CESR-Fin