

European Financial Reporting Advisory Group
13-14 Avenue des Arts
B-1210 Brussels
Belgium

9 February 2010

Dear EFRAG member

Adoption of the Amendment to IFRS 1 First-Time Adoption of IFRS: Limited Exemption from Comparative IFRS 7 Disclosure for First-Time Adopters

The global organisation of Ernst & Young is pleased to submit its comments on the European Financial Reporting Advisory Group's (EFRAG) draft endorsement advice on the use of IFRS 1 *First-Time Adoption of IFRS: Limited Exemption from Comparative IFRS 7 Disclosure for First-Time Adopters* (the Amendments) in Europe (the Invitation to Comment).

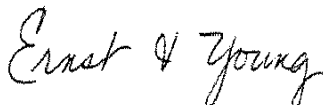
We have read EFRAG's assessment of the application of the above amendments to companies in Europe and considered only the conclusions contained therein. In this letter we are not commenting on any specific questions raised in the Invitation to Comment.

We provided comments to the International Accounting Standards Board (IASB or the Board) on the exposure draft in a letter dated 17 December 2009. Our suggestions were reflected in the Boards' subsequent deliberations and the IASB followed the due process as established by the International Accounting Standards Committee Foundation (IASCF).

Ernst & Young supports consistent application of International Financial Reporting Standards (IFRS) globally. As such, we support EFRAG's recommendation that the amendments be adopted for use in Europe.

Should you wish to discuss the contents of this letter with us, please contact Lynda Tomkins at the above address or on +44 (0)20 7951 0241 or Sven Hayn on +49 (0)40 361 32 12277.

Yours faithfully

A handwritten signature in cursive script that reads 'Ernst & Young'.