

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

6 May 2009

Dear Sir / Madam

Adoption of the Amendments to IFRIC 9 *Reassessment of Embedded Derivatives* and IAS 39 *Financial Instruments: Recognition and Measurement*

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 amendments to IFRIC 9 *Reassessment of Embedded Derivatives* and IAS 39 *Financial Instruments: Recognition and Measurement* in Europe (the Invitation to Comment).

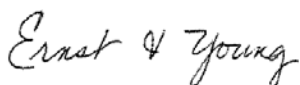
We have read EFRAG's assessment of the application of the above amendments to companies in Europe and considered only the conclusions contained therein. In this letter we are not commenting on any specific questions raised in the Invitation to Comment.

We provided comments on the Exposure Draft (ED) proposing amendments to IFRIC 9 and IAS 39 to the International Accounting Standards Board (IASB) in a letter dated 21 January 2009. We followed the IASB's subsequent deliberation and issuance of final amendments to those standards. The final amendments are substantially the same as those we supported in the ED and we agree with the changes the IASB has made.

Ernst & Young supports consistent application of International Financial Reporting Standards (IFRS) globally. As such, we support EFRAG's recommendation that the amendments to IFRIC 9 and IAS 39 be adopted for use in Europe.

Should you wish to discuss the contents of this letter with us, please contact Lynda Tomkins on +44 (0)20 7951 0241 or at the above address, or Sean Cremen on +44 (0)20 7951 1879.

Yours faithfully

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