

28 February 2012

Hans Hoogervorst
Chairman
International Accounting Standards Board
30 Cannon Street
London ED 4M 6 XH
United Kingdom

Dear Mr Hans Hoogervorst

**IASB EXPOSURE DRAFT ED/2011/07 – Transition Guidance
(Proposed amendments to IFRS 10)**

The Malaysian Accounting Standards Board welcomes the opportunity to provide comments on the IASB Exposure Draft ED 2011/07 – Transition Guidance.

We agree with the proposals under the transitional guidance as we believe it provides clarity on the date of initial application in IFRS 10 and on the treatment of comparative period(s) relief from retrospective application.

If you need further clarification, please contact Ms Tan Bee Leng at +603 2240 9200 or by email at beeleng@masb.org.my.

Thank you.

Yours sincerely,



Mohammad Faiz Azmi
Chairman

Question 1

The Board proposes to clarify the “date of initial application” in IFRS 10 would be ‘the beginning of the annual reporting period in which IFRS 10 is applied for the first time’. The board also proposes to make editorial amendments to paragraphs C4 and C5 of IFRS 10 to clarify how an investor shall adjust comparative period(s) retrospectively if the consolidation conclusion reached at the date of initial application is different under IAS27/SIC-12 and IFRS 10.

Do you agree with the amendments proposed? Why or why not? If not, what alternative do you propose?

We agree with the proposed amendments.

Question 2

The board proposes to amend paragraph C3 of IFRS 10 to clarify an entity is not required to make adjustments to the previous accounting for its involvement with entities if the consolidation conclusion reached at the date of initial application is the same under IAS 27/SIC-12 and IFRS 10. As a result, the Board confirms that relief from retrospective application of IFRS 10 would apply to an investor’s interests in investees that were disposed of during a comparative period such that consolidation would not occur under either IAS 27/SIC-12 or IFRS 10 at the date of initial application.

Do you agree with the amendments proposed? Why or why not? If not, what alternative do you propose?

We agree with the proposal.