

5 January 2012

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

Dear Mr Hoogervorst

**IASB EXPOSURE DRAFT – GOVERNMENT LOANS  
(Proposed amendments to IFRS 1)**

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The Malaysian Accounting Standards Board welcomes the opportunity to provide comments on the IASB Exposure Draft – *Government Loans* (proposed amendments to IFRS 1).

We appreciate the IASB's effort to amend IFRS 1 to require that first-time adopters apply paragraph 10A of IAS 20 prospectively to loans entered into on or after the date of transition to IFRSs.

Having reviewed the proposed amendments to IFRS 1, we agree with the proposal as this would provide the same relief to first-time adopters as is granted to the existing preparers of IFRS financial statements. However, we believe it would be beneficial to the first-time adopters if the issuance of its final standard could be expedited for immediate application. For example, Malaysian entities converged with IFRS on 1 January 2012 and without this proposed amendment entities in Malaysia would need to apply paragraph 10A of IAS 20 retrospectively.

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

Thank you.

Yours sincerely,



Mohammad Faiz Azmi  
Chairman