



LEMBAGA PIAWAIAN PERAKAUNAN MALAYSIA
MALAYSIAN ACCOUNTING STANDARDS BOARD

18 February 2008

The Chairman
International Accounting Standards Board
30 Cannon Street
LONDON EC4M 6XH
UNITED KINGDOM

Dear Sir David,

IASB EXPOSURE DRAFT OF PROPOSED AMENDMENTS TO IFRS 2 *SHARE-BASED PAYMENT* AND IFRIC 11 *IFRS 2: GROUP AND TREASURY SHARE TRANSACTIONS* – *Group cash-settled share-based payment transactions*

The Malaysian Accounting Standards Board (MASB) appreciates the opportunity to offer its views on the Exposure Draft of Proposed Amendments to IFRS 2 *Share-based Payment* and IFRIC 11 *Group And Treasury Share Transactions – Group cash-settled share-based payment transactions* (ED).

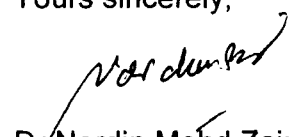
We commend the IASB's effort to clarify whether certain arrangements whereby the entity's parent has an obligation (instead of the entity) to make the required cash payments to the entity's suppliers are within the scope of IFRS 2.

Having reviewed the ED, we are in favour of the proposals laid out in the document. However, we suggest the IASB to consider the practicality of requiring the proposed amendments to be applied retrospectively.

In addition, we believe that the proposed amendments should address how to account for an intragroup payment arrangement that requires a subsidiary to reimburse the parent for making the required cash payments to the suppliers of goods or services. The amendments are incomplete without such guidance.

If you need further clarification, please feel free to contact the undersigned at +603 2715 9199 or e-mail at nordin@masb.org.my.

Yours sincerely,


Dr Nordin Mohd Zain
Executive Director