

31 January 2012

Mr Hans Hoogervorst
Chairman
IASB
30 Cannon Street
London, EC4M 6XH
United Kingdom

Dear Mr Hans Hoogervorst

IFRS FOR SMEs DRAFT Q&A: SECTION 11 – ISSUE 1 & SECTION 30 – ISSUE 1

The Malaysian Accounting Standards Board welcomes the opportunity to provide comments on the SME Implementation Group (SMEIG) Draft Q&A on the following topics:

- Section 11, Issue 1: Fallback to IFRS 9 *Financial Instruments*
- Section 30, Issue 1: Recycling of cumulative exchange differences on disposal of a subsidiary

Section 11, Issue 1: Fallback to IFRS 9 Financial Instruments

We agree with the draft answer that SMEs should not be permitted to apply IFRS 9 in view of the potential changes to IFRS 9.

Section 30, Issue 1: Recycling of cumulative exchange differences on disposal of a subsidiary

We agree with the draft answer.

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