



Sir David Tweedie
Chairman of the
International Accounting Standards Board
30 Cannon Street

London EC4M 6XH
United Kingdom

**Re: IASB Discussion Paper 'Preliminary Views on Amendments to
IAS 19 Employee Benefits'**

September 24, 2008

Dr. Ulrich Hauck

Bayer AG
Group Accounting & Controlling
Bldg. Q26
51368 Leverkusen
Germany

Dear Sir David,

Rolf Funk

Bayer AG
Group Accounting & Controlling
Corp. Accounting & Reporting

Bldg. Q26, 2.026
51368 Leverkusen
Germany

Phone +49 214 30 8 18 16
Fax +49 214 30 3 34 64
rolf.funk.rf@bayer-ag.de

We appreciate the opportunity to comment on the International Accounting Standards Board's ("IASB" or "Board") Discussion Paper (DP) on Preliminary Views on Amendments to IAS 19 Employee Benefits issued in March 2008. Our comments to the questions raised by the Discussion Paper can be summarized as follows:

Board of Management:
Werner Wenning,
Chairman of the Board
Klaus Kühn
Wolfgang Plischke
Richard Pott

We support the IASB's aim of improving the accounting for employee benefits as we share the Board's view that some parts of IAS 19 do not lead to a uniform, comparable accounting treatment among companies. The abolition of existing measurement options and regulatory gaps would enhance the decision-usefulness of the financial statements to external users. However, with all the proposed changes, the achievable benefits need to be carefully balanced against the related costs. Apart from the elimination of recognition options in financial statements, we share the view of the Board that there are types of pension promises which are not addressed in detail by the existing rules. However, we have certain concerns relating to the issue of "troublesome" plans addressed in the DP and the proposed accounting solutions. Our main concerns are briefly

Chairman of the Supervisory
Board:
Manfred Schneider

Registered office:
Leverkusen
Local Court Cologne
HRB 48248



Page 2 of 2

summarized in the following paragraph **(Summary of Comments)** whereas our detailed responses to the questions addressed in the DP can be found in the second part of this comment letter **(Answers to the questions raised in the DP)**.

If you have any queries or questions in relation to our comments please feel free to contact us.

Yours faithfully,

Bayer AG

Dr. Ulrich Hauck
Head of Group Accounting & Controlling

Rolf Funk
Head of Corporate Accounting & Reporting