



Staff Paper

Project	Statement of Comprehensive Income
Topic	Major Issues from Respondents

Purpose

1. At the October 22 Joint Board meeting, the FASB and IASB staffs summarized for the Boards the key issues identified by respondents to the FASB Exposure Draft of the proposed Accounting Standards Update, *Comprehensive Income (Topic 220): Statement of Comprehensive Income* and the IASB Exposure Draft *Presentation of Items of Other Comprehensive Income (Proposed Amendments to IAS 1)*. Members of both Boards indicated that the most pressing issue is the question of whether to require net income (profit or loss) and the components of other comprehensive income (OCI) to be presented in one continuous statement or two separate statements. At that meeting, the Boards instructed the staff to conduct further analysis of the comment letters and to develop alternatives on how the components of comprehensive income could be presented.
2. The purpose of this memo is to analyse and provide recommendations on:
 - (a) whether the Boards should postpone this project until a convergent concept for other comprehensive income is developed;
 - (b) alternatives for the presentation of comprehensive income and its components;

This paper has been prepared by the technical staff of the IFRS Foundation and the FASB for discussion at a public meeting of the FASB or the IASB.

The views expressed in this paper are those of the staff preparing the paper. They do not purport to represent the views of any individual members of the FASB or the IASB.

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The tentative decisions made by the FASB or the IASB at public meetings are reported in FASB *Action Alert* or in IASB *Update*. Official pronouncements of the FASB or the IASB are published only after each board has completed its full due process, including appropriate public consultation and formal voting procedures.

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- (c) effective dates and transition;
- (d) whether the Boards want to redeliberate other prior decisions or to affirm those decisions;
- (e) IASB-only issues on separating OCI items based on whether they may be reclassified (recycled) or not and title of the statement containing profit or loss and other comprehensive income; and
- (f) a FASB-only issue regarding the presentation of OCI for entities with non-controlling interests.

Issue 1: Development of a concept for OCI

Staff Analysis

3. Both the IASB and FASB received significant feedback from constituents that strongly urge the Boards to develop a convergent conceptual framework to define what items should initially be recognized in OCI as opposed to net income, and subsequently, what items should be recycled from OCI through net income. Respondents who both agree and disagree with the proposed requirement to present a continuous statement of comprehensive income ask the Boards to address this issue.
4. The general perception for many respondents is that items reported in OCI are not a function of a reporting entity's core business activities, are long-term in nature, and are generally non-controllable by management. Some respondents also view items within OCI as compromises made to achieve certain balance sheet accounting while lessening the potentially volatile effects on the income statement. Those opposed to a continuous statement cite the lack of a conceptual framework for OCI as one of the reasons for their dissent, indicating the potential confusion that may arise by presenting the two different measures in close proximity.

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5. As previously indicated, this view is not unique to those opposed to a continuous statement. Many of the respondents in agreement with a continuous statement also urge the Boards to develop a conceptual definition of OCI. Most of these respondents justify their request for a conceptual framework by insisting that a robust definition of OCI will enhance users' understanding of OCI. The CFA Institute cites the lack of a conceptual framework as further impetus to require the presentation of all non-owner changes in equity in a single, continuous statement. The CFA Institute states in their comment letter to the FASB and the IASB:

The line between net income and OCI is, in our view, arbitrary and does not reflect any underlying economic difference. For that reason we support any effort to make it more difficult for preparers to "hide" or otherwise deemphasize OCI.

6. The Boards can therefore choose to either:
- (a) postpone this project until they have develop a conceptual definition of OCI; or
 - (b) continue with the project as planned, with the possibility of adding to the Boards' future agenda a project to develop a conceptual basis for items to be recognized through OCI.

Staff recommendation

7. The staffs do not disagree with respondents' views that a convergent conceptual framework for other comprehensive income would improve financial reporting. The scope of this project, however, is limited to the presentation of comprehensive income. The staffs believe that it would take several years to both define the conceptual framework and to amend the affected accounting standards to be consistent with that framework. Given the increase in the number of items being reported in OCI and the likely growth in the number of those items in response to other accounting changes, the staffs believe it is more important to address the presentation issue in the short term. The staffs, however, encourage the Boards to

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add the development of a conceptual framework for OCI and a principle for recycling to its joint agenda as soon as practicable.

8. The fact the IFRS and US GAAP requirements are different, in terms of which items are presented in OCI and which items are recycled, is a strong motivation for:
 - (a) Aligning the requirements, by creating a common framework; and
 - (b) Proceeding with the short term project as planned, to provide consistent layout for presenting net income and OCI.

9. Until the IASB and FASB align the presentation of net income and OCI components it will be difficult to compare financial statements prepared under each set of requirements. Aligning (and improving) the geographical was at the heart of the FSP project. Differences in the recognition and measurement requirements will persist but common presentation allows users to focus on understanding those differences rather than trying to reconstruct the basic statements using a common approach.

Question 1

- 1) Do the Boards agree with the staff recommendation to continue with the project as planned?

Issue 2: Presentation of OCI

Staff Analysis

10. Both the IASB and FASB received significant feedback opposing the presentation of a continuous statement of comprehensive income, primarily from preparers of financial statements. Roughly two-thirds of respondents to the FASB exposure draft opposed the proposed requirement for a continuous statement and more than half of the respondents to the IASB exposure draft. The staff would like to note, however, that included within the group of respondents in favour of a continuous statement are significant user-organizations that represent large and diverse groups

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of investors. The investor groups strongly support the requirement for a single, continuous statement.

11. The most frequent reasons for opposition include:
 - (a) the lack of a converged conceptual framework for OCI;
 - (b) the lack of user demand for a single statement of comprehensive income;
 - (c) it would de-emphasize the importance of net income; and
 - (d) it would create confusion amongst users of financial statements due to the close proximity of two separate measures of income with differing characteristics.

12. The most significant reasons for support of the proposed changes include:
 - (a) a continuous statement of comprehensive income would improve comparability in financial reporting given the number of similar items that may be reported in either net income (profit or loss) or in other comprehensive income;
 - (b) user demand for a continuous statement of comprehensive income; and
 - (c) it would emphasize the importance of other comprehensive income.

Lack of Converged Conceptual Framework

13. As previously discussed, respondents who both oppose and support the required presentation of a continuous statement support the need for a conceptual framework for OCI. Those opposed to a continuous statement, however, cite OCI's lack of a conceptual definition, and therefore, insist that OCI should not be presented in close proximity to net income because this will confuse users. On the other hand, users generally believe that the lack of a conceptual framework makes it difficult to distinguish the underlying economics of items reported in net income (profit or loss) from items reported in other comprehensive income. Although users also asked for

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a conceptual framework, they generally support the single statement of comprehensive approach

Lack of User Demand

14. Some respondents opposed to a continuous statement insist that items of other comprehensive income are rarely incorporated into investor analysis. They also state that for users who wish to include items of OCI into their analysis, the information is readily available under current guidance, and their understanding is that users have not indicated a strong demand for a continuous statement. On the contrary, user respondents indicate that many investors incorporate items of OCI into their analysis and material transactions that represent the true underlying economic characteristics of an entity may be recorded through OCI. These respondents indicate that if components of OCI are presented in a continuous statement, more users will incorporate these important measures into their analysis.

De-emphasized net income

15. Most of the respondents who disagree with the presentation of a continuous statement believe net income (profit or loss) would be de-emphasized, which they argue is a key metric used to measure the performance of an entity. They also believe that because net income is de-emphasized, users will be confused as to which measure, net income or comprehensive income, they should use in their analysis.
16. Users, however, argue that the importance of other comprehensive income is increasing and should be given more prominence in financial reporting. The CFA Institute included an illustration of the significance of other comprehensive income for IFRS compliant companies in their joint letter to both Boards. A chart of illustrative data prepared by Moody's, which is included in the CFA letter, is attached to this memorandum as Appendix A.

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Potential for User Confusion

17. Respondents mentioned numerous causes of user confusion:

- (a) The different nature of items included in OCI and items included in net income (profit or loss) could cause user confusion. Some respondents believe items included in OCI are less controllable and difficult to predict than items included in net income, and are not attributable to management performance. One respondent noted that net income consists of results from nearly complete transactions, while items in OCI are the result of far-from-complete transactions with continually changing values. Respondents argue that presenting net income and OCI in a single statement blurs the distinction between the two types of items and will confuse users when determining which metric is the most useful in their analysis.
- (b) Some respondents note that many users do not fully comprehend items within OCI and the transactions that drive them, and that elevating their prominence by changing the presentation requirements may exacerbate this issue.
- (c) The proximity of comprehensive income to the earnings per share may cause user confusion. Respondents argue that many users will assume comprehensive income is net income, resulting in data entry errors. Some respondents recommend reporting EPS below net income, instead of comprehensive income. It should, however, be noted that there are currently no requirements on where on the face of the income statement or statement of comprehensive income EPS should be presented.

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- (d) Respondents also note the inherent inconsistency of requiring comprehensive income to be the bottom line, while retaining the requirements to calculate earnings per share (EPS) based on net income. They argue that this sends mixed signals to users, communicating the importance of comprehensive income by requiring it be the double-underlined bottom line, yet emphasizing the importance of net income by requiring its use in calculating EPS.
- (e) Users of financial statements argue that reporting net income and other comprehensive income separately would be more confusing than a single format where both types of income are reported together. Users in the US expressed stronger support for a single continuous statement because under current US GAAP, many preparers report OCI in the statement of equity. Those users strongly support a requirement that all non-owner changes in equity be reported in a single statement of comprehensive income.

Alternatives

18. Based on the comments received from respondents to both the IASB and FASB Exposure Drafts, the staffs have developed the following alternatives regarding the presentation of OCI for the Boards' consideration:
- (a) retain the current requirement to present OCI in a continuous statement of comprehensive income while eliminating other presentation options for OCI;
 - (b) permit the option for reporting entities to present OCI in a continuous statement of comprehensive income or in two separate but consecutive statements, which is currently one of the presentation options in IFRS and US GAAP; or
 - (c) Require reporting entities to present OCI using a consecutive two-statement approach.

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19. Attached to this memorandum are examples of option (a) and option (b) as Appendix B.

View A: Retain the current requirement to present OCI in a continuous statement of comprehensive income while eliminating other presentation options for OCI.

20. View A acknowledges the views of the user respondents that the information is relevant in portraying the underlying economics of an entity, and that the presentation of this information in a continuous statement will help ensure that users have more ready access to the information included in OCI.

View B: Permit the option for reporting entities to present OCI in a continuous statement of comprehensive income or in two separate but consecutive statements, which is currently one of the presentation options in IFRS and US GAAP.

21. Many respondents who oppose the presentation of a continuous statement of comprehensive income do so on the basis that they object to a de-emphasis on net income. This option allows the preparer to choose between presenting a continuous statement including both OCI and net income in the same statement, or two separate but consecutive statements, the first being a statement of net income (profit or loss) which is immediately succeeded by the statement of comprehensive income.
22. Some respondents believe net income will unacceptably be de-emphasised because of its presentation as a mere subtotal within comprehensive income. Although the distinctions between a continuous statement and separate but consecutive statements are minor, they are significant enough to assuage the concerns regarding a de-emphasised net income because net income will be presented as a separate, double-underlined total. View B supports the notion that the prominence of items of OCI is still sufficiently elevated while retaining an acceptable level of significance for net income. Furthermore, the option to present either a continuous statement or two separate statements should not compromise the level of comparability the Boards' are striving to achieve.

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View C: Require reporting entities to present OCI using a consecutive two-statement approach.

23. View C incorporates similar reasoning as View B, however, places a higher level of comparability, and therefore, eliminates the presentation option. This view would also minimize respondent concerns that net income will inappropriately be de-emphasised; however, View C incorporates the view of users in that items of OCI will have adequate prominence because they will immediately follow net income (profit or loss).

Staff Recommendation:

24. The staffs recommend that the Boards confirm its decision to require one continuous statement of comprehensive income because of the strong user support for a continuous statement, the fact that a continuous statement eases the stress placed on the distinction between net income and OCI, and it appropriately increases the prominence of items reported in OCI. The staffs believe that the other two alternatives are compromises that could result in additional confusion about the importance of other comprehensive income for both preparers and users.

Question 2

- 2) Do the Boards agree with the staff recommendation to confirm the decision to require one continuous statement of comprehensive income (View A)? If not, what view do the Boards support?

Issue 3: Title for the Two-Statement Presentation Approach

25. Should the Boards choose either View B or View C, both incorporating a two-statement approach to presenting items of OCI, the Boards will have to decide on a proper title for these statements. The staffs note that the proposals do not require the use of a particular title but reference a single title in the proposed standards and in the illustrative examples.

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Title options include:

- (a) Statements of Comprehensive Income;
- (b) Statements of Profit and Loss and Other Comprehensive Income; and
- (c) Statement of Profit and Loss and Statement of Other Comprehensive Income (stated separately).

Option A: Statements of Comprehensive Income.

26. Option A places the strongest emphasis on the unanimity of all non-owner changes in equity by implying that, while net income and OCI may be presented separately, the two are components in the context of comprehensive income, which is the ultimate metric. Rather than focusing on the individual components of comprehensive income, option A focuses on the whole.

Option B: Statements of Profit and Loss and Other Comprehensive Income.

27. Option B implies slightly more autonomy between net income and other comprehensive income, focusing on the individual components of comprehensive income rather than the whole.

Option C: Statement of Profit and Loss and Statement of Other Comprehensive Income

28. Option C places the greatest emphasis on the individual components of comprehensive income by referring to each statement separately.

Staff Recommendation

29. If the Boards decide to permit two statements, the staffs believe that it would be clearer to use separate titles for the two statements. The staff recommends option C. The staff notes that the preparers are permitted to use alternate titles.

Question 3
<p>3) If the Boards decide to proceed with either an option or requirement to present a two-statement approach, which title do the Boards support?</p> <p>View A: <i>Statements of Comprehensive Income</i></p>

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View B: *Statements of Profit and Loss and Other Comprehensive Income*

View C: *Statement of Profit and Loss and Statement of Other Comprehensive Income*

Issue 4: Effective Dates*Staff Analysis*

30. The FASB asked whether respondents agree with aligning the effective date for this proposed Update with the effective date for the joint project on financial instruments. The Board reasoned that the financial instruments project would result in more items being recognized through OCI, and therefore, a standard increasing the prominence of OCI should be made effective at the same date. The IASB did not ask respondents about the effective date for these proposals. It has however been clear that the main reason for the proposals is the increased use of OCI in other projects, such as financial instruments and pensions, and the Board would therefore align the effective date of all these proposals.
31. Many respondents to the FASB Exposure Draft were in favour of aligning the effective date to that of the financial instruments project. Some respondents, however, noted that the objectives of a continuous statement of comprehensive income are pressing regardless of when the other pending standards are completed and effective.
32. The Boards also asked respondents to identify the costs that would be incurred as a result of the proposed changes. Most respondents agreed with the Boards' assessment that the costs would be minimal.

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Staff Recommendation

33. The staffs recommend that the revisions to the presentation of comprehensive income be completed as soon as practicable and at the same time for IFRS and US GAAP. Different projects at the IASB and FASB (pensions and financial instruments) highlighted the pressing need for change. Furthermore, these projects are likely to require significantly more time to complete and the FASB and IASB may complete them at different times. Respondents who are users of financial statements have told the Boards to implement these changes as soon as possible. If the effective dates are aligned with other projects, this standard may not be implemented in the short-term.

Effective Date

34. If the Boards determine the effective date for the final standards on the presentation of comprehensive income independently of other projects, the staff will ask the Boards what date the proposed standards will be effective. The staffs expect to be able to issue a final standard early in the first quarter of 2011.

Staff Recommendation

35. The staffs recommend that the standards be effective as of the beginning of a fiscal reporting year that begins after November 15, 2011 for US GAAP and 1 January 2012 for IFRS. The staffs do not believe that the costs to implement the revised formats will be significant based upon the responses to the questions about costs and benefits in both proposals.

Questions 4 & 5

- 4) Do the Boards agree with the staff recommendation to determine the effective date independent of other projects?
- 5) If the Boards agree to determine the effective date independent of other projects, do the Boards agree with the staff to make the final standard effective as of November 15, 2011 for US GAAP and 1 January 2012 for IFRS? If not, what effective date do the Boards support?

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Issue 5: Transition Method*Staff Analysis*

36. The proposed changes to the statement of comprehensive income are strictly presentation issues, and offer no amendments as to what specific items are recognized through OCI and whether those items are subsequently reclassified into net income (profit or loss). Furthermore, full retrospective application would provide the most comparable and useful financial statements.

Staff Recommendation

37. The staffs believe it would not be burdensome or impracticable for a reporting entity to restate prior comparable periods to conform with the proposed amendments to the presentation of other comprehensive income. This option will also present users with the most relevant and comparable information. The staffs, therefore, recommend the Boards to require full retrospective application.

Question 6

- 6) Do the Boards agree with the staff recommendation to require full-retrospective application for the final standard?

Issue 5: Other Issues

38. Based upon the responses received from constituents, the staffs do not believe that the Boards should redeliberate certain decisions that were reflected in the Exposure Drafts. Both the IASB and FASB also included questions in the respective Exposure Drafts regarding:
- (a) the presentation of reclassification adjustments;
 - (b) reporting the tax effects for components of other comprehensive income; and
 - (c) the retention of earnings per share (EPS) being calculated based on net income.

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Staff Analysis

Presentation of Reclassification Adjustments

39. Respondents to the FASB Exposure Draft who support the presentation of reclassification adjustments indicate how the requirement will provide clarity around items that are recycled from OCI through net income, and how this could mitigate earnings management related to the strategic sales of appreciated financial instruments in order to inflate earnings. Respondents also note that this requirement would highlight differences between IFRS and US GAAP regarding what items are recycled from OCI through net income. Respondents opposed to the presentation of reclassification adjustments most commonly cite the potential cluttering effect this requirement could have on the continuous statement.

Reporting the Tax Effects for Items of OCI

40. The majority of the respondents support retaining the option to present items of OCI either net of tax with details in the notes or gross of tax with each item's tax effect displayed parenthetically on the face because this option will result in a less-cluttered presentation. The most common view among respondents opposed to permitting an option is a tax presentation method similar to net income, with tax presented in a single line-term for total OCI, and tax attributable to each item of OCI disclosed in the footnotes.

Earnings per Share

41. Most of the respondents to the FASB Exposure Draft support the current calculation for earnings per share, most frequently citing widespread use and comprehension of EPS and the potential confusion that could arise with dual EPSs or an EPS based on comprehensive income. Opposing respondents most frequently note the benefits of presenting earnings metrics that fully reconcile to non-owner changes in equity and how this affords the user a more complete view of the entity. They also suggest having two earnings per share, one based on net income and one based on comprehensive income.

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Staff Recommendation

42. The staffs do not believe any of these issues require redeliberations. Reclassification adjustments would provide useful information to users, clarifying how those reclassification adjustments affect current earnings. This informational benefit exceeds the potential clutter that respondents refer to. Furthermore, the potential magnitude that misperceptions of earnings can have on a user's analysis as a result of failing to take reclassifications into consideration create the need for this information to be presented on the face of the financial statements, rather than the notes.
43. The staffs are not aware of any current implementation issues regarding the tax presentation options, and therefore do not recommend any redeliberations. Finally, because of the widespread use and comprehension of EPS in the capital markets, the staffs agree with the majority of respondents stating that any change to the reporting of EPS would result in significant confusion.

Question 7

- 7) Do the Boards agree that there are no other issues requiring further deliberation? If not, what issues do the Boards believe require further deliberation?

IASB only issues: Separating OCI items based on whether they may be reclassified (recycled) or not and title of the statement containing profit or loss and other comprehensive income*Staff Analysis*

44. The IASB Exposure Draft proposed changing the title of the statement of comprehensive income to 'Statement of profit or loss and other comprehensive income' when referred to in IFRSs and its other publications. A majority of the respondents agreed with this proposal as it would provide a better description of the content of the statement.

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45. In the IASB Exposure Draft the Board also proposed to require entities to present items of OCI that will be reclassified to profit or loss (recycled) in subsequent periods upon derecognition separately from items of OCI that will not be reclassified to profit or loss. A big majority of the respondents also agreed with this proposal on the basis that this would make the distinction between items that may and may not be reclassified (recycled) to profit or loss clearer and would provide users with better information about the effects these items may have on the entity's future profit.

Staff Recommendation

46. The staff also recommend that the IASB confirm its proposal to require entities to present items of OCI that will be reclassified to profit or loss (recycled) in subsequent periods upon derecognition separately from items of OCI that will not be reclassified to profit or loss.

47. The staff recommend that the IASB confirm its proposals to change the title of the statement of comprehensive income to 'Statement of profit or loss and other comprehensive income' when referred to in IFRSs and its other publications.

Questions 8
8) Does the IASB agree with the staff recommendation?

FASB only issue: Non-controlling Interest

Staff Analysis

48. IAS 1 *Presentation of Financial Statements* currently includes a requirement that an entity with a non-controlling interest display the allocation of net income and the allocation of comprehensive income attributable to non-controlling interests and the owners of the company on the face of the continuous statement of comprehensive income. The proposed ASU for the FASB did not include such a requirement.

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Several respondents asked the FASB to include such a requirement and to illustrate that requirement in the examples.

Staff Recommendation

49. The staff recommend that the requirement to allocate net income and comprehensive income to non-controlling interests and to owners be consistent between IFRS and US GAAP to improve comparability.

Question 9

Does the FASB agree with the staff recommendation?

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Appendix A

Illustrative Comprehensive Income Data from IFRS Compliant Companies

Table 1: Illustrative Data (OCI recognition)

Company	Year end	Net income	OCI	OCI/Net income
Alcatel Lucent	2009	<504.00>	573.00	114%
Allianz Re	2009	4,345.00	3,816.00	88%
Anglo American	2009	2,912.00	3,097.00	106%
Barclays	2009	10,289.00	10,836.00	105%
BMW	2009	330.00	<1,088.00>	<330%>
BP	2009	16,759.00	3,503.00	21%
British Airways	2009	<358.00>	<1,042.00>	291%
Deutsche Bank	2009	4,958.00	1,085.00	22%
EADS	2009	<752.00>	407.00	<54%>
Fiat	2009	<848.00>	822.00	<97%>
HSBC	2009	6,694.00	20,799.00	311%
Lufthansa	2009	<100.00>	35.00	<35%>
RBS	2009	2,224.00	<4,265.00>	<192%>

The above table, with data from several companies, shows that the annual OCI charge is materially significant and that investors need to pay attention to the OCI. The materiality shown in the table corroborates the finding of Moody's credit rating agency report¹, which found that OCI entries resulted in significant analytical adjustments to leverage for GE Capital. For the year 2004, effective leverage defined as (effective total debt excluding guaranteed sub debt/effective total equity) changed from 17.6 to 14.7.²

¹ Moody's, April 2006, 'Moody's Approach to Other Comprehensive Income Items When Calculating Effective Leverage for Finance Companies'-Rating Methodology- Authors- Emrick.C, Wasden.M and Young.R

² CFA Institute Comment Letter responding to the FASB Exposure Draft

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Appendix B

Option A

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
PROFIT AND LOSS		THIS YEAR	LAST YEAR
REVENUE		390,456	366,074
Cost of sales		(245,854)	(215,698)
GROSS PROFIT		144,602	150,376
Other income		20,667	15,253
Distribution costs		(8,954)	(7,584)
Administrative expenses		(20,045)	(18,498)
Other expense		(2,076)	(1,956)
OPERATING PROFIT		134,194	137,591 ◀
Finance costs		(11,504)	(13,685)
Finance income		3,488	2,954
Share of profit of associates		35,089	27,345
PROFIT BEFORE TAX		161,267	154,205 ◀
Income tax expense		(37,853)	(38,058)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		123,414	116,147
Loss for the year from discontinued operations		0	0
PROFIT OR LOSS		123,414	116,147 ◀
PROFIT ATTRIBUTABLE TO			
	THIS YEAR	LAST YEAR	
Owners of the Company	105,587	104,584	
Non-controlling interest	17,827	11,563	
	123,414	116,147	
EARNINGS PER SHARE			
Basic earnings per share	0.81	0.75	
Diluted earnings per share	0.69	0.60	
OTHER COMPREHENSIVE INCOME, NET OF TAX		THIS YEAR	LAST YEAR
Items that will not be reclassified subsequently to profit or loss			
Gain (loss) on strategic equity securities (net of 1,560 and 1,963 tax benefit)		3,640	(4,581)
Gain (loss) on property revaluation (net of 2,662 tax)		6,212	0
Actuarial gains (losses) on defined benefit pension plans (net of 14,876 tax benefit and 9,391 tax)		(34,711)	21,914
Total items never reclassified to profit or loss		(24,859)	17,333
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translating foreign operations (net of 4,640 tax and 5,537 tax benefit)		10,827	(12,921)
Cash flow hedges (net of 559 tax benefit and 2,838 tax)			
Gains (losses) arising during the period (net of 1,489 tax benefit and 2,416 tax)		(3,476)	5,639
Reclassification of gains included in profit or loss (net of 930 and 422 tax)		2,170	984
Share of other comprehensive income of associates		4,105	(2,499)
Total items that may be reclassified to profit or loss subsequently		13,626	(8,797)
OTHER COMPREHENSIVE INCOME		(11,233)	8,536 ◀
TOTAL COMPREHENSIVE INCOME		112,181	124,683 ◀
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO			
	THIS YEAR	LAST YEAR	
Owners of the Company	101,444	110,554	
Non-controlling interest	10,737	14,129	
	112,181	124,683	

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Option B

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
PROFIT AND LOSS		THIS YEAR	LAST YEAR
REVENUE		390,456	366,074
Cost of sales		(245,854)	(215,698)
GROSS PROFIT		144,602	150,376
Other income		20,667	15,253
Distribution costs		(8,954)	(7,584)
Administrative expenses		(20,045)	(18,498)
Other expense		(2,076)	(1,956)
OPERATING PROFIT		134,194	137,591 ◀
Finance costs		(11,504)	(13,685)
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Share of profit of associates		35,089	27,345
PROFIT BEFORE TAX		161,267	154,205 ◀
Income tax expense		(37,853)	(38,058)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		123,414	116,147
Loss for the year from discontinued operations		0	0
PROFIT OR LOSS		123,414	116,147 ◀
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PROFIT ATTRIBUTABLE TO	THIS YEAR	LAST YEAR	
Owners of the Company	105,587	104,584	
Non-controlling interest	17,827	11,563	
	123,414	116,147	
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EARNINGS PER SHARE			
Basic earnings per share	0.81	0.75	
Diluted earnings per share	0.69	0.60	

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STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)		
OTHER COMPREHENSIVE INCOME, NET OF TAX	THIS YEAR	LAST YEAR
Items that will not be reclassified subsequently to profit or loss		
Gain (loss) on strategic equity securities (net of 1,560 and 1,963 tax benefit)	3,640	(4,581)
Gain (loss) on property revaluation (net of 2,662 tax)	6,212	0
Actuarial gains (losses) on defined benefit pension plans (net of 14,876 tax benefit and 9,391 tax)	(34,711)	21,914
Total items never reclassified to profit or loss	(24,859)	17,333 ◀
Items that may be reclassified subsequently to profit or loss		
Exchange differences arising on translating foreign operations (net of 4,640 tax and 5,537 tax benefit)	10,827	(12,921)
Cash flow hedges (net of 559 tax benefit and 2,838 tax)		
Gains (losses) arising during the period (net of 1,489 tax benefit and 2,416 tax)	(3,476)	5,639
Reclassification of gains included in profit or loss (net of 930 and 422 tax)	2,170	984
Share of other comprehensive income of associates	4,105	(2,499)
Total items that may be reclassified to profit or loss subsequently	13,626	(8,797) ◀
OTHER COMPREHENSIVE INCOME	(11,233)	8,536 ◀
TOTAL COMPREHENSIVE INCOME	112,181	124,683 ◀
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO		
Owners of the Company	101,444	110,554
Non-controlling interest	10,737	14,129
	112,181	124,683