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17 October 2003

Ms Anne McGeachin
Project Manager
International Accounting Standards Board
30 Cannon Street
London
EC4M 6XH

Dear Ms McGeachin

ED4: Disposal of Non-Current Assets and Presentation of Discontinued Operations

We are not proposing to respond to the specific questions raised in ED4 as we agree in principle with the proposed requirement. However, we would like to comment on one issue, which we believe is an inadvertent outcome of consequential amendments to IAS 27.

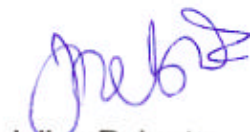
We are concerned that the proposal in paragraph C3 of Appendix C to delete paragraph 13 of IAS27 will change the way we account for our fund management business.

As with other asset management companies we inject capital into start-up funds that sometimes result in our holding an interest in excess of 50% of the issued share capital. We have no intention of retaining these holdings on an ongoing basis. Under current GAAP, industry practice had evolved so that such holdings are not consolidated.

We believe to start consolidating these holdings does not reflect the substance of the transactions and would be confusing to investors. In these circumstances the current exemption from consolidation in paragraph 13(a) of IAS27 should continue to apply and these investments should be treated instead as assets held for sale.

If you wish to discuss this further please do not hesitate to contact either myself on 020 7002 7267 or John Ross, Head of Group Finance on 020 7002 7183.

Yours sincerely



Julian Roberts