25 November 2008

International Accounting Standards Board
30 Cannon Street, London EC4M6XH,
United Kingdom

Subject: Comments on proposed amendments to IAS 33 'Earnings per share'

Dear Sir,

Please find my comments on the exposure draft in the following page for you review and discussion. However, I believe that the Board should take this opportunity to include various other different practical issues faced by entities in interpreting IAS33. Some of which are;

- Treatment of treasury shares held in a trust as part of employee share scheme where the dividends are transferred to employees on vesting of those shares (further explained as a response to question 1 in the following page); and
- Whether share options or grants to be satisfied by re-purchasing issued shares are dilutive? Some entities have treated these options as dilutive in their financial statements, but I believe that options or grants should only be dilutive where new shares are to be issued against them.

Regards,

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Mandatorily convertible instruments and instruments issuable for little or no cash or other consideration

1. *Do you agree that the weighted average number of ordinary shares for basic EPS should include only instruments that give (or are deemed to give) their holder the right to share currently in profit or loss of the period? Why or why not?*

   Yes I agree with this. However, the board should also consider whether treasury shares held in a trust against employee share scheme under IFRS 2 on which the dividends from current profit of the period accrue to the employees (in cash or shares) and are transferred to them on the vesting of those shares should be considered as right to share in current profit or loss for the period. I believe that these treasury shares should **not be** deducted from the weighted average number of ordinary shares for basic EPS as indirectly the employees share in the profit or loss of the period (through dividends and appreciation/depreciation of share price).

   Treasury shares held by the entity where the dividends (profit or loss) flow back to the entity (and not to employees/third parties) should be deducted from weighted average number of ordinary shares for basic EPS.

2. *Does the exposure draft apply this principle correctly to mandatorily convertible instruments and ordinary shares issuable for little or no cash or other consideration? Why or why not?*

   No comments.

Gross physically settled contracts to repurchase an entity's own shares and mandatorily redeemable ordinary shares

3. *Do you agree with the proposed treatment of gross physically settled contracts to repurchase an entity's own shares and mandatorily redeemable shares? Why or why not?*

   No comments.

Instruments that are measured at fair value through profit or loss

4. *Do you agree that fair value changes sufficiently reflect the effect on ordinary equity holders of the instruments measured at fair value through profit or loss and that recognizing those changes in profit or loss eliminates the need for further adjustments to the calculation of EPS? Why or why not?*

   No comments.

Option, warrants and their equivalents

5. *Do you agree that to calculate diluted EPS an entity should assume the settlement of forward sale contracts on its own shares in the same way as options, warrants and their equivalents? Why or why not?*

   No comments.

6. *Do you agree that the ordinary shares arising from the assumed exercise or settlement of options, warrants and their equivalents should be regarded as issued at the end-of-period market price? Why or why not?*

   No comments.