2 December 2008

Sir David Tweedie

Chairman of the

International Accounting Standards Board

30 Cannon Street

London EC4M 6XH

United Kingdom

Re: Exposure draft "Simplifying Earnings per Share Proposed amendments to IAS 33"

Dear Sir David,

The Polish Accounting Standards Committee welcomes the opportunity to comment on the IASB discussion paper on the above topic which we see as being of significant importance.

In forming our view we have taken into account the EFRAG draft comment letter to IASB on Simplifying Earnings per Share (EPS).

We support EFRAG's view in the abovementioned draft comment letter and refer to the most important issues addressed in the document.
We consider as desirable the efforts to reach convergence with US GAAP (FAS 128 Earnings per Share) and to simplify the computation of EPS.

Question 1) It seems to be reasonable to consider by calculating the weighted average number of ordinary shares, that is used in the computation of a basic EPS, only instruments that give the holder the right to share in the profit or loss of the period. This approach reflects better the economics of the interests of each ordinary share of the parent in the performance for the period.

Question 2) We believe that it is reasonable to exclude from the weighted average number of ordinary shares the entity's own shares that are subject to a contract to be repurchased or redeemed.

Question 3) We support the proposal to exclude in the computation of diluted EPS those financial instruments that can be settled in cash or shares, which are classified as liabilities and are measured at fair value through profit or loss. The change in the fair value of the instruments affects the interests of the ordinary shares in the entity's performance. Therefore the instruments should not be considered in the computation.

Question 4) For the purposes of the calculation of diluted EPS, ordinary shares with an associated assumed exercise of dilutive options and warrants and their equivalent, that are not measured at fair value through profit or loss, are included. The exposure draft proposes the application of a similar approach to the settlement of forward contracts to sell own shares (not measured at fair value through profit or loss). This proposal should contribute to unifying IAS 33 accounting in this matter.
We agree with the proposal, which assumes that the ordinary shares arising from the assumed exercise or settlement of those potential ordinary shares should be measured as issued at the end-of-period market price, rather than at their average market price during the period. We believe that such an approach will contribute to simplification of the calculation of diluted Earnings per Share.

Question 5) The changes of para 13A and 14A in Appendix A to IAS 33 will result in an extension of the scope of the application guidance for participating instruments to include participating instruments that are classified as liabilities. We are of the opinion that this amendment will be useful.
We also support the introduction of a test to determine whether a convertible financial instrument would have a more dilutive effect if the application guidance for participating instruments and two-class ordinary shares is applied or if conversion is assumed. It is essential to applying an appropriate approach by an entity for the computation of diluted Earnings per Share.

We are of the opinion that since the IASB current project "Simplifying Earnings per share" (amendments to IAS 33) is connected with another project "Financial instruments with characteristics of equity" (amendments to IAS 32 and IAS 1), that is also current, further analysis of potential amendments to IAS 33 will be essential after the equity and liabilities project has been completed.

Yours sincerely,

Joanna Dadacz
Chairman of Polish Accounting Standards Committee

cc: Stig Enevoldsen, Chairman of EFRAG TEG