



**The Japanese Institute of
Certified Public Accountants**

4-4-1, Kudan-Minami, Chiyoda-ku, Tokyo 102-8264 JAPAN
Phone: +81-3-3515-1130 Fax: +81-3-5226-3355
e-mail: chousa1@jicpa.or.jp
<http://www.hp.jicpa.or.jp/english/>

January 11, 2008

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

**Comments on the exposure draft of proposed amendments to IAS 39
Financial Instruments: Recognition and Measurement - Exposures
Qualifying for Hedge Accounting**

To the Board Members:

The Japanese Institute of Certified Public Accountants is pleased to comment on the exposure draft of proposed amendments to IAS 39 Financial Instruments: Recognition and Measurement - Exposures Qualifying for Hedge Accounting.

QUESTION 1

We agree with the proposal to restrict the risks that qualify for designation as hedged items.

QUESTION 2

We agree with the proposal. However, we would like to add that the difference between subparagraphs (a) and (d) in paragraph 80Z is not clear to us, because the example shown in paragraph 80Z(d) (the first four interest payments on a floating rate financial

liability) seems to come also under the condition shown in paragraph 80Z(a), namely, the cash flows of a financial instrument for part of its time period to maturity.

Yours faithfully,

Kiyoshi Ichimura

Executive Board Member - Accounting Standards

The Japanese Institute of Certified Public Accountants