

Sir David Tweedle
Chairman
IASB
30 Cannon Street
London EC4M 6XH

16 October 2003

Dear Sir David

I would like to thank you for your response of 16 September to our letter on hyperinflation reporting.

We appreciate your acknowledgement of the relevance and complexity of this issue and we are happy to hear that plans are under discussion to take action on it. However, we regret to learn from your letter that the assessment of this issue may take months and depends on allocation of adequate resources and competition with other projects.

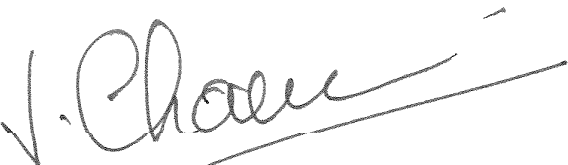
Concerns arising from hyperinflation economies are of such practical importance for many EU-quoted groups adopting IFRS in 2005 that we would like it be treated as a priority project and ask you to reconsider your view bearing in mind the following points:

1. The view within a hyperinflationary economy is not necessarily identical with that from the stance of a multinational parent, so the two perspectives should be treated separately. (It also raises some concerns to see that both aspects are going to be dealt with primarily by people from countries with hyperinflationary experience. Previous results from such an approach are not uniformly encouraging.)
2. There is a crucial timing problem for EU companies which, in the absence of the requested "allowed alternative", will have to initiate costly and, from the shareholders' viewpoint, non-value-adding system changes within the next few months, if not weeks. Moreover, if the IASB subsequently decides to allow it after all, millions will have effectively been completely wasted.

We are hopeful that adequate consideration will be given to this subject.

We look forward to receiving your reply and remain at your disposal for any clarification.

Yours sincerely



Jérôme P. Chauvin
Director, Company Affairs Department