



DRSC • Zimmerstr. 30 • 10969 Berlin

Mr Stig Enevoldsen
Chairman
EFRAG Technical Expert Group
13-14, Avenue des Arts
B-1210 Brussels

Telefon +49 (0)30 206412-13
Telefax +49 (0)30 206412-15
E-Mail wiedmann@drsc.de

Berlin, 22 May 2007

Adoption of IAS 23 Borrowing costs (Revised March 2007)

Dear Stig,

The German Accounting Standards Board (GASB) appreciates the opportunity to respond to the EFRAG's draft endorsement advice on IAS 23 Borrowing costs (Revised March 2007).

GASB supports the revisions to IAS 23 Revised as a measure to further reduce the range of accounting alternatives, and as a further step towards convergence. We regret that the IASB did not take up the opportunity to review the treatment of borrowing costs more thoroughly therewith sharing the tentative view of two EFRAG members dissenting from recommending endorsement. However, on balance GASB concludes that the revision to IAS 23 satisfies the criteria for EU endorsement.

If you would like any clarification of these comments please do not hesitate to contact me.

Yours sincerely,

Prof. Dr. Harald Wiedmann
President