



*New Orchard Road
Armonk, NY 10504*

February 20, 2008

Mr. Carlo Comporti
Secretary General
Committee of European Securities Regulators
11-13 avenue de Friedland
75008 Paris
France

Re: CESR's advice on the equivalence of Chinese, Japanese and US GAAPs (Ref.: CESR/07-761)

International Business Machines Corp. (IBM) welcomes the opportunity to respond to the Consultation Paper "CESR's advice on the equivalence of Chinese, Japanese and US GAAPs".

As expressed during the open hearing on January 21, we commend CESR for concluding that US GAAP is deemed equivalent to International Financial Reporting Standards (IFRS) and revising its June 2005 advice. IBM appreciates CESR's thoughtful consideration of the recent international developments in the financial reporting arena, especially taking into account the SEC decision to accept IFRS without reconciliation to US GAAP for European filers. We agree with the Consultation Paper's statement that the standard setting activity in the United States over the past two years with regard to IFRS has been nothing short of "radical". Cross-border acceptance of IFRS and US GAAP in both the US and EU capital markets is of great value in promoting investment and the efficient allocation of capital.

We strongly encourage CESR, the European Commission, EU Member States and the European Parliament to decide as soon as possible on the equivalence between US GAAP and IFRS to avoid unnecessary disruption in the EU capital markets.

We applaud and thank regulators and standard setters on both sides of the Atlantic for all their efforts to date. Nevertheless, convergence between US GAAP and IFRS must continue. One set of global accounting standards is in the best interest of all companies and investors worldwide, as it allows for full comparison of financial statements, thus adding transparency and increasing confidence in capital markets.

Please do not hesitate to call on us if we can be of any assistance.

Sincerely,

A handwritten signature in black ink, reading "Richard J. Carroll". The signature is fluid and cursive, with the first name "Richard" and last name "Carroll" clearly legible.

Richard J. Carroll
IBM Chief Accountant