

**The Japanese Institute of
Certified Public Accountants**

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The Committee of European Securities Regulators

11-13 Avenue de Friedland

75008 Paris, France

Dear Sirs:

RE: December 2007 Consultation Paper

CESR's advice on the equivalence of Chinese, Japanese and US GAAPs

The Japanese Institute of Certified Public Accountants ("JICPA") appreciates the opportunity to comment on the Consultation Paper - CESR's advice on the equivalence of Chinese, Japanese and US GAAPs ("Consultation Paper"), prepared by the Committee of European Securities Regulators ("CESR").

The JICPA appreciates CESR's recognition of the importance of the agreement between the International Accounting Standards Board ("IASB") and the Accounting Standards Board of Japan ("ASBJ"), the ("Tokyo Agreement"); as well as the progress that has been made by ASBJ to date.

We also welcome your recommendation to the European Commission that the Japanese GAAP be considered equivalent to the International Financial Reporting Standards ("IFRS").

From an auditing perspective, we very much appreciate CESR's conclusion not to require remedies and assurances, to avoid potential complicated issues.

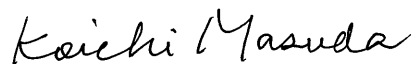
In Japan, the international audit networks provide audit services to approximately 80% of the 4,000 listed companies. In addition to well-established accounting standards, the adequate functioning of the entire financial reporting system contributes to consistent, high quality Japanese capital markets. This includes, specifically, the audit function that supports the reliability of financial information.

In paragraph 73 of the Consultation Paper, it states that CESR considers that "a pre-requisite for any

GAAP to be recognized as equivalent is that “filters” at the country level, and audit assurance and enforcement at the entity level are sufficient for investors to be able to rely on them.” We are confident that Japan has fully satisfied this pre-requisite. We believe that the holistic approach adopted in the Consultation Paper is more appropriate for the jurisdictions with highly-developed capital markets. Therefore, we agree with the approach taken by CESR’s in the process of assessment of Japanese GAAP.

In closing, we would like to express our strong support for the CESR’s recommendations.

Yours truly,

A handwritten signature in black ink, reading "Koichi Masuda". The signature is written in a cursive, flowing style.

Koichi Masuda

Chairman and President

The Japanese Institute of Certified Public Accountants