



June 8, 2015

Submitted via email (director@fasb.org)

Technical Director
File Reference No. 2015-260
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2015-260, Exposure Draft: Business Combinations (Topic 805)

Apple Inc. is pleased to have the opportunity to comment on the Financial Accounting Standards Board's exposure draft issued May 21, 2015 of the proposed changes to accounting prescribed at ASC 805, *Business Combinations*, regarding measurement period adjustments (the "ED").

We support the changes proposed in the ED, specifically to recognize measurement period adjustments in the reporting period in which the adjustment amount is determined as opposed to retrospectively, as they meet the objectives of the Simplification Initiative and improve existing financial reporting. The proposed changes:

- *Reduce operational cost and complexity in recording measurement period adjustments.* The proposed standard eliminates the operational costs and burden to financial statement preparers in reflecting retrospective adjustments, which are typically made outside normal systemic solutions and are therefore subject to errors inherent in manual processes.
- *Maintain the usefulness of information provided to financial statement users.* The proposed standard maintains the requirement to disclose the nature and amount of any measurement period adjustments and adds a requirement to disclose the income statement impact, by line item, of such adjustments. These disclosure requirements maintain comparability of financial statements, as users are provided with the same information that would be conveyed through a retrospective presentation.

We believe the proposed standard should prescribe adoption to include:

- *Prospective application for adjustments that are made to provisional amounts after the effective date.* The operational cost and complexities of reflecting retrospective adjustments (discussed above) outweigh the benefit of requiring a comparable presentation between pre- and post-adoption periods, especially considering the information will still be made available in the newly required disclosures.

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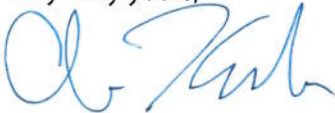
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- *Early adoption.* As discussed above, the proposed changes maintain the same usefulness to financial statement users by providing the same information that would be conveyed through a retrospective presentation. As such, financial statements prepared under either the current standard or the proposed standard are comparable.
- *Concurrent effective date for public and other-than-public business entities.* While we recognize that the adoption of any new standard may require changes to an entity's processes and controls, the proposed standard is less costly and complex to apply than the current standard. As such, other-than-public business entities should not require additional time to adopt and implement the proposed changes.

* * *

Please contact Chris Kondo at (408) 862-4776 if you have questions regarding our response or other aspects of the ED.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Chris Kondo".

Chris Kondo
Senior Director, Corporate Accounting
and Principal Accounting Officer