

(Translation for reference purpose only)

JMIS Exposure Draft No.3

6 December 2016

Proposed amendments to the Application of “Japan’s Modified International Standards” in July 2016 (comparative version)

※New text and deleted text are shaded.

| Exposure draft  | Current  |
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| <p><b>Japan’s Modified International Standards (JMIS): Accounting Standards Comprising IFRSs and the ASBJ Modifications</b></p> <p><b>Application of “Japan’s Modified International Standards”</b></p> <p style="text-align: right;">30 June 2015<br/>Amended 25 July 2016<br/>Last Amended DD MMMM YYYY<br/>Accounting Standards Board of Japan</p>   | <p><b>Japan’s Modified International Standards (JMIS): Accounting Standards Comprising IFRSs and the ASBJ Modifications</b></p> <p><b>Application of “Japan’s Modified International Standards”</b></p> <p style="text-align: right;">30 June 2015<br/>Amended 25 July 2016<br/>Accounting Standards Board of Japan</p>  |
| <p><b>Effective Date</b></p> <p>5. An entity may apply JMIS to consolidated financial statements for annual periods ending on or after 31 March 2016. Regarding quarterly financial reporting, an entity may apply JMIS to consolidated interim financial statements for quarters within annual periods beginning on or after 1 April 2016.</p> <p>6. This Statement as amended in MMMM YYYY shall apply to consolidated financial statements for annual periods beginning on or after its issuance date. However, an entity may apply this Statement to consolidated financial statements for the annual period which includes the issuance date. In that case, this Statement shall apply to consolidated quarterly financial statements from the first quarter of the following annual period.</p> | <p><b>Effective Date</b></p> <p><b>JMIS issued in June 2015</b></p> <p>5. An entity may apply JMIS to consolidated financial statements for annual periods ending on or after 31 March 2016. Regarding quarterly financial reporting, an entity may apply JMIS to consolidated interim financial statements for quarters within annual periods beginning on or after 1 April 2016.</p> <p><b>This Statement as amended in July 2016</b></p> <p>6. This Statement as amended in July 2016 shall apply for annual periods beginning on or after its issuance date.</p> |
| <p><b>Appendix 1</b><br/><b>Standards Issued by the IASB and Adopted by the</b></p>   | <p><b>Appendix 1</b><br/><b>Standards Issued by the IASB and Adopted by the</b></p>  |

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|---|--|---------------------------------------|---|--|----------|--|----------------------------------|---------------------------------------|--|--|------------|--|--|-----------|----------------|--|----------------|-----------------------------------|----------------|
| <p><b>ASBJ</b></p> <p>...</p> <p><b>Standards Issued as at 30 September 2016 which become effective by 31 December 2017</b></p> <table border="1"> <tr><td>...</td></tr> <tr><td>IFRS 13 <i>Fair Value Measurement</i></td></tr> <tr><td>IFRS 14 <i>Regulatory Deferral Accounts</i></td></tr> <tr><td>*IAS 1 <i>Presentation of Financial Statements</i></td></tr> <tr><td>...</td></tr> </table>  | ...  | IFRS 13 <i>Fair Value Measurement</i> | IFRS 14 <i>Regulatory Deferral Accounts</i> | *IAS 1 <i>Presentation of Financial Statements</i>   | ...      | <p><b>ASBJ</b></p> <p>...</p> <p><b>Standards Issued as at 31 December 2013</b></p> <table border="1"> <tr><td>...</td></tr> <tr><td>IFRS 13 <i>Fair Value Measurement</i></td></tr> <tr><td>*IAS 1 <i>Presentation of Financial Statements</i></td></tr> <tr><td>...</td></tr> </table> | ...                              | IFRS 13 <i>Fair Value Measurement</i> | *IAS 1 <i>Presentation of Financial Statements</i> | ...  |            |  |  |           |                |  |                |                                   |                |
| ...   |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| IFRS 13 <i>Fair Value Measurement</i>   |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| IFRS 14 <i>Regulatory Deferral Accounts</i>   |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| *IAS 1 <i>Presentation of Financial Statements</i>  |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| ...   |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| ...   |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| IFRS 13 <i>Fair Value Measurement</i>   |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| *IAS 1 <i>Presentation of Financial Statements</i>  |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| ...   |  |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| <p><b>Interpretations issued as at 30 September 2016 which become effective by 31 December 2017</b></p> <p>...</p>  | <p><b>Interpretations issued as at 31 December 2013</b></p> <p>...</p> |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| <p><b>(For Reference Purpose Only)</b></p> <p><b>Standards Issued by the IASB as at 30 September 2016 for which the endorsement process has not yet started</b></p> <table border="1"> <thead> <tr> <th><b>Standards for which the endorsement process has not yet started</b></th> <th><b>Issued</b></th> <th><b>Effective Date</b></th> </tr> </thead> <tbody> <tr> <td>IFRS 15 <i>Revenue from Contracts with Customers</i></td> <td>May 2014</td> <td>1 January 2018</td> </tr> <tr> <td><i>Effective Date of IFRS 15</i></td> <td>September 2015</td> <td></td> </tr> <tr> <td><i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i></td> <td>April 2016</td> <td></td> </tr> <tr> <td>IFRS 9 <i>Financial Instruments</i> (2014)</td> <td>July 2014</td> <td>1 January 2018</td> </tr> <tr> <td><i>Sale or Contribution of Assets between an Investor and its Associate or Joint</i></td> <td>September 2014</td> <td>To be determined by the IASB (not</td> </tr> </tbody> </table> | <b>Standards for which the endorsement process has not yet started</b> | <b>Issued</b>                         | <b>Effective Date</b>                       | IFRS 15 <i>Revenue from Contracts with Customers</i> | May 2014 | 1 January 2018   | <i>Effective Date of IFRS 15</i> | September 2015                        |  | <i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i> | April 2016 |  | IFRS 9 <i>Financial Instruments</i> (2014) | July 2014 | 1 January 2018 | <i>Sale or Contribution of Assets between an Investor and its Associate or Joint</i> | September 2014 | To be determined by the IASB (not | <p>[Added]</p> |
| <b>Standards for which the endorsement process has not yet started</b>  | <b>Issued</b>  | <b>Effective Date</b>                 |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| IFRS 15 <i>Revenue from Contracts with Customers</i>  | May 2014   | 1 January 2018                        |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| <i>Effective Date of IFRS 15</i>  | September 2015   |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| <i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i>  | April 2016   |                                       |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| IFRS 9 <i>Financial Instruments</i> (2014)  | July 2014  | 1 January 2018                        |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |
| <i>Sale or Contribution of Assets between an Investor and its Associate or Joint</i>  | September 2014   | To be determined by the IASB (not     |   |  |          |  |                                  |                                       |  |  |            |  |  |           |                |  |                |                                   |                |

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|---|----------------|---|---------|
| <i>Venture</i> (Amendments to IFRS 10 and IAS 28)   | December 2015  | yet determined as at 30 September 2016)   |         |
| <i>Effective Date of Amendments to IFRS 10 and IAS 28</i>   |                |   |         |
| IFRS 16 <i>Leases</i>   | January 2016   | 1 January 2019  |         |
| <i>Classification and Measurement of Share-based Payment Transactions</i> (Amendments to IFRS 2)    | June 2016      | 1 January 2018  |         |
| <i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts</i> (Amendments to IFRS 4) | September 2016 | 1 January 2018 (may become effective before this date when the overlay approach is applied) |         |