

November 26, 2008

Accounting Standards Board of Japan Meets with Financial Accounting Standards Board to Discuss Global Convergence

Norwalk, CT November 25, 2008.... Representatives of the Accounting Standards Board of Japan (ASBJ) and the Financial Accounting Standards Board (FASB) gathered this week in Norwalk, CT. Led by Ikuo Nishikawa, Chairman of the ASBJ, and Robert H. Herz, Chairman of the FASB, the meeting was the sixth in a series of discussions between ASBJ and FASB designed to enhance dialogue between the two Boards in their shared pursuit of global convergence of accounting standards.

The development of a common set of high-quality accounting standards for both domestic and international use has been a major initiative of the ASBJ and FASB. Working toward convergence with the International Accounting Standards Board (IASB), the organizations believe that common financial reporting across the major business and capital markets of the world is a critical component in providing credible, comparable, conceptually sound, and usable financial information.

As part of the meeting, representatives of the Boards discussed their respective strategies towards a single set of global standards. They also discussed standard-setters' responses to the recent international financial crisis. They reaffirmed that accounting standards play a critical role in the global economic infrastructure by promoting confidence and transparency of capital markets.

In addition, representatives of both Boards exchanged their views on the current status of their work on the following projects:

- Conceptual framework
- Consolidation, including Special Purpose Entities (SPEs), and derecognition
- Liabilities and equity
- Financial instruments
- Financial statement presentation

Representatives of both Boards agreed that their ongoing discussions are useful in promoting

mutual understanding that will contribute to subsequent deliberations at their respective Boards and to the future development of high quality accounting standards on the significant items to be improved in the medium and long term with the IASB. They agreed that both Boards would continue to exchange views on longer-term issues and current concerns.

Ikuo Nishikawa, Chairman of the ASBJ, stated, “It was useful to discuss with the FASB a broad range of issues including responses to the recent financial crisis from an accounting point of view, especially when the importance of accounting standards in the capital markets is globally reemphasized. The ASBJ will continue to work closely with the FASB, the IASB, and other major standard-setters towards the development of a single set of high-quality global accounting standards, which includes responding to the financial crisis in order to enhance confidence in accounting information.”

Robert H. Herz, Chairman of the FASB, affirmed that notion, saying, “This meeting with our colleagues from the ASBJ was particularly timely and useful in light of the global financial crisis and reporting issues arising from the crisis. Sharing perspectives on those issues and on potential ways to improve reporting to investors and capital markets, both during the crisis and beyond, is critical to advancing our shared goal of high-quality reporting across the major international capital markets.”

The next joint meeting is planned for March 2009 in Tokyo, Japan.

About the Accounting Standards Board of Japan

The Accounting Standards Board of Japan (ASBJ) was established in July 2001 as a private-sector organization. Accounting standards developed by the ASBJ are to be authorized by the Financial Services Agency as part of generally accepted accounting principles. The ASBJ develops accounting standards and implementation guidance that appropriately reflect the environment in which business enterprises operate. The ASBJ also communicates with corresponding organizations abroad and contributes to the development of global accounting standards. For more information about the ASBJ, visit its website at http://www.asb.or.jp/index_e.php.

About the U.S. Financial Accounting Standards Board

Since 1973, the U.S. Financial Accounting Standards Board (FASB) has been the designated organization in the private sector for establishing standards of financial accounting and reporting in the United States. Those standards govern the preparation of financial reports and are officially recognized as authoritative by the Securities and Exchange Commission and the American Institute of Certified Public Accountants. Such standards are essential to the efficient functioning of the economy because investors, creditors, auditors, and others rely on credible, transparent, and comparable financial information. For more information about the FASB, visit its website at <http://www.fasb.org/>.