

Representatives of the Financial Accounting Standards Board and the Accounting Standards Board of Japan Hold Biannual Meeting

Representatives of the Financial Accounting Standards Board (FASB) and the Accounting Standards Board of Japan (ASBJ) held a virtual meeting on June 1, 2020. In addition to Russell G. Golden, Chairman of the FASB, and Atsushi Kogasaka, Chair of the ASBJ, Richard R. Jones, who will become Chairman of the FASB effective July 2020, participated in the meeting. The meeting was the 27th in a series of biannual meetings between the FASB and the ASBJ to further the Boards' cooperative efforts to develop high-quality global accounting standards. Due to the Coronavirus (COVID-19) pandemic, the meeting was held as a virtual meeting.

At this meeting, representatives of the FASB and the ASBJ introduced the effects of the COVID-19 pandemic on their respective accounting standards and discussed agenda items in which both Boards have common interest, including *the accounting for goodwill and financial performance reporting and disclosures*.

The FASB and the ASBJ plan to continue to exchange views. The next meeting is planned in the second half of 2020.

Russell G. Golden, Chairman of the FASB, stated, "Now more than ever, it's important for standard setters to work together to support our respective stakeholders during these uncertain times. Our meeting with the ASBJ was an extremely productive exchange of ideas on how to address standard-setting challenges throughout the COVID-19 crisis. Our dialogue also provided valuable insights on projects in progress, including goodwill accounting and financial reporting and disclosures.

It was also a bittersweet meeting for me, as it is my last as FASB Chairman before my term ends on June 30. It's been a great honor and privilege to work with the ASBJ during my FASB tenure—first as a FASB staff member, later as a FASB member, and then as Chairman. I am deeply grateful to have had the opportunity to work with Mr. Kogasaka, Mr. Ono, and all who have served on the ASBJ during my time with the FASB. I'm also thankful for the lifelong friendships I've developed over time, and I look forward to continuing to follow the Boards' activities during the next chapter of my career."

Atsushi Kogasaka, Chair of the ASBJ, stated, "Although the meeting was held in the form of a video conference and the discussions were shorter than our previous meetings, we had constructive discussions on the effects of the COVID-19 pandemic on our respective accounting standards, and projects that are of high interest internationally, including the accounting for goodwill. I believe that having an opportunity to discuss with the FASB, which has outstanding technical expertise, even under the difficult times with the COVID-19 pandemic, was very meaningful. I am confident that the discussions will contribute to improving the quality of global accounting standards.

Also, I would like to note that it has been a great honor to having been able to continue to hold this biannual meeting with Mr. Golden since he became Chairman of the FASB seven years ago. Unfortunately, this is the last time for Mr. Golden to lead the FASB in the biannual meeting with the ASBJ. However, we at the ASBJ deeply appreciate Mr. Golden's achievements, having led the FASB and contributing to the development of high-quality global accounting standards, and we wish Mr. Golden the best in his future endeavors. Lastly, we appreciate the opportunity to meet Mr. Jones at the meeting. We are delighted to welcome Mr. Jones and look forward to continuing the beneficial discussions for the many years to come."

Richard R. Jones, incoming Chair of the FASB, said "I was honored to meet Mr. Kogasaka and the ASBJ members and staff at our joint meeting. I believe the continued partnership between the ASBJ and the FASB is critical to improving standards for our respective stakeholders and capital markets across the globe, and I look forward to participating in many biannual meetings to come."

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About the Accounting Standards Board of Japan (ASBJ)

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: <https://www.asb.or.jp/en>.

About the Financial Accounting Standards Board (FASB)

Established in 1973, the FASB is the independent, private-sector organization, based in Norwalk, Connecticut, that establishes financial accounting and reporting standards for public and private companies and not-for-profit organizations that follow Generally Accepted Accounting Principles (GAAP). The FASB is recognized by the Securities and Exchange Commission as the designated accounting standard setter for public companies.

FASB standards are recognized as authoritative by many other organizations, including state Boards of Accountancy and the American Institute of CPAs (AICPA). The FASB develops and issues financial accounting standards through a transparent and inclusive process intended to promote financial reporting that provides useful information to investors and others who use financial reports. The Financial Accounting Foundation (FAF) supports and oversees the FASB. For more information, visit www.fasb.org