



Chairman Schapiro Statement on FASB-IASB Decision to Modify Timing of Certain Convergence Projects

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Washington, D.C., June 2, 2010 — In February, the Securities and Exchange Commission laid out its position regarding global accounting standards, making it clear that the Commission continues to believe that a single set of high-quality globally accepted accounting standards would benefit U.S. investors.

At that time, the Commission directed its staff to execute a Work Plan, the results of which will aid the Commission in its evaluation of the impact that the use of International Financial Reporting Standards (IFRS) by U.S. companies would have on the U.S. securities market. Included in this Work Plan is consideration of IFRS, as it exists today and after the completion of various convergence projects currently underway between U.S. and international accounting standards-setters.

Today, the Financial Accounting Standards Board (FASB) and International Accounting Standards Board (IASB) announced modifications to their timetable for and prioritization of standards being developed under those boards' joint agenda.

In response, SEC Chairman Mary L. Schapiro issued the following statement:

"The boards believe that the modified plan will contribute to increased quality in the standards because it provides additional time for stakeholders to thoroughly consider the proposals and give both boards quality feedback. I view this as time that is well invested.

"Quality financial reporting standards established through an independent process are threshold criteria against which the Commission's future consideration of the role of IFRS in the U.S. reporting system will be based. I foresee no reason that the adjustment to the targeted timeline for certain joint projects should impact the staff's analyses under the Work Plan issued in February 2010, particularly when that adjustment is designed to enhance the quality of the standards. Indeed, focused efforts on those standards the boards consider highest priority for the improvement of U.S. GAAP and IFRS will facilitate the staff's analyses.

"Accordingly, I am confident that we continue to be on schedule for a Commission determination in 2011 about whether to incorporate IFRS into the financial reporting system for U.S. issuers."