

March 8, 2013

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) met on March 4 and 5, 2013, in Norwalk, Connecticut. This meeting was the fourteenth in a series of biannual meetings between the FASB and the ASBJ.

The FASB and the ASBJ, strongly acknowledging that high-quality global accounting standards are necessary to improve the comparability of financial information across major capital markets worldwide, have been holding biannual meetings as part of both Boards' efforts to facilitate the development of global accounting standards.

At this meeting, the FASB and the ASBJ both provided updates on their respective activities, and discussed key issues about the conceptual framework, which both Boards believe is essential to the development of high-quality global accounting standards. In addition, the FASB and the ASBJ exchanged views on the disclosure framework, based on the Invitation to Comment *Disclosure Framework* issued by the FASB. The FASB and the ASBJ also discussed the following projects that the FASB and the International Accounting Standards Board (IASB) are currently deliberating:

- Financial instruments: classification and measurement (including the FASB's Exposure Draft and the IASB's Exposure Draft)
- Financial instruments: impairment (including the FASB's Exposure Draft and the model that is being deliberated by the IASB)
- Leases (including the recent deliberations that will lead to the Re-exposure Draft to be issued in the second quarter of 2013)

The FASB and the ASBJ agreed that they would continue to meet to exchange views on issues faced and potential future concerns.

Leslie F. Seidman, Chairman of the FASB, stated, "We had a very constructive meeting with members of the ASBJ on a variety of topics, including financial instruments and leases. We also discussed the development of a disclosure framework and the desirability of a comprehensive, conceptual framework on which to base high quality global accounting standards. Both the FASB and ASBJ look forward to actively participating in the IASB conceptual framework project."

Ikuo Nishikawa, Chairman of the ASBJ, stated, “We had productive discussions on various topical issues; in particular, the conceptual framework, which would provide direction to the development of future accounting standards. The biannual meeting between the FASB and the ASBJ is conducive to promoting high-quality global accounting standards, given that the U.S. and Japan have two of the largest capital markets in the world. We are committed to continuing our contribution to the development of global accounting standards, and we look forward to playing our role in the improvement of the conceptual framework.”

The next joint meeting is planned in the second half of 2013 in Tokyo.

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 https://www.asb.or.jp/asb/top_e.do.

About the Financial Accounting Standards Board

Since 1973, the Financial Accounting Standards Board has been the designated organization in the private sector for establishing standards of financial accounting and reporting. 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 our website at www.fasb.org.