

Summary of the third meeting of IFRS Council

1. Date and Time

November 2, 2009 11:00 – 12:45

2. Location

At the conference room #5 of Financial Accounting Standards Foundation

3. Agenda

- (1) Update on recent developments surrounding the IASB and IFRSs
- (2) Activity reports from Strategic Committee for IASB and each Task Force Committee
- (3) Report on initiatives for resolving issues identified out of early application of IFRS
- (4) Report on the mission to Australia
- (5) Revisiting the charter of IFRS Council

4. Summary of discussion

(1) Update on recent developments surrounding the IASB and IFRSs

In regards to the recent major developments surrounding the IASB and IFRSs, followings are reported respectively from Mr. Nishikawa, the chairman of the ASBJ, Mr. Naito, the Deputy Commissioner for Policy Coordination of the FSA, and Mr. Fujinuma, the Trustee of the IASCF.

- The periodic meeting between the ASBJ and the IASB/FASB;
- The accounting related developments at governments or regulators;
- The public roundtable discussion about a constitution review of the IASCF.

(2) Activity reports from Strategic Committee for IASB and each Task Force Committee

After chairs of the Strategic Committee for the IASB and each Task Force Committee briefed their activities since the previous meeting of August 31, members asked questions and exchanged views on some topics (Please see the attachment for respective activities). During the discussion, members expressed respective views on issues such as (i) the relationship between the accounting standards and pro-cyclicality, (ii) application of accounting standards (e.g., IFRSs or Japanese GAAP) to smaller, early-staged companies, and (iii) publicity activities by the Council.

(3) Report on initiatives for resolving issues identified out of early application of IFRS

“IFRS Implementation TF” and “IFRS Practice Group”, respectively established

within the Japan Business Federation (JBF) and the ASBJ, are introduced to members of the Council, including aspects of how and why these groups have been formulated.

(4) Report on the mission to Australia

Mr. Shimazaki, a head of the delegation, briefed on the mission to Australia, which was jointly arranged among the JBF, the JICPA, and the ASBJ, so as to unveil their experience faced when IFRSs was first applied and, exchange views with interested parties.

(5) A way forward of IFRS Council

Discussion took place in light of looking into a way forward of the Council, including its member composition et al.

5. Next Meeting

The next meeting is scheduled around January 2010.