

Summary of the first meeting of International Affairs Committee

1. Date and Time

11:15-12:45, March 4, 2010

2. Location

At the conference room #5 of Financial Accounting Standards Foundation

3. Agenda

- (1) Administration of the International Affairs Committee
- (2) Update on recent developments surrounding the IASB and IFRSs
- (3) Current issues in accounting standards
- (4) Establishment of the Council on Accounting of Unlisted Companies

4. Summary of discussion

(1) Administration of the International Affairs Committee

Taking into account the reorganization of the “Strategic Committee for IASB” into the “International Affairs Committee” and the expansion of its role as decided by the IFRS Council this January, a new way of administration of the committee was proposed. After the exchange of the views among participants, it was affirmed that the FASF establish the “International Affairs Group” to support the activities of the committee.

The group is supposed to take concrete actions, which includes those aimed at successfully convening the upcoming 2nd AOSSG meeting in Tokyo as well as the promotion of accounting-related relationship among Asian-Oceanian region including those with China and India.

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

After the short brief of recent regulatory developments in accounting standards, discussion was held as to the US SEC’s statement regarding the potential application of IFRSs to US issuers. In addition, the committee discussed the initiatives towards IFRSs implementation in Japan, taking account of the constitution review of the IASCF and the activities of the “IFRS Practice Group” established within the ASBJ.

(3) Current issues in accounting standards

The recent IASB’s developments relating to the financial statement presentation

project (including the introduction of the cohesive principle and the direct method cash flow statements) and the re-exposure draft proposing amendments to non-financial liabilities were outlined. Upon the introduction, views were exchanged among members as to how to effectively send views from Japanese constituents to the IASB, including the possibility of formulating consolidated messages among Japanese stakeholders and their overseas' counterparts.

(4) Establishment of the Council on Accounting of Unlisted Companies

It was introduced that the Council on Accounting of Unlisted Companies was established and its first meeting was convened.