

December 26, 2008

ASBJ completes the short-term projects in the Tokyo Agreement

The Accounting Standards Board of Japan (ASBJ) is steadily working on initiatives toward international convergence to high quality accounting standards, in accordance with the Tokyo Agreement with the International Accounting Standards Board in August 2008 and the Project Plan issued in December 2007 and updated in September 2008 based on the Tokyo Agreement.

Accounting standards for business combinations and related implementation guidance issued today are the last item of the short-term convergence projects which are scheduled to be completed by the end of this year in accordance with the Tokyo Agreement and the Project Plan.

Commenting on today's announcement, Mr. Ikuo Nishikawa, Chairman of ASBJ, said:

“We thank for cooperation which our constituents provided so as to issue the accounting standards for business combinations and related implementation guidance as scheduled.

In December 2008, the European Commission announced that the Japanese GAAPs (Generally Accepted Accounting Principles), together with the US GAAPs, were found to be equivalent to International Financial Reporting Standards (IFRSs) as adopted by the European Union. In this connection, we also thank our constituents including those who have conducted the long-running negotiation with the European regulators for their efforts.

In 2009, the ASBJ plans to focus mainly on the items of the medium-term and the medium to long-term convergence projects in order to accelerate the convergence of the accounting standards in response to globalization of financial and capital markets, while we will keep monitoring the discussion regarding potential use of IFRSs by Japanese companies in Japan.

We humbly request your continued support.”