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**FOR IMMEDIATE RELEASE**

**The Financial Accounting Standards Board and the China Accounting Standards Committee Sign Memorandum of Understanding**

**Norwalk, CT, April 28, 2008**—The Financial Accounting Standards Board (FASB) and the China Accounting Standards Committee (CASC) have issued a Memorandum of Understanding (MOU) articulating their commitment to strengthen cooperation and communication between the two standards-setting organizations. FASB Chairman Robert Herz and Liu Yuting, member of the CASC and Director-General of the Accounting Regulatory Department of the Ministry of Finance, signed the MOU at an April 18th meeting held at the FASB headquarters in Norwalk, Connecticut.

Attended by members and staff representing both the FASB and the CASC, the meeting was intended to facilitate dialogue between the U.S. and China on how the countries can work together on issues pertaining to international convergence of accounting standards. As a result of the meeting, the organizations expressed the following in the MOU:

- The FASB and the CASC will enhance communication and improve understanding in terms of technical issues to facilitate economic interaction between the two countries;
- The FASB and the CASC will facilitate the exchange of experience of accounting standard setting, implementation, and international convergence between the two countries, including inviting each other to significant accounting standards seminars, reciprocal visits, etc.; and
- The FASB and the CASC will strive to exchange opinions regularly and build the technical foundation for sharing views on convergence of accounting standards. Accordingly, the CASC will send staff to work at the FASB on a regular basis to research U.S. GAAP and FASB's convergence efforts with International Financial Reporting Standards (IFRS). FASB Board members and staff will also visit the CASC to understand

implementation of Chinese accounting standards and its international convergence efforts.

“The Memorandum of Understanding signed by FASB and CASC represents our shared interest in moving to a common set of high-quality, global accounting standards, a goal that will ultimately facilitate economic relations between the U.S. and China,” stated Chairman Herz. “We look forward to continuing our dialogue with CASC, and to work with our counterparts in China to make international convergence of accounting standards a reality.”

### **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](http://www.fasb.org).

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