



U.S. Securities and Exchange Commission

SEC Soliciting Public Comment on Role of IFRS in the U.S.

FOR IMMEDIATE RELEASE
2007-145

Washington, D.C., July 25, 2007 - The Securities and Exchange Commission today voted unanimously to publish a Concept Release for public comment on allowing U.S. issuers, including investment companies, to prepare their financial statements using International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board.

Under the SEC's current rules, U.S. issuers are required to prepare financial statements in accordance with accounting principles that are generally accepted in the United States (U.S. GAAP). The Concept Release is an information-seeking document that describes the policy issues and, in the form of questions, seeks public input regarding the possibility of allowing U.S. issuers to report under IFRS.

"Having a set of globally accepted accounting standards is critical to the rapidly accelerating global integration of the world's capital markets," said SEC Chairman Christopher Cox. "Today nearly 100 countries require or allow the use of International Financial Reporting Standards. Through this Concept Release, we will be soliciting public comment on the role of International Financial Accounting Standards in the U.S. capital markets and on whether U.S. companies, like many of their competitors around the world, should be permitted to use International Financial Accounting Standards."

Conrad Hewitt, SEC Chief Accountant, said, "I think it is the appropriate time for the Commission to ask investors, issuers, auditors and other market participants to provide their views on the concept of U.S. issuers using IFRS in preparing their financial statements. We have gotten to this point by virtue of the work of both the Commission and many other parties over the years to reduce disparity within the accounting and disclosure practices of the U.S. and other countries, work that will continue."

John W. White, Director of the Commission's Division of Corporation Finance, said, "Last month, the Commission proposed to eliminate the requirement that foreign private issuers using IFRS reconcile their financial statements to U.S. GAAP. Today, the Commission addressed a more far-reaching prospect - the possible choice by U.S. issuers to use IFRS instead of U.S. GAAP in their financial reporting. As nearly 100 countries require or allow the use of IFRS, investors, U.S. issuers, and other market participants must all carefully consider the ramifications of this prospect and we welcome their

comments."

The comment period extends for 90 days after the Concept Release is published in the Federal Register.

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Additional materials:

Video of SEC Chairman Christopher Cox's statement on the role of IFRS in the U.S. at the SEC's Open Meeting on July 25, 2007:

▶ [Windows Media Player](#) (15 MB)

▶ [QuickTime](#) (16 MB)

<http://www.sec.gov/news/press/2007/2007-145.htm>

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