

London Corporate Accountability Conference IFRS and Current Financial Reporting Issues

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Agenda

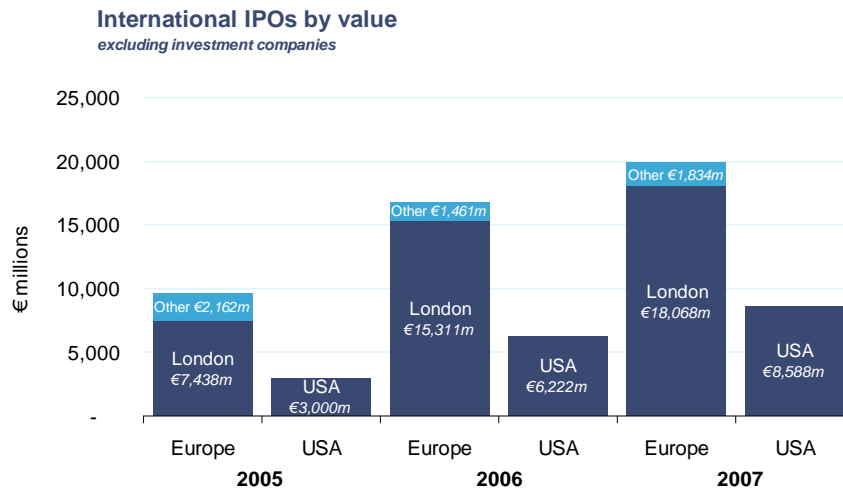
- 1 The adoption of IFRS by Capital Markets
- 2 Trends in where international companies are looking to list
- 3 Why international companies IPO outside of their territory – is IFRS a factor?
- 4 Recent regulatory initiatives in the EU and US to make cross border IPOs easier
- 5 Competition from other emerging markets

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The adoption of IFRS by Capital Markets

2001	IASB formed
2005	EU requires all EU listed companies to adopt IFRS
2007	US permits FPIs to use IFRS without a reconciliation to US GAAP
2010 - 12	Canada, India, Japan and Korea, amongst others, to introduce IFRS
2012	US to introduce IFRS?

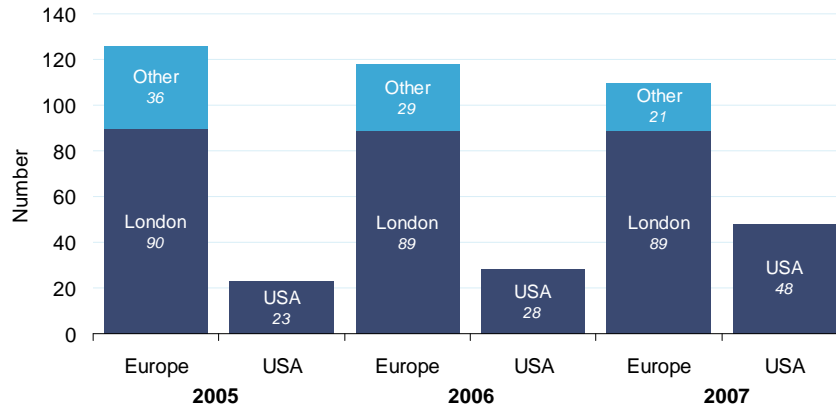
Competition for international IPOs between Europe and USA



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International IPOs by volume

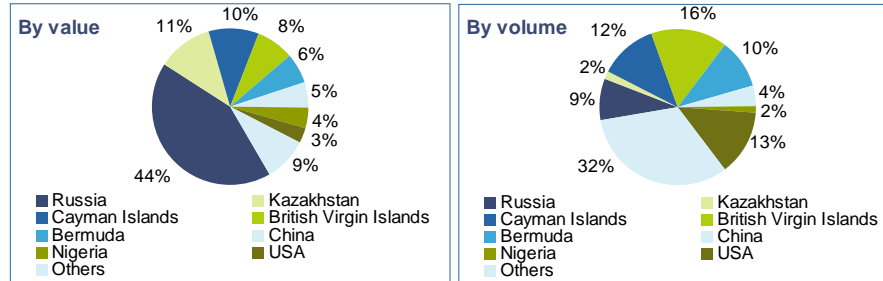
excluding investment companies



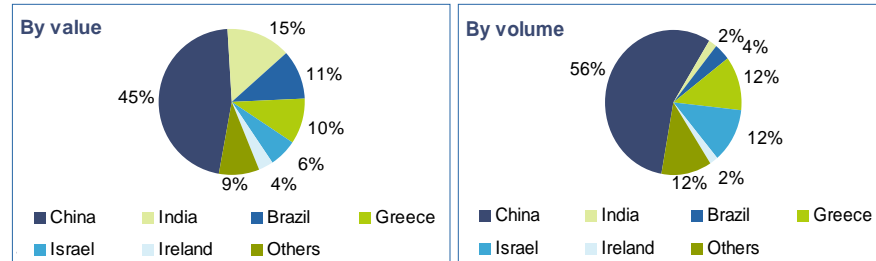
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Competition for international IPOs between Europe and USA

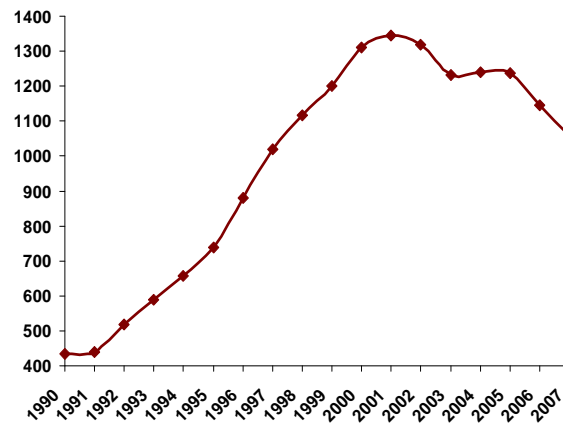
Europe: 2007



USA: 2007



Change in Number of Foreign Issuers 1990 - 2007



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Why companies seek to IPO outside of their own territory

- Access to global investors
- Springboard for international expansion
- Governance
- Principles-based regulation
- World city appeal
- Political hedge

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Regulatory trends

- IFRS convergence / GAAP equivalence
- USGAAP reconciliation dropped for Foreign Private Issuers
- Sarbanes-Oxley
- UK review of the Listing Rules
- NYSE Euronext Fast Path Listing using SEC Filings
- Regulatory arbitrage

Competition from other Emerging Markets

- Asia - Shanghai, Hong Kong, Singapore
- EMEA - Mumbai, Moscow, Dubai

WILL THE US MAKE A COMEBACK?

Thank you