

**For Immediate Release
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CSA Review Shows Issuers are Improving Disclosure on IFRS Transition

Toronto – The Canadian Securities Administrators (CSA) today published Staff Notice 52-326 *IFRS Transition Disclosure Review*, showing an improvement in the quality of disclosure by reporting issuers on their upcoming transition to International Financial Reporting Standards (IFRS), as provided in their 2009 annual Management's Discussion & Analysis (MD&A).

The disclosure of a reporting issuer's preparation for the transition to IFRS is a key focus for investors when evaluating the readiness of a reporting issuer and the impact that IFRS adoption may have on its business activities and financial reporting. IFRS comes into effect in Canada on January 1, 2011.

“The CSA's review revealed that reporting issuers have enhanced the quality and amount of disclosure related to the changeover to IFRS, but more improvements should be made,” said Jean St-Gelais, Chair of the CSA and President and Chief Executive Officer of the Autorité des marchés financiers (Québec). “We expect reporting issuers to continue to provide investors with disclosure that is increasingly robust and complete, as the 2011 transition is quickly approaching.”

The purpose of the Notice is to summarize the results of the review and provide further guidance for reporting issuers preparing MD&A disclosure. The review found, among other things:

- 95 per cent of reporting issuers reviewed disclosed their IFRS changeover plan in their 2009 MD&A;
- 60 per cent of reporting issuers reviewed described milestones and anticipated timelines associated with key elements of their changeover plan; and
- 82 per cent of reporting issuers reviewed identified significant accounting policy differences between the current Canadian GAAP and IFRS. Even so, many reporting issuers could improve their discussion of accounting differences to help investors understand the implications of the IFRS transition that is specific to the issuer.

The CSA review accounts only for disclosure of reporting issuers' IFRS transition efforts, and does not examine the actual preparedness of an issuer. Guidance on IFRS transition disclosure was provided on May 9, 2008, in CSA Staff Notice 52-320 *Disclosure of Expected Changes in Accounting Policies Relating to Changeover to International Financial Reporting Standards*.

Reporting issuers that provide sufficient information about their conversion process and its effects prior to the changeover to IFRS will assist in reducing investor uncertainty as Canada transitions to IFRS in 2011.

Copies of the Notice are available on the websites of CSA members. The CSA, the council of the securities regulators of Canada's provinces and territories, co-ordinates and harmonizes regulation for the Canadian capital markets.

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