



For Immediate Release

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**KPMG ESTABLISHES IFRS INSTITUTE TO FOSTER SMOOTH ADOPTION IN THE
UNITED STATES OF INTERNATIONAL FINANCIAL REPORTING STANDARDS**

*KPMG Seeks to Initiate Stakeholder Dialogue
Around Global Accounting Model*

NEW YORK, APRIL 22 – KPMG LLP, the audit, tax and advisory firm, today announced the establishment of the KPMG IFRS Institute to raise awareness and address the information needs of companies, investors, academics and others who may be affected by a transition by U.S. companies to International Financial Reporting Standards (IFRS).

“As companies expand their reach and economies globalize, the ability to compare financial statements across borders has become imperative. The question about whether the world is going to global standards is no longer ‘if,’ but ‘when,’” said Timothy P. Flynn, KPMG LLP chairman and CEO.

The Securities and Exchange Commission (SEC) is expected to issue a rule proposal in the next few weeks outlining the manner, timing, and eligibility for some U.S. public companies to transition from U.S. Generally Accepted Accounting Principles (GAAP) to IFRS.

“We believe a single set of accounting standards used globally will benefit both companies and investors,” Flynn said. “But it is a complex undertaking. As a leading provider of IFRS conversion services outside the United States, we are well aware of the many issues that need to be addressed to enable a graceful transition.

“The KPMG IFRS Institute will increase awareness about IFRS and give a voice to each participant in the financial reporting process,” he added.

The Institute will hold its inaugural IFRS Web cast on May 1, 2008. It will be hosted by KPMG partner Janice Patrisso, who has been named director of the IFRS Institute. Other participants will include Sam Ranzilla, KPMG partner and head of the U.S. firm’s professional practice department; Mary Tokar, KPMG partner and head of the KPMG International Financial Reporting Group; and Tricia O’Malley, director of Implementation Activities, and former board member, of the International Accounting Standards Board (IASB).

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Cross-Section of Members

Flynn said that KPMG expects the IFRS Institute to attract a broad cross-section of members from companies, audit committees, shareholders, accounting professionals, academia, regulators, rating agencies and others who will need to be familiar with the preparation of financial statements using IFRS and potential implications of conversion.

The SEC has already approved a change in its rules such that foreign private issuers using IFRS as issued by the IASB are no longer required to reconcile their financial statements with U.S. GAAP. The rule applies to financial statements for years ended on or after Nov. 15, 2007, and became effective with financial statements filed on or after March 4, 2008.

“Today, IFRS or a variant is used in more than 100 countries, and most European Union-listed companies are required to use the new reporting standards. Some large U.S. multinationals are already familiar with IFRS, but the majority of U.S. companies are not,” Flynn noted.

Flynn said that the IFRS Institute will be an open forum, interacting with its members and engaged in a variety of activities to facilitate knowledge sharing, exchange leading practices and help promote consistency in the application of IFRS.

In addition to serving as director of the IFRS Institute, Patrisso will lead KPMG’s national project management office to coordinate the firm’s activities and resources related to IFRS.

“By serving in a dual role, Janice will help ensure we are leveraging KPMG’s experience and knowledge around IFRS both internally and externally as U.S. companies consider the implications of making this transition,” Flynn said.

KPMG IFRS Institute Programs

The initiatives planned and under way for the IFRS Institute include:

- Web-based video casts and pod casts to update IFRS Institute members on key developments, critical issues and opportunities associated with IFRS adoption;
- Regular series of IFRS Institute surveys that tap into the Institute’s membership and reflect a timely perspective on IFRS issues from a cross-section of stakeholders;
- IFRS Institute roundtables to facilitate the exchange of ideas and provide a forum for discussion about the application of IFRS in practice;
- Share forums and conferences in which stakeholders in the IFRS transition process, including investors, can participate in an active dialogue and also share leading practices;

- Educational seminars and e-learning programs;
- Publications that explore accounting developments and emerging issues related to IFRS.

Enabling an Orderly Transition to IFRS

“The decision to establish the IFRS Institute comes from our recognition that U.S. companies will need to assess the implications of conversion from two perspectives,” Patrisso said. “First, they must ensure they are prepared to respond to any regulatory mandates regarding IFRS. Second, depending on the transition approach ultimately approved by the SEC, they must consider whether to adopt IFRS to help ensure comparability and competitiveness with peer companies globally who are already using IFRS.

“To enable an orderly transition to IFRS, auditors and registrants will need to be trained in the standards, audit committee members will need to understand how to address the implications of these reporting standards on their companies’ financial statements, and academia will need to adapt its curricula to educate the students of today, who will be the CFOs and auditors of tomorrow,” Patrisso said.

KPMG recently hosted the first two of three Faculty Forum Web casts. The Web casts are aimed at providing an overview to university faculty members of IFRS, its use in the world capital markets, U.S. adoption, and its impact on academia. The hosts of the Web casts were Paul Munter, an audit partner in KPMG’s department of professional practice, and Manny Fernandez, an audit partner and KPMG’s national managing partner of university relations and recruiting.

“Most importantly, investors will need to be able to comprehend the new financial reporting product that will result,” Patrisso said. “KPMG’s member firms internationally have supported numerous IFRS conversions with major clients in early-adoption areas such as Europe, Australia and South Africa. From that experience we know that IFRS is more than an accounting exercise. Companies will need to assess how the new reporting standards affect their business, systems, processes and internal controls, and people.”

“As a Big Four firm, we play a crucial role in the capital markets and the investor is at the center of everything we do,” Flynn said. “Whether the accounting standard is U.S. GAAP or IFRS, it’s our job to carry out a financial statement audit so that the financial statements are reliable, relevant, comprehensive, and will facilitate economic decisions of investors. We can also help our non-audit clients to develop and implement a comprehensive transition plan.

“There is strong demand today for quality and integrity in financial reporting. When there is a uniform language for all, the investors will benefit from consistency and clarity in connection with reports from all over the world,” he said.

KPMG’s Knowledge Institutes

KPMG has previously established knowledge institutes aimed at helping promote dialogue, sharing knowledge and solving business issues among various stakeholders. These include:

- KPMG’s Audit Committee Institute (ACI), created in 1999, is dedicated to assisting audit committees and senior management in meeting their ability to address the changes in expectations for audit committee members and helping them to implement effective audit committee processes.
- The 404 Institute, established in 2004 to help improve the quality and integrity of the financial reporting process.
- The Tax Governance Institute (TGI), established by KPMG to create an open forum for exploring and debating key aspects of tax risk oversight and management.
- The Global Energy Institute (GEI), which provides a forum for executives to share knowledge, gain insights, and access thought leadership about key oil and gas or power and utilities issues and emerging trends.
- The Global Enterprise Institute, developed for Mid Market companies going global or preparing to do business outside the United States.

KPMG IFRS Institute Inaugural Web Cast

The IFRS Institute’s first Web cast, “IFRS: Insights on Adoption and Potential Impact in the U.S.,” will provide perspective on the benefits and challenges of IFRS implementation, critical success factors involved in planning a conversion, and advantages to adopting the new standard. It will be held May 1 from 11:00 a.m. – 12:00 p.m. EDT.

KPMG has established a members-only Web site for the new Institute. To access the Web site, or to register for the Web cast, click on www.kpmgifrsinstitute.com.

Janice D. Patrisso Bio

Janice Patrisso is a KPMG partner with 26 years of extensive experience in audit and advisory services.

Patrisso joined KPMG in 1982, and later served a three-year rotation in the department of professional practice. In 1996, she was admitted to the partnership and has provided audit and advisory services to both public and private organizations. She has also served as a Sarbanes-Oxley resource partner, and, for more than 20 years, has been a national instructor for the firm. Recently she has been the Northeast area risk management partner, overseeing advisory services.

A resident of Montville, N.J., she earned a Bachelor of Science degree in accounting at Seton Hall University, graduating magna cum laude. She has long supported KPMG's recruiting efforts at the university and, in 1998, was named Alumna of the Year by the Beta Alpha Psi chapter at Seton Hall.

About KPMG LLP

KPMG LLP, the audit, tax and advisory firm (www.us.kpmg.com), is the U.S. member firm of KPMG International. KPMG International's member firms have 123,000 professionals, including more than 7,100 partners, in 145 countries.