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PRESS RELEASE

European Insurance CFO Forum Market Consistent Embedded Value Principles©

CFO Forum agrees to review impact of market conditions on MCEV Principles©

In response to the current dislocated market conditions, the CFO Forum members are working collaboratively on the application of the Market Consistent Embedded Value (MCEV) Principles © to address the notion of market consistency in the current turmoil.

The CFO Forum remains committed to MCEV and the Principles published in July 2008. However, the MCEV Principles were designed during a period of relatively stable market conditions and their application could, in turbulent markets, lead to misleading results. The CFO Forum has therefore agreed to conduct a review of the impact of turbulent market conditions on the MCEV Principles, the result of which may lead to changes to the published MCEV Principles or the issuance of guidance.

The particular areas under review include implied volatilities, the cost of non-hedgeable risks, the use of swap rates as a proxy for risk-free rates and the effect of liquidity premia.

Notes for editors:

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About the CFO Forum and its work:

The CFO Forum is a high-level discussion group formed and attended by the Chief Financial Officers of major European insurance companies (AEGON, Allianz, Aviva, AXA, BNP Paribas, CNP, Fortis, Generali, Hannover Re, If P&C, ING, Legal & General Group, Mapfre, Munich Re, Old Mutual, Prudential, Scottish Widows, Standard Life, Swiss Re, Zurich Financial Services). Its aim is to discuss issues relating to financial reporting developments for their businesses and how they can create greater transparency for investors. The CFO Forum was created in 2002.

More information on the CFO Forum, its Market Consistent Embedded Value Principles© and the Elaborated Principles for an IFRS Phase II Insurance Accounting are available at www.cfoforum.nl.