



Hans Hoogervorst Esq
Chairman
International Accounting Standards Board
30 Cannon Street
London
EC4M 6XH

15 November 2012

Dear Mr. Hoogervorst,

Post-implementation review: IFRS 8 Operating Segments

This letter has been drafted by the European Insurance CFO Forum, a body representing the views of 20 of Europe's largest insurance companies. Accordingly it represents the consensus view of a significant element of the European insurance industry.

Thank you for providing us with the opportunity to comment on our experience of implementing IFRS 8 Operating Segments.

We support IFRS 8 and its principle of presenting and reporting segments from management's perspective as we believe it is a positive improvement in the disclosure of segmental analysis compared to that required under its predecessor, IAS 14.

In our experience the implementation of IFRS 8 has not resulted in significant additional costs, as existing systems have been generally able to provide the required information. In implementing IFRS 8, we have found that it represented an evolution rather than a revolution in terms of the nature and scope of the segmental information reported. In some cases this is because the information previously reported under IAS 14 was already similar to the information received by chief operating decision makers.

The number of segments and scope of information reported by members continues to evolve as do our members' management structures, and consequently management information, in the normal course of business. The ability under IFRS 8 for segmental disclosures to reflect this change is a positive feature.

For some members, it is useful to continue to present secondary segmental information, where this is reported to the chief operating decision maker. These companies have found that they are able to provide this useful secondary segmental information under the IFRS 8. For example, for insurance businesses which operate in different countries and sell products with significantly different economic features, analysis by both geography and product type (e.g. life and non-life) may, in these circumstances, be useful to the users of our financial statements.

Some of our members' segmental information also contains non-GAAP measures of financial performance and position which are outside the scope of the IFRS financial statements. These include insurance industry measures, such as embedded values, as well as entity specific measures of capital and profit generation which are utilised by these members' chief operating decision makers. Other members provide non-GAAP

performance indicators as supplementary information to investors outside of the IFRS financial statements. We do not believe that the provision of this non-GAAP information indicates a weakness in IFRS 8. These measures are provided in addition to the IFRS financial statements, and provide useful additional information in communicating how the chief operating decision maker monitors the performance of the business to the company's investors.

We would be happy to discuss this in further detail with you and the staff. Please feel free to contact me if you wish to discuss the matters covered in this letter.

Yours sincerely,



Oliver Bäte

Chair,

European Insurance CFO Forum