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20 March 2012

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

Dear Sir,

Response to the IASB Exposure Draft ED/2011/7: Transition Guidance (proposed amendments to IFRS 10).

This letter sets out the response from AMP Limited (AMP) to the International Accounting Standards Board's (IASB's) Exposure Draft ED/2011/7 *Transition Guidance (proposed amendments to IFRS 10)* (the ED) dated December 2011.

AMP is supportive of the improvements proposed in the ED. In particular, AMP supports:

- The transition relief for cases where the consolidation conclusion would be the same under IAS 27/SIC-12 and IFRS 10 at the date IFRS 10 is applied for the first time; and
- The transition relief for cases where an investor has disposed of all, or a portion, of its interest in an investee during a comparative period such that consolidation would not occur under IAS 27/SIC-12 but it might have occurred under IFRS 10 until the date of disposal.

For clarity, we recommend that the references to "that date" included in paragraph C4 and C5 be changed to "the date of initial application". We believe that this is the intended interpretation, however, "that date" could also be interpreted as the date the investor gained or lost control or the beginning of the earliest comparative period.

The Appendix to this letter sets out our responses to the specific questions for respondents included in the ED.

About AMP

AMP is a leading Australian and New Zealand wealth management company, with a retail banking business in Australia and a growing international investment management business. The company merged with the Australian and New Zealand businesses of AXA Asia Pacific Holdings Limited in March 2011. AMP Limited is dual-listed on both the Australian and New Zealand stock exchanges.

Further discussion

AMP would like to thank the IASB for this opportunity to provide input on the changes proposed in the ED. We would appreciate any further opportunity to assist the IASB in further developing its final standard.

Please do not hesitate to contact Graham Duff on +61 2 9257 6784 or graham_duff@amp.com.au or myself if you would like to discuss any of the matters in this document.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Simon Hoole', written in a cursive style.

Simon Hoole
Finance Director

Cc: Kevin Stevenson, Chairman – Australian Accounting Standards Board

Appendix – Detailed responses to IASB’s specific request for comments on Consolidation Transition ED

Question 1: *The Board proposed to clarify the ‘date of initial application’ in IFRS 10. The date of initial application for IFRS 10 would be ‘the beginning of the annual reporting period in which IFRS 10 is applied for the first time’. The Board also proposes to make editorial amendments to paragraphs C4 and C5 of IFRS 10 to clarify how an investor shall adjust comparative period(s) retrospectively if the consolidation conclusion reached at the date of initial application is different under IAS 27/SIC-12 and IFRS 10.*

Do you agree with the amendments proposed? Why or why not? if not, what alternative do you propose?

We agree with the amendments proposed in regards to clarifying the date of initial application. However, for clarity, we recommend that the references to “that date” in paragraph C4 and C5 be replaced with “the date of initial application”.

We understand “*that date*” as referring to ‘the date of initial application’. While this would appear to be the most sensible interpretation, it would be also possible to interpret “that date” to mean the date when the investor gained or lost control, or the beginning of the earliest comparative period.

Question 2: *the Board proposed to amend paragraph C3 of IFRS 10 to clarify that an entity is not required to make adjustments to the previous accounting for its involvement with entities if the consolidation conclusion reached at the date of initial application is the same under IAS 27/SIC-12 and IFRS 10. As a result, the Board confirms that relief from retrospective application of IFRS 10 would apply to an investor’s interest in investees that were disposed of during a comparative period such that consolidation would not occur under either IAS 27/SIC-12 or IFRs 10 at the date of initial application.*

Do you agree with the amendments proposed? Why or why not? If not, what alternative do you propose?

We agree with the amendments proposed. In our view, the restatement of comparative information for investments in entities which were disposed of prior to the commencement of the current period is unlikely to benefit users.