

Mr Bruce Mackenzie
IFRS Interpretations Committee Chair

Columbus Building
7 Westferry Circus, Canary Wharf
London E14 4HD
United Kingdom

Levallois-Perret, 9 September 2026

Re: Tentative Agenda Decision - Labels of Subtotals (IFRS 18)

Dear Bruce,

Forvis Mazars welcomes the opportunity to comment on the above-mentioned IFRS Interpretations Committee Tentative Agenda Decision, published in the June 2026 IFRIC Update.

We agree with the Committee's conclusion that the assessment should focus on whether a subtotal presented on the face of the profit or loss statement or a management-defined performance measure is labelled in a manner that faithfully represents its content and does not mislead users.

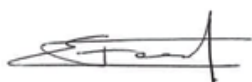
We agree that the requirements in paragraph 43 of IFRS 18 remain the key safeguard when assessing the appropriateness/potential ambiguity of labels used for subtotals and management-defined performance measures. In particular, we agree with the Committee's observation that the clarification of the meaning of such labels can be achieved through descriptions and explanations in the notes.

We understand that the agenda decision confirms that IFRS 18 requires the same principles to be applied regardless of whether a subtotal meeting the definition of a management-defined performance measure is presented on the face of the statement(s) of financial performance or only disclosed in the note required by paragraph 122 of IFRS 18.

We agree that the focus should remain on whether the label provides a faithful representation and is not misleading. In this regard, a label such as "Operating profit", or "Profit from operations" may be misleading if the measure does not correspond to the IFRS-defined operating profit subtotal. By contrast, labels such as "Adjusted operating profit" or "Core operating profit" appear better suited to distinguish management-defined measures from IFRS-defined subtotals and are consistent with the Illustrative Examples (IE8) accompanying IFRS 18. We believe that referring to such examples in the agenda decision would provide useful guidance on labels that are unlikely to be misleading.

Should you have any questions regarding our comments on the Tentative Agenda Decision, please do not hesitate to contact me (+33 6 62 99 57 81).

Yours sincerely,



Edouard Fossat

Corporate Financial Reporting