All institutions · 1 Jan 2027

IFRS 18, a new presentation of profit or loss

IFRS 18 replaces IAS 1 for reporting periods beginning on or after 1 January 2027. The income statement is reorganised into categories, with new subtotals. The way profit is measured does not change; the way it is presented does.

APPLICATION DATE	WHO REQUIRES IT	WHO YOU ANSWER TO	NATURE OF THE REQUIREMENT
1 Jan 2027	IASB, standard endorsed by the European Union	Statutory auditors	Accounting standards

INSTITUTIONS CONCERNED

- **Large banking group** (solid)
- Mid-sized bank (dashed)
- Specialised finance (dashed)
- Private bank (dashed)
- Asset manager (dashed)
- Insurer (dashed)
- Mutual and protection insurer (dashed)
- Public financial institution (dashed)

Solid: concerned. Dashed: depending on status or activity.

MILESTONES

The timeline of the text.

9 Apr 2024 — Standard issued by the IASB

13 Feb 2026 — Endorsement by the European Union, Regulation 2026/338

1 Jan 2027 — Application, comparatives restated

Sep 2027 — FINREP adapted to IFRS 18, reference date

IN DETAIL

What is changing.

The new income statement

THREE CATEGORIES, TWO NEW SUBTOTALS

- **Operating**
- Operating profit — NEW SUBTOTAL
- **Investing**
- Profit before financing and income taxes — NEW SUBTOTAL
- **Financing**
- **Income taxes**
- **Discontinued operations**

FOR A BANK

Income and expenses from financing customers remain classified as operating.

IN THE NOTES

Management must explain its own performance measures.

COMPARATIVES

The previous period is restated under the new presentation.

Profit or loss

The standard, endorsed by the European Union on 13 February 2026 (Regulation 2026/338), reorganises the income statement into categories (operating, investing, financing), creates new subtotals and requires management-defined performance measures to be explained in the notes. Comparatives must be restated.

For prudential reporting, FINREP adapted to IFRS 18 only applies from the end-September 2027 reference date. Until then, the ECB lets institutions report under either IAS 1 or IFRS 18. In France, the Banque de France schedules the corresponding taxonomy releases on eSurfi.

OUR VIEW

If the new presentation is produced through manual adjustments at closing, it will be costly every quarter and hard to audit. The categories should be carried by the accounting schemes and analysis axes, from the moment the entry is generated.

OUR PERSPECTIVE ON IFRS 18→

WHAT WE DO

Impact assessment on accounting schemes and reports, adaptation of accounting engine rules, reconciliation of both presentations during the transition.

IFRS 18 · FINREP · Accounting schemes

ACCOUNTING INTERPRETATION→

FURTHER READING

Official sources.

European Commission, International Accounting Standards Regulation	https://finance.ec.europa.eu/regulation-and-supervision/financial-services-legislation/implementing-and-delegated-acts/international-accounting-standards-regulation_en
EUR-Lex, Regulation (EU) 2026/338	https://eur-lex.europa.eu/eli/reg/2026/338/oj
ECB Banking Supervision, press release of 15 October 2026	https://www.bankingsupervision.europa.eu/press/pr/date/2026/html/ssm.pr261015~9c7bd1ee8e.en.html
EBA, opinion on IFRS 18	https://eba.europa.eu/publications-and-media/press-releases/eba-issues-opinion-implementation-ifrs-18-supervisory-financial-reporting-support-consistency-ifrs

Links checked on 23 November 2026.