1095 Avenue of the Americas
New York, NY 10036

Ms. Susan M. Cosper
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

July 6, 2015

Re: Exposure Draft - Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments
File Reference No. 2015-260

Dear Ms. Cosper:

MetLife, Inc. ("MetLife" or "we") appreciates the opportunity to provide comments on the FASB’s Exposure Draft, Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments (the "Exposure Draft"). MetLife is a leading global provider of insurance, annuities and employee benefit programs. Through its subsidiaries and affiliates, MetLife holds leading market positions in the United States, Japan, Latin America, Asia, Europe and the Middle East.

MetLife commends the Board on its efforts to simplify the accounting for adjustments made to provisional amounts recognized in a business combination. We support the changes proposed in the Exposure Draft, specifically to recognize adjustments to provisional amounts, including other income effects as a result of changes made to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amount is determined. This would be an improvement to the current accounting, which requires an acquirer to retrospectively adjust provisional amounts recognized in a business combination during the measurement period and revise comparative information for prior periods presented in financial statements as needed, including making changes to depreciation, amortization, or other income effects as a result of changes made to provisional amounts.

We believe that the proposed changes meet the objectives of the Simplification Initiative and improve financial reporting. The proposed changes will reduce operational costs in connection with preparing financial statements that would otherwise require retrospective adjustments and the reduction in costs will outweigh the benefits to users of financial statements of retrospectively adjusting prior-period financial information.

The FASB observed in the proposed ASU’s Basis for Conclusions that the quality of provisional amounts has increased since the adoption of Statement 141(R) and that the effect of the financial statements of adjustments is no longer significant and as such retrospective application does not significantly improve comparative period information. Additionally, in instances in which the effect of the changes is not significant, entities generally do not adjust the comparative financial information.
Further, as the Exposure Draft adds a requirement to disclose the income statement impact, by line item, of adjustments that would have been recognized in previous periods if the adjustment to provisional amounts were recognized as of the acquisition date, effectively users will be provided with the same information that would be reflected through retrospective application. As such, we believe the proposed amendments will not reduce the relevance of the information provided for provisional amounts in a business combination.

We appreciate the opportunity to comment on the Exposure Draft and offer our perspective. If you have any questions on the contents of this letter, please do not hesitate to call me.

Sincerely,

Peter M. Carlson  
Executive Vice President and  
Chief Accounting Officer

cc: John C.R. Hele