

22 May 2018

IFRS Interpretations Committee
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Comments on the Tentative Agenda Decision Relating to
IFRS 9 *Financial Instruments* —
Classification of a particular type of dual currency bond

1. The Accounting Standards Board of Japan (the “ASBJ” or “we”) welcomes the opportunity to comment on the IFRS Interpretation Committee’s (the “Committee”) tentative agenda decision relating to IFRS 9 *Financial Instruments* — Classification of a particular type of dual currency bond in the March 2018 IFRIC Update.
2. We support the Committee’s tentative agenda decision that the Committee should not add this issue to its standard-setting agenda when the issue is viewed as one limited to the classification of a particular type of dual currency bond, as described in the submission.
3. However, we are of the view that this issue could be viewed as one related to the determination of the unit of account for financial assets in assessing the SPPI criterion. Under this view, we think the scope of this would not be limited only to a particular type of dual currency bond but more broadly to financial assets.
4. Having said that, we do not have the information to determine whether the issue, viewed more broadly, is a significant issue. Accordingly, we recommend the IASB or the Committee conduct outreach from a wider perspective to assess whether or not the issue is significant enough to undertake further standard-setting activities.
5. When this issue is viewed as one related to the determination of the unit of account for financial assets in assessing the SPPI criterion, we are of the view that the issue

is likely to go beyond the scope to be covered by the Committee and thus should be considered by the IASB.

6. We also note that some concerns were raised in our jurisdiction regarding the difference between the level of detail in this tentative agenda decision and the level of detail in the three agenda decisions related to IFRS 15 that were finalised in the March 2018 IFRIC Update. Preparers noted that the contents in agenda decisions affect practice and, accordingly, if the Committee decides to include detailed analyses in agenda decision, sufficient explanation of why such detailed analyses were included should be provided.
7. We hope our comments are helpful for the Committee's and the IASB's consideration in the future. If you have any questions, please feel free to contact us.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Yukio Ono', with a stylized flourish at the end.

Yukio Ono
Chairman

Accounting Standards Board of Japan