



Madrid, 20 March, 2013  
European Financial Reporting Advisory Group (EFRAG)  
35 Square de Meeûs  
B-1000 Brussels  
Belgium

Email: [commentletters@efrag.org](mailto:commentletters@efrag.org)

Dear Sir/Madam,

Re: EFRAG's Draft Comment Letter on the IASB's Exposure Draft 'Sale or Contribution of Assets between an investor and its Associate or Joint Venture - Proposed amendments to IFRS 10 and IAS 28'.

Repsol is very pleased to provide comments on the EFRAG's Draft Comment Letter on Exposure Draft 2012/6 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Proposed amendments to IFRS 10 and IAS 28', issued by the IASB on 13 December 2012.

Further information about the Repsol Group and its activities is available on our Website: [www.repsol.com](http://www.repsol.com).

If you would like to discuss any of the points described in this letter, please do not hesitate to contact us by e-mail to [normativacontable@repsol.com](mailto:normativacontable@repsol.com).

Thank you for your attention.

Yours sincerely,

Emilio Linares-Rivas Balius

*Accounting Policy and Compliance Manager*

**Answers to EFRAG's Draft Comment Letter on the IASB's Exposure Draft 2012/6 - 'Sale or Contribution of Assets between an investor and its Associate or Joint Venture - Proposed amendments to IFRS 10 and IAS 28'.**

We agree with the EFRAG's Draft Comment Letter regarding the need to address certain issues which are not specifically developed in the IASB's Exposure Draft 2012/6, including among others, the accounting criteria for non-monetary contributions of assets to joint operations, as defined in IFRS 11 *'Joint Arrangements'*.

However, on the assumption that there is a need to develop the concept of 'business' in IFRS 3 *'Business Combinations'*, we believe that this fact should not be an obstacle to solve the inconsistency raised between the guidance in IAS 27 *'Consolidated and Separate Financial Statements'* (as issued in 2008) and the requirements in SIC 13 *'Jointly Controlled Entities – Non-Monetary Contributions by Venturers'*, which remained when IFRS 10 *'Consolidated Financial Statements'* replaced IAS 27 and SIC 13 was withdrawn and its requirements were incorporated to IAS 28 *'Investments in Associates and Joint Venturers'* (as revised in 2011). This may be an issue to be considered, but in our opinion it should be faced by the IASB through the corresponding post-implementation review of IFRS 3.

On the other hand, we fully agree with EFRAG and IASB that the proposed amendments should be applied prospectively.