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Mr. Stig Enevoldsen  
EFRAG Chairman and CEO  
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**Management Board**

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Dear Mr. Enevoldsen,

HOCHTIEF PPP Solutions GmbH is the leading German company in the service concession infrastructure business.

We are aware that EFRAG has analyzed the IFRIC 12 interpretation for accounting for service concession business and has commented in favour of the adoption by the European Union of said interpretation.

In our view an interpretation is not the adequate way to address the presentation of our business. We believe that the importance of the service concession industry has not been sufficiently considered and hence means of an interpretation rather than an individual standard have been chosen.

An individual standard is necessary in order to give a true and fair representation of the specifics of our industry. In our opinion the currently proposed interpretation would not allow for such a true and fair interpretation. Moreover this interpretation is going to have a negative impact upon the development of the infrastructure in Europe and is harmful for our industry.

Therefore we would like to stress the importance of the development of an individual standard for the infrastructure concession industry not only in the interest of European companies engaged in this industry but also on behalf of the development of the European infrastructure itself.



Whilst a new standard is developed we would suggest to amend the current IFRIC 12 interpretation in respect to the intangible asset model by either allowing for percentage of completion accounting over the full period of any given concession or the application of fair value accounting.

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Yours Sincerely

**HOCHTIEF PPP Solutions GmbH**

Dr. Ulrich Stucke  
Managing Director

Marcus Schmidt  
Commercial Director