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IASB  
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## Hansgrohe AG's response to the IASB Exposure Draft „Leases“

Dear Sir/Madam,

Hansgrohe appreciates the opportunity to respond to the proposals set out in the Exposure Draft "Leases"

In general we think the proposed Draft is compared to the existing US GAAP version a very bureaucratic and complex exercise, a mid sized company has problems to deal with. There should remain a distinction between operating and financial lease.

To be obliged to record and recognise an asset and a liability (and here even under consideration of interests) can for some companies mean the decision against a lease.

But, if this proposal will be implemented, we would agree and appreciate that short term leases <12 months may be elected on a lease-by-lease basis, not being recognized as assets and liabilities and being recognised as lease payments in the P&L over the lease term.

But in addition there should be also a materiality border on a lease-by-lease basis. For example, an exemption similar to the above mentioned for short term lease proposal should be made for single items with small values under e.g. 1000 USD or an even higher value!

Sincerely yours,

Udo Kraus  
Head of Controlling and Accounting  
Hansgrohe AG