



LIBERTY GLOBAL

June 15, 2015

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

File Reference No: 2015-240
Proposed Accounting Standards Update, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*

Ladies and Gentlemen:

Liberty Global (LG) appreciates the opportunity to comment on the Proposed Accounting Standards Update, *"Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date"* (the Proposed ASU) issued Financial Accounting Standards Board (FASB).

As a telecommunications provider with over 27 million customers and operations in 14 countries, we anticipate significant challenges in adopting Topic 606. LG thanks the Board for recognizing the significant challenges stemming from the planned adoption of Topic 606, and we support at least a one-year deferral of the effective date of Topic 606 as provided for within the Proposed ASU.

However, based on our internal assessment and our work with other industry groups and share forums, we believe that a further deferral of the standard is warranted. We have identified a number of accounting implications from Topic 606 that will result in significant divergence between accounting inputs received from our billing platforms and revenue recognized during a given period. The significant divergence results in the need to develop or acquire software to act as middleware between the various billing platforms within each of our countries and our accounting and financial reporting systems. Significant lead time is required for us to adopt new software systems of this scale to ensure that proper internal controls remain in place over our financial reporting process, especially given that software vendors have communicated that their software solutions will likely not be available until mid-2016.



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Additionally, although we have documented the implications of Topic 606 on our accounting policies, we are still in the process of aligning our views with industry task forces and working groups to ensure uniform application of Topic 606 with other telecommunications providers. Given the multiple layers of review in these processes, alignment between telecommunications providers and other stakeholders is progressing slower than expected and we do not expect to finalize our view on the accounting impacts of Topic 606 until mid-2016.

Lastly, we are concerned about having an appropriate amount of time to analyze, document and implement any additional changes coming out of the Transition Resource Group (TRG) or other constituents. As evidenced by the recent proposed changes to identifying performance obligations and licensing, there are a number of issues still being discussed by key constituents including the Financial Reporting Executive Committee, the TRG, and the AICPA revenue recognition working groups. Changes to Topic 606 that result from this review process will require additional time and effort to adopt and customize our software solutions appropriately.

Based on these considerations, we believe the effective date should be delayed to at least annual reporting periods beginning on or after January 1, 2019, with a preference for annual reporting periods beginning on or after January 1, 2020.

We appreciate the opportunity to provide you with our views on the Proposed ASU. If you have any questions regarding our comments, please contact me at 303-220-6603, Leo Stegman at 303-220-6690, or Brian Zook at 303-220-6632.

Sincerely,



Bernard G. Dvorak
Executive Vice President & Co-Chief Financial Officer

CC Leo Stegman, Managing Director, Accounting and Reporting
 Brian Zook, Vice President, Accounting Policy
 Rick Ehrman, KPMG