

3.2.1.2.28 Depreciation and Amortization of Long-Term Operating Assets

Definition

'Depreciation and Amortization of Long-Term Operating Assets' includes:

- The regular and systematic depreciation over the estimated useful life of long-term operating assets (excluding goodwill)
- Specific write-offs of long-term operating assets or other valuation adjustments (e.g. from a book value to a lower market value (impairment))
- Depreciation of raw material reserves and capitalized mining concessions

Compulsory Sub-Types of Cost

- Depreciation of PPE
The regular, systematic depreciation of operating property, plant and equipment (PPE) over its estimated useful life. The depreciation of raw material reserves is also included.
- Depreciation and amortization of other long-term operating assets
The regular, systematic depreciation and amortization of other long-term operating assets (excluding PPE), including patents, copyrights and mining concessions over its estimated useful life.
- Write-offs of PPE
The irregular write-off of operating property, plant and equipment (PPE). Also includes unusual write-offs of construction in progress and idle assets.
- Write-offs other long-term assets
The irregular write-off of other long-term operating assets including patents and copyrights and mining concessions.
- Impairment of PPE
An asset impairment arises when there is a sudden drop in the fair value of an asset below its recorded cost (net book value). This difference between the fair value and the recorded cost is booked as an impairment cost.
- Impairment of other long-term assets
An asset impairment arises when there is a sudden drop in the fair value of an asset below its recorded cost. This difference between the fair value and the recorded cost is booked as an impairment cost.
- Depreciation of Right-of-Use Assets
- Impairment of Right-of-Use Assets