

ADMISSION BOARD COMMUNIQUÉ NO. 9/2008 OF 9 OCTOBER 2008

Areas of focus for the review of 2008 financial statements

Update of Admission Board Circular No. 6 concerning International Financial Reporting Standards (IFRS)

I. 2008 ANNUAL FINANCIAL STATEMENTS

In its review of the 2008 annual financial statements, SIX Swiss Exchange intends to focus in particular on compliance with the following IFRS provisions (for users of other accepted accounting standards, the list of points applies accordingly):

A. Measurement and disclosure of financial instruments (IAS 39 / IFRS 7)

Proper determination of the fair value of financial instruments (valuation hierarchy as per IAS 39p48 ff. and IAS 39AG69-82), especially with regard to no active markets (IAS 39AG74 ff.). Transparent disclosure of the assumptions used in determining fair value for each class of financial assets and liabilities (IFRS 7p27(a)). Meaningful sensitivity analyses of the relevant market risks (IFRS 7p40).

B. Impairment of assets (IAS 36)

Proper performance of the impairment test for goodwill and other intangible assets with indefinite useful life, as well as in the case of indications that other assets may be impaired. In particular, SIX Swiss Exchange will critically scrutinise the model assumptions for their plausibility ("realistic scenario"). Compliance with the disclosure requirements, in terms of the completeness of the corresponding information in the notes regarding the impairment test of goodwill as per IAS 36p134 ff. (measurement basis, period of projection, discount rate, assumed growth rate beyond the projected period, as well as sensitivity analyses per cash-generating unit).

C. Assets and obligations relating to employee benefit plans (IAS 19)

Completeness of the disclosures pertaining to defined benefit plans. Proper treatment and disclosure of insured benefits under IAS 19p39. Recognition of actuarial gains and losses in compliance with the special requirements associated with electing to recognise them in equity as per IAS 19p93A (see also Admission Board Communiqué No. 7/2008 http://www.six-swiss-exchange.com/download/admission/regulation/notices/2008/notice_200807_en.pdf). Proper recognition of an economic benefit from a reduction in future contributions as per IFRIC 14.

D. Non-current assets held for sale and discontinued operations (IFRS 5)

Documentation of the requirements that allow a non-current asset to be classified as "held for sale". Transparent disclosure of the information necessary for investors to evaluate the financial effects of discontinued operations and the disposals of non-current assets or disposal groups (IFRS 5p30-42).

II. FUTURE AREAS OF FOCUS

In spring 2009, SIX Swiss Exchange also plans to publish in a separate Communiqué the main areas of focus for the review of 2009 semi-annual financial statements. Among other points, it is intended that the compliance with the provisions governing **operating segments (IFRS 8)** will be one of the areas of focus. The requirements of IFRS 8 differ significantly from the existing provisions on segment reporting under IAS 14. In particular, it can be assumed that IFRS 8 will lead to the identification and hence to the reporting of additional segments.

III. CONCLUDING REMARKS

It is recommended that IFRS users take note of **Admission Board Circular No. 6**, which will be updated as per 9 October 2008 (http://www.six-swiss-exchange.com/download/admission/regulation/circulars/abcircular_006_en.pdf). This Circular pertains to matters that in the past have given rise to SIX Swiss Exchange complaints.

Through its resolute enforcement of the relevant accounting standards, SIX Swiss Exchange wants to contribute to the assurance of transparency in financial reporting.

Media releases on published sanctions and agreements can be accessed at: http://www.six-swiss-exchange.com/admission/being_public/sanctions/media_releases/financial_reporting_en.html

http://www.six-swiss-exchange.com/admission/agreements/financial_reporting_en.html

In addition, anonymised full versions of sanction decisions can be accessed at:

http://www.six-swiss-exchange.com/admission/being_public/sanctions/integrated_publication/financial_reporting_en.html

IV. CONTACT PERSONS

The following individuals will be available to address any questions you may have regarding surveillance and enforcement in the area of financial reporting:

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Admission Board Communiqués can be accessed in English, German and French via the Internet at:

http://www.six-swiss-exchange.com/admission/regulation/messages/2008_en.html

