

COMMUNIQUE

■ REMINDER OF CERTAIN DISCLOSURE REQUIREMENTS ARISING FROM IFRS STANDARDS APPLICABLE TO ISSUERS OF SECURITIES SUBJECT TO THE TRANSPARENCY LAW: INFORMATION TO BE DISCLOSED IN THE FINANCIAL STATEMENTS

In its mission for ensuring that the provisions of the law of 11 January 2008 relating to the transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market (hereafter referred to as the "Transparency Law") are applied, the CSSF ensures that the information referred to in this law is drawn up in accordance with the relevant reporting framework.

Based on a sample of 146 issuers whose financial statements for the year 2010 have been prepared in accordance with International Financial Reporting Standards (IFRS), the CSSF has reviewed the compliance with certain minimum disclosure requirements regarding the following standards: IAS 1 "Presentation of Financial Statements", IAS 10 "Events after the Reporting Period" and IFRS 8 "Operating Segments".

The results of the review lead the CSSF to recall certain minimum disclosure requirements that should be included in the financial statements drawn up in accordance with IFRSs, consolidated or not, in particular regarding the requirements of the above-mentioned standards.

Thus, IFRS 8 "Operating Segments" requires entities whose debt or equity instruments are traded in a public market to disclose information regarding its operating segments as defined by the standard, and to report general and specific information about each operating segment, information about reported segment profit or loss, segment assets, segment liabilities and the basis of measurement. Furthermore, entity-wide disclosures on products and services, geographical areas and major customers should also be provided. Based on the results of the review, the CSSF noted that, for a significant number of issuers, the disclosure requirements of this standard were incomplete or missing.

Furthermore, the CSSF has noted certain breaches with regards to IAS 1 "Presentation of Financial Statements" and IAS 10 "Events after the Reporting Period" and would like to remind issuers of a certain number of disclosure requirements addressed by these standards. Hence, these standards require entities to disclose:

- information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital;
- the amount of dividends proposed or declared before the financial statements were authorised for issue but not recognised as a distribution to owners during the period, and the related amount per share; and the amount of any cumulative preference dividends not recognized;
- the date when the financial statements were authorised for issue and who gave that authorisation.

These reminders are the result of a general review of certain disclosure requirements. They should not, in any case, anticipate any results of other specific reviews carried out by the CSSF in its mission for monitoring the published financial information by issuers of securities subject to the Transparency Law.

Further information relating to the review of the CSSF, in its mission for ensuring that the provisions of article 22 (2) h) of the Transparency Law are applied, can be found in its 2010 Annual Report, which is available on its website under the heading [Publications > Annual Report](#).

Luxembourg, 29 June 2011

