



## ***Press Release***

**16 December 2002**

### **Euronext fits with the European IFRS calendar while maintaining the quality of information prevailing in the NextEconomy / Nextprime market Segments**

In the market segment rulebook, it is stipulated that companies belonging to Next Economy and Next Prime will have to prepare and publish their annual and quarterly reports for the year 2004 applying the IFRS (International Financial Reporting Standards, previously called IAS), approved by the European Commission before 31 December 2002. Alternatively, according to the rulebook, those companies can prepare those documents in accordance with their national accounting standards supplemented by a reconciliation with the approved IFRS. It is also stated in the rulebook that, should approval of the IFRS by the European Commission be delayed, those requirements will be consequently adapted.

It appears that some IFRS standards and particularly the First Time Application (FTA) standard (which proposes to companies moving to the IFRS for the first time measures and exemptions to avoid them undue costs or efforts) are still under discussion and definitive standards are not expected to be issued by the 31 December 2002 deadline.

Considering this, Euronext has decided to adapt the market segment rules concerning IFRS application and is currently working with the market regulators to set up a new calendar of applicability, while maintaining the quality label of the segments:

- either companies will already have moved to the IFRS reporting system before the financial year 2004 and in this case, they are not concerned by the proposed adaptation;
- or companies will not have moved yet to the IFRS reporting system and will be asked to disclose, at the latest in their 2<sup>nd</sup> quarterly report of the financial year 2004, information on the effects generated by the application of the IFRS on the opening balance sheet of the year 2004 and on their performance.

The obligation to publish quarterly reports as from 2004 is maintained.

Taking into consideration the outcomes of the endorsement process of the IFRS by the European Union and with the agreement of the Competent Authorities, Euronext will be able to provide additional guidance as to application of the disclosure requirement above next year.

The modification to the rulebook is still subject to approval of the relevant authorities. The modified rules will be published after this approval.