

## Press Release

Paris, 2 July 2008



### **“FINANCIAL COMMUNICATION: FRAMEWORK AND PRACTICES” a guide which adopts a pluridisciplinary approach to strategic concerns**

At the end of May 2008, the *Observatoire de la Communication Financière* (“OCF”), the French financial communication observatory, issued a publication entitled “*Cadre et Pratiques de Communication Financière*”, the very first guide which presents and analyses the principal issues concerning financial communication from a strategic perspective and in view of the legal, regulatory and, of course, accounting constraints.

Today, on the occasion of the 2008 Paris EUROPLACE international financial forum, the *Observatoire de la Communication Financière* will be launching the English version of the guide, entitled “Financial Communication: Framework and Practices” and holding a round table to discuss whether European issuers speak the same language and if fair value conveys fair communication.

Financial communication is the cornerstone of the relationship with market players and key to market transparency, and its quality is essential to the relationship of trust between issuers and investors.

Drafted by professionals, experts in their respective fields, the OCF guide aims to help issuers, financial communication professionals and company executives, to understand the new regulatory provisions applicable to listed companies while describing issuers’ usual practices in the matter.

Eliane Rouyer-Chevalier, Chairwoman of the OCF and Chairwoman of the CLIFF, adds that **“the driving force behind this guide is to establish useful points of reference for Investor Relations, to give executives of listed companies the opportunity to examine the key issues of their relationship with the markets and to participate in enhancing Paris’ reputation as a financial centre”**.

The preface to the guide is written by Gérard Rameix, Secretary General of the French stock exchange authority, the *Autorité des marchés financiers*, who describes it as a **“welcome, even long-awaited, initiative”**. The guide is divided into three main sections:

- **“General Principles of Financial Communication”** sets out a reminder of the general approach which should govern issuers’ financial communication policy,
- **“Framework for Financial Communication”** gives a practical presentation of the events and situations requiring communication which punctuate the life of a listed company,
- **“Financial Communication Practices”** describes the Investor Relations function and its relations with the various players in the financial community.

Due to its didactic approach, it also includes an index of the regulatory texts as well as an alphabetical index for ease of reference.

In line with the spirit which governed the foundation of the OCF in 2005, this guide will be made available to listed companies free of charge. An electronic version, in French and in English, is also available via the websites [www.observatoirecomfi.com](http://www.observatoirecomfi.com) and [www.nyseuronext.com](http://www.nyseuronext.com) and the OCF members' websites.

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### **The OCF**

[www.observatoirecomfi.com](http://www.observatoirecomfi.com)

*The Observatoire de la Communication Financière was founded in June 2005 to promote best practices in financial communication and to participate actively in enhancing the Paris Stock Exchange's reputation. It comprises representatives of Bredin Prat, the CLIFF (French association for investor relations), PricewaterhouseCoopers and the SFAF (French association of investment and financial professionals). Capitalising on the expertise and complementarity of each of its members, the OCF, which has benefited from the support of NYSE Euronext, has focussed its work, since its creation, on three complementary aspects:*

- **observing and analysing changes in financial communication**, which has given rise to publication of several research studies and surveys (*Impact of the Transfer to IFRS, The stakes of the Transparency Directive, Analysis of the Press Releases of the SBF120 companies, etc.*),
- **confronting the opinions of issuers and the market**, following the example of the "OCF Forums 2006" on the topic of "Stakes and Risks of the New Transparency Measures", a "Financial Communication Practices" workshop organised in July 2007 as part of the Paris Europlace international forum),
- **assisting the issuers**, by organising workshops and debates (*Comparables Model, AMF General Regulations, Cash-Flow Statement, etc.*) and by publishing reference books ("*Glossary of Financial Communication Terms*" (in French), "*Financial Communication: Framework and Practices*").

### **Bredin Prat**

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*Bredin Prat has more than ninety French, English or American lawyers and focuses on specific aspects of corporate law. It has a strong M&A practice and also advises on securities law issues. It also has renowned expertise in French and European competition law, tax, financing and litigation.*

### **The CLIFF**

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*The CLIFF, the French association for investor relations, was founded in 1987, and whose core activity is financial communication. It has more than 100 members comprising companies that account for around 80% of the Paris Stock Exchange's market value. Its aim is to contribute to improving financial communication and shareholder relations and, in particular:*

- *to foster experience sharing among its members by giving them a forum in which to consider and discuss investor relations-related topics, thus contributing to enhancing its members' professional capabilities;*

- *to relay the viewpoint of the issuers and, as a respected partner, to make recommendations to financial market players and regulatory bodies on issues concerning the organization, dissemination and ethics of financial communication.*

### **PricewaterhouseCoopers**

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*PricewaterhouseCoopers provides auditing, consulting and accountancy services to companies and organisations, both public-sector and private, with a sector-based approach and ensuring confidence and added-value for its clients and all parties involved.*

*The network comprises more than 146,000 people working in 150 countries, sharing points of view, experience and solutions to propose innovative perspectives and advice adapted to each situation. In France, PwC works in cooperation with Landwell, a law firm which is a member of the PricewaterhouseCoopers network.*

*PricewaterhouseCoopers is made up of legally autonomous and independent entities, which are members of the PricewaterhouseCoopers International Limited network, and comprises 3,800 people in 25 offices throughout France.*

### **The SFAF**

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*For more than forty years, SFAF, the French Society of Financial Analysts – gathering together investment and finance professionals - has been working to improve financial analysis techniques and to develop a high quality of financial communication.*

*SFAF accompanies the evolution of these activities and the evolution from traditional into modern activities (Mergers, Socially Responsible Investment, risks, credit, independent Financial Advice...)  
SFAF also accompanies Issuers in the organisation of their financial meetings thanks to the indispensable financial agenda.*

*The French society is also very present with Market authorities, taking part in debates regarding the improvement of the quality of financial information and the development of the role of financial analysts. SFAF also represents the profession within national, European and international institutions.*

*SFAF, through its training centre, plays a primordial role in training high level financial professionals. In particular, it offers two internationally recognised training courses granting respectively the CIIA and CIWM diplomas.*