
Group Accounting Policies

Preliminary note

The prospective statements set out in the accounting policies below reflect the views of the Alpiq Group.

Significant accounting policies

Basis of preparation of the consolidated financial statements

The consolidated financial statements of the Alpiq Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations (IFRIC) issued by the International Accounting Standards Board (IASB) and comply with Swiss law. They are designed to give a true and fair view of the financial position, results of operations and cash flows of the Alpiq Group. They have been prepared on a historical cost basis, except for certain items such as financial instruments and available-for-sale financial assets that have been measured at fair value. The consolidated financial statements were authorised for issue by the Board of Directors of the Alpiq Group on 18 February 2010 and are subject to approval by shareholders at the Annual General Meeting on 22 April 2010.

Adoption of new and revised accounting standards

The accounting policies applied are consistent with those of the previous financial year, except that the Alpiq Group has adopted the following International Financial Reporting Standards (IFRS) which became effective on 1 January 2009:

- IAS 1 rev.: Presentation of Financial Statements (1 January 2009)
- IAS 23 rev.: Borrowing Costs (1 January 2009)
- IAS 1 and IAS 32 amendments: Puttable Financial Instruments and Obligations Arising on Liquidation (1 January 2009)
- IAS 39 and IFRS 7 amendments: Disclosures on the Reclassification of Financial Assets (1 July 2008)
- IAS 39 amendments/IFRIC 9: Embedded Derivatives (1 July 2009)

- IAS 27 and IFRS 1 amendments: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (1 January 2009)
- IFRS 2 amendments: Vesting Conditions and Cancellations (1 January 2009)
- IFRS 7 amendments: Enhanced Disclosures about Financial Instruments (1 January 2009)
- IFRS 8: Operating Segments (1 January 2009)
- IFRIC 13: Customer Loyalty Programmes (1 July 2008)
- IFRIC 15: Agreements for the Construction of Real Estate (1 January 2009)
- IFRIC 16: Hedges of a Net Investment in a Foreign Operation (1 October 2008)
- IFRIC 18: Transfers of Assets from Customers (1 July 2009)

In addition to the above changes, a number of other minor amendments to standards have also been approved and adopted as mandatory by the IASB and IFRIC. The majority of these amendments became effective from 1 January 2009. Alpiq has not early adopted the new and revised standards and interpretations.

The adoption of these new rules had no material impact on the results and financial position of the Alpiq Group.

IFRS and IFRIC interpretations effective in future periods

The following new and revised standards and interpretations have been published by the IASB and IFRIC respectively and are mandatory for future accounting periods:

- IAS 27 rev.: Consolidated and Separate Financial Statements (1 July 2009)
- IAS 39 amendments: Eligible Hedge Items (1 July 2009)
- IFRS 3 rev.: Business Combinations (1 July 2009)
- IFRIC 17: Distributions of Non-cash Assets to Owners (1 July 2009)
- IFRS 2 amendments: Group Cash-settled Share-based Payment Transactions (1 January 2010)
- IFRS 1 amendments: First-time Adoption of IFRS – further simplifications (1 January 2010)
- IAS 32 amendments: Classification of Rights Issues (1 February 2010)
- IAS 24: Related Party Disclosures (1 January 2011)
- IFRS 9: Financial Instruments (1 January 2013)
- IFRIC 14: Prepayments of a Minimum Funding Requirement (1 January 2011)
- IFRIC 19: Extinguishing Financial Liabilities with Equity Instruments (1 July 2010)

Certain aspects of the standards and interpretations becoming effective in future periods require additional disclosures in the published consolidated financial statements. Adoption of the revised IFRS 3 will affect transactions completed on or after 1 January 2010. In addition, IFRS 9 – Financial Instruments, effective from 1 January 2013, will have a significant impact on the classification and measurement of financial instruments and hedge accounting. The Alpiq Group is currently evaluating the potential effects of adopting these new standards on the consolidated financial statements.

Furthermore, prior year comparatives in the consolidated income statement, statement of financial position and notes to the consolidated financial statements have been reclassified or extended, where necessary, to conform to changes in presentation in the current reporting period. Where material, notes have been provided. Changes in presentation also include changes in organisational terms.

Basis of consolidation

The consolidated financial statements of the Alpiq Group comprise the consolidated financial statements of Alpiq Holding Ltd., domiciled in Switzerland, and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All intra-group balances, transactions, income and expenses are eliminated in full.

Subsidiaries are entities that are directly or indirectly controlled by the Alpiq Group (generally accompanying a shareholding of more than 50% of the voting rights). These entities are consolidated from the date of acquisition. They are de-consolidated from the date that control ceases and, if appropriate, reported as investments in associates or financial investments up to the date of disposal.

Investments in associates in which the Alpiq Group holds minority interests and has significant influence are accounted for in the consolidated financial statements using the equity method. Jointly controlled entities (joint ventures) in the Energy segment are included in the consolidated financial statements using the same method. The Alpiq Group's share of the assets, liabilities, income and expenses of such entities is disclosed in note 11 to the consolidated financial statements.

In accordance with IAS 39, all other investments are recognised at fair value and included in non-current assets as “financial investments”.

All significant companies included in the consolidation are shown on pages 139 ff. with an indication of the consolidation method applied and other information.

Foreign currency translation

The consolidated financial statements are presented in Swiss francs, which is the Group’s functional and presentation currency. The functional currency of each entity in the Group is determined by the economic environment in which it operates. Transactions in foreign currencies are recorded in the Group entity’s functional currency at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing rate of exchange ruling at the reporting date. The resulting exchange differences are recognised in the income statement.

The assets and liabilities of subsidiaries are translated into Swiss francs at the closing rate of exchange prevailing at the reporting date. Income and expense items are translated at the weighted average exchange rates for the reporting period. The exchange differences arising on translation are recognised as a separate component of equity. On disposal of a subsidiary, the cumulative translation differences relating to that subsidiary are recognised in the income statement in the period in which the subsidiary is disposed of.

The consolidated financial statements are presented in Swiss francs. The following exchange rates were used for currency translation:

Unit	Closing rate at 31 Dec 2008	Closing rate at 31 Dec 2009	Average rate for 2008	Average rate for 2009
1 USD	1.07	1.03	1.08	1.09
1 EUR	1.485	1.484	1.587	1.510
100 CZK	5.53	5.60	6.37	5.71
100 HUF	0.56	0.55	0.63	0.54
100 NOK	15.23	17.87	19.37	17.31
100 PLN	35.75	36.15	45.35	34.94
100 RON	36.92	35.02	43.14	35.62

Intra-group transactions

Goods and services provided between entities within the Group are invoiced at contractually agreed transfer or market prices. Electricity generated by joint ventures is invoiced to the shareholders at full cost under the existing joint venture agreements.

Revenue recognition

Revenue from the sale of goods and services is recognised in the income statement when the goods or services are delivered. The Group recognises energy contracts entered into for trading purposes with the intention of profiting from short-term volatility in market prices on a net basis in revenue (net gains and losses from trading). Revenue from construction contracts is generally recognised using the percentage-of-completion method by reference to the stage of completion of the contract activity.

Income tax

Income tax is calculated on the profit for the year, as reported in the income statement, using tax rates that have been enacted by the reporting date and are applicable to the individual companies' financial statements. Income tax expense represents the sum of current and deferred income tax.

Deferred income tax is provided on temporary differences between the recognition of certain income and expense items for financial reporting and for income tax purposes. Deferred tax arising from temporary differences is calculated using the balance sheet liability method. Deferred tax is not recognised for differences associated with investments in subsidiaries, associates and interests in joint ventures that will not reverse in the foreseeable future and where the timing of the reversal is controlled by the Group.

Deferred tax assets are recognised when it is probable that they will be realised. Unrecognised tax assets are disclosed.

The effects of the recognition of temporary differences are presented in note 6 to the consolidated financial statements.

Borrowing costs

Borrowing costs are generally expensed in the period they occur. Borrowing costs directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for use are capitalised. Capitalised interest is calculated on the actual amount paid in the period from the date of acquisition or commencement of construction to the use of the asset.

Discontinued operations and non-current assets held for sale

An asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The asset must be available for immediate sale in its present condition, and the sale must be highly probable within the next 12 months. The same applies to a group of assets and associated liabilities that are to be disposed of together in a single transaction (disposal group).

The Alpiq Group measures non-current assets and disposal groups classified as held for sale at the lower of carrying amount and fair value less costs to sell. These assets or disposal groups, once classified as held for sale, are no longer depreciated or amortised. The assets and liabilities are presented separately from other Group assets and liabilities in the statement of financial position.

A component of the Group's business is classified as a discontinued operation if it represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated income statement.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and any impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful lives of each class of asset, or to the expiry date of power station licences. The useful lives of the various classes of assets range as follows:

Buildings	30 – 60 years
Land	only in case of impairment
Power generation assets	25 – 80 years
Transmission assets	15 – 40 years
Machinery, equipment and vehicles	3 – 20 years
Assets under construction	if impairment is already evident

Obligations to restore land and sites after licence expiry or decommissioning are accounted for individually in accordance with the terms of contract. Replacements and improvements are capitalised if they substantially extend the useful life, increase the capacity or substantially improve the quality of output of assets.

Costs relating to regular and major overhauls are recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Repairs, maintenance and ordinary upkeep of buildings and operating facilities are expensed as incurred.

The carrying amount of an item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected. Any gain or loss arising on disposal of the asset is recognised in the income statement.

The residual value and useful life of an asset are reviewed at least at each financial year end and adjusted, if appropriate.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition comprises the consideration given to acquire the assets, liabilities and contingent liabilities of the acquiree. The consideration is measured as the cash paid and the fair value of the assets given and liabilities incurred or assumed at the date of exchange. Acquisition cost also includes transaction costs directly attributable to the acquisition. The net assets acquired, comprising identifiable assets, liabilities and contingent liabilities, are recognised at their fair values.

Where the Group does not acquire 100% ownership, the interests of minority shareholders are recognised as a component of consolidated equity. However, minority interests over which the Alpiq Group holds options (call options) or has granted options (written put options) are only recognised as minority interests when the strike price is based on fair value. Such call options are recorded at fair value. Written put options on minority interests are recognised as a liability at the present value of the expected cash outflows.

The Group treats the acquisition of minority interests as a pure equity transaction. Any difference between the purchase consideration and net assets acquired is taken to retained earnings.

Goodwill represents the difference between the cost of acquisition and the fair value of the Group's share of the identifiable net assets acquired. Goodwill and fair value adjustments to net assets are recognised in the acquiree's assets and liabilities in that company's local currency. Goodwill is not amortised but is tested for impairment at least annually. Goodwill may also arise upon investments in associates, being the difference between the cost of investment and the Group's share of the fair value of the identifiable net assets. Such goodwill is recognised in investments in associates.

Intangible assets

Intangible assets acquired by the Group are measured on initial recognition at cost. Following initial recognition, they are carried at cost less any accumulated amortisation and impairment losses. Internally generated intangible assets are not capitalised but are expensed in the income statement in the year when the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that they may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. The useful lives of the intangible assets currently recognised range from 3 to 15 years.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The useful life of an asset is reviewed in each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment.

Energy purchase rights

Energy purchase rights are recorded as intangible assets in the statement of financial position and are tested for impairment like other intangible assets. They comprise prepayments for rights to purchase energy in the long term, including capitalised interest. These assets are amortised on a straight-line basis from the commencement of the energy purchases over the term of the contracts.

This item also includes long-term energy purchase agreements acquired in business combinations, which are subsequently identified, measured and recognised in a purchase price allocation.

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are reviewed at least annually to determine whether there is any indication of impairment. In particular, this assessment is performed when changes in circumstances or events indicate that the carrying amounts may not be recoverable. Where the carrying amount of an asset exceeds its estimated recoverable amount, the asset is written down to the value considered to be recoverable based on the estimated future discounted cash flows. The recoverable amount of intangible assets with indefinite useful lives is reviewed annually.

The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. Value in use is calculated by discounting the estimated future cash flows (discounted cash flow method). If the asset does not generate cash inflows that are independent of those from other assets, the recoverable amount of the individual asset is estimated for the cash-generating unit to which the asset belongs.

An impairment loss previously recognised for an asset is reversed in the income statement if the impairment no longer exists or has decreased. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised.

The annual impairment review is monitored centrally within the Group.

Impairment of goodwill

Goodwill is allocated to the cash-generating units to which the goodwill relates. These generally represent the identifiable regional sales, service and production activities. Goodwill is tested for impairment annually. If the recoverable amount of the cash-generating unit, i.e. the higher of the unit's fair value less costs to sell and its value in use, is less than the carrying amount, an impairment loss is recognised. The method used for testing cash-generating units for impairment is disclosed in note 10. If the value of goodwill increases again, previously recognised impairment losses are not reversed.

Investments in associates and joint ventures

An associate is an entity over which the Alpiq Group is in a position to exercise significant influence through participation in the financial and operating policy decisions of the investee and that is neither a subsidiary nor a joint venture. Where appropriate, companies may likewise be accounted for in the consolidated financial statements as associates using the equity method even if the ownership interest is less than 20%. This applies in particular where the Alpiq Group is represented in the authoritative decision-making bodies, e.g. the Board of Directors, and participates in the operating and financial policies or where market-relevant information is exchanged.

A joint venture is an entity jointly controlled by Alpiq and one or more other venturers under a contractual arrangement. Due to these circumstances, joint ventures are accounted for in the consolidated financial statements using the equity method regardless of the Group's ownership interest in them. The Alpiq Group's interests in joint ventures currently range from 9% to 60%.

The financial statements of associates and joint ventures are generally prepared using uniform accounting policies. Companies that apply different accounting standards for the preparation of their local financial statements also prepare reconciliations to IFRS.

Inventories

Inventories mainly include fuels to generate electricity and materials to produce goods and services. Fuel stocks (oil, gas and coal) comprise all directly attributable costs of acquisition. They are carried at the lower of cost, using the weighted average method, and net realisable value. Cost includes all expenditures incurred in acquiring the inventories and bringing them to their storage location.

Inventories of materials are stated at the lower of cost, calculated using the average cost method, and net realisable value. Production cost comprises all direct material and manufacturing costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Leases

In total, the Group's leases are currently immaterial.

Construction contracts

Work performed for customers under construction contracts in the Energy Services segment is recorded using the percentage-of-completion method, and the amount to be recognised as an asset is included in receivables and sales revenue. The stage of completion is measured by reference to the extent of work performed to date, i.e. according to the costs already incurred. Contract costs are recognised as expenses in the period in which they are incurred.

When the stage of completion or the outcome of contracts or groups of contracts cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Provision is made for any losses expected to be incurred on construction contracts. For contracts in progress, the revenue agreed in the contract and any subsequent variations confirmed by the customer in writing are recognised as contract revenue.

Provisions

Provisions cover all (legal or constructive) obligations arising from past transactions or events that are known at the balance sheet date and likely to be incurred, but uncertain as to timing and amount. Provisions are measured at the best estimate of the expenditure required to settle the obligation.

Provisions are recognised at an amount equal to the expected cash outflows discounted at the reporting date. Provisions are reviewed annually at the reporting date and adjusted to reflect current developments. The discount rates used are pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the liability.

Accounting for CO₂ emission allowances

In December 2004, the IASB issued IFRIC 3, an interpretation on accounting for emission allowances. IFRIC 3 was mandatory for financial years beginning on or after 1 March 2005. Subsequently, the IASB decided that IFRIC 3 should no longer be mandatory. The Alpiq Group has chosen an accounting method that appropriately reflects economic reality based on applicable IFRS standards.

Allocated CO₂ emission allowances are initially recognised at nominal value (nil value). CO₂ emission allowances purchased to meet the Group's generation requirements are recorded at cost within intangible assets on initial recognition. A liability is recognised when the CO₂ emissions exceed the emission allowances originally allocated. The liability is measured at the cost of purchased allowances up to the level of purchased allowances held. That portion exceeding the CO₂ emission allowances held is recognised at fair value at the reporting date. Changes in the liability are recorded as energy costs.

Emission allowances held for trading, for example to optimise the energy portfolio, at the reporting date are measured at fair value and recorded in inventories.

Pension schemes

The Group operates a number of pension schemes as required by law.

Swiss consolidated Group companies in the Energy segment participate in a legally independent pension scheme of the Swiss defined benefit type that meets the criteria of a defined benefit plan under IAS 19.

Employees of foreign subsidiaries in the Energy segment are generally covered by state social security schemes or separate defined contribution pension plans in accordance with national practices.

Swiss Group companies belonging to Alpiq InTec in the Energy Services segment participate in a legally independent pension scheme that is fully reinsured. The pension plans under this scheme are classified as defined benefit plans under IAS 19.

Employees of foreign companies belonging to Alpiq InTec in the Energy Services segment are covered by state social security schemes.

The German AAT Group exclusively operates a pension scheme where the employer has a constructive obligation to pay benefits, i.e. there is no legally independent pension scheme. For this reason, provisions are made in the company's statement of financial position. These provisions are calculated in accordance with annual actuarial valuations of the existing benefit obligation. Benefits are paid directly by the company. Under IAS 19, a constructive obligation to pay benefits under German law constitutes an unfunded plan and is reported as a net liability in the statement of financial position. As there are no separate plan assets to meet the obligation, the actual payments are deducted from the provision in the statement of financial position.

The defined benefit obligation is calculated using the projected unit credit method. This accrued benefit method prorated on service recognises not only the known benefits and benefits accrued at the reporting date but also expected future salary and pension increases. Actuarial gains and losses arising from the periodic revaluations are recognised as income or expense for each individual plan on a straight-line basis over the average remaining service lives of the employees when the actuarial gains and losses at the end of the reporting year exceed 10% of the higher of the fair value of plan assets and the defined benefit obligation at that date. This method is called the corridor method.

All the plans are generally funded by employer and employee contributions. Employer contributions paid or owed to pension schemes that provide defined contribution pension plans are recognised directly in the income statement.

Contingent liabilities

Potential or existing liabilities where it is not considered probable that an outflow of resources will be required are not recognised in the statement of financial position. However, the nature and extent of liabilities existing at the reporting date is disclosed as a contingent liability in the notes to the consolidated financial statements.

Segment information

The Energy segment encompasses the Alpiq Group's energy generation, transmission, trading and sales operations. The Energy Services segment comprises all activities involving engineering and construction services.

Revenue in the Energy segment mainly comprises physical electricity deliveries from trading and sales activities. Revenue also includes gains on energy trading contracts. Revenue reported in the Energy Services segment comprises revenue from construction contracts.

Operations presented as “other and consolidation” include activities not attributable to the segments, primarily those of the holding, management, property and finance companies. The segments are identified based on the Group’s internal reporting provided to the Executive Board and Board of Directors.

Inter-segment transactions: segment revenue, expenses and results include transfers between business segments and geographical areas, which were made and recorded at arm’s length. All these transactions and balances have been eliminated on consolidation.

The segments’ operating results (EBIT) are reviewed by the Executive Board to make decisions about resource allocation and to assess the performance of the units.

In accordance with IFRS, Alpiq (formerly Atel) has published a segment analysis in both its Interim and Annual Reports ever since 1999. This information is essentially based on the internal reporting, focused on the two business segments: Energy and Energy Services. In connection with the business combination between Atel and EOS, the Group is currently setting up a financial information system tailored to the new Group structure. In 2009, the internal reporting provided to the chief operating decision maker was therefore based on the information available (Energy and Energy Services). The EOS and Emosson operations acquired in 2009 have been integrated in the Energy segment.

Financial instruments

Financial instruments include cash and cash equivalents, term deposits, investments in securities, derivative financial instruments, financial investments, receivables, and short-term and long-term payables and borrowings.

Financial assets and liabilities

In accordance with the applicable rules under IAS 39, financial assets and liabilities are classified as follows and measured uniformly according to their classification:

- financial assets or liabilities at fair value through profit or loss,
- held-to-maturity investments,
- originated loans and receivables, and
- available-for-sale financial assets.

Financial assets and liabilities are recognised initially at fair value. All regular way purchases and sales of financial assets are recognised on the trade date.

Financial assets or liabilities at fair value through profit or loss

Financial assets classified as held for trading are acquired principally for the purpose of generating a profit from short-term fluctuations in price. Derivatives are also classified as assets or liabilities held for trading. In addition, financial assets or liabilities can be included in this category.

After initial recognition, derivative financial instruments held for trading in the course of energy business are carried at fair value, with changes in fair value recognised in net revenue in the period in which they occur. For a few positions where no active market price is available, fair value is determined using a price curve model. Other derivatives held for trading and other financial instruments designated in this category are subsequently recorded at fair value, with changes in fair value recognised in finance income or costs.

Financial investments where investment and disposal decisions are based on changes in fair value are classified as “at fair value through profit or loss”. Such a classification is in line with the Alpiq Group’s financial risk management policy.

Current asset investments include both securities held for trading and those classified as available-for-sale. All securities are recorded at fair value. Changes in the fair value of securities held for trading are recognised in the income statement in the period in which they occur. Changes in the fair value of items classified as available-for-sale are recognised in equity and only transferred to the income statement upon disposal.

Own equity instruments which are reacquired by Alpiq Holding (treasury shares) are deducted from equity. No gain or loss is recognised in the income statement on the purchase or sale of the Group’s own equity instruments.

Held-to-maturity investments

Held-to-maturity investments are financial assets with fixed maturities that the Group has the positive intention and ability to hold to maturity. They are measured at amortised cost. Investments intended to be held for an indefinite period of time are not included in this category.

Loans and receivables

Originated loans and receivables are financial assets created by the Group by providing loans, goods or services to third parties. They are generally measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the financial asset or financial liability is de-recognised or impaired, as well as through the amortisation process.

The category of loans and receivables also includes cash and cash equivalents. These comprise cash at banks and in postal accounts, demand deposits and term deposits with a maturity of 90 days or less.

Receivables are recognised at nominal value, less provision for impairment. Trade receivables from customers who are also suppliers are offset against the respective trade payables where netting agreements are in place.

Available-for-sale financial assets

All other financial assets are classified as available-for-sale.

Financial liabilities

Financial liabilities include short-term and long-term payment obligations, which are stated at the amount payable or repayable, as well as accruals and deferred income.

Impairment and uncollectibility of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

For assets carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The amount of any loss is recognised in the income statement. A previously recognised impairment loss is reversed in the income statement if the impairment no longer exists or has decreased. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

For assets carried at cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Losses are recognised in the income statement. If, in a subsequent period, the fair value increases, these impairment losses are not reversed.

When a decline in the fair value of available-for-sale financial assets has been recognised directly in equity and there is objective evidence of impairment, a loss (measured as the difference between acquisition cost and the current fair value) is removed from equity and recognised in the income statement. Whereas impairment losses on debt instruments are reversed through the income statement, any subsequent increase in the fair value of equity instruments after impairment is not recognised in the income statement.

Hedge accounting

Alpiq uses energy and interest rate derivatives to hedge exposure to variability in cash flows that is attributable to highly probable forecast transactions (cash flow hedges).

Before designating a new hedging instrument, the Group conducts a thorough analysis of the risk situation, describes the effect of the hedging instrument and documents the objectives and strategy for undertaking the hedge, together with the methods that will be used to assess and measure its effectiveness on an ongoing basis. It also determines the accounting method. The designation of a new hedging instrument is formally authorised. Hedge relationships are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting period.

The effective portion of the gain or loss on a hedging instrument is recognised directly in equity, while any ineffective portion is recognised immediately in the income statement.

Amounts taken to equity are transferred to the income statement in the period when the hedged transaction affects profit or loss.

If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. When the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or when the hedge no longer meets the criteria for hedge accounting, amounts previously recognised in equity remain in equity as a separate component until the hedged transaction occurs.

Estimation uncertainty

Key assumptions and sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions, in particular in assessing impairment and measuring provisions, that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses. The estimates and assumptions are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. They form the basis for making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual outcomes could differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis. Any revisions to estimates and assumptions are recognised and disclosed in the period in which they are identified.

Impairment of property, plant and equipment, intangible assets and goodwill

The carrying amount of the Alpiq Group's property, plant and equipment and intangible assets, including goodwill, was approximately CHF 8.3 billion at 31 December 2009 (2008: CHF 3.4 billion). These assets are tested for impairment annually. Determining whether assets are impaired requires estimates of the future cash flows expected to be derived from the use, growth rates, discount rates and eventual sale of the assets. Actual outcomes may vary materially from these estimates. Other factors, such as changes in scheduled useful lives of assets or technical obsolescence of plant, may shorten the useful lives or result in an impairment loss.

Provisions

At 31 December 2009, the carrying amount of the provision for contract risks and losses presented in note 18 was CHF 202 million (2008: CHF 339 million). This covers risks and liabilities that were known at the balance sheet date and relate to existing long-term energy purchase and supply contracts in Switzerland and other countries. The amount of the provision required was calculated based on a likely outflow of resources associated with the performance of the contracts. The valuations are made and reviewed periodically using the discounted cash flow method over the term of the contractual obligations entered into. Significant inputs used in the valuations, which are subject to certain uncertainties and hence may cause some material adjustments in subsequent periods, are especially the assumptions regarding future changes in market prices, long-term interest rates and the effects of currency translation (EUR into CHF).

Acquisitions and disposals of fully consolidated companies

Year-on-year changes in the Group resulting from acquisitions were as follows:

Acquisitions	Ownership interest	Consolidated since	Segment / Business unit
Energie Ouest Suisse (EOS) SA, Lausanne / CH	100.0%	28 Jan 2009	Energy Switzerland
Avenis SA, Lausanne / CH	100.0%	28 Jan 2009	Energy Switzerland
EOS Trading SA, Lausanne / CH	100.0%	28 Jan 2009	Energy Switzerland
Electricité d'Emosson SA, Martigny / CH ¹	50.0%	28 Jan 2009	Energy Switzerland
Hydrelec AG, Untersiggenthal / CH ²	100.0%	24 Jun 2009	Energy Switzerland
Alpiq RomEnergie S.R.L., Bucharest / RO	100.0%	1 Jul 2009	Energy Central Europe
Hispaelec Energia S.A.U., Madrid / ES	100.0%	28 Dec 2009	Energy Western Europe
Rossetto Impianti S.p.A., Verona / IT	100.0%	28 Mar 2009	Energy Services AIT

1 By acquiring 50% of the power purchase rights associated with the Emosson power station, Alpiq gained economic control of the company (note 28).

2 The interest was increased from 40% to 100% in the reporting period. The company was renamed Aare-Tessin Ltd. for Electricity in December 2009.

As a result of these acquisitions, the Alpiq Group's consolidated revenue increased by CHF 2,931 million year on year. Details of the assets acquired and liabilities assumed are disclosed in note 28. The impact on non-current assets (notes 8, 9, 11 and 12) and provisions (note 18) in the statement of financial position and on the disclosures of retirement benefit obligations (note 23) is presented as "acquisition / disposal of subsidiaries".

In 2009, there were no disposals.

Financial risk management

General policies

The Alpiq Group's operating activities expose it to strategic and operational risks, and in particular credit, liquidity and market risks (energy price risk, interest rate risk and foreign currency risk). During the annual business risk assessment process, strategic and operational risks throughout the Group are recorded and assessed and then assigned to the identified risk owners for management and monitoring. The Corporate Risk Management functional unit monitors the implementation of the measures. Exposure limits are set for credit, liquidity and market risks (energy price risk, interest rate risk, foreign currency risk), with compliance monitored on an ongoing basis, and adjusted in the context of the company's overall risk-taking capacity.

The principles of the Group's risk management policy are established by the Board of Directors. The Executive Board is responsible for their development and implementation. The Risk Management Committee (RMC) monitors compliance with the principles and policies. The Corporate Risk Management (CRM) functional unit in the Financial Services functional division is responsible for managing risks and reports to the CFO. The CRM provides methods and tools for implementing risk management and also assists the business divisions, functional divisions and business units in their risk management activities. The CRM coordinates the activities and reporting with line management through to unit manager level and ensures timely reporting to the Board of Directors, Executive Board and RMC.

Principles for managing risks in the Alpiq Group's energy business are set out in its energy risk management policy. They comprise guidelines on the incurrence, measurement, management and limitation of exposure to business risks in energy business and specify the organisation and responsibilities for risk management. The objective is to maintain a reasonable balance between the business risks incurred, earnings and risk-bearing equity.

The Group's financial policy defines the substance, organisation and system for risk management within the Alpiq Group. The units responsible manage their financial risks within the framework of the risk management policy and limits defined for their areas of activity. The objective is to reduce financial risks, bearing in mind the hedging costs and risks being incurred.

Capital management

Across the Alpiq Group, capital is managed in line with the Group's overall financial strategy. The strategy is focused on the Group's reported consolidated equity and net debt to EBITDA ratio. As the framework for managing its capital structure, the Board of Directors has defined an equity ratio of at least 35 %, on which it is seeking to generate a return on equity of at least 9 %.

The Group is also financed by interest-bearing borrowings. The level of these borrowings must bear a reasonable proportion to earnings to ensure a strong credit rating in line with industry norms. The ratio of net debt to EBITDA should not exceed 3 times, but range from 2.0 to 2.5 times in the medium term.

The above-mentioned limits and targets are fully consistent with the covenants under financing arrangements entered into.

During the planning and budgeting process, the Board of Directors is advised annually of the planned performance of the targets set. The current medium- and long-term budget figures are within these targets.

The Group's financing strategy remained unchanged year on year. The business combination between Atel and EOS and the planned capital expenditure projects have temporarily resulted in a higher debt gearing ratio, but it remains within the limits.

Financial instruments

Carrying amounts and fair values of financial assets and liabilities

CHF million	Note	Carrying amount at 31 Dec 2008	Fair value at 31 Dec 2008	Carrying amount at 31 Dec 2009	Fair value at 31 Dec 2009
Financial assets at fair value through profit or loss					
Securities held for trading	16	7	7	20	20
Positive fair values of derivatives					
Currency and interest rate derivatives		6	6	7	7
Energy derivatives		1,152	1,152	1,233	1,233
Total financial assets at fair value through profit or loss (excl. financial assets designated in this category)		1,165	1,165	1,260	1,260
Financial assets designated in this category					
Financial investments	12	34	34	35	35
Held-to-maturity investments					
Assets with fixed maturity					
Loans and receivables					
Cash and cash equivalents	15	950	950	1,364	1,364
Term deposits		267	267	408	408
Trade receivables	14	1,531	1,531	1,887	1,887
Unbilled revenue	14	192	192	179	179
Other financial receivables	14	291	291	342	342
Loans receivable	12	8	8	43	43
Total loans and receivables		3,239	3,239	4,223	4,223
Total financial assets		4,438	4,438	5,518	5,518
Financial liabilities through profit or loss					
Negative fair values of derivatives					
Currency and interest rate derivatives				9	9
Energy derivatives		1,155	1,155	1,335	1,335
Total financial liabilities through profit or loss		1,155	1,155	1,344	1,344
Other financial liabilities					
Trade payables	21	1,047	1,047	1,249	1,249
Bonds	19	1,163	1,198	2,604	2,762
Loans payable	19	1,018	1,026	2,520	2,522
Other financial liabilities, incl. put options		451	452	949	949
Total other financial liabilities		3,679	3,723	7,322	7,482
Total financial liabilities		4,834	4,878	8,666	8,826

At 31 December 2009, the Alpiq Group measured the following assets and liabilities at fair value. The fair value hierarchy shown below was used to classify the financial instruments:

Level 1: quoted prices in active markets for identical assets or liabilities

Level 2: valuation technique based on quoted prices in active markets that have a significant effect on the fair value

Level 3: valuation techniques using inputs that are not derived from quoted prices in active markets and have a significant effect on the fair value.

CHF million	31 Dec 2009	Level 1	Level 2	Level 3
Assets measured at fair value				
Securities held for trading	20	1	19	
Currency and interest rate derivatives	7	7		
Energy derivatives	1,233	13	1,220	
Financial investments	35	27	8	
Financial liabilities measured at fair value				
Currency and interest rate derivatives	9	9		
Energy derivatives	1,335		1,335	

During the reporting period ended 31 December 2009, there were no transfers between Level 1 and Level 2 and no transfers out of Level 3.

Expense/income related to financial assets and liabilities

CHF million	Income statement 2008	Equity 2008	Income statement 2009	Equity 2009
Net gains/losses				
On financial assets and liabilities at fair value through profit or loss	-7	-24	-21	-22
On financial assets designated in this category	21		-9	
On loans and receivables				
On available-for-sale assets				
Interest income and expense				
Interest income on financial assets not measured at fair value	45		29	
Interest expense on financial liabilities not measured at fair value	-77		-155	
From the application of the effective interest rate method	-20		-65	

In 2009, an impairment loss of CHF 28 million (2008: CHF 11 million) was recognised in respect of trade receivables. No impairment loss was recorded for other financial instruments. More information about movements in the provision for impairment is presented in the “ageing analysis of trade receivables”.

Hedging activities (hedge accounting)

Forward contracts

At 31 December 2009, the Alpiq Group recognised forward transactions to hedge the price risk of future deliveries in respect of small to medium-sized end customers in Spain. The transactions will occur as the necessary energy cannot be purchased in the local market.

The instruments used to hedge the cash flows of contractual commitments to deliver electricity were assessed to be highly effective. Therefore an unrealised loss of CHF 28 million, with a related deferred tax asset of CHF 8 million was included in equity at 31 December 2009 in respect of these contracts.

1,200 tonnes of copper are going to be purchased for a contract in the Energy Services segment. To manage exposure to price fluctuations, the price has been hedged by copper swaps for a term until May 2011. At 31 December 2009, the valuation of the highly effective hedges showed a gain of CHF 1 million, including a deferred tax liability, which has been recognised in equity.

Interest rate swaps

At 31 December 2009, the Group held four interest rate swaps used to fix the interest rates under a project financing facility. The hedge strategy eliminates potential financial risks arising from an increase in the variable interest rates on which the financing is based.

CHF million	Assets 2008	Liabilities 2008	Assets 2009	Liabilities 2009
Forward commodity contracts	0	19	1	20
Interest rate swaps	0	5	0	3

The hedge relationship for hedging interest payments (cash flows) was assessed to be highly effective. The unrealised loss of CHF 4 million (2008: CHF 7 million), with a related deferred tax asset of CHF 1 million (CHF 2 million) was included in equity at 31 December 2009.

The amounts recognised in equity at 31 December 2009 are transferred to the income statement over the life of the hedge relationship as energy and commodities are purchased or interest paid under the underlying contract.

During 2009, the CHF 19 million recognised in equity at 31 December 2008 for hedges of coal-indexed contracts (BAFA, HFO) was transferred to the income statement. This transfer was recognised because the underlying transaction was terminated at the end of 2009.

The hedge ineffectiveness recognised immediately in the income statement during the reporting year was immaterial.

Credit risk management

Credit risk management deals with potential losses arising from the inability of business partners to meet their contractual obligations to the Alpiq Group. Energy credit risk management in the Energy segment encompasses all business units and subsidiaries that have a significant trading volume with external counterparties. It involves regular monitoring of outstanding receivables from counterparties and expected future changes as well as an analysis of the creditworthiness of new and existing counterparties. Besides energy derivatives recorded as financial instruments, it also covers contracts entered into for physical receipt or delivery.

Credit risk is primarily managed using credit limits set by reference to ratings. The Alpiq Group classifies counterparties or groups of counterparties (with similar risk characteristics) in risk categories (AAA–CCC) based on the probability of default. Once established, these ratings are used as the basis for setting the credit limits. The limits may be increased if collateral, such as guarantees, advances or insurance cover, is provided. The ratings of active counterparties are reviewed periodically and the credit limits adjusted, where appropriate.

Binding minimum requirements apply in selecting customers. Particular requirements are approved credit limits and the appropriate guarantees as well as a valid contractual basis. The policy in energy business is to enter into contracts only with counterparties who meet the criteria of energy risk policy. Outstanding credit exposures are monitored and managed on an ongoing basis using a formalised process.

Credit exposure in the Energy Services segment is managed and monitored on a decentralised basis, mainly focusing on receivables management. The local operational management is periodically provided with comprehensive reporting containing all the necessary information required for assessing the outstanding receivables.

Under IFRS 7, the total carrying amount of financial assets recognised represents the Alpiq Group's maximum exposure to credit risk at the reporting date. Calculated accordingly, the maximum credit exposure was CHF 5,518 million at 31 December 2009 (31 December 2008: CHF 4,438 million). For a detailed summary, we refer to the fair values presented in the table of "carrying amounts and fair values of financial assets and liabilities". Credit risk is reduced by collateral held as security and by contractual agreements for netting all receivables and payables with the same counterparty, even those not recognised under IAS 39. Conversely, the credit risk is increased by costs incurred by the Alpiq Group in closing out outstanding positions on more unfavourable terms.

At the beginning of 2009, the Risk Management Committee gave instructions to tighten credit risk management in view of the financial and economic crisis.

The Alpiq Group's exposure to concentrations of risk is minimised due to the number of customers spread across diverse geographical areas and the consolidation of positions. As in the previous year, there were no significant concentrations of risk at the reporting date.

Cash and term deposits are placed with banks that have a rating of at least "A" from an internationally recognised rating agency. The investments are limited in amount, widely diversified and staggered over time. The limits are reviewed semi-annually or when particular circumstances require. No write-offs have been necessary to date.

Collateral

A substantial portion of the energy contracts entered into by the Alpiq Group is based on agreements containing a netting arrangement. Receivables and payables are only presented net in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis. Furthermore, additional collateral, such as guarantees, variation margin payments or insurance cover, is collected where necessary.

As in the previous year, no collateral was collected and converted into financial assets.

Ageing analysis of trade receivables

CHF million	31 Dec 2008	31 Dec 2009
Carrying amount before impairment	1,570	1,939
Impaired	39	52
Provision at beginning of year	54	39
Acquisition/ disposal of subsidiaries	2	1
Charge for the year	11	28
Amounts written off as uncollectible	- 14	- 7
Unused amounts reversed	- 10	- 9
Exchange differences	- 4	0
Provision at end of year	39	52
Not impaired	1,531	1,887
Not past due	1,344	1,711
1 – 90 days past due	136	128
91 – 180 days past due	10	25
181 – 360 days past due	8	11
Over 360 days past due	33	12

In the reporting year (and previous year), an insignificant amount of trade receivables was written off directly under a certificate of unpaid debts, for which no provision had been made because there was no indication of impairment.

The Alpiq Group holds collateral (bank guarantees) with an estimated fair value of CHF 92 million (2008: CHF 13 million) as security for impaired and for past due but not impaired trade receivables.

At the reporting date, there were no indications that debtors owing unimpaired receivables would not be able to meet their payment obligations.

Liquidity risk

In European energy trading, a substantial portion of the receivables is offset and settled on specified dates, reducing the maximum liquidity requirements. Margin agreements are commonly used on energy commodity exchanges and among large energy traders so as to reduce the counterparty risk. As a result, movements in energy prices can lead to substantial outstanding debts in the short term. The Alpiq Group manages these variable liquidity requirements by using an early warning system, maintaining sufficient liquid resources and obtaining committed credit facilities from first-rate banks. Corporate Treasury in the Financial Services functional division is responsible for Group-wide cash and liquidity management under the direction of the CFO. Its role is to forecast, monitor, provide and optimise liquidity throughout the Group.

The contractual maturities of financial liabilities are presented below. The counterparty's redemption option has been taken into account even if redemption currently seems unlikely. Where it is intended to refinance loans at the end of the contract term, but refinancing has not yet been contractually secured, a cash outflow on maturity is assumed. Accordingly, actual cash flows may differ significantly from the contractual maturities.

Cash flows from derivatives are presented on a gross basis when the amounts are actually settled gross. To reflect the actual liquidity risk arising from such financial instruments, the cash inflows from derivatives are shown on a separate line in addition to the cash outflows.

2009: Maturity analysis of financial liabilities

CHF million	Carrying amount						Cash flows	
		< 1 month	1-3 months	4-12 months	1-5 years	> 5 years	Total	
Non-derivative financial liabilities								
Trade payables	1,249	- 915	- 297	- 23	- 14		- 1,249	
Bonds	2,604		- 31	- 53	- 1,124	- 2,017	- 3,225	
Loans payable	2,520	- 4	- 14	- 55	- 2,250	- 477	- 2,800	
Other financial liabilities	949	- 26	- 190	- 186	- 462	- 93	- 957	
Derivative financial instruments								
Net carrying amount of derivative financial instruments	- 104							
Net carrying amount of energy derivatives	- 102							
Gross cash inflows		1,635	3,092	13,437	9,020	1	27,185	
Gross cash outflows		- 1,673	- 3,143	- 13,788	- 9,237		- 27,841	
Net carrying amount of interest rate/currency derivatives	- 2							
Gross cash inflows		271	107	184	348	57	967	
Gross cash outflows		- 274	- 108	- 194	- 375	- 51	- 1,002	

2008: Maturity analysis of financial liabilities

CHF million	Carrying amount						Cash flows	
		< 1 month	1-3 months	4-12 months	1-5 years	> 5 years	Total	
Non-derivative financial liabilities								
Trade payables	1,047	- 695	- 314	- 23	- 15		- 1,047	
Bonds	1,163		- 14	- 23	- 466	- 946	- 1,449	
Loans payable	1,018	- 13	- 4	- 43	- 911	- 240	- 1,211	
Other financial liabilities	451	- 3	- 224	- 154	- 72	- 7	- 460	
Derivative financial instruments								
Net carrying amount of derivative financial instruments	3							
Net carrying amount of energy derivatives	- 3							
Gross cash inflows		1,745	3,229	13,101	8,057		26,132	
Gross cash outflows		- 1,716	- 3,223	- 13,107	- 8,526		- 26,572	
Net carrying amount of interest rate/currency derivatives	6							
Gross cash inflows		433	114	244	228	64	1,083	
Gross cash outflows		- 420	- 113	- 255	- 245	- 61	- 1,094	

The potential outflow of resources arising from guarantees is shown in note 24.

Market risk

The Alpiq Group's exposure to market risk primarily comprises energy price risk, interest rate risk, foreign currency risk and equity price risk. These risks are monitored on an ongoing basis and managed using various derivative financial instruments.

Market risk is measured within the framework of a Group-wide risk policy setting out rules on the incurrence, measurement, limitation and monitoring of risks. Compliance with these risk limits is monitored on an ongoing basis by the Risk Management Committee based on regular reporting by the Corporate Risk Management functional unit.

Energy price risk

Energy price risk refers to potential price fluctuations that could have an adverse impact on the Alpiq Group. These can arise from factors such as variations in price volatility, market price movements or changing correlations between markets and products. Energy liquidity risks also belong in this category. These occur when an open energy position cannot be closed out or can only be closed out on very unfavourable terms due to a lack of market bids.

Derivative financial instruments are used to hedge underlying physical transactions in line with the risk policy.

Interest rate risk

The Alpiq Group is exposed to risks arising from volatility in interest rates. Under its financial policy, liquid assets are invested on a short-term basis, while the necessary funding is obtained on a long-term basis. This means that a change in interest rates for assets has a direct impact on finance income. A change in interest rates for liabilities does not directly affect finance costs due to the long-term nature of the financing arrangements. However, substantial differences may arise between the carrying amounts and fair value.

Foreign currency risk

The Alpiq Group seeks to mitigate foreign currency risk by offsetting operating income and expenses denominated in foreign currencies. Any net balance remaining is hedged by foreign exchange contracts (forward contracts, options) in accordance with the Group's financial policy.

Net investments in foreign subsidiaries are also exposed to changes in foreign exchange rates, but the difference in inflation rates should offset these changes over the long term. For this reason, investments in foreign subsidiaries are not hedged.

Foreign currency risk arising from energy generation or purchasing is contractually transferred to the counterparty wherever possible. Where this is not possible or is only partially possible, forward currency contracts and currency options with a hedging horizon of up to 24 months are used to manage exposure in line with the Group's financial policy. Foreign currency risk is generally monitored centrally. The foreign currency risk related to the euro is considered acceptable and expected to be offset over the long term by differences in interest rates so this risk is generally not hedged.

The foreign currency risk associated with assets and liabilities denominated in foreign currencies (translation risk) is not hedged.

Equity price risk

The Alpiq Group holds a number of minor financial investments that are recognised at fair value and are susceptible to equity price fluctuations. As a rule, they are not hedged.

Sensitivity analysis

An analysis of market risk exposures is presented below, showing how profit would have been affected by reasonably possible changes in the relevant risk variable. The 2009 analysis revealed that the possible impact on equity would have been +/- CHF 3 million from interest rate derivatives (2008: +/- CHF 5 million) and +/- CHF 19 million (+/- CHF 19 million) from hedging transactions related to energy and energy services business.

Foreign currency risk sensitivity is based on financial instruments held at the reporting date. The reasonably possible changes in the relevant risk variable were determined based on historical fluctuations (over 3 years). A variation by +/- 1 standard deviation around the calculated mean is considered to be reasonably possible.

The exposure to equity price movements is based on the weighted average 180-day volatility of the current securities portfolio during 2009. Sensitivity to interest rate risk is measured by stress testing based on the six-month Euribor.

The possible annual percentage changes in the fair values of energy derivatives are determined from the commodity market prices for electricity, gas, coal and oil over the past three years. The sensitivities are calculated using the maximum deviations from the mean to a confidence level of 99%.

Each type of risk is quantified assuming that all other variables remain constant.

CHF million	+/- Change 2008	+/- Impact on the income statement 2008	+/- Change 2009	+/- Impact on the income statement 2009
Energy price risk	99.8 %	2.0	106.6 %	108.7
EUR/CHF currency risk	9.7 %	78.9	5.3 %	61.6
EUR/USD currency risk	16.2 %	14.4	12.4 %	20.6
EUR/CZK currency risk	11.7 %	5.1	9.3 %	0.9
EUR/HUF currency risk	18.2 %	1.8	13.9 %	0.8
EUR/NOK currency risk	12.9 %	1.1	9.3 %	2.3
EUR/PLN currency risk	15.9 %	0.5	13.3 %	0.9
EUR/RON currency risk	14.9 %	0.4	18.4 %	0.7
USD/CHF currency risk	13.3 %	1.4	12.0 %	0.3
USD/HUF currency risk	30.0 %	7.1	-	-
CHF/CZK currency risk	-	-	16.6 %	4.2
CHF/HUF currency risk	-	-	22.4 %	1.1
Interest rate risk	1.0 %	31.6	1.0 %	32.2
Equity price risk	46.0 %	6.6	7.0 %	3.6