

Joint media release by SWX Group, SIS Group and Telekurs Group

15.5.2007

SWX Group, SIS Group and Telekurs Group intend to merge

The boards of directors of the SWX Group, SIS Group and Telekurs Group have signed a letter of intent to merge the three organisations. Within the framework of the contemplated merger, the business activities of all three companies are to be combined under one roof. Subject to approval by the owners and responsible authorities, the transaction is expected to take effect in early 2008.

At their respective meetings, the boards of the SWX Group, SIS Group and Telekurs Group resolved to combine their companies' activities under one roof. Through this leveraging of strengths, the three organisations wish to ensure that optimal services are provided to the Swiss financial centre on a sustainable basis. This reorganisation offers the following advantages:

- Combining the activities of SWX, SIS and Telekurs will strengthen Switzerland's financial market infrastructure as well as heighten efficiency and innovativeness across the entire value chain.
- Integrated financial market infrastructure, combined with a streamlined governance structure, concentrated capital clout and increased innovative strength, will have a positive impact on the international competitiveness of the Swiss financial centre.
- The unified enterprise will foster close collaboration with international partners and continue to offer open multi-provider architecture that enables unhindered access to securities trading, clearing and settlement.
- The ownership structure is therefore oriented towards long-term stability; it comprises the existing domestic and international financial market participants, which are already the users of the organisations.

Intensified international competition among financial centres, increasing demands placed on technical infrastructure, rapidly changing customer needs, as well as the growing complexity of regulatory requirements are all considerations that led the boards of the three companies to reassess the critical success factors for a future-oriented financial market infrastructure. The directors are of the opinion that leveraging the activities of the three companies - which already today work closely together - and organising them under one roof is the best possible approach for meeting those challenges.

Within the new company, the various business fields will retain their entrepreneurial independence. It is planned that the new board of directors will be constituted under the aegis of chairman-designate Prof. Dr. Peter Gomez, who at present is Chairman of the Board of the SWX Group.

In the coming months, the structure of the new organisation will be developed and an action plan drawn up for implementation. Because the three companies' activities complement each other almost flawlessly, no significant job layoffs will result from the integration process. Intensive consultative discussions are being conducted between the existing owners of SWX, SIS and Telekurs. As soon as the

project has reached a point where authoritative decisions can be taken, the proposal will be submitted for approval at extraordinary general meetings of the SWX Group, SIS Group and Telekurs Group. Prior to the actual implementation, no changes will be made to the existing corporate bodies and management structures of SWX, SIS and Telekurs.

Prof. Dr. Peter Gomez, Chairman of the Board, SWX Group, commented on the plans of the three organisations: "With this contemplated merger, we will be strengthening the Swiss financial centre by offering integrated infrastructure that spans the entire value chain. Moreover, the open multi-provider architecture affords us unhindered access to all possibilities for international collaboration."

Romeo Lacher, Chairman of the Board, SIS Group, added: "The SIS Group has been confronting the torrid pace of change in the international securities business for quite some time now. The merger with both partner organisations will help us on our chosen path to become even better and more efficient, as well as to realise joint projects more rapidly."

Stephan Zimmermann, Chairman of the Board, Telekurs Group, stated: "The Telekurs Group has been working very closely with SWX and SIS already since years. Through this planned leveraging of strengths, the new company will be even more internationally anchored and thus able to position itself as a world leader also in the years ahead."