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FREQUENTLY ASKED QUESTIONS RAISED BY NON-U.S ISSUERS CONCERNING THE CHANGING REGULATORY LANDSCAPE IN THE UNITED STATES

As set forth in greater detail in our memorandum (the "Memorandum") summarizing the Sarbanes-Oxley Act of 2002 (the "Act"), the U.S. Congress has amended significantly the U.S. securities laws governing companies that have offered securities in the United States or are simply listed in the United States. The following addresses some of the concerns raised by non-U.S. issuers with respect to the Act.

We note that because the passage of the Act was not preceded by, or accompanied by, much debate, and consideration of the legislation occurred over an extremely short period of time, there continues to be a substantial amount of uncertainty over the scope and impact of the Act. We will be updating you regularly as issues are clarified by the SEC.

Components of the Act

Does the Act contain all the measures companies need to be concerned about?

No, the Act contains some stand-alone provisions that are effective immediately. Others amend existing securities laws, criminal statutes and other laws. Many call for further action by the SEC. In addition, the stock exchanges are actively reviewing their listing standards, on their own or as required by the Act.

Will each provision apply to every company?

No. Each provision contains a reference as to which entities are covered. Some provisions apply (or will apply when effective) to all "issuers" -- that is all companies that have securities listed in the United States or that have conducted a registered public offering in the United States, as well as companies that are in the process of conducting a registered public offering in the United States. Others may only apply to issuers that are "reporting companies" (that is, they file reports with the SEC, such as a Form 20-F or Form 40-F) or only to companies that have publicly traded equity securities in the United States but not companies with only public debt securities.

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Ultimately, coverage of some of the provisions will only be determined based on the rules adopted by the SEC in the coming weeks or months.

Coverage of the Act

If our company has only issued securities in the United States under Rule 144A, does the Act apply to us?

No, none of the provisions of the Act would apply to your company unless your offering under Rule 144A was followed by a registered exchange offer and your company is still required to file reports with the SEC.

If our company has only obtained a 12g3-2(b) exemption in connection with a Level I ADS program or otherwise, does the Act apply to us?

No, none of the provisions of the Act would apply to your company. The purpose of the exemption is to permit nominal activities in the U.S. capital markets without triggering the registration requirements of the Securities Exchange Act of 1934 (the "Exchange Act"), which governs the obligations of reporting companies in the United States. Your company is not a reporting company.

If our company has securities listed on a U.S. stock exchange, does the Act apply?

Yes, some provisions apply as of July 30, while others may apply in the future, depending on what the SEC does. See Practical Implications below.

If our company is about to go public in the United States and has publicly filed a registration statement, does the Act apply to us?

Yes, some of the provisions apply today (the ban on personal loans to executives and liability of CEOs and CFOs for reimbursement due to accounting restatements), others would apply today if you had completed your offering and now had a reporting obligation (the CEO/CFO certifications), and will apply when you go public. As to the other provisions, we will need to see how the SEC exercises its rulemaking authority. See Practical Implications below.

If our company is about to go public in the United States and has submitted a registration statement to the SEC on a confidential basis, does the Act apply to us?

Probably not, as the registration statement will not yet be deemed "filed." We expect that this issue will be clarified by the SEC.

Practical Implications

By when will we need to be in compliance with the Act?

Some of the provisions of the Act are immediately operative, and we will identify those below. Other provisions of the Act call for the SEC to adopt rules and state the amount of time before such rules are required to go into effect. As to this latter category, there are two implications. First, these provisions are not yet operative. Second, the rules once prescribed will answer many

of your questions as to whether, to what extent and when non-U.S. issuers will need to comply with those provisions.

As noted in our Memorandum, a number of the provisions of the Act amend sections of the Exchange Act. Under Section 36 of the Exchange Act, the SEC has the authority to exempt any group of persons (including non-U.S. issuers) from any provision of the Exchange Act. It is not clear whether and to what extent the SEC will use this authority to exempt non-U.S. issuers from provisions of the Act.

You say that as a technical matter our company is covered by the Act because we are listed in the United States. Does that mean all of the provisions of the Act will apply?

No. Some provisions amend sections of the securities laws that only affect U.S. issuers. Others, as stated above, will need SEC action before they become operative. While we cannot predict the scope and details of possible exemptions from the Act for non-U.S. issuers that the SEC will provide in its rules, there are some areas where the Act would fit better with current rules affecting non-U.S. issuers than others.

Will our company be subject to the auditor independence provisions of the Act?

The auditor independence rules currently in force apply to both U.S. and non-U.S. reporting companies. We therefore expect that the rules to be prescribed by the SEC within 180 days affecting audit and non-audit services, including provisions as to auditor independence, audit partner rotation, auditor communication with audit committees and restrictions on employment of auditor personnel, will apply to all issuers as well. Please refer to pages 3 and 4 of our Memorandum for more detail.

Will our board be required to have a U.S.-style audit committee?

Since many countries have systems of corporate governance that differ from that of the United States, it is unclear whether the rules to be adopted by the stock exchanges within 270 days affecting audit committees will apply to non-U.S. issuers in the same manner as to U.S. issuers. The stock exchanges traditionally have granted waivers to non-U.S. issuers where local practice and custom differ from that in the United States. Any special measures adopted in this area will probably have some impact on the provisions in respect of auditor communication with audit committees discussed above. Please refer to page 5 of our Memorandum for more detail.

Do the provisions affecting senior officers apply to our company?

The requirement of CEOs and CFOs to certify periodic reports contained in the penalty provisions of the Act is operative and applies to non-U.S. issuers for all periodic reports that you file or are required to file after July 30 that contain financial statements. As described in response to the next question, the SEC is directed to adopt rules by the end of August to require additional certifications from CEOs and CFOs, and the SEC made clear in a release issued earlier today that it intends to extend this certification requirement to non-U.S. issuers.

The ban on personal loans to directors and executive officers is another currently operative provision of the Act that applies to non-U.S. issuers.

The provisions of the Act regarding reimbursement by CEOs and CFOs of bonuses, other incentive-based compensation and stock sale profits following an accounting restatement due to misconduct are immediately operative and apply to non-U.S. issuers, although it is unclear how they may be enforced in practice.

It is also unclear whether the code of ethics provisions will apply to non-U.S. issuers, which, in any case, will only be a disclosure requirement. The SEC is required to propose rules within 90 days regarding this provision of the Act.

Please refer to pages 8 and 9 of our Memorandum for more detail.

You say our CEO and CFO are subject to certification requirements. What do you mean?

Effective immediately, under Section 906 of the Act, each periodic report containing financial statements that your company files, must be accompanied by a written statement signed by both your CEO and CFO. The statement must certify that such periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act and that information contained in such periodic report fairly presents, in all material respects, the financial condition and results of operations of your company.

It is our view that this requirement should not apply to non-U.S. issuers submitting quarterly or semi-annual financial statements to the SEC under a Form 6-K, as Form 6-Ks are "made" and are not deemed "filed" for liability purposes of Section 18 of the Exchange Act.

In addition, we note that pursuant to Section 302 of the Act, the SEC is required to prescribe rules within 30 days to require a certification from your CEO and CFO to be included in your company's periodic reports, but based on a different standard. In a release issued today, the SEC confirmed that although its prior certification proposal (issued in June, before the Act had taken shape) would not have covered non-U.S. issuers, it will reflect the mandate given to it under Section 302 of the Act and require that the CEOs and CFOs of non-U.S. issuers provide additional certifications consistent with Section 302 when filing Form 20-F or 40-F reports. The release did not address Form 6-Ks. See page 6 and 7 of our Memorandum for a discussion of the Section 302 certification.

In its release, the SEC also noted that it intends to include in its certification requirement elements of its June proposal, which contemplated (a) a requirement that each covered company maintain procedures designed to ensure that it can collect, process and disclose information required to be included in SEC reports, (b) management evaluation of such procedures and (c) CEO/CFO certification that they had reviewed the results of such evaluation. The implication is that these procedures will apply to non-U.S. issuers as well.

Please refer to Annex I to this document for a discussion of procedures we believe your CEO and CFO should consider in making the currently effective certifications and to page 7 of our Memorandum for more detail on those certifications.

How will the new disclosure provisions affect our company?

Some of the new disclosure requirements of the Act will probably apply to non-U.S. issuers, while others may not apply. We believe that the rules to be prescribed by the SEC within

180 days will require non-U.S. issuers to include enhanced disclosure regarding off-balance sheet arrangements in periodic reports. We would also expect that rules to be prescribed by the SEC on the presentation of pro forma financial information in periodic reports will apply to non-U.S. issuers.

We expect that the rules to be prescribed by the SEC concerning management assessment of internal accounting controls will all apply to non-U.S. issuers.

Non-U.S. issuers can expect that their filings will be reviewed at least once every three years.

Concerning real time disclosure, the SEC has in the past requested public comment on whether the Form 6-K rules should be expanded to require more current disclosure by non-U.S. issuers, but has declined to extend the current reporting requirements applicable to U.S. issuers to non-U.S. issuers. It remains to be seen whether the SEC will modify its traditional views on current reports and, if so, to what extent non-U.S. issuers will be subject to such type of reporting.

Expedited disclosure of changes in beneficial ownership are not expected to apply to holders of equity securities of non-U.S. issuers since they are not, by SEC rule, subject to Section 16 of the Exchange Act.

Please refer to pages 9 - 11 of our Memorandum for more detail.

Are there any other issues triggered by our U.S. listing?

Yes, you should be aware of new corporate governance rules put forward by the NYSE and Nasdaq. (The Nasdaq proposals were finalized in late July and the NYSE proposals were finalized on August 1.) Both sets of proposals include a provision that requires non-U.S. issuers to disclose any significant ways in which their corporate governance practices differ from those followed by U.S. companies under the domestic listing standards. These proposals are being forwarded to the SEC for publication and public comment, prior to becoming effective.

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This memorandum provides only a general overview of certain provisions of the Act and is not intended to provide or constitute legal advice, and no legal or business decision should be based on its contents.

Any questions concerning the foregoing should be addressed to members of the Paul Weiss Securities Group (see below). In addition, memoranda on related topics may be accessed under Securities Group publications on our web site (www.paulweiss.com).

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Annex I

PROCEDURES FOR CEO/CFO CERTIFICATIONS

As part of the Sarbanes-Oxley Act of 2002 (the "Act") that was signed by the President July 30, effective immediately, each periodic report containing financial statements filed by a reporting company (U.S. or non-U.S.) must be accompanied by a written statement by the company's CEO and CFO certifying that:

- such periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- information contained in such periodic report fairly presents, in all material respects, the financial condition and results of operations of the reporting company.

The Act also calls upon the SEC to promulgate additional rules by the end of August 2002 regarding further certification requirements.

We are providing guidance to CEOs and CFOs on how to prepare to comply with the certification requirements that have already become effective under the Act. We anticipate that the SEC will offer further guidance in connection with the required rulemaking and expect to provide further advice when the rules are proposed.

Set the Stage for an Effective Reporting Process

Although the company's most senior officers may not necessarily be directly involved in the actual drafting of a reporting company's periodic reports, it is important for them in light of the new certification requirements to:

- Establish the appropriate "tone at the top."
- Send a clear message to the entire organization that the company places a high priority on the best disclosure practices.
- Remind all employees of their responsibility to protect the integrity of the company's systems and procedures regarding the collection, analysis and disclosure of information relevant to investors.
- Provide a clear mandate and authority from the top of the organization to those responsible for gathering information and for preparing the company's financial statements and other disclosure.
- Maintain an "open door" policy for any individual who wants to raise issues or ask questions about the company's reporting obligations and disclosure.
- Remain actively involved in the disclosure process.

CEO/CFO Review of Periodic Reports and Certification

Given that many reporting companies have only a short time before the first filing of a report subject to the new provisions of the Act, CEOs and CFOs need to take steps now to make

sure that reports in preparation are adequately prepared and reviewed. While the amount of "due diligence" that the CEO and CFO should undertake prior to making the certification will depend on their degree of familiarity with the details of the company's financial results, its public filings and its approach to accounting issues, the following steps should be considered as part of the process of preparing to make the certifications:

- Carefully review the company's financial results and how they were prepared. Speak to the company's senior accounting officers, with particular attention given to any material discretionary issues and accounting policies followed in respect of your primary financial statements if they are prepared under U.S. GAAP or in respect of your U.S. GAAP reconciliations.

- Carefully review the non-financial statement information in the remainder of the report, especially the Management's Discussion and Analysis of Financial Condition and Results of Operations (the "MD&A"). Discuss the report with the principal authors of the MD&A and the descriptions of the company's businesses. Focus on the information included in the report and review any matters excluded from the report, with attention to any material discretionary judgments. Also address the critical accounting estimates and the underlying assumptions.

- Discuss the report with the company's disclosure counsel. Ask counsel to confirm that the report meets the form requirements of the Securities Exchange Act referred to in the certification.

- Review with the appropriate officers responsible for internal controls the procedures that were followed in preparing the report. Review a list of the persons from whom information was gathered and to whom the draft report was circulated. Consider whether information was gathered from the persons best able to provide it and whether the report was circulated to the persons best able to assure its accuracy and completeness. Assess the adequacy of the time and resources devoted to the preparation of the report.

- Review the company's internal controls with officers responsible for maintaining such controls, including any changes to the nature and scope of procedures relating to internal controls. Review issues raised by the company's auditors regarding the company's controls. Consider how such issues, or any others raised concerning weaknesses in the financial and reporting systems or internal controls, have been addressed. Inquire about any impact that company growth or internal reorganization may be having on the effectiveness of the company's controls.

- Identify issues that are worth further consideration. Consider issues raised in past SEC comment letters, issues identified by the company's auditors, issues raised internally involving the disclosure process or judgments or discretion, and issues raised by analysts or others outside the company. Think about where mistakes would be most likely to occur and where others in the company's industry have had problems.

- Meet with the Company's outside auditors so that the auditors can share any additional views or thoughts that they may have. Ask them about adjustments to the company's financial statements that they have recommended. Ask if there are any alternative treatments that the company should be considering in preparing its financial statements. Review with them the SEC's "hot-button" accounting (e.g., earnings management, off-balance sheet transactions, related party transactions) and disclosure issues (e.g., pro forma figures, critical accounting estimates), and any other accounting or disclosure issues receiving attention in the company's industry.

- Meet with the Audit Committee, and with the full board if necessary, to understand any questions or concerns that they may have identified concerning the company's financial and reporting systems, internal controls, risk assessment and risk management policies, auditor independence and effectiveness, financial statements and other public disclosure (whether in SEC reports, home country reports or press releases), or any related matters.

- Review the representation letters delivered by officers of the company to the outside auditors.

- Consider obtaining back-up certification from the principal internal officers who participated in the preparation of the report. At a minimum ask the personnel involved in the preparation of the report if they are comfortable with its contents (would they sign the certification if they were you?). Ask them what have they done to ensure the accuracy of the report.

Keep minutes of the CEO and CFO review. Schedules or checklists indicating the process used to prepare the report, a list of the participants involved in the preparation of the report and a list of the persons to whom drafts of the report were circulated should be reviewed with the CEO and CFO and retained.