Cross currency interest rate hedge

MUSD 55.0 of the Private Placement (see Note 14) were converted into Euro to finance the German subsidiaries of the Group. The foreign exchange rate and interest rate risk arising from this conversion is hedged with the following financial instrument:

	Maturity	Strike price	Contract amount Purchase	Contract amount (Sale)	Fair value 31.12.2007	Fair value 31.12.2006	USD Interest rate	EUR Interest rate	Calculation method
			MUSD	MEUR	MCHF	MCHF	%	%	
2007									
USD buy/EUR sell	19.12.2012	1.004	55.0	(54.8)	(31.4)	(28.2)	5.54	5.9775	DCF

Forward foreign exchange contracts and foreign exchange options

	Contract amount				Fair value 31.12.	Calculation method
	MEUR	MNOK	MPLN	MCZK	MCHF	
2007						
Forward foreign exchange contracts and						
cross currency swaps	(20)	(48)	(18)	(150)	0.1	Marked-to-Market
Foreign exchange options	(20)				(0.3)	Black-Scholes
Total	**(40)**	**(48)**	**(18)**	**(150)**	**(0.2)**	
2006						
Forward foreign exchange contracts and						
cross currency swaps	18				0.1	Marked-to-Market
Total	**18**				**0.1**	

The change in fair value of the instruments is recorded in finance costs, net.

Interest rate hedges

As of December 31, 2007 and 2006, the Group had no open interest rate hedges.

16. Retirement benefit plans

The Group maintains defined benefit and defined contribution plans for its employees in Switzerland, Germany, Austria and the USA. These plans are either funded or unfunded. Funded plans are either funded by assets held independently of the Group's assets in separate trustee administered funds or by qualifying insurance policies. The net periodic pension costs of the defined benefit plans were as follows: