

18. Deferred tax assets and liabilities

	2007 Total	Movements in 2007			Translation differences	2006 Total
		(Charged)/ credited to income	Changes in Group organization (see Note 2)	(Charged)/ credited to equity		
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
Deferred tax assets						
Loss carry-forwards	9.8	(0.2)				10.0
Accrued pension obligation	6.8	(2.6)		(3.7)	0.4	12.7
Property, plant and equipment	2.7	0.6			(0.1)	2.2
Goodwill and intangible assets	12.3	(6.1)			0.5	17.9
Other	17.3			(7.0)	(0.2)	24.5
Total deferred tax assets	48.9	(8.3)	0.0	(10.7)	0.6	67.3
Deferred tax liabilities						
Inventories	(4.6)	(0.2)			0.1	(4.5)
Property, plant and equipment	(47.3)	2.6	1.4	(0.1)	(0.4)	(50.8)
Prepaid pension asset	(4.5)	(0.6)		0.6		(4.5)
Intangible assets	(13.8)	4.0	(1.0)		(0.2)	(16.6)
Other	(9.9)	2.8		(0.2)	(0.1)	(12.4)
Total deferred tax liabilities	(80.1)	8.6	0.4	0.3	(0.6)	(88.8)

	2006 Total	Movements in 2006			Translation differences	2005 Total
		(Charged)/ credited to income	Changes in Group organization	(Charged)/ credited to equity		
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
Deferred tax assets						
Loss carry-forwards	10.0	2.7			(0.1)	7.4
Accrued pension obligation	12.7	(0.1)		0.5	0.4	11.9
Property, plant and equipment	2.2	(0.7)			(0.1)	3.0
Goodwill and intangible assets	17.9	(2.2)			0.6	19.5
Other	24.5	1.1		3.1	(0.3)	20.6
Total deferred tax assets	67.3	0.8	0.0	3.6	0.5	62.4
Deferred tax liabilities						
Inventories	(4.5)	(0.2)			0.2	(4.5)
Property, plant and equipment	(50.8)	10.1			(0.6)	(60.3)
Prepaid pension asset	(4.5)	(0.2)		0.3		(4.6)
Intangible assets	(16.6)	3.0			(0.3)	(19.3)
Other	(12.4)	(2.8)				(9.6)
Total deferred tax liabilities	(88.8)	9.9	0.0	0.3	(0.7)	(98.3)

The reversal and depreciation of deferred taxes (charged)/credited to the income statement in 2007 is mainly a result of the enacted income tax rate reduction in Germany. The reversal of deferred taxes in 2006 was recorded because of the income tax rate reduction in the canton St. Gallen (Switzerland) that became effective as of January 1, 2007.