CHAPTER 3

Corporate Finance and Quality of Financial Disclosure

1 – Regulatory Developments and AMF Action in 2008

2 – Publication and Dissemination of Regulatory Position in 2008
(excluding takeover bids)

3 – Activity in 2008
(other than takeover bids)

4 – Takeover Bids

France introduced numerous legislative reforms in 2008. The Economic Modernisation Act was the starting point for a series of finance law amendments aimed at enhancing the competitiveness and appeal of the Paris financial centre. Key changes included reforms to the public issuance framework and securities legislation, as well as measures to simplify the share buyback regime and modernise the framework for major holding notifications and statements of intent. The directive on cross-border mergers was transposed into domestic law and the system for archiving regulated information was completed.

As part of the Better Regulation initiative launched in 2006, and to meet industry expectations, the AMF published positions on a number of issues, including the rules for capital increases effected through free issuance of warrants or with pre-emptive rights, as well as on the rules governing issues of bonds with redeemable warrants. It also held a consultation on relaxing the requirements for initial public offerings (IPOs).

Corporate finance activity slowed sharply in the second half of 2008. There was a decline in Euronext IPOs and Alternext listings as well as in approvals for listings of debt or equity securities. Highlights in the first half included the GDF-Suez merger and the flotation of Suez Environnement Company. Several banks undertook major capital increases. And Anheuser Busch and Vale became the first companies to be admitted to the professional compartment of the Paris market.

In the area of takeover bids, the Paris Court of Appeals upheld the AMF's ruling on the Eiffage case, finding that there were no longer grounds to oblige Sacyr to file a draft bid for Eiffage's shares because Sacyr had sold its entire stake in Eiffage without ever actually taking control of the company. The court also upheld two non-compliance rulings made by the AMF in 2007 regarding cases of collusion.

1 – Regulatory developments and AMF action in 2008

A – Impact of the Economic Modernisation Act

The Economic Modernisation Act of 4 August 2008 authorised the government to legislate by executive order to amend France's finance law with measures to enhance the competitiveness and appeal of the Paris financial centre. In this connection, the final touches were put to several reforms carried out pursuant to initiatives led by the High Level Committee on Financial Services.

1 > Reforming the public issuance framework

The Executive Order of 22 January 2009 ushered in sweeping reforms to public issuance arrangements in order to make French law more comprehensible to foreign issuers and make France's markets more competitive.

The main thrust of the reform was to do away with the old public issuance framework, known as appel public à l'épargne, which actually encompassed two concepts: listing on a regulated market, and the issuance or sale of securities to the public. The Executive Order of 22 January overhauled French finance law by separating the two concepts and providing each with its own legal regime. As a consequence, the special status of émetteur faisant appel public à l'épargne ("issuer making a call on pubic savings"), which had no equivalent under European law, was abolished. The legal regime for issuers whose securities are admitted to a regulated market remains the same and is based on the Prospectus, Transparency and Market Abuse Directives. Issuers whose securities are listed on Alternext continue to be bound by the legal obligations set by the market operator. But issuers that make public offerings of securities without applying for admission to trading on a regulated market or on Alternext will merely have to publish an AMF-approved prospectus ahead of the issue.

Under the reforms, issuers are also allowed to make a capital increase through a private placement, with no public offering. These increases must comply with the price requirements set out in the Commercial Code and may not exceed 20% of the company's share capital per year.

The order did not come into effect until 1 April 2009, giving time to make the necessary changes to the AMF General Regulation. The various amendments and adjustments were put out to public consultation until 13 February 2009.

2 > Simplifying the share buyback regime

Under changes introduced by the Economic Modernisation Act, companies with shares admitted to trading on organised multilateral trading facilities may engage in buybacks to enhance liquidity.

The act also authorised the government to legislate by executive order to simplify the regime for disclosing share buybacks. Accordingly the Executive Order of 30 January 2009 amended Articles L. 225-209 to L. 225-211 of the Commercial Code to relax the requirements on implementing liquidity agreements and to simplify and improve the disclosure obligations in this area.

As regards implementation arrangements, the new legislation has abolished the obligation to convert shares bought under a liquidity agreement to registered form. Also, the purchase limit on such shares (10% of capital) is now calculated on a net basis, i.e. the number of shares bought less the number of shares sold while the authorisation from the general meeting of shareholders is effective.

The same order also included two series of measures to improve the consistency of share buyback disclosures. First, it eliminated the requirement for companies to prepare a special report on a buyback, since such reports reiterate the information given in the mandatory disclosures in the annual management report. Henceforth any information previously provided only in the special report and relating to the objectives of the buyback (number of shares used, reallocations, etc.) must now be incorporated into the management report. Second, the order eliminated the need for the AMF to inform the public about the monthly statements issued by companies concerning purchases and sales of their own shares, considering that companies are already required to provide weekly disclosures to the market by web-posting the relevant information.

3 > Overhauling the framework for major holding notifications and statements of intent

On 23 October 2008 the AMF began a public consultation on the report by the working group on major holding notifications and statements of intent. Set up in February 2008 the group, chaired by AMF Board member Bernard Field, was tasked with proposing measures, including legislative amendments, to address the problems raised by the use of certain derivative instruments to make creeping takeovers or secretly gain influence over listed companies. These issues were thrown into sharp relief by a number of situations, including, most recently, the circumstances surrounding Porsche’s acquisition of interests in Volkswagen.

The group put forward 20 recommendations to make equity investments more transparent. In particular, the proposals seek to capture the sophisticated techniques used by traders to acquire economic interests in the capital of listed companies, such as options and contracts for difference. However, the group said that hybrid securities whose underlyings have not yet been issued, e.g. convertible bonds, warrants or bonds convertible into new shares or exchangeable for existing shares, should not be counted when calculating holding thresholds, but should still be reported separately.

Statements of intent are a valuable tool for detecting takeovers. Nonetheless the group felt that these arrangements could be improved by introducing a form similar to the US Schedule 13D, which would go some way to addressing the practical problems raised by the lack of detail in these statements.

Changes to the base for calculating reporting thresholds also prompted the group to consider the calculation procedures and the trigger level for compulsory bids, with a view to making the arrangements consistent with the make-up of the general meetings of listed companies. However, the group was unable to reach a consensus on these points.

The Executive Order of 30 January 2009, introduced pursuant to the Economic Modernisation Act, adopted a number of the working group’s recommendations at the legislative level. Derivative instruments will be treated differently depending on whether they give the holder an unconditional right to acquire shares. If they do, they will be treated as shares; otherwise, they merely need to be reported for information purposes in the major shareholding notification. In addition, the framework for statements of intent was adjusted in line with the report’s recommendations.

4 > Liberalising the framework for preferred shares

Preferred shares, introduced in France in 2004, were not as successful as expected. The pre-emptive rights attached to these shares and the fact that holders could ask to redeem their shares if they became illiquid proved incompatible with the fact that financial institutions include preferred shares in regulatory capital. To address this issue, two sets of changes were made to the framework for preferred shares.

Under changes introduced as part of the Economic Modernisation Act, preferred shares may not carry pre-emptive rights if they do not also have voting rights. The Executive Order of 6 November 2008, which was introduced on the basis of the authorisation contained in the Economic Modernisation Act, specified that the existence of voting rights should be assessed at issuance, to capture situations where equities gain voting rights after they have been issued. Furthermore, companies listed on a regulated market can no longer buy back preferred shares for reasons of share illiquidity. Accordingly, the framework in Article L. 228-12 of the Commercial Code now applies in this respect.

5 > Reforming securities legislation

To make French law more understandable, particularly to foreign investors, the Executive Order of 8 January 2009 reorganised the classification of financial instruments by dividing them into two sub-categories: "financial securities" and "financial contracts". Financial securities include equity and debt securities as well as shares and units in collective investment schemes. Financial contracts are forward financial instruments.

B – AMF recommendation on information to be provided in registration documents concerning the remuneration of corporate officers

The French Business Confederation (MEDEF) and the French Private Companies Association (AFEP) published on 6 October 2008 a recommendations on the remuneration of executive directors of companies whose securities are listed on a regulated market. Following the release of the recommendations, on 7 October 2008 the Cabinet issued a news release calling on the boards of such companies to formally adopt the recommendations before the end of 2008 and make sure they were strictly enforced.

On 13 January 2009 the AMF published an initial assessment of news releases issued by listed companies concerning the AFEP-MEDEF recommendations. It found that companies had made a major effort in this area, with 94% of the French large caps on the Paris Bourse endorsing the code by 7 January 2009.

Furthermore, on 22 December 2008 the AMF published a recommendation summarising the information concerning the remuneration and benefits of corporate officers that listed companies must provide in their registration documents to satisfy legal requirements stemming from French and European legislation and regulations.

1 > Corporate officers covered by the AMF recommendation

The AMF recommendation covers all corporate officers, including the manager, the chairman of the board, the chief executive officer (CEO) and deputy CEOs, directors and members of the management and supervisory boards. However, the provisions taken from the AFEP-MEDEF recommendations on not combining corporate office with an employment contract apply only to the chairman of the board, the chairman/CEO and the CEO in companies with a board of directors, the chairman of the management board and the sole CEO in companies with a management board and a supervisory board, and the manager in the case of limited partnerships with share capital.

2 > Information to be included in the registration document

The AMF recommendation incorporates the disclosure tables prepared by the MEDEF and the AFEP, in which companies provide details about the remuneration of the corporate officers covered by the recommendation for the year in question and the previous year.

Furthermore, in the registration document, issuers must set out their policy vis-à-vis the AFEP-MEDEF recommendations and specify what decision their board of directors or supervisory board has made in this regard. If they apply the recommendations only in part, issuers must explain why, in accordance with the "comply or explain" approach.

C – Public consultation on relaxing IPO rules

The AMF held a public consultation on proposals to relax certain rules governing admission to a regulated market through an IPO.

1 > Retail allotments

For some years, the French regulator has required 10% of IPO shares to be reserved for retail investors, to ensure that individuals have access to the primary market.

Under Article 315-35 of the General Regulation, retail investors are deemed to be treated fairly if a centralised allotment procedure is put in place with the market operator. In other words, other types of treatment are acceptable if justification is provided. It was therefore proposed to modify Article 315-35 to eliminate the added provision concerning the treatment of individuals. Thus, when a placing procedure intended specifically for institutional investors coexists with one or more procedures for individual investors, the lead manager shall endeavour to provide for a transfer mechanism to ensure that individual and institutional investors are fairly treated. The mechanism itself and implementation requirements are set out in the prospectus, which must receive advance approval from the AMF.

2 > 15% price range

Under AMF regulations, if an IPO is made at an unknown price subscription orders cannot be considered irrevocable unless a price range is indicated. Specifically, the price must remain within a range of 7.5% around a central point.

This rule raises enforcement issues in practice, since assessing the fair value of shares that have not yet been admitted to listing on a regulated market can be difficult, either because of the sector or business model of the issuing company or because markets are highly volatile. Also, from a legal perspective, this French practice is based neither on European legislation nor on its transposition into the AMF General Regulation.

For these reasons, the AMF proposed the following amendments:

> a price range should continue to be provided, since this is market practice in France and Europe;

> the bounds of the range should be widened to plus or minus 10%, which would be more in line with practices in other marketplaces. A wider range would still provide adequate information to investors while giving the intermediaries responsible for placing the issue more room for manoeuvre;

> the issuer should be able to choose between a price range with an indicative or mandatory lower bound. In the case of an indicative range, the issuer could set the final price below the lower bound without having to file for approval a supplement to the prospectus, since orders would not be revocable. However, approval of a supplement to the prospectus would still be required if the new price had a material impact on the other characteristics of the IPO or the financial situation of the issuer.

D – Transposing the directive on cross-border mergers

The Act of 3 July 2008 on bringing certain aspects of company law into line with Community legislation and the Decree of 5 January 2009 transposed the directive on cross-border mergers of companies with share capital into French law.

A special section of the Commercial Code is now given over to cross-border mergers, which may be carried out by public limited companies, limited partnerships with share capital, European companies registered in France

and incorporated private companies. Cross-border mergers must involve one or more companies with share capital, and at least two of them must be governed by the laws of different Member States.

If one of the companies taking part in the cross-border merger is governed by national laws that allow such an arrangement, the merger agreement may provide for a cash payment exceeding 10% of the nominal value, or in the absence of a nominal value, of the accounting par value of the allocated securities, interests or shares, by way of an exemption from Article L. 236-1 of the Commercial Code, which sets a maximum of 10% of the nominal value of the allocated interests or shares.

2 – Publication and dissemination of regulatory positions in 2008 (excluding takeover bids)

A – Free warrants: treatment of treasury stock

Despite changes introduced by the Executive Order of 30 June 2004 on securities reforms to facilitate capital increases with or without pre-emptive rights, issuers continued to carry out capital increases by allocating subscription warrants free of charge, as a substitute for pre-emptive rights. The use of warrants for this purpose offers a number of advantages. Notably, the capital increase can be carried out more quickly, and the warrants can be recycled, making it possible to achieve 100% of the issue. In view of this situation, and given the disparity in practices, in December 2007 the AMF published a position to standardise the approaches employed in capital increases (pre-emptive rights or warrants performing the same function).

The AMF stated that capital increases effected by means of a free allocation of warrants would be subject to similar rules to those governing capital increases with pre-emptive rights, as regards the issue price (freely set exercise price), the subscription period (five trading days), criteria for success (subscriptions cover at least 75% of the amount of the increase), and underwriting terms (unless otherwise decided, at the issuer's discretion, provided the prospectus supplies clear and adequate information). These rules could be applied to capital increases carried out using warrants to the extent that warrants are not subject to a separate regime.

However, the specific rules applicable to warrants and pre-emptive rights remain in effect. In particular, treasury stock is treated differently depending on which approach is used. Under Article L. 225-210 of the Commercial Code, in the event of a capital increase with pre-emptive rights, the issuer can choose to:

> not allocate pre-emptive rights to treasury stock and distribute the rights attached to treasury stock to other shares, or

> sell the pre-emptive rights attached to treasury stock.

If the capital increase is effected by issuing subscription warrants, unless otherwise specified, the warrants attached to treasury stock constitute a claim for the issuer on itself and must therefore be cancelled pursuant to Article L. 225-149-2 of the Commercial Code.

In all cases, the prospectus must detail the treatment for treasury stock.

B – Description of stabilisation transactions in capital increases with pre-emptive rights

In a capital increase with pre-emptive rights, equity market transactions by the stabilisation manager may not constitute stabilisation transactions within the meaning of the European Market Abuse Regulation since such trades may be carried out at a higher price than the subscription price. Also, the manager may be required to conduct sales of shares. Although these transactions are not covered by the safe harbour provided by the Market Abuse Directive (MAD), they must be carried out in a way that does not compromise market integrity and that complies with the MAD and Articles 631-7 to 631-10 of the AMF General Regulation.

Trading in pre-emptive rights on the market should be carried out in a way that does not compromise the integrity or orderly operation of that market, particularly with a view to promoting liquidity and ensuring that all holders have equal access.

Consequently, financial intermediaries' purchases and sales of shares and pre-emptive rights should be clearly detailed in the prospectus.

C – Issuance of bonds with redeemable subscription warrants (OBSARs) followed by the sale of redeemable subscription warrants (BSARs) for employees and/or corporate officers – Change to the characteristics of subscription warrants

Several OBSAR issues were carried out in 2008. Conducted either as part of reserved issues or with pre-emptive rights, these transactions were used by issuers to obtain attractive financing terms and reserve BSARs for specific beneficiaries or certain categories of people, such as employees or corporate officers.

The AMF reiterated the authorisation rules governing reserved issues, to ensure that these transactions are carried out within a legal framework that is consistent with their final purpose and comply with the legal rules for voting on reserved issues.

Accordingly, the company is required to put the following resolutions to a vote at its Annual General Meeting (AGM):

> a resolution on the OBSAR issue, specifying that:
  - BSARs created as part of the issue are reserved from the outset for beneficiaries other than the OBSAR subscriber (corporate officers, employees and shareholders),
  - the allocation of BSARs to beneficiary shareholders will be subject to adoption of a separate resolution on which the beneficiaries do not vote;
> a separate resolution concerning the allocation of BSARs to beneficiary shareholders, who do not take part in the vote.

The AMF also said that issuers should implement the following procedures to ensure that shareholders are fairly treated in reserved issues with pre-emptive rights:

> set up a mechanism to ensure that all shareholders have access to BSARs alone (i.e. stripped from the bonds);
> propose a reasonable quantity of pre-emptive rights (minimum number of pre-emptive rights to subscribe for one or more BSARs) to ensure, in practice, that all minority shareholders of the issuing company have effective access to the BSARs.

The AMF also recommended that any change to the issue contract that could impact BSA valuation should be submitted, in the form of a separate resolution, to an extraordinary AGM convened to consider a new expert report on the consequences of the change and, in particular, the size of the resulting benefit for holders.

D – Recapitalisations by struggling companies

In 2008 the AMF approved a number of recapitalisation transactions by struggling companies, for which the following principles were implemented.

General principles

In accordance with the principle of fair treatment for shareholders, the AMF ensures that recapitalisation transactions opened up by companies to certain shareholders are also made available to all other shareholders under exactly the same conditions. As far as possible, efforts should be made to ensure that certain managing shareholders or key institutional shareholders are not alone in benefiting from opportunities for earnings accretion owing to their involvement in negotiations, either with a new investor taking a stake as part of the deal, or with creditors as part of efforts to rebalance the company's sources of funding (no new investor).

Exclusive financing provided by a new investor resulting in price dilution

When recapitalisations are exclusively financed by a new investor, and if these deals lead to price dilution, the AMF requires that:

> arrangements should be made so that existing shareholders can take part in the transaction to avoid dilution, or, if not;
> an independent appraiser should give an opinion on the fairness of the transaction if the public has little or no access to the deal. The opinion must deal particularly with the circumstances of the transaction and should contain an analysis of steps taken to identify and organise competition between alternative refinancing solutions, an examination of the company's current financial situation and prospects, and an assessment of the fair treatment of all participants.

When assessing the need for an independent appraiser, the AMF also takes account of conditions under which the proposed resolutions were voted on at the AGM.

Issuance of free or low-value BSAs

To uphold the principle of fair treatment for subscribers when free or low-value subscription warrants (BSAs) are issued, the AMF makes sure that these warrants are allocated to all shareholders. However, it has accepted that free BSAs can be reserved for certain subscribers in two cases: where an allocation reserved for a new shareholder might encourage it to participate in a recapitalisation, or where the allocation is reserved for managing shareholders, to the extent that the transaction does not excessively dilute minority shareholders and on condition that the shareholder in question plays a significant part in the forthcoming recapitalisation.

In both cases, to ensure that shareholders were properly informed when the transaction was voted on at the AGM, an independent appraiser was asked to give an opinion on the fairness of the transaction. Furthermore, to prevent the issuance rules from being circumvented and to protect the public, the AMF applied the 75% minimum success level provided for in Article L. 225-134 of the Commercial Code for ordinary share issues, to issues including short-term warrants equivalent to pre-emptive rights, and required that level to be achieved via subscription commitments from shareholders, new entrants or banks.

Capital increase with a discount leading to a change of control

In accordance with Article 261-2 of the AMF General Regulation, the issuer is required to appoint an independent appraiser when it carries out a reserved capital increase at a discount to the market price that exceeds the maximum discount authorised for a capital increase without pre-emptive rights that gives a shareholder control over the company within the meaning of Article L. 233-3 of the Commercial Code.

Presentation of an approved prospectus prior to the AGM

To ensure that shareholders are properly informed, the AMF requires the prospectus to be approved before the AGM held to vote on a reserved capital increase.

Furthermore, to uphold the principle of equal access to information, the AMF said that the prospectus should mention all confidential information passed on under a confidentiality agreement between the future investor and the company. In particular, the prospectus should contain a statement that the information provided in the document covers all the material points required to ensure equal access to information for solicited investors and the public.

Information provided to the market by companies in financial difficulty

Initiation of the proceedings provided for under Act 2005-845 of 25 July 2005 on the protection of struggling companies does not suspend the ongoing disclosure requirements applicable to listed companies. Accordingly, companies must continue to inform the market of changes in their financial situation under the conditions provided for under the AMF General Regulation, and particularly Articles 223-1 and 223-2.

If the company does not distribute information about its financial position in order to protect its legitimate interests, it must be able to ensure the confidentiality of such information until it is published.

3 – Activity in 2008 (other than takeover bids)

A – Corporate financing in 2008

The number of approvals issued by the AMF in 2008 was sharply down compared with 2007, at 291 versus 446 the year before.

The number of approvals for corporate finance transactions was down 39% from the preceding year, falling from 321 in 2007 to 195 in 2008. The decline was chiefly attributable to the reduced number of initial public offerings (11 in 2008, compared with 38 in 2007) and approvals for listings of debt or equity securities (36 in 2008, after 63 in 2007). To some extent, the decline was offset by the increase in the number of prospectuses filed by foreign companies in connection with transactions reserved for employees.

1 > Listings and delistings

a) New listings

Approvals for new listings

	2007	2008
Compartment A	3	1
Compartment B	5	0
Compartment C	5	2
Professional compartment	-	1
Foreign issuer compartment	-	1
Euronext	**13**	**5**
Alternext Paris	**25***	**6**

Source: AMF
* Includes one foreign company: Antevenio.

The AMF issued approvals for 11 new listings in 2008: five for listings on Euronext and six on Alternext.

The listings that were made raised a total of €63 million. On Euronext, five companies were listed directly without receiving AMF approval: Anheuser Busch (professional compartment), Cofinimmo, Ascencio SCA, Befimmo SCA and Thernergo. These five listings were carried out without a prospectus, on the basis of a summary, because the securities of the companies in question had already been admitted to trading on a regulated market for over 18 months.

On Alternext Paris, in 2008, six companies - China Corn Oil, Huacheng Real Estate, Proventec, CNPV, Oragenics and Toolux Sanding - opted to list via private placement, i.e. without making a public offering.

b) Delistings

Market – Compartment

Delistings	2007 Number of companies	2008 Number of companies
Compartment A	6	6*
Compartment B	10	10**
Compartment C	18	20***
Professional compartment	0	1
Special compartment	1	0
Foreign issuer compartment	10	6
Euronext	**45**	**43**
Alternext Paris	**2**	**2****

Source: AMF
* includes one foreign company: Euronext NV.
** includes one foreign company: Trader Classified Media.
*** includes one foreign company: Astra.
**** includes one foreign company: Thenergo.

Delisting procedures

Delistings following	2007	2008
Buyout with a squeeze-out	7	9
Squeeze-out following buyout	10	20
Sales facility	7	2
Mergers	14	4
Court-ordered liquidation, dissolution or transfer of assets	7	7
Market transfer	0	1
Buyout without squeeze-out	2	2
Total	**47**	**45**

Source: AMF

There was a major increase in the number of delistings following squeeze-outs in 2008. Conversely, there was a sharp decline in the number of delistings following mergers.

In general, the number of delistings in 2008 was more or less the same as in 2007.

On Alternext, two companies were delisted, including one foreign company (Thenergo).

2 > Other financial offerings

a) Approvals of issues, secondary offerings and listings of equity and complex equity securities

The number of issues on regulated markets fell sharply, with 36 approvals in 2008, compared with 63 in 2007.

	2007	2008
Issues and listings on a regulated market	**63**	**36**
With pre-emptive rights	**35**	**11**
Shares	26	7
Shares with subscription warrants attached (ABSA)	4	1
Shares with purchase warrants for existing shares or subscription warrants for new shares (ABOASA)	0	0
Bonds with redeemable subscription warrants (OBSAR)	4	3
Subordinated bonds redeemable in shares (OSRA)	0	0
Bonds redeemable in shares (ORA)	1	0
Convertible bonds (OCA)	0	0
Without pre-emptive rights	**28**	**25**
Shares	12	13
ABSA	0	2
ABOASA	0	0
Subscription warrants (BSA)	0	0
Cooperative investment certificates (CCI)	0	0
Bonds convertible into new shares or exchangeable for existing shares (OCEANE)	7	2
OCA	0	0
OBSAR(	4	7
ORA	2	0
Bonds redeemable in cash and in new or existing shares (ORNANE)	1	0
Subordinated bonds convertible into new shares or exchangeable for existing shares (OSCEANE)	1	0
Bonds redeemable in new or existing shares (ORANE)	1	1

Source: AMF

The number of issues on regulated markets fell from 63 in 2007 to 36 in 2008. The number of issues with pre-emptive rights for existing shareholders fell sharply, while the number of issues without pre-emptive rights declined very slightly.

However, there were seven issues of bonds with redeemable subscription warrants (OBSAR) in 2008, compared with four in 2007.

Outside of the regulated markets, there were fewer public issues (17 approvals in 2008 versus 26 in 2007) and public secondary offerings (one approval, compared with two in 2007).

b) Approvals relating to debt securities

The number of approvals issued for primary and secondary offerings and admission to trading of debt securities fell from 83 in 2007 to 57 in 2008, a decrease of 33%, owing to the decline in approvals relating to the admission of securities to trading.

3 > Registration documents and base documents

	2007	2008
Registration documents	368	367
> *Ex-post review*	268	272
> *Ex-ante review*	100	95
Updates and corrections to registration documents	103	74
> *Corrections to registration documents*	8	3
> *Updates to registration documents*	95	71
Base documents for listing	29	5

Source: AMF

Registration documents that were filed subject to ex-post review made up the vast majority of the total, at 272 through 31 December 2008, compared with 268 at the end of 2007. Even so, in 2008 the AMF registered 95 documents under the ex-ante review procedure

4 – Takeover bids

A – 2008 takeover statistics

The number of takeovers fell sharply in 2008 compared with 2007. The AMF issued 41 decisions finding offers to be compliant, compared with 67 in 2007.

Public tender offers initiated in the year under review [1]	2005	2006	2007	2008
Tender offer – standard procedure	14	6	13	8
Tender offer – simplified procedure	23	23	32	18
Buyout offer	3	3	3	-
Buyout offer followed by a squeeze-out	29	19	7	8
Share buyback offer	8	2	2	2
Standing market offer	9	6	9	4
Squeeze-out with compliance statement[2]	-	0	1	1
Total[3]	**86**	**59**	**67**	**41**
Squeeze-out without compliance statement [2]	-	4	10[4]	18

Source: AMF

(1) The statistics do not include offers that are ruled to be non-compliant. However, they do count unsuccessful bids or bids where the bidder backed out (such as Gemalto's bid for Wavecom in 2008).
(2) Provision introduced by Act 2006-387 of 31 March 2006 relating to takeover bids.
(3) Excluding squeeze-outs without a compliance statement.
(4) Includes one squeeze-out authorised by the Luxembourg market authority involving a company registered outside France.