Range of securities eligible for repo transactions with the SNB to be expanded

As of 19 April 2005, the Swiss National Bank (SNB) will also accept euro-denominated government bonds from France, Belgium and Spain as security for its Swiss franc repo transactions. These bonds must have an issue volume of at least EUR 1 billion. The securities must be listed on a recognised stock exchange or be traded on a representative market. Moreover, they must be deliverable via SIS SegaIntersettle AG (SIS). The securities must be transferred to SIS either via Clearstream Luxembourg or via Euroclear Belgium.

The SNB will add these securities to the Euro GC Basket with effect from 19 April 2005. The individual instruments will be published on the internet at www.snb.ch under News / Repos.

Unlike the securities already contained in the Euro GC Basket, interest income on all bonds listed above is subject to withholding tax. Consequently, these securities can only be used if no coupon payments accrue during the term of the repo transaction concluded. For procedural details, please refer to the SIS product specifications (www.sec.sisclear.com under Private / Products / Repo / Close-up Repo product specifications 7 chapter 3.5.4.3 valid till date).

The SNB will also add individual Swiss franc-denominated bonds from foreign member states to the CHF GC Basket as of 19 April 2005.

Yours sincerely
Swiss National Bank

Thomas J. Jordan Karl Hug