

**BPM International: Press release**

## **BPM International Close Cycle Rankings 2009**

# **Credit crunch and recession drives acceleration in annual results reporting across Europe**

- **Paragon Consulting Group and its BPM International consulting partners researched over 1,050 of the worlds largest companies**
- **60 of the European FT100 have accelerated their results announcement date by an average of 4 ½ days**
- **Company Finance teams deserve credit for meeting the credit crunch challenge of accelerated communication with investors**
- **Auditors also met the challenge, 53 European FT100 companies accelerating audit timetables, by an average 7 days**
- **European FT100 Top 3 performers for results announcement are Ericsson (Sweden), Nokia (Finland) and BBVA (Spain)**
- **European FT100 Top 3 performers for audit sign off are Novartis (Switzerland), Novo Nordisk (Denmark) and Astra Zeneca (UK)**
- **Dramatic acceleration seen in close and announcement cycles at many European companies despite the uncertainties caused by the credit crunch**
- **Generali (Italy), Xstrata (UK), Ericsson (Sweden), Barclays (UK), StatoilHydro (Norway), Zurich Financial Services (Switzerland) and Axa (France) have led the way with significant reductions in announcement dates.**

**London, April 26<sup>th</sup> 2009.** The most extensive global annual research into year end results announcements and audit timetables of the world's largest companies has revealed that European Finance Teams have met the challenge of the credit crunch and global recession.

Despite uncertainty around asset valuations and audit concerns over "going-concern" status of companies with large debts in tight credit markets, 60 FT European 100 companies have accelerated their reporting timetables and 53 have accelerated their audit timetables.

Companies in the Financial Services sector have used acceleration of results announcements as a tool to bolster investor confidence by getting detailed financial results to the market faster, Barclays Bank of the UK being a prime example, having slashed 10 days off their result announcement.



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David JH Jones, Chairman of BPM International, who conducted the research, comments:

“At the start of this year there was much concern that economic uncertainty and dire credit markets would cause Europe’s top companies Annual Results reporting timetables to slow and audit timetables to extend as company accountants and auditors grappled with the uncertainty.

It is a great credit to the FT European 100 Finance Teams and the Audit profession that despite this unprecedented uncertainty reporting and audit timetables have not suffered and have largely accelerated.

For investors this is good news, as the more rapid availability of detailed financial information and clarity of a company’s financial position helps bolster confidence.

Particular credit must go to companies in the European FT100 who have led the way with dramatic acceleration of results announcements this year such as Generali of Italy (43 days), Xstrata of the UK (34 days), Ericsson of Sweden (11 days), StatoilHydro of Norway (10 days) and Barclays of the UK (10 days), AXA of France (9 days) and Zurich Financial Services of Switzerland (9 days)”.

Novartis International, in the view of BPM International, remains the European leader in year end close cycle and announcement processes, with results announcement, audit completion, publication of the full annual report (in two languages) and the filing of the US SEC 20-F form all achieved by 28<sup>th</sup> January 2009, a truly exceptional performance.

The USA has seen its reporting timetables stay static and its audit timetables reduce slightly, however the USA continues to report significantly faster than Europe. The USA Top 100 report results in an average of 30 days as opposed to the European Top 100 average of 49 days.

The close cycle time is regarded by many Finance Directors as a key benchmark. This is because there is wide evidence and acceptance in the finance community that the speed of close is symptomatic of the state of the underlying finance processes and systems in the organization. Those who have the fastest external reporting close cycles will typically have some of the most effective and efficient finance processes and systems and as a consequence they will also have some of the faster internal management reporting close cycles.



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### **Close Cycle Rankings 2009**

The close cycle rankings 2009 includes numerous rankings for UK, European, US and world-wide major companies, including the six-year trends, regional trends, global industry trends, each with the elapsed days of the result announcement dates and the audit sign-off dates. The rankings are based on published and publicly available information. The date used to measure the elapsed days between financial year end and announcement date is the date of publication of "preliminary results" in the UK or its equivalent in European and US markets. The audit date is taken from the appropriate company filing or published financial statements.

For a copy of the full report and/or specific results for a country or industry contact:  
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### **About BPM International**

*BPM International is Europe's only integrated Business Performance Management (BPM) consulting network. BPM is an umbrella term that describes all of the processes, methodologies, metrics and systems needed to measure and manage an organization's performance. The BPM International members are five leading BPM consultancies with operations in 20 countries and over 350 BPM focussed consultants, working with many diverse companies across multiple industries including some of Europe's largest multinational corporations. The members of BPM International are: Paragon Consulting Group (UK, Turkey, United Arab Emirates and Singapore), Centre Consulting (Netherlands), Capacent (Sweden, Norway, Iceland, Denmark, Finland), ifb group (Germany, USA, China, Austria, Czech Republic, Hungary, Switzerland, Luxemburg, Slovakia, France, Poland, Uruguay) and ValorGest (Portugal).*

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