



Shareholders' Information

Basel, 30 July 2009

1H 2009 results of Bank Sarasin & Co. Ltd:

Growth despite the financial crisis

Impressive net new asset growth of almost CHF 5 billion (+14% p.a.) – Steep increase in assets under management to CHF 80 billion – Net profit on target, at CHF 54 million (38% higher than the adjusted figure for H2 2008)

Dear Shareholder

We are pleased to be able to report an encouraging performance for 1H 2009. This result is very promising for our bank, particularly in view of the adverse market conditions during the second half of 2008, which deteriorated even further in the first quarter of the current year. Our success reflects our recognised market positioning and the progress we have made through consistent implementation of our growth strategy. In such a challenging market climate, it has proved necessary to rein in our investments in the bank's future growth, while still concentrating on selected growth initiatives.

The increase in assets under management is particularly pleasing: these rose from CHF 69.7 billion as of 31 December 2008 to CHF 79.9 billion as of 30 June 2009. This increase is attributable to excellent new money inflows of CHF 4.8 billion since the start of the year, as well as positive performance and currency translation effects totalling CHF 5.8 billion. Our impressive success in acquiring new assets confirms the high level of trust our clients place in us. They value the top quality and professionalism of the new client advisors we recruited in 2008 as we have moved to strengthen our CRM team in order to realise our ambitious plans for future growth. We are very confident of not only achieving but most likely exceeding our full-year 2009 target of net new asset growth of CHF 7 billion.

Our performance on the revenue front was reassuringly solid. Operating income for 1H 2009 was 2% higher than the same period last year, rising to CHF 315.1 million. Our drive to diversify our sources of earnings, undertaken as part of the group's growth strategy, had a positive impact: we managed to once again improve not just our net interest income by 5% to CHF 68 million, but also achieved a 51% rise in income from trading operations, to CHF 63 million. Despite this, the bank's risk profile remains low, as confirmed by the reduction in the average Value at Risk (VaR) in our trading operations from CHF 430,000 last year to CHF 325,000. The scale of potential growth compared to the previous year was negatively affected by the shrinkage in the asset base caused by the adverse market climate and also the very challenging stock market environment during the opening months of 2009. Lower than expected corporate earnings combined with persistent uncertainty about the effectiveness of the globally coordinated fiscal stimulus programs triggered a wave of selling in international stock markets during the first three months of the reporting period. Our income from commission & service fee activities – one of our main revenue drivers – was therefore weaker during the first quarter. The continuing high levels of liquidity, coupled with lower transaction volumes due to adverse market conditions, also had a negative impact. We are cautiously optimistic for the rest of the current financial year. There are still some uncertainties regarding our revenue growth because of



unpredictable market conditions, over which we unfortunately have no direct control.

It is thus still vital that we maintain our tight cost management. Initial successes were already apparent during the first six months of the year: as expected, our personnel costs were slightly higher than during the same period last year, as they were affected by the investment to expand our highly professional client advisor team. We significantly moderated this pace of growth at the start of the year, after the Executive Committee decided to keep the headcount for 2009 virtually unchanged as part of our overall cost management initiatives. New employees are still being recruited as part of the natural fluctuation in our workforce. In fact, overall quality has been improved as underperforming employees are replaced by new staff. We plan to increase further the ratio of client advisors as a percentage of the total workforce.

General administrative expenses were also kept under tight control as part of our strict cost management program. The review of our existing business portfolio, along with the instruction to redimension or freeze unproductive or unpromising business cases together with the associated services, is therefore starting to show the desired effect. Fortunately, however, most of our business cases are doing well. Operating expenses came to CHF 230 million in 1H 2009.

The strong half-year 2009 result of CHF 54 million that our bank was able to achieve in the persistently challenging market environment is based on the focused pursuit of our growth strategy geared to sustainability and investments in the future. We have thus adjusted our strategy to prevailing conditions by concentrating on markets with the most promising growth potential during 1H 2009. In Switzerland, we further consolidated our traditionally strong position in our important home market by opening another Swiss branch in the country's capital, Bern. At the same time the further expansion of

our existing Swiss locations initiated last year is now paying dividends in the current year. On the international front, the Sarasin Group opened new representative offices in Poland (Warsaw) and Austria (Vienna). As a gateway to Central and Eastern Europe, both locations are particularly attractive for the bank's ongoing expansion plans. At the end of June we also announced the opening of two new Indian offices in Delhi and Mumbai. We are confident that India will become a strong motor of economic growth and that it offers numerous opportunities for our group. The economic indicators show that we have chosen a good moment to break into this market. Our first-half results also prove that the Asian region in particular is capable of producing an excellent return and is on a positive growth path.

This year Sarasin celebrates 20 years of sustainable investment. Not just in Switzerland, where we are market leaders, but also in our different international target markets we sense that sustainability gives us a competitive advantage. Over the last 20 years we have been able to amass a wealth of experience in this investment style. Most importantly, the effect of the current financial crisis has been to highlight the substantial value-added which sustainability research can provide. The capital market is giving out clear signals that sustainably managed companies are viewed as solid credit partners. As a pioneer in the field of sustainability, drawing on our team of highly qualified experts in this field, we are in a position to provide an excellent level of support and advice to our clients in this area. In addition, our standing as a market player committed to sustainability requires the bank itself to act in a consistent manner in this respect. We took another step towards this with our decision at the end of last year to switch the portfolio management of our private clients in Switzerland over to a sustainable investment style. This move has been welcomed by our clients. The development of the assets we manage shows that sustainability is in demand and that we come across as a competent partner.



Over the past 10 years the volume of assets we manage according to sustainability criteria has risen from CHF 626 million to CHF 10.1 billion. The volume of assets managed by third parties using Sarasin Sustainability Research amounted to CHF 23.4 billion on 30 June 2009.

In the current precarious environment, our capital strength continues to be a particularly important aspect. To allow the bank to take a sustainable and far-sighted approach to its business development, our shareholders at the annual general meeting 2009 approved various motions by the Board of Directors which give us the freedom we need to create additional capital: instead of paying the usual dividends, it was decided to issue Cash or Title Options (COTOs). Following on from this resolution, a decision was taken to create conditional capital to finance the issue of COTOs and to approve further conditional capital to accommodate future capital funding requirements. By the end of July 2009, 58% of our shareholders (measured by share capital) – including our majority shareholder Rabobank – had already decided to exercise this option and will therefore strengthen our capital base. This is proof of their trust and belief in Bank Sarasin as an attractive investment.

Banking secrecy is a topical theme that affects Switzerland's financial industry and has attracted significant media attention in recent months as result of the financial crisis. Banking secrecy, or to use the more accurate term bank client confidentiality, is an obligation on the part of banks to keep their clients' details secret. In other words, it protects the client from invasion of his personal privacy. It was never an absolute rule, and in particular never provided a cover for criminal activity. We are following the current political discussion with great interest. The decisions that are currently being made are enormously important for the future of the Swiss financial community and could potentially have a bearing on our standing in our Swiss home market. However, we believe we essentially hold a

very strong position: in pursuing its international growth strategy, Bank Sarasin has established itself very well in different regions and therefore achieved excellent geographical diversification in recent years.

Our goals for the financial year 2009 are unchanged: we are confident that we are on track to exceed our net new money growth target of CHF 7 billion. We will thus achieve the performance-adjusted 2010 target for assets under management of CHF 100 billion sooner than expected, in the current financial year. We are also on course to achieve our profit target. Our operating profit for 2009 should be more or less in line with the previous financial year 2008, assuming that markets continue to improve in 2H 2009. We have already laid a solid foundation for our future growth by significantly expanding our team of client advisors in 2008. Further expansion in 2H 2009 will be more modest, but we will continue to exploit opportunities that arise for us to see through our growth strategy. Overall we plan to keep our headcount roughly where it is in FY 2009.

We would like to express our sincere thanks to all our staff for their dedication and hard work on behalf of our clients and shareholders. Their commitment and loyalty have played a vital role in achieving such an encouraging result. We would also like to thank our shareholders and clients for the trust they continue to place in us. It motivates us as a team to produce a professional performance, day in, day out, and to always give our very best. This is the only way to inspire confidence.

Yours sincerely

Christoph Ammann
Chairman of the Board
of Directors

Joachim H. Straehle
Chief Executive Officer

Key data

	1H 2009	1H 2008	2H 2008 adjusted	2H 2008
Group income statement (1,000 CHF)				
Operating income	315,148	307,469	319,013	369,675
Operating profit	84,870	97,505	64,228	114,890
Group result including minority interests	53,883	75,330	39,088	31,501
Ratios (%)				
Return on equity (ROE)	8,7	12,2	6,4	5,2
Cost income ratio I	73,1	68,3	79,9	68,9
Cost income ratio II	77,5	71,4	84,3	72,7
Equity ratio	9,4	9,9		9,4
BIS Tier 1 ratio	15,4	15,1		14,5
Results by segments (1,000 CHF)				
Private Banking	4,267	47,985	8,214	8,214
Trading & Family Offices	31,963	21,991	24,856	24,856
Asset Management, Products & Sales	15,320	36,385	8,226	8,226
Bank Zweiplus	4,103	0	6,974	6 974
Corporate Center	10,823	-19,622	-3,800	-26,871
Total results by segments	66,476	86,739	44,470	21,399
Assets under management (million CHF)				
Total assets under management	79,926	81,370		69,679
Net new money	4,792	7,228		7,248
Stock market price (CHF)				
	30.06.2009	30.06.2008		31.12.2008
End of period date	33,80	45,95		31,50
Market capitalisation (million CHF)	2,067	2,810		1,926
Number of employees (adjusted for part-time working)				
Total	1,540,3	1,312,1		1,537,0
Whereof client relationship managers (incl. assistance)	416,7	335,9		416,0



SARASIN

Sustainable Swiss Private Banking since 1841.

Consolidated balance sheet

	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008	
1,000 CHF				CHF	%
Cash and cash equivalents	595,276	47,697	435,236	160,040	36,8
Money market papers	825,078	40,528	358,542	466,536	130,1
Due from banks	2,729,524	5,373,145	4 082 097	-1,352,573	-33,1
Due from customers	5,928,486	4,462,773	5 203 474	725,012	13,9
Trading portfolio assets	513,753	493,830	352,209	161,544	45,9
Derivative financial instruments	415,142	368,859	423,784	-8,642	-2,0
Financial investments	2,010,574	894,761	1 269 819	740,755	58,3
Investments in associated companies	110,758	105,376	107,241	3,517	3,3
Property and equipment	124,374	113,791	129,447	-5,073	-3,9
Goodwill and other intangible assets	153,237	96,695	152,810	427	0,3
Current tax assets	172	40	46	126	273,9
Deferred tax assets	6,510	2,681	15,879	-9,369	-59,0
Accrued income and prepaid expenses	159,204	201,836	152,464	6,740	4,4
Other assets	31,851	33,077	23,838	8,013	33,6
Total assets	13,603,939	12,235,089	12 706 886	897,053	7,1
Liabilities and equity					
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008	
1,000 CHF				CHF	%
Due to banks	1,793,784	1,545,743	1,335,982	457,802	34,3
Due to customers	9,351,514	7,269,105	8 483 257	868,257	10,2
Trading portfolios liabilities	69,141	76,126	92,022	-22,881	-24,9
Derivative financial instruments	240,219	317,099	397,568	-157,349	-39,6
Financial liabilities designated at fair value	631,770	1,535,357	927,144	-295,374	-31,9
Current tax liabilities	5,419	20,251	9,058	-3,639	-40,2
Deferred tax liabilities	10,303	8,661	9,553	750	7,9
Accrued expenses and deferred income	143,679	191,343	199,450	-55,771	-28,0
Other liabilities	74,844	55,099	54,196	20,648	38,1
Provisions	4,190	4,090	5,453	-1,263	-23,2
Total liabilities	12,324,863	11,022,874	11,513,683	811,180	7,0
Share capital	61,155	61,155	61,155	0	0,0
less treasury shares	-26,510	-35,402	-43,435	-16,925	-39,0
Capital reserve	599,139	606,309	602,340	-3,201	-0,5
Retained earnings	649,404	573,163	573,327	76,077	13,3
Reserves IAS 39 (net of tax)	-25,317	-24,071	-36,601	11,284	30,8
Currency translation differences	-80,111	-67,650	-104 662	24,551	23,5
Net profit (excluding minority interest)	50,784	68,636	94,716	-43,932	-46,4
Shareholders' equity of shareholders of Bank Sarasin & Co. Ltd	1,228,544	1,182,140	1,146,840	81,704	7,1
Minority interest in shareholders' equity (including share in profits)	50,532	30,075	46,363	4,169	9,0
Total shareholders' equity (including minority interest)	1,279,076	1,212,215	1,193,203	85,873	7,2
Total liabilities and shareholders' equity	13,603,939	12,235,089	12,706,886	897,053	7,1

Consolidated income statement

	1H 2009	1H 2008	2H 2008
1,000 CHF			
Interest and discount income	115,435	192,285	187,245
Interest and dividend income from financial investments	18,802	12,873	12,983
Interest expenses	66,393	140,812	136,017
Net interest income	67,844	64,346	64,211
Commission income on lending activities	992	2,234	3,315
Commission income on securities and investment transactions	184,894	224,816	214,857
Commission income on other services	9,714	2,707	4,001
Commission expenses	25,114	27,469	25,445
Results from commission and service fee activities	170,486	202,288	196,728
Results from trading operations	62,805	41,602	46,155
Other ordinary results	14,013	-767	62,581
<i>of which income from investments in associates</i>	<i>2,013</i>	<i>2,754</i>	<i>1,864</i>
Operating income	315,148	307,469	369,675
Personnel expenses	168,487	148,686	175,487
General administrative expenses	61,791	61,278	79,298
Operating expenses	230,278	209,964	254,785
Operating profit	84,870	97,505	114,890
Depreciation and write-offs on property and equipment	8,376	5,892	8,530
Amortisation of intangible assets	5,599	3,662	5,490
Value adjustments, provisions and losses	4,419	1,212	79,471
Profit before taxes	66,476	86,739	21,399
Taxes	12,593	11,409	-10,102
Net profit	53,883	75,330	31,501

Business segment reporting

Private Banking

	1H 2009	1H 2008	2H 2008 adjusted
1,000 CHF			
Operating income	138,883	162,674	159,580
Operating expenses	128,870	112,152	146,073
Operating profit	10,013	50,522	13,507
Depreciation and amortisation	2,609	1,368	1,775
Value adjustments, provisions and losses	3,137	1,169	3,518
Net profit before taxes per segment	4,267	47,985	8,214
	30.06.2009	30.06.2008	31.12.2008
Assets under management (million CHF)	36,756	34,519	31,432
Number of employees (adjusted for part-time working)	624,1	497,1	589,2
Whereof client relationship managers (adjusted for part-time working)	317,3	243,6	313,6

Trading & Family Offices

	1H 2009	1H 2008	2H 2008 adjusted
1,000 CHF			
Operating income	49,045	38,676	39,531
Operating expenses	16,179	16,639	14,649
Operating profit	32,866	22,037	24,882
Depreciation and amortisation	30	46	26
Value adjustments, provisions and losses	873	0	0
Net profit before taxes per segment	31,963	21,991	24,856
	30.06.2009	30.06.2008	31.12.2008
Assets under management (million CHF)	7,016	6,520	5,745
Number of employees (adjusted for part-time working)	79,6	72,7	81,3
Whereof client relationship managers (adjusted for part-time working)	33,5	28,9	33,9

Asset Management, Products & Sales

	1H 2009	1H 2008	2H 2008 adjusted
1,000 CHF			
Operating income	68,588	92,484	65,218
Operating expenses	52,284	54,618	55,544
Operating profit	16,304	37,866	9,674
Depreciation and amortisation	951	1,464	1,465
Value adjustments, provisions and losses	33	17	-17
Net profit before taxes per segment	15,320	36,385	8,226
	30.06.2009	30.06.2008	31.12.2008
Assets under management (million CHF)	24,247	26,033	21,295
Number of employees (adjusted for part-time working)	289,7	279,9	300,2
Whereof client relationship managers (adjusted for part-time working)	46,5	44,7	43,8

Business segment reporting (continued)

Bank Zweiplus

	1H 2009	1H 2008	2H 2008 adjusted
1,000 CHF			
Operating income	29,342	0	44,181
Operating expenses	24,081	0	35,324
Operating profit	5,261	0	8,857
Depreciation and amortisation	792	0	629
Value adjustments, provisions and losses	366	0	1,254
Net profit before taxes per segment	4,103	0	6,974
	30.06.2009	30.06.2008	31.12.2008
Assets under management (million CHF)	6,009	0	5,810
Number of employees (adjusted for part-time working)	137,0	0	136,6
Whereof client relationship managers (adjusted for part-time working)	19,4	0	22,7

Corporate Center

	1H 2009	1H 2008	2H 2008 adjusted
1,000 CHF			
Operating income	29,290	13,635	10,503
Operating expenses	8,864	26,555	3,195
Operating profit	20,426	-12,920	7,308
Depreciation and amortisation	9,593	6,676	10,125
Value adjustments, provisions and losses	10	26	983
Net profit before taxes per segment	10,823	-19,622	-3,800
	30.06.2009	30.06.2008	31.12.2008
Assets under management (million CHF)	5,898	14,298	5,397
Number of employees (adjusted for part-time working)	409,9	462,4	429,7
Whereof client relationship managers (adjusted for part-time working)	0	18,7	2,0