



Our Results

Half Year Report 2009

**Impressive net new asset growth of CHF 4.8 billion
(+14% p. a.)**

**Steep rise in assets under management to
CHF 79.9 billion**

**Net profit on target, at CHF 53.9 million
(38% higher than adjusted figure for 2H 2008)**

**Outlook for 2H 2009: Targets unchanged –
Growth strategy to be continued**

Mission Statement of the Sarasin Group

As a financial service provider with locations in Switzerland, Europe, the Middle East, and Asia, the Sarasin group positions itself as a leading investment advisor and asset manager for private and institutional clients. Choosing Sarasin – customer, employee or shareholder – means banking on a financial institution with a long tradition which has a firm commitment to sustainability and fundamental Swiss values, coupled with a broad international footprint. Our top-quality products and services meet the needs and expectations of our clients when it comes to innovation, exclusivity, individuality, and performance.

We expect a high level of team spirit, commitment and performance from our employees. Our success depends on their extensive technical expertise and social skills. These play a key role in providing personalised advice to clients and help to build a solid basis of trust. As an employer, we offer a performance-oriented remuneration system as well as sound company pension schemes, coupled with an attractive and dynamic work environment in which continuous professional development and transfer of know-how are actively encouraged. The financial stability of the Sarasin Group is assured by its solid earnings power, attractive dividend and the backing of its AAA-rated majority shareholder, Rabobank.

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Key data

(on a consolidated basis)

Group income statement

	1H 2009	1H 2008	2H 2008 adjusted ¹	2H 2008
1,000 CHF				
Net interest income	67,844	64,346	64,211	64,211
Results from commission and service fee activities	170,486	202,288	196,728	196,728
Results from trading operations	62,805	41,602	46,155	46,155
Other ordinary results	14,013	-767	11,919	62,581
Operating income	315,148	307,469	319,013	369,675
Personnel expenses	168,487	148,686	175,487	175,487
General administrative expenses	61,791	61,278	79,298	79,298
Operating expenses	230,278	209,964	254,785	254,785
Operating profit	84,870	97,505	64,228	114,890
Depreciation and amortisation	13,975	9,554	14,020	14,020
Value adjustments, provisions and losses	4,419	1,212	5,738	79,471
Profit before taxes	66,476	86,739	44,470	21,399
Taxes	12,593	11,409	5,382	-10,102
Group result including minority interests	53,883	75,330	39,088	31,501
Group result excluding minority interests	50,784	68,636	33,667	26,080

Results by segments (before taxes)

	1H 2009	1H 2008	2H 2008 adjusted	2H 2008
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	66,476	86,739	44,470	21,399

¹ The second half of the 2008 financial year was influenced by special factors. Firstly, a one-off gain of CHF 50.7 million arose from outsourcing our business with direct clients in the retail and affluent segment and with the clients of intermediaries to the newly formed Bank Zweiplus Ltd, Zurich. Secondly, the financial crisis resulted in defaults in the amounts due from banks totalling CHF 58.2 million after tax.

Group balance sheet

1,000 CHF	30.06.2009	30.06.2008	31.12.2008
Total assets	13,603,939	12,235,089	12,706,886
Due from customers	5,928,486	4,462,773	5,203,474
Due to customers	9,351,514	7,269,105	8,483,257
Shareholders' equity including minority interests	1,279,076	1,212,215	1,193,203
Shareholders' equity excluding minority interests	1,228,544	1,182,140	1,146,840

Assets under management¹

million CHF	1H 2009	1H 2008	2H 2008
Total assets under management	79,926	81,370	69,679
New money through acquisitions	0	0	0
Change through divestment	-442	0	0
Net new money	4,792	7,228	7,248
Performance	5,897	-8,860	-18,939
Increase / decrease in assets under management (%)	14.7	-2.0	-14.4

Fig. 1: Group profit

(million CHF)

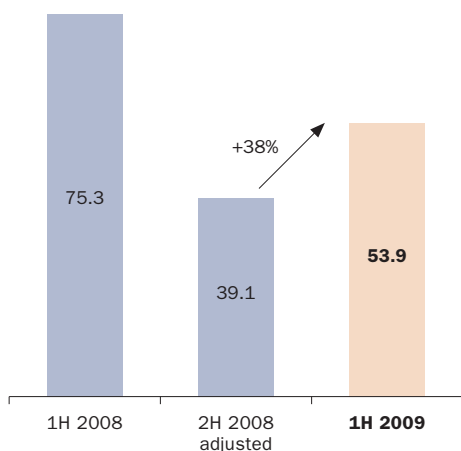
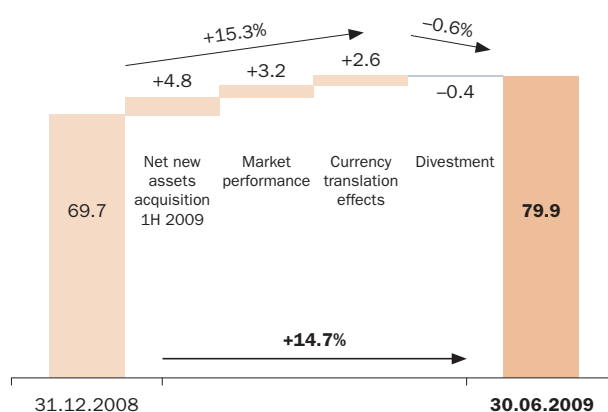


Fig. 2: Assets under management trends from 31.12.2008 to 30.6.2009

(billion CHF)



¹ Securities, rights, precious metals and fiduciary assets are valued at market. The total includes deposits with companies in the group as well as with third parties for which those companies have management authority. The assets of publicly traded Sarasin investment funds are reported under investment fund assets.

Ratios

	1H 2009	1H 2008	2H 2008 adjusted	2H 2008
%				
Gross margin on assets under management	0.86	0.78	0.82	0.95
Return on assets (ROA)				
– Operating income as a percentage of total assets ¹	4.8	5.1	5.1	5.9
– Group result as a percentage of total assets ¹	0.8	1.3	0.6	0.5
Cost income ratio I (operating expenses / operating income)	73.1	68.3	79.9	68.9
Cost income ratio II (operating expenses incl. depreciation and amortisation / operating income)	77.5	71.4	84.3	72.7
Return on equity (ROE) ²	8.7	12.2	6.4	5.2
%	30.06.2009	30.06.2008		31.12.2008
Equity ratio ³	9.4	9.9		9.4
BIS Tier 1 ratio	15.4	15.1		14.5

Selected key data per employee⁴

	1H 2009	1H 2008	2H 2008 adjusted	2H 2008
CHF				
Operating income	204,939	249,819	219,019	253,802
Operating expenses ⁵	158,836	178,358	184,549	184,549
Operating profit	55,190	79,223	44,096	78,878
Group result including minority interests	35,040	61,206	26,836	21,627

Selected key data per class B registered share with a nominal value of CHF 1⁶

	1H 2009	1H 2008	2H 2008 adjusted	2H 2008
CHF				
Operating profit	1.4	1.6	1.1	1.9
Group result	0.8	1.1	0.6	0.4

¹ Total assets: average of two period end figures.

² Shareholders' equity before distribution of profit: average of two period end figures including minority interests.

³ Shareholders' equity including minority interests as a percentage of total assets.

⁴ Headcount: Average headcount over the year (adjusted for part-time working).

⁵ Operating expenses incl. depreciation on fixed assets.

⁶ The key data per registered share is calculated excluding minority interests.

Stock market price

CHF	30.06.2009	30.06.2008	31.12.2008
End of period date	33.80	45.95	31.50
High	36.75	54.05	51.00
Low	21.50	39.08	25.45
Market capitalisation (million CHF)	2,067	2,810	1,926

Registered shareholders

	30.06.2009	30.06.2008	31.12.2008
	2,188	2,038	2,117

Headcount (adjusted for part-time working)

	30.06.2009	30.06.2008	31.12.2008
Group	1,540.3	1,312.1	1,537.0
Of which Switzerland	1,049.0	873.5	1,045.0
Of which abroad	491.3	438.6	492.0

Client relationship managers (headcount – adjusted for part-time working)

Incl. assistance	30.06.2009	30.06.2008	31.12.2008
Group	416.7	335.9	416.0
Of which Switzerland	244.7	192.0	250.1
Of which abroad	172.0	143.9	165.9

Fig. 3: Development of share price

(index 30.06.2008 = 100)



— Bank Sarasin & Co. Ltd class B registered share
 — Swiss Performance Index (SPI)

Fig. 4: Sarasin Group's locations



● Locations

Basel, Berne, Delhi, Doha, Dubai, Dublin, Frankfurt a. M., Geneva, Guernsey, Hong Kong, La Coruña, London, Lugano, Madrid, Munich, Mumbai, Muscat, Singapore, Vienna, Warsaw, Zurich

Foreword

Dear Shareholder

We are pleased to be able to report an encouraging performance for the first half of 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 existing as well as 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 the first half of 2009 was 2.5% 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

The level of net new asset growth confirms the enormous confidence that market players have in our bank. They appreciate the top quality and professionalism of the new client advisors we have recruited over the last year as we have moved to strengthen our CRM team in order to realise our ambitious plans for future growth.



CEO Joachim H. Straehle and Chairman Christoph Ammann

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 the first half of 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 the first half of 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, Berne. 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 (War-

We have continued to expand our position in 1H 2009 – although more modestly in view of the challenging market conditions – and selectively pushed ahead with our growth initiatives. Our choice of new locations is concentrated on markets that promise the most potential.

saw) 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). Also further conditional capital was approved 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 the second half of the year.

By the end of July 2009, 58% of our shareholders (measured by share capital) – including our majority shareholder Rabobank – have already decided to exercise their cash or title options.

This is proof of their trust and belief in Bank Sarasin as an attractive investment.

We have already laid a solid foundation for our future growth by significantly expanding our team of client advisors in 2008. Further expansion in the second half of 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

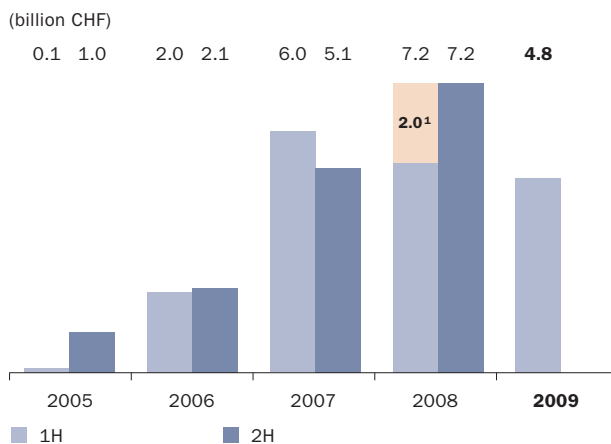
Review of business performance

Net new asset growth confirms growth dynamic

In the first half of 2009 the Sarasin Group delivered another excellent acquisition performance, achieving net new asset growth of CHF 4.8 billion. This result is better than the target of CHF 7 billion set for the full-year 2009. It shows that the consistent implementation of a highly focused growth strategy combined with far-sighted, selective investments in the bank's ongoing expansion are well received in the marketplace, despite the very challenging business environment. The steady inflow of net new money confirms the enormous trust that clients have in the Sarasin Group. It also reflects the high quality and professionalism of the client advisor team which Sarasin significantly expanded last year by another 122 advisors in a forward-looking decision.

All the group locations – both in the private clients and institutional clients business – contributed to the net new asset growth. Asia and the Middle East were particularly impressive, improving their acquisition figures compared

Fig. 5: Net new asset growth on a half-year basis

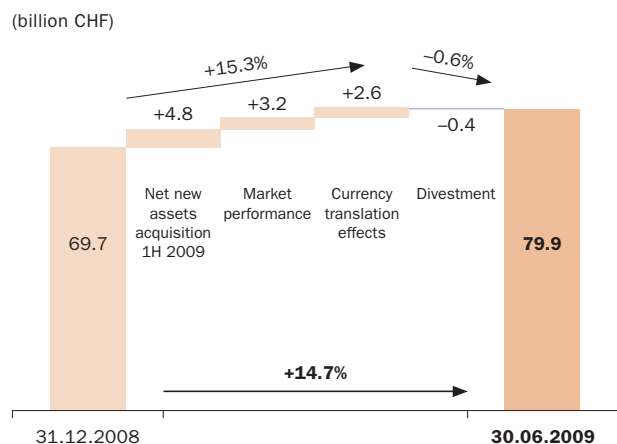


¹ CHF 2.0 billion net new assets relate to client assets transferred by AIG Private Bank into Bank Zwiplus.

with both the first and the second half of 2008. The consistent expansion of Sarasin's locations in these regions in recent years is therefore starting to bear fruit. Sarasin investment funds managed to attract net inflows of CHF 604 million during the reporting period, bucking the general sector trend. The volume of Sarasin investment funds increased by 5% during the reporting period from CHF 11.0 billion to CHF 12.3 billion.

Once markets stabilised and then gradually recovered from April 2009 onwards, the contribution from market performance increased, providing a boost of CHF 3.2 billion to assets under management. Currency translation effects of CHF 2.6 billion also had a positive impact. In April 2009 the new joint venture UFG-Sarasin Asset Management was set up in France, with the Sarasin Group owning a minority interest. With Sarasin Asset Management, Paris, now incorporated in this joint venture, client assets worth CHF 442 million are no longer part of the basis of consolidation of the Sarasin Group, and are treated as a divestment. During the reporting period, assets under management increased by 15%, or CHF 10.2 billion, to reach a total of CHF 79.9 billion, only slightly below the level at this time last year (30 June 2008: CHF 81.4 billion).

Fig. 6: Assets under management trends from 31.12.2008 to 30.6.2009



Strong home market in Switzerland and dynamic international network

In the private clients business, by far the largest proportion of assets (CHF 45.7 billion) are still managed from Sarasin's Swiss locations. Client assets were 9% higher than at the end of 2008 (CHF 41.8 billion), but still did not manage to climb back to the level they stood at a year ago. Growth was particularly impressive at Sarasin's locations in Asia and the Middle East: assets under management grew to CHF 10.8 billion, an increase of 44% on the level at the end of 2008 (CHF 7.5 billion). Assets managed at Sarasin's European locations rose 8% by the end of June 2009, to reach CHF 4.3 billion.

The amount of new assets acquired by the client advisor teams in the bank's locations in Asia and the Middle East was more than double last year's figure, at CHF 1.8 billion. The teams at Sarasin's Swiss locations contributed CHF 1.0 billion of new assets, and the bank's other European locations CHF 0.4 billion.

Fig. 7: Private clients business at the different Sarasin locations



Sarasin runs its institutional clients business out of its locations in Switzerland as well as three European locations (Frankfurt, London, Munich). Institutional assets managed by the bank rose 16% to stand at CHF 19.1 billion at the end of June 2009. The Swiss locations man-

Fig. 8: Institutional clients business at the different Sarasin locations



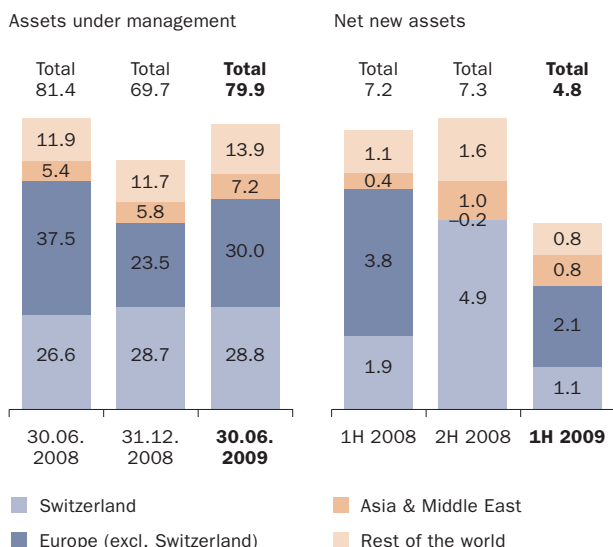
aged CHF 13.0 billion of these institutional assets, and the European locations CHF 6.1 billion. Net new asset growth in 1H 2009 was 33% higher than last year and came to CHF 1.6 billion. Both Switzerland and Europe each generated CHF 0.8 billion net new assets.

Ranked by domicile, the European core markets outside Switzerland are the most important source of business for the Sarasin Group, with assets under management of CHF 30.0 billion, just ahead of Switzerland at CHF 28.8 billion. Switzerland had meanwhile occupied top place at the end of 2008. During the reporting period new assets acquired from European clients came to CHF 2.1 billion, making it the best performing market. Assets totalling CHF 1.1 billion were acquired from Swiss clients over the same period. Assets from clients in Asia and the Middle East increased by CHF 0.8 billion, to CHF 7.2 billion. In the first six months of the year Sarasin also acquired assets worth CHF 0.8 billion from clients in the "Rest of the World", bringing the total to CHF 13.9 billion.

An analysis of client segments by size shows that the pattern on 30 June 2009 has almost reverted to how it was a year ago. The bulk of assets are concentrated on clients with more than CHF 10 million, which is partly due to Sarasin's large institutional investors, but also to the sub-

Fig. 9: Assets under management and net new asset growth by client domicile

(billion CHF)



stantial holdings of ultra high net worth individuals. The steady increase in the level of assets managed for clients in the mid-sized segment is an encouraging confirmation of Sarasin's successful positioning in the business of private clients from this segment.

Fig. 10: Development of client segments by asset size

(billion CHF)

	30.06.2009	30.06.2008	31.12.2008
< CHF 1 million	9.8	10.0	8.7
CHF 1 million to CHF 5 million	11.6	11.2	11.4
CHF 5 million to CHF 10 million	6.8	6.3	6.3
> CHF 10 million	51.7	53.9	43.3
Total	79.9	81.4	69.7

Portfolios: direct investments popular again

Towards the end of 2008, direct investments in equities as well as in bonds increased significantly again within client portfolios. While equity investments were unpopular in the second half of 2008 and the first quarter of 2009 due to adverse market conditions, they are now profiting from the stabilisation of financial markets that began in the second quarter. However, the fact that

Fig. 11: Assets under management: breakdown by investment category

(in percent)

	30.06.2009	30.06.2008	31.12.2008 ¹
Equities	33.3	32.1	30.0
Bonds	22.2	17.6	20.8
Investment funds (Sarasin & 3 rd party)	17.4	24.5	18.4
Others	5.1	5.6	6.3
Cash & cash equivalents, fiduciary investments	22.0	20.2	24.5

investors' risk aversion is still higher than average is reflected in the sharp decline in the quota of investment funds as well as in the persistently high proportion of cash or cash equivalents and fiduciary investments in client portfolios.

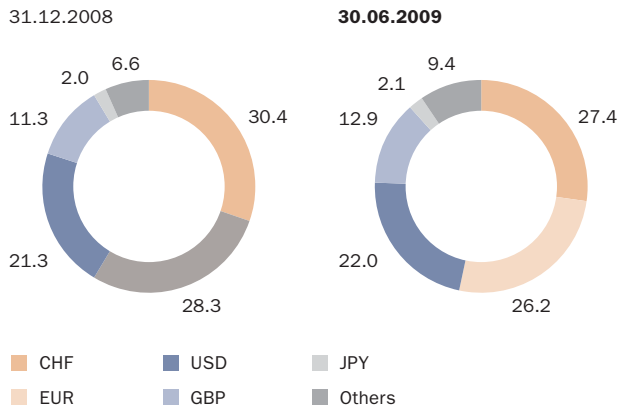
The proportion of assets with portfolio management mandates (incl. in-house funds) as a proportion of total assets under management fell back slightly at the end of June 2009 to 42.9% (31.12.2008: 43.3%).

The appreciation of sterling in the first six months of the year is reflected in the rising proportion of sterling holdings in client assets under management. However, neither the currency itself nor its share within client portfolios matches the level of the previous year. The proportion of other currencies has also increased significantly. The percentage of client assets held in US dollars has risen slightly as well. These increases are at the cost of the Swiss franc and the euro. The yen's share remains constant.

¹ The adjustment of values quoted as at 31 December 2008 compared with the figures published in the Sarasin Annual Report 2008 is attributable to the assets transferred to Bank Zweiplus by AIG Private Bank. The migration of these assets to Avaloq in February 2009 allowed these assets to be allocated more accurately to the different categories of investment instrument.

Fig. 12: Assets under management: breakdown by currency

(in percent)



Expansion of CRM team bears fruit

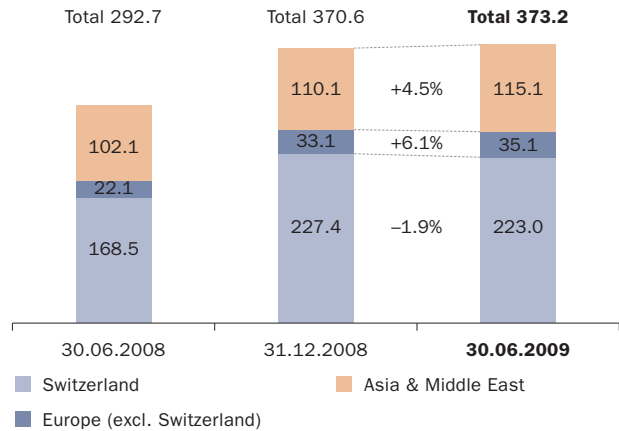
Only last year, the bank made a far-sighted decision to exploit the opportunities provided by a business constellation which favoured the recruitment of experienced client advisors. Over the space of just a year, Sarasin increased the number of advisors by 42%, significantly improving both the quality and quantity of its CRM team in the process. The solid acquisition performance in the first half of 2009 not only shows that the investments made in the bank’s future growth in 2008 are already starting to pay off, but also reflects the commitment, experience and professionalism of Sarasin’s existing team. The competitive advantages won by Bank Sarasin through last year’s expansion of its workforce are now making themselves felt.

During the reporting period Bank Sarasin has kept the number of client advisors stable, at 416 (incl. assistants). There have been only small variations in numbers across the group locations since the start of the year. While the number of client advisors at the bank’s Swiss locations fell by 5 to 245, in Asia and the Middle East the number of client advisors increased by 5 to 115. The number at Sarasin’s European locations was constant, with 56 advisors in total.

As before, most of the client advisors are employed in the private clients business in Switzerland: a total of 223 advisors work in the bank’s five Swiss locations. The second-highest number work in Asia and the Middle East,

Fig. 13: Private clients business: Number of CRMs¹ at Sarasin Group locations

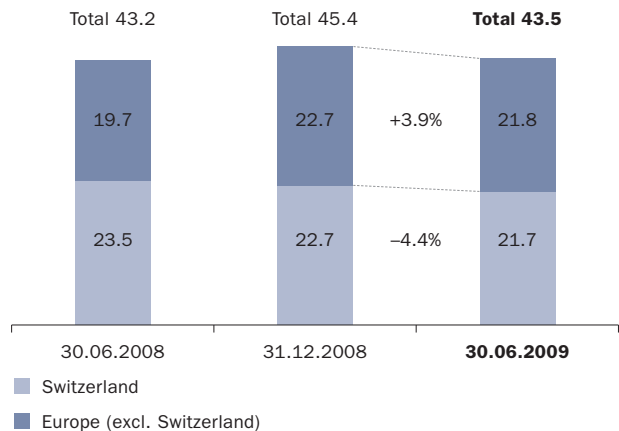
(adjusted for part-time working)



where 115 advisors are deployed. 35 advisors look after private clients at the European locations. When averaged out across the entire Sarasin Group, the amount of assets managed by each CRM in the private clients business comes to CHF 164 million, a drop of 27% on the figure for 1H 2008 (CHF 225 million). The average acquisition performance for each CRM in the private clients business came to CHF 9 million, compared with CHF 22 million in 1H 2008.

Fig. 14: Institutional clients business: Number of CRMs¹ at Sarasin Group locations

(adjusted for part-time working)



¹ Incl. assistants.

The same picture emerges in the institutional clients business, which the bank operates from its locations in Switzerland, Germany and the United Kingdom. The number of CRMs was 44, virtually unchanged since the end of 2008. The slight fall in the figure for the Swiss locations was offset by a modest increase in Europe. The average assets managed by each CRM came to CHF 430 million, an increase of 23% since the end of 2008 (CHF 380 million). The average acquisition performance for each CRM in the institutional clients business comes to CHF 37 million, an increase of more than 30% on last year's figure of CHF 28 million.

Solid earnings power thanks to successful diversification

In 1H 2009 Bank Sarasin achieved an operating profit of CHF 315 million (1H 2008: CHF 307 million), equivalent to a modest rise of 2.5%. The bank is therefore on a solid footing here, especially considering the very challenging stock market environment that persisted in the first quarter of 2009 and the reluctance of clients to make any investments. The diversification of the bank's sources of earnings across the three main pillars of its business, undertaken as part of the Group's growth strategy, is having a positive impact.

The steady expansion of the mortgage business and loans against collateral allowed net interest income to

increase another 5% to CHF 68 million. Trading activities were significantly stepped up and designed to generate more revenue. In the first half of 2009, income from trading operations came to CHF 63 million, an increase of 51% on the previous year's figure (CHF 42 million). Income from commissions and service fee activities declined 16% to CHF 170 million. This was attributable to the smaller asset base as result of poor market performance, and persistently low transaction volumes. This inevitably had an effect on transaction-based commissions. Other ordinary income was significantly higher than the previous year (1H 2008: CHF -1 million) at CHF 14 million. In particular, results from the bank's own financial investments were significantly improved.

Effective cost management

During the reporting period Bank Sarasin's operating expenses came to CHF 230 million, a 10% reduction on the second half of 2008 (CHF 255 million). Costs are slightly higher when compared with the first half of 2008 (CHF 210 million) due to the significant expansion of the CRM team. This investment in the bank's future growth is now having a full impact on the cost side – despite the fact that the headcount has remained steady at 1,540 since the end of 2008 (1H 2008: 1,312) – since the entry into service of new client advisors has been staggered over time. As expected, personnel expenses were 13% higher than last year's figure of CHF 149 million (1H 2008) and

Fig. 15: Percentage breakdown of operating income

(in percent)

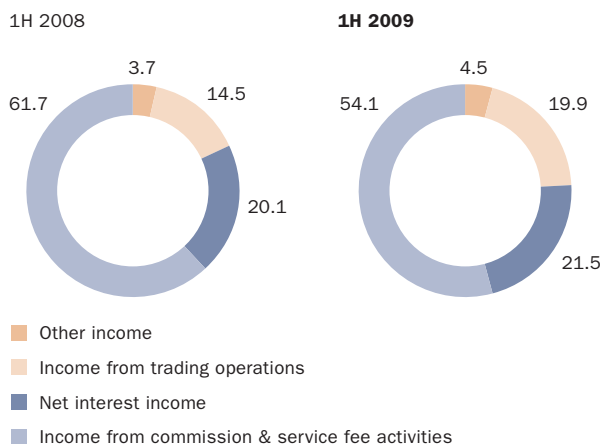
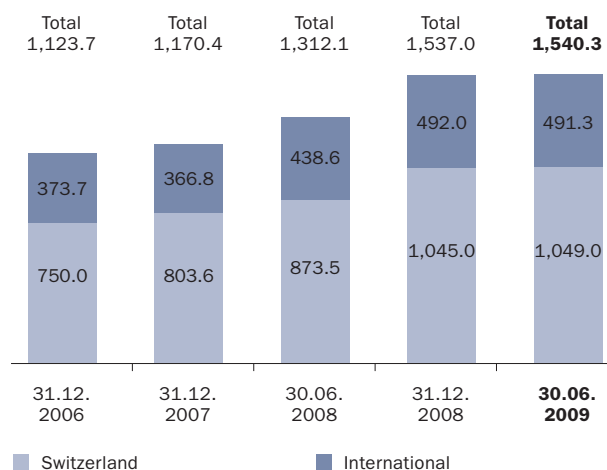


Fig. 16: Headcount

(adjusted for part-time working)

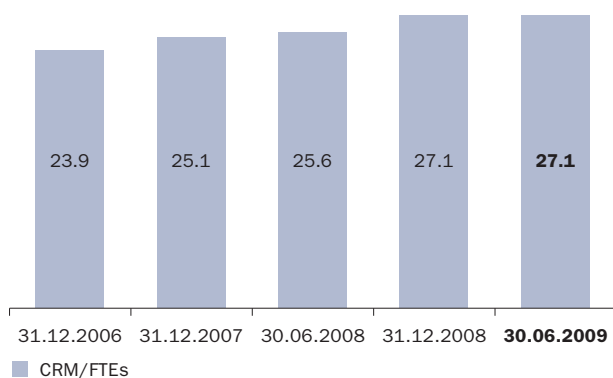


finished at CHF 168 million (1H 2009). The average adjusted personnel expenses per full-time employee were cut by 11% to CHF 159,000.

General administrative expenses were trimmed back as part of the bank's rigorous cost management program. General administrative expenses were CHF 62 million in 1H 2009, a reduction of 22% on H2 2008. This was despite further investments in selective growth initiatives such as the opening of representative offices in Switzerland (Berne), in central and eastern Europe (Vienna and Warsaw), as well as in India (Delhi and Mumbai). The announced review of the group's existing business portfolio as well as the deferral or cessation of individual business cases which offer no prospect of success or are taking too long to generate profit is having the desired effect.

Fig. 17: CRM team as a proportion of total workforce

(in percent)



Depreciation and write-offs increased by 46%, from CHF 10 million in 1H 2008 to CHF 14 million at the end of the reporting period. Depreciation and write-offs on property & equipment were 42% higher than last year due to increased investments in furniture and IT hardware in connection with the expansion of the Sarasin Group network, and finished at CHF 8 million. Amortisation of intangible assets came to CHF 6 million, an increase of 53% on the previous year. Value adjustments, provisions and losses increased by CHF 1 million to CHF 4 million at the end of June 2009. The cost income ratio I (ratio of operating expenses to operating income) improved from 79.9% (in 2H 2008) to 73.1%.

Fig. 18: Cost income ratio

(in percent)



¹ Operating expenses / operating profit.

² Operating expenses incl. depreciation and amortisation / operating profit.

Now organised into five segments

The new segment structure reflects the business reorganisation undertaken by Bank Sarasin as of 1 January 2009. There are now five segments in total: the newest one, Trading & Family Offices, has been added to the existing four. For comparison purposes, segment figures for the first and second half of 2008 have been restated to reflect the new segment structure.

Fig. 19: Adjusted net profit before tax per segment

(million CHF)

	1H 2009	2H 2008	1H 2008
Private Banking	4.3	8.2	48.0
Trading & Family Offices	32.0	24.9	22.0
Asset Management, Products & Sales	15.3	8.2	36.4
Bank Zweiplus	4.1	7.0	0.0
Corporate Center	10.8	-3.8	-19.6
Sarasin Group	66.5	44.5	86.7

The two segments Private Banking (-91%) and Asset Management Products & Sales (-58%) posted a lower result than last year due to a fall in revenues. The performance of the Private Banking segment also weakened due to the additional personnel expenses incurred by the significantly expanded CRM teams as well as higher administrative expenses and depreciation & write-offs in connection with the expansion of Sarasin's network of

locations. The best result of all, at CHF 32 million, came from the Trading & Family Offices segment – reporting for the very first time – on the back of a steep rise in income from trading operations. This strong result was achieved without any increase in the bank's risk exposure. On the contrary: the average Value at Risk was actually 24% lower than last year, at CHF 325,000. Also in its second six-monthly trading period, Bank Zweiplus made a positive profit contribution to the Sarasin Group. After reporting losses in the two previous periods due to one-off effects, the Corporate Center posted a much better result of CHF 11 million. This was achieved mainly thanks to income from the bank's own financial investments.

More detailed information on the segments can be found in the chapter Segment reporting, from page 19 onwards.

Slight increase in total assets

Since end of 2008 total assets held on the balance sheet rose by 7% to CHF 13.6 billion (31.12.2008: CHF 12.7 billion). On the assets side, the amounts due from customers increased by CHF 725 million to CHF 5.9 billion. The figure for money market papers also rose by CHF 466 million to CHF 825 million. Financial investments were also CHF 741 million higher, due to transfers from amounts due from banks, at CHF 2.0 billion, while trading portfolio assets were 46% higher at CHF 514 million as a result of improving financial markets in the second quarter. At the same time the bank's efforts to restrict the counterparty risks from the interbank market meant that the amounts due from banks shrank by 33%, or CHF 1.4 billion, to CHF 2.7 billion

On the liabilities side, the level of refinancing with other banks increased by 34% to CHF 1.8 billion. Clients' persistent demand for liquid assets meant that amounts due to customers rose by 10% to CHF 9.4 billion. Demand for structured products, on the other hand, remained low, which is reflected in lower financial liabilities designated at fair value. Shareholders' equity rose by 7% or CHF 86 million compared to the end of 2008, to reach CHF 1.3 billion

Solid capital strength and low risk profile

The equity ratio was slightly lower, dropping from 9.9% on 30 June 2008 to 9.4% at the end of the reporting period. This was the same level as on 31 December 2008. The BIS Tier 1 ratio, defined as core capital as a percentage of risk-weighted assets, increased from 15.1% on 30 June 2008 to 15.4% at the end of the reporting period. This is still above the defined target corridor of 12% to 14%.

As a Swiss private bank, risk management is high on Sarasin's list of priorities. This system is built on the integrity and risk-aware conduct of individual employees at all levels of the company, as well as on clearly defined responsibilities and competencies. Bank Sarasin's fundamental orientation towards a low-risk business model is a reflection of its commitment towards its customers and shareholders. Overall the Bank's risk profile is still very low, despite its rapid pace of expansion and the intensification of its trading activities. This is best illustrated by a number of key figures: In the first half of 2009 there were no credit defaults, nor did the bank have to set aside any provisions for bad debt. The Group's Value at Risk in its trading operations fluctuated between CHF 100,000 and CHF 830,000 during the reporting period, and came to CHF 325,000 on average (by way of comparison: average VaR in 1H 2008 was CHF 430,000).

Outlook

Bank Sarasin will push ahead with its focused growth strategy as a sustainable private bank with renewed intensity in the coming months. The connection between sustainability and private banking, the combination of growth and security, and last but not least the backing of a strong and reliable majority shareholder gives the bank a unique positioning. The bank intends to secure over the long term the competitive advantages it has created for itself through far-sighted investments in its growth strategy. Here the bank can rely on its highly professional team of client advisors, which was expanded last year as the bank laid a solid foundation for future growth. Sarasin is confident of being able to achieve the goal it has set itself for net new asset growth in 2009 – indeed, judged by the excellent first-half result it is likely to exceed it. The goal of managing assets worth CHF 100

billion by 2010 (after performance adjustments) therefore looks like it could well be achievable over the course of the current financial year.

At the same time there is still a fair amount of uncertainty surrounding the prospects for the second half of 2009, so caution is advisable. Given the change in sentiment indicators that was already noticeable in the second quarter, it does however look as if the global economy will start to recover soon. Based on this scenario, Bank Sarasin sees further development potential on the earnings front. Given the backdrop of gradually stabilising markets, Bank Sarasin expects its operating profit for the full-year 2009 to be roughly in line with the result reported for 2008.

When pursuing its growth strategy, Bank Sarasin takes great care to focus clearly on its core business as a private bank. All the relevant target markets will therefore be clearly prioritised in the months ahead. This will ensure efficient allocation of resources and effective targeting of marketing initiatives. The focus will be on specific attractive new growth markets such as China or India, in combination with Sarasin's traditional core markets like Switzerland and Germany. In terms of concrete plans, a third location is due to be opened in Germany in

the second half of the year. Sarasin is also considering opening a representative office in China. The bank's decision to concentrate on three investment styles – thematic, sustainable and quantitative – has also been a success. The bank intends to continue along these lines: Sarasin's focus should be on particularly promising niche products rather than high-volume mass products.

The economic environment does suggest, however, that cost pressure is set to continue. Bank Sarasin is therefore retaining its rigorous cost management adapted to challenging market conditions. This means that business cases and associated services are subject to continuous review. Only profitable business cases deserve to be implemented. Cost flexibility is paramount in the field of IT especially. Thanks to the expansion of the technical infrastructure already undertaken in previous years, the bank already has a very high IT standard. Furthermore, there will be no significant increases to the headcount in 2009 as the bank continues with its strict cost management. New staff will be recruited mainly as part of natural fluctuation in the workforce. The bank will exploit opportunities to recruit more client advisors, but at a moderated pace. The long-term goal is to increase the proportion of client advisors in the group's overall workforce.

Segment reporting

On 1 January 2009, Bank Sarasin realigned its business organisation, and this is reflected in the new segment

structure. Five segments are now represented: Private Banking, which incorporates the former business units Private Clients Switzerland and Private Clients International; Asset Management Products & Sales, which includes the institutional clients business; Bank Zweiplus Ltd, which has been trading since July 2008; the fourth segment, Corporate Centre; and the fifth and latest addition, Trading & Family Offices. To facilitate comparison, the segment figures for the first and second half of 2008 have been restated to reflect the new segment structure.

1H 2009

	Private Banking	Trading & Family Offices	Asset Manage- ment, Products & Sales	Bank Zweiplus	Corporate Center	Sarasin Group
1,000 CHF						
Net interest income	39,029	17,490	911	1,616	8,798	67,844
Results from commission and service fee activities, trading operations and other ordinary results	99,854	31,555	67,677	27,726	20,492	247,304
Operating income	138,883	49,045	68,588	29,342	29,290	315,148
Personnel expenses	74,298	9,454	32,055	10,538	42,142	168,487
General administrative expenses	17,409	2,341	9,461	3,940	28,640	61,791
Services from / to other segments	37,163	4,384	10,768	9,603	-61,918	0
Operating expenses	128,870	16,179	52,284	24,081	8,864	230,278
Operating profit	10,013	32,866	16,304	5,261	20,426	84,870
Depreciation and amortisation	2,609	30	951	792	9,593	13,975
Value adjustments, provisions and losses	3,137	873	33	366	10	4,419
Net profit before tax per segment	4,267	31,963	15,320	4,103	10,823	66,476
Cost Income Ratio II	94.7%	33.0%	77.6%	84.8%	63.0%	77.5%
Net new money (million CHF)	3,373	421	1,608	-124	-486	4,792
New money through acquisitions (million CHF)	0	0	0	0	0	0
Change through divestment (million CHF)	0	0	0	0	-442	-442
Performance (million CHF)	2,737	460	1,488	297	915	5,897
Transfers (million CHF)	-786	390	-144	26	514	0
Gross margin on assets under management	0.83%	-	0.62%	1.01%	-	0.86%
Proportion transaction related revenues	30.0%	61.6%	15.0%	22.3%	60.7%	33.8%

30.06.2009

Assets under management (million CHF)	36,756	7,016	24,247	6,009	5,898	79,926
Assets under management mandate (million CHF)	7,922	51	14,267	1,528	0	23,768
Impaired and non-performing loans (1,000 CHF)	5,053	0	0	151	73,816	79,020
Number of employees (adjusted for part-time working)	624.1	79.6	289.7	137.0	409.9	1,540.3
Whereof client relationship managers (adjusted for part-time working)	317.3	33.5	46.5	19.4	0.0	416.7

1H 2008

	Private Banking	Trading & Family Offices	Asset Manage- ment, Products & Sales	Bank Zweiplus	Corporate Center	Sarasin Group
1,000 CHF						
Net interest income	27,817	15,252	3,549	0	17,728	64,346
Results from commission and service fee activities, trading operations and other ordinary results	134,857	23,424	88,935	0	-4,093	243,123
Operating income	162,674	38,676	92,484	0	13,635	307,469
Personnel expenses	57,023	9,111	41,715	0	40,837	148,686
General administrative expenses	17,628	2,272	13,526	0	27,852	61,278
Services from / to other segments	37,501	5,256	-623	0	-42,134	0
Operating expenses	112,152	16,639	54,618	0	26,555	209,964
Operating profit	50,522	22,037	37,866	0	-12,920	97,505
Depreciation and amortisation	1,368	46	1,464	0	6,676	9,554
Value adjustments, provisions and losses	1,169	0	17	0	26	1,212
Net profit before tax per segment	47,985	21,991	36,385	0	-19,622	86,739
Cost Income Ratio II	69.8%	43.1%	60.6%	0.0%	243.7%	71.4%
Net new money (million CHF)	2,823	578	1,241	0	2,586	7,228
New money through acquisitions (million CHF)	0	0	0	0	0	0
Change through divestment (million CHF)	0	0	0	0	0	0
Performance (million CHF)	-3,984	-759	-4,731	0	614	-8,860
Transfers (million CHF)	-345	445	1,763	0	-1,863	0
Gross margin on assets under management	0.95%	-	0.71%	0.00%	-	0.78%
Proportion transaction related revenues	25.4%	55.1%	12.4%	0.0%	160.8%	31.2%

30.06.2008

Assets under management (million CHF)	34,519	6,520	26,033	0	14,298	81,370
Assets under management mandate (million CHF)	8,422	65	12,378	0	2,204	23,069
Impaired and non-performing loans (1,000 CHF)	111	0	0	0	2,198	2,309
Number of employees (adjusted for part-time working)	497.1	72.7	279.9	0.0	462.4	1,312.1
Whereof client relationship managers (adjusted for part-time working)	243.6	28.9	44.7	0.0	18.7	335.9

2H 2008 adjusted

	Private Banking	Trading & Family Offices	Asset Manage- ment, Products & Sales	Bank Zweiplus	Corporate Center	Sarasin Group
1,000 CHF						
Net interest income	31,639	16,045	2,966	5,612	7,949	64,211
Results from commission and service fee activities, trading operations and other ordinary results	127,941	23,486	62,252	38,569	2,554	254,802
Operating income	159,580	39,531	65,218	44,181	10,503	319,013
Personnel expenses	84,467	9,503	38,386	13,104	30,027	175,487
General administrative expenses	21,212	2,715	11,573	13,366	30,432	79,298
Services from / to other segments	40,394	2,431	5,585	8,854	-57,264	0
Operating expenses	146,073	14,649	55,544	35,324	3,195	254,785
Operating profit	13,507	24,882	9,674	8,857	7,308	64,228
Depreciation and amortisation	1,775	26	1,465	629	10,125	14,020
Value adjustments, provisions and losses	3,518	0	-17	1,254	983	5,738
Net profit before tax per segment	8,214	24,856	8,226	6,974	-3,800	44,470
Cost Income Ratio II	92.6%	37.1%	87.4%	81.4%	126.8%	84.3%
Net new money (million CHF)	4,109	542	1,191	688	718	7,248
New money through acquisitions (million CHF)	0	0	0	0	0	0
Change through divestment (million CHF)	0	0	0	0	0	0
Performance (million CHF)	-7,552	-1,508	-5,063	-1,562	-3,254	-18,939
Transfers (million CHF)	356	191	-866	6,684	-6,365	0
Gross margin on assets under management	0.93%	-	0.53%	1.42%	-	0.82%
Proportion transaction related revenues	27.0%	59.3%	10.2%	38.4%	55.1%	30.0%

31.12.2008

Assets under management (million CHF)	31,432	5,745	21,295	5,810	5,397	69,679
Assets under management mandate (million CHF)	6,761	53	12,127	1,626	268	20,835
Impaired and non-performing loans (1,000 CHF)	4,884	0	0	151	73,899	78,934
Number of employees (adjusted for part-time working)	589.2	81.3	300.2	136.6	429.7	1,537.0
Whereof client relationship managers (adjusted for part-time working)	313.6	33.9	43.8	22.7	2.0	416.0

Private Banking

Segment result dominated by investments in growth

The Private Banking segment reported a much lower segment result than in the first half of 2008, with a decline of 91% to finish at CHF 4 million. This decline is the result of the reduction of the earnings base to CHF 139 million (1H 2008: CHF 163 million) as well as higher operating expenses of CHF 129 million (1H 2008: CHF 112 million). The rise in costs is down to the increase of 30%, to CHF 74 million, in personnel expenses as a result of the significant expansion of the bank's CRM team in 2008. The segment also bears the costs of various growth initiatives undertaken during the reporting period: Bank Sarasin expanded its international network by opening five new locations during the first six months of the year as it continued to selectively pursue its growth strategy. The focus lay on the one hand on the home market of Switzerland, and on the other the move into the promising markets of Central and Eastern Europe (Austria and Poland) and India.

Focus on Central and Eastern Europe and India

The opening of representative offices in **Vienna (Austria)** and **Warsaw (Poland)** creates attractive prospects for the Sarasin Group in Central and Eastern Europe. The Polish market offers particularly attractive potential thanks to its size and level of economic growth. Bank Sarasin's two senior representatives in Warsaw, Yves Sarasin and Daniel Raemy, have been entrusted with the task of raising Bank Sarasin's profile in Poland as a provider of services which are both tailored to client requirements and which conform to the very highest standards. Here, the bank benefits from the existing market presence of its triple-A rated majority shareholder Rabobank. The representative office in Vienna headed up by Christian Daimer is also set to bring Bank Sarasin closer to the growth markets of Central and Eastern Europe. The consistent pursuit of the bank's strategic

orientation around sustainability, both in its corporate culture and in its approach to investment is, in its present form, a novel concept for investors in this region.

Alongside China, India is also of great importance to Bank Sarasin. The Indian market is already showing the first signs of recovery. It will become one of the strongest engines of the world economy, and offers attractive market potential for the Sarasin Group and its future growth. In June 2009, Bank Sarasin announced the opening of two Indian locations (Delhi and Mumbai). The Bank's newly formed subsidiary trades under the name Sarasin-Alpen (India) Private Limited, and is run as a non fund-based, non-banking financial company (NF-NBFC). The new company will provide financial advisory services for wealthy private clients in India and distribute selected third-party premium products, including investment funds. Appropriate agreements have already been concluded with providers in India to enable Sarasin-Alpen (India) Private Limited to distribute funds and portfolio management services. The prestigious accolade of "Best Private Bank" that Bank Sarasin-Alpen (ME) Limited has received at the Banker Middle East Industry Awards for two years running supports the new representative office in gaining the trust of Indian clients through a range of high-quality services. China – the second exciting market – remains on Sarasin Group's agenda in terms of the establishment of a representative office. The attractiveness of the Asian market is reflected by the net new assets of CHF 1.8 billion acquired in the reporting period by the business unit Middle East & Asia. Compared with net new assets of CHF 0.7 billion in 2H 2008, this business

The **Private Banking** segment is responsible for the acquisition, service and support of customers in the global private clients business. Organised along the lines of target markets in specific geographic regions, the business extends to all the private clients served from the bank's Swiss locations in Basel, Berne, Geneva, Lugano and Zurich, as well as by its subsidiaries in Europe (Austria, Germany, Ireland, Poland, Spain and the UK.), the Middle East (Dubai, Qatar and Oman) and Asia (Hong Kong, India and Singapore). The business segment is jointly managed by Eric G. Sarasin and Fidelis M. Goetz. On 30 June 2009, Private Banking had a headcount of 624 employees (adjusted for part-time working).

unit was able to more than double its acquisition performance in 1H 2009, thereby demonstrating its ability to exploit the opportunities presented by this region and to benefit from its growth dynamic.

Growing strength in the traditional core markets of Switzerland and Germany

Traditionally, Switzerland and Germany have been the two most important markets for the Sarasin Group in terms of assets under management. Alongside geographical diversification into other national markets in Europe, but above all in the Middle East and in Asia, the German and Swiss markets will continue to be the cornerstones of Sarasin Group's business model and will be the focus of additional investments in future. In the first half of 2009, the fifth Sarasin office in Switzerland was opened in **Berne**, adding to existing offices in Basel, Geneva, Lugano and Zurich. Under the leadership of Piero Huwyler, a new, experienced Private Banking team serves clients from the Berne and the surrounding region in central Switzerland from this new base. In addition, a team has been built in Geneva which focuses specifically on the client base in French-speaking Switzerland. A further expansion in the second half of 2009 is planned for Germany, with the opening of a third office in addition to Frankfurt and Munich. The Munich office has moved to new premises and has augmented its presence through the appointment of a Private Banking team. The Switzerland & Europe business unit acquired new assets worth CHF 1.6

billion in the reporting period. As such its performance is just below that of the business unit Middle East & Asia, with a decline in net new assets growth of 23% compared with the same period last year.

Assets under management slightly higher

Overall, the Private Banking teams of both business units attracted combined assets of CHF 3.4 billion during the reporting period. This represents a 20% improvement in performance compared with first half of 2008 (CHF 2.8 billion). Since the end of 2008, this strong acquisition performance, coupled with a positive market performance of CHF 2.7 billion, has produced a 17% increase in assets under management, to reach CHF 36.8 billion (31.12.2008: CHF 31.4 billion). The gross margin fell by 12 basis points to 83 basis points. The cost income ratio II for the entire segment rose from 69.8% (1H 2008) to 94.7% (1H 2009).

Private Banking (Total)

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Net interest income	39,029	27,817	31,639	11,212	40.3
Results from commission and service fee activities, trading operations and other ordinary results	99,854	134,857	127,941	-35,003	-26.0
Operating income	138,883	162,674	159,580	-23,791	-14.6
Personnel expenses	74,298	57,023	84,467	17,275	30.3
General administrative expenses	17,409	17,628	21,212	-219	-1.2
Services from / to other segments	37,163	37,501	40,394	-338	-0.9
Operating expenses	128,870	112,152	146,073	16,718	14.9
Operating profit	10,013	50,522	13,507	-40,509	-80.2
Depreciation and amortisation	2,609	1,368	1,775	1,241	90.7
Value adjustments, provisions and losses	3,137	1,169	3,518	1,968	168.3
Net profit before tax per segment	4,267	47,985	8,214	-43,718	-91.1
Cost Income Ratio II	94.7%	69.8%	92.6%		
Net new money (million CHF)	3,373	2,823	4,109		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	2,737	-3,984	-7,552		
Transfers (million CHF)	-786	-345	356		
Gross margin on assets under management	0.83%	0.95%	0.93%		
Proportion transaction related revenues	30.0%	25.4%	27.0%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	36,756	34,519	31,432	5,324	16.9
Assets under management mandate (million CHF)	7,922	8,422	6,761	1,161	17.2
Impaired and non-performing loans (1,000 CHF)	5,053	111	4,884	169	3.5
Number of employees (adjusted for part-time working)	624.1	497.1	589.2	34.9	5.9
Whereof client relationship managers (adjusted for part-time working)	317.3	243.6	313.6	3.7	1.2

Whereof business unit Switzerland & Europe

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Operating income	95,081	116,502	115,066	-21,421	-18.4
Operating expenses	86,730	76,350	107,129	10,380	13.6
Operating profit	8,351	40,152	7,937	-31,801	-79.2
Depreciation and amortisation	931	436	347	495	113.5
Value adjustments, provisions and losses	1,471	937	309	534	57.0
Net profit before tax per segment	5,949	38,779	7,281	-32,830	-84.7
Cost Income Ratio II	92.2%	65.9%	93.4%		
Net new money (million CHF)	1,611	2,097	3,234		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	1,342	-2,760	-6,481		
Transfers (million CHF)	-675	-343	299		
Gross margin on assets under management	0.77%	0.89%	0.89%		
Proportion transaction related revenues	27.2%	26.5%	23.7%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	25,933	26,603	23,655	2,278	9.6
Assets under management mandate (million CHF)	7,903	8,390	6,722	1,181	17.6
Impaired and non-performing loans (1,000 CHF)	563	111	563	0	0.0
Number of employees (adjusted for part-time working)	356.4	252.1	316.7	39.7	12.6
Whereof client relationship managers (adjusted for part-time working)	202.2	141.5	203.5	-1.3	-0.6

Whereof business unit Middle East & Asia

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Operating income	43,802	46,172	44,514	-2,370	-5.1
Operating expenses	42,140	35,802	38,944	6,338	17.7
Operating profit	1,662	10,370	5,570	-8,708	-84.0
Depreciation and amortisation	1,678	932	1,428	746	80.0
Value adjustments, provisions and losses	1,666	232	3,209	1,434	618.1
Net profit before tax per segment	-1,682	9,206	933	-10,888	-118.3
Cost Income Ratio II	100.0%	79.6%	90.7%		
Net new money (million CHF)	1,762	726	875		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	1,395	-1,224	-1,071		
Transfers (million CHF)	-111	-2	57		
Gross margin on assets under management	0.97%	1.15%	1.07%		
Proportion transaction related revenues	36.1%	22.6%	35.3%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	10,823	7,916	7,777	3,046	39.2
Assets under management mandate (million CHF)	19	32	39	-20	-51.3
Impaired and non-performing loans (1,000 CHF)	4,490	0	4,321	169	3.9
Number of employees (adjusted for part-time working)	267.7	245.0	272.5	-4.8	-1.8
Whereof client relationship managers (adjusted for part-time working)	115.1	102.1	110.1	5.0	4.5

Trading & Family Offices

A good start, with much already achieved

The new Trading & Family Offices segment launched on 1 January 2009 reported a segment result of CHF 32 million for the reporting period (+45%). The segment utilised the first half of 2009 to create the structural basis for performing its allocated tasks.

Above all, the concept of a range of services for **Family Offices** and the plan for market entry with a dedicated unit to serve wealthy families were successfully implemented. The business unit Family Offices offers services to families with assets in excess of CHF 200 million in the areas of Wealth Planning, Investment Services, Risk Management and Consolidation. The products of Bank Sarasin and other third parties are specifically tailored to the requirements of this special clientele.

Because of the more intensive utilisation of the unaltered trading limits, the new **Trading** business unit integrated within the new segment was able to record the following successes: the focus on intraday business, which responds to volatile markets in an agile manner, is bearing fruit. The income achieved in this field amounts to CHF 29 million, whereas costs are low at CHF 4 million. The proportion of the entire segment's gross profit represented by the Trading business unit is over two-thirds (CHF 25 million). Furthermore, the newly created

The **Trading & Family Offices** segment handles the provision of advice to family offices and external asset managers at all Sarasin Group locations. It also looks after all securities transactions on behalf of the bank's clients and monitors the bank's liquidity and proprietary trading. The Trading & Family Offices segment is managed by Peter Wild and had a headcount of 80 employees (adjusted for part-time working) on 30 June 2009.

Group Treasury department was allocated to the Trading business unit. Group Treasury's task is to manage liquidity in an optimum manner at group level, while simultaneously reducing counterparty risk and/or keeping it to a necessary minimum. The necessary structural basis for achieving this was established during the first half of 2009.

An important impetus for the support of Sarasin Group's growth strategy comes from the Institutional Advisory & Sales business unit, which incorporates **business with external asset managers, with private label funds as well as Active Advisory services**. The revenue achieved by this business unit in the first half of 2009 amounted to CHF 20 million. The gross margin rose by 3 basis points to 66 basis points. Operating expenses came in at CHF 12 million. Gross profit amounted to CHF 8 million. In the first half of 2009, new assets worth CHF 0.5 billion were acquired and new, highly promising client relationships were established. Business with private label funds especially stood out, as it was able to convert investments from the previous period into substantial inflows of new money. But business with existing partners in the field of external asset management also developed in an encouraging manner – as demonstrated by the income side – and, coupled with tight cost discipline, contributed to a successful start for the new business division. In its business with external asset managers, Bank Sarasin positions itself not only as a provider of custodian bank services, but also supports its partners through innovative, client-oriented services. The Active Advisory services are now, for the first time, closely tied to Sarasin Research's investment recommendations. This means that short-term investment ideas can be harmonised with long-term business goals, producing an even higher quality of client advice.

The segment's operating income came to CHF 49 million and its operating expenses CHF 16 million. On 30 June 2009 the segment managed assets of CHF 7.0 billion (31.12.2008: CHF 5.7 billion). Net new asset growth in the first half of 2009 was CHF 0.4 billion, with a market performance of CHF 0.5 billion. The cost income ratio II for the entire segment is impressively low at 33.0% (1H 2008: 43.1%).

Trading & Family Offices (Total)

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Net interest income	17,490	15,252	16,045	2,238	14.7
Results from commission and service fee activities, trading operations and other ordinary results	31,555	23,424	23,486	8,131	34.7
Operating income	49,045	38,676	39,531	10,369	26.8
Personnel expenses	9,454	9,111	9,503	343	3.8
General administrative expenses	2,341	2,272	2,715	69	3.0
Services from / to other segments	4,384	5,256	2,431	-872	-16.6
Operating expenses	16,179	16,639	14,649	-460	-2.8
Operating profit	32,866	22,037	24,882	10,829	49.1
Depreciation and amortisation	30	46	26	-16	-34.8
Value adjustments, provisions and losses	873	0	0	873	
Net profit before tax per segment	31,963	21,991	24,856	9,972	45.3
Cost Income Ratio II	33.0%	43.1%	37.1%		
Net new money (million CHF)	421	578	542		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	460	-759	-1,508		
Transfers (million CHF)	390	445	191		
Proportion transaction related revenues	61.6%	55.1%	59.3%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	7,016	6,520	5,745	1,271	22.1
Assets under management mandate (million CHF)	51	65	53	-2	-3.8
Impaired and non-performing loans (1,000 CHF)	0	0	0	0	
Number of employees (adjusted for part-time working)	79.6	72.7	81.3	-1.7	-2.1
Whereof client relationship managers (adjusted for part-time working)	33.5	28.9	33.9	-0.4	-1.2

Whereof business unit Institutional Advisory & Sales

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Operating income	20,478	19,414	19,074	1,064	5.5
Operating expenses	12,490	10,654	11,947	1,836	17.2
Operating profit	7,988	8,760	7,127	-772	-8.8
Depreciation and amortisation	0	9	-9	-9	-100.0
Value adjustments, provisions and losses	8	0	0	8	
Net profit before tax per segment	7,980	8,751	7,136	-771	-8.8
Cost Income Ratio II	61.0%	54.9%	62.6%		
Net new money (million CHF)	456	568	562		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	439	-734	-1,477		
Transfers (million CHF)	391	437	198		
Gross margin on assets under management	0.66%	0.63%	0.63%		
Proportion transaction related revenues	74.4%	75.9%	71.6%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	6,936	6,367	5,650	1,286	22.8
Assets under management mandate (million CHF)	51	63	53	-2	-3.8
Impaired and non-performing loans (1,000 CHF)	0	0	0	0	
Number of employees (adjusted for part-time working)	36.5	36.1	42.4	-5.9	-13.9
Whereof client relationship managers (adjusted for part-time working)	31.9	26.3	31.3	0.6	1.9

Whereof business unit Trading

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Operating income	28,567	19,262	20,457	9,305	48.3
Operating expenses	3,689	5,985	2,702	-2,296	-38.4
Operating profit	24,878	13,277	17,755	11,601	87.4
Depreciation and amortisation	30	37	35	-7	-18.9
Value adjustments, provisions and losses	865	0	0	865	
Net profit before tax per segment	23,983	13,240	17,720	10,743	81.1
Cost Income Ratio II	13.0%	31.3%	13.4%		
Net new money (million CHF)	-35	10	-20		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	21	-25	-31		
Transfers (million CHF)	-1	8	-7		
Proportion transaction related revenues	52.5%	34.0%	47.8%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	80	153	95	-15	-15.8
Assets under management mandate (million CHF)	0	2	0	0	
Impaired and non-performing loans (1,000 CHF)	0	0	0	0	
Number of employees (adjusted for part-time working)	43.1	36.6	38.9	4.2	10.8
Whereof client relationship managers (adjusted for part-time working)	1.6	2.6	2.6	-1.0	-38.5

Asset Management, Products & Sales

Growth path maintained

The first-half result reported by the Asset Management, Products & Sales segment was CHF 15 million, a decline of 58% on the previous year. This was mainly down to a 26% reduction in the earnings base, to CHF 69 million, and the internal charges for product initiatives. Thanks to rigorous cost management, operating expenses were cut by 4% to CHF 52 million (1H 2008: CHF 55 million). Assets under management were 14% higher than at the end of 2008, at CHF 24.2 billion. The new money acquired by the Asset Management, Products & Sales segment improved from CHF 1.2 billion in 1H 2008 to CHF 1.6 billion. The inflows came almost entirely from the business with institutional clients. The gross margin has fallen by 9 basis points to 62 basis points. The cost income ratio stood at 77.6% in 1H 2009 (1H 2008: 60.6%).

Institutional clients business: targeted expansion in Northern Europe

Bank Sarasin conducts business with institutional investors in Switzerland and at its European locations in Frankfurt, London and Munich. During the reporting period, Bank Sarasin began to service institutional clients in the Nordic countries via its subsidiary in Frankfurt. The bank's commitment to these new markets forms part of Sarasin Group's strategy of continually expanding its business with institutional investors in diverse European markets. Sarasin's activities in the various markets are supported by the staff of Bank Sarasin AG in Frankfurt. The full banking licence of the German subsidiary enables the Sarasin Group to use the "European Passport" in the financial services sector, allowing to conduct cross-border banking business throughout the EU.

Product range: tighter focus and sustainable product development

As a solutions-oriented provider of tailor-made services and products, Bank Sarasin emphasises performance, quality and innovation. The strict focus on three investment styles and the decision to withdraw from the provision of hedge funds and private equity products have proven entirely justified. With a view to further optimisation of Sarasin Group's product range and its consistent internal and external marketing, organisational adjustments to the product management department were made during the reporting period and the risk management system – which was already functioning well – was further refined.

As part of the focusing strategy, portfolio management for private clients in Switzerland has been oriented around sustainability. Here the bank takes into account a requirement on the part of its clients who are looking for long-term and sustainable performance. Many studies have shown that taking sustainability criteria into systematic consideration in asset management can produce a significant improvement in performance. In fact it is precisely the current global economic situation which highlights the importance, for investors and companies alike, of analysing investments and business strategies from the point of view of their sustainability and of taking appropriate steps to reduce risks. With the alignment of its portfolio management with its expertise as a market leader in sustainable asset management, the bank also expresses its strategic commitment to sustainability and the further strengthening of this trend in the future. This realignment has met with broad approval from clients, and was implemented according to plan.

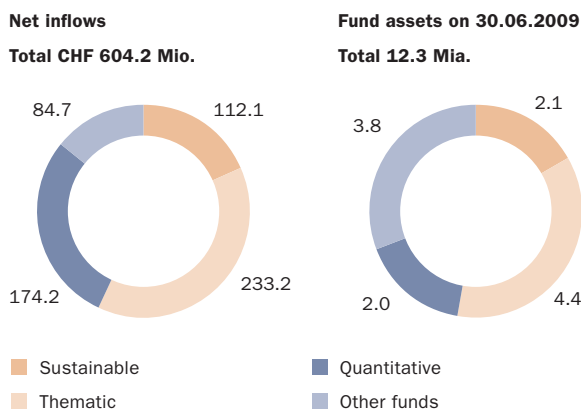
The **Asset Management, Products & Sales** segment provides services to institutional clients and distribution partners in the area of wholesale at all the Sarasin Group's locations. It also brings together investment and research expertise, as well as product development. The fund management companies are therefore organised under this business segment. The APS segment is managed by the Chief Investment Officer (CIO), Burkhard P. Varnholt. On 30 June 2009 the Asset Management Products & Sales segment had a headcount of 290 employees (adjusted for part-time working).

Sarasin Portfolio Management (Basel, Geneva and Zurich) has been integrated into the Portfolio and Asset Management Sustainable Investment department. This represents a considerable augmentation of existing asset management capacities in sustainable investment.

Bucking the sector trend: fund volume increased

Sarasin attracted net new assets of CHF 604 million into its investment funds. The funds managed according to the thematic and the sustainable investment style each achieved a 6% increase in new money, while the funds based on the quantitative investment style gained as much as 11%. Allowing for the performance effect, the volume of assets managed in Sarasin investment funds rose by 12% during the reporting period, from CHF 11.0 billion to CHF 12.3 billion at the end of June 2009. Thematic investment funds account for the lion's share of total assets, at 36%. Sustainable and quantitative investment funds each account for around 17% of the total asset volume.

Fig. 20: Sarasin investment funds: volumes and net inflows, broken down by investment style



Performance and awards: focus pays off

The success of the consistent focus of the asset management capacities on three investment styles is demonstrated in a consistently high level of performance. In the field of **thematic** investment products, the EquiSar¹ family of funds bearing a triple-A rating from the British fund analysis company Citywire, and their two fund managers Guy Monson and Harry Talbot Rice, have excelled them-

selves. Fund managers receive a triple-A rating from Citywire if they have achieved the best ratio of outperformance to risk taken (deviation from the benchmark). Performance over three years as at 31 December 2008 was the yardstick, with 40 sectors and 1,000 fund managers analysed.

Since the start of the financial crisis, **sustainable** bond mandates have demonstrated a superior relative performance. This is partly because many areas of the economy which are among the biggest losers in the financial

Three investment styles demonstrate Sarasin's strength

The three investment styles offered by Bank Sarasin reflect its core strengths. As part of these three specialities the bank offers transparent and fully regulated products that satisfy client requirements. The Sarasin Group's product strategy is implemented on a global basis, but there are also product-specific teams on site which incorporate local requirements into the solutions.

Thematic investment style: The thematic approach is a fundamental investment style. This approach focuses on global investment themes that could give a boost to companies' earnings and share prices in the years ahead. The selection is concentrated on companies that benefit from these mega trends, irrespective of the stock index or geographical region they belong to. The ultimate investment decision is based purely on financial criteria.

Sustainable investment style: This investment style takes into consideration not just financial criteria, but also environmental and social aspects. The sustainability of companies and industries is assessed on the basis of more than 70 criteria. This sustainability research produced in-house determines whether the company is eligible for inclusion in the Sarasin universe of sustainable investments. Sarasin's specialists not only produce sustainability ratings for companies, but also for governments and supranational organisations that issue bonds, making sustainable investments in bonds an option as well.

Non-predictive or quantitative investment style: In many markets it is simply impossible to make individual forecasts about future investment performance. Particularly when the markets are not that mature, suitable criteria are often lacking. That's where Sarasin's quantitative investment model, which has been tried and tested over many years, comes into its own. This model reaches investment decisions without the influence of subjective human criteria.

crisis were excluded by the sustainability filters on the grounds of a high degree of conflict potential. On the other hand, the financial crisis produced a general reassessment of companies' credit risk profiles. Companies which operate sustainably received a better rating. Against this backdrop, the Sarasin Sustainable Bond Fund² and the Sarasin FairInvest Bond Universal Fund³ both excelled with attractive performance levels.

Sarasin's **non-predictive, quantitative** investment style also proved its worth in today's challenging market environment: the Currency Opportunities Fund⁴ came top of the rankings in a survey by the Wall Street Journal Europe, based on performance over a single year. Sarasin Real Estate Equity – Global² won first place in the Lipper Fund Awards Switzerland 2009 in the "Equity Sector Real Estate Holdings Global" category, over a period of three years.

Prestigious awards underline the fact that Bank Sarasin also shows a high level of innovation and competence as a niche provider in the market for structured products. Bank Sarasin's Financial Engineering Team was awarded "Product of the Year" for the second time since 2006 at the "Swiss Derivative Awards". SaraSail Rainbow with "Bear Market Protection"⁵, launched in June 2008, was voted best product (1st place) in the "yield-optimising products" category that is very popular with investors.

Recognition of the increasingly international orientation of Sarasin's product portfolio is reflected by the two prestigious awards for "Best Structured Product 2009" for the Sarasin-Alpen Rabobank Enhanced Agri Note⁶ and "Best New Product 2009" for the Sarasin GCC Equity Opportunities Fund (USD)⁷ by Banker Middle East. The latter is the first fund to be set up with the support of the Sarasin-Alpen & Partners Limited joint venture founded in 2008.

¹ Funds in this family have a marketing licence in the following countries: Austria, Belgium, France, Germany, Gibraltar, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Spain, South Africa, Switzerland and the UK.

² This fund has a marketing licence in the following countries: Austria, Belgium, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Spain, Switzerland and the UK.

Sarasin celebrates 20 years of sustainable investment

Bank Sarasin recognised the importance of sustainable investments as long as 20 years ago. What started off with the inclusion of environmental criteria in certain asset management mandates back in 1989 has now developed into one of the bank's most important pillars of business. Over the past ten years the volume of assets that Sarasin manages according to sustainable principles has soared from CHF 626 million to CHF 10.1 billion by the middle of 2009. Today Bank Sarasin is clear market leader among Switzerland's sustainable asset managers, with a market share of 21%, as well as being a leading international player. The latest survey of investors by Feri EuroRating Services AG confirms Sarasin's leading role: when asked to name the fund provider with whom their experience had been good or very good, Bank Sarasin finished comfortably in number one spot. Sarasin also achieved the best average score in the Feri report when investors were asked to assess the skills of different fund providers in the area of sustainability.

More information on the theme of sustainability can be found in the appropriate chapter on page 41 onwards.

³ This fund has a marketing licence in Austria and Germany

⁴ This fund has a marketing licence in the following countries: Austria, Belgium, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Singapore, Spain, Switzerland and the UK.

⁵ This product has a marketing licence in Switzerland.

⁶ This product has a marketing licence in Dubai, Oman and Qatar.

⁷ This product has a marketing licence in Luxembourg.

Asset Management, Products & Sales (Total)

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Net interest income	911	3,549	2,966	-2,638	-74.3
Results from commission and service fee activities, trading operations and other ordinary results	67,677	88,935	62,252	-21,258	-23.9
Operating income	68,588	92,484	65,218	-23,896	-25.8
Personnel expenses	32,055	41,715	38,386	-9,660	-23.2
General administrative expenses	9,461	13,526	11,573	-4,065	-30.1
Services from / to other segments	10,768	-623	5,585	11,391	n.a.
Operating expenses	52,284	54,618	55,544	-2,334	-4.3
Operating profit	16,304	37,866	9,674	-21,562	-56.9
Depreciation and amortisation	951	1,464	1,465	-513	-35.0
Value adjustments, provisions and losses	33	17	-17	16	94.1
Net profit before tax per segment	15,320	36,385	8,226	-21,065	-57.9
Cost Income Ratio II	77.6%	60.6%	87.4%		
Net new money (million CHF)	1,608	1,241	1,191		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	1,488	-4,731	-5,063		
Transfers (million CHF)	-144	1,763	-866		
Gross margin on assets under management	0.62%	0.71%	0.53%		
Proportion transaction related revenues	15.0%	12.4%	10.2%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	24,247	26,033	21,295	2,952	13.9
Assets under management mandate (million CHF)	14,267	12,378	12,127	2,140	17.6
Impaired and non-performing loans (1,000 CHF)	0	0	0	0	
Number of employees (adjusted for part-time working)	289.7	279.9	300.2	-10.4	-3.5
Whereof client relationship managers (adjusted for part-time working)	46.5	44.7	43.8	2.7	6.2

Whereof business unit Wholesale & Products

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Operating income	30,130	37,587	26,556	-7,457	-19.8
Operating expenses	24,127	20,149	26,352	3,978	19.7
Operating profit	6,003	17,438	204	-11,435	-65.6
Depreciation and amortisation	66	44	59	22	50.0
Value adjustments, provisions and losses	33	17	-17	16	94.1
Net profit before tax per segment	5,904	17,377	162	-11,473	-66.0
Cost Income Ratio II	80.3%	53.7%	99.5%		
Net new money (million CHF)	-33	55	-50		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	429	-3,031	-28		
Transfers (million CHF)	-181	1,627	-1,065		
Gross margin on assets under management	1.23%	1.17%	0.88%		
Proportion transaction related revenues	24.3%	18.4%	10.5%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	5,154	6,082	4,939	215	4.4
Assets under management mandate (million CHF)	777	1,322	1,025	-248	-24.2
Impaired and non-performing loans (1,000 CHF)	0	0	0	0	
Number of employees (adjusted for part-time working)	156.3	148.2	156.3	0.0	0.0
Whereof client relationship managers (adjusted for part-time working)	3.0	0.0	3.0	0.0	0.0

Whereof business unit Institutional Clients

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Operating income	38,458	54,897	38,662	-16,439	-29.9
Operating expenses	28,157	34,469	29,192	-6,312	-18.3
Operating profit	10,301	20,428	9,470	-10,127	-49.6
Depreciation and amortisation	885	1,420	1,406	-535	-37.7
Value adjustments, provisions and losses	0	0	0	0	
Net profit before tax per segment	9,416	19,008	8,064	-9,592	-50.5
Cost Income Ratio II	75.5%	65.4%	79.1%		
Net new money (million CHF)	1,641	1,186	1,241		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	1,059	-1,700	-5,035		
Transfers (million CHF)	37	136	199		
Gross margin on assets under management	0.45%	0.56%	0.41%		
Proportion transaction related revenues	7.8%	8.3%	9.9%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	19,093	19,951	16,356	2,737	16.7
Assets under management mandate (million CHF)	13,490	11,056	11,102	2,388	21.5
Impaired and non-performing loans (1,000 CHF)	0	0	0	0	
Number of employees (adjusted for part-time working)	133.4	131.7	143.9	-10.5	-7.3
Whereof client relationship managers (adjusted for part-time working)	43.5	44.7	40.8	2.7	6.6

Bank Zweiplus

Starting the second half of the year in profit

Since its foundation in 2008, Bank Zweiplus Ltd has posted an excellent result during its first year of trading and made a positive contribution to Sarasin's group result in the first six months of this year. The segment result for 1H 2009 finished at CHF 4 million. Because of the challenging market conditions, however, revenues finished well below budget at CHF 29 million. With investors unnerved by the financial crisis, the bank experienced outflows of CHF 0.1 billion. Assets under management came to CHF 6.0 billion on 30 June 2009, a slight increase on the figure at the start of the year. This was due to a positive market performance of CHF 0.3 billion.

Thanks to very tight cost management, expenses were kept within budget. They finished at CHF 24 million. The fact that the number of clients at Bank Zweiplus remains stable is another encouraging sign, and reflects the confidence that clients have in this young bank. The gross margin came to 101 basis points. The cost income Ratio II is 84.8%.

Bank Zweiplus has branches in Zurich (head office) and Basel, and positions itself as a leading independent product and settlement platform for clients of independent financial advisors, independent asset managers and life insurance companies, as well as for direct clients in the retail and affluent segment. Its offering includes bespoke financial solutions with no vested interests and independent of a specific investment sum. Bank Sarasin is majority shareholder of Bank Zweiplus with a stake of 57.5%. Operations are headed by Marco Weber, CEO of Bank Zweiplus. At the end of June 2009, Bank Zweiplus had a headcount of 137 employees (adjusted for part-time working).

Introduction of interest accounts for distribution partners

Bank Zweiplus offers Swiss Life and other providers an attractive and important product and settlement platform. The low settlement costs made possible by Bank Zweiplus's high volumes make it particularly attractive as a platform for Bank Sarasin and other partners – not least in the current environment. Furthermore, the product range for independent financial advisors was expanded during the reporting period through the addition of interest accounts. In addition to an investment portfolio account, the distribution partners of Bank Zweiplus can now offer their clients a personal account, a savings account, a senior citizen's account or a call & fixed deposit account.

Successful consolidation of the IT systems

A priority for Bank Zweiplus in the first half of the year was the consolidation of its IT systems. In total, three IT systems were consolidated within the core banking system Avaloq. All clients can now be serviced from a single platform and the processes can be organised in a more lean and efficient manner.

Sponsoring the next generation with Talent Team Zweiplus Art on Ice

Talent Team Zweiplus Art on Ice is the largest privately financed sponsoring programme in Swiss ice skating. With this sponsoring commitment, Bank Zweiplus is helping ambitious young Swiss ice skating talent on their way to sporting heights. The team made its first major appearance at the Art on Ice event at the end of January 2009.

Positive outlook for the second half of the year

Based on what is currently a slightly more positive trend on the financial markets, stable client numbers and a motivated workforce, Bank Zweiplus continues to look confidently to the future – even if the losses already suffered will not be fully compensated for in the foreseeable future. In the coming months the further optimisation of business processes have top priority. The pending items caused by the transfer of 250,000 client relationships

have already been successfully cleared. Bank Zweiplus is seeking to support the focus of its growth strategy in the European market through the acquisition of a bank with an EU licence. In addition, further sales partners are being sought in the Swiss market for the product and settlement platform. The planned rollout of alternative asset manager models is among the most important innova-

tions for the coming half year. The formation of a company pension scheme and savings fund is also in the pipeline. The management of Bank Zweiplus also places particular importance in 2009 on the reorganisation and continual improvement of customer service – the basis of durable client relationships in unpredictable times.

Bank Zweiplus

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Net interest income	1,616	0	5,612	1,616	
Results from commission and service fee activities, trading operations and other ordinary results	27,726	0	38,569	27,726	
Operating income	29,342	0	44,181	29,342	
Personnel expenses	10,538	0	13,104	10,538	
General administrative expenses	3,940	0	13,366	3,940	
Services from / to other segments	9,603	0	8,854	9,603	
Operating expenses	24,081	0	35,324	24,081	
Operating profit	5,261	0	8,857	5,261	
Depreciation and amortisation	792	0	629	792	
Value adjustments, provisions and losses	366	0	1,254	366	
Net profit before tax per segment	4,103	0	6,974	4,103	
Cost Income Ratio II	84.8%	0.0%	81.4%		
Net new money (million CHF)	-124	0	688		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	0	0	0		
Performance (million CHF)	297	0	-1,562		
Transfers (million CHF)	26	0	6,684		
Gross margin on assets under management	1.01%	0.00%	1.42%		
Proportion transaction related revenues	22.3%	0.0%	38.4%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	6,009	0	5,810	199	3.4
Assets under management mandate (million CHF)	1,528	0	1,626	-98	-6.0
Impaired and non-performing loans (1,000 CHF)	151	0	151	0	0.0
Number of employees (adjusted for part-time working)	137.0	0.0	136.6	0.4	0.3
Whereof client relationship managers (adjusted for part-time working)	19.4	0.0	22.7	-3.3	-14.5

Corporate Center

Support for the implementation of selected growth projects

Tight cost management and the associated review, and if necessary suspension, of business cases and projects is reflected in the activity report of the divisions incorporated within the Corporate Centre segment. Because the launch of new projects – primarily in the IT field – has been reduced to a minimum, the efficient and effective support of selected growth projects such as the opening of new offices in Switzerland, Central & Eastern Europe and India have come to the fore.

At the same time, various projects relevant to the bank's efficiency have been successfully concluded. On the one hand, a new credit platform was implemented with the rollout of release 2.7 of Avaloq. The platform has been developed and in some cases adapted internally to meet the requirements of Bank Sarasin. On the other, the Avaloq portfolio management tool PFM+ was incorporated into the bank's IT system at the end of the first quarter. This gives Bank Sarasin an innovative, state-of-the-art tool that is fully integrated into its system and which also significantly expands and enhances Avaloq's functionality in the areas of portfolio management and performance. As of the start of June 2009, Bank Sarasin has also gone over to using MS Outlook 2007.

The prevailing market environment coupled with regulatory requirements also entailed the further reassessment of business models and processes within the bank and amendments to directives. At the forefront of this was, amongst other things, the creation of the "operational risk criticality index" to determine the general risks associated with a particular location in terms of operational risks as well as the establishment of sustainable risk minimisation and the clear allocation of responsibilities within the area of Operational Risk Management and Controlling. A comprehensive Business Continuity Man-

agement (BCM) framework was also developed, which initially applies to the parent bank and will subsequently apply to the entire Sarasin Group.

Positive results from own financial investments

After two previous periods dominated by exceptional negative effects (1H 2008: CHF –20 million; 2H 2008: CHF –4 million), the result reported by the Corporate Center for 1H 2009 was positive, at CHF 11 million. This is mainly thanks to good results from the bank's own financial investments. During the reporting period operating profit was improved from CHF 14 million in 1H 2008 to CHF 29 million, while operating expenses were cut from CHF 27 million to CHF 9 million. This results in a gross profit of CHF 20 million.

The client assets reported under the Corporate Center segment in 1H 2008 include the Intermediary & Personal Banking business transferred to Bank Zweiplus on 1 July 2008 and also the client assets brought in by AIG Private Bank. The figures for client assets during the current reporting period include double payments and client assets held in the Paris subsidiary. In April 2009 the joint venture UFG-Sarasin Asset Management was formed in France, with the Sarasin Group taking a minority interest. With Sarasin Asset Management, Paris, now incorporated in this joint venture, client assets worth CHF 442 million are no longer part of the basis of consolidation of the Sarasin Group, and are treated as a divestment in this reporting period.

The **Corporate Center** segment includes internal support functions in the areas of Logistics (IT, Operations and Services) on the one hand, and the staff functions at the level of the Board of Directors and Executive Committee (Group Internal Audit, Corporate Communications, Legal & Compliance, Human Resources, Accounting & Tax, Controlling, Risk Office, Credit und Corporate Finance) on the other. Peter Sami manages the Logistics division. The Corporate Center division is managed by the bank's Chief Financial Officer, Matthias Hassels. On 30 June 2009, the Corporate Center had a headcount of 410 full-time employees (adjusted for part-time working).

Corporate Center

	1H 2009	1H 2008	2H 2008 adjusted	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Net interest income	8,798	17,728	7,949	-8,930	-50.4
Results from commission and service fee activities, trading operations and other ordinary results	20,492	-4,093	2,554	24,585	600.7
Operating income	29,290	13,635	10,503	15,655	114.8
Personnel expenses	42,142	40,837	30,027	1,305	3.2
General administrative expenses	28,640	27,852	30,432	788	2.8
Services from / to other segments	-61,918	-42,134	-57,264	-19,784	-47.0
Operating expenses	8,864	26,555	3,195	-17,691	-66.6
Operating profit	20,426	-12,920	7,308	33,346	258.1
Depreciation and amortisation	9,593	6,676	10,125	2,917	43.7
Value adjustments, provisions and losses	10	26	983	-16	-61.5
Net profit before tax per segment	10,823	-19,622	-3,800	30,445	155.2
Cost Income Ratio II	63.0%	243.7%	126.8%		
Net new money (million CHF)	-486	2,586	718		
New money through acquisitions (million CHF)	0	0	0		
Change through divestment (million CHF)	-442	0	0		
Performance (million CHF)	915	614	-3,254		
Transfers (million CHF)	514	-1,863	-6,365		
Proportion transaction related revenues	60.7%	160.8%	55.1%		
	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
Assets under management (million CHF)	5,898	14,298	5,397	501	9.3
Assets under management mandate (million CHF)	0	2,204	268	-268	-100.0
Impaired and non-performing loans (1,000 CHF)	73,816	2,198	73,899	-83	-0.1
Number of employees (adjusted for part-time working)	409.9	462.4	429.7	-19.8	-4.6
Whereof client relationship managers (adjusted for part-time working)	0.0	18.7	2.0	-2.0	-100.0

Sustainability

A tradition of sustainability

Since Bank Sarasin's foundation, our responsibility towards current and future generations has been a central plank of our corporate culture. Sustainability has been at the core of Sarasin's consistent success as a Swiss private bank over the last 168 years. Sustainability is a tradition at Sarasin: it helps employees identify more closely with the company and creates a greater sense of trust among clients. Sustainability also allows the Sarasin Group to set itself apart from rivals in the market and establishes continuity in the long run.

Oekom rating: Sarasin is Switzerland's most sustainable bank

Bank Sarasin is a leading international financial service provider in the field of sustainability. According to the latest sustainability ratings produced by the independent consultants Oekom Research based in Munich, Sarasin is ranked in the top ten of the 50 Swiss companies assessed across all sectors, and finishes in top place as the most sustainable bank in Switzerland.

Source: Bilanz 10/09

With the public profile of the Group bearing the claim "Sustainable Swiss Private Banking since 1841", the Sarasin brand is visibly tied to the concept of sustainability in all of our target markets. This commitment has encouraged Sarasin to expand its internal sustainability management in 2009 and make it even more professional. In the spring of 2009 we created a new post, Head of Corporate Sustainability for the entire group. This is the starting point for anchoring sustainability even more firmly at all levels of business management and in all group locations. Especially in a difficult market environment, a strong commitment to sustainability is particularly effective and important.

Sustainability: a consensus between politics and business

In 1987 the UN World Commission on Environment and Development (the "Brundtland Commission") refined the idea into a philosophy of sustainable development. Its ultimate purpose is to allow people "to meet the needs of the present without compromising the ability of future generations to meet their own needs". The term sustainability was introduced into the world of politics and business in 1992, when the Earth Summit was held in Rio de Janeiro.

What is our understanding of sustainability as practised in business?

Sarasin defines sustainability in business as the production of goods and services with broad social acceptance using production methods with a low potential for conflict.

Sustainability and Bank Sarasin

Sustainability is a key element of Bank Sarasin's corporate philosophy and influences its relations with its clients, employees, shareholders and all other stakeholder groups. Sustainability is achieved by integrating environmental, social and economic principles in the bank's corporate governance, in its business activities and in our core business. Bank Sarasin provides full details of its initiatives and performance in this area in a separate Sustainability Report published every year. The Sustainability Report 2009 will be published in April 2010.

Sarasin Group is carbon neutral

The Sarasin Group is now carbon neutral across all of its locations. CO₂ emissions from business processes are avoided where possible, while unavoidable CO₂ emissions are completely offset by the purchase of Gold Standard CO₂ certificates. This year Sarasin channeled these funds into a project in Thailand where methane from a sewage treatment plant is being used to power a starch production plant. This project allows 96,000 tonnes of CO₂ to be saved every year. And the local community benefits directly as well: 12 new jobs have been created and the unpleasant odours produced by the starch factory have been reduced.

Careful use of resources

In 2009, 100% of the electricity used in Bank Sarasin's Swiss locations in Geneva and Zurich comes from renewable sources. The electricity used in our Zurich office has been certified with the green electricity label "Nature-

made Star”. This label certifies that the electricity originates from renewable sources, meets particularly high environmental criteria and is therefore very kind on the environment.

The Sarasin Group is switching over entirely to recycled paper. From business cards to letterheads and account statements, and even the annual report: all our printed materials will in future be produced exclusively on 100% post-consumer recycled paper. In the first half of 2009 our locations in Switzerland, Germany and Spain have already made the switch. Our new offices in Austria and Poland have been using recycled paper from the start.

Employees: a priceless asset

In these volatile times, a sustainable personnel policy is crucial for building trust among our employees, to ensure they identify with and remain loyal to the bank over the long term. Long-term demographic trends already clearly show that in just a few years’ time companies in industrialised countries will be facing an acute shortage of skilled labour. To attract the brightest talents and retain them over the long run, a positive Work-Life-Balance (WLB) is becoming increasingly important for employees. With this in mind, Sarasin launched its own SaraLifeBalance project in the first half of the year. Trials with flexible working time models and teleworking are being carried out, and the results evaluated.

A strong social commitment

Bank Sarasin takes part in the public discussion on sustainability themes and has signed up to a number of different initiatives and organisations:

- Bank Sarasin is one of the co-founders of the Swiss Climate Foundation (Klimastiftung Schweiz). Funded by 11 companies at present, this foundation promotes energy efficiency and climate protection measures, especially in small and medium-sized enterprises in Switzerland.
- As a member of the Business Energy Agency (EnAW), Sarasin has made a voluntary commitment to cut its CO₂ emissions.
- Bank Sarasin is a member of Öbu, a network for sustainable business comprising around 330 Swiss com-

panies, all very divergent in size. It was set up to encourage the development of Swiss business along sustainable lines.

- As a member of the European Sustainable Investment Forum (Eurosif), Sarasin has been striving to promote sustainability in financial markets for several years. In June 2009 the first Spanish offshoot of Eurosif was created. Sarasin-Alén is a founder member of SpainSIF.
- Sarasin is a partner in the Global Footprint Network. This organisation is dedicated to measuring the impact of human activity on our planet’s renewable resources. The environmental footprint is designed to be a useful tool to allow decisions to be taken on environmental limits.
- Sarasin co-sponsored a report published in May 2009 entitled “Green Electricity Making a Difference”, produced by PricewaterhouseCoopers in collaboration

Investors give Sarasin top accolade as a provider of sustainable investment funds

The latest survey of investors by Feri EuroRating Services AG confirms Sarasin’s leading role as a provider of sustainable investment funds. The survey asked 560 experienced fund investors to assess the quality of individual providers of sustainability funds. Their opinions were then examined in more detail. When asked to name the fund provider with whom their experiences had been good or very good, Bank Sarasin finished comfortably in number one spot. Sarasin also achieved the best average score when investors were asked to assess the skills of different fund providers in the area of sustainability. They consider alternative and renewable energies, environmental technology and protection, energy management and production, water management and solar energy to be the most important areas in which sustainability funds should invest. Bank Sarasin is very well positioned in these areas, with products such as:

- Sarasin Sustainable Water Fund¹
- Sarasin New Power Fund¹
- Sarasin Oekosar Equity – Global¹

Source: “Nachhaltige Investments und Nachhaltigkeitsfonds aus Anlegerperspektive” Feri EuroRating Services AG, January 2009

¹ These funds have a marketing licence in the following countries: Austria, Belgium, Germany, France, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, Switzerland Spain and the UK.

with the WWF. This provides an international overview of the market for renewable power and the green electricity label.

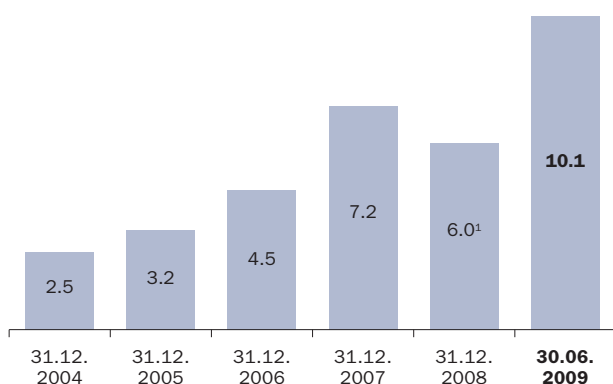
Sustainability as a core skill

Bank Sarasin recognised the importance of sustainable investments as long as 20 years ago. What started off with the inclusion of environmental criteria in certain asset management mandates back in 1989 has now developed into one of the bank's most important pillars of business. Our 20-year track record in this field proves that complying with sustainability criteria also produces superior investment returns. For this reason, Bank Sarasin is using since 30 June 2009 sustainability as an additional criterion for making investment decisions for all its portfolio management mandates of private clients at the Swiss locations. On the one hand this is designed to accommodate the steadily growing demand for a portfolio management style that also takes into account environmental and social aspects. On the other hand, it strives to offer financial added value to its clients.

The assets managed according to sustainable principles by the Sarasin Group rose from CHF 6 billion¹ on 31 De-

Fig. 21: Assets managed according to sustainable principles by the Sarasin Group

(billion CHF)



¹ The figures stated in Sarasin's Annual Report 2008 and Sustainability Report 2008 for the volume of assets managed according to sustainability criteria as of 31 December 2008 had to be corrected by CHF 444 million due to a data error.

cember 2008 to exceed CHF 10 billion for the first time as of 30 June 2009, a year-on-year increase of 68%. This increase is partly down to the decision to gear private clients' portfolio management mandates in Switzerland towards sustainability. Strong demand from our private clients for exclusively sustainable asset management is a particularly encouraging sign. The transparency of our investment process is especially appealing to investors in the current financial crisis. The number of mandates subsequently rose 44% in the first half of 2009, while the associated volumes climbed by as much as 65%. The positive development of our own sustainability funds for retail clients also shows that investors are very comfortable with this investment approach: net new money inflow in the first six months came to CHF 117 million, bucking the general sector trend. This figure includes investment funds and similar 2nd and 3rd pillar products. The volume of assets managed by third parties using Sarasin Sustainability Research rose by almost 7% in the first half of 2009 to CHF 23.4 billion.

Sustainable corporate bonds perform extremely well

The excellent performance of Bank Sarasin's bond mandates during the financial crisis highlights the advantages of a sustainable investment style. The success is down to the far-sighted focus on issuers with a sustainably balanced risk model and business model, as well as an early reduction in exposure to the sectors and products that were the biggest losers in the financial crisis. For Bank Sarasin's sustainable bond mandates, the quota of corporate bonds was increased above the previous target allocation of around a third of the fund volume (at the expense of other debt instruments, especially sovereign bonds).

New sustainability products

In spring 2009 Bank Sarasin launched a new tracker certificate² on the Sarasin Sustainable Infrastructure Basket. With a single transaction clients can now use this tracker certificate to invest directly in the entire Sarasin Sustainable Infrastructure Basket, rather than in each individual security.

² This product has a marketing licence in Switzerland.

Since June 2009 Sarasin Sustainable Investment has been commissioned by Bluevalor AG to look after the investment fund “Bluevalor Sustainable Lifestyle Brand Equity”¹. This fund invests exclusively in companies positioned in the segment “Lifestyle Brands” which at the same time also have sustainable business operations.

The investment policy of Sarasin Real Estate Equity IIID (EUR)² was updated in July 2009 to incorporate sustainability. To reflect this change, the product was renamed Sarasin Sustainable Equity – Real Estate Global.

Joint venture for sustainable investment products

The asset management group UFG and Bank Sarasin teamed up on 1 April 2009 to form a joint venture in France. UFG-Sarasin Asset Management markets sustainable investment products in France. The Sarasin Group has a 40% stake in this joint venture.

Sarasin publishes report on renewable energies

The latest sustainability report published by Bank Sarasin & Co. Ltd, entitled “Renewable energies: sunnier times ahead once storms have cleared the air”, provides some valuable insights into the current market environment, as well as the future prospects for the various technologies, markets and companies working in the field of renewable energies, i.e. wind energy, geothermal power and photovoltaics.

More detailed information on Bank Sarasin’s activities in the area of sustainability can be found in our Sustainability Report 2008. This is available as a download on the internet, at www.sarasin.com. Please contact us if you would like to receive a printed copy.



¹ This fund has a marketing licence in Switzerland.

² These funds have a marketing licence in the following countries: Austria, Belgium, Germany, France, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, Switzerland, Spain and the UK.

Sarasin Group: financial statements (unaudited)

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Consolidated income statement

	Note	1H 2009	1H 2008	2H 2008	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF						
Interest and discount income		115,435	192,285	187,245	-76,850	-40.0
Interest and dividend income from financial investments		18,802	12,873	12,983	5,929	46.1
Interest expenses		66,393	140,812	136,017	-74,419	-52.8
Net interest income	2.1	67,844	64,346	64,211	3,498	5.4
Commission income on lending activities		992	2,234	3,315	-1,242	-55.6
Commission income on securities and investment transactions		184,894	224,816	214,857	-39,922	-17.8
Commission income on other services		9,714	2,707	4,001	7,007	258.8
Commission expenses		25,114	27,469	25,445	-2,355	-8.6
Results from commission and service fee activities	2.2	170,486	202,288	196,728	-31,802	-15.7
Results from trading operations	2.3	62,805	41,602	46,155	21,203	51.0
Other ordinary results	2.4	14,013	-767	62,581	14,780	n.a.
of which income from investments in associates		2,013	2,754	1,864	-741	-26.9
Operating income		315,148	307,469	369,675	7,679	2.5
Personnel expenses	2.5	168,487	148,686	175,487	19,801	13.3
General administrative expenses	2.6	61,791	61,278	79,298	513	0.8
Operating expenses		230,278	209,964	254,785	20,314	9.7
Operating profit		84,870	97,505	114,890	-12,635	-13.0
Depreciation and write-offs on property and equipment	2.7	8,376	5,892	8,530	2,484	42.2
Amortisation of intangible assets	2.7	5,599	3,662	5,490	1,937	52.9
Value adjustments, provisions and losses	2.8	4,419	1,212	79,471	3,207	264.6
Profit before taxes		66,476	86,739	21,399	-20,263	-23.4
Taxes		12,593	11,409	-10,102	1,184	10.4
Net profit		53,883	75,330	31,501	-21,447	-28.5
Attributable to:						
Shareholders of Bank Sarasin & Co. Ltd		50,784	68,636	26,080	-17,852	-26.0
Minority interests		3,099	6,694	5,421	-3,595	-53.7
Net profit		53,883	75,330	31,501	-21,447	-28.5
Share information (CHF)						
Net profit per class A registered share (with voting rights) ¹		0.17	0.23	0.08	-0.06	-25.9
Net profit per class B registered share ¹		0.84	1.14	0.43	-0.30	-26.0
Diluted net profit per class A registered share ¹		0.17	0.23	0.08	-0.06	-26.8
Diluted net profit per class B registered share ¹		0.84	1.14	0.43	-0.30	-26.6

¹ Calculation based on the weighted shares according to IFRS.

Consolidated comprehensive income

	1H 2009	1H 2008	2H 2008	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Net profit	53,883	75,330	31,501	-21,447	-28.5
Gains and losses "available-for-sale" financial investments:					
– Realised gains reclassified to income statement	6,815	1,265	–45	5,550	438.8
– Change in unrealised gains and losses	4,469	–13,924	–12,485	18,393	132.1
Gains and losses from currency translation differences:					
– Realised gains/losses reclassified to income statement	–51	0	0	–51	
– Change in unrealised gains and losses	28,130	–35,746	–43,646	63,876	178.7
Total result for the current period is reported under shareholders' equity (net-of-tax)	39,363	–48,405	–56,175	87,767	181.3
Total result for the current period is reported in the income statement and under shareholders' equity (net-of-tax)	93,246	26,925	–24,674	66,320	246.3
Attributable to:					
Shareholders of Bank Sarasin & Co. Ltd	86,619	23,511	–23,462	63,108	268.4
Minority interests	6,627	3,414	–1,212	3,213	94.1
Total result for the current period is reported in the income statement and under shareholders' equity (net-of-tax)	93,246	26,925	–24,674	66,321	246.3

Consolidated balance sheet

Assets

	30.06.2009	30.06.2008	31.12.2008	Change to 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	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 portfolio 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 interests)	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 interests in shareholders' equity (including share in profits)	50,532	30,075	46,363	4,169	9.0
Total shareholders' equity (including minority interests)	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

Statement of changes in equity

	Share capital	Treasury shares	Capital reserve	Retained earnings
1,000 CHF				
Total shareholders' equity as of 01.01.2008	61,155	-48,019	608,871	652,419
Gains and losses "available-for-sale" financial investments:				
– Realised gains reclassified to income statement				
– Change in unrealised gains and losses (net of tax)				
Currency translation differences				
Consolidated profit				68,636
Comprehensive income for 1H 2008	0	0	0	68,636
Dividends paid				-81,583
Change in treasury shares		12,617		
Result on treasury shares incl. derivatives			-2,562	
Transactions with minority shareholders				2,327
Total shareholders' equity as of 30.06.2008	61,155	-35,402	606,309	641,799
Total shareholders' equity as of 01.07.2008	61,155	-35,402	606,309	641,799
Gains and losses "available-for-sale" financial investments:				
– Realised gains reclassified to income statement				
– Change in unrealised gains and losses (net of tax)				
Currency translation differences				
Consolidated profit				26,080
Comprehensive income for 2H 2008	0	0	0	26,080
Dividends paid				0
Change in treasury shares		-8,033		
Result on treasury shares incl. derivatives			-3,969	
Change in scope of consolidation				
Transactions with minority shareholders				164
Total shareholders' equity as of 31.12.2008	61,155	-43,435	602,340	668,043
Total shareholders' equity as of 01.01.2009	61,155	-43,435	602,340	668,043
Gains and losses "available-for-sale" financial investments:				
– Realised gains reclassified to income statement				
– Change in unrealised gains and losses (net of tax)				
Currency translation differences				
Consolidated profit				50,784
Comprehensive income for 1H 2009	0	0	0	50,784
Dividends paid / COTO allocation ¹				-20,839
Change in treasury shares		16,925		
Result on treasury shares incl. derivatives			-3,201	
Transactions with minority shareholders				2,200
Total shareholders' equity as of 30.06.2009	61,155	-26,510	599,139	700,188

¹ The maximum possible reduction of par value is CHF 39.8 million. After deducting the existing securities subscriptions, specifically those legally promised to Rabobank, the maximum possible dividend payment comes to CHF 20.8 million. A definitive allocation can only be made after 15 September 2009.

Reserves available for sale investments (net of tax)	Currency translation differences	Total (excl. minority interests)	Minority interests	Currency translation differences	Total (minority interests)	Total
-11,412	-35,184	1,227,830	32,740	-148	32,592	1,260,422
1,265		1,265			0	1,265
-13,924		-13,924			0	-13,924
	-32,466	-32,466		-3,280	-3,280	-35,746
		68,636	6,694		6,694	75,330
-12,659	-32,466	23,511	6,694	-3,280	3,414	26,925
		-81,583	-6,353		-6,353	-87,937
		12,617			0	12,617
		-2,562			0	-2,562
		2,327	423		423	2,750
-24,071	-67,650	1,182,140	33,503	-3,428	30,075	1,212,215
-24,071	-67,650	1,182,140	33,503	-3,428	30,075	1,212,215
-45		-45			0	-45
-12,485		-12,485			0	-12,485
	-37,012	-37,012		-6,634	-6,634	-43,646
		26,080	5,422		5,422	31,501
-12,530	-37,012	-23,462	5,422	-6,634	-1,212	-24,674
		0	-3,840		-3,840	-3,840
		-8,033			0	-8,033
		-3,969			0	-3,969
		0	20,441		20,441	20,441
		164	900		900	1,064
-36,601	-104,662	1,146,840	56,425	-10,062	46,363	1,193,203
-36,601	-104,662	1,146,840	56,425	-10,062	46,363	1,193,203
6,815		6,815			0	6,815
4,469		4,469			0	4,469
	24,551	24,551		3,528	3,528	28,079
		50,784	3,099		3,099	53,883
11,284	24,551	86,619	3,099	3,528	6,627	93,246
		-20,839	-3,824		-3,824	-24,663
		16,925			0	16,925
		-3,201			0	-3,201
		2,200	1,365		1,365	3,565
-25,317	-80,111	1,228,544	57,066	-6,534	50,532	1,279,076

Consolidated off-balance sheet information

	30.06.2009	30.06.2008	31.12.2008	Change to 31.12.2008 CHF	Change to 31.12.2008 %
1,000 CHF					
Contingent liabilities					
Credit guarantees	331,753	353,976	354,328	-22,575	-6.4
Performance guarantees	2,416	37,782	2,892	-476	-16.5
Other contingent liabilities	44,578	38,172	36,747	7,831	21.3
Total contingent liabilities	378,747	429,930	393,967	-15,220	-3.9
Irrevocable commitments					
Unused irrevocable commitments	17,798	24,130	25,630	-7,832	-30.6
Confirmed credit					
Other confirmed credits	0	0	0	0	
Liabilities for calls on shares and other equities	121	114	119	2	1.7
Derivative financial instruments					
Positive replacement values	415,142	368,859	423,784	-8,642	-2.0
Negative replacement values	240,219	317,099	397,568	-157,349	-39.6
Contract volume	10,291,058	10,419,940	7,883,450	2,407,608	30.5
Fiduciary transactions					
Fiduciary deposits with other banks	1,529,544	2,422,509	1,200,675	328,869	27.4
Fiduciary deposits with companies in the Rabobank Group	3,875,302	3,420,706	4,853,675	-978,373	-20.2
Fiduciary lending	5,616	4,594	3,521	2,095	59.5

Consolidated statement of cash flows

1,000 CHF	1H 2009	1H 2008	2H 2008
Cash flow from operating activities	1,206,954	560,118	1,367,007
Cash flow from investing activities	-720,204	-388,526	-494,801
Cash flow from financing activities	-7,624	-83,384	-15,334
Effects of currency translation differences	4,507	-8,694	-16,223
Net (increase) / decrease in cash and cash equivalents	483,633	79,514	840,649
1,000 CHF	30.06.2009	30.06.2008	31.12.2008
Cash and cash equivalents, beginning of period	1,584,809	664,646	744,160
Cash and cash equivalents, end of period	2,068,442	744,160	1,584,809
Net (increase) / decrease in cash and cash equivalents	483,633	79,514	840,649
Cash and cash equivalents comprise:			
Cash and cash equivalents	595,276	47,697	435,236
Due from banks at sight	1,473,166	696,463	1,149,573
Total cash and cash equivalents	2,068,442	744,160	1,584,809

Notes to the consolidated financial statements

1. Accounting principles

Our interim report has been drawn up in compliance with International Financial Reporting Standards (IAS 34). The Half Year Report has been drawn up in accordance with accounting and valuation principles applicable as of 31 December 2008 and has not been audited. This report should be read in conjunction with the audited financial statements for 2008.

1.1 Events after the balance sheet date

No events affecting the balance sheet or income statement are to be reported for the first half of FY 2009 after the balance sheet date.

1.2 Scope of consolidation

On 1 April 2009, 52% of the subsidiary Sarasin Asset Management (France), Paris, was sold. It is now carried as an associated company, trading under the name UFG-Sarasin AM, Paris.

1.3 Foreign currency translation

Our Group financial statements are denominated in Swiss Francs. Foreign currency translation takes place at year-end exchange rates.

		1H 2009	1H 2008	2H 2008
Euro (EUR)	Year-end	1.5255	1.6049	1.4796
	Average	1.5052	1.6301	1.5865
US Dollar (USD)	Year-end	1.0876	1.0186	1.0644
	Average	1.1304	1.0754	1.0829
UK Pound (GBP)	Year-end	1.7911	2.0272	1.5303
	Average	1.6850	2.1404	1.9975
Hong Kong Dollar (HKD)	Year-end	0.1403	0.1306	0.1373
	Average	0.1460	0.1379	0.1391
Qatari Riyal (QAR)	Year-end	0.2988	0.2798	0.2922
	Average	0.3068	0.2948	0.2968
Omani Riyal (OMR)	Year-end	2.8244	–	2.7642
	Average	2.9015	–	2.9663

		1H 2009	1H 2008	2H 2008
Indian Rupee (INR)	Year-end	0.0227	–	0.0218
	Average	0.0227	–	0.0234

1.4 New accounting policies

The following new standards/interpretations apply as of FY 2009:

IAS 1: Presentation of financial statements

The revised standard requires a separate statement showing changes in shareholders' equity resulting from capital transactions with owners, as well as any other changes in equity. The statement of changes in equity must include full details of transactions with owners, while all other changes in equity can be reported on a single line. The revised standard also introduces a statement of profit or loss for the period showing all components of comprehensive income either in one statement or in two connected statements.

IFRS 8: Operating Segments

IFRS 8 was published as part of the joint IASB/FASB convergence project. This new standard replaces IAS 14 Segment Reporting and advocates a "management approach" for segment reporting. The reporting is based on the information that the management uses internally for assessing the performance of operating segments and allocating resources to them. This information may be different from that reported in the balance sheet and income statement.

IFRS 2: Amendment – Vesting conditions and cancellations

Amendments to IFRS 2 provide clarification on the definition of vesting conditions and the way that cancellations are treated in the accounts.

IAS 32 and IAS 1: Amendments – Puttable Financial Instruments and Obligations Arising on Liquidation

Changes have been made to the classification in the balance sheet of puttable financial instruments and obligations arising purely on liquidation. As a result of the amendments, some financial instruments that currently meet the definition of a financial liability will be classified as equity because they represent the residual interest in the net assets of the entity.

IFRS 1 and IAS 27: Amendments – Cost of a Subsidiary in the Separate Financial Statements of a Parent

In certain cases acquisition costs incurred on the first-time adoption of IFRS are admissible. The definition of the cost method is removed from IAS 27 and replaced with a requirement to present dividends as income in the

separate financial statements of the investor. If a new parent is formed as a result of reorganisation, the new parent must measure the cost of its investment in the previous parent at the carrying amount of its share of the equity items of the previous parent at the date of the reorganisation.

2. Details of positions in the consolidated balance sheet and consolidated income statement

2.1 Net interest income

	1H 2009	1H 2008	2H 2008	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Interest and similar income					
Due from banks	45,587	112,301	94,938	-66,714	-59.4
Loans and advances to customers	69,848	79,984	92,307	-10,136	-12.7
Interest income accrued on impaired financial assets	0	0	0	0	
Interest and dividend income from financial investments available for sale	15,221	12,318	10,943	2,903	23.6
Subtotal	130,656	204,603	198,188	-73,947	-36.1
Interest and dividend income from financial investments designated at fair value	3,581	555	2,040	3,026	545.2
Total interest and discount income	134,237	205,158	200,228	-70,921	-34.6
Interest and similar expenses					
Interest expenses on amounts due to banks	10,854	17,870	18,288	-7,016	-39.3
Interest expenses on amounts due to customers	43,151	96,165	90,298	-53,014	-55.1
Other interest expenses	0	1,588	452	-1,588	-100.0
Subtotal	54,005	115,623	109,038	-61,618	-53.3
Interest expenses from financial liabilities designated at fair value	12,388	25,189	26,979	-12,801	-50.8
Total interest expenses	66,393	140,812	136,017	-74,419	-52.8
Total net interest income	67,844	64,346	64,211	3,498	5.4

2.2 Results from commission and service fee activities

	1H 2009	1H 2008	2H 2008	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Commission income on lending activities	992	2,234	3,315	-1,242	-55.6
Transaction and brokerage fees	42,537	48,208	52,919	-5,671	-11.8
Securities deposit fees	3,393	4,764	4,896	-1,371	-28.8
Advisory and management fees	65,188	81,950	69,105	-16,762	-20.5
Underwriting	1,271	761	2,221	510	67.0
Investment fund transactions	64,481	83,304	79,449	-18,823	-22.6
Fiduciary fees	8,024	5,829	6,267	2,195	37.7
Other commission income	9,714	2,707	4,001	7,007	258.8
Total commission income and service fee activities	195,600	229,757	222,173	-34,157	-14.9
Brokerage fees paid	7,796	7,272	5,639	524	7.2
Other commission expenses	17,318	20,197	19,806	-2,879	-14.3
Total commission expenses and service fee activities	25,114	27,469	25,445	-2,355	-8.6
Total results from commission and service fee activities	170,486	202,288	196,728	-31,802	-15.7

2.3 Results from trading operations

	1H 2009	1H 2008	2H 2008	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Securities	41,534	21,565	8,175	19,969	92.6
Foreign exchange and precious metals	21,271	20,037	37,980	1,234	6.2
Total results from trading operations	62,805	41,602	46,155	21,203	51.0

2.4 Other ordinary results

	1H 2009	1H 2008	2H 2008	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Results from sale of financial investments designated at fair value	2,392	-232	384	2,623	n.a.
Results from sale of financial investments available for sale	7,211	-6,702	70	13,913	207.6
Gain from the sale of group companies	1,834 ¹	0	0	1,834	
Proportion of earnings of associated companies	2,013	2,754	1,864	-741	-26.9
Real estate income	194	145	191	49	33.8
Other ordinary income	2,006	5,139	60,779 ²	-3,133	-61.0
Other ordinary expenses	1,637	1,871	707	-234	-12.5
Total other ordinary results	14,013	-767	62,581	14,780	n.a.
Result financial investments available for sale					
Bonds and debt instruments	5	-536	-250	542	101.0
Equities and the like	11,074	-5,590	1,066	16,663	298.1
Other	0	0	0	0	99.9
Impairment losses on financial investments available for sale	3,868	576	746	3,292	571.5
Total	7,211	-6,702	70	13,913	207.6

2.5 Personnel expenses

	1H 2009	1H 2008	2H 2008	Change to 1H 2008 CHF	Change to 1H 2008 %
1,000 CHF					
Salaries and bonuses	131,277	122,451	143,980	8,826	7.2
Social benefits	7,922	7,551	7,705	371	4.9
Contribution to retirement plans / defined benefit	13,058	2,112	12,353	10,946	518.3
Contribution to retirement plans / defined contribution	2,576	3,689	-151	-1,113	-30.2
Other personnel expenses	13,654	12,883	11,600	771	6.0
Total personnel expenses	168,487	148,686	175,487	19,801	13.3

¹ This includes proceeds of CHF 2 million from the partial sale of UFG-Sarasin AM, Paris (previously Sarasin AM, Paris). This business is managed as an associated company as of 1 April 2009, with the Sarasin Group relinquishing responsibility for controlling.

² This includes the proceeds from the transaction with Bank Zweiplus Ltd (CHF 50.7 million) and the release of reserves worth CHF 7.3 million.

2.6 General administrative expenses

	1H 2009	1H 2008	2H 2008	Change to 1H 2008	Change to 1H 2008
1,000 CHF				CHF	%
Occupancy expenses	11,883	8,480	12,245	3,403	40.1
IT and telecommunication expenses	21,355	17,112	23,676	4,243	24.8
Expenses for machinery, furniture, vehicles and other equipment	1,083	948	1,247	135	14.2
Travel, entertainment, marketing and public relations expenses	10,471	17,049	21,342	-6,578	-38.6
Audit and consulting expenses	10,194	9,546	15,853	648	6.8
Capital tax	2,154	2,161	2,024	-7	-0.3
Other general expenses	4,651	5,982	2,911	-1,331	-22.3
Total general administrative expenses	61,791	61,278	79,298	513	0.8

2.7 Depreciation and amortisation

	1H 2009	1H 2008	2H 2008	Change to 1H 2008	Change to 1H 2008
1,000 CHF				CHF	%
Depreciation of property and equipment	8,376	5,892	8,530	2,484	42.2
Amortisation of intangible assets	5,599	3,662	5,490	1,937	52.9
Total depreciation and amortisation	13,975	9,554	14,020	4,421	46.3

2.8 Value adjustments, provisions and losses

	1H 2009	1H 2008	2H 2008	Change to 1H 2008	Change to 1H 2008
1,000 CHF				CHF	%
Value adjustments for default risk	0	0	77,385 ¹	0	
Provisions for litigation risk	0	26	302	-26	-100.0
Losses, operational risk	4,329	1,127	445	3,202	284.1
Other	90	59	1,339	31	52.5
Total value adjustments, provisions and losses	4,419	1,212	79,471	3,207	264.6

¹ Of which CHF 73.7 million relates to impairments in amounts due from defaulting banks.

2.9 Income tax effects relating to comprehensive income

	1H 2009			1H 2008			2H 2008		
	Before tax amount	Tax (expense) benefit	Net of tax amount	Before tax amount	Tax (expense) benefit	Net of tax amount	Before tax amount	Tax (expense) benefit	Net of tax amount
1,000 CHF									
Gains and losses "available-for-sale" financial investments:									
– Realised gains reclassified to income statement	8,627	-1,813	6,815	1,601	-336	1,265	-57	12	-45
– Change in unrealised gains and losses	5,437	-968	4,469	-16,232	2,308	-13,924	-16,715	4,230	-12,485
Gains and losses from currency translation differences:									
– Realised gains / losses reclassified to income statement	-51	0	-51	0	0	0	0	0	0
– Change in unrealised gains and losses	28,130	0	28,130	-35,746	0	-35,746	-43,646	0	-43,646
Total	42,143	-2,780	39,363	-50,376	1,971	-48,405	-60,418	4,242	-56,175

2.10 Client assets under management

	30.06.2009	30.06.2008	31.12.2008	Change to	
				31.12.2008	31.12.2008
million CHF				CHF	%
Assets invested with in-house funds	10,507	13,395	9,326	1,180	12.7
Assets invested under a management mandate	23,768	23,069	20,835	2,933	14.1
Other assets under management	45,651	44,906	39,517	6,133	15.5
Total assets under management	79,926	81,370	69,679	10,247	14.7
of which double-counting ¹	5,897	8,450	5,182	716	13.8

	1H 2009	1H 2008	2H 2008	Change to	
				1H 2008	1H 2008
million CHF				CHF	%
Net new money	4,792	7,228	7,248	-2,436	-33.7

¹ Of which, money market instruments from structured products of CHF 0.5 billion (31.12.2008: CHF 0.8 billion) and fiduciary deposits of CHF 0.9 billion (31.12.2008: CHF 1.3 billion).

Segment reporting

Business segment reporting

1H 2009

	Private Banking	Trading & Family Offices	Asset Manage- ment, Products & Sales	Bank Zweiplus	Corporate Center	Sarasin Group
1,000 CHF						
Net interest income	39,029	17,490	911	1,616	8,798	67,844
Results from commission and service fee activities, trading operations and other ordinary results	99,854	31,555	67,677	27,726	20,492	247,304
Operating income	138,883	49,045	68,588	29,342	29,290	315,148
Personnel expenses	74,298	9,454	32,055	10,538	42,142	168,487
General administrative expenses	17,409	2,341	9,461	3,940	28,640	61,791
Services from / to other segments	37,163	4,384	10,768	9,603	-61,918	0
Operating expenses	128,870	16,179	52,284	24,081	8,864	230,278
Operating profit	10,013	32,866	16,304	5,261	20,426	84,870
Depreciation and amortisation	2,609	30	951	792	9,593	13,975
Value adjustments, provisions and losses	3,137	873	33	366	10	4,419
Net profit before tax per segment	4,267	31,963	15,320	4,103	10,823	66,476
Taxes						12,593
Net profit including minority interests						53,883
Minority interests						3,099
Consolidated profit						50,784

30.06.2009

Segment assets	10,020,786	1,065,739	229,472	823,233	1,458,027	13,597,257
Segment liabilities	7,803,604	885,340	1,524,742	720,847	1,374,609	12,309,142
Investments	1,584	0	0	508	3,566	5,658
Assets under management (million CHF)	36,756	7,016	24,247	6,009	5,898	79,926
Number of employees (adjusted for part-time working)	624.1	79.6	289.7	137.0	409.9	1,540.3

1H 2008

	Private Banking	Trading & Family Offices	Asset Manage- ment, Products & Sales	Bank Zweiplus	Corporate Center	Sarasin Group
1,000 CHF						
Net interest income	27,817	15,252	3,549	0	17,728	64,346
Results from commission and service fee activities, trading operations and other ordinary results	134,857	23,424	88,935	0	-4,093	243,123
Operating income	162,674	38,676	92,484	0	13,635	307,469
Personnel expenses	57,023	9,111	41,715	0	40,837	148,686
General administrative expenses	17,628	2,272	13,526	0	27,852	61,278
Services from / to other segments	37,501	5,256	-623	0	-42,134	0
Operating expenses	112,152	16,639	54,618	0	26,555	209,964
Operating profit	50,522	22,037	37,866	0	-12,920	97,505
Depreciation and amortisation	1,368	46	1,464	0	6,676	9,554
Value adjustments, provisions and losses	1,169	0	17	0	26	1,212
Net profit before tax per segment	47,985	21,991	36,385	0	-19,622	86,739
Taxes						11,409
Net profit including minority interests						75,330
Minority interests						6,694
Consolidated profit						68,636

30.06.2008

Segment assets	9,416,642	575,209	725,639	0	1,514,877	12,232,367
Segment liabilities	7,448,786	595,699	1,187,930	0	1,761,547	10,993,962
Investments	3,783	0	0	0	60,488	64,271
Assets under management (million CHF)	34,519	6,520	26,033	0	14,298	81,370
Number of employees (adjusted for part-time working)	497.1	72.7	279.9	0.0	462.4	1,312.1

2H 2008

	Private Banking	Trading & Family Offices	Asset Manage- ment, Products & Sales	Bank Zweiplus	Corporate Center	Sarasin Group
1,000 CHF						
Net interest income	31,639	16,045	2,966	5,612	7,949	64,211
Results from commission and service fee activities, trading operations and other ordinary results	127,941	23,486	62,252	38,569	53,216	305,464
Operating income	159,580	39,531	65,218	44,181	61,165	369,675
Personnel expenses	84,467	9,503	38,386	13,104	30,027	175,487
General administrative expenses	21,212	2,715	11,573	13,366	30,432	79,298
Services from / to other segments	40,394	2,431	5,585	8,854	-57,264	0
Operating expenses	146,073	14,649	55,544	35,324	3,195	254,785
Operating profit	13,507	24,882	9,674	8,857	57,970	114,890
Depreciation and amortisation	1,775	26	1,465	629	10,125	14,020
Value adjustments, provisions and losses	3,518	0	-17	1,254	74,716	79,471
Net profit before tax per segment	8,214	24,856	8,226	6,974	-26,871	21,399
Taxes						-10,102
Net profit including minority interests						31,501
Minority interests						5,421
Consolidated profit						26,080

31.12.2008

Segment assets	9,532,533	644,484	642,190	787,722	1,084,031	12,690,960
Segment liabilities	7,477,883	734,682	1,519,525	687,698	1,075,283	11,495,071
Investments	15,175	0	0	72,380	54,757	142,312
Assets under management (million CHF)	31,432	5,745	21,295	5,810	5,397	69,679
Number of employees (adjusted for part-time working)	589.2	81.3	300.2	136.6	429.7	1,537.0

Restatement Segment Reporting 1H 2008 and 2H 2008

Half-year report will include results for a new segment, "Trading & Family Offices", which was previously part of "Asset Management, Products & Sales".

As far as methodology is concerned, the following changes have been incorporated in an attempt to make the reporting more meaningful or compatible with new IFRS requirements:

- Net interest income is reported separately
- Separate reporting of services apportioned between segments. These were previously contained in the general & administrative expenses and in the depreciation & amortisation.
- The reporting of the gross margin on client assets is now based on the average assets held at the end of the month (as opposed to values at the end of the half-year)
- Double counting of assets under management (Sarasin investment funds, Sarasin investment foundations, money market instruments from structured products, fiduciary investments) no longer reallocated to the segments, but left in the Corporate Center.

The figures for 1H 2008 and the full-year 2008 (and thus implicitly 2H 2008 as well) have been restated to bring them into line with the new segment structure as at 30 June 2009. The adjustments are as follows:

- In 1H 2008 figures were published for the segments "Private and Institutional Clients Switzerland", "International", "Asset Management, Products & Sales" and "Corporate Center".

To ensure a meaningful comparison with the previous period, the business units "Trading" and "Institutional Advisory" have been separated from the "Asset Management, Products & Sales" segment and are now reported as a new segment, "Trading & Family Offices". In addition the result from Treasury shares originally allocated to "Corporate Center" has been reallocated to "Trading". The subsegment "Trading" has also been

expanded to include the "Guernsey" business unit, which chiefly performs Treasury functions and was previously reported under "International, Institutional Clients".

The two Institutional Clients subsegments of "Private and Institutional Clients Switzerland" and "International" have been transferred into the "Asset Management, Products & Sales" segment, where they form the subsegment "Institutional Clients".

Following the disposal of the French business, France is now reported in the "Corporate Center" (previously under "International, Institutional Clients").

The two Private Clients subsegments from "Private and Institutional Clients Switzerland" and "International" now form a new segment, "Private Banking". At the same time the "Personal Banking" unit has been taken out of "Private and Institutional Clients Switzerland, Private Clients" and now appears under "Corporate Center", as this business unit transferred across to Bank Zweiplus in the second

- In the annual financial statements for the full year 2008, figures were published for the segments "Private Banking", "Asset Management, Products & Sales", "Bank Zweiplus" and "Corporate Center".

To ensure a meaningful comparison with the previous period, the business units "Trading" and "Institutional Advisory" have been separated from the "Asset Management, Products & Sales" segment (subsegment "Wholesale, Products & Trading") to create a new segment "Trading & Family Offices". In addition, our Guernsey subsidiary (formerly part of "Asset Management, Products & Sales", subsegment "Institutional Clients") and the result from Treasury shares (formerly allocated to "Corporate Center") have also been transferred to this new segment.

"France" business has been removed from "Asset Management, Products & Sales", subsegment "Institutional Clients" and transferred to "Corporate Center" following its divestment.

Information for shareholders and media

Information on Bank Sarasin & Co. Ltd registered B share

ISIN number	CH003 838 930 7
Security number	3 838 930
Par value	CHF 1

Ticker symbols

Listing	SIX Swiss Exchange
Bloomberg	BSAN SW
Reuters	BSAN.S
Telekurs	BSAN

Important dates

Annual results 2009	2 March 2010
Annual General Meeting 2010	27 April 2010

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