



SARASIN

HALF YEAR REPORT 2006

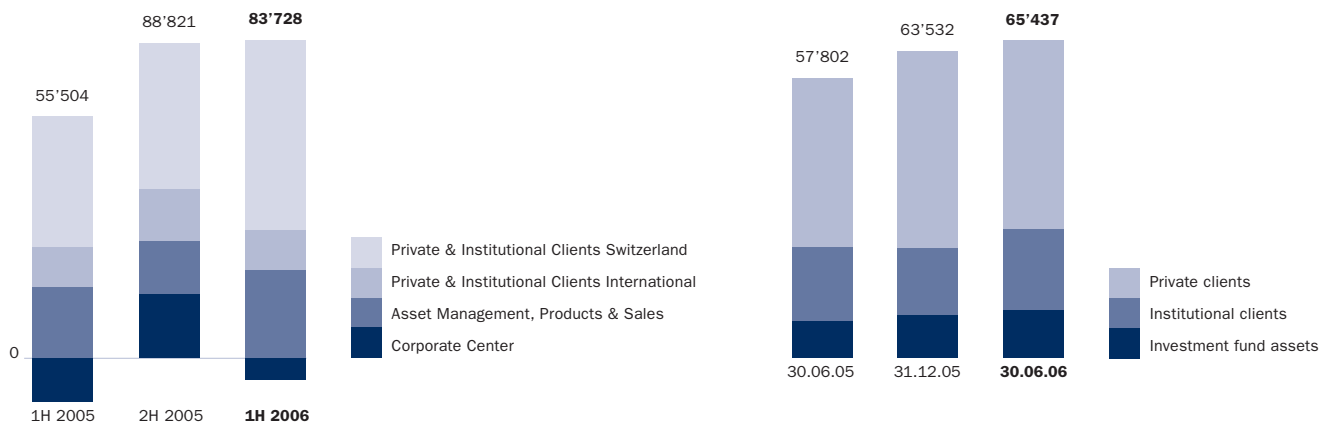


# HALF YEAR REPORT

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## KEY DATA

(on a consolidated basis)



### Results by segments (before tax)

1'000 CHF

### Assets under management

millions CHF

### Group income statement

1'000 CHF	1H 2006	1H 2005	2H 2005
Operating income	276'023	226'619	276'698
Operating expenses	176'811	160'574	175'018
<b>Operating profit</b>	<b>99'212</b>	<b>66'045</b>	<b>101'680</b>
Cash flow <sup>1</sup>	85'680	64'180	86'105
Group result including minority interests	65'301	43'544	72'293
Group result excluding minority interests	63'192	42'122	69'656

### Results by segments (before tax)

1'000 CHF	1H 2006	1H 2005	2H 2005
Private & Institutional Clients Switzerland	53'654	36'430	41'041
Private & Institutional Clients International	11'265	11'138	14'689
Asset Management, Products & Sales	24'945	20'158	15'191
Corporate Center	-6'136	-12'222	17'900
<b>Total</b>	<b>83'728</b>	<b>55'504</b>	<b>88'821</b>

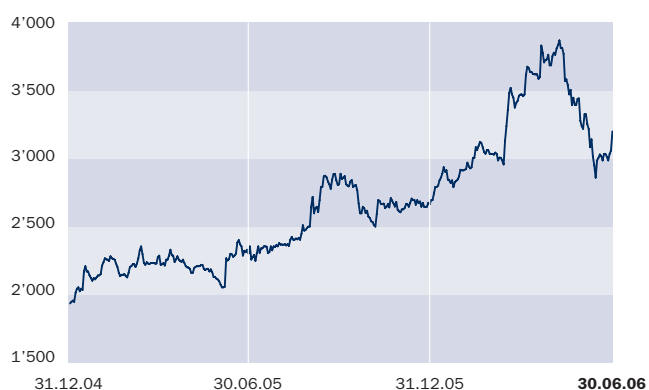
### Group balance sheet

1'000 CHF	30.06.2006	30.06.2005	31.12.2005
Total assets	8'589'848	8'301'359	8'491'238
Due from customers	2'016'078	1'621'859	1'710'045
Due to customers	5'630'058	5'660'162	5'775'532
Shareholders' equity including minority interests	987'108	939'874	996'384
Shareholders' equity excluding minority interests	964'117	914'806	969'346

### Assets under management<sup>2</sup>

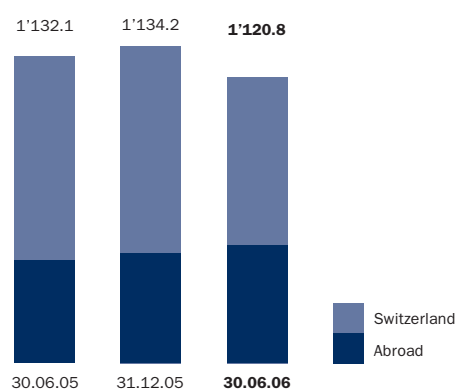
millions CHF	30.06.2006	30.06.2005	31.12.2005
Private clients	38'958	35'006	38'493
Institutional clients	16'707	15'185	16'212
Investment fund assets	9'772	7'611	8'827
<b>Total assets under management</b>	<b>65'437</b>	<b>57'802</b>	<b>63'532</b>

Year-on-year increase/decrease (%)	3.0	7.4	9.9
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### Stock market price

CHF



### Headcount (adjusted for part-time working)

Number of employees

### Ratios

%	1H 2006	1H 2005	2H 2005
Return on assets (ROA)			
– Operating income as a percentage of total assets <sup>3</sup>	6.5	5.7	6.6
– Group result as a percentage of total assets <sup>3</sup>	1.5	1.1	1.7
Cost income ratio I (Operating expenses/operating income)	64.1	70.9	63.3
Cost income ratio II (Operating expenses incl. depreciation and amortisation/operating income)	67.2	75.5	67.4
Return on equity (ROE) <sup>4</sup>	13.2	9.4	14.9

%	30.06.2006	30.06.2005	31.12.2005
Equity ratio <sup>5</sup>	11.5	11.3	11.7
BIS Tier 1 ratio	19.8	21.4	23.9

### Stock market price

CHF	30.06.2006	30.06.2005	31.12.2005
End of period date	3'220	2'296	2'700
High	3'950	2'400	2'940
Low	2'700	1'900	2'240
Market capitalisation (millions CHF)	1'969	1'404	1'651
Registered shareholders	2'080	2'112	2'223

### Headcount (adjusted for part-time working)

Number of employees	30.06.2006	30.06.2005	31.12.2005
Group	1120.8	1'132.1	1'134.2
of which Switzerland	742.1	755.9	756.3
of which abroad	378.7	376.2	377.9

<sup>1</sup> Our cash flow essentially consists of our net profit including minority interests, depreciation and write-offs on fixed assets, value adjustments, provisions and losses as well as non liquidity related income booked to other ordinary income.

<sup>2</sup> 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.

<sup>3</sup> Total assets: average of two period end figures.

<sup>4</sup> Shareholders' equity before distribution of profit: average of two period end figures including minority interests.

<sup>5</sup> Shareholders' equity including minority interests as a percentage of total assets.

## FOREWORD

Georg F. Krayer and Peter E. Merian



### DEAR SHAREHOLDER

Thanks to very good business performance, our profit jumped by comparison with the corresponding period of 2005: our group result increased by 50% to CHF 65 million (1<sup>st</sup> half of 2005: CHF 44 million). Return on equity after tax improved to 13% while the level of our shareholders' equity remained unchanged. Operating income rose by 22% to CHF 276 million whereas operating expenses including depreciation, write-offs and valuation adjustments were up by only 9%. In other words, income increased more than twice as fast as costs (including depreciation and write-offs) compared with the same period last year. Our cost income ratio I (the ratio of operating expenses to operating income) consequently improved from 71% (1<sup>st</sup> half of 2005) to 64% (1<sup>st</sup> half of 2006).

We attracted a total of CHF 2 billion of net new money in the first half of 2006, an excellent achievement that lifted assets under management to CHF 65.4 billion. The inflow of net new money in the first half of 2006 was therefore twice as high as in the whole of 2005. The slightly negative performance contribution of minus CHF 0.1 billion reflects the sharp price corrections on international bond and equity markets as well as the depreciation of the US dollar.

The good quality of our operating results also bears comparison with the second half of 2005, which already showed a high level of income. The sizeable income from the sale of financial investments that had significantly influenced our result in the second half of 2005 was more than offset by operating income (interest income, results from commission and service fee activities and results from trading) in the period under review. That development demonstrates the positive impact of the structural improvements in the Sarasin Group's profitability and operating efficiency initiated in 2005 (SaraChange project).

We have pressed ahead with SaraChange in 2006 and want to ensure that the conclusions come to in Switzerland on how to improve efficiency and profitability, are also applied to our international locations. In Luxembourg, we have adapted our activities to the more competitive market environment by rationalising our subsidiary Bank Sarasin Europe SA. That process resulted in the loss of 22 jobs, bringing our headcount there to 93 full-time members of staff. The corresponding restructuring costs of CHF 6.5 million have been entirely charged to our half year result for 2006.

The next area on which SaraChange will focus will be the growth markets in Asia and the Middle East. With an eye to the dynamic growth potential in those regions, we are planning to strengthen our presence in Singapore, Hong Kong and Dubai over the next few months by recruiting more client relationship managers.

On 1 September 2006, there will be a change in the operational leadership of our Bank. Joachim H. Straehle will take over from Peter E. Merian as CEO of the Sarasin Group. Peter E. Merian has successfully led our Bank for the last 12 years, as is demonstrated by, among other things our impressive half year result 2006. The Board of Directors would like to take this opportunity to thank him once again for his achievements and looks forward to continuing to work with him on the Board of Directors.

A highly accomplished executive with broad experience in international private banking, Joachim H. Straehle will promote the further development of the Bank, both nationally and internationally. As well as the CEO, the Executive Management of the Bank will be made up of Matthias Hassels, Franz K. von Meyenburg, Andreas R. Sarasin, Eric G. Sarasin and Marco Weber with effect from 1 September 2006.

Following the strong first half of 2006, there are now unmistakable signals that the worldwide economic upturn has peaked and that we need to prepare ourselves for a period of weaker macroeconomic data starting in the second half of the year. So far the uptrend seems to have continued in Europe. However, we consider it unlikely that Europe will be able to detach itself completely from cyclical developments in other regions of the world. We therefore expect the year 2007 to see slower growth in our latitudes too. Switzerland will not be able to escape the downturn caused by the global industrial cycle but buoyant consumer growth should help cushion that downturn's impact. The prospect of weaker growth eases future inflationary pressure.

Our ambitious financial targets for 2006 remain in place despite the emerging economic slowdown. If the non-recurrent restructuring costs for Luxembourg are disregarded, the financial targets were almost achieved in the first half of 2006. Given the weaker economic environment that seems likely, we nonetheless expect our business performance to be less dynamic than in the first half of the year. On the costs side, we anticipate that the recruitment of new teams of client relationship managers and other staff will have an impact on personnel spending. Additional restructuring costs however, are not expected as things stand at the moment. In view of our new business successes in the first half of the year and current prospects, we feel justified in hoping that we can exceed our target of attracting CHF 3 billion of net new money in 2006.

Our thanks go to you, dear shareholders, and to our clients for the trust placed in us. We also wish to thank our staff for their exceptional commitment and their contribution to a very successful first half year in 2006.

Respectfully yours



**Georg F. Kraye**

Chairman of the Board of Directors



**Peter E. Merian**

Chief Executive Officer

## REVIEW OF BUSINESS PERFORMANCE

### Profit jump in first half of 2006

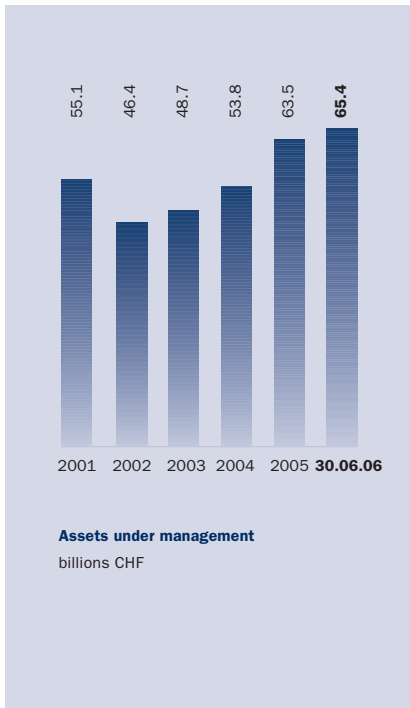
Our very good business performance in the first half of 2006 caused our profit to jump by comparison with the same period last year: our group result increased by 50% to CHF 65.3 million (1<sup>st</sup> half year 2005: CHF 43.5 million.) Operating profit totalled CHF 99.2 million, likewise an increase of 50% compared with the same period last year. Our cost income ratio I (the ratio of operating expenses to operating income) correspondingly improved from 70.9% (1<sup>st</sup> half of 2005) to 64.1% (1<sup>st</sup> half of 2006). Our very good result in the first half of the year demonstrates the positive impact of the initiatives introduced in 2005 to improve the profitability and operating efficiency of the Sarasin Group (SaraChange project).

The following factors should particularly be borne in mind in any comparison with the same period last year. Firstly, non-recurrent restructuring costs of CHF 6.5 million associated with SaraChange measures in Luxembourg were charged to the period under review, without which our group result for the first half of 2006 would have been just under CHF 70 million after the deduction of bonuses and taxes. Secondly, our result for 2005 was strongly influenced by other ordinary income totalling CHF 16.3 million deriving from profits on financial investments, the bulk of which was posted to the second half of the year. Thirdly, our transition to International Financial Reporting Standards (IFRS) has required the restatement of our figures for the first half of 2005 in order to allow for comparison.

### Sharp correction on equity markets in May

As expected, the pace of economic growth continued to accelerate in the first half of 2006. Due to the strong growth in worldwide export activity, that trend affected all regions of the world. The latest data indicate that growth will be even higher in 2006 than last year. In the meantime, however, increased inflationary pressure is making itself felt, especially in the US. This has fuelled concerns that the Federal Reserve might raise interest rates further, consequently causing the upward trend in long-term bond yields to





continue in the second quarter too. Whereas much of the increase in yields was previously attributable to real interest rates, interest rate increases since the beginning of April have mainly been driven by growing inflation expectations.

The first half of 2006 initially saw a continuation of the uptrend on equity markets but a sharp correction then took place as from May. Rising interest rates, concerns about inflation and the fear of slower economic growth pushed equity prices downwards. Small & mid caps' equities and those in the building materials, financial and industrial segments were the worst affected. The emerging economies' markets fell about twice as far as the leading equity markets' indices. The increased volatility enhanced investor interest in more defensive securities, particularly exchange traded funds, which allow for a reduction of the investment risk. The leading markets have nonetheless recovered somewhat since mid-June.

### Excellent achievements in client acquisition

Assets under management grew by CHF 2.0 billion to CHF 65.4 billion in the first half of the year. That increase was satisfactory not only in itself but also because it reflected inflows of net new money totalling CHF 2.0 billion. The success in new client acquisition was spread equally over all of our segments. In the Private & Institutional Clients (PIC) Switzerland segment, private client business led the way, accounting for CHF 383 million out of a total of CHF 572 million inflows. The net inflow of CHF 652 million of new money from institutional clients in the PIC International segment (total: CHF 843 million) highlights our successful positioning in London. In the Asset Management, Products & Sales segment, the total inflow of CHF 639 million was attributable to the very favourable development of our transactions with distribution partners and external asset managers as well as of our investment funds business. Our good achievement in respect of attracting new clients was partially offset by the slightly negative contribution of minus CHF 0.1 billion deriving from performance. That negative contribution reflected the sharp correction on international equity markets witnessed towards the end of the first half of the year as well as currency effects, particularly the depreciation of the US dollar. Our slightly positive market performance of CHF 114 million was more than offset by currency effects totalling CHF -232 million.



### Assets under management: breakdown by financial instruments

%	30.06.2006	30.06.2005	31.12.2005 <sup>1</sup>
Equities	<b>30.4</b>	30.9	30.4
Bonds	<b>19.2</b>	20.8	19.3
Sarasin investment funds	<b>15.2</b>	13.6	15.5
Third party investment funds	<b>13.0</b>	12.3	12.8
Other	<b>5.6</b>	5.2	5.0
Cash & cash equivalents, fiduciary investments	<b>16.6</b>	17.2	17.0

### Assets under management: breakdown by currency

%	30.06.2006	30.06.2005	31.12.2005 <sup>1</sup>
CHF	<b>31.4</b>	32.0	32.2
EUR	<b>31.2</b>	31.7	30.6
USD	<b>17.5</b>	18.1	18.0
GBP	<b>14.3</b>	12.6	13.2
Other	<b>5.6</b>	5.6	6.0

<sup>1</sup> Adjusted figures compared with the Annual Report 2005 because of the reclassification of investment categories.

The percentage of client assets for which we have a management mandate (including in-house funds) increased from 44% to 47% during the first half of the year. The proportion of equities in client portfolios remained stable during that period. There was a shift out of bonds and liquid assets into investment funds and other investment instruments such as structured products, futures, swaps, forward forex transactions, options, commodities and hedge funds. The increased percentage of the total accounted for by sterling assets reflects the success of Sarasin Chiswell, our London subsidiary, in attracting new funds. The drop in the US dollar's share principally reflects its depreciation vis-à-vis the Swiss franc.

### Significant increase in operating income

The quality of our operating result improved significantly by comparison with the same period last year. All three of our main categories of income, namely net interest income (+10%), results from commission and service fee activities (+18%) and results from trading operations (+63%), showed a double-digit increase. Overall, operating income rose by 22% to CHF 276.0 million. That growth demonstrates the sustained structural impact of the initiatives introduced in 2005 to improve the profitability and operating efficiency of the Sarasin Group (SaraChange project).

Our good quality result also bears comparison with the second half of 2005, which had already been very satisfactory. The non-recurrent income from the sale of financial investments that had mainly been posted to the second





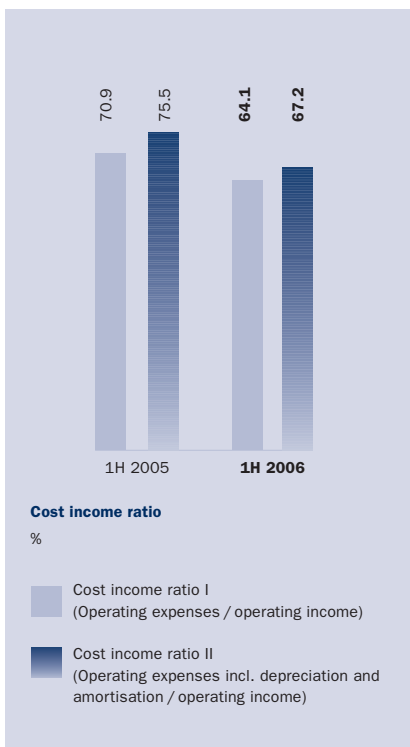
half of 2005 was more than matched by increases in ordinary income since all three of our main categories of operating income were higher than in the second half of 2005 (interest income +14%, results from commission and service fee activities +3% and results from trading operations +39%). The sharp increase in the latter category mainly reflects the significantly higher volume of structured products issued by us. Accounting standards require us to classify the resulting income as trading income, but from a business standpoint it is largely in the nature of commission.

### Cost increases in line with expectations

Mainly as a result of higher personnel expenses caused by larger bonus accruals, operating expenses rose by 10% when compared to the same period last year to stand at CHF 176.8 million. The Sarasin Group's headcount dropped slightly between the beginning of the year and the end of June, when it totalled 1'121. General administrative expenses were up by 9% to CHF 51.1 million, with non-recurrent consultancy fees and costs associated with our intensified business activity being contributing factors here. Overall, our costs remain well under control and are progressing in line with expectations. The cost income ratio I (ratio of operating expenses to operating income) improved from 70.9% (1<sup>st</sup> half of 2005) to 64.1% (1<sup>st</sup> half of 2006).

In 2005 our SaraChange project focused on Switzerland, where we sought to increase income in our core business areas and to make our core processes more efficient. The goal for the current year is to put the experience already gained in Switzerland to good use in our international offices. Our Board of Directors and our Executive Management have therefore decided to make our Luxembourg subsidiary Bank Sarasin Europe SA better equipped to deal with the intensifying competition. Measures to optimise its organisational structures and to improve processes have already been introduced. Their principal goal is to help bring down the cost income ratio, which we hope to gradually reduce throughout the Sarasin Group towards 60%. The initiatives taken should make it possible to achieve recurrent annual savings/additional income of CHF 5.0 million as from 2007. In order to achieve these goals, 22 out of a total of 115 jobs had to be cut in Luxembourg. Redundant staff members were offered a suitable severance package and corresponding agreements with employee representatives and the relevant personnel associations were reached. The restructuring costs of CHF 6.5 million have been charged to our result for the first half of 2006.

Depreciation and write-offs relating to asset valuations and investments declined further and now stand at a low level in absolute terms, totalling only CHF 8.8 million for the first half of 2006 (same period last year: CHF



10.4 million). We are also happy to report that almost no net value adjustments, provisions or losses were necessary. Below the line, group profit for the first half of 2006 totalled CHF 65.3 million, a jump of 50% compared with the same period last year.

### **Strong momentum in all business segments**

All our business segments experienced profitable growth in the first half of 2006. The progression of individual divisions' results also reflects the measures introduced as part of our SaraChange project. Our Private & Institutional Clients (PIC) Switzerland segment improved its result by 47% when compared to the same period last year to total CHF 53.7 million. This confirms the high priority attached to Swiss business in the context of our efforts to increase income, as well as their sustained success. In the case of our PIC International segment, special account should be taken of the restructuring measures introduced in Luxembourg in the first half of the year as part of our SaraChange project, since that segment's results already include the resulting non-recurrent costs of CHF 6.5 million. Without those one-off costs, that segment would have had a pre-tax result of CHF 17.8 million, corresponding to an increase of 60%. In relative terms, our operating business in the PIC International segment, i.e. operating business in our international locations, performed best of all our segments. This emphasises the continuing momentum of our international business. With a pre-tax result of just under CHF 25 million, representing an increase of 24%, our Asset Management, Products & Sales segment also experienced significant growth.

### **Segment results** (Group result before tax)

millions CHF	<b>1H 2006</b>	1H 2005
Private & Institutional Clients Switzerland	<b>53.7</b>	36.4
Private & Institutional Clients International	<b>17.8<sup>1</sup></b>	11.1
Asset Management, Products & Sales	<b>24.9</b>	20.2
Corporate Center	<b>-6.1</b>	-12.2
<b>Sarasin Group</b>	<b>90.3</b>	<b>55.5</b>

<sup>1</sup> Excluding restructuring costs for Luxembourg.

## SEGMENT REPORTING

### PRIVATE & INSTITUTIONAL CLIENTS SWITZERLAND

**Our Private & Institutional Clients (PIC) Switzerland segment is made up of Private Banking in Basel, Geneva, Lugano and Zurich, Personal Banking and Institutional Clients. Our entire client base in Switzerland – both private and institutional investors – therefore falls within this segment, which is headed by E. Sarasin (CEO PIC) and M. Weber (COO PIC). At the end of June 2006 this segment had a headcount of 165 (adjusted for part-time working).**

The high percentage of our total results accounted for by PIC Switzerland demonstrates how firmly rooted the Sarasin Group continues to be in its home market. PIC Switzerland's result (profit before tax) increased by 47% when compared to the same period last year to stand at CHF 53.7 million. Reflecting both an increase in operating income (+20%) and strict cost control (+4%), this highly satisfactory result illustrates the sustained impact of our client advice initiatives and the fact that the financial markets still offer an attractive environment. Cost income ratio II correspondingly declined from 63.1% to 54.8%.

Our Private Clients and Institutional Clients business units both did better than in the same period last year, although for different reasons. On the Private Clients side, the combination of our client advice initiatives and the stock market environment caused our performance to be dominated by the income side, with a corresponding rise in the gross margin. Our Institutional Clients business unit was able to cut costs as well as to increase income and its improved result reflected both those factors. The progression of assets under management was very satisfactory for both business units, with a total of CHF 572 million being net new money from new clients and a positive performance contribution of CHF 390 million.

#### Private & Institutional Clients Switzerland (Total)

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	<b>118'793</b>	98'838	105'924	19'955	20.2
Operating expenses	<b>62'351</b>	60'119	62'317	2'232	3.7
<b>Operating profit</b>	<b>56'442</b>	<b>38'719</b>	<b>43'607</b>	<b>17'723</b>	<b>45.8</b>
Depreciation and amortisation	<b>2'788</b>	2'289	2'566	499	21.8
Value adjustments, provisions and losses	<b>0</b>	0	0	0	0.0
<b>Net profit before tax per segment</b>	<b>53'654</b>	<b>36'430</b>	<b>41'041</b>	<b>17'224</b>	<b>47.3</b>
Cost income ratio II (%)	<b>54.8</b>	63.1	61.3		
New money (millions CHF)	<b>572</b>	-239	1'085		
Performance (millions CHF)	<b>390</b>	1'973	1'670		
Gross margin on assets under management (%)	<b>0.76</b>	0.72	0.71		
Proportion transaction related revenues (%)	<b>32.4</b>	27.4	28.9		

	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	<b>31'187</b>	28'388	31'142	45	0.1
Assets under management mandate (millions CHF)	<b>11'474</b>	10'272	11'543	-69	-0.6
Impaired and non-performing loans (1'000 CHF)	<b>0</b>	0	0	0	0.0
Number of employees (adjusted for part-time working)	<b>164.5</b>	173.1	180.9	-16.4	-9.1
Adjusted number of employees (incl. allocations)	<b>401.1</b>	398.1	397.1	4.0	1.0

### Whereof business unit Private Clients Switzerland

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	<b>100'797</b>	82'140	87'782	18'657	22.7
Operating expenses	<b>52'139</b>	47'740	50'315	4'399	9.2
<b>Operating profit</b>	<b>48'658</b>	<b>34'400</b>	<b>37'467</b>	<b>14'258</b>	<b>41.4</b>
Depreciation and amortisation	<b>2'471</b>	1'961	2'125	510	26.0
Value adjustments, provisions and losses	<b>0</b>	0	0	0	0.0
<b>Net profit before tax per segment</b>	<b>46'187</b>	<b>32'439</b>	<b>35'342</b>	<b>13'748</b>	<b>42.4</b>
Cost income ratio II (%)	<b>54.2</b>	60.5	59.7		
New money (millions CHF)	<b>383</b>	-282	517		
Performance (millions CHF)	<b>218</b>	1'308	1'164		
Gross margin on assets under management (%)	<b>0.96</b>	0.87	0.87		
Proportion transaction related revenues (%)	<b>35.9</b>	29.8	31.4		

	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	<b>20'979</b>	19'444	21'125	-146	-0.7
Assets under management mandate (millions CHF)	<b>6'366</b>	5'232	6'212	154	2.5
Impaired and non-performing loans (1'000 CHF)	<b>0</b>	0	0	0	0.0
Number of employees (adjusted for part-time working)	<b>142.7</b>	147.8	153.7	-11.0	-7.2
Adjusted number of employees (incl. allocations)	<b>324.2</b>	314.3	315.3	8.9	2.8

### Whereof business unit Institutional Clients Switzerland

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	<b>17'996</b>	16'698	18'142	1'298	7.8
Operating expenses	<b>10'212</b>	12'379	12'002	-2'167	-17.5
<b>Operating profit</b>	<b>7'784</b>	<b>4'319</b>	<b>6'140</b>	<b>3'465</b>	<b>80.2</b>
Depreciation and amortisation	<b>317</b>	328	441	-11	-3.4
Value adjustments, provisions and losses	<b>0</b>	0	0	0	0.0
<b>Net profit before tax per segment</b>	<b>7'467</b>	<b>3'991</b>	<b>5'699</b>	<b>3'476</b>	<b>87.1</b>
Cost income ratio II (%)	<b>58.5</b>	76.1	68.6		
New money (millions CHF)	<b>189</b>	43	568		
Performance (millions CHF)	<b>172</b>	665	506		
Gross margin on assets under management (%)	<b>0.36</b>	0.39	0.38		
Proportion transaction related revenues (%)	<b>12.9</b>	15.5	17.1		

	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	<b>10'208</b>	8'944	10'017	191	1.9
Assets under management mandate (millions CHF)	<b>5'109</b>	5'040	5'331	-222	-4.2
Impaired and non-performing loans (1'000 CHF)	<b>0</b>	0	0	0	0.0
Number of employees (adjusted for part-time working)	<b>21.8</b>	25.3	27.2	-5.4	-19.9
Adjusted number of employees (incl. allocations)	<b>76.9</b>	83.8	81.8	-4.9	-6.0

## PRIVATE & INSTITUTIONAL CLIENTS INTERNATIONAL

**Our Private & Institutional Clients (PIC) International segment groups together the business we conduct with private and institutional investors in the international locations of Dubai, Hong Kong, London, Luxembourg, Munich, Paris and Singapore, which is becoming increasingly important for the Sarasin Group. This segment therefore encompasses all our activities outside Switzerland. Our offices in Dubai, Luxembourg and Munich are headed by E. Sarasin and M. Weber, while those in Hong Kong, London, Paris and Singapore report to F. von Meyenburg. At the end of June 2006 our international offices had a total headcount of 367 (adjusted for part-time working).**

After focusing on our Swiss operations in 2005, our SaraChange project was, as planned, extended to our international locations and consequently to our PIC International segment in the first half of 2006. When reviewing this segment's result, special account must therefore be taken of the restructuring initiated in Luxembourg. Without the non-recurrent restructuring charge of CHF 6.5 million, this segment's result would have totalled CHF 17.8 million, representing an increase of 60%. In relative terms, our operating business in the PIC International segment therefore outperformed that of our other segments, thereby emphasising the continuing momentum of our international business.

Our significantly expanded business base by comparison with the same period last year – as measured by assets under management – enabled us to increase our income by 18% to CHF 71.5 million with a virtually unchanged gross margin. In the first half of 2006 it was again possible to increase our business base thanks to net new money inflows of CHF 843 million. The negative performance contribution of CHF 177 million was exchange rate-related, principally reflecting the depreciation of the dollar. Our cost income ratio II fell from 81.5% to 75.2%.

### Private & Institutional Clients International (Total)

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	<b>71'522</b>	60'598	71'246	10'924	18.0
Operating expenses	<b>51'169</b>	46'754	53'021	4'415	9.4
<b>Operating profit</b>	<b>20'353</b>	<b>13'844</b>	<b>18'225</b>	<b>6'509</b>	<b>47.0</b>
Depreciation and amortisation	<b>2'588</b>	2'635	2'594	-47	-1.8
Value adjustments, provisions and losses	<b>6'500<sup>1</sup></b>	71	942	6'429	9'054.9
<b>Net profit before tax per segment</b>	<b>11'265</b>	<b>11'138</b>	<b>14'689</b>	<b>127</b>	<b>1.1</b>
Cost income ratio II (%)	<b>75.2</b>	81.5	78.1		
New money (millions CHF)	<b>843</b>	946	-363		
Performance (millions CHF)	<b>-177</b>	920	1'647		
Gross margin on assets under management (%)	<b>0.78</b>	0.77	0.82		
Proportion transaction related revenues (%)	<b>23.0</b>	17.4	15.9		

	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	<b>18'825</b>	16'763	18'048	777	4.3
Assets under management mandate (millions CHF)	<b>8'549</b>	7'019	6'738	1'811	26.9
Impaired and non-performing loans (1'000 CHF)	<b>995</b>	0	987	8	0.8
Number of employees (adjusted for part-time working)	<b>366.7</b>	366.8	370.9	-4.2	-1.1
Adjusted number of employees (incl. allocations)	<b>375.6</b>	377.8	384.9	-9.3	-2.4

<sup>1</sup> Of which CHF 6.492 million are provisions for restructuring in Luxembourg.

### Whereof business unit Private Clients International

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	<b>48'535</b>	42'648	46'397	5'887	13.8
Operating expenses	<b>35'588</b>	33'997	36'671	1'591	4.7
<b>Operating profit</b>	<b>12'947</b>	<b>8'651</b>	<b>9'726</b>	<b>4'296</b>	<b>49.7</b>
Depreciation and amortisation	<b>1'707</b>	1'969	1'770	-262	-13.3
Value adjustments, provisions and losses	<b>6'500<sup>1</sup></b>	71	942	6'429	9'054.9
<b>Net profit before tax per segment</b>	<b>4'740</b>	<b>6'611</b>	<b>7'014</b>	<b>-1'871</b>	<b>-28.3</b>
Cost income ratio II (%)	<b>76.8</b>	84.3	82.9		
New money (millions CHF)	<b>191</b>	26	204		
Performance (millions CHF)	<b>-147</b>	936	517		
Gross margin on assets under management (%)	<b>0.87</b>	0.86	0.87		
Proportion transaction related revenues (%)	<b>32.2</b>	22.8	22.9		

	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	<b>11'151</b>	10'366	11'088	63	0.6
Assets under management mandate (millions CHF)	<b>1'604</b>	661	267	1'337	500.8
Impaired and non-performing loans (1'000 CHF)	<b>995</b>	0	987	8	0.8
Number of employees (adjusted for part-time working)	<b>269.7</b>	277.1	277.8	-8.1	-2.9
Adjusted number of employees (incl. allocations)	<b>277.1</b>	286.1	289.9	-12.8	-4.4

### Whereof business unit Institutional Clients International

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	<b>22'987</b>	17'950	24'849	5'037	28.1
Operating expenses	<b>15'581</b>	12'757	16'350	2'824	22.1
<b>Operating profit</b>	<b>7'406</b>	<b>5'193</b>	<b>8'499</b>	<b>2'213</b>	<b>42.6</b>
Depreciation and amortisation	<b>881</b>	666	824	215	32.3
Value adjustments, provisions and losses	<b>0</b>	0	0	0	0.0
<b>Net profit before tax per segment</b>	<b>6'525</b>	<b>4'527</b>	<b>7'675</b>	<b>1'998</b>	<b>44.1</b>
Cost income ratio II (%)	<b>71.6</b>	74.8	69.1		
New money (millions CHF)	<b>652</b>	920	-567		
Performance (millions CHF)	<b>-30</b>	-16	1'130		
Gross margin on assets under management (%)	<b>0.63</b>	0.60	0.74		
Proportion transaction related revenues (%)	<b>3.6</b>	4.7	4.0		

	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	<b>7'674</b>	6'397	6'960	714	10.3
Assets under management mandate (millions CHF)	<b>6'944</b>	6'358	6'471	473	7.3
Impaired and non-performing loans (1'000 CHF)	<b>0</b>	0	0	0	0.0
Number of employees (adjusted for part-time working)	<b>97.1</b>	89.7	93.1	4.0	4.2
Adjusted number of employees (incl. allocations)	<b>98.5</b>	91.7	95.0	3.5	3.7

<sup>1</sup> Of which CHF 6.492 million are provisions for restructuring in Luxembourg.

## ASSET MANAGEMENT, PRODUCTS & SALES

**Our Asset Management, Products & Sales segment brings together our investment and research expertise as well as product development and services to our distribution partners. The segment is headed by F. von Meyenburg. At the end of June 2006 it had a headcount of 201 (adjusted for part-time working).**

Thanks to the product and sales initiatives that were introduced, our Asset Management, Products & Sales segment was able to increase its result by 24% to just under CHF 25 million. When comparing the gross figures for the first half of 2006 with those for the same period last year, special account needs to be taken of the internal transfer of various business activities from other segments to the Asset Management, Products & Sales segment. That transfer not only expanded this segment's business base – by CHF 813 million measured by assets under management – but also increased its income and costs in the sense of a base effect. The gross margin was virtually unchanged at 86 basis points. Operating expenses totalled CHF 36.1 million, an increase of 22% compared with the same period last year. In addition to the above-mentioned base effect, this increase – as in all

segments – reflected the higher personnel spending caused by higher bonus accruals and the rise in general administrative expenses expected to result from our expanded volume of business. Cost income ratio II remained virtually unchanged at 60.6%.

All business units contributed equally to the net new money inflow totalling CHF 639 million since the beginning of 2006. We were able successfully to expand our business with our sales partners and external asset managers while newly launched products such as various private label funds also made a very satisfactory contribution. Special mention should be made of the Sarasin Commodity Fund (CHF), which is arousing great interest among Swiss investors because of its innovative investment approach and which was already managing assets totalling CHF 348 million at the end of June, only five months after it was launched.

### Asset Management, Products & Sales

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	<b>63'388</b>	51'416	51'317	11'972	23.3
Operating expenses	<b>36'114</b>	29'665	33'852	6'449	21.7
<b>Operating profit</b>	<b>27'274</b>	<b>21'751</b>	<b>17'465</b>	<b>5'523</b>	<b>25.4</b>
Depreciation and amortisation	<b>2'329</b>	1'593	2'274	736	46.2
Value adjustments, provisions and losses	<b>0</b>	0	0	0	0.0
<b>Net profit before tax per segment</b>	<b>24'945</b>	<b>20'158</b>	<b>15'191</b>	<b>4'787</b>	<b>23.7</b>
Cost income ratio II (%)	<b>60.6</b>	60.8	70.4		
New money (millions CHF)	<b>639</b>	-682	413		
Performance (millions CHF)	<b>-243</b>	902	1'395		
Gross margin on assets under management (%)	<b>0.86</b>	0.85	0.78		
Proportion transaction related revenues (%)	<b>51.9</b>	37.4	44.0		

	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	<b>15'274</b>	12'257	14'065	1'209	8.6
Assets under management mandate (millions CHF)	<b>736</b>	551	881	-145	-16.5
Impaired and non-performing loans (1'000 CHF)	<b>0</b>	0	0	0	0.0
Number of employees (adjusted for part-time working)	<b>201.4</b>	198.0	190.7	10.7	5.6
Adjusted number of employees (incl. allocations)	<b>218.2</b>	231.7	229.0	-10.8	-4.7

## CORPORATE CENTER

Income and expenses not directly related to operating business units or that relate to the activities of the bank as a whole are charged to the Corporate Center segment, as are all consolidation items. The Corporate Center includes staff functions that report to the Board of Directors and to the Executive management. It also includes Trading/Execution, Operations, IT, Services and the Money Market operations of our Guernsey subsidiary, all of which are under the responsibility of A. Sarasin. The Corporate Center also includes all other staff functions such as Group Legal & Compliance, Human Resources, Group Finance, Controlling, Risk Office, Loans, Corporate Tax and Corporate Finance, which report to our Chief Financial Officer M. Hassels. At the end of June 2006 this segment had a headcount of 388 (adjusted for part-time working).

In addition to our SaraChange business development project, we worked on various infrastructure projects in the first half of 2006. As well as making the transition to International Financial Reporting Standards (IFRS) on the accounting side, we successfully launched Avaloq

Release 2.4 during that period. In the spring of 2006 we also started a project to replace the e-commerce platform (e-banking, Internet and Intranet) in order to give the entire Sarasin Group a new, uniform online platform by the end of the year.

### Corporate Center

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Operating income	22'320	15'767	48'211	6'553	41.6
Operating expenses	27'177	24'036	25'828	3'141	13.1
<b>Operating profit</b>	<b>-4'857</b>	<b>-8'269</b>	<b>22'383</b>	<b>3'412</b>	<b>-41.3</b>
Depreciation and amortisation	1'056	3'929	3'988	-2'873	-73.1
Value adjustments, provisions and losses	223	24	495	199	830.0
<b>Net profit before tax per segment</b>	<b>-6'136</b>	<b>-12'222</b>	<b>17'900</b>	<b>6'086</b>	<b>-49.8</b>
Cost income ratio II (%)	126.5	177.4	61.8		
New money (millions CHF)	-31	92	-135		
Performance (millions CHF)	-89	50	16		
Gross margin on assets under management (%)	20.84	9.75	28.74		
Proportion transaction related revenues (%)	48.8	73.7	5.4		
	<b>30.06.2006</b>	30.06.2005	31.12.2005	Change to 31.12.2005	Change to 31.12.2005, %
Assets under management (millions CHF)	151	394	277	-126	-45.5
Assets under management mandate (millions CHF)	0	0	0	0	0.0
Impaired and non-performing loans (1'000 CHF)	3'916	4'198	4'310	-394	-9.1
Number of employees (adjusted for part-time working)	388.2	394.2	391.7	-3.5	-0.9
Adjusted number of employees (incl. allocations)	125.9	124.5	123.2	2.7	2.2



# SARASIN GROUP: FINANCIAL STATEMENTS

unaudited

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# CONSOLIDATED INCOME STATEMENT

1'000 CHF	Note	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Interest and discount income		<b>113'061</b>	85'694	97'837	27'367	31.9
Interest and dividend income from financial investments		<b>8'009</b>	7'653	7'164	356	4.7
Interest expenses		<b>84'166</b>	59'933	72'578	24'233	40.4
<b>Net interest income</b>	1	<b>36'904</b>	<b>33'414</b>	<b>32'423</b>	<b>3'490</b>	<b>10.4</b>
Commission income on lending activities		<b>2'129</b>	2'282	2'591	-153	-6.7
Commission income on securities and investment transactions		<b>215'091</b>	181'874	200'689	33'217	18.3
Commission income on other services		<b>2'704</b>	4'290	3'990	-1'586	-37.0
Commission expenses		<b>30'169</b>	28'110	22'989	2'059	7.3
<b>Results from commission and service fee activities</b>	2	<b>189'755</b>	<b>160'336</b>	<b>184'281</b>	<b>29'419</b>	<b>18.3</b>
<b>Results from trading operations</b>	3	<b>47'254</b>	<b>28'937</b>	<b>34'187</b>	<b>18'317</b>	<b>63.3</b>
<b>Other ordinary results</b>	4	<b>2'110</b>	<b>3'932</b>	<b>25'807</b>	<b>-1'822</b>	<b>-46.3</b>
<b>Operating income</b>		<b>276'023</b>	<b>226'619</b>	<b>276'698</b>	<b>49'404</b>	<b>21.8</b>
Personnel expenses	5	<b>125'730</b>	113'657	123'437	12'073	10.6
General administrative expenses	6	<b>51'081</b>	46'917	51'581	4'164	8.9
<b>Operating expenses</b>		<b>176'811</b>	<b>160'574</b>	<b>175'018</b>	<b>16'237</b>	<b>10.1</b>
<b>Operating profit</b>		<b>99'212</b>	<b>66'045</b>	<b>101'680</b>	<b>33'167</b>	<b>50.2</b>
Depreciation and write-offs on property and equipment		<b>5'701</b>	7'462	7'980	-1'761	-23.6
Amortisation of intangible assets		<b>3'060</b>	2'984	3'442	76	2.5
Value adjustments, provisions and losses	7	<b>231</b>	95	1'437	136	143.2
Provisions for restructuring	7	<b>6'492</b>	0	0	6'492	n/a
<b>Profit before taxes</b>		<b>83'728</b>	<b>55'504</b>	<b>88'821</b>	<b>28'224</b>	<b>50.9</b>
Taxes		<b>18'427</b>	11'960	16'528	6'467	54.1
<b>Net profit</b>		<b>65'301</b>	<b>43'544</b>	<b>72'293</b>	<b>21'757</b>	<b>50.0</b>
<b>Attributable to:</b>						
Shareholders of Bank Sarasin & Co. Ltd		<b>63'192</b>	42'122	69'656	21'070	50.0
Minority interests		<b>2'109</b>	1'422	2'637	687	48.3
<b>Net profit</b>		<b>65'301</b>	<b>43'544</b>	<b>72'293</b>	<b>21'757</b>	<b>50.0</b>
<b>Share information</b>						
Net profit per class A registered share (with voting rights) <sup>1</sup>		<b>20.9</b>	13.9	23.1	7.0	50.3
Net profit per class B registered share <sup>1</sup>		<b>104.6</b>	69.6	115.5	35.0	50.3
Diluted net profit per class A registered share (with voting rights) <sup>1</sup>		<b>20.9</b>	13.9	23.1	7.0	50.2
Diluted net profit per class B registered share <sup>1</sup>		<b>104.5</b>	69.6	115.4	34.9	50.2

<sup>1</sup> Calculation based on the weighted shares according to IFRS.

# CONSOLIDATED BALANCE SHEET

## Assets

1'000 CHF	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005, CHF	Change to 31.12.2005, %
Cash and cash equivalents	133'128	119'611	147'108	-13'980	-9.5
Money market papers	111'052	113'886	110'462	590	0.5
Due from banks	4'742'575	5'109'753	5'192'072	-449'497	-8.7
Due from customers	2'016'078	1'621'859	1'710'045	306'033	17.9
Trading portfolio assets	462'881	270'587	351'008	111'873	31.9
Derivative financial instruments	123'449	132'341	70'480	52'969	75.2
Financial investments	633'891	545'469	559'831	74'060	13.2
Investments in associated companies	0	352	0	0	0.0
Property and equipment	116'766	125'621	119'544	-2'778	-2.3
Goodwill and other intangible assets	103'992	104'063	102'533	1'459	1.4
Current tax assets	677	7'109	251	426	169.7
Deferred tax assets	4'411	15'830	5'155	-744	-14.4
Accrued income and prepaid expenses	94'969	75'671	73'699	21'270	28.9
Other assets	45'979	59'207	49'050	-3'071	-6.3
<b>Total assets</b>	<b>8'589'848</b>	<b>8'301'359</b>	<b>8'491'238</b>	<b>98'610</b>	<b>1.2</b>

## Liabilities and equity

1'000 CHF	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005, CHF	Change to 31.12.2005, %
Due to banks	703'554	781'809	630'561	72'993	11.6
Due to customers	5'630'058	5'660'162	5'775'532	-145'474	-2.5
Trading portfolios liabilities	119'996	17'000	79'881	40'115	50.2
Derivative financial instruments	117'127	97'792	58'067	59'060	101.7
Financial liabilities designated at fair value	821'075	588'132	731'142	89'933	12.3
Current tax liabilities	16'863	12'538	10'204	6'659	65.3
Deferred tax liabilities	13'706	15'933	15'335	-1'629	-10.6
Accrued expenses and deferred income	101'644	91'197	108'041	-6'397	-5.9
Other liabilities	61'347	80'896	75'037	-13'690	-18.2
Provisions	17'370	16'026	11'054	6'316	57.1
<b>Total liabilities</b>	<b>7'602'740</b>	<b>7'361'485</b>	<b>7'494'854</b>	<b>107'886</b>	<b>1.4</b>
Share capital	61'155	61'155	61'155	0	0.0
Less treasury shares	-21'121	-13'763	-22'796	1'675	-7.3
Capital reserve	596'682	589'220	593'002	3'680	0.6
Retained earnings	293'568	236'444	236'319	57'249	24.2
Reserves IAS 39 (net of tax)	-8'148	16'767	5'985	-14'133	-236.1
Currency translation differences	-21'211	-17'140	-16'097	-5'114	31.8
Net profit (excluding minority interests)	63'192	42'123	111'778	-48'586	-43.5
Minority interests in shareholders' equity (including share in profits)	22'991	25'068	27'038	-4'047	-15.0
<b>Total shareholders' equity (including minority interests)</b>	<b>987'108</b>	<b>939'874</b>	<b>996'384</b>	<b>-9'276</b>	<b>-0.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>8'589'848</b>	<b>8'301'359</b>	<b>8'491'238</b>	<b>98'610</b>	<b>1.2</b>

## CONSOLIDATED EQUITY

1'000 CHF	Share capital	Treasury shares	Capital reserve	Retained earnings
<b>Shareholders' equity as of 31.12.2004 (BAG-SFBC)<sup>1</sup></b>	<b>61'155</b>	<b>-11'545</b>	<b>588'556</b>	<b>221'706</b>
IFRS adjustments as per opening balance 01.01.2005	0	357	-1'001	49'912
<b>Total shareholders' equity as of 01.01.2005</b>	<b>61'155</b>	<b>-11'188</b>	<b>587'555</b>	<b>271'618</b>
Unrealised 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				42'122
<b>Comprehensive income for 1H 2005</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42'122</b>
Dividends paid				-36'314
Change in treasury shares		-2'574		
Result on treasury shares incl. derivatives			1'665	
Change in scope of consolidation				
Transactions with minority shareholders				1'140
<b>Total shareholders' equity as of 30.06.2005</b>	<b>61'155</b>	<b>-13'763</b>	<b>589'220</b>	<b>278'567</b>
<b>Total shareholders' equity as of 01.07.2005</b>	<b>61'155</b>	<b>-13'763</b>	<b>589'220</b>	<b>278'567</b>
Unrealised 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				69'656
<b>Comprehensive income for 2H 2005</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>69'656</b>
Dividends paid				0
Change in treasury shares		-9'033		
Result on treasury shares incl. derivatives			3'782	
Change in scope of consolidation				
Transactions with minority shareholders				-126
<b>Total shareholders' equity as of 31.12.2005</b>	<b>61'155</b>	<b>-22'796</b>	<b>593'002</b>	<b>348'097</b>
<b>Total shareholders' equity as of 01.01.2006</b>	<b>61'155</b>	<b>-22'796</b>	<b>593'002</b>	<b>348'097</b>
Unrealised 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				63'192
<b>Comprehensive income for 1H 2006</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63'192</b>
Dividends paid				-54'529
Change in treasury shares		1'675		
Result on treasury shares incl. derivatives			3'680	
Change in scope of consolidation				
Transactions with minority shareholders				0
<b>Total shareholders' equity as of 30.06.2006</b>	<b>61'155</b>	<b>-21'121</b>	<b>596'682</b>	<b>356'760</b>

<sup>1</sup> Compare transition from BAG-SFBC to IFRS (see page 26).

Reserves available for sale investments (net of tax)	Currency translation differences	Total (excl. Minority interests)	Minority interests	Currency translation differences	Total Minority interests	Total
<b>0</b>	<b>0</b>	<b>859'872</b>	<b>20'496</b>	<b>0</b>	<b>20'496</b>	<b>880'368</b>
10'831	-32'109 <sup>2</sup>	<b>27'990</b>	3'677	-98	<b>3'579</b>	<b>31'569</b>
<b>10'831</b>	<b>-32'109</b>	<b>887'862</b>	<b>24'172</b>	<b>-98</b>	<b>24'074</b>	<b>911'936</b>
-1'116		<b>-1'116</b>			<b>0</b>	<b>-1'116</b>
7'052		<b>7'052</b>			<b>0</b>	<b>7'052</b>
	14'969	<b>14'969</b>		793	<b>793</b>	<b>15'763</b>
		<b>42'122</b>	1'422		<b>1'422</b>	<b>43'544</b>
<b>5'936</b>	<b>14'969</b>	<b>63'027</b>	<b>1'422</b>	<b>793</b>	<b>2'215</b>	<b>65'242</b>
		<b>-36'314</b>	0		<b>0</b>	<b>-36'314</b>
		<b>-2'574</b>			<b>0</b>	<b>-2'574</b>
		<b>1'665</b>			<b>0</b>	<b>1'665</b>
		<b>0</b>			<b>0</b>	<b>0</b>
		<b>1'140</b>	-1'221		<b>-1'221</b>	<b>-81</b>
<b>16'767</b>	<b>-17'140</b>	<b>914'806</b>	<b>24'373</b>	<b>695</b>	<b>25'068</b>	<b>939'874</b>
<b>16'767</b>	<b>-17'140</b>	<b>914'806</b>	<b>24'373</b>	<b>695</b>	<b>25'068</b>	<b>939'874</b>
-8'757		<b>-8'757</b>			<b>0</b>	<b>-8'757</b>
-2'025		<b>-2'025</b>			<b>0</b>	<b>-2'025</b>
	1'043	<b>1'043</b>		-182	<b>-182</b>	<b>860</b>
		<b>69'655</b>	2'638		<b>2'638</b>	<b>72'293</b>
<b>-10'782</b>	<b>1'043</b>	<b>59'916</b>	<b>2'638</b>	<b>-182</b>	<b>2'455</b>	<b>62'371</b>
		<b>0</b>	-872		<b>-872</b>	<b>-872</b>
		<b>-9'033</b>			<b>0</b>	<b>-9'033</b>
		<b>3'782</b>			<b>0</b>	<b>3'782</b>
		<b>0</b>			<b>0</b>	<b>0</b>
		<b>-126</b>	387		<b>387</b>	<b>261</b>
<b>5'985</b>	<b>-16'097</b>	<b>969'346</b>	<b>26'525</b>	<b>513</b>	<b>27'038</b>	<b>996'384</b>
<b>5'985</b>	<b>-16'097</b>	<b>969'346</b>	<b>26'525</b>	<b>513</b>	<b>27'038</b>	<b>996'384</b>
-854		<b>-854</b>			<b>0</b>	<b>-854</b>
-13'279		<b>-13'279</b>			<b>0</b>	<b>-13'297</b>
	-5'114	<b>-5'114</b>		-15	<b>-15</b>	<b>-5'129</b>
		<b>63'192</b>	2'109		<b>2'109</b>	<b>65'301</b>
<b>-14'133</b>	<b>-5'114</b>	<b>43'945</b>	<b>2'109</b>	<b>-15</b>	<b>2'094</b>	<b>46'039</b>
		<b>-54'529</b>	1'981		<b>-1'981</b>	<b>-56'510</b>
		<b>1'675</b>			<b>0</b>	<b>1'675</b>
		<b>3'680</b>			<b>0</b>	<b>3'680</b>
		<b>0</b>			<b>0</b>	<b>0</b>
		<b>0</b>	-4'160		<b>-4'160</b>	<b>-4'160</b>
<b>-8'148</b>	<b>-21'211</b>	<b>964'117</b>	<b>22'493</b>	<b>498</b>	<b>22'991</b>	<b>987'108</b>

<sup>2</sup> Currency translation differences were not shown separately under BAG-SFBC, but were a component of retained earnings.

## CONSOLIDATED OFF-BALANCE SHEET INFORMATION

1'000 CHF	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005, CHF	Change to 31.12.2005, %
<b>Contingent liabilities</b>					
Credit guarantees	187'713	131'211	144'896	42'817	29.6
Performance guarantees	64'064	10'778	67'318	-3'254	-4.8
Other contingent liabilities	51'546	10'177	8'051	43'495	540.2
<b>Total contingent liabilities</b>	<b>303'323</b>	<b>152'166</b>	<b>220'265</b>	<b>83'058</b>	<b>37.7</b>
<b>Irrevocable commitments</b>					
Unused irrevocable commitments	41'611	35'853	11'460	30'151	263.1
<b>Liabilities for calls on shares and other equities</b>					
	503	1'039	737	-234	-31.8
<b>Derivative financial instruments</b>					
Positive replacement values	123'449	132'341	70'480	52'969	75.2
Negative replacement values	117'127	97'792	58'067	59'060	101.7
Contract volume	4'550'986	5'038'859	3'976'679	574'307	14.4
<b>Fiduciary transactions</b>					
Fiduciary deposits with other banks	1'251'112	784'826	811'812	439'300	54.1
Fiduciary deposits with companies in the Rabobank Group	1'499'810	1'997'135	1'595'951	-96'141	-6.0
Fiduciary lending	4'945	5'893	5'121	-176	-3.4

## CONSOLIDATED STATEMENT OF CASH FLOWS

1'000 CHF	1H 2006	1H 2005	2H 2005
<b>Cash flow from operating activities</b>	<b>72'495</b>	<b>33'301</b>	<b>-254'649</b>
<b>Cash flow from investing activities</b>	<b>-95'510</b>	<b>-22'652</b>	<b>-26'904</b>
<b>Cash flow from financing activities</b>	<b>-55'065</b>	<b>-37'546</b>	<b>-5'391</b>
Effects of currency translation differences	<b>2'413</b>	11'121	-2'803
<b>Net (increase) / decrease in cash and cash equivalents</b>	<b>-75'667</b>	<b>-15'776</b>	<b>-289'747</b>

1'000 CHF	30.06.2006	30.06.2005	31.12.2005
Cash and cash equivalents, beginning of period	<b>1'281'591</b>	1'587'114	1'571'338
Cash and cash equivalents, end of period	<b>1'205'924</b>	1'571'338	1'281'591
<b>Net (increase) / decrease in cash and cash equivalents</b>	<b>-75'667</b>	<b>-15'776</b>	<b>-289'747</b>
<b>Cash and cash equivalents comprise</b>			
Cash and cash equivalents	<b>133'128</b>	119'611	147'108
Due from banks at sight	<b>1'072'796</b>	1'451'727	1'134'483
<b>Total cash and cash equivalents</b>	<b>1'205'924</b>	<b>1'571'338</b>	<b>1'281'591</b>

## TRANSITION FROM BAG-SFBC TO IFRS

Until the end of 2004 the Sarasin Group drew up its consolidated financial statements in compliance with the accounting standards for Swiss banks laid down by the Swiss Federal Banking Commission (BAG-SFBC). In 2005 it for the first time presented consolidated financial statements that complied with International Financial Reporting Standards (IFRS). In that connection, the Sarasin Group prepared a retrospective opening balance sheet as at 1 January 2004 (date of transition) and all the adjustments and restatements required under IFRS 1 (first-time application) were made as at that date. The following tables and notes explain the most important adjustments relating to the first half of the year.

IFRS 1 provides for exceptional arrangements on certain individual points (IFRS 1.13). The Sarasin Group has made use of these exceptional provisions in the following ways:

### **Business combinations**

The Sarasin Group has not applied the provisions of IFRS 3 to corporate acquisitions made before 1 January 2004.

### **Employee benefit plan**

The Sarasin Group has included the entire accrued actuarial profit and loss from employee benefit plans (IAS 19) in the opening balance sheet.

### **Currency translation differences**

The Sarasin Group has not made use of the exceptional provision whereby translation differences can be set at zero as at the date of transition (IAS 21).

### **Property, equipment and intangible assets**

The Sarasin Group has essentially used the previous carrying values under BAG-SFBC for the opening IFRS balance sheet as well. The only exception is the retrospective inclusion in the balance sheet of software that was developed in-house, which was not reported in the balance sheet under the BAG-SFBC standards but which satisfies the criteria for inclusion laid down in IAS 38.

### **Share-based payments**

The Sarasin Group has not applied the provisions of IFRS 2 for participation and option programmes that came into force before 7 November 2002 or expired before 1 January 2005.

In the context of the transition to IFRS, the Sarasin Group has not made use of the option provided for under IFRS 1.16 of valuing fixed assets at market prices in the IFRS opening balance sheet. The carrying values stated in the opening balance sheet essentially correspond to the previous carrying values under BAG-SFBC.

## Transition of consolidated equity to IFRS

1'000 CHF	30.06.2005 Shareholders' equity	31.12.2004 Shareholders' equity
<b>Total shareholders' equity according to BAG-SFBC<sup>1</sup></b>	<b>914'049</b>	<b>880'368</b>
Deferred taxes <sup>2</sup>	13'151	20'918
Accrual pension plans <sup>3</sup>	-12'500	-13'199
Revaluation financial investments <sup>4</sup>	10'729	10'626
Revaluation provisions <sup>5</sup>	2'400	2'400
Revaluation property and equipment <sup>6</sup>	-4'413	-3'274
Revaluation intangible assets <sup>7</sup>	16'960	13'600
Other influences	-502	497
<b>Total influence of the transition to IFRS</b>	<b>25'825</b>	<b>31'568</b>
<b>Total shareholders' equity according to IFRS</b>	<b>939'874</b>	<b>911'936</b>

## Transition of consolidated profit to IFRS

1'000 CHF	1H 2005
<b>Total profit according to BAG-SFBC<sup>8</sup></b>	<b>55'135</b>
Creation of deferred taxes <sup>2</sup>	-7'767
Accrual pension plans <sup>3</sup>	699
Impact revaluation of financial instruments <sup>4</sup>	-7'372
Adjusted expenses on property and equipment <sup>6</sup>	-1'140
Adjusted expenses on intangible assets <sup>7</sup>	3'360
Other influences	629
<b>Total influence of the transition to IFRS</b>	<b>-11'591</b>
<b>Total profit according to IFRS</b>	<b>43'544</b>

The transition from BAG-SFBC to IFRS has had no significant impact on our cash flow statement. We have therefore not prepared a detailed reconciliation.

<sup>1</sup> Including provisions for general banking risks, which can be recorded under shareholders' equity pursuant to BAG-SFBC as well, and minority participations.

<sup>2</sup> Under IFRS, deferred tax claims and liabilities are constituted in respect of temporary valuation differences between group and tax values. The difference between IFRS and BAG-SFBC is largely due to the capitalisation of the tax loss carry-forward of Bank Sarasin & Co. Ltd, Basel.

<sup>3</sup> In the case of defined benefit pension plans, the surplus or deficit calculated in accordance with IAS 19 is recorded in the balance sheet as an asset or a liability. The difference between IFRS and BAG-SFBC relates to the net level of the assets and liabilities that are separately recorded in this connection.

<sup>4</sup> Financial investments are reported at fair value under IFRS. Under the earlier BAG-SFBC rules, financial investments were essentially valued at the lower of cost and market. Hedging transactions, which did not affect the income statement under BAG-SFBC, are not recorded as hedging transactions under IFRS and therefore have an impact on the income statement.

<sup>5</sup> Not all the provisions reported under BAG-SFBC satisfy the criteria of IAS 37. Positions that do not qualify as provisions under IAS 37 have been written back in the opening balance sheet. Writebacks made for the 2004 financial year under BAG-SFBC have been reversed in the IFRS statements.

<sup>6</sup> In connection with our transition to IFRS, fixed investments have been separated into their components and the amortisation period has been redefined. The retroactive application of the IFRS capitalisation rules and the amortisation period have resulted in a lower carrying value.

<sup>7</sup> On account of the changeover to IFRS, intangible assets have been identified and capitalised at their current value. Those assets consist mainly of software developed in-house. As from 2004, goodwill is no longer written off. In accordance with IFRS 3, part of the goodwill has been transferred to intangible assets and is being written off over 10 years.

<sup>8</sup> Including minority interests.

# ACCOUNTING PRINCIPLES

For the first time our interim report has been drawn up in compliance with International Financial Reporting Standards (IAS 34). Our half year report is based on the balance sheet and valuation principles as at 31 December 2005.

## **Changes in accounting policies**

The half year report 2006 follows the same accounting policies as our Annual Report 2005.

## **Events after the balance sheet date**

As part of our internal SaraChange project, the aim of which is to increase efficiency and profitability of the Sarasin Group, restructuring measures in our Luxembourg subsidiary were announced on 30 June 2006. Further details are given in Note 7. No other events have occurred after the balance sheet date that have an impact on our half year report 2006.

## **Scope of consolidation**

There were no changes in the scope of consolidation in the first half of 2006.

## **New accounting policies**

The following new and revised standards and interpretations have been in force since 1 January 2006:

- IAS 19: Employee Benefits
- IAS 39: Financial Instruments: Recognition and Measurement
- IAS 21: The Effects of Changes in Foreign Exchange Rates
- IFRIC 8: Scope of IFRS 2
- IFRIC 9: Reassessment of Embedded Derivatives
- IFRS 7: Financial Instruments: Disclosures
- IAS 1: Presentation of Financial Statements: Capital Disclosures

The modification of the changes had no impact on the interim report.

# NOTES TO THE FINANCIAL STATEMENTS

## 1 Net interest income

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Interest and discount income	<b>113'061</b>	85'694	97'837	27'367	31.9
Interest and dividend income from financial investments at fair value	<b>1'668</b>	1'274	1'649	394	30.9
Interest and dividend income from financial investments available for sale	<b>6'341</b>	6'379	5'515	-38	-0.6
<b>Total interest and discount income</b>	<b>121'070</b>	<b>93'347</b>	<b>105'001</b>	<b>27'723</b>	<b>29.7</b>
Interest expenses on amounts due to banks	<b>-4'308</b>	-3'720	-4'560	-588	15.8
Interest expenses on amounts due to customers	<b>-79'211</b>	-54'321	-65'987	-24'890	45.8
Other interest expenses	<b>-647</b>	-1'892	-2'031	1'245	-65.8
<b>Total interest expenses</b>	<b>-84'166</b>	<b>-59'933</b>	<b>-72'578</b>	<b>-24'233</b>	<b>40.4</b>
<b>Total net interest income</b>	<b>36'904</b>	<b>33'414</b>	<b>32'423</b>	<b>3'490</b>	<b>10.4</b>
of which on derivative financial instruments	<b>-642</b>	-869	-875	227	-26.1

## 2 Results from commission and service fee activities

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Transaction and brokerage fees	<b>53'444</b>	46'037	44'895	7'407	16.1
Commission income on lending activities	<b>2'129</b>	2'282	2'591	-153	-6.7
Securities deposit fees	<b>5'299</b>	4'618	4'886	681	14.7
Advisory and management fees	<b>78'483</b>	69'089	76'548	9'394	13.6
Underwriting	<b>782</b>	2'524	1'043	-1'742	-69.0
Investment fund transactions	<b>70'163</b>	53'791	65'810	16'372	30.4
Fiduciary fees	<b>6'175</b>	4'988	6'420	1'187	23.8
Other commission income	<b>3'449</b>	5'117	5'077	-1'668	-32.6
<b>Total commission income and service fee activities</b>	<b>219'924</b>	<b>188'446</b>	<b>207'270</b>	<b>31'478</b>	<b>16.7</b>
Brokerage fees paid	<b>-13'138</b>	-11'909	-13'235	-1'229	10.3
Other commission expenses	<b>-17'031</b>	-16'201	-9'754	-830	5.1
<b>Total commission expenses and service fee activities</b>	<b>-30'169</b>	<b>-28'110</b>	<b>-22'989</b>	<b>-2'059</b>	<b>7.3</b>
<b>Total results from commission and service fee activities</b>	<b>189'755</b>	<b>160'336</b>	<b>184'281</b>	<b>29'419</b>	<b>18.3</b>

## 3 Results from trading operations

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Securities	<b>28'744</b>	19'161	17'918	9'583	50.0
Foreign exchange and precious metals	<b>18'510</b>	9'776	16'269	8'734	89.3
<b>Total results from trading operations</b>	<b>47'254</b>	<b>28'937</b>	<b>34'187</b>	<b>18'317</b>	<b>63.3</b>

#### 4 Other ordinary results

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Results from sale of financial investments at fair value	<b>-1'674</b>	971	-519	-2'645	-272.4
Results from sale of financial investments available for sale	<b>1'670</b>	1'834	14'484	-164	-9.0
Gain from the sale of associated and group companies	<b>0</b>	0	1'498	0	0.0
Real estate income	<b>173</b>	184	1'376	-11	-6.0
Other ordinary income	<b>1'949</b>	971	9'001	978	100.7
Other ordinary expenses	<b>-8</b>	-28	-33	20	-71.4
<b>Total other ordinary results</b>	<b>2'110</b>	<b>3'932</b>	<b>25'807</b>	<b>-1'822</b>	<b>-46.3</b>

#### Result financial investments «available for sale»

Bonds and debt instruments	<b>18</b>	15	10'981	3	20.0
Equities and the like	<b>1'652</b>	1'785	3'503	-133	-7.5
Other	<b>0</b>	34	0	-34	0.0
<b>Total</b>	<b>1'670</b>	<b>1'834</b>	<b>14'484</b>	<b>-164</b>	<b>-9.0</b>

#### 5 Personnel expenses

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Salaries and bonuses	<b>101'168</b>	92'088	96'429	9'080	9.9
Social benefits	<b>6'207</b>	5'654	7'282	553	9.8
Contribution to retirement plans/defined benefit	<b>5'954</b>	4'601	7'307	1'353	29.4
Contribution to retirement plans/defined contribution	<b>1'993</b>	1'748	1'883	245	14.0
Other personnel expenses	<b>10'408</b>	9'566	10'536	842	8.8
<b>Total personnel expenses</b>	<b>125'730</b>	<b>113'657</b>	<b>123'437</b>	<b>12'073</b>	<b>10.6</b>

#### 6 General administrative expenses

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Occupancy expenses	<b>9'077</b>	8'928	9'521	149	1.7
IT and telecommunication expenses	<b>16'590</b>	16'993	18'493	-403	-2.4
Expenses for machinery, furniture, vehicles and other equipment	<b>1'382</b>	1'365	1'236	17	1.2
Travel, entertainment, marketing and public relations expenses	<b>11'080</b>	9'502	10'421	1'578	16.6
Audit and consulting expenses	<b>7'071</b>	7'053	8'625	18	0.3
Capital tax	<b>1'815</b>	1'885	1'761	-70	-3.7
Other general expenses	<b>4'066</b>	1'191	1'524	2'875	241.4
<b>Total general administrative expenses</b>	<b>51'081</b>	<b>46'917</b>	<b>51'581</b>	<b>4'164</b>	<b>8.9</b>

## 7 Value adjustments, provisions and losses

1'000 CHF	1H 2006	1H 2005	2H 2005	Change to 1H 2005, CHF	Change to 1H 2005, %
Value adjustments for default risk	0	0	635	0	0.0
Provisions for litigation risk	0	49	0	-49	0.0
Losses, operational risk	172	22	636	150	681.8
Provisions for restructuring <sup>1</sup>	6'492	0	0	6'492	n/a
Other	59	24	166	35	145.8
<b>Total value adjustments, provisions and losses</b>	<b>6'723</b>	<b>95</b>	<b>1'437</b>	<b>6'628</b>	<b>6'976.8</b>

<sup>1</sup> As part of our «SaraChange» project, our Board of Directors and our Executive Management have decided to make our operations in Luxembourg better equipped to deal with the intensifying competition. As a result, Bank Sarasin Europe SA is being streamlined and its organisational structure and processes optimised. Provisions totalling CHF 6.5 million have been set aside for this restructuring in Luxembourg.

## 8 Client assets under management

millions CHF	30.06.2006	30.06.2005	31.12.2005	Change to 31.12.2005, CHF	Change to 31.12.2005, %
Assets invested with in-house funds	9'772	7'611	8'827	945	10.7
Assets invested under a management mandate	20'759	17'840	19'162	1'597	8.3
Other assets under management	34'906	32'351	35'543	-637	-1.8
<b>Total assets under management</b>	<b>65'437</b>	<b>57'802</b>	<b>63'532</b>	<b>1'905</b>	<b>3.0</b>
of which double-counting	7'083	5'248	6'301	782	12.4
<b>Net new money</b>	<b>2'023</b>	<b>118</b>	<b>1'118</b>	<b>905</b>	<b>81.0</b>

# BUSINESS SEGMENT REPORTING

## Sarasin Group

<b>1H 2006</b> 1'000 CHF	Private & Institutional Clients Switzerland	Private & Institutional Clients International	Asset Management, Products & Sales	Corporate Center	<b>Sarasin Group</b>
Operating income	118'793	71'522	63'388	22'320	276'023
Operating expenses	62'351	51'169	36'114	27'177	176'811
<b>Operating profit</b>	<b>56'442</b>	<b>20'353</b>	<b>27'274</b>	<b>-4'857</b>	<b>99'212</b>
Depreciation and amortisation	2'788	2'588	2'329	1'056	8'761
Value adjustments, provisions and losses	0	6'500 <sup>1</sup>	0	223	6'723
<b>Net profit before tax per segment</b>	<b>53'654</b>	<b>11'265</b>	<b>24'945</b>	<b>-6'136</b>	<b>83'728</b>

<b>30.06.2006</b> 1'000 CHF	Private & Institutional Clients Switzerland	Private & Institutional Clients International	Asset Management, Products & Sales	Corporate Center	<b>Sarasin Group</b>
Segment assets	848'042	3'194'092	427'862	4'114'765	8'584'761
Segment liabilities	1'188'034	2'927'744	613'069	2'843'325	7'572'172
Investments	2'999	1'295	0	3'390	7'684
Assets under management (millions CHF)	31'187	18'825	15'274	151	65'437
Number of employees (adjusted for part-time working)	164.5	366.7	201.4	388.2	1'120.8
Adjusted number of employees (incl. allocations)	401.1	375.6	218.2	125.9	1'120.8

<b>1H 2005</b> 1'000 CHF	Private & Institutional Clients Switzerland	Private & Institutional Clients International	Asset Management, Products & Sales	Corporate Center	<b>Sarasin Group</b>
Operating income	98'838	60'598	51'416	15'767	226'619
Operating expenses	60'119	46'754	29'665	24'036	160'574
<b>Operating profit</b>	<b>38'719</b>	<b>13'844</b>	<b>21'751</b>	<b>-8'269</b>	<b>66'045</b>
Depreciation and amortisation	2'289	2'635	1'593	3'929	10'446
Value adjustments, provisions and losses	0	71	0	24	95
<b>Net profit before tax per segment</b>	<b>36'430</b>	<b>11'138</b>	<b>20'158</b>	<b>-12'222</b>	<b>55'504</b>

<b>30.06.2005</b> 1'000 CHF	Private & Institutional Clients Switzerland	Private & Institutional Clients International	Asset Management, Products & Sales	Corporate Center	<b>Sarasin Group</b>
Segment assets	631'318	3'476'706	372'590	3'797'807	8'278'421
Segment liabilities	1'353'003	3'228'220	899'448	1'852'343	7'333'014
Investments	684	1'940	0	3'784	6'409
Assets under management (millions CHF)	28'388	16'763	12'257	394	57'802
Number of employees (adjusted for part-time working)	173.1	366.8	198.0	394.2	1'132.1
Adjusted number of employees (incl. allocations)	398.1	377.8	231.7	124.5	1'132.1

<sup>1</sup> Of which CHF 6.492 million are provisions for restructuring in Luxembourg.

<b>2H 2005</b> 1'000 CHF	Private & Institutional Clients Switzerland	Private & Institutional Clients International	Asset Management, Products & Sales	Corporate Center	<b>Sarasin Group</b>
Operating income	105'924	71'246	51'317	48'211	276'698
Operating expenses	62'317	53'021	33'852	25'828	175'018
<b>Operating profit</b>	<b>43'607</b>	<b>18'225</b>	<b>17'465</b>	<b>22'383</b>	<b>101'680</b>
Depreciation and amortisation	2'566	2'594	2'274	3'988	11'422
Value adjustments, provisions and losses	0	942	0	495	1'437
<b>Net profit before tax per segment</b>	<b>41'041</b>	<b>14'689</b>	<b>15'191</b>	<b>17'900</b>	<b>88'821</b>
<b>31.12.2005</b> 1'000 CHF	Private & Institutional Clients Switzerland	Private & Institutional Clients International	Asset Management, Products & Sales	Corporate Center	<b>Sarasin Group</b>
Segment assets	582'874	3'498'552	362'334	4'042'323	8'486'083
Segment liabilities	1'321'365	3'235'911	491'450	2'430'793	7'479'519
Investments	839	6'068	20	7'901	14'828
Assets under management (millions CHF)	31'142	18'048	14'065	277	63'532
Number of employees (adjusted for part-time working)	180.9	370.9	190.7	391.7	1'134.2
Adjusted number of employees (incl. allocations)	397.1	384.9	229.0	123.2	1'134.2

## INFORMATION FOR SHAREHOLDERS AND MEDIA

### BANK SARASIN & CO. LTD REGISTERED

#### B SHARE

ISIN number	CH000 226 773 7
Security number	226 773
Par value	CHF 100

#### TICKER SYMBOLS

Stock exchange

listing	Bloomberg	Reuters	Telekurs
SWX			
(Swiss Exchange)	BSAN SW	BSAN.S	BSAN

#### IMPORTANT DATES

Annual results 2006	13 March 2007
Annual General Meeting 2007	23 April 2007
Interim results 2007	21 August 2007

#### CONTACT ADDRESSES

##### Investor Relations

Matthias Hassels,  
Chief Financial Officer  
Tel. +41 (0)61 277 77 28  
Fax +41 (0)61 277 75 18  
E-Mail [matthias.hassels@sarasin.ch](mailto:matthias.hassels@sarasin.ch)

##### Media Relations

Benedikt Gratzl,  
Head of Corporate Communications  
Tel. +41 (0)61 277 70 88  
Fax +41 (0)61 277 77 30  
E-Mail [benedikt.gratzl@sarasin.ch](mailto:benedikt.gratzl@sarasin.ch)



## Switzerland

Bank Sarasin & Cie AG  
Elisabethenstrasse 62  
Postfach, CH-4002 Basel  
Telefon +41 (0)61 277 77 77  
www.sarasin.com

Banque Sarasin & Cie SA  
8, place de l'Université  
Case postale 33, CH-1211 Genève 4  
Téléphone +41 (0)22 322 99 99  
www.sarasin.com

Banca Sarasin & C. SA  
Via Clemente Maraini 39  
Casella postale 864, CH-6902 Lugano  
Telefono +41 (0)91 911 36 36  
www.sarasin.com

Bank Sarasin & Cie AG  
Löwenstrasse 11  
Postfach, CH-8022 Zürich  
Telefon +41 (0)44 213 91 91  
www.sarasin.com

Sarasin Investmentfonds AG  
Wallstrasse 9  
Postfach, CH-4002 Basel  
Telefon +41 (0)61 277 77 37  
www.sarasin.com

## International

Bank Sarasin-Alpen (ME) Limited  
Gate Precinct Building 5  
4<sup>th</sup> Floor  
P.O. Box: 121806  
Dubai U.A.E.  
Telephone +971 (0)4 363 4300  
www.sarasin-alpen.com

Bank Sarasin (CI) Limited  
Holland House, 1 St. Julian's Avenue  
P.O. Box 348  
St. Peter Port, Guernsey GY1 3UY  
Telephone +44 1481 725 147  
www.sarasin.com

Sarasin Rabo Investment Management Ltd  
40/F Edinburgh Tower, The Landmark  
15 Queen's Road Central  
Hong Kong  
Telephone +852 2287 9888  
www.sarasin.sg

Sarasin Investment Management Ltd  
Juxon House, 100 St. Paul's Churchyard  
London EC4M 8BU  
Telephone +44 (0)20 7038 7000  
www.sarasin.co.uk

Bank Sarasin Europe S.A.  
287-289 Route d'Arlon  
L-1150 Luxembourg  
Telephone +352 45 78 80-1  
www.sarasin.lu

Sarasin Wertpapierhandelsbank AG  
Friedrichstrasse 9  
D-80801 München  
Telefon +49 (0)89 33 99 74-0  
www.sarasin.de

Sarasin Expertise AM  
33 rue de Lisbonne  
F-75008 Paris  
Téléphone +33 (0)1 53 53 59 59  
www.sarasin-expertise.com

Bank Sarasin-Rabo Asia Ltd  
77 Robinson Road #13-00  
SIA Building  
Singapore 068896  
Telephone +65 6536 6848  
www.sarasin.sg



