



Media release

Basel, 2 March 2010

Annual results 2009 of Bank Sarasin & Co. Ltd:

Bank Sarasin's growth strategy still successful

Assets under management climb to new peak of CHF 93.7 billion (+34%) – Net new money growth CHF 12.5 billion (+18%) – Operating income improves 8% to CHF 673.9 million – Adjustment to the valuation of Sarasin's financial interest in NZB Holding – Adjusted net profit of CHF 121.7 million improved by 6% – Dividend increased from CHF 0.65 to CHF 0.90

Strong acquisition performance – assets under management climb to a record high

The strong acquisition performance led to net new asset inflows of CHF 12.5 billion in the financial year 2009, an increase of 18% based on the assets at 31 December 2008. Sarasin therefore managed to comfortably beat the net new money target of +10% or CHF 7 billion originally set for 2009. The increase in assets under management was boosted by market performance and currency translation effects totalling CHF 11.9 billion. The expert appraisal of financial markets by Bank Sarasin's Research team, which ensured a timely and significant expansion of the equities quota, resulted in a stronger than average performance in the Bank's mandates. During the reporting period, the total assets under management of the Sarasin Group reached a new record, rising from CHF 69.7 billion to CHF 93.7 billion on 31 December 2009.

Stronger operating performance in 2H 2009

Sarasin Group's operating income increased 8% to CHF 673.9 million (2008 adjusted: CHF 626.5 million). After a difficult start to 2009, with stock markets remaining depressed in the first quarter, Bank Sarasin's earnings performance improved significantly over the rest of the year. Income from commission and service fee activities, which accounts for approximately 60% of the Bank's total revenues, rose sharply in the second half of the year to CHF 228.0 million (1H 2009: CHF 170.5 million) and finished the full financial year at CHF 398.5 million, roughly the same level as 2008 (CHF 399.0 million).

Christoph Ammann, Chairman of the Board of Directors of Bank Sarasin & Co. Ltd

"Our solid performance in 2009 was driven by our low-risk business model as well as the systematic implementation of our growth strategy. The backing of our AAA-rated majority shareholder Rabobank, our own capital strength and Sarasin's sustainable business strategy inspire great confidence in our clients and shareholders. This winning combination is invaluable in uncertain times such as these."

Joachim H. Straehle, CEO of Bank Sarasin & Co. Ltd

"The impressive rate of growth we have achieved over the past two years makes me confident of managing client assets in excess of CHF 100 billion as early as the second half of 2010, as long as markets remain relatively stable. Given this backdrop, our main focus in 2010 is not to further accelerate our pace of growth, but to achieve a sustainable improvement in profitability."

Successful cost management

Thanks to strict cost management, total operating expenses during the reporting period only rose by 5% to CHF 486.8 million (2008: CHF 464.7 million). Stringent cost discipline helped to reduce general administrative expenses by 9% to CHF 128.0 million (2008: CHF 140.6 million). Personnel



expenses were 11% higher at CHF 358.8 million (2008: CHF 324.2 million), which was less than the 14% increase in the average headcount. The cost income ratio (ratio of operating expenses including depreciation and amortisation to operating income) was virtually unchanged at 77.1% (2008 adjusted: 77.9%).

Adjustment to the valuation of the financial interest in NZB Holding

As part of its restructuring and reorientation, NZB Holding intends to continue to pursue the existing entrepreneurial model with a 60% shareholder pool made up of new shareholders from the circle of both existing and new employees and members of its Board of Directors. As a result, Bank Sarasin no longer plans to increase its shareholding in NZB to a majority stake. Bank Sarasin will retain its 40% financial investment in NZB Holding. Both banks will continue to operate totally independent of one another. In accordance with the principle of prudence, Bank Sarasin has adjusted the value of its 40% financial interest in NZB Holding and written down its value by CHF 70.2 million. To facilitate a comparison of Bank Sarasin's operating performance, the annual figures have been adjusted to allow for this non-recurring effect.

The Sarasin Group's adjusted operating profit increased 6% to CHF 121.7 million (2008 adjusted: CHF 114.4 million). Sarasin therefore exceeded its target of equalling last year's adjusted operating result. Taking into account the one-off write-down, Bank Sarasin's group result comes to CHF 51.5 million (2008: CHF 106.8 million).

Assets managed according to sustainable principles double to CHF 11.9 billion

Apart from investing in future growth, another key element of Sarasin's strategy is sustainability. There is enormous demand for sustainable investments and for portfolio management mandates based on sustainable criteria. The financial crisis has clearly demonstrated to private and institutional clients the added value that sustainability insights can produce. The capital market is sending out a strong signal that sustainable companies are considered to be more creditworthy. Around an eighth of Sarasin's assets under management are currently invested according to sustainable principles. In the space of just a year they have doubled to CHF 11.9 billion (2008: CHF 6.0 billion). Their strong growth is partly attributable to the decision to switch the asset management mandates of Swiss private clients to a sustainable investment style, and was also boosted by newly acquired mandates and inflows to Sarasin sustainable investment funds.

Sarasin Asset Management: focus, discipline and prudence once again recognised in 2009

In addition to sustainable investments, the other two investment styles which Sarasin specialises in – thematic and quantitative asset management – also reached a new peak in their business growth in 2009. This momentum reflects the strength of Sarasin's position, which was highlighted in three ways: through high net asset inflows, superior investment performance and international recognition in the form of a series of industry awards. Sarasin's flagship investment funds and discretionary mandates returned impressive absolute and relative performances. 99% of all Sarasin's investment products delivered positive returns and more than half of them generated double-digit returns.

Capital base still solid

Thanks to the exercising of Cash or Title Options and the net profit in 2009, shareholders' equity rose CHF 98.5 million (8%), from CHF 1,193.2 million at the end of 2008 to CHF 1,291.7 million on 31 December 2009. Because of the sharp increase on the customer side of the balance sheet, the equity ratio dropped to 8.4% on 31 December 2009 (2008: 9.4%). The BIS Tier 1 ratio, defined as core capital as a percentage of risk-weighted assets, improved from 15.2% in 2008 to 16.3% at year-end 2009. Confidence in Bank Sarasin is also strengthened by the backing of its majority shareholder Rabobank with its AAA-rating from the leading international credit rating agencies Moody's and Standard & Poor's.

Proposals to the Annual General Meeting

The terms of office of the directors Christoph Ammann, Hubertus Heemskerk and Sipko N. Schat are due to end at the Annual General Meeting of 27 April 2010. Christoph Ammann and the two members delegated by the majority shareholders Rabobank, Hubertus Heemskerk and Sipko N. Schat, will be proposed for re-election to the Board of Directors. The Board of Directors is proposing a dividend of CHF 0.90 per class B registered share.

Outlook: assets under management of CHF 100 billion is achievable in 2010

In the 2009 financial year, Bank Sarasin slightly curbed investment in future growth. In 2010 the Bank plans to return to its previous mid-term level of investment and continue to further expand its team of client relationship managers. In the financial year 2010, Bank Sarasin intends to maintain its pace of growth with net new money inflows of 10%. When it comes to the new standards governing mutual international assistance in tax matters in accordance with the new double taxation agreements which Switzerland intends to sign with numerous foreign countries, Sarasin enjoys an excellent position: not only does the Bank have a strong degree of international diversification, but any outflows of client deposits are likely to be very small. Thanks to the revenue boost provided by an increase in the average level of client assets, Sarasin expects a further improvement in the operating result. The Bank's top priority in 2010 is to achieve a lasting improvement in profitability.

Bank Sarasin intends to strengthen its business base in the Asian growth markets over the next 18 months: the Hong Kong office has recently received a banking licence and will soon be upgraded to Bank Sarasin's first international branch. In addition, Sarasin plans to roll out its IT banking system Avaloq, which has been successfully used in Switzerland since July 2003, in its Hong Kong and Singapore locations.

New mid-term goals 2015

Bank Sarasin's Board of Directors has set the following mid-term goals for 2015: To increase assets under management to CHF 150 billion (performance-adjusted) by 2015. To significantly improve the gross margin, despite the tough competition – and the higher margin pressure that comes with it. Finally, to continue to bring down the cost income ratio substantially by means of further efficiency improvements. In geographical terms, growth initiatives will be concentrated on the three main target markets of Europe, the Middle East and Asia. As a sustainable bank, Sarasin is pursuing long-term profitable growth which is built on quality and can be achieved without running up excessive costs.

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Sarasin – Sustainable Swiss Private Banking since 1841 – www.sarasin.com

The Sarasin Group has its roots as a leading Swiss private bank. As an international financial service provider committed to sustainability, the Group is now represented in more than 20 locations in Europe, the Middle East, and Asia. By the end of December 2009 it managed total client assets of CHF 93.7 billion and employed more than 1,500 staff. Its majority shareholder is the AAA-rated Dutch Rabobank.

Bank Sarasin & Co. Ltd – Sustainable Swiss Private Banking since 1841 – www.sarasin.ch

Bank Sarasin is a leading Swiss private bank whose many years of banking experience has made it consciously opt for sustainability as a key component of its corporate philosophy. It provides a high level of service and expertise when acting as investment advisor and asset manager for private and institutional clients. Within Switzerland, Sarasin has offices in Basel (head office), Berne, Geneva, Lugano, and Zurich. Bank Sarasin & Co. Ltd is listed on the SIX Swiss Exchange.

Key data

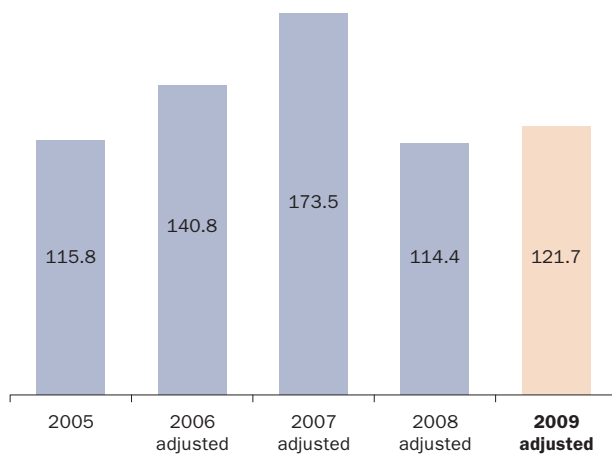
(on a consolidated basis)

Group income statement

	2009 adjusted ¹	2009	2008 adjusted ²	2008	Change 2009 (adjusted) to 2008 (adjusted) %
1,000 CHF					
Net interest income	130,676	130,676	128,557	128,557	1.6
Results from commission and service fee activities	398,511	398,511	399,016	399,016	-0.1
Results from trading operations	103,504	103,504	87,757	87,757	17.9
Other ordinary results	41,237	41,237	11,152	61,814	269.8
Operating income	673,928	673,928	626,482	677,144	7.6
Personnel expenses	358,841	358,841	324,173	324,173	10.7
General administrative expenses	128,001	128,001	140,576	140,576	-8.9
Operating expenses	486,842	486,842	464,749	464,749	4.8
Operating profit	187,086	187,086	161,733	212,395	15.7
Depreciation and amortisation	33,020	33,020	23,574	23,574	40.1
Value adjustments, provisions and losses	7,487	77,670	6,950	80,683	7.7
Profit before taxes	146,579	76,396	131,209	108,138	11.7
Taxes	24,868	24,868	16,791	1,307	48.1
Group result including minority interests	121,711	51,528	114,418	106,831	6.4
Group result excluding minority interests	107,991	37,808	102,303	94,716	5.6

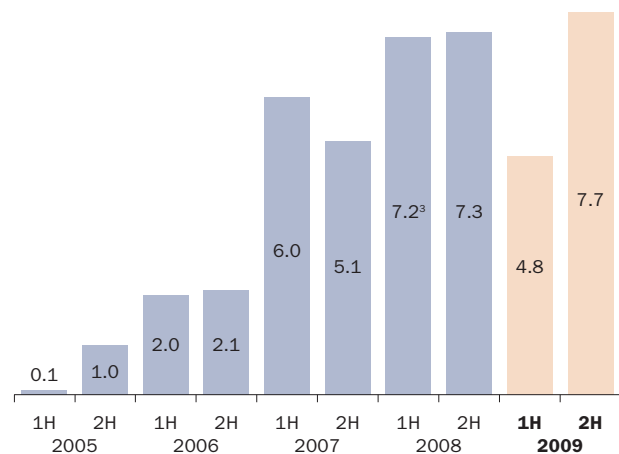
Group result

(million CHF)



Net new money growth over half-year periods

(billion CHF)



Results by segments (before taxes)

1,000 CHF	2009 adjusted	2009	2008 adjusted	2008
Private Banking	30,229	30,229	53,741	53,741
Trading & Family Offices	57,997	57,997	46,847	46,847
Asset Management, Products & Sales	49,907	49,907	44,611	44,611
bank zweiplus	10,122	10,122	6,974	6,974
Corporate Center	-1,676	-71,859	-20,964	-44,035
Total	146,579	76,396	131,209	108,138

Group balance sheet

1,000 CHF	31.12.2009	31.12.2008
Total assets	15,300,819	12,706,886
Due from customers	7,320,077	5,203,474
Due to customers	10,236,512	8,483,257
Shareholders' equity including minority interests	1,291,739	1,193,203
Shareholders' equity excluding minority interests	1,240,790	1,146,840

Assets under management⁴

million CHF	2009	2008
Total assets under management	93,697	69,679
New money through acquisitions	0	0
Change through divestment	-442	0
Net new money	12,474	14,476
Performance	11,986	-27,799
Increase / decrease in assets under management (%)	34.4	-16.1

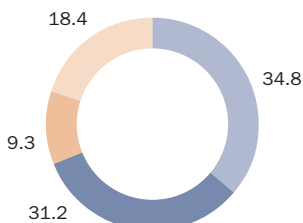
Assets under management and net new money growth by client domicile

(billion CHF)

AuM

31.12.2009

Total 93.7

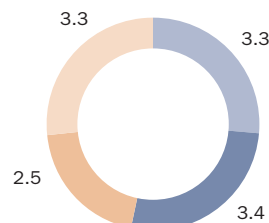


Switzerland
Europe (excluding Switzerland)

NNM

2009

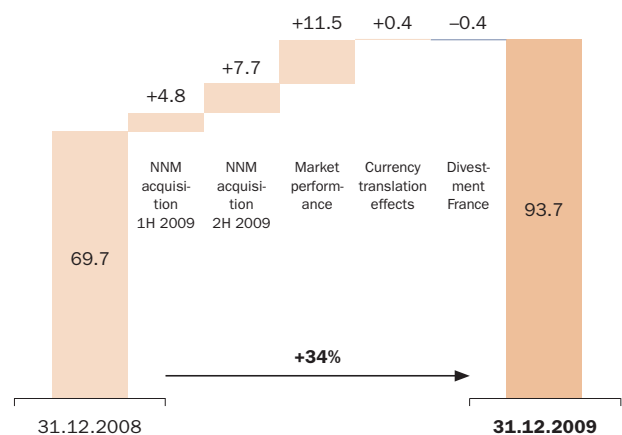
Total 12.5



Asia and Middle East
Rest of the world

Development of assets under management

(billion CHF)



Ratios

	2009 adjusted	2009	2008 adjusted	2008
%				
Gross margin on assets under management ⁵	0.84	0.84	0.80	0.86
Return on assets (ROA)				
– Operating income as a percentage of total assets ⁶	4.8	4.8	5.1	5.6
– Group result as a percentage of total assets ⁶	0.9	0.4	0.9	0.9
Cost income ratio ⁷	77.1	77.1	77.9	72.1
Return on equity (ROE) ⁸	9.5	4.1	9.3	8.7
%		31.12.2009		31.12.2008
Equity ratio ⁹		8.4		9.4
BIS Tier 1 ratio ¹⁰		16.3		15.2

Selected key data per employee¹¹

	2009 adjusted	2009	2008 adjusted	2008
CHF				
Operating income	437,247	437,247	465,409	503,045
Operating expenses ¹²	337,288	337,288	362,772	362,772
Operating profit	121,382	121,382	120,150	157,787
Group result including minority interests	78,966	33,432	85,000	79,364

Development of share price

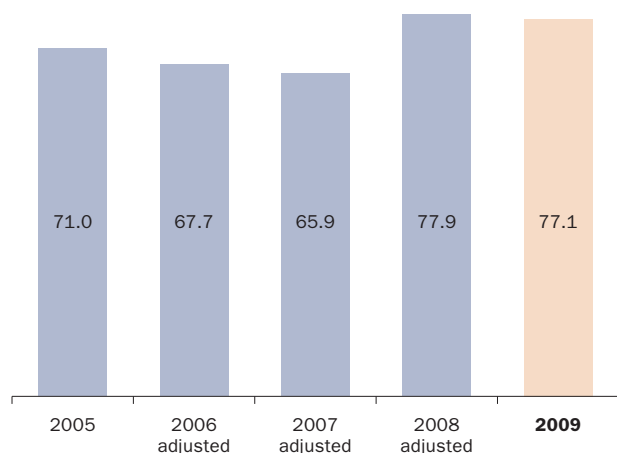
(index 01.01.2009 = 100)



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

Cost income ratio⁷

(%)



Selected key data per class B registered share with a nominal value of CHF 0.35¹³

CHF	2009 adjusted	2009	2008 adjusted	2008
Operating profit	3.0	3.0	2.6	3.5
Group result	1.7	0.6	1.7	1.5

Stock market price

CHF	31.12.2009	31.12.2008
End of period date	39.10	31.50
High ¹⁴	45.20	54.05
Low ¹⁴	21.50	24.80
Market capitalisation (million CHF)	2,459	1,926
Registered shareholders	2,161	2,117

Headcount (full-time equivalents)

	31.12.2009	31.12.2008
Group	1,556.8	1,537.0
Of which Switzerland	1,043.0	1,045.0
Of which abroad	513.8	492.0

Client relationship managers (full-time equivalents)

	31.12.2009	31.12.2008
Including assistance		
Group	426.0	416.0
Of which Switzerland	242.2	250.1
Of which abroad	183.8	165.9

¹ In accordance with the principle of prudence, Bank Sarasin has adjusted the value of its 40% financial interest in NZB Holding and written down its value by CHF 70.2 million.

² The outsourcing of Sarasin's business with direct clients in the retail and affluent segment and with clients of IFAs to the newly established bank zweiplus Ltd, Zurich, produced a one-off gain of CHF 50.7 million in 2008. Secondly, the financial crisis resulted in losses in the amounts due from banks totalling CHF 58.2 million after tax.

³ CHF 2.0 billion net new money came from the client assets transferred by AIG Private Bank, now Falcon Private Bank Ltd., into bank zweiplus.

⁴ 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.

⁵ 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).

⁶ Total assets: average of two period end figures.

⁷ Operating expenses including depreciation and amortisation / operating profit.

⁸ Shareholders' equity before distribution of profit: average of two period end figures including minority interests.

⁹ Shareholders' equity including minority interests as a percentage of total assets.

¹⁰ The calculation is based on the Swiss Standardised Approach (SA-CH).

¹¹ Headcount: Average headcount over the year (full-time equivalents).

¹² Operating expenses including depreciation on fixed assets.

¹³ Until 2008 with a nominal value of CHF 1.

¹⁴ Closing price.