



SARASIN

Media and Analysts' Conference Annual Results 2009

Basel, 2 March 2010
Joachim H. Straehle, CEO
Matthias Hassels, CFO

Sustainable Swiss Private Banking since 1841.

Agenda

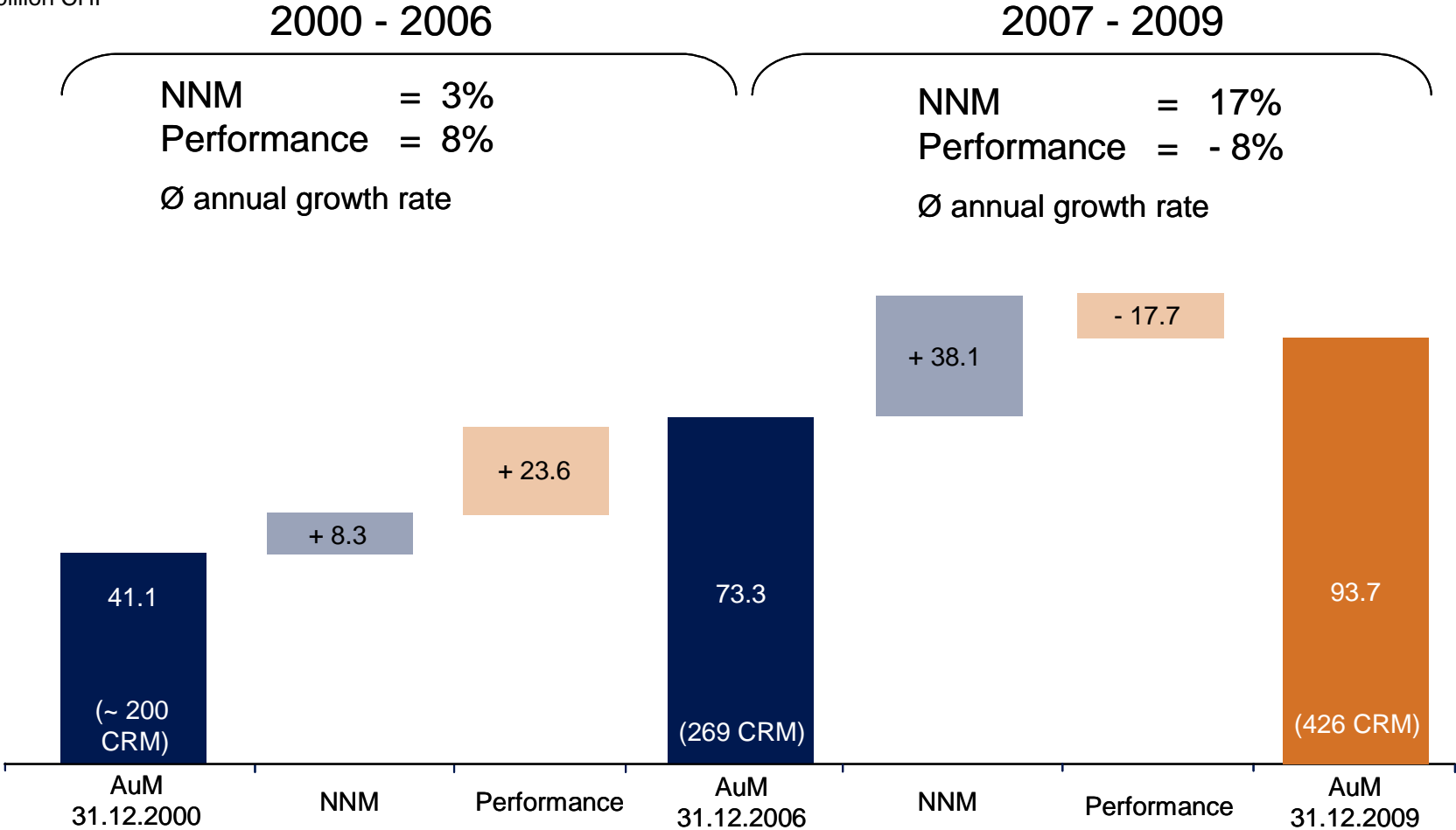
- **Introduction by the CEO**
- Annual results 2009
 - Sarasin Group
 - Segment reporting
 - Risk and capital management
- Strategic developments and outlook

Successful growth strategy

- Growth course – still on track.
- Consistent strategic direction: focus on private banking – innovative solutions provider – concentration on specific geographic regions.
- Exploiting unique opportunities: recruiting talent – opening new offices in markets with high growth potential.
- Crisis of confidence – investors becoming more aware of the importance of sustainability.
- Security for clients, shareholders and employees – our solid continuity and backing by majority shareholder Rabobank (AAA).

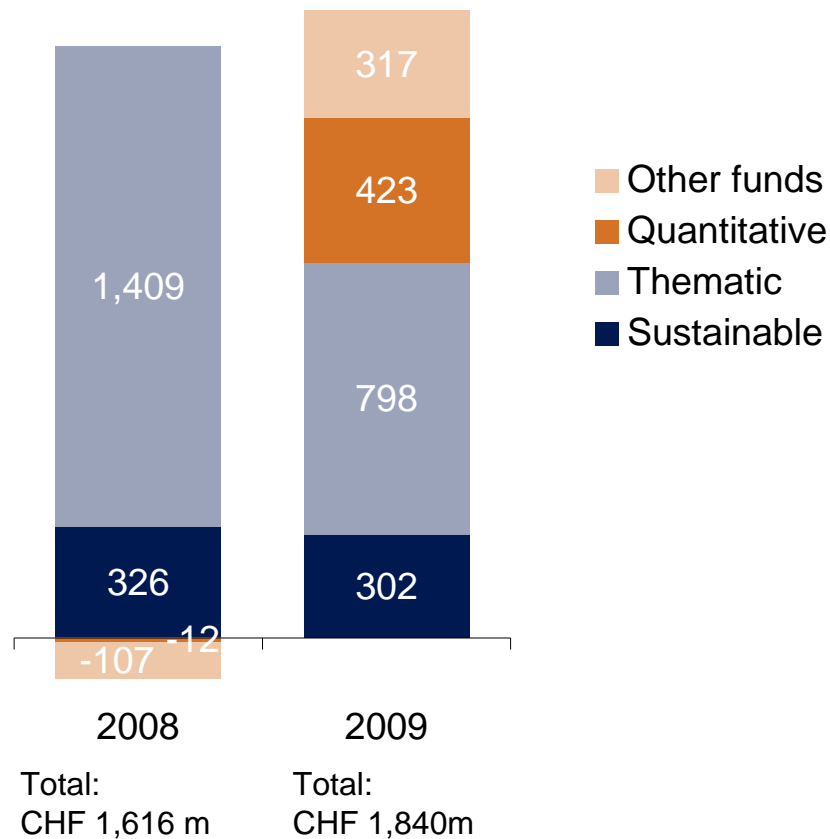
Successful growth strategy

AuM in billion CHF



Strong positioning – Inflows to investment funds and awards

Sarasin investment funds:
NNA inflows by investment style (CHF million)



Best Private Bank
for Portfolio Management



Best Private Bank for
Innovation



LIPPER
FUND AWARDS 2009
SWITZERLAND



„Best Research House/
Consultant in ESG“



deutscher
nachhaltigkeitspreis

„Germany's Most Sustainable
Financial Services“

Annual results 2009 – Successful growth strategy

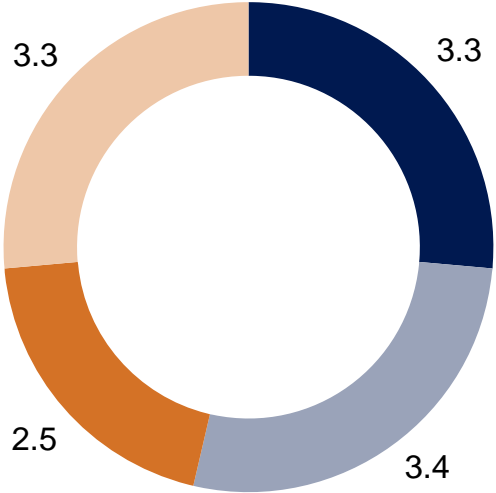
- Assets under management reach new peak of CHF 93.7 billion (+34%)
 - Excellent net new money inflows of CHF 12.5 billion (+18% p. a.)
 - CHF 11.9 billion from performance and currency translation effects

- Selective implementation of growth projects:
 - New offices opened in Berne and Nuremberg
 - Market entry in Poland, Austria and India
 - Number of CRMs: net +10 / gross +60.

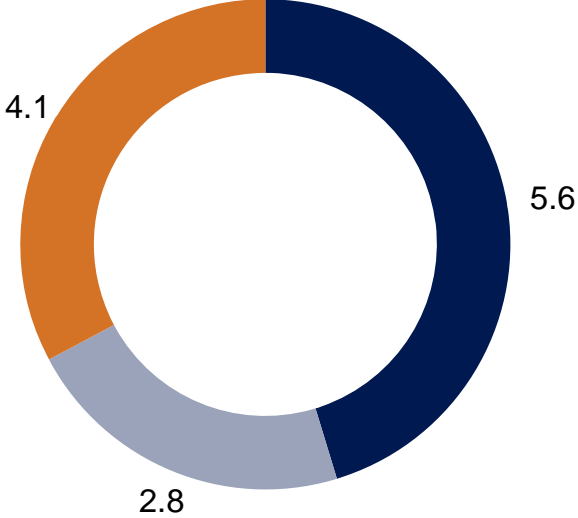
- Assets managed according to sustainable principles double to CHF 11.9 billion

Annual results 2009 – Net money inflows well diversified

NNM by client domicile (CHF billion)



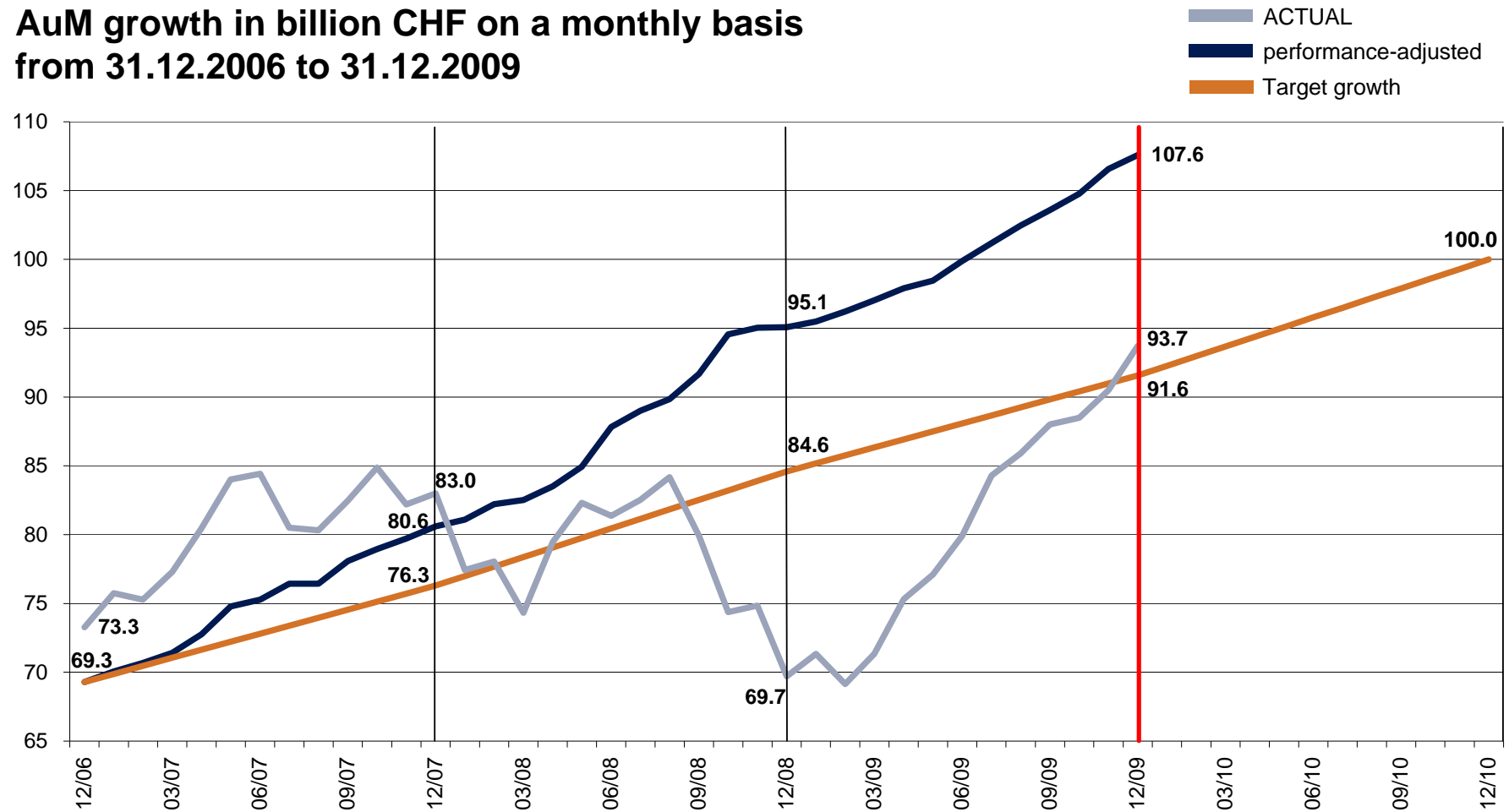
NNM by location (CHF billion)



■ Switzerland ■ Europe (excl. Switzerland) ■ Asia and Middle East ■ Rest of the world

Adjusted AuM target of CHF 100 billion by 2010 – Already achieved in July 2009

**AuM growth in billion CHF on a monthly basis
from 31.12.2006 to 31.12.2009**



Annual results 2009 – boosted by more favourable environment from Q2 2009 onwards

- Operating income improved to CHF 673.9 million (+8%) – mixed contributions from the various revenue streams over the course of the year.
- Successful cost management: operating expenses CHF 486.8 million (+5%) – higher personnel costs (+11%) – lower general administrative expenses (-9%).
- Adjustment to the valuation of the financial interest in NZB Holding – non-recurring value adjustment of CHF 70.2 million.
- Adjusted group result of CHF 121.7 million higher than adjusted figure for the previous year (+6%).
- Dividend of CHF 0.90 per class B registered share will be proposed at AGM.
- Capital base still strong: BIS Tier 1 ratio improved to 16.3%.

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Adjusted presentation of the financial results 2009

- The NZB business model has been restructured and reoriented.
- The restructuring measures are designed to bring stability and create a business platform that is sustainable over the long term.
- In accordance with the principle of prudence, we have adjusted the value of our 40% financial interest in NZB Holding and written down its value by CHF 70.2 million in our annual results 2009.
- We have stripped out the effects of this impairment from the income statement in order to make it easier to assess and compare the operating result.

Adjusted presentation of the financial results 2009

Adjusted group result 2009 amounts to CHF 121.7 million

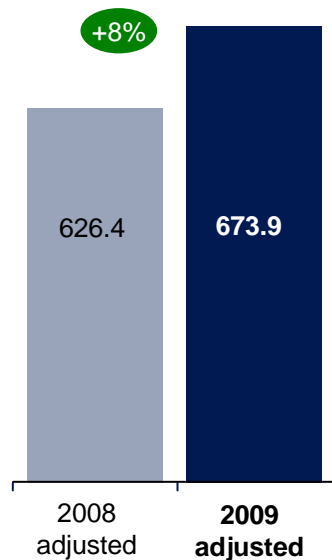
million CHF	2009 adjusted	2009	2008 adjusted	+/- in % ¹
Operating income	673.9	673.9	626.4	8
Operating expenses	486.8	486.8	464.7	5
Operating profit	187.1	187.1	161.7	16
Depreciation and amortisation	33.0	33.0	23.5	40
Value adjustments, provisions and losses	7.5	77.7	7.0	8
Profit before taxes	146.6	76.4	131.2	12
Taxes	24.9	24.9	16.8	48
Group result	121.7	51.5	114.4	6

¹Percentage change based on a comparison of 2009 adjusted figures and 2008 adjusted.

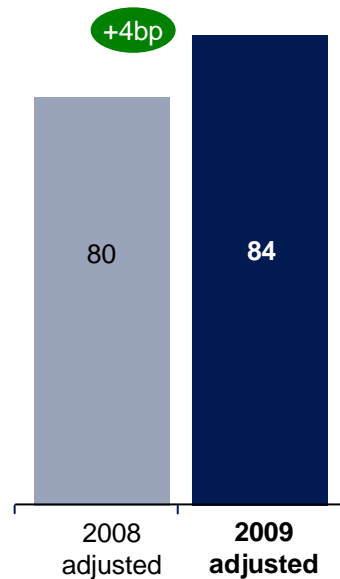
Operating income improved 8% – Group result up to CHF 121.7m

million CHF

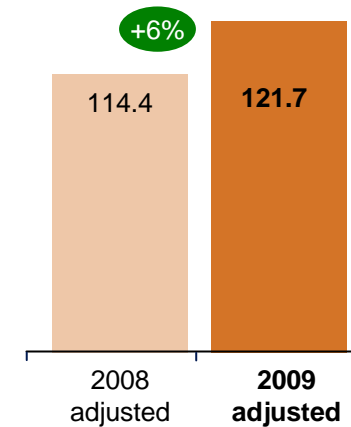
Operating income



Gross margin bp

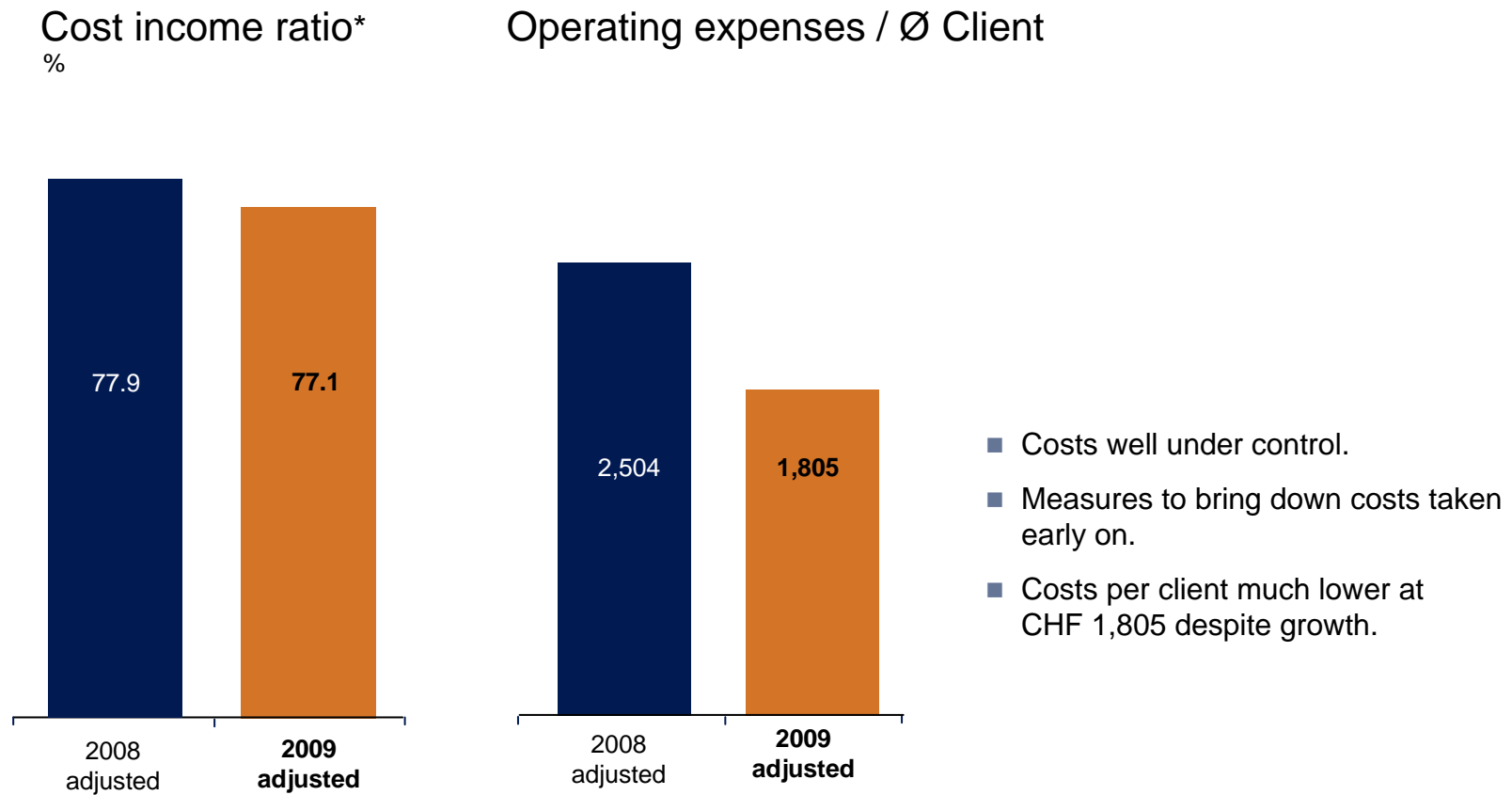


Group result



- Operating income slightly improved despite financial crisis, gross margin improved to 84 bp.
- More room to improve profitability.
- Group result up 6% to 121.7 million.

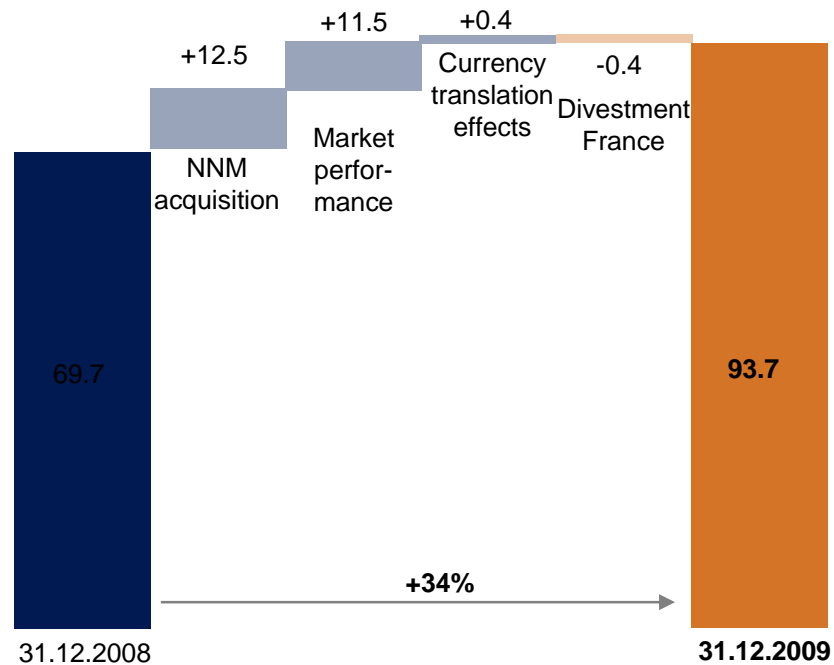
Costs under control – Productivity improved



* Operating expenses incl. depreciation and amortisation / operating income

Growth course bears fruit

billion CHF

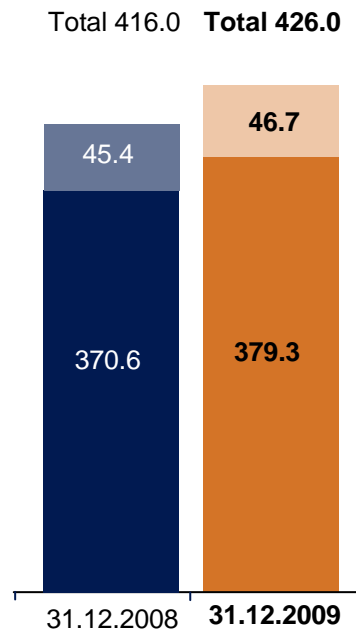


- AuM have risen from CHF 70bn to CHF 94bn., growth rate 34%.
- Excellent net new money growth of CHF 12.5bn despite adverse conditions; annualised growth rate 18%.
- Market performance and FX effects contribute CHF 11.9bn to AuM growth.

Stable sales force 10 additional CRMs

CRMs including assistance (full-time equivalents)

■ Private clients business
■ Instit. clients business



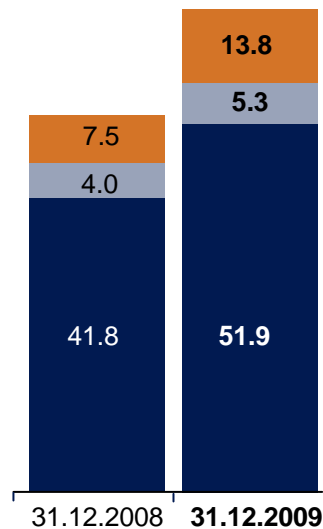
- Increase CRM 10.0 in 2009:
 - Abroad + 17.9
 - Switzerland – 7.9
- 62 new CRMs (gross).

CHF 8.8 billion net new money from private clients

billion CHF

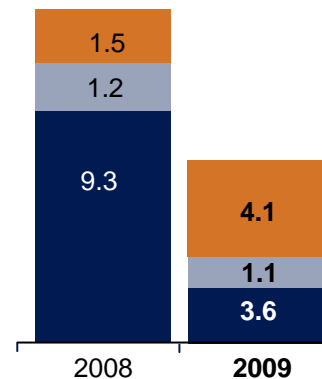
Assets under
management

Total 53.3 **Total 71.0**



Net new money

Total 12.0 **Total 8.8**



■ Switzerland ■ Europe (excl. Switzerland) ■ Asia and Middle East

- Swiss locations contribute the most to AuM, at CHF 51.9bn.
- Locations in Asia and Middle East nearly triple NNM growth to CHF 4.1bn.
- European locations stable.

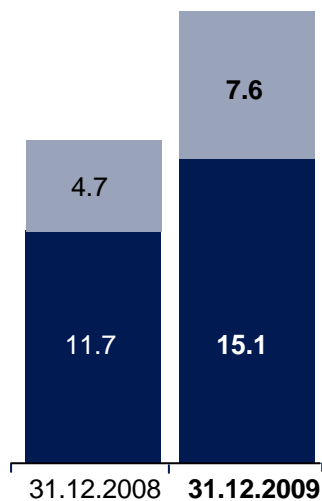
Institutional clients

Net new money grows to CHF 3.7bn

billion CHF

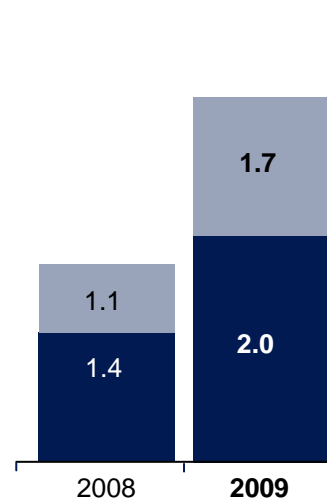
Assets under management

Total 16.4 **Total 22.7**



Net new money

Total 2.5 **Total 3.7**



■ Switzerland ■ Europe (excl. Switzerland)

- Institutional clients business focused mainly on CH and London.
- NNM growth by locations:
UK: + CHF 0.6bn
CH: + CHF 0.6bn
- Strong total NNM of CHF 3.7 billion.

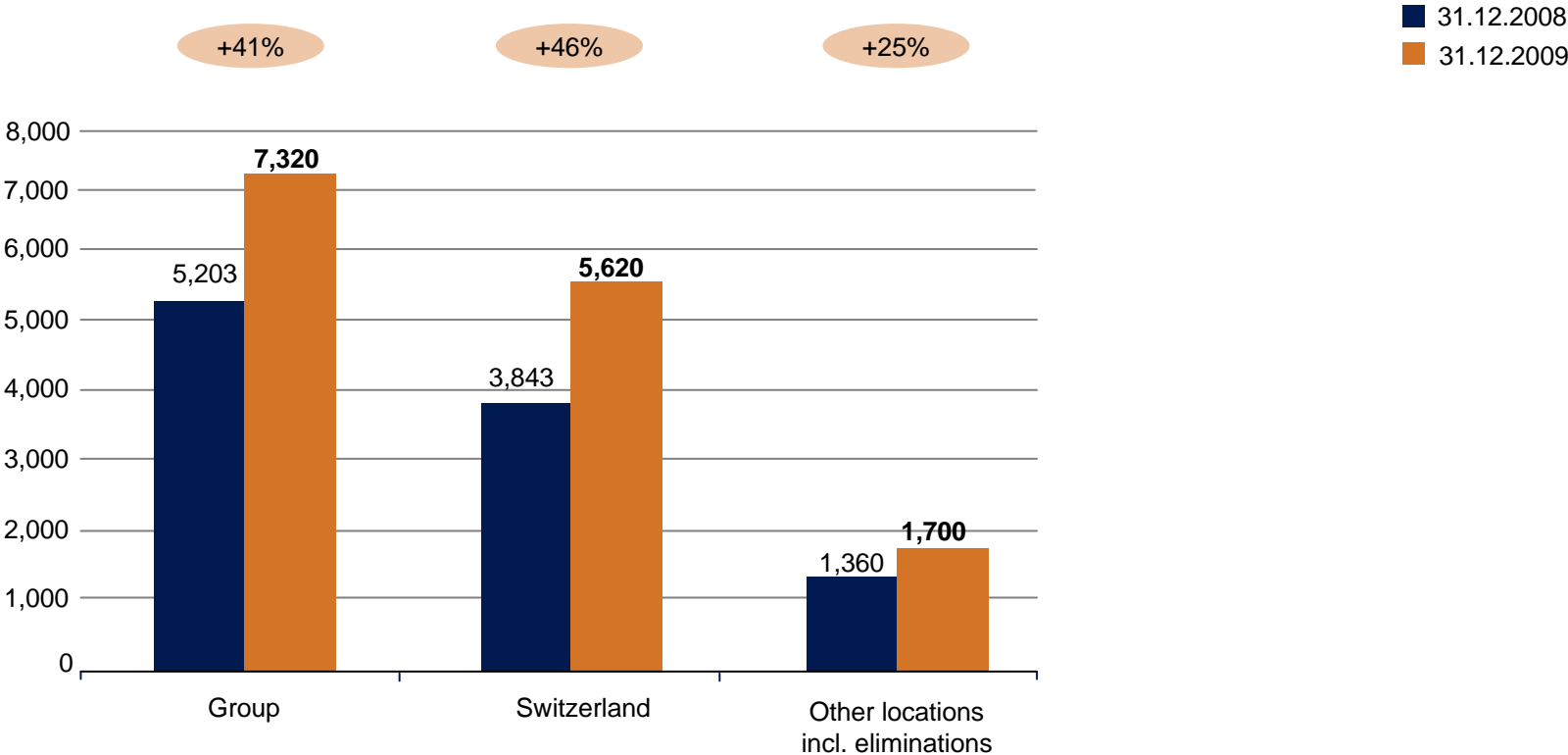
Strong growth in all revenue streams

million CHF	2009 adjusted	2008 adjusted	+/- in %
Net interest income	130.7	128.5	2
Results from commission and service fee activities	398.5	399.0	0
Results from trading operations	103.5	87.7	18
Other ordinary results	41.2	11.2	270
Operating income	673.9	626.4	8

- Operating income stands at CHF 674m, 8% higher than the prior year.
- Net interest income continues to grow (+2%).
- Excellent growth in income from trading operations (+18%) thanks to strong fixed-income business and good performance in Financial Engineering.

Credit volume by booking centre

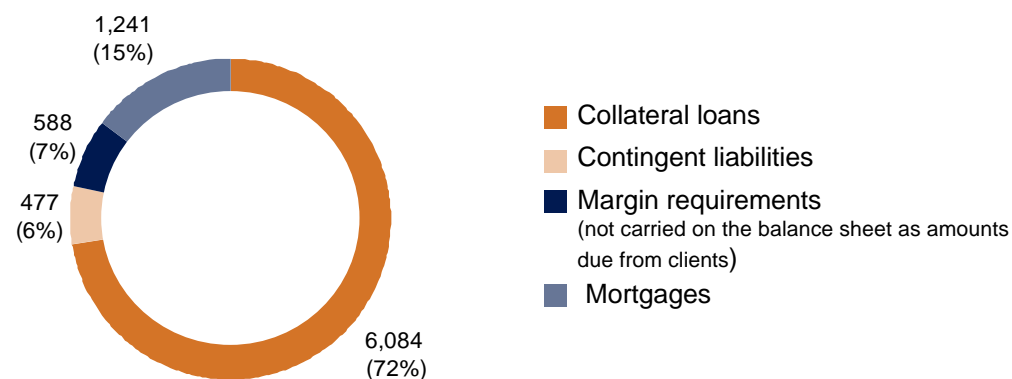
million CHF



- Despite financial crisis, steady growth in credit volume (+41%).
- Excellent instrument for cross-selling and client retention.
- Low-risk profile in credit business, no credit losses in 2009.

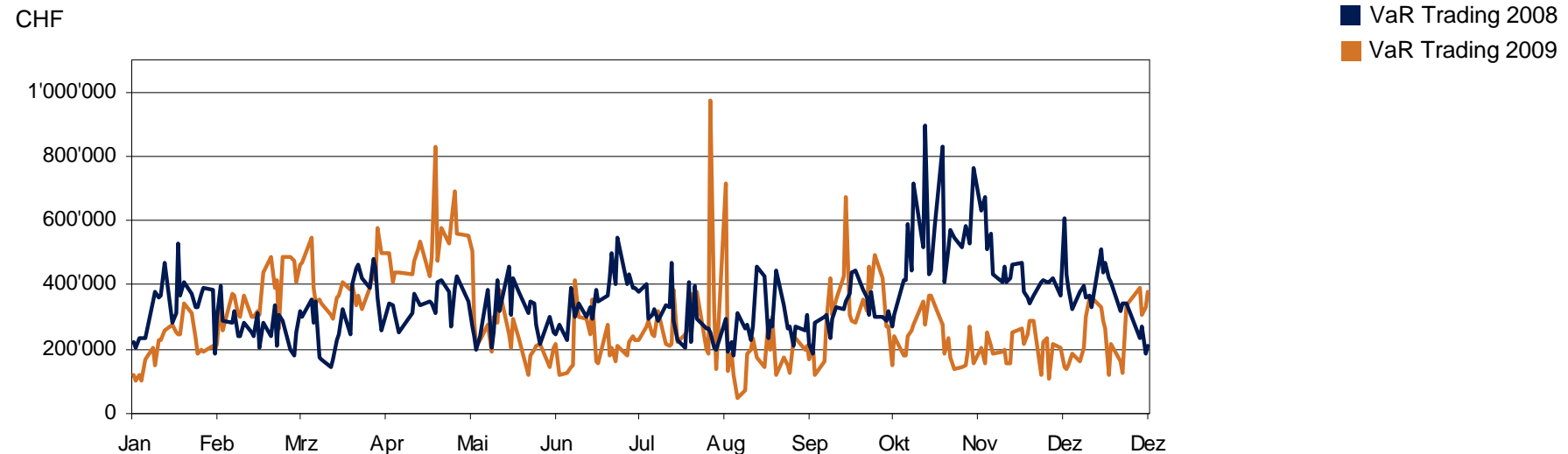
Top-quality collateral for amounts due from clients – Total due from clients

million CHF	2009	2008	+/- in %
Cash loans – mortgage security	1,241	661	88
Cash loans – other security	6,084	4,546	34
Value adjustment (Group)	- 5	- 4	25
Total due from clients	7,320	5,203	41
Contingent liabilities	477	393	21



- 72% of credit volume is made up of collateral loans.
- Contingent liabilities (6%) are also covered receivables.
- Mortgage almost exclusively provided to wealthy private clients.
- “Zero loss” policy in credit business.

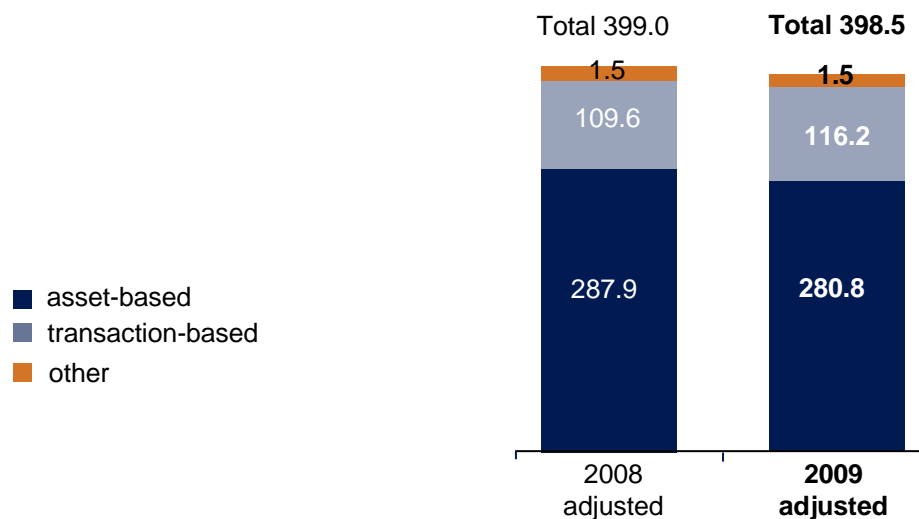
Low Market Risk in Trading – VaR in Trading Book 2008 vs 2009



- Value-at-Risk (VaR) corresponds to profit and loss from trading with market risk.
- VaR is calculated on a 1-day holding period, with 99% confidence level.
- VaR Trading Limit was - after increase for the Precious Metal Team – CHF 6.1 million.
- Overall exposure was always clearly below limit.
- Risk in 2009 was below the 2008 level:
 - VaR average 2008: CHF 350,390
 - VaR average 2009: CHF 287,476

Income from commission – Transaction-based fees grow slightly

million CHF	2009 adjusted	2008 adjusted	+/- in %
Transaction and brokerage fees	98.3	101.1	-3
Investment fund transactions	162.0	162.8	0
Advisory, Management fees, Securities deposit fees	149.4	160.7	-7
Underwriting	4.2	3.0	40
Other commission	45.1	24.4	85
<i>Less commission expenses</i>	60.5	52.9	14
Total Results from commission and service fee activities	398.5	399.0	0



Other ordinary income dominated by results from the sale of financial investments

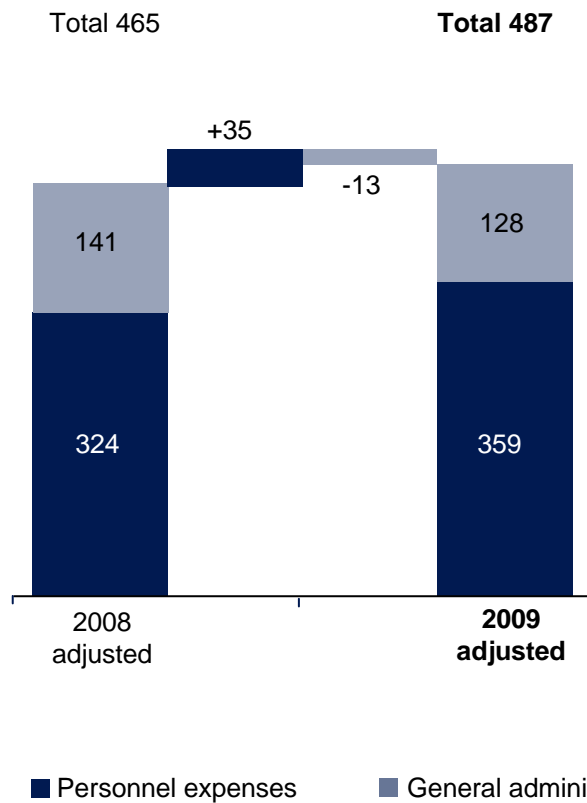
million CHF	2009 adjusted	2008 adjusted	+/- in %
Results from sale of financial investments designated at fair value	4.2	0.2	>1,000
Results from sale of financial investments available for sale	29.1	-6.6	-539
Results from the sale of group companies	2.0 ¹	0	
Proportion of earnings of associated companies	0	4.6	-99
Real estate income	0.4	0.3	7
Other ordinary income	8.4	15.3	-45
<i>Other ordinary expenses</i>	2.9	2.6	13
Total other ordinary results	41.2	11.2	270

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.

- Results from the sale of financial investments contributed CHF 33.3 million.
- Gains from the sale of group companies (Sarasin AM, Paris) amount to CHF 2.0 million.

Operating expenses under tight control

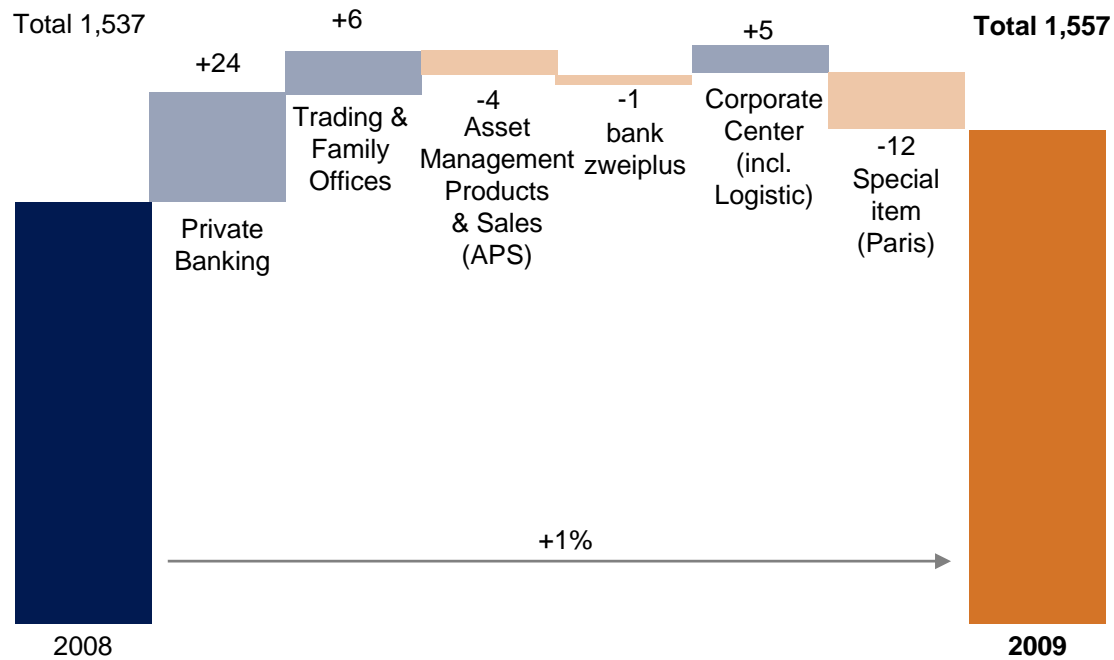
million CHF



- Personnel expenses up 11% to CHF 359m due to growth strategy.
- Ø headcount 14% higher in 2009 than in 2008.
- General administrative expenses fell 9% to CHF 128m, despite growth course.

Personnel trends reflect dynamic pace of growth

Headcount (FTEs)



- FTEs up 1% to 1,557.
- Recruitment drive focused on the front office.

* Basis: Organisation Chart as at 31 December 2009

Productivity per employee improved

1,000 CHF

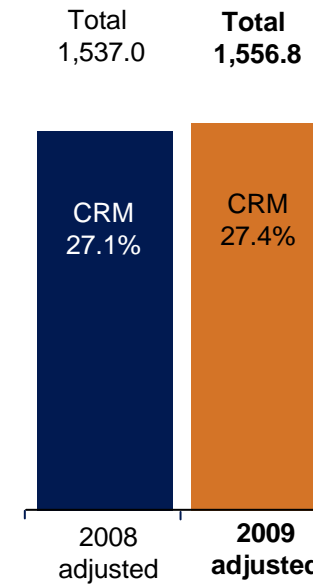
Personnel expenses per FTE



General administrative expenses per FTE



Percentage CRM¹ to FTE



- Excellent cost control despite growth.
- Personnel expenses per FTE down slightly.
- General admin. expenses per FTE much lower.
- CRMs as a percentage of total workforce slightly higher at 27.4%.

¹ CRMs incl. assistance (full-time equivalents); FTEs calculated on the basis of the average headcount over the year

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Segment result

Private Banking and Trading & Family Offices

Private Banking

million CHF	2009 adjusted	2008 adjusted	+/- in %
Operating income	311	315	-1
Operating expenses ¹	281	261	7
Net profit before tax per segment	30	54	-44
Cost income ratio (%)	88	82	
Net new money (million CHF)	7,437	7,078	
Gross margin (bp)	86	96	

¹ incl. write-offs, Value adjustments, provisions and losses.

- Investments in growth affect segment result.
- NNM: even better than last year's strong performance.
- Expansion of workforce, locations and infrastructure lay the foundation for additional growth in future.

Trading & Family Offices

million CHF	2009 adjusted	2008 adjusted	+/- in %
Operating income	97	78	24
Operating expenses ¹	39	31	24
Net profit before tax per segment	58	47	24
Cost income ratio (%)	39	40	
Net new money (million CHF)	1,111	1,120	

¹ incl. write-offs, Value adjustments, provisions and losses.

- Good result from trading activities.
- Strong growth in business with external asset managers.
- Additional potential through Family Office services.

Segment result

APS, bank zweiplus and Corporate Center

Asset Management, Products & Sales

million CHF	2009 adjusted	2008 adjusted	+/- in %
Operating income	169	158	7
Operating expenses ¹	119	113	6
Net profit before tax per segment	50	45	12
Cost income ratio (%)	71	72	
Net new money (million CHF)	3,848	2,432	
Gross margin (bp)	69	62	

¹ incl. write-offs, Value adjustments, provisions and losses.

bank zweiplus

million CHF	2009 adjusted	2008 ² adjusted	+/- in %
Operating income	64	44	45
Operating expenses ¹	54	37	45
Net profit before tax per segment	10	7	45
Cost income ratio (%)	82	81	
Net new money (million CHF)	-343	688	
Gross margin (bp)	107	142	

¹ incl. write-offs, Value adjustments, provisions and losses.

² 6 month

Corporate Center

million CHF	2009 adjusted	2008 adjusted	+/- in %
Operating income	33	31	5
Operating expenses ¹	35	52	-34
Net profit before tax per segment	-2	-21	-92
Cost income ratio (%)	108	164	
Net new money (million CHF)	421	3,158	

¹ incl. write-offs, Value adjustments, provisions and losses.

- Solid income growth (7%).
 - Tight cost management keeps cost base stable.
 - Strong net new money figures.
-
- Successful start on 01.07.2008.
 - Gross margin at 107 bp, segment result CHF 10m.
 - Expansion of cooperation partners planned in 2010.
-
- Excellent cost management helps to improve segment result.
 - Strict review of business cases and projects.
 - Avaloq to be rolled out as IT platform in international locations in 2010.



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No credit risks

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Operating expenses	486.8	464.7	5
Operating profit	187.1	161.7	16
Depreciation and amortisation	33.0	23.5	40
Value adjustments, provisions and losses	7.5	7.0	8
Profit before taxes	146.6	131.2	12
Taxes	24.9	16.8	48
Group result	121.7	114.4	6

- Despite the financial crisis, no value adjustments to amounts due from counterparties.
- Operational risks well under control despite the group's strong growth.
- Increase in write-downs on fixed assets as a result of locations being expanded.

Top-class liquidity – Even capital commitment and low risk profile

million CHF	Average Cash Flow Duration	balance sheet value
ASSETS		
Cash	0.0	372
Due from Banks	0.4	2,849
Due from Customers	0.5	7,320
Financial Investments, Money Market Papers and Trading Book	1.3	3,905
Other Assets	n/a	855
Total Assets	0.6	15,301

million CHF	Average Cash Flow Duration	balance sheet value
LIABILITIES		
Due to Banks	0.3	2,527
Due to Customers	0.2	10,917
Other Liabilities	0.0	565
Equity	n/a	1,292
Total Liabilities	0.2	15,301

- Longest duration on the asset side can be found in marketable financial investments.
- Very low refinancing risks.
- Amount due to customers far exceeds amounts due from customers (149%).

Sharp reduction in amounts due from third-party banks

Category	2009	2008	+/- in %
Collateralized	402	516	-22
AAA	1,079	1,142	-6
AA	193	1,353	-86
A	1,007	948	6
Others (incl. financial markets infrastructure organisations)	168	123	37
Total	2,849	4,082	-30

- Substantial reduction of amounts due from banks (-30%).
- The reduction is based on an investment shift from fixed-term interbank deposits into liquid bond positions.
- Close cooperation with AAA-rated Rabobank.

Capital adequacy still excellent

	Basel II		Basel II		Basel II	
	risk weighted assets	required capital	risk weighted assets	required capital	risk weighted assets	required capital
million CHF	31.12.2009 adjusted	31.12.2009 adjusted	31.12.08	31.12.08	30.06.09	30.06.09
Credit risk	3,427	274	3,115	249	3,191	255
Non-counterparty-related risk	465	37	529	42	491	39
Market risk	1,256	101	1,283	103	1,433	115
Operational risk	1,190	95	1,140	91	1,158	93
Total	6,338	507	6,066	485	6,273	502
BIS Tier 1 capital ¹	1,036		924		964	
BIS Tier 1 ratio (%) ¹	16.3		15.2		15.4	
Core capital	1,036		924		964	
Excess of required capital (%)	204		190		192	
Core capital (%) of total assets	6.7		7.3		7.1	
Leverage (total assets/tangible equity)	11.3		10.6		10.6	

¹ BIS Tier 1 ratio 2008 after dividend and Rabo commitment for share subscription according SA-CH.

- Risk-weighted assets increase slightly due to ongoing growth.
- BIS Tier-1 ratio increases basically due to increased core capital.
- Increase of core capital due to recovery on the markets (AFS) and FX rates.
- Excess of required capital amounts to 204%.

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Current strategic challenges

- Restoring investors' confidence in the markets.
- Repositioning Switzerland as financial centre – safeguarding the reputation of Swiss Private Banking.
- Offering sustainable quality and transparency to compensate for the loss of tax advantages.
- Ensuring our market positioning is firmly anchored to sustainability.
- Consistent investment in IT systems.

Market strategies dictated by regulatory restraints

	Definition
Onshore	Provision of products and services within the client's main country of residence.
Cross-Border	Offering of products and services to clients outside their main country of residence.
	<u>Active:</u> Focused approach to develop markets (e.g. dedicated offering and teams).
	<u>Passive:</u> No active market development.
No Activities	Decision not to do business in a market at all, e.g. economic reasons, due to legal and/or political risks.

 **Focus of active market strategy and marketing activities.**

Sarasin 2010 – Outlook at a glance

- Investment in future growth:
 - Return to the mid-term growth path: recruitment of up to 50 new CRMs.
 - Expansion in Asia: Hong Kong to be upgraded to branch status / Avaloq to be rolled out as the main IT system.

- Revenues:
 - Improvement expected thanks to a higher level of average client assets.
 - Sustained improvement in profitability is the top priority for 2010.

- Maintain growth momentum:
 - Net new money growth of 10%.

Growth strategy – New mid-term targets 2015

- Grow assets under management to CHF 150 billion (performance-adjusted)
- Significantly improve gross margin – despite tougher competition, which in turn puts margins under pressure.
- Cut cost income ratio through further efficiency improvements.