

**swissfirst**

Report 1.Quarter  
2002

swissfirst AG, Zug

## Interim consolidated financial statements 2002

### Balance sheet

	31.03.2002	31.12.2001	31.03.2001
	CHF	CHF	CHF
<b>Assets</b>			
Cash and other liquid assets	12'006'471	11'442'340	7'343'178
Due from banks	639'115'612	599'446'677	182'528'697
Due from customers	355'645'092	233'420'683	83'359'772
Securities and precious metals trading portfolios	15'024'975	17'336'443	3'976'613
Derivative financial instruments	78'089'426	46'382'558	-
Financial investments	56'285'512	56'104'488	49'534'048
Participations	216'980	216'980	5'193'230
Tangible fixed assets	29'330'480	28'345'078	14'691'374
Prepaid expenses and accrued income	3'696'146	2'403'075	3'859'958
Other assets	1'415'669	1'228'935	16'283'078
Goodwill	7'833'226	8'460'779	5'986'148
<b>TOTAL Assets</b>	<b>1'198'659'589</b>	<b>1'004'788'036</b>	<b>372'756'096</b>
<b>Liabilities and shareholders' equity</b>			
Due to banks	213'845'884	288'284'500	38'443'750
Due to customers	575'614'932	345'989'461	85'332'775
Derivative financial instruments	81'051'672	56'733'586	-
Deferred income	34'664'740	25'465'096	21'935'884
Other liabilities	21'479'741	21'659'837	33'351'866
Valuation adjustments and provisions	4'369'712	5'686'285	5'043'821
Minority interests	14'842'709	14'732'197	-
Nominal share capital	5'100'000	5'100'000	5'100'000
Own shares	-50'000	-50'000	-289'500
Retained earnings	247'740'199	241'187'074	183'837'500
<b>Total Liabilities and shareholders' equity</b>	<b>1'198'659'589</b>	<b>1'004'788'036</b>	<b>372'756'096</b>

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Profit and loss account	Period	Period
	1.1. - 31.3.2002	1.1. - 31.3.2001
	3 months	3 months
<b>Net interest income</b>		
Interest and discount income	3'872'054	2'721'396
Interest expenses	-1'247'745	-1'107'993
<i>Subtotal: Net interest income</i>	<i>2'624'309</i>	<i>1'613'403</i>
<b>Net commission and service fee income</b>		
Commission income from lending activities	45'160	599
Commission form securities and investment business	24'502'447	22'756'671
Commission form other services	72'764	5'255
Commission expenses	-2'591'215	-1'243'633
<i>Subtotal: Net commission and service fee income</i>	<i>22'029'156</i>	<i>21'518'892</i>
<b>Net trading income</b>	2'982'261	1'752'256
<b>Other ordinary income</b>		
Real estate income	59'228	-1'584
Income from sales of financial investements	366'674	-
Sundry ordinary expenses	-230'356	-297'258
Sundry ordinary income	539'980	97'012
<i>Subtotal: Other ordinary income</i>	<i>735'526</i>	<i>-201'830</i>
<b>Net operating income</b>	<b>28'371'252</b>	<b>24'682'721</b>
<b>Operating expenses</b>		
Personnel expenses	-5'700'327	-4'771'269
Other operating expenses	-2'827'569	-2'025'773
Subtotal: Operating expenses	-8'527'896	-6'797'042
<b>Gross operating profit</b>	<b>19'843'356</b>	<b>17'885'679</b>
Depreciation and write-offs on fixed assets	-1'055'262	-788'078
Depreciation on Goodwill	-627'553	-420'063
Valuation adjustments, provisions and losses	-152'298	-212'830
Taxes	-2'414'248	-2'887'179
<b>Profit for the period excl. minority interests</b>	<b>15'593'995</b>	<b>13'577'529</b>
Minority interests	110'511	-
<b>Group profit for the period</b>	<b>15'483'484</b>	<b>13'577'529</b>

These interim financial statements are not audited by the bank law auditors. However, they were established according to the same principles as the annual financial statements and correspond to the principles of accounting of the Bank Law and the IAS (International Accounting Standards).

**Interim consolidated financial statements 2002**

<b>Cash flow statement</b>	Period 1.1 - 31.3.2002	Period 1.1. - 31.3.2001
	3 months CHF	3 months CHF
<b>Cash flow from operating activities</b>		
Interest income	3'836'199	2'564'375
Interest expenses	-1'257'790	-1'126'393
Commission income	22'728'242	21'234'201
Cash inflow from trading activities	2'967'998	1'924'256
Net payments to suppliers and employees	-9'610'302	-9'937'310
Settlement losses	-12'298	-82'830
Net income from real estate investments, and sundry result	530'874	-259'467
Tax paid	-1'042'670	-3'187'333
<b>Cash flow from operating activities before movements in working capital:</b>	<b>18'140'253</b>	<b>11'129'499</b>
<b>Movements in working capital</b>		
Increase / decrease in amounts due from customers	-122'273'409	-19'011'319
Increase / decrease in amounts due to banks	-74'438'616	28'708'989
Increase / decrease in amounts due to customers	229'634'674	-70'279'796
Other	-11'430'232	3'992'771
<b>Net cash flow from operating activities</b>	<b>39'632'670</b>	<b>-45'459'856</b>
<b>Cash flow from investing activities</b>		
Purchase / sale of investements (balance)	212'025	1'000'000
Purchase of furniture, fixtures and fittings	-1'993'570	-434'740
<b>Net cash flow from investing activities</b>	<b>-1'781'545</b>	<b>565'260</b>
<b>Cash flow from financing activities</b>		
Gains on own shares	70'473	-
<b>Net cash flow from financing activities</b>	<b>70'473</b>	<b>-</b>
<b>Increase / Decrease in cash and cash equivalents</b>	<b>37'921'598</b>	<b>-44'894'596</b>
Cash and cash equivalents		
At the beginning of the period	628'225'460	238'743'084
At the end of the period	666'147'058	193'848'488
<b>Increase / Decrease in cash and cash equivalents</b>	<b>37'921'598</b>	<b>-44'894'596</b>

## Interim consolidated financial statements 2002

Business segments	Private Banking	Asset Management	Investment Banking	Corporate Items	TOTAL
<b>Periode 1.1. - 31.3.2002</b>					
Net operating income	6'532'221	2'166'696	19'832'303	70'388	28'601'608
Operating expenses	-4'269'155	-979'818	-3'277'595	-231'684	-8'758'252
<b>Gross operating profit</b>	<b>2'263'066</b>	<b>1'186'878</b>	<b>16'554'708</b>	<b>-161'296</b>	<b>19'843'356</b>
Depreciation, valuation adjustments, provisions and losses	-818'132	-182'781	-824'395	-9'805	-1'835'113
Taxes	-190'277	-66'550	-2'157'421	-	-2'414'248
Minority interests	-109'988	-523	-	-	-110'511
<b>Profit after taxes</b>	<b>1'144'669</b>	<b>937'024</b>	<b>13'572'892</b>	<b>-171'101</b>	<b>15'483'484</b>
Total assets	461'475'311	117'540'366	618'316'364	1'327'548	1'198'659'589
Total liabilities	424'715'681	98'700'371	421'718'445	734'893	945'869'390
Total assets under management	1'703 m	1'123 m	1'266 m		4'092 m
<b>Periode 1.1. - 31.3.2001</b>					
Net operating income	3'275'871	2'963'462	18'758'016	-17'370	24'979'979
Operating expenses	-3'150'280	-751'490	-3'051'078	-141'452	-7'094'300
<b>Gross operating profit</b>	<b>125'591</b>	<b>2'211'972</b>	<b>15'706'938</b>	<b>-158'822</b>	<b>17'885'679</b>
Depreciation, valuation adjustments, provisions and losses	-740'644	-67'674	-700'816	88'163	-1'420'971
Taxes	-53'285	-483'916	-2'541'676	191'698	-2'887'179
<b>Profit after taxes</b>	<b>-668'338</b>	<b>1'660'382</b>	<b>12'464'446</b>	<b>121'039</b>	<b>13'577'529</b>
Total assets	122'301'252	10'271'238	238'888'508	1'295'098	372'756'096
Total liabilities	69'061'201	20'086'728	92'856'541	2'103'626	184'108'096
Total assets under management	657 m	939 m	1'023 m		2'619 m

## Interim consolidated financial statements 2002

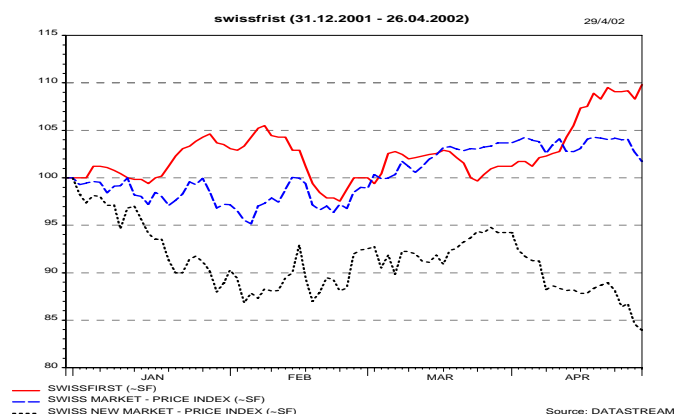
### Analysis of shareholders' equity

	Share capital	Retained earnings	Total share- holders' equity
	CHF	CHF	CHF
<b>As at 31.12.00</b>	<b>4'810'500</b>	<b>170'840'586</b>	<b>175'651'086</b>
Adjustment due to IAS 39		-1'103'421	-1'103'421
Change to own shares	239'500	18'041'565	18'281'065
Difference on currency translation		4'257	4'257
Profit for the year 2001		53'404'088	53'404'088
<b>As at 31.12.01</b>	<b>5'050'000</b>	<b>241'187'075</b>	<b>246'237'075</b>
Adjustment due to IAS 39		175'000	175'000
Change to own shares		-9'242'420	-9'242'420
Other changes		136'990	136'990
Difference on currency translation		70	70
Profit for the period		15'483'484	15'483'484
<b>As at 31.3.2002</b>	<b>5'050'000</b>	<b>247'740'199</b>	<b>252'790'199</b>
<i>As at 31.3.2001</i>	<i>4'810'500</i>	<i>183'837'632</i>	<i>188'648'132</i>

\*) Net change in reserves for financial investments available for sale

Price of own share	29.03.02	03.01.02	High	Low
	CHF	CHF	CHF	CHF
	165.00	163.00	174.00	159.00

	1.1 - 31.3.2002 3 months	1.1 - 31.3.2001 3 months	
Earnings per share	3.20	2.82	
Earnings per share (diluted)	3.18	2.72	
Nominal earnings per share (fully diluted)	3.04	2.66	
Number of employees, absolute	at 31.3.2002: 101	at 31.12.2001: 94	at 31.3.2001: 68
Number of employees, full-time equivalent (part-time adjusted)	95.4	89.7	65.2



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## **Interim consolidated financial statements 2002**

### **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS 2002**

#### **COMMENTS ON THE ACCOUNTING AND VALUATION REGULATIONS**

The consolidated interim financial statements of the swissfirst Group are established according to the accounting regulations of the International Accounting Standards Committee (IASC).

As at 1 July 2001, the participation of 52.5% in swissfirst Bank (Liechtenstein) AG was disclosed in full consolidation for the first time.

The applied accounting and valuation methods correspond to the methods used for the establishment of the audited annual financial statements of the company as at 31 December 2001.