

BELLEVUE GROUP

Report 2nd Quarter 2007

BELLEVUE GROUP

Interim consolidated financial statements 2007

| Balance sheet | Interim statement 30.06.2007 | End year statement 31.12.2006 | Interim statement 30.06.2006 |
|---|---------------------------------|----------------------------------|---------------------------------|
| CHF 1'000 | | | |
| Assets | | | |
| Cash | 34,457 | 112,316 | 56,468 |
| Due from banks | 254,716 | 245,927 | 725,320 |
| Due from customers | 61,594 | 32,494 | 399,038 |
| Securities trading positions | 13,540 | 19,920 | 28,902 |
| Derivative financial instruments | 3,157 | 2,516 | 40,249 |
| Financial investments | 265,064 | 186,340 | 227,072 |
| Associated companies | - | - | 1,495 |
| Fixed assets | 287 | 285 | 21,678 |
| Intangible fixed assets | 69,513 | 72,999 | 76,377 |
| Goodwill | 160,289 | 160,289 | 160,289 |
| Prepaid expenses and accrued income | 3,778 | 1,292 | 6,587 |
| Current tax assets | 460 | 459 | 15,579 |
| Other assets | 19,101 | 1,885 | 3,481 |
| Available-for-sale assets | - | 444,366 | - |
| Total assets | 885,956 | 1,281,088 | 1,762,535 |
| Liabilities | | | |
| Due to banks | 10,121 | 5,269 | 118,776 |
| Due to customers | 213,201 | 303,687 | 931,184 |
| Derivative financial instruments and other trading liabilities | 169,532 | 148,352 | 177,051 |
| Debt issued | - | - | 107,120 |
| Deferred income | 24,329 | 9,909 | 21,478 |
| Other liabilities | 2,764 | 21,836 | 55,319 |
| Current tax liabilities | 12,517 | 6,864 | 13,197 |
| Deferred tax liabilities | 14,805 | 14,795 | 18,604 |
| Provisions | 1,494 | 2,301 | 6,674 |
| Available-for-sale liabilities | - | 373,826 | - |
| Total liabilities | 448,763 | 886,839 | 1,449,403 |
| Share capital | 1,050 | 1,050 | 1,050 |
| Treasury shares | -26,466 | 3,609 | -26,631 |
| Capital reserves | 27,250 | 27,250 | 27,250 |
| Retained earnings | 435,359 | 362,340 | 287,763 |
| Equity attributable to the shareholders of Bellevue Group AG | 437,193 | 394,249 | 289,432 |
| Minority interests | - | - | 23,700 |
| Total equity | 437,193 | 394,249 | 313,132 |
| Total liabilities and shareholders' equity | 885,956 | 1,281,088 | 1,762,535 |

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| Profit and loss account | Period | Period | Period | Period |
|--|-------------------|-------------------|-------------------|-------------------|
| | 1.1. - 30.06.2007 | 1.1. - 30.06.2006 | 1.4. - 30.06.2007 | 1.4. - 30.06.2006 |
| CHF 1'000 | 6 months | 6 months | 3 months | 3 months |
| Continuing business activities | | | | |
| Net interest income | | | | |
| Interest and discount income | 4,773 | 713 | 2,900 | 145 |
| Dividend income | 3,543 | 117 | 146 | 117 |
| Interest expense | -1,111 | -392 | -411 | -152 |
| <i>Subtotal net interest income</i> | 7,205 | 438 | 2,635 | 110 |
| Net commission and service fee income | | | | |
| Commission income from lending activities | - | 21 | - | - |
| Commission income from securities and investment business | 70,805 | 54,100 | 32,176 | 19,185 |
| Commission income from other services | 196 | 975 | 171 | 239 |
| Commission expense | -224 | -3,310 | -110 | -1,602 |
| <i>Subtotal net fee and commission income</i> | 70,777 | 51,786 | 32,237 | 17,822 |
| Net trading income | 3,762 | 3,406 | 3,229 | 827 |
| Other ordinary income | | | | |
| Real estate income | - | 132 | - | 65 |
| Income from the sale of companies | 81,855 | 112 | - | 112 |
| Income from the sale of financial assets | -410 | 4,280 | -35 | 4,273 |
| Other ordinary expense | -1,601 | -4 | -48 | -1 |
| Other ordinary income | 5,277 | 193 | 207 | 44 |
| <i>Subtotal other ordinary income</i> | 85,121 | 4,713 | 124 | 4,493 |
| Net operating income | 166,865 | 60,343 | 38,225 | 23,252 |
| Operating expenses | | | | |
| Personnel expenses | -23,700 | -10,496 | -13,631 | -5,407 |
| Other operating expenses | -9,059 | -6,399 | -4,418 | -3,120 |
| Depreciation an amortization of fixed assets | -77 | -560 | -58 | -447 |
| Depreciation an amortization of intangible fixed assets | -3,506 | -3,151 | -1,727 | -1,465 |
| Valuation adjustments, provisions and losses | - | -1 | - | 92 |
| Total operating expenses | -36,342 | -20,607 | -19,834 | -10,347 |
| Pretax profit of contiuing business activities | 130,523 | 39,736 | 18,391 | 12,905 |
| Tax expenses | -6,729 | -6,337 | -2,797 | -2,118 |
| Net profit of continued business activities | 123,794 | 33,399 | 15,594 | 10,787 |
| Discontinued business activities | | | | |
| Pretax profit of discounting business activities | - | 11,302 | - | 6,682 |
| Tax expenses | - | -1,410 | - | -352 |
| Net profit of discontinued business activities | - | 9,892 | - | 6,330 |
| Group net profit | 123,794 | 43,291 | 15,594 | 17,117 |
| <i>attributable to: -Shareholders of Bellevue Group AG</i> | 123,794 | 41,172 | 15,594 | 16,053 |
| <i>- Minority interests</i> | - | 2,119 | - | 1,064 |

These interim financial statements are not audited by the auditors appointed under banking law. However, they were established according to the same principles as the annual financial statements and correspond to the principles of accounting prescribed by banking law and the IFRS (International Financial Reporting Standards).

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| Cash flow statement | Period | Period | Period | Period |
|--|-------------------|-------------------|-------------------|-------------------|
| | 1.1. - 30.06.2007 | 1.1. - 30.06.2006 | 1.4. - 30.06.2007 | 1.4. - 30.06.2006 |
| CHF 1'000 | 6 months | 6 months | 3 months | 3 months |
| Cash flow from operating activities | | | | |
| Interest income (excluding financial investments) | 4,842 | 11,711 | 2,784 | 7,732 |
| Fee and commission income | 72,631 | 71,385 | 32,494 | 28,584 |
| Interest expense | -1,111 | -4,955 | -353 | -1,864 |
| Fee and commission expense | -224 | -3,283 | -110 | -694 |
| Personnel and general expense | -21,618 | -35,867 | -10,574 | -15,389 |
| Other income | 7,185 | 1,905 | 5,563 | 2,134 |
| Subtotal | 61,705 | 40,896 | 29,804 | 20,503 |
| Change in assets and liabilities relating to operating activities | | | | |
| Receivables and assets | -38,498 | -259,223 | 159,157 | -54,888 |
| Trading positions | 24,729 | 42,315 | -12,052 | -20,698 |
| Liabilities | -85,634 | 46,351 | -11,732 | 62,826 |
| Other | 33,624 | -8,890 | -87,371 | 25,184 |
| Cash flow from operating activities before tax | -4,074 | -138,551 | 77,806 | 32,927 |
| Tax expense | -1,984 | -7,312 | -410 | -1,119 |
| Cash flow from operating activities after tax | -6,058 | -145,863 | 77,396 | 31,808 |
| Cash flow from investing activities | | | | |
| Purchase of financial assets | -18,525 | -52,018 | -18,188 | -7,887 |
| Purchase of fixed assets | -79 | -607 | -51 | -282 |
| Proceeds from the disposal of financial assets | 10,684 | 13,662 | 5,831 | 8,652 |
| Interest income from financial investments and associated companies | 1,025 | 837 | 764 | 458 |
| Dividends received from financial investments and associated companies | 3,375 | - | - | - |
| Reduction in cash and cash equivalents following disposal of subsidiaries/shareholdings | - | - | 13,271 | - |
| Net cash flow from investing activities | -3,520 | -38,126 | 1,627 | 941 |
| Cash flow from financing activities | | | | |
| Dividends paid | -51,308 | -21,000 | -51,308 | -21,000 |
| Change in treasury shares | -30,244 | -41,830 | -810 | -34,186 |
| Cash flow from financing activities | -81,552 | -62,830 | -52,118 | -55,186 |
| Balance | -91,130 | -246,819 | 26,905 | -22,437 |
| Cash and cash equivalents, end of prior reporting period | 125,587 | 319,409 | 7,552 | 95,027 |
| Cash flow from operating activities after tax | -6,058 | -145,863 | 77,396 | 31,808 |
| Net cash flow from investing activities | -3,520 | -38,126 | 1,627 | 941 |
| Cash flow from financing activities | -81,552 | -62,830 | -52,118 | -55,186 |
| Cash and cash equivalents, end of reporting period | 34,457 | 72,590 | 34,457 | 72,590 |
| Cash and cash equivalents comprise cash (cash on hand, postal check account deposits and deposits at central banks) as well as repo-eligible debt securities (maturing < 3 months) accepted by central banks as eligible collateral. | | | | |
| The composition of cash and cash equivalents was as follows: | | | | |
| Liquid assets | 34,457 | 56,468 | 34,457 | 56,468 |
| Available-for-sale repo securities < 3 months (previous year: securities eligible for refinancing at central banks) | - | 16,122 | - | 16,122 |
| TOTAL | 34,457 | 72,590 | 34,457 | 72,590 |

BELLEVUE GROUP

Interim consolidated financial statements 2007

| Business segments | Private Banking | Asset Management | Investment Banking | Corporate Items | TOTAL |
|--|-----------------|------------------|--------------------|-----------------|----------------|
| CHF 1'000 | | | | | |
| Period 1.1. - 30.06.2007 | | | | | |
| Net income from ordinary operating activities | - | 32,280 | 48,632 | 4,098 | 85,010 |
| Income from the sale of companies | - | - | - | 81,855 | 81,855 |
| Personnel and other operating expenses | - | -12,202 | -16,554 | -4,003 | -32,759 |
| Depreciation, valuation adjustments, provisions and losses | - | -1,254 | -2,329 | - | -3,583 |
| Gross operating profit | - | 18,824 | 29,749 | 81,950 | 130,523 |
| Taxes | - | -313 | -5,991 | -425 | -6,729 |
| Profit after taxes | - | 18,511 | 23,758 | 81,525 | 123,794 |
| Total assets | - | 17,246 | 376,919 | 491,791 | 885,956 |
| Total liabilities | - | 12,932 | 268,764 | 167,367 | 449,063 |
| Total capital expenditure | - | - | 79 | - | 79 |
| Total assets under management at 30.06.2007 | - | 4,092 m | 3,271 m | 0 m | 7,363 m |
| Period 1.1. - 30.06.2006 | | | | | |
| Net income from ordinary operating activities | 24,716 | 16,849 | 42,542 | 840 | 84,947 |
| Income from the sale of companies | - | - | 112 | - | 112 |
| Personnel and other operating expenses | -11,635 | -5,916 | -10,276 | -1,632 | -29,459 |
| Depreciation, valuation adjustments, provisions and losses | -850 | -1,380 | -2,332 | - | -4,562 |
| Intercompany services, net | -929 | -73 | -580 | 1,582 | - |
| Gross operating profit | 11,302 | 9,480 | 29,466 | 790 | 51,038 |
| Taxes | -1,410 | -318 | -5,907 | -112 | -7,747 |
| Minority interests | -1,907 | -212 | - | - | -2,119 |
| Profit after taxes | 7,985 | 8,950 | 23,559 | 678 | 41,172 |
| Total assets | 1,148,731 | 6,811 | 606,637 | 356 | 1,762,535 |
| Total liabilities | 1,062,802 | 5,933 | 381,050 | 618 | 1,450,403 |
| Total capital expenditure | 117 | 11 | 479 | - | 607 |
| Total assets under management at 30.06.2006 | 3,558 m | 4,517 m | 3,056 m | 63 m | 11,194 m |
| Total assets under management at 31.12.2007 | 2,237 m | 4,039 m | 2,732 m | 0 m | 9,008 m |

As of January 1, 2007 the Bellevue Group is no longer active in Private Banking.

The Group operates primarily in Switzerland. Since the geographic region in which assets are reported is relatively unimportant for the assessment of risks or profit opportunities, a breakdown of the business segments by region is not given.

The allocation to the individual segments is derived primarily from direct allocations. Items that cannot be directly apportioned to one particular segment will be allocated by means of secondary business management criteria (e.g. number of staff, total square meters of floor space required, etc.). Non-allocable items are stated under the Corporate items segment.

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| Analysis of shareholders' equity | Share capital | Treasury shares | Capital reserve | Retained earnings | Minority interest | Total shareholders' equity |
|---|---------------|-----------------|-----------------|-------------------|-------------------|----------------------------|
| CHF 1'000 | | | | | | |
| As at 31.12.2005 | 1,050 | 1,351 | 27,250 | 285,888 | 22,129 | 337,668 |
| Change in treasury shares | | 2,258 | | -9,372 | | -7,114 |
| Other changes | | | | -222 | | -222 |
| Change of unrealized gains and losses (IAS 39) | | | | 3,877 | | 3,877 |
| Realized gains and losses reclassified to the income statement (IAS 39) | | | | -17,400 | | -17,400 |
| Dividend 2005 | | | | -21,000 | | -21,000 |
| Change in minority interest due to disposal of subsidiaries | | | | 523 | -25,928 | -25,405 |
| Profit for the year 2006 | | | | 120,046 | 3,799 | 123,845 |
| As at 31.12.2006 | 1,050 | 3,609 | 27,250 | 362,340 | - | 394,249 |
| Change in treasury shares | | -30,075 | | -2,658 | | -32,733 |
| Other changes | | | | 2,605 | | 2,605 |
| Change due to IFRS 2 | | | | -16 | | -16 |
| Change of unrealized gains and losses (IAS 39) | | | | 176 | | 176 |
| Realized gains and losses reclassified to the income statement (IAS 39) | | | | 410 | | 410 |
| Dividend 2006 | | | | -51,308 | | -51,308 |
| Change in foreign currencies | | | | 16 | | 16 |
| Profit for the year 2007 | | | | 123,794 | - | 123,794 |
| As at 30.06.2007 | 1,050 | -26,466 | 27,250 | 435,359 | - | 437,193 |
| <i>As at 30.06.2006</i> | <i>1,050</i> | <i>-26,631</i> | <i>27,250</i> | <i>287,763</i> | <i>23,700</i> | <i>313,132</i> |

Price of the Bellevue Group share

| | 30.06.2007 | 31.12.2006 | High | Low |
|--|------------|------------|--------|-------|
| | CHF | CHF | CHF | CHF |
| | 96.00 | 78.00 | 100.20 | 78.80 |

| | 1.1. - 30.06.2007 6 months | 1.1. - 30.06.2006* 6 months | 1.4. - 30.06.2007 3 months | 1.4. - 30.06.2006* 3 months |
|--|-------------------------------|--------------------------------|-------------------------------|--------------------------------|
| Earnings per share | 11.90 | 3.19 | 1.53 | 1.04 |
| Earnings per share (diluted) | 11.89 | 3.16 | 1.59 | 1.04 |
| Nominal earnings per share (fully diluted) | 11.79 | 3.16 | 1.46 | 1.01 |

* Excluding the discontinued private banking activities

| | am 30.06.2007: | at 31.03.2007 | at 31.12.2006:* | at 31.03.2006: |
|--|----------------|---------------|-----------------|----------------|
| Number of employees, absolute | 73 | 71 | 67 | 163 |
| Number of employees, full-time equivalent (part-time adjusted) | 69.4 | 67.9 | 64.1 | 157.0 |

* Excluding the discontinued private banking activities and Swissfirst Services AG, Zurich, which was sold on 31.12.2006

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| Assets under management | Asset Management | Investment Banking | TOTAL |
|---|------------------|--------------------|--------------|
| CHF Mio. | | | |
| Assets under management at 31st december 2006 | 4,039 | 2,732 | 6,771 |
| Net inflow of new assets 2007 | -139 | -167 | -306 |
| Market-related change 2007 | 192 | 706 | 898 |
| Assets under management at 30th June 2006 | 4,092 | 3,271 | 7,363 |

Client assets include all cash deposits and assets of clients available for investment with the exception of the pure "custody-only" assets. These custody-only assets include unissued shares of participation and investment companies, and the assets of certain institutional clients stemming from special transactions (e.g. share buybacks through a second line of trading).

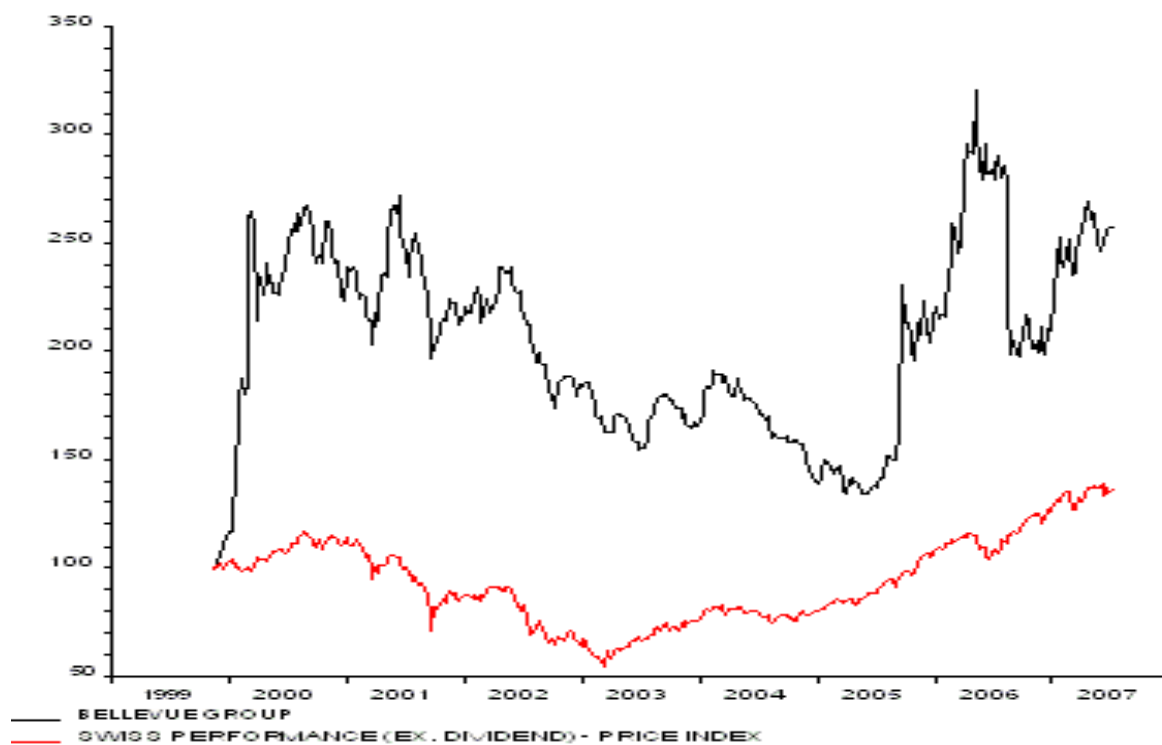
The inflow/outflow of client assets includes all cash deposits and withdrawals as well as inward and outward deliveries of securities without compensation. Own interest credits and debits are not counted.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENT 2007

Comments on the accounting and valuation regulations

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

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 2006.



Source: DATASTREAM