

SGS Group

Information by business segment and geographical area

Revenues by segment: CHF (million)	30 June 01	%	30 June 00	%	Total variance	% Total	Exchange	% Exchange	Acq.	% Acq.	Disp.	% Disp.	Organic	% Organic
Verification, Testing and Certification Services														
- SGS Agricultural Services	107.7	9.3%	109.2	9.1%	(1.5)	-1.4%	(4.5)	-4.1%			(0.5)	-0.5%	3.5	3.2%
- SGS Minerals Services	104.1	8.9%	103.3	8.7%	0.8	0.8%	(3.9)	-3.8%					4.7	4.6%
- SGS Redwood Services	209.2	18.0%	194.7	16.3%	14.5	7.5%	(5.8)	-3.0%	0.7	0.4%			19.6	10.1%
- SGS Consumer Products Services	139.0	11.9%	125.3	10.5%	13.7	10.9%	(4.0)	-3.2%	4.4	3.5%			13.3	10.6%
- SGS International Certification Services	97.0	8.3%	91.4	7.7%	5.6	6.1%	(4.3)	-4.7%	1.2	1.3%			8.7	9.5%
- SGS Industrial Services	203.4	17.5%	200.0	16.7%	3.4	1.7%	(2.3)	-1.2%	1.1	0.6%			4.6	2.3%
- SGS Global Trade Solutions	135.7	11.7%	200.6	16.8%	(64.9)	-32.4%	(2.5)	-1.3%					(62.4)	-31.1%
Core businesses	996.1	85.6%	1'024.5	85.8%	(28.4)	-2.8%	(27.3)	-2.7%	7.4	0.7%	(0.5)	0.0%	(8.0)	-0.8%
- Other Services	167.6	14.4%	170.2	14.2%	(2.6)	-1.5%	(6.0)	-3.5%		0.0%	(0.6)	-0.4%	4.0	2.4%
Total	1'163.7	100.0%	1'194.7	100.0%	(31.0)	-2.6%	(33.3)	-2.8%	7.4	0.6%	(1.1)	-0.1%	(4.0)	-0.3%

Revenues by geographical area: CHF (million)	30 June 01	%	30 June 00	%	Total variance	% Total	Exchange	% Exchange	Acq.	% Acq.	Disp.	% Disp.	Organic	% Organic
Europe	578.2	49.7%	588.0	49.2%	(9.8)	-1.7%	(20.8)	-3.5%	7.4	1.2%	(0.9)	-0.2%	4.5	0.8%
Africa/Middle East	61.0	5.3%	67.8	5.7%	(6.8)	-10.1%	(5.2)	-7.7%			(0.2)	-0.3%	(1.4)	-2.1%
North America	244.7	21.0%	240.9	20.1%	3.8	1.6%	6.4	2.7%					(2.6)	-1.1%
Latin America	91.1	7.8%	86.7	7.3%	4.4	5.1%	(3.8)	-4.4%					8.2	9.5%
Asia/Pacific	188.7	16.2%	211.3	17.7%	(22.6)	-10.7%	(9.9)	-4.7%					(12.7)	-6.0%
Total	1'163.7	100.0%	1'194.7	100.0%	(31.0)	-2.6%	(33.3)	-2.8%	7.4	0.6%	(1.1)	-0.1%	(4.0)	-0.3%

The revenues by business segment for the comparative period to 30 June 2000 have been restated to be consistent with the current business structure

SGS Group

Information by business segment and geographical area

Operating profit before exceptional items by segment:

CHF (million)	30 June 01	%	30 June 00	%	Total variance	% Total	Exchange	% Exchange	Acq.	% Acq.	Disp.	% Disp.	Organic	% Organic
Verification, Testing and Certification Services														
- SGS Agricultural Services	10.0	11.2%	10.6	10.9%	(0.6)	-5.7%	(0.5)	-4.7%			(0.1)	-1.0%	-	0.0%
- SGS Minerals Services	10.8	12.1%	10.7	11.0%	0.1	0.9%	(0.3)	-2.8%					0.4	3.7%
- SGS Redwood Services	22.5	25.2%	17.3	17.8%	5.2	30.1%	(0.5)	-2.9%					5.7	33.0%
- SGS Consumer Products Services	10.3	11.5%	6.2	6.4%	4.1	66.1%	(0.3)	-4.8%	0.1	1.6%			4.3	69.3%
- SGS International Certification Services	11.0	12.3%	8.5	8.7%	2.5	29.4%	(0.5)	-5.9%	0.2	2.4%			2.8	32.9%
- SGS Industrial Services	16.5	18.4%	4.6	4.7%	11.9	258.7%	(0.3)	-6.5%	0.1	2.2%			12.1	263.0%
- SGS Global Trade Solutions	6.7	7.5%	37.2	38.3%	(30.5)	-82.0%	(0.1)	-0.3%	-				(30.4)	-81.7%
Core businesses	87.8	98.2%	95.1	97.8%	(7.3)	-7.7%	(2.5)	-2.6%	0.4	0.4%	(0.1)	-0.1%	(5.1)	-5.4%
- Other Services	9.5	10.6%	10.1	10.4%	(0.6)	-6.0%	(0.3)	-3.0%			(0.1)	-1.0%	(0.2)	-2.0%
- SGSSonSite	(7.9)	-8.8%	(8.0)	-8.2%	0.1	1.3%	0.1	1.3%					-	0.0%
Total before corporate costs and exceptional items	89.4	100.0%	97.2	100.0%	(7.8)	-8.0%	(2.7)	-2.8%	0.4	0.4%	(0.2)	-0.2%	(5.3)	-5.4%
less:														
Corporate costs	(31.0)		(27.5)		(3.5)	-12.7%							(3.5)	-12.7%
Group operating profit before exceptional operating income/(expenses)	58.4		69.7		(11.3)	-16.2%	(2.7)	-3.9%	0.4	0.6%	(0.2)	-0.3%	(8.8)	-12.6%

Operating profit before exceptional items by geographical area:

CHF (million)	30 June 01	%	30 June 00	%	Total variance	% Total	Exchange	% Exchange	Acq.	% Acq.	Disp.	% Disp.	Organic	% Organic
Europe	39.4	44.1%	52.7	54.2%	(13.3)	-25.2%	(1.3)	-2.5%	0.4	0.8%	(0.2)	-0.4%	(12.2)	-23.1%
Africa/Middle East	8.0	8.9%	6.5	6.7%	1.5	23.1%	(0.4)	-6.1%					1.9	29.2%
North America	9.8	11.0%	2.1	2.2%	7.7	366.7%	0.3	14.3%					7.4	352.4%
Latin America	8.4	9.4%	9.0	9.2%	(0.6)	-6.6%	(0.3)	-3.3%					(0.3)	-3.3%
Asia/Pacific	23.8	26.6%	26.9	27.7%	(3.1)	-11.5%	(1.0)	-3.7%					(2.1)	-7.8%
Total before corporate costs and exceptional items	89.4	100.0%	97.2	100.0%	(7.8)	-8.0%	(2.7)	-2.8%	0.4	0.4%	(0.2)	-0.2%	(5.3)	-5.4%
less:														
Corporate costs	(31.0)		(27.5)		(3.5)	-12.7%							(3.5)	-12.7%
Group operating profit before exceptional operating income/(expenses)	58.4		69.7		(11.3)	-16.2%	(2.7)	-3.9%	0.4	0.6%	(0.2)	-0.3%	(8.8)	-12.6%

The operating profits by business segment for the comparative period to 30 June 2000 have been restated to be consistent with the current business structure

SGS Group
Consolidated profit and loss accounts

	June 2001 CHF 000	June 2000 CHF 000
Revenues	1'163'688	1'194'724
Salaries and wages	-632'730	-626'691
Subcontractors' expenses	-65'245	-72'763
Depreciation	-50'493	-52'879
Goodwill amortisation	-2'514	-2'002
Other operating expenses	-354'266	-370'689
Operating profit before exceptional income	58'440	69'700
Exceptional operating income/(expense)	-3'252	7'488
Operating profit	55'188	77'188
Financial revenues, net	12'212	12'043
Profit before taxes and minority interests	67'400	89'231
Taxes	-20'220	-27'522
Profit after taxes	47'180	61'709
Minority interests	-3'618	-3'926
Net profit	43'562	57'783

SGS Group
Consolidated balance sheets

	June 2001 CHF 000	December 2000 CHF 000
Assets		
Fixed assets		
Land, buildings and equipment	404'429	386'485
Investment in associated and other companies	4'432	6'439
Long-term loans and other assets	82'618	85'841
Goodwill and other intangible assets	32'741	33'180
Total fixed assets	524'220	511'945
Current assets		
Work-in-progress and inventories	126'914	113'977
Trade accounts and notes receivable	716'106	641'526
Other receivables and prepayments	199'737	212'546
Cash and short-term investments	617'384	641'577
Total current assets	1'660'141	1'609'626
Total	2'184'361	2'121'571
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	156'443	156'443
Reserves	983'892	942'869
Total shareholders' equity	1'140'335	1'099'312
Minority interests	24'926	20'469
Liabilities		
<i>Long-term liabilities</i>		
Other loans	78'997	43'831
Provisions for liabilities and commitments	310'387	313'910
	389'384	357'741
<i>Current liabilities</i>		
Loans	87'681	109'540
Accounts payable	295'224	283'305
Other creditors and accruals	246'811	251'204
	629'716	644'049
Total liabilities	1'019'100	1'001'790
Total	2'184'361	2'121'571

SGS Group
Consolidated cash flow statements

CHF mio	June 2001	June 2000
Net cash beginning of period	488.2	616.1
Net cash end of period	450.7	485.8
(Decrease) in net cash	(37.5)	(130.3)
<i>Explained by:</i>		
Operating profit	55.2	77.2
Adjustment for non cash items -Depreciation & amortisation	53.0	54.9
-Other	8.7	(3.9)
Adjusted operating profit	116.9	128.2
Tax paid	(16.9)	(47.0)
(Increase) in working capital	(96.6)	(129.5)
Cash flow from operating activities	3.4	(48.3)
Net purchase of fixed assets	(54.4)	(53.9)
Net financial income	12.2	12.0
Other (including exchange)	33.8	2.4
Free cash flow	(5.0)	(87.8)
Dividend paid	(45.4)	(37.5)
Net cash paid for acquisitions	(0.6)	(5.8)
Net cash received from disposals	13.5	0.8
(Decrease) in net cash	(37.5)	(130.3)