

P R E S S R E L E A S E

The most promising Swiss Investments in 2006 SMI expected to reach 8,200 points this year

Zurich, 3rd February 2006 –**Research by the Bank Sal. Oppenheim jr. & Cie. (Switzerland) AG presents the most promising share investments for 2006 in both its new studies “Tops of Switzerland” and “Little Big Swiss”. The Bank expects the SMI to reach 8,200 points during the current year.**

Sal. Oppenheim sees research as its core competency in Investment Banking. The Bank focuses particularly on the analysis of Mid & Small Caps, as in the Bank’s view this area offers particular opportunities for investors.

Representatives of the Bank Sal. Oppenheim jr. & Cie. (Switzerland) AG today outlined the prospects for the Swiss stock market in 2006 as part of a media-orientation presentation. Siegfried Piel, Member of the Board and Head of Investment Banking, emphasised to the media that the Bank maintained an independent Research department for the Swiss market. This currently consists of seven financial analysts who evaluate more than 70 securities from the SMI and the SPI. This corresponds to around 90% of the market capitalisation of the Swiss Stock Exchange. By the end of 2006, ten financial analysts will follow around 100 securities from the SMI and SPI, which would correspond to around 95% of market capitalisation. The Swiss research is integrated into the research carried out by the whole Sal. Oppenheim Bank which looks at Germany, Switzerland and Austria from a pan-European perspective. Analysis is carried out by region and industrial sector. The Swiss research team focuses, within this context, on the analysis of the chemical and pharmaceuticals/healthcare sectors as well as finance and insurance.

According to Rahul Sen Gupta, Head of Research, who presented the study “Tops of Switzerland – Just another year in paradise?” to the public for the first time, in the Bank’s opinion the SMI could reach 8,200 points during 2006. This is because, compared with previous years, the risk premium is high and the valuation of the stock market, in a historical context, is not expensive. In addition, since 2005 there has been a marked increase in mergers and takeovers and this trend is likely to continue throughout 2006. As the Swiss stock market grew by more than 30% in 2005, price increases ought to be lower in 2006. In the past the Swiss stock market has grown by only around 8% after such a successful year. Sen Gupta identified risks in, amongst other factors, the high foreign dependency of Swiss companies as fluctuating exchange rates, particularly against the US dollar, may negatively affect profit development. For Sen Gupta the Top Picks from the SMI include Clariant, Kudelski and Nestlé while his Top Picks not contained in the SMI include Charles Vögele, Georg Fischer, Komax, LLB and Rieter. The only recommended sell in the study was EFG.

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Johannes Borner, Head of Mid & Small Caps, presented the study “Little Big Swiss” which values Mid & Small Caps. The starting point for analysis of this type of company is to recognise the most important trends in the macro-economic environment and the corresponding industry. The development prospects of an individual company are then analysed on this basis. For Mid & Small Caps, European, rather than global, economic development is of primary importance. Borner is predicting a recovery for Europe, particularly in Germany, and the potential of the growth markets of Eastern Europe should provide favourable market conditions. The profit momentum for Mid & Small Caps will be maintained in 2006 due to delayed restructuring profits, while, according to the analysts, Risks will lie in the overall economic situation, rather than with the companies themselves. Current Top Picks include LLB, Vögele, Georg Fischer, Komax and Rieter. SEZ and EFG are named as sell recommendations.