



2002 Annual Report



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OZ Holding

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OZ Bankers





2002 Annual Report

Board of Directors and Staff

BOARD OF DIRECTORS

Bernhard E. Flotron (Chairman)

Daniel S. Aegerter

Erwin Vogt

MANAGEMENT OZ BANKERS AG

Markus Eberle

Peter Rüegg

Andreas Walther

STAFF OZ BANKERS AG

Beat Arnold

Ulrich Bender

Sandra Caforio

Denise Camele

René Dubacher

Karl-Heinz Hoch

Andreas Jenny

Béatrice Leutwiler

Reto Peczinka

Daniel Reptsis

Marco Tinnirello

Report of the Board of Directors

DEAR SHAREHOLDERS

In 2002, OZ Group posted a consolidated loss of 19.4 million francs (2001: 19.5 million loss). This represents a loss per share of 4.75 francs (2001: 4.63 loss). The loss was mainly due to the negative market environment: From January to December, the SPI lost 26%.

As at December 31, 2002, OZ Group had shareholders' equity of 186 million francs or 44 francs per share (based on 4,198,870 shares), despite the distribution of dividends totalling 12.6 million francs. At the end of 2001, shareholders' equity was 55 francs per share.

OZ Group does not draw on outside capital for its operating activities. The amounts due from banks and clients and the cash positions are higher than the corresponding liabilities.

Investment of own funds and market making generated a loss of 45.0 million francs in 2002 (2001: 66.7 million loss). 19.0 million (29.2 million) of the loss was due to financial investments. The participation in OM AB, Stockholm, was sold. All in all OZ Group realized a profit of approximately 120 million francs on this investment since 1996.

OZ Group wants to reduce the fluctuations in the income from securities by lowering the amount of capital employed. To this end, the net trading portfolios in securities were reduced from 241 million to 127 million francs compared to the previous year. This reduction was carried out primarily during the fourth quarter. Nevertheless, the result of income from securities during this period recovered by 10 million francs while the SPI fell 3%.

In a difficult environment, commission income decreased from 47.5 million to 32.0 million francs in 2002. With 38 new options the issuing activity was lower than in 2001. Financial income decreased from 6.8 million to 2.8 million francs and marketable securities declined from 240.9 million to 127.3 million francs.

Administrative expenses decreased from 4.4 million to 4.2 million francs in 2002. Commissions paid fell from 3.9 million to 2.0 million francs while personnel expense rose from 2.5 million to 3.5 million francs. Taxes amounted to minus 0.9 million francs (minus 4.7 million).

DIVIDEND PAYMENTS

On February 20, 2002, the annual general meeting of OZ Holding approved a dividend payment of 3 francs per share. Payment to the shareholders was made on February 25.

Since 1994, OZ Holding has bought back a total of 1,801,130 bearer shares for a total amount of 227 million francs and carried out par value reductions worth 54 million francs. In addition, OZ Holding has paid more than 113 million francs in dividends to its shareholders since its establishment in 1988.

EXPANSION OF THE STAFF

During the year, OZ Bankers AG further increased the number of employees to 14.

Pfäffikon, January 15, 2003

For the Board of Directors



Bernhard E. Flotron, Chairman

Corporate Governance

GROUP AND SHAREHOLDER STRUCTURE

Group structure

Through OZ Bankers AG, OZ Group specializes in the Swiss equity market, specifically the market for options. Apart from OZ Bankers AG, OZ Holding holds various participations in the form of securities or financial investments. The consolidated companies are listed in the notes to the consolidated financial statements on page 27.

Major shareholders

Details on the major shareholders can be found on page 32 of OZ Holding's annual financial statements.

CAPITAL STRUCTURE

The company's share capital amounts to CHF 4,198,870, divided into 4,198,870 fully paid bearer shares entitled to dividends and votes with a par value of CHF 1 each. Changes in equity in the form of stock buybacks and a split are listed in the consolidated key ratios on page 56.

BOARD OF DIRECTORS

Bernhard E. Flotron: Swiss, b. 1935; trained as a banker in Switzerland, France and Great Britain; head and responsible for the expansion of Swiss Bank Corporation in Winterthur; chairman of the board of directors of Kistler Holding AG, Winterthur; member of the board of directors of Intershop Holding AG, Winterthur; chairman of the board of directors of OZ Holding and OZ Bankers AG; term of office until 2003 (first elected in 1997).

Erwin Vogt: Liechtenstein citizen, b. 1947; 1987 to 2002 member of the executive board of Liechtensteinische Landesbank AG (LLB), Vaduz; chairman of the board of directors of LLB since 2002; member of the board of directors of Capital Leben Versicherung AG, Vaduz; member of the board of directors of OZ Holding and OZ Bankers AG; term of office until 2003 (first elected in 2000).

Daniel S. Aegerter: Swiss, b. 1969; trained as a banker in Switzerland; founder and head of Tradex Technologies Inc., USA; founder and chairman of the board of Armada Venture Group, Atlanta and Küsnacht as well as member of the board of directors of OZ Holding and OZ Bankers AG; term of office until 2003 (first elected in 2001).

Election and term of office

The members of the board of directors are elected for a period of three years by the general assembly. Re-election is permitted. The chairman of the board is elected by the board of directors.

Internal organization and regulation of responsibilities

The board of directors is responsible for strategy; it is also responsible for the overall management, supervision and control of the management of the group. The board of directors had and has no operational functions. There are no board of directors' committees.

Information and controlling instruments

The board of directors meets at least once each quarter. It is informed on a monthly basis on the assets and liabilities, financial, liquidity and income situation as well as the concurrent risks. The market risk policy is continuously reviewed. This forms the basis for risk management. The board of directors checks the control system and the adherence to the limits as well as to the accounting and reporting principles. These checks are based on the board of directors' own evaluations and on the work of the internal and external auditors.

EXECUTIVE MANAGEMENT

OZ Holding's governing bodies are the general assembly, the board of directors and the auditors. There is no executive board provided in the statutes as an additional body.

The executive board of OZ Bankers AG is made up of:

Markus Eberle: Swiss, b. 1964; responsible for trading and investment consulting; lic. rer. pol. University of Bern; member of the executive board of OZ Bankers AG since 1989; member of the board of directors of Swiss Small Cap Invest AG, Zurich.

Peter Rüegg: Swiss, b. 1955; responsible for client acquisition and sales; trained as a banker in Switzerland and the U.S.; employed at various banks in Switzerland and Great Britain; member of the executive board of OZ Bankers AG since 1995; member of the board of directors of SenTec AG, Therwil.

Andreas Walther: Swiss, b. 1961; responsible for administration, back office and reporting; Dr. oec. University of St. Gall (HSG); project and team leader at Alusuisse-Lonza's corporate controlling division; member of the executive board of OZ Bankers AG since 1994.

COMPENSATION, PARTICIPATIONS AND LOANS

There are no assets or liabilities due from or due to members of the board of directors, the executive board or major shareholders (previous year: none). The total compensation for the non-executive members of the board of directors of OZ Holding amounts to CHF 60,000 (previous year: CHF 45,000). The chairman of the board is compensated with CHF 25,000, each member with CHF 17,500. The compensation is determined by the board of directors. Total expenses for the executive board of OZ Bankers AG amount to CHF 1,365,300 (previous year: CHF 1,362,750). The participations of the members of the board of directors and the executive board of OZ Bankers AG in OZ Holding are listed on page 33. All shares and options were purchased at market prices.

PARTICIPATION RIGHTS OF SHAREHOLDERS

The shareholders' participation rights correspond to the legal requirements of the Swiss Code of Obligations. There are no voting rights restrictions.

CHANGE OF CONTROL AND DEFENSE MEASURES

Opting out

The purchaser of company shares is not obligated to a public purchasing offer according to articles 32 and 52 of the Federal Stock Exchange and Securities Law.

Change of control clauses

There is no contractual compensation for departing members of the board of directors or employees of OZ Group.

AUDITORS

The group financial statements and the annual financial statements of OZ Holding as well as the annual financial statements of OZ Bankers AG are audited by Ernst & Young, Bern. The auditors of OZ Holding and the group auditors respectively are elected for one year at the regular annual general assembly. Ernst & Young was first elected auditor at the time of the founding of OZ Holding in 1988. Since the 1997 fiscal year, the leading auditor is Mr. Jürg Häusler. Ernst & Young AG has invoiced OZ Group CHF 239,000 for the year 2002 for services rendered in connection with the audit of the Annual Report of OZ Holding and OZ Bankers AG, the audit of the group accounts of OZ Group as well as for the audit of OZ Bankers AG in accordance with the Swiss Banking Law. In addition Ernst & Young has invoiced OZ Group CHF 185,000 for consulting services in the areas Legal, Tax, Riskconsulting and IT. The internal audit function has been interimistic provided since July 1, 2002 by Ernst & Young AG (Zurich) as this function could no longer be provided by Arthur Andersen AG. For the internal audit function Ernst & Young AG (Zurich) has invoiced OZ Bankers AG since July 1, 2002 CHF 75,500.

INFORMATION POLICY

The group balance sheet and income statement are published quarterly according to IFRS standards. In addition to electronic communication, the report is sent to interested parties in written form or can be retrieved from the homepage www.ozholding.ch.



2002 Financial Statements

Balance Sheet

Assets

	Notes	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
CURRENT ASSETS			
Due from group companies		0	33,665,145
Trading securities	1	103,822,045	31,952,808
Accrued and deferred items		5,129,287	477,718
Total current assets		108,951,332	66,095,671
FIXED ASSETS			
Participations	3	20,000,000	20,000,000
Financial investments *	2	16,599,620	0
Total fixed assets		36,599,620	20,000,000
TOTAL ASSETS		145,550,952	86,095,671
* Market value		30,494,226	0

Balance Sheet

Liabilities and Shareholders' Equity

	Notes	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
LIABILITIES			
<i>Current</i>			
Due to banks		0	0
Due to group companies		40,279,573	0
Accrued and deferred items		55,650	61,050
Total current liabilities		40,335,223	61,050
Total liabilities		40,335,223	61,050
SHAREHOLDERS' EQUITY			
Share capital	4	4,198,870	4,198,870
General legal reserve		1,000,000	1,000,000
Reserve for own shares	5	620,000	9,050,000
Free reserves		98,853,830	78,323,830
<i>Retained earnings</i>			
Profit carried forward from previous year		888,668	46,419
Annual loss		- 345,639	- 6,584,498
Total shareholders' equity		105,215,729	86,034,621
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		145,550,952	86,095,671

Income Statement

		Jan. 1 – Dec. 31 2001 CHF	Jan. 1 – Dec. 31 2002 CHF
INCOME			
Loss from securities (trading securities)		- 4,908,330	- 1,026,125
Income / loss from securities (financial investments)		3,528,198	- 5,154,986
Financial income		2,628,829	903,133
Total income / loss		1,248,697	- 5,277,978
EXPENSES			
Administrative expenses		353,999	285,469
Personnel expense		45,000	60,000
Financial expense		2,265,962	904,557
Commission expense		22,445	52,002
Taxes		- 1,093,070	4,492
Total expenses		1,594,336	1,306,520
ANNUAL LOSS		- 345,639	- 6,584,498

Notes

Notes to the Financial Statements

	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
1. PLEDGED ASSETS		
Securities pledged as collateral under covered warrant agreements	0	32,545,500
Due from group companies	0	33,665,145
Securities	120,421,665	0
thereof used	40,279,573	0
2. LONG-TERM ASSETS		
<i>Financial investments (OM AB, Stockholm)</i>		
Market value	30,494,226	0
At cost	16,599,620	0
Interest held	1.64%	0%
Dividend income (less 15% withholding tax)	1,361,971	191,008
<i>Property and equipment</i>		
Since holdings of property and equipment are negligible, no details are supplied.		
3. PARTICIPATING INTEREST		
<i>OZ Bankers AG, Freienbach SZ (banking)</i>		
Share capital	20,000,000	20,000,000
Book value	20,000,000	20,000,000
Interest held (percentage of capital and votes)	100%	100%
4. SHARE CAPITAL		
Number of bearer shares issued	4,198,870	4,198,870
Share capital	4,198,870	4,198,870
Par value per share	1	1
5. OWN SHARES		
Number of bearer shares	3,170	107,255
Reserve for own shares	620,000	9,050,000

In the year 2002, 638,350 shares were purchased at CHF 83.77 each and 534,265 shares were sold at CHF 75.92 (average prices).

	Dec. 31, 2001	Dec. 31, 2002
6. SHAREHOLDER STRUCTURE		
<i>Shareholders holding more than 5% of the share capital</i>		
Liechtensteinische Landesbank Aktiengesellschaft, Vaduz	5.24%	5.24%
Zürcher Kantonalbank, Zurich	5.36%	5.36%
Bâloise Holding, Basel	5.48%	5.48%
Pension fund of the Siemens companies in Switzerland, Zurich (including further pension institutions of Siemens in Switzerland)	15.07%	15.07%
OZ directors and staff (shares and stock options)	24.85%	23.34%

Proposal of the Board of Directors to the Annual General Meeting

	2001 CHF	2002 CHF
APPROPRIATION OF RETAINED EARNINGS		
Profit carried forward from previous year	888,668	46,419
Annual loss	- 345,639	- 6,584,498
Retained earnings / accumulated loss	543,029	- 6,538,079
Drawing on free reserves	12,100,000	12,900,000
Subtotal	12,643,029	6,361,921
Dividends	-12,596,610	- 6,298,305
BALANCE TO BE CARRIED FORWARD	46,419	63,616
Dividend per bearer share	3.00	1.50

Auditors' Report



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REPORT OF THE STATUTORY AUDITORS

to the General Meeting of
OZ Holding, Freienbach

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes / pages 14 to 18) of OZ Holding for the year ended December 31, 2002.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.


Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

Berne, January 10, 2003

Ernst & Young Ltd


Jürg Häusler
Certified accountant
(in charge of the audit)


Cataldo Castagna
Certified accountant



2002 Consolidated Financial Statements

Balance Sheet

Assets

	Notes	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
CURRENT ASSETS			
Due from banks		141,411,760	138,013,296
Due from clients		4,366,093	7,069,713
Trading securities	1/2	317,166,232	156,391,023
Accrued and deferred items		6,052,169	486,663
Total current assets		468,996,254	301,960,695
FIXED ASSETS			
Financial investments	3	30,494,226	0
Total fixed assets		30,494,226	0
TOTAL ASSETS		499,490,480	301,960,695

Balance Sheet

Liabilities and Shareholders' Equity

	Notes	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
LIABILITIES			
<i>Current</i>			
Due to banks		70,135,902	10,179,975
Due to clients		113,523,848	76,145,583
Due from trading	1/2	76,274,951	29,048,554
Accrued and deferred items	4	7,436,789	742,086
Total current liabilities		267,371,490	116,116,198
<i>Long-term</i>			
Deferred taxes	5	1,181,041	0
Total long-term liabilities		1,181,041	0
Total liabilities		268,552,531	116,116,198
SHAREHOLDERS' EQUITY			
Share capital		4,198,870	4,198,870
Own shares		- 620,000	- 9,050,000
Reserves		227,359,079	190,695,627
Total equity		230,937,949	185,844,497
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		499,490,480	301,960,695

Income Statement

	Notes	Jan. 1 – Dec. 31 2001 CHF	Jan. 1 – Dec. 31 2002 CHF
INCOME			
Loss from securities		- 37,455,370	- 25,932,234
Loss from financial investments	3	- 29,201,702	- 19,049,593
Dividend income		4,682,311	1,751,271
Interest income		2,200,667	1,031,453
Commission income		47,483,270	32,044,515
Total loss		- 12,290,824	- 10,154,588
EXPENSES			
Administrative expenses		4,440,859	4,170,301
Personnel expense	9	2,527,888	3,521,090
Interest expense		1,055,513	532,084
Commission expense		3,895,710	1,967,160
Annual loss before tax		- 24,210,794	- 20,345,223
Taxes		- 4,699,323	-905,436
ANNUAL LOSS		- 19,511,471	- 19,439,787
Loss per share	7	- 4.63	- 4.75

Cash Flow Statement

	Notes	Jan. 1 – Dec. 31 2001 CHF	Jan. 1 – Dec. 31 2002 CHF
Annual loss		- 19,511,471	- 19,439,787
(Decrease) increase in provisions	5	- 2,782,042	- 1,181,041
(Increase) decrease in accrued and deferred items (asset side)		- 4,902,863	5,565,506
(Decrease) increase in accrued and deferred items (liability side)	4	- 19,055,573	- 6,694,703
(Increase) decrease in amounts due from banks		- 61,518,700	47,401,700
(Increase) decrease in trading securities	1	106,043,484	113,548,812
(Decrease) increase in amounts due to clients		8,863,703	- 37,378,265
(Increase) decrease in amounts due from clients		- 4,312,846	- 2,703,620
(Increase) decrease in valuation of financial investments	3	24,659,357	19,085,919
Net cash flow provided by / used by operating activities		27,483,049	118,204,521
Purchases of financial assets	3	- 837,215	0
Sales of financial assets	3	11,560,581	11,408,306
Net cash flow used by / provided by investing activities		10,723,366	11,408,306
Repayment of shareholders' equity		- 38,006,000	0
Change in own shares		- 4,837,238	- 13,057,054
Dividends		- 12,964,410	- 12,596,610
Cash flow used by financing activities		- 55,807,648	- 25,653,664
(Decrease) increase in "Banks at Sight"		- 17,601,233	103,959,163
"Banks at Sight" as at January 1		- 7,141,609	- 24,742,842
"Banks at Sight" as at December 31		- 24,742,842	79,216,321
<i>"Banks at Sight" consists of amounts due from minus amounts due to:</i>			
Amounts due from banks at sight		45,393,060	89,396,296
Amounts due to banks at sight		- 70,135,902	- 10,179,975
Total "Banks at Sight"		- 24,742,842	79,216,321
Dividends received (excluding financial investments)		3,320,340	1,526,556
Interest received		2,200,667	1,031,453
Interest paid		1,055,513	532,084
Taxes paid		13,386,002	1,041,034

Statement of Changes in Equity

	Share Capital CHF	Capital Reserves CHF	Consolidated Reserves CHF	Own Shares CHF	Total Shareholders' Equity CHF
Position at Jan. 1, 2001	4,321,470	5,106,625	296,838,973	- 10,000	306,257,068
Dividend payment			- 12,964,410		- 12,964,410
Capital repayment	- 122,600		- 37,883,400		- 38,006,000
Annual loss			- 19,511,471		- 19,511,471
Change in own shares		- 4,227,238		- 610,000	- 4,837,238
Position at Jan. 1, 2002	4,198,870	879,387	226,479,692	- 620,000	230,937,949
Dividend payment			- 12,596,610		-12,596,610
Annual loss			- 19,439,787		- 19,439,787
Change in own shares		- 4,627,055		- 8,430,000	- 13,057,055
Position at Dec. 31, 2002	4,198,870	- 3,747,668	194,443,295	- 9,050,000	185,844,497

Notes

COMMENT ON BUSINESS ACTIVITY

Through OZ Bankers AG, OZ Group specializes in the Swiss equity market, specifically the market for options. The services include trading in Swiss securities as well as investment consulting, asset management and issuing warrants.

BASIC ACCOUNTING PRINCIPLES

The consolidated annual financial statements are based on the individual financial statements of the group companies, prepared on a uniform basis. The accounting of OZ Group is in accordance with the International Financial Reporting Standards (IFRS).

Consolidated Companies

The following company was included in the consolidation of OZ Holding, Freienbach SZ:

OZ Bankers AG, Freienbach SZ

Share capital of OZ Bankers AG: CHF 20,000,000

Percentage held: 100.0%

Consolidation Date

The balance sheet date is December 31.

Principles of Consolidation

Consolidation is performed under the purchase method. Companies in which OZ Holding holds more than 50% of the voting rights or which are controlled in some other way are fully consolidated. Transactions between group companies are concluded under market conditions.

Foreign Currency Translation

Transactions in foreign currencies are translated at the daily rate for the date of the transaction. Profits and losses resulting from transactions in foreign currencies are taken through the income statement. Any assets and liabilities in foreign currencies are translated at the rate on the balance sheet date.

Change in Valuation Principles

In contrast to the previous year, issuing commissions are no longer deferred over their term to maturity but posted to the income statement at the time of issue.

Risk Management

Since OZ Group is not engaged in the credit business and does not have interest earning operations, neither credit risk nor interest rate variation risk are relevant. OZ Group focuses on the Swiss stock and options market. The market risk policy is continuously reviewed by the board of directors. This forms the basis for risk management. The valuation of trading positions on OZ's own account and the monitoring of market risk, including the predetermined limits, are carried out on a continuous basis.

Securities held for trading and derivative instruments are usually quoted on the stock exchange or can be valued according to an options valuation model. The derivative instruments do not qualify as hedging transactions. The board of directors is regularly informed on the assets and liabilities, financial, liquidity and income situation as well as the concurrent risks. In order to reduce default and settlement risks, transactions are only carried out with first-class counterparties. The liquidity risk is minimized by holding easily disposable assets. There is no concentration on one single counterparty.

Issuing activity on a covered basis: All OZ options are issued in OZ's own name but for the account of the options writers. In the case of covered call warrants (Stillhalter warrants), the writer of the warrants deposits the necessary stocks in a blocked account pledged to OZ. In the case of put warrants (covered warrants) the writer of the warrants pays OZ a margin or provides the necessary coverage. Issuing commissions are shown in the income statement and not deferred over their term to maturity.

Principles of Accounting and Valuation

General: All concluded transactions are recorded and valued. Trading securities as well as financial investments are booked on the trading day. Assets and liabilities due within twelve months are treated as short-term items.

Receivables: Receivables are shown at their nominal value less any valuation adjustments required.

Securities: The securities and options held for trading are valued at market price on the balance sheet date. The resulting capital gains and losses are shown in the income statement under the heading “Income from securities”.

Forward transactions and derivative instruments: Derivative instruments are held for trading purposes. Positive or negative replacement values are shown under the balance sheet headings “Trading securities” or “Due from trading”. Trading portfolios are valued at market price on the balance sheet date. Profit on valuation is booked as “Income from trading”.

Property and Equipment: Minor investments into property and equipment are directly expensed. Depreciations are included in administrative expenses.

Available-for-sale financial assets: The item “Financial investments” contains the securities held as long-term investments. Valuation is at market price on the balance sheet date. Profit on valuation is booked as “Income from financial investments”.

Accrued and deferred items (liability side): Apart from other deferred items, this position specifically includes accruals for capital and income taxes.

Valuation adjustments and provisions: Provisions and valuation adjustments are made (if operationally or legally required) to the extent that relevant commitments, impairments or imminent losses are known at the time the consolidated financial statements are prepared.

Taxes: Deferred taxes are calculated using the comprehensive liability method. In principle, provision is made for annual tax on current profit. Taxes due are either paid or provisioned. Taxes on capital are included in the administrative expenses. The effective tax rate on the annual profit is applied. Deferred tax credits are not capitalized.

Staff Pensions

The employees of OZ Group are part of a collective insurance scheme; therefore the rules for a defined contribution plan are applied.

Notes

		Dec. 31, 2001	Dec. 31, 2002
		CHF	CHF
1. TRADING SECURITIES			
Shares	Long	223,573,114	132,783,804
Options	Long	93,593,118	23,607,219
<i>Total shares and options</i>	<i>Long</i>	<i>317,166,232</i>	<i>156,391,023</i>
Shares	Short	- 39,413,609	- 14,409,320
Options	Short	- 36,861,342	- 14,639,234
<i>Total shares and options</i>	<i>Short</i>	<i>- 76,274,951</i>	<i>- 29,048,554</i>
Net trading securities		240,891,281	127,342,469

2. DERIVATIVE INSTRUMENTS

Replacement value (maturity)	< 3 Months		3-12 Months		1-5 Years		Total	
	positive	negative	positive	negative	positive	negative	positive	negative
	CHF	CHF	CHF	CHF	CHF	CHF	CHF	CHF
<i>Equities / Indexes</i>								
Futures contracts	0	0	0	0	0	0	0	0
Futures	0	0	0	0	0	0	0	0
Options (OTC)	8,859,979	228,775	13,064,140	613,450	0	4,673,889	21,924,119	5,516,114
Options (exchange traded)	1,035,900	8,701,383	647,200	421,737	0	0	1,683,100	9,123,120
Total Dec. 31, 2002	9,895,879	8,930,158	13,711,340	1,035,187	0	4,673,889	23,607,219	14,639,234
Total Dec. 31, 2001	14,778,765	6,934,909	77,700,131	26,833,520	1,114,222	3,092,913	93,593,118	36,861,342

All book-entry securities on equities (CHF 3.7 million) and derivative instruments are valued at current market prices.

Contract volume	Total
	CHF
<i>Equities / Indexes</i>	
Futures contracts	0
Futures	0
Options (OTC)	230,304,197
Options (exchange traded)	54,045,830
Total Dec. 31, 2002	284,350,027
Total Dec. 31, 2001	863,886,338

	Dec. 31, 2001	Dec. 31, 2002
	CHF	CHF
3. FIXED ASSETS		
Available-for-sale financial assets (OM AB)		
Market value	30,494,226	0
At cost	16,599,620	0
Percentage held	1.64%	0%
Dividend income (less 15% withholding tax)	1,361,971	191,008

4. ACCRUED AND DEFERRED ITEMS (LIABILITY SIDE)

	Jan. 1, 2002	Utilized / released in accordance with designated purpose	Newly formed and charged to income statement	Released and credited to income statement	Dec. 31, 2002
	CHF	CHF	CHF	CHF	CHF
Current taxes on income	727,500	- 488,882	0	0	238,618
Taxes on capital	150,339	- 78,014	0	0	72,325
Accrued taxes	877,839	- 566,896	0	0	310,943
Accrued commissions from issues	6,230,500	0	0	- 6,230,500	0
Other deferrals (liability side)	328,450	0	356,399	- 253,706	431,143
Total	7,436,789	- 566,896	356,399	- 6,484,206	742,086

5. DEFERRED TAXES

	Jan. 1, 2002	Utilized / released in accordance with designated purpose	Newly formed and charged to income statement	Released and credited to income statement	Dec. 31, 2002
	CHF	CHF	CHF	CHF	CHF
Deferred taxes	1,181,041	0	0	- 1,181,041	0
Total	1,181,041	0	0	- 1,181,041	0

Losses from seven previous years may be charged against taxable net profit.
The resulting tax effect of CHF 1,279,000 was not capitalized.

	Dec. 31, 2001	Dec. 31, 2002
	CHF	CHF
6. TAX EXPENSE RECONCILIATION		
Loss before tax	- 24,210,794	- 20,345,223
Income and capital taxes	1,201,241	474,138
Taxes of previous years	- 2,805,683	0
(Decrease) increase in deferred taxes (on financial investments)	- 2,782,042	- 1,181,042
Capital taxes transferred to administrative expenses	- 312,839	- 198,532
Income taxes	- 4,699,323	- 905,436

	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
7. PROFIT PER SHARE		
Profit per share: group profit divided by the number of outstanding bearer shares.		
Loss	- 19,511,471	- 19,439,787
Outstanding bearer shares (weighted)	4,219,303	4,198,870
minus own shares	- 3,170	- 107,255
Outstanding bearer shares for calculation	4,216,133	4,091,615
Loss per share	- 4.63	- 4.75
There are no instruments outstanding that would dilute profit per share.		
8. PLEDGED ASSETS		
Securities pledged as collateral under covered warrant agreements	0	32,545,500
Due from banks	99,927,902	49,182,462
9. PENSION SCHEMES (DEFINED CONTRIBUTION SYSTEM)		
From an actuarial point of view, there are no claims on or liabilities to the pension fund schemes. The regular employer contribution amounts to CHF 129,439 in 2002 (2001: CHF 116,109). Current account liabilities amount to CHF 256,793 (2001: CHF 659).		
10. BOARD OF DIRECTORS AND MAJOR SHAREHOLDERS		
There are no claims on or liabilities to the directors or major shareholders (2001: none). Total expenses of the board of directors of OZ Holding in 2002 were CHF 60,000 (2001: CHF 45,000). The directors' interest in OZ Holding is listed on page 33. At its meeting of January 15, 2003, the board of directors approved the financial statements and proposed their approval to the annual general meeting on February 19, 2003.		
11. SHAREHOLDER STRUCTURE		
<i>Shareholders holding more than 5% of the share capital</i>		
Liechtensteinische Landesbank Aktiengesellschaft, Vaduz	5.24%	5.24%
Zürcher Kantonalbank, Zurich	5.36%	5.36%
Bâloise Holding, Basel	5.48%	5.48%
Pension fund of the Siemens companies in Switzerland, Zurich (including further pension institutions of Siemens in Switzerland)	15.07%	15.07%
OZ directors and staff (shares and stock options)	24.85%	23.34%
12. POST-BALANCE-SHEET EVENTS		
There are no post-balance-sheet events to report.		

Staff Participation

	Dec. 31, 2001			Dec. 31, 2002		
	SHARES	OPTIONS	TOTAL PERCENTAGE	SHARES	OPTIONS	TOTAL PERCENTAGE
Non-executive members of the board of directors of OZ Holding	25,002	14,700	0.95%	115,752	5,500	2.89%
Members of the executive board of OZ Bankers AG	241,000	396,000	15.17%	249,000	315,550	13.44%
Staff of OZ Bankers AG	39,035	327,000	8.73%	44,688	249,450	7.01%
TOTAL	305,037	737,700	24.85%	409,440	570,500	23.34%

One option entitles the holder to subscribe one OZ bearer share. All shares are backed by a covered warrant agreement. The options originate from a number of different series and were issued on the account of third parties. The options from series before the split and the previous year's figures were adjusted 1:10. All shares and options were purchased at market prices.

Group Auditors' Report



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REPORT OF THE GROUP AUDITORS

to the General Meeting of
OZ Holding, Freienbach

As auditors of the group, we have audited the consolidated financial statements (balance sheet, income statement, statement of cash flows and notes / pages 22 to 33) of OZ Holding for the year ended December 31, 2002.

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession and with the International Standards on Auditing, which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

Berne, January 10, 2003

Ernst & Young Ltd

Jürg Häusler
Certified accountant
(in charge of the audit)

Cataldo Castagna
Certified accountant



2002 Annual Report

Report of the Board of Directors

DEAR SHAREHOLDERS

In a difficult market environment – the SPI lost 26% in 2002 – OZ Bankers AG generated a loss of 4.8 million francs (2001: 6.6 million profit). At the end of 2002, shareholders' equity stood at 128.9 million francs (Dec. 31, 2001: 133.6 million).

OZ Bankers AG does not draw on outside capital for its operating activities. The amounts due from banks and clients and the cash positions are higher than the corresponding liabilities.

In its commission and fee business the company posted revenues of 32.2 million francs (2001: 47.8 million) while incurring expenses of 1.9 million (3.9 million), resulting in a net income of 30.3 million francs (43.9 million). With 38 new options the issuing business was lower than in 2001. The interest operations generated a profit of 2.3 million francs (5.5 million) while trading activities resulted in a loss of 29.7 million (37.1 million loss).

OZ Bankers AG wants to reduce the fluctuations in the income from securities by lowering the amount of capital employed. To this end, the net trading portfolios in securities were reduced from 138 million to 104 million francs compared to the previous year. This reduction was carried out primarily during the fourth quarter. Nevertheless, the result of income from securities during this period recovered by 9 million francs while the SPI fell 3%.

Administrative expenses increased to 6.2 million francs in 2002 (5.7 million) while taxes amounted to 0.5 million francs (minus 0.5 million).

EXPANSION OF THE STAFF

During the year, OZ Bankers AG further increased the number of employees to 14.

Pfäffikon, January 15, 2003

For the Board of Directors



Bernhard E. Flotron, Chairman



2002 Financial Statements

Balance Sheet

Assets

		Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
CURRENT ASSETS			
Cash		40,532,207	68,836,703
Due from banks		100,879,553	69,176,593
Due from clients		44,645,666	7,069,713
Trading securities		177,102,845	106,698,239
Accrued and deferred items		397,961	0
Other assets		524,921	19,940,226
TOTAL ASSETS		364,083,153	271,721,474
Total receivables from group companies and eligible shareholders		40,279,573	0

Balance Sheet

Liabilities and Shareholders' Equity

		Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
LIABILITIES			
Due to banks		70,135,902	10,179,975
Other amounts due to clients		152,937,458	121,701,548
Accrued and deferred items		7,304,128	340,321
Other liabilities		77,011	10,639,754
SHAREHOLDERS' EQUITY			
Share capital		20,000,000	20,000,000
General legal reserve		4,000,000	4,000,000
Other reserves		103,000,000	109,000,000
Retained earnings		73,865	628,654
Annual profit / loss		6,554,789	- 4,768,778
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		364,083,153	271,721,474

Total liabilities to group companies and eligible shareholders	0	33,665,145
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Off-Balance-Sheet Business

		Dec. 31, 2001	Dec. 31, 2002
		CHF	CHF
Contingent liabilities		0	0
Irrevocable commitments		0	0
Call liabilities		0	0
Confirmed credits		0	0
Derivatives (contract volume)		14,795,900	225,591,127
Fiduciary transactions		0	0

Income Statement

		Jan. 1 – Dec. 31 2001 CHF	Jan. 1 – Dec. 31 2002 CHF
INCOME AND EXPENSES			
<i>Income from interest business</i>			
Interest and discount income		4,466,404	1,936,010
Interest and dividend income from trading portfolio		2,266,540	991,741
Interest expense		- 1,268,346	- 675,687
<i>Subtotal net interest income</i>		<i>5,464,598</i>	<i>2,252,064</i>
<i>Income from commission and fee business</i>			
Securities and investment commissions		47,779,408	32,182,486
Commission expense		- 3,873,265	- 1,915,158
<i>Subtotal net commission and fee income</i>		<i>43,906,143</i>	<i>30,267,328</i>
<i>Income from trading</i>		<i>- 37,070,415</i>	<i>- 29,671,134</i>
<i>Administrative expenses</i>			
Personnel expense		- 2,482,888	- 3,461,090
Property, equipment and administrative expenses		- 3,267,382	- 2,737,727
<i>Subtotal administrative expenses</i>		<i>- 5,750,270</i>	<i>- 6,198,817</i>
Gross profit / loss		6,550,056	- 3,350,559
Depreciation on fixed assets		- 506,639	- 948,573
Interim result		6,043,417	- 4,299,132
Taxes		511,372	- 469,646
ANNUAL PROFIT / LOSS		6,554,789	- 4,768,778

Notes

1. COMMENT ON ACTIVITIES AND PERSONNEL NUMBERS

OZ Bankers AG, Freienbach SZ, is a wholly-owned subsidiary of OZ Holding, Freienbach SZ.

As a broker, OZ Bankers AG specializes in the Swiss equity market, specifically the market for options. Services include trading in Swiss securities as well as investment consulting, asset management and issuing warrants.

As at December 31, 2002, OZ Bankers AG had 14 employees (December 31, 2001: 13).

2. PRINCIPLES OF ACCOUNTING AND VALUATION

2.1 General

Bookkeeping, accounting and valuation are in accordance with the regulations of the Swiss Code of Obligations and the Federal Law on Banks and Savings Banks. The format of the financial statements complies with the provisions of the banking law. No cash flow statement was prepared as OZ Bankers AG is not involved in the lending business to any material extent.

2.2 Booking Transactions

The provisions in art. 24 para. 2 of the Swiss Banking Ordinance and RRV-EBK I requiring transactions to be posted to the accounts as per the date of performance or value date was not applied. As OZ Bankers AG engages primarily in spot stock market transactions, it records these transactions as receivables or liabilities in the balance sheet at the time of execution. Borrowed securities are recorded in the balance sheet providing that OZ Bankers AG acts as a counterparty.

Assets and liabilities due within twelve months are treated as short-term items.

Transactions in foreign currencies are translated at the daily rate at the time of the transaction. Profits and losses resulting from transactions in foreign currencies are taken through the income statement.

2.3 Liquid Assets, Receivables and Liabilities due to Banks and Clients

Items are recorded at their nominal value less any valuation adjustments required.

2.4 Trading Securities

Securities held for trading on the balance sheet date – equities and book-entry securities on equities – are valued at market price. Profit on valuation is posted in the income statement under the heading “Income from trading”.

2.5 Derivative Instruments

Derivative instruments are composed by futures and options on listed securities held for trading. Positive or negative replacement values are shown under the balance sheet headings “Trading securities” or “Due from trading”. Trading portfolios are marked to market on the balance sheet date. Profit on valuation is booked as “Income from trading”.

2.6 Financial Investments

The item “Financial investments” contains the securities held as long-term investments. Valuation is done at the lower of cost or market on the balance sheet date.

2.7 Property and Equipment

Property and equipment is fully written off in the year of acquisition.

2.8 Taxes

In principle, provision is made for annual tax on current profit. Taxes due are either paid or provisioned.

2.9 Foreign Currencies

Any assets and liabilities in foreign currencies are translated at the rates applying on the balance sheet date.

2.10 Pension Schemes

The expenses associated with the pension facilities of OZ Bankers AG are borne by employees and employers on the basis of a defined contribution plan.

2.11 Interest and Dividend Income from Trading Portfolios

Interest and dividend income from trading portfolios is shown as part of “Net interest income”. The option of offsetting refinancing expense and showing the net result under “Income from trading” was not used, as these holdings are essentially financed through own funds.

2.12 Market, Credit and Interest Rate Variation Risk; Risk Management

Since OZ Bankers AG is not engaged in the credit business and does not have interest earning operations, neither credit risk nor interest rate variation risk are relevant. The market risk policy is continuously reviewed by the board of directors. This forms the basis for risk management. The valuation of trading positions on the own account and the monitoring of market risk, including the predetermined limits, is carried out on a continuous basis. The board of directors is regularly informed on the assets and liabilities, financial, liquidity and income situation as well as the concurrent risks.

2.13 Changes From the Previous Year

In contrast to the previous year, issuing commissions are no longer deferred over their term to maturity but posted to the income statement at the time of issue.

	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
3. INFORMATION ON THE BALANCE SHEET		
3.1 Summary of Collateral		
Due from clients without collateral	4,366,093	7,069,713
Due from clients with other collateral	40,279,573	0
Total amount due from clients	44,645,666	7,069,713
Off balance sheet	0	0
3.2 Securities Trading Portfolio		
Equity securities and book-entry securities on equities	177,102,845	106,698,239
Total trading securities	177,102,845	106,698,239
Of which eligible for discount at the central bank	0	0
Of which equity securities of OZ Holding	450,140	8,741,282

3.3 Derivative Instruments

Replacement value (maturity)	< 3 Months		3–12 Months		1–5 Years		Total	
	positive	negative	positive	negative	positive	negative	positive	negative
	CHF	CHF	CHF	CHF	CHF	CHF	CHF	CHF
<i>Equities / Indexes</i>								
Futures contracts	0	0	0	0	0	0	0	0
Futures	0	0	0	0	0	0	0	0
Options (OTC)	8,859,975	103,775	13,064,130	613,450	0	444,683	21,924,105	1,161,908
Options (exchange traded)	1,035,900	8,701,383	647,200	421,737	0	0	1,683,100	9,123,120
Total Dec. 31, 2002	9,895,875	8,805,158	13,711,330	1,035,187	0	444,683	23,607,205	10,285,028
Total Dec. 31, 2001	0	0	0	0	0	0	0	0

All book-entry securities on equities (CHF 3.7 million) and derivative instruments are valued at current market prices.

Contract volume	Total CHF
<i>Equities / Indexes</i>	
Futures contracts	0
Futures	0
Options (OTC)	171,545,297
Options (exchange traded)	54,045,830
Total Dec. 31, 2002	225,591,127
Total Dec. 31, 2001	14,795,900

	Book Value	Year Under Review		Book Value
	Jan. 1, 2002	Investments	Depreciation	Dec. 31, 2002
	CHF	CHF	CHF	CHF
3.4 Fixed Assets				
Other fixed assets	0	948,573	- 948,573	0
Total fixed assets	0	948,573	- 948,573	0
			Dec. 31, 2001	Dec. 31, 2002
			CHF	CHF
3.5 Other Assets and Other Liabilities				
Positive replacement value of derivative instruments			0	19,917,270
Other other assets			524,921	22,956
Total other assets			524,921	19,940,226
Negative replacement value of derivative instruments			0	10,285,028
Other other liabilities			77,011	354,726
Total other liabilities			77,011	10,639,754
3.6 Collateral Liabilities Entered Into Pledged or Assigned Shares				
Pledged securities			0	0
Due from banks			99,927,902	49,182,462
			2001	2002
			CHF	CHF
3.7 Accrued Taxes				
Position at January 1			6,684,283	835,000
Utilized in accordance with designated purpose			- 5,022,009	- 569,679
Newly formed and charged to income statement			835,000	0
Released and credited to income statement			- 1,662,274	0
Total accrued taxes at December 31			835,000	265,321

	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
3.8 Share Capital		
Number of registered shares	20,000	20,000
Par value	1,000	1,000
Total share capital	20,000,000	20,000,000

100% of the share capital is held by OZ Holding, Freienbach, SZ. There are no restrictions on voting or dividend entitlements. For details on the shareholder structure of OZ Holding see page 32.

	Share Capital CHF	Reserves CHF	Profit Carried Forward CHF	Total Shareholders' Equity CHF
3.9 Shareholders' Equity				
Position at January 1, 2002	20,000,000	107,000,000	6,628,654	133,628,654
Allocation to free reserves		6,000,000	- 6,000,000	0
Annual loss			- 4,768,778	- 4,768,778
Position at December 31, 2002	20,000,000	113,000,000	- 4,140,124	128,859,876

3.10 Maturity Structure of Current Assets and Borrowed Funds

	At Sight	Callable	< 3 Months	Total
<i>Current assets</i>				
Cash	68,836,703			68,836,703
Due from banks	20,559,593		48,617,000	69,176,593
Due from clients		7,069,713		7,069,713
Securities trading portfolio	106,698,239			106,698,239
Total current assets	196,094,535	7,069,713	48,617,000	251,781,248
Total current assets previous year	222,495,905	44,645,666	96,018,700	363,160,271
<i>Borrowed funds</i>				
Due to banks	10,179,975			10,179,975
Due to clients	70,039,478		51,662,070	121,701,548
Total borrowed funds	80,219,453		51,662,070	131,881,523
Total borrowed funds previous year	173,554,660		49,518,700	223,073,360

	Dec. 31, 2001 CHF	Dec. 31, 2002 CHF
3.11 Claims on and Liabilities to Associated Companies and Amounts Due From Members of the Governing Bodies		
Claims on associated companies	0	0
Liabilities to associated companies	0	0
Due from members of the governing bodies	0	0

3.12 Analysis of Domestic and Foreign Assets and Liabilities

Of the balance-sheet total of CHF 271,721,474 only assets of CHF 2,422,520 were abroad (2001: CHF 1,176,040 out of a balance-sheet total of CHF 364,083,153).
On the liability side, the amount of foreign liabilities was CHF 1,965,946 (2001: CHF 5,244,141).

3.13 Analysis of Balance Sheet by Currencies

Of the balance-sheet total of CHF 271,721,474 no positions were invested in foreign currencies (2001: CHF 1,038,052 out of a balance-sheet total of CHF 364,083,153).
On the liability side, the amount of foreign currencies was CHF 22 (2001: CHF 702,383).

3.14 Liabilities to Pension Schemes

The current account liabilities amount to CHF 256,793 (2001: CHF 659).

4. INFORMATION ON OFF-BALANCE-SHEET BUSINESS

4.1 Contingent Liabilities

None.

4.2 Open Derivative Contracts

The derivative instruments are listed in chart 3.3 on page 47.

5. INFORMATION ON THE INCOME STATEMENT

5.1 Refinancing Income Figuring Under Interest and Discount Income

This option was not used.

5.2 Income From Trading

Trading income results exclusively from trading in equities and options, OZ Bankers AG's main field of activity.

	Jan. 1 - Dec. 31 2001 CHF	Jan. 1 - Dec. 31 2002 CHF
<hr/>		
5.3 Analysis of Personnel Expense		
Salaries	2,218,983	3,011,562
Social benefits	263,905	449,528
Total personnel expense	2,482,888	3,461,090
Number of employees at December 31	13	14
<hr/>		
5.4 Analysis of Property, Equipment and Other Administrative Expenses		
Premises	201,213	224,079
IT, machinery, furnishings and other equipment	1,504,745	1,300,127
Other administrative expenses	1,561,424	1,213,521
Total property, equipment and other administrative expenses	3,267,382	2,737,727

6. MISCELLANEOUS

6.1 Issue of OZ Options

Since February 1, 1999, OZ Bankers AG issues all options in place of OZ Holding.
The outstanding options are listed on page 54.

	Dec. 31, 2001 Million CHF	Dec. 31, 2002 Million CHF
6.2 Value of Custody Accounts		
Value of securities held in safekeeping	1,472	874

Proposal of the Board of Directors to the Annual General Meeting

	2001 CHF	2002 CHF
APPROPRIATION OF RETAINED EARNINGS		
Profit carried forward from previous year	73,865	628,654
Annual profit / loss	6,554,789	- 4,768,778
Retained earnings	6,628,654	- 4,140,124
Allocation to other reserves	- 6,000,000	0
BALANCE TO BE CARRIED FORWARD	628,654	- 4,140,124

Auditors' Report



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REPORT OF THE STATUTORY AUDITORS

to the General Meeting of
OZ Bankers Ltd, Freienbach

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes / pages 40 to 52) of OZ Bankers Ltd for the year ended December 31, 2002.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

Berne, January 10, 2003

Ernst & Young Ltd

Jürg Häusler
Certified accountant
(in charge of the audit)

Rolf Scheuner
Certified accountant

Outstanding Options (as at Dec. 31, 2002)

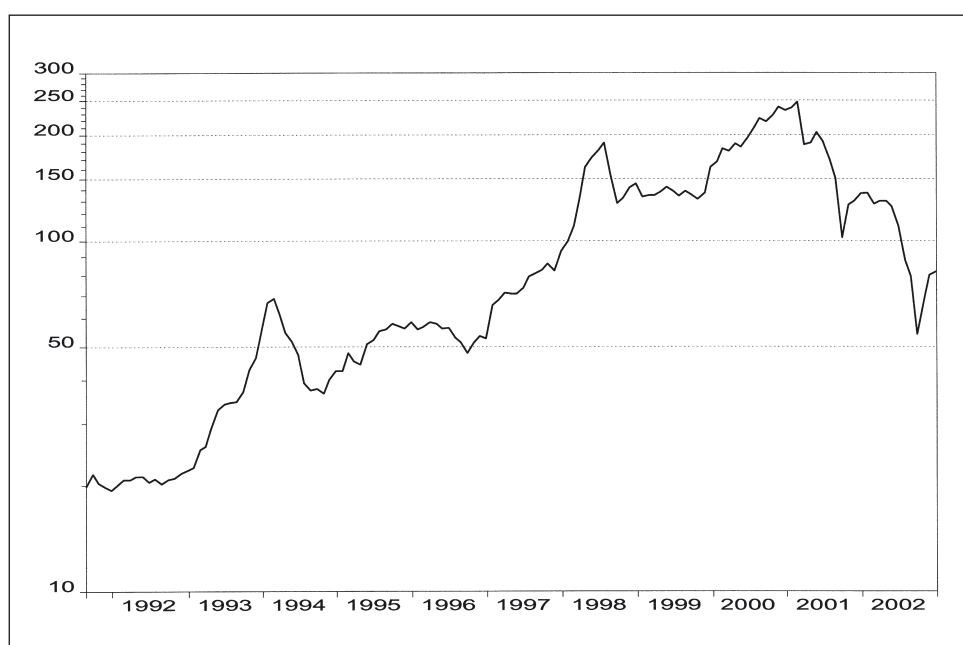
Symbol	Number	Underlying	Strike Price (CHF)	Maturity Date	Ratio	Capitalization of Underlyings (Million CHF)
DMSOL	3,610,000	DMSN	825	03-19-2003	1/100	22
JELLY	2,980,000	JEL	1,450	03-19-2003	1/100	27
JELPP-PUT	2,500,000	JEL	1,000	03-19-2003	1/100	23
RESLI	4,150,000	RESN	102	03-19-2003	1/10	37
ZEHEN	2,900,000	ZEH	1,050	03-19-2003	1/100	21
KUDOZ-PUT	12,100,000	KUD	80	03-21-2003	1/20	11
NESIU	1,600,000	NESN	400	03-21-2003	1/20	23
RUKOZ-PUT	4,500,000	RUKN	130	03-21-2003	1/10	41
BBIRD	4,970,000	BBIN	22	06-19-2003	1/4	15
BBISE	2,696,000	BBIN	32	06-19-2003	1/4	8
BBITE	4,275,000	BBIN	40	06-19-2003	1/4	13
PHOXI	9,980,000	PHBN	35	06-20-2003	1/10	13
SAUBR	9,950,000	SAUN	45	06-20-2003	1/10	31
BUCKS	1,000,000	BUC	300	09-17-2003	1/10	13
JELLO	9,600,000	JEL	1,450	09-17-2003	1/200	43
PHOPI-PUT	7,250,000	PHBN	25	09-17-2003	1/5	19
DMSPP-PUT	5,000,000	DMSN	625	12-17-2003	1/100	30
GEBPP-PUT	3,750,000	GEBN	370	12-17-2003	1/50	30
JELPU-PUT	3,000,000	JEL	900	12-17-2003	1/100	27
RIEPA-PUT	5,000,000	RIEN	350	12-17-2003	1/50	28
ALLEE	4,000,000	ALLN	77.50	12-18-2003	1/10	32
DMSUN	5,000,000	DMSN	650	12-19-2003	1/100	30
SELES *	1,163,800	SELN	400	12-30-2003	1/20	31
LLBOZ	1,900,000	LLB	1,000	01-21-2004	1/20	55
RESTL	3,000,000	RESN	100	03-16-2005	1/10	26
VALUE	10,000,000	VALN	350	05-18-2005	1/50	53
BALIX	10,588,103	BALN	197.10	06-15-2005	1/50	12
BALUP	1,657,309	BALN	167.80	06-15-2005	1/10	9
BALEG	4,000,000	BALN	170	06-20-2007	1/10	22

* Issued by OZ Holding

OZ Bearer Share

PERFORMANCE OF OZ BEARER SHARE

August 26, 1991, to December 31, 2002, in CHF



Source: Datastream

Since it was first listed on August 26, 1991, the OZ bearer share has achieved an average performance of 15.4%. For comparison: Over the same period Swiss bank shares rose 11.8% on average while the Swiss Market Index gained 10.5%.

OZI closing price on Dec. 31, 2001	142
OZI closing price on Dec. 31, 2002	81.50
Year's high on January 7, 2002	145.50
Year's low on October 10, 2002	45.75
Dividend paid per share in 2002	3
Dividend proposed per share in 2003	1.50
Dividend yield (closing price on Dec. 31, 2002)	1.84%
Reuters symbol	OZZH.S

Consolidated Key Ratios

	1998	1999	2000	2001 ⁵⁾	2002
Figures per Share					
Par value (CHF)	10	10	10	1	1
Shareholders' equity (CHF) ¹⁾	353	538 ²⁾	709	55	44
Profit per share (CHF) ³⁾	187.86	245.88 ²⁾	259.87	- 4.65	- 4.63
Profit per share (weighted, CHF) ³⁾	183.72	243.51	258.09	- 4.63	- 4.75
Dividend per share (CHF)	60	30	30	3	1.50
Quoted Prices					
Year's high (CHF)	1,940	1,650	2,450	252.50	145.50
Year's low (CHF)	930	1,270	1,640	100	45.75
Year-end quotation (CHF)	1,450	1,650	2,350	142	81.50
Number of bearer shares	475,000	465,000	432,147	4,198,870	4,198,870
Capitalization Dec. 31 (million CHF)	674	743 ²⁾	1,016	596	342
Return ¹⁾					
Return on equity ⁴⁾	59,0%	56,5%	42,0%	N/A	N/A
Financing					
Self-financing ratio ¹⁾	47%	67%	48%	46%	62%
Changes in Equity					
Stock buyback (CHF)	50,250,000	20,850,000	37,491,300	38,006,000	0
Number of shares bought back	35,000	15,000	17,853	122,600	0

1) Prior to appropriation of profit and after capital repayment.

2) Number of shares after capital reduction: 450,000.

3) Earnings per share: group profit divided by the number of outstanding bearer shares.

4) Basis for shareholders' equity: average equity on January 1 after appropriation of profit and of equity on December 31 prior to appropriation of profit.

5) Split OZ bearer share 1:10 on July 16, 2001.

Summary of Consolidated Figures

	1998	1999	2000	2001	2002
	CHF	CHF	CHF	CHF	CHF

BALANCE SHEET

Assets

Current assets	290,389,402	312,670,813	561,658,134	468,996,254	301,960,695
Fixed assets	59,150,000	105,651,808	65,876,949	30,494,226	0
Total assets	349,539,402	418,322,621	627,535,083	499,490,480	301,960,695

Liabilities and Shareholders' Equity

Liabilities	185,537,035	177,213,180	321,278,015	268,552,531	116,116,198
Shareholders' equity	164,002,367	241,109,441	306,257,068	230,937,949	185,844,497
Total liabilities and shareholders' equity	349,539,402	418,322,621	627,535,083	499,490,480	301,960,695

INCOME STATEMENT

Income

Income from securities	59,877,181	84,729,846	74,111,633	- 66,657,092	- 44,981,827
Financial income	5,217,781	5,119,442	7,722,294	6,882,978	2,782,724
Commission income	39,131,151	42,953,358	55,266,171	47,483,270	32,044,515
Total income	104,226,113	132,802,646	137,100,098	- 12,290,824	- 10,154,588

Expenses

Administrative expenses	3,280,564	5,215,841	4,262,624	4,440,859	4,170,301
Personnel expense	1,520,580	1,483,393	1,902,661	2,527,888	3,521,090
Financial expense	327,149	416,834	1,014,254	1,055,513	532,084
Commission expense	4,131,576	2,976,762	3,953,349	3,895,710	1,967,160
Taxes	7,609,181	12,062,189	13,665,461	- 4,699,323	- 905,436
Total expenses	16,869,050	22,155,019	24,798,349	7,220,647	9,285,199

Annual profit / loss	87,357,063	110,647,627	112,301,749	- 19,511,471	- 19,439,787
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OZ Holding

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OZ Market Information

Market Making Reuters: OZBANKERS
Telekurs: 85,OZWTS1 - 6
Bloomberg: OZ0Z

Auditors

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Annual General Meeting

February 19, 2003
Seedamm Plaza, Pfäffikon SZ