



Interim Report 30 September 2005



Contents

3	Board of Directors, Executive Board and Staff
4	Report of the Board of Directors of OZ Holding
6	Consolidated Financial Statements
7	Balance Sheet
9	Income Statement Third Quarter
10	Income Statement Accumulated
11	Cash Flow Statement
12	Statement of Changes in Equity
13	Notes
16	Outstanding Options
18	Funds and Certificates
19	OZ Bearer Share
20	Addresses

Board of Directors, Executive Board and Staff

Board of Directors OZ Holding

Erwin W. Heri (Chairman)

Elfried Hasler

Stefan Holzer

Peter Rüegg

Executive Board OZ Bankers AG

Markus Eberle

Peter Rüegg

Lorenzo Trezzini

Staff OZ Bankers AG

Beat Arnold

Ulrich Bender

Denise Camele

Andres Gujan

Karl-Heinz Hoch

Adriano Iannone

Marcel Jordi

Daniel Koller

Ulrich Mannale

Reto Peczinka

Daniel Reptsis

Marc Seiler

Daniel Stemmler

Marco Tinnirello

Andreas Walther

Daniel Wyss

Report of the Board of Directors of OZ Holding

Dear Shareholders

The Swiss stock market developed almost sensationally in the third quarter of the current year. Despite all the doomsayers and the continuously repeated babble of presumed seasonal patterns, the Swiss indexes rose more than 20% from the beginning of the year to the end of September. Our relevant sectors, small & mid caps, once again performed even better than the broader market. As a result, we were able to increase our profit significantly in the first nine months of the year (+ 38.7% compared to the year-earlier period).

As a matter of course, the capital optimizations we carried out last year, have meanwhile had an impact on our financial key figures. Profit per share rose more than 50% to CHF 6.08, and return on equity reached almost 18%. The income dynamism is broadly based. But in this benign environment a substantial amount of course stems from securities operations which benefited from the higher valuations. The commission business also progressed further and generated an income of CHF 17.7 million, 10% above the year-earlier figure.

Administrative and personnel expenses rose to CHF 9.8 million (previous year: CHF 6.8 million). This was mainly due to the accrual for bonus payments as well as higher costs for IT maintenance and communications and not least to the higher number of employees. Our cost/income ratio of 28%, which is very low compared to our competitors, shows that cost control remains at the top of our agenda.

We remain cautiously optimistic for the rest of the year. We like the macroeconomic environment, and many measures which have been taken in the United States and in Europe in the structural field at least point in the right direction – even if there is no reason to grow euphoric.

On the interest markets, a change of direction is growing increasingly obvious, at least in the United States. This may, to a certain degree, dampen the dynamism on the stock markets in the medium term, because the valuations on the stock markets will keep rising in step with rising interest rates.

Pfäffikon, 21 October 2005

For the Board of Directors

A handwritten signature in black ink, appearing to read 'Erwin W. Heri', written in a cursive style.

Erwin W. Heri, Chairman



Consolidated Financial Statements

Balance Sheet

Assets

	Notes	30 Sep. 2005 CHF	31 Dec. 2004 CHF
Current Assets			
Due from banks		235,442,602	206,890,687
Due from clients		44,435,234	48,509,211
Trading securities		206,715,529	141,742,000
Accrued and deferred items		1,814,168	1,228,290
Total Current Assets		488,407,533	398,370,188
Total Assets		488,407,533	398,370,188

Balance Sheet

Liabilities and Shareholders' Equity

	Notes	30 Sep. 2005 CHF	31 Dec. 2004 CHF
Liabilities			
Due to banks		43,670,506	49,190,740
Due to clients		167,356,068	155,333,551
Due from trading		108,143,200	31,054,669
Accrued and deferred items		9,410,864	2,497,069
Total Liabilities		328,580,638	238,076,029
Shareholders' Equity			
Share capital	1	3,500,000	4,000,000
Own shares	2	- 18,250,000	- 43,780,000
Retained earnings		174,576,895	200,074,159
Total Shareholders' Equity		159,826,895	160,294,159
Total Liabilities and Shareholders' Equity		488,407,533	398,370,188

Income Statement Third Quarter

	Notes	1 July – 30 Sep. 2005 CHF	1 July – 30 Sep. 2004 CHF
Income			
Income from securities		10,314,369	1,881,978
Dividend income		173,370	61,712
Interest income		234,302	94,700
Commission income		6,442,867	4,193,629
Total Income		17,164,908	6,232,019
Expenses			
Administrative expenses		1,705,311	1,265,198
Personnel expense		3,220,655	993,313
Interest expense		76,510	23,645
Commission expense		1,472,859	297,753
Total Expenses		6,475,335	2,579,909
Profit before tax		10,689,573	3,652,110
Taxes		1,827,053	112,230
Profit 1 July – 30 September		8,862,520	3,539,880
Profit per (weighted) share		2.60	1.05

Income Statement Accumulated

	Notes	1 Jan. – 30 Sep. 2005 CHF	1 Jan. – 30 Sep. 2004 CHF
Income			
Income from securities		18,371,738	6,106,346
Dividend income		975,933	3,412,682
Interest income		1,007,576	120,593
Commission income		17,687,837	16,083,931
Total Income		38,043,084	25,723,552
Expenses			
Administrative expenses		4,479,020	3,868,358
Personnel expense		5,295,571	2,932,162
Interest expense		237,007	335,028
Commission expense		3,035,519	1,980,846
Total Expenses		13,047,117	9,116,394
Profit before tax		24,995,967	16,607,158
Taxes		4,029,168	1,489,188
Profit 1 January – 30 September		20,966,799	15,117,970
Profit per (weighted) share	4	6.08	4.01

Cash Flow Statement

	Notes	1 Jan. – 30 Sep. 2005 CHF	1 Jan. – 30 Sep. 2004 CHF
Profit		20,966,799	15,117,970
(Increase) decrease in accrued and deferred assets		- 585,878	32,130
(Decrease) increase in accrued and deferred liabilities		6,913,795	- 4,841,555
(Increase) decrease in trading securities		12,115,002	- 2,387,043
(Decrease) increase in amounts due to clients		12,022,517	- 15,756,226
(Increase) decrease in amounts due from clients		4,073,977	- 5,504,094
Cash flow from operating activities		55,506,212	- 13,338,818
Capital repayment		- 39,000,000	- 55,854,233
Change in own shares	2	26,315,937	- 2,671,847
Dividends		- 8,750,000	- 6,000,000
Cash flow from financing activities		- 21,434,063	- 64,526,080
(Decrease) increase in «Banks under 90 Days»		34,072,149	- 77,864,898
Position at 1 January		157,699,947	190,208,204
Position at 30 September		191,772,096	112,343,306
<i>«Banks under 90 Days»</i> <i>consists of amounts due from minus amounts due to:</i>			
Amounts due from banks at sight / callable		31,842,602	86,954,799
Other amounts due from banks (under 90 days)		203,600,000	64,500,000
Amounts due to banks at sight / callable		- 43,670,506	- 39,111,493
Total «Banks under 90 Days»		191,772,096	112,343,306
Dividends received		975,933	3,412,682
Interest received		1,007,576	120,593
Interest paid		237,007	335,028
Taxes paid		2,541,435	7,533,169

Statement of Changes in Equity

	Share Capital	Capital Reserves	Retained Earnings	Own Shares	Total Shareholders' Equity
	CHF	CHF	CHF	CHF	CHF
Position at 1 Jan. 2004	4,198,870	- 6,950,956	213,290,684	- 4,650,000	205,888,598
Dividend payment			- 6,298,305		- 6,298,305
Capital repayment	- 198,870		- 16,655,363		- 16,854,233
Profit 1 Jan. – 30 Sep. 2004			15,117,970		15,117,970
Change in own shares		- 3,771,847		1,100,000	- 2,671,847
Position at 30 Sep. 2004	4,000,000	- 10,722,803	205,454,986	- 3,550,000	195,182,183
Profit 1 Oct. – 31 Dec. 2004			5,029,904		5,029,904
Change in own shares		312,072		- 40,230,000	- 39,917,928
Position at 31 Dec. 2004	4,000,000	- 10,410,731	210,484,890	- 43,780,000	160,294,159
Dividend payment			- 8,750,000		- 8,750,000
Capital repayment	- 500,000		- 38,500,000		- 39,000,000
Profit 1 Jan. – 30 Sep. 2005			20,966,799		20,966,799
Change in own shares		785,937		25,530,000	26,315,937
Position at 30 Sep. 2005	3,500,000	- 9,624,794	184,201,689	- 18,250,000	159,826,895

There are no minority interests.

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, investment consulting, asset management, corporate finance as well as issuing warrants.

Basic Accounting Principles

The consolidated 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 incorporated company was included in the consolidation of OZ Holding, Freienbach SZ, Switzerland:

OZ Bankers AG, Freienbach SZ, Switzerland:

Share capital of OZ Bankers AG:	CHF 20,000,000
Percentage held:	100%
Number of employees:	19

Accounting and Valuation Principles

The present interim report was prepared according to the same accounting and valuation principles as the 2004 annual report.

Accounting Currency

The interim report is prepared in Swiss francs (CHF).

Notes

	30 Sep. 2005	31 Dec. 2004
	CHF	CHF
1. Share Capital		
Share capital	3,500,000 ¹⁾	4,000,000
Number of outstanding shares	3,500,000 ¹⁾	4,000,000
Par value per share	1	1
Shareholders' equity per share	49	40 ²⁾
For the 2004 fiscal year, a dividend of CHF 2.50 per share was distributed (previous year: CHF 1.50).		
2. Own Shares		
Shares bought back for capital reduction (number)	0 ¹⁾	500,000
Shares in the trading portfolio (number)	232,114 ³⁾	57,700
Reserve for own shares	18,250,000	43,780,000
3. Shareholder Structure		
<i>Shareholders holding more than 5% of the share capital</i>		
Liechtensteinische Landesbank Aktiengesellschaft, Vaduz	n.a.	< 10.00%
Liechtensteinische Landesbank (Schweiz) AG, Zurich	< 10.00%	n.a.
Zürcher Kantonalbank, Zurich	< 10.00%	< 10.00%
OZ Holding, Freienbach SZ	6.63%	12.50% ¹⁾
<i>Shareholders holding 10% or more of the share capital</i>		
Pension fund of the Siemens companies in Switzerland, Zurich (including further pension institutions of Siemens in Switzerland)	< 20.00%	< 20.00%
OZ board of directors, executive board and staff (shares and stock options)	10.44%	9.55%

- 1) At the annual general meeting on 23 February 2005 a resolution was passed to reduce the share capital by CHF 500,000 by canceling 500,000 shares.
- 2) Prior to appropriation of profit and after capital repayment. After the repurchase of 500,000 shares, shareholders' equity per share stands at CHF 45.70.
- 3) During the reporting period 771,800 shares were bought at CHF 78.29 each and 597,386 shares were sold at CHF 76.44 each (average prices). All transactions with own shares were at regular market prices.

	1 Jan. – 30 Sep. 2005	1 Jan. – 30 Sep. 2004
	CHF	CHF
4. Profit per Share		
Profit	20,966,799	15,117,970
Outstanding shares (weighted)	3,500,000	3,808,239
minus own shares (weighted)	- 51,696	42,740
Outstanding shares (weighted) for calculation	3,448,304	3,765,499
Profit per share (weighted) ¹⁾	6.08	4.01
There are no instruments outstanding which would dilute profit per share.		
	30 Sep. 2005	31 Dec. 2004
	CHF	CHF
5. Pledged Assets		
Securities pledged as collateral under covered warrant agreements	0	2,000,000
Due from banks	65,000,000	61,270,871
6. Guarantees in Favour of Third Parties		
Guarantee commitments in favour of OZ Bankers AG	54,126,990	0

7. Post-Balance-Sheet Events

There are no post-balance-sheet events to report.

1) Profit per share (weighted): group profit divided by the number of outstanding shares.

Outstanding Options (as at 30 September 2005)

Symbol	Issue	Underlying	Strike Price	Maturity Date	Ratio	Capitalization of Underlyings (million CHF)
			CHF			
CHREM	15,000,000	CHRN	8.50	14-12-2005	1/5	39
EMMIL	6,250,000	EMMN	115	14-12-2005	1/25	30
FTOOL	10,000,000	FTON	250	14-12-2005	1/100	34
GEBPU-PUT	3,000,000	GEBN	900	14-12-2005	1/100	28
INDIO	5,000,000	INDN	260	14-12-2005	1/50	44
INRUN	10,000,000	INRN	160	14-12-2005	1/50	59
JELPU-PUT	2,000,000	JEL	1,450	14-12-2005	1/100	37
KARIO	10,000,000	KAR	35	14-12-2005	1/10	67
OFNOZ	10,000,000	OFN	137.50	14-12-2005	1/50	31
BBISS	30,000,000	BBIN	9	14-12-2005	1/10	37
ATLER	5,000,000	ATLN	120	16-12-2005	1/20	35
ATLOZ-PUT	5,000,000	ATLN	110	16-12-2005	1/20	35
BAGGR	16,000,000	BAGN	16.50	16-12-2005	1/10	33
BARNI	10,000,000	BARN	290	16-12-2005	1/100	38
CHRAG	5,000,000	CHRN	12	16-12-2005	1/2	33
CHRAP-PUT	5,000,000	CHRN	11	16-12-2005	1/2	33
ENROL	8,000,000	ENR	145	16-12-2005	1/40	35
FINTE	10,000,000	FI/N	310	16-12-2005	1/100	45
GURU	7,500,000	GUR	925	16-12-2005	1/200	46
HEPGO	15,000,000	HEPN	190	16-12-2005	1/100	36
LOGOZ-PUT	10,000,000	LOGN	67.50	16-12-2005	1/20	26
MASPU-PUT	5,000,000	MASN	50	16-12-2005	1/10	28
RIEPU-PUT	5,000,000	RIEN	325	16-12-2005	1/50	38
SAUSE	8,000,000	SAUN	72.50	16-12-2005	1/20	35
SLOGO	40,000,000	SLOG	1.30	16-12-2005	1/2	26
ASCPT-PUT	3,000,000	ASCN	18	17-03-2006	1/2	29
ATLAT	2,000,000	ATLN	150	17-03-2006	1/10	28
FINGO	6,500,000	FI/N	400	17-03-2006	1/100	29
FTOPU-PUT	4,500,000	FTON	285	17-03-2006	1/50	31
GALOP	6,250,000	GALN	225	17-03-2006	1/50	32
GEBOZ	3,000,000	GEBN	875	17-03-2006	1/100	28
INDIA	4,000,000	INDN	330	17-03-2006	1/50	35
JELGO	3,000,000	JEL	1,750	17-03-2006	1/200	28
LGSUP	3,500,000	LGSN	375	17-03-2006	1/50	41
MASLO	5,000,000	MASN	50	17-03-2006	1/10	28
MASSE	12,500,000	MASN	57.50	17-03-2006	1/25	28

continued on page 17

Outstanding Options

(continued from page 16)

Symbol	Issue	Underlying	Strike Price	Maturity Date	Ratio	Capitalization of Underlyings (million CHF)
			CHF			
OFNNU	20,000,000	OFN	160	17-03-2006	1/100	31
OZZUP	15,000,000	OZI	85	17-03-2006	1/50	25
QUACK	3,500,000	QUAN	150	17-03-2006	1/20	28
ROLER	40,000,000	ROL	1.65	17-03-2006	1/2	44
ROLLO	30,000,000	ROL	2	17-03-2006	1/2	33
SBENI	3,500,000	SBEN	825	17-03-2006	1/100	37
SBENO	3,500,000	SBEN	750	17-03-2006	1/100	37
SEZGO	40,000,000	SEZN	32.50	17-03-2006	1/50	26
TECER	35,000,000	TECN	37.50	17-03-2006	1/50	35
UMSAZ	20,000,000	UMS	15.50	17-03-2006	1/10	28
ASCUP	3,000,000	ASCN	18.75	16-06-2006	1/2	29
BBIKE	5,000,000	BBIN	10.75	16-06-2006	1/2	31
BUCHE	2,500,000	BUCN	105	16-06-2006	1/10	27
ENRPT-PUT	1,750,000	ENR	165	16-06-2006	1/10	30
INDOR	3,000,000	INDN	425	16-06-2006	1/50	26
INROL	7,500,000	INRN	225	16-06-2006	1/50	44
GEBPT-PUT	3,000,000	GEBN	920	16-06-2006	1/100	28
HEPOZ	3,000,000	HEPN	225	16-06-2006	1/20	36
KABOZ	3,500,000	KABN	375	16-06-2006	1/50	24
ROLUP	20,000,000	ROL	3	16-06-2006	1/2	22
SAHNE	15,000,000	SAHN	170	16-06-2006	1/100	29
SAKIG	4,000,000	SAKN	150	16-06-2006	1/20	35
SAKKO	3,000,000	SAKN	170	16-06-2006	1/20	26
SEZLI	7,500,000	SEZN	35	16-06-2006	1/10	24
SIANA	3,000,000	SIAN	335	16-06-2006	1/40	25
SWHOZ	2,500,000	SWHN	110	16-06-2006	1/10	29
TECIA	12,000,000	TECN	42.50	16-06-2006	1/20	30
TECKE	6,000,000	TECN	47.50	16-06-2006	1/10	30
UMSGO	20,000,000	UMS	14	16-06-2006	1/10	28
VALUE	4,000,000	VALN	260	16-06-2006	1/40	24
BOBBY	5,000,000	BOBNN	57.50	15-09-2006	1/10	28
GAVAZ	3,750,000	GAV	175	15-09-2006	1/10	25
PANDA	2,500,000	PWTN	110	15-12-2006	1/10	25
BALEG	2,938,460	BALN	170	20-06-2007	1/10	19

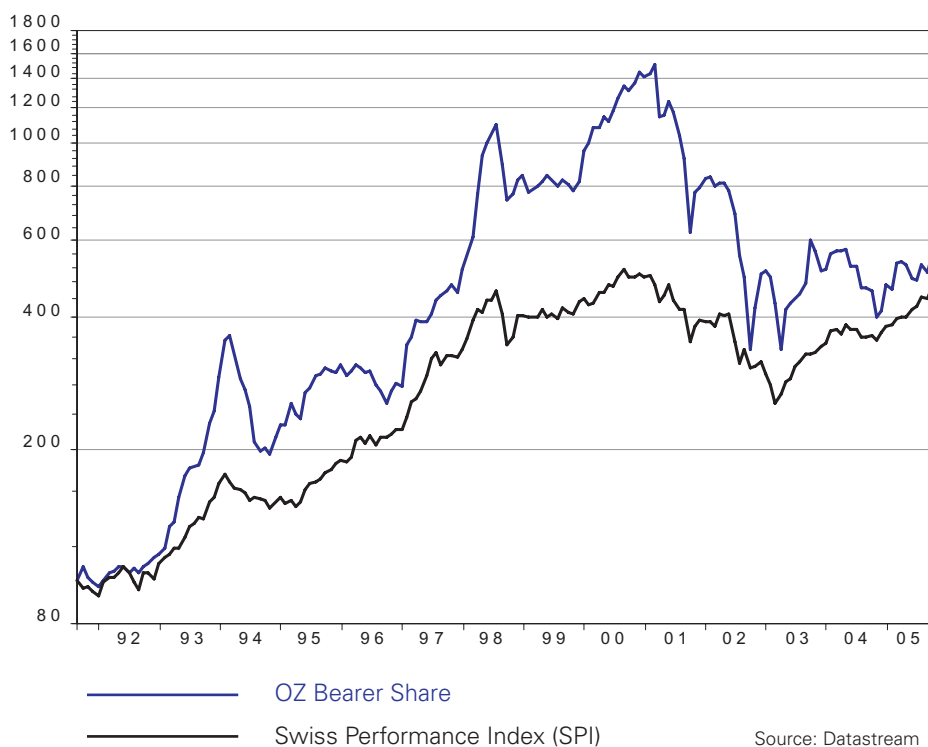
Funds and Certificates (as at 30 September 2005)

Symbol	Issue	Underlying	Maturity Date	Security Number
OZ Optimized Fund (OPTIF)		Swiss shares	open end	1912.460
OZ Selection Fund (SELOF)		Swiss small & mid caps	open end	2186.497
Swiss Consolidation Basket (CONOZ)	300,000	Consolidation candidates	10-07-2006	2196.251
Swiss Real Estate Basket (REBOZ)	300,000	Real estate shares	30-08-2007	1896.458
Swiss Dividend Basket (DIVOZ)	300,000	Shares with high dividend yield	14-09-2007	2011.126
Swiss Tell Basket (TELKB)	300,000	Regional companies	21-09-2007	2071.272
Swiss Energy Basket (STROM)	300,000	Power shares	29-02-2008	2054.827

OZ Bearer Share

Performance of OZ Bearer Share

26 August 1991 to 30 September 2005, in CHF



Since it was first listed on 26 August 1991, the OZ bearer share has achieved an average annual performance of 10.73%. Taking all the payouts into consideration – dividends, par value reductions and stock buybacks – the annual performance was 13.03%. Over the same period, the Swiss Performance Index (SPI) reached an overall performance of 11.64%.

OZI closing price on 31 December 2004	73.00
OZI closing price on 30 September 2005	84.00
Year's high on 21 September 2005	85.00
Year's low on 24 January 2005	70.50
Dividend paid for the 2004 fiscal year	2.50
Dividend yield (closing price 30 September 2005)	2.98%
Reuters symbol	OZI.S

Addresses

OZ Holding

Churerstrasse 47

CH-8808 Pfäffikon SZ

Phone +41 44 215 63 00

Fax +41 44 215 63 90

info@ozbankers.ch

www.ozholding.ch

OZ Bankers AG

Churerstrasse 47

CH-8808 Pfäffikon SZ

Phone +41 44 215 63 00

Fax +41 44 215 63 90

info@ozbankers.ch

www.ozbankers.ch

OZ Market Information

Market Making Reuters: OZBANKERS

Telekurs: 85,OZWTS1 - 6

Bloomberg: OZOZ

Auditors

Ernst & Young AG

Brunnhofweg 37

CH-3001 Bern

Phone +41 58 286 61 11

This interim report is a translation of the German original.
Only the German version is legally binding