OZ HOLDING

Press release, 28 July 2006

## CHF 14.2 million net profit in the first six months – positive trend in commissions, difficult environment for securities trading

*For the first six months of 2006 OZ Group reports a consolidated net profit of CHF 14.2 million (incl. performance fees). While commissions income continued to rise, a negative result of CHF 8.9 million from securities trading was a drag on the Group's overall interim result. After a dividend payment of CHF 13.75 million Shareholders' equity stood at CHF 177.5 million at the end of June. Assets under management reached CHF 3.63 billion.*

**Trading result weighed down by volatilities**

After a very good first quarter 2006 the partly strong corrections in the second quarter resulted in a significant increase in volatilities on the equity markets. This also affected some of the shares in which OZ Group is active. The volatilities negatively impacted the valuations of the corresponding derivatives positions as at the end of June which, in turn, resulted in a negative securities trading result of CHF 8.9 million. OZ reckons that the trading result will improve markedly with the normalization of volatilities in the second half of the year.

**OZ Group - Interim result 2006***

CHF million, pro forma

| | |
|---|---|
| Income | 32.8 |
| Securities income | -8.9 |
| Commission income | 38.9 |
| thereof performance fees | 7.6 |
| Dividend / interest income | 2.8 |
| Expenses | 15.3 |
| Administrative expenses | 5.6 |
| Personnel expense | 5.9 |
| Interest / commission expense | 3.8 |
| Depreciation | 0.5 |
| Taxes | 2.8 |
| **Group profit** | **14.2** |
| per bearer share (CHF) | 2.84 |
| Shareholders' Equity (30-6-06) | 177.5 |
| per bearer share (CHF) | 35.50 |
| Assets under Management (30-6-06) | 3,628 |

** Due to the new structure (reverse takeover) there is no comparable interim report 2005*

**Dynamic commissions business**

The commissions business continued its very favourable trend. Investment consulting, corporate finance and asset management generated income of CHF 38.9 million in the first six months of the year. Thereof, CHF 7.6 million were performance-related fees.

OZ Group will continue to focus on expanding its commissions business. For instance, in the first six months, the product range was extended by an investment instrument which specifically invests in opportunities in the fast growing Eastern European markets. During the same period OZ Bankers AG launched 29 (listed) warrants on selected Swiss small & mid caps and added four innovative new certificates to its theme-oriented product range: the Global Energy Basket, the Nestlé Food Share Basket and two Discount certificates on Hiestand and Swisslog Holding. In corporate finance two mandates came to a successful completion: In the merger of the large building construction company Marazzi Group with Losinger Construction AG, a subsidiary of the French construction group Bouygues, OZ Group acted as advisor to Marazzi Group, and at

StarragHeckert Holding AG OZ structured and placed the capital increase of CHF 20 million.

Another step in the expansion of the commissions business was made with the recently announced employment of a specialist energy trading team. In the coming months OZ will make new investment opportunities in the European energy trading market available to professional investors. Furthermore OZ Bankers AG informed the public about its new participation of 27.5% in Jelmoli Bonus Card AG. This is related to the launch of a new, globally usable credit card, the *Visa Bonus Card,* which is likely to be available from autumn.

Assets under management which stood at CHF 3.47 billion at the end of 2005 rose to CHF 3.63 billion by the end of the first half of 2006.

**Net profit at CHF 14.2 million**

While the Group's total income reached CHF 32.8 million in the first half of the year, administrative, personnel and income-related expenses amounted to CHF 15.3 million. After depreciation of CHF 0.5 million, the cost/income ratio is computed at 41.4%.

After taxes of CHF 2.8 million, net income reached CHF 14.2 million or CHF 2.84 per outstanding bearer share in the first six months of 2006. This includes performance-related fees of CHF 7.6 million. After the dividend payment of CHF 13.75 million in April, the Group's equity stood at CHF 177.5 million at the end of June (end of 2005: CHF 165.1 million) or CHF 35.50 (CHF 33.00) per bearer share. Return on equity reached 16.0%.

Next reporting date for company results:

2006 Annual report: February 2007

***For questions please contact:***

Lorenzo Trezzini, CFO
Phone +41 44 215 63 00

Peter Rüegg, CEO