

# Sustainable

## Dear Shareholders,

Sustainability is paying dividends as an investment approach. Sustainable Performance Group (SPG) enjoyed a successful first semester, posting net earnings of CHF 18.8 million in the first six months of 1998. Net asset value per share climbed from CHF 382.20 at the beginning of 1998 to CHF 471.25 on June 30, an increase of 23.3%. The share price rose 26.6% to CHF 481. Over the same period the Morgan Stanley World index (MSCI World in CHF) gained 18.2%.

Since the company's launch almost a year ago, SPG's investment strategy, geared to long-term, sustainable success, has gained broad recognition among private and institutional investors alike.

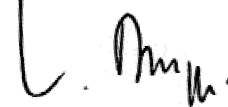
We are actively maintaining close contact with a number of companies which could potentially become part of SPG's portfolio. Thanks to thorough company research, we are able to gain a more profound insight into the sustainability strategy of high-potential pioneers and established leaders and form a view of the market opportunities arising from this strategy. In cooperation with our network of experts we are constantly researching new companies and investment opportunities in the field of sustainability.

A number of these pioneering and leading companies presented their strategies at the first SPG Sustainability Forum, held in Zurich and Munich and attended by more than 300 people. By hosting events like this and communicating

regularly and openly with our shareholders, the financial market and other interested parties, we aim to raise people's awareness and understanding of sustainability as an investment issue with great future potential.

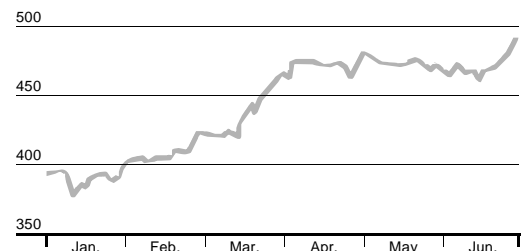
SPG is very well placed to continue growing both in qualitative and quantitative terms. Our ample resources and first-rate expert network enable us to identify attractive opportunities in the field of sustainability and exploit them for the benefit of our shareholders.

On behalf of the Board of Directors



Dr. Ernst A. Brugger  
Chairman

SPG's Share Price January 1 to June 30, 1998



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Chairman

