46th ANNUAL REPORT 2002

UBP

Union Bancaire Privée

UBP

TABLE OF CONTENTS

Chairman's letter	6	Financial highlights of the Group	25
Reflections on the world economy	8	Board of Directors	28
Report of the Board of Directors	11	Management	29
Activity report by the Executive Committee	16	Addresses	34



2002 saw the financial markets continuing their return to reality. We are thus ending the third year of decline for the stock markets of the western and Asian worlds. It is worth noting that only Russia's equity market ended with a positive performance.

The frenetic economic growth of recent years led to all kinds of excesses. The correction, and, even more, the structural rather than cyclical adjustment now under way, mainly affect the profession of wealth management and therefore private banking as we know it. The excesses, created by years of growth and euphoric markets, must now be resorbed. Investors have lost confidence, having, in many cases, only just got their first taste of the equity markets, and that confidence must be restored, to enable a normal recovery in an economic climate where company valuations still need to be justified.

In autumn 2002, deflation began to loom in the US for the first time since 1930, though already a problem in Japan. Fortunately, the US authorities realised how very serious the consequences of deflation would be, and, for both political and economic reasons, adopted a series of measures intended to curb and eliminate that risk.

A combination of unequalled productivity, a very expansionary monetary policy, lower taxes, a major revaluation of the dollar and the economically positive prospect of war in Iraq should eventually return US growth to its historical trend of 3% and avoid deflation.

The US, which sees itself as an uncontested super-power in political, military and economic terms, feels that it cannot let the western world slide into a general contraction that would be contrary to its own national interests. Therefore, once again, it is carrying the weight of the West on its shoulders. Only time will tell whether this series of very strong measures is enough. At this juncture, failure is not an option. If necessary, another set of even more powerful measures will follow, and so on.

The impact of these factors on the financial markets in general may be predictable. But without knowing for sure, we might well ask ourselves whether we are not still victims of Pavlovian conditioning.

Given this changing backdrop, we took steps to alleviate, if not check, the consequences of the global economic slowdown. Our main priorities were to reduce running costs, no matter how painful that might be, adapt our investment strategies to reality rather than fiction, particularly through the unique advantages of our expertise in alternative investment, and keep an even tighter control on risk.

But our fundamental response to the challenges of the future is the acquisition in 2002 of Discount Bank and Trust Company (DBTC), Geneva.

From now on, we are one of Europe's major private banks. This acquisition replies to our need to cut costs. More important, it provides the platform for our future growth, in terms of both human resources and assets to be managed. It is a mark of our confidence in the future of private banking and Switzerland as a financial centre.

The acquisition also demonstrates our belief in our human capital and its creativity. The intelligence of the people who comprise UBP is our guarantee of success. Owing to the good will of everyone involved, the merger of DBTC with Union Bancaire Privée took place in a very positive atmosphere. I wish to thank all those who made that operation successful, and assure them that we shall continue our efforts to make everyone feel fully and harmoniously integrated into UBP.

As 2003 gets under way, we are confirming our success and fighting the forces that are slowing our industry's progress. I have every confidence in the future; for if you fight you run only the risk of losing. However, if you do not fight, you have lost from the start.

Edgar de Picciotto Chairman of the Board

A recovery bought on credit

After the abrupt slowdown in worldwide economic activity in 2001, hopes were high of seeing the western economies get back on the growth track in 2002. The disappointment was therefore all the more acute: while the terrorist attacks of September 11 2001 did not deal a blow to consumption, as so strongly feared, growth nevertheless remained very weak, especially in Europe and Japan. Global gross domestic product posted a meagre 1.5% for the year, which is almost two-thirds less than at the peak of the boom years of the 1990s.

Once again, the US consumer, that heavyweight influence on the global economic scene, was the chief growth driver. Unfortunately, the bulk of his spending was done on credit. American households took full advantage of the repeated rate cuts engineered by the Federal Reserve to take on additional debt. The consumer now finds himself deeper than ever in debt, a potentially risky situation if interest rates were to rise again.

The new tax reductions proposed by President Bush in his economic stimulus plan presented at the beginning of 2003 should boost consumption. But the real economic recovery will come from a revival of investment, particularly in the technology sector. There were a few stirrings of

life at the end of the year, which could indicate that the adjustment of production overcapacity is nearing its end. It is up to 2003 to consolidate the trend.

Disinflation or deflation?

The slight increase in consumer price indices at the end of 2002 was due entirely to the surging price of oil. Excluding rising energy costs, inflation was generally kept under control in the G7 countries. Prices even turned negative in some countries, such as Japan and China. The world now faces the risk of deflation on manufactured goods, due to China's massive exports at prices far below the G7 countries' production costs.

A bumper year for bonds

After ten cuts in key interest rates in 2001, the Federal Reserve made its eleventh cut in October 2002. Rates are now at their lowest in over 40 years. In contrast, the European Central Bank has been widely criticised for a monetary policy seen as over-restrictive in light of the depressed economic climate. The Bank of Japan, whose rates are close to zero, can now only consider devaluing its currency as a way of stopping the country's deflation. At the end of the year, the Finance Minister even stated that the yen should drop at least 20% against the US dollar.

Falling short-term interest rates, weak demand, geopolitical uncertainties and growing mistrust of equities all contributed to a sharp rise in bond prices. In US dollars, the world bond index rose almost 20%, with a substantial outperformance by the European sector, aided admittedly by the euro's strong gain against the dollar. The latter experienced its sharpest fall since 1987.

Equities: troubles always come in threes

At the beginning of 2002, many investors rejected the possibility of another negative year for equities after two years of decline. They reasoned that the stock markets have never fallen for three years in a row — except during the Great Depression of the 1930s. But the past is not always the best guide to the future. With the world equities index falling almost 20%, 2002 turned out to be the worst year since 1974. Rather than the succession of economic setbacks, it was the financial scandals at the heart of companies as highly reputed as Enron, WorldCom and Xerox that extinguished investors' confidence. The decline was most dramatic in Europe, where the markets lost over 30%, with Germany and Sweden both shedding more than 40%.

Proactive policies in the US

With a savings deficit in the US, insufficient growth in Europe and deflation in Asia, there is no shortage of threats to the health of the global economy. The Americans have clearly acknowledged that the priority is a return to growth: a lower dollar, lower interest rates, increased public spending and reduced taxes will all provide leverage for reaching that objective. Europe could learn a lot from that pragmatic approach.



Every economic sector and every profession has cycles of greater and lesser prosperity. Wealth management is currently going through difficult times and 2002 was characterised by its bear markets.

In our view such a situation implies that markets and financial institutions assume more realistic proportions. Given this environment, our priorities were as follows: on the one hand, to foresee the monetary and economic context in which our Group would be required to function during this period of fundamental readjustment; and on the other, to make the structural changes needed in order to be able to participate in the recovery in its future form.

Having helped our clients to overcome the markets' gloom, we are now ready to help them seize the opportunities offered by the reflationary measures taken in the US.

It is likely that, for a long time to come, nothing will be the same

The financial world is in the throes of a crisis of confidence reminiscent of that of the 1930s. Back then, in the wake of the crash of 1929, Wall Street was hit by one scandal after another and investors felt helpless in the face of the market's volatility. That crisis of confidence was gradually resolved by the creation of the Securities and Exchange Commission (SEC) in 1933 and the introduction of a series of economic measures, but sadly, it took the events of 1939 to 1945 to cure it completely.

Today we must once again contend with both a crisis of confidence, triggered by all manner of financial manipulation, and the economic adjustments inevitable after an eighteen-year bull market. Confidence will only be restored by the authorities' taking action to combat the current situation.

The period was also one of greatly diminished yields, where one could scarcely expect a high total performance. This state of affairs brought about profound changes in our business.

Many people were unprepared for the sluggish markets and new environment and hoped that a recovery was just around the corner. Our Bank took decisions that were often painful, leading it to adopt preventive rather than remedial action, and, in 2002, to carry out the massive restructuring programme called for in the current crisis.

Building the future today A lighter; stronger structure

The key event of 2002 was definitely the acquisition of Discount Bank and Trust Company (DBTC). This merger enables UBP to maintain the critical mass necessary for remaining a major player in the increasingly competitive world of international finance.

REPORT OF THE BOARD OF DIRECTORS (cont.)

Committee of the Board of Directors:

Edgar de Picciotto, Chairman, Oudi Recanati, Olivier Vodoz, Pierre Respinger; Jean Zwahlen, Vice Chairman The programme of rationalisation and strict control of our costs, launched as early as the beginning of 2001, was intensified during the past year. Each department now keeps a constant watch on all its working processes and procedures, maintaining only that which is indispensable. The decline in our industry's profitability is not inevitable. Healthy cost control is one of the factors that will enable us to remain competitive, while creating products tailored to the current environment.

Increasingly personalised and specialised client service

In today's erratic markets, it is more important than ever to stay close to our clients and offer them both our skill and our meticulous approach. For that reason, and through the impetus of the Board of Directors, the accent was placed on specific aspects of our asset management.

Success begins with teamwork, which is gradually replacing the concept of the exclusive relation between the portfolio manager and his client, whether in private banking or institutional asset management. Tight-knit teams, made up of people with a range of complementary talents, are better equipped to develop practical, integrated solutions addressing clients' changing needs and thereby ensuring the long-term success of the relationship. It is essential to have a sound understanding of clients' real needs and of their risk profile.

More finely tuned client segmentation, particularly by means of a High Net Worth Individuals (HNWI) department, enabled us to reply to each client's specific objectives in terms of both flexibility and performance.

We also continued to provide a large choice of products, especially in the field of alternative investment, where UBP's experience and skill are well known. These products provide the means of generating returns whilst, at the same time, ensuring capital preservation.

In line with our aim of increasing efficiency and combining skills, we created a new Asset Management division. The latter now integrates all our investment activities and management of our funds. By accentuating innovation and flexibility we are ready to seize the opportunities offered by fast-changing markets.

All our business requires the support of a sound technological base. During the second half of 2002 much effort and detailed preparation enabled us to successfully integrate DBTC's IT system into that of UBP.

Remaining or becoming our clients' bank of reference: that is our driving ambition, for we know that we can achieve it.



The Board proposes to increase the Bank's equity by CHF 60 million, mainly through the payment of dividends on ex-Discount Bank and Trust Company subsidiaries' prior years' retained earnings. This amount, together with the Group profit of CHF 215.5 million for the 2002 financial year, results in a statutory profit of CHF 275.5 million.

Acknowledgements

Particularly in this year of merger, the shareholders and the Board of Directors would like to express their appreciation and gratitude to the Bank's staff members, who showed their enthusiasm, commitment and loyalty under the special circumstances of integrating two banks. Whilst we regret that not everyone was able to find a place in the new merged organisation, we are happy to have been able to offer those who have left us particularly favourable termination benefits.

At the extraordinary general meeting of June 19 2002, Mr Oudi Recanati, former Chairman of Discount Bank and Trust Company, was appointed a Member of the Board of Directors. The Board takes this opportunity of welcoming him and is pleased to be able to count on his support to ensure the smooth integration of DBTC into UBP.

In accordance with statutory provisions, the Directors' appointments expire each year. The members of the Board accept re-election for a further statutory term of office.

As the term of office of the Bank's auditors, Ernst & Young S.A. Geneva, has recently expired, we are seeking their re-appointment for a further statutory period of one year.

On behalf of the Board Chairman Edgar de Picciotto

Proposals of the Board

14

Net profit available for distribution amounts to CHF 278 895 342

Annual profit 2002 999	CHF	275	565
Carried forward	CHF 3	329	343
Available profit	CHF	278	895
342			

The following distribution is proposed to the General Meeting of Shareholders:

Dividend on the share capital 000	CHF	254	000
Statutory reserves	CHF24	000	000
Carried forward	CHF	895	342
Total	CHF	278	895
342			

If the foregoing proposals are ratified, the Bank's equity capital will amount to CHF 1 101 231 214 after distribution.

In addition, it was decided at the Extraordinary General Meetings of June 19 and July 17 2002 to pay dividends of CHF 405 million and CHF 120 million from the other reserves.



Results highlights

2002, like 2001, was a year of depressed stock markets. For our Group, the period under review was marked by the merger with Discount Bank and Trust Company (DBTC) at the end of June. As a result, the consolidated statement of income for 2002 cannot be compared with that of 2001, since it includes six months' results for DBTC. Accordingly, consolidated net profit for the 2002 financial year amounted to CHF 215.5 million, compared with CHF 202 million in 2001, an increase of 6.7%, which is reduced by 4.5% without the net contribution from DBTC.

Consolidated balance sheet

At December 31st 2002, our Group's consolidated balance sheet stood at CHF 16.5 billion, compared with CHF 14.9 billion at the end of 2001.

Shareholders' equity amounted to CHF 1.59 billion, a clear demonstration of our Group's sound financial position and well above the requirements of both Swiss and international laws.

On the asset side, cash and cash equivalents reached CHF 492 million, an increase of CHF 45.6 million. Loans to banks were at CHF 7.6 billion, up by CHF 1.4 billion from 2001. Loans to clients totalled CHF 3.9 billion, an increase of CHF 946 million.

Our trading balance in securities and precious metals increased from CHF 263 million to CHF 907 million as at December 31st 2002. At that date, the portfolio was composed mainly of a position in Treasury bills issued by a European government and acquired as part of our short-term cash management.

Financial investments decreased by CHF 1.5 billion to CHF 2.5 billion, and comprised mainly investments in floating-rate instruments issued by top-quality sovereign, supranational and public sector entities.

On the liabilities side, balances due to banks declined by CHF 848 million to CHF 1.02 billion. Customer deposits rose by CHF 1.9 billion to CHF 12.9 billion.

Consolidated statement of income

As mentioned above, this consolidated statement cannot be compared with the figures for the previous year, as it includes the results from DBTC over the last six months of 2002. However, the return on equity for the period under review can be compared with that of 2001 and stood at 14.6 %. The other results were as follows:

Interest income amounted to CHF 140 million in 2002, an increase of 6.5% compared with 2001.



Fees and commissions rose 17% to CHF 373.5 million, compared with CHF 319.2 in 2001.

Trading income increased 8% to reach CHF 138 million, against CHF 128 million for the previous year. It thus represented 20.8% of total income, against 21.8% in 2001.

Total income rose from CHF 584.6 million in 2001 to CHF 662.9 million in 2002, an increase of 13.4%.

Extraordinary income of CHF 18.3 million mainly reflects the capital gain realised on the sale of a minority holding for CHF 11.4 million, as well as various cancellations of provisions, freeing up CHF 6.9 million.

Gross profit amounted to CHF 322.6 million, compared with CHF 270 million the previous year, an increase of 19.5%. Consolidated net profit was CHF 215.5 million.

Operating expenses totalled CHF 340.3 million, against CHF 314.6 million in 2001, corresponding to a gross increase of around 8%. However, excluding DBTC, these expenses declined around 13%, a clear benefit of the cost-cutting measures taken in the past eighteen months.

Extraordinary expenses of CHF 34.9 million were mainly restructuring costs, which amounted to CHF 33.8 million and were due in large part to the redundancy package. The balance of CHF 1.1 million represented non-recurring expenses or expenses related to a previous accounting period.

Depreciation of fixed assets, at CHF 52.8 million, increased by CHF 20.5 million, following the integration of DBTC. Value adjustments, provisions and losses decreased by CHF 0.2 million to CHF 6.6 million.

Taxes amounted to CHF 31.0 million.

The Executive Committee, left to right:

André Gigon,
Guy de Picciotto, Chief
Executive Officer;
Andreas Stricker;
Michael de Picciotto,
Joseph Assaraf,
Pierre Pissaloux,
Daniel de Picciotto,
Philipp Hildebrand,
Jean-Claude Manghardt,
Secretary General

Activity report

In 2002, stock prices continued to plummet and our clients made it clear that their chief objective was to preserve the value of their assets. Union Bancaire Privée managed to do well in this difficult environment by making optimum use of its expertise and ability to anticipate market movements. A simple comparison with the competition shows that UBP was extremely effective in limiting the negative impact of the stock markets' poor performances, particularly through the use of alternative investment.

The year was characterised by a bleak macro-economic outlook, causing a decline in consumer confidence, a rise in oil prices and an overall slowdown in manufacturing activity. One had to contend with both weak growth in the US, still under the shock of the events of September 11 2001, and a sluggish European economy. This imbalance was aggravated by the lack of any real political and economic leadership in Europe and a strong increase in US influence.

The trend to concentration and consolidation, which UBP had already seen emerging over the past few years, became more widespread. In line with our growth strategy, implemented successfully in the past, UBP

acquired Discount Bank and Trust Company in June, and has now integrated it. This acquisition obviously had a major impact on the Bank's activities in 2002.

Merger

Given the stormy backdrop, DBTC and UBP had good reasons for joining forces. First, the complementary nature of the two networks, one focused mainly on the north and the other, the south, will play a key role in bringing us ever closer to our clients. Secondly, the continually rising cost of creating products and conducting business, and the increasingly sophisticated needs of both private and institutional clients, argued strongly in favour of pooling our resources.

Thirdly, DBTC's mainly conservative asset management, and UBP's approach of anticipating market trends and seizing opportunities, provided many reasons for combining our strengths. The idea of uniting the skills and qualities of both banks quickly moved from the project stage to execution.

Once this first step was taken, our priority was to carry out an ambitious cost-cutting programme, which rapidly took effect. The impact on human resources was particularly noticeable, with close to 300 posts in the Group eliminated. A generous redundancy package, transparent



communication and the extensive support measures offered to those leaving enabled us to get through this difficult period in the best possible way. At June 30 2002, UBP employed 921 people. This figure rose to 1,445 when the merger was concluded and fell back to 1,325 at the end of December 2002. It is important to note that this contraction had begun earlier, since UBP still employed 936 people at the end of 2001.

Private Banking

The Bank's core profession of private banking, like the markets, had a challenging year.

Through its experience in hedge funds, the Bank was able to produce for its clients a performance that, if not completely satisfactory in absolute terms, was positive in general. Furthermore, the use of the structured products enabled us to profit from a number of market opportunities.

In addition, business in the High Net Worth division, which is aimed mainly at advising very wealthy families and individuals by offering them a range of highly personalised services, continued to generate very encouraging results. A number of important new clients joined us, attracted particularly by our expertise in alternative asset management.

The merger with DBTC and our strategic priorities influenced our geographic expansion. In Switzerland, our Lugano branch had to face the consequences of Italy's tax amnesty. This nevertheless had a limited impact on results, thanks to the fine work done by our local staff in particular.

Our Zurich branch was strengthened and gained significantly in visibility through first, the highly capable team formed around our new manager, Hansruedi Huber, and secondly, the merger with DBTC. We are now the most strongly represented private bank from French-speaking Switzerland in Zurich. We shall continue increasing our presence here, in the financial capital of the Germanspeaking region.

We decided to relocate our Asian business to Singapore and Tokyo, and therefore to close our Hong Kong office.

Asset Management

The creation of the Asset Management department, an advisory centre offering its services to all the portfolio managers, enabled us to combine a broad range of skills, with the aim of generating absolute performance while preserving capital. This department is active in three main areas: fund management; alternative products and mandates; research and investment strategy.

Asset allocation, which is an astute blend of conservative and dynamic approaches, draws on a huge range of financial instruments. These tools performed very well. We offer as proof our third-place ranking amongst alternative asset managers worldwide (according to Institutional Investor), several first places for the Scontinvest bond funds from DBTC (according to Lipper) and the very good rankings of our classic equity portfolios.

Institutional asset management

UBP Asset Management is now a "client" of the new Asset Management department, to whom it has delegated part of its skills. However, it has kept specific teams serving its professional clientele. Their integration into this new asset management platform constitutes a distinct added value.

With eight billion Swiss francs in assets under management, combining managed mandates and investment funds, around 10% of the Group's assets are managed through an institutional approach. The scope of the services offered, which include alternative asset management, positions the Institutional Asset Management division as a constant forerunner in its field and gives it access to the most important Swiss and European institutional clients.

Despite the falling financial markets and rising competition, our institutional clients confirmed their confidence in us during the period under review. We continue to have a large institutional clientele in French-speaking Switzerland. In Zurich, the newly formed local team enabled us to intensify our pursuit of business in Germanspeaking Switzerland and northern Europe. Our presence abroad, with offices in Paris and Barcelona, strengthened our Group's visibility in the European institutional markets, and enhanced our image.

To cope with the numerous changes made to Swiss legislation, aimed at lowering the required rate of return on pension funds, we plan to make use of our historical emphasis on absolute performance. We intend to systematically offer this new management method as an excellent alternative for pension funds, whose reserves have been severely eroded by three consecutive years of declining financial markets. This business will certainly expand in the years to come.

Product sales

The arrival of the Scontinvest range in our product choice was highly beneficial. This range's performance, particularly in bonds, makes it a new reference point. It boosted our total sales and the diversification of our product offer, initiated following the remarkable sales of structured products in 2001. In 2002, the capital-guaranteed products took centre stage, together with the introduction of a fund invested in the Russian emerging market and a bond fund on the Turkish market.

Our multi-management approach, launched in 2001, led us to create our first two multi-manager equity funds, investing in Europe and the US.

This new diversification of management style represents an additional option for both institutional and private clients. Our proven expertise in manager selection will enable us to become a leading player in this field.

Treasury management and finance

Despite the general decline in markets around the world and particularly in Europe, and the sharp contraction in volumes, even compared with 2001, the department returned to a profitability in line with that of the past. This result was achieved through the strength of the internal teams, whose skills are honed by experience, and a capital investment strategy focusing on the forex and interest-rate markets, which were particularly buoyant. This strategic focus, together with major opportunities on the emerging markets, generated much higher revenue than that of 2001.

Even as regards the turbulent equity markets, all departments were profitable. The number of transactions was nevertheless greatly reduced and limited in both

Europe and the US, particularly due to the collapse of IPO activity. UBP is now one of the ten leading players worldwide on the electronic stock exchange, Virt-x.

The bond market, by comparison, broke all records, especially in terms of total volume. The reappearance of national deficits will certainly favour this trend and expectations remain high concerning this sector.

Nevertheless, forecasts for 2003 announce somewhat calmer conditions and more realistic expectations on the part of issuers and investors. All these factors will help re-balance offer and demand and encourage investors to take slightly more risk than before.

Human Resources, Risk and Support

This department played an important part in the merger, which proceeded at a brisk pace to comply with the six-month time frame.

The human aspect, ensuring that employees felt fully integrated, was a prime concern throughout the merger and the first main step in the action plan. It took clear priority over the demands of adapting our IT systems. UBP offered generous terms to the people affected by the



ACTIVITY REPORT BY THE EXECUTIVE COMMITTEE (cont.)

restructuring and made sure that the reduction in staff went as smoothly as possible. The financial community as a whole was confronted with similar situations.

To maintain a high level of skills, the Bank organised regular, intensive training. This programme was also aimed at helping newcomers from DBTC to integrate in technical terms and adjust quickly to the new IT tools that they would be using.

No efforts were spared in adapting our information technology. This task represented a major challenge and called on all available skills. As a result, all client operations were up and running on the very first day of 2003.

Installation of the first interfaces common to all departments, destined to link our staff more efficiently, began in 2002 and will continue through 2003. It is important to note that data security was a key consideration at all times, whilst not slowing the pace of installation.

The risk management system now covers all the Bank's departments, with leading-edge IT support for credit risk.

Progress at the best price was the theme for 2002, whilst continuing to emphasise performance and quality. We also sought to lighten the relationship managers' workload so that they may spend more time on their clients. This trend should increase in the future, in view of the expected reduction in available margins.

Guy de Picciotto Chief Executive Officer

(In SFr millions)	Financial year 2001	Financial year 2002	Variation in SFr millions	Variation in %
Net profit	202	216	+14	+6.9
Cash flow	238	292	+54	+22.7
Assets under management (in SFr billions)	58.5	73.6	+15	+25.6
Total operating income	585	663	+78	+13.3
Net interest income	131	140	+9	+6.9
Net fee and commission income	319	373	+54	+16.9
Net trading income	128	138	+10	+7.8
Total operating expenses	315	340	+25	+7.9
Personnel costs	232	250	+18	+7.8
Other operating expenses	83	90	+7	+8.4
Gross profit	270	323	+53	+19.6
Depreciation, value adjustments and losses	39	59	+20	+51.3
Total assets	14 892	16 541	+1 649	+11.1
Shareholders' equity	1 364	1 589	+225	+16.5
Share capital	219	300	+81	+37.0
Capital reserves		452	+452	
Reserves and retained earnings	806	429	(377)	(46.8)
Reserves for general banking risks	137	192	+55	+40.2
Staff members (at 31.12)	936	1 325	+389	+41.6
Net profit per staff member (in SFr thousands)	216	191	(25)	(11.6)
Return on equity (ROE)	14.7%	14.6%		
Shareholders' equity/total assets	9.2%	9.6%		
BIS Tier 1 ratio	17.4%	19.1%		

Perfume and Union Bancaire Privée

Perfection - something that one aspires to but may not always attain - is a blend of many things. Great perfumes, like fine wines and good cigars, are the result of skilfully combined and delicately balanced ingredients that, taken individually, might have no effect on our senses.

Like a great perfume, Union Bancaire Privée is the product of careful blending It is based on a combination of knowledge, experience and talent. Its portfolio managers, analysts, brokers and forex traders, its economists and computer engineers, are just some of the components that, when brought together, make up its force

Imagining, composing, assembling, testing, producing and distributing...all are words that apply equally to the concept of a fine perfume and of a banking product.

Knowing how to anticipate, seize opportunities, listen but also advise are qualities that we must blend to offer you, at exactly the right moment, the products that reply to your needs. Protecting your private sphere in compliance with our laws is an essential ingredient in creating and developing relations based on trust.

For the creative perfumer, a new composition requires instinct, expertise and a range of research techniques. The same ingredients in slightly different proportions will change the result completely.

For each client, we create a unique portfolio, whose ingredients are a personalised composition of equities, bonds and derivative instruments

There are thousands of different fragrances and aromas, just as there are thousands of securities and funds. The perfumer's skill, like our own, lies in making the best choice, at the best moment.

Union Bancaire Priv0e
The art of creating value



Committee of the Board

Members of the **Board of Directors**

Chairman

Edgar de Picciotto

Vaud

Pierre-Alain Blum

Geneva

Vice-Chairman

Jean Zwahlen

Former Ambassador

Former Member of the Governing Board of the Swiss National Bank

Nicolas Brunschwig

Colombier

Industrialist

Geneva

Partner of Brunschwig Holding SA

Dr Jacob A. Frenkel

London Chairman

Merrill Lynch International Former Governor, Bank of Israel

Sheldon S. Gordon

New York Chairman

UBPI Holdings Inc.

Helmut Maucher **Bad Homburg Honorary Chairman**

Nestlé SA

Prof. Dr Edwin R hli

Zurich

Prof. Em. IfbF University of Zurich

G. Richard Thoman

New York

Managing Partner Corporate Perspectives Former President

and Chief Executive Officer

Xerox Corporation

Former Chief Financial Officer

IBM Corporation

General Counsel

Olivier Vodoz

Geneva Lawyer

Former President of the Republic and Canton of Geneva

Oudi Recanati

Geneva

Former Chairman of Discount Bank

and Trust Company

Pierre Respinger

Geneva Banker

MANAGEMENT

Executive Management

The Executive Committee

Chief Executive Officer

Guy de Picciotto

Vice-President

Joseph Assaraf

Managing Directors
André Gigon
Philipp Hildebrand
Daniel de Picciotto
Michael de Picciotto
Pierre Pissaloux
Andreas Stricker

Secretary General Jean-Claude Manghardt

Members of Executive
Management, Geneva
Jacques Bardy
Lionel Berruti
Andrea del Bubba
Jean Buhler
Philippe Castan
Maurice Chambet

Shimon Elkabetz Jean-François Fiammingo Philippe Goutmann Nessim Habib Jacques Mechelany

Eddy Cohen

Jean-Philippe Muller André Nahum Erol Pinto Georges Pittet Philippe Schenk François Schnyder Ulrich Tschopp Doroné Van Houten Michael Wyler

Internal Auditor Manh-Dung Nguyen

MANAGEMENT (cont.)

Senior Management,Alexandros DrouliscosJean-Luc L'EplattenierGenevaRaphaël DunandMichel LewinLaurent ElkriefFrançois-Serge Lhabitant

Members of Senior Jean-Marc Epiney Serge Luzio Management Abraham Mahfar Jean Farchadi Sohrab Abrar Pierre-Nicolas Favre Albert Mamane Frédéric Allegro Elvis Fogal Alonso Montes Igal Assaraf Pierre Frutiger Gérard Moret Albert Attie Joan Fulton **Christian Neury Didier Aulas** Sylvain Gautier Jean-Sylvain Perrig Yehuda Av-Ganim **Patrice Gautry** Marcel Pfister René Avigdor **Daniel Pilloux** André Gavard Tony Azar Michel Girardin Richard Ponticelli Marie-Anne Baechler Philippe Givel **Claude Portner** Frank Baert **Evelyne Gouzes** Claude-Alain Regat Elie Barda Gilbert Grange **Laurent Reiss** Cem Bartu Johanna Graziano-von Burg Roger Reiss **David Benaich** Anne-Claude Haenni Patrick Rey Jean-Pierre Benay Martin Haller Joël Rickebusch Shalom Bendayan Khaleel Hassan Vincent Robert Claudio Bergamin Samuel G. Hassan Urs Ruppli Michael Bernegger Alain Hess **David Salama** Pierre Boüan du Chef du Bos Michael Hexel Stéphane Scheidegger Daniel Scheinmann

Cecilia del Bubba Thomas Huwiler Stuart Bygrave William Jaccard Pierre Schick Bruno Carboni Pascal Jacquerioz Anita Sicard-Burgi Yvan Chappuis **Daniel Jakobovits** Vincy Singh Andreas Christen Christian Jeanmaire Stéphane Theus Christian Classen Roberto Joos Pascal Traber Claude Corbet Michel Kamm Diep Tran (Internal Auditor)

Florian Cottier

Eamon Kelly

Jean-Claude Verdin

Myriam Darfeuille

Rudolf Klaus

Eric Vernet

Pascal Dargent

Laurent Kostenbaum

Robert Vodoz

Victor David

Mirko Kumli

Fabrice Volluz

Jean-Paul Delerce

Didier Lamberet

Natalia Wallart

Branches

Zurich
Union Bancaire PrivØe
Members of Executive Management
Hansruedi Huber, Management
Felix Dietschi
Beda Hinder
Christian Scherrer

Members of Senior Management
Dominic Gaillard
J. Clark Hallman

J. Clark Hallman
Heinrich Heller
Gottfried Ingold
Harry Leimgruber
Pierre Levy
Walter Luder
Richard Mandl
André Meyer
Walter Müller
Jacques Seydoux
Monika Vicandi
Jürg Vontobel

Lugano Union Bancaire Priv@e

Member of Executive Management Lorenzo Delcò, Management

Members of Senior Management Gian Andrea Balma Riccardo Bernasconi Shalom Fadlon Michele Ghelfi Emilio Re

Peter Saurenmann Ezio Sebastiani Corrado Valsangiacomo

Luxembourg

Union Bancaire Priv@e Member of Executive Management Jacques Benzeno, Management

Members of Senior Management

André Labranche Elo Rozencwajg Eric Stilmant Frédéric Weinberg London

Union Bancaire Priv@e Member of Executive Management Jean-Noël Sioné, Management

Members of Senior Management

Maeve Colley Eric Dyer George Lassados Nicholas Nahum Michael Perotti David St-George Moise Tawil

Jersey

Union Bancaire Priv⁄e Member of Senior Management Urs Albrecht, Management

Nassau

Union Bancaire Priv@e Member of Executive Management Jean-Marie Walrand, Management

MANAGEMENT (cont.)

Rep	res	enta	tives
-----	-----	------	-------

Helsinki New York
Union Bancaire Privøe Union Bancaire Privøe

Management Management
Christina Eriksson Maurice de Picciotto

Stockholm Mexico

Union Bancaire Priv@e Union Bancaire Priv@e

Management
Tommy Ekholm
Zalman Soffer

Istanbul Buenos Aires

Union Bancaire Priv@e Union Bancaire Priv@e

Management Management Miriel Hayirel Carlos Cailliat

Tel Aviv Rio de Janeiro
Union Bancaire Priv@e UBP Servi os Ltda

Management Management
Elchanan Harel Carlos Alberto Vieira

Dubai Sao Paulo

Union Bancaire Priv@e UBP Servi os Ltda

Management Nabil Malek Melson Hibner

Singapore Nassau

Union Bancaire Privoe UBP Representative

Management Services (Bahamas) Ltd

Paul-Henri Boillat Management Sohrab Abrar **Subsidiaries**

Geneva

UBPAsset Management

Managing Director André Gigon, Management

Members of Senior Management

Pierre Berger Olivier Dumuid

Zurich

UBPAsset Management

Branch of UBP Asset Management,

Geneva Management Barbara Rupf Bee

Paris

UBI Union Bancaire Gestion Institutionnelle

(France)

Subsidiary of UBP Asset Management, Geneva

Management Dominique Leprévots

Members of Senior Management

François-Xavier Bouis Jean-Edouard Reymond

Subsidiaries (cont.)

Nassau Barcelona Jersey

UBP International UBPGesti n Institucional CentreTrust Trust Limited SA Management **Urs Albrecht** Management Subsidiary of UBP Asset

Jean-Marie Walrand Management, Geneva

Tokyo Management

Union Bancaire Priv@e Bermuda **Enrique Grebler** Carmen Bañuelos UBPAsset Management

Japan K.K. Management (Bermuda) Limited

Jin Sekiguchi Management Luxembourg Reiko Isaac Union Bancaire Priv@e

(Luxembourg) SA Singapore

Union Bancaire Priv@e Management Jacques Benzeno (Singapore) Ltd.

Management Paul-Henri Boillat Members of Senior Management

André Labranche New York Elo Rozencwajg

Union Bancaire Priv@e

Eric Stilmant

Frédéric Weinberg Asset

Management LLC

Management London

Mark J. Kenyon CBI-UBP International Itd.

Management Jean-Noël Sioné Roger Metta

ADDRESSES

Headquarters	Branches	
Switzerland	Switzerland	Jersey
Union Bancaire Privée	Union Bancaire Privée	Union Bancaire Privée
96-98, rue du Rhône	Bahnhofstrasse 1	P.O. Box 526
1204 Geneva	8022 Zurich	40 Esplanade
Tel. + 4122 819 21 11	Tel. + 411 219 61 11	Saint Helier
Fax + 4122 819 22 00	Fax + 411 211 39 28	Jersey JE45UH
Telex 415 423		Tel. + 441534 514 670
	Union Bancaire Privée	Fax + 441534 514 671
Internet	Viale S. Franscini 5	
www.ubp.ch	6900 Lugano	Bahamas
E-mail ubp@ubp.ch	Tel. + 4191 910 60 00	Union Bancaire Privée
1 1	Fax + 4191 910 61 90	Charlotte House
	E-mail ubplugano@ubp.ch	Shirley Street
	1 0 1	P.O. Box N-7529
	Luxembourg	Nassau/Bahamas
	Union Bancaire Privée	Tel. + 1242 323 33 47
	Boulevard Royal 18	Fax + 1242 328 21 77
	Boîte postale 79	
	2010 Luxembourg	
	Tel. + 352 228 0071	
	Fax + 352 223 767	
	United Kingkom	
	Union Bancaire Privée	
	26 St James's Square	
	20 Stanios Squit	

London SW1Y 4JH Tel. + 4420 7369 1350 Fax + 4420 7369 0460

Representatives

Finland Union Bancaire Privée Bulevardi 2 - 4A / PL 328 00121 Helsinki Tel. + 3589 612 6640 Fax + 3589 612 66464 E-mail helsinki@ubp-group.com

Sweden Union Bancaire Privée p.a. Lindh Stabell Horten KB Kungsgatan 9 10390 Stockholm Tel. + 468 701 7800 Fax + 468 796 8223

Turkey Union Bancaire Privée Maçka cad. Feza apt. n°1 D 2 P.K. 80200 Istanbul Tel. + 90212 296 20 40 Fax + 90212 296 35 70 E-mail istanbul@ubp-group.com Isræl

Union Bancaire Privée 8, Shaul Hamelech Blvd Tel Aviv 64733 Tel. + 9723 691 5626 Fax + 97236914652E-mail tel-aviv@ubp-group.com

United Arab Emirates Union Bancaire Privée 18th floor, Twin Towers Beniyas Street P.O. Box 33778 Deira Dubai, EAU Tel. + 9714 2215 315 Fax + 9714 2219 321, 228 816

Singapore Union Bancaire Privée 6 Battery Road, #15-01 Singapore 049909 Tel. + 65 6225 67 88 Fax + 6562250996

E-mail dubai@ubp-group.com

E-mail singapore@ubp-group.com

USA

Union Bancaire Privée **Suite 2700** 630 Fifth Avenue

New York, N.Y. 10111 Tel. + 1212 265 33 20 Fax + 1212 247 43 10

E-mail new-york@ubp-group.com

Mexico

Union Bancaire Privée Paseo de Las Palmas N° 239 - suite 502

Lomas de Chapultepec 11000 Mexico - D. F. Tel. + 525 202 4301

+ 525 202 7091 Fax + 525 202 6402

E-mail mexico@ubp-group.com

Argentina Union Bancaire Privée

Florida 890 Piso 26

C.P. 1005 Buenos Aires Tel. + 5411 4312 4091

Fax + 5411 4312 4095

E-mail buenosaires@ubp-group.com

Subsidiaries

Brazil	
UBP Serviços Ltda	Switzerland
"Torre do Rio Sul"	UBP Asset Management
Rua Lauro Muller nr. 116	8, rue Robert-Estienne
Sala 4205	Case postale
Botafogo	1211 Geneva 1
CEP 22290-160	Tel. + 4122 310 56 50
	Fax + 4122 819 28 95
Rio de Janeiro RJ	E-mail inst@ubp.ch
Tel. + 5521 2543 4141	
Fax + 5521 2295 2954	UBP Asset Management
E-mail rio@ubp-group.com	Branch of UBP Asset Management,
	Geneva
UBP Serviços Ltda	Bahnhofstrasse 1
Alameda Santos nr. 1940	8022 Zurich
14° Andar Conj. 141	Tel. + 411 211 55 22
Cerqueira Cesar	Fax + 411 211 55 23
CEP 01418-200	
Sªo Paulo - SP	Fiduciaire Fidulex SA
Tel. + 5511 2883 933	8, rue Robert-Estienne
Fax + 5511 32852 752	Case Postale 3249
E-mail saopaulo@ubp-group.com	1211 Geneva 3
	Tel. + 4122 312 07 08
Bahamas	Fax + 4122 312 07 40
UBP Representative	
Services (Bahamas) Ltd.	Coteges Conseils & Techniques
Charlotte House	de Gestion SA
Shirley Street	CP 171
P.O. Box N-7139	1211 Geneva 3
Nassau/Bahamas	Tel. + 4122 819 21 11
Tel. + 1242 323 73 36	Fax + 4122 819 22 00

Fax + 1242 356 31 70

UBI Union Bancaire Gestion Institutionnelle (France) Subsidiary of UBP Asset Management, Geneva 7, place Vendôme 75001 Paris Tel. + 331 44 50 16 16 $Fax + 331\ 44\ 50\ 16\ 19$ E-mail paris@ubp-group.com www.ubgi.fr Spain UBP Gestión Institucional SA Subsidiary of UBP Asset

Management, Geneva

08006 Barcelona Tel. + 3493 200 60 00

Fax + 34934140391

Luxembourg

(Luxembourg) SA

Boulevard Royal 18

Tel. + 352 228 0071 Fax + 352 223 767

2010 Luxembourg

Boîte postale 79

Union Bancaire Privée

Avda. Diagonal, 520 2°, 2a-B

E-mail barcelona@ubp-group.com

France

Subsidiaries

United Kingdom	Japan	Bahamas
CBI-UBP International Ltd.	Union Bancaire Privée Japan K.K.	UBP International Trust Limited
26 St James's Square	Fukoku Seimei Bldg., 5th floor	Charlotte House
London SW1Y 4JH	2-2-2, Uchisaiwaicho	Shirley Street
Tel. + 4420 7369 1350	Chiyoda-ku	P.O. Box N-7139
Fax + 4420 7839 2514	Tokyo 100-0011	Nassau/Bahamas
	Tel. + 813 3506 34 88	Tel. + 1242 323 33 47
Jersey	Fax + 813 3506 19 77	Fax + 1242 328 21 77
CentreTrust Ltd.	E-mail tokyo@ubp-group.com	
P.O. Box 301		Union Bancaire Privée
40 Esplanade	Singapore	(Bahamas) Limited
Saint Helier	Union Bancaire Privée	Charlotte House
Jersey JE4 8UG	(Singapore) Ltd.	Shirley Street
Tel. + 441534 514 600	6 Battery Road, #15-01	P.O. Box N-7529
Fax + 441534 514 601	Singapore 049909	Nassau/Bahamas
E-mail cen@ubp.ch	Tel. + 65 6225 67 88	Tel. + 1242 325 67 55
	Fax + 65 6225 09 96	Fax + 1242 325 67 65
Union Bancaire Asset Management	E-mail singapore@ubp-group.com	
(Jersey) Limited		Bermuda
P.O. Box 526	USA	UBP Asset Management
40 Esplanade	Union Bancaire Privée	(Bermuda) Limited
Saint Helier	Asset Management LLC	Cumberland House, 4th floor
Jersey JE45UH	630 Fifth Avenue, Suite 2707	1 Victoria Street
Tel. + 441534 514 672	New York, N.Y 10111	Hamilton HM 11/Bermuda
Fax + 441534 514 674	Tel. + 1212 218 6750	Tel. + 1441 295 8339
	Fax + 1212 218 6755	Fax + 1441 295 8682
		E-mail ubam@ubam.bm

You will find this annual report in English and French on our Internet site at www.ubp.ch

The Union Bancaire Privée annual report is published in English, French, German, Italian and Spanish