

DELIVERING TRUST BETWEEN PEOPLE, ORGANISATIONS AND GOVERNMENTS

Swiss Equities Conference

SGS SA

Jean-Luc de Buman

New York, 27 September 2007

- Founded in Rouen in 1878, under the name of Goldstück, Hainzé & Co.
- First registration as Société Générale de Surveillance in Geneva in 1919
- Growth by agglomerations of various companies which until 2002 had great degree of autonomy
- Listed publicly in 1985
- Single share structure introduced in 2001
- Four significant shareholder groups
 - August von Finck and family (23.7%)
 - IFIL investment (14.1%)
 - Allianz SE (7.4%)
 - FMR Corp (5.57%)

- We aim to be the most **competitive** and the most **productive** service organization in the world.
- Our core competences in **testing, inspection, verification and certification** are being continuously improved to be **best-in-class**. They are at the heart of what we are.
- Our chosen markets will be solely determined by our ability to be the most competitive and to consistently deliver **unequaled service** to our customers, both **locally** and **trans-nationally**.

OUR IMPARTIAL SERVICES WORK ACROSS INDUSTRIES AND GEOGRAPHIES

- Inspection
- Verification
- Testing
- Certification

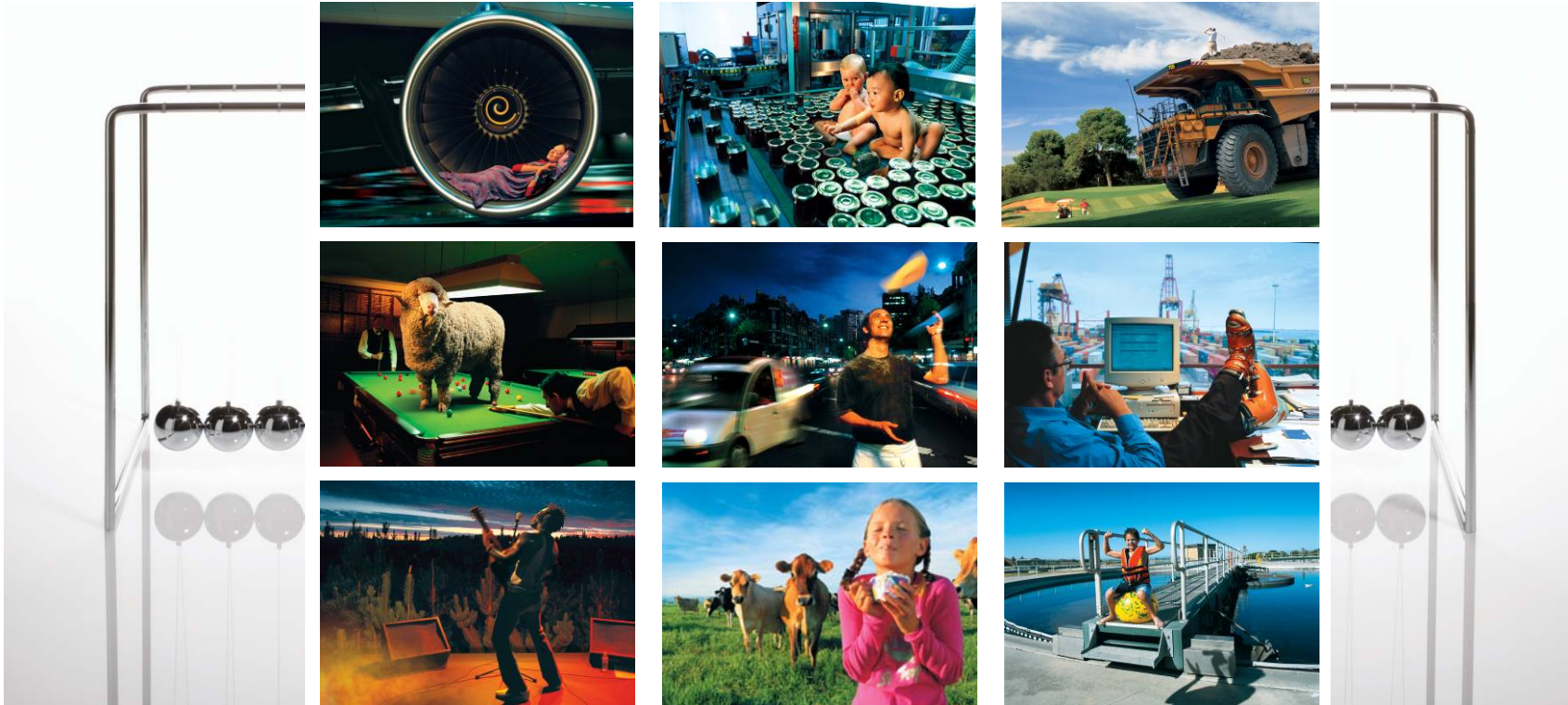


THE WORLD'S **LEADING** INSPECTION, VERIFICATION, TESTING AND CERTIFICATION COMPANY.

- More than 48'000 employees
 - Europe, Middle East & Africa: 22'600 employees
 - Americas: 10'900 employees
 - Asia/Pacific: 15'100 employees
- A network of over 1'000 offices & laboratories



BUILDING TRUST THROUGHOUT SUPPLY CHAINS



← FROM FIELD TO CONSUMER →

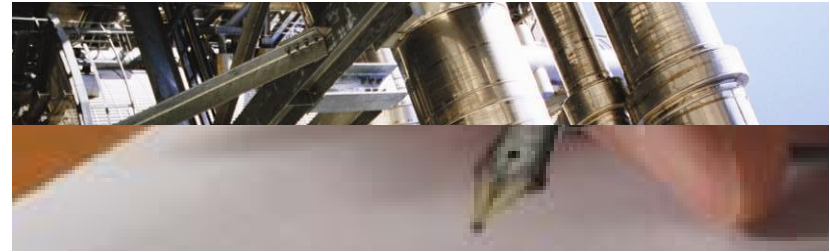


DELIVERING **TRUSTED** TESTING, INSPECTION, VERIFICATION & CERTIFICATION

EXPERTISE
ACROSS INDUSTRIES



ACTING ON PROCESSES, PRODUCTS,
ASSETS



SERVING BUSINESSES,
GOVERNMENTS & END USERS

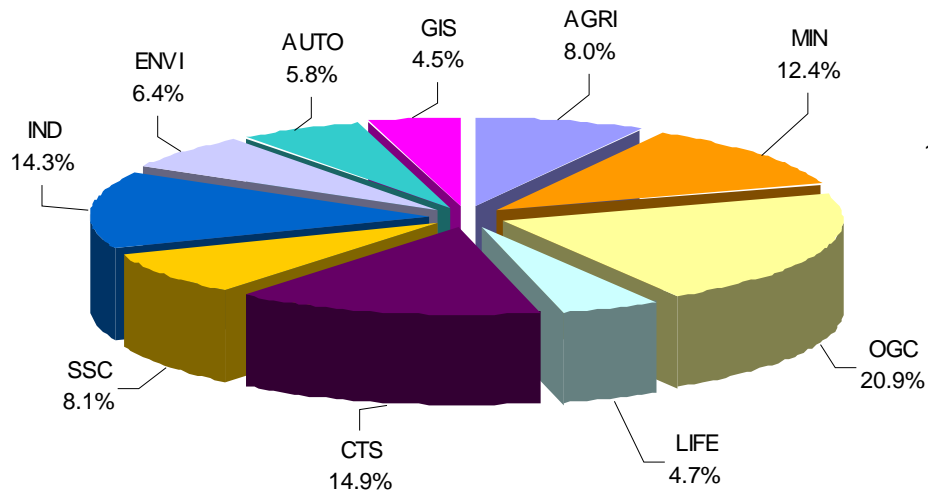


TO DELIVER SUSTAINABLE RESULTS

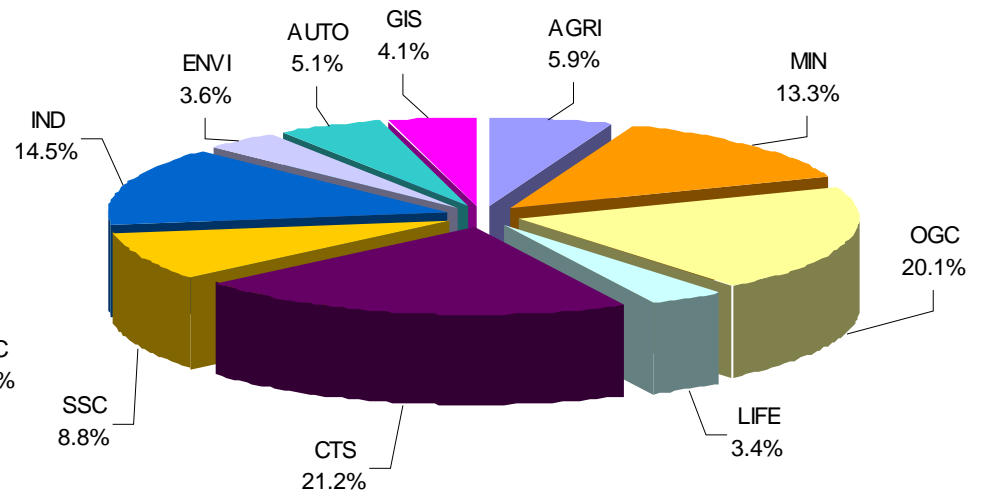


- Revenue growth of 13.2% to CHF 2.1 billion
 - 11.8% in constant currencies
 - 11.5% organic
- EBITDA up 15.2% to CHF 418 million
- Operating income up 15.3% to CHF 324 million
- Net income up 17% to CHF 234 million
- Target confirmed at CHF 80 earnings per share in 2008

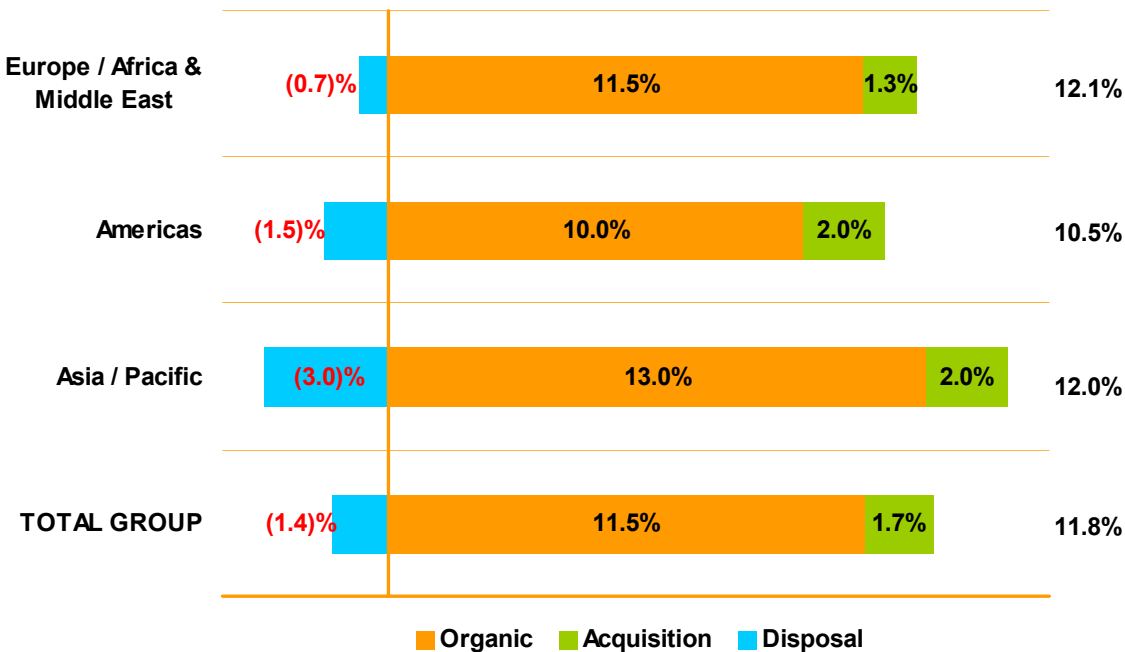
Revenues



Operating Income



REVENUE GROWTH AND HEADCOUNT CHANGE BY REGION

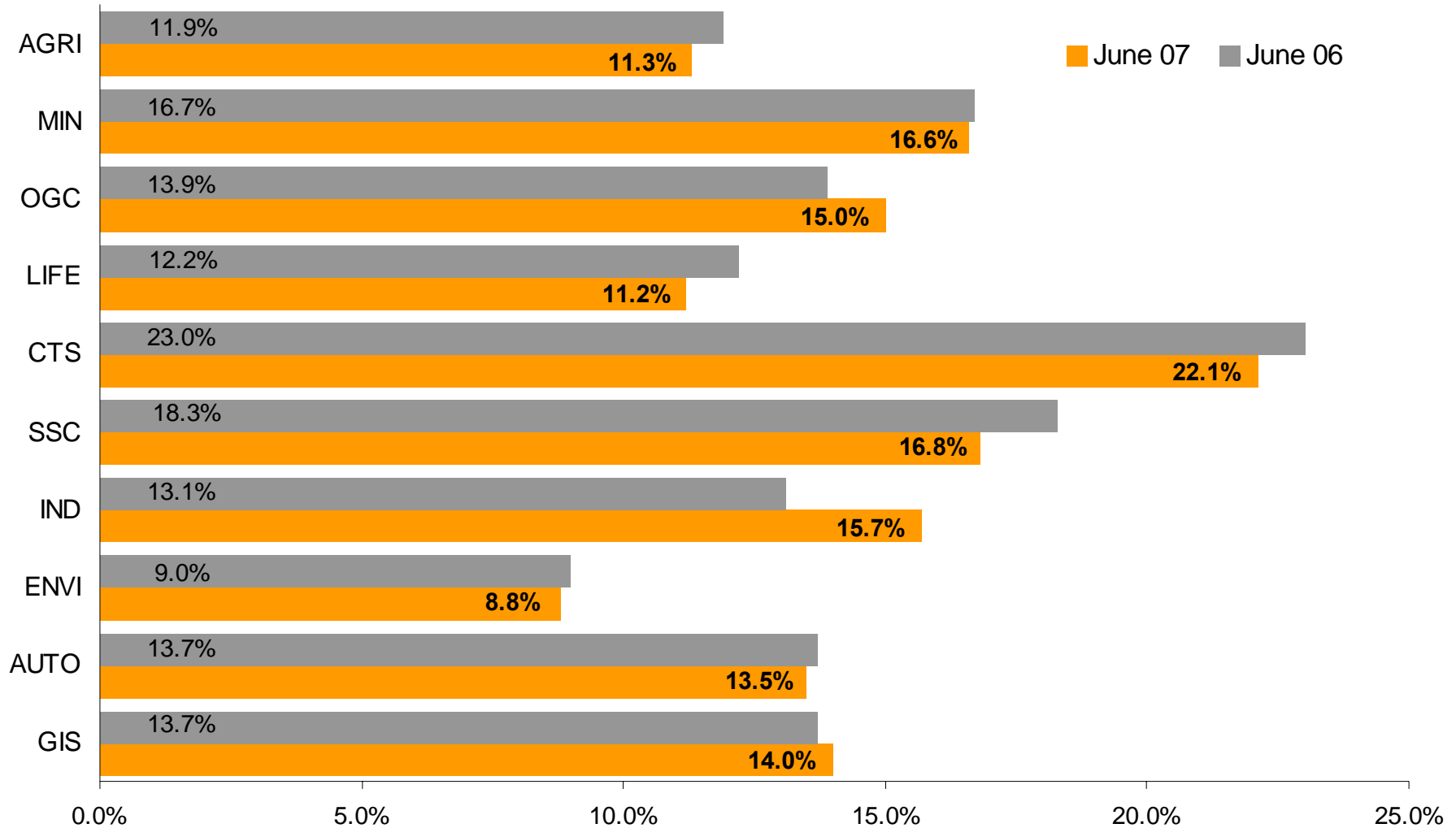


Δ in EOP headcount	June 2007	June 2006	Δ
Group Headcount	50,213	46,337	3,876
Organic Business Growth			3,819
Acquisitions			65
Disposals			(8)
Increase in Group Headcount			3,876

By Region	Headcount Δ	Headcount Δ%	Revenues Δ%
Europe / Africa / Middle East	1,170	5.4%	12.1%
Americas	850	7.8%	10.5%
Asia / Pacific	1,856	13.3%	12.0%
TOTAL	3,876	8.4%	11.8%

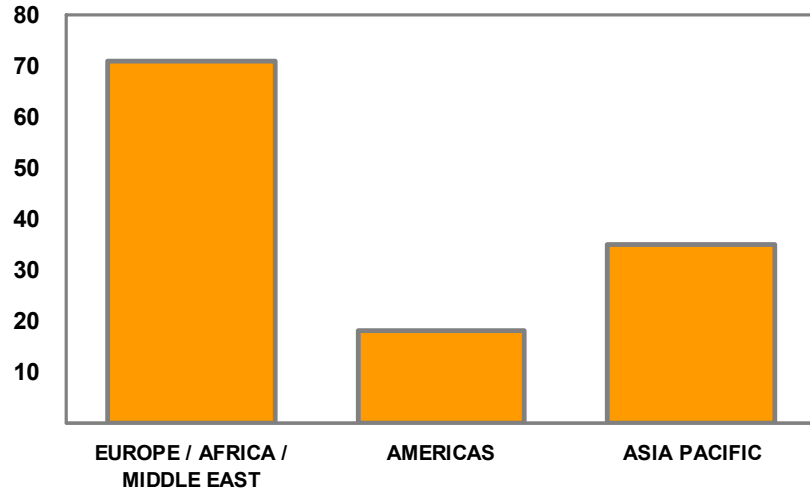


OPERATING MARGIN BY BUSINESS

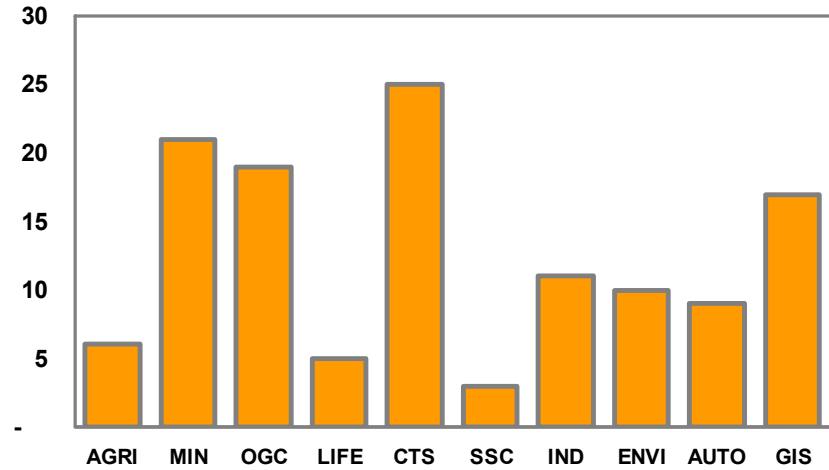


CAPITAL EXPENDITURE

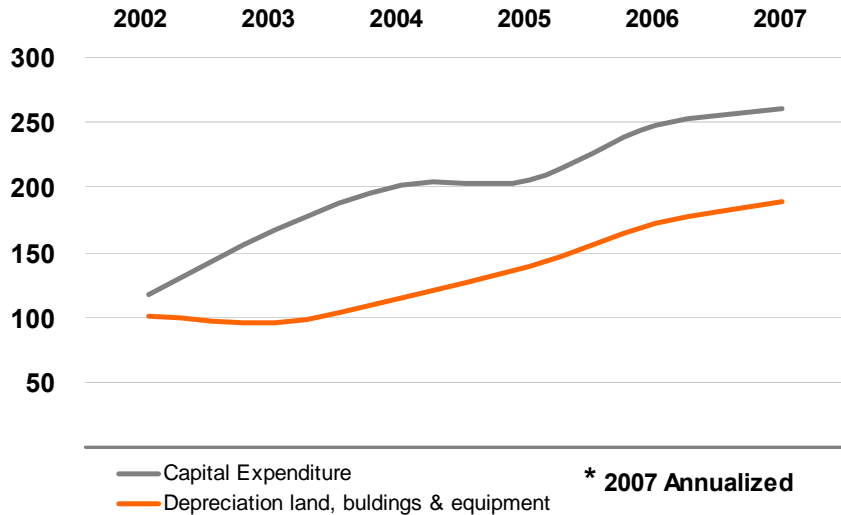
CHF Mio



CHF Mio



CAPEX
CHF Mio



AGRICULTURAL SERVICES (AGRI)

“Customers and authorities demand better quality and reliability in the supply chain.”



We bring efficiency and quality to all stakeholders involved in the agricultural value chain

WE DELIVER:

- Reduced risks in transactions, improved Quality and increased peace of mind
- Quality control in the supply chain
- Reliable data to enable our clients to make informed decisions for the benefit of their company and their customers
- Objectivity, expertise and innovation throughout the value chain

WHY SGS:

- Our reputation is synonymous with quality and inspires confidence
- Service across industries & geographies

CHF million	June 2007	June 2006
Revenue	167.7	165.7
Change in %	1.2	
Operating Income before exceptionals	19.0	19.7
Change in %	(3.6)	
Margin %	11.3	11.9



■ Overview 2007

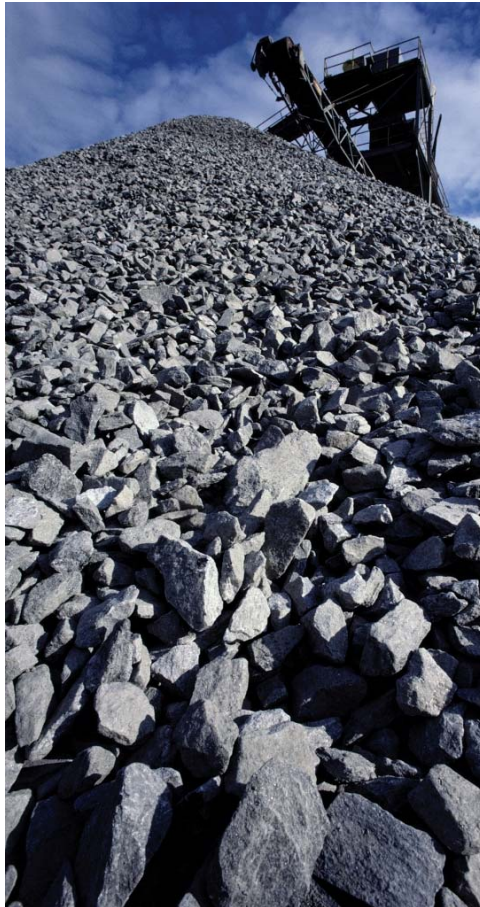
- Supply Chain Management activities in FSU to Baltic's trade have been established.
- Logistics business success has contributed to a good performance in South East Europe.
- Solid results on rice inspections in Vietnam
- Interest in our storage solutions operation in Argentina has enabled replication in Paraguay.
- Difficult trading environment in Spain and North American export markets.
- Position in the US market has been strengthened with the acquisition of two leading companies offering Grading On-Site and in high-value seed testing.

■ Outlook

- Growth of agricultural feed-stocks for alternate fuels will present new supply chain management and testing opportunities.
- Expected good crop conditions in the Americas in H2.
- Expansion of seed testing activity and onsite grading at processing plants and in-land terminals based on the business models of newly acquired activities.

MINERALS SERVICES (MIN)

“A partner who values quality & understands urgency as a core value.”



Supporting firms in the mineral exploration, extraction and trading sectors

WE DELIVER:

- Unparalleled network of geochemical labs
- Bankable metallurgical testing & development
- Independent services for energy minerals
- Advanced process control systems
- Stock monitoring, management & control
- Quality and quantity inspection testing

TO HELP:

- Reduce risk, enhance value & maximize returns

WHY SGS:

- Extensive experience with hundreds of commodities
- Leading supplier of innovative technology

CHF million	June 2007	June 2006
Revenue	259.6	225.3
Change in %	15.2	
Operating Income before exceptionals	43.2	37.6
Change in %	14.9	
Margin %	16.6	16.7

■ Overview 2007

- Traditional trade related business continues to show strong growth based on high commodity demand.
- Geochemistry opened new facilities in Uganda, Mauritania and Russia.
- Metallurgy and mineralogy delivered increased revenues from NAM, SAM, SEAP and Africa.
- Robotic sample preparation system installed and commissioned in Perth.
- Strong regional growth in Africa, South America and China.



■ Outlook

- On-site laboratory business will add several new sites in the second half of the year.
- QEMScan capability in SAM on track to be operational in July.
- Continue the roll-out of LIMS into the coal lab network globally.
- Overall market conditions expected to remain positive.

“Business as usual is not enough.”



Serving the whole OGC industry, supply chain and stakeholders across the globe

WE DELIVER:

- Unbiased reliable facts and information under all circumstances (anywhere, any place, anytime)
- Tailored solutions that add value

TO HELP:

- Increase speed and quality of decision making
- Protect & secure business interest around the globe
- Increase flexibility to do business

WHY SGS:

- Unequaled OGC laboratory network
- Supported with pragmatic experts, eager to assist

CHF million	June 2007	June 2006
Revenue	434.1	374.3
Change in %	16.0	
Operating Income before exceptionals	65.2	51.9
Change in %	25.6	
Margin %	15.0	13.9

■ Overview 2007

- In favourable market conditions the sector continued to capitalize on our network coverage and service portfolio.
- All regions and services contributed to the comparable revenue growth.
- Replication of cargo treatment, PTO and fuel integrity business models underway in various regions.
- Successful introduction of innovative analytical solutions into the upstream market.



■ Outlook

- Expect favourable market conditions to continue for the remainder of the year.
- Global roll-out of recent innovative analytical solutions will start to contribute to results (PVT, GOR).
- Strongly positioned to benefit from the growth in alternative fuels related services-deploying cross-business team (OGC, MIN, AGRI).

CONSUMER TESTING SERVICES (CTS)

“The sharp reduction in customer return rates is evidence that SGS has helped achieve a consistently high standard”



Manufacturers, importers, exporters and retailers of consumer products

WE DELIVER :

- Product testing, certification, verification, inspection, process assessment & consulting services to Electrical & Electronics, Textiles, Footwear, Food & Hardlines sectors

TO HELP :

- Reduce risks,
- Eliminate defects at an early production stage,
- Ensure quality, performance & compliance with local and international requirements
- Faster time to market, avoiding regulatory and non-compliance bottlenecks

WHY SGS :

- Largest & strategically located global network of testing laboratories, quality control and regulatory specialists.
- Internationally-recognized certification marks demonstrating product fulfils technical requirements

CHF million	June 2007	June 2006
Revenue	311.4	277.3
Change in %	12.3	
Operating Income before exceptionals	68.7	63.9
Change in %	7.5	
Margin %	22.1	23.0



■ Overview 2007

- Slow down of RoHS testing in H1 versus PY occurring as expected; partially compensated by growth in other RSTS activities including food contact, chemical testing related to toys, hard goods, textile.
- Solid growth in soft lines and hard lines testing with gain of shares in key markets such as US, Germany and China.
- Strengthened US position in food auditing with new contracts secured.
- All SGS regions reported YOY revenue growth with margin compression in Europe and Asia due to investment and service mix changes.

■ Outlook

- Automotive business development accelerating with new approval programs for both materials and chemical testing.
- Sustainability trend with focus on corporate social responsibility (social & environmental), energy efficiency and REACH.
- Resources re-alignment due to recent IT implementations in H1 expected to improve margins.
- Revenue back logs for SL and HL look promising for holiday buying season.

SYSTEMS & SERVICES CERTIFICATION (SSC)

“SGS’ deep knowledge & experience was a key in helping us become a preferred supplier with ISO 22000 certification.”



Supports all organisations

WE DELIVER:

- Audits & certification against management systems standards
- Audits against clients’ own standards,
- Performance improvement solutions & training

TO HELP:

- Client Systems to meet a most stringent quality, environmental, safety & security criteria
- Clients to control the supply chain network to exceed customer requirements
- Offer the right solution to continuously improve and sustain the performance of processes and bottom-line results

WHY SGS:

- Unique range of services to allow monitoring and improvement of processes to deliver sustainable performance

CHF million	June 2007	June 2006
Revenue	170.1	151.4
Change in %	12.4	
Operating Income before exceptionals	28.5	27.7
Change in %	2.9	
Margin %	16.8	18.3

■ Overview 2007

- Production capacity shift to new EU members offers good growth opportunities.
- Middle East & FSU growth boosted by energy and infrastructure developments.
- Western Europe economic growth creates demand for integrated management systems solutions.
- Service certification delivers high growth in Europe with possible expansion into other regional markets.
- China market in transition phase.

■ Outlook

- Investment in international sales project launched in end Q1 and starting to deliver new revenue streams.
- Improved performance in H2 based on forecasted pipeline for new contracts.



INDUSTRIAL SERVICES (IND)

“When you’re building a wind farm in the Baltic sea, quality truly matters.”



For owners, operators, contractors and investors of Industrial assets

WE DELIVER:

- Technical verification, inspection, testing and conformity assessment

TO HELP:

- Assure Asset Integrity – from Design to Operation
- Reduce complexity and take care of quality and safety interests
- Reduce operational cost and risk
- Confirm compliance and increase reliability

WHY SGS:

- Integrated service package of specialised solutions and traditional services focused on the complete asset life cycle
- Technical expertise and experience combined with a wide ranging worldwide network

CHF million	June 2007	June 2006
Revenue	298.4	240.2
Change in %	24.2	
Operating Income before exceptionals	46.8	31.5
Change in %	48.6	
Margin %	15.7	13.1



■ Overview 2007

- Strong organic revenue growth across the Group, particularly in NDT and supply chain services.
- Good margin growth in Europe due to improved efficiency and focus on higher value services.
- Wind energy business continues to grow rapidly with established capability in Europe, India and China and services now starting up in North America.
- New materials testing lab added in China.
- Improved performance in infrastructure project work in India and the Middle East.

■ Outlook

- High global investment levels in plant and infrastructure are expected to continue, fuelling demand.
- Growth initiatives:
 - roll out of upstream oil and gas inspections.
 - packaged service with OGC for tank farm calibration, NDT and certification.
 - further replication of construction supervision services in Eastern Europe, Russia, and Peru.

ENVIRONMENTAL SERVICES (ENVI)

“We need a reliable partner to help us even in the most difficult investigations.”



For all organisations with an Environmental Footprint

WE DELIVER:

- Monitoring, analysis & data interpretation of contamination in soil, water & air
- Verification & Certification of CO² emissions for mandatory & voluntary climate change programmes

TO HELP:

- Understand & reduce environmental risks
- Optimize processes to work effectively within the environmental regulations

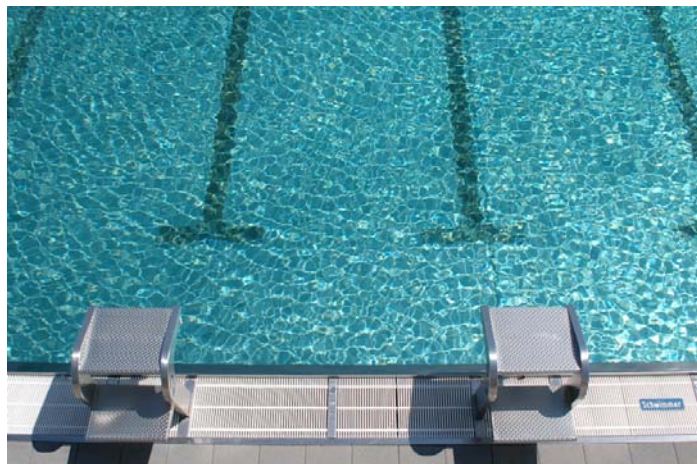
WHY SGS:

- The most comprehensive international network of analytical labs backed up by speciality experts (e.g. dioxins)

CHF million	June 2007	June 2006
Revenue	133.4	125.0
Change in %	6.7	
Operating Income before exceptionals	11.8	11.3
Change in %	4.4	
Margin %	8.8	9.0

■ Overview 2007

- Solid comparable¹ revenue and operating income growth, with notable performance in Spain, Belgium and Italy.
- Multi-year contract wins in Australia, Belgium, Italy, Spain, and Switzerland.
- Gulf Laboratory was ISO 17025 accredited and commenced operations.
- Strong demand for our Climate Change Programme which continues to be one of the market leaders in Clean Development Mechanism (CDM) activity.



■ Outlook

- Environmental concerns continue to drive demand for the services.
- New dioxin screening product has already received first contract wins.
- Continuing demand for climate change activities with a move towards more voluntary activities.
- Usual seasonality profile will deliver improved performance in the 2nd semester.

1. Excluding the contributions from the Australian hygiene business sold on June 30, 2006.

AUTOMOTIVE SERVICES (AUTO)

“State of the art E-Business tools and indisputable cost calculation makes SGS the perfect partner across our global network.”



For governmental agencies, Automotive manufacturers, leasing & financial companies

WE DELIVER:

- Outsourcing of services to Government agencies involved in road traffic and safety
- Detailed controls along the supply chain (from factory to dealer)
- Uniform and independent remarketing solutions

TO HELP:

- Proper & efficient implementation of legislation (vehicle safety, drivers, emissions)
- Maximise the remarketing value & cycle
- Monitor and assure quality of vehicles from factory to client

WHY SGS:

- SGS adapts solutions to client needs & delivers consistency across borders

CHF million	June 2007	June 2006
Revenue	121.7	111.5
Change in %	9.1	
Operating Income before exceptionals	16.4	15.3
Change in %	7.2	
Margin %	13.5	13.7



■ Overview 2007

- New inspection contract for black cabs in London.
- In Ireland, new contract for driver's testing.
- In Egypt, contract with Egyptian Travel Agents Association for the provision of "on the road testing" of vehicles and drivers.
- Commercial services are gaining momentum both in Europe and in the USA with new services.
- COTA acquisition completed

■ Outlook

- For statutory inspections services, positive impact of Black cab, driver's testing and Egypt, COTA. Expect additional mandate to be finalized in early Q3.
- For commercial services, new revenues in Europe and USA will increase revenues in 2nd semester.

LIFE SCIENCE SERVICES (LIFE)

“SGS helps increase productivity and frees-up resources.”



For the pharmaceutical, biotechnology, medical device, and cosmetic industry

WE DELIVER:

- Clinical research for Phase I to IV clinical trials
- Quality control testing and contract analytical services

TO HELP:

- Ensure the quality, safety and effectiveness of pharmaceuticals and other life science products
- Reduce time to market

WHY SGS:

- Broad therapeutic expertise
- State-of-the art clinical pharmacology units
- World's largest network of GMP compliant laboratories (US-FDA, EMEA, WHO)

CHF million	June 2007	June 2006
Revenue	98.4	91.1
Change in %	8.0	
Operating Income before exceptionals	11.0	11.1
Change in %	(0.9)	
Margin %	11.2	12.2



■ Overview 2007

- Clinical research results driven by good performance in Late Stage services increasing demand for bio-analytical and double-digit growth for Phase I services despite ongoing difficult environment in France following the implementation of EU directive in August 2006.
- Increased utilization of electronic data capture (eDC) solution to support the data collection, management and analysis of clinical trials.
- New bio-pharmaceutical extension to Belgium lab completed.
- India quality control lab successfully passed its first US-FDA pre-approval and GMP inspection.

■ Outlook

- Strong increase in backlog for Phase I services.
- Strong demand for preferred vendor ship agreements from internationally active pharma, generic, CMO and API manufacturing companies driven by network advantage of GMP-compliant labs.
- Back logs and contract wins point to improved performance in H2.
- Change in Business leadership.

“We need to establish the basis for future growth.”



For Governments and Institutions, NGO-s and Charities

WE DELIVER:

- Inspected goods (before or after arrival) to ensure compliance with legal requirements
- Validated at source information submitted globally

TO HELP:

- Facilitate trade, support good governance and promote sustainable development by combating counterfeits, improving import export processing, assessing and improving visibility and accountability of implementing agencies

WHY SGS:

- Adaptable modern tools to support efficiency & monitoring, being IT or scanners, tracking devices or marking technology
- Partnership and investment commitment
- Width of expertise benefit Governments & Institution

CHF million	June 2007	June 2006
Revenue	94.0	83.3
Change in %	12.8	
Operating Income before exceptionals	13.2	11.4
Change in %	15.8	
Margin %	14.0	13.7

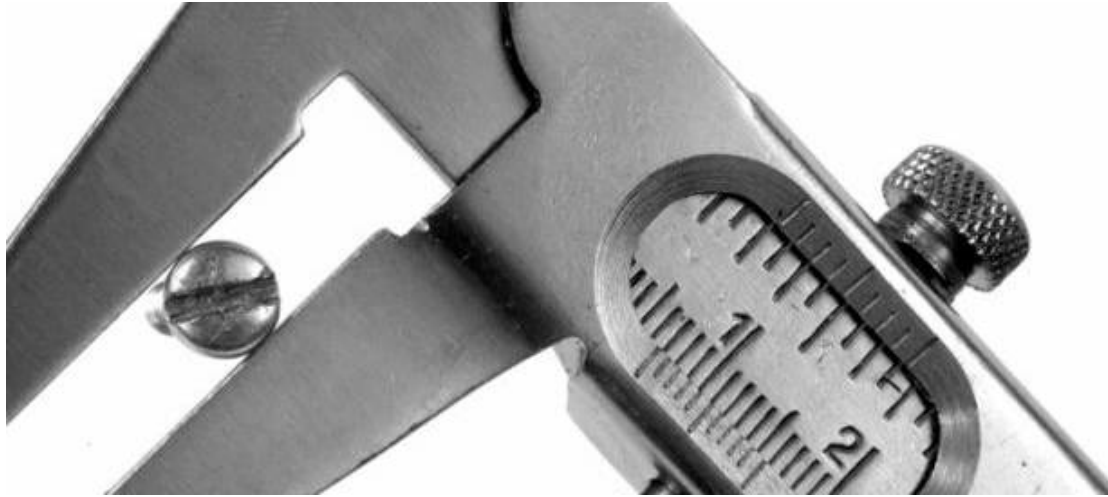
■ Overview 2007

- Decrease in Global Solutions was compensated by 41% of Local Solutions growth.
- New PSI program implemented in Angola.
- Extension for Haiti PSI including a scanner.
- In Madagascar PSI was replaced by a modern TradeNet program complemented with Scanners.
- DI program in Nigeria is performing according to plan.
- In Ghana, in addition to the successful TradeNet scheme, a cargo tracking module is now running.
- Product conformity assessment schemes in Kenya and Saudi Arabia are progressing well.



■ Outlook

- For Global solutions few new PSI opportunities. Transition of Madagascar contract will be partially compensated by Angola.
- Local Solutions should be increasing through new opportunities in TradeNet, scanners and Forestry with positive trend continuing.
- Expect to improve operating performance as new contracts reach steady state in H2.



- By enhancing quality
- By reducing risk
- By improving productivity
- By ensuring compliance



WHAT MAKES SGS DIFFERENT?

- Working across Industries
- Thinking Globally
- Acting Locally
- Covering Supply Chains
- Using the right Technology
- Our Culture of Integrity

YOU CAN RELY ON OUR MOST IMPORTANT **ASSETS**

Our People

Our Expertise

Our Commitment

WHEN YOU NEED TO BE SURE





- Integrity
- Passion
- Entrepreneurship
- Innovative spirit

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- > Automotive
- > Consumer Testing
- > Environment
- > Governments and Institutions
- > Industrial
- > Life Science
- > Minerals
- > Oil, Gas & Chemicals
- > Systems & Services
- > Certification

OUR SERVICES BY ACTIVITY

- > Certification
- > Inspection
- > Outsourcing
- > Risk management
- > Testing
- > Technical consultancy
- > Training

PROJECT FINANCE SERVICES
From technical due diligence to project monitoring, we deliver the trusted information to manage your project risks.

TECHNICAL SERVICES

ENVIRONMENTAL SUSTAINABILITY

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