HALF YEAR RESULTS

JUNE 2009

SGS

SGS HALF YEAR RESULTS

The SGS Group delivered first semester constant currency revenue growth of 6% (1.3% reported basis) to CHF 2.3 billion. Despite a challenging operating environment in some of the Group's business sectors, pre-exceptional operating income improved 1.6% (6.9% constant currency basis) to CHF 376 million with operating margins improving to 16.2% from 16.1%. Net profit before exceptional items remained constant at CHF 264 million (up 4.7% constant currency basis). During the semester the Group distributed its CHF 375 million dividend payment to the equity holders of SGS SA and re-initiated its share re-purchase program of up to CHF 250 million.

FINANCIAL HIGHLIGHTS

(CHF million)	JUNE 2009	JUNE 2008
REVENUE	**2 327**	2 298
Change in %	1.3	
EBITDA (BEFORE EXCEPTIONALS)	**486**	473
Change in %	2.7	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**376**	370
Change in %	1.6	
OPERATING MARGIN (BEFORE EXCEPTIONALS) IN %	**16.2**	16.1
OPERATING INCOME (EBIT)	**361**	497
Change in %	(27.4)	
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF SGS SA (BEFORE EXCEPTIONALS)	**264**	265
Change in %	(0.4)	
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF SGS SA	**255**	378
Change in %	(32.5)	
OPERATING CASH FLOW (BEFORE EXCEPTIONALS)	**286**	303
Change in %	(5.6)	
NET CASH	**57**	81
AVERAGE NUMBER OF SHARES ('000)	**7 493**	7 631
BASIC EARNINGS PER SHARE (CHF)	**33.98**	49.53
Change in %	(31.4)	
DILUTED EARNINGS PER SHARE (CHF)	**33.89**	49.16
Change in %	(31.1)	
BASIC EARNINGS PER SHARE (BEFORE EXCEPTIONALS) (CHF)	**35.23**	34.70
Change in %	1.5	
AVERAGE NUMBER OF EMPLOYEES	**56 524**	53 551
Change in %	5.6	

OVERVIEW

Revenue for the Group improved 6% (1.3% reported basis) to CHF 2.3 billion. This growth was achieved despite the deteriorating conditions in the global economy in the 1st semester and the resulting impact on trade flows and production capacity utilization. These headwinds were mitigated by the larger portion of regulatory, statutory and on-site production testing revenue streams. These have been enlarged in the past several years as part of the Group's efforts to balance its portfolio from pure trade inspection. As a result of this re-balance, nine out of ten of the Group's businesses were able to grow on a constant currency basis with notable performances in Consumer Testing, Agricultural, Industrial and Governments and Institutions services which all achieved +10%.

Group pre-exceptional EBITDA improved 2.7% to CHF 486 million (8% constant currency basis), with EBITDA and operating margins improving to 20.9% and 16.2% as a result of volume leverage, service mix and favorable geographical distribution of revenue.

Net financial expense for the period increased to CHF 3 million due to reduced cash balances. The pre-exceptional tax rate for the period was 26% (25.5% post exceptional basis) and was consistent with the Group's expectation for the full year.

Operating cash flow before exceptionals decreased 5.6% to CHF 286 million as a result of a timing difference in cash tax payments from the Group's Swiss entities. The Group expects this difference to un-wind over the balance of the year. Net working capital performance was stable. Net investment in fixed assets declined 20% to CHF 97 million as a result of the lower growth environment and the Group's flexible operating model. In addition, CHF 375 million was distributed to shareholders as dividend. As a result, Group cash decreased from CHF 574 million to CHF 251 million during the period

ACQUISITIONS & DISPOSALS

The group made one acquisition and one increase in participation during the semester for a total cash consideration of CHF 6 million. The Group continues to operate in a fragmented competitive landscape providing opportunities for acquisitive growth and the Group expects to resume initiatives as the global economic environment stabilizes.

In the first semester of 2008 the Group recorded an exceptional after-tax gain of CHF 113 million following the amicable resolution of an outstanding receivable issue with the Government of the Philippines. In the first semester of 2009 the Group recorded an exceptional re-organization after-tax charge of CHF 9 million, of which 78% is related to workforce reductions as a result of the dramatic decline in market conditions in certain businesses and geographies.

MANAGEMENT

Mr. Fritz Hecker, EVP Industrial Services has left the company. Mr. Chris Kirk acts as interim Head of this business.

SIGNIFICANT SHAREHOLDERS

At 30 June 2009, Mr. August von Finck and his family held 25.05% of the share capital of the Company; EXOR SA held 15.00 %, Allianz SE 7.40% and Bank of New York Mellon Corporation 3.01%. At the same date, SGS Group held 4.03% of the share capital of the Company.

OUTLOOK

Whilst the trading environment continues to be challenging, SGS expects to be able to maintain its earlier guidance, namely organic growth of less than 10%, and maintenance of operating margins compared to 2008.

Sergio Marchionne
Chairman of the Board

Christopher Kirk
Chief Executive Officer

15 July 2009

AGRICULTURAL SERVICES

Agricultural services delivered comparable growth of 10.8% to CHF 176.3 million for the year in a good trading environment for agricultural commodities and as a result of organic and inorganic investments in inland service packages. Despite difficult trading conditions for many of our clients due to financing limitations, the sector was able to adapt its geographical footprint to serve the markets with available export volumes. As a result of the above and good operating cost control, operating margins increased from 13% to 15.7%.

During the period the sector's operations in Western Europe, Eastern Europe and Near Asia performed well as a result of strong demand from the main importing regions. This performance was augmented by the sectors operations in South America in meal products, soya and logistics solutions. Trading conditions in Asia are forecasted to improve over the course of the year as export prospects improve for rice and other cereal products subject to stabilization in the trade finance market and governments not intervening in the marketplace as was witnessed in 2008.

Seed and crop service performance improved over the course of the semester; the service package being weighted towards H2. The expansion of these services continued in 2009 with investments in Europe, South America and Asia completed or under development.

As a result of heightened awareness and a tightening of the regulatory regimes in food safety, the sector, in conjunction with the Group's Consumer Testing and Systems and Services Certification businesses, is working to assist our clients with supply chain safety and related testing services.

(CHF million)	**JUNE 2009**	**JUNE 2008**
REVENUE	**176.3**	167.4
Change in %	5.3	
CHANGE DUE TO		
Volume & Prices	16.3	
Currency Translation	(8.2)	
Acquisitions / (Disposals)	0.8	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**27.7**	21.7
Change in %	27.6	
MARGIN %	**15.7**	13.0

MINERALS SERVICES

Minerals services comparable revenue declined 8.1% to CHF 261.5 million. Market share gains in certain commodity groups were unable to offset the material change in demand in exploration activities and an unfavourable product mix. As a result, operating income declined from CHF 54.7 million to CHF 37.0 million on a constant currency basis.

Trading conditions in the Minerals services sector continued to deteriorate through the first semester as a result of the rapid curtailment of production in many parts of the world. The pace of drawdown of large inventory stockpiles of raw materials built in 2008 declined significantly affecting global mining raw material shipments. In addition, the significant re-rating of equity prices had a disproportionate impact on junior mining and exploration firms restricting their ability to continue operations despite certain areas of price strength e.g. gold.

However, the sector was able to achieve good performance relative to market conditions in energy minerals, and non-ferrous metals. The sectors' on-site laboratories performed as expected providing a buffer against large declines in commercial geochemistry volumes and the reduced size and scope of metallurgical projects. Any turnaround in the 2nd semester in the exploration and metallurgical markets will have a positive impact on the operating performance of the sector.

Under current projections markets are expected to trough in Q2-Q3 as raw material inventories drop driving supplemental demand and industrial production is forecast to resume, albeit at lower levels. In this environment, the sector has taken action to restructure while minimizing loss of technical capacity and to position itself for the future.

(CHF million)	**JUNE 2009**	**JUNE 2008[1]**
REVENUE	**261.5**	306.4
Change in %	(14.7)	
CHANGE DUE TO		
Volume & Prices	(25.8)	
Currency Translation	(21.8)	
Acquisitions / (Disposals)	2.7	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**37.0**	59.2
Change in %	(37.5)	
MARGIN %	**14.1**	19.3

1. Restated 2008 data following changes in group organisation.

OIL, GAS & CHEMICALS SERVICES

Oil, Gas & Chemicals services comparable revenue was up 3.2% to CHF 468.6 million. The sector was able to offset significant headwinds in the chemicals sector with good performances in its core trade facilitation business and growing position in the upstream market. Operating margin for the period reduced slightly from 14.5% to 14.3% largely as a result of high value contract expirations in fuel marking and reduced volumes of chemical related laboratory testing.

The sector's investments in oil production testing services, metering and well engineering made positive strides during the semester with material contract wins in Near Asia, the Middle East and South America. The group's organic and acquisitive technology initiatives have been well accepted by our client base and international deployment continues. The sector will continue to invest in this area over the balance of the year.
During the semester the sector continued its successful penetration into the laboratory and logistics services outsourcing market with material contracts awarded in Eastern Europe, South America and Asia. The opportunity in this arena is high for the sector as only a small percentage of the market is currently outsourced. SGS has been able to differentiate itself from smaller operators through the incorporation of world class health, safety and environmental standards which are of paramount importance to the oil and gas industry.

The group expects the chemicals market to gradually improve over the balance of the year in line with industrial production demand. The other markets that the sector serves are expected to remain stable overall.

(CHF million)	JUNE 2009	JUNE 2008[1]
REVENUE	**468.6**	470.1
Change in %	(0.3)	
CHANGE DUE TO		
Volume & Prices	8.6	
Currency Translation	(16.0)	
Acquisitions / (Disposals)	5.9	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**67.1**	68.1
Change in %	(1.5)	
MARGIN %	**14.3**	14.5

1. Restated 2008 data following changes in group organisation.

LIFE SCIENCE SERVICES

Comparable revenue in Life Science services increased 6.9% to CHF 101 million for the period delivering an operating income of CHF 10.7 million. Operating margins declined 70 basis points to 10.6% due to difficult market conditions in Q1; customer suspension of clinical trials and bio-analytical testing and severe market uncertainty. This effect was mitigated by improved performance of the sector's Asian laboratory networks.

Clinical research profitability was negatively impacted as a result of the difficult trading conditions and negative operating leverage in Q1. The sector expects that revenue streams will become less volatile in the second semester as delayed projects from the last eighteen months will need to be executed to meet our clients' new product launch timetables.

Quality Control laboratory profitability improved markedly as a result of volume leverage in the sector's Asian laboratory base. This activity has now reached margin accretion levels for the sector despite having excess laboratory capacity. The sector's expansion projects in North America are progressing as planned with its Canadian operations completing in Q3. This will allow future revenue growth in a geography that has been capacity constrained over the past twelve months.

The sector has begun to deploy capital to support several new initiatives, primarily in fields supporting biotechnology, immunology and quality control.

(CHF million)	JUNE 2009	JUNE 2008
REVENUE	**101.0**	99.2
Change in %	1.8	
CHANGE DUE TO		
Volume & Prices	7.1	
Currency Translation	(4.8)	
Acquisitions / (Disposals)	(0.5)	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**10.7**	11.2
Change in %	(4.5)	
MARGIN %	**10.6**	11.3

CONSUMER TESTING SERVICES

With first semester revenue of CHF 391.2 million, the Consumer Testing services business increased comparable revenue by 15.2%. This growth was largely as a result of the tightening of the consumer goods regulatory environment. Operating margins increased from 22.4% to 25.4% due to volume leverage and favorable service mix.

During the semester the sector was the beneficiary of new legislation introduced for product safety by the US CPSC, the CPSIA program. This act requires testing to the chemical component level for which the sector is well positioned in terms of testing capacity. It is expected that the regimes, which are currently restricted to children's products and textiles will encompass an increased diversity of product types in the future becoming a structural driver for the business.

Capital investments in testing capacity and new initiatives were made during the period. Capacity was added in several geographies on the back of the regulatory demand addressed above and as a result of gradual geographical shifts in the manufacturing supply chain. New initiative spending was centered largely on developments in product sustainability services and changes in regulatory regimes for electrical products and electronics.

At present the sector expects the demand for testing services for consumer products will remain solid for the balance of 2009 due to overall trends in regulatory compliance. The duration and strength of the consumer products demand (sku's & units) through the holiday buying season will be determined on overall economic conditions prevailing in H2.

(CHF million)	JUNE 2009	JUNE 2008[1]
REVENUE	**391.2**	342.1
Change in %	14.4	
CHANGE DUE TO		
Volume & Prices	41.3	
Currency Translation	(2.4)	
Acquisitions / (Disposals)	10.2	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**99.2**	76.6
Change in %	29.5	
MARGIN %	**25.4**	22.4

1. Restated 2008 data following changes in group organisation.

SYSTEMS & SERVICES CERTIFICATION

Systems and Services Certification delivered comparable revenue growth of 5.3% to CHF 175.7 million for the semester in an environment which witnessed material contractions in productive capacity in several geographies. Despite the slower growth environment, the sector was able to increase profitability as prior period productivity initiatives and improved service mix lifted operating margins 110 basis points to 19.1%.

During the period, the sector was able to offset the impact of a shrinking client base in certain markets and price pressures in traditional certification schemes by making market share gains in Central and Eastern Europe, Middle East and the Americas. By focusing the sector's activities on quality and health, safety and environmental (HSE) systems, which are demonstrating favorable demand, the sector was able to operate at increased auditor utilization rates, improving profitability.

Global key account revenue continued to increase as a percentage of sales during the semester as large multinationals chose service providers that can execute and manage services on a transnational basis. Despite the more difficult macro-economic environment the regulatory requirements for HSE have increased and brand protection has become increasingly relevant to our clients, driving the demand for harmonized compliance and service quality certification schemes.

Capital expenditure during the period was exclusively focused on information technology projects centered on client data management and internal productivity initiatives.

(CHF million)	JUNE 2009	JUNE 2008[1]
REVENUE	**175.7**	174.4
Change in %	0.7	
CHANGE DUE TO		
Volume & Prices	8.8	
Currency Translation	(7.5)	
Acquisitions / (Disposals)	0.0	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**33.6**	31.4
Change in %	7.0	
MARGIN %	**19.1**	18.0

1. Restated 2008 data following changes in group organisation.

INDUSTRIAL SERVICES

Industrial services delivered first semester comparable revenue growth of 12% to CHF 371.3 million at an operating margin of 13.3%.

The operating environment for the sector continued to exhibit similar dynamics from the second semester of 2008; a general slow down in the European construction and general infrastructure markets; a slowing market in the LNG ship building and weak general market conditions in North America. As a result of this continued trend, cost reduction initiatives were initiated to limit the profit impact on the sector and productive capacity was shifted to markets demonstrating more resilience such as power generation, refining and chemicals production.

During the period the sector continued to make market share gains in the liberalised German market, out-perform in the difficult Spanish market and consolidate its position in Eastern Europe, Asia and the Middle East. The sector has been the beneficiary of maintenance pull-forwards in the refining and chemicals sectors as producers have taken advantage of production curtailment periods to perform mandatory maintenance. The overall market for power generation and energy production has proven the most resilient portion of the sector's portfolio. Wind energy growth continued throughout the period. At present, there is little sign of stimulus spending on general infrastructure or alternative power generation projects that will have a material impact on 2009 revenue.

The sector's prior period acquisitions performed as expected during the semester. Widening our service scope in Brazil through the acquisition of PID proved to be timely as oil & gas infrastructure spending increased.

(CHF million)	**JUNE 2009**	**JUNE 2008**
REVENUE	**371.3**	352.4
Change in %	5.4	
CHANGE DUE TO		
Volume & Prices	17.0	
Currency Translation	(20.9)	
Acquisitions / (Disposals)	22.8	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**49.4**	49.6
Change in %	(0.4)	
MARGIN %	**13.3**	14.1

ENVIRONMENTAL SERVICES

The Environmental services business delivered comparable revenue growth for the semester of 4.7% as growth in emerging markets was able to offset weaker conditions in Western Europe and North America. Operating margin increased from 8.9% to 9.6% as a result of volume leverage in the sectors emerging market laboratories despite increasing investment in new product development projects in climate change and air quality.

During the period the sector continued to invest in future growth initiatives principally the expansion of laboratory capacity in Scandinavia and Asia and new service offerings in North America and Europe in climate change. Performance was mixed across the geographical foot print with positive performances in South America, South East Asia Pacific, Africa and the Middle East being offset by weaker market demand and pricing conditions in North America and Western Europe.

The sector's efforts to increase multinational client activities as a percent of revenue continued to bear fruit with several multiple geography contracts secured on behalf of large industrial, environmental consulting and engineering firms. By leveraging its multinational asset base and range of accreditations the business believes it can differentiate itself from what has been inherently a locally executed market. This has been particularly successful in conjunction with the Group's Minerals, Industrial and Oil, Gas and Chemicals businesses as tightened regulatory regimes in the areas of air quality such as flaring and waste water are adopted in response to sustainability initiatives.

(CHF million)	**JUNE 2009**	**JUNE 2008**
REVENUE	**140.2**	143.0
Change in %	(2.0)	
CHANGE DUE TO		
Volume & Prices	6.2	
Currency Translation	(9.0)	
Acquisitions / (Disposals)	0.0	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**13.5**	12.7
Change in %	6.3	
MARGIN %	**9.6**	8.9

AUTOMOTIVE SERVICES

Automotive services comparable revenue was flat at CHF 139 million as a result of the difficult market conditions in the OEM automotive market which started in Q4 2008 and, as expected, has continued through the 1st semester of 2009. Additionally, temporary volumes enjoyed in Q1 2008 from driver testing services were not repeated. Operating margin for the sector was reduced from 16.8% to 14.4% as a result of volume declines and the accretive nature of driver testing revenues.

During the period statutory testing in Western Europe, Africa and the Americas performed as expected demonstrating its resilient nature. New contracts in the USA and capacity expansions in Africa progressively came on stream during the semester. The sector continued to pursue several privatization opportunities in the statutory inspection space on the back of its demonstrated track record, its ability to customise solutions (wholly owned, franchisee, data management) and its success in custom solutions for regulated activities for cabs, buses and private hire transportation.

The commercial OEM automotive market has experienced an unprecedented shock as a result of the global financial crisis which has resulted in a large curtailment of automotive production for private and fleet usage. The sector has been actively working with our clients to provide a level of volume and service quality to sustain operations through the downturn. In a market where the number of viable service providers is shrinking rapidly, cost control measures have been taken to right size our operations to forecasted levels of business activity.

(CHF million)	**JUNE 2009**	**JUNE 2008**
REVENUE	**138.5**	144.5
Change in %	(4.2)	
CHANGE DUE TO		
Volume & Prices	0.3	
Currency Translation	(6.3)	
Acquisitions / (Disposals)	0.0	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**20.0**	24.3
Change in %	(17.7)	
MARGIN %	**14.4**	16.8

GOVERNMENTS & INSTITUTIONS SERVICES

Governments and Institutions services delivered a comparable revenue growth of 10% for the semester on the back of good performances across its service portfolio. Operating margin increased 170 basis points from 15.7% to 17.4% as a result of 2008 projects coming on stream and productivity initiatives across the sector.

During the period pre-shipment inspection revenue remained stable. The sector does not have any contracts that are due to expire in the current year.

In local solutions, all of the sector's investments in customs enhancement programs and scanner solutions continued to perform well with new scanner deployments in the Middle East and Africa in process. Trade facilitation solutions such as GCNet, APSnet and GasyNet have been enhanced in scope linking data systems to a variety of agencies in the host nations.

Product conformity programs continue to perform well with several new mandates and scope extensions in process. As emerging markets continue to adapt to stricter product conformity norms this service area has significant potential for a service provider that can ensure compliance with local regulations across a global network.

The sector's Liberian forestry contract has come on stream after many delays. This contract is recognized to be the best practice solution for support of sustainable logging and the sector intends to leverage this position in emerging markets where illegal and un-regulated logging are a problem.

(CHF million)	**JUNE 2009**	**JUNE 2008**
REVENUE	**103.1**	98.2
Change in %	5.0	
CHANGE DUE TO		
Volume & Prices	9.3	
Currency Translation	(4.4)	
Acquisitions / (Disposals)	0.0	
OPERATING INCOME (BEFORE EXCEPTIONALS)	**17.9**	15.4
Change in %	16.2	
MARGIN %	**17.4**	15.7

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

CONDENSED CONSOLIDATED INCOME STATEMENT

(CHF million)	JUNE 2009	JUNE 2008
REVENUE	**2 327**	2 298
Personnel and sub-contracted costs	(1 279)	(1 243)
Depreciation, amortisation and impairment	(110)	(103)
Other operating expenses	(562)	(582)
OPERATING INCOME (BEFORE EXCEPTIONALS)	**376**	370
Exceptional items	(15)	127
OPERATING INCOME (EBIT)	**361**	497
Financial income/(expense)	(3)	(1)
PROFIT BEFORE TAXES	**358**	496
Taxes	(91)	(108)
PROFIT FOR THE PERIOD	**267**	388
Profit attributable to:		
Equity holders of SGS SA	255	378
Non-controlling interests	12	10

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(CHF million)	JUNE 2009	JUNE 2008
Actuarial gains/(losses) on defined benefit plans	-	(28)
Income tax on actuarial gains/(losses) taken directly to equity	-	1
Exchange differences and other	74	(137)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	**74**	(164)
Profit for the period	267	388
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**341**	224
Attributable to:		
Equity holders of SGS SA	329	218
Non-controlling interests	12	6

CONDENSED CONSOLIDATED BALANCE SHEET

(CHF million)	JUNE 2009	DECEMBER 2008
NON-CURRENT ASSETS		
Land, buildings and equipment	752	721
Goodwill and other intangible assets	788	759
Other assets	238	221
TOTAL NON-CURRENT ASSETS	**1 778**	1 701
CURRENT ASSETS		
Trade accounts and notes receivable	888	919
Other assets	446	378
Cash and investments	259	583
TOTAL CURRENT ASSETS	**1 593**	1 880
TOTAL ASSETS	**3 371**	3 581
TOTAL EQUITY	**1 855**	1 862
NON-CURRENT LIABILITIES		
Loans and financial leases	9	10
Provisions and other liabilities	313	332
TOTAL NON-CURRENT LIABILITIES	**322**	342
CURRENT LIABILITIES		
Trade and other payables	386	403
Other liabilities	808	974
TOTAL CURRENT LIABILITIES	**1 194**	1 377
TOTAL EQUITY AND LIABILITIES	**3 371**	3 581

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(CHF million)	JUNE 2009	JUNE 2008
PROFIT FOR THE PERIOD	**267**	388
Adjustment for 2008 non-cash exceptional items	-	(127)
Adjustment for other non-cash items	206	211
(Increase) in net working capital	(53)	(96)
Taxes paid	(134)	(73)
OPERATING CASH FLOW (BEFORE EXCEPTIONALS)	**286**	303
Cash flows on 2008 exceptional items	(14)	-
OPERATING CASH FLOW	**272**	303
Net (purchase)/sale of fixed assets	(97)	(121)
Cash received/(paid) for acquisitions/disposals	9	(156)
Other from investing activities	6	(4)
CASH FLOW FROM INVESTING ACTIVITIES	**(82)**	(281)
Dividend paid to equity holders of SGS SA	(375)	(267)
Dividend paid to non-controlling interests	(11)	(3)
Cash received/(paid) on treasury shares	25	(14)
(Decrease)/increase in loans	(136)	119
Other from financing activities	(9)	(6)
CASH FLOW FROM FINANCING ACTIVITIES	**(506)**	(171)
Exchange differences on opening balances	6	(14)
Translation differences on flows	(13)	(17)
DECREASE IN CASH AND CASH EQUIVALENTS	**(323)**	(180)

CONDENSED STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(CHF million)	ATTRIBUTABLE TO EQUITY HOLDERS OF SGS SA	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance as at 1 January 2008, as published	1 971	36	2 007
Effects of change in accounting policy[1]	(30)	-	(30)
AS RESTATED	**1 941**	**36**	**1 977**
Total comprehensive income for the period	218	6	224
Dividends paid	(267)	(8)	(275)
Share-based payments	10	-	10
Movement on treasury shares	(14)	-	(14)
BALANCE AS AT 30 JUNE 2008	**1 888**	**34**	**1 922**
Balance as at 1 January 2009	1 825	37	1 862
Total comprehensive income for the period	329	12	341
Dividends paid	(375)	(6)	(381)
Share-based payments	8	-	8
Movement on treasury shares	25	-	25
BALANCE AS AT 30 JUNE 2009	**1 812**	**43**	**1 855**

1. Restated to reflect the adoption of IFRIC 14.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2008.

2. SIGNIFICANT ACCOUNTING POLICIES

The condensed financial statements have been prepared in accordance with the accounting policies applied by the Group in its consolidated financial statements for the year ended 31 December 2008, except for the following main changes in standards effective 1 January 2009.

IFRS 8 Operating Segments is a disclosure standard with no impact on the reported results of the Group. The adoption of IFRS 8 has had no impact on the reportable segments of the Group nor on the measure of segment profitability, as the information previously presented was already established on the basis of internal reporting to senior management for the purposes of resource allocation and assessment of segment performance.

IAS 1 (revised) Presentation of Financial Statements has introduced a number of terminology changes with no impact on the reported results of the Group.

IAS 23 (revised) Borrowing Costs removes the option of recognizing as an expense borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. This standard has had no significant impact on the reported results of the Group.

Other new standards and interpretations were adopted effective 1 January 2009 but had no impact on the Group consolidated financial statements.

3. SEGMENT INFORMATION

(CHF million)	REVENUE JUNE 2009	REVENUE JUNE 2008	OPERATING INCOME BEFORE EXCEPTIONAL ITEMS JUNE 2009	OPERATING INCOME BEFORE EXCEPTIONAL ITEMS JUNE 2008
Agricultural Services	176	167	28	22
Minerals Services[1]	261	307	37	59
Oil, Gas & Chemicals Services[1]	469	470	67	68
Life Science Services	101	99	11	11
Consumer Testing Services[1]	391	342	99	77
Systems & Services Certification[1]	176	174	33	31
Industrial Services	371	353	49	50
Environmental Services	140	143	14	13
Automotive Services	139	145	20	24
Governments & Institutions Services	103	98	18	15
TOTAL	**2 327**	2 298	**376**	370

1. Restated 2008 data following changes in group organisation.

All segment revenues reported above are from external customers.

The operating income reported above represents the profit earned by each segment without allocation of non-recurring exceptional items. This is the main measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

There have been no material changes to the total assets by segment as disclosed in the last annual financial statements.

4. EXCEPTIONAL ITEMS

(CHF million)	JUNE 2009	JUNE 2008
OPERATING INCOME BEFORE EXCEPTIONAL ITEMS AS REPORTED BY SEGMENT	**376**	370
Unallocated exceptional items:		
Restructuring and termination expenses	(15)	-
Settlement of pre-2002 receivables	-	147
Legal and financial fees	-	(20)
OPERATING INCOME (EBIT)	**361**	497

5. EARNINGS PER SHARE

	JUNE 2009	JUNE 2008
Profit attributable to equity holders of SGS SA (CHF million)	255	378
Weighted average number of shares ('000)	7 493	7 631
BASIC EARNINGS PER SHARE (CHF)	**33.98**	49.53
Profit attributable to equity holders of SGS SA (CHF million)	255	378
Diluted weighted average number of shares ('000)	7 514	7 689
DILUTED EARNINGS PER SHARE (CHF)	**33.89**	49.16

Adjusted earnings per share are calculated based on the period's profit attributable to Equity holders less the net exceptional items reported in the period:

	JUNE 2009	JUNE 2008
Profit attributable to equity holders of SGS SA (CHF million)	255	378
Exceptional items net of tax (CHF million)	9	(113)
Profit attributable to Equity holders of SGS SA, before exceptionals (CHF million)	264	265
ADJUSTED BASIC EARNINGS PER SHARE (CHF)	**35.23**	34.70
ADJUSTED DILUTED EARNINGS PER SHARE (CHF)	**35.13**	34.44

6. ACQUISITIONS

During the period, the Group acquired (effective February 2009) 100% of UPM, the market leader in the Czech Republic for fuel testing.

Total cash outflow on this acquisition amounted to CHF 3 million. The revenue and operating profit for the period are not significantly impacted by this acquisition.

Due to the timing of the transaction, the initial accounting for this acquisition had only been provisionally determined at the balance sheet date.

7. RETIREMENT BENEFIT OBLIGATIONS

During the period, an interim assessment of employee benefit obligations and actual return on plan assets has been performed for the major defined benefit pension plans. No adjustments to pension liabilities were required.

		BALANCE SHEET END OF PERIOD RATES		INCOME STATEMENT AVERAGE RATES	
		JUNE 2009	DECEMBER 2008	JUNE 2009	JUNE 2008
Australia	AUD	0.88	0.73	0.80	0.97
European Union	EUR	1.52	1.49	1.51	1.61
Great Britain	GBP	1.80	1.53	1.68	2.08
USA	USD	1.08	1.05	1.13	1.05

DISCLAIMER

SHAREHOLDER INFORMATION

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2009 FULL YEAR RESULTS

Friday, 15 January 2010

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Monday, 22 March 2010

STOCK EXCHANGE LISTING

SIX Swiss Exchange, SGSN

STOCK EXCHANGE TRADING

SIX Swiss Exchange

COMMON STOCK SYMBOLS

Bloomberg: Registered Share: SGSN.VX

Reuters: Registered Share: SGSN.VX

Telekurs: Registered Share: SGSN

ISIN: Registered Share: CH0002497458

Swiss security number: 249745

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WHEN YOU NEED TO BE SURE