

With revenue up 13.2% to CHF 2.1 billion, (11.5% organic growth at constant currencies) SGS delivered a 15.3% increase in operating profit (pre-exceptional items in 2006) to CHF 324 million with an operating margin of 15.5%. Net profit for the group increased 17% to CHF 234 million (2006: CHF 200 million pre-exceptionals).

FINANCIAL HIGHLIGHTS		
CHF million	June 07	June 06 (1)
Revenue	2 089	1 845
Change in %	13.2	
EBITDA	418	363
Change in %	15.2	
Operating income (EBIT)	324	281
Change in %	15.3	
Operating margin in %	15.5	15.2
Profit before taxes	324	280
Change in %	15.7	
Profit attributable to Equity holders of SGS SA	234	200
Change in %	17.0	
Operating cash flow	230	214
Change in %	7.5	
Net cash	163	46
Average number of shares (000's)	7 636	7 574
Basic earnings per share (CHF)	30.64	26.48
Change in %	15.7	
Diluted earnings per share (CHF)	30.34	26.31
Change in %	15.3	
Average number of employees	49 020	44 812
Change in %	9.4	

(1) June 2006 results are stated before exceptional items.

Overview

Revenue for the Group improved to CHF 2.1 billion, up 13.2% (11.8% constant currencies basis). This growth was achieved in satisfactory trading conditions across the Group's ten businesses with all geographical reporting regions posting comparable period top line growth. Organic revenue growth for the period was 11.5% (constant currencies) as internally generated initiatives were the principal drivers of growth during the period.

The Group's Industrial, Oil Gas and Chemical, Minerals, and Consumer Testing services businesses delivered top line growth of over 11% versus the comparable period. This top line expansion was fueled by continued demand in the commodities markets, sustained levels of international trade, prior period investments in new business initiatives and infrastructure and further expansion of the Group's geographical footprint. The Group's Government and Institutions services division posted a 13.9% organic growth rate as the business has begun to see the benefits of investments made in non-PSI related services.

EBITDA and operating income increased 15.2% and 15.3% (pre-2006 exceptionals basis) with the Group posting EBITDA and operating margins of 20% and 15.5%. Oil Gas and Chemicals, Industrial, and Government and Institutions services improved operating margin performance on the back of volume leverage, favorable service mix, and better geographical distribution of revenue.

Net financial income was CHF 0.4 million. The tax rate for the period of 25% is within range of the Group's full year expectation. Profit attributable to equity holders of SGS SA increased to CHF 234 million from CHF 200 million (pre-2006 exceptionals basis), an increase of 17%.

Cash flow from operations was CHF 230 million. This inflow was used to fund net investment in fixed assets of CHF 121 million, a distribution to shareholders of CHF 153 million, and business acquisitions of CHF 13 million. As a result, Group cash decreased from CHF 230 million to CHF 201 million in the comparable period.

Acquisitions and Disposals

During this semester SGS strengthened its Agricultural Services in North America by acquiring both Mid Iowa Grain Inspection Inc and Mid-West Seed Services, Inc.

In Algeria we recently acquired Cota Spa the national leader in Vehicle Inspection Services.

Management

In January, Mike Belton took over Minerals Services. In March, Alim Saidov became EVP of Oil, Gas and Chemicals Services as well as Environmental Services; Jeffrey Newell was promoted to EVP Agricultural Services; Systems & Services Certification is now led by Malcolm Reid .

Also in March Teymur Abasov was promoted to COO Eastern Europe and Middle East; Jeffrey McDonald was appointed COO North America and Francis Lacroze took over the Continuous Improvement responsibilities for initiatives across the Group.

Early this month, Beat In-Albon joined the Group as EVP of our Life Science Services.

Christian Jilch and Helge Bastian left the Group.

Significant shareholders

At 30 June 2007, Mr August von Finck and his family held 23.7% of the capital and voting rights of the company; IFIL Investissements SA held 13.16%, Allianz SE 7.4% and FMR Corp 5.37%.

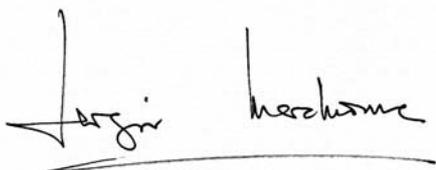
Board of Directors

Mr Hans Peter Keitel relinquished his position as Board Member. Board and Management thank him for his contribution during the last year.

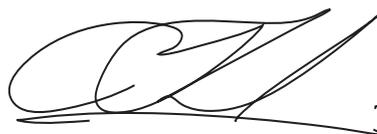
Outlook

SGS confirms its commitment to the 2008 objectives: revenues of CHF 5 billion, operating margins of 17% and earnings per share of CHF 80.

2007 performance is expected to be consistent with the achievement of these objectives.



Sergio Marchionne
Chairman



Chris Kirk
Chief Executive Officer

AGRICULTURAL SERVICES		
CHF million	June 07	June 06 (2)
Revenues	167.7	165.7
Change in %	1.2	
Change due to		
Volume and Prices	3.8	
Currency Translation	2.9	
Acquisitions/(Disposals)	(4.7)	
Operating income before exceptionals	19.0	19.7
Change in %	(3.6)	
Margin %	11.3	11.9

(2) 2006 segmental information has been adjusted to reflect changes in organisation structure.

Agricultural Services

Agricultural services delivered comparable growth of 2.3% to CHF 168 million for the semester in a difficult trading environment as several grain markets reduced exports due to poor crop yields; domestic ethanol related demand crimped exports and continued restrictions affected fish catch volumes in South America. Operating margin for the semester declined to 11.3% from 11.9% due to reduced volumes in several profitable service sectors and business restructuring costs incurred in North America. Forecasted harvest conditions in the Americas are expected to contribute to improved performance in the 2nd semester for the trading business.

The Group continued to demonstrate successes in new product introductions specifically in soil testing in Eastern Europe, storage solutions in South America, and collateral management services in Africa and the Middle East.

The Group strengthened its position in the North American market by making two acquisitions: in inland inspections and in-plant related services and analytical and laboratory services for the seed market. These service packages have strategic applicability for the Group on a world wide basis and will be rolled-out post acquisition integration.

With the Oil Gas and Chemicals, Minerals, and Environmental services the sector is launching a comprehensive service package to the bio-fuels industry which will encompass laboratory analysis, blending of components, and environmental assessments. The SGS Group has been a leader in the bio-fuel and ethanol testing markets for over 20 years and is very well placed to capture business opportunities arising as these fuels gain market acceptance.

MINERALS SERVICES		
CHF million	June 07	June 06
Revenues	259.6	225.3
Change in %	15.2	
Change due to		
Volume and Prices	30.3	
Currency Translation	(0.1)	
Acquisitions/(Disposals)	4.1	
Operating income before exceptionals	43.2	37.6
Change in %	14.9	
Margin %	16.6	16.7

Minerals Services

Total revenues for Minerals services grew by 15.2% to CHF 260 million for the semester with operating profit increasing 14.9% to CHF 43.2 million at a margin of 16.6%. Trading conditions remained robust as demand for energy minerals, base metals, and precious metals was firm. All reporting regions increased revenue for the comparable period with the traditional mining hubs in the Americas, Africa, and Australia posting the largest gains.

The sector continued to invest in laboratories and technologies to meet client demand: the geochemistry and energy minerals businesses established laboratories in Africa and Russia during the period. The mineralogy and metallurgy business invested significantly in state of the art analytical technologies, including QEMScan, resulting in enhanced analytical and interpretive capabilities being made available in the South Africa, South America and Asian markets. Robotics technology for automated sample preparation was installed and commissioned in the Perth geochemistry laboratory.

The sector has made significant strides in cross-business cooperation initiatives with the Oil Sands region in Canada at the forefront. By combining the Minerals services technologies in core sampling, advanced systems, leaching techniques and process controls with liquid fuel analysis and laboratory analytics of the Oil, Gas and Chemicals sector the Group has a service offering that encapsulates the extraction and processing of this fuel type. This same service offering approach has additional opportunities in the oil shale and coal to liquids markets which the Group seeks to exploit.

OIL, GAS & CHEMICALS SERVICES		
CHF million	June 07	June 06
Revenues	434.1	374.3
Change in %	16.0	
Change due to		
Volume and Prices	51.3	
Currency Translation	3.3	
Acquisitions/(Disposals)	5.2	
Operating income before exceptionals	65.2	51.9
Change in %	25.6	
Margin %	15.0	13.9

Oil, Gas & Chemicals Services

Oil, Gas and Chemicals Services delivered 1st semester revenue growth of 16% to CHF 434 million. This growth fueled an operating margin improvement of 110 basis points to 15% for the period as the sector continued to experience an attractive business dynamic. Sector revenue distribution had a healthy geographic mix with all regions realizing revenue gains with the Eastern Europe & Middle East, North America, and South East Asia Pacific regions being the best contributors.

While cargo movements serving the producer, trading, and downstream refined and chemical products markets remain healthy, the sector is increasingly relying on the introduction and expansion of new technology based service offerings and testing solutions to meet our client's requirements. The sector's efforts in fuel blending and additives, fuel marking and integrity programs continued to be successful with our clients seeking product enhancement and brand protection solutions.

The business's focus on upstream testing services and alternative fuels testing solutions have begun to gain traction in the marketplace with significant investments in test equipment in progress. Plant & terminal operations and laboratory outsourcing have seen recent contract wins as the market is recognizing SGS as a preferred outsourcing partner with a solid track record of delivering value added services.

The sector continued to invest in its future during the semester with the introduction of several new labs in the greater Asia and Middle Eastern markets, and the establishment of a laboratory excellence program to ensure highest level of service delivery in the industry.

LIFE SCIENCE SERVICES		
CHF million	June 07	June 06 (2)
Revenues	98.4	91.1
Change in %	8.0	
Change due to		
Volume and Prices	4.8	
Currency Translation	2.5	
Acquisitions/(Disposals)	--	
Operating income before exceptionals	11.0	11.1
Change in %	(0.9)	
Margin %	11.2	12.2

Life Science Services

Life Sciences services delivered 1st semester revenue growth of 8% in a mixed performance environment due to soft market conditions in France as a result of the European clinical trial directive, reduced volumes in Benelux quality control, and longer than expected start up periods for the sectors green field laboratories in Asia. Operating margins contracted to 11.2% from 12.2%. Backlog positions in Phase I and bio-analysis in France and for the new biopharmaceutical lab in Belgium have improved significantly, and the global network of GMP-compliant labs has resulted in additional preferred vendor agreements with pharmaceutical manufacturing companies pointing to an improved 2nd semester performance.

In quality control testing the sector's laboratories in North America and Germany performed well; this was coupled with new revenues from the start up operations in Asia. During the period the sector streamlined its operations by consolidating a smaller laboratory in North America into its regional network of three, improving capacity utilization and reducing overhead and infrastructure costs. The period was also characterized by a significant number of client and government inspections for GMP compliance, with the Group being pleased to announce that its laboratory in Chennai, India has successfully passed its first pre-approval and GMP inspection by the US-FDA.

Clinical research operations which encompass the Group's service offerings for the drug development process delivered a strong performance in biometry, medical affairs and Phase I services in Belgium.

The division has further developed its biometry offering regarding electronic data capture (eDC) solutions to support the data collection, management and analysis of clinical trials, has enhanced its offering for epidemiology and health economic services and expanded its network of Clinical Research Associates (CRAs) toward Eastern Europe.

(2) 2006 segmental information has been adjusted to reflect changes in organisation structure.

CONSUMER TESTING SERVICES

CHF million	June 07	June 06 (2)
Revenues	311.4	277.3
Change in %	12.3	
Change due to		
Volume and Prices	24.5	
Currency Translation	1.2	
Acquisitions/(Disposals)	8.4	
Operating income before exceptionals	68.7	63.9
Change in %	7.5	
Margin %	22.1	23.0

(2) 2006 segmental information has been adjusted to reflect changes in organisation structure.

Consumer Testing Services

With first semester revenue of CHF 311 million, Consumer Testing Services (CTS) grew 12.3% generating an operating margin of 22.1% versus 23% in the comparable period. A slow down in RoHS testing impacted top line growth with a corresponding impact on operating margin. Overall revenue growth excluding RoHS remains strong with comparable or improving margins in most business units. New service offerings have been developed in anticipation of this slow down with utilization of chemical laboratories and equipment increasing systematically over the semester.

Activities in food services have increased with new contract wins in the US and Germany encompassing both local as well as international executions. The outlook remains positive as the impact of new contracts will be realized and market trends in the US, EU and Japan look optimistic as governments are renewing their focus on food safety due to recent contamination issues with imported food products.

Services demand linked to corporate sustainability are increasing in the market and additional product development resources have been added in this field. Short term potentials are linked to social responsibility, water conservation, energy efficiency and eco-testing related activities. Business potential related to REACH is not expected to generate material revenue before end 2008.

Wireless (GSM/CDMA, Bluetooth, Wifi) testing performance has improved significantly compared to the prior period with strong volume gains in Korea, China and Taiwan. Integration of Wireless Testing Services (acquired in Q4 2006) has been completed and is generating expected performance, reconfirming CTS' leading position in CDMA testing. 7 Layers UK (acquired in Q3 2006) has brought the expected technical excellence and credibility to the CTS wireless activities in Europe.

Due to the dynamic business environment and prior period IT investments, resource realignments have taken place in China/HK, France, Germany and India during the semester as the sector continues to streamline its back-office and sales network. The savings generated by these initiatives will flow through over the next twelve months.

SYSTEMS & SERVICES CERTIFICATION

CHF million	June 07	June 06
Revenues	170.1	151.4
Change in %	12.4	
Change due to		
Volume and Prices	16.1	
Currency Translation	2.6	
Acquisitions/(Disposals)	--	
Operating income before exceptionals	28.5	27.7
Change in %	2.9	
Margin %	16.8	18.3

Systems & Services Certification

With revenue of CHF 170 million, an increase of 12.4% Systems and Services Certification (SSC) delivered satisfactory performance in the transition year of the three year audit cycle of ISO 9000 standard. The introduction of new certification schemes, especially in the service sector and customized audit solutions continue to reduce SSC reliance on revenue from ISO 9000, which now represents a reduced share of total turnover. This transition in revenue stream resulted in margins declining from 18.3% to 16.8% for the period and the sector incurred costs for training personnel and product positioning costs.

The sector's operations in Europe performed well with strong results posted overall, leveraging the solid economic growth in the EU region. A strong contributor to this is the development of comprehensive services tailored to the automotive market. The growth in the more mature markets is driven by the sector's clients' need for Integrated Management Systems certification, customized audit solutions and industry specific standards.

The sector is actively leveraging the transition of industrial economies towards service based economies with service certification. In emerging markets, economies still require basic quality and environmental certification as their manufacturing base still expands rapidly. The future success of the sector will be largely tied to its ability to deploy these types of product offerings to emerging markets when they mature.

Several new initiatives in supply chain management have been introduced as large corporations are becoming increasingly concerned with supply chain safety, geographical concentration, supplier audits, and event driven risk contingency plans.

INDUSTRIAL SERVICES		
CHF million	June 07	June 06
Revenues	298.4	240.2
Change in %	24.2	
Change due to		
Volume and Prices	45.7	
Currency Translation	6.8	
Acquisitions/(Disposals)	5.7	
Operating income before exceptionals	46.8	31.5
Change in %	48.6	
Margin %	15.7	13.1

Industrial Services

Industrial services revenues grew by 24.2% to CHF 298 million for the semester as the business delivered a strong organic performance from continuing operations of 19% and successfully integrated prior period acquisitions. Operating margins expanded to 15.7% from 13.1% in the comparable period on the back of volume leverage, service mix and favorable geographic expansion of its revenue base. All of the sectors geographical regions increased revenue from the comparable period.

The European operations of scale in Spain, the Benelux, and Germany delivered solid performances in statutory, new construction, and maintenance related services. This was augmented by good performances in Europe in wind power services, and further penetration into the Eastern European market.

The operations in construction related services and supply chain services grew substantially in East Asia; this performance was augmented by an above plan performance of the sector's prior period acquisition entry into the Korea LNG shipbuilding testing arena. This service is currently being expanded into additional dry docks in Asia and the Middle East. Project work in India, the Middle East, Africa and the greater Caspian area continues to provide opportunities for the sector to establish permanent presence in these geographies and transition to repeatable maintenance related service offerings.

The sector continued to invest in its geographic footprint and technologies to expand its service offering to include automatic ultra-sonic technology for pipeline, non-destructive testing and additional testing technologies for the Group's materials laboratories.

ENVIRONMENTAL SERVICES		
CHF million	June 07	June 06
Revenues	133.4	125.0
Change in %	6.7	
Change due to		
Volume and Prices	16.4	
Currency Translation	3.4	
Acquisitions/(Disposals)	(11.4)	
Operating income before exceptionals	11.8	11.3
Change in %	4.4	
Margin %	8.8	9.0

Environmental Services

With first semester revenues of CHF 133 million the Environmental services business grew its top line 14.1% generating an operating profit of CHF 11.8 million at an operating margin of 8.8% from a comparable 8.2% margin. The 1st semester 2006 included the results of the Australian hygiene business disposed of on June 30th.

Comparable revenue growth was largely driven by the sector's laboratory and field based operations in established markets in Spain, Benelux, Germany and Italy; this was augmented by revenue generated in emerging markets in Africa, India, and greater Asia. The North American and Australian markets started the year slowly due to weather related issues and infrastructure consolidation programs, both regions are expected to demonstrate normal seasonality trends and out-perform in the 2nd semester.

The sector has successfully commissioned new laboratories in the East Africa and United Arab Emirates markets, and expanded testing capability in the Oil Sands region in Canada during the period to meet expected future demand.

Decisive investments in services to the climate change market are already establishing market recognition in the Clean Development Mechanism (CDM) marketplace with SGS becoming the recognized brand for large corporations wishing to verify emission reductions.

AUTOMOTIVE SERVICES		
CHF million	June 07	June 06
Revenues	121.7	111.5
Change in %	9.1	
Change due to		
Volume and Prices	8.4	
Currency Translation	1.8	
Acquisitions/(Disposals)	--	
Operating income before exceptionals	16.4	15.3
Change in %	7.2	
Margin %	13.5	13.7

Automotive Services

The Automotive Services business delivered revenue growth of 9.1% to CHF 122 million for the semester with an operating margin of 13.5%

In the statutory market the contracts in France, Ireland, South America and Africa performed as planned. The Black cabs inspection and licensing contract for Transport of London commenced operations in April with full ramp up expected in August. The mandate in Ireland was expanded to include driver testing on behalf of the Irish Road Safety Agency.

In commercial inspections the Group continues to judiciously expand its operations on behalf of major automotive manufacturers and lease companies with new mandates being awarded in Europe and North America for the inspection of fleet, lease, and post production vehicles. A comprehensive product offering to automotive OEM's, dealership chains, and after-market networks has been developed combining the technologies of the automotive sector with the audit and certification framework within the Systems and Services Certification sector with several promising opportunities in the pipeline.

In Algeria the Group has recently completed the acquisition of COTA, the largest operator of statutory vehicle inspection services. COTA has an established network of over twenty test stations equipped for the legislatively driven inspection of vehicles. In Morocco, the Group has been jointly awarded a tender for the establishment of greenfield testing stations for cars and light trucks which are expected to become fully operational in 2008

GOVERNMENTS & INSTITUTIONS SERVICES		
CHF million	June 07	June 06
Revenues	94.0	83.3
Change in %	12.8	
Change due to		
Volume and Prices	11.5	
Currency Translation	(0.8)	
Acquisitions/(Disposals)	--	
Operating income before exceptionals	13.2	11.4
Change in %	15.8	
Margin %	14.0	13.7

Governments and Institutions Services

Governments and Institutions Services comparable revenue increased 13.9% to CHF 94 million for the semester. This revenue growth drove an operating profit of CHF 13.2 million at a margin of 14%. This revenue growth marks the return of positive top line performance for the sector since 2004 and largely completes the product line transition from traditional pre-shipment inspection dominated revenue to alternative product offerings. The business will retain a measure of revenue volatility due to the contract nature of its product offering going forward, but its recent performance does confirm that the repositioning investment over the previous twenty four months was correct and well executed and re-establishes the business market leadership position.

In continuing contracts the sectors mandate in Angola became operational and is expected to reach steady state over the balance of the year while our mandate in Haiti has been extended. The sectors destination cargo scanning services in Nigeria is running to plan despite difficult market conditions in the first semester. The customs inspection program including a ValueNet scheme on behalf of Mexican customs authorities is now fully operational and performing well.

The sector is modernizing several of its legacy contracts to 2nd generation schemes which bring together successful products introduced in the past several years. These service offerings will bring together customs solutions incorporating satellite cargo tracking, valuation services, scanner operations and TradeNet into a single platform in cooperation with customs authorities through public private partnerships. Deployments are underway in Madagascar and the Ivory Coast.

The efforts in aid efficiency, NGO benchmarking and forestry assessment are beginning to bear fruit. With first mover advantage the Group will seek to capitalize on its portfolio of execution success with several promising opportunities identified.

Interim condensed financial statements and related data

Basis of Preparation :

The 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 2006.

CONDENSED CONSOLIDATED INCOME STATEMENT		
CHF million	June 07	June 06
Revenue	2 089	1 845
Personnel and sub-contracted costs	(1 155)	(1 017)
Depreciation and amortization	(94)	(80)
Other operating expenses	(516)	(467)
Operating income before exceptional items	324	281
Exceptional items	--	21
Operating income (EBIT)	324	302
Financial (expense)/income	--	(1)
Profit before taxes	324	301
Taxes	(81)	(73)
Profit for the period	243	228
Profit attributable to:		
- Equity holders of SGS SA	234	215
- Minority interests	9	13

CONDENSED CONSOLIDATED BALANCE SHEET		
CHF million	June 07	Dec 06
Non-current assets		
Land, building and equipment	699	656
Goodwill and other intangible assets	680	644
Other assets	201	189
Total non-current assets	1 580	1 489
Current assets		
Trade accounts and notes receivables	843	762
Other assets	429	362
Cash and investments	210	239
Total current assets	1 482	1 363
Total assets	3 062	2 852
Total equity	1 756	1 592
Non-current liabilities		
Loans and financial leases	7	7
Provisions and other liabilities	310	332
Total non-current liabilities	317	339
Current liabilities		
Trade and other payables	412	402
Other liabilities	577	519
Total current liabilities	989	921
Total equity and liabilities	3 062	2 852

CONDENSED CONSOLIDATED CASH FLOW		
CHF million	June 07	June 06
Profit for the period	234	215
Adjustment for non cash items (Increase)/decrease in net working capital	171	135
Taxes paid	(92)	(84)
	(83)	(52)
Operating cash flow	230	214
Net sale/(purchase) of fixed assets	(121)	(104)
Cash (paid)/received for acquisition/disposals	(11)	(139)
Other from investing activities	(3)	1
Cash flow from investing activities	(135)	(242)
Dividend paid to Equity holders of SGS SA	(153)	(236)
Dividend paid to Minority interests	(7)	(3)
Share capital refund	--	(147)
Movement on treasury shares	19	46
Increase/(decrease) in short term loans	16	92
Other from financing activities	(4)	(5)
Cash flow from financing activities	(129)	(253)
Exchange differences on opening balances	4	(5)
Translation differences on flows	1	--
Increase/(decrease) in cash and cash equivalents	(29)	(286)

CONDENSED STATEMENT OF RECOGNISED INCOME AND EXPENSE		
CHF million	June 07	June 06
Exchange differences & other	50	(29)
Net income recognised directly in equity	50	(29)
Profit for the period	243	228
Total recognised income and expense for the period	293	199
Attributable to:		
Equity holders of SGS SA	286	191
Minority interests	7	8

Notes to the condensed interim financial statements

1. 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 2006.

The value of identifiable assets and liabilities acquired/(disposed) reflect best estimates at the end of the period.

2. Exceptional items

EXCEPTIONAL ITEMS		
CHF million	June 07	June 06
Operating income before exceptional items as reported by segment	324	281
Unallocated exceptional items:		
Net gain on changes in Group's organisation	--	36
Legal and warranty claims	--	(6)
Restructuring	--	(9)
Operating income (EBIT)	324	302

3. Earnings per share

BASIC EARNINGS PER SHARE		
	June 07	June 06
Profit attributable to Equity holders of SGS SA - CHF million	234	215
Weighted average number of shares ('000)	7 636	7 574
Basic earnings per share - CHF	30.64	28.45

DILUTED EARNINGS PER SHARE		
	June 07	June 06
Profit attributable to Equity holders of SGS SA - CHF million	234	215
Diluted weighted average number of shares ('000)	7 711	7 622
Diluted earnings per share - CHF	30.34	28.27

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

EARNINGS PER SHARE BEFORE EXCEPTIONALS		
	June 07	June 06
Profit attributable to Equity holders of SGS SA - CHF million	234	215
Exceptional items net of tax - CHF million	--	(15)
Profit attributable to Equity holders of SGS SA before exceptionals - CHF million	234	200
Adjusted basic earnings per share - CHF	30.64	26.48
Adjusted diluted earnings per share - CHF	30.34	26.31

4. Acquisition of subsidiaries

During the period, the Group completed the following acquisitions: 100% of Mid Iowa Grain Inspection Inc, a leading supplier of grain inspection and grading services in the USA (effective 1 April 2007) and 100% of Mid-West Seed Services Inc, the leading independent provider of seed testing to the agronomic and vegetable seed industries (effective 1 May 2007 but not yet consolidated). Total cash outflow on acquisitions amounted to CHF 13 million. The impact of these acquisitions is not material to the interim financial statements of the Group.

5. Statement of change in consolidated equity.

STATEMENT OF CHANGE IN CONSOLIDATED EQUITY			
CHF million	Attributable to equity holders of SGS SA	Minority interest	Total equity
Balance as at Jan. 1, 2006	1 439	36	1 475
Total recognised income and expense for the period	191	8	199
Dividends paid	(236)	(3)	(239)
Share capital reduction	(147)	--	(147)
Share-based payments	3	--	3
Movement on treasury shares	46	--	46
Balance as at June 30, 2006	1 296	41	1 337
Balance as at Jan. 1, 2007	1 562	30	1 592
Total recognised income and expense for the period	286	7	293
Dividends paid	(153)	(2)	(155)
Share-based payments	6	--	6
Movement on treasury shares	20	--	20
Balance as at June 30, 2007	1 721	35	1 756

EXCHANGE RATES					
		Balance Sheet		Profit & Loss account	
		End of period rates		Average rates	
		June 07	Dec. 06	2007	2006
Australia	AUD 100	104.7	96.69	99.19	94.39
EU	EUR 100	165.61	160.86	163.17	156.11
Great Britain	GBP 100	246.56	239.95	241.86	227.21
USA	USD 100	123.15	122.14	122.78	127.05

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2007 FULL YEAR RESULTS

Wednesday, 16 January 2008

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Monday, 17 March 2008

STOCK EXCHANGE LISTING

SWX Swiss Exchange, SGSN

STOCK EXCHANGE TRADING

virt-x

COMMON STOCK SYMBOLS

Bloomberg: Registered Share: SGSN.VX
Reuters: Registered Share: SGSN.VX
Telekurs: Registered Share: SGSN
ISIN: Registered Share: CH0002497458

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