SGS INVESTOR DAYS 23-24 SEPTEMBER 2010, ROUEN

THE PLAN

Chris Kirk – CEO

Geraldine Matchett – CFO

September 2010

WHEN YOU NEED TO BE SURE

SGS

GLOBAL GROWTH DRIVERS

- Globalisation
- Relocation
- Product variety
- Value chain complexity
- Safety and quality consumer demand
  - Product recalls
- Regulation
- Outsourcing

STRATEGIC GROWTH DRIVERS

- Upstream / Inland
- Innovation
- Outsourcing
- Leverage existing customer base
  - Cross-selling
  - Bundling
- New technologies
  - FluidPro PAL. MPFM . TOFD . ROBOTICS
- Knowledge management
  - Data collection and interpretation and solutions

ESSENTIALS

- Leadership
  - Industry
  - SGS Leaders
- Innovation Team
- Efficiency
- Productivity
  - Asset utilisation
- Health&Safety
- Sustainability

LEADER IN ONE SGS

- Committed
- Accountable and demanding
- Decisive and disciplined
- Passionate and enthusiastic
- Training and coaching
- Innovating and challenging
- Sharing and rewarding
- Fearless

FINANCIAL HIGHLIGHTS 2010-2014

- Revenue CAGR of 13.7% to CHF 8.0 billion
  - Organic CAGR of 11.3%
- Doubling of operating income[1] to CHF 1.6 billion
- Operating income[1] margin by 2014 of 20.0%
- Net income by 2014 of CHF 1.1 billion
- Estimated EPS by 2014 of CHF 140

[1] Before amortization of intangibles, transaction costs and non-recurring items

FINANCIAL HIGHLIGHTS 2010-2014

- Annual operating cash flows during the period of between 15% to 17% of revenues
- Accelerated capital expenditure over the period of CHF 500 million
- Development program funding over the period of CHF 150 million
- Acquired revenues by 2014 of CHF 0.7 billion

(1) Before amortization of intangibles, transaction costs and non-recurring items

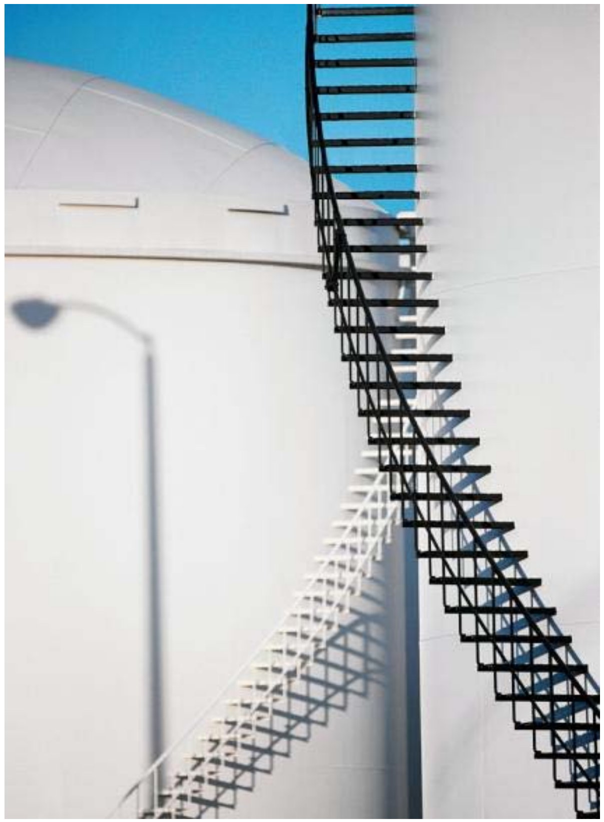
AGRICULTURAL SERVICES

- Growth drivers
  - Agrochemicals&biotech R&D, precision farming
  - Primary food safety, animal feed testing, plant genetics
  - Forestry, biomass sustainability, market research
- Improvement drivers
  - Back office efficiencies
  - On-line ordering+reporting
  - Network rationalisation
- Investments
  - Acquisition of Crop research organisation
  - Increase capacity in Americas. esp GMO

MINERALS SERVICES

- Growth drivers
  - Population growth and urbanisation
  - Resource exploration and mine development
  - Lab expansion in Africa, Russia, India
  - Outsourcing for Met
  - Upstream energy minerals
- Improvement drivers
  - Operational leverage
  - SLIM and Orderboard
- Investments
  - Metallurgy, geology, upstream energy minerals
  - Commercial and on-sites lab expansion

OIL,GAS & CHEMICALS SERVICES



- Growth drivers
  - Trade related services and PTO (outsourcing)
  - Rapid Upstream well & productions fluids testing
  - Cargo treatment, fuel integrity services, used oil testing
- Improvement drivers
  - Improved business mix
  - Efficiency optimisation
  - Orderboard
  - Bundling
- Investments
  - FluidPro PALS upstream and land based
  - Infrastructure in ME/Americas
  - Acquisitions PTO and upstream

CONSUMER TESTING SERVICES

- Growth drivers
  - Evolution
  - ROHS 2nd edition, medical devices
  - Auto parts: Full scope
  - Sustainability services
  - Supply chain management
- Improvement drivers
  - Operational leverage
  - SLIM
- Investments
  - Increased lab capacity
  - Further elevate HR skills
    - Innovation and R&D
  - Consultancy
  - Acquisitions

SYSTEMS & SERVICES CERTIFICATION

- Growth drivers
  - Food
  - Pharma/Medical
  - Sustainability
  - Global key accounts
  - Cross-selling
- Improvement drivers
  - Use of hubs
  - Technical centres
  - IT / Automation
- Investments
  - Commercial/technical expertise
  - Sustainability

INDUSTRIAL SERVICES

- Growth drivers
  - Upstream services (rig, drill pipe inspections)
  - High-end NDT services
  - Infrastructure and buildings
  - Renewables
  - Nuclear
- Improvement drivers
  - Advanced NDT
  - Efficiency in delivery
  - Network leverage
- Investments
  - Statutory business
  - Acquisitions: AIM and NDT
  - ASIA / SAM priorities

ENVIRONMENTAL SERVICES

- Growth drivers
  - High end analytical and interpretation
  - Fugitive emissions
  - C14
  - Green Buildings
- Improvement drivers
  - Data Generation and Interpretation
  - Globalized, local
- Investments
  - Dioxin testing
  - Regional acquisitions

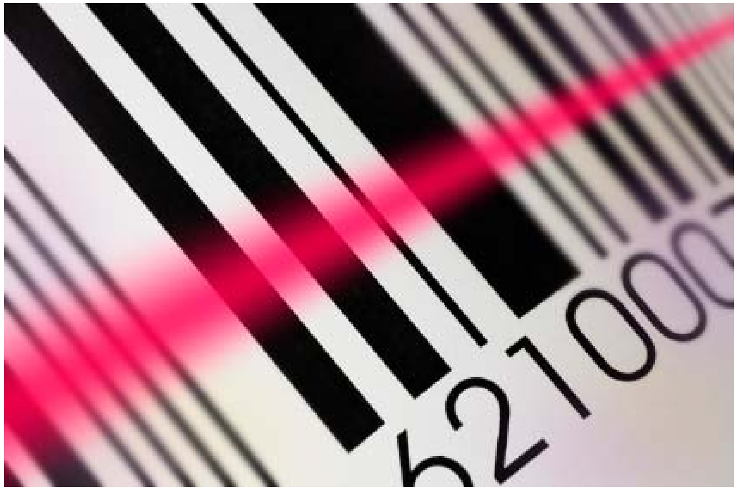
AUTOMOTIVE SERVICES

- Growth drivers
  - Outsourcing + Greenfield
  - Third party inspections in emerging markets
  - Dealer services
  - Driver licensing. Registration
- Improvement drivers
  - Bundling: Testing+registration+drivers
  - IT: Single platform
- Investments
  - Remarketing services
  - Acquisitions: Statutory
  - Relication

LIFE SCIENCE SERVICES

- **Growth drivers**
  - Ageing population: new pathologies
  - Personalised medicines: high specificity
  - Generics market
- **Improvement drivers**
  - Less price sensitivity
  - Competence centres
- **Investments**
  - Biologics: Greenfield flagship laboratories
  - Acquisitions

GOVERNMENTS AND INSTITUTIONS SERVICES

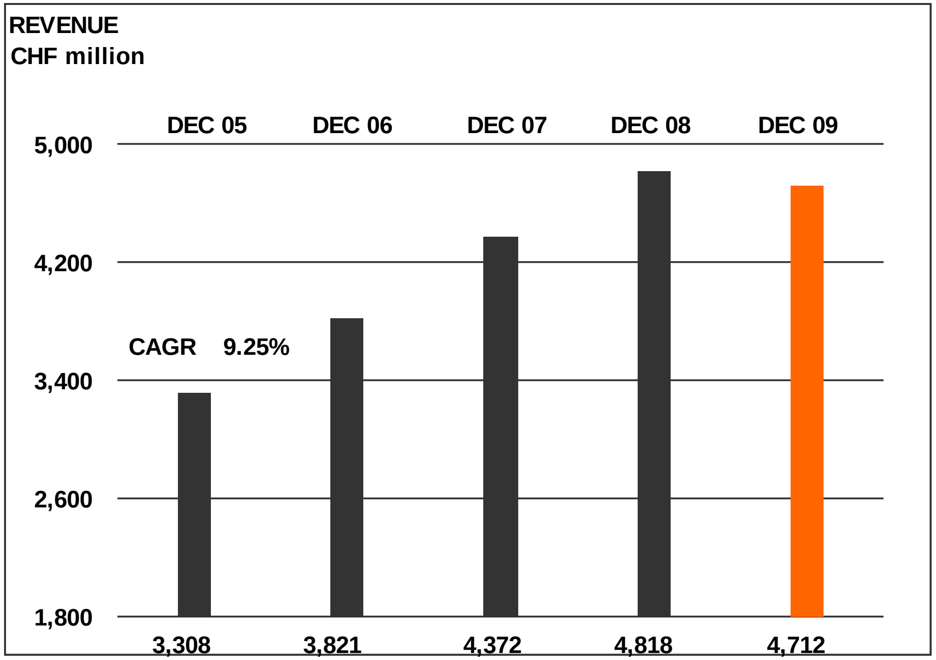


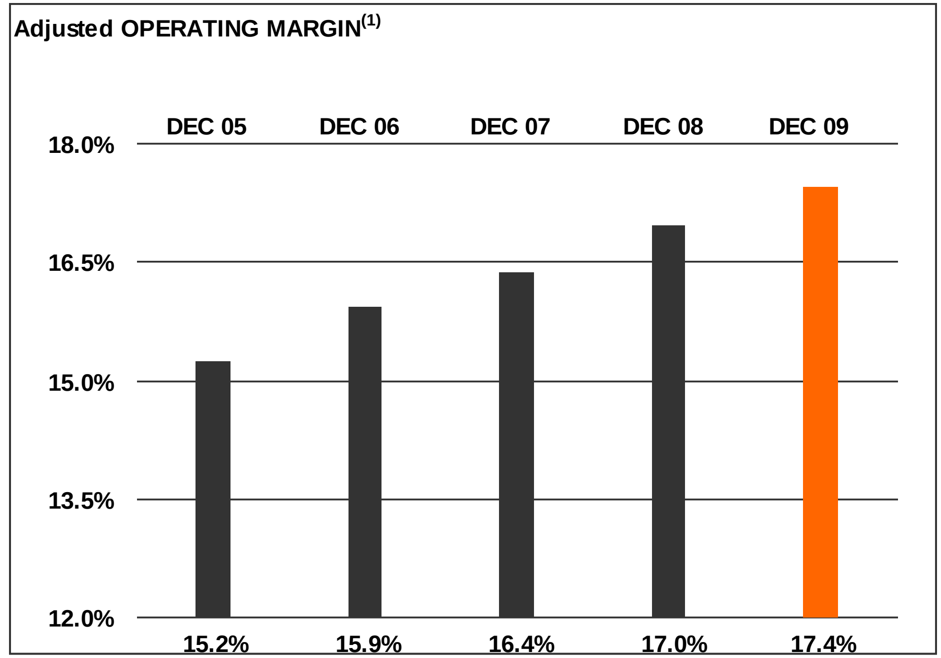
- **Growth drivers**
  - Improved governance
  - Local solutions
  - PCA
  - e-Government services
- **Improvement drivers**
  - Technology enhancement
  - Leverage Group sales capacity
- **Investments**
  - e-Government technology
  - Scanners

VISION FOR 2014

- Absolute achievement of The Plan
- SGS as the clear, unassailable, recognised leader in the TIC Industry
- Lean, standardised processes and procedures
- Maximised utilisation of our resources
  - Labs, assets, people
- Best in class, focussed sales force
  - Cross-selling a priority
- Clear incentive plans, maximising returns
- Rapid, effective acquisition and investment process with significantly increased resources

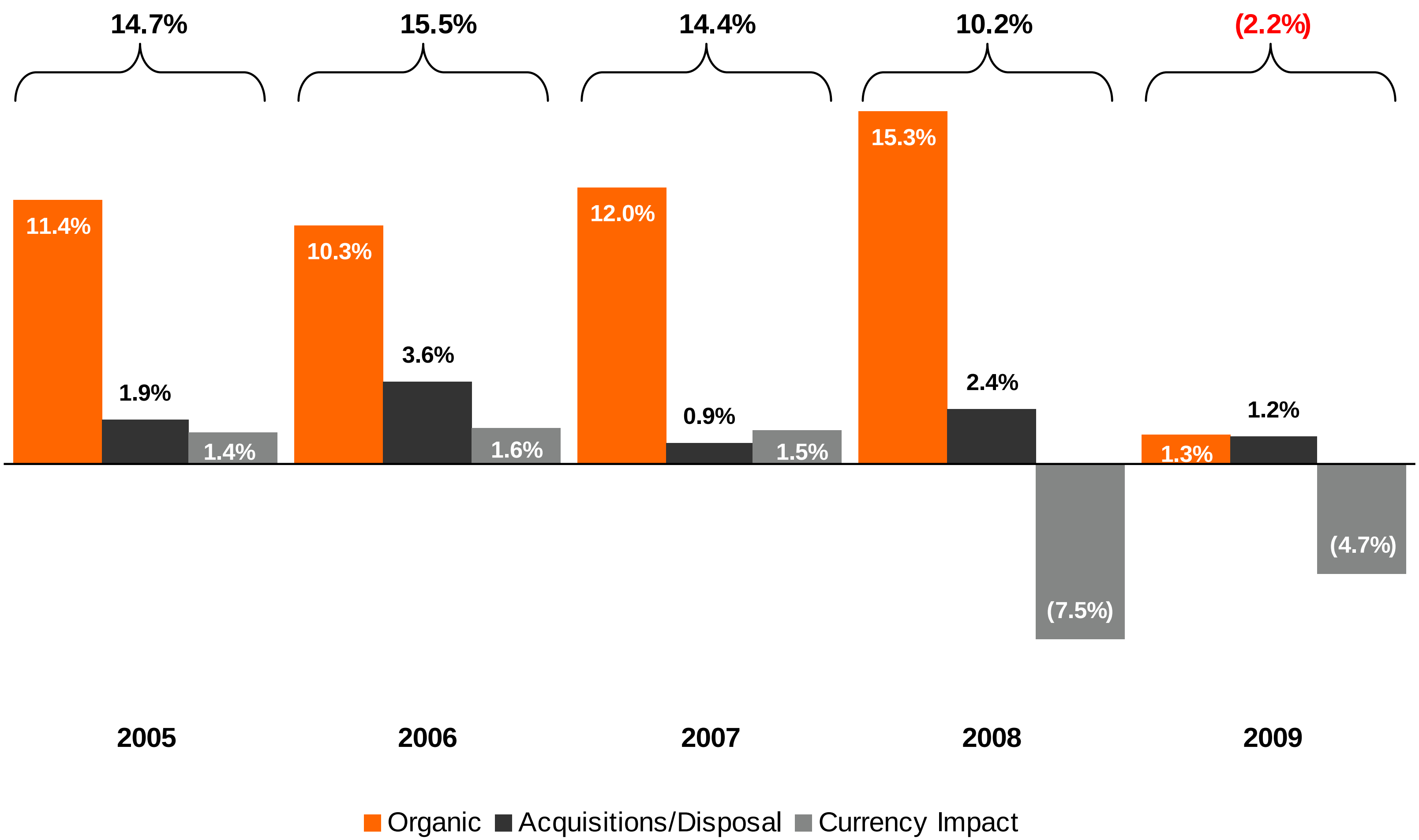
STRONG TRACK RECORD





(1) Before amortisation of intangibles & none-recurring items

HISTORICAL REVENUE GROWTH



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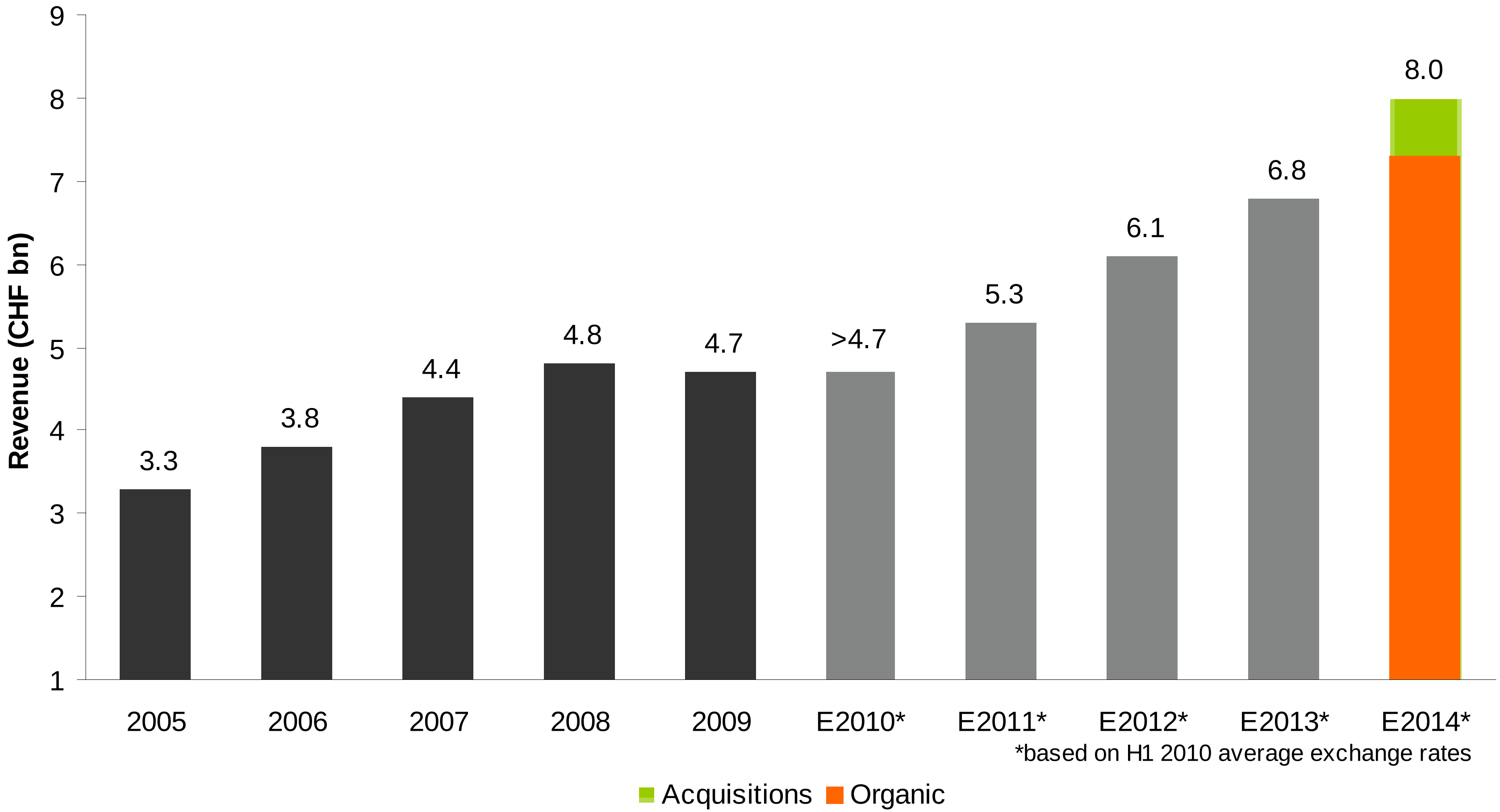
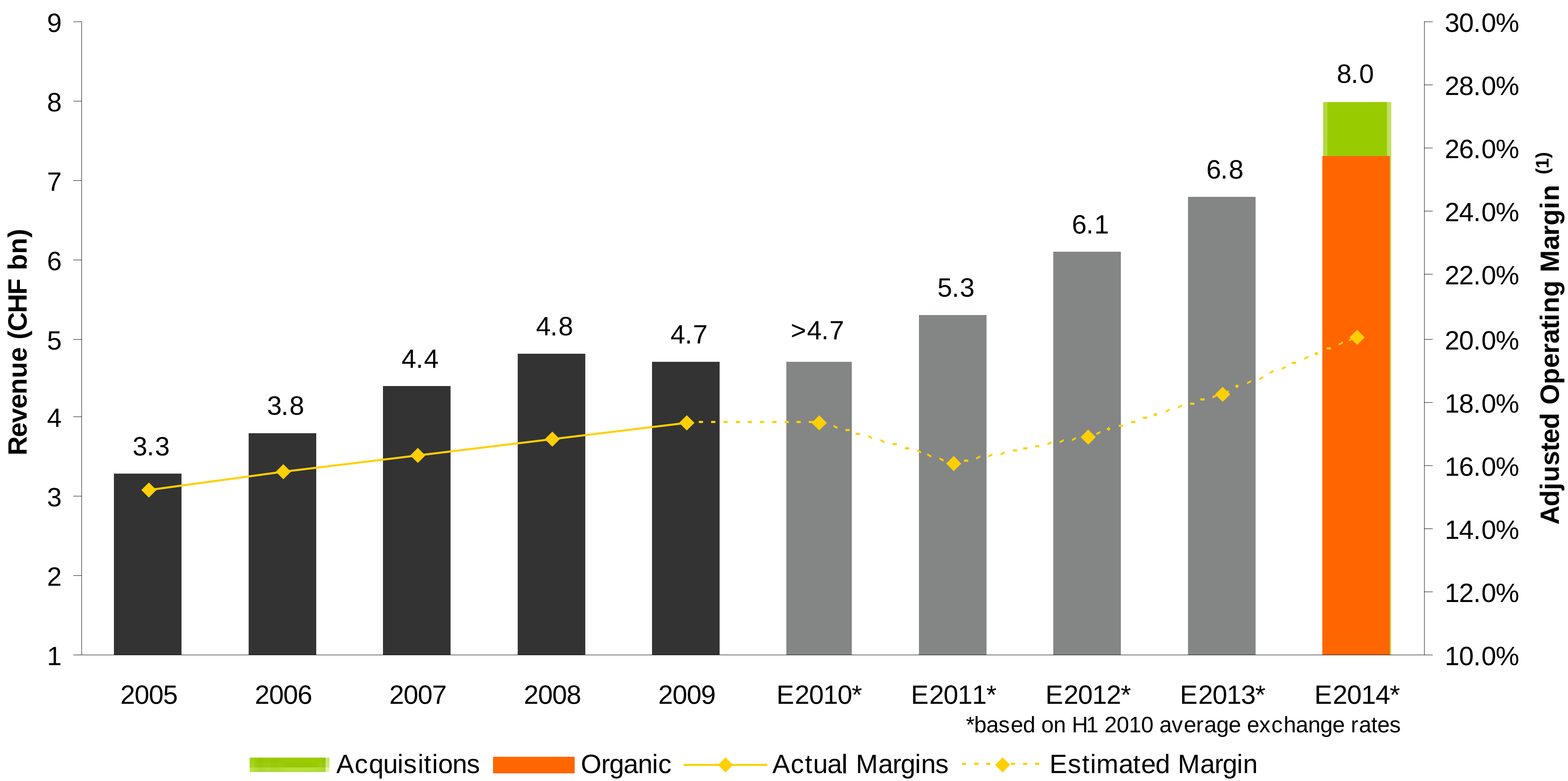
REVENUES OVER PLAN PERIOD



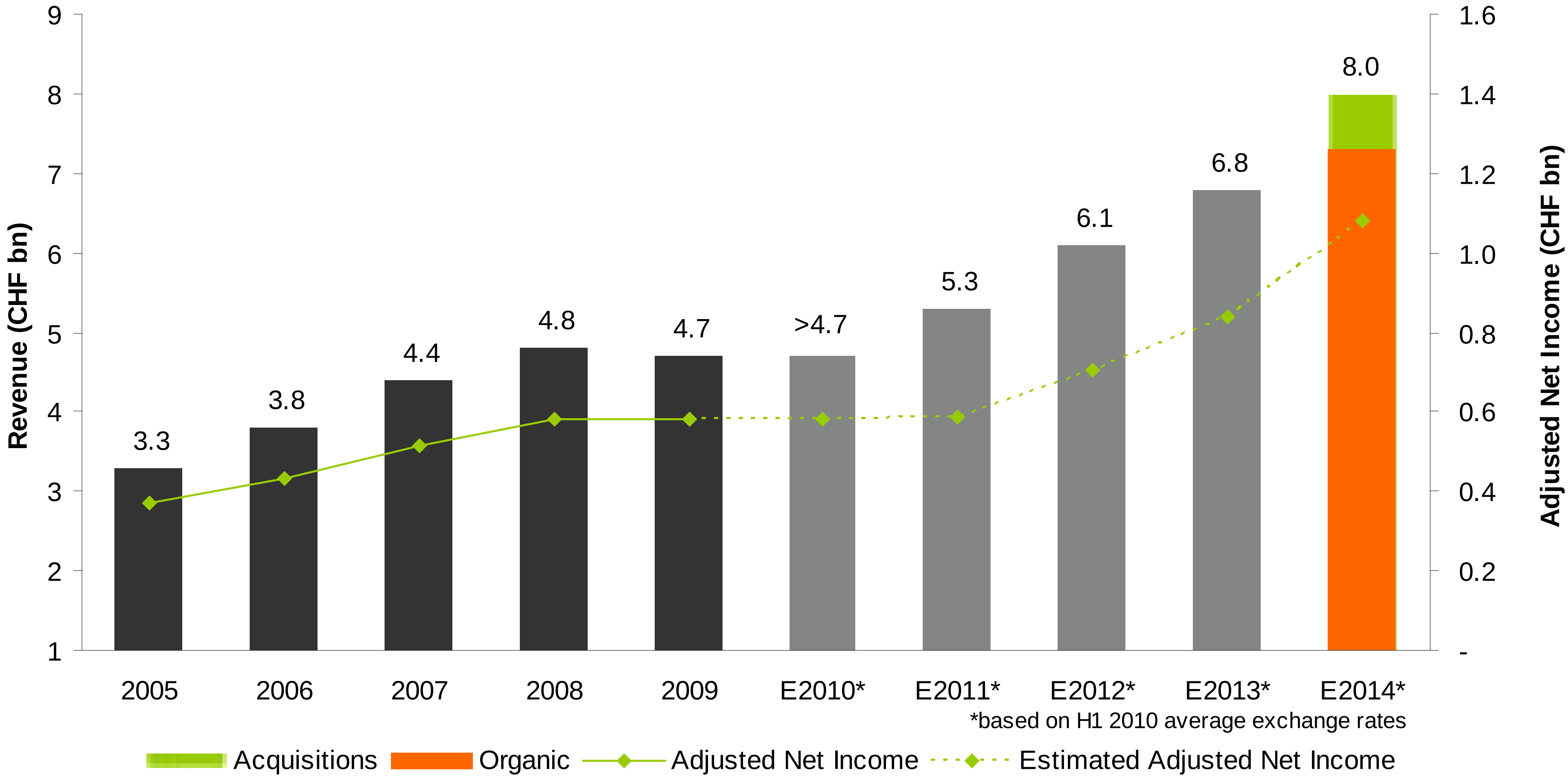
*based on H1 2010 average exchange rates

MARGINS(1) OVER PLAN PERIOD



(1) before amortisation of intangibles, transaction costs and non-recurring items

NET INCOME[1] OVER PLAN PERIOD



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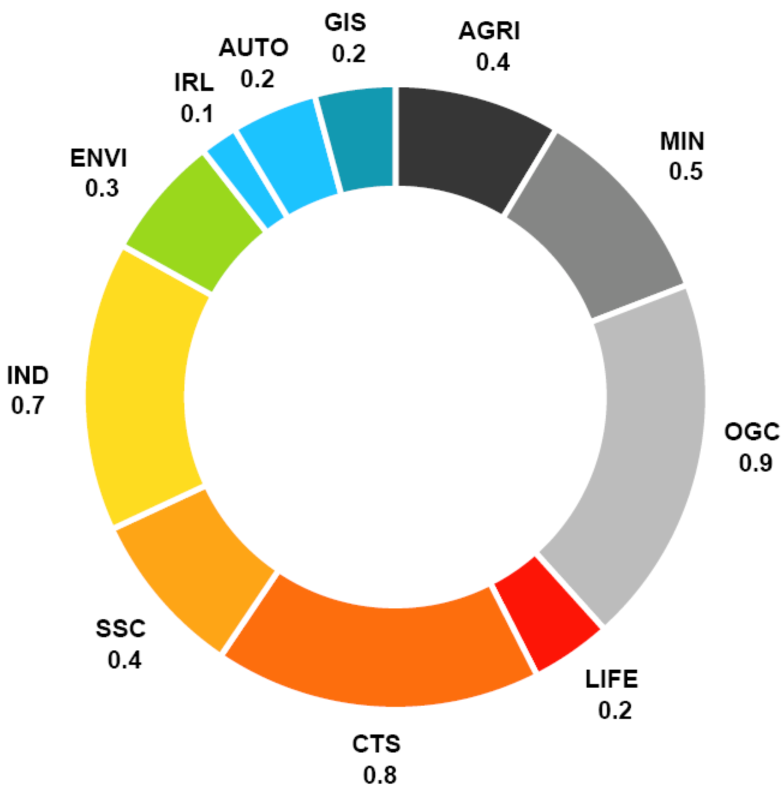
FINANCIAL HIGHLIGHTS 2014

CHF billion	2014E December	4 yrs CAGR
Organic	7.3	11.3 %
Acquisitions	0.7	
Total Revenues	**8.0**	**13.7 %**
Operating Income (1)	**1.6**	**18.9 %**
Operating Income margin %	*20.0 %*	
Net Income (1)	**1.1**	**17.9 %**
Net Income margin %	*13.5 %*	
Headcount EOP (FTE)	**100'000**	**13.1 %**

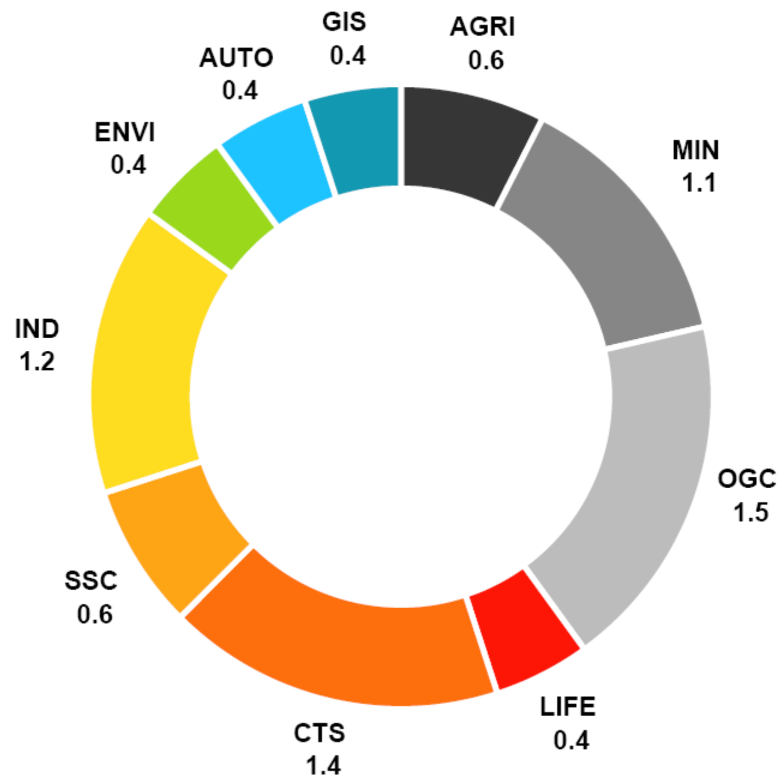
(1) before amortisation of intangibles, transaction costs and non-recurring items

REVENUE BUSINESS MIX (CHF BILLION)

2009

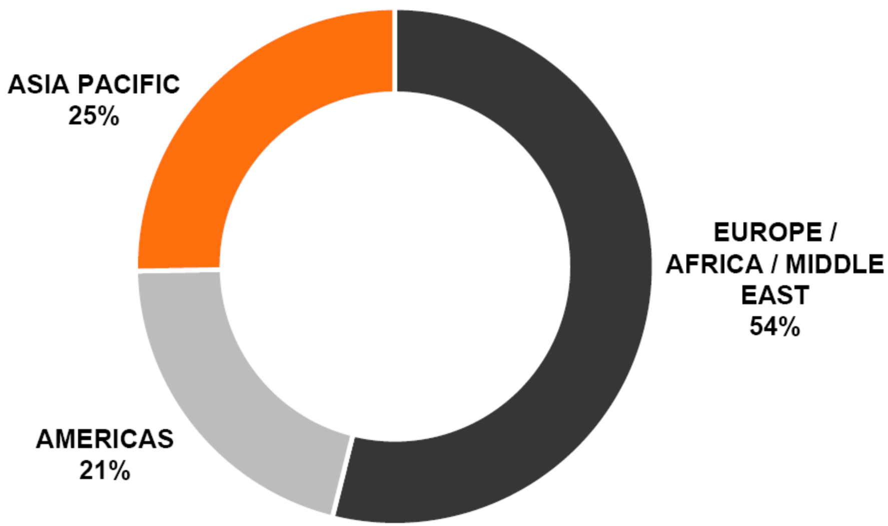


E2014

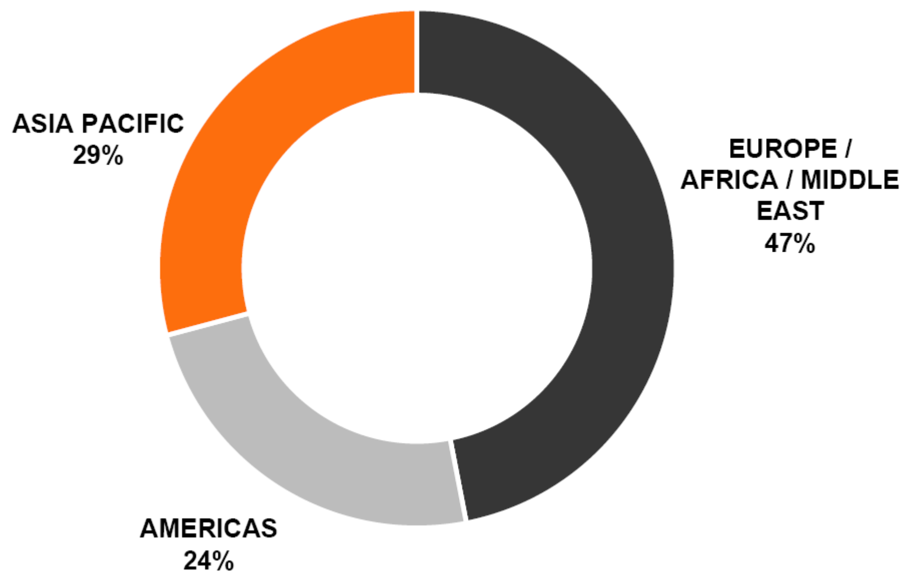


REVENUE REGIONAL MIX

2009



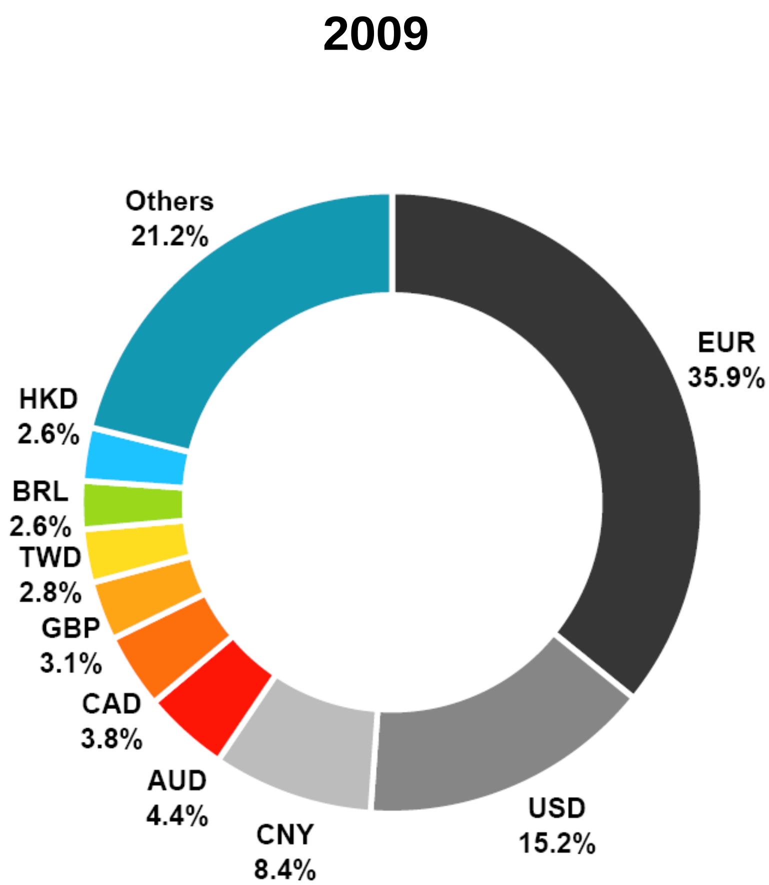
E2014

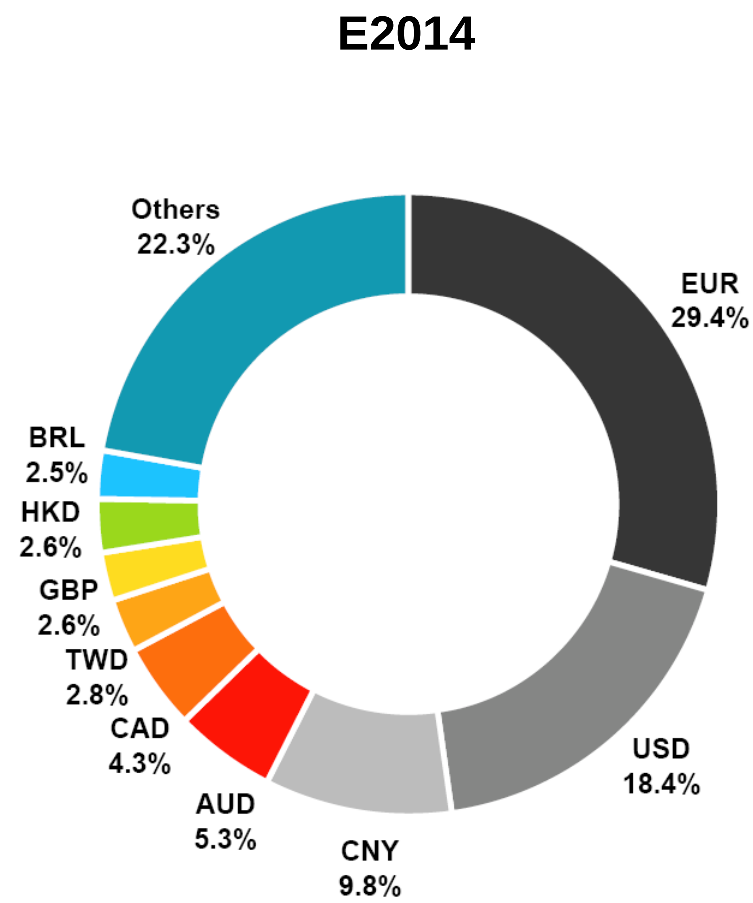


KEY FINANCIAL ASSUMPTIONS/RISKS

- Current exchange rates ← Strength of Swiss franc
- No major downturn in world economy ← GDP trends / Trade flows between regions
- Strong operating cash-flows ← Efficient handling of growth / NWC to sales ratio
- Accelerated capital expenditure ← Lack of quality projects / momentum
- Targeted acquisitions ← Valuations / momentum

MAJOR CURRENCIES





FOREIGN CURRENCY IMPACTS FROM TRANSLATION (CHF MILLION)

EURO	**1.35**	**1.45**	**1.50**
Revenues	(157)	0	80
Net Income	(19)	0	10
USD	**1.00**	**1.07**	**1.15**
Revenues	(98)	0	103
Net Income	(12)	0	13
CNY	**0.150**	**0.157**	**0.160**
Revenues	(35)	0	14
Net Income	(7)	0	3

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23 - 24 SEPTEMBER 2010, ROUEN

2014 FOR THE COMPLETE PICTURE

WHEN YOU NEED TO BE SURE

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