Annual Report 2001, Jelmoli Holding Ltd, Zurich

2001

THE JELMOLI GROUP AT A GLANCE

in million CHF	2001	2000	Change from previous year non-adjustet	comparable
Gross turnover, Group	**1 121.6**	954.5	+17.5%	+5.3%
Net turnover, Group	**1031.0**	880.4	+17.1%	
Rental income, Group	**69.4**	63.1	+10.0%	
Total income	**1111.6**	959.9	+15.8%	
Operating income (EBIT)	**129.9**	99.2	+30.9%	
Net profit, Group	**42.7**	89.4	-52.2%	
Profit per bearer share in CHF	**69**	150	-54.0%	
No. of employees[1]	**2 533**	2 239[4]	+13.1%	
Segment informationen				
Retail Trade				
Gross turnover	**1 121.6**	954.5	+17.5%	
Operating income	**2.8**	41.0[4]	-93.2%	
No. of employees[2]	**2 477**	2 183[4]	+13.5%	
Sales area[2] in 1000 m²	**103.8**	92.1	+12.7%	
No. of retail locations[3]	**229**	209	+9.6%	
Turnover in million CHF/employee[2]	**0.453**	0.437[4]	+3.7%	
Turnover in CHF/m² sales area	**10 805**	10 364	+4.3%	
Retail Real Estate[3]				
Rental income total	**89.4**	82.3	+8.6%	+6.2%
Rental income external	**69.4**	63.1	+10.0%	
Operating income	**156.4**	58.2	+168.7%	
No. of employees[1]	**56**	56	±0.0%	

1 Average for the year (full-time employee basis), segments, holding.

2 incl. part of administration staff.

3 Corresponds to number of addresses.

4 Restatet (Segments Finance/Holdings splitted on segments Retail Trade and Retail Real Estate)

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2001 – 106th ANNUAL REPORT

of the Jelmoli Group and Jelmoli Holding Ltd, Zurich
(translated from the German)

BUSINESS YEAR 2001 – 5-YEAR OVERVIEW OF THE GROUP

REPORTS FROM THE SECTORS

CONSOLIDATED FINANCIAL STATEMENT

FINANCIAL STATEMENTS OF JELMOLI HOLDING LTD

BOARD OF DIRECTORS – AUDITORS – PROPOSALS

MANAGEMENT, BUSINESS ADDRESSES, CHRONOLOGY

DEAR CUSTOMERS AND EMPLOYEES
DEAR SHAREHOLDERS

A promising year closing with a setback
Jelmoli Group profit for 2001 in the two segments retail trade and retail real estate totalled CHF 64.7 million (prior year: CHF 89.4 million). Due to own utilization of real estate in part, only CHF 42.7 million of this sum can be booked as consolidated Group profit because of the deferred split into real estate and retail trading parts.
After positive ongoing growth in all divisions until autumn, Group earnings declined disappointingly within a few months due to three factors:
- Loss of CHF 28 million on financial transactions
- Portable Shop losses totalling CHF 40 million
- Fust kitchen/bathroom losses of CHF 5 million

Without these serious effects on income, the substantial growth in most divisions would have led to excellent Group earnings for 2001:
- Jelmoli Zurich: turnover exceeds CHF 300 million
- Fust domestic appliances: market expansion and higher earnings
- SoundVision-Fust: breakeven attained
- Retail Real Estate: higher rental income and operating income
- High profit on real estate development

Real estate value more than CHF 1.4 billion – of which 70 % first class properties
Independent valuation of real estate for the first time has confirmed our high sleeping reserves in first class properties, exceeding estimates in the prior year report, and above all the impressively high quality of our locations and buildings in Switzerland, 70 percent of which comprises first class properties. Future rental income potential was nevertheless assessed conservatively by not including for any rental increases. Income to IAS 40 on real estate development or value appreciation totalled CHF 82.2 million for 2001. This was due to numerous reutilization projects (such as at Jelmoli Zurich, Grand Passage Geneva, and Otelfingen), the reduction of vacant floor areas, and newly acquired properties with subsequent rental increases or reutilization (Parking Centro Locarno, Cornavin Geneva, Rue de Rive Geneva, and Freiestrasse Basle). After deductions taking account of self-utilization and deferred taxes, real estate development contributed CHF 42.7 million to Group profit for 2001.

High ongoing profitability potential
We expect a rapid and sustainable recovery from the temporary setback in Group profit for 2001.
Financial transactions, which resulted in accumulated earnings around CHF 150 million over the prior five years, will now be continued on a reduced basis and secured by more closely limited stop-loss transactions. This will reduce profit and loss potential on financial transactions to a fraction of the previous range.
The serious loss incurred by Portable Shop is attributable to excessive growth in a short time, combined with market stagnation and change of management. Having identified the causes of this operational setback and introduced the necessary balance corrections, the respective measures are now underway with respect to branch network and offering, product management and reporting. A Portable Shop turnaround is therefore expected within a year.
Turbulence caused in the Fust kitchen/bathroom division by insolvency of the main supplier has now been resolved, and a well-proven new supplier has been appointed.
Based on the good market positioning of all divisions (Jelmoli Zurich, Fust, Real Estate), their rising profitability trend in 2001 is expected to continue this year.

Retail real estate – solid foundations laid for steep growth
During 2001 our retail real estate business entered the second phase of development. After dynamically optimizing the existing portfolio of first class department store properties over the last five years, we have now embarked upon further growth in this sector.
The two large projects in Geneva, currently under construction, are scheduled for opening in late autumn 2002. On the one hand these comprise the La Praille shopping and leisure centre, with investment volume CHF 160 million including adjoining block as part of the new Stade de Genève. On the other hand, our Grand Passage department store and office property integrates actually a historical building on the popular Place du Molard in Geneva's busiest city-centre shopping location. The incorporation of this building with new shops and offices represents an investment volume of CHF 130 million. Rentals of sales areas are complete for both complexes, which, thanks to optimal concepts and tenant mix, will bring substantial property development income.
Two of our other three large projects have now completed time-consuming approval procedures.

The Jelmoli Zurich parking facility, the city's most centrally situated and best utilized, can now be extended by 50 percent and Jelmoli Zurich's inner court can be covered. Thus sales space will be extended by some 10 percent. Our flagship building will furthermore be significantly enhanced architecturally. The third large project, St. Gall west stadium shopping centre (investment volume CHF 140 million), is currently undergoing optimization and other official procedures, largely with respect to size and traffic management. In view of the widely based project acceptance, we expect final approval before long.

Ongoing growth of the Tivona real estate project portfolio

The 44.5% participation in Tivona AG acquired at the beginning of 2001 is developing very positively. All Tivona projects have proved realistic with regard to profitability expectations, and are currently either at the construction or detailed planning stage.
The three largest projects have moreover been significantly extended (Technopark in Plan-les-Ouates in Geneva, Oftringen speciality market centre, and Dreiländerpark Basle).
Furthermore, a good many promising new projects have been secured in the meantime, so that Tivona project investment volume now totals over CHF 1 billion.

Real estate project risk well covered

The realistically high yield targets set for all Jelmoli and Tivona projects also take account of possible setbacks in the form of unexpectedly high construction costs or low rental income. In no case does construction work commence before 60 percent of rental agreements has been secured.

Swiss retail trading remains at a high level

With ongoing price stability, the Swiss retail trading index rose by 2.2 percent compared with prior year. After reaching a record high per beginning of 2001, the consumer purchasing index declined steeply due to the weaker economy, the psychological and economic consequences of events on September 11, and turbulence raised by the Swissair debacle in October 2001. A partial recovery is already apparent, however, and in any case retail trading turnover was only marginally affected. We agree with market research findings that with greater spending power, less unemployment and lower interest rates, consumer purchasing will continue to recover and retail trading turnover will remain at a good level.

Walter Fust Peter Leumann

Prospects remain positive

Bright prospects for the Jelmoli Group remain effectively unchanged despite the setback in profit for 2001, all the causes of which have been clearly identified and are being corrected with immediate and sustainable effect. In 2001 we furthermore laid the foundations for profitable Group development in future, so that we look back on a successful year from the strategic point of view.
Based on the healthy market situation, the excellent positioning of our divisions and the growth path on which we have embarked, dynamic profitability is expected for the future.

Thanks

The success of the Jelmoli Group over the last few years is founded on the outstanding customer orientation and commitment of our employees at all levels, not only in retail trade but also in our retail real estate segment. Our customers, among whom we expressly include our tenants, have responded with a turnover growth far above average. We tender our sincere thanks, likewise to all our employees, partners and tenants.

For the Board of Directors of Jelmoli Holding Ltd,

Walter Fust	Dr. Peter Leumann
Chairman	President and CEO

Zurich, March 8, 2002

Notes in annex	in million CHF	2001	2000	1999	1998	1997
Gross turnover		**1 121.6**	**954.5**	**904.1**	**1 279.2**	**1 485.0**
Sales deductions		-90.6	-74.1	-71.8	-69.3	-69.7
Net turnover		**1 031.0**	**880.4**	**832.3**	**1 209.9**	**1 415.3**
Rental income		**69.4**	**63.1**	**58.0**	**49.4**	**39.6**
Other income		**11.2**	**16.4**	**20.4**	**15.5**	**24.5**
TOTAL INCOME		**1 111.6**	**959.9**	**910.7**	**1 247.8**	**1 479.4**
Cost of sales		-636.5	-509.0	-487.3	-803.1	-984.2
Personnel expenses		-224.3	-192.3	-182.0	-210.9	-219.6
Other operating expenses[9]		-140.9	-119.8	-115.6	-151.7	-177.8
EBITDA[1]	**Earnings before interest, taxes, depreciation, amortisation**	**109.9**	**138.8**	**125.8**	**109.1**	**97.8**
Depreciation on fixed assets		-29.9	-32.9	-31.1	-30.0	-30.6
Restatement of investment property		56.7	–	–	–	–
EBITA[2]	**Earnings before interest, taxes, goodwill amortisation**	**136.7**	**105.9**	**94.7**	**79.1**	**67.2**
Goodwill amortisation		-6.8	-6.7	-7.2	-8.4	-7.2
EBIT[3]	**Earnings before interest and taxes**	**129.9**	**99.2**	**87.5**	**70.7**	**60.0**
Financial income		-21.4	43.0	41.6	33.6	29.3
Financial expenditure		-44.5	-33.0	-27.3	-28.7	-19.4
Financial result		**-65.9**	**10.0**	**14.3**	**4.9**	**9.9**
EBT[4]	**Earnings before taxes**	**64.0**	**109.2**	**101.8**	**75.6**	**69.9**
Current taxes		-5.4	-11.7			
Other deferred taxes		-1.9	-8.4			
Deferred taxes on investment property		-14.0	–			
Income taxes		**-21.3**	**-20.1**	**-16.4**	**-9.4**	**-8.4**
Minority interest		–	0.3	–	-1.0	-0.1
NET PROFIT		**42.7**	**89.4**	**85.4**	**65.2**	**61.4**
Shares Entitled to Dividend[8]		621 050	596 330	644 219	686 008	722 546
EPS[5]	**Earnings per share[8] in CHF**	**69**	**150**	**133**	**95**	**85**
Shareholders Equity		**672.4**	**431.8**	**494.9**	**488.0**	**577.2**
ROE[7]	**Return on Equity**	**6.4%**	**20.7 %**	**17.3 %**	**13.4 %**	**10.6 %**

1–7 see legends page 27

8 Bearer share equivalent per year end

9 until 1997: incl. net nonoperating items and contributions

in million CHF	2001	2000	1999	1998	1997
ASSETS					
Non-Current Assets	1 780.5	1 035.8	977.6	956.3	901.8
Current Assets	500.0	484.4	452.6	420.2	433.4
LIABILITIES AND SHAREHOLDERS' EQUITIY					
Shareholders' Equitiy	672.4	431.8	494.9	488.0	577.2
Minority Interest	1.6	2.2	0.8	5.2	2.2
Non-Current Liabilities	1 148.1	826.7	723.8	648.1	456.7
Current Liabilities	458.4	259.5	210.7	235.2	299.1
Total Assets	2 280.5	1 520.2	1 430.2	1 376.5	1 335.2
KEY RATIOS					
Assets and Liabilities as % of Total Assets					
Non-Currents Assets	78.1%	68.1 %	68.4 %	69.5 %	67.5 %
Currents Assets	21.9%	31.9 %	31.6 %	30.5 %	32.5 %
Shareholders' Equity	29.5%	28.4 %	34.6 %	35.4 %	43.2 %
Minority Interest	0.1%	0.1 %	0.1 %	0.4 %	0.2 %
Liabilities	70.4%	71.5 %	65.3 %	64.2 %	56.6 %
Net Asset Value per Dividend-Entitled Share					
Bearer Shares of CHF 50 Par Value	1 082.70	724.10	767.00	711.00	799.00
Registered Shares of CHF 10 Par Value	216.50	144.80	153.00	142.20	160.00
Quoted Share Value					
Bearer Shares of CHF 50 Par Value Highest	2 550	2 453.00	1 920.00	2 050.00	1 390.00
Lowest	1 325	1 805.00	1 156.00	1 263.00	689.00
Registered Shares of CHF 10 Par Value Highest	558	500.00	385.00	415.00	269.00
Lowest	264	360.00	230.00	247.75	135.25
Dividend per Share[1]					
Bearer Shares of CHF 50 Par Value	46.00[1]	46.00	44.00	36.00	34.00
Registered Shares of CHF 10 Par Value	9.20[1]	9.20	8.80	7.20	6.80
Dividends Paid in CHF million[1]	**28.6**	**27.4**	**28.3**	**24.7**	**24.6**
New Shares Issued Bearer Shares	2 055	5 844	2 150	34 515	5 440
Registered Shares	0	0	0	0	0
Shares Entitled to Dividend Bearer Shares	360 916	334 530	370 349	402 938	440 080
Registered Shares	1 300 671	1 309 001	1 369 350	1 415 350	1 412 330
Bearer share equivalent	621 050	596 330	644 219	686 008	722 546
Investments in Fixed Assets	**583.7**	**95.9**	**101.00**	**84.6**	**69.2**
Current Ratio (Ratio of current assets to current liabilities)	109%	187 %	215 %	179 %	145 %

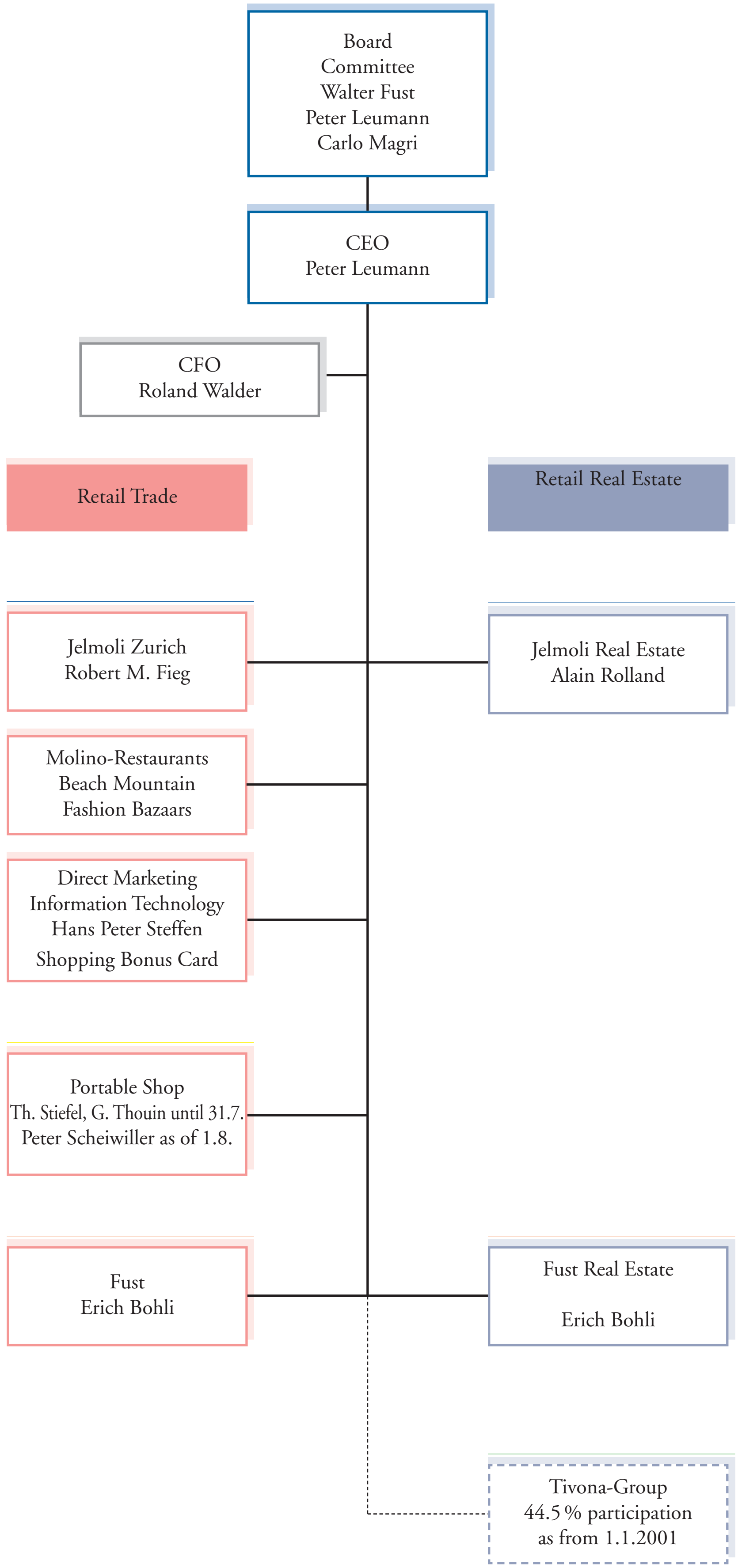
1 Proposal to the General Meeting

Jelmoli Holding Ltd
Share capital CHF 34.3 million

Board of Directors
Walter Fust*, Chairman of the Board
Carlo Magri*
Dr. Peter Leumann*
Prof. Dr. Hugo Tschirky
Daniel Bürki
Regula Mann-Freihofer
Ursula Hauser-Fust
Prof. Dr. Christian Belz
Klaus Wecken

*Board Committee

Secretary General
Dr. Robert Känzig



Jelmoli AG
Share capital CHF 50.0 million
(100 % participation)
Turnover 2001 CHF 258.3 million
Rental income[1] 2001 CHF 77.6 million
Direct (indirect) 100 % participations
Grand Passage-Innovation SA, SC CHF 37.0 million (Bastra SA, ECIF SA, Innovation-Holding SA, Ilôt de la Mercerie SA)
Jelkoch AG
Jelocal Holding AG
(Beach Mountain AG, Regina Kaufhaus AG)
La Gondola SA
La Praille SA Centre Commerciale et de Loisirs
SC CHF 0.25 million (100 % Jelmoli owned)

Portable Shop Schweiz AG
Share capital CHF 0.3 million
(100% Jelmoli owned)
Turnover 2001 CHF 237.8 million
No participations

Dipl. Ing. Fust AG
Share capital CHF 20.4 million
(100 % participation)
Turnover 2001 CHF 625.5 million
Rental income[1] 2001 CHF 11.8 million
Direct participation:
Service 7000 AG
(82.8 % in voting rights, 50 % in capital)

Other 100 % Jelmoli directly-owned companies
Turicum Holding AG, Fiaro Holding AG
Jelmoli Holding Inc., USA

[1] Rental income including own rentals

Status per business year end

Jelmoli Retail Trade

This business sector comprises the retail trade activities of all Group companies (not including the real estate business sector, to which internal rentals at market rates are payable). Holding costs were charged pro rata for the first time in 2001 (in 2000: restated).

Retail Trade in million CHF	**2001**	**2000**	**Change from prior year** nonadjustet	comparable
Gross turnover				
Jelmoli AG	258.3	239.1	+8.0%	+2.9%
Dipl. Ing. Fust AG	625.5	545.4	+14.7%	+6.8%
Portable Shop Schweiz AG	237.8	170.0	+39.9%	+3.5%
Total	**1 121.6**	**954.5**	**+17.5%**	**+5.3%**
Number of employees	2 477	2 183	+13.5%	
Sales floor area in 1000 m^2	103.8	92.1	+12.7%	
Turnover in million/employee	0.453	0.437	+3.7%	
Turnover in CHF/m^2 sales area	10 805	10 364	+4.3%	
EBITDA[1]	**35.3**	**67.9**	**-48.0%**	
Operating EBIT	**2.8**	**41.0**	**-93.2%**	
Invested operating capital	**549.1**	**500.1**	**+9.8%**	
Return on invested capital (ROIC) in %	**0.5**	**8.2**	**-93.9%**	

1 Earnings before interest, tax, depreciation and amortization

Thanks to strong growth in all retail trade activities, gross turnover significantly exceeded CHF 1 billion, 17.5 percent more than in prior year. However, earnings before interest, tax, depreciation and amortization (EBITDA) in the retail trade segment were practically halved due to the steep decline in the market of computer and mobile phone sales, high operating losses of Portable Shop, and insolvency of the main Fust kitchen supplier. Operating income is however still barely positive.

Prospects

The new business year started well again for Fust and Jelmoli, with positive turnover development so far. Despite the tragic events in New York and Zug last autumn, whose negative effects together with the Swissair problem lasted the entire winter, the prospects for 2002 are favourable. The market decline in Portable Shop business continues, and despite the drastic measures taken, a turnaround is not expected before 2003. For our retail trade segment as a whole, a rapid recovery of earnings is expected.

Jelmoli

THE HOUSE OF BRANDS.

Jelmoli Zurich in million CHF	**2001**	**2000**	**Change from prior year** nonadjustet	comparable
Gross Jelmoli turnover	189.4	179.2	+5.7%	+2.9%
Number of employees[1]	494	494	±0.0%	
Sales floor area in 1000m^2	18.8	18.3[1]	+2.7%	
Turnover/employee[1]	0.383	0.363	+5.7%	
Turnover in CHF/m^2 sales area	10 074	9 762	+2.9%	
House turnover incl. tenants	301.9	278.7	+8.3%	
House turnover/m^2 sales area	10 744	10 719	+0.2%	
House sales area in 1000 m^2	28.1	26.0	+8.0%	

1 new: including proportion of general administration staff/floor areas re-measured (2000: restated)

Good sales and profitability level again exceeded

Jelmoli Zurich gross turnover including shop-in-shop tenants exceeded CHF 300 million for the first time in 2001, increasing by 8.3 percent to CHF 301.9 million (prior year: CHF 278.7 million). About two thirds of house turnover or CHF 189.4 million (prior year: CHF 179.2 million) is attributable to Jelmoli operations. The rise in turnover per m^2 sales floor area and employee is attributable to further optimization of sales presentation, layout and logistics, additional brand offers and floor extensions.

The comparable rise in own turnover is 2.9 percent (prior year +6.8%), while the Swiss retail trading index (according to the Federal Statistics Office) has increased by 2.2 percent.

Jelmoli Zurich unchallenged as House of Brands and trend-setter

Since 1997 Jelmoli Zurich – the House of Brands – has been operated as stand-alone city centre shop-in-shop gallery. During this time its leading trend-setter position has been profitably consolidated to the point where turnover passed the CHF 300 million milestone in 2001. This growth, fifty percent since 1997, has been achieved on the one hand with hard shop-in-shops (tenants such as Fust, Portable Shop, Digital Home, Imholz, Christ Jewellers and Gourmet Factory), and on the other with Jelmoli-operated soft shop-in-shops including perfumery, fashion and sports, as well as shopping worlds with our proprietary offerings (such as books, fashion accessories, household, furnishing and restaurants).

In autumn 2001 the Gourmet Factory layout and orientation concept was optimized to customer needs. The new MultiMedia Factory (SoundVision-Fust, Portable Shop, Digital Home, netgate, and DirectMedia) has now attained stardom – in the live broadcasts every two weeks by Star TV at the netgate Bar.

On the ground floor the high-grade Prada brand has opened its first beauty shop, exclusive in Switzerland. The first floor now features two top-label shops likewise exclusive in Switzerland: Orwell fashion for ladies, and the aristocratic italian Canali men's fashion line. Thanks to conversions in summer and autumn 2001, the second floor now offers optimal transparency in the interior furnishing department (with shops including Schlossberg, Fischbacher and Basseti), and in the Young Fashion Street shops (Esprit, Miss Sixty, GAP, S. Oliver, Kookaï and Energie). The GAP cult label has rapidly attained an outstanding position as exclusive shop in Switzerland. Likewise Children's Fashion now has a trendy new look after comprehensive redesign, with a brighter, friendlier and more transparent atmosphere much appreciated by customers. Newly established brand shops here include Mexx, S. Oliver and Esprit. On the third floor the latest Fust bathroom and kitchen renovation ideas can now be seen, while Coiffina hairdressing clients enjoy a totally upbeat ambience. Coiffina also provided services at the last year's Street Parade. The exclusive new Reebok shop on the fourth floor has been a great success right from the outset.

Jelmoli Zurich also offers some outstanding services hard to find elsewhere, such as in-house alterations – for example trousers shortened in only 30 minutes.

Jelmoli's popular online gift shop opened at the end of 2000 has been well-visited by our Internet customers right through the year.
Apart from some attractive events held last year (with sprinter star Michael Johnson and tennis ace Roger Federer, among others) and the new Zurich city parking guide system inaugurated last October, the primary reason for the ever higher customer attendances at Jelmoli Zurich is that with such a vast offering, finding the right purchase is almost a certainty.

Prospects
As of 2002 Jelmoli Zurich will stay open until 5 p.m. on Saturdays, and every weekday evening until 8 p.m. In spring the "Boutique du Mariage" will go on line as well, and our household and sports worlds will be further expanded. Accordingly, the Jelmoli parking house capacity will be increased by 2004 from 230 to 350 cars, but without disturbing shoppers. At the same time the inner court rebuild will provide an additional 2500 square metres of sales floor area, thereby setting a new architectural note emphasizing Jelmoli's first class reputation still further.

Robert M. Fieg, Managing Director Jelmoli Zurich

Molino Restaurants
Fashion Bazaars
Beach Mountain

Good operating results were again recorded by these three small Jelmoli Retail Trade chains.

Molino Restaurants Jelmoli Fashion Bazaars Beach Mountain	2001	2000	Change from prior year nonadjusted	comparable
Gross turnover in million CHF	68.9	59.9	+15.0%	3.1%
Number of employees [1]	363	314	+ 15.6%	
Sales floor area in 1000 m²	7.4	7.0	+5.7%	
Turnover in million/employee [1]	0.190	0.191	-0.5%	
Turnover [1] in CHF/m² sales area	9 311	8 557	+8.8%	

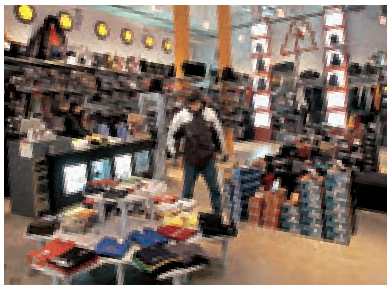
1 including proportion of general administration staff, sales area re-measured (2000: restatet)

Molino Restaurants
In autumn 2001 a new Molino restaurant was opened in St. Gall city centre. There are now 15 of these increasingly popular restaurants offering excellent Italian cuisine at reasonable prices.

Molino restaurant Bohl 1, St. Gallen

Jelmoli Fashion Bazaars and Beach Mountain
Together with the eleven traditional Jelmoli Fashion Bazaars, seven Beach Mountain shops now serve trendy young board freaks. Both are very popular with their completely different clientele, and make an important contribution to overall success.

Fashion Bazaar, Zurich



Beach Mountain St. Jakob Basel

Internet E-Commerce

Jelmoli investor relations site and online shops well proven

The www.jelmoli-holding.ch investor relations site and the various Jelmoli Group online shops are proving themselves very well, with high visitor frequencies.

Online gift purchases can be made at www.jelmoli.ch and most of the Fust range is available at www.fust.ch, while www.portable-shop.ch and www.digital-home.ch offer the entire range of both these specialist chains.

All our Internet sites are continuously updated and optimized to the latest state of technology.

The resultant user benefit has reached such a high standard that in 2001 St. Gall University benchmarked www.portable-shop.ch as best-practice for online customer support in product selection, ordering and purchasing.

Jelmoli's Internet activities, which are being continuously expanded, focus on synergy exploitation with our branch networks, and integration with logistics systems and database marketing.

SHOPPING BONUS CARD

This popular gold card for all customers of Jelmoli Shopping Bonus Card partners broke another turnover record last year.

The card now carries attractive bonus points with 37 partners at more than 2500 sales outlets. In 2001 two new partners joined the plan: City Disc CD stores and the Mövenpick wine shop chain.

One bonus point is awarded for every one or two Swiss francs spent with the card. For every 500 points the customer receives a bonus certificate worth CHF 15 which is valid for two years. Bonus certificates can be used for package tour arrangements (Imholz, TUI and Vögele Travel agents throughout Switzerland) and for hotel accommodation with breakfast at Relais du Silence in Switzerland, Sunstar Hotels and TOP International Hotels. Since one year, bonus certificates are also valid at Fust, Portable Shop, Digital Home and Avis car rentals.

As a new attraction, customers without a Bonus Card can get one quickly by «Avanti» or «Subito» application to Fust, Portable Shop, Digital Home, Imholz, TUI and Vögele Travel. This lets them profit immediately from bonus points when making their purchases.

On the Internet, www.bonuscard.ch for online transactions further promotes customer binding.

Anita Buri, Miss Schweiz 1999

Dipl.Ing. Fust

Fust speciality stores in million CHF	2001	2000	Change from prior year nonadjustet	comparable
Gross turnover	625.5	545.4	+14.7%	+6.8%
Number of employees	1 227	1 138	+7.8%	
Sales floor area in 1000m²	63.0	57.0	+10.5%	
Turnover in million/employee	0.510	0.479	+6.5%	
Turnover in CHF m² sales area	9 929	9568	+3.8%	

Fust growth in domestic appliances despite market decline

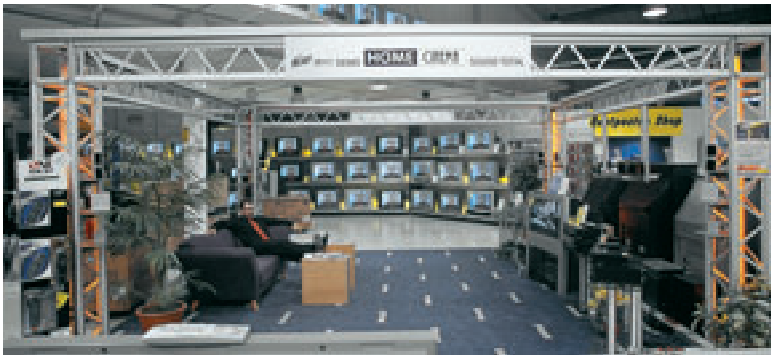
Despite the lower demand for large domestic appliances in 2001, Fust attained significant growth in this sector. Market shares were gained in nearly all product categories, concentrating above all on the medium to high-end range requiring more intensive customer support. Particularly gratifying is the success of the Novamatic proprietary brand, not only in various product categories such as washing machines, vacuum cleaners and kitchen equipment, but increasingly in the high-end large appliance sector.

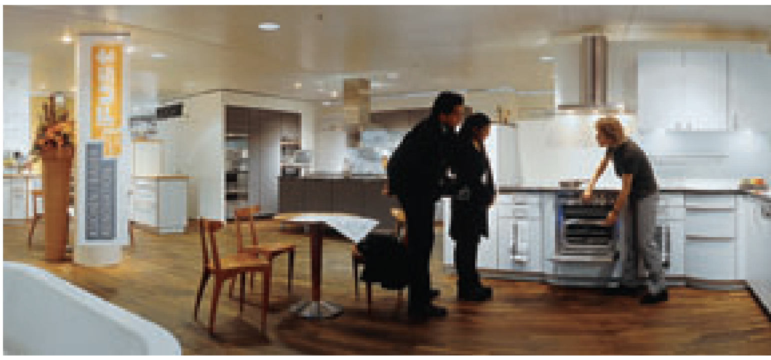
The Fust Gastro range of professional and semiprofessional kitchen appliances for restaurants and canteens has been developed further.
The Fust household ombudsperson contact sandra@fust.ch launched in 2000 is now a well-proven customer relations feature.
Fust-Post and other advertising activities were very much involved in 2001 with the 35th anniversary celebrations. The «Tested and recommended by Fust» campaign has been very well received among suppliers and is helping to anchor the company's solid reputation still further.

SoundVision-Fust wins market shares

Realignment of the consumer electronics segment under the sub-brand name «SoundVision-Fust» has paid off handsomely with significant gains in practically all product categories. As a result, Fust is now market leader in home cinema and large-format TV. The user-friendly store concept with maximum «touch and feel» effect has set new standards in this sector.
The entire consumer electronics sector still suffers from inadequate margins. In parallel to expanding the large SoundVision-Fust branches in Fust Supercenters, smaller stores will therefore be closed to improve profitability.

Domestic appliances

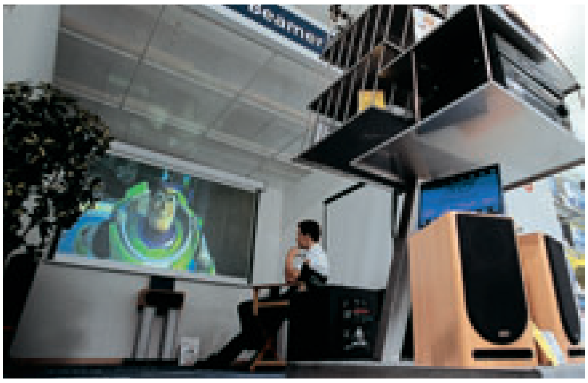

SoundVision-Fust


Kitchen/bathroom renovations

SoundVision-Fust has realized some interesting consumer-friendly ideas

On the one hand the new Sound Arena offers hi-fi enthusiasts a wide and attractive selection of the latest systems and trends. Arranged around the arena, all systems are connected to the same signal source for optimal comparison of audio results. Customers thus have much more objective conditions for making the right choice. Furthermore, if nevertheless unsatisfied due to unfavourable room acoustics at home, they can exchange their purchases within thirty days.

Another highlight was in the home cinema sector, thanks to the popular new DVD video-CD. In this



connection home cinema not only means large-screen television (in which SoundVision-Fust is now market leader), but also home adaptation of the surround-sound technology long used in public cinemas. This means that customers can now enjoy 6-channel or even 7-channel surround-sound at home. With such a wide range of home cinema systems now available at prices from CHF 1 000 to more than 10 000, competent advice and careful comparison are indispensable for optimal satisfaction. In the Fust Home Cinema, customers can experience the marvels of Dolby digital sound for themselves, and optimally compare the various brands and systems.

An interesting new segment has opened up with the greatly improved quality of TV beamers, which enable cinema-style projection covering an entire room wall. The exemplary product declarations at SoundVision-Fust, enabling clear differentiation of new features and older models, have proved very worthwhile. Fust maintains very open relations with the leading consumer protection organizations and media channels, and immediately responds to justifiable requests in the interest of consumers.

Kitchen/bathroom renovations at prior year level

After the upswing in this business segment last year, a serious setback occurred due to insolvency of the main supplier. For several months activities were restricted to providing alternatives for the several hundred customers who had ordered new kitchens. As a result of these efforts, cancellations were less than one percent – reflecting the patience of most customers and their satisfaction in the end. Since new business acquisition suffered during this time, however, turnover barely reached the prior year level and orders on hand at year end were also below budget.

In the meantime the situation has been corrected, and the forced change of supplier has been taken as an opportunity for systematic market segmentation. Our offering now includes the high-end kitchen brand «Leicht», while Fust is still exclusive supplier of the lower priced «Nobilia» brand. This provides good coverage of the entire price range, quality and design spectrum in the medium and high quality segments.

Fust Nova-Casa general contractor business

The Fust «Nova-Casa» general contractor service for private owners was further established as a proprietary brand. As before, the main activity here is construction supervision for renovating private houses and apartment blocks.

E-commerce to complement the branch network

While our Internet activities are hardly cost-effective so far, e-commerce will be purposefully built up to complement the Fust branch network. Both marketing channels belong together and are mutually fruitful – every online purchase can for example be exchanged at a Fust store if required. Residual stocks can also be liquidated faster on the Internet, before they become unsaleable.

Segmental profiling continues

After transferring the PC business to the Jelmoli subsidiary Portable Shop, Fust concentrated on stronger profiling of the remaining segments, a process which continued during the year under review. Not only is the Fust brand number one for domestic appliances today, but with SoundVision-Fust, kitchen/bathroom renovations, Fust-Gastro and Fust-Novacasa, Fust has become the leading specialist for modern home needs in general.

Fust offers customers optimal decision-making support, starting with thorough product testing and selection.

Furthermore, the Fust low-price guarantee is uniformly upheld in all sectors. Generous exchange rights, guarantee extensions and payment terms are complemented by an efficient in-house service and repair organization.

Acquisition of the Electro-Plus markets has further optimized the Fust network. Thanks to a tour de force by the Jelmoli companies Portable Shop and Fust with partner Direct-Media/City Disc, seven new MultiMedia Factories were created in a very short space of time. They also incorporate a Fust Supercenter, and are now among the strongest Fust locations. This super-plus concept not only offers customers an enormous specialized selection, but also the full spectrum of shopping amenities both functionally and visually.

All stores have now been networked not only internally, but also by Internet connection. As a result, interdepartmental communications are much faster, with high quality daily updates on product group and branch store developments. The capacity of these efficient, cost-effective systems is expected to cover needs for some years to come.

Prospects

The hand-over two years ago by company founder Walter Fust to Erich Bohli has worked out very well. At all levels the company has benefited from new management capacities, new know-how and fresh ideas, while at the same time upholding the well-proven strategy and marketing principles. Dipl. Ing. Fust AG today is on a stronger basis than ever, both with regard to brand and market situation as well as management, and faces 2002 and the future with assurance.

Dr. Erich Bohli, Managing Director Dipl. Ing. Fust AG

Portable Shop Schweiz AG

Portable Shop Schweiz AG (incl. Digital Home)	2001	2000	Change from prior year nonadjustet	comparable
Gross turnover in million CHF	237.8	170.0	+39.9%	+3.5%
Number of employees	393	237	+65.8%	
Sales floor area in 1000m²	14.6	9.8	+48.9%	
Turnover in million/employee	0.605	0.717	-15.6%	
Turnover in CHF7m² sales area	16 288	17 347	-6.1%	

Value creation for customers
A wide range of leading brand products, highly competent sales staff, and first class service. It is on these three pillars that Portable Shop Schweiz AG is based. This well-proven quality strategy creates genuine value for customers and demands ongoing staff training and development.
Despite setbacks in the PC sector, Portable Shop and Digital Home look back on a year of high turnover. The further rise of 40 percent is almost entirely attributable to acquisitions and expansion, however, while turnover in the original branch network was disappointingly below expectations.

Business expansion and additional services
In the former Electro Plus stores, Multimedia Factories each with floor areas of 2500 m² have been created throughout Switzerland as unique shopping experience worlds, with a total of seven Super Digital Homes. Each of these Multimedia Factories incorporates large branches of Digital Home, SoundVision-Fust and City Disc, a Fust Supercenter, and a 250 m² netgate Internet meeting point. The specialized Multimedia Factory concept differs decisively from existing discount supermarkets, and is very well received. These Digital Home shops with up to 700 m² floor area not only enable a comprehensive offering, but also first class customer support in the new service centre.
The first service centres opened in Zurich and Geneva thereby offering PC users a brand-neutral drop-in facility for repairs and guarantee work, support and training for notebooks, PCs, peripherals, digital video cameras and mobile phones of all leading brands.

Store chain harmonization and profiling
In order to differentiate Portable Shop clientele more clearly again from the Digital Home chain launched two years ago, the two brands are being systematically profiled on a separate basis.
The 42 Digital Home branches concentrates thereby on modern home users with a wide offering of the latest multimedia products (PCs, notebooks, peripherals, telecom, digital video/photo, software and games).
The 15 Portable Shop branches are oriented toward demanding private and business customers, offering professional solutions in all areas of mobile communications.

A disappointing end to a promising year

After an excellent first quarter 2001, which started entirely according to plan with rapid turnover growth, further growth was initiated by taking over the large branches incorporated in Multimedia Factories.

It was precisely then that the current slump in the consumer electronics market started. As a result, turnover was far lower than targeted, and inventories began to stagnate. Since the data processing and accounting systems were being renewed at this time both in product logistics and financial controlling, the full extent of the declining profitability and inventory situation remained undetected for some time. The corresponding figures reported to and announced by the Jelmoli Group were therefore unrealistically positive.

The investigation subsequently carried out by a task force under the corporate auditors confirmed massive operating losses around CHF 20 million, and an additional CHF 20 million assets deficit mainly in connection with inventories.

The serious loss incurred by Portable Shop is fundamentally attributable to excessive growth in a short time, combined with turnover stagnation and a change of reporting system and management.

Fifteen years after starting the company, the two founders, Guy Thouin and Thomas Stiefel, sold their remaining shares to Jelmoli Holding last spring, as planned three years ago. Their successor Peter Scheiwiller (43) was appointed Managing Director Portable Shop Schweiz AG with effect per August 1, 2001. He has first-rate personal experience of the PC business.

Prospects

Having identified the causes of this operational setback and introduced the necessary balance corrections, the respective measures are now underway with respect to branch network and offering, marketing, product management and reporting. Thanks to these measures, and an upturn in chip production heralding imminent recovery of the consumer electronics market, a Portable Shop turnaround is therefore expected within a year and a breakeven not before 2003.

Peter Scheiwiller, Managing Director
Portable Shop Schweiz AG (as of 1.8.01)

Retail Real Estate

The Jelmoli retail real estate segment comprises the real estate activities of all Group companies. Internal rentals are charged on a fair market basis. Holding costs were charged pro rata for the first time in 2001 (in 2000: restated).

Retail Real Estate in million CHF	2001	2000	Change from prior year nonadjustet	comparable
Retal income				
Jelmoli AG	77.6	70.6	+9.9%	+6.8%
Dipl. Ing. Fust AG	11.8	11.3	+4.4%	+2.5%
Jelmoli USA	–	0.4		
Total rental income[1]	**89.4**	**82.3**	**+8.6%**	**+6.2%**
External rental income	69.4	63.1	+10.0%	
Numer of employees	56	56	±0.0%	
EBITDA[2]	74.6	70.9	+5.2%	
Depreciation	0.4	12.7	-96.9%	
Development earnings	82.2	–		
Operating EBIT	156.4	58.2	+168.7%	
Investet operating capital	**1 562.7**	**711.9**	**+119.5%**	
Return of investetd capital (ROIC)	**10.0%**	**8.2%**	**+22.0%**	

1 including own rentals 2 Operating income before goodwill amortization

Including rentals charged to own retail locations, Jelmoli Retail Real Estate rental income was CHF 89.4 million (prior year: CHF 82.3 million). The increase over prior year amounts to CHF 7.1 million or 8.6 percent (2000: +8.1%). The comparable increase of 6.2 percent in rental income is once again impressive. This is attributable to the ongoing utilization of former non-sales floor areas and realization of expansion potential, to the more buoyant economy, and to higher rental income from our maintenants, 11 percent of whom already pay a turnover-linked component above the minimum rental. Behind this success stands the tenant-oriented commitment of our real estate management team, highly experienced in retail sales, toward greater common benefit in the interest of all stakeholders.

Earnings before interest, tax, depreciation and amortization (EBITDA) of CHF 74.6 million in this segment for 2001 (2000: CHF 70.9 million) exceeded prior year by 5.2 percent (2000: +8.5%). EBIT, including CHF 82.2 million real estate development earnings to IAS 40, totals CHF 156.4 million. With invested operating capital of CHF 1 562.7 million (2000: CHF 711.9 million), ROIC for 2001 has risen to 10.0 percent (prior year: 8.2%).

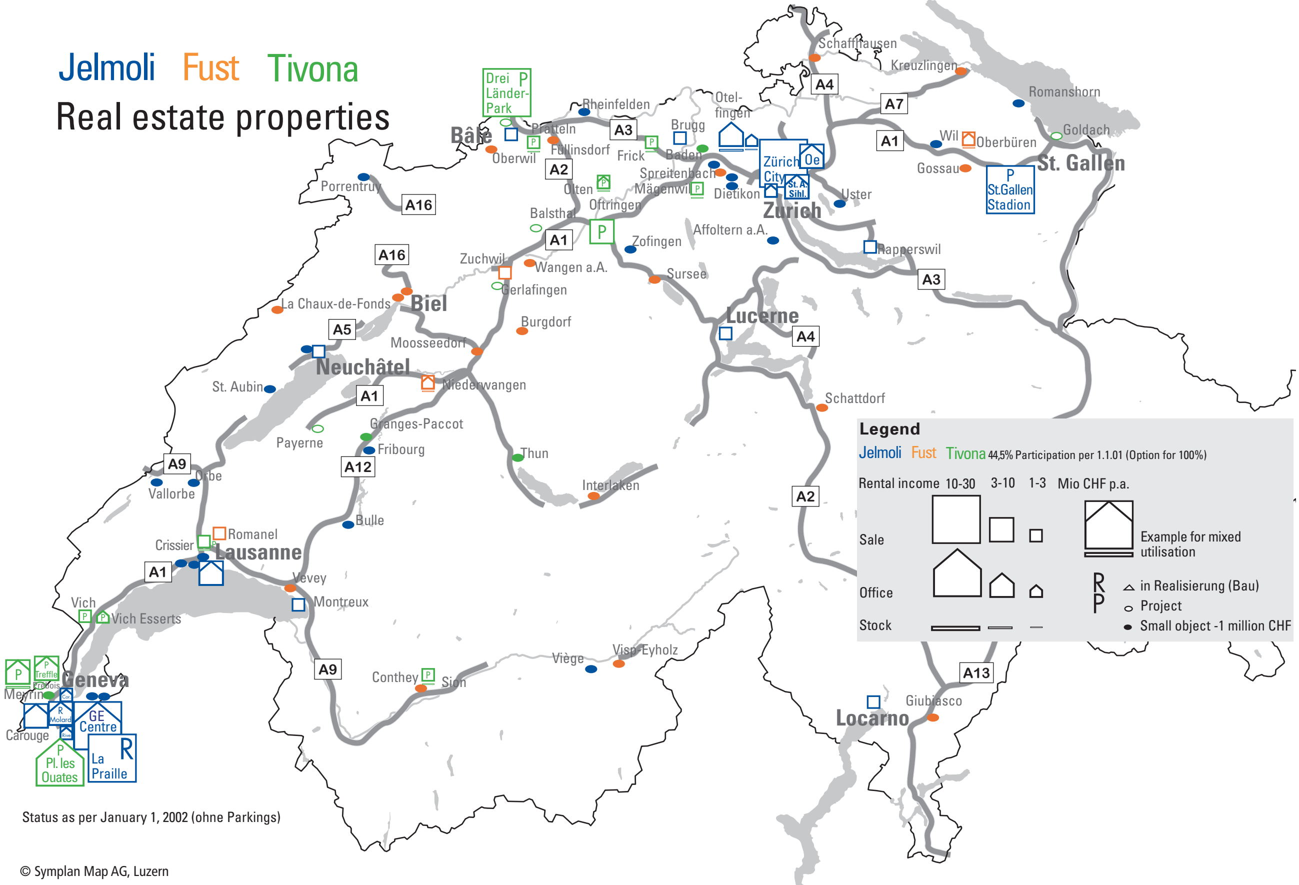
Value creation stages in the real estate development business

The fundamental difference between Jelmoli and most Swiss real estate companies or funds is that while these are mainly concerned with property administration and the acquisition of existing real estate portfolios, Jelmoli is continuously developing new projects with high profitability, primarily in the retail real estate sector. Here Jelmoli has the sustainable advantage of a retail trading portfolio and know-how built up over decades. Based on a large portfolio of properties in first-class locations, Jelmoli has laid the foundations in recent years for substantial growth in real estate development business. This includes the 44.5 percent participation acquired last year in Tivona AG, with the option of a 100 percent takeover as of mid-2003. Apart from the existing real estate portfolio of retail properties, the Tivona Group also has numerous mature projects with construction permits issued or applied for. Similarly to Jelmoli these projects, some of which are very large, offer promising value-added prospects thanks to high gross yield.

Jelmoli retail real estate development business creates value stage by stage:

1. Site identification, evaluation and securing
2. Tenant mix concept and project concept
3. Primary tenant agreements and project planning
4. Construction permit and realization
5. Full rentals and business opening
6. Administration, value retention and enhancement
7. Optimization of turnover-linked rental income

Site selection is the key to success in retail trading. In property development business Jelmoli limits risks thereby to financial commitment up to the conceptual project phase. Land is not normally purchased until the building permit has been secured, and construction work is not commenced until the main rental agreements have been closed. Jelmoli's core competences in retail real estate are at those value creation stages decisively dependent on retail trading know-how and particularly on decades of market knowledge and connections, i.e. the site identification, utilization and rental stages. In future the Jelmoli real estate management team will focus increasingly on these core competences to avoid wasted effort, and at the other stages work increasingly with high quality partners while retaining overall coordination and responsibility.



The Jelmoli Group properties rented out per year-end 2001 have an IAS 40 value of CHF 1.44 billion with 511 605 m² gross floor area, of which 33 percent sales floor, and also 33 percent storage floor, 17 percent office/service floor and 3 422 parking areas. Gross rental income from these properties was CHF 89.4 million, of which 90.4 percent turnover-linked secured against minimum rentals.

Some of these first-class properties are illustrated on pages 20 and 21. They make up significant part of the total current value according to IAS 40. Also shown are some important projects underway at the present time, including those of our Tivona participation.

The above map of Switzerland gives an overview of existing and planned Jelmoli, Fust and Tivona properties, showing utilization type, rental income categories and state of completion.

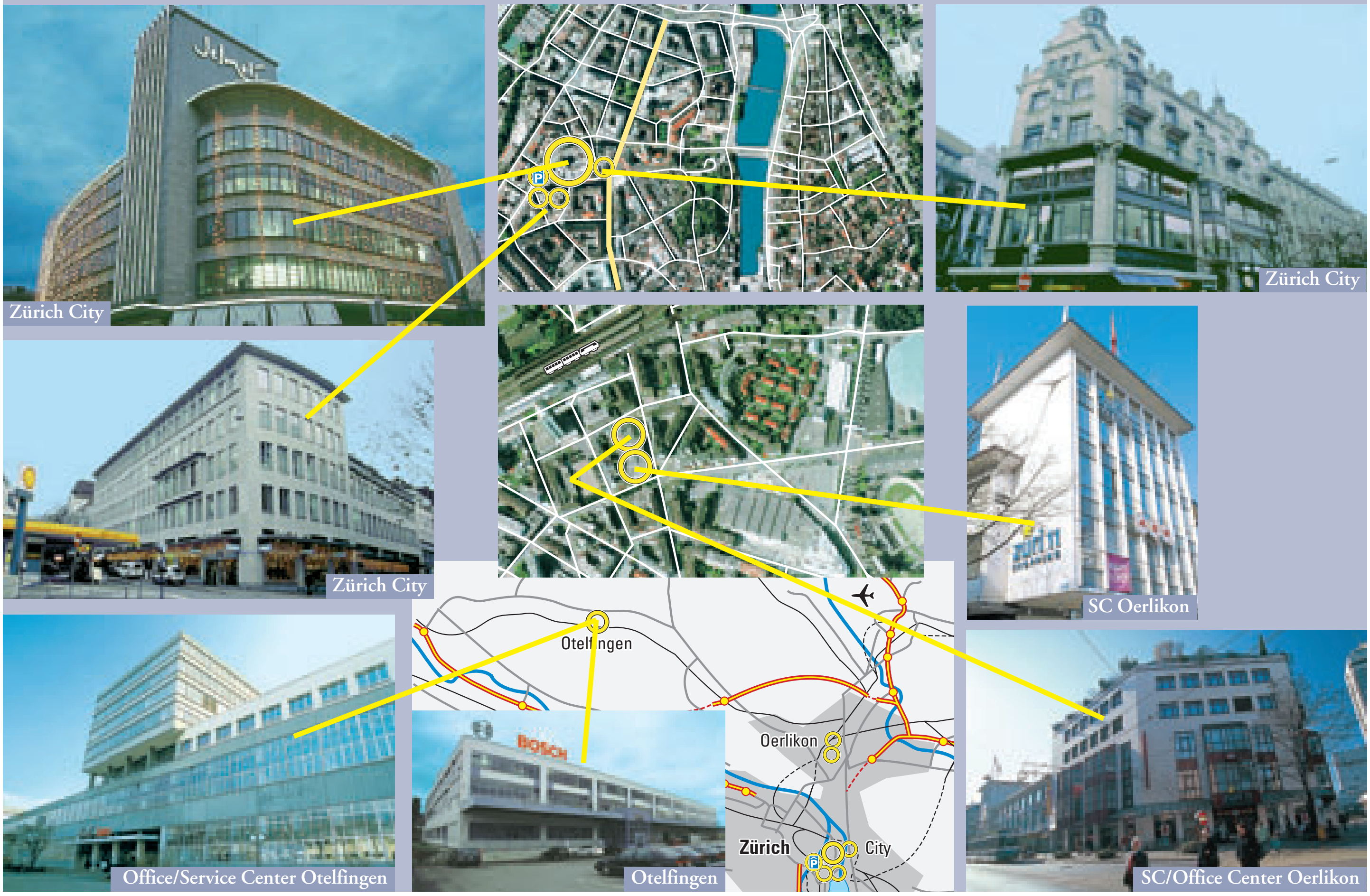
Further details are given in the Jelmoli Group real estate listing on pages 22 and 23, in the segment breakdown on page 32, and in the notes to the consolidated accounts.

Prospects

Together with the Tivona participation, Jelmoli expects to double rental income (prior to development earnings), operating income and portfolio value in the retail real estate segment over the next few years. This alone is expected to increase Group profit (prior to development earnings) by about fifty percent.

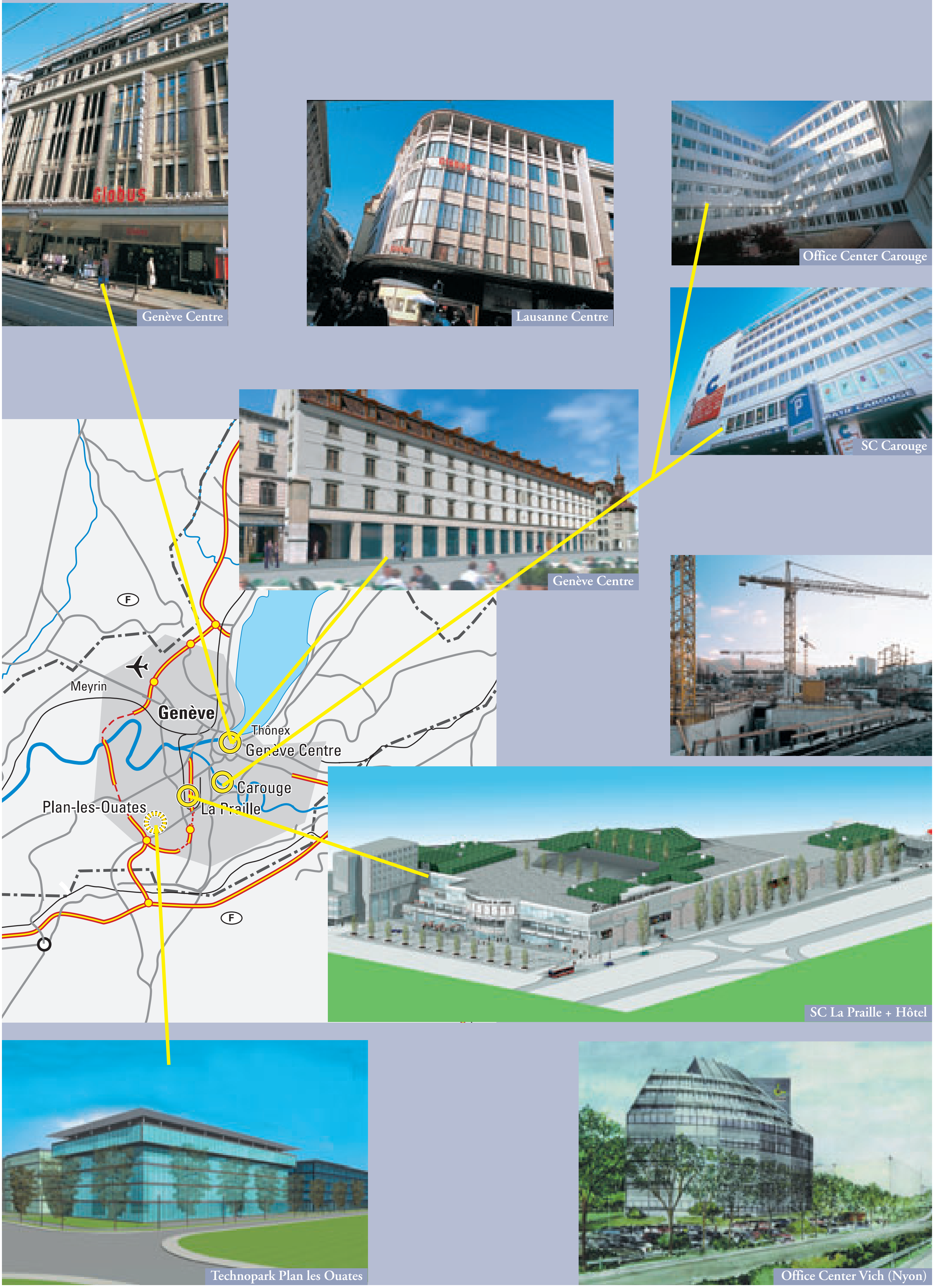
Alain Rolland, Managing Director Jelmoli Retail Real Estate

Real estate concentration point of Zurich



Other important real estate properties in German-speaking Switzerland

Real estate concentration point of Geneva and surroundings



Genève Centre

Lausanne Centre

Office Center Carouge

SC Carouge

Genève Centre

SC La Praille + Hôtel

Technopark Plan les Ouates

Office Center Vich (Nyon)

Real Estate: key figures

(Jelmoli, Fust; without Tivona. Basis: Evaluation by Wüest & Partner AG, Zurich, figures for 2002)

Portfolio-Eckwerte (Stand 1.1.2002)

in CHF million

Real estate value (IAS 40, fair value) per year end 2000 [1]	**1 271.6**
Purchases (6 properties)	65.2
Sales (0 properties)	0.0
Investments in existing properties	21.9
Value appreciation	**82.2**
Real estate value (IAS 40, fair value) per year end 2001 [1]	**1 440.9**
Number of properties per year end 2001	87
Vacant property quota per 1.1.2002	2.3%
Rental income for 2001	**89.4**
Operating / maintenance expenditure (excl. management costs)	-11.5
Net rental income (excl. management costs) [2]	**77.9**
Gross yield [3]	**7.1%**
Net yield [4]	**6.1%**
Real Discount rate (average) [5]	**5.0%**
Overall performance (net income + value appreciation) [6]	**12.6%**

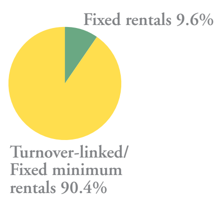
The total portfolio value of CHF 1.44 billion is strongly focused on the most attractive real estate regions of Zurich (40%) and Lake of Geneva (34%), resulting from the former department stores. Furthermore, income is conservatively assessed on the assumption that practically no rental increases will be possible, either turnover-linked or in connection with tenant changes.

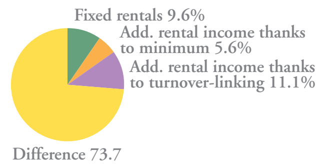
Due to the low operating costs, a good net yield and gross yield of 6.1% and 7.1% respectively resulted at the mean real discount rate of 5.0% applied by the independent assessors (min. 4.4%, max. 6.8%).

Overall performance (cashflow + appreciation) attained the high level of 12.6%.

Rental agreement structure

	Rental in CHF million		Proportion of floor areas	
Fixed rentals		5.3		9.6%
Turnover-linked/fixed minimum rentals [1]		49.9		90.4%
[1] Additional rental income thanks to minimum rentals	3.1		5.6%	
[1] Additional rental income thanks to turnover-linking	6.1		11.1%	
[1] Difference	40.7		73.7%	
Total contracts sales areas		55.2		100%





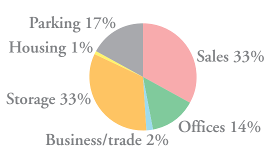
While office and storage floor areas are normally let on a fixed rental basis (with adjustment for inflation), 90% of sales floor rentals are on an unlimited turnover-linked basis with a fixed minimum. This means that tenants whose turnover was below the minimum rental limit would otherwise have paid CHF 3.1 million less in rentals (our gain thanks to fixed minimum rentals). On the other hand, tenants whose turnover exceeded the minimum rental limit would otherwise have paid CHF 6.1 million less rentals (our gain thanks to turnover-linked rentals).

The difference corresponds to the rental which would have resulted with purely turnover-linked rentals (tenants below the limit) and with fixed minimum rentals only (tenants above the limit). Increased turnover by tenants above the limit brings a proportional rise in rental income (at 10%, CHF 4.7 million).

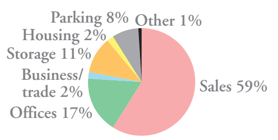
Utilization

Actual income according to utilization in CHF	Actual income 2002	Total m² (rented out)	Rental income/m²
Sales	55 158 743	166 621	331
Offices	15 725 635	70 761	222
Business/trade	1 679 257	12 784	131
Storage	10 785 961	168 799	64
Housing	2 262 413	7 090	319
Parking (25 m²/PP)	7 251 958	85 550	85
Other	900 941		
Total	93 764 908	511 605	183

Utilization m²



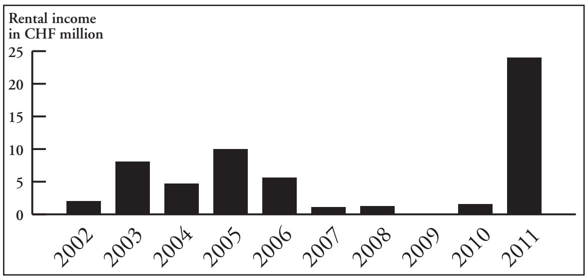
Actual income



Sales floor areas, which comprise 33% of total floor areas, contribute 59% of total rental income with charge of CHF 331/m². The lower rentals charged for office (CHF 222/m²) and storage floor areas (CHF 64/m²) are attributable to their location in the agglomerations. These are situated mainly in the former logistics centres of Jelmoli AG (Otelfingen), Grand Passage SA (Carouge) and Innovation SA (Sébeillon).

Unoccupied floor areas per year end 2001 represented a rental income potential of CHF 2.1 million or 2.3%.

Rental contract expiries

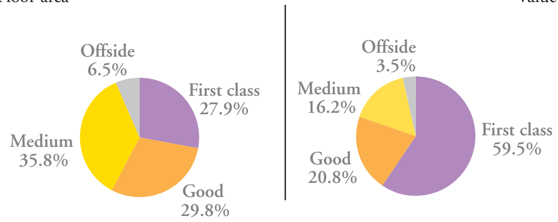


Over the next 9 years about 5% of these contracts will mature p.a. on average. It is assumed thereby that tenants will take advantage of existing extension options, which is probable in view of the rather low rentals by market comparison, as already indicated by prime tenants. In 2011 about 25% of the contracts will expire. Since these concern the best properties and the respective tenants have already requested further options, extensions will be possible at rentals at least as high.

Quality of sile location

	Floor area in m²	Actual income in CHF million	Value in CHF million
First class (1A)	122 604	48.3	856.4
Good (1B)	131 243	24.1	299.4
Medium (2A)	157 463	17.8	234.4
Offside (2B)	28 775	3.6	50.3
Poor (3)	–	–	–
Total	440 085	93.8	1440.5

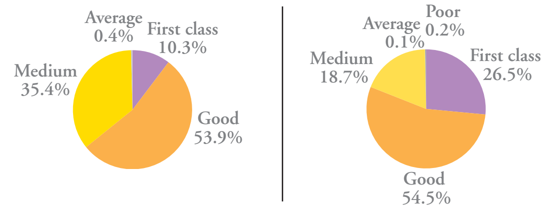
Floor area Value



Quality of property

	Floor area in m²	Actual income in CHF million	Value in CHF million
First class	45 144	19.5	381.2
Good	237 201	50.3	784.5
Medium	155 626	23.5	270.0
Average	1 945	0.2	1.8
Poor	169	0.3	3.0
Total	440 085	93.8	1440.5

Floor area Value



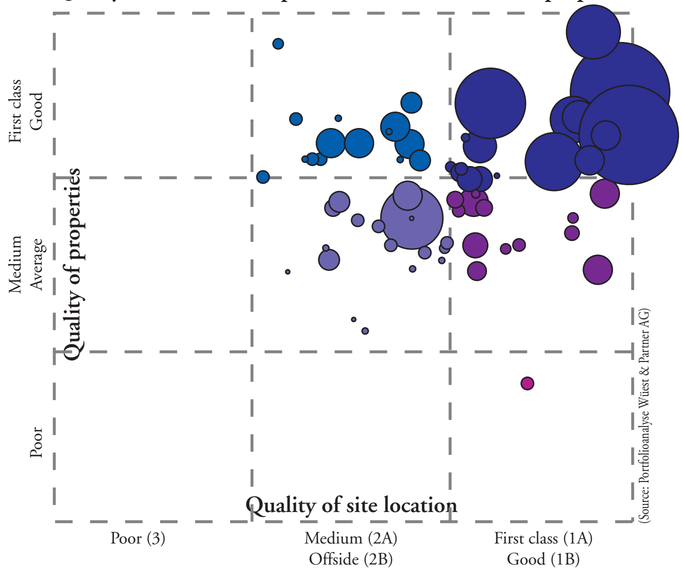
The quality of real estate depends on that of the site location (micro and macro) as well as the quality of the property itself (building condition, standards, and usability).

Location quality (top left): 58% of floor areas and 81% of real estate value are situated at first class (1A) and good (1B) locations.

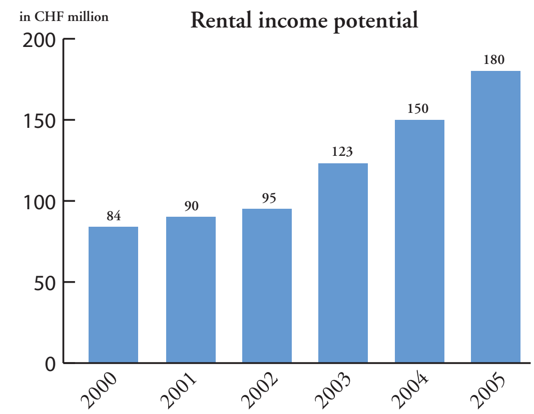
Property quality (top right): 64% of floor areas and 81% of real estate value are in first class and good condition.

Taking the two factors together as an overall quality criterion (Fig. opposite), 70% of real estate value clearly comprises first class properties (top right). There is no low quality real estate (bottom and left) except for a well-situated city centre housing property due for renovation or sale in the near future. About 10% each of real estate value either comprises medium quality properties in good locations, or vice-versa. About 10% of real estate value is of average quality.

Quality-matrix: 70% of portfolio-value in first class properties



Surge of growth: Doubling of real estate portfolios to 3 billion

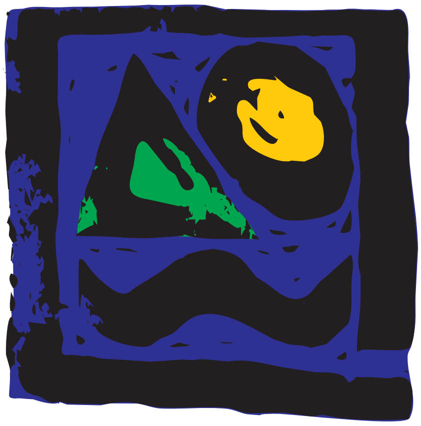


Over the next years the real estate portfolio will be more or less doubled by new development projects with high value-added potential, with rental income increasing more steeply than floor area.

Projects at the planning stage, including those of the Tivona participation, will more than double total rental income after realization. They mainly comprise the La Praille shopping centre currently under construction in Geneva, and the outstandingly positioned inner-city property Molard (in completion), Geneva – for both objects binding preliminary rental contracts have already been closed for most floor areas – the St. Gall stadium shopping centre project, the large Tivona projects in Basle (Dreiländerpark shopping centre) and the Technopark and office block projects in Plan-les-Ouates (Geneva) and Vich near Nyon.

1 Valuation by Wüest & Partner AG per 1.1.01/02 (not including development projects)
2 EBITDA not including other earnings or management costs
3 Real estate earnings 2001 / tied capital [7]
4 Net real estate earnings 2001 / tied capital [7]
5 Mean discount rate applied to real estate portfolio
6 (Net yield + appreciation / tied capital [7]
7 Tied capital = (market value in prior year + 0.5 * net investment - 0.5 * net yield
+ (1 - transaction months / 12) * gross purchase price
- (1 - transaction months / 12) * market value in prior year)

WE PROTECT



THE ENVIRONMENT

We believe in action

Environmental protection is a Jelmoli tradition. The corporate ecology management organization dates back to 1990, when an environmental coordinator directly responsible to the CEO was appointed. He heads a team currently numbering six environmental officers from all Jelmoli Group companies. Jelmoli's commitment to environmental protection started in the eighties with various energy-saving campaigns and participation in the battery recycling organization Batrec. In 1991 the first environmental principles were formulated.

Significant progress was made over the next few years with personnel education and training in environmental protection. Environment-friendly guidelines for textiles purchasing were formulated and implemented. Elektrowatt (EWI) carried out an environmental audit to ISO 14001 and EMAS of the mail order business operated by Jelmoli at that time. And the Jelmoli food department launched "Naturaland", Switzerland's first comprehensive offering of organically grown foods. In teamwork with the Swiss Waste Disposal Foundation (S.E.N.S.), Dipl. Ing. Fust introduced a professional disposal service for old refrigerators throughout Switzerland. Likewise in the consumer electronics field, Fust cooperates exclusively with S.E.N.S.-licensed disposal agents.

From 1995 to 1997 Jelmoli underwent a restructuring phase. This was followed by strategic repositioning with focusing by 1999 on the two profitable growth segments retail trading and retail real estate.

Facts and Figures

During the course of repositioning, an environmental management organization was set up, with one environmental officer per subsidiary. In 1998 the Jelmoli environmental principles were updated, and the first conference of environmental officers was held. Annual goals are set at all levels to ensure appropriate and effective environmental management on a continuous basis.

In 1999 the new environmental policy based on five mandatory principles was formulated for Jelmoli Holding and the Group subsidiaries. A comprehensive inventory of Jelmoli Group environmental activities was carried out jointly by environmental consultants and officers, and a documentary basis for external and internal communication was prepared. At the beginning of 2000 the corporate environmental policies and principles were distributed among all Jelmoli Group employees, with whom interviews were held at the same time to increase their environmental awareness.

Purpose and goals

The corporate environmental policy is based on five principles mandatory for Jelmoli Holding and all the Group subsidiaries:

1. Our decision-making takes account of environmental protection requirements.
2. Attention is paid accordingly to environmental aspects in our human resource management, training and information.
3. We regard customer support, service and information as a mutual learning process for environment-friendly behaviour.
4. We strive for eco-efficiency both on our own account and in teamwork with our business partners.
5. We work with institutions upholding eco-efficient solutions.

Compliance with these principles is a responsibility of the line management, supported by the environmental officers. They in turn are responsible for setting annual targets by agreement with the management, and for monitoring goal attainment.

The Jelmoli Holding environmental coordinator is responsible for all Group environmental activities.

We are committed to eco-efficiency, i.e. to more cost-effective performance and less environmental pollution by conserving resources and optimizing our processes. To this end we influence our business partners, inform our customers, and issue regular reports on our environmental activities.

REPORT OF THE GROUP AUDITORS TO THE GENERAL MEETING OF JELMOLI HOLDING LTD

As group auditors we have audited the Group financial statements of Jelmoli Holding Ltd., including Group balance sheet, Group income statement, Group statement of movements in shareholder's Equity, Group statement of cash flows and notes, presented on pages 26 to 39, for the year ended December 31, 2001. The annual accounts of some individual subsidiaries included in the consolidated financial statements (Dipl. Ing. Fust AG) have been audited by others.

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning Swiss professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the profession, and with the International Standards on Auditing issued by the International Federation of Accountants (IFAC), which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the result of operations and the cash flows in accordance with the International Accounting Standards and comply with the Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG Fides Peat

Peter Hess	Raphael Arnet
Swiss Certified	Swiss Certified
Accountant	Accountant
Auditor in Charge	Auditor in Charge

Zurich, March 20, 2002

GROUP INCOME STATEMENT

	see Notes in annex	2001 CHF million % total income	Change CHF million % prior year	2000 CHF million % total income	Elimination own utilization 2001 CHF million	Elimination own utilization 2000 CHF million
Gross turnover	1	**1 121.6**	**167.1**	**954.5**		
Change comparable with prior years*						
Sales deductions	2	-90.6	-16.5	-74.1		
Net turnover		**1 031.0**	**150.6**	**880.4**		
Rental income	3	**69.4**	**6.3**	**63.1**	**-20.0**	**-19.2**
Change comparable with prior years*						
Other income	4	**11.2**	**-5.2**	**16.4**	**-1.4**	**-1.6**
TOTAL INCOME		**1 111.6**	**151.7**	**959.9**	**-21.4**	**-20.8**
		100.0%	15.8%	100.0%		
Cost of sales	5	-636.5	-127.5	-509.0		
		-57.3%	-25.0%	-53.0%		
Persommel expenses	6	-224.3	-32.0	-192.3		
		-20.2%	-16.6%	-20.0%		
Other operating expenses	7	-140.9	-21.1	-119.8	21.4	20.8
		-12.7%	-17.6%	-12.5%		
EBITDA[1] Earnings before interest, taxes, depreciation		**109.9**	**-28.9**	**138.8**	–	–
		9.9%	20.8%	14.5%		
Depreciation on assets	8	-29.9	3.0	-32.9	-3.8	
		-2.7%	-9.1%	-3.4%		
Restatement of investment property	9	56.7	56.7	–	-25.5	
		5.1%		0.0%		
EBITA[2] Earnings before interest, taxes, depreciation		**136.7**	**30.8**	**105.9**	**-29.3**	–
		12.3%	29.1%	11.0%		
Goodwill amortisation	8	-6.8	-0.1	-6.7		
		-0.6%	-1.5%	-0.7%		
EBIT[3] Earnings before interest, taxes	10	**129.9**	**30.7**	**99.2**	**-29.3**	–
		11.7%	30.9%	10.3%		
Financial income	11	-21.4	-64.4	43.0		
Financial expenditure	12	-44.5	-11.5	-33.0		
Financial result		**-65.9**	**-75.9**	**10.0**	–	–
		-5.9%		1.0%		
EBT[4] Earnings before taxes		**64.0**	**-45.2**	**109.2**	**-29.3**	–
		5.8%	-41.4%	11.4%		
Current taxes		-5.4	6.3	-11.7		
Other deferred taxes		-1.9	6.5	-8.4		
Deferred taxes on restatet investment property		-14.0	-14.0	–	7.3	
Income taxes	13	**-21.3**	**-1.2**	**-20.1**	7.3	–
		-1.9%	-6.0%	-2.1%		
Minority interest	14	–	-0.3	0.3		
		0.0%	-100.0	0.0%		
NET PROFIT	15	**42.7**	**-46.7**	**89.4**	**-22.0**	–
		3.8%	-52.2%	9.3%		
Share entitled to dividend	16	621 050	24 720	596 330		
			4.1%			
EPS[5] Earnings per share in CHF	17	**69**	**-81**	**150**		
			-54.0%			
Operating assets		2 245.4	767.4	1 478.0	-294.0	–
			51.9%			
Operating liabilities		-378.4	-89.3	-289.1	70.8	–
			30.9%			
Invested operating capital	18	**1 867.0**	**678.1**	**1 188.9**	**-223.2**	–
			57.0%			
ROIC[6] Return on invested capital	19	**7.0%**		**8.3%**		
Shareholder Equity		**672.4**	**240.6**	**431.8**	**-223.2**	–
			55.7%			
ROE[7] Return on Equity	20	**6.4%**		**20.7%**		

Total Segments			Retail Trade			Retail Real Estate		
2001 CHF million % total income	Change CHF million % prior year	2000 CHF million % total income	2001 CHF million % total income	Change CHF million % prior year	2000 CHF million % total income	2001 CHF million % total income	Change CHF million % prior year	2000 CHF million % total income
1 121.6	**167.1**	**954.5**	**1 121.6**	**167.1**	**954.5**			
				17.5%				
				5.3%				
-90.6	-16.5	-74.1	-90.5	-16.5	-74.0	-0.1	–	-0.1
			0.0%	-22.3%				
1 031.0	**150.6**	**880.4**	**1 031.1**	**150.6**	**880.5**	**-0.1**	**–**	**-0.1**
				0.0%				
89.4	**7.1**	**82.3**				**89.4**	**7.1**	**82.3**
							8.6%	
							6.2%	
12.6	**-5.4**	**18.0**	**12.3**	**-2.7**	**15.0**	**0.3**	**-2.7**	**3.0**
				-18.0%			-90.0%	
1 133.0	**152.3**	**980.7**	**1 043.4**	**147.9**	**895.5**	**89.6**	**4.4**	**85.2**
100.0%	15.5%	100.0%	100.0%	16.5%	100.0%	100.0%	5.2%	100.0%
-636.5	-127.5	-509.0	-636.5	-128.0	-508.5		0.5	-0.5
-56.2%	-25.0%	-51.9%	-61.0%	-25.2%	-56.8%	0.0%	100.0%	-0.6%
-224.3	-32.0	-192.3	-220.1	-31.4	-188.7	-4.2	-0.6	-3.6
-19.8%	-16.6%	-19.6%	-21.1%	-16.6%	-21.1%	-4.7%	-16.7%	-4.2%
-162.3	-21.7	-140.6	-151.5	-21.1	-130.4	-10.8	-0.6	-10.2
-14.3%	-15.4%	-14.3%	-14.5%	-16.2%	-14.6%	-12.1%	-5.9%	-12.0%
109.9	**-28.9**	**138.8**	**35.3**	**-32.6**	**67.9**	**74.6**	**3.7**	**70.9**
9.7%	-20.8%	14.2%	3.4%	-48.0%	7.6%	83.3%	5.2%	83.2%
-26.1	6.8	-32.9	-25.7	-5.5	-20.2	-0.4	12.3	-12.7
-2.3%	-20.7%	-3.4%	-2.5%	-27.2%	-2.3%	-0.4%	96.9%	-14.9%
82.2	82.2	–	–	–	–	82.2	82.2	–
7.3%		0.0%	0.0%		0.0%	91.7%		0.0%
166.0	**60.1**	**105.9**	**9.6**	**-38.1**	**47.7**	**156.4**	**98.2**	**58.2**
14.7%	-56.8%	10.8%	0.9%	-79.9%	5.3%	174.6%	168.7%	68.3%
-6.8	-0.1	-6.7	-6.8	-0.1	-6.7	–	–	–
-0.6%	-1.5%	-0.7%	-0.6%	-1.5%	-0.7%	0.0%		0.0%
159.2	**60.0**	**99.2**	**2.8**	**-38.2**	**41.0**	**156.4**	**98.2**	**58.2**
14.1%	60.5%	10.1%	0.3%	-93.2%	4.6%	174.6%	168.7%	68.3%
-21.4	-64.4	43.0						
-44.5	-11.5	-33.0						
-65.9	**-75.9**	**10.0**						
-5.9%		1.0%						
93.3	**-15.9**	**109.2**						
8.2%	-14.6%	11.1%						
-5.4	6.3	-11.7						
-1.9	6.5	-8.4						
-21.3	-21.3	–						
-28.6	**-8.5**	**-20.1**						
-2.5%	-42.3%	-2.0%						
	-0.3	0.3						
0.0%	-100%	0.0%						
64.7	**-24.7**	**89.4**						
5.7%	-27.6%	9.1%						

621 050	24 720	596 330
	4.1%	
104	**-46**	**150**
	-30.7%	

2 539.4	1 061.4	1 478.0	739.2	64.7	674.5	1 767.7	997.4	770.3
	71.8%			9.6%			129.5%	
-449.2	-160.1	-289.1	-190.1	-15.7	-174.4	-205.0	-146.6	-58.4
	55.4%			9.0%			251.0%	
2 090.2	**901.3**	**1 188.9**	**549.1**	**49.0**	**500.1**	**1 562.7**	**850.8**	**711.9**
	75.8%			9.8%			119.5%	
7.6%		**8.3%**	**0.5%**		**8.2%**	**10.0%**		**8.2%**

895.6	**463.8**	**431.8**
	107.4%	
7.2%		**20.7%**

[1] EBITDA Earnings before interest, tax, depreciation and amortisation
[2] EBITA Earnings before interest, tax and amortisation
[3] EBIT Earnings before interest and tax
[4] EBT Earnings before tax
[5] EPS Earnings per share
[6] ROIC Return on invested capital (EBIT/betr.invest.Kapital)
[7] ROE Return on equity

GROUP BALANCE SHEET

(before appropriation of retained earnings)

See Notes in annex in million CHF		31.12.2001		31.12.2000		Elimination Own utilization 2001	2000
Investment property	21	922.8		–		-518.1	
Land		30.9		99.1		30.9	
Building		174.5		551.8		172.9	
Buildings under construction		183.2		4.1			
Operating fixtures		105.0		155.6		20.3	
Furniture and equipment		101.8		87.1			
Fixed Assets	21	595.4		897.7		224.1	0.0
Intangible Assets	21	11.3		9.1			
Goodwill	22	108.1		110.4			
Participation in associates		111.7		2.6			
Other financial assets	.	31.2		16.0			
Financial Assets	23	142.9		18.6		0.0	0.0
Total Non-Current Assets		**1 780.5**	**78.1%**	**1 035.8**	**68.1%**	**-294.0**	**0.0**
Inventories	24	193.5		191.6			
Trade accounts receivable	25	158.7		145.7			
Other accounts receivable	26	45.3		36.3			
Prepaid expenses and accrued income		67.4		68.6			
Marketable securities	27	0.1		2.1			
Cash and bank	28	35.0		40.1			
Total Current Assets		**500.0**	**21.9%**	**484.4**	**31.9%**	**0.0**	**0.0**
ASSETS		**2 280.5**	**100.0%**	**1 520.2**	**100.0%**	**-294.0**	**0.0**
Share capital	29	34.3		34.2			
Paid-in surplus		78.0		76.0			
Group retained earnings		734.1		508.5		-223.2	
Own shares		-174.0		-186.9			
Total Shareholder's Equity	30	**672.4**	**29.5%**	**431.8**	**28.4%**	**-223.2**	**0.0**
Minory Interest	31	**1.6**	**0.1%**	**2.2**	**0.1%**		
Financial liabilities	32	994.4		746.5			
Deferred taxes	33	152.1		78.9		-70.8	
Provisions	34	1.6		1.3			
Long-term liabilities		1 148.1		826.7		-70.8	0.0
Trade accounts payable	35	89.9		73.0			
Financial liabilities	36	233.7		50.6			
Other liabilities	37	56.0		51.2			
Taxe liabilities		8.0		15.0			
Accrued expenses and deferred income		70.8		69.7			
Current liabilities		458.4		259.5		0.0	0.0
Total Liabilities		**1 606.5**	**70.4%**	**1 086.2**	**71.5%**	**-70.8**	**0.0**
LIABILITIES AND SHARE-HOLDER'S EQUITY	**1770.2**	**2 280.5**	**100.0%**	**1 520.2**	**100.0**	**-294.0**	**0.0**

Total segments				Nonallocatable financing		Retail trade		Retail real estate	
31.12.2001		31.12.2000		2001	2000	2001	2000	2001	2000
1 440.9		–						1 440.9	
–		99.1							99.1
1.6		551.8				1.6			551.8
183.2		4.1						183.2	4.1
84.7		155.6				84.7	71.3		84.3
101.8		87.1				99.2	84.6	2.6	2.5
371.3		897.7		0.0	0.0	185.5	155.9	185.8	741.8
11.3		9.1				11.3	9.1	–	–
108.1		110.4				108.1	110.4	–	–
111.7		2.6				–		111.7	2.6
31.2		16.0				8.3	1.3	22.9	14.7
142.9		18.6		0.0	0.0	8.3	1.3	134.6	17.3
2 074.5	**80.6%**	**1 035.8**	**68.1%**	**0.0**	**0.0**	**313.2**	**276.7**	**1 761.3**	**759.1**
193.5		191.6				193.0	191.3	0.5	0.3
158.7		145.7				158.7	144.5		1.2
45.3		36.3		23.8	26.0	17.3	10.3	4.2	
67.4		68.6		8.7	7.2	57.0	51.7	1.7	9.7
0.1		2.1		0.1	2.1				
35.0		40.1		35.0	40.1				
500.0	**19.4%**	**484.4**	**31.9%**	**67.6**	**75.4**	**426.0**	**397.8**	**6.4**	**11.2**
2 574.5	**100.0%**	**1 520.2**	**100.0%**	**67.6**	**75.4**	**739.2**	**674.5**	**1 767.7**	**770.3**

34.3		34.2		34.3	34.2				
78.0		76.0		78.0	76.0				
957.3		508.5		-1154.5	-703.5	549.1	500.1	1 562.7	711.9
-174.0		-186.9		-174.0	-186.9				
895.6	**34.8%**	**431.8**	**28.4%**	**-1216.2**	**-780.2**	**549.1**	**500.1**	**1 562.7**	**711.9**
1.6	**0.1%**	**2.2**	**0.1%**	**1.6**	**2.2**				
994.4		746.5		994.4	746.5				
222.9		78.9		5.2	2.2	20.6	31.0	197.1	45.7
1.6		1.3				1.6	1.3	–	–
1 218.9		826.7		999.6	748.7	22.2	32.3	197.1	45.7
89.9		73.0				88.3	71.6	1.6	1.4
233.7		50.6		233.7	50.6				
56.0		51.2		10.5	7.5	43.0	42.3	2.5	1.4
8.0		15.0		8.0	15.0				
70.8		69.7		30.4	31.6	36.6	28.2	3.8	9.9
458.4		259.5		282.6	104.7	167.9	142.1	7.9	12.7
1 677.3	**65.1%**	**1 086.2**	**71.5%**	**1282.2**	**853.4**	**190.1**	**174.4**	**205.0**	**58.4**
2 574.5	**100.0%**	**1 520.2**	**100.0%**	**67.6**	**75.4**	**739.2**	**674.5**	**1 767.7**	**770.3**

GROUP STATEMENT OF CASH FLOW

in million CHF	2001	2000	Elimination 2001	Elimination 2000
EBIT Earnings before Interest and Taxes	129.9	99.2	-29.3	
Financial Income	-65.9	10.0		
Income Taxes	-21.3	-20.1	7.3	
Minority Interests	–	0.3		
Consolidated Net Income	**42.7**	**89.4**	**-22.0**	**–**
Depreciation				
Fixed Assets	26.9	30.7	3.8	
Intangible Assets	3.0	2.2		
Goodwill	6.8	6.7		
Restatement of Investment Property	-56.7	–	25.5	
Income - / Expenses + from Equity Consolidation	1.1	–		
Increase + / Decrease - in Provisions and Tax Liabilities	10.5	7.7	-7.3	
Increase - / Decrease + in Inventories	8.3	-28.4		
Increase - / Decrease + in Short-term Trade/Accounts Receivable,	-7.0	-26.2		
Increase + / Decrease - in Trade Accounts Payable and Other Short-term Liabilities	1.7	13.1		
Increase + / Decrease - in Accrued Expenses and Deferred Income	-5.9	6.9		
Net cash flow from Operating Activities	**31.4**	**102.1**	**–**	**–**
Acquisition of Fixed Assets	-307.6	-95.9	–	
Increase - / Decrease + in Intangible Assets	-5.2	-3.6		
Increase - / Decrease + in Goodwill	-15.4	0.1		
Acquisition of Companies included in Consolidation [1]	0.3	-0.6		
Sale of Companies included in Consolidation [1]	–	–		
Increase - / Decrease + in Financial Assets	-134.2	-10.4		
Proceeds from Disposal of Fixed Assets	4.1	14.9		
Net funds Generated from Investing Activities	**-458.0**	**-95.5**	**–**	**–**
Net funds Generated from Operating Activities	**-426.6**	**6.6**	**–**	**–**
Exercise of Conversion Rights	2.1	5.8		
Sale + / Acquisition - of Own Shares	12.9	-140.0		
Trading Profit + / Trading Loss - on Own Shares	-13.5	8.2		
Foreign Exchange Differences arising on Consolidation	0.1	0.7		
Increase - /Decrease + in Marketable Securities	2.0	-1.5		
Increase + /Decrease - in Minority Interest	-0.6	-0.3		
Increase + /Decrease - in Long-Term Liabilities	263.2	93.7		
Increase + /Decrease - in Short-Term Liabilities	183.1	24.7		
Dividend Payments to Third Parties	-27.8	-27.2		
Fund Generated from Financing Activities	**421.5**	**-35.9**		
Decrease/indrease in Cash and Bank	**-5.1**	**-29.3**		

[1]Purchase and Sale of Companies included in the Consolidation	**2001 Acquisition**	**2001 Sale**	**2000 Acquisition**	**2000 Sale**
Fixed Assets	7.0		1.6	
Intangible Assets			0.1	
Badwill	-10.9		1.2	
Financial Assets	–		–	
Short-Term Receivables and Prepaid Expenses and Accrued Income	13.8		2.0	
Inventories	10.2		3.0	
Liquidity	0.3		2.2	
Minorities			-1.7	
Long-Term Financial Liabilities	-0.4		-1.5	
Trade Acconts Payable and Other Liabilities	-20.0		-2.5	
Short-Term financial liabilities			-1.5	
Accrued Expenses and Deferred Income			-0.1	
Net assets	**–**		**2.8**	
Liquidity	-0.3		-2.2	
Fund Drain due to Investment	**-0.3**		**0.6**	
Funds Generated from Divestitures		**–**		**–**

Total segments		Nonallocatable		Retail Trade		Retail Real Estate	
2001	**2000**	2001	2000	**2001**	**2000**	**2001**	**2000**
159.2	99.2			2.8	41.0	156.4	58.2
-65.9	10.0	-65.9	10.0				
-28.6	-20.1	-28.6	-20.1				
–	0.3	–	0.3				
64.7	**89.4**	**-94.5**	**-9.8**	**2.8**	**41.0**	**156.4**	**58.2**
23.1	30.7			22.7	18.0	0.4	12.7
3.0	2.2			3.0	2.2		
6.8	6.7			6.8	6.7		
-82.2	–					-82.2	
1.1	–					1.1	–
17.8	7.7	-1.0	8.3	-10.7	-0.6	29.5	
8.3	-28.4			8.5	-28.3	-0.2	-0.1
-7.0	-26.2	0.7	1.8	-12.7	-28.2	5.0	0.2
1.7	13.1	3.0	-1.8	-2.6	15.5	1.3	-0.6
-5.9	6.9	-8.2	10.2	8.4	-3.0	-6.1	-0.3
31.4	**102.1**	**-100.0**	**8.7**	**26.2**	**23.3**	**105.2**	**70.1**
-307.6	-95.9			-48.7	-39.5	-258.9	-56.4
-5.2	-3.6			-5.2	-3.6		
-15.4	0.1			-15.4	0.1		
0.3	-0.6			0.3	-0.6		
–	–						
-134.2	-10.4			-6.3		-127.9	-10.4
4.1	14.9			3.6	1.8	0.5	13.1
-458.0	**-95.5**	**-**		**-71.4**	**-41.8**	**-386.3**	**-53.7**
-426.6	**6.6**	**-100.0**	**8.7**	**-45.5**	**-18.5**	**-281.1**	**16.4**

GROUP MOVEMENT OF FIXED ASSETS

(see notes 20/21) in million CHF	Balance as of Dec. 31, 2000	Restatement per 1.1.2001	Additions	Disposals	Rebookings	Others	Additions to Scope of Consolidation	Disposals from Scope of Consolidation	Market value appreciation investment property	Balance as of Dec. 31, 2001	Accumulated Depreciations	Balance as of Dec. 31, 2001 net
Real estate investments												
Procurement cost	0.0	529.0	65.8	-0.1						594.7		594.7
Market value changes		271.4							56.7	328.1		328.1
Total market value of investment property	**0.0**	**800.4**	**65.8**	**-0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**56.7**	**922.8**	**0.0**	**922.8**
Other fixed assets at procurement cost												
Land	100.5	-76.4	6.2	-0.1	0.7					30.9	0.0	30.9
Buildings	688.1	-487.3	12.9		2.8					216.5	-42.0	174.5
Buildings under construction	4.1		174.1	-0.3	5.3					183.2	0.0	183.2
Permanent fixtures	192.6	-75.3	17.4	-1.5			2.5			135.7	-30.7	105.0
Furniture/vehicles/EDP, etc.	140.3		31.2	-8.5			9.9			172.9	-71.1	101.8
Total other fixed Assets at procurement cost	**1125.6**	**-639.0**	**241.8**	**-10.4**	**8.8**	**0.0**	**12.4**	**0.0**	**0.0**	**739.2**	**-143.8**	**595.4**
Total Fixed Assets	**1125.6**	**161.4**	**307.6**	**-10.5**	**8.8**	**0.0**	**12.4**	**0.0**	**56.7**	**1662.0**	**-143.8**	**1518.2**
Intangible Assets	**13.1**	**0.0**	**5.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**18.3**	**-7.0**	**11.3**
Goodwill	**137.6**	**0.0**	**15.4**	**0.0**	**0.0**	**0.0**	**-10.9**	**0.0**	**0.0**	**142.1**	**-34.0**	**108.1**
Financial Assets												
Minority Investments	5.4		123.8	-14.0	-3.5					111.7	0.0	111.7
Other Financial Assets	13.2		23.3		-5.3					31.2	0.0	31.2
Total Financial Assets	**18.6**	**0.0**	**147.1**	**-14.0**	**-8.8**	**0.0**	**0.0**	**0.0**	**0.0**	**142.9**	**0.0**	**142.9**
TOTAL NON-CURRENT ASSETS	**1294.9**	**161.4**	**475.3**	**-24.5**	**0.0**	**0.0**	**1.5**	**0.0**	**56.7**	**1965.3**	**-184.8**	**1780.5**
Accumulated Depreciation												
Fixed Assets												
Land	1.4	-1.4								0.0		
Buildings	136.3	-97.1	2.8							42.0		
Buildings under construction										0.0		
Permanent Fixtures	37.0	-11.5	5.6	-0.7			0.3			30.7		
Furniture/vehicles/EDP, etc.	53.2		18.5	-5.7			5.1			71.1		
Total Fixed Assets	**227.9**	**-110.0**	**26.9**	**-6.4**	**0.0**	**0.0**	**5.4**	**0.0**	**0.0**	**143.8**		
Intangible Assets	**4.0**	**0.0**	**3.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**7.0**		
Goodwill	**27.2**	**0.0**	**6.8**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**34.0**		
Financial Assets												
Minoritiy Investments												
Other Financial Assets												
Total Financial Assets	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**		
TOTAL NON-CURRENT ASSETS	**259.1**	**-110.0**	**36.7**	**-6.4**	**0.0**	**0.0**	**5.4**	**0.0**	**0.0**	**184.8**		

(see note 29 following) in million CHF	Share capitqal	Reserve for own shares	Capital reserve	Other Group reserve	Total
Shareholders' Equity as at December 31, 1999	**37.6**	**176.3**	**100.6**	**180.4**	**494.9**
Capital reduction	-3.7	-129.4		133.1	0.0
Exercising of conversion rights	0.3		5.5		5.8
Purchase of own shares for capital reduction				-62.1	-62.1
Purchase of other owen shares				-77.9	-77.9
Reserves for own shares		140.1	-30.1	-110.0	0.0
Trading profit on own sharesn				8.2	8.2
Conversion difference				0.7	0.7
Dividend to third parties out of profit 1999				-27.2	-27.2
Consolidated net income 2000				89.4	89.4
Sharehoders' equity as at December 31, 2000	**34.2**	**187.0**	**76.0**	**134.6**	**431.8**
Restatement IAS 40				212.8	212.8
Restatement IAS 32 (Wandelanleihe 31.5.01 bis 07)				11.3	11.3
Exercising of conversion rights	0.1		2.0		2.1
Purchase of own shares for capital reduction				12.9	12.9
Reserves for own shares		-42.0		42.0	0.0
Trading profit on own shares				-13.5	-13.5
Conversion differenc				0.1	0.1
Dividends to third parties out of profit 2000				-27.8	-27.8
Consolidated net income 2001				42.7	42.7
Sharehoders' Equity as at December 31, 2001	**34.3**	**145.0**	**78.0**	**415.1**	**672.4**

Group accounting policies

General

The consolidated financial statements comprise the individual subsidiaries' financial statements which have been prepared in accordance with uniform accounting policies. For all companies the financial year ends on December 31.

The consolidated financial statements have been prepared in accordance with the International Accounting Standards (IAS) issued by the International Accounting Standards Board and in accordance with Swiss law.

The main changes in accounting methods for the year under review were as follows:

In compliance with IAS 40 in force since January 1, 2001, investment properties were assessed for the first time at market value. Properties under construction were valued at cost. Investment properties were valued per January 1, 2001 and per December 31, 2001 by the recognized real estate expert Wüest & Partner by the discounted cash flow (DCF) method. Changes in market value were booked to income. The changeover effects per January 1, 2001 were booked to Group reserves, taking into account deferred taxes.

According to the IAS 39 regulations in force since January 1, 2001 minorities (participations less than 20%) have been stated at market value under other financial investments. Changes in value were booked to income. Compliance with IAS 39 besides has not affected Group profit since the main components of this standard were already taken into account previously (statement and evaluation of financial instruments and hedge accounting).

Principles of Consolidation

The consolidated financial statements include the individual financial statements of Jelmoli Holding Ltd and of its Swiss and foreign subsidiaries. Group Companies acquired in the course of the year are consolidated from the date of acquisition; companies sold are excluded from consolidation from the date of sale.

The financial statements are prepared by the full consolidation method, including 100% of assets and liabilities, income and expenses of all companies in which Jelmoli, directly or indirectly, has a voting interest greater than 50% or, by other means, has a controlling interest. Minority interests in the net assets and consolidated income are disclosed separately in the consolidated balance sheet and consolidated income statement. All intercompany liabilities and receivables, expenses and income among the fully consolidated companies have been eliminated.

Investments between 20% and 50% are accounted for using the equity method, i.e. at the corresponding share of the year-end net asset value. The difference between the current year and the prior year value of the investment appears as a corresponding increase or decrease in «Financial Income» or «Financial Expense» respectively.

Investments of less than 20% shareholding or considered as insignificant are not consolidated and are included under the caption «Other financial Assets» at cost. Any changes in value of such investments are booked to «Financial Result».

The major companies included in the consolidation are disclosed on page 8.

Booked Goodwill

On acquisition the assets and liabilities of a subsidiary are revalued in accordance with uniform group accounting policies. Until 1994, goodwill – the difference between the revalued net asset value and the purchase price – was credited or charged to Group reserves in the year of acquisition. Accordingly, any goodwill from sale of a company first consolidated before 1995 is likewise credited to Group reserves.

Starting from 1995 goodwill is capitalised and amortised over a maximum period of 20 years on a straight-line basis.

Foreign Currency Translation

All assets and liabilities denominated in foreign currencies are translated at rates of exchange prevailing at balance sheet date, while all income and expense items are translated at average annual rates. Resulting exchange differences are recorded in the consolidation reserves. Exchange differences arising from foreign currency transactions are dealt with in the income statement.

Derivate Financial Instruments

Financial instruments are stated under other assets or other short-term loans. To limit corporate currency exchange risks and optimize financial results, the Jelmoli Group employs forward transactions with sale and purchase at corresponding premiums of put and call options on currency and securities transactions. The extent of transactions in this connection is established by the board of directors, likewise the bandwidth of the same for risk limitation purposes. Option transactions are valued at market rates, and nonrealized profit or loss is booked or charged to financial income. Premiums are booked over put and call maturity periods or valued per closing date.

Fixed Assets

In accordance with IAS 40, investment properties (rented out to third parties at no less than 80%) are booked at market value. Annual changes in market value are booked to operating income. Investment properties also include partially owner-utilized properties as far as floor areas rented out can clearly be independently used as with apartment properties, or if it would be possible to let them out on a financial leasing basis.

Investment properties are periodically valued by a recognized independent real estate expert (Wüest & Partner, Zurich) using the discounted cash flow (DCF) method.

Properties under construction and development projects are always valued at cost.

Fixed assets (land, buildings, permanent fixtures, furniture and equipment) are stated at historical cost and depreciated using the straight-line method over their estimated useful lives. The estimated useful life is fixed at 60 years for buildings (in consideration of an adequate residual value), 25 years for permanent fixtures (i.e. air conditioning units, lifts, escalators etc.) and 5 to 10 years for furniture and equipment.

Intangible Assets

Intangible assets mainly consist of data processing system software, either acquired by licence from third parties or developed in-house. The estimated useful life is 5 years (straight-line depreciation).

Inventories

Inventories are valued at the lower of cost (weighted average cost) and net realizable value. Provisions are made for slow moving and obsolete items.

Taxes

Income tax is calculated on Group income according to uniform corporate evaluation.

Deferred taxes are calculated according to the balance sheet liability method on temporary differences between corporate and fiscal evaluation of assets and liabilities at a uniform tax rate of 26% (previous year 26%).

Deferred tax on investment property proceeds according to

IAS 40 is assessed individually and set aside. For new projects a property retention period is assumed whereby tax payable on any sale proceeds does not exceed the corporate tax rate of 26 percent.

The Jelmoli Group balance sheet also includes tax-deductible accrued liabilities, whose positive fiscal effect is applied at the most appropriate time.

Liabilities

All liabilities with residual terms exceeding one year are classified as long-term liabilities.

All interest-bearing liabilities are disclosed as loans.

Provisions

Provisions are formed to cover any future obligations reliably foreseen on balance sheet closure date.

Employee Welfare

All Group companies maintain their own employee welfare arrangements, which are legally independent entities and not included in the consolidated financial statements. They are financed by employee and employer contributions. The benefits granted by the entities are based primarily on the employees' number of years' service and on the average salary in the final years of active employment. Net assets are periodically subject to actuarial valuation following the «Projected Unit Credit Method».

Currency translation rates

The following exchange rates were applied for translating the US dollar and Euro as main Group trading currencies into Swiss francs (prior year rates in brackets):

	Balance sheet	Income statement
US dollar	CHF 1.6840 (1.6380)	CHF 1.6875 (1.689)
EURO	CHF 1.4813 (1.5224)	CHF 1.5104 (1.5576)

Changes in scope of consolidation

Per 1.1.2001 Jelmoli Holding Ltd acquired a 44.5% participation in Tivona AG, Basle. The acquisition price is covered to the extent of 100% by Jelmoli bearer shares transferred to Tivona AG for capital increase purposes. As of mid-2003 Jelmoli Holding Ltd can acquire the residual 55.5% by executing call options. This transfer can also be effected at any time through the execution of put options by the existing Tivona shareholders. The takeover is planned by merger.

Segment reporting

Since the Jelmoli Group is active in two distinct segments (retail real estate rental and development on the one hand, and retail trade on the other), segment reporting is presented accordingly. All properties covered by retail real estate segment reporting, including investment properties, are valued by Wüest & Partner according to the same principles. This segment data thus reveals in the income statement all market value changes of properties, and in the equity statement all differences between market values and IAS book values (less deferred taxes). All retail real estate properties are thus stated in the segment balance sheet at market value, thereby revealing sleeping reserves.

The respective market values of properties classified by the Group as owner-utilized according to IAS are eliminated, the respective prorata depreciations being charged to the income statement.

1 Gross turnover

Under details of the Retail Trade segment on pages 9 to 17, an analysis is presented of turnover by:

– Jelmoli AG (Jelmoli Zurich, Molino Restaurants, Beach Mountain, Fashion Bazaars)
– Dipl. Ing. Fust AG (incl. Service 7000 AG)
– Portable Shop Schweiz AG (incl. Digital Home)

This also includes a detailed analysis in particular of turnover comparable with the previous year (Electro-Plus acquisition, new Molino restaurant openings).

The 17.5% increase in Group turnover (comparable: +5.3%) is attributable to all divisions:

	Nonadjusted	Comparable
Jelmoli AG	+ 8.0%	+ 2.9%
Dipl. Ing. Fust AG	+14.7%	+ 6.8%
Portable Shop AG	+39.9%	+ 3.5%

2 Sales deductions

Sales deductions mainly comprise value-added tax, bad debt losses, staff discounts, and discounts granted to regular customers on specific limited product lines.

3 Rental income

Rental income from external partners rose from CHF 63.1 million to CHF 69.4 million (+6.3 million CHF, +10.0%). These figures do not include rentals charged to own retail locations (in particular to Jelmoli AG and Fust AG by Jelmoli Real Estate and by Dipl. Ing. Fust AG to own branches) totalling CHF 20 million (prior year: CHF 19.2 million). See «Elimination» column.

Rental income from real estate classified to IAS as investment properties totalled CHF 60.4 million.

The overall situation in the Jelmoli real estate segment is reflected by nonconsolidated rental income (i.e. including rentals charged to own retail locations at market conditions), which rose by CHF 7.1 million (8.6%) to CHF 89.4 million. Excluding rental income from the properties acquired in 2001 (Sihlstrasse Zurich, Freiestrasse Basle, Locarno parkhouse, and two properties near Geneva main station), the comparable rise is +6.2%. Furthermore, a good many tenants again attained turnovers exceeding the minimal rental limit and started paying turnover-linked rentals.

Under details on the Retail Real Estate segment on pages 18 to 23, an analysis is presented of rental income by Jelmoli AG and Dipl. Ing. Fust AG. This also includes a detailed analysis in particular of rental income comparable with the previous year, location quality, utilization mode, vacant floor areas, minimal and turnover-linked rentals, and duration of rental terms.

4 Other income

Other income mainly includes services earnings (Shopping Bonus Card commissions, Jelmoli Zurich and real estate management services).

5 Cost of sales

Cost of sales also includes costs in connection with services rendered by third parties. Discounts granted are deducted from cost of sales.

Cost of sales decreased by 4.3 percentage points to 57.3 percentage points of total income due to a change of turnover mix toward low gross margin items, Portable Shop inventory corrections, a steep margin reduction on mobile phones (lower provider returns), and the special situation in the Fust kitchen/bathroom business.

6 Staff costs

Staff costs were as follows:

in million CHF	2001	2000
Wages and salaries	183.4	158.1
Social security contributions	19.2	16.7
Pension fund contributions	6.1	5.1
Other personnel expenses	15.6	12.4
Total staff costs	224.3	192.3

Staff costs have not changed in significant relation to net turnover.

The average number of full-time staff increased to 2533 employees (previous year: 2239) due to the new Molino restaurant opening and the Electro-Plus acquisition.

Turnover per employee increased by 2.3% to CHF 0.439 million (previous year CHF 0.429 million).

7 Other operating expenses

About a third of these comprise outlay for advertising and displays. The remaining two thirds of other operating expenses mainly arise from rental charges, maintenance and repair outlay, marketing and administration costs, general expenditure and capital taxes. The ratio of other operating expenses to net turnover has increased slightly.

8 Depreciations

The depreciation rates applied to fixed assets in each category are disclosed in the Group Accounting Principles under Fixed Assets, Intangible Assets and Goodwill. Actual depreciation figures are given in the Analysis of Fixed Assets (page 32 and note 21). Due to the adoption of IAS 40 regulations, investment properties are no longer depreciated, their change in value being separately disclosed.

9 Revaluation of investment properties

The high increase in market value during 2001 is largely attributable to the following factors (cf. commentary on retail real estate segment, pp. 18-23):

- Higher (turnover-linked) rentals
- Higher income on staggered rental agreements
- Rental agreement renewals, or new agreements with higher minimum rental limits
- Property purchases with reutilization potential
- Reutilization of existing properties
- Rentals of vacant floor areas

Market value appreciation on properties more than 20% owner-utilized was eliminated in the financial statements, except for floor areas rented out to third parties for independent use as with apartment properties (elimination of Jelmoli Zurich).

10 Operating results

(EBIT: Earnings before interest and taxes)

Segment operating results are disclosed as follows (see segment information on page 27):

- Retail Trade
- Retail Real Estate

For details on results development compared with the previous year, see pages 9 to 23. Financial business results to EBIT level were divided among the above segments.

a) Retail Trade
(Jelmoli Zurich, Fust, Portable Shop, Molino Restaurants, Beach Mountain, Fashion Bazaars)
The decline of CHF 38.2 million in operating income to CHF 2.8 million is primarily attributable to unfavourable business developments and to the Portable Shop balance correction. Jelmoli Zurich, Fust domestic appliances and consumer electronics business developed positively. Fust kitchen/bathroom business was negatively disturbed temporarily by having to change the main supplier due to unforeseen insolvency of the same.

b) Retail Real Estate (Jelmoli AG, Fust AG, Jelmoli USA)
The 168.7 percent rise of CHF +98.2 million to CHF 156.4 million is due to first rentals of floor areas not previously utilized in existing properties, to turnover-linked rental income, and to newly purchased properties. For the first time this also includes income resulting from the revaluation of investment properties (cf. note 9).

11 Financial income

Financial income was reduced by the net loss on derivative transactions with foreign exchange and stock indices to CHF 27.5 million (prior year: net profit of CHF 43.0 million). See also note 41. Other financial income and dividend income from non-consolidated investments matched that of prior year.

12 Financial expense

Interest expense of CHF 44.5 million (previous year: CHF 33.0 million) was mainly incurred for the servicing of debentures, mortgages, loans, pension fund loans and personnel deposits. The rise in interest expense is primarily attributable to the increase in liabilities. Furthermore, some of the existing short-term loans were refinanced on a long-term basis.

13 Income taxes

Income taxes are made up as follows (in million CHF):

	2001	2000
Group income before tax	64.0	109.2
Tax expense at expected tax rate of 25.5% (prior year 23.0%)	16.3	25.1
Less tax relief on accrued losses	-3.4	-3.9
Non-capitalized tax receivables for the year	7.9	–
Other influences	0.5	-1.1
Net tax expense booked	21.3	20.1

The 2.5 percentage point increase in expected tax rate is attributable to the 26% rate applied to value-added of investment properties.

Composition:		
Current income taxes	5.4	11.7
Other deferred income taxes	1.9	8.4
Deferred taxes on value added of investment properties	14.0	–
Net tax expense booked	21.3	20.1

Corporate accrued tax-deductible losses are as follows:

in million CHF	2001	2000
Valid until after 2004	98.0	42.3
2004	–	–
2003	2.0	3.8
2002	4.7	6.2
2001	–	0.7
Total accrued losses	104.7	53.0
from which considered assets	56.5	–

14 Minority interest on Group net profit

Minority interests in fully consolidated companies comprise:

- Service 7000 AG (50% since 1.1.2000)

15 Group net profit

Net profit amounts to CHF 42.7 million (prior year: CHF 89.4 million). The dividend proposal per bearer share of CHF 46.– (previous year: CHF 46.–) is equivalent to a distribution rate of 67% (prior year: 31%).

Including for the restatement of partially owner-utilized properties , which according to IAS must be disclosed in the retail real estate segment, Group segment profit totals CHF 64.7 million.

16 Shares outstanding

The number of dividend-entitled shares outstanding changed as follows in 2001:

Number of shares	Bearer shares	Registered shares	Bearer shares equivalent
Original status issued	419 025	1 321 354	683 296
Less own shares	-84 495	-12 353	-86 966
Original status outstanding	334 530	1 309 001	596 330
Conversions	2 055		2 055
Own share trading	24 331	-8 330	22 665
Final status outstanding	360 916	1 300 671	621 050
Plus own shares	60 164	20 683	64 301
Final status issued	421 080	1 321 354	685 351

Conversion rights remaining on the 2.25% bond issue 2001-2007 and the 1.25% bond issue 1998–2004 are furthermore secured by conditional capital totalling 169 441 bearer shares:

Final status outstanding	360 916	1 300 671	621 050
Conditional capital	169 441		169 441
Final status diluted	530 357	1 300 671	790 491

17 Earnings per bearer share (EPS)

Earnings per bearer share outstanding declined in 2001 by 54% to CHF 69.– per bearer equivalent (prior year: CHF 150.–).

Including conditional capital, earnings per bearer share for 2001 were CHF 54.– (fully diluted).

18 Invested operating capital

Invested operating capital for the two segments Retail Trade and Retail Real Estate is made up of the entire segment assets not including cash and securities, less borrowed capital without financial liabilities.

Real estate value currently totals CHF 1 562.7 million (CHF 1 440.9 million investment properties, CHF 183.2 million buildings under construction, CHF 111.7 million participation investments and CHF 31.9 million other current assets bearing no interest, less CHF 205.0 million liabilities), from which rental income in 2001 totalled CHF 89.4 million. Real estate was assessed for the first time at market value.

19 Return on invested capital (ROIC)

Return on invested capital is the ratio of operating income (EBIT) to invested operating capital.

ROIC of 0.5% for the retail trade segment declined by 7.7 percentage points compared with prior year.

ROIC was 10.0% for the retail real estate segment (+1.8 percentage points) with a gross return of 5.7% (prior year: 11.6% before portfolio revaluation on real estate rental income as a percentage of operating capital).

20 Return on Equity (ROE)

Return on equity amounts to 6.4% (prior year: 20.7%). The decline of 14.3%-points is due on the one hand to Group profit reduction and on the other hand to the share capital increase resulting from first-time application of IAS 40. Segmental return on equity amounts to 7.2%.

21 Fixed assets/analysis (see table on page 32)

After revision to IAS 40, analysis now discloses the changes in investment property valuation and other fixed assets.

During the year under review two properties were acquired in Geneva and one each in Zurich, Basle, Locarno and Gerlafingen.

Furthermore a new Molino restaurant was opened in Zurich and in St. Gall, and a Beach Mountain store in Basle. Various Jelmoli Zurich departments were converted and reopened with new concepts. Seven Electro-Plus stores were acquired from the Maus Group, and integrated in Dipl. Ing Fust AG or Portable Shop AG.

Properties under construction have increased substantially due to progress as planned with the large shopping centre projects in Geneva (La Praille and Molard, see introductory comments).

This was in addition to the normal outlay for ongoing replacement investments.

The fire insurance value of buildings amounts to CHF 1 365 million (prior year: CHF 1292 million) and of fixed installations CHF 215 million (prior year: CHF 198.0 million).

22 Goodwill (see table on page 32)

During 2001 the participation in Portable Shop AG was increased from 77.5% to 100% resulting in an increase of goodwill. Taking into account participations relating to the Elektro-Plus acquisition, resultant badwill and depreciations, goodwill after amortization remains practically unchanged from prior year.

23 Financial assets

The participation in Tivona AG, acquired per 1.1.2001, was valued for the first time by the equity method.

The other financial assets comprise participations and loans to nonconsolidated subsidiaries, and prepaid leasehold interest charges. The respective loans are booked at nominal value, and the participations at market value (as far as known). Nonrealized profit or loss is booked to or against income. The increase in financial assets is largely attributable to loans to Tivona AG.

24 Inventories

The increase in inventories is primarily attributable to acquisition of the Electro-Plus locations operated by Fust and Portable Shop within the MultiMedia factory concept.

Inventories are valued in accordance with the Group accounting principles.

25 Trade accounts receivable

These comprise turnover by Shopping Bonus Card holders, together with credit sales and receivables with respect to Dipl. Ing. Fust AG leasing agreements.

Del-credere risks are adequately covered by setting aside an appropriate provision of CHF 5.2 million (prior year: CHF 4.4 million).

26 Other receivables

These mainly include receivables from suppliers, pension funds and fiscal authorities.

27 Marketable securities

Securities held are not significant. They are valued at the lower of cost or market price, nonrealized profit or loss being booked to or against income.

28 Liquid assets

Liquid assets include petty cash, post office cheque accounts and bank sight and time deposits. Changes compared with the previous year are analyzed in the cash flow statement on page 30.

29 Share capital

Details of the changes in the composition of each share category are in note 16.

30 Shareholders' equity

The table on page 33 shows changes in shareholders' equity during 2001, in particular the effects of real estate portfolio revaluation at market rates in part according to IAS 40, and of transactions with own shares.

Own shares are held at stated cost (see note 16) and have been directly deducted from shareholders' equity.

Shareholders' equity as a percentage of total assets increased from 28.4% to 29.5%.

Reserve for own shares is entirely nonappropriable, while capital reserve is partially nonappropriable.

Group reserves are subject to appropriation limitation with regard to any shareholders' equity components of subsidiaries contained therein which are legally nonappropriable. Furthermore, future appropriations by subsidiaries are reduced by income tax and legal reserve regulations.

Taking into account also the added value on partially owner-utilized real estate, the segmental equity to total assets ratio is 34.8 percent.

31 Minority interests

The reduction in minority interests is attributable to the increased participation in Portable Shop AG.

32 Long-term loans

Long-term loans comprise the following:

- 1.25% convertible bond issue 1998–2004 in the amount of CHF 150 million nominal, less shareholders' equity component according to IAS 32 (CHF 8.5 million).
- 4.125% warrant issue 2000–2006 in the amount of CHF 200 million.
- 2.25% convertible bond issue 2001-2007 in the amount of CHF 200 million nominal, less shareholders' equity component according to IAS 32 (CHF 11.3 million).

  Bank term loans with 1 to 4-year maturity periods and variable interest rates based on LIBOR plus an additional margin. These loans are secured by mortgages to the extent of CHF 100 million.

  Bank term loans are subject to specific conditions (Finacial Covenants) which were complied.
- Loans of CHF 1.9 million from the pension funds (prior year: CHF 0.1 million).
- Personnel deposits in the amount of CHF 5.7 million (prior year: CHF 5.9 million).

33 Provision for deferred taxes

Provision for deferred taxes applies to the following balance sheet items (in million CHF):

	2001	2000
Trade receivables	2.1	2.1
Other assets	9.3	8.7
Inventories	2.9	10.1
Investment properties	71.7	–
Tangible fixed assets	69.6	54.9
Reserves and other liabilities	6.1	3.1
less deferred tax assets	-9.6	–
Total provision for deferred taxes	152.1	-78.9

34 Long-term provisions

Long-term provisions developed as follows in the year under review (in million CHF):

	Guarantee provision	Total	2000
Status per January 1	1.3	1.3	1.9
Formation	0.3	0.3	-0.6
Utilization	–	–	–
Status per December 31	1.6	1.6	1.3

35 Trade accounts payable

The increase of CHF 16.9 million in trade accounts payable is attributable to status at balance sheet closure.

36 Short-term loans

These comprise short-term bank loans.

37 Other short-term liabilities

Other short-term liabilities primarily include CHF 4.7 million gift coupons not yet redeemed (prior year: CHF 4.5 million), CHF 10.0 million tax liabilities (prior year CHF 7.0 million) and CHF 28.3 million customer downpayments (prior year CHF 32.6 million).

38 Other financial liabilities

- Contingent liabilities

  There are no contingent liabilities of any significance
- Long-term leasehold and rental commitments

  Long-term leasehold and rental contracts exist for premises occupied by the Group. Residual terms on leasehold contracts are between 20 and 93 years, and between 1 and 16 years on rental contracts. Future commitments arising therefrom amount to CHF 92.9 million (previous year: CHF 89.3 million).
- Future investments

  Per 31.12.2001 investments totalling around CHF 280 million were approved (completion of Molard Geneva and shopping centre construction in La Praille, Geneva and in St. Gall, extensions at Jelmoli Zurich, etc. See commentary on pages 18 -23).

  Per 1.1.2001 Jelmoli Holding Ltd acquired a 44.5% participation in Tivona AG, Basle. The acquisition price is covered to the extent of 100% by Jelmoli bearer shares transferred as investment in kind to Tivona AG for capital increase purposes.

  As of mid-2003 Jelmoli Holding Ltd can acquire the residual 55.5% by executing call options. This transfer can also be effected at any time through the execution of put options by the existing Tivona shareholders. The takeover is planned by merger.
- Leasing liabilities

  There are no significant unbalanced leasing liabilities.

39 Board of Directors, related parties and companies

As in the previous year, no amounts are due from or to related parties and companies, Board members and major shareholders.

Klaus Wecken, Chairman of the Board Tivona AG, has been a member of the Jelmoli Holding Ltd Board of Directors since May 8, 2001.

Total expense for the Board of Directors of Jelmoli Holding Ltd amounts to CHF 0.45 million for the year under review. The average fee of Board members is CHF 50 000 per annum.

For greater orientation to long-term shareholder interests, a share option plan exists for the Board of Directors and Executive Management whereby 30 to 100 percent of the variable component of senior executive salaries must be taken in form of share options at market value, and xx percent of all Board member fees. These options are valid for three years (JELGO 2, 3, 4 and 5: see also notes to the Jelmoli Holding Ltd accounts).

Transactions with related parties are exclusively executed at market-conform conditions.

40 Employee welfare

Some of the main Group pension funds are based on the benefit primacy principle. Retirement benefits due to employees covered by these funds are based on a defined percentage of expected salary in the years prior to retirement, and depend on the number of years of service.

Actuarial valuation of defined benefit plan pension funds is based on IAS 19 (revised), and cover both benefit primacy plans and pension plans with certain benefit primacy components (the latter as of 1.1.2000) as well as welfare foundations.

Any employer reserves were capitalized in prior year and are booked under Other Assets.

The situation with regard to benefit primacy pension funds is as follows (in million CHF):

	2001	2000
Pension fund assets at market values	516.2	509.8
Pension fund obligations	459.0	455.4
Coverage surplus	57.2	54.4
of which capitalized	-30.0	-30.0
non-capitalized coverage	27.4	24.4

Actuarial profit and loss according to periodic calculations is only shown if amounting to 10% of assets or obligations, whichever the higher. Sums exceeding this tolerance are amortized over the average remaining service time of employees covered.

The following actuarial parameters were applied in 2001: Discount rate 4.5% (prior year 5%), Return on assets 5.0% (prior year 5.25%), rate of increase in wages and salaries 2.5% (prior year 3%), rate of increase in retirement benefit 0.5% (prior year 1%).

Individual Swiss BVG pension plans of low significance are booked as before on the contribution primacy principle.

Pension fund expenses are made up as follows (in million CHF):

	2001	2000
Expenses for contribution primacy plans	1.4	0.9
Expenses for benefit primacy plans	4.7	4.2
	6.1	5.1

Expenses for benefit primacy plans are made up as follows (in million CHF):

	2001	2000[1]
Performance costs	8.0	6.9
Interest expense on claims	17.3	18.6
Expected income from nonappropriated assets	-20.6	-21.3
Total pension fund expenses	4.7	4.2

41 Financial instruments

To limit corporate currency exchange risks, the Jelmoli Group employs forward transactions complying with the corporate guidelines for currency risk management. Forward transactions open per 31.12.2001 were as follows (previous year in parentheses):

Currency	Contract value[1]	Market value	Difference
EURO	8.9	9.0 (3.2)	0.1

1 less provisions

Financial results are optimized by purchase and sale of option contracts within set limits. Associated risks are limited by means of stop-loss transactions. Option sales contracts as per 31.12.2001 were to the following amounts (previous year in parentheses):

CHF million	Basic value	Market value of options
Sale of put and call options on currency transactions (EURO)	29.6 (30.4)	0.6

Market values

The balance values of cash and securities, receivables, short-term liabilities and interest-carrying liabilities comply practically with fair values according to IAS taking into account that conversion components are divided into loans and equity.

42 Events subsequent to balance sheet settlement date

None.

REPORT BY THE REAL ESTATE ASSESSMENT EXPERT TO THE JELMOLI HOLDING LTD MANAGEMENT

With reference to your mandate, we have evaluated for your accounting purposes the investment property and owner-occupied property situation of Jelmoli Holding Ltd per January 1, 2002 according to the currently valid International Accounting Standards (IAS) guidelines and within the framework of the restatement per January 1, 2001. Property valuation follows the fair value model according to IAS 40 (2001)[1].
We hereby confirm that as independent assessors we have evaluated the Jelmoli Holding Ltd properties on a neutral and unbiased basis. Properties were inspected and analyzed in detail with regard to quality and risks (attractiveness to tenants, mode of construction, building condition, micro and macro locations, etc.)[2].

Definition of fair value
Fair value is defined as the highest probable market price attainable between two (well) informed parties, both of whom willing to close a sales/purchase transaction, on the valuation date, allowing for an appropriate marketing time accordingly. According to IAS 40 §45 (2001), no account is taken in fair value assessment of value-enhancing investments and additional resultant yield, nor of transaction costs or deferred taxes.

Method applied
The Jelmoli Holding Ltd properties were valued by the discounted cash flow (DCF) method, whereby the current market value of a property is determined from the sum of all expected future net income (EBITDA before tax, interest payments, depreciation and amortization) discounted to the present time. The value of each property is individually discounted, market conform and risk-adjusted, as a function of the respective opportunities and risks. The actual discounting rates vary between 4.4% and 6.8% depending on property.

Results
Per 1.1.2002 87 properties were valued. The fair market value of these properties is estimated per valuation day at CHF 1 440 925 500. Within the framework of restatement per 1.1.2001, 81 of these 87 properties were valued at CHF 1 271 607 300 per that date. The other six properties were acquired during 2002.

RAUM INFORMATION wüest & partner

Wüest & Partner AG

Daniel Tochtermann	Marco Fausi
Member of the Board Management	Member of the extended Management Board

Zurich, March 12, 2002

1 Properties under construction are valued by Jelmoli Holding AG at cost.
2 The market value of 28 operating properties (per 1.1.2002 CHF 110 487 200 = 7.7% of total portfolio) was assessed on a summary basis, i.e. without inspection or detailed cost analysis.

REPORT OF THE STATUTORY AUDITORS TO THE GENERAL MEETING OF JELMOLI HOLDING LTD, ZURICH

As statutory auditors, we have audited the accounting records and the financial statements on pages 42 to 45 (balance sheet, income statement and notes) of Jelmoli Holding Ltd. for the year ended December 31, 2001.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with the Swiss law and the company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

KPMG Fides Peat

Peter Hess	Raphael Arnet
Swiss Certified	Swiss Certified
Accountant	Accountant
Auditor in Charge	Auditor in Charge

Zurich, March 20, 2002

INCOME STATEMENT JELMOLI HOLDING LTD

	2001	2000
	in CHF	in CHF
Income		
Income from participations	204 634 160	54 683 088
Financial yield	23 976 186	50 046 190
Other income	899 800	2 878 083
TOTAL INCOME	**229 510 146**	**107 607 361**
Expenditure		
Financial expenditures	62 497 285	21 632 997
Administration expenditures	5 240 715	5 785 144
Depreciation and revaluation	123 733 558	0
Taxes	202 859	2 549 053
TOTAL EXPENDITURE	**191 674 417**	**29 967 194**
PROFIT FOR THE YEAR	**37 835 729**	**77 640 167**

BALANCE SHEET JELMOLI HOLDING LTD

	31.12.2001	31.12.2000
	in CHF	in CHF
Assets		
Participations and long-term loans	810 762 335	619 474 802
Fixed Assets	**810 762 335**	**619 474 802**
Accounts receivable		
Group subsidiaries	299 247 936	241 233 914
Dividends of Groups subsidiaries	200 000 000	0
Third parties	22 063 553	4 964 516
Prepaid expenses and accrued income	8 568 026	4 937 734
Securities	114 823 876	188 920 399
Cash and bank	17 243 687	11 487 075
Current Assets	**661 947 078**	**451 543 638**
TOTAL ASSETS	**1 472 709 413**	**1 071 018 440**
Liabilities		
Share capital	34 267 540	34 164 790
Capital reserves	77 992 867	76 048 324
Unappropriated profit		
General reserve	17 550 000	17 550 000
Reserve for own shares	145 000 000	187 000 000
Free reserve	87 000 000	0
Balance sheet profit		
Brought forward from previous year	4 808 392	0
Annual profit	37 835 729	77 640 167
Shareholders Equity	**404 454 528**	**392 403 281**
Long-term borrowed capital		
Financial liabilities	749 990 000	552 045 000
Provisions	27 059 059	27 059 059
Short-term borrowed capital		
Financial liabilities	129 975 807	
Group subsidiaries	147 805 556	86 410 948
Third parties	335 410	250 086
Accrued expenses and deferred income	13 089 053	12 850 066
Borrowed Capital	**1 068 254 885**	**678 615 159**
TOTAL LIABILITIES	**1 472 709 413**	**1 071 018 440**

1. Contingent liabilities

Jelmoli Holding Ltd guarantees fulfilment of the financial obligations of Jelmoli Group companies within the framework of existing credit agreements to the extent of CHF 343.0 million (prior year CHF 236.8 million).

2. Pledged assets, retentions of title

There are no pledged assets or retentions of title.

3. Lease commitments

There are no lease commitments outstanding not shown by the balance-sheet.

4. Fire insurance value

The company owns no real estate positions.

5. Pension fund liabilities

There are no liabilities toward pension funds

6. Bonds

2.5% convertible bonds 1994–2001 were issued on October 26, 1994 to the amount of CHF 50 million. Each bond of nominal value CHF 5 000.– can be converted at any time into 5 bearer shares at CHF 1 000.– each. The conversion rights of bond holders are secured by the authorized share capital increase of 50 000 bearer shares on April 26, 1994 (see note 10).

During the year under review the remaining 411 bonds were converted.

Per August 17, 1998 a 1.25% convertible bond issue 1998–2004 to the amount of CHF 150 million was undertaken. These bonds of par value CHF 5 000.– each can be converted at any time into 2.314815 bearer shares. The conversion price is CHF 2 160.– per bearer share. The General Meeting approved release of this security by a conditional share capital increase of up to 69 445 bearer shares (see note 10).

During the year under review no bonds were converted, so that the sum outstanding remains at CHF 149.99 million.

Per February 7, 2000 Jelmoli Holding further undertook a 4.125% bond issue 2000-2006 to the amount of CHF 200 million.

Per May 31, 2001, 2.25% convertible bonds 2001–2007 to the amount of CHF 200 million were issued. These bonds of par value CHF 5 000.– each can be converted at any time into 1.7452 bearer shares at CHF 2 865.– each. In May 2005 the conversion price will be reduced by no more than CHF 295.– (to CHF 2 570.–) if the bearer share price has not attained at least CHF 2 865.– by then. The conversion rights of bond holders were secured by a conditional capital increase of up to 77 836 bearer shares (cf. note 10). During the year under review no bonds were converted.

7. Investments

Please refer to «Group structure» as per December 31, 2001 (page 8).

8. Release of hidden reserves

No hidden reserves were released.

9. Revaluations

No revaluations were undertaken.

10. Own shares and reserves for own shares held / authorized or conditional share capital

a) Share capital / Conditional share capital

In accordance with decision of the 2000 General Meeting, the capital structure per 31.12.2000 was modified as follows:

419 025 bearer shares at par value CHF 50.–	CHF 20 951 250.–
1 321 354 registered shares at par value CHF 10.–	CHF 13 213 540.–
Total share capital	CHF 34 164 790.–

The remaining 2055 bearer share conversion rights on the 2.5% bond issue 1994–2001 and 69 441 on the 1.25% bond issue 1998–2004 were secured per 31.12.2000 by conditional capital totalling CHF 3 574 800.

In the year under review new conditional capital comprising 100 000 bearer shares was created, of which 77 836 allocated to the 2.25% convertible bond issue 2001-2007. 2 055 bearer shares from the 2.5% bond issue were converted. Conditional capital has increased to CHF 8 472 050.– accordingly. Remaining conversion rights are thus reduced to 147 277 bearer shares or a conditional capital of CHF 7 636 850.– . Share capital has increased by CHF 102 750.– accordingly.

The capital structure per 31.12.2001 was therefore as follows:

421 080 bearer shares at par value CHF 50.–	CHF 21 054 000.–
1 321 354 registered shares at par value CHF 10.–	CHF 13 213 540.–
Total share capital	CHF 34 267 540.–

b) Own shares

The company and its subsidiaries held 60 164 own bearer shares and 20 683 own registered shares as at 31.12.2001. Own shares are included under «Marketable securities». A reserve for own shares amounting to CHF 145.0 million has been raised by reducing free reserves by the same amount.

Own shares are used for the following purposes:

	Bearer shares	Value (CHF million)	Registered shares	Value (CHF million)
Retained for execution of options	13 904		–	
Freely available	46 260		20 683	
Total per 31.12.2001	60 164	99.3	20 683	6.8
Total per 31.12.2000	84 495	181.1	12 353	5.8
Repurchases in 2001	58 751	141.0	9 691	4.5
Sales in 2001[1]	-83 082	-189.7	-1 361	-0.7
Trading profit		-33.1		-2.8

1 including Tivona acquisition financing (55 000 bearer shares)

Per 31.12.2001 the company held a total of 60 164 own bearer shares and 20 683 own registered shares, of which 13 904 provide reserve coverage for the JELGO2 to JELGO5 management options.

Option name	Execution deadline	Price (CHF)	Ratio	Share type	Share options	Number options[1]
The following options were issued:						
JELGO2	18.01.2002	1 575	1:1	Bearer	1 973	1 973
JELGO3	18.12.2002	2 000	1:1	Bearer	4132	4 132
JELGO4	19.12.2003	2 750	1:1	Bearer	2 799	2 799
JELGO5	17.12.2004	1 775	1:1	Bearer	5 000	5 000
and the following options were held:						
JELKB	18.1.2002	2 150	100:1	Bearer	0.3 million	
JELKC	21.6.2002	2 450	100:1	Bearer	0.5 million	
JELMO	3.5.2002	2 500	100:1	Bearer	1.3 million	
JELOTC	19.6.2002	1 300	1:1	Bearer	25 000	

1 Number of options sold / shares deposited by Jelmoli Holding Ltd

11. Major shareholders

As of December 31, 2001 the majority shareholder Walter Fust held directly and indirectly 61.1% of voting shares and 36.0% of share capital. Ursula Hauser-Fust and family hold 8.0% of voting shares and 4.1% of share capital.

Following the Tivona AG capital increase by investment in kind with Jelmoli bearer shares, Tivona AG now holds 2.7% of voting rights and 7.0% of share capital.

According to entries in the share register, ownership of the remaining registered shares is widely distributed. No shareholder other th Walter Fust and Ursula Hauser-Fust holds more than 5% of registered shares. xxxx bearer shares are held by Tivona AG

BOARD OF DIRECTORS, STATUTORY AUDITORS, GROUP AUDITOR, PROPOSALS TO THE GENERAL MEETING

BOARD OF DIRECTORS, STATUTORY AUDITORS, GROUP AUDITOR

Walter Fust*, Präsident, Ittigen/BE	2005
Carlo Magri*, Kilchberg/ZH	2005
Dr. Peter Leumann*, Pfäffikon/ZH	2005
Prof. Dr. Hugo Tschirky, Zollikon	2003
Regula Mann-Freihofer, Zürich	2004
Daniel Bürki, Auvernier/NE	2003
Ursula Hauser-Fust, Henau/SG	2005
Prof. Dr. Christian Belz, Grub/SG	2005
Klaus Wecken, Lörrach/Germany	2005

KPMG Fides Peat, Zürich, statutory auditors and Group auditor	2002

* Member of the Board Committee

THE BOARD OF DIRECTORS' PROPOSAL TO THE GENERAL MEETING

Appropriation of retained earnings 2001

Available retained earnings of Jelmoli Holding Ltd at the disposal of the General Meeting on May, 7, 2002

in CHF		2001		2000
Profit for the year		37 835 729		77 640 167
Retained earnings carried forward				
– according to the report of the previous year	5 208 978		5 121 976	
– enlarged (2000: reduced) dividend due to change in dividend-entitled shares per payment day of dividends	-400 586		1 079 100	
– allocation to reserves for own shares	–		-6 201 076	–
Retained earnings at the disposal of the General Meeting		**42 644 121**		**77 640 167**

Proposed appropriation of retained earnings to the General Meeting

in CHF	2001	2000
– 360 916 shares at par value CHF 50.–: CHF 46.– per dividend-entitled bearer share (2000 CHF 46.–)	-16 602 136	-15 388 380
– 1 300 671 shares at par value CHF 10.–: CHF 9.20 per dividend-entitled registered share (2000 CHF 9.20)	-11 966 173	-12 042 809
– Allocation to free reserve	-10 000 000	-45 000 000
Carried forward to new account	**4 075 812**	**5 208 978**

[1] Resolution by the annual general meeting of May 8. 2001

Subject to approval by the Annual General Meeting, dividend payments will be as follows:

Per bearer share, coupon Nr. 9	CHF 46.–	Per registered share	CHF 9.20
less 35 % withholding tax	CHF 16.10	less 35 % withholding tax	CHF 3.22
Net dividend per bearer share	CHF 29.90	Net dividend per registered share	CHF 5.98

Dividends will be paid as of May 14, 2002. Dividends on bearer shares will be paid out in the headquarters and at all bank branches of Credit Suisse and Credit Suisse First Boston, UBS AG, Bank Leu AG and Bank Sarasin & Cie. Dividends on registered shares will be transferred directly to the respective shareholders.
The 2001 annual accounts have been audited by *KPMG* Fides Peat, Zurich as statutory auditors and group auditor (cf. pp. 25/39), who have reported to the Board of Directors accordingly.

Elections

There are no propositions for election in the Board of Directors.
The statutory auditors of Jelmoli Holding Ltd. and group auditor are elected each year. *KPMG* Fides Peat, Zurich, elected as statutory auditors and group auditor at the 2001 Annual General Meeting, will be proposed for re-election.

Zurich, March 2002

On behalf of the Board of Directors
Walter Fust, Chairman

JELMOLI HOLDING AG

Dr. Peter Leumann	President/CEO
Roland Walder	Chief Finance Officer/CFO
Dr. Robert Känzig	General Secretary/Press

RETAIL TRADE

Jelmoli Sales[1]

Jelmoli Zurich	
Robert M. Fieg	Managing Director
Martin Kelterborn	PR/Event-Marketing/Shop-in-Shop
Mario Ritter	Ladies/Men's/Children's fashion
Urs Kyburz	Household/Intérieurs/Paper
Marcel von Arx	Sport/Toys
Regula Keller	Beauty/Accessoires
August Hanselmann	Services/Sales/Household/Intérieurs/Paper
Nicole Messi	Personnel
Franz Stalder	Controlling
Specialities	
Alfred Steiner	Restaurants
Kurt Brunner	Fashion Bazaars
Patrik Rohde	Beach Mountain
Services	
Christiane Goessler	Shopping Bonus Card
Martin Freimüller	Administration/Accounting
Anton Locher	Technical Services
Hans-Peter Steffen	Organization/Information Technology/Internet/ E-Commerce/Database Marketing

Fust Sales[2]

Dr. Erich Bohli	Managing Director
Hans Peter Stamm	Electro domestic appliances
Thomas Giger	SoundVision-Fust
Andreas Gschwind	Kitchen/Bathroom Renovations
Simon Roesti	Nova-Casa general contractor
Markus Gauch	Technical Services/Logistics
Rolf Wilhelm	Finance/Administration
Martin Reithebuch	Service 7000 AG

Portable Shop[3] **/ Digital Home**[3]

Thomas Stiefel, Guy Thouin until July 31	Managing Directors
Peter Scheiwiller, from August, 2001	Managing Director (CEO)
Robert Fuchs, from January 26, 2001	Finance/Services (CFO/COO)
Patrik Meyer	Product marketing
Marco Röllin	Sales
Gérard Schönrock	Accounting

Retail Real Estate

Jelmoli[1] **Real Estate**

Alain Rolland	Managing Director
Gerd Laube	Real Estate (German speaking part of CH)
Frank Desmarais	Real Estate (French speaking part of CH)
Pierre Tschumper	Administration

Fust[2] **Real Estate**

Dr. Erich Bohli	Managing Director
Simon Roesti	Real Estate

1 Segment of Jelmoli AG
2 Segment of Dipl. Ing. Fust AG
3 Segment of Portable Shop Schweiz AG

Status per year-end 2001

BUSINESS ADDRESSES

JELMOLI HOLDING AG / JELMOLI AG

JELMOLI HOLDING AG

Group Headquarter

8001 Zürich, St. Annagasse 18
Tel.: 01/220 44 11, Fax: 01/220 40 10
Registered Office: Seidengasse 1, 8001 Zürich

JELMOLI AG

Head Office

Jelmoli Zürich and Jelmoli Real Estate

8001 Zürich, St. Annagasse 18
Tel.: 01/220 44 11, Fax: 01/ 220 40 20

Au Grand Passage-Innovation SA

1204 Genève, 50, rue de Rhône
1211 Genève 3, Boîte postale 3252
Tel.: 022/318 43 00, Fax: 022/318 43 01

Fasion Bazaars

8021 Zürich, St. Annagasse 16 (Zentrale)
Tel.: 01/220 44 78, Fax: 01/220 44 68

Branches

8910 Affoltern am Albis, Ob. Bahnhofstrasse 14
8501 Frauenfeld, Graben-/Rheinstrasse
1350 Orbe, Rue Centrale 1
2900 Porrentruy, 7, rue Pierre-Péquignat
8590 Romanshorn, Alleestrasse 27
1226 Thônex-Arcade, 106, rue de Genève
8610 Uster, Poststrasse 14
1337 Vallorbe, Grand-Rue 33
8001 Zürich, Sihlstrasse/St. Annagasse
8050 Zürich, Oerlikon, Wallisellenstr. 5

Beach Mountain

8112 Otelfingen (Zentrale)
Tel.: 01/845 01 01, Fax: 01 849 38 87

Branches

4000 Basel, Münzgasse 3
4001 Basel, St. Jakob-Str. 395
8301 Glattzentrum, Einkaufszentrum Glatt
9000 St. Gallen, Bankgasse 9
8001 Zürich, Seidengasse 1, im Jelmoli
8001 Zürich, Spitalgasse 5
8004 Zürich, Birmensdorferstr. 21

Restaurants

8001 Zürich, St. Annagasse 18 (Zentrale)
Tel.: 01/220 47 18, Fax: 01/220 40 80

Giardino

Wave Take Away

Café-Bar Treffpunkt

Netgate-Bar

8001 Zürich-City, im Jelmoli, Seidengasse 1

Molino-Restaurants

3011 Bern, Waisenhausplatz 13
3900 Brig, Furkastrasse 5
8953 Dietikon, Badenerstrasse 21
1700 Fribourg, Rue de Lausanne 93
1204 Genève, Place du Molard 7
8301 Glattzentrum, Einkaufszentrum Glatt
6003 Luzern, Theaterstrasse 7
1820 Monteux, Place du Marché 6
9000 St. Gallen, Bohl 1
9000 St. Gallen, Rorschacherstrasse 154
8610 Uster, Poststrasse 20
8400 Winterthur, Marktgasse 45
1226 Thônex, 106, Rue de Genève
8001 Zürich, Limmatquai 16
8004 Zürich, Stauffacherstr. 31

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Tel.: 031/980 11 11, Fax: 031/980 11 10

Branches

5000 Aarau, Obere Vorstadt 3

5004 Aarau, Telli-Zentrum

8910 Affoltern am Albis, Obere Bahnhofstrasse 14

9320 Arbon, St. Gallerstrasse 5

1754 Avry-sur-Matran, Hyper-Fust, Centre Avry-Top

8184 Bachenbülach, WARO-Zentrum

4052 Basel, Shopping-Center St. Jakob-Park

4053 Basel, Güterstrasse 180, Einkaufszentrum Gundelitor

4058 Basel, EUROFUST im «Räbgass-Center»

3000 Bern, im Münzgraben 4/6

3008 Bern, City West, Laupenstrasse 19

3011 Bern, Elektro-Shop, im Loeb, 3. Stock

3011 Bern, Seilerstrasse 3

2500 Biel, Coop-Center, Nidaugasse 35a

2502 Biel, Zentralstrasse 36

2504 Biel, EUROFUST, Solothurnstrasse 122

5200 Brugg, Fust im Ex-Haveg, Neumarkt 2

5200 Brugg, im ABM, Hauptstrasse 2

2555 Brügg, Migros-Center Brügg

8180 Bülach, EUROFUST, Marktgasse 1

1630 Bulle, WARO-Center

3400 Burgdorf, Industrie Buchmatt,

1227 Carouge, Centre Commercial de Carouge

1279 Chavannes-de-Bogis, Chavannes Centre

7000 Chur, Haus Tribolet, Quaderstrasse 22

1964 Conthey, EUROFust, Rte. Cantonale 2

2800 Delémont, Avenue de la Gare 40

8157 Dielsdorf, Einkaufszentrum «CD Baholz»

8953 Dietikon, (50 m vor «Media Markt»)

8305 Dietlikon, in IKEA

8600 Dübendorf, Wilstrasse 2

1024 Ecublens, Centre Commercial

4622 Egerkingen, WARO-Zentrum

6020 Emmenbrücke, Shopping-Center

6020 Emmenbrücke, Multimediy Factory, beim Shopping-Center

1163 Etoy, Centre de l'habitat

8500 Frauenfeld, Zürcherstrasse 305

4414 Füllinsdorf, (1 Min. ab A2, Ausfahrt Liestal, Richtung Liestal, an der Rheinstrasse)

1201 Genève, Rue Monthoux 64

1201 Genève, Place Cornavin

1201 Genève, 5, rue Rousseau

1203 Genève, Centre Migros «Planète Charmilles» 11, Promenade de l'Europe

1204 Genève, 3, rue de Rive

1204 Genève-Centre, chez Globus, Rue du Rhône 50

1205 Genève, Centre Plainpalais, Route de Carouge 64

1207 Genève, Centre Commercial Eaux-Vives 2000

1209 Genève, Centre Balexert

6512 Giubiasco-Bellinzona, Via Campagna 1

8301 Glatt-Wallisellen, Einkaufszentrum Glatt

6916 Grancia, EUROFust im Centro Grancia

9469 Haag, Haag-Zentrum

3627 Heimberg, im Jumbo

8340 Hinwil, Multimedia Factory, im Jumbo Maximo

8810 Horgen, Zugerstrasse 30

3800 Interlaken, Rosenstrasse 9, vis-à-vis Rosenparkplatz

8645 Jona-Rapperswil, Kläui-Center, Kramenweg 5

4303 Kaiseraugst, Hobbyland

8280 Kreuzlingen, Bachstrasse 17, am Sonnenplatz

6010 Kriens, Nidfeldstrasse 5, beim Pilatus-Markt-Kreisel

2304 La Chaux-de-Fonds, Hyper-Fust, Boulevard des Eplatures 44

4900 Langenthal, im Ex-Haveg, Marktgasse 36

1003 Lausanne, 7, rue Haldimand

1003 Lausanne, 11, rue du Petit-Chêne

1003 Lausanne, Place Centrale 1

1003 Lausanne, chez Globus, 5, rue du Pont

6600 Locarno, presso Globus

6616 Losone, Vicino al Mercato-Cattori Via Locarno 58

6003 Luzern, im Globus, via Locarno 58

6004 Luzern, Zürichstrasse 48

2074 Marin, Marin-Center, Fleur de Lyss 26

1920 Martigny, Marché PAM, Rte de Fully

8887 Mels, Multimedia Factory, neben Jumbo

1217 Meyrin, Centre commercial

1217 Meyrin, Multimedia Factory, chez Möbel Pfister

1442 Montagny-près-Yverdon, En Chamard

1820 Montreux, à l'ABM, Avenue du Casino 51

2000 Neuchâtel, chez Globus (Armourins)

3172 Niederwangen-Bern, Autobahnausfahrt A12

9245 Oberbüren-Uzwil, an der A1

4104 Oberwil, EUROFust, Mühlemattstrasse 23

4665 Oftringen, Multimedia Factory, vis-à-vis Perry Center

4665 Oftringen, Perry Center

4600 Olten, Ziegelfeldstrasse 17

4600 Olten, Ziegelfeldstrasse 19

4600 Olten, Ziegelfeldstrasse 28

8808 Pfäffikon, Seedamm-Center

2900 Porrentruy, «Inno les galeries» Rue Pierre-Péquignat 7

8105 Regensdorf, EUROFust, Waro «Rägi-Märt», Feldstrasse 2

9532 Rickenbach-Wil, WARO-Zentrum

1032 Romanel-sur-Lausanne, Hyper-Fust, Romanel Centre

8200 Schaffhausen, Unterstadt 15–17

8200 Schaffhausen, Moserstgrasse 14, Shopping-Center Herblingertal

6467 Schattdorf, Gewerbezentrum Rynächt

3321 Schönbühl, Shoppy-Land

6430 Schwyz, Mythen-Center,

6836 Serfontana, Morbio Inferiore

4500 Solothurn, Haus Möbel Pfister, am Kronenplatz

8957 Spreitenbach, Tivoli-Center

9000 St. Gallen, Neumarkt, St. Leonard-Strasse

9006 St. Gallen, EUROFust, Einkaufszentrum Grossacker

9016 St. Gallen, Multimedia Factory, beim Baumarkt Jumbo

9430 St. Margrethen, Rheinpark

5034 Suhr, Haus Möbel Pfister

6210 Sursee, Autobahnausfahrt Sursee, Surentalstrasse

3600 Thun, Aarezentrum

8610 Uster, im Ex-Jelmoli, Poststrasse 14

8730 Uznach, Burgerfeldstrasse, Linthpark

1800 Vevey, Rue de la Madeleine 37

1800 Vevey, 11, rue du Simplon (Ex Schild)

1752 Villars-sur-Glâne, Route de Moncor

1752 Villars-sur-Glâne, Multimedia Factory, au Centre Commercial Jumbo

1844 Villeneuve, Centre Riviera

3931 Visp-Eyholz, Kantonsstrasse 79

8604 Volketswil, WARO-Zentrum

8570 Weinfelden, Zentrumspassage

5430 Wettingen, Landstrasse 90 vis-à-vis Center-Passage

9500 Wil, im ABM, Obere Bahnhofstrasse 40

8402 Winterthur, Obergasse 20

8406 Winterthur-Töss, Zürcherstrasse 184

BUSINESS ADDRESSES

DIPL. ING. FUST AG

1400 Yverdon, Rue de la Plaine 5

1400 Yverdon, Rue de la Plaine 9

4528 Zuchwil, EUROFust im Birchi-Center, Gewerbe «Waldegg»

6300 Zug, Baarerstrasse 86

6300 Zug, Alpenstrasse 8, EUROFust in EPA, 2. Stock,

8001 Zürich-City, Bahnhofstrasse, Jelmoli 3. Stock

8001 Zürich-City, Bahnhofstrasse, Jelmoli Multi Media Factory

8003 Zürich, Stationsstrasse 62

8004 Zürich, Badenerstrasse 109

8008 Zürich, Seefeldstrasse 8

8023 Zürich-Hauptbahnhof, Sony-Shop/Shopville-Löwenpassage

8023 Zürich-Hauptbahnhof, Shopville, Telecom-Shop

8032 Zürich, Hottingerstrasse 52

8048 Zürich, Letzipark

8050 Zürich-Oerlikon, Shopping-Center «Züri 11»

SERVICE 7000 AG

Head Office

8754 Netstal, Molliserstrasse 41, Wiggis-Park
Tel.: 055/645 37 00, Fax: 055/645 37 07

Showrooms

9201 Gossau, Wilerstrasse 73, Eichen-Center

3380 Wangen a./A, Schenkstrasse 13

BUSINESS ADDRESSES

PORTABLE SHOP SCHWEIZ AG

PORTABLE SHOP SCHWEIZ AG

Head Office

8117 Fällanden, Bruggacherstrasse 26
Tel.: 01/806 34 34, Fax: 01/806 34 01

Portable Shop Branches

5000 Aarau, Graben 35

4051 Basel, Steinentorstrasse 18

3011 Bern, Speichergasse 8

1700 Fribourg, Sqaure des places 1

1201 Genève, Rue Sigismond-Thalberg 4

1204 Genève, Place du Molard 8

8301 Glattzentrum, Büro- und Computerwelt

1003 Lausanne, Grand Pont 8

6003 Luzern, Pilatusstrasse 35

2000 Neuchâtel, Rue des Terreaux 5

9000 St. Gallen, Gartenstrasse 15

8400 Winterthur, Stadthausstrasse 18

8001 Zürich, Mühlegasse 29

8001 Zürich, Schifflände 22

8001 Zürich, Uraniastrasse 30

Digital Home Branches

8910 Affoltern a.A., Obere Bahnhofstrasse 14

4052 Basel, Shopping-Center St. Jakobspark

4058 Basel, Rebgasse 20

3008 Bern, Laupenstrasse 9/11

2504 Biel, Solothurnstrasse 122

8180 Bülach, Marktgasse 1

1227 Carouge, 36 Av. Cardinal Mermillod

1964 Conthey, Route Cantonale 2

8953 Dietikon, Riedstrasse 6

1202 Genève, Place Cornavin 10

1204 Genève, Rue de Rhône 48, (im Globus)

1204 Genève, Rue de Rive 3

1211 Genève, Centre Balexert

8301 Glattzentrum, (im Fust)

6438 Ibach, Mythen-Center

2300 La Chaux-de-Fonds,
Bvd. des Eplatures 44

1003 Lausanne, Rue du Pont 5, (im Globus)

6003 Luzern, Pilatusstrasse 4, (im Globus)

2000 Neuchâtel,
Rue de Temple Neuf 14, (im Globus)

3172 Niederwangen, Riedmoosstrasse 10

9245 Oberbüren, Buchental 4

4104 Oberwil, Mühlemattstrasse 23

8105 Regensdorf, Rägi-Markt

1032 Romanel, Chemin du Marais 8

8207 Schaffhausen,
Shopping-Center Herblingertal

3321 Schönbühl, Shoppyland

8957 Spreitenbach, Tivoli

9000 St. Gallen, Einkaufszentrum Grossacker

3600 Thun, Bälliz 32

5430 Wettingen, Landstrasse 90

8400 Winterthur, Marktgasse 3
(im Orell Füssli)

4528 Zuchwil, Birchi Zenter

6300 Zug, Alpenstrasse 8

8001 Zürich, Jelmoli, Seidengasse 1

8050 Zürich-Oerlikon,
Shopping-Center «Züri 11», Ohmstr. 11

Multimedia Factory Branches

6020 Emmenbrücke, Oberhofstrasse 28

8340 Hinwil, Wässeristrasse 40

8887 Mels, Wolfriet

1217 Meyrin, Ch. de Riantbosson 5-9

4665 Oftringen, Bernstrasse 7

9016 St. Gallen, Rorschacherstrasse 236

1752 Villars sur Glâne, Route de Moncor 1

Portable Shop Service Centers

1204 Genève, Rue du Stand 23

8112 Otelfingen, Industriestrasse 19/21

8001 Zürich, Talstrasse 62

Portable Shop business-to-business

1023 Crissier, Rte. de Prilly 21

8117 Fällanden, Bruggacherstrasse 26

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Exhibition-Sponsor

EXPO.02

On behalf of the Jelmoli Group companies, Jelmoli Holding Ltd is sponsoring the «Blindekuh» (Blind Man's Buff) project at the EXPO.02 in Murten. As simulated here, visitors will be guided around this part of the exhibition in total darkness by blind and visually handicapped professionals. Rather than exclusion, the atmosphere here is one of contact and cooperation. Within the overall framework of the EXPO.02, the «Blindekuh» exhibition thus makes an important social and cultural contribution. The Jelmoli Group companies are enthusiastically supporting this by sponsoring one million Swiss francs, half of which for purchasing entry tickets. These will be offered on fitting occasions to our customers and employees as a token of appreciation for their loyalty and support.

«BLINDEKUH» (BLIND MAN'S BUFF) EXHIBITION AT THE EXPO.02 ON THE ARTEPLAGE, MURTEN

INNOVATIVE SINCE 1833

Founded
by Johann Peter Jelmoli-Ciolina in June 1833
with a store on the Schipfe in Zurich
Revolutionary launch of
fixed prices for town and country
Parisian fashions and Mail-order business

Turn of the century
Introduction of modern sales forms that were
trail-blazing for the Swiss retail trade
Mail-order catalogue (1897)
«Glass Palace» as department store following
examples in Paris (1899)

Forties to Seventies
Extension of range and
activities throughout Switzerland
Acquisitions of the department store groups
Innovation and Au Grand Passage
Expansion to new locations

1970 to 1994
Centralisation and purchasing at source
Computerization for logistics
Expansion of services
Realignment of the Jelmoli department store
and mail order businesses with shopping worlds,
decentralized profit centre organization,
and simplified structure
Acquisition of Imholz Travel and integration
of the Jelmoli travel agencies network
Acquisition of the voting majority
in Dipl. Ing. Fust AG with its speciality markets

1994 to 1999
Creation of a holding structure
Concentration of department store activities on the
Jelmoli Zurich parent store
Start of real estate development business
based on retail stores and Fust properties
Partnership with Heine in mail-order business
Walter Fust new majority shareholder
Realignment of Jelmoli Zurich as House of Brands
and shop-in-shop store/shopping gallery
Dipl. Ing. Fust AG 100% Jelmoli-owned
Joint Venture ITV (Imholz-TUI-Vögele)
in travel business, subsequently sold
Majority acquisition in
Portable Shop Schweiz AG,
100% Jelmoli-owned in 2001

1999 on
Opening of Digital Home
Zurich basement sales floor extensions
with direct link to parking garage
New property developments including
La Praille, Geneva and
St. Gall stadium shopping centres
under construction / project planning
Place du Molard property acquisition, Geneva
Participation in Tivona Real Estate
Development Group