

Zurich, October 2008

Quarterly Report Q3/2008

Dear Sir or Madam

The enclosed quarterly report provides a snapshot of our investment company as at 30 September 2008.

Everyone felt the shockwaves that rocked financial markets recently. The force of the sudden downward spiral was amplified by the pervading mood of uncertainty. The reaction of many investors was close to panic and affected all shares indiscriminately. The SPG share inevitably suffered as well. As at 14 October the NAV stood at CHF 240.51 and the share price at CHF 257.50, which equates to a 42 % drop in value in the year to date.

Can we really claim that SPG is the future in one share? This question is a difficult one for any investors who believe in sustainability and have chosen it as a theme in capital markets on the basis of economic, social, and environmental convictions. But there are answers to this question if the focus is on the medium to long run, rather than purely the short term:

- Our portfolio has an attractive valuation, as demonstrated by the P/E ratio: this currently still stands at a multiple of almost nine times estimated earnings for 2009, which still leaves room for upside potential.
- Since the investment strategy was changed on 31 December 2005, the SPG portfolio no longer contains any financial stocks, which means we are closely linked to the real economy, which has far fewer problems to cope with.
- The four themes of Energy, Water, Healthy Living, and Resource Efficiency in which SPG invests are still as crucial for the future as they ever were. On the contrary, the associated megatrends will have a major impact on markets when they start to recover – which will hopefully be soon. SPG is well positioned to take advantage of this.
- Especially when the going gets tough, the investment company proves to be an important vehicle as it allows investors to take a more long-term and committed view of the market.

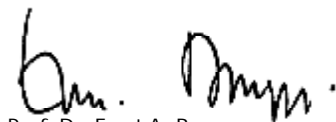
This probably explains why most investors stay loyal to SPG even in these volatile times: selling volumes are low and the SPG share is still trading at a premium of around 4% to NAV on average.

After careful analysis, the Board of Directors, with SAM's advice, has decided there is no need to make any fundamental change to the current strategy. Naturally the portfolio will be continuously monitored and adjusted in response to new opportunities and risks. In this context please find enclosed along with the current quarterly report an interview with Dr. Doris M. Schönemann (member of SPG's Board of Directors), Bjørn Tore Urdal (Senior Equity Analyst), and Rainer Baumann (Senior Portfolio Manager).

Our overall assessment of the market is that if confidence in financial markets is restored, the themes of sustainability and good corporate governance will receive a strong boost. Why is that? It is because the financial crisis was in part caused by people choosing to ignore these two themes. Thanks to many years of experience, however, SPG can and will develop this strategy in a skilful manner.

Thank you for your interest in SPG and in the theme of sustainability, as well as your loyalty as a shareholder. Do please contact us if you have any questions or comments for us: Telephone +41 44 687 22 66, Fax +41 44 687 22 69 or e-mail [info@sustainable.ch](mailto:info@sustainable.ch).

We hope that confidence will be eventually restored in the capital markets and in the meantime send you our best wishes.



Prof. Dr. Ernst A. Brugger  
Chairman of the Board of Directors