

Item 2

Appropriation of retained earnings Dividend for financial year 2002

A. Motion

The Board of Directors proposes that the Parent Company profit be appropriated as follows:

Profit for the financial year 2002 as per the income statement	CHF 5,834 million
Allocation to General statutory reserves	CHF 232 million
Proposed dividend	CHF 2,365 million
Allocation to Other reserves	CHF 3,237 million
Total allocated	CHF 5,834 million

The Board of Directors proposes to distribute a dividend of CHF 2 per share.

B. Explanations

Part of the distribution to shareholders for the financial year 2000 and the entire distribution for 2001 was made in the form of a repayment on the par value of each share. For 2002, the Board of Directors now proposes to pay a regular dividend of CHF 2 per share, in line with the payments made for prior years. The Board of Directors is committed to making consistent distributions to shareholders, if market conditions and the performance of the company allow it.

Upon approval of the proposal by the AGM, the distribution of CHF 1.30 per share (after deduction of 35% Swiss withholding tax) will be made on 23 April 2003 to shareholders on record as at 16 April 2003.

Item 3

Discharge of the members of the Board of Directors and the Group Executive Board

Motion

The Board of Directors proposes that discharge be granted to the members of the Board of Directors and the Group Executive Board for the financial year 2002.