Sal. Oppenheim

PRESS RELEASE

Sal. Oppenheim records positive result in financial year 2003

Bank's independency identified as a key factor in its success/capital increase to € 500 million.

Cologne, 31 March 2004 – The Cologne-based bank Sal. Oppenheim jr. & Cie. KGaA presented positive results for financial year 2003 at Wednesday's results press conference in Cologne, with pre-tax income for the year totalling € 96.6 million (previous year: € 60.8 million). A decision to increase Sal. Oppenheim jr. & Cie. KGaA's subscribed capital by € 300 million to € 500 million from internal resources was made at the Annual General Meeting on 30 March 2004. The spokesman for the Managing Partners, Matthias Graf von Krockow, announced that he was pleased with this result and explained the reasons behind the company's economic success: "We are free from group or other interests. We offer our customers independent, objective and first-class advisory and other services. This strategy paid off for both our customers, and for the Bank, in what was a varied year.

The Group's total assets rose by 8.4%, or € 754 million, to total € 9,683 million in financial year 2003. After taxes of € 13.7 million, consolidated net income for the year amounted to € 82.9 million (previous year: € 48.5 million). Net interest income, including exceptional items, increased by 19% to € 92.8 million (previous year: € 78.0 million). Although investors

Sal. Oppenheim jr. & Cie. Kommanditgesellschaft auf Aktien
Unter Sachsenhausen 4 50667 Köln
Postfach 10 27 43 50467 Köln
Telefon (02 21) 1 45 - 01 Telefax (02 21) 1 45 - 15 12
Amtsgericht Köln HRB 20121 www.oppenheim.de

remained very reticent in the first half of 2003, net commission income, at € 261.7 million, almost reached the prior-year level of € 264.2 million. Net income from trading activities climbed significantly by € 60.0 million to total € 70.6 million. This was mainly attributable to a surge in the trading of derivatives instruments. There was a slight increase in Group-wide administrative expenses of only 1.0 % to € 361.1 million (previous year: € 357.6 million). These include adjustments to pension provisions across the Group in line with the International Financial Reporting Standards (IFRS), which resulted in additional expenses of € 12.4 million.
At the end of 2003, Sal. Oppenheim employed a workforce of 1,470 in the Group as a whole, i.e. only 18 employees less than in the previous year (1,488).

Sal. Oppenheim succeeded in significantly reducing its risk provisions by € 30.5 million in financial year 2003, resulting in a positive figure of € 4.2 million. € 3.8 million was allocated for the funding of credit risks and another € 6.8 million for adjustments to the general allowance in line with IFRS requirements. This was offset by interest income from securities held in the liquidity reserve totalling € 14.8 million.

Almost all parts of the Group made major contributions to the positive result for the year. Sal. Oppenheim tripled its sales of derivative securities such as reverse convertibles, certificates and warrants, for example. In the area of mutual funds, Oppenheim Asset Management achieved a record inflow of funds of € 1.8 billion. Its special funds business reported an inflow of funds totalling € 1.9 billion, with the real-estate special funds business recording an inflow of € 700 million, bringing the total assets under management up to € 30 billion. The Cologne-based bank’s Private Banking division also

Sal. Oppenheim

increased its assets under management by 15%. The Group’s total assets under management amounted to € 61 billion as at the end of 2003.

Sal. Oppenheim’s Managing Partners have set themselves an ambitious target: “Although the economic environment remains difficult, we expect Sal. Oppenheim to continue last year’s trend and slightly exceed the positive result recorded in 2003", said Krockow.

End approx. 3,500 characters

Press contact:

Sal. Oppenheim jr. & Cie. KGaA
Unter Sachsenhausen 4
D-50667 Cologne
Press and PR
Tel.: +49 (0)221 145 - 29 98
Fax: +49 (0)221 145 - 9 29 98
email: presse@oppenheim.de