
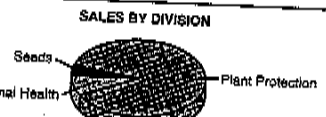



Application 16.2

Exhibit I. Ciba's Business Portfolio

HEALTHCARE	AGRICULTURE	INDUSTRY
<p>PHARMA • SELF-MEDICATION • DIAGNOSTICS CIBA VISION</p>	<p>PLANT PROTECTION • ANIMAL HEALTH • SEEDS</p>	<p>TEXTILE DYES • CHEMICALS • ADDITIVES PIGMENTS • POLYMERS • COMPOSITES METTLER TOLEDO</p>
<p>PRODUCTS Medicines to treat — Heart/circulatory diseases — Diseases of the central nervous system — Illnesses of bones and the locomotor system — Allergies and respiratory illnesses — Cancer, immunological, infectious, and other diseases Over-the-counter medicines, for example for colds and flu, pain, and skin care • Diagnostic instruments and reagents Contact lenses — Lens care products — Ophthalmic medicines</p>	<p>PRODUCTS Herbicides — particularly for maize • Insecticides — particularly for cotton • Fungicides — mainly for cereals and vegetables • Parasiticides and medicines for farm and domestic animals • Seeds — maize, soya, wheat</p>	<p>PRODUCTS Dyestuffs and chemicals for textiles, paper, and leather Antimicrobiols • Fluorescent whitening agents • Additives for plastics, elastomers, synthetic fibres, dyestuffs, photography, lubricants, PVC stabilisers • Pigments for paints, protection of surfaces, printing inks, plastics, fibres, ceramics, glass Adhesives • Synthetic resins • Formulated systems • Photo resists for the printed circuit board industry • Lightweight components for the aerospace industry • Precision balances and scales from laboratory to heavy industrial use • Analytical instruments</p>
<p>CUSTOMERS Patients • Doctors • Hospitals • Pharmacies • Institutions Laboratories • Opticians</p>	<p>CUSTOMERS Farmers • Gardeners • Wholesalers • Cooperatives Public and private institutions • Veterinary surgeons Animal owners</p>	<p>CUSTOMERS Textile industry • Leather industry • Paper industry Manufacturers of cosmetics and detergents • Plastics processors • Oil industry • Photographic industry Automobile industry • Aerospace industry • Electronics industry • Construction industry • Ceramics and glass industry Paint industry • Printing ink manufacturers • Laboratories, industry, retail</p>
<p>MARKET POSITION Pharma: among the 5 leading companies worldwide in a highly fragmented market Self-Medication: international presence, strong position in Europe Diagnostics: growth business Ciba Vision: No. 2 worldwide</p>	<p>MARKET POSITION Plant Protection: No. 1 worldwide • Animal Health: among the leaders in animal parasiticides Seeds: growth business in maize; in some countries among the leaders</p>	<p>MARKET POSITION Textile Dyes: No. 1 worldwide • Chemicals: No. 1 worldwide in fluorescent whitening agents • Additives: No. 1 worldwide Pigments: among the 3 leading companies • Polymers: fragmented market, leading position in some segments Composites: No. 1 among the integrated manufacturers Mettler Toledo: worldwide No. 1 scales and balances</p>
<p>Healthcare 1992 Sales: SFr. 8562 million</p>	<p>Agriculture 1992 Sales: SFr. 4817 million</p>	<p>Industry 1992 Sales: SFr. 8725 million</p>
<p>SALES BY DIVISION</p> 	<p>SALES BY DIVISION</p> 	<p>SALES BY DIVISION</p> 

Source: Ciba Annual Report, 1992.

Exhibit II. Excerpts from Ciba's Annual Report

Source: Ciba Annual Report 1992, pp. 43, 46, 47, 52, 54-56.

Consolidated current value Profit and Loss statement

IN MILLIONS OF SWISS FRANCS

	1992	1991	Change, %
Revenue			
Group sales to third parties	22,204	21,077	+5
Interest, royalties, and revenue from minority holdings	484	392	+23
	22,688	21,469	+6
Expenditure			
Raw materials, intermediates and finished products (variable product costs, including inward freight and duties)	6,197	6,003	+3
Wages, salaries, bonuses and welfare benefits	6,783	6,698	+3
Interest payable	490	486	+1
Depreciation on fixed assets ¹	1,261	1,201	+4
Other expenditure ² , including taxes	6,447	5,901	+9
	21,168	20,189	+5
Group operating profit	1,520	1,280	+19
as a percentage of sales	6.8	6.1	
Group operating cash flow	2,771	2,481	+12
as a percentage of sales	12.5	11.8	

¹Current value basis (see explanatory note on page 39). Book depreciation (historical-cost basis) on fixed assets was 1992: SFr. 1,095m., 1991: SFr. 1,054m.

²Includes minority profit attributions; 1992: SFr. 2m. loss, 1991: SFr. 3m. profit.

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Consolidated Balance Sheet

1991	Change %
21,077	+5
392	+23
<u>21,469</u>	+6
8,003	-3
6,598	+3
486	+1
1,201	+4
5,901	+8
<u>20,189</u>	+5
1,280	+19
6.1	
<u>2,481</u>	+12
11.8	

Assets Of the Group's total assets at 31 December 1992, 15,621 million Swiss francs, or 51 per cent, are long term assets and 14,979 million Swiss francs current assets. The proportion of long term assets decreased by 1 percentage point in 1992 after having increased continuously since 1987.

Liquid funds The greater part of the 5,267 million Swiss francs in liquid funds is held by the Parent company. 2,055 million Swiss francs, or 39 per cent, are invested in marketable securities.

Liabilities Total liabilities increased by 409 million Swiss francs to 12,526 million Swiss francs. This figure includes 5,340 million Swiss francs in interest-bearing debt (principally bank debt, debenture loans, private placements and employee savings deposits), making up 43 per cent of total liabilities; 3,181 million Swiss francs of this are short term, including the commercial paper issued in the USA, the United Kingdom, and the Euromarket, plus 95 million Swiss francs in money market debt in Switzerland. Apart from these 95 million Swiss francs, all bank debt was incurred by Group companies in their local currencies. The debenture loans and private placements were denominated in the following currencies: US dollars, 75 per cent; Swiss francs, 21 per cent; pounds sterling, 4 per cent.

Equity Equity represents 59 per cent of the Balance Sheet total (1991: 57 per cent).

Key ratios The principal ratios have changed as follows during the year:

Debt/equity ratio (liabilities and equity respectively, as percentages of the balance sheet total): 41:59 (1991: 43:57).

Assets protection ratio (ratio of equity to long term assets plus one half of inventories): 1.02 (1991, 0.97). The entire long term assets plus 59 per cent of inventories are covered by equity.

Current ratio (ratio of current assets to current liabilities): 1.98 (1991, 1.79).

Quick ratio (ratio of liquid funds plus receivables to total current liabilities): 1.24 (1991, 1.05).

assets was

Consolidated Balance Sheet

IN MILLIONS OF SWISS FRANCS

	31 DECEMBER 1992	31 DECEMBER 1991
Current assets	14,979	
Liquid funds ¹	5,267	4,268
Customer receivables	4,064	3,821
Various current assets	1,468	1,520
Stocks	4,180	4,160
Long term assets	15,621	
Fixed assets ²	13,920	12,935
Other long term assets (investments, loans and other assets of a long term character)	1,701	1,744
BALANCE SHEET TOTAL	30,600	
Current liabilities	7,549	
Suppliers	1,117	1,198
Banks	2,163	2,337
Other current liabilities	4,269	4,157
Long term liabilities	4,753	
Debenture loans and private placements	1,710	1,507
Other loans and long term liabilities	3,043	2,693
Minority interests	224	
Group equity	18,074	
BALANCE SHEET TOTAL	30,600	

¹Of which: Cash/P.O. Giro/Bank

3,232

Securities

2,035

²Of which: Land and buildings

6,289

Plant

7,637

Use of historical cost less appropriate depreciation would give a valuation of:

9,649

Insurance value of fixed assets

28,855

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Sales by business sector

IN MILLIONS OF SWISS FRANCS

	1992	1991	Change %	
Healthcare	8,662	7,824	+11	+12
Agriculture	4,817	4,798	0	+1
Industry	8,725	8,455	+3	+3
GROUP TOTAL	22,204	21,077	+5	+6

Business sector operating profit

IN MILLIONS OF SWISS FRANCS

	1992	1991	1992 as % of 1991
Healthcare	1,286	1,253	103
Agriculture	493	507	97
Industry	527	349	151
TOTAL OPERATING PROFIT	2,306	2,109	109
± Financial profit/(expenditure)	(41)	(141)	29
Remaining corporate overhead including income taxes	(744)	(688)	108
GROUP OPERATING PROFIT AFTER TAXATION	1,520	1,280	119

*Calculated on the Group sales figures expressed in Swiss francs
 *Local currency basis

MEMBER
 91
 13,758
 14,678
 28,438
 7,892
 4,200
 225
 16,321
 28,438
 2,809
 1,859
 5,961
 8,974
 8,283
 24,975

Group sales by geographical area¹

IN PER CENT

Region	1992	1991
Europe	43	36
of which EC	36	32
North America	7	13
Latin America	13	6
Asia		
Africa, Australia, Oceania		

Sales in the principal local currencies²

IN MILLIONS

Country	Currency unit	1992	1991	Change, %	Ave infl. rat
USA	US \$	4,651	4,247	+10	
Germany	DM	2,409	2,492	-3	
UK	£	428	410	+4	
France	Franc	6,553	6,465	+1	
Italy	Lira	1,023,641	979,489	+5	
Japan	Yen	122,699	119,766	+2	
Spain	Peseta	43,177	42,084	+3	
Canada	C\$	476	447	+6	
Brazil	US \$ ⁴	406	399	+2	
Switzerland	Franc	436	386	+13	
Mexico	Peso	759,829	639,590	+19	
Australia	A \$	320	235	+36	
Netherlands	Guilder	538	497	+8	
Belgium/Luxembourg	Franc	7,266	6,766	+7	

¹Calculated on the sales figures in Swiss francs²Sales by or on behalf of local companies (excluding inter-company shipments)³Movement of retail price index, 1992. Source: O.E.C.D., *Main Economic Indicators*, February 1993 (Mexican and Australian percentages estimated)⁴Special reporting in US dollars for countries with hyperinflation

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Number of employees by geographical area

	31 DECEMBER 1992		Proportion, %	Proportion, %	31 DECEMBER 1991		Proportion, %	Proportion, %
Europe	47,078			52	49,345			53
of which Switzerland	22,133		24		22,699		25	
of which EC	23,836		26		24,434		27	
North America	23,231			26	22,980			25
Latin America	7,948			9	8,096			9
Asia	9,412			10	9,165			10
Africa, Australia, Oceania	2,827			3	3,079			3
GROUP TOTAL	80,564			100	91,865			100

Capital expenditure by geographical area

IN MILLIONS OF SWISS FRANCS

	1992		Proportion, %	Proportion, %	1991		Proportion, %	Proportion, %
Europe	1,234			66	1,285			66
of which Switzerland	569		31		668		34	
of which EC	645		35		608		31	
North America	470			25	499			25
Latin America	71			4	68			3
Asia	68			4	91			5
Africa, Australia, Oceania	13			1	14			1
GROUP TOTAL	1,897			100	1,957			100

Fixed assets by geographical area

IN MILLIONS OF SWISS FRANCS

	31 DECEMBER 1992		Proportion, %	Proportion, %	31 DECEMBER 1991		Proportion, %	Proportion, %
Europe	9,533			68	9,117			70
of which Switzerland	5,769		41		5,328		41	
of which EC	3,788		27		3,731		29	
North America	3,200			23	2,746			21
Latin America	537			4	476			4
Asia	638			4	479			4
Africa, Australia, Oceania	112			1	117			1
GROUP TOTAL	13,920			100	12,935			100

1991

44

36

32

7

13

4

Average inflation rate %

3

4

4

3

5

2

6

2

-

4

16

1

4

3

Australian

The Group in figures, 1982-1992

		1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Group sales	SFr.m.	13,808	14,741	17,474	18,221	15,955	15,764	17,647	20,608	19,703	21,077	22,204
Change in relation to preceding year	%	+1	+7	+19	+4	-12	-1	+12	+17	-4	+7	+5
Group operating profit after taxation	SFr.m.	622	776	1,187	1,472	1,161	1,100	1,325	1,557	1,033	1,280	1,520
Change in relation to preceding year	%	+19	+25	+53	+24	-21	-5	+20	+18	-34	+24	+19
	As % of Sales	4.5	5.3	6.8	8.1	7.3	7.0	7.5	7.6	5.2	6.1	6.8
Depreciation of fixed assets	SFr.m.	836	804	869	897	844	858	943	1,078	1,087	1,201	1,251
	As % of Sales	6.1	5.4	4.9	4.9	5.3	5.4	5.3	5.2	5.5	5.7	5.6
Group operating cash flow	SFr.m.	1,458	1,980	2,050	2,359	2,005	1,958	2,268	2,635	2,120	2,481	2,771
Change in relation to preceding year	%	+9	+8	+30	+16	-15	-2	+16	+16	-20	+17	+12
	As % of Sales	10.6	10.7	11.7	13.0	12.6	12.4	12.9	12.8	10.8	11.8	12.5
Current assets	SFr.m.	9,105	9,595	11,766	12,053	12,127	12,223	13,293	13,665	12,935	13,759	14,979
Change in relation to preceding year	%	+10	+6	+21	+2	+1	+1	+9	+3	-6	+7	+9
Long term assets	SFr.m.	9,737	10,035	10,709	10,514	10,171	9,935	11,418	12,418	13,315	14,879	15,821
Change in relation to preceding year	%	+5	+3	+7	-2	-3	-2	+15	+9	+7	+10	+6
Current liabilities	SFr.m.	3,943	4,216	4,919	4,954	4,826	5,153	6,059	6,408	7,170	7,692	7,549
Change in relation to preceding year	%	+11	+7	+17	+1	-3	+7	+18	+6	+12	+7	-2
Long term liabilities	SFr.m.	3,220	3,289	3,469	3,462	2,888	2,635	3,094	3,195	3,273	4,200	4,783
Change in relation to preceding year	%	+7	+2	+5	0	-17	-9	+17	+3	+2	+28	+13
Equity	SFr.m.	11,537	12,071	13,921	13,978	14,401	14,188	15,370	16,237	15,454	16,321	18,074
Change in relation to preceding year	%	+6	+5	+16	0	+3	-1	+8	+6	-5	+6	+11
Research and development expenditure	SFr.m.	1,175	1,248	1,456	1,674	1,627	1,673	1,797	2,075	2,051	2,185	2,354
	As % of Sales	8.5	8.5	8.3	9.2	10.2	10.6	10.2	10.1	10.4	10.4	10.1
Capital expenditure	SFr.m.	868	830	1,007	1,213	1,232	1,368	1,618	1,987	2,058	1,957	1,851
Change in relation to preceding year	%	-1	-4	+21	+20	+2	+11	+18	+23	+4	-5	-
	As % of Sales	6	6	6	7	8	9	9	10	10	9	-
Personnel costs incl. welfare	SFr.m.	4,206	4,390	4,893	5,184	4,924	4,842	5,402	6,132	6,275	6,598	6,78
Change in relation to preceding year	%	+3	+4	+11	+6	-5	-2	+11	+14	+2	+5	+
Number of employees		79,413	79,173	81,423	81,012	82,231	88,109	88,757	92,553	94,141	91,665	90,56
Change in relation to preceding year	%	-1	0	+3	-1	+2	+5	+3	+4	+2	-3	-

The Group in figures, 1982-1992

		1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Group sales	SFr.m.	13,808	14,741	17,474	18,221	15,955	15,764	17,847	20,608	19,703	21,077	22,204
Change in relation to preceding year	%	+1	+7	+19	+4	-12	-1	+12	+17	-4	+7	+8
Group operating profit after taxation	SFr.m.	622	776	1,187	1,472	1,161	1,100	1,325	1,557	1,033	1,280	1,520
Change in relation to preceding year	%	+19	+25	+53	+24	-21	-8	+20	+18	-34	+24	+19
	As % of Sales	4.5	5.3	6.8	8.1	7.3	7.0	7.5	7.6	5.2	6.1	6.8
Depreciation of fixed assets	SFr.m.	836	804	863	897	844	858	943	1,078	1,087	1,201	1,281
	As % of Sales	6.1	5.4	4.9	4.9	5.3	5.4	5.3	5.2	5.5	5.7	5.8
Group operating cash flow	SFr.m.	1,458	1,580	2,050	2,369	2,005	1,958	2,288	2,635	2,120	2,481	2,771
Change in relation to preceding year	%	+9	+8	+30	+16	-15	-2	+16	+16	-20	+17	+12
	As % of Sales	10.6	10.7	11.7	13.0	12.6	12.4	12.9	12.8	10.8	11.8	12.5
Current assets	SFr.m.	9,105	9,696	11,766	12,083	12,127	12,223	13,293	13,665	12,835	13,759	14,979
Change in relation to preceding year	%	+10	+6	+21	+2	+1	+1	+9	+3	-6	+7	+9
Long term assets	SFr.m.	9,737	10,036	10,709	10,514	10,171	9,935	11,418	12,418	13,315	14,879	16,621
Change in relation to preceding year	%	+5	+3	+7	-2	-3	-2	+15	+9	+7	+10	+8
Current liabilities	SFr.m.	3,943	4,216	4,919	4,954	4,826	5,153	6,059	6,408	7,170	7,892	7,548
Change in relation to preceding year	%	+11	+7	+17	+1	-3	+7	+18	+6	+12	+7	-2
Long term liabilities	SFr.m.	3,220	3,289	3,469	3,462	2,888	2,635	3,094	3,195	3,273	4,200	4,783
Change in relation to preceding year	%	+7	+2	+5	0	-17	-9	+17	+3	+2	+28	+13
Equity	SFr.m.	11,537	12,071	13,921	13,978	14,401	14,188	15,370	16,237	15,454	16,321	18,074
Change in relation to preceding year	%	+6	+5	+15	0	+3	-1	+8	+6	-5	+6	+11
Research and development expenditure	SFr.m.	1,175	1,248	1,456	1,674	1,627	1,673	1,787	2,075	2,051	2,185	2,351
	As % of Sales	8.5	8.5	8.3	9.2	10.2	10.6	10.2	10.1	10.4	10.4	10.6
Capital expenditure	SFr.m.	858	830	1,007	1,213	1,232	1,368	1,616	1,987	2,058	1,957	1,857
Change in relation to preceding year	%	-1	-4	+21	+20	+2	+11	+18	+23	+4	-5	-1
	As % of Sales	6	6	6	7	8	9	9	10	10	9	8
Personnel costs incl. welfare	SFr.m.	4,206	4,390	4,893	5,184	4,924	4,842	5,402	6,132	6,275	6,598	6,78
Change in relation to preceding year	%	+3	+4	+11	+6	-5	-2	+11	+14	+2	+5	+1
Number of employees		79,413	79,173	81,423	81,012	82,231	86,109	88,757	92,553	94,141	91,665	90,55
Change in relation to preceding year	%	-1	0	+3	-1	+2	+5	+3	+4	+2	-3	-1