

Media release

Zollikon-Zurich, March 27, 2002

Annual Report 2001 and invitation to General Assembly of Shareholders

SAM Smart Energy (SMA), the investment company for energy technologies of the future, faced an extremely harsh market environment in its first year of operation, overshadowed by the events on and after September 11, the global economic downturn and the uncertainties triggered by the collapse of energy trader Enron. Against this backdrop, the net asset value (NAV) decreased by 38.3% since the launch in May 2001. The share price contracted by 35% over the same period. The first year was difficult, but SAM Smart Energy's investment focus is future-oriented since fundamental changes in the energy sector will promote innovative, energy-efficient technologies and services.

In the second half of 2001, the positions in Enron, Gamesa, Quanta Services, Schaffner, LEM Holding and Turbo Genset were disposed of entirely. In all cases the decisions were based on fundamental reassessments of the companies or their markets. Two new pioneer firms were added to the portfolio: Hydrogenics, a leading manufacturer of measuring and control technologies for integrating fuel cells and a partner of General Motors, and Caminus, a successful developer of software for energy trading and risk management. We also added exposure to new leaders, including Österreichisches Elektrizitätswirtschafts AG, the leading European producer of hydropower. These changes brought the number of holdings in the portfolio to 25 positions at the end of the year.

Enclosed with the Annual Report 2001 are company portraits prepared by SMA's investment advisers SAM Sustainable Asset Management. They provide investors with an in-depth insight into the sustainable added value created by the companies in the portfolio. The portraits include detailed evaluations of the companies and a summary of the contribution made by them to the sustainability of the market segment which they are operating in.

SAM Smart Energy faced a tough environment in its first year, but sees itself solidly invested in the future. Deregulation of the electricity and gas markets, the increasing significance of ecological awareness and climate policy, and growing demand for energy in the emerging economies will all bring about fundamental change in the energy sector. This in turn spells enormous opportunities for companies offering innovative and future-oriented technologies and services. SAM Smart Energy invests in four areas driven by such trends: renewable energy, decentralized energy, natural gas and demand-side energy efficiency.

We are also pleased to invite you to the **1st Ordinary General Assembly of Shareholders** on **Wednesday, April 17, 2002 at 2.15 p.m.** at the Box im Schiffbau Theater in Zurich (see enclosed program). After the General Assembly, Walter W. Schroeder, Chairman and CEO of Proton Energy Systems will present a speech (in English) looking at the question: **Fuel cells – future-proof technology for the 21st century?**

For further information on the year under review please consult the enclosed Annual Report, visit www.samsmartenergy.com or contact us:

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SAM Smart Energy is a Swiss investment company which invests in innovative, future-oriented enterprises that guarantee the efficient use of energy through intelligent new technologies and services. The leaders and pioneers selected are domiciled primarily in North America and Europe. Investments are made in the following four areas: renewable energy, decentralized energy, the natural gas market and demand-side energy efficiency. SAM Smart Energy also invests in unlisted companies (private equity).

Registration – Reply coupon

Date: April 17, 2002

Ort: Box im Schiffbau Theater, Schiffbaustrasse 4, 8005 Zurich (near Escher-Wyss-Platz)

- I would like to attend the SAM Smart Energy General Assembly.
Time: 2.15 p.m. to approx. 3.30 p.m.
- I would like to attend the speech by Walter W. Schroeder, CEO of Proton Energy Systems.
Time: approx. 3.30 p.m. to 4.30 p.m.
- Unfortunately, I cannot come on this date. Please send me additional documentation.

Name: _____ First name: _____

Name of media: _____

Street: _____

Postcode _____ Place: _____

Tel. / fax / e-mail: _____

Please fax, e-mail or post to: SAM Smart Energy, Zollikerstrasse 60, 8702 Zollikon, fax: +41 1 687 22 69, e-mail: info@sustainable.ch