

Semi-Annual Report

2007



ALPINE SELECT

Board of Directors

Daniel J. Sauter, *Chairman*

Hans Müller

Walter Geering

Company Auditors

Ernst & Young AG

Badenerstrasse 47

8022 Zurich

Switzerland

Company Info Sheet

Listing:	SWX Swiss Exchange
Stock Exchange Symbol:	ALPN
Swiss Security Number:	1.919.955
ISIN Code:	CH0019199550
Reuters:	ALPN.S
Bloomberg:	ALPN SW EQUITY
Type of Shares:	Registered shares
Outstanding Shares:	15'864'144

Net Asset Value is published on a weekly basis in Finanz und Wirtschaft, Zurich, on Bloomberg and on the Company website.

Table of contents

Chairman's statement	3
Key figures	4-5
Interim consolidated financial statements	6-9
Notes to the unaudited interim consolidated financial statements	10-18

Chairman's statement

Dear Shareholders,

During the first six months of the year the net asset value of Alpine (NAV) has increased by 7.9% from CHF 17.60 to CHF 18.99. In the corresponding period the shareprice rose from CHF 17.90 to CHF 19.50 representing an increase of 8.9%.

While equity markets have had a good start into the year, first signs of overheating became apparent towards the end of the first quarter. As certain of our investments were approaching or even exceeding our own price targets or anticipated events occurred, it was decided to realize profits and to build up liquidity into the second half of the year. Positions such as Gurit Holding, Inficon, Bank Linth, Castle Private Equity, Sarasin Torneo Multistrategy Fund and Swisslog were either sold entirely or reduced significantly. Our large position in Valora Holding was reduced as the company unexpectedly altered its return targets at their annual analyst presentation. Derivative instruments – both on stocks and on indices – have helped mitigating some of the market movements. During the reporting period Absolute Europe Ltd. has been absorbed by Absolute Invest AG and a position in Pargesa Holding, trading at a discount to its net asset value, was entered into. Finally, our engagement in Schaffner Holding which is still trading at a very undemanding valuation was increased significantly.

Though main markets have declined post our half year closing on the back of negative news flow from credit markets, this will provide us with ample opportunities which we will exploit. Our performance remains positive despite recent events and we are confident to deliver returns as per our stated goals.

On behalf of the Board of Directors I thank you for your continued interest and trust.



Daniel J. Sauter

Chairman of the Board of Directors

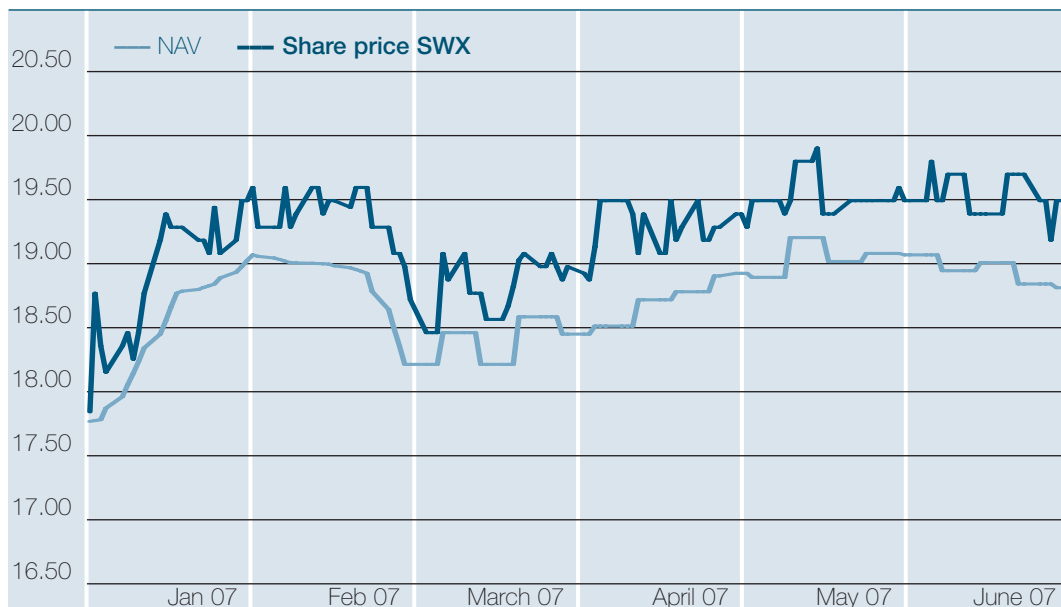
20. August 2007

Key figures

Performance table

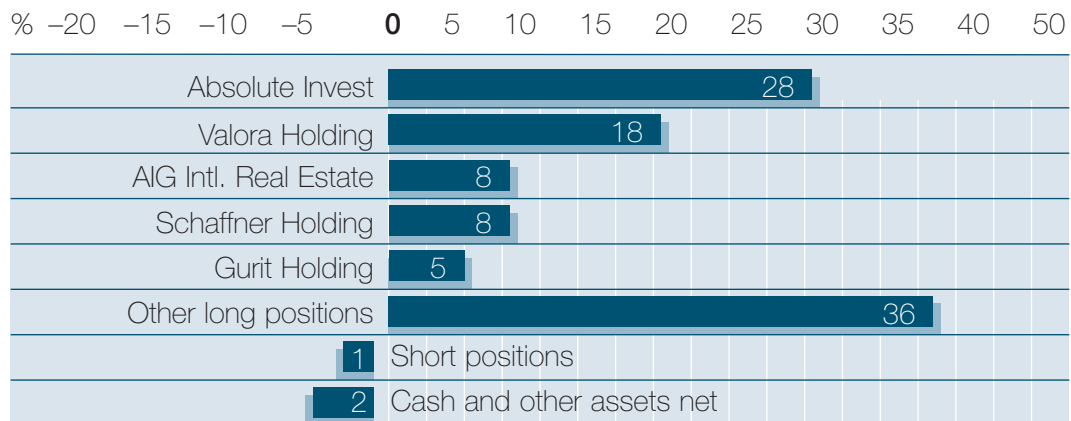
	30 June 2007	31 December 2006
Share price	CHF 19.50	CHF 17.90
NAV	CHF 18.99	CHF 17.60
	High 2007	Low 2007
Share price	CHF 19.90	CHF 17.90
NAV	CHF 19.22	CHF 17.84

6 Months price history in CHF (weekly NAV and daily closing share price)



Key figures

Positions as a percentage of net book value at 30 June 2007



Monthly NAV-performance in %

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Annually
2003*						0.1	-1.4	5.5	1.4	-2.8	5.1	-1.7	5.9*
2004	5.8	1.7	3.1	2.2	-2.6	1.1	0.9	-1.3	3.7	0.1	0.5	0.9	16.9
2005	-0.1	0	0.1	0.7	0.7	0.6	4.6	1.9	2.0	-1.8	-1.2	3.3	11.1
2006	2.6	3.3	2.7	3.2	-4.4	1.6	0.8	-0.3	2.6	9.2	0.3	0.3	23.6
2007	7.5	-3.5	2.0	1.8	0.7	-0.7							7.8**

* seven months only

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Interim consolidated financial statements

CONSOLIDATED BALANCE SHEET			
in CHF 1'000	Notes	30.06.2007 (unaudited)	31.12.2006 (audited)
ASSETS			
Current assets			
Cash and cash equivalents		549	53'944
Trading securities	3	288'324	249'448
Trading options	3	26'945	928
Other current assets	4	1'194	2'267
Total current assets		317'012	306'587
Non-current assets			
Furniture and equipment, net		37	40
TOTAL ASSETS		317'049	306'627
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Due to banks	7	4'256	19'437
Trading liabilities	3	4'276	0
Trading options	3	1'300	1'131
Accounts payable and accrued liabilities		2'364	3'681
Deferred tax liabilities		3'660	3'094
Total current liabilities		15'856	27'343
Shareholders' equity			
Share capital		317	317
Additional paid in capital		152'313	152'313
Currency translation differences		(136)	(136)
Treasury shares		0	(209)
Retained earnings		148'699	126'999
Total shareholders' equity	5	301'193	279'284
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		317'049	306'627

Interim consolidated financial statements

CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE			
in CHF 1'000	Notes	2007 (unaudited)	2006 (unaudited)
OPERATING INCOME			
Result on trading securities, liabilities and derivatives, net	6	23'009	19'324
Other income		0	219
Result on interest, net		220	83
Dividend income		2'731	1'474
Result on foreign exchange, net		(529)	(2'150)
Total operating income		25'431	18'950
OPERATING EXPENSES			
General and administrative expenses		(576)	(636)
Commissions and other bank fees		(1'080)	(1'732)
Depreciation		(3)	(3)
Total operating expenses		(1'659)	(2'371)
Net profit before tax		23'772	16'579
Income tax expense		(1'863)	(520)
Net profit after tax		21'909	16'059
Earnings per share (CHF)		1.38	1.74
Earnings per share, diluted (CHF)		1.38	1.74

Interim consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE (condensed)		
in CHF 1'000	2007 (unaudited)	2006 (unaudited)
Cash flows from operating activities		
Net result before tax	23'772	16'579
Adjustments for:		
-Depreciation	3	3
-Other adjustments and changes in current assets and current liabilities	(27'814)	6'529
Purchases of financial investments	(142'229)	(283'104)
Proceeds on sale of financial investments	107'917	216'307
Net cash flow used for operating activities	(38'351)	(43'686)
Cash flows from financing activities		
Increase in fixed term bank loans	3'000	0
Repayment fixed term bank loans	(19'300)	(11'029)
Net cash flow used for financing activities	(16'300)	(11'029)
Net decrease in cash and cash equivalents	(54'651)	(54'715)
Cash and cash equivalents - at the beginning of the period	53'944	55'891
Cash and cash equivalents - at the end of the period	(707)	1'176
Cash and cash equivalents as defined for the balance sheet	549	1'176
Bank overdrafts	(1'256)	0
Cash and cash equivalents as defined for the cash flow statement	(707)	1'176

Interim consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY						
	Share capital	Additional paid in capital	Treasury stock	Currency translation differences	Retained earnings	Total
in CHF 1'000						
Balance at 1 January 2006	227	85'414	0	223	85'440	171'304
Currency translation differences recognized directly in equity				(361)		(361)
Net profit for the period 1.1.-30.6.2006					16'059	16'059
Total recognized income and expense	0	0	0	(361)	16'059	15'698
Balance at 30 June 2006	227	85'414	0	(138)	101'499	187'002
Currency translation differences recognized directly in equity				2		2
Net profit for the period 1.7.-31.12.2006					25'232	25'232
Total recognized income and expense	0	0	0	2	25'232	25'234
Capital increase	90	66'899				66'989
Net premium on treasury share activity					59	59
Treasury shares			(209)			(209)
Share-based payment					209	209
Balance at 31 December 2006	317	152'313	(209)	(136)	126'999	279'284
Net profit for the period 1.1.-30.6.2007					21'909	21'909
Total recognized income and expense	0	0	0	0	21'909	21'909
Settlement of treasury shares			209		(209)	0
Balance at 30 June 2007	317	152'313	0	(136)	148'699	301'193

Notes to the unaudited interim consolidated financial statements for the six months ended 30 June 2007

1. Basis of presentation

The accompanying unaudited interim financial statements of Alpine Select AG (the "Company") comply with the recognition criteria and the measurement methods of International Financial Reporting Standards ("IFRS"), specifically International Accounting Standard (IAS) 34 "Interim Financial Reporting", Swiss law and the accounting guidelines recommended by the SWX Swiss Exchange's Additional Rules for Listing of Investment Companies. The accounting conventions and accounting policies are the same as those applied by the Company and described in its 2006 Annual Report (pages 22-51) except of the new IFRS and IFRIC interpretations during the six month period. Adoption of these revised standards and interpretations did not have any effect on the interim consolidated financial statements.

On 20 August 2007 the Board of Directors authorized these interim financial statements for issue.

2. Seasonality

The business of the Company does not present relevant seasonal patterns.

3. Consolidated investment table

Movements in investments are to be found on the following pages 12 to 17.

4. Other current assets

in CHF 1'000	30 June 2007	31 December 2006
Swiss withholding tax	930	2'244
Accrued interest	0	14
Accrued income and prepaid expenses	47	9
Other	217	0
Total	1'194	2'267

5. Shareholders' equity and treasury stock

As of 30 June 2007, the share capital of the Company was CHF 317'282.88 consisting of 15'864'144 registered shares with a par value of CHF 0.02 each. All of the registered shares are fully paid in. Each share has one vote and all shares are equally entitled to dividends.

In December 2006 the Company allocated 12'000 treasury shares of Alpine Select AG to an executive member of the Board of Directors. The transfer of these treasury shares to that member of the Board of Directors was settled in January 2007. As of 30 June 2007 the Company did not own any treasury shares (31 December 2006: 12'000).

**6. Result on trading securities, liabilities and derivatives,
net for the six months ended 30 June:**

in CHF 1'000	2007	2006
Realized gains – trading securities	20'135	18'406
Realized losses – trading securities	(40)	(289)
Net realized currency gains – trading securities	330	430
Net realized – trading securities	20'425	18'547
Unrealized gains – trading securities	7'413	8'633
Unrealized losses – trading securities	(2'328)	(8'798)
Net unrealized currency gains/(losses) – trading securities	456	(5'176)
Net unrealized – trading securities	5'541	(5'341)
Total trading securities, net	25'966	13'206
Realized gains – trading liabilities	193	428
Realized losses – trading liabilities	0	(3'329)
Net realized currency gains – trading liabilities	7	139
Net realized – trading liabilities	200	(2'762)
Unrealized gains – trading liabilities	0	1'535
Unrealized losses – trading liabilities	(564)	(347)
Net unrealized currency gains/(losses) – trading liabilities	(65)	4
Net unrealized – trading liabilities	(629)	1'192
Total trading liabilities, net	(429)	(1'570)
Realized gains – trading options	5'549	805
Realized losses – trading options	(4'009)	(279)
Net realized currency gains/(losses) – trading options	0	(0)
Net realized – trading options	1'540	526
Unrealized gains – trading options	182	1'096
Unrealized losses – trading options	(1'123)	(256)
Net unrealized currency gains/(losses) – trading options	(0)	0
Net unrealized – trading options	(941)	840
Total trading options, net	599	1'366
Realized gains/(losses) – forwards and financial futures	(4'774)	3'148
Unrealized gains – forwards and financial futures	1'647	3'174
Total forwards and financial futures, net	(3'127)	6'322
Result on trading securities, liabilities and derivatives, net	23'009	19'324

Consolidated investment table as of 30 June 2007		in CHF		
Investments	Number of shares at	Fair value at	Additions	Reductions
	1 January 2007	1 January 2007		
LONG POSITIONS :				
Absolute Europe Ltd	180'345	12'250'335		(12'432'140)
Absolute Invest AG	186'308	64'246'841	5'039'024	(54'510)
AIG International Real Estate GmbH & Co KGaA	322'895	20'789'917		(23'369)
Atrium V Ltd Pref/-Reg.S-	1'500	1'831'020		
Bank Linth	2'000	1'082'000		(1'081'025)
Blackstone GRP Partnership			90'837	(106'806)
Castle Private Equity			8'970'607	(412'543)
Cicor Technologies	50'000	5'200'000	4'164'000	
Feintool Intl Holding AG	6'624	2'907'936	10'454'218	(2'934)
Gurit Holding AG	29'152	31'017'728	6'441'304	(30'693'384)
HBM Bioventures AG	60'195	5'357'355	8'069'698	
Highland Financial Partners LP	600'000	10'986'120		
Inficon Holding AG	15'000	2'880'000		(2'775'000)
ING Investment Management CLO			2'425'696	
Invisa Inc	130'000			
Ivanhoe Energy Inc				
Ivanhoe Energy Inc *	124'237			
Mach Hitech AG			137'897	
New Venturetec AG			6'492'653	
Pargesa Holding AG	5'601	777'418	9'237'839	
Peoples Choice Financial Corporation	70'800	475'332		
Prime New Energy AG	207'492	1'659'936		
Prokmu Invest AG	57'350			
Sarasin Torneo Multistrategy Fund	89'673	9'242'616		(9'208'805)
Schaffner Holding AG	38'934	8'954'820	16'515'453	(768'616)
Stone Tower CLO VI LTD			2'381'596	
Swisslog Holding AG	3'076'650	4'738'041	1'488'983	(6'878'291)
Valora Holding AG	194'325	65'050'292	35'011'688	(40'964'789)
Vitafort International Corporation	317'543			
2 1/4% Convertible Bonds Schaffner Holding			1'392'000	
Total Long Positions:		249'447'707	118'313'491	(105'402'212)
of which gains				
of which losses				

		in CHF						
Realized gains/(losses) net of FX	Realized FX gains/(losses)	Unrealized gains/(losses) net of FX	Unrealized FX gains/(losses)	Fair value at	Number of shares at	Stock price (closing) in local currency at	Dividends received	
For the six months to 30 June 2007				30 June 2007	30 June 2007	30 June 2007	30 June 2007	30 June 2007
1'950'945	329'313	(1'824'520)	(273'933)	0				
12'822	(479)	14'116'319	163'949	83'523'965	199'856	USD 341		
7'109	728	2'911'561	418'577	24'104'523	322'545	EUR 45		
		(18'237)	7'194	1'819'977	1'500	USD 990		145'968
57'417		(58'393)		0				
15'970				0				
		1'247'669		9'805'733	62'817	CHF 156		
		(521'500)		8'842'500	90'000	CHF 98		
240		318'640		13'678'100	29'735	CHF 460		297'410
8'323'901		126'451		15'216'000	9'600	CHF 1'585		130'000
		848'437		14'275'490	147'170	CHF 97		
			44'046	11'030'166	600'000	USD 15		436'757
112'500		(217'500)		0				90'000
			(23'571)	2'402'125	2'000	USD 980		
		(5'794)	5'794	0	130'000	USD 0		
		147'329		147'329	62'076	CAD 2		
				0	62'076	USD 0		
		1'415		139'311	9'477	CHF 15		
		(1'548'025)		4'944'628	190'178	CHF 26		
		42'826		10'058'083	73'524	CHF 137		174'252
		(568'635)	93'303	0	70'800	USD 0		
				1'659'936	207'492	CHF 8		
				0	57'350	CHF 0		
834'136		(665'819)		202'128	1'853	CHF 109		
4'119		2'315'383		27'021'159	106'803	CHF 253		
		49'023	20'529	2'451'148	2'000	USD 1'000		
1'780'162		(1'128'895)		0				
6'994'941		(10'469'732)		55'622'400	173'820	CHF 320		1'456'776
		(32)	32	0	317'543	USD 0		
		(12'600)		1'379'400		CHF 114		
20'094'263	329'562	5'085'371	455'919	288'324'101				2'731'163
20'134'747	330'041	7'413'357	753'424					
(40'484)	(479)	(2'327'986)	(297'505)					

Consolidated investment table (continued)		in CHF		
Investments	Number of shares at	Fair value at	Additions	Reductions
	1 January 2007	1 January 2007		
SHORT POSITIONS :				
Basilea Pharmaceutica AG			(1'141'363)	
Comverge Inc.			(35'170)	30'583
Osiris Therapeutics Inc.			(607'475)	411'914
Total SA			(2'505'092)	
Total Short Positions :			(4'289'100)	442'497
of which gains				
of which losses				
TRADING OPTIONS:				
Call Osiris Therapeutics 20				(3'654)
OTC A-Call Valora Holding AG			(1'225'000)	
OTC E-Call Gurit Holding AG				(510'000)
OTC E-Call Valora Holding AG			(224'000)	
OTC E-Call Valora Holding AG			(860'000)	
OTC E-Put Gurit Holding AG	(10'000)	(1'500)		
OTC E-Put Inficon Holding AG	(15'000)	(284'100)		
OTC E-Put Inficon Holding AG	(15'000)	(81'450)		
OTC E-Put Saurer AG	(150'000)	(1'500)		
OTC E-Put Valora Holding AG	(50'000)	(581'000)		
OTC E-Put Valora Holding AG			(780'000)	
Put SMI Index CHF 8300.--/16.03.07/1 Put/10 IDX	1'250	927'500		(2'087'500)
Put SMI Index CHF 8300.--/19.03.07/1 Put/10 IDX			2'087'500	(118'250)
Put SMI Index CHF 8500.--/18.06.07/1 Put/10 IDX			460'000	
Put SMI Index CHF 8750.--/18.06.07/1 Put/10 IDX			1'004'901	
Put SMI Index CHF 8950.--/18.06.07/1 Put/10 IDX			500'000	
Swisslog Holding AG / SLOGO	(1'809'627)	(180'963)	237'594	
WTS OC Oerlikon Corp AG			26'766'383	
WTS Swisslog Holding AG			237'594	(237'594)
Total Trading Options:		(203'013)	28'204'971	(2'956'998)
of which gains				
of which losses				
of which assets		927'500		
of which liabilities		(1'130'513)		

		in CHF						
Realized gains/(losses) net of FX	Realized FX gains/(losses)	Unrealized gains/(losses) net of FX	Unrealized FX gains/(losses)	Fair value at	Number of shares at	Stock price (closing) in local currency at	Dividends received	
For the six months to 30 June 2007				30 June 2007	30 June 2007	30 June 2007	30 June 2007	
		(141'889)		(1'283'252)	(4'744)	CHF 217		
4'587				0				
188'765	6'795			0				
		(421'745)	(65'433)	(2'992'270)	(30'000)	EUR 60		
193'352	6'795	(563'634)	(65'433)	(4'275'522)			0	
193'352	6'795	0	0					
0	0	(563'634)	(65'433)					
		3'538	(6)	(122)	(10)	USD 0		
1'225'000				0				
		(790'200)		(1'300'200)	(10'000)	CHF 130		
224'000				0				
860'000				0				
310'000		(308'500)		0				
165'000		119'100		0				
210'000		(128'550)		0				
960'000		(958'500)		0				
815'000		(234'000)		0				
780'000				0				
		1'160'000		0				
(1'969'250)				0				
(460'000)				0				
(1'004'901)				0				
(500'000)				0				
(74'727)		18'096		0				
		178'718		26'945'100	274'950	CHF 98		
				0				
1'540'122	0	(940'298)	(6)	25'644'778			0	
5'549'000	0	182'256	0					
(4'008'878)	0	(1'122'554)	(6)					
				26'945'100				
				(1'300'322)				

Consolidated investment table (continued)		in CHF		
Investments	Number of shares at	Fair value at	Additions	Reductions
	1 January 2007	1 January 2007		
FORWARDS AND FINANCIAL FUTURES:				
Amsterdam Exchange Index				
Compagnie des Agents de change				
Deutscher Aktienindex				
DJ Euro Stoxx 50 Index				
FTSE Eurotop 100 Index				
Spanish Stock Index				
Swiss Market Index				
Forward sales USD/CHF		(1'185'791)		
Forward sales EUR/CHF		(244'981)		
Forward Purchase EUR/CHF				
Total Forwards and Financial Futures:		(1'430'772)	0	0
of which gains				
of which losses				
of which assets		0		
of which liabilities		(1'430'772)		

	in CHF							
Realized gains/(losses) net of FX	Realized FX gains/(losses)	Unrealized gains/(losses) net of FX	Unrealized FX gains/(losses)	Fair value at	Number of shares at	Stock price (closing) in local currency at	Dividends received	
For the six months to 30 June 2007				30 June 2007	30 June 2007	30 June 2007	30 June 2007	
327'571				0				
(1'038'521)				0				
684'524				0				
(899'271)				0				
(21'162)				0				
(620'690)				0				
(83'370)				0				
	(2'429'305)		1'426'093	240'302				
	(714'075)		221'376	(23'605)				
	20'400			0				
(1'650'917)	(3'122'980)	0	1'647'469	216'697			0	
1'012'096	20'400	0	1'647'469					
(2'663'013)	(3'143'380)	0	0					
				240'302				
				(23'605)				

7. Credit agreements

On 15 February 2003 the Company has entered into a general banking and securities lending agreement with Bank Julius Baer & Co. Ltd, Zurich. Under this agreement, advances made or securities loaned to the Company are secured by a pledge on assets of the Company held by Bank Julius Baer & Co. Ltd, Zurich.

Substantially all assets of the Company are held by Bank Julius Baer & Co. Ltd, Zurich.

In June 2007 the Company entered into a fixed term credit agreement of CHF 3 million for the period dated 29 June to 20 July 2007 at an interest rate of 3.38%.

8. Net asset value per share

The net asset value per share is calculated using the adjusted number of shares outstanding at the end of the period. The net asset value per share at 30 June 2007 is CHF 18.99 (30 June 2006: CHF 16.50).

9. Significant shareholders

To the best knowledge of the Company the following shareholders held a participation exceeding 5% of the share capital of the Company at:

Number of shares (percentage)	30 June 2007	31 December 2006
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Fabrel AG

Seestrasse 50, 6052 Hergiswil

(beneficial owner is

Hans Müller, 6052 Hergiswil)	3'500'000 (22.06%)	3'500'000 (22.06%)
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Trinsic AG

Artherstrasse 21, 6300 Zug

(beneficial owners are

Daniel Sauter, 6300 Zug and

Michel Vukotic, 8706 Meilen)	1'897'863 (11.96%)	1'946'236 (12.27%)
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10. Subsequent events

There are no subsequent events to report.



ALPINE SELECT

Alpine Select AG Bahnhofstrasse 23 CH-6300 Zug
Tel. +41 41 720 44 11 Fax +41 41 720 44 12
info@alpine-select.ch www.alpine-select.ch