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SWISS HELVETIA FUND, INC.

Form N-30B-2

November 21, 2005

THE SWISS HELVETIA FUND, INC.

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Directors and Officers

Paul Hottinguer

CHAIRMAN

Eric R. Gabus+

VICE CHAIRMAN (NON OFFICER)

Paul R. Brenner, Esq.

DIRECTOR

Alexandre de Takacsy

DIRECTOR

Claude Frey

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ASSISTANT TREASURER

Sara M. Morris

ASSISTANT TREASURER

Peter R. Guarino, Esq.

CHIEF COMPLIANCE OFFICER

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\*AUDIT COMMITTEE MEMBER

+GOVERNANCE/NOMINATING COMMITTEE CHAIRMAN

\*\*AUDIT COMMITTEE CHAIRMAN

INVESTMENT ADVISOR

Hottinger Capital Corp.

1270 Avenue of the Americas, Suite 400

New York, New York 10020

(212) 332-7930

ADMINISTRATOR

Citigroup Fund Services, LLC

CUSTODIAN

Swiss American Securities Inc.

TRANSFER AGENT

American Stock Transfer & Trust Company

59 Maiden Lane

Plaza Level

New York, NY 10038

LEGAL COUNSEL

Stroock & Stroock & Lavan LLP

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP

THE INVESTMENT ADVISOR

The Swiss Helvetia Fund, Inc. (the "Fund") is managed by Hottinger Capital

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Corp., which belongs to the Hottinger Group.

The Hottinger Group dates back to Banque Hottinguer, which was formed in Paris in 1786 and is one of Europe's oldest private banking firms. The Hottinger Group has remained under the control of the Hottinger family through seven generations. It has offices in New York, Zurich, Luxembourg, Toronto, Geneva, Vienna, London, Sion, Lugano, and the Bahamas.

### EXECUTIVE OFFICES

The Swiss Helvetia Fund, Inc.  
1270 Avenue of the Americas, Suite 400  
New York, New York 10020  
1-888-SWISS-00 (1-888-794-7700)  
(212) 332-2760

### FOR INQUIRIES AND REPORTS:

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Fax: (212) 332-7931  
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### WEBSITE ADDRESS

www.swz.com

### THE FUND

The Swiss Helvetia Fund, Inc. is a non-diversified, closed-end investment company whose objective is to seek long-term capital appreciation through investment in equity and equity-linked securities of Swiss companies. The Fund, listed on the New York Stock Exchange under the symbol "SWZ," is managed by Hottinger Capital Corp.

The Fund had a Morningstar overall rating of three stars as of September 30, 2005. Of course, past performance is no guarantee of future results. See the footnote on page 4 for more information.

Net Asset Value is calculated daily by 6:15 P.M. (Eastern Time). The most recent calculation is available by calling 1-888-SWISS-00 or by accessing our Website. Net Asset Value is also published weekly in BARRON'S, the Monday edition of THE WALL STREET JOURNAL and the Sunday Edition of THE NEW YORK TIMES.

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THE SWISS HELVETIA FUND, INC.

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LETTER TO STOCKHOLDERS

### GLOBAL MARKET OVERVIEW

Across the world, equity markets showed good progress during the quarter. Money has been flowing out of the United States into Japan, the emerging markets, and Europe. However, except for Brazil and Mexico, a stronger U.S. currency erased a large portion of the gains when expressed in dollar terms. Monetary policy was in fact a main driver of the dispersion of performance between the U.S. and the rest of the world. The other factors were the larger exposure that non-U.S. companies have to the global economy (especially for European and Swiss companies) and their relatively cheaper valuations. Those two drivers explain why the out-performance of the non-U.S. markets in local currencies was not completely lost after translation into U.S. dollars.

The energy sector was again the star performer, pushed up at the end of the quarter by fears of disruption due to the wave of hurricanes hitting the Gulf of Mexico. The parabolic acceleration of oil prices just before "Katrina" has retraced.

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### SWISS MARKET CORPORATE NEWS

As investors are hungry for yields and not too concerned about credit risk (the cycle has been benign so far), debt is cheap to issue. In addition, equities appear to be cheap based on the low level of prevailing interest rates. This situation continues to support a high level of merger and acquisition activity which has, for the most part, simultaneously rewarded both the acquirer and the acquired company with higher share prices.

Aside from business combinations, primary market activities increased in Europe in the third quarter with a 10% increase in the number of initial public offerings ("IPOs"). The biggest primary market transaction in Switzerland this quarter was the IPO of Panalpina (freight shipping and supply chain management). Panalpina was 14 times oversubscribed and came to the market with an equity value of 2.2 billion Swiss francs. After the offerings of Basilea last year and Arpida in May of this year, the Swiss market became richer in healthcare companies with the first listing of Speedel. Speedel is a biotechnology company active in the cardio-vascular therapeutic area with world leadership in renin inhibition. After being forced to pull its IPO in May due to a pricing disagreement with its investment banks, the company listed some of its available shares (issued in previous private equity financing deals) in September on the SWX Swiss Exchange main segment. The healthcare sector (including medical technology) makes up 35% of the Swiss Performance Index (SPI). For comparison, the Standard & Poors 500 Index has about 12% exposure to the sector.

The Swiss private banking landscape is going through an interesting period of transformation. Higher fixed costs and the limited growth of the offshore market have created the need for consolidation. A rather favorable capital market performance has facilitated deal making by pushing up valuations. After agreeing to acquire Julius Baer Holdings AG's (Julius Baer) wealth management operations in North America on December 4,

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THE SWISS HELVETIA FUND, INC.

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LETTER TO STOCKHOLDERS (CONTINUED)

2004, UBS AG announced the sale of its three private banks (Banco di Lugano, Ehinger & Armand von Ernst and Ferrier Lullin) and its asset management unit, GAM, to Julius Baer on September 5, 2005. The price paid by Julius Baer was at the high end of the valuation spectrum for private banks. However, it will provide for much needed scale and should create a sizable amount of synergies.

Also in the news was Chiron's refusal of a Novartis AG proposal to purchase the part of the company it did not yet own. Overall interest in the vaccine business is growing again and Chiron's economics could improve due to the increasing need society has for its products.

### SWISS ECONOMIC NOTES

At its quarterly assessment, the Swiss National Bank (SNB) decided once again to leave the target range for the three-month LIBOR rate unchanged at 0.25%-1.25%. It intends to keep the rate in the middle of the target range at around 0.75%, for the time being.

The Consumer Price Index has doubled since June 2005 (from 0.7% to 1.4%) which was significant but expected due to the impressive rise in oil prices. The SNB, in its latest quarterly bulletin, stated that as long as long-term inflation expectations remain "well-anchored", central banks do not need to react as strongly to rising oil prices as they did in the past since its impact on inflation has become faster but less pronounced.

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In the second quarter of 2005, real Gross Domestic Product (GDP) was up 1.1% over the prior quarter as well as over the same quarter the prior year. This is a positive development, especially given the surge in oil prices. According to the KOF (Konjunkturforschungstelle) economic barometer, which indicates the development of year-to-year growth, activity bottomed in April 2005 and has been on an uptrend since then. The KOF barometer forecasts an acceleration of GDP growth in the fourth quarter.

The seasonally-adjusted unemployment rate remained unchanged at 3.8%.

The yield on the 10-year bond reached a record low level on September 14, 2005 at 1.793%. It ended the quarter higher, however, at 1.919%.

### SWISS MARKET REVIEW AND FUND PERFORMANCE

The Swiss market is one of the best performing markets this year in U.S. dollar terms, even though the dollar has appreciated close to 14% against the Swiss franc. This is true, especially when compared to the other continental European markets. The SPI has increased by 24.48% in local currency. Given the ongoing increase in interest rates in the U.S., and attractive valuations in Europe, foreign investors' money continued to flow into Switzerland.

The Fund's net asset value increased by 22.42% in local currency. The appreciation of the U.S. dollar, however, reduced that return

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THE SWISS HELVETIA FUND, INC.

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LETTER TO STOCKHOLDERS (CONTINUED)

to 7.97% in dollar terms. This quarter, especially in September, the strong performance of the food & beverage sector negatively impacted the Fund's performance relative to the SPI, as it is underweighted in Nestle AG (+30.59% year-to-date). The Fund is more diversified than the SPI, which has 65% of its value in the four largest companies.

Articles in the U.S. financial press have, on several occasions, mentioned Swiss companies as favorable investments due to their operational strength and their low valuations relative to other international investments. One of the latest examples was Nestle AG. Obviously this has helped stock prices, and it shows the convergence of valuations across markets at work.

At the moment, Novartis AG, Nestle AG, Roche Holding AG (Roche) and UBS AG are the very best in their respective industries and, based on their current structure or products, their strong competitive advantages appear to be lasting. Roche, for example, continued its good performance (+39.58% year-to-date) riding on the strength of its oncology portfolio (57% participation in Genentech) and of its diagnostic business. Moreover, Roche is benefiting from increasing sales of Tamiflu, the anti-viral agent developed by Gilead Science, with which it has a marketing agreement. Tamiflu has been shown to be effective in reducing the symptoms of the avian flu.

As of September 30, 2005, the Fund had a rating of three Stars from Morningstar\*.

### CURRENCIES

On July 21, 2005, China's central bank announced that it was revaluing the yuan to 8.11 to the dollar and would immediately begin to peg its currency to a basket of currencies that will include the dollar. One of the possible impacts of the revaluation was a potential increase in U.S. Treasury yields caused by a reduction in the U.S. Treasury holdings of Asian countries. The yield on 10-year bonds, however, remained relatively stable. The U.S. dollar declined on

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the news that day but recovered later in the quarter. In fact it strengthened against the Japanese yen as the outflow of domestic funds from Japanese bonds outweighed the foreign inflow into Japanese stocks.

The Swiss franc was 2% weaker against the U.S. dollar for the quarter and almost unchanged against the euro. It appears that interest rate differential is the main driver for international inflow into the U.S. currency for now. In that sense the dollar benefits from the perception that the Federal Reserve Bank is in a bigger hurry to raise interest rates than are the central banks of the European Union or Switzerland. The dollar needs a return

\*Morningstar is an independent fund performance monitor. Its ratings reflect historic risk-adjusted performance and may change monthly. Its ratings of one (low) and five (high) stars are based on a fund's three- and five-year average annual total returns with fee adjustments, and a risk factor that reflects fund performance relative to three-month Treasury Bill monthly returns. Only 33% of the funds in an investment category may receive four or five stars. As of September 30, 2005, there were 9 funds in the Fund's asset category rated by Morningstar.

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THE SWISS HELVETIA FUND, INC.

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LETTER TO STOCKHOLDERS (CONTINUED)

premium to continue to attract savings from the rest of the world. The depth and the liquidity of the U.S. capital market alone are not sufficient to keep the currency stable. As long as this risk premium is maintained, the dollar is supported. However, if the other central banks, particularly the European Central Bank (ECB), decide to raise interest rates as well, it is reasonable to expect a renewed weakening of the U.S. dollar.

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THE SWISS HELVETIA FUND, INC.

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LETTER TO STOCKHOLDERS (CONTINUED)

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PEER GROUP/INDICES PERFORMANCE COMPARISON IN SWISS FRANCS/1/

	YTD AS OF 9/30/05	TOTAL RETURN AS OF YEAR ENDED DECEMBER 31,							
	2004	2003	2002	2001	2000	1999	1998	1997	1996
SWISS HELVETIA FUND	22.42%	7.75%	22.54%	-20.40%	-22.91%	14.06%	14.70%	15.57%	53.9%
Swiss Performance Index (SPI)	24.48%	6.89%	22.06%	-25.95%	-22.03%	11.91%	11.69%	15.36%	55.1%
Swiss Market Index (SMI)	21.18%	3.74%	18.51%	-27.84%	-21.11%	7.47%	5.71%	14.28%	58.9%
Switzerland iShares/2 / (Formerly called Webs Switzerland)	21.61%	6.34%	19.14%	-26.23%	-23.12%	7.75%	12.22%	11.74%	47.7%
CS Equity Swiss Blue Chips/3,7/	21.30%	2.75%	18.13%	-28.75%	-22.12%	10.97%	7.57%	14.21%	59.9%
UBS (CH) Equity Fund/4,7/	22.74%	5.00%	18.14%	-26.02%	-22.04%	7.42%	6.43%	12.75%	55.9%
Pictet (CH) -- Swiss Equities/5,7/	25.42%	7.05%	20.10%	-27.93%	-22.35%	7.34%	9.38%	11.05%	55.6%
Saraswiss (Bank Sarasin)/6,7/	22.18%	2.93%	19.64%	-28.51%	-24.45%	9.72%	7.10%	14.41%	53.5%

/1/ PERFORMANCE OF FUNDS IS BASED ON CHANGES IN THE FUND'S NAV OVER A SPECIFIED PERIOD. IN EACH CASE TOTAL RETURN IS CALCULATED ASSUMING REINVESTMENT OF ALL DISTRIBUTIONS. FUNDS LISTED, OTHER THAN SWITZERLAND

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ISHARES, ARE NOT REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION. PERFORMANCE AND DESCRIPTIVE INFORMATION ABOUT THE FUNDS ARE DERIVED FROM THEIR PUBLISHED INVESTOR REPORTS AND WEBSITES, WHICH ARE SUBJECT TO CHANGE.

/2/ SWITZERLAND ISHARES ARE TRADED ON THE NEW YORK STOCK EXCHANGE AND INVEST IN MOST OF THE SAME STOCKS LISTED IN THE MORGAN STANLEY CAPITAL INTERNATIONAL SWITZERLAND INDEX. THESE STOCKS REPRESENT SWITZERLAND'S LARGEST AND MOST ESTABLISHED PUBLIC COMPANIES, ACCOUNTING FOR APPROXIMATELY 85% OF THE MARKET CAPITALIZATION OF ALL OF SWITZERLAND'S PUBLICLY TRADED STOCKS. PERFORMANCE OF ISHARES IS CALCULATED BASED UPON THE CLOSING PRICES OF THE PERIOD INDICATED USING THE SWISS FRANC/U.S. DOLLAR EXCHANGE RATE AS OF NOON EACH SUCH DATE, AS REPORTED BY BLOOMBERG. SUCH EXCHANGE RATES WERE AS FOLLOWS: 12/31/96 = 1.35, 12/31/97 = 1.46, 12/31/98 = 1.38, 12/31/99 = 1.60, 12/31/00 = 1.61, 12/31/01 = 1.67, 12/31/02 = 1.39, 12/31/03 = 1.24 AND 12/31/04 = 1.14, 09/30/05 = 1.29.

/3/ THIS FUND INVESTS IN EQUITIES ISSUED BY LEADING SWISS COMPANIES. STOCK SELECTION IS BASED ON ECONOMIC, SECTOR AND COMPANY ANALYSES. PREFERENCE IS GIVEN TO LARGE-CAP COMPANIES.

/4/ THIS FUND INVESTS PRIMARILY IN MAJOR SWISS COMPANIES. QUALITY CRITERIA USED FOR DETERMINING RELATIVE WEIGHTINGS OF COMPANIES INCLUDE: STRATEGIC ORIENTATION, STRENGTH OF MARKET POSITION, QUALITY OF MANAGEMENT, SOUNDNESS OF EARNINGS, GROWTH POTENTIAL AND POTENTIAL FOR IMPROVING SHAREHOLDER VALUE. THE INVESTMENT OBJECTIVE SEEKS TO PROVIDE RESULTS THAT ARE ALIGNED WITH THE SPI PERFORMANCE.

/5/ THIS FUND INVESTS IN SHARES OF SWISS COMPANIES LISTED ON THE SWISS STOCK EXCHANGE (SWX) AND INCLUDED IN THE SPI, MAINLY IN BLUE CHIP STOCKS.

/6/ THIS FUND INVESTS IN SHARES OF SWISS COMPANIES. IT WEIGTHS INDIVIDUAL SECTORS RELATIVE TO THE SPI ON THE BASIS OF THEIR EXPECTED RELATIVE PERFORMANCE. IT FOCUSES ON LIQUID BLUE-CHIP STOCKS.

/7 /THESE FUNDS ARE NOT AVAILABLE FOR U.S. RESIDENTS OR CITIZENS. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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THE SWISS HELVETIA FUND, INC.

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LETTER TO STOCKHOLDERS (CONTINUED)

	PERIOD ENDED SEPTEMBER 30, 2005
PERFORMANCE IN SWISS FRANCS	
Swiss Performance Index (SPI)	24.48%
Swiss Helvetia Fund	
Based on Net Asset Value	22.42%
CHANGE IN U.S. DOLLAR VS. SWISS FRANC	13.38%
SWISS HELVETIA FUND PERFORMANCE IN U.S. DOLLARS	
Based on Net Asset Value	7.97%
Based on Market Price	1.95%
S & P 500 Index	2.77%
MSCI EAFE Index	9.08%
Lipper European Fund Index (10 Largest)	8.98%
Lipper European Fund Universe Average	9.72%

### OUTLOOK / STRATEGY

Until now, Swiss companies have benefited from stronger than average exposure to the global economy, favorable valuation and a benign interest rate environment in Europe. Therefore, they have not experienced the price earnings

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multiple compression that has prevailed in the United States. Going forward, a sizable element of risk will be the potential change in the monetary policy of the ECB, which could act out of concern for energy price-induced inflation. However, if the European economy picks up speed and creates a reaction from the ECB, interest rates would have a lot of room to move up and it would take a while before they reached a neutral level.

With the U.S. entering a less favorable period in terms of growth (need for fiscal restraint and higher rates), reflecting negatively on the global economy, Switzerland, with its exposure to defensive sectors such as food and healthcare and quasi-defensive sectors such as insurance (with its lower investment exposure to the equity markets and its underwriting pricing discipline) should fare well.

### STOCK REPURCHASE PROGRAM

Pursuant to authorization by the Board, the Fund began open market purchases of its common stock on the New York Stock Exchange in 1999 and has continued purchases in each subsequent year. The principal purpose of the stock repurchase program is to enhance stockholder value by increasing the Fund's net asset value per share without creating a meaningful adverse effect upon the Fund's expense ratio. The Board has increased its authorization for open-market repurchases under the Fund's 2005 stock repurchase program from 250,000 shares to 500,000 shares of its common stock during 2005.

Sincerely,  
/s/ Paul Hottinguer  
Paul Hottinguer  
CHAIRMAN

/s/ Rodolphe Hottinger  
Rodolphe Hottinger  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

September 30, 2005

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### THE SWISS HELVETIA FUND, INC.

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#### SCHEDULE OF INVESTMENTS (UNAUDITED)      SEPTEMBER 30, 2005

No. of Shares	Security	Value	Percent of Net Assets
<hr/>			
COMMON STOCKS -- 98.90%			
BANKS -- 15.69%			
2,143	BANK SARASIN & CIE AG REGISTERED SHARES Offers private banking, asset management, investment advice, and institutional banking services. (Cost \$4,832,790)	\$ 4,820,400	1.11%
428,000	CREDIT SUISSE GROUP/2/ REGISTERED SHARES A global diversified financial	19,022,222	4.39%

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service company with large activity in private banking, investment banking, asset management and insurance service.

(Cost \$14,071,733)

21,851 ST. GALLER KANTONALBANK REGISTERED SHARES 6,999,777 1.62%  
A Swiss regional bank that offers retail, commercial, private and institutional banking. It also provides asset management and financial planning services.  
(Cost \$4,930,366)

435,000 UBS AG/2/ REGISTERED SHARES 37,114,602 8.57%  
A global diversified financial service company with large activity in private banking, investment banking, and asset management.  
(Cost \$7,578,949)

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67,957,001 15.69%

No. of Shares	Security	Value	Percent of Net Assets
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BASIC RESOURCES -- 1.81%

61,136 PRECIOUS WOODS HOLDING AG/1/ BEARER SHARES \$ 5,500,699 1.27%  
Through subsidiaries, manages tropical forests using ecologically sustainable forest management methods. Harvests tropical trees and processes them into lumber.  
(Cost \$5,609,158)

71,000 SWISS STEEL AG REGISTERED SHARES 2,332,247 0.54%  
Manufactures industrial and construction steel.  
(Cost \$2,180,101)

-----  
7,832,946 1.81%

BIOTECHNOLOGY -- 2.81%

73,281 ACTELION LTD./1/ REGISTERED SHARES 7,929,183 1.83%  
Pharmaceutical company that develops and markets synthetic small-molecule drugs against diseases related to the endothelium.

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(Cost \$4,675,382)

408,111 BERNA BIOTECH AG/1/  
REGISTERED SHARES 3,893,555 0.90%  
Develops and produces viral and  
bacterial vaccines for influenza,  
hepatitis, travel and general  
immunization.  
(Cost \$3,212,899)

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THE SWISS HELVETIA FUND, INC.

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SCHEDULE OF INVESTMENTS (UNAUDITED) SEPTEMBER 30, 2005  
(CONTINUED)

No. of Shares	Security	Value	Percent of Net Assets
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COMMON STOCKS -- (CONTINUED)			
BIOTECHNOLOGY -- (CONTINUED)			
12,273	CYTOS BIOTECHNOLOGY AG/1/ REGISTERED SHARES Develops and produces biopharmaceuticals. Produces vaccines that immunize the patient against disease-related proteins. This instructs the immune system to produce antibodies to reverse or prevent disease progression. (Cost \$439,327)	\$ 364,120	0.08%
		-----	-----
		12,186,858	2.81%
CHEMICALS -- 4.40%			
50,000	LONZA GROUP AG REGISTERED SHARES The leading supplier of active chemical ingredients, intermediaries, and biotechnology solutions to the pharmaceutical and agrochemical industries. (Cost \$3,131,916)	2,962,963	0.68%
2,924	SIKA AG BEARER SHARES Leading producer of construction chemicals. (Cost \$653,545)	2,236,233	0.52%
131,931	SYNGENTA AG/2/ REGISTERED SHARES	13,865,930	3.20%

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Produces herbicides, insecticides  
and fungicides, and seeds for  
field crops, vegetables, and  
flowers.  
(Cost \$7,768,263)

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19,065,126 4.40%

No. of Shares	Security	Value	Percent of Net Assets
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CONSTRUCTION -- 2.08%

14,777	AFG ARBONIA-FORSTER HOLDING AG BEARER SHARES Manufactures kitchen appliances and offers a wide range of services. Produces heating appliances, steel tubes, refrigerators and kitchen fittings. (Cost \$4,317,395)	\$ 4,263,753	0.98%
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71,143	HOLCIM LTD. REGISTERED SHARES Produces and markets various building materials, in addition to providing consulting and engineering services in all areas of the cement manufacturing process. (Cost \$3,001,966)	4,742,867	1.10%
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9,006,620 2.08%

CYCLICAL GOODS & SERVICES -- 3.84%

315,000	COMPAGNIE FINANCIERE RICHEMONT AG, CLASS A/2/ BEARER SHARES Manufactures and retails luxury goods through subsidiaries. Produces jewelry, watches, leather goods, writing instruments, and mens' and womens' wear. (Cost \$10,534,476)	12,521,815	2.89%
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THE SWISS HELVETIA FUND, INC.

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SCHEDULE OF INVESTMENTS (UNAUDITED)      SEPTEMBER 30, 2005  
(CONTINUED)

No. of		Percent of Net
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Shares	Security	Value	Assets
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COMMON STOCKS -- (CONTINUED)

CYCLICAL GOODS & SERVICES -- (CONTINUED)

29,800	SWATCH GROUP AG BEARER SHARES	\$ 4,121,264	0.95%
	Manufactures finished watches, movements and components. Produces components necessary to its eighteen watch brand companies. Also operates retail boutiques. (Cost \$4,043,965)		
		-----	----
		16,643,079	3.84%

FINANCIAL SERVICES -- 0.23%

15,000	OZ HOLDING AG BEARER SHARES	977,312	0.23%
	Provides brokerage and banking services, specializing in futures and options. (Cost \$987,525)		
		-----	----
		977,312	0.23%

FOOD & BEVERAGES -- 15.18%

13,183	EMMI AG REGISTERED SHARES	1,205,566	0.28%
	Swiss producer of dairy products. Also produces a variety of fruit juices and iced tea. (Cost \$1,287,208)		
300	LINDT & SPRUNGLI AG REGISTERED SHARES	4,979,639	1.15%
	Major manufacturer of premium Swiss chocolates. (Cost \$1,196,399)		

No. of Shares	Security	Value	Percent of Net Assets
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FOOD & BEVERAGES -- (CONTINUED)

202,500	NESTLE AG/2/ REGISTERED SHARES	\$ 59,528,796	13.75%
	Largest food and beverage processing company in the world. (Cost \$12,107,256)		
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65,714,001 15.18%

INDUSTRIAL GOODS & SERVICES -- 8.73%

1,364,000	ABB LTD./1/ REGISTERED SHARES The holding company for ABB Group which is one of the largest electrical engineering firms in the world. (Cost \$9,340,872)	10,008,486	2.31%
2,055	BELIMO HOLDING AG REGISTERED SHARES World market leader in damper and volume control actuators for ventilation and air-conditioning equipment. (Cost \$433,588)	1,291,100	0.30%
53,914	BOBST GROUP AG REGISTERED SHARES Manufactures printing presses, packaging producing machinery, and machines to produce and print flexible packaging materials. (Cost \$2,361,485)	2,329,269	0.54%

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THE SWISS HELVETIA FUND, INC.

SCHEDULE OF INVESTMENTS (UNAUDITED) SEPTEMBER 30, 2005  
(CONTINUED)

No. of Shares	Security	Value	Percent of Net Assets
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COMMON STOCKS -- (CONTINUED)

INDUSTRIAL GOODS & SERVICES -- (CONTINUED)

25,240	INFICON HOLDING AG/1/ REGISTERED SHARES Manufactures and markets vacuum instruments used to monitor and control production processes. Manufactures on-site chemical detection and monitoring system. (Cost \$2,422,749)	\$ 3,582,641	0.83%
950	KABA HOLDINGS AG BEARER SHARES Provides mechanical and electronic security systems. (Cost \$170,930)	249,060	0.06%

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27,418	KUEHNE & NAGEL INTERNATIONAL AG REGISTERED SHARES	6,805,321	1.57%
	Operates sea freight, land and rail transportation businesses and warehousing and distribution facilities. (Cost \$1,388,318)		
6,398	SGS SOCIETE GENERALE DE SURVEILLANCE HOLDING SA REGISTERED SHARES	4,955,131	1.14%
	Provides a variety of industrial inspection, analysis, testing and verification services worldwide. (Cost \$1,657,511)		

No. of Shares	Security	Value	Percent of Net Assets
-----			
INDUSTRIAL GOODS & SERVICES -- (CONTINUED)			
3,496	SIG HOLDING AG REGISTERED SHARES	\$ 894,168	0.21%
	Manufactures packaging machinery through subsidiaries. Produces beverage bottling machines, beverage cartons, and filling machines. (Cost \$697,041)		
11,216	SULZER AG REGISTERED SHARES	5,706,958	1.32%
	Manufactures and sells surface coatings, pumps, process engineering equipment, and fuel cells. (Cost \$3,694,119)		
900,000	SWISSLOG HOLDING AG/1/ REGISTERED SHARES	893,543	0.21%
	Offers consulting, financing, general contracting, software, and outsourcing services for warehouses and distribution centers. (Cost \$910,942)		
615,035	VON ROLL HOLDING AG/1/ BEARER SHARES	1,054,278	0.24%
	Manufactures insulation and composite materials and offers waste treatment services. (Cost \$904,319)		
		-----	----
		37,769,955	8.73%

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THE SWISS HELVETIA FUND, INC.

SCHEDULE OF INVESTMENTS (UNAUDITED) SEPTEMBER 30, 2005  
(CONTINUED)

No. of Shares	Security	Value	Percent of Net Assets
COMMON STOCKS -- (CONTINUED)			
INSURANCE -- 5.65%			
197,088	SWISS REINSURANCE COMPANY/2/ REGISTERED SHARES One of the leading global reinsurers. (Cost \$12,487,648)	\$ 12,993,973	3.00%
67,100	ZURICH FINANCIAL SERVICES AG REGISTERED SHARES Offers property, accident, health, automobile, liability, financial risk and life insurance and retirement products. (Cost \$11,508,602)	11,476,091	2.65%
		-----	-----
		24,470,064	5.65%
MEDICAL TECHNOLOGY -- 0.17%			
16,867	PHONAK HOLDING AG REGISTERED SHARES Designs and produces wireless analog and digital hearing aids, transmitters, remote controls, microphones and receivers for use in wireless communications within broadcasting and sports. (Cost \$143,401)	725,441	0.17%
		-----	-----
		725,441	0.17%
PHARMACEUTICALS -- 27.04%			
1,149,000	NOVARTIS AG/2/ REGISTERED SHARES One of the leading manufacturers of pharmaceutical and nutrition products. (Cost \$13,461,235)	58,508,319	13.51%
		-----	-----
No. of Shares	Security	Value	Percent of Net Assets

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PHARMACEUTICALS -- (CONTINUED)

420,000	ROCHE HOLDING AG/2/ DIVIDEND RIGHTS CERTIFICATES Worldwide pharmaceutical company. (Cost \$8,467,363)	\$ 58,573,589	13.53%
		-----	-----
		117,081,908	27.04%

RETAILERS -- 1.41%

24,767	GALENICA HOLDING AG REGISTERED SHARES Manufactures and distributes prescription and over-the- counter drugs, toiletries and hygiene products. (Cost \$3,088,902)	4,975,492	1.15%
800	JELMOLI HOLDING AG BEARER SHARES Owns and operates department and retail stores and provides mail-order catalog and real estate leasing services. (Cost \$1,200,963)	1,135,544	0.26%
		-----	-----
		6,111,036	1.41%

TECHNOLOGY -- 4.33%

13,000	ADVANCED DIGITAL BROADCAST HOLDING/1/ REGISTERED SHARES Develops equipment and systems to view and interact with digital TV broadcast through cable, satellite, and telecommunication networks. (Cost \$808,958)	946,830	0.22%
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THE SWISS HELVETIA FUND, INC.

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SCHEDULE OF INVESTMENTS (UNAUDITED)      SEPTEMBER 30, 2005  
(CONTINUED)

No. of Shares	Security	Value	Percent of Net Assets
-----			

COMMON STOCKS -- (CONTINUED)

TECHNOLOGY -- (CONTINUED)

110,000	KUDELSKI SA BEARER SHARES	\$ 4,355,633	1.01%
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Designs and manufactures  
conditional access systems for  
TV operators.  
(Cost \$3,942,851)

330,898	LOGITECH INTERNATIONAL SA/1, 2/ REGISTERED SHARES	13,436,114	3.10%
	Manufactures personal computer input devices, as well as producing trackballs, desktop publishing programs and related software. (Cost \$5,457,895)		
		18,738,577	4.33%

UTILITY SUPPLIERS -- 5.53%

235	AARE-TESSIN AG FUR ELEKTRIZITAET REGISTERED SHARES	355,439	0.08%
	Generates, transmits, and distributes electricity in Switzerland and neighboring countries. (Cost \$403,888)		

204,450	BKW FMB ENERGIE AG/2/ REGISTERED SHARES	14,747,993	3.41%
	Generates and distributes electricity. Produces electricity using nuclear, hydroelectric, solar, biomass and wind energy. (Cost \$10,934,886)		

No. of Shares	Security	Value	Percent of Net Assets
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UTILITY SUPPLIERS -- (CONTINUED)

7,000	CENTRALSCHWEIZERISCHE KRAFTWERKE BEARER SHARES	\$ 1,281,365	0.30%
	Supplies electric power, operates and maintains distribution network facilities, constructs and installs equipment, and offers consulting services to its clients. (Cost \$1,161,341)		

12,273	ELEKTRIZITAETS-GESELLSCHAFT LAUFENBURG AG REGISTERED SHARES	7,520,396	1.74%
	Generates and sells electricity. Operates nuclear and hydroelectric generating plants. Sells excess power throughout Europe. (Cost \$8,692,117)		

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	23,905,193	5.53%
TOTAL COMMON STOCKS		
(Cost \$202,302,543)*	\$428,185,117	98.90%
OTHER ASSETS LESS LIABILITIES	4,760,327	1.10%
	-----	-----
NET ASSETS	\$432,945,444	100.00%
	=====	=====

-----  
/1/NON-INCOME PRODUCING SECURITY.

/2/ONE OF THE TEN LARGEST PORTFOLIO HOLDINGS.

\*COST FOR FEDERAL INCOME TAX PURPOSES IS SUBSTANTIALLY THE SAME AS FOR FINANCIAL STATEMENT PURPOSES AND NET UNREALIZED APPRECIATION (DEPRECIATION) CONSISTS OF:

GROSS UNREALIZED APPRECIATION	\$227,760,797
GROSS UNREALIZED DEPRECIATION	(1,878,223)
	-----
NET UNREALIZED APPRECIATION	\$225,882,574
	=====

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THE SWISS HELVETIA FUND, INC.

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DIVIDEND REINVESTMENT PLAN (UNAUDITED)

THE PLAN

The Fund's Dividend Reinvestment Plan (the "Plan") offers a convenient way for you to reinvest capital gains distributions and ordinary income dividends, payable in whole or in part in cash, in additional shares of the Fund.

Some of the Plan features are:

- . Once you enroll in the Plan, all of your future distributions and dividends payable in whole or in part in cash will be automatically reinvested in Fund shares in accordance with the terms of the Plan.
- . You will receive shares valued at the lower of the Fund's net asset value or the Fund's market price as described below. The entire amount of your distribution or dividend will be reinvested automatically in additional Fund shares. For any balance that is insufficient to purchase full shares of the Fund, your account will be credited with fractional shares.
- . Your shares will be held in an account with the Plan agent. You will be sent regular statements for your records.
- . You may terminate participation in the Plan at any time.

The following are answers to frequently asked questions about the Plan.

HOW DO I ENROLL IN THE PLAN?

If you are holding certificates for your shares, contact American Stock Transfer & Trust Company (AST) at the address shown below. If your shares are held in a brokerage account, contact your broker. Not all brokerage firms permit their clients to participate in dividend reinvestment plans such as the Plan and, even if your brokerage firm does permit participation, you may not be able to transfer your Plan shares to another broker who does not permit participation. Your brokerage firm will be able to advise you about its policies.

HOW DOES THE PLAN WORK?

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The cash portion of any dividends or distributions you receive, payable in whole or in part in cash, will be reinvested in shares of the Fund. The number of shares credited to your Plan account as a result of the reinvestment will depend upon the relationship between the Fund's market price and its net asset value per share on the record date of the distribution or dividend, as described below:

- . If the net asset value is greater than the market price (the Fund is trading at a discount), AST, as Plan Agent, will buy Fund shares for your account on the open market on the New York Stock Exchange or elsewhere. Your dividends or distributions will be reinvested at the average price AST pays for those purchases.
- . If the net asset value is equal to the market price (the Fund is trading at parity), the Fund will issue for your account new shares at net asset value.
- . If the net asset value is less than but within 95% of the market price (the Fund is trading at a premium of less than 5%), the Fund will issue for your account new shares at net asset value.
- . If the net asset value is less than 95% of the market price (the Fund is trading at a premium of 5% or more), the Fund will issue for your account new shares at 95% of the market price.

If AST begins to buy Fund shares for your account at a discount to net asset value but, during the course of the purchases, the Fund's market price increases to a level above the net asset val-

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THE SWISS HELVETIA FUND, INC.

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DIVIDEND REINVESTMENT PLAN (UNAUDITED) (CONCLUDED)

ue, AST will complete its purchases, even though the result may be that the average price paid for the purchases exceeds net asset value.

WILL THE ENTIRE AMOUNT OF MY DISTRIBUTION OR DIVIDEND BE REINVESTED?

The entire amount of your distribution or dividend, payable in cash, will be reinvested in additional Fund shares. If a balance remains after the purchase of whole shares, your account will be credited with any fractional shares (rounded to three decimal places) necessary to complete the reinvestment.

HOW CAN I SELL MY SHARES?

You can sell any or all of the shares in your Plan account by contacting AST. AST charges \$15 for the transaction plus \$.10 per share for this service. You can also withdraw your shares from your Plan account and sell them through your broker.

DOES PARTICIPATION IN THE PLAN CHANGE THE TAX STATUS OF MY DISTRIBUTIONS OR DIVIDENDS?

No. The distributions and dividends are paid in cash and their taxability is the same as if you received the cash. It is only after the payment of distributions and dividends that AST reinvests the cash for your account.

CAN I GET CERTIFICATES FOR THE SHARES IN THE PLAN?

AST will issue certificates for whole shares upon your request. Certificates for fractional shares will not be issued.

IS THERE ANY CHARGE TO PARTICIPATE IN THE PLAN?

There is no charge to participate in the Plan. You will, however, pay a pro rata share of brokerage commissions incurred with respect to AST's open market purchases of shares for your Plan account.

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HOW CAN I DISCONTINUE MY PARTICIPATION IN THE PLAN?

Contact your broker or AST in writing. If your shares are in a Plan account, AST will send you a certificate for your whole shares and a check for any fractional shares.

WHERE CAN I DIRECT MY QUESTIONS AND CORRESPONDENCE?

Contact your broker, or contact AST as follows:

By mail:

American Stock Transfer & Trust Company  
PO Box 922  
Wall Street Station  
New York, NY 10269-0560

Through the Internet:

[www.amstock.com](http://www.amstock.com)

Through AST's automated voice response system:

1-888-556-0425

AST will furnish you with a copy of the Terms and Conditions of the Plan without charge.

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A SWISS  
INVESTMENTS  
FUND

THE SWISS  
-----  
HELVETIA  
-----  
FUND, INC.  
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[www.swz.com](http://www.swz.com)

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QUARTERLY REPORT  
FOR THE  
PERIOD ENDED  
SEPTEMBER 30, 2005