

2014 Half-Year Results

Analysts' Presentation
Lausanne, 21 August 2014



Agenda

- **Introduction** **Pascal Kiener**
- **HY 2014 financial results** **Thomas Paulsen**
- **Outlook** **Pascal Kiener**

Highlights

Good development in main business lines

Revenues solid and slightly up

Rise in operating and net profit

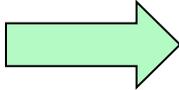
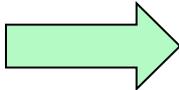
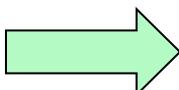
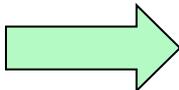
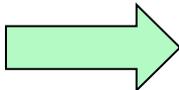
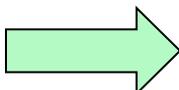
H1 2014 key figures

CHF millions (rounded), unaudited figures

		Change vs. 2013
Revenues	503	+1%
Operating profit	239	+1%
Net profit	154	+2%
Total assets	41,240	+2%
AuM	86,323	+3%

Main business trends in H1 2014

CHF millions (rounded), unaudited figures

Controlled increase in mortgage loans		+320	+1%
Increase in other loans¹		+4	+0%
Continued increase in savings deposits		+251	+2%
Increase in other client deposits		+178	+1%
Increase in AuM		+2,473	+3%
Net new money in onshore activities		+546	

¹ Balance-sheet items only

Other key events in H1 2014

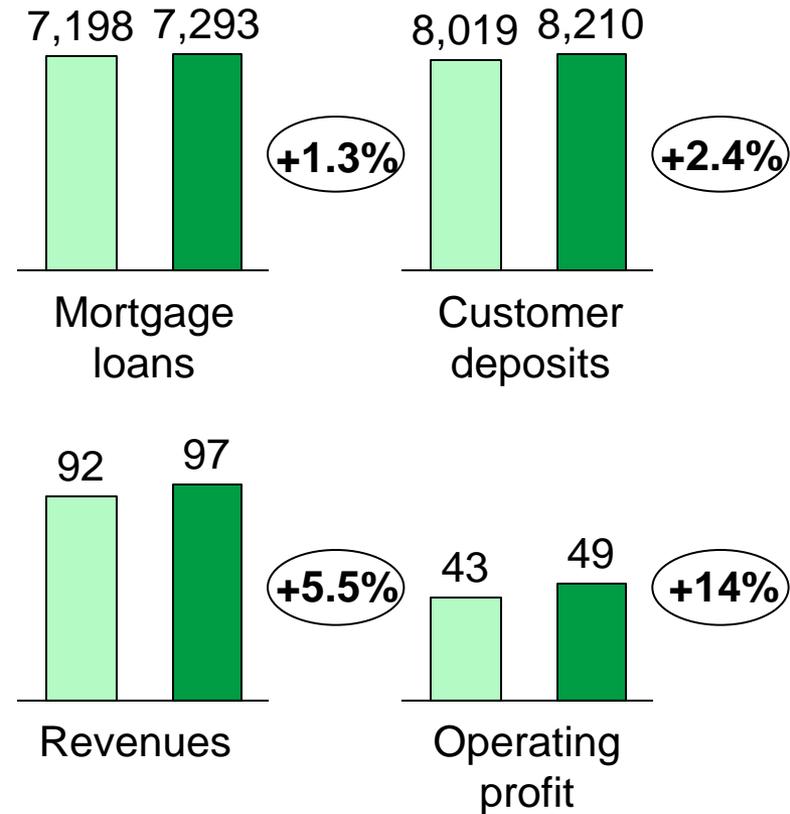
- Distribution of CHF 275m to shareholders in May
- Moody's re-affirmed its long-term rating on BCV and changed its standalone rating outlook from stable to positive
- S&P's re-affirmed its AA long-term rating on BCV
- Ingrid Deltenre elected as member of the Board of directors at the latest shareholders' AGM
- José François Sierdo appointed Head of Retail Banking and Member of the Executive Board
- US program well underway and using significant resources – no surprise here

Retail Banking

CHF millions (rounded)¹

- Ongoing expansion in business volumes
- Controlled increase in mortgage lending, in line with our target growth rate
- Productivity on the rise
- Increase in revenues and operating profit

2013 2014

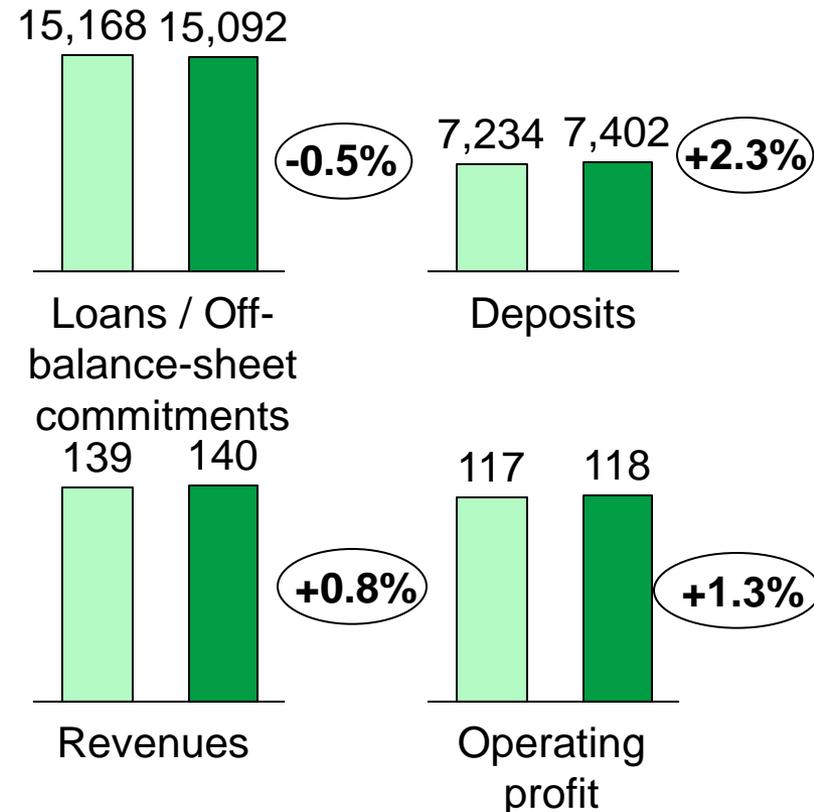


¹ 2013 figures were restated to facilitate like-for-like comparison

CHF millions (rounded)¹

2013 2014

- SMEs
 - Rise in lending (+2.6%) and customer deposits (+8.6%)
- Large Corporates
 - Volatility in treasury flows (lending: -2.1%, deposits: -8.7%)
 - Focus on profitability
- Trade Finance
 - Still-low business volumes due to global geopolitical environment
 - Stable profitability
- Very limited new provisioning needs

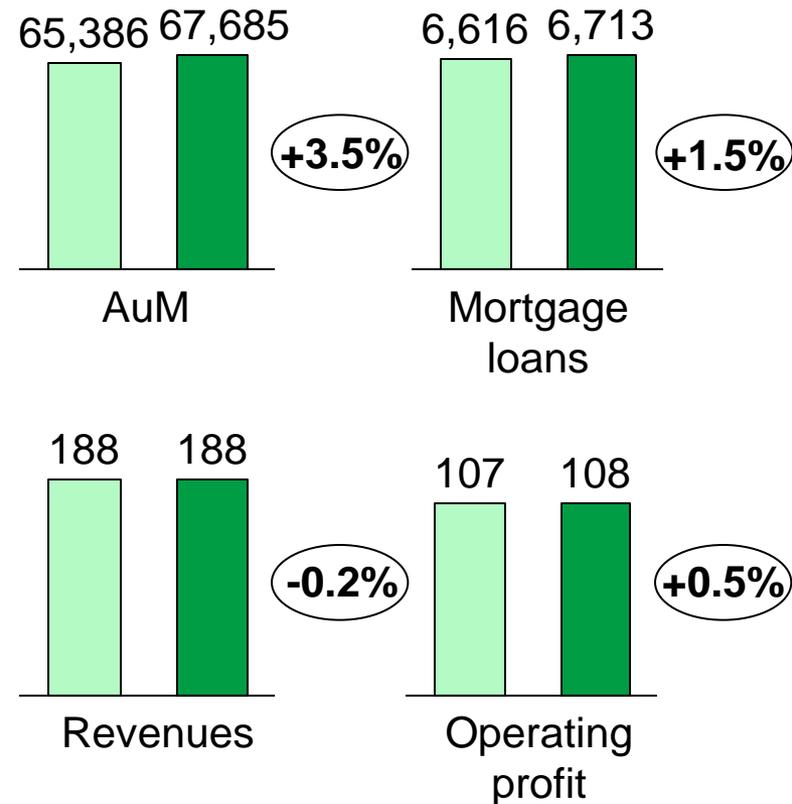


¹ 2013 figures were restated to facilitate like-for-like comparison

CHF millions (rounded)¹

- Continuing growth in onshore activities offsets contraction in offshore volumes
- Institutional AM: positive NNM and higher management fees
- Lower transaction volumes compared to the same period in 2013
- Revenues and operating profit stable

2013 2014



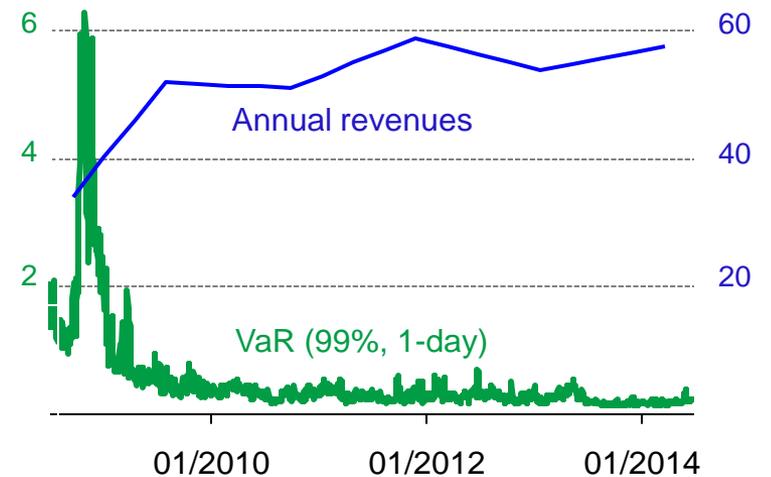
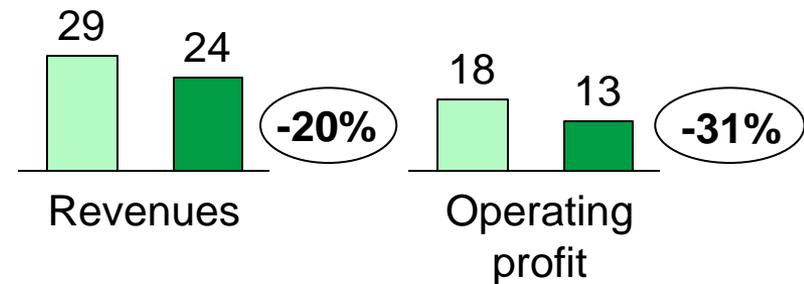
¹ 2013 figures were restated to facilitate like-for-like comparison

Trading

CHF millions (rounded)¹

- Lower forex and structured products volumes due to low market volatility
- Revenues and operating profit fall back to “normal” levels
- Trading activity is mostly customer-driven

2013 2014



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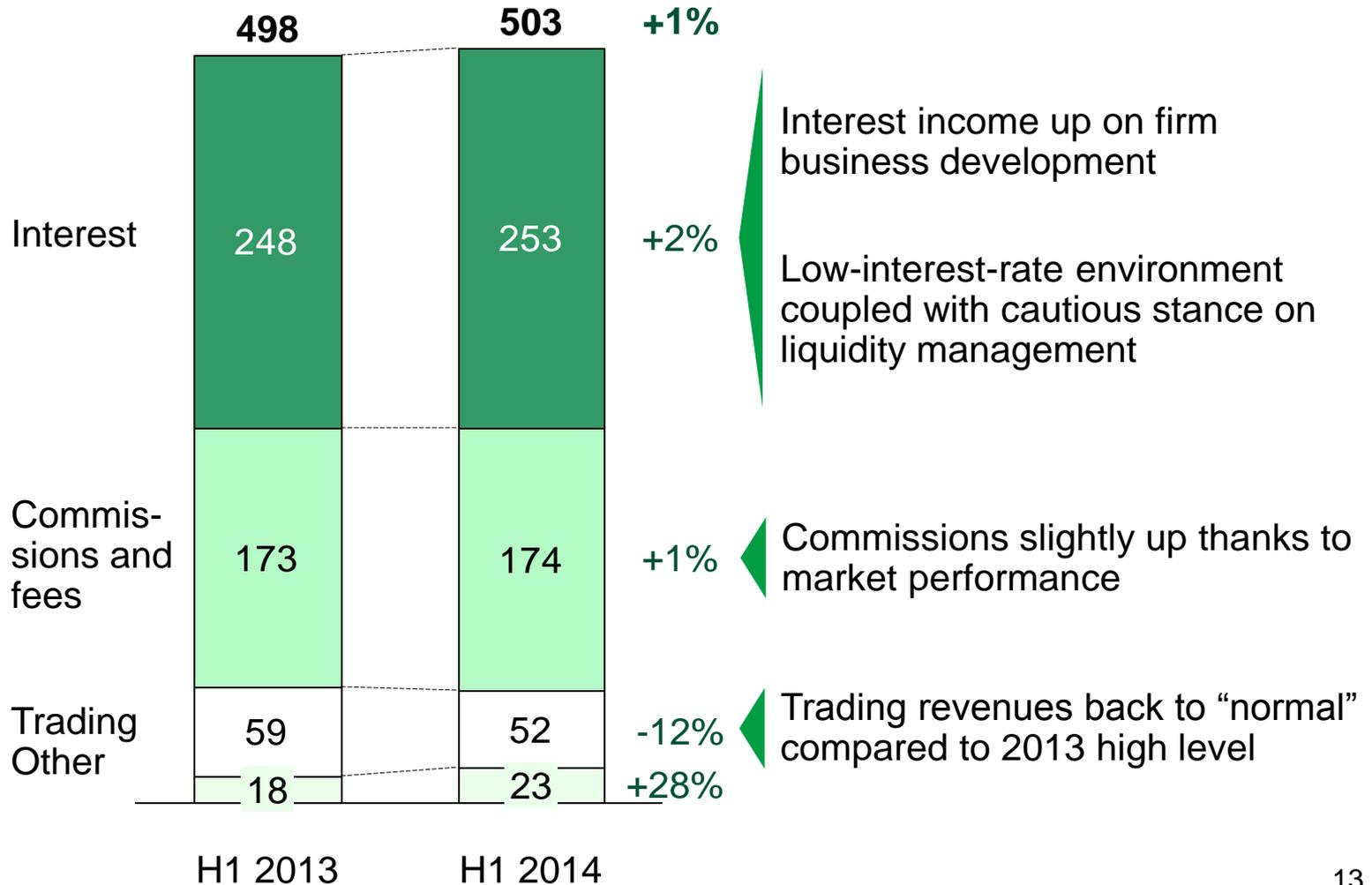
Income statement

CHF millions (rounded), unaudited figures

	H1 2014	H1 2013	Change	
Total revenues	503	498	+4.6	+1%
Operating expenses	-263	-261	+2.5	+1%
Operating profit	239	237	+2.1	+1%
Depreciation and write-offs	-41	-44	-3.0	-7%
Value adjustments, provisions & losses	-7	-7	-0.2	-3%
Extraordinary income	7	10	-3.4	-33%
Extraordinary expenses	-	-	-	-
Taxes	-44	-45	-0.8	-2%
Net profit (before minority interests)	154	151	+2.8	+2%

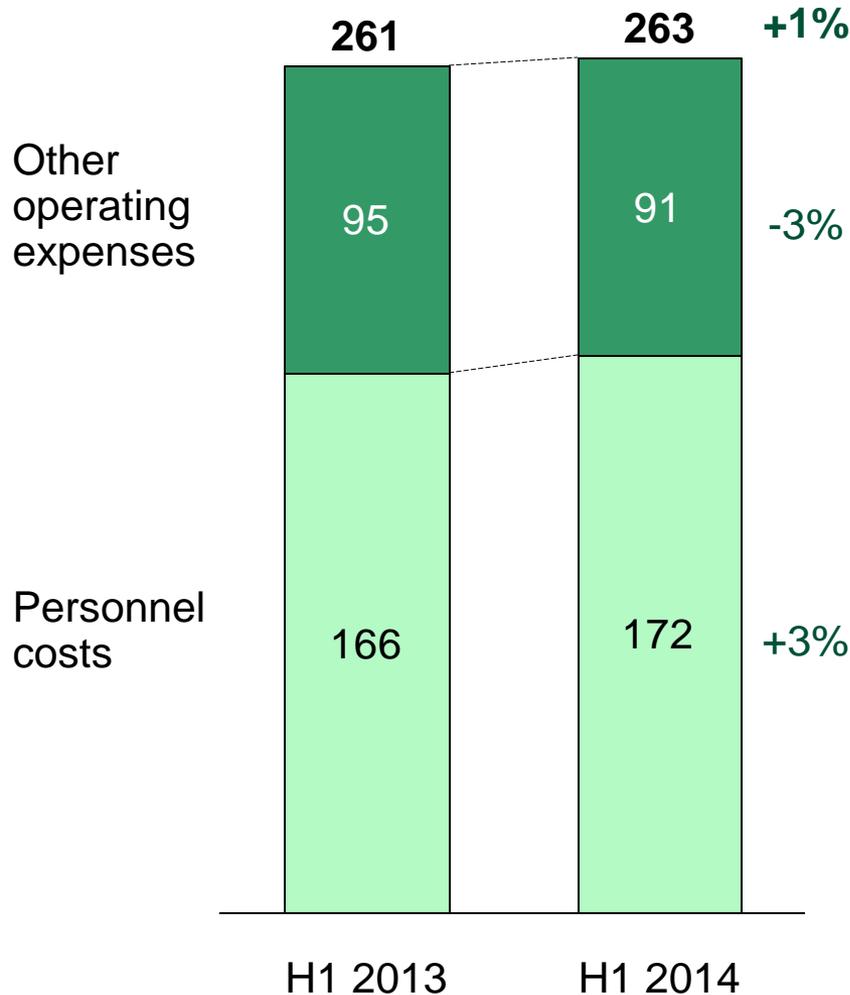
Revenues

CHF millions (rounded), unaudited figures



Operating expenses

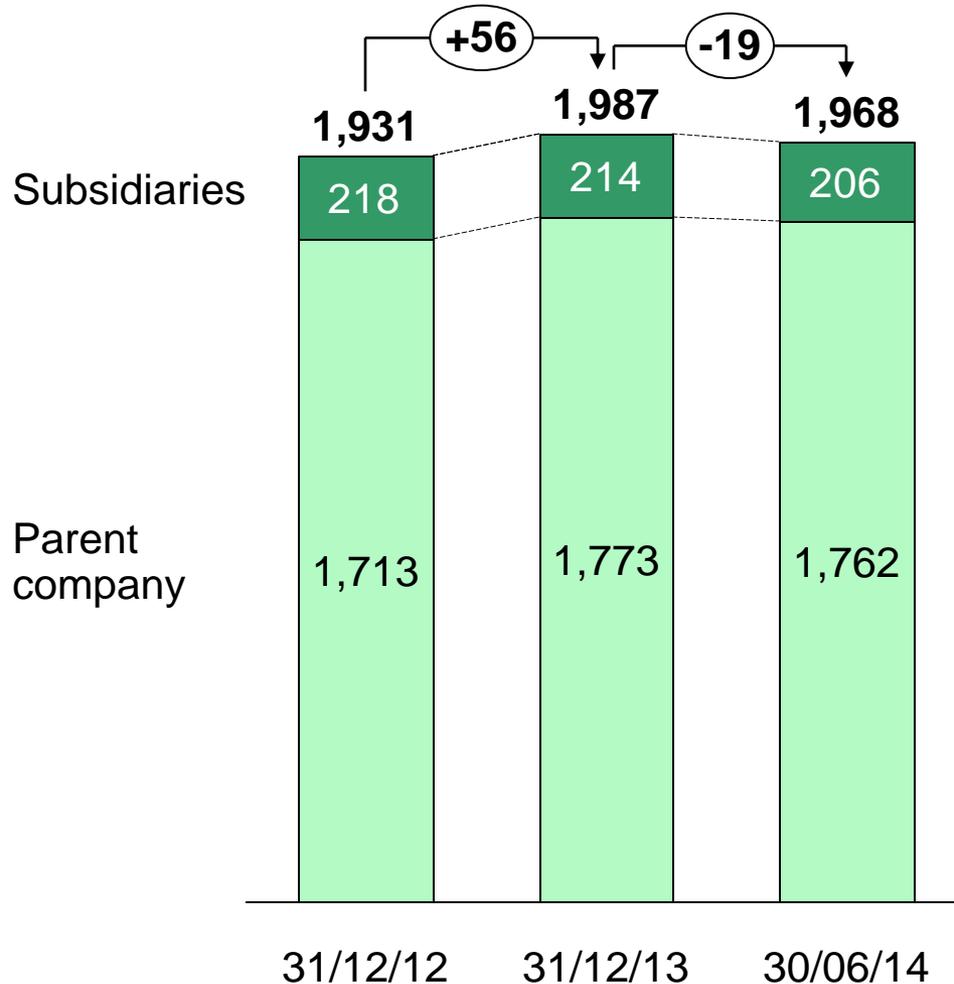
CHF millions (rounded), unaudited figures



Operating expenses under strict control: down on a like-for-like basis. Increase in reported personnel costs linked to the transfer of 80 IT specialists to BCV in July 2013

Headcount

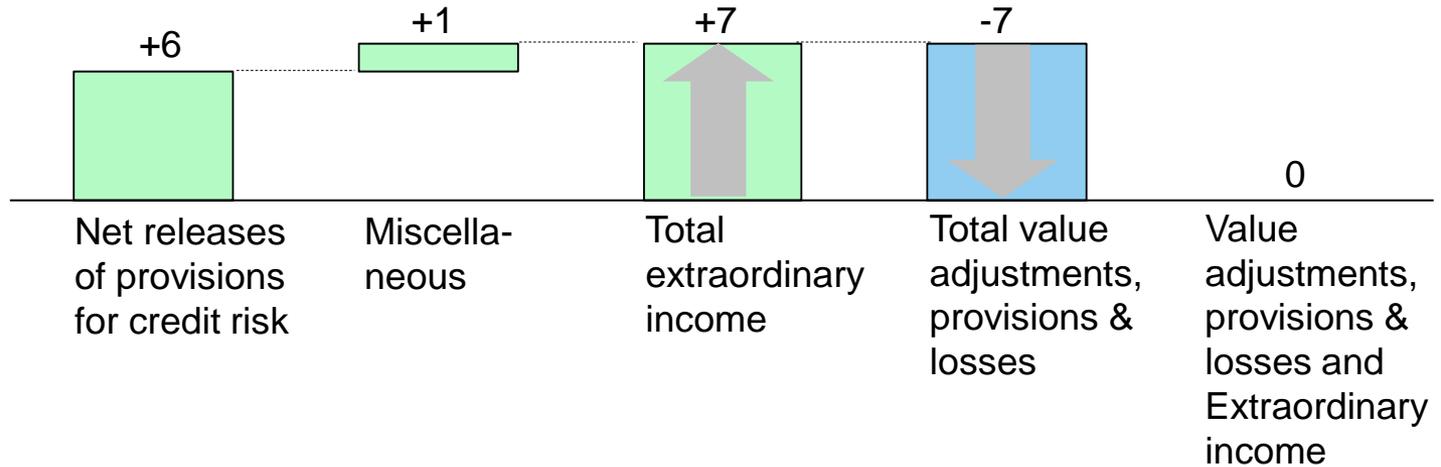
Full-time equivalents at period-end



Headcount stable following the integration of 80 IT specialists in 2013 second half

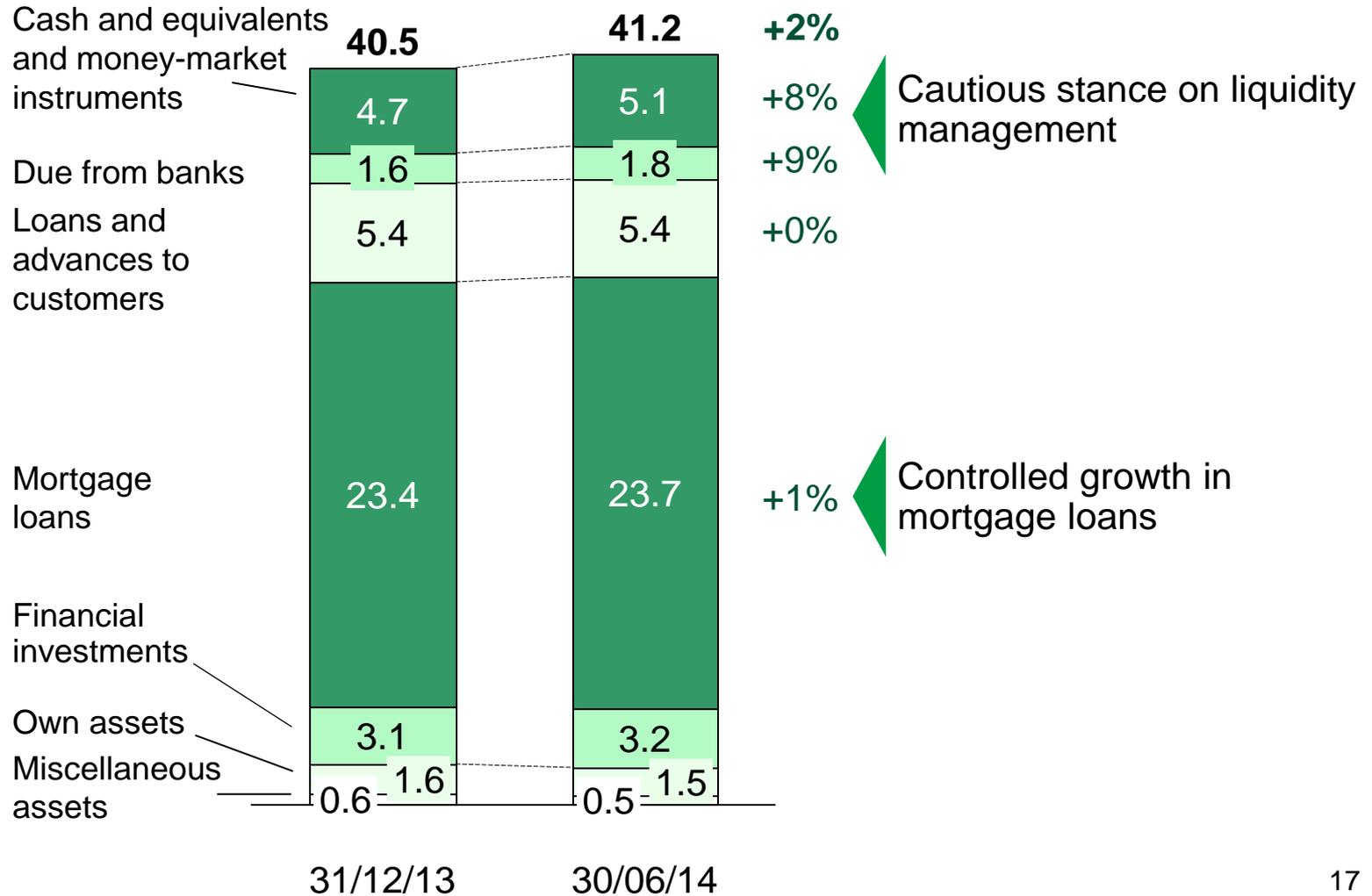
Provisions and Extraordinary income

CHF millions (rounded), unaudited figures



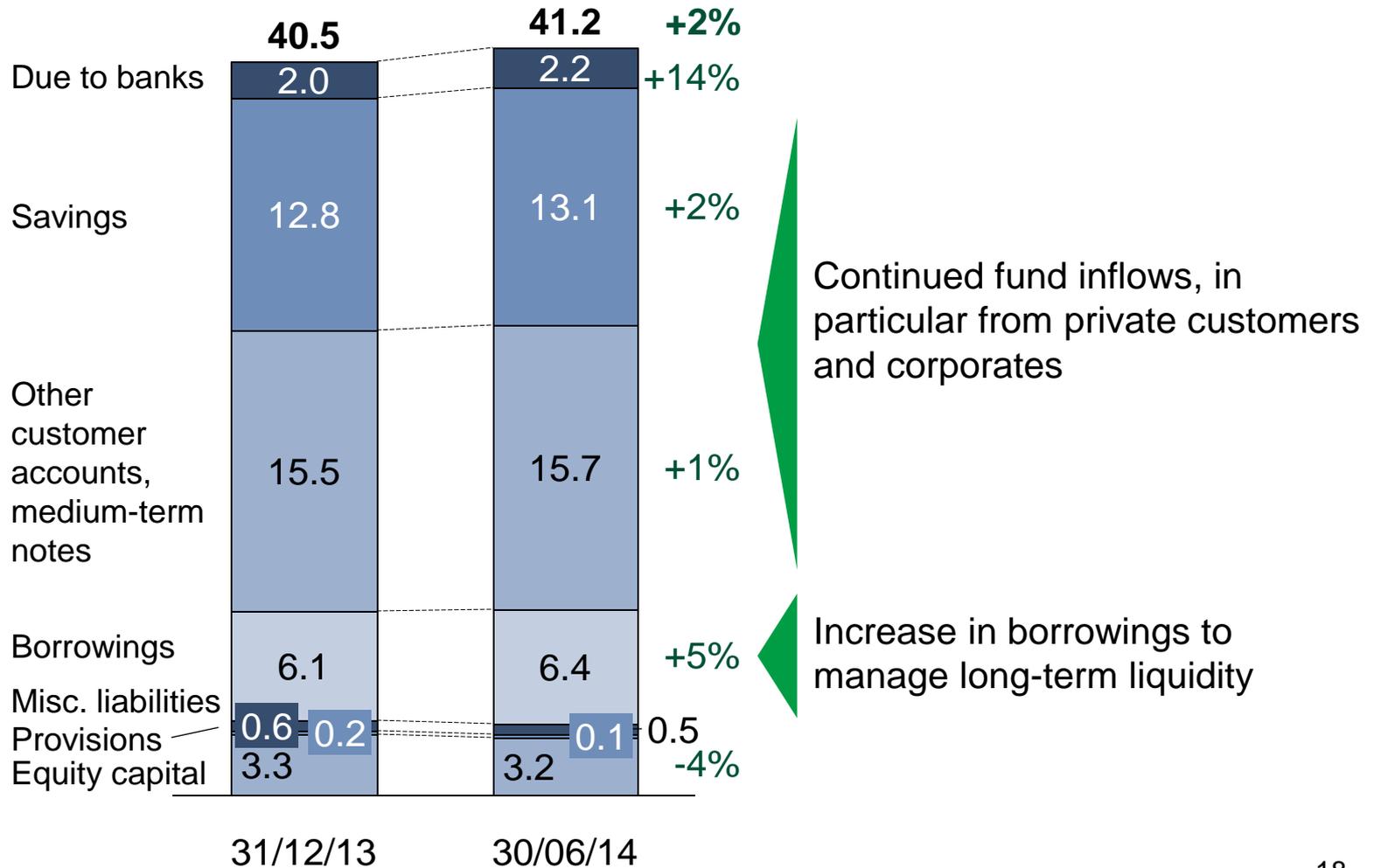
Assets

CHF billions (rounded), unaudited figures



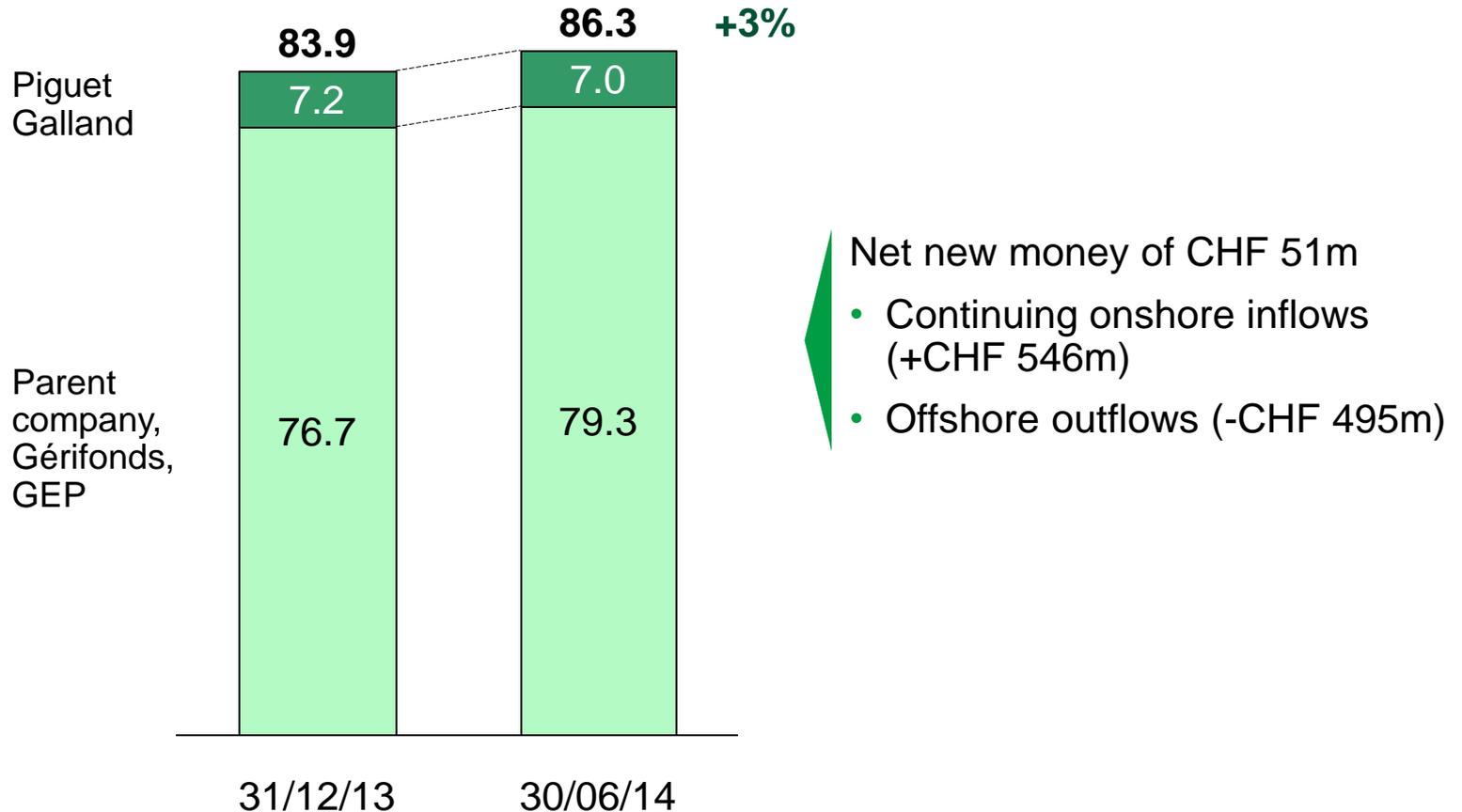
Liabilities

CHF billions (rounded), unaudited figures



Assets under management (AuM)

CHF billions (rounded), unaudited figures



Key ratios

Unaudited figures

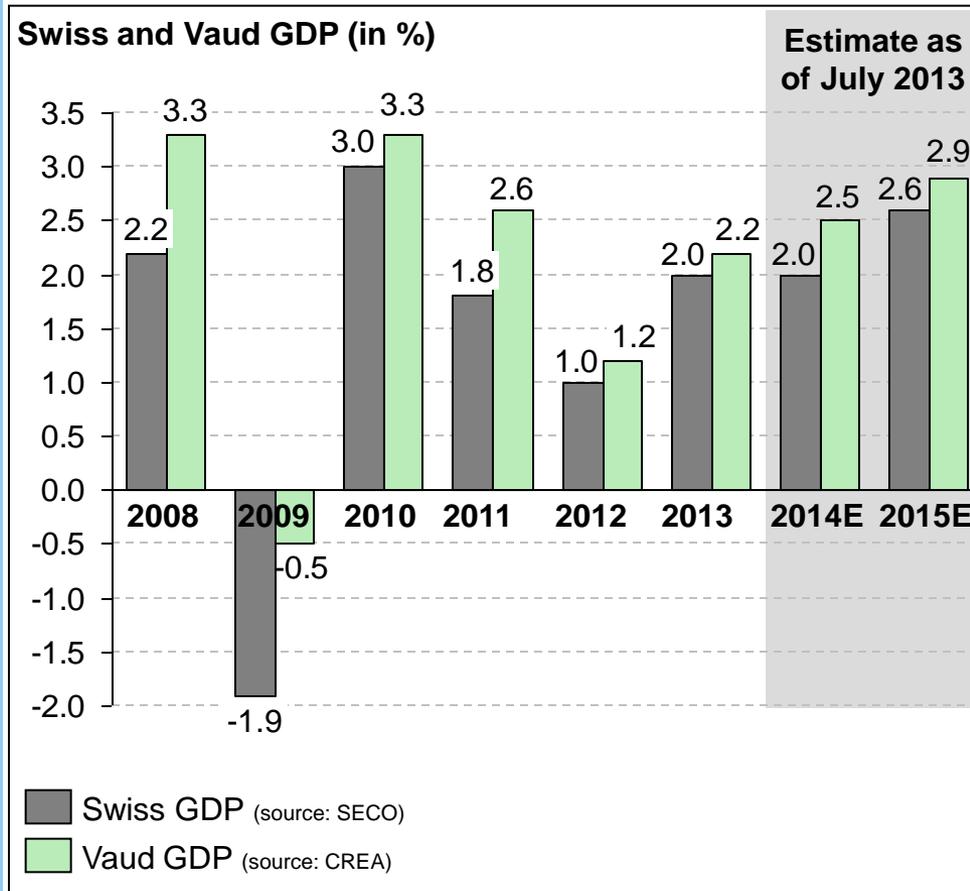
		2010	2011	2012	2013	30/06/14
Asset quality and balance sheet structure	Impaired loans/ credit exposure	1.6%	1.3%	1.2%	0.9%	0.8%
	Customer deposits/ loans to customers	94%	93%	98%	98%	99%
	Interest margin	1.48%	1.48%	1.33%	1.23%	1.22%
Equity capital¹	CET1 ratio	17.6%	16.8%	18.4%	17.8%	17.1%
	Total capital ratio	14.0%	13.2%	14.4%	17.9%	17.3%
	Capital adequacy ratio	175%	165%	180%	224%	216%
Productivity	Cost/income (excluding goodwill amortization)	59%	60%	60%	61%	60%
Financial performance	ROE (net profit / avg. equity)	9.8%	9.3%	9.5%	8.5%	9.3%

¹ Since 1 January 2009, BCV's capital requirements have been determined in accordance with the Basel II Foundation IRB approach; since 1 Jan. 2013, BCV's capital requirements have been determined in accordance with Basel III principles

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Swiss and Vaud GDP



2014 growth estimate

- Switzerland +2.0%¹
- Vaud +2.5%²

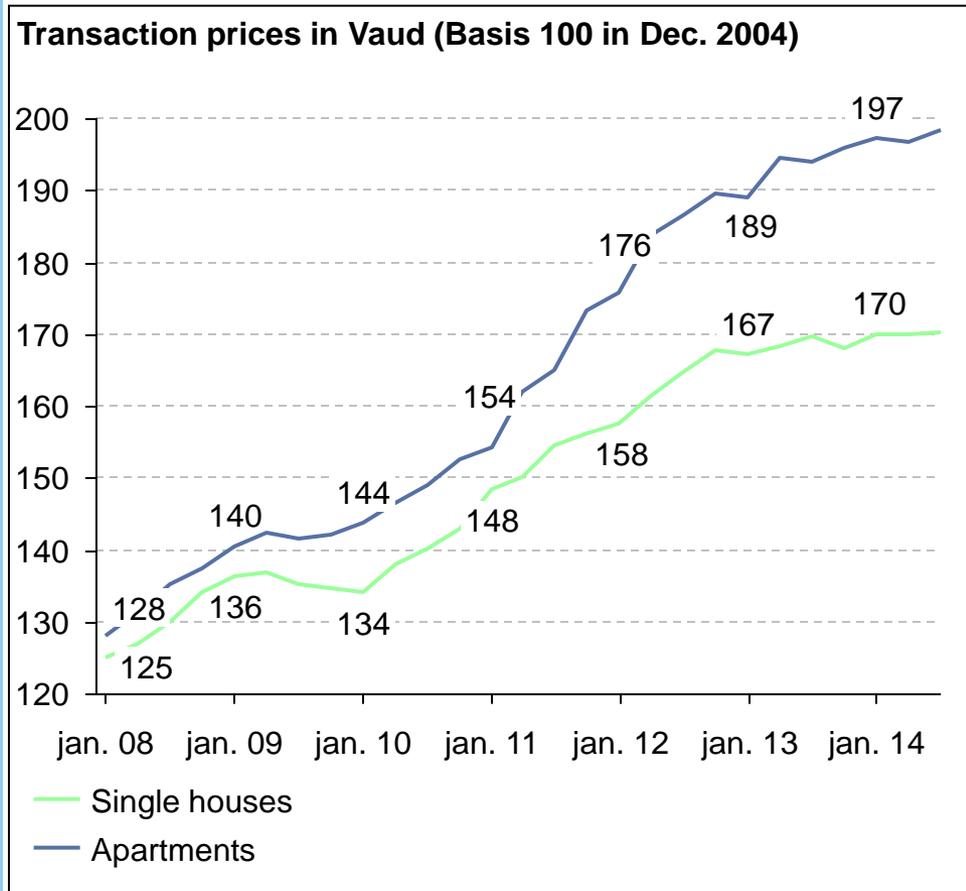
Forecast for 2015

- Switzerland +2.6%¹
- Vaud +2.9%²

¹ SECO (Switzerland's State Secretariat for Economic Affairs)

² Créa (Lausanne University's Créa Institute of Macro-economics)

Real estate in the Vaud region



- Stabilization of housing prices in Vaud over the last three quarters in the context of continued low interest rates
- BCV's moderate growth strategy unchanged

- **Revenue trend going forward largely dependent on yield curve**
- **Continued rigorous control of operating expenses**



Business trend in H2 2014 expected to be in line with H1 2014¹

¹ Provided that the macro-economic situation and the financial markets do not deteriorate significantly



2014-2015 calendar

- **13 November 2014** Third-quarter 2014 operating profit press release
- **19 February 2015** Full-year 2014 results
- **23 April 2015** First-quarter 2015 operating profit press release
- **23 April 2015** Annual Shareholders' Meeting in Lausanne

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- Our key figures
- Annual and interim reports
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- Corporate social responsibility reports
- Presentations for investors



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