

Half year results 2008

Conference call
Lausanne, August 19 2008



- **BCV Group in H1 2008**
- Financial results H1 2008
- Outlook for full year 2008

Key points in H1 2008

First-half financial results mixed; net profit at CHF 192 millions

Main sources of revenues show resilience despite difficult market conditions

Trading risks reduced and under control

Cash payment of CHF 400 millions to shareholders; financial strength intact

Key figures

			H1 2008 YOY change	Like-for-like change ¹
Revenues	CHF	420 mn	-29%	-22%
Gross profit	CHF	166 mn	-46%	-43%
Net profit	CHF	192 mn	-39%	-38%

Unaudited
figures

¹ Excluding disposals of Unicable and A&G

Highlights in H1 2008

- Sale of the Group's stake in the Spanish affiliate A&G
- Disposal of BCV's consumer-credit operations to Swiss One Finance, now Switzerland's third-largest consumer-credit company
- Changes at the Board of directors and Executive board:
 - Board of directors: J-L. Strohm became the new Vice-Chairman of the Board. S. Bachmann and P. Lamunière joined the Board replacing P. Hasenfratz and A. Pugin
 - Executive board: new CEO and newly appointed Head of Retail banking

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Changes in the scope of consolidation

The disposal of Unicible and the sale of the stake in the Group's Spanish affiliate Asesores y Gestores Financieros (A&G) had the following impact on the profit and loss account :

- Lower revenues
- Drop in operational costs
- Marginal effect on gross and net profit

To improve comparisons, like-for-like figures are also given in the financial results

Key figures

CHF mn (rounded)

	H1 2008	H1 2007	Variation
Total revenues Excl. Unicable/A&G	420	592 539	-29% -22%
Gross profit Excl. Unicable/A&G	166	308 289	-46% -43%
Net profit (before minority interests) Excl. Unicable/A&G	192	318 310	-39% -38%
	30.06.08	31.12.07	
Total balance sheet	34,085	35,337	-4%
Assets under management Excl. A&G	75,913	84,349 80,456	-10% -6%

Unaudited
figures

CHF mn (rounded)

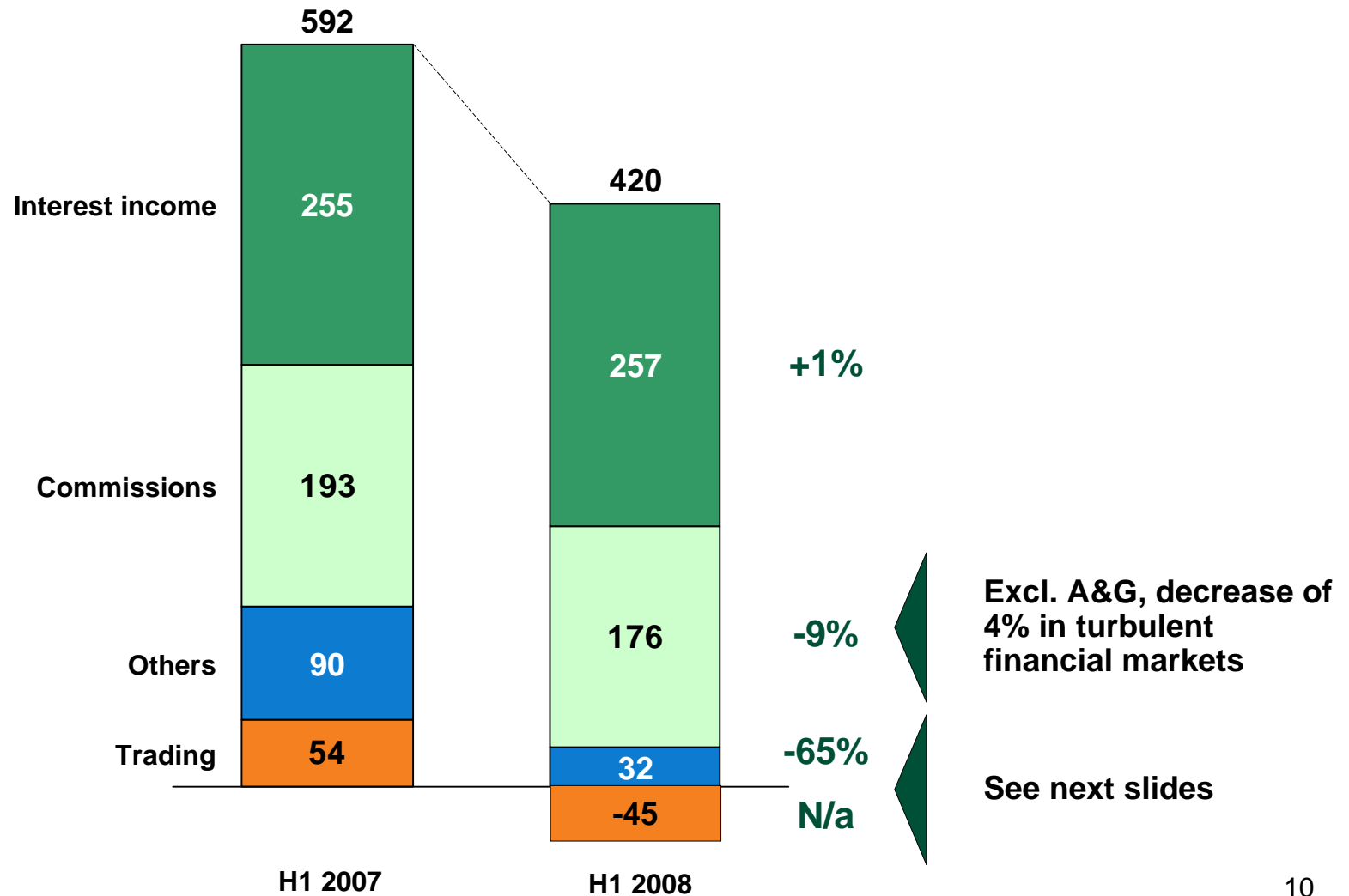
Unaudited
figures

	H1 2008	H1 2007	Variation		Variation Like-for-like ¹
Total revenues	420	592	-172	-29%	-22%
Operational costs	-254	-284	-30	-11%	+2%
Gross profit	166	308	-142	-46%	-43%
Depreciations	-39	-46	-7	-14%	-4%
Value adjustments, provisions, losses	-1	-9	-8	-85%	-82%
Extraordinary income	114	89	+25	+27%	+27%
Extraordinary expenses	-1	-1	-0	-	-
Taxes	-46	-23	+23	+98%	+132%
Net profit (before minority interests)	192	318	-125	-39%	-38%

¹ Excl. disposals of Unicable and A&G

Mixed trend in revenues but main revenue sources showing resilience

CHF mn (rounded)



Trading income in detail

CHF mn (rounded)

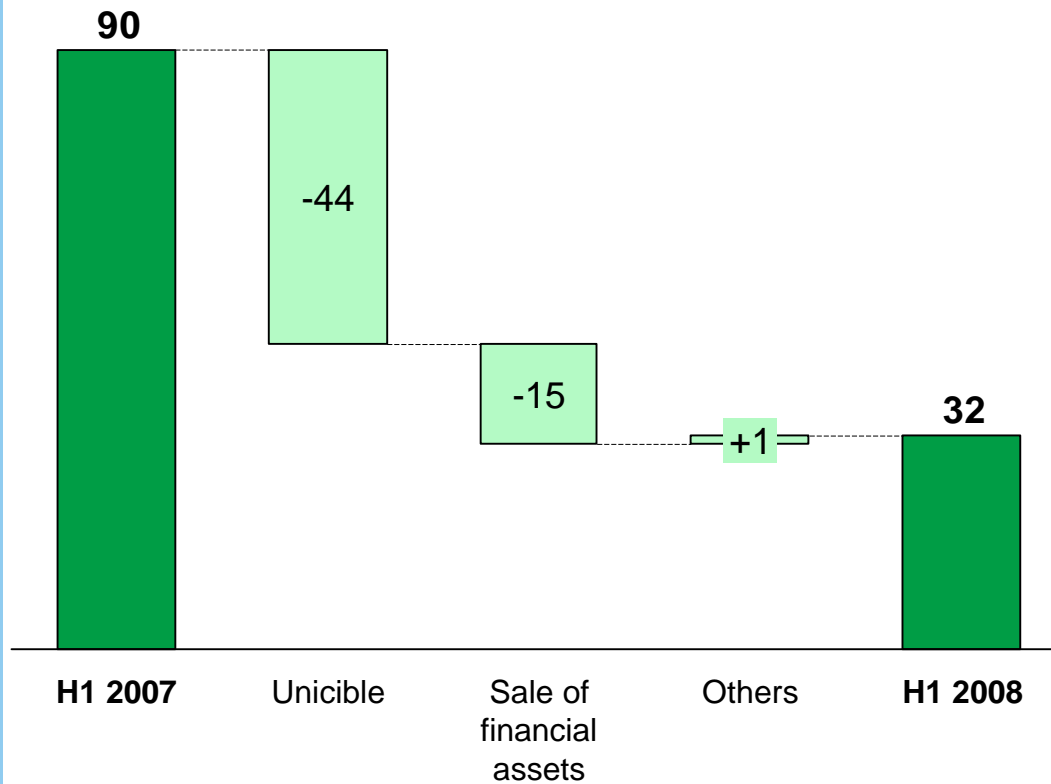
	Q1 2008	Q2 2008	H1 2008
Trading income	-35	-10	-45
<i>(Incl. provision releases on liquidity risk)</i>	-31	-6	-37
Own investment portfolio	-10	+0	-10
Equity derivatives	-42	-32	-74
Others	+17	+22	+39
<i>(Forex, fixed income, precious metals, structured products and others)</i>			

Losses due to exceptional market conditions in March, in particular in equity derivatives within the SMI

Continued risk reduction of equity derivative positions as planned; loss in equity derivatives as a result of unwinding specific risky positions

Other revenues

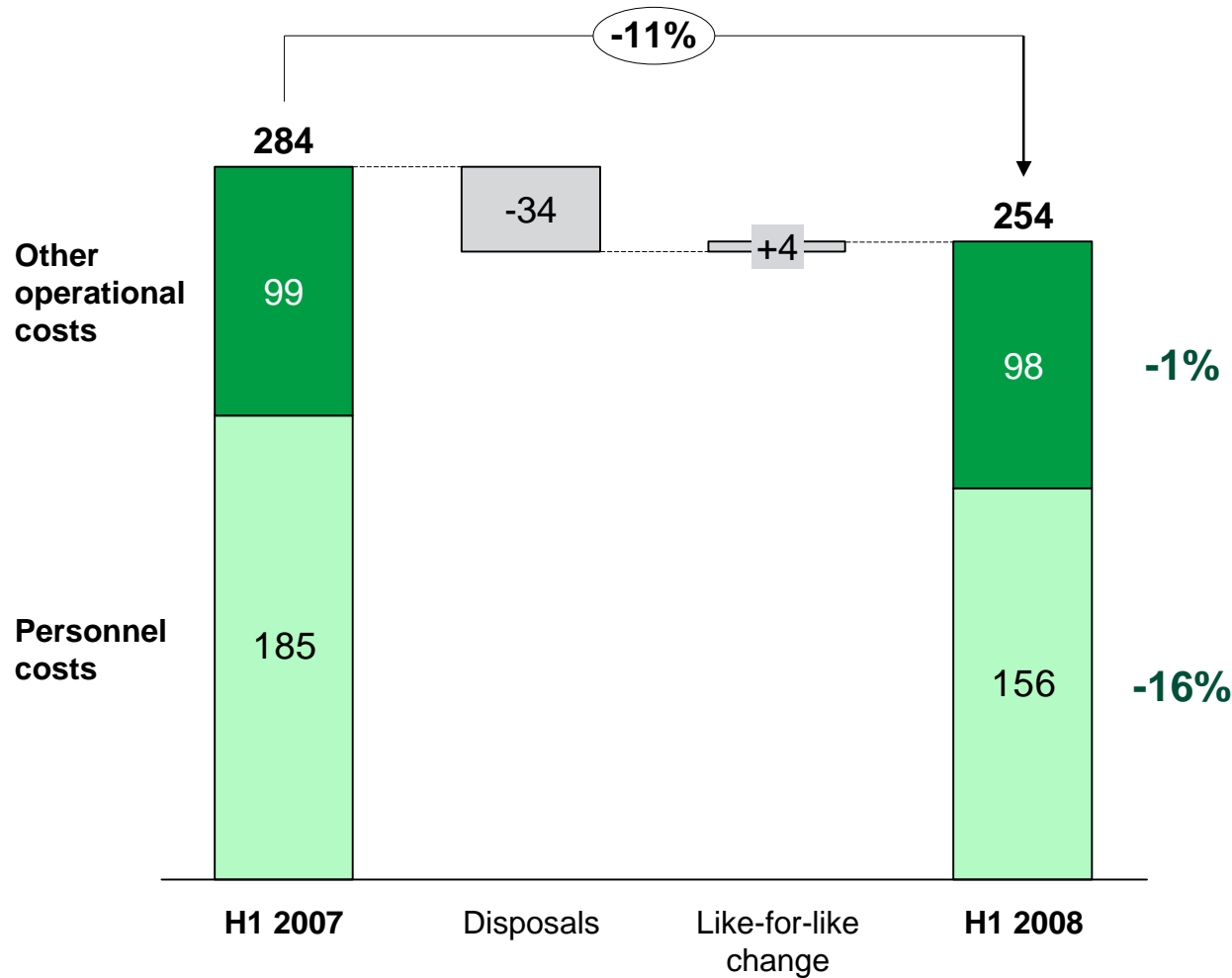
CHF mn (rounded)



Result strongly influenced by the disposal of Unicible and the expected decrease in the sale of financial assets (stocks and real estate)

Trend in operational costs

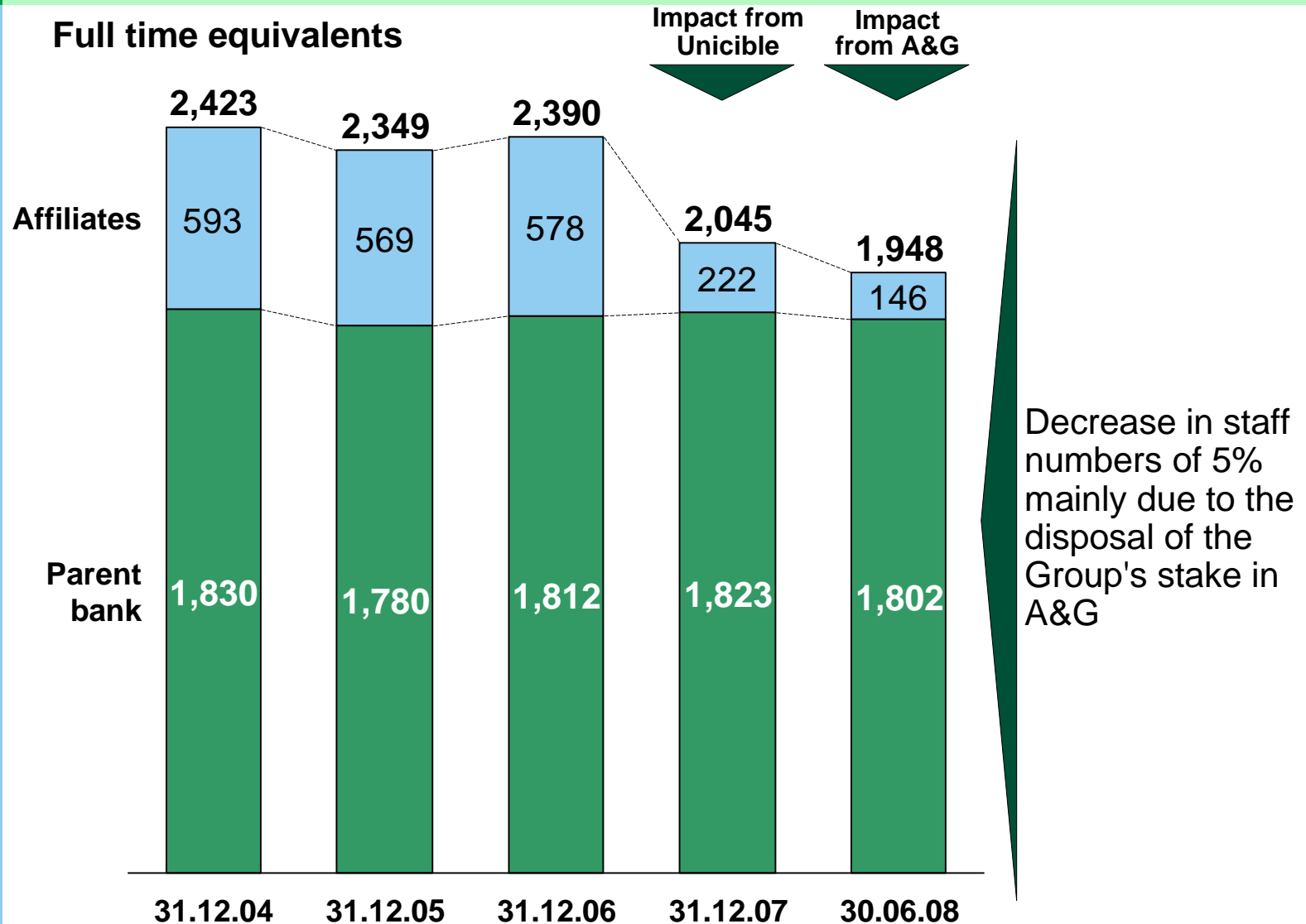
CHF mn (rounded)



- Excl. Unicable/A&G, total operational costs would increase by less than 2%
- Transfer between personnel and other costs essentially due to the outsourcing of IT services
- Costs control on personnel costs: +1% excl. Unicable/A&G

Unaudited figures

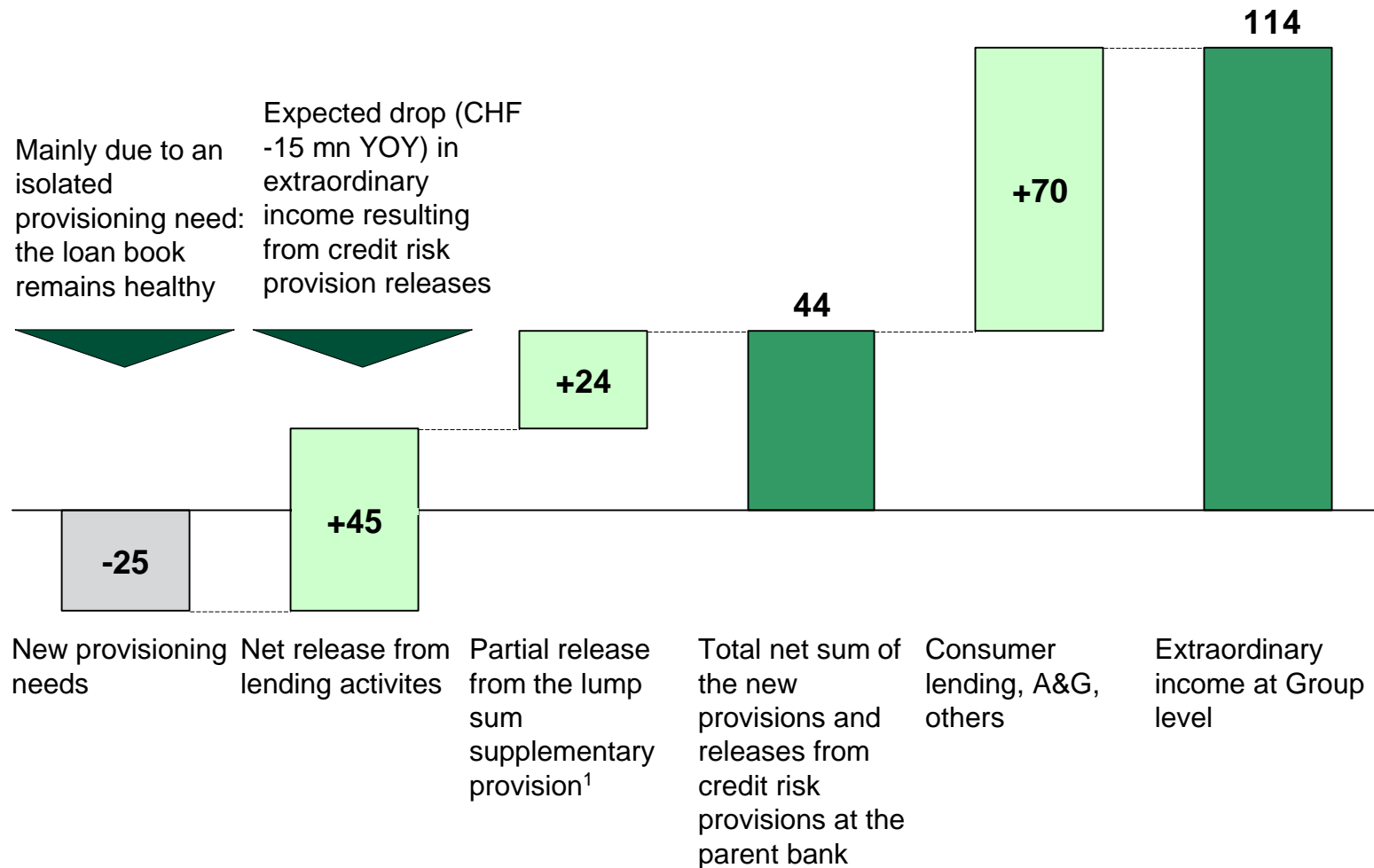
Trend in staff numbers: reduction due to the disposal of A&G



Extraordinary income mainly influenced by disposals and to a lesser extend by provision releases

Breakdown in extraordinary income in H1 2008, CHF mn

ESTIMATE



Unaudited figures

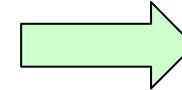
¹ Supplementary provisioning according to the SFBC rules, fully released as of June 30 2008

Main trends in H1 2008 business volumes

CHF mn (rounded)

ESTIMATE

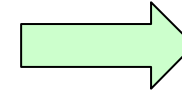
Increase in mortgage volumes¹



+240

+1.4%

Strong increase in other credit volumes²



+340

+6.0%

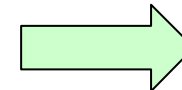
Decrease in AuM volumes³



-4,543

-5.6%

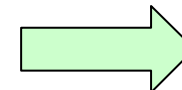
Stability in traditional savings deposits



+27

+0.3%

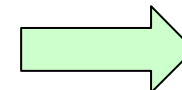
Slight decrease in other client deposits



-325

-2.5%

Drop in structured products⁴



-314

-22.0%

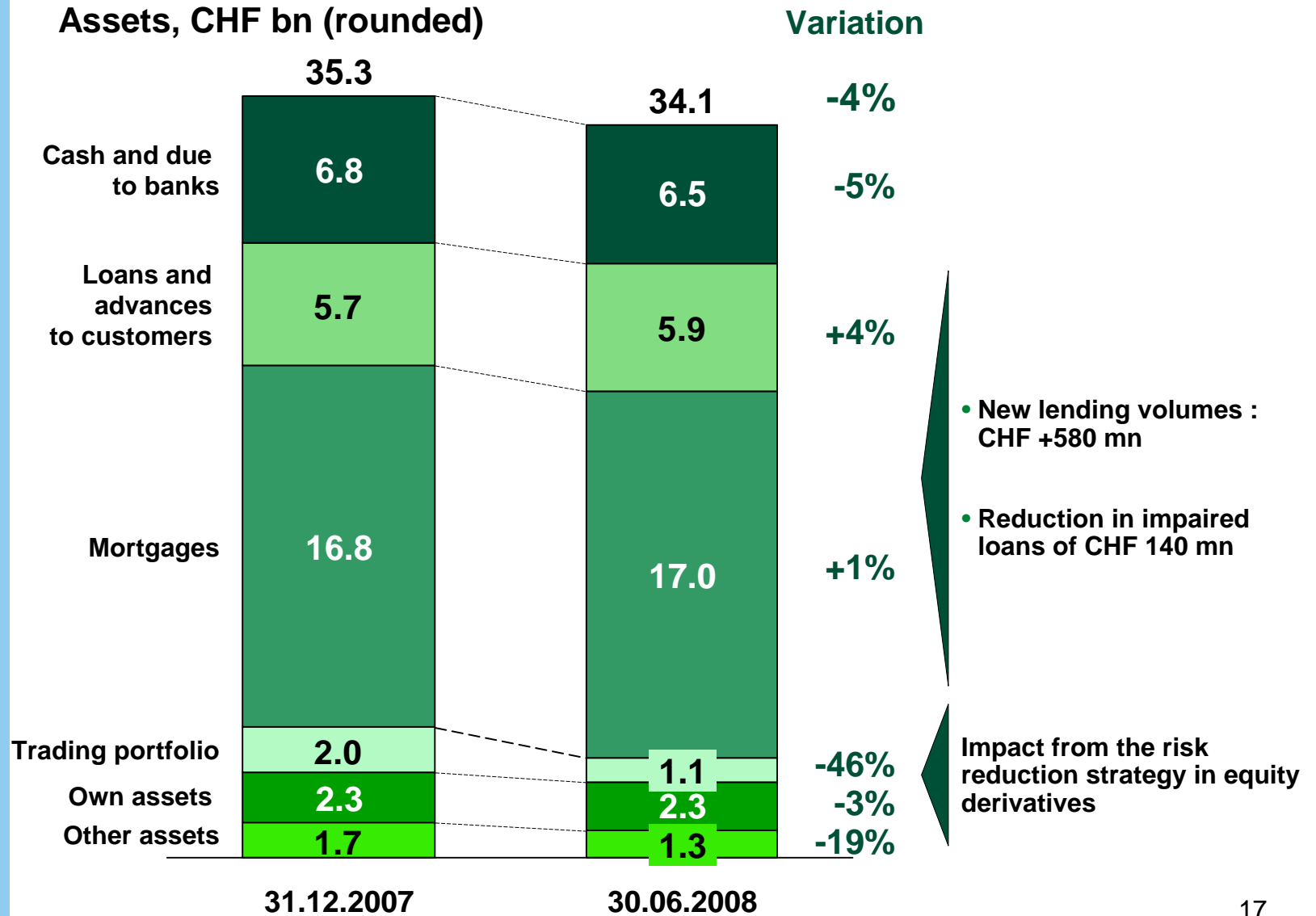
¹Excl. impaired loans

²Excl. impaired loans and the disposal of Consumer lending activities

³Excl. A&G

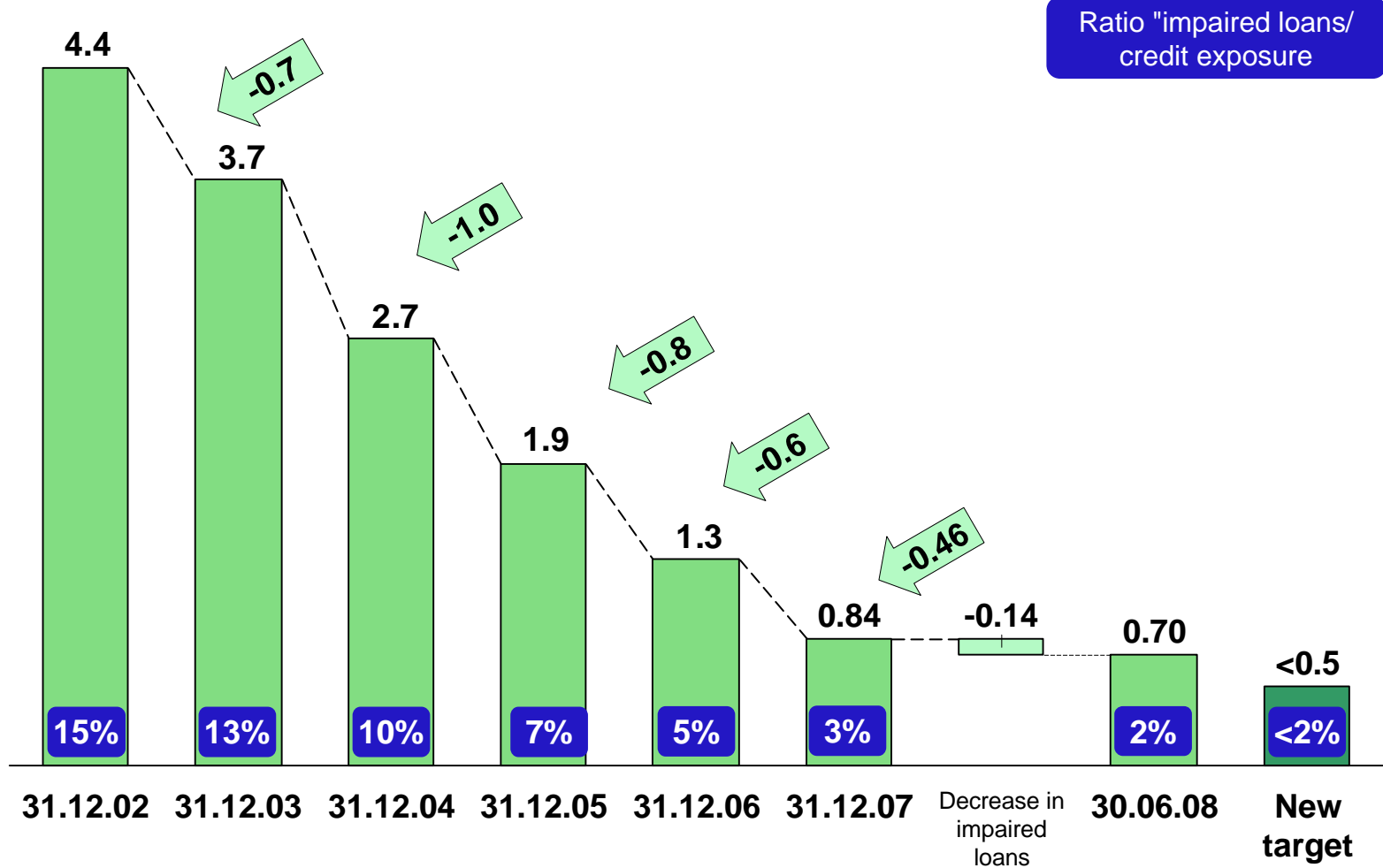
⁴Volumes in circulation

Trends in the balance sheet : assets



Volumes of impaired loans further reduced but at a lower pace

Trends in impaired loans, CHF bn (rounded)¹

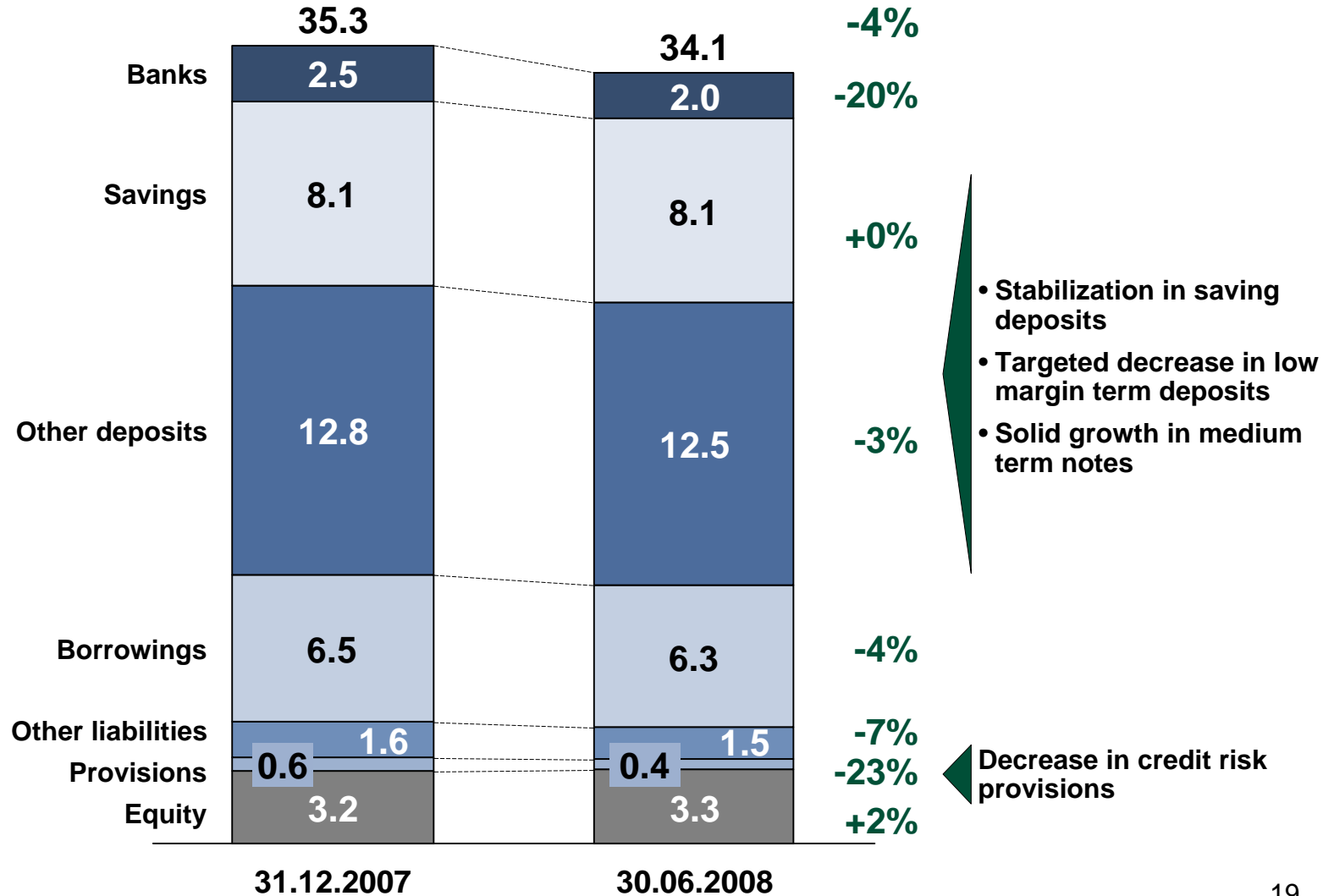


Unaudited figures

¹ Impaired loans as defined by SFBC rules

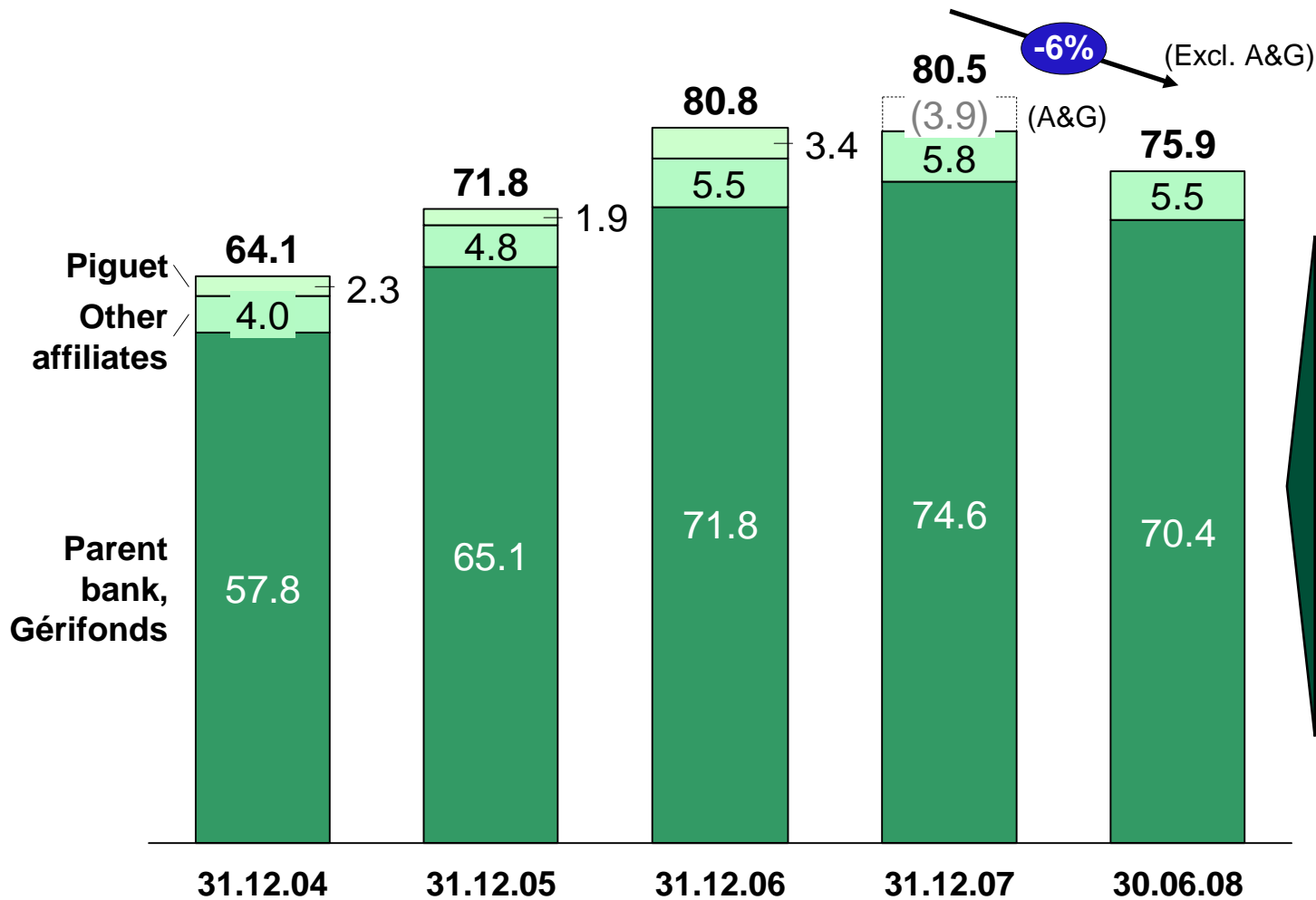
Trends in the balance sheet : liabilities

Liabilities, CHF bn (rounded)



Trend in assets under management

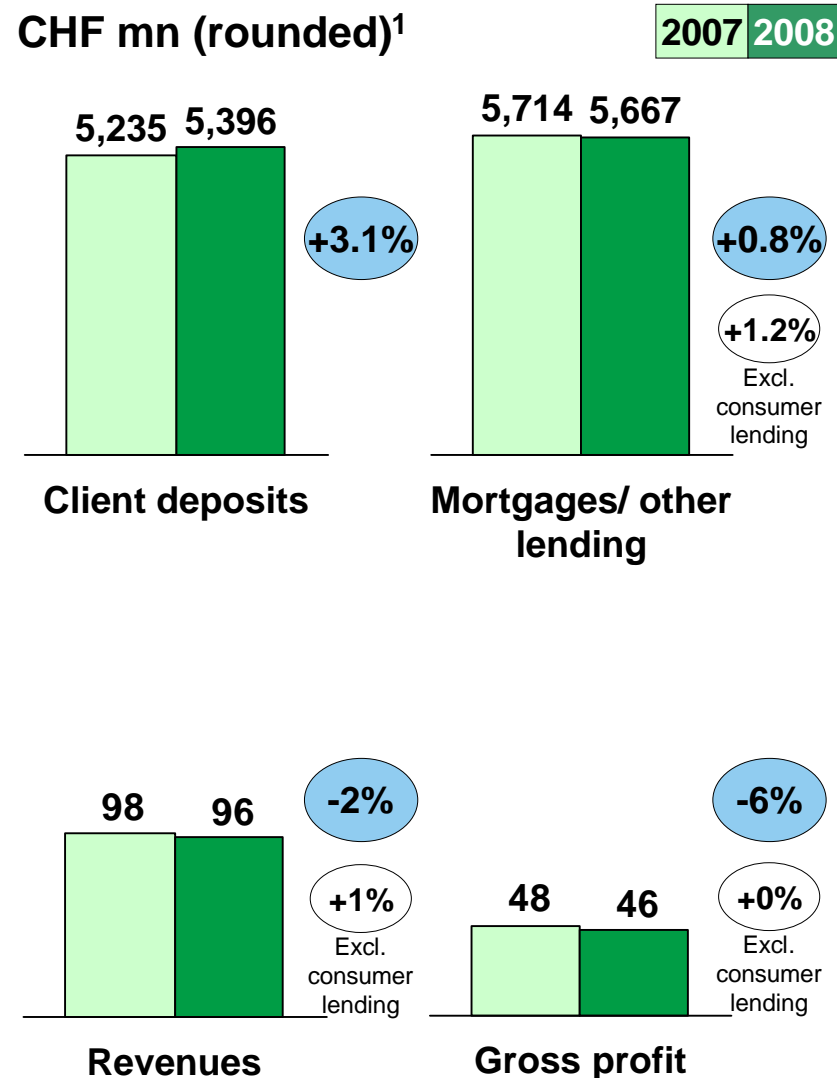
CHF bn (rounded)



- Drop in AuM levels due to the disposal of the Group's stake in A&G (CHF 3.9 bn) as well as market conditions
- Net new money of CHF 342 millions
- Excl. the reduction of term deposits with low profitability, net new money of CHF 900 millions

Unaudited figures

- Increase in business volumes of CHF 189 mn
 - Slight increase in mortgage loans of +1.2%
 - Savings and other client deposits +3.1% (incl. medium term notes +4.0%)
- Decrease in revenues and gross profit due to the disposal of Consumer lending activities
- Strong volume growth in credit card business (+42%)
- Successful disposal of consumer lending operations to Swiss One Finance



¹ Figures for 2007 were adjusted in order to take into account changes in internal refinancing rates made in 2008

Globally

- Important increase in lending volumes (+9.1%)
- Decrease in client deposits in all activities (-458 mn, or -8.2%), except with SME's, resulting from a differentiated strategy in deposits
- Significant improvement of revenues and gross profit levels generated by rising business volumes and stable margins

SME

- Stability in credit volumes and slower erosion in margins
- Improved profitability on client funds

Large corporates

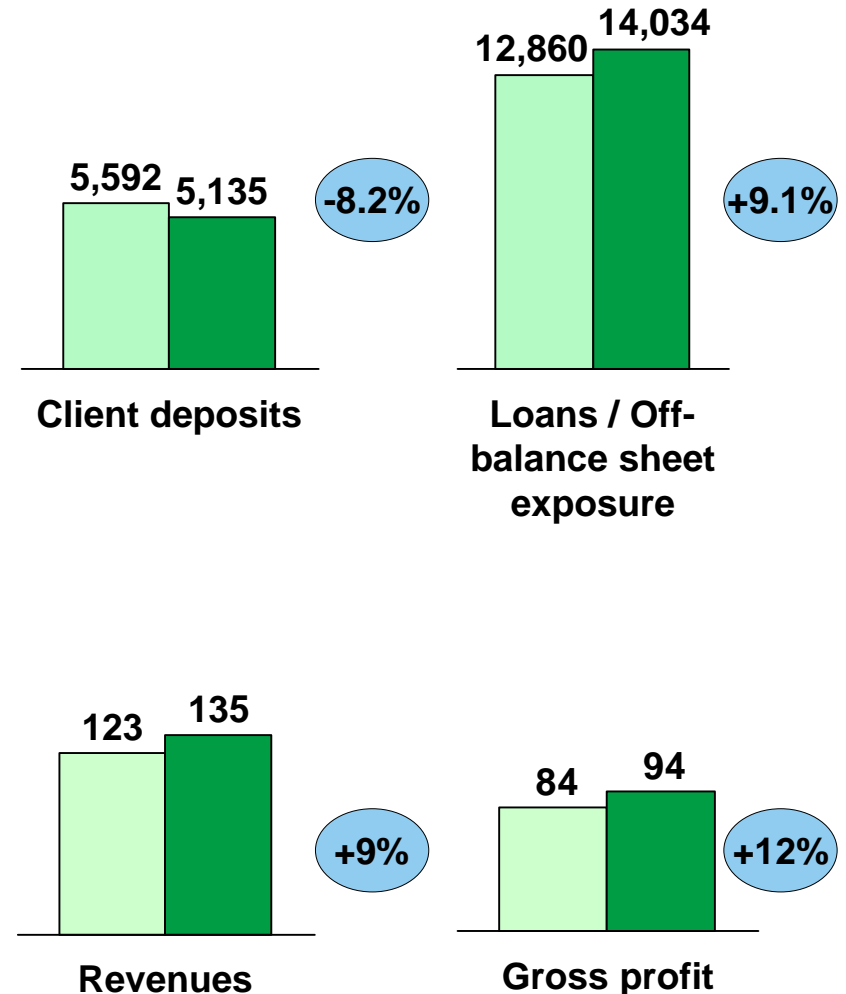
- Strong increase in credit and off-balance sheet volumes (+35.9%); upward trend in margins

Trade Finance

- Growth in lending (+15.2%, mainly in off-balance sheet volumes) reflecting higher commodity prices
- Revenues increasing by +31% despite the negative impact in forex exchange rates CHF/USD

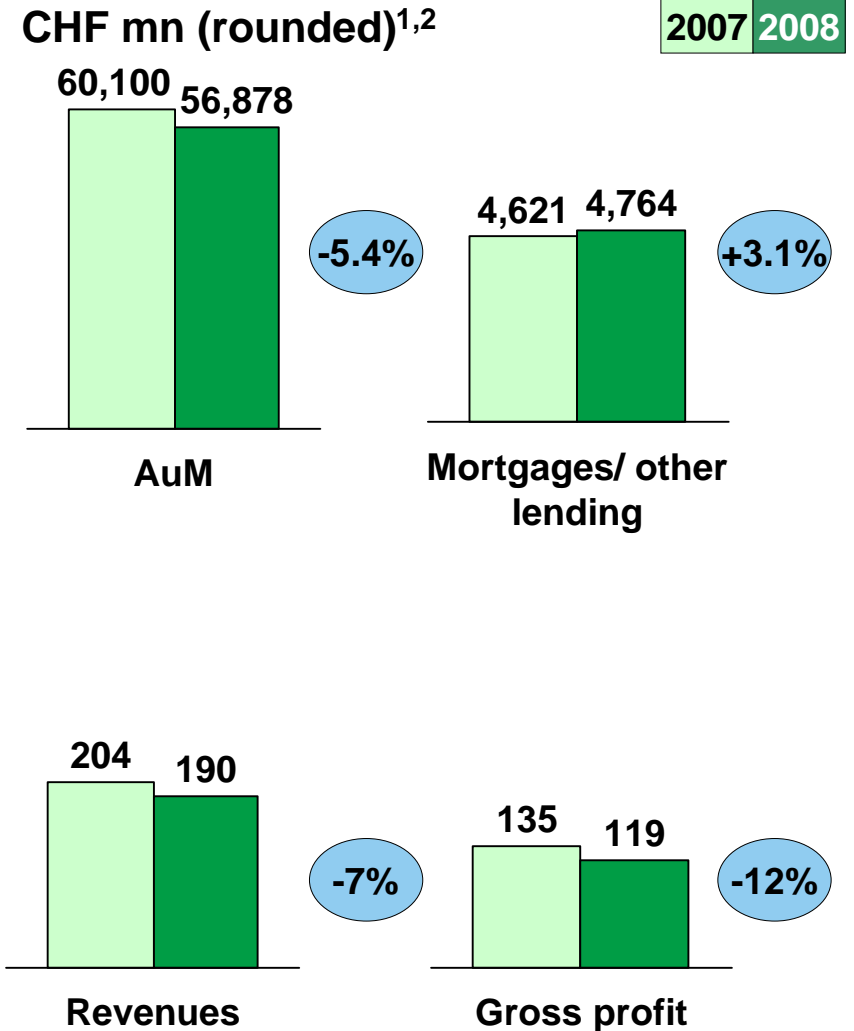
CHF mn (rounded)¹

2007 2008



¹ Figures for 2007 were adjusted in order to take into account changes in internal refinancing rates made in 2008

- Lower revenues reflecting difficult market conditions
- Net new money increasing for both institutional and private clients (+613 mn)
- 3.1% progression in mortgages and other sources of lending
- Decrease in gross profit mainly influenced by the drop in revenues and slightly higher personnel costs
- Affiliates (Gérifonds, Piguet): Decrease in revenues and gross profit in line with market



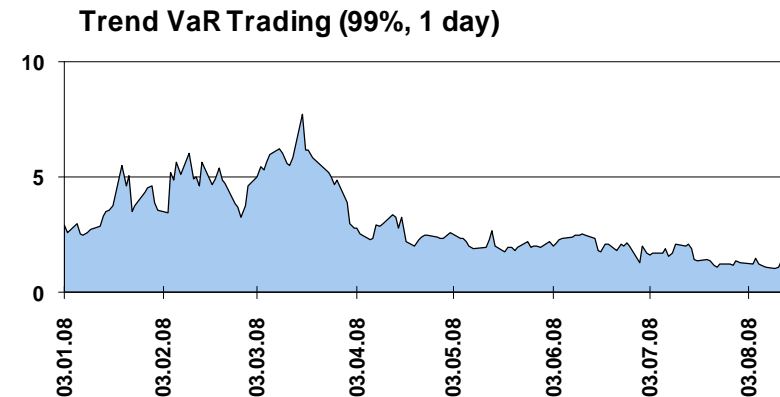
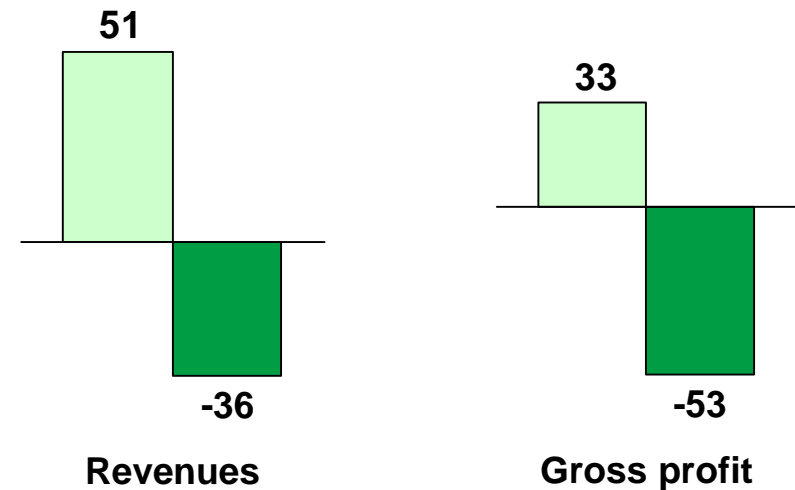
¹ Figures for 2007 were adjusted in order to take into account the sale of the Group's stake in A&G, changes in the internal allocation of treasury position between wealth management and corporate center, as well as changes in internal refinancing rates made in 2008

² Excl. own investment portfolio

- Losses of CHF 74 millions during H1 in equity derivatives; situation now stable with an significantly improved risk profile
- Forex/Metals: Strong increase in revenues (+32%) in buoyant forex markets
- Lower volumes in structured products (-22%) reflecting less favorable demand conditions
- Custody business: solid growth in fund administration and custody (total volume +15%)
- Positive earnings outlook for the trading division during H2 2008

CHF mn (rounded)

2007 2008



Main key ratios

GROUP		2004	2005	2006	2007	30.06.08	Target
Quality and balance sheet structure	Impaired loans / credit exposure	10%	7%	5%	3%	2%	<2%
	Client deposits / Loans to clients	78%	83%	85%	93%	90%	
	Net interest margin <i>Incl. accounting change in 2007 (netting of replacement values)</i>	1.29%	1.40%	1.39% 1.55%	1.53%	1.52%	
Equity	Equity ratio SFBC	185%	196%	199%	179%	179%	145%
	Total capital ratio (BRI)	17.4%	18.5%	18.5%	16.3%	16.3%	~14%
Productivity	Cost/income (Excl. goodwill amort.)	67%	62%	59%	59%	70%	57-59%
					<i>Excl. loss in equity derivatives 59%</i>		
Financial performance	ROE (Net profit / average equity)	12.4%	14.9%	16.0%	14.3%	11.7%	13-14%
					<i>Excl. loss in equity derivatives 15.1%</i>		

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Outlook for full year 2008

Management expects the Bank's financials to continue their gradual return to normal levels in H2. This will include a further decline in extraordinary income, as previously announced. In addition, the Bank will pursue the equity optimization and dividend strategy that it unveiled at the beginning of the year.

Full-year 2008 net and gross profit will be affected by the poor performance experienced in trading at the beginning of the year. However, Management remains confident in the Bank's main revenue streams.

Next release

November 11 2008

9 months figures

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