Full year results 2008

Conference call
Lausanne, March 10 2009

Program

- **BCV in 2008** **P. Kiener**
- Financial results 2008 T. Paulsen

Key points

Solid bank : top line resilience during the year and good performance during H2; high equity levels

BCV ready to go further : new strategy and new organization in order to tackle future challenges

BCV confident in its future : dividend and equity optimization policy confirmed

Key figures

CHF millions (rounded)

		Change in 2007	Like for like [1]
Revenues	928	-15%	-9%
Gross profit	423	-20%	-18%
Net profit	358	-25%	-24%
Total assets	35,239	0%	0%
AuM	66,766	-21%	-17%

1 Excluding disposal of activities of Unicible and A&G

BCV

Main highlights of 2008 (1/2)

- BCV resilient to the current financial and economic crisis
- No exposure to US subprime, Lehman Brothers, … ; only very limited exposure to Madoff at affiliate Banque Piguet (0.05% of Group AuM)
- Significant NNM from local customers
- First half trading loss recovered, market risk positions significant reduced in equity derivatives
- Stable equity levels and implementation of equity optimization strategy
- New strategy and new organization communicated on November 25 2008, under implementation

Main highlights of 2008 (2/2)

- End of IT-BO partnership with ZKB and extension until 2016 of IBM's guaranteed operation of current IT platform
- Sale of BCV's stake in Spanish affiliate A&G
- Sale of consumer credit lending business to Aduno group
- Approval to use Basel II FIRB as of 1.1.2009
- Improved credit rating by Standard & Poor's from A+ (stable) to AA- (stable)
- Proposition of the Board to the shareholders' meeting to choose PricewaterhouseCoopers (PwC) as independent auditor

Personal changes in the Board of Directors and the Executive Board

- Two new board members, S. Bachmann and P. Lamunière
- P. Kiener as new CEO as of 1.5.2008
- M. Gygax, new head of Retail as of 1.10.2008
- T. Paulsen (CRO) appointed CFO as of 1.1.2009
- S. Meyer nominated to the Exec. Board as CCO as of 1.1.2009
- Appointment of G. Haeberli (current head of French part of Switzerland at CS) as Head of Private Banking as of 1.7.2009
- C. Preston will leave parent company to lead Banque Piguet as of 31.3.2009

Main trends in 2008 business volumes

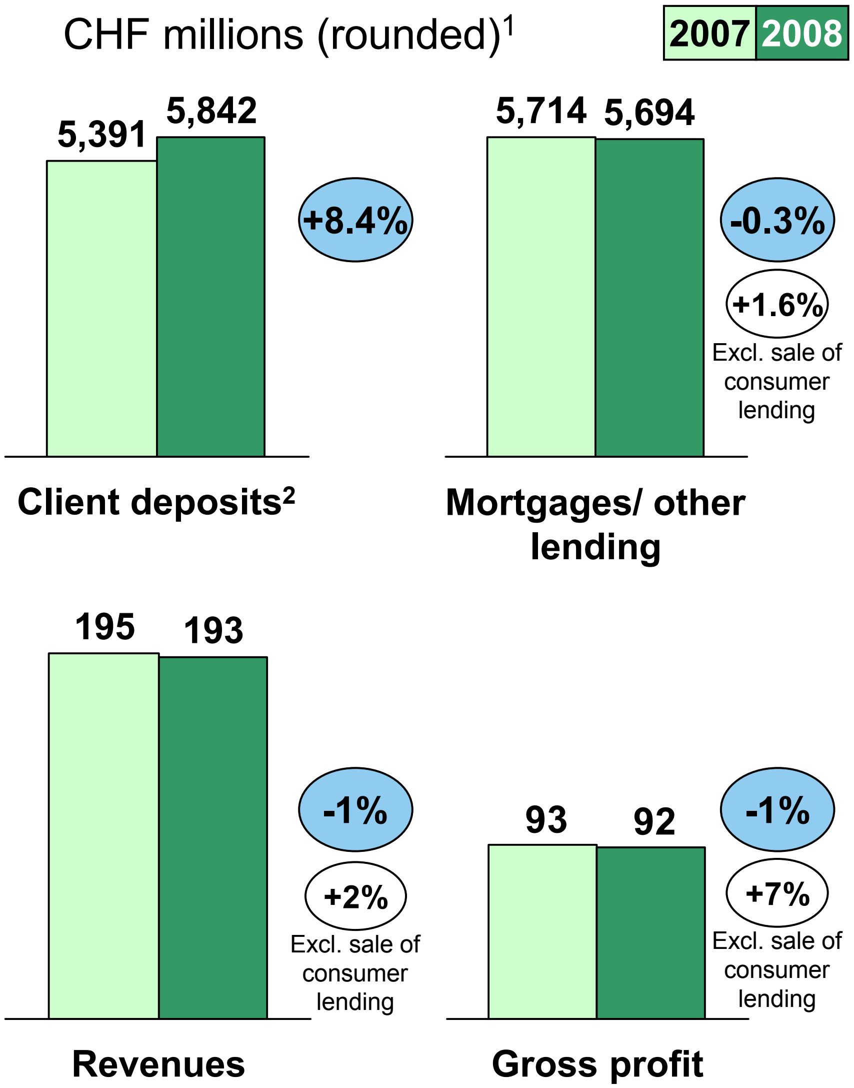
CHF millions (rounded)

		ESTIMATE
Increase in mortgage volumes[1]	+601	+4%
Stability in other credit volumes[2]	+33	+1%
Increase in saving deposits	+419	+5%
Increase in other client deposits	+835	+7%
Decrease in AuM[3]	-13'690	-17%
NNM in local business[4]	+1,7bn	

[1] Excl. impaired loans
[2] Excl. impaired loans and the disposal of consumer lending activities
[3] Excl. A&G
[4] Private onshore client and SME

Retail banking

- Increased business volumes of CHF 383m
  - Mortgages +2%
  - Decrease in other loans mainly due to the sale of consumer lending business
  - Savings and other client deposits +8%
  - Investment funds and structured products -4%
  - Stable revenues and gross profit – increase when adjusted for one-off effect of consumer lending disposal
- Successful revamp and reorganization of the retail network which began in 2006 finalized with 68 points of sale
- Sale of consumer lending business to cashgate



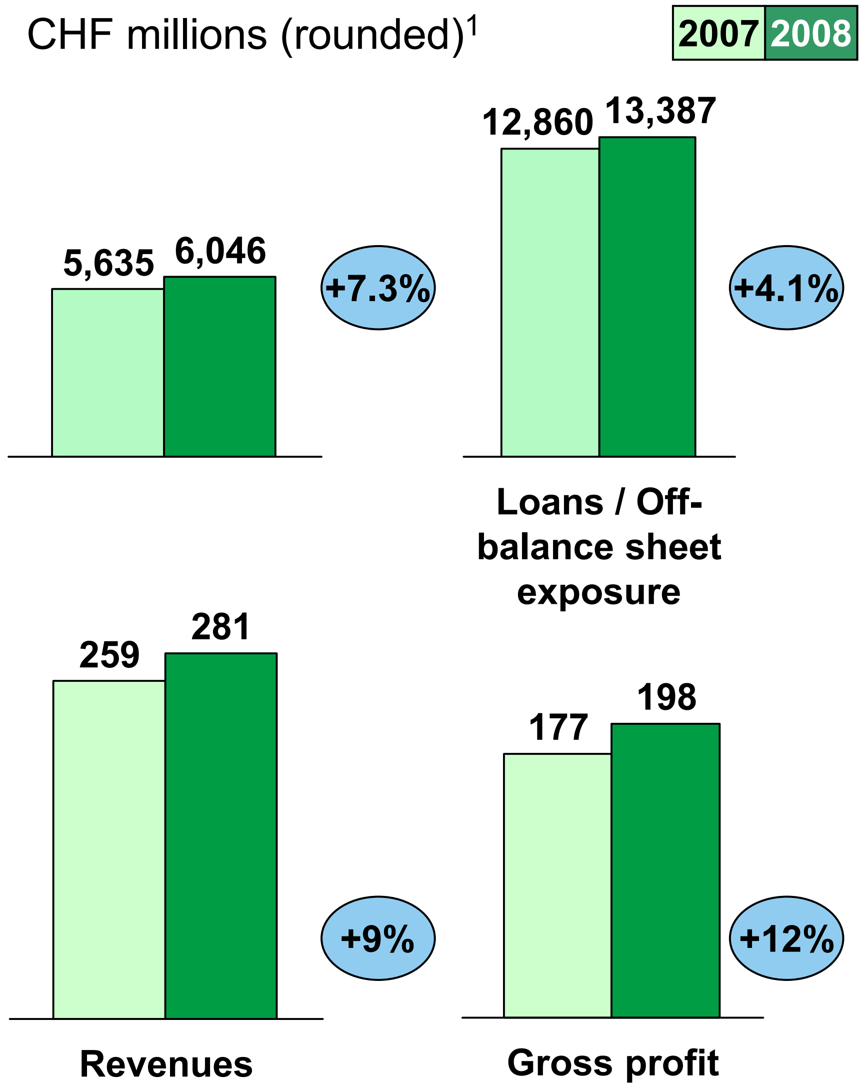
[1] Figures for 2007 were adjusted in order to take into account changes in internal refinancing rates made in 2008

[2] Incl. medium notes

Corporate banking

- Increased credit and off balance sheet lending in SME (+2%) and Large corporates (+30%)
- Significant increase in client deposits, particularly in SME (+17%)
- Stable margins (slightly lower in SME, offset by an increase in Large corporates and Trade finance)
- Revenues and gross profit increase markedly
- Increased new provisioning needs from CHF 10m in 2007 to CHF 40m (isolated cases)

CHF millions (rounded)[1]

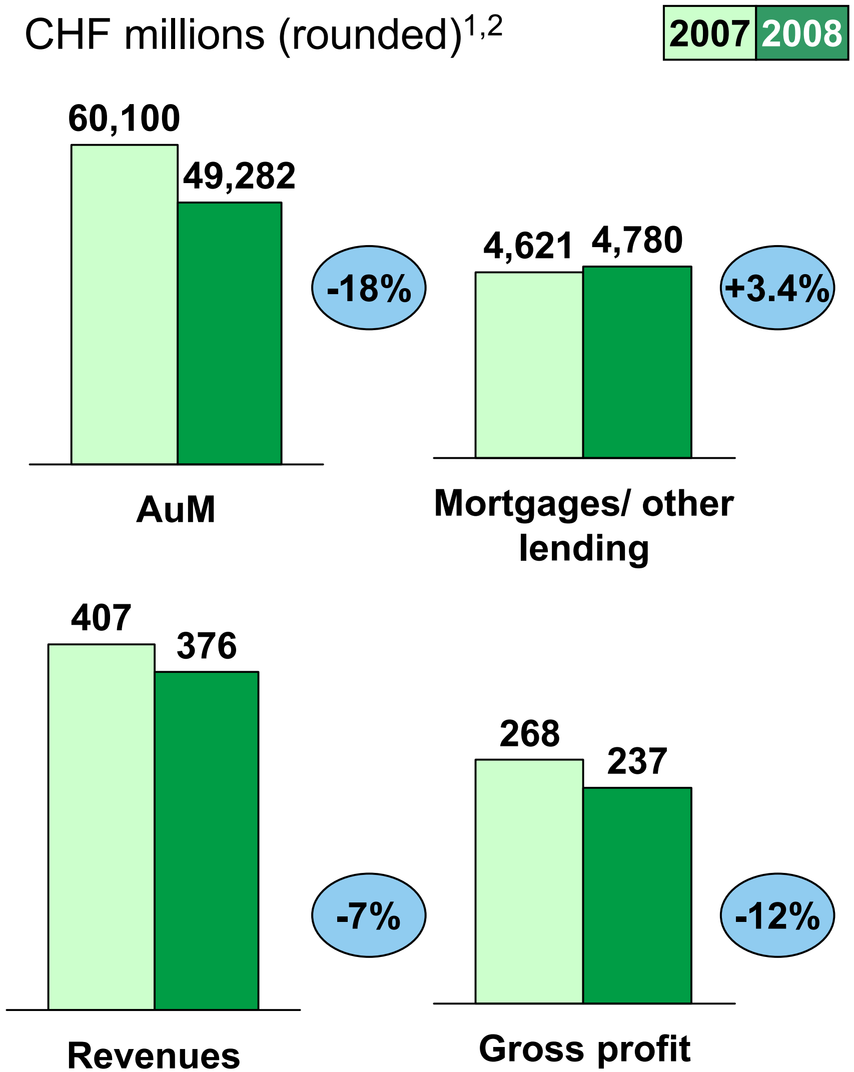


1 Figures for 2007 were adjusted in order to take into account changes in internal refinancing rates made in 2008
2 Incl. medium notes

Wealth Management

- No exposure to "subprimes", Lehman Brothers, Stanford International Bank
- Very limited "Madoff" fallout at Banque Piguet (approx. 1% of AuM, or 0.05% at Group level)
- Asset allocation performance in line with market
- Important NNM flows from local Private Banking client base CHF + 535m
- Revenues and gross profit decline due financial markets

CHF millions (rounded)[1,2]

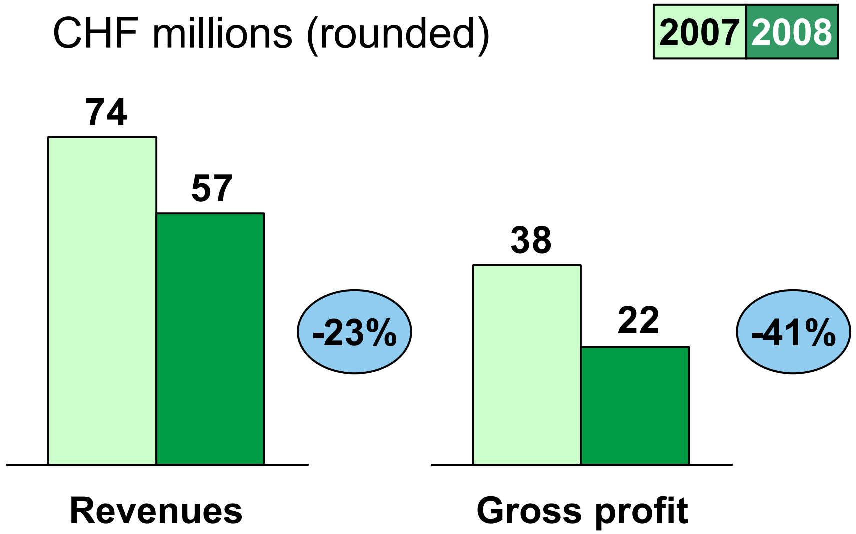


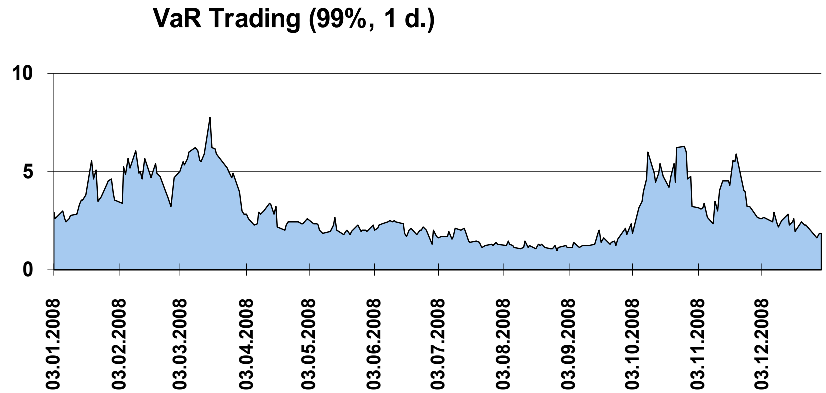
[1] Figures for 2007 were adjusted in order to take into account the sale of the Group's stake in A&G, changes in the internal allocation of treasury position between wealth management and corporate center, as well as changes in internal refinancing rates made in 2008

[2] Excl. own investment portfolio

Trading

- Excellent second half which offsets the Q1 losses incurred in equity derivatives
- Significant reduction in prop. trading (equity derivatives), resulting in controlled lower market risk despite exceptionally high volatility levels towards year end
- Forex: record revenues (+18%) in buoyant markets
- Lower volumes in structured products (-41%)





Situation with the Federal Tax Authorities

- The Swiss Federal Tax Administration (FTA) has asked BCV to pay CHF 150m representing the sum of anticipatory taxes reimbursed to BCV from 2004 to 2006 in relation to some of the Bank's equity-derivative trading activities.
- BCV firmly contests FTA's request. The amount relates to activities covered by a tax ruling by FTA which BCV petitioned for and obtained in 2003 and which FTA is now retroactively challenging.
- Backed by independent law assessments, BCV is determined to defend its position.
- Specific provisioning needs have therefore not been identified. Nevertheless, provisions will be increased by CHF 2m in order to cover potential related legal costs.

Program

- BCV in 2008 P. Kiener
- **Financial results 2008** **T. Paulsen**

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

BCV

P&L

CHF millions (rounded)

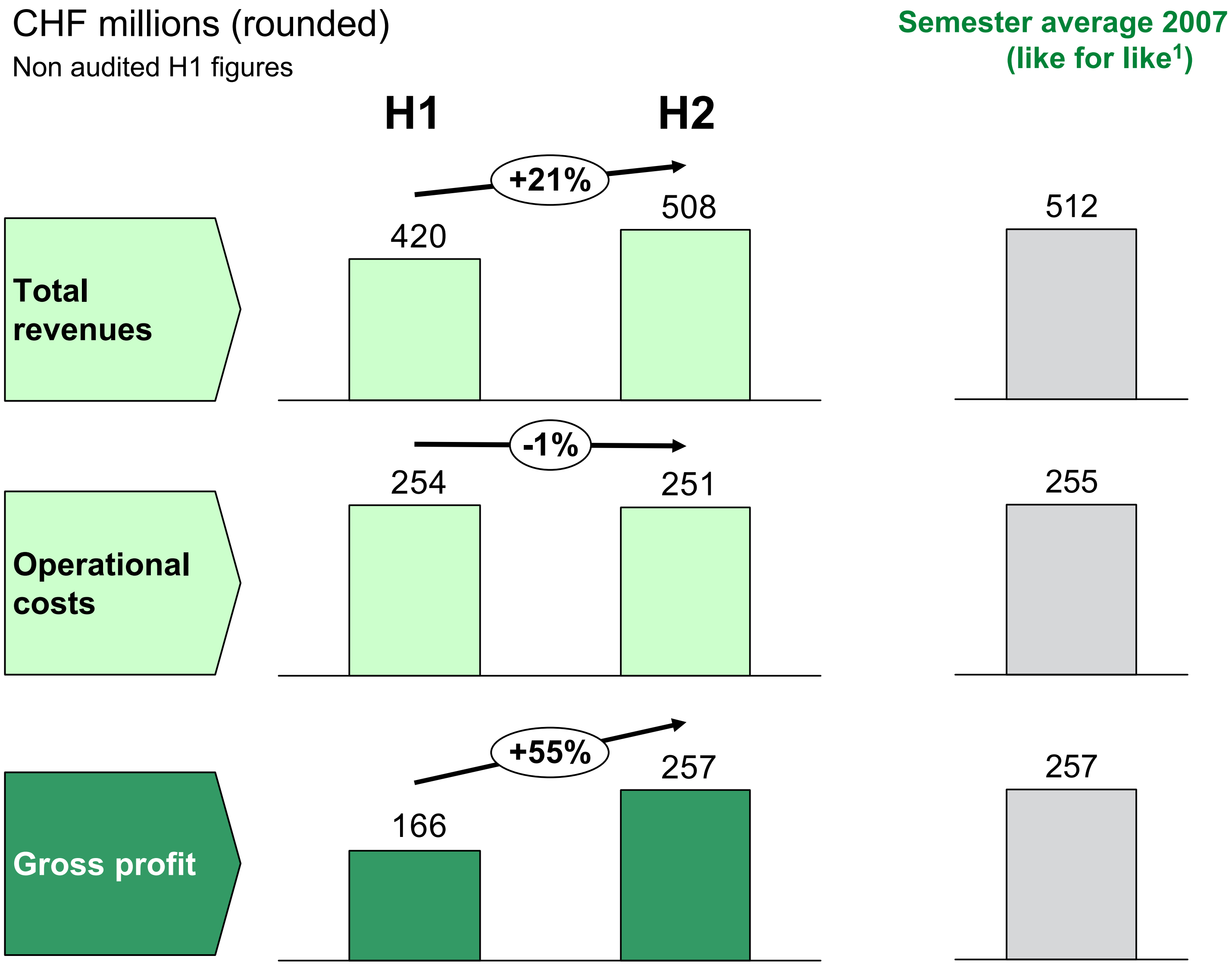
	2008	2007	Change		Change[1]
Total revenues	928	1'088	-160	-15%	-9%
Operating costs	-505	-559	-54	-10%	-1%
Gross profit	423	529	-106	-20%	-18%
Depreciations	-77	-85	-8	-10%	-4%
Value adjustments, provisions, losses	-16	-10	+6	+68%	+75%
Extraordinary income	130	283	-153	-54%	-54%
Extraordinary expenses (of which reserve for general banking risks)	-1	-141 (-140)	-140	-99%	-99%
Taxes	-101	-98	+3	+3%	+7%
Net profit (before minority interests)	358	477	-119	-25%	-24%

[1] Excl. Unicible and A&G

Key figures per semestre

CHF millions (rounded)

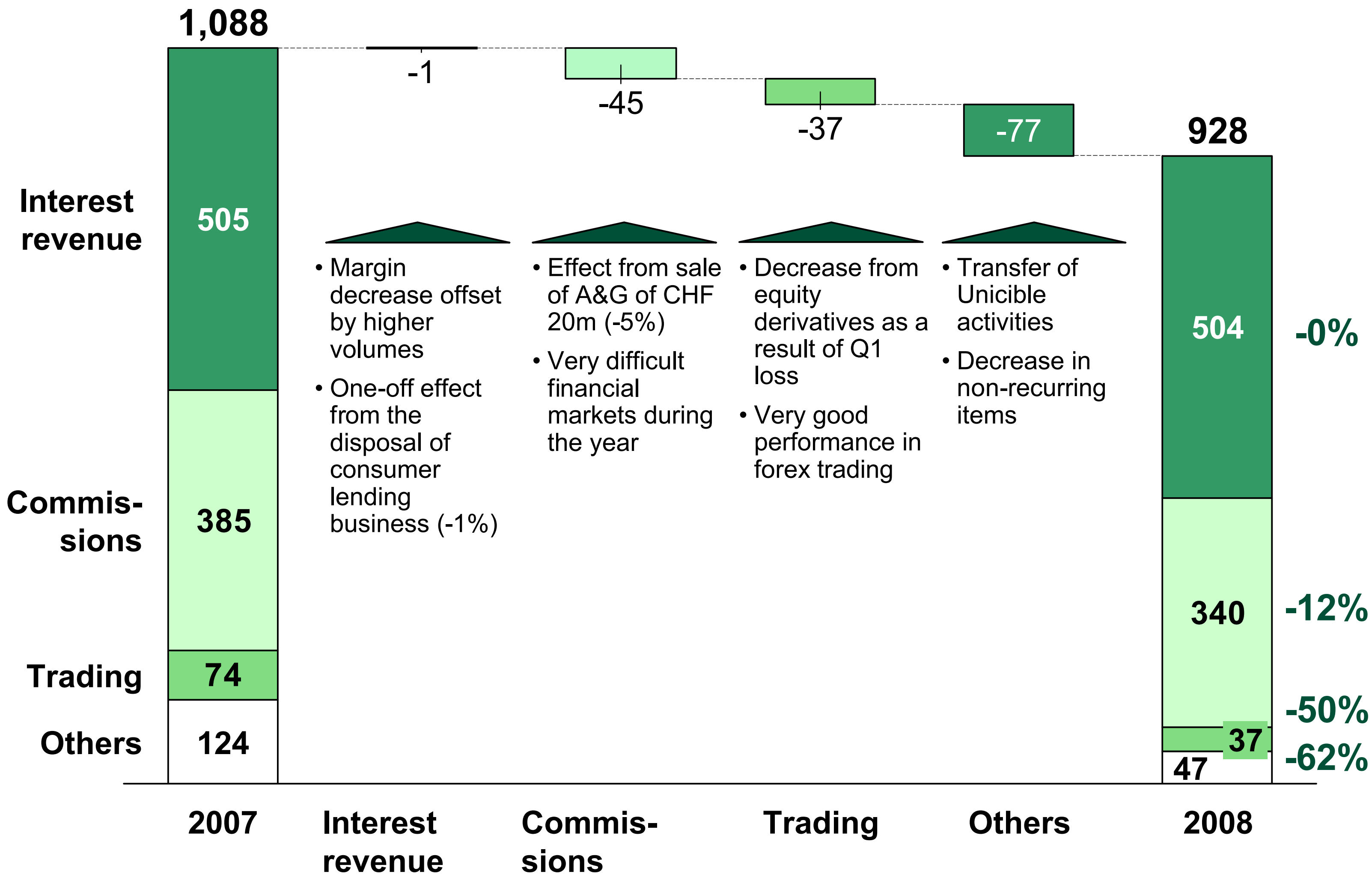
Non audited H1 figures



[1] Excl. Unicible and A&G

Good resilience in interest revenue, main source of revenue

CHF millions (rounded)



Detailed Trading results

CHF millions (rounded)

	H1 2008	H2 2008	2008
Trading results	**-45**	**+82**	**+37**
Equity derivatives	-74	+64	-10
Other trading activities (FX, equity, bonds, metals, structured products, trading costs)	+39	+39	+78
Own investment portfolio	-10	-21	-31

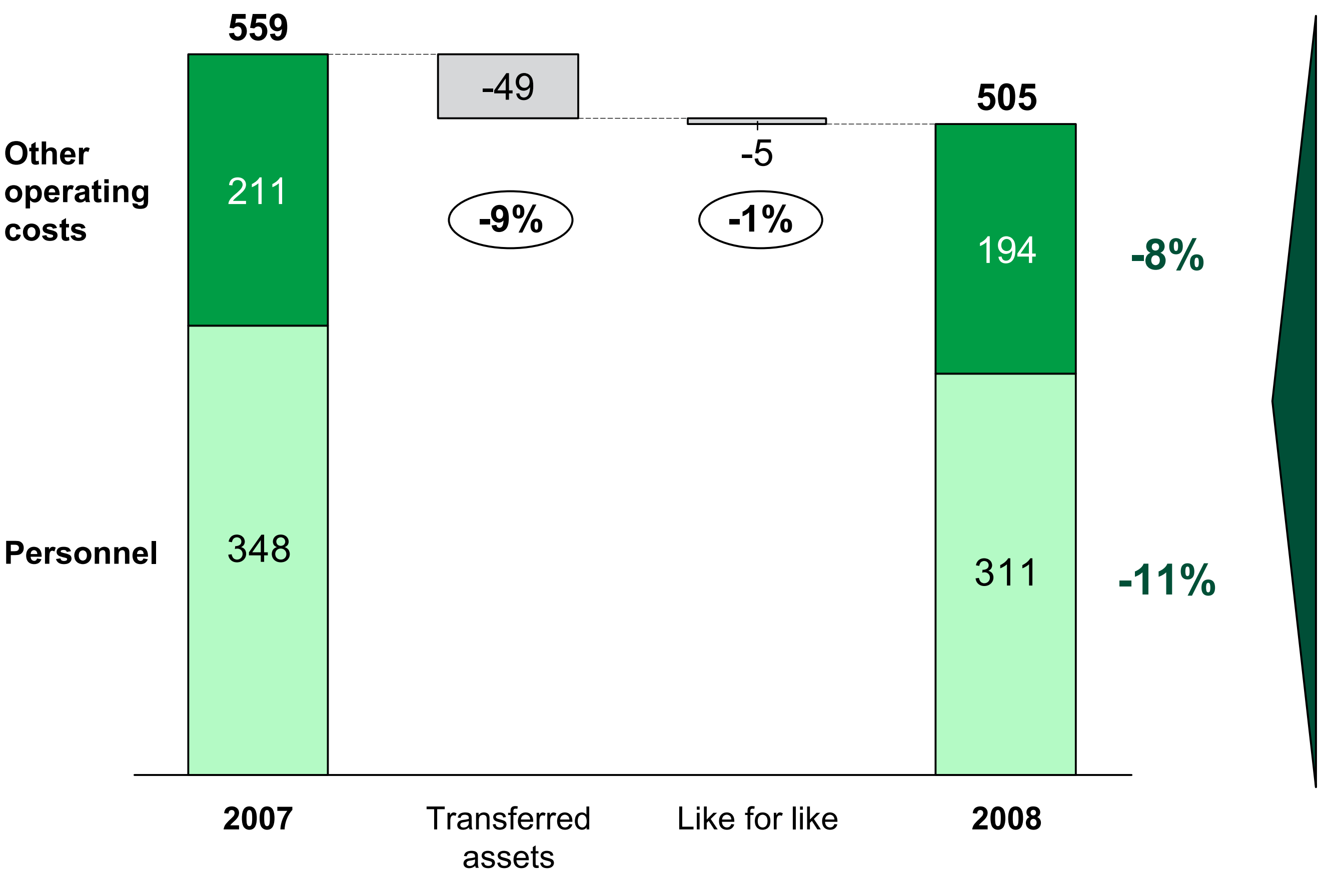
Reasons for the loss:

- **Equity derivatives :** exceptional trading conditions during Q1 and Q2-costs related to the controlled exit strategy and to the unwinding of specific risky positions
- **Own investment portfolio** : fall in market prices

- **Equity derivatives :** continued and controlled reduction in risks; gains linked to strong demand in hedging instruments by market participants
- **Own investment portfolio :** continued fall in equity markets

Operational costs under control

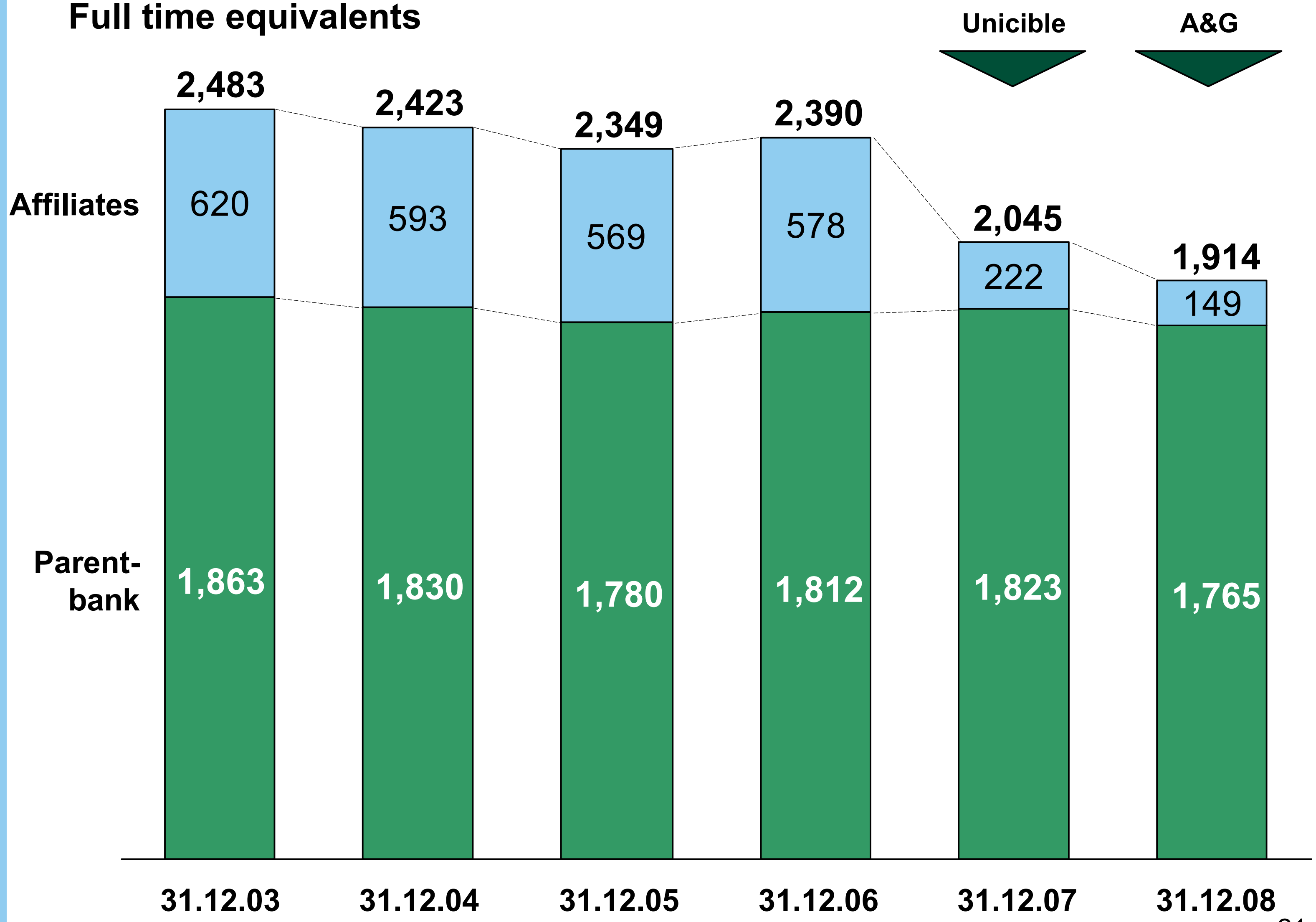
In CHF millions (rounded)



Excl. Unicible/A&G, total operating costs decrease by 1% ; decrease mainly due to lower other operating costs (-2%)

Trend in staff numbers: reduction due to the disposals of A&G and Unicible

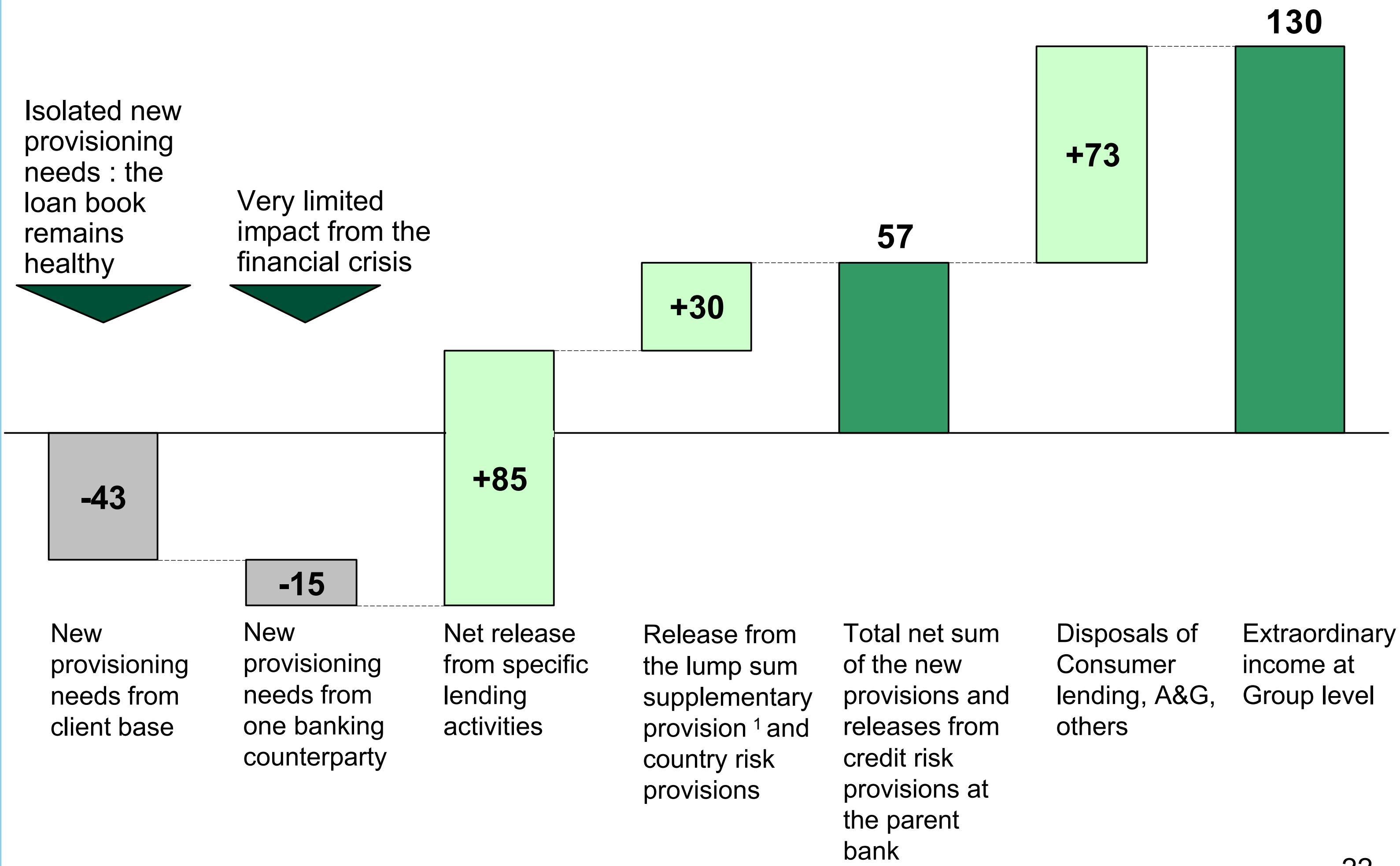
Full time equivalents



Extraordinary income breakdown

CHF millions (rounded)

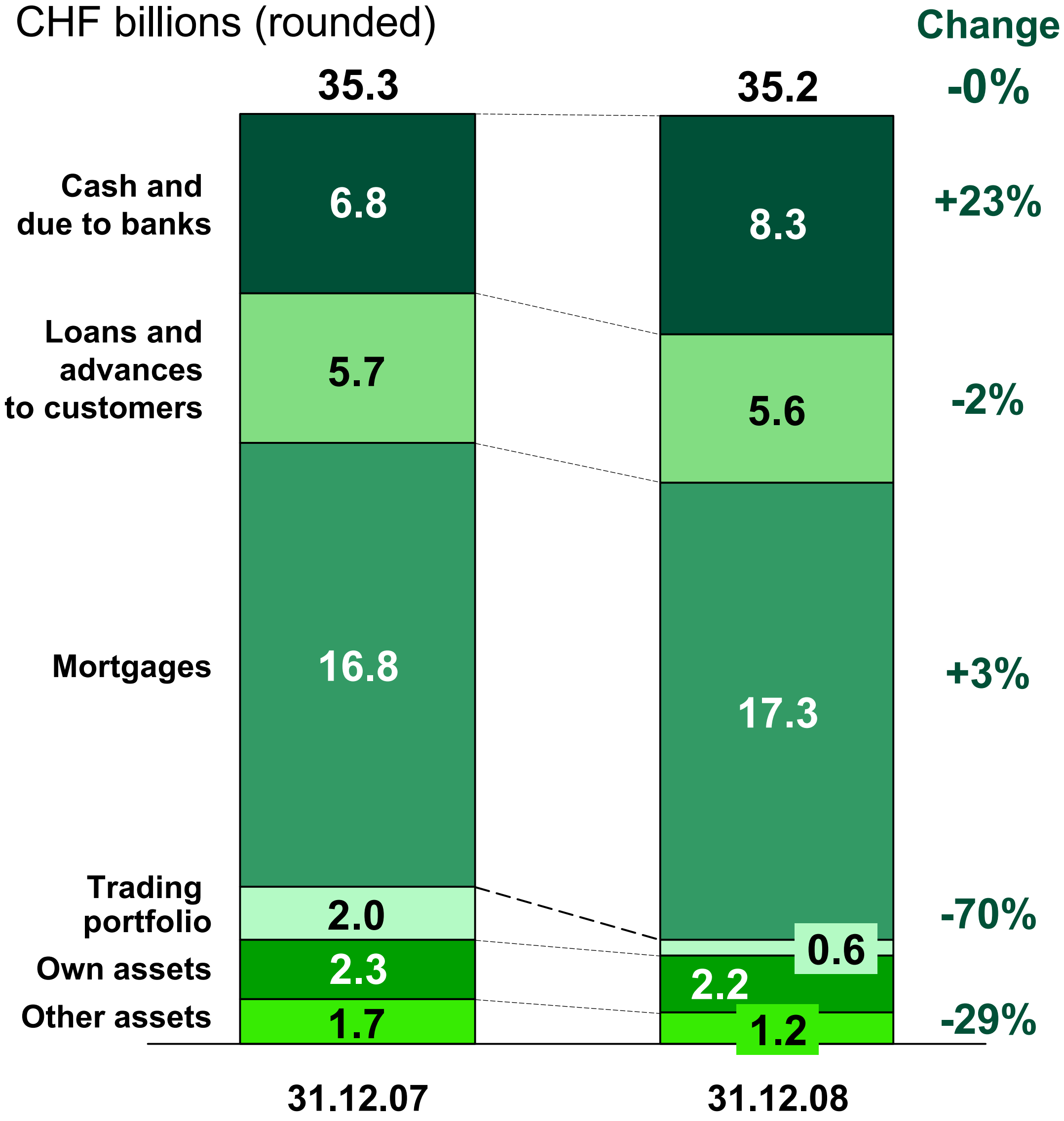
ESTIMATE



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

Assets

CHF billions (rounded)



Increase mainly in repos and in SNB placements

Stable level of loans and advances to customers

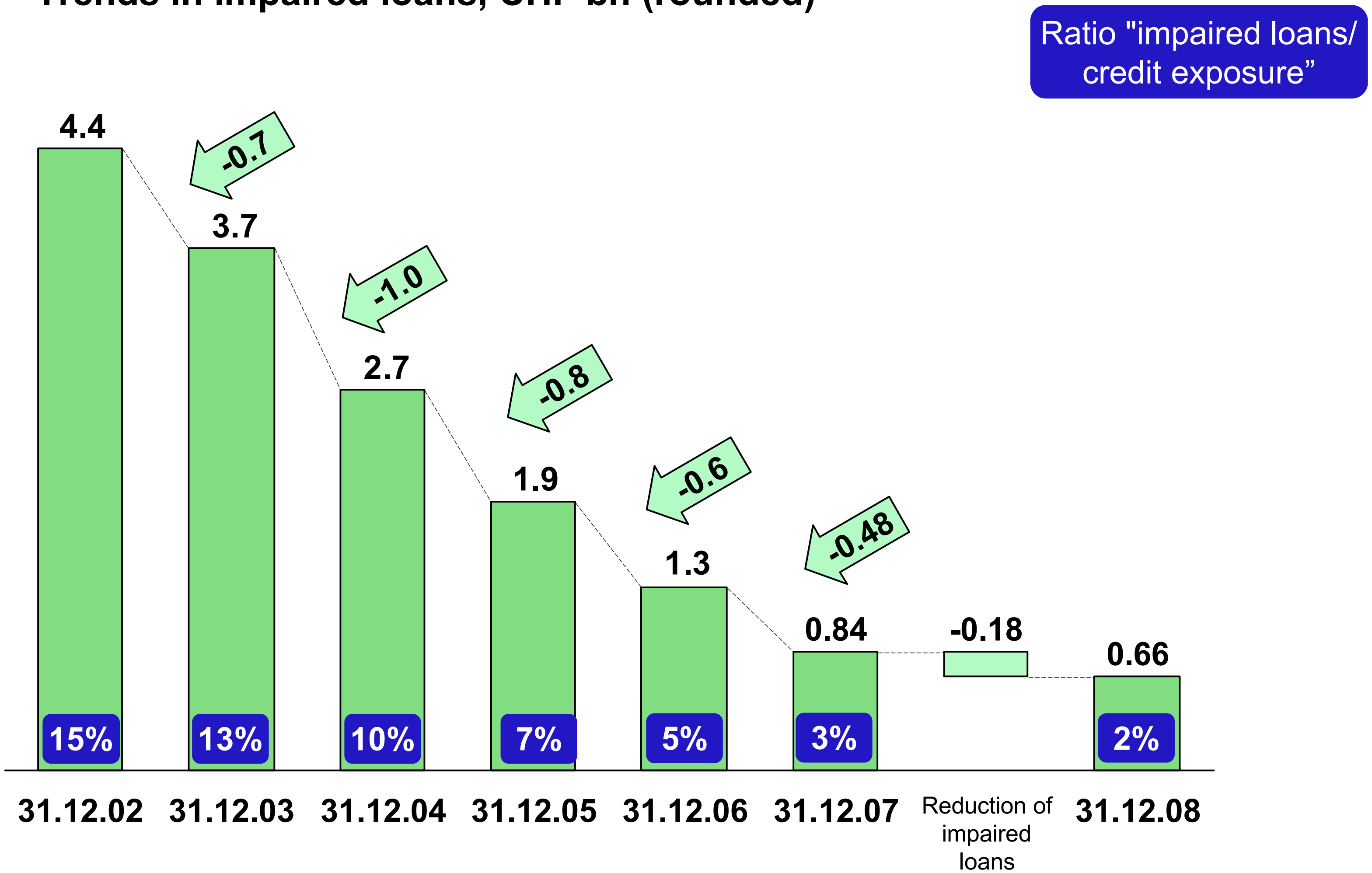
New mortgages: CHF 601m

Reduction of impaired loans: CHF 106m

Implementation of exit strategy from equity derivatives

Reduction of impaired loans

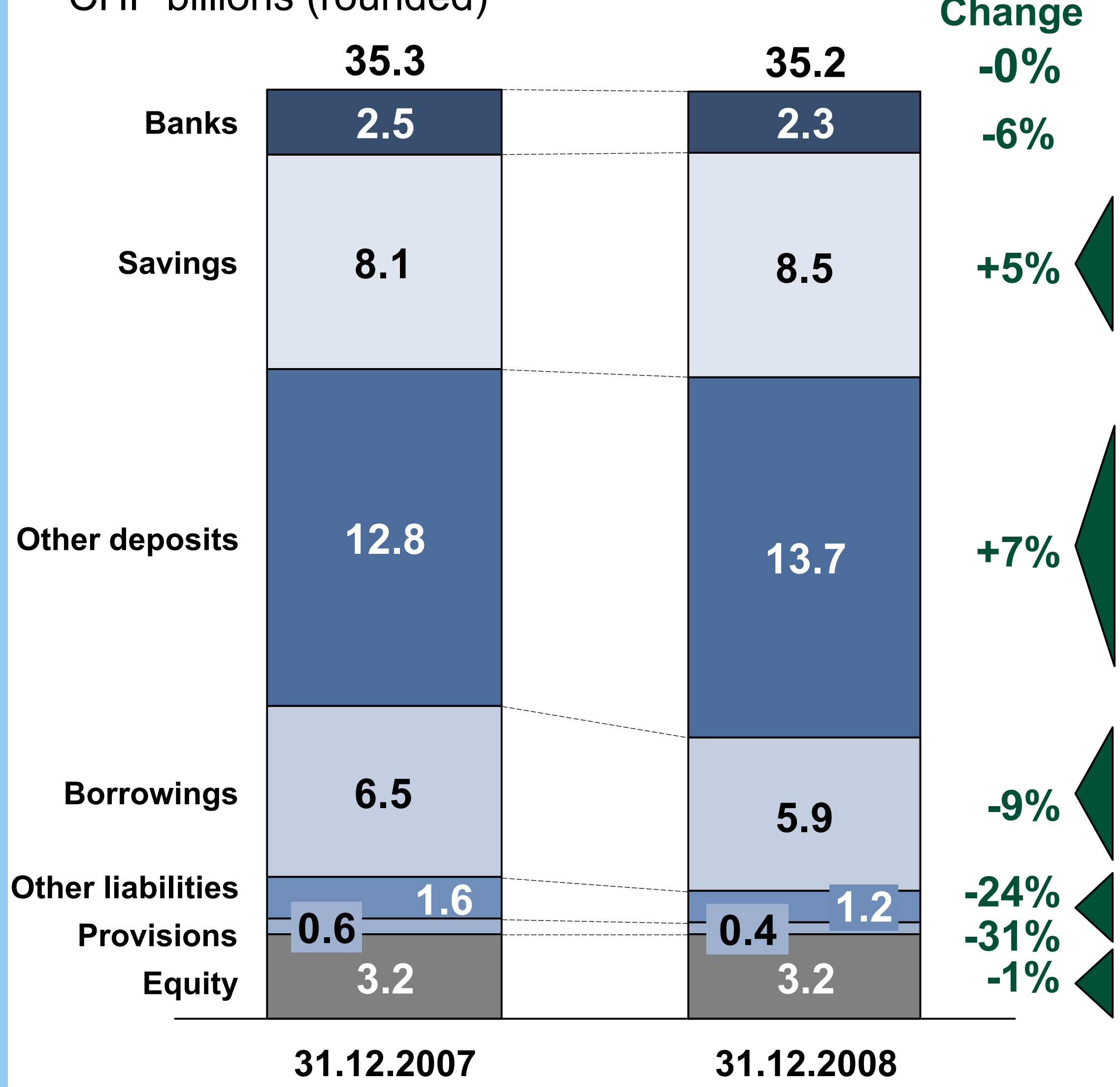
Trends in impaired loans, CHF bn (rounded)[1]



[1] Impaired loans as defined by SFBC (FINMA as of 2009) rules

Liabilities

CHF billions (rounded)



Increase in savings (CHF +419m)

BCV aims to stem liquidity client inflow, will to limit interbanking placements

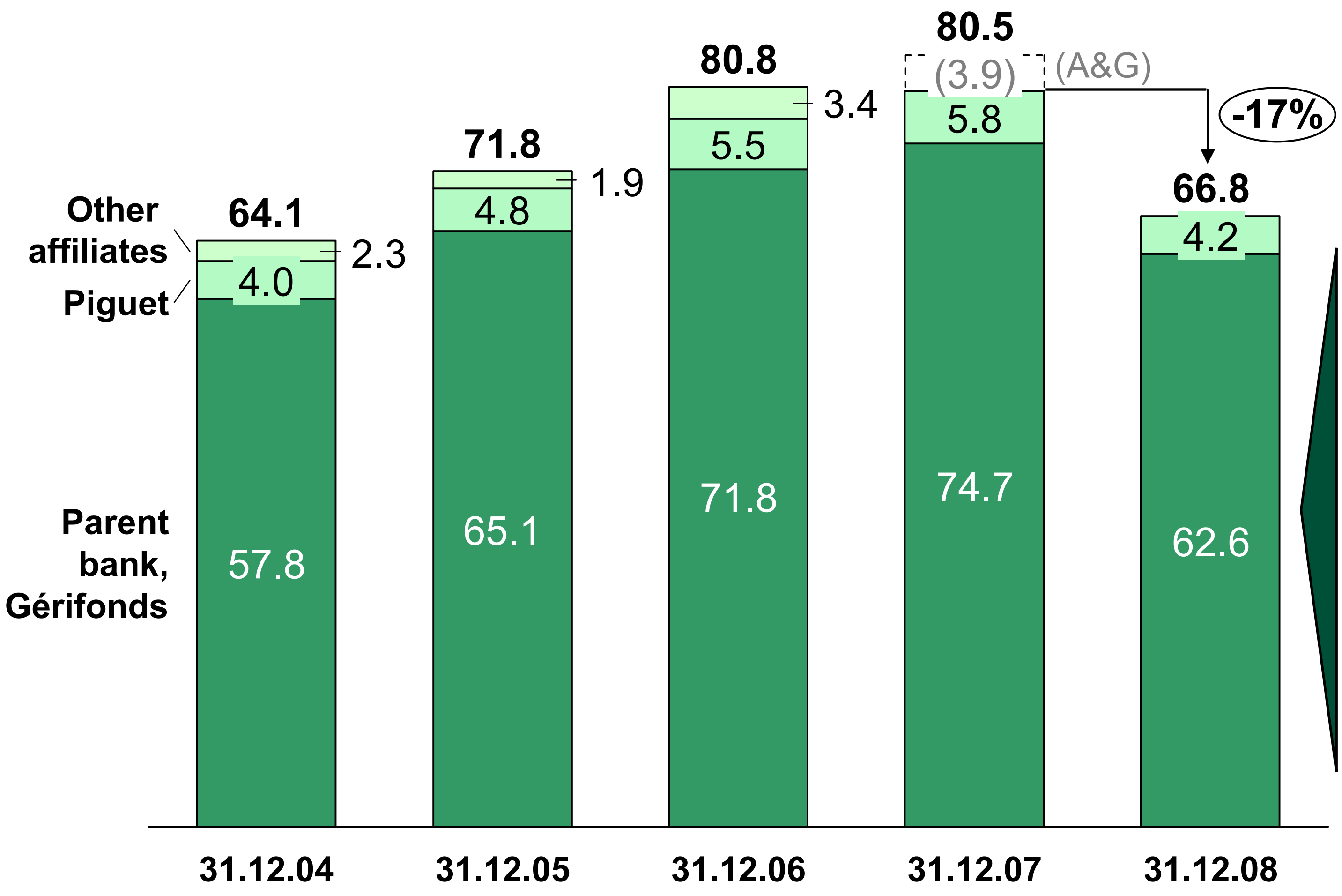
Decrease in borrowings and structured products, increase in central mortgage-backed bonds ("Pfandbrief")

Implementation of exit strategy in equity derivatives

Stable equity levels

Assets under management

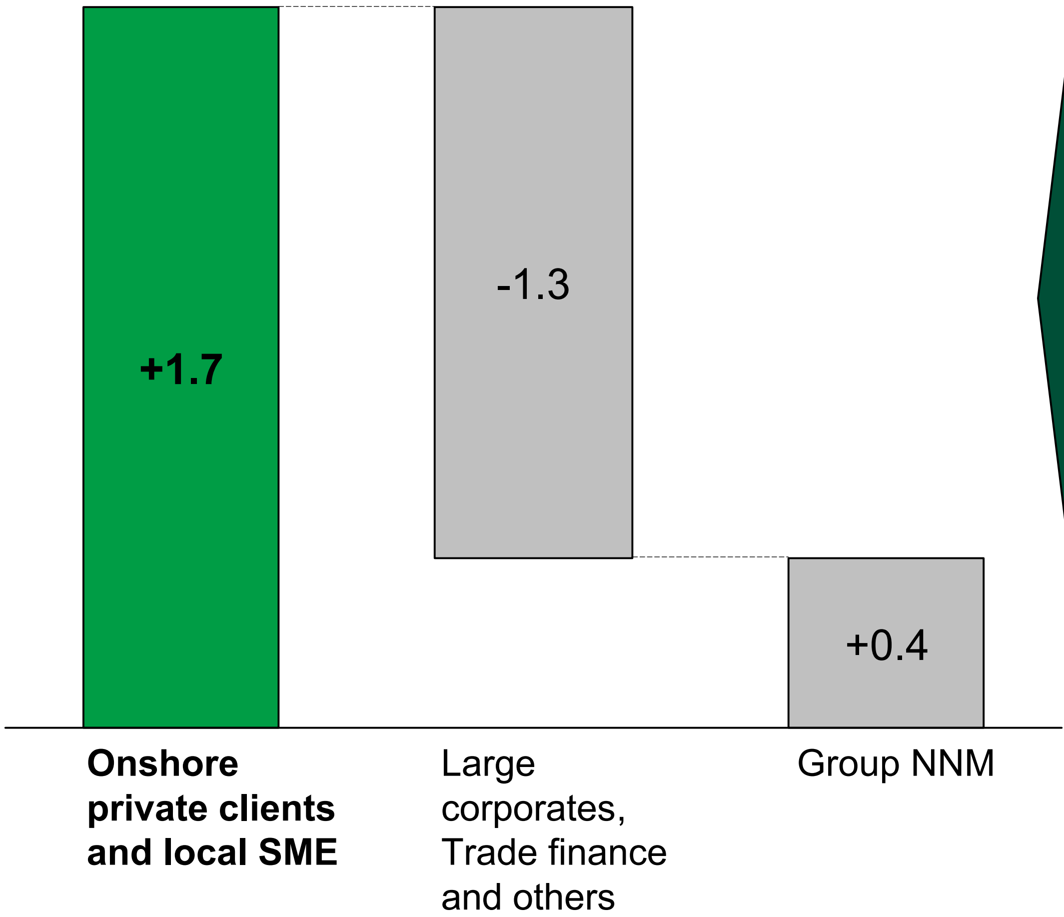
CHF billions (rounded)



- Decrease of CHF 3,9bn attributable to the disposal of A&G
- Excl. A&G, 17% decrease of AuM due markets' performance
- NNM : CHF 0,4bn

Net new money

CHF billions (rounded)



Important NNM (CHF 1.7bn) from private clients and local SME

Voluntary reduction (CHF -1.3bn) in Large corporates and Trade finance mainly in term deposits in order to reduce interbanking risks

Results by business

CHF billions (rounded)

	Gross profit			Net profit		
	2007	2008	Change	2007	2008	Change
Retail	93	92	-1%	20	21	+5%
Corporate banking[1]	177	198	+12%	74	91	+22%
Wealth management[1,2]	268	237	-12%	154	129	-16%
Trading	38	22	-41%	21	18	-15%

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

[2] Figures for 2007 were adjusted in order to take into account the changes in the internal allocation of treasury position between wealth management and corporate center. Excl. A&G and own investment portfolio

Key ratios

		2004	2005	2006	2007	2008
Asset quality and balance sheet structure	Impaired loans / credit exposure	10%	7%	5%	3%	2%
	Client deposits / loans to clients	78%	83%	85%	93%	97%
	Interest margin	1.29%	1.40%	1.39%	1.53%	1.51%
	Incl. accounting change in 2007 (netting of replacement values)			*1.55%*		
Equity	SFBC ratio	185%	196%	199%	179%	180%
	Total capital ratio (BRI)	17.4%	18.5%	18.5%	16.3%	16.2%
Productivity	Cost/income (excl. goodwill)	67%	62%	59%	59%	63%
Financial performance	ROE (Net profit /average equity)	12.4%	14.9%	16.0%	14.3%	11.2%

Implementation of dividend policy

Significant increase of ordinary dividend

Proposed dividend increase to CHF 20 per reg. share (2007: CHF 14)

Reimbursement of excess equity

Proposed additional distribution by par-value reduction of CHF 10 per reg. share (reduction from CHF 30 par value to CHF 20)

Proposal of the board for the upcoming 2009 AGM

Proposed dividend of CHF 20 per reg. share, an increase of 43%
(2007: CHF 14)

172m

Proposed reimbursement of par value of CHF 10

(Par value from CHF 30 to CHF 20)

86m

In total CHF 30 per reg. share

(Number of outstanding reg. shares : 8'606'190)

258m

BCV

Financial calendar

- **April 30** AGM and Q1 2009 figures
- **May 6** Dividend payment*
- **Aug. 20** First half figures 2009
- **Nov. 12** 9 month figures 2009

* subject to shareholders' approval on April 30 2009

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