

## Press release

*(Ad hoc announcement pursuant to Art. 53 LR)*

### **BCV Group H1 2022 net profit up 14%**

**BCV Group's H1 2022 results came in very strong, with revenues up 6% to CHF 524m, operating profit up 12% to CHF 227m, and net profit up 14% to CHF 197m.\***

#### **Revenues up 6% to CHF 524m**

Total revenues were up 6% year on year to CHF 524m. Net interest income before loan impairment charges was steady at CHF 236m. Net interest income grew 4% to CHF 235m on lower provisioning needs. Fee and commission income increased 3% to CHF 179m, due mainly to a recovery in personal banking transactions (i.e., credit card, ATM, and forex). Given the high currency-market volatility in H1, net trading income, which derives mainly from client forex trading activities, rose 16% to CHF 83m. Other ordinary income was up 26% to CHF 27m following the disposal of a real-estate asset.

#### **Operating profit up 12% to CHF 227m**

At CHF 261m (+2%), operating expenses were kept under firm control. Personnel costs were stable at CHF 178m. Other operating expenses increased 6% to CHF 83m, mainly owing to the resumption of BCV-sponsored cultural and sporting events that had been canceled in 2020 and 2021 due to the Covid-19 pandemic. Depreciation and amortization was flat at CHF 36m. Operating profit was up 12% to CHF 227m.

#### **Net profit up 14% to CHF 197m**

The Bank recorded a tax expense of CHF 30m. Net profit was up 14% to CHF 197m. That corresponds to an ROE of 10.8% – one of the highest in BCV's peer group.

#### **Expansion in the balance sheet**

Total assets amounted to CHF 59.1bn, up CHF 3.1bn (6%) on the end-2021 figure. Cash and cash equivalents, which are mainly held as SNB sight deposits, rose 3% to CHF 12.9bn. Mortgage lending expanded 2%, or CHF 676m, to CHF 30.0bn, in a still dynamic real-estate market. Other loans increased 4% to CHF 6.5bn.

On the liabilities side, customer deposits edged down 1% to CHF 37.9bn.

### **Net fund inflows**

The Group's assets under management fell 5% from end-2021 to CHF 107.2bn. That decline primarily reflected negative market performance of CHF 7.1bn, which reduced AuM by 6%. This was partially offset by CHF 1.5bn in net new money (adding 1%) from onshore personal banking, SME, and institutional clients.

### **CHF 318m paid out to shareholders**

In accordance with its dividend policy, BCV distributed CHF 3.70 per share to its shareholders in May, for a total payout of CHF 318m. The dividend was up CHF 0.10 per share and represents a total dividend yield of 5.2% based on BCV's 2021 closing share price.

### **Solid financial position**

The Bank's CET1 ratio stood at 17.0% at 30 June 2022 and shareholders' equity amounted to CHF 3.5bn, attesting to BCV's financial solidity. Within the last 12 months, Standard & Poor's has once again reaffirmed its AA rating for BCV with a stable outlook, and Moody's has maintained its Aa2 rating, also with a stable outlook.

### **MSCI places BCV in its "Leader" category**

BCV's longstanding commitment to sustainable economic development is reflected in the Bank's ESG scores. In June, MSCI upgraded the Bank's ESG rating to AA, the agency's second-highest rating, placing BCV in the "Leader" category. Morningstar Sustainalytics has given BCV an ESG risk rating of "medium," one of the best scores among comparable banks, and Ethos has assigned the Bank an A- rating, its second-highest grade.

### **Changes to the Board of Directors and Executive Board**

Peter Ochsner, a member of BCV's Board of Directors appointed by the Vaud Cantonal Government and the chair of the Audit and Risk Committee, has decided to step down from the Board on 30 June 2023 after seven years of service. The Bank would like to express its warmest thanks to Mr. Ochsner for his significant contributions as a member of the Board.

As previously announced, the Board of Directors appointed Christian Steinmann to the Bank's Executive Board as head of the Private Banking Division (see press release from 21 July 2022). Mr. Steinmann will join BCV on 1 November 2022. He will replace Gérard Haerberli, who has held the position since 2009 and will retire on 31 December 2022.

### **Outlook**

The Group expects lower H2 revenues than in H1 due to the downturn in financial markets and rising interest rates. Barring a significant deterioration in the financial markets and/or the overall economic situation, FY 2022

results should be in line with previous years but lower than the near-record net profit posted in 2021.

**Lausanne, Switzerland, 18 August 2022**

\*Unaudited figures

**2023 calendar**

|            |  |
|------------|--|
| 9 February | Full-year 2022 results   |
| 4 April    | Publication of the 2022 Annual Report (on <a href="http://www.bcv.ch">www.bcv.ch</a> ) |
| 4 May      | Annual Shareholders' Meeting in Lausanne   |
| 17 August  | Half-year 2023 results   |

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The above text is a translation of the original French document; only the French text is authoritative.

## Consolidated balance sheet

(unaudited – in CHF millions)

|  | 30/6/2022     | 31/12/2021    | Absolute change | Change as % |
|--|---------------|---------------|-----------------|-------------|
| Cash and cash equivalents  | 12,923        | 12,600        | 323             | 3           |
| Due from banks   | 1,906         | 952           | 954             | 100         |
| Reverse repurchase agreements  | 171           | 158           | 13              | 8           |
| Loans and advances to customers  | 6,488         | 6,209         | 278             | 4           |
| Mortgage loans   | 30,049        | 29,373        | 676             | 2           |
| Trading portfolio assets   | 219           | 200           | 18              | 9           |
| Positive mark-to-market values of derivative financial instruments           | 1,073         | 368           | 705             | 192         |
| Other financial assets at fair value   | 944           | 1,212         | -268            | -22         |
| Financial investments  | 4,715         | 4,287         | 429             | 10          |
| Accrued income and prepaid expenses  | 59            | 67            | -8              | -12         |
| Non-consolidated holdings  | 86            | 86            | 0               | 0           |
| Tangible fixed assets  | 374           | 393           | -19             | -5          |
| Intangible assets  | 0             | 0             | 0               | n/a         |
| Other assets   | 46            | 46            | -0              | -0          |
| <b>Assets</b>  | <b>59,053</b> | <b>55,952</b> | <b>3,101</b>    | <b>6</b>    |
| Total subordinated assets  | 0             | 0             | 0               | 0           |
| <i>of which subject to mandatory conversion and/or conditional write-off</i> | <i>0</i>      | <i>0</i>      | <i>0</i>        | <i>0</i>    |
| Due to banks   | 4,005         | 3,378         | 627             | 19          |
| Repurchase agreements  | 3,739         | 1,458         | 2,281           | 156         |
| Customer deposits  | 37,931        | 38,195        | -265            | -1          |
| Trading portfolio liabilities  | 3             | 2             | 2               | 109         |
| Negative mark-to-market values of derivative financial instruments           | 546           | 273           | 272             | 100         |
| Other financial liabilities at fair value                                    | 1,127         | 1,340         | -214            | -16         |
| Medium-term notes  | 1             | 2             | -1              | -58         |
| Bonds and mortgage-backed bonds  | 7,406         | 7,313         | 93              | 1           |
| Accrued expenses and deferred income   | 122           | 139           | -18             | -13         |
| Other liabilities  | 625           | 183           | 442             | 242         |
| Provisions   | 24            | 24            | -0              | -1          |
| <b>Liabilities</b>   | <b>55,527</b> | <b>52,308</b> | <b>3,219</b>    | <b>6</b>    |
| Reserves for general banking risks   | 666           | 666           | 0               | 0           |
| Share capital  | 86            | 86            | 0               | 0           |
| Capital reserve  | 36            | 36            | 0               | 1           |
| Retained earnings  | 2,554         | 2,493         | 60              | 2           |
| Currency translation reserve   | -2            | -2            | -0              | -4          |
| Own shares   | -11           | -15           | 4               | 24          |
| Minority interests in equity   | 0             | 0             | 0               | 7           |
| Net profit for reporting period  | 197           |               | 197             |             |
| Net profit   |               | 379           | -379            |             |
| <i>of which minority interests</i>   | <i>0</i>      | <i>0</i>      | <i>-0</i>       | <i>-48</i>  |
| <b>Shareholders' equity</b>  | <b>3,526</b>  | <b>3,644</b>  | <b>-118</b>     | <b>-3</b>   |
| <b>Total liabilities and shareholders' equity</b>                            | <b>59,053</b> | <b>55,952</b> | <b>3,101</b>    | <b>6</b>    |
| Total subordinated liabilities   | 0             | 0             | 0               | 0           |
| <i>of which subject to mandatory conversion and/or conditional write-off</i> | <i>0</i>      | <i>0</i>      | <i>0</i>        | <i>0</i>    |

## Consolidated off-balance-sheet transactions

(unaudited – in CHF millions)

|   | 30/6/2022 | 31/12/2021 | Absolute change | Change as % |
|---|-----------|------------|-----------------|-------------|
| Contingent liabilities  | 1,450     | 1,588      | -138            | -9          |
| Irrevocable commitments   | 1,452     | 1,478      | -26             | -2          |
| Commitments relating to calls on shares and other equity securities | 243       | 243        | 0               | 0           |
| Confirmed credits   | 60        | 39         | 21              | 54          |

**Consolidated income statement**

(unaudited – in CHF millions)

|  | 2022<br>H1    | 2021<br>H1    | Absolute<br>change | Change<br>as % |
|--|---------------|---------------|--------------------|----------------|
| Interest and discount income   | 240.1         | 241.9         | -1.8               | -1             |
| Interest and dividend income from financial investments                            | 8.7           | 9.2           | -0.5               | -6             |
| Interest expense   | -12.9         | -14.6         | -1.7               | -11            |
| <b>Net interest income before loan impairment charges/reversals</b>                | <b>235.8</b>  | <b>236.5</b>  | <b>-0.7</b>        | <b>-0</b>      |
| Loan impairment charges/reversals  | -0.6          | -9.5          | -8.9               | -94            |
| <b>Net interest income after loan impairment charges/reversals (NII)</b>           | <b>235.2</b>  | <b>227.0</b>  | <b>8.2</b>         | <b>4</b>       |
| Fees and commissions on securities and investment transactions                     | 152.2         | 149.4         | 2.9                | 2              |
| Fees and commissions on lending operations   | 22.7          | 20.7          | 1.9                | 9              |
| Fees and commissions on other services   | 35.2          | 32.9          | 2.3                | 7              |
| Fee and commission expense   | -30.7         | -29.5         | 1.2                | 4              |
| <b>Net fee and commission income</b>   | <b>179.4</b>  | <b>173.5</b>  | <b>5.9</b>         | <b>3</b>       |
| Trading income on fixed-income instruments and equity securities                   | 16.4          | 22.1          | -5.7               | -26            |
| Trading income on foreign currencies, banknotes, and precious metals               | 70.7          | 56.6          | 14.1               | 25             |
| Trading fee and commission expense   | -4.0          | -7.2          | -3.1               | -44            |
| <b>Net trading income and fair-value adjustments</b>                               | <b>83.0</b>   | <b>71.5</b>   | <b>11.5</b>        | <b>16</b>      |
| Gains/losses on disposals of financial investments                                 | 10.0          | 3.3           | 6.7                | 200            |
| Income from equity investments   | 3.8           | 3.0           | 0.7                | 24             |
| <i>of which other non-consolidated holdings</i>                                    | 3.8           | 3.0           | 0.7                | 24             |
| Real-estate income   | 3.2           | 3.5           | -0.3               | -7             |
| Miscellaneous ordinary income  | 11.0          | 11.4          | -0.3               | -3             |
| Miscellaneous ordinary expenses  | -1.4          | 0.0           | 1.4                | n/a            |
| <b>Other ordinary income</b>   | <b>26.7</b>   | <b>21.2</b>   | <b>5.5</b>         | <b>26</b>      |
| <b>Total income from ordinary banking operations</b>                               | <b>524.3</b>  | <b>493.2</b>  | <b>31.2</b>        | <b>6</b>       |
| Personnel costs  | -177.7        | -178.2        | -0.5               | -0             |
| Other operating expenses   | -83.1         | -78.2         | 4.9                | 6              |
| <b>Operating expenses</b>  | <b>-260.9</b> | <b>-256.4</b> | <b>4.5</b>         | <b>2</b>       |
| Depreciation and amortization of fixed assets and impairment on equity investments | -36.0         | -36.8         | -0.9               | -2             |
| Other provisions and losses  | -0.9          | 3.0           | 3.9                | 131            |
| <b>Operating profit</b>  | <b>226.6</b>  | <b>202.9</b>  | <b>23.7</b>        | <b>12</b>      |
| Extraordinary income   | 0.1           | 0.2           | -0.1               | -48            |
| Extraordinary expenses   | -0.0          | -0.0          | -0.0               | -89            |
| Taxes  | -29.9         | -29.8         | 0.1                | 0              |
| <b>Net profit</b>  | <b>196.8</b>  | <b>173.3</b>  | <b>23.5</b>        | <b>14</b>      |
| Minority interests   | -0.0          | -0.0          | 0.0                | 2              |
| <b>Net profit attributable to BCV shareholders</b>                                 | <b>196.8</b>  | <b>173.3</b>  | <b>23.5</b>        | <b>14</b>      |