

2012 Half-Year Results

Analysts' Presentation
Lausanne, 16 August 2012



- **Introduction** **Pascal Kiener**
- **HY 2012 financial results** **Thomas Paulsen**
- **Outlook** **Pascal Kiener**

Highlights

Strong first-half momentum, in line with expectations

Revenues slightly up in a mixed environment

Increase in operating profit (+4%) and net profit (+2%)

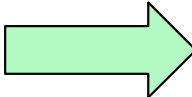
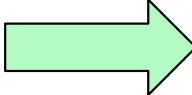

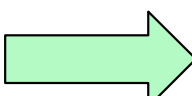
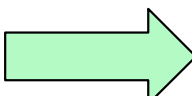
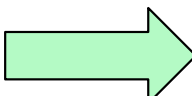
H1 2012 key figures

CHF millions (rounded), unaudited figures

| | | Change vs. 2011 |
|-------------------------|---------------|----------------------------|
| Revenues | 508 | +1% |
| Operating profit | 242 | +4% |
| Net profit | 157 | +2% |
| Total assets | 39,835 | +5% |
| AuM | 80,015 | +4% |

Main business trends in H1 2012

CHF millions (rounded), unaudited figures

| | | | |
|-----------------------------------------------|---------------------------------------------------------------------------------------|---------------|------------|
| Controlled increase in mortgage loans |  | +430 | +2% |
| Decrease in other loans¹ |  | -352 | -6% |
| Continued increase in savings deposits |  | +469 | +4% |
| Increase in other client deposits |  | +697 | +5% |
| Increase in AuM |  | +2,918 | +4% |
| Net new money |  | +372 | |

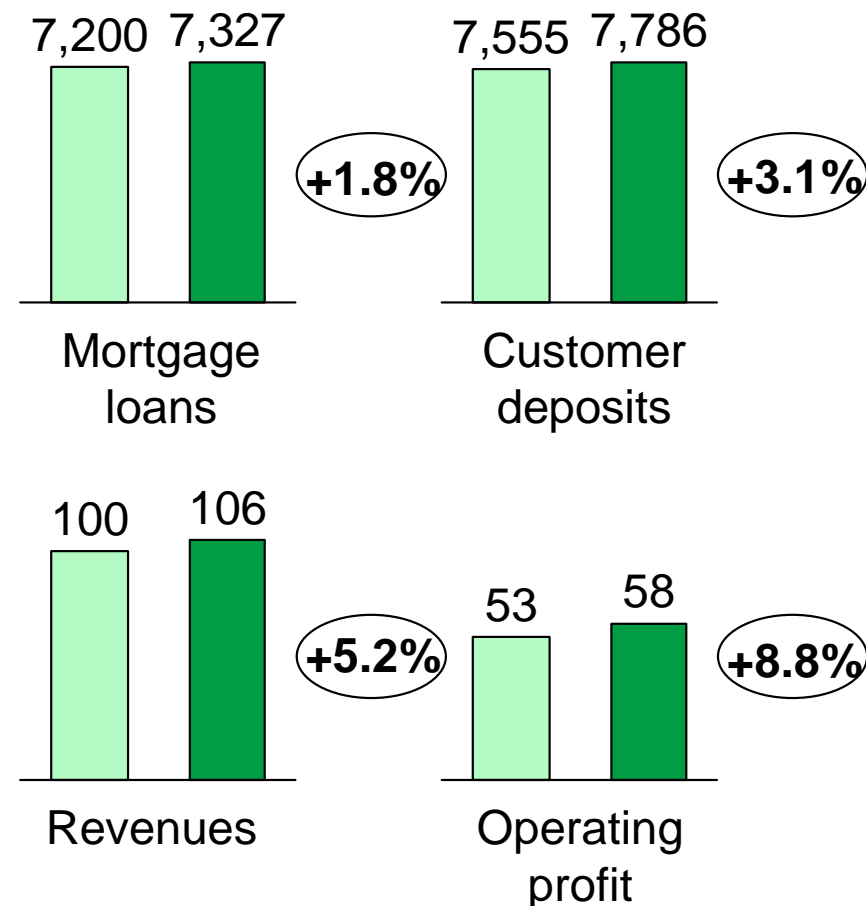
¹ Balance-sheet items only

CHF millions (rounded)¹

2011 2012

Continuing strong momentum in retail banking

- Ongoing expansion in savings deposits
- Ongoing rise in mortgage lending in line with our target growth rate
- Business initiatives
 - Successful launch of the BCV-Mobile e-banking app for smartphones and tablets
 - e-SIDER became TradeDirect, BCV discount e-broker
 - Roll-out of new banking packages for young customers
- Increase in revenues and operating profit



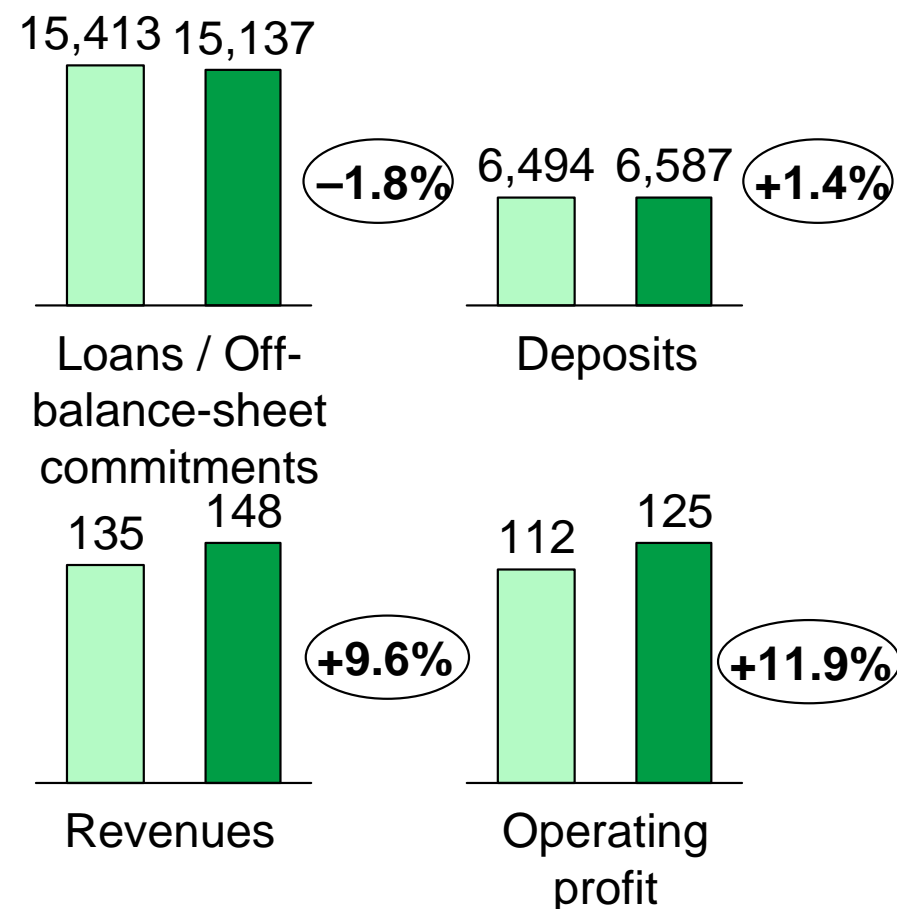
¹ 2011 figures were restated to facilitate like-for-like comparison

CHF millions (rounded)¹

2011 2012

Strong growth in revenues and operating profit, thanks to higher margins in large corporate and trade finance segments. Business volumes globally flat.

- SMEs
 - Rise in lending (+0.7%) and customer deposits (+8.4%)
- Large Corporates
 - Decrease in lending and customer deposits (–1.1% and –7.7%)
- Trade Finance
 - Decrease in lending (–11.7%) and customer deposits (–20.2%) compared with highpoint in late 2011
- Limited new provisioning needs, reflecting quality of the loan book and resilience of the Vaud economy



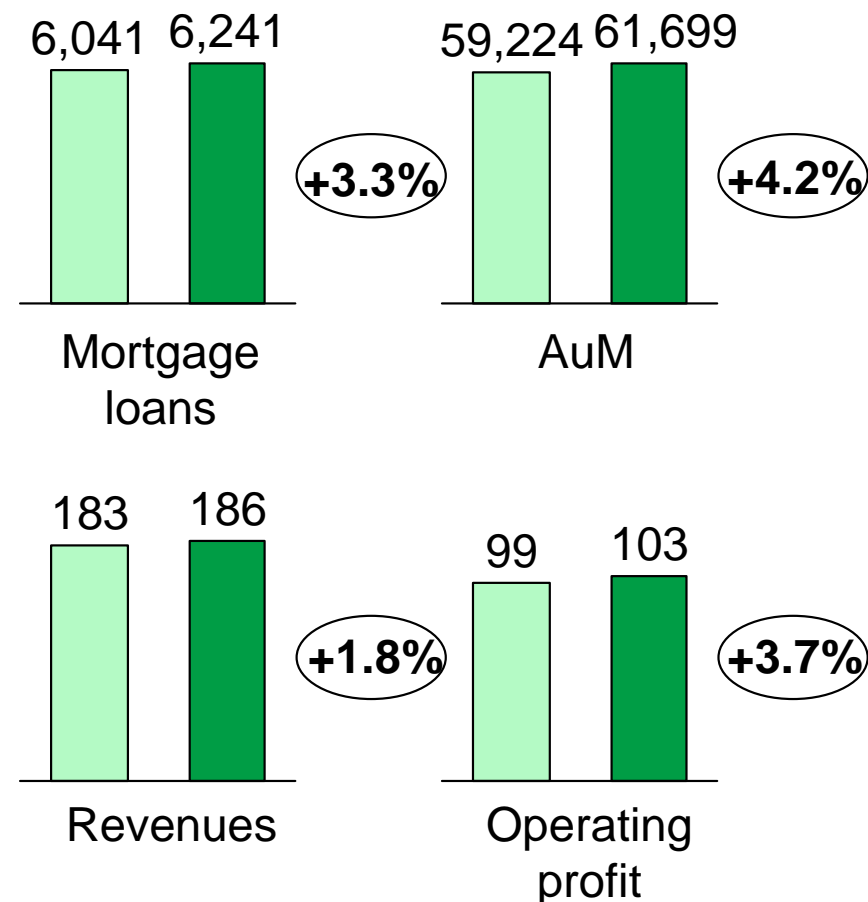
¹ 2011 figures were restated to facilitate like-for-like comparison

CHF millions (rounded)¹

2011 2012

Sustained momentum in a challenging environment

- Onshore private banking: strong growth in activities (mortgages and AuM)
- Offshore private banking: slower-than-expected contraction in volumes
- Asset management: new pension fund management mandates
- Piquet Galland & Cie: integration successfully completed; synergies are being delivered; only very marginal losses of customers and AuM



¹ 2011 figures were restated to facilitate like-for-like comparison

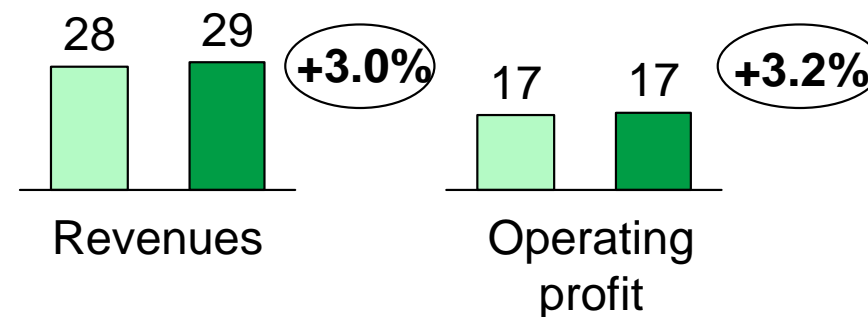
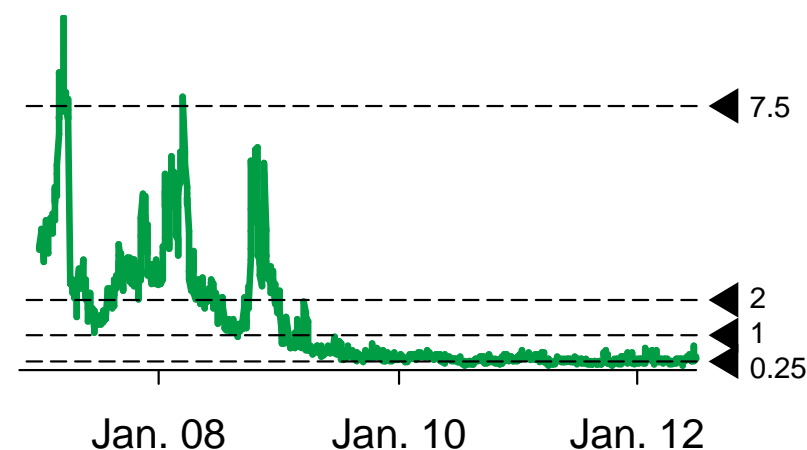
CHF millions (rounded)¹

Sustained strong business activity with very low risk levels

- Rebound in structured product activities (no proprietary trading, “back-to-back” issuance model)
- Customer-driven forex activities still high in less volatile markets
- Robust increases in revenues and operating profit

2011 2012

Value at risk (VaR 99%, 1 day)



¹ 2011 figures were restated to facilitate like-for-like comparison

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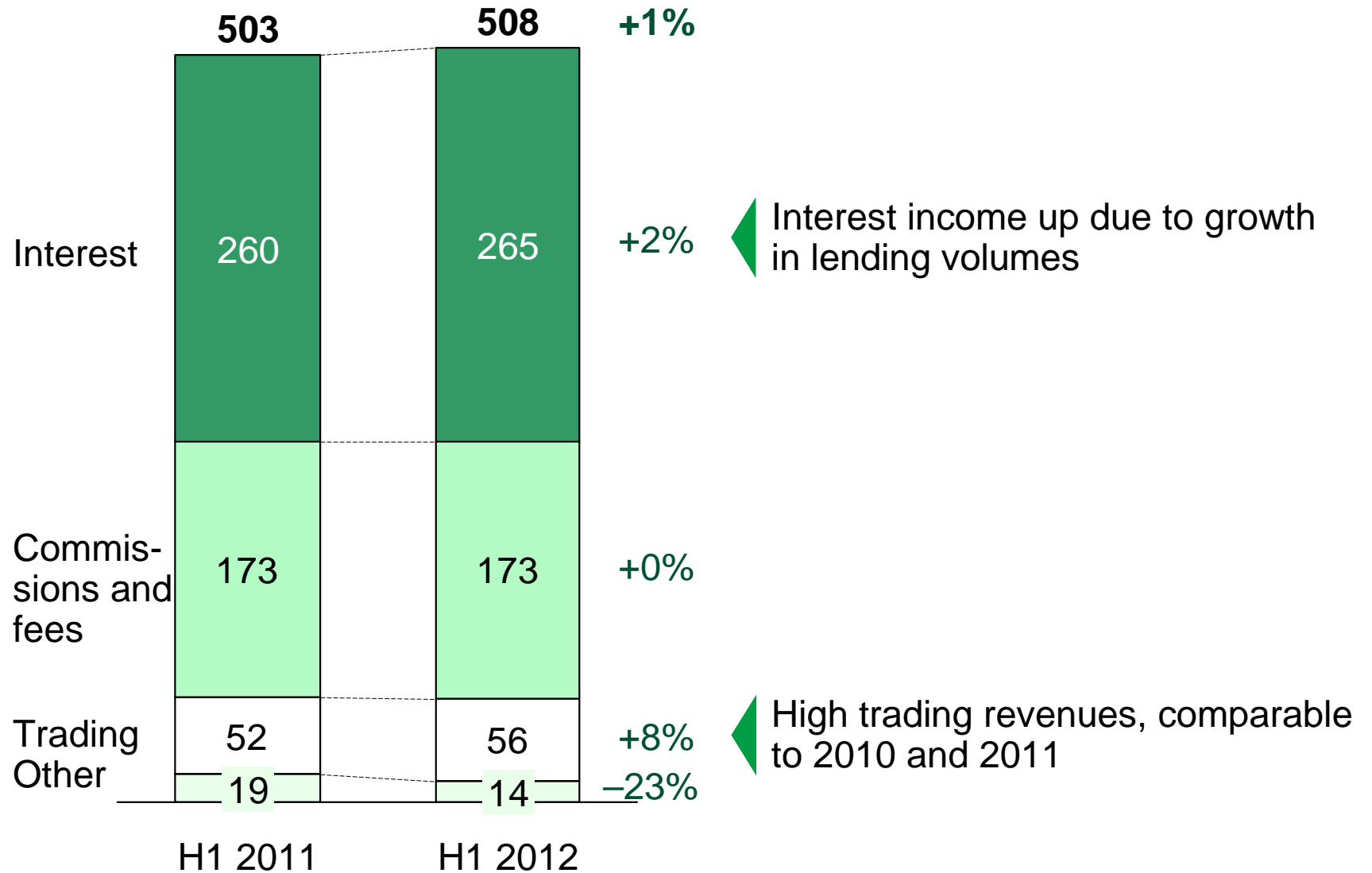
Income statement

CHF millions (rounded), unaudited figures

| | H1 2012 | H1 2011 | Change | |
|-------------------------------------------------------|-------------|-------------|--------|-------|
| Total revenues | 508 | 503 | +5.1 | +1% |
| Operating expenses | -266 | -269 | -3.3 | -1% |
| Operating profit | 242 | 234 | +8.4 | +4% |
| Depreciation and write-offs | -45 | -42 | +2.3 | +5% |
| Value adjustments, provisions & losses | -1 | -2 | -1.5 | -65% |
| Extraordinary income | 6 | 13 | -7.5 | -57% |
| Extraordinary expenses | - | -2 | -2.1 | -100% |
| Taxes | -45 | -46 | -0.7 | -2% |
| Net profit (before minority interests) | 157 | 154 | +2.9 | +2% |

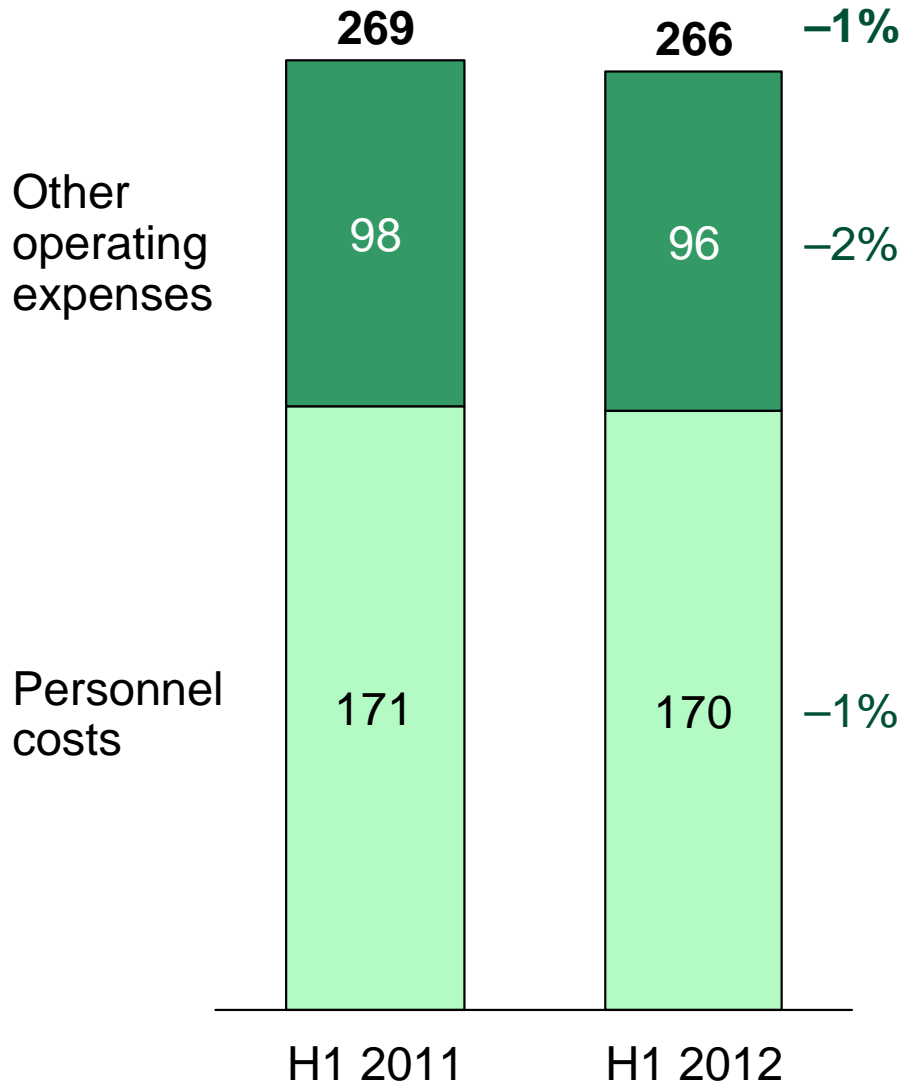
Revenues

CHF millions (rounded), unaudited figures



Operating expenses

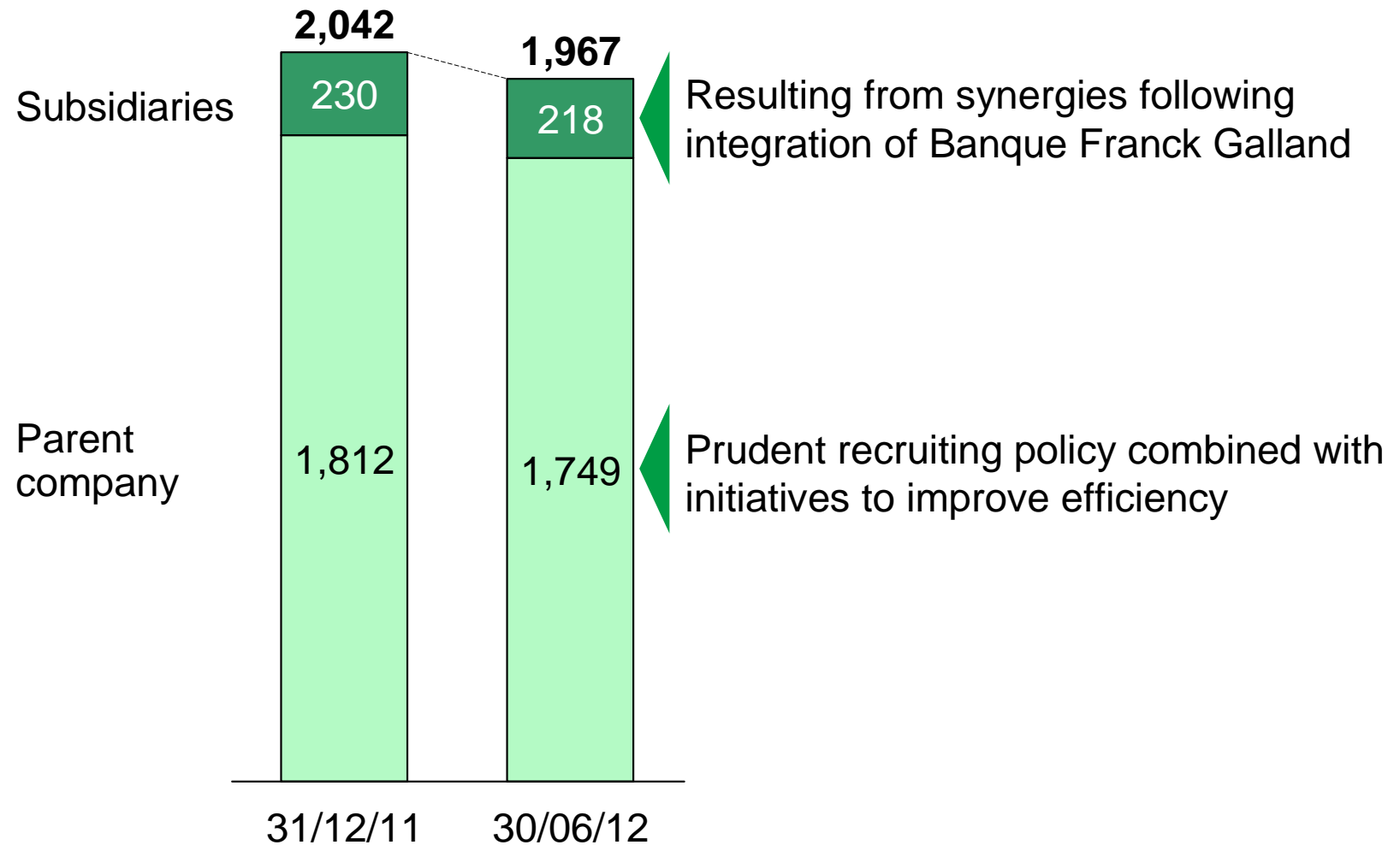
CHF millions (rounded), unaudited figures



Focus on maintaining operating expenses under control while revenues are challenged

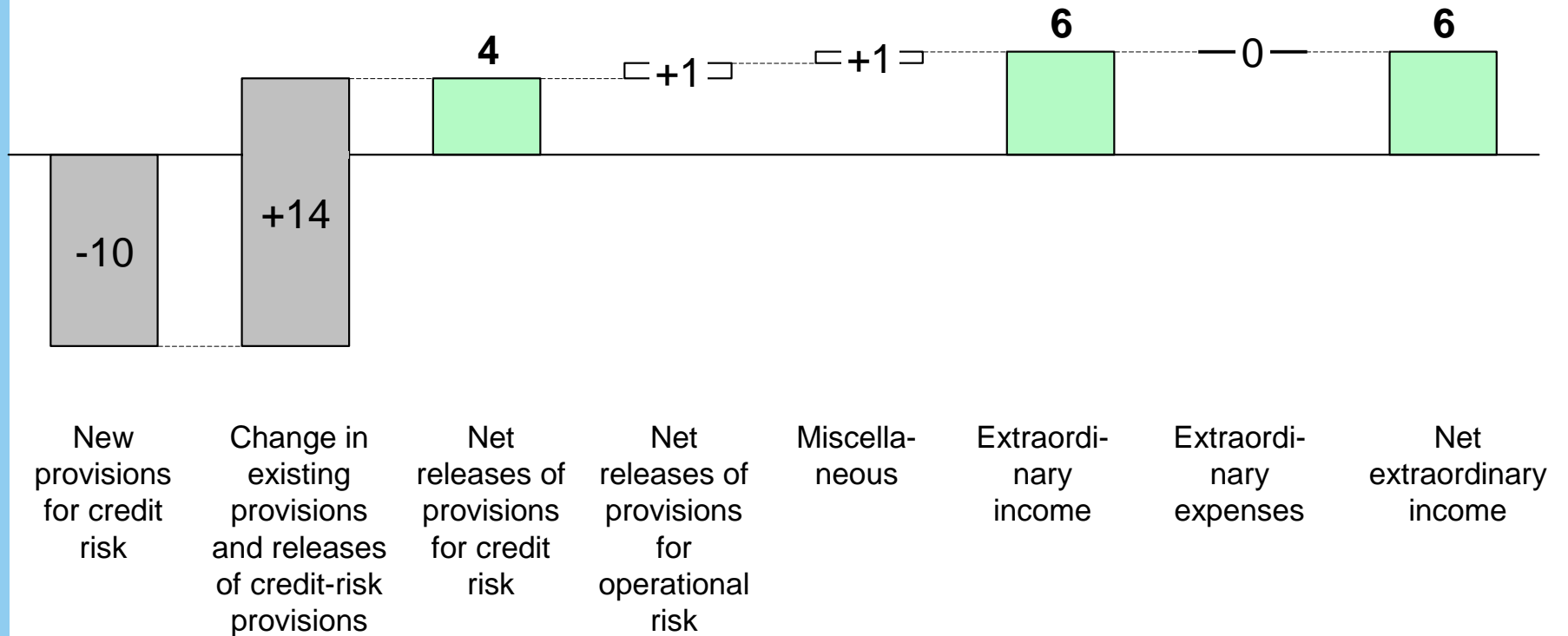
Headcount

Full-time equivalents at period-end



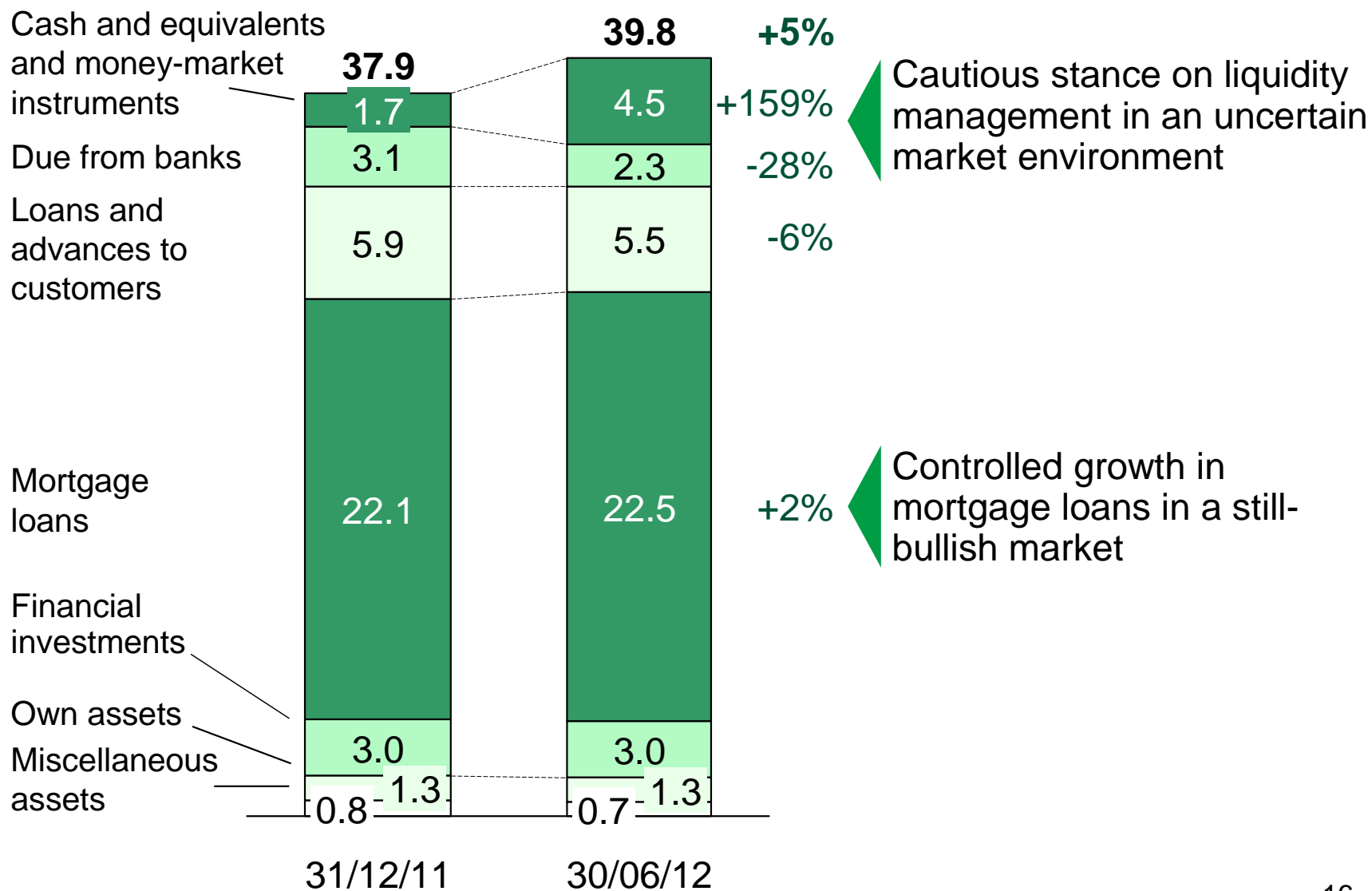
Extraordinary income and expenses

CHF millions (rounded), unaudited figures



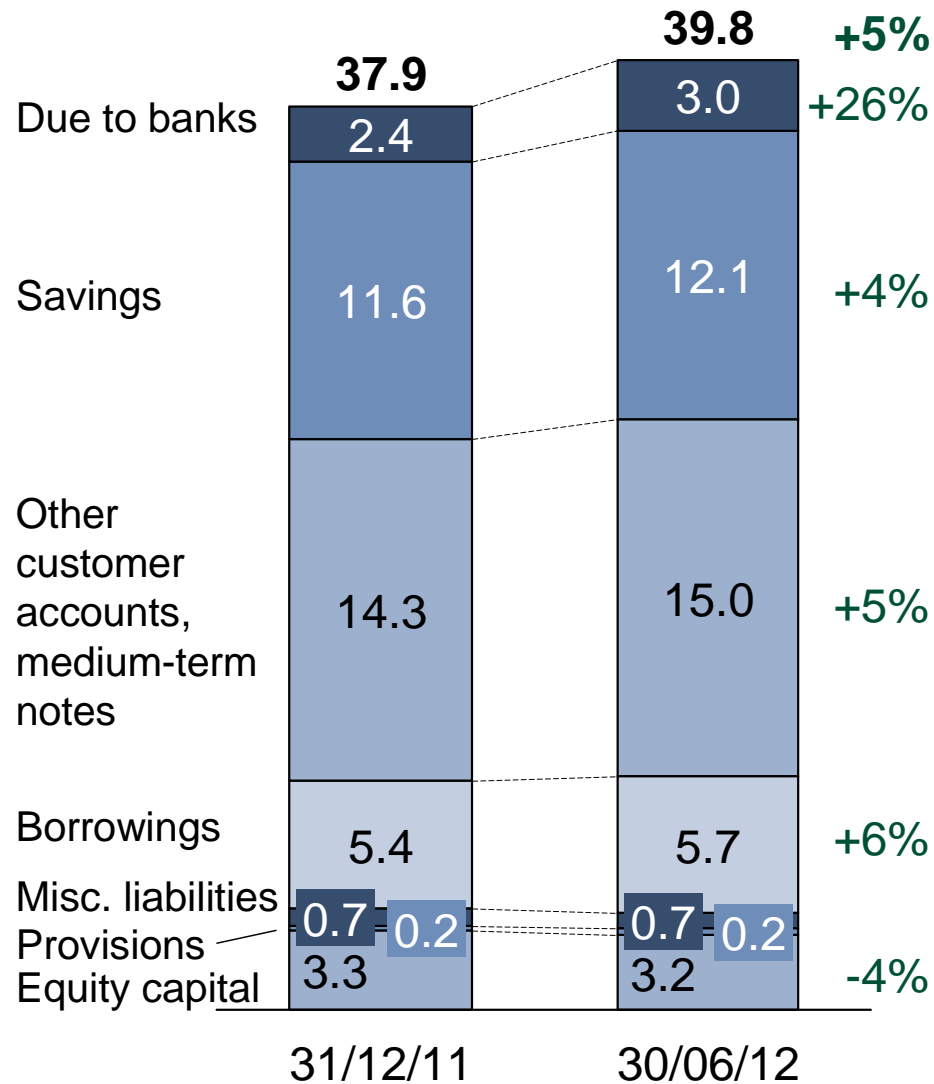
Assets

CHF billions (rounded), unaudited figures



Liabilities

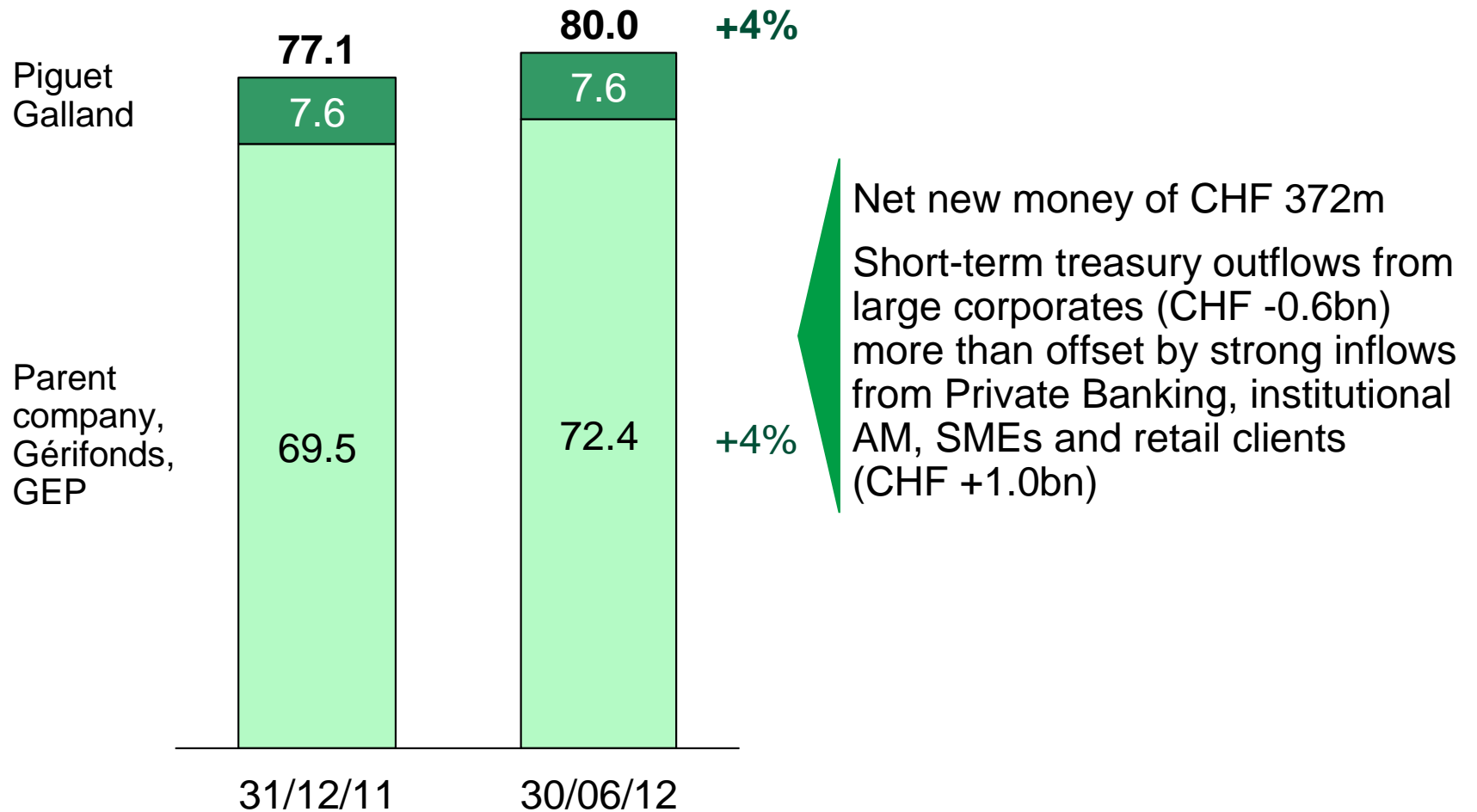
CHF billions (rounded), unaudited figures



Continued fund inflows, in particular from private customers and SMEs

Assets under management (AuM)

CHF billions (rounded), unaudited figures



Key ratios

Unaudited figures

| | | 2008 | 2009 | 2010 | 2011 | 30/06/12 |
|--------------------------------------------------|---------------------------------------------------------|-------|-------|-------|-------|----------|
| Asset quality and balance sheet structure | Impaired loans/ credit exposure | 2.2% | 1.9% | 1.6% | 1.3% | 1.3% |
| | Customer deposits/ loans to customers | 97% | 98% | 94% | 93% | 96% |
| | Interest margin | 1.52% | 1.47% | 1.48% | 1.48% | 1.39% |
| Equity capital¹ | FINMA capital adequacy ratio | 180% | 176% | 175% | 165% | 166% |
| | FINMA capital ratio | 14.4% | 14.1% | 14.0% | 13.2% | 13.3% |
| | BIS Tier 1 capital ratio | 16.4% | 17.8% | 17.6% | 16.8% | 16.8% |
| Productivity | Cost/income (excluding goodwill amortization) | 63% | 60% | 59% | 60% | 61% |
| Financial performance | ROE (net profit / avg. equity) | 11.2% | 9.5% | 9.8% | 9.3% | 9.5% |

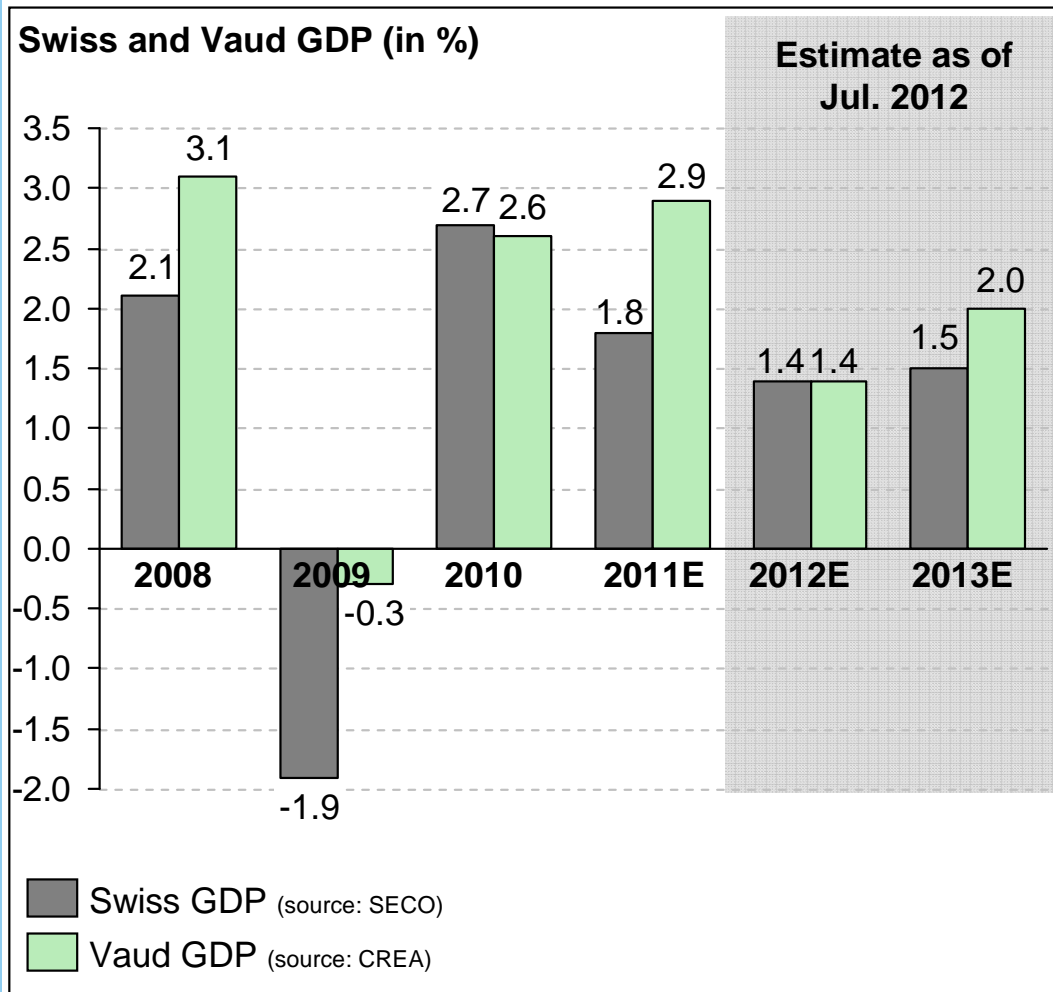
¹ Since 1 January 2009, BCV's capital requirements have been determined in accordance with the Basel II Foundation IRB approach

Other key facts in H1 2012

- Distribution of CHF 275 million to shareholders
- S&P confirmed BCV's AA rating. The outlook for BCV and 8 other Swiss banks was lowered to negative due to the rise in Swiss housing prices
- The BCV share has been included in the MSCI Switzerland and MSCI Standard Europe indexes

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2012 growth estimate

- Switzerland +1.4%¹
(up from +0.5% estimated in January 2012)
- Vaud +1.4%²
(down from 1.6% estimated in April 2012)

Forecast for 2013

- Switzerland near 1.5%¹
- Vaud around +2.0%²

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

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

The real-estate market

- Fundamentals still sound
 - strong population growth in Vaud
 - scarcity of land / low new housing starts
 - low vacancy rate
- Some risk factors
 - durably low interest rates
 - fierce competition among market participants
- On 1 July 2012, the SBA¹ published tighter guidelines for granting mortgage loans
- SNB still to decide on the enforcement of a countercyclical buffer for real estate
- Signs of a growth scale-back among some market participants

Our approach

- BCV was already applying strict criteria for granting mortgage loans (Loan-to-value of max. 80%; 10% max. from pension scheme; max. loan payment burden of 33% of income; etc.)
- Reduction in mortgage lending growth targets from 7-9% to around 4% per year
- Selective approach to new business

- **Overall environment characterized by high level of uncertainty, but Vaud and Swiss economies showing resilience**
- **Revenue in line with previous years**
- **Continued rigorous control of operating expenses**



Business trend in 2012 expected to be in line with 2011¹

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



2012-2013 calendar

- **8 November 2012** Third-quarter 2012 operating profit press release
- **14 February 2013** Full-year 2012 results
- **25 April 2013** First-quarter 2013 operating profit press release
- **25 April 2013** Annual Shareholders' Meeting in Lausanne

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