

Interim Report

Consolidated financial statements at 30 June 2020



Letter from the Chairman and the CEO

The first six months of 2020 were marked by the unprecedented Covid-19 public health crisis and subsequent lockdown. In response to that, we quickly implemented a number of organizational measures designed first and foremost to safeguard our employees and our clients, while continuing to provide service of the highest quality. This entailed temporarily closing half of our branches, and almost 60% of our staff switched to working from home. We nevertheless remained fully operational at all times without compromising on health, safety, or cybersecurity. Our customers were able to use BCV's various remote banking channels to carry out their day-to-day transactions and speak with their advisors, demonstrating the effectiveness of BCV's multichannel approach. We also delivered on our mission as Vaud's cantonal bank through various measures designed to enhance the resilience of the local economy. In particular, we suspended the 31 March and 30 June principal payments on loans to our SME clients. And we were one of the five Swiss banks that worked with the Swiss authorities to design the federal Covid-19 bridge loans, which are backed by the Swiss Confederation. At end-July, we had granted more than 6,000 bridge loans, for a total of over CHF 700m.

The support measures brought in by the Swiss government should help alleviate the economic crisis to some extent. Even so, the figures are startling: July forecasts suggest that the Swiss economy as a whole will shrink by 6.2% this year, and the Vaud economy by 5.0%. That would be by far the sharpest contraction on record for Switzerland in the post-war period.

In spite of these circumstances, our financial results remained solid, attesting to our robust business model; however, they were inevitably impacted by the Covid-19 pandemic. Revenues came in at CHF 477m, down 5% versus H1 2019, which was one of our best half-year periods in the last five years. Operating profit fell 14% to CHF 179m, mainly because of coronavirus-related factors. Net profit stood at CHF 158m (down 13%).

This year marks our Bank's 175th anniversary. Because of the pandemic, we haven't been able to hold the celebrations we had planned. Although our Annual Meeting did go ahead, our shareholders could not attend in person and exercised their voting rights through an independent proxy instead. Turnout was at an all-time high, and every item on the agenda was approved by a very large majority. We paid a dividend of CHF 36 per share in May, returning a total of CHF 310m to



Pascal Kiener
CEO

Jacques de Watteville
Chairman of the Board of Directors

shareholders, and our 10-for-1 stock split was carried out on 28 May. Our share also joined the MSCI World and STOXX Europe 600 indices, which increased its appeal. The share's total return in H1 was 21% – the highest in the STOXX Europe 600 Banks index.

For the first time, we published our Sustainability Report in accordance with the Global Reporting Initiative Standards and issued it in both French and English.

Our annual reviews with Standard & Poor's and Moody's, the two agencies that have been rating us for years, were conducted as planned. Both agencies once again highlighted our financial solidity and reaffirmed their ratings of AA and Aa2, respectively, each with a stable outlook.

On behalf of the Board of Directors and Executive Board, we would like to thank each and every BCV employee for their extraordinary commitment throughout this highly unusual period. We are also grateful to all our customers and shareholders for their continued trust and loyalty.

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Jacques de Watteville

Handwritten signature of Pascal Kiener in black ink.

Pascal Kiener

Business sector review

Retail Banking

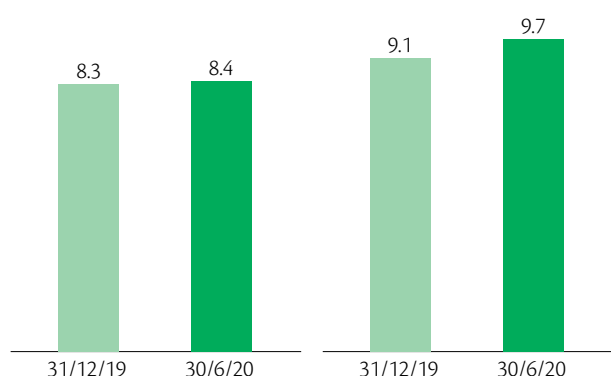
Business volumes off as a result of the lockdown

Retail Banking adapted its operations following the Swiss federal government's lockdown measures. Only half of all branches remained open, but our customers were able to use BCV's various remote banking channels to carry out their day-to-day transactions and speak with their advisors.

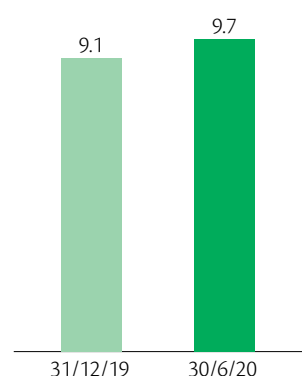
Payment and forex transactions dropped off in step with consumer spending as a result of temporary restrictions on travel and non-essential business activity. In addition, customer deposits rose 7% to CHF 9.7bn. The mortgage book continued to grow, reaching CHF 8.4bn (+2%)

Revenues dipped to CHF 83m (-2%) owing to the decline in business volumes. Operating profit came in at CHF 15m, dropping 4% versus H1 2019, which had been a particularly strong period.

Mortgage loans
In CHF billions



Customer deposits
In CHF billions



	H1 2020	H1 2019
Total revenues (CHF millions)	83.2	84.5
Operating profit (CHF millions)	15.1	15.8
Cost/income ratio (excluding goodwill amortization and write-downs)	79%	79%
ROE	9.4%	9.8%
Headcount	354	351

2019 figures were adjusted to facilitate like-for-like comparison

Corporate Banking

The business sector hit hardest by the pandemic

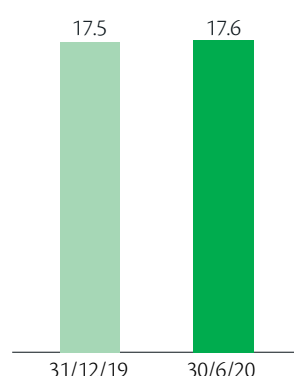
The latest forecasts for Vaud and for Switzerland, as for almost all other economies around the world, point to the sharpest slowdown in the post-war period. While it is still impossible to predict how the pandemic will play out and what the exact economic impact will be, Swiss and Vaud GDP figures are currently forecast to shrink by 6.2% and 5.0%, respectively.

Total lending and off-balance-sheet commitments rose 1% to CHF 17.6bn. This was mainly because of the 6,044 Covid-19 bridge loans that the Bank granted, primarily to local SMEs, for a total of CHF 700m at end-June 2020. Customer deposits were down 8% to CHF 9.3bn.

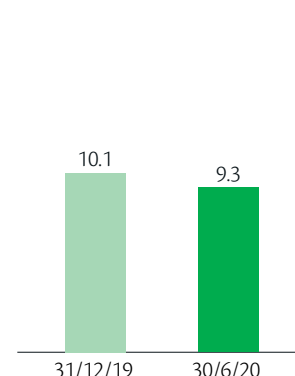
The corporate loan book remained healthy. However, against the backdrop of the Covid-19 pandemic, the Bank set aside CHF 20m in credit-risk provisions for a limited number of companies in difficulty.

Corporate Banking revenues decreased 5% to CHF 127m, and operating profit was down 7% to CHF 73m.

Lending and off-balance-sheet commitments
In CHF billions



Customer deposits
In CHF billions



	H1 2020	H1 2019
Total revenues (CHF millions)	127.3	134.0
Operating profit (CHF millions)	73.2	78.4
Cost/income ratio (excluding goodwill amortization and write-downs)	36%	35%
ROE	9.8%	10.2%
Headcount	187	188

2019 figures were adjusted to facilitate like-for-like comparison

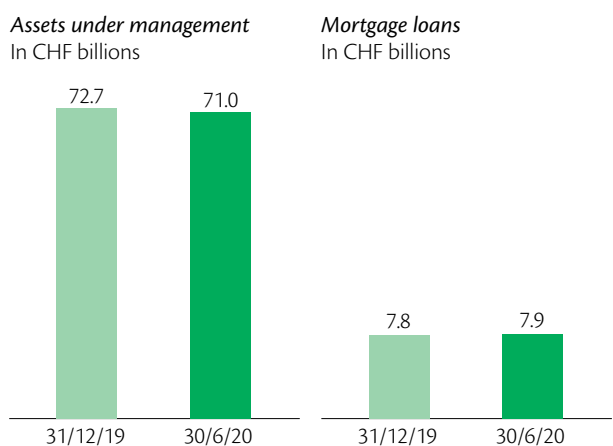
Wealth Management

Decline in assets under management

Assets under management fell 2% to CHF 71.0bn during the first half. This reflects the transfer of CHF 1.1bn in Swisscanto bond funds to ZKB as well as the financial-market decline over the period.

Client appointments were held remotely because of the lockdown. Heightened market volatility drove an increase in transaction volumes.

Wealth Management revenues rose 1% to CHF 181m, and operating profit was up 5% to CHF 70m.



	H1 2020	H1 2019
Total revenues (CHF millions)	181.3	179.1
Operating profit (CHF millions)	70.2	66.9
Cost/income ratio (excluding goodwill amortization and write-downs)	59%	61%
ROE	33.5%	32.1%
Headcount	497	499

2019 figures were adjusted to facilitate like-for-like comparison

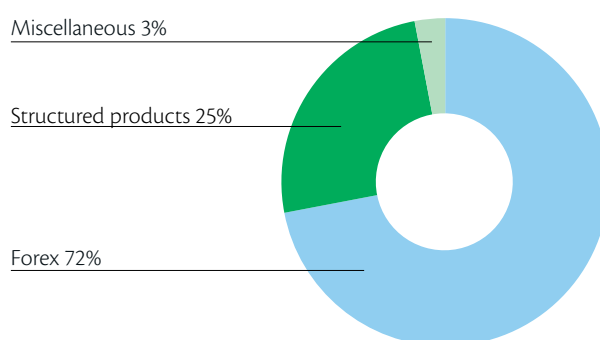
Trading

High volatility drives up trading volumes

Forex trading volumes were significantly up on the prior-year period due to heightened financial-market volatility, especially in February and March. Volumes also increased in the structured products segment.

Forex trading activities accounted for more than 70% of H1 2020 trading revenues, which came in at CHF 31m, up 25% from CHF 25m in H1 2019. Operating profit stood at CHF 17m, versus CHF 11m one year earlier (+61%).

Breakdown of trading income by market segment



	H1 2020	H1 2019
Total revenues (CHF millions)	31.1	24.9
Operating profit (CHF millions)	16.9	10.6
Cost/income ratio (excluding goodwill amortization and write-downs)	44%	56%
ROE	40.5%	29.8%
Headcount	53	55

2019 figures were adjusted to facilitate like-for-like comparison

Consolidated financial statements at 30 June 2020 (Unaudited)

BCV Group posts solid H1 2020 net profit of CHF 158m, in a business environment impacted by Covid-19

BCV Group's H1 2020 financial results were down from the prior year but nevertheless remained solid. After a record year in 2019, net profit came in at CHF 158m, a decline of 13% from H1 2019. Revenues decreased 5%, or CHF 25m, to CHF 477m, and operating profit fell 14%, or CHF 30m, to CHF 179m.

The decline in operating profit reflects two factors stemming from the Covid-19 pandemic: a CHF 11m decline in revenues before provisions¹ reflecting softer customer business during the period; and a CHF 20m increase in provisions and loan impairment charges for a limited number of companies in difficulty (CHF 13.5m increase relating to loans and CHF 6.3m increase relating to off-balance-sheet commitments).

Throughout the pandemic, BCV has continued to fulfill its mission as Vaud's cantonal bank. In particular, it had granted over 6,000 Covid-19 bridge loans to local businesses at end-July, for a total of over CHF 700m.

Revenues down 5%

BCV Group's revenues were down 5%, or CHF 25m, year on year to CHF 477m.

In the continued negative-interest-rate environment, net interest income before loan impairment charges was down 4% to CHF 242m. Net interest income fell 10% to CHF 229m, due to loan impairment charges recognized during the period. Fee and commission income decreased

3% to CHF 156m. Net trading income was bolstered by the heightened forex-market volatility, rising 22% to CHF 73m. Other ordinary income fell 32% to CHF 19m, largely reflecting a non-recurring payout received on a holding in 2019.

Operating profit at CHF 179m

Operating expenses were steady at CHF 253m (-1%), and depreciation and amortization rose 4% to CHF 37m. Other provisions and losses amounted to CHF 8m (+332%), mainly on off-balance-sheet commitments involving a limited number of client businesses experiencing difficulty. As a result, operating profit declined 14%, or CHF 30m, to CHF 179m.

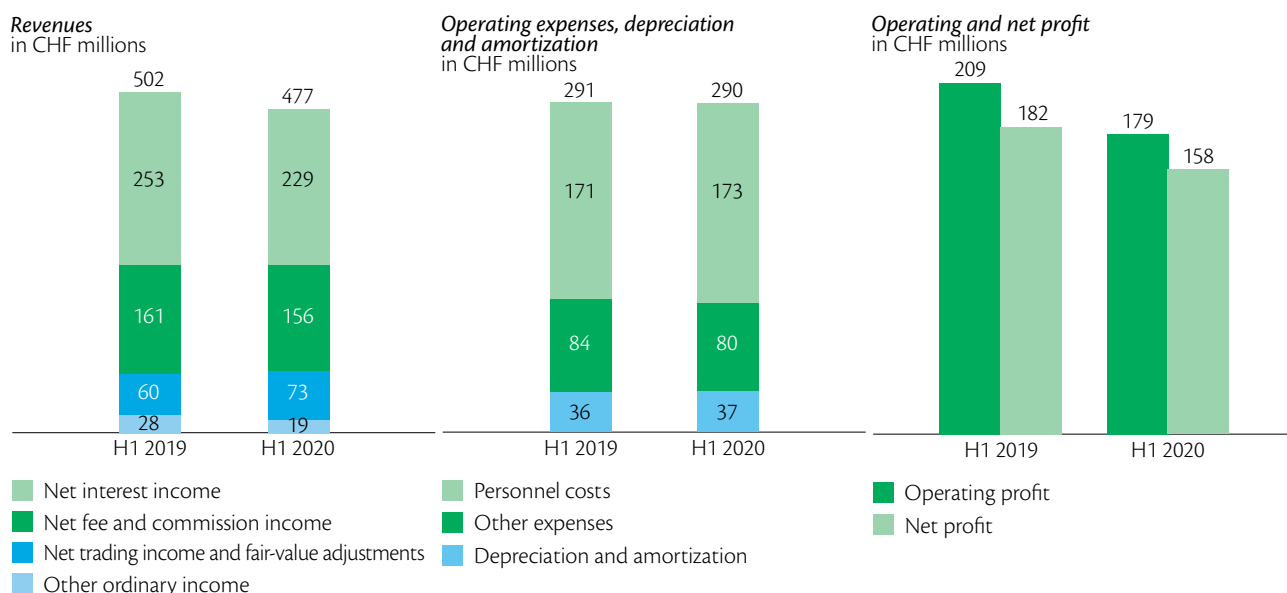
That decline reflects two factors stemming from the Covid-19 pandemic: a CHF 11m decline in revenues before provisions (see footnote 1) reflecting softer customer business during the period; and a CHF 20m increase in provisions and loan impairment charges for a limited number of companies in difficulty (CHF 13.5m increase relating to loans and CHF 6.3m increase relating to off-balance-sheet commitments).

Net profit at CHF 158m

The Bank recorded extraordinary income of CHF 3m in the first half of the year and a tax expense of CHF 24m. Net profit for the period came in at CHF 158m, down 13% but nevertheless at a high level. This figure corresponds to an ROE of 8.8% – one of the highest in BCV's peer group.

Growth in lending and deposits

Total assets grew 4% to CHF 50.3bn. Cash and cash equivalents, which are mainly held as SNB sight deposits, rose 15% to CHF 9.6bn. Mortgage lending expanded 1.5%,



or CHF 403m, to CHF 27.4bn. Other loans increased 2% to CHF 5.9bn, primarily as a result of Covid-19 bridge loans. On the liabilities side, customer deposits grew 2%, or CHF 671m, to CHF 33.7bn. Personal banking and SME deposits rose, while large corporate deposits fell.

Decrease in AuM

As a result of the challenging financial-market conditions, the Group's assets under management contracted 2% to CHF 95.9bn. Net new money totaled CHF 862m, primarily from retail and private banking, SME, and institutional clients, and largely offset the CHF 1.1bn transfer of Swisscanto funds to ZKB following ZKB's acquisition of Swisscanto.

CHF 310m paid out to shareholders

In accordance with its dividend policy, BCV returned CHF 36 per share to its shareholders in May, for a total payout of CHF 310m. The distribution was up CHF 1 per share on the prior year and represents a total dividend yield of 4.6% based on BCV's 2019 closing share price.

Solid financial position

The Bank's total capital ratio stood at 17.9% at 30 June 2020 and shareholders' equity amounted to CHF 3.4bn, attesting to BCV's financial solidity. In the first half of the year, Standard & Poor's once again reaffirmed its AA rating for BCV with a stable outlook, and Moody's maintained its Aa2 rating, also with a stable outlook.

A rising share price and 10-for-1 stock split

The BCV share gained 17% in the first half, resulting in a total shareholder return of 21%. This makes it one of the best-performing banking stocks on the SIX Swiss Exchange. The BCV share was added to the MSCI World

Index on 29 May 2020 and the STOXX Europe 600 Index on 22 June 2020, reflecting its high trading activity and strong gains over the past few years. BCV carried out a 10-for-1 stock split on 28 May 2020, making its share more attractive to private investors.

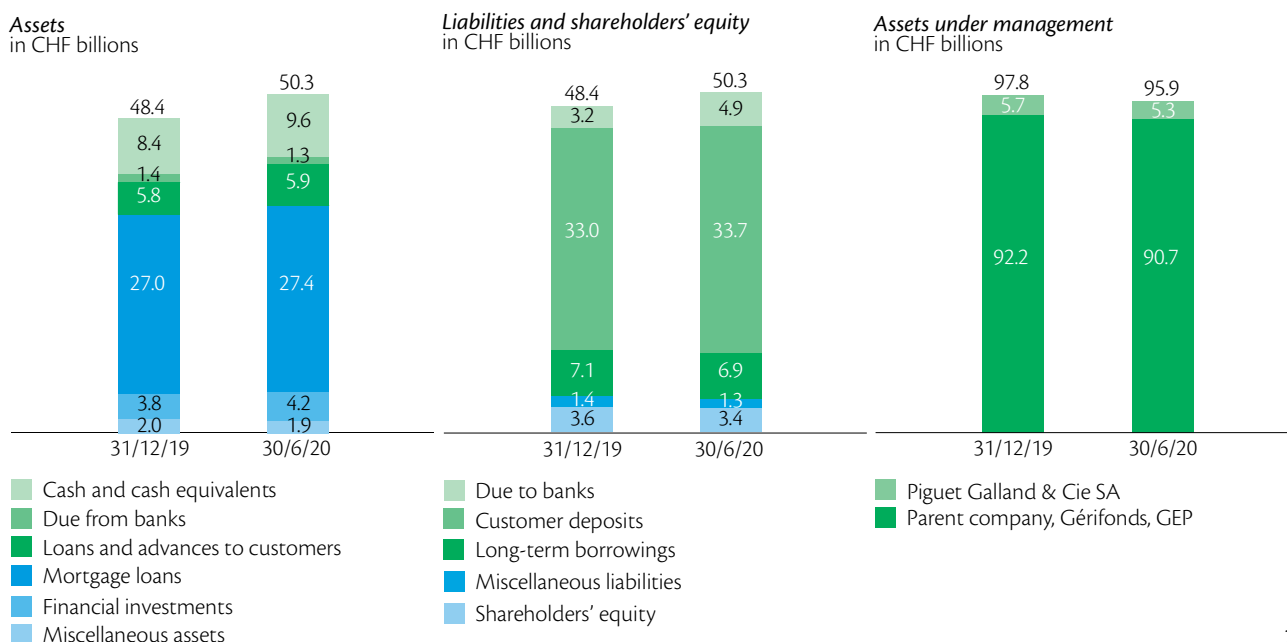
Fulfilling BCV's mission as Vaud's cantonal bank throughout the pandemic

The Bank adopted special measures in the first half of the year to protect its customers and employees, while continuing to provide a full range of banking services to the people and businesses of Vaud. For instance, customers were able to use BCV's various remote banking channels to carry out their day-to-day transactions and speak with their advisors, demonstrating the effectiveness of BCV's multichannel approach. To help support local SMEs, the Bank suspended the 31 March and 30 June principal payments on their loans, leaving those firms with over CHF 40m of additional cash (see the press release from 19 March). BCV also worked intensely with four other Swiss banks and the Swiss federal authorities to develop the federal Covid-19 bridge-loan program that is supplying businesses with essential working capital during the pandemic. At end-July, BCV had granted over 6,000 of these bridge loans for a total of over CHF 700m.

Outlook

Barring a significant deterioration in the financial markets and/or the overall economic situation in the second half of the year, FY 2020 results are expected to be in line with those recorded in the first half.

¹ Revenues before provisions = Total income from ordinary banking operations – Loan impairment charges/reversals



BCV Group

Consolidated balance sheet (unaudited)

(in CHF millions)	30 / 06 / 20	31 / 12 / 19	Change absolute	Change as %
Cash and cash equivalents	9 621	8 384	1 237	15
Due from banks	1 045	1 186	- 141	- 12
Reverse repurchase agreements	272	239	32	14
Loans and advances to customers	5 855	5 752	103	2
Mortgage loans	27 419	27 016	403	1
Trading portfolio assets	280	277	3	1
Positive mark-to-market values of derivative financial instruments	308	273	35	13
Other financial assets at fair value	712	784	- 71	- 9
Financial investments	4 171	3 811	360	9
Accrued income and prepaid expenses	66	85	- 19	- 23
Non-consolidated holdings	69	69	0	0
Tangible fixed assets	410	433	- 23	- 5
Intangible assets	4	5	- 2	- 31
Other assets	36	36	- 0	- 0
Assets	50 268	48 352	1 916	4
Total subordinated assets	0	0	0	0
<i>of which subject to mandatory conversion and/or conditional write-off</i>	0	0	0	0
Due to banks	2 648	1 703	945	55
Repurchase agreements	2 255	1 502	753	50
Customer deposits	33 719	33 048	671	2
Trading portfolio liabilities	1	2	- 1	- 50
Negative mark-to-market values of derivative financial instruments	276	213	63	30
Other financial liabilities at fair value	788	918	- 129	- 14
Medium-term notes	2	3	- 1	- 24
Bonds and mortgage-backed bonds	6 884	7 094	- 210	- 3
Accrued expenses and deferred income	127	154	- 27	- 17
Other liabilities	111	114	- 2	- 2
Provisions	19	16	4	23
Liabilities	46 832	44 766	2 066	5
Reserves for general banking risks	701	701	0	0
Share capital	86	86	0	0
Capital reserve	36	35	0	1
Retained earnings	2 472	2 419	53	2
Currency translation reserve	- 2	- 2	- 0	- 3
Own shares	- 16	- 18	1	8
Minority interests in equity	0	0	- 0	- 0
Net profit for reporting period	158		158	
Net profit for 2019		363	- 363	
<i>of which minority interests</i>	0	0	- 0	- 23
Shareholders' equity	3 435	3 586	- 150	- 4
Total liabilities and shareholders' equity	50 268	48 352	1 916	4
Total subordinated liabilities	0	0	0	0
<i>of which subject to mandatory conversion and/or conditional write-off</i>	0	0	0	0

Consolidated off-balance-sheet transactions (in CHF millions)	30 / 06 / 20	31 / 12 / 19	Change absolute	Change as %
Contingent liabilities	1 532	1 789	- 256	- 14
Irrevocable commitments	1 362	1 301	61	5
Commitments relating to calls on shares and other equity securities	178	177	0	0
Confirmed credits	16	46	- 31	- 66

BCV Group

Consolidated income statement (unaudited)

(in CHF millions)	2020 H1	2019 H1	Change absolute	Change as %
Interest and discount income	262.4	289.2	-26.8	-9
Interest and dividend income from financial investments	12.8	15.7	-3.0	-19
Interest expense	-33.4	-52.4	-19.1	-36
Net interest income before loan impairment charges/reversals	241.8	252.5	-10.7	-4
Loan impairment charges/reversals	-12.9	0.7	13.5	n/a
Net interest income after loan impairment charges/reversals (NII)	228.9	253.1	-24.2	-10
Fees and commissions on securities and investment transactions	131.0	127.3	3.7	3
Fees and commissions on lending operations	19.9	24.6	-4.6	-19
Fees and commissions on other services	31.2	35.8	-4.6	-13
Fee and commission expense	-25.8	-26.6	-0.7	-3
Net fee and commission income	156.3	161.2	-4.8	-3
Net trading income and fair-value adjustments	73.0	59.6	13.4	22
Gains/losses on disposals of financial investments	0.2	0.3	-0.0	-5
Income from equity investments	4.9	12.4	-7.4	-60
<i>of which other non-consolidated holdings</i>	4.9	12.4	-7.4	-60
Real-estate income	3.4	3.8	-0.4	-11
Miscellaneous ordinary income	10.4	11.3	-0.9	-8
Miscellaneous ordinary expenses	-0.2	-0.1	0.2	218
Other ordinary income	18.8	27.7	-8.9	-32
Total income from ordinary banking operations	477.1	501.6	-24.5	-5
Personnel costs	-173.3	-170.8	2.4	1
Other operating expenses	-79.6	-84.1	-4.5	-5
Operating expenses	-252.9	-255.0	-2.1	-1
Depreciation and amortization of fixed assets and impairment on equity investments	-37.0	-35.7	1.3	4
Other provisions and losses	-8.2	-1.9	6.3	332
Operating profit	179.0	209.0	-30.0	-14
Extraordinary income	3.1	0.2	2.9	n/a
Extraordinary expenses	-0.0	-0.1	-0.0	-47
Taxes	-24.3	-26.8	-2.5	-9
Net profit	157.8	182.4	-24.6	-13
Minority interests	-0.0	-0.0	0.0	79
Net profit attributable to BCV shareholders	157.8	182.4	-24.6	-13

BCV Group

Statement of changes in equity (unaudited)

	Share capital	Capital reserve	Retained earnings	Reserves for general banking risks	Currency translation reserve	Own shares	Equity - minority interests	Net profit for the period	Total equity
(in CHF millions)									
Status at 31 December 2019	86	35	2 419	701	- 2	- 18	0	363	3 586
2019 dividend								- 310	- 310
Retained earnings			53					- 53	0
Purchases of own shares (at cost)						- 18			- 18
Disposals of own shares (at cost)						19			19
Gain on disposals of own shares and dividends		0							0
Currency translation differences					- 0				- 0
Changes in scope and/or minority interests							- 0		- 0
Net profit for reporting period								158	158
Status at 30 June 2020	86	36	2 472	701	- 2	- 16	0	158	3 435

BCV Group

Abridged notes to the financial statements

Company name, legal status and head office

BCV (Banque Cantonale Vaudoise) was founded on 19 December 1845 by the Vaud Cantonal Parliament as a *société anonyme de droit public* (i.e., a corporation organized under public law). Its legal status is defined in the Cantonal Act Governing the Organization of Banque Cantonale Vaudoise (LBCV) of 20 June 1995, and its head office is in Lausanne.

Overview of operations and scope of consolidation

BCV operates as a full-service bank with a community focus. Its corporate mandate is to contribute to the economic development of its home region, the Canton of Vaud.

It offers a full range of services in retail banking, wealth management, corporate banking, and trading. Along with its traditional areas of business (savings & loans and wealth management), BCV engages in large-corporate financing and selected trade-financing operations in commodities (primarily softs and metals). It offers a broad portfolio of financial-market services, including equity and derivatives trading and fixed-income instruments. The Bank is also active in foreign-exchange trading and in developing and issuing structured products.

BCV is the parent company of a banking and financial group. At 30 June 2020, in addition to the parent company, BCV Group comprised the private bank Pignatelli & Cie SA and two fund management firms, Gérifonds SA and GEP SA (Société pour la gestion de placements collectifs). The Bank also has a branch in Guernsey (Banque Cantonale Vaudoise Guernsey Branch), which is active in structured products and fiduciary investments.

The scope of consolidation did not change relative to end-2019.

Basis of preparation of consolidated financial statements

BCV Group's consolidated financial statements are prepared in accordance with the Swiss Federal Act of 8 November 1934 on Banks and Savings Institutions, the corresponding Ordinance of 30 April 2014 and the Swiss Accounting Rules for Banks, Securities Dealers, Financial Groups and Conglomerates of 27 March 2014 (FINMA Circular 2015/1). The financial statements give a true and fair view of the assets, financial position, and results of BCV Group. The interim accounts have been drawn up in accordance with the same rules, principles, and structure as the year-end accounts.

The accounting principles for the consolidated financial statements can be found on pages 116 to 122 of the 2019 Annual Report.

Changes to accounting principles

No changes were made to the accounting principles in H1 2020.

Factors that affected the Group's financial situation, and extraordinary income

The Bank's operations and business volumes in the first half of the year were impacted by the Covid-19 pandemic and measures introduced by the Swiss government starting on 16 March 2020. BCV implemented specific policies to safeguard its customers and employees and ensure that the Bank could continue to run smoothly. Over the period, growth in business volumes slowed and assets under management decreased. Net interest income, fees and commissions on lending operations, and fees and commissions on other services (e.g., ATMs and credit cards) were likewise down. On the other hand, income from forex trading increased significantly. Provisions were set aside for a limited number of loans, primarily in the trade finance and SME businesses. BCV Group earnings were down overall but nevertheless trended along the same lines as in prior years.

The Bank recognized CHF 3m of extraordinary income in the first half due to the sale of a non-core real-estate asset. There were no extraordinary expenses.

Events taking place after the closing date

As at 19 August 2020, when this interim report was completed, the Group was not aware of any event liable to have a material influence on the Group's H1 2020 financial statements.

Business sector information

	Retail Banking		Corporate Banking	
Customer business volumes by sector (in CHF millions)	30 / 06 / 20	31 / 12 / 19	30 / 06 / 20	31 / 12 / 19
Loans and advances to customers	115	88	4 950	4 720
Mortgage loans	8 428	8 296	10 271	10 116
Total customer loans	8 544	8 384	15 222	14 836
Customer deposits	9 689	9 074	9 292	10 106
Off-balance-sheet commitments	84	81	2 393	2 667
Assets under management (including double-counted)	11 487	10 821	12 869	13 893
Results by business sector (in CHF millions)	H1 2020	H1 2019	H1 2020	H1 2019
Net interest income before loan impairment charges/reversals	57.2	55.6	113.4	115.0
Loan impairment charges/reversals ¹	-1.7	-1.7	-15.7	-16.0
Net interest income after loan impairment charges/reversals	55.5	53.8	97.7	98.9
Net fee and commission income	20.7	22.3	23.3	27.9
Net trading income	6.5	7.7	4.5	5.0
Other income	0.6	0.6	1.8	2.2
Revenues	83.2	84.5	127.3	134.0
Personnel costs	-21.7	-21.6	-15.7	-15.7
Operating expenses	-18.0	-18.6	-5.4	-5.7
Depreciation, amortization and write-offs	-7.3	-7.7	-0.9	-0.9
Interdivisional billing	-20.5	-20.2	-29.2	-29.6
Other provisions and losses	-0.6	-0.6	-3.1	-3.7
Operating profit	15.1	15.8	73.2	78.4
Extraordinary income and expenses	0.0	0.0	0.0	0.0
Taxes ² and minority interests	-2.1	-2.2	-10.1	-10.8
Net profit	13.0	13.6	63.1	67.6
Indicators	H1 2020	H1 2019	H1 2020	H1 2019
Average shareholders' equity (in CHF millions) ³	277	278	1 288	1 330
ROE	9.4	9.8	9.8	10.2
Cost/income ratio ⁴	79.5	79.0	35.7	34.6
Average headcount	354	351	187	188

2019 figures were adjusted to facilitate like-for-like comparison

¹⁾ Expected loan losses are allocated to the business sectors. The difference between new provisioning needs and expected loan losses is booked to the Corporate Center

²⁾ Taxes are calculated per business sector according to the tax rates in effect

³⁾ Equity is allocated to the business sectors at 13.0%; surplus equity is booked to the Corporate Center

⁴⁾ Costs used for calculating the cost/income ratio per sector comprise: personnel costs; operating expenses; depreciation, amortization and write-offs; and interdivisional billing. Income comprises income before loan impairment charges

Wealth Management		Trading		Corporate Center		BCV Group	
30 / 06 / 20	31 / 12 / 19	30 / 06 / 20	31 / 12 / 19	30 / 06 / 20	31 / 12 / 19	30 / 06 / 20	31 / 12 / 19
692	703	-0	-0	97	241	5855	5752
7896	7781	0	0	823	822	27419	27016
8588	8485	-0	-0	921	1064	33274	32768
14040	13358	2	5	696	505	33719	33048
70	71	9	10	532	485	3088	3313
70961	72741	0	0	613	385	95929	97840
H1 2020	H1 2019	H1 2020	H1 2019	H1 2020	H1 2019	H1 2020	H1 2019
60.7	59.6	2.0	1.9	8.4	20.4	241.8	252.5
-1.7	-1.7	-0.0	0.0	6.3	20.1	-12.9	0.7
59.0	57.9	2.0	1.9	14.7	40.6	228.9	253.1
111.5	109.8	0.2	0.1	0.6	1.0	156.3	161.2
10.1	10.3	28.8	22.8	23.2	13.9	73.0	59.6
0.6	1.1	0.0	0.0	15.7	23.7	18.8	27.7
181.3	179.1	31.1	24.9	54.2	79.1	477.1	501.6
-50.8	-51.0	-6.5	-6.5	-78.6	-75.9	-173.3	-170.8
-19.1	-19.5	-3.9	-4.1	-33.3	-36.3	-79.6	-84.1
-7.3	-7.5	-1.0	-0.8	-20.5	-18.8	-37.0	-35.7
-33.0	-33.2	-2.3	-2.4	84.9	85.4	0.0	0.0
-0.9	-1.0	-0.5	-0.4	-3.1	3.8	-8.2	-1.9
70.2	66.9	16.9	10.6	3.6	37.4	179.0	209.0
0.0	0.0	0.0	0.0	3.1	0.1	3.1	0.1
-10.1	-9.7	-2.3	-1.5	0.3	-2.7	-24.3	-26.8
60.2	57.3	14.6	9.1	7.0	34.9	157.8	182.4
H1 2020	H1 2019	H1 2020	H1 2019	H1 2020	H1 2019	H1 2020	H1 2019
359	357	72	61	1581	1490	3576	3516
33.5	32.1	40.5	29.8	0.9	4.7	8.8	10.4
59.2	60.5	43.9	55.9	0	0	58.8	57.7
497	499	53	55	814	812	1905	1905

The BCV share

As Covid-19 spread, the world's main stock markets fluctuated in response, reflecting the consequences of both the pandemic and the lockdown measures that governments introduced to varying degrees. The current global economic crisis is unprecedented in scale and speed, and it is still uncertain how it will play out. Stock markets fell sharply in March during the peak of the pandemic in Europe, before gradually picking back up in the second quarter. The main global indices ended the first half in negative territory: the SMI was down 5.4%, the DAX lost 7.1%, and the CAC40 fell 17.5%. In the US, where the pandemic arrived a few weeks after Europe, the Dow Jones dropped 12.1%. The Nasdaq however gained 16.6%, driven by the soaring prices of FAANG stocks. In Asia, the Nikkei lost 5.8% and the Shanghai stock exchange slid 1.8%.

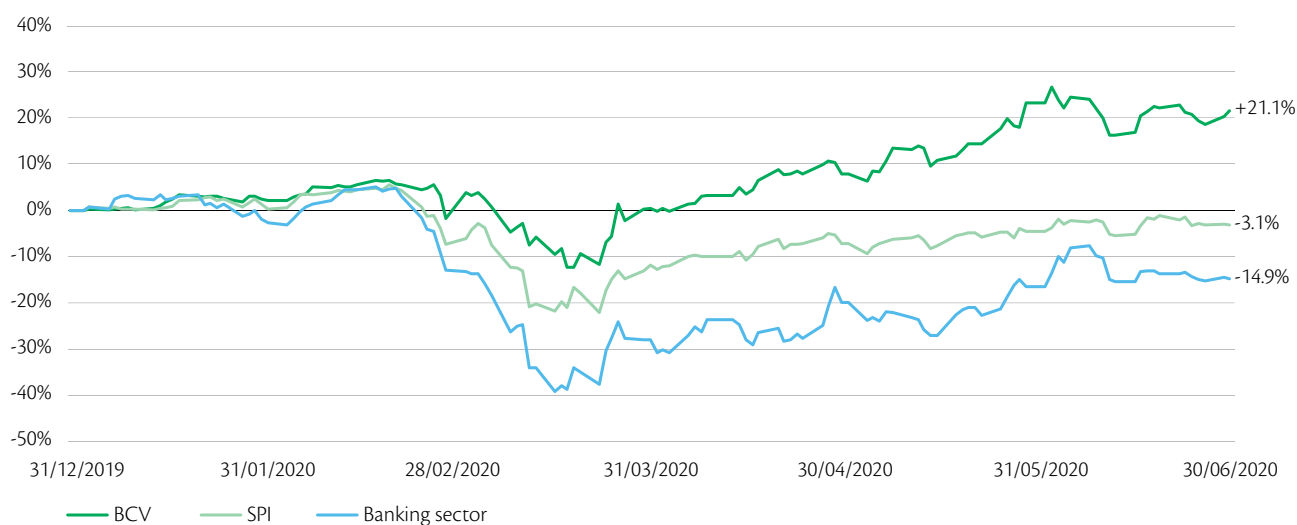
The BCV share had an eventful first half. Shareholders were not able to attend BCV's Annual Meeting in person due to the lockdown and therefore exercised their voting rights through an independent proxy instead. Every item on the agenda was approved by a very large majority, including the payout of a CHF 36 per share dividend, which returned a total of CHF 310m to shareholders, and a 10-for-1 stock split that was carried out on 28 May.

Also during the first half, BCV was added to two main equity indices – the MSCI World and STOXX Europe 600 – within a few days of each other, increasing the share's visibility and liquidity. Average trading volumes have risen 77% since these announcements were made, with over CHF 10m now changing hands every day.

The BCV share gained 16.6% in the six months ended 30 June 2020. This share-price appreciation, coupled with the dividend payout in May, brought the share's total return to 21.1% – the highest of all companies in the STOXX Europe 600 Banks index.

Standard & Poor's and Moody's once again highlighted the financial solidity of our Bank by reaffirming their ratings of AA and Aa2, respectively, each with a stable outlook.

Total shareholder return¹



¹ Stockmarket performance over the period plus dividends and capital distributions

Key figures – 5-year overview

Balance sheet (in CHF millions)	31 / 12 / 16	31 / 12 / 17	31 / 12 / 18	31 / 12 / 19	30 / 06 / 20
Total assets	44 085	45 415	47 863	48 352	50 268
Advances to customers	29 849	30 233	31 756	32 768	33 274
Customer deposits	29 245	30 512	31 375	33 048	33 719
Shareholders' equity	3 420	3 457	3 522	3 586	3 435

Assets under management (in CHF millions)					
Assets under management	85 382	86 490	87 620	97 840	95 929
<i>cash and cash equivalents</i>	26 009	26 977	28 062	29 837	29 731
<i>investment funds</i>	19 812	21 807	21 817	25 217	24 649
<i>shares</i>	21 588	19 871	18 485	20 934	20 504
<i>bonds</i>	11 029	9 764	9 413	9 746	8 559
<i>other</i>	6 945	8 071	9 843	12 106	12 486

Headcount					
Full-time equivalents	1 943	1 922	1 896	1 921	1 896

H1 income statement (in CHF millions)	2016	2017	2018	2019	2020
Total income	494	497	493	502	477
Operating expenses	258	257	254	255	253
Depreciation and amortization of fixed assets and impairment on equity investments	37	36	36	36	37
Other provisions and losses	1	0	3	2	8
Operating profit	198	203	200	209	179
Net profit	157	164	188	182	158

Liquidity and capital ratios¹	31 / 12 / 16	31 / 12 / 17	31 / 12 / 18	31 / 12 / 19	30 / 06 / 20
Liquidity Coverage Ratio (LCR)	113%	121%	112%	129%	130%
Leverage Ratio	6.6%	6.5%	6.2%	6.3%	6.1%
Tier 1 capital ratio ²	17.5%	17.1%	17.1%	17.1%	17.7%
Total capital ratio ²	17.6%	17.3%	17.2%	17.3%	17.9%

H1 income ratios	2016	2017	2018	2019	2020
Operating profit/average shareholders' equity	11.6%	11.9%	11.5%	11.9%	10.0%
Cost/income ratio ³	59.5%	58.2%	58.1%	57.7%	58.8%
Annualized operating profit per employee (in CHF thousands)	204	212	210	219	188
ROE	9.3%	9.6%	10.8%	10.4%	8.8%

Credit ratings	31 / 12 / 16	31 / 12 / 17	31 / 12 / 18	31 / 12 / 19	30 / 06 / 20
Standard & Poor's					
Long term	AA / stable	AA / stable	AA / stable	AA / stable	AA / stable
Short term	A-1+	A-1+	A-1+	A-1+	A-1+
Moody's					
Long term	Aa2 / stable	Aa2 / stable	Aa2 / stable	Aa2 / stable	Aa2 / stable
Short term	Prime-1	Prime-1	Prime-1	Prime-1	Prime-1

¹ More detailed information on Group and parent company liquidity and capital ratios can be found in the Basel III Pillar 3 report, which is available at www.bcv.ch and on the BCV Investor Relations iPad app.

² To facilitate like-for-like comparison, the ratios for 2016 have been recalculated without subtracting the countercyclical buffer from regulatory capital, in accordance with FINMA Circular 2016/1 "Disclosure – banks"

³ Excluding goodwill amortization and write-downs



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