

## Press release

### **BCV posts Q3 results in line with trend; operating profit at CHF 351m\***

**BCV Group's financial results at 30 September 2013 were in line with the trend observed thus far this year. While business volumes were once again on the rise, the low-interest-rate environment and the Bank's strategy of moderate growth in mortgage lending weighed on revenues. The top-line trend was partly offset by firm cost control, and operating profit for the period was down 4% to CHF 351m.**

#### **Revenues down slightly in a challenging environment**

Total revenues for the nine months ending 30 September were CHF 743m, down 2% compared with the year-earlier period. Interest income fell 5% to CHF 375m, reflecting the Bank's prudent liquidity management, its strategy of moderate growth in mortgage lending, the continuing low-interest-rate environment, and the cyclical downtrend in trade finance activities. Fee and commission income edged down 1% to CHF 258m. Trading income remained solid at CHF 85m, although it was off 2% due to a decrease in customer-driven forex activities. Other ordinary income rose 25% to CHF 26m.

#### **Operating profit at CHF 351m**

Total operating expenses declined 1% to CHF 392m. Personnel costs were stable at CHF 250m despite the transfer on 1 July 2013 of 80 specialists from IBM charged with maintaining and developing the Bank's IT platform. Other operating expenses decreased 2% to CHF 142m. This effective cost control partly offset the decline in revenues, with operating profit down 4% to CHF 351m.

#### **Rise in customer-driven business volumes**

Total assets expanded 1% to CHF 40.3bn. Mortgage lending rose 2% (+CHF 426m) to CHF 23.3bn, in line with the Bank's controlled growth target in this area. Other loans increased 3% to CHF 5.2bn.

On the liabilities side, the expansion in customer savings and investment accounts continued, with a 3% rise (+CHF 419m) to CHF 12.7bn. Other customer accounts grew by 4% (+CHF 529m) to CHF 15.4bn.

#### **Rise in AuM**

Group assets under management were up 5% (+CHF 4.3bn) to CHF 86.1bn. Net new money amounted to CHF 852m.

**Outlook**

Barring a significant deterioration in the financial markets and the overall economic situation, business development for the full year is expected to trend along the same lines as in the first nine months of the year.

**Lausanne, Switzerland, 14 November 2013**

\* Unaudited figures

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Note to editors:

This press release is being issued outside the trading hours of the SIX Swiss Exchange in order to comply with the principles of ad hoc disclosure pursuant to the SIX listing rules.

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

## Consolidated balance sheet

(unaudited – in CHF millions)

	30/9/2013	31/12/2012	Absolute change	Change as %
Cash and cash equivalents	4 503	4 735	-232	- 5
Money-market instruments	42	26	16	+ 62
Due from banks	1 623	2 007	-384	- 19
Loans and advances to customers	5 239	5 094	145	+ 3
Mortgage loans	23 290	22 864	426	+ 2
Trading portfolio assets	1 141	667	474	+ 71
Financial investments	3 091	3 101	-10	-
Non-consolidated holdings	55	52	3	+ 6
Tangible fixed assets	599	621	-22	- 4
Intangible assets	33	37	-4	- 11
Accrued income and prepaid expenses	255	198	57	+ 29
Other assets	436	398	38	+ 10
<b>Assets</b>	<b>40 307</b>	<b>39 800</b>	<b>507</b>	<b>+ 1</b>
Total subordinated assets	-	-	-	-
Money-market paper issued	5	3	2	+ 67
Due to banks	1 985	2 444	-459	- 19
Customer savings and investment accounts	12 714	12 295	419	+ 3
Other customer accounts	15 437	14 908	529	+ 4
Medium-term notes	93	131	-38	- 29
Bonds and mortgage-backed bonds	5 889	5 837	52	+ 1
Accrued expenses and deferred income	265	231	34	+ 15
Other liabilities	705	461	244	+ 53
Value adjustments and provisions	173	175	-2	- 1
<b>Liabilities</b>	<b>37 266</b>	<b>36 485</b>	<b>781</b>	<b>+ 2</b>
Reserves for general banking risks	704	704	-	-
Equity capital	86	86	-	-
Capital reserve	192	275	-83	- 30
Own equity securities	-11	-11	-	-
Retained earnings	2 070	1 949	121	+ 6
Minority interests - equity	-	1	-1	- 100
Net profit for 2012	-	311	-311	-
<b>Shareholders' equity</b>	<b>3 041</b>	<b>3 315</b>	<b>-274</b>	<b>- 8</b>
<b>Total liabilities and shareholders' equity</b>	<b>40 307</b>	<b>39 800</b>	<b>507</b>	<b>+ 1</b>
Total subordinated liabilities	-	-	-	-

## Consolidated income statement

(unaudited – in CHF millions)

	2013 1/1 - 30/09	2012 1/1 - 30/09	Absolute change	Change as %
Interest and discount income	506.4	537.6	- 31.2	- 6
Interest and dividend income from financial investments	43.0	44.0	- 1.0	- 2
Interest expense	- 174.8	- 188.8	- 14.0	- 7
<b>Net interest income</b>	<b>374.6</b>	<b>392.8</b>	<b>- 18.2</b>	<b>- 5</b>
Fees and commissions on lending operations	34.2	39.6	- 5.4	- 14
Fees and commissions on securities and investment transactions	212.9	211.7	+ 1.2	+ 1
Fees and commissions on other services	58.6	57.0	+ 1.6	+ 3
Fee and commission expense <sup>1</sup>	- 47.9	- 48.9	- 1.0	- 2
<b>Net fee and commission income</b>	<b>257.8</b>	<b>259.4</b>	<b>- 1.6</b>	<b>- 1</b>
<b>Net trading income<sup>1</sup></b>	<b>84.8</b>	<b>86.8</b>	<b>- 2.0</b>	<b>- 2</b>
Profit on disposal of financial investments	1.6	2.5	- 0.9	- 36
Total income from holdings	9.0	4.2	+ 4.8	+ 114
Real-estate income	8.1	8.0	+ 0.1	+ 1
Miscellaneous ordinary income	9.0	6.9	+ 2.1	+ 30
Miscellaneous ordinary expenses	- 1.6	- 0.7	+ 0.9	+ 129
<b>Other ordinary income</b>	<b>26.1</b>	<b>20.9</b>	<b>+ 5.2</b>	<b>+ 25</b>
<b>Total income from ordinary banking operations</b>	<b>743.3</b>	<b>759.9</b>	<b>- 16.6</b>	<b>- 2</b>
Personnel costs	- 249.9	- 251.0	- 1.1	-
Other operating expenses	- 142.1	- 144.6	- 2.5	- 2
<b>Operating expenses</b>	<b>- 392.0</b>	<b>- 395.6</b>	<b>- 3.6</b>	<b>- 1</b>
<b>Operating profit</b>	<b>351.3</b>	<b>364.3</b>	<b>- 13.0</b>	<b>- 4</b>

<sup>1)</sup> To facilitate like-for-like comparisons, 2012 figures were adjusted following the reclassification of certain fee and commission expenses