

FY 2009 Results

Analysts' Presentation
Lausanne, 25 February 2010



- **BCV in 2009** **Pascal Kiener**
- **FY 2009 financial results** **Thomas Paulsen**
- **Outlook** **Pascal Kiener**

Key messages

Strong increase in main business volumes

Very strong financial results in a difficult economic environment

Normalization of net profit as extraordinary items no longer boost bottom line

Strategy hits full implementation phase: first milestone achieved with new organization

2009 Key figures

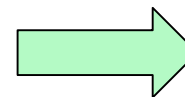
CHF millions (rounded)

		Change vs. 2008
Revenues	976	+5%
Operating profit	470	+11%
Net profit	301	-16%
Total assets	35,733	+1%
AuM	76,209	+14%

Main business trends in 2009

CHF millions (rounded)

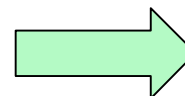
Strong increase in mortgage loans



+1,487

+9%

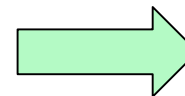
Increase in other loans excluding trade finance¹



+205

+4.1%

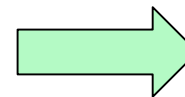
Stable exposure in trade finance



-27

-1.0%

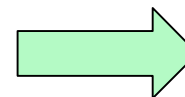
Record increase in savings deposits



+1,303

+15%

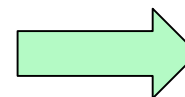
Rise in other client deposits



+399

+3%

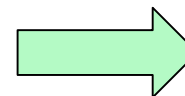
Substantial increase in AuM



+9,443

+14%

Strong net new money



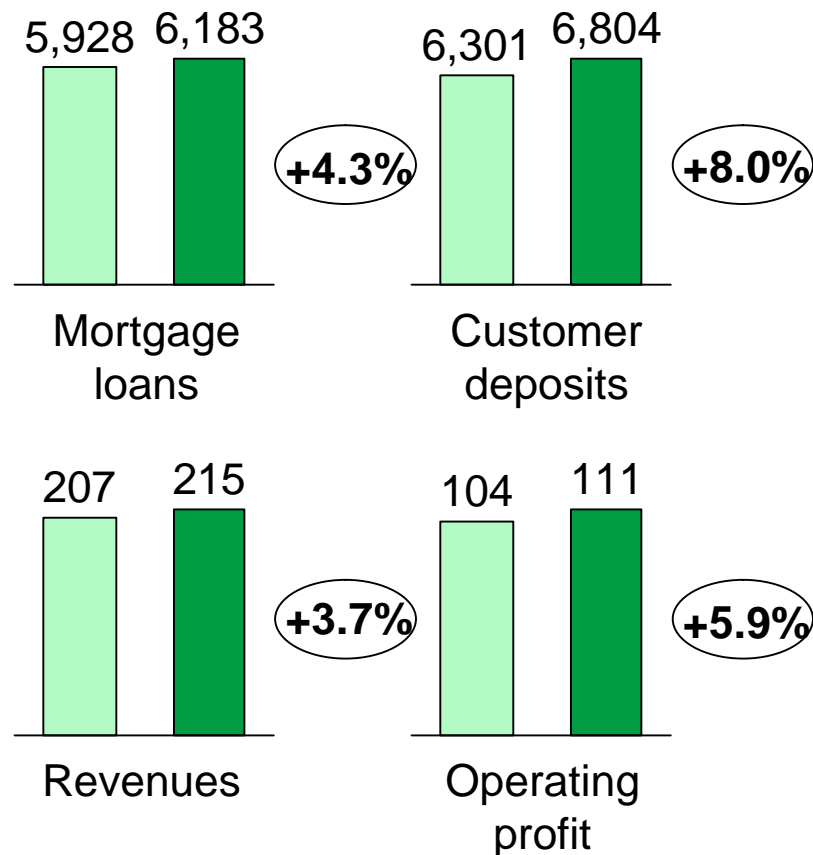
+3,090

¹ Balance-sheet and off-balance-sheet items

CHF millions (rounded)¹

2008 2009

- Strong growth in business volumes
 - Substantial increase in mortgage loans
 - Large inflows from customers
- Revenues and operating profit up
- Launch of a new class of mortgage loans favoring “green” investment (PH Minergie and Rénovation écologique)
- Launch of website for free real estate ads:



¹ 2008 figures were adjusted to take into account segment changes following implementation of the new BCVPlus strategy

CHF millions (rounded)

2008 2009

SMEs

- Rise in mortgage loans
- Other loans stable
- Ongoing pressure on margins

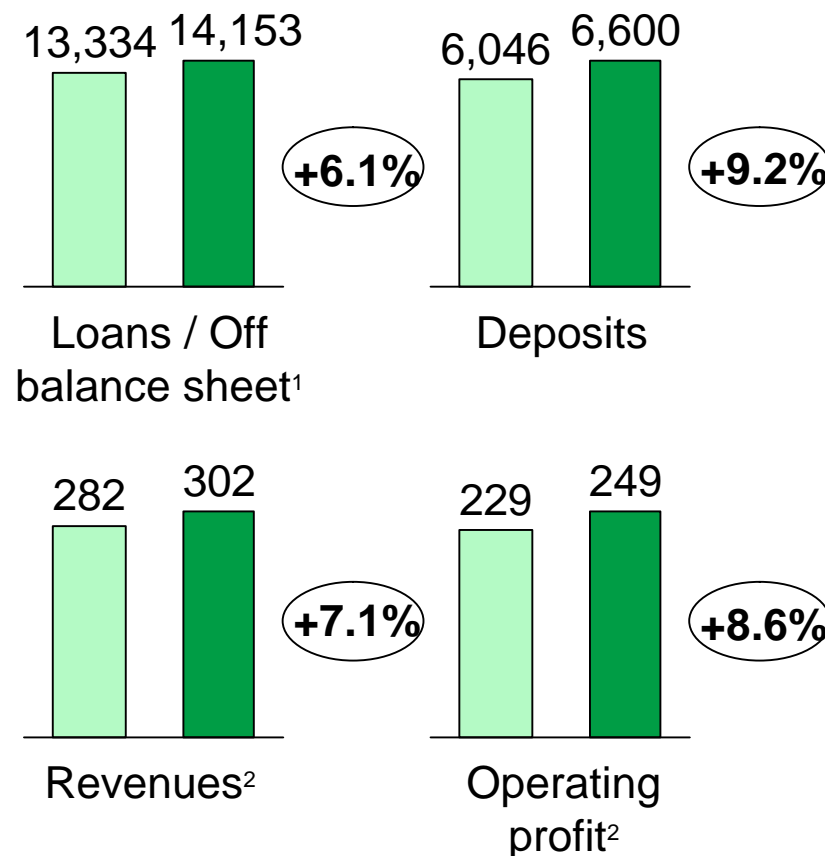
Large corporates

- Loans and deposits up, mainly driven by new business as some foreign competitors pulled out of the Swiss market
- Slight improvement in margins

Trade finance

- Controlled exposure to trade finance
- Improvement in margins

Overall resilience of the Bank's loan portfolio



¹ 2008 figures were adjusted to reflect the allocation of Trade Finance impaired loans to the Corporate Center

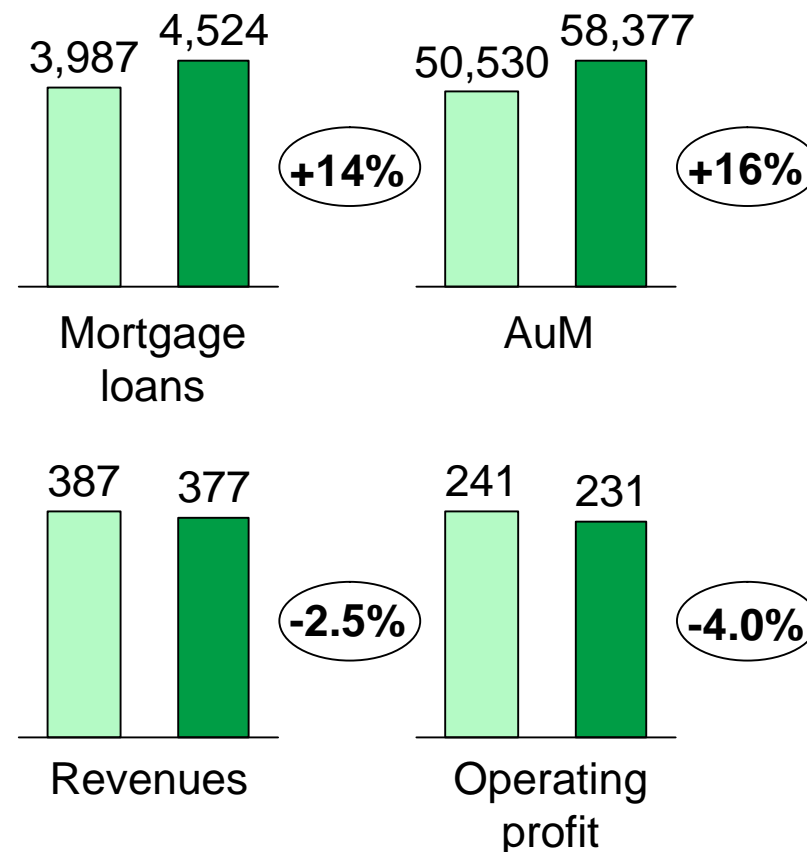
² 2008 figures were adjusted to reflect the allocation of Credit Management Division activities to the Corporate Center

Wealth Management

CHF millions (rounded)^{1, 2}

2008 2009

- Strong asset inflows from customers
- Excellent performance by BCV's investment strategy in 2009
- Revenues and operating profit slightly down in a difficult environment
- 24 account managers hired in 2009 to develop onshore private banking
- Additional sales staff hired for institutional clients to develop business in German-speaking Switzerland



¹ 2008 figures were adjusted to take into account segment changes following implementation of the new BCVPlus strategy

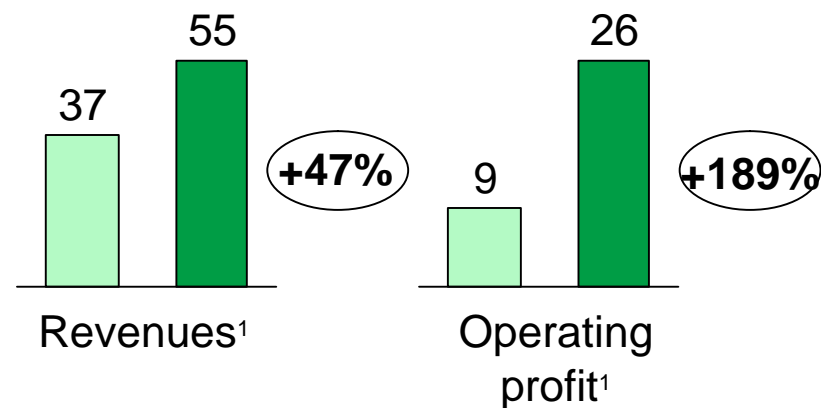
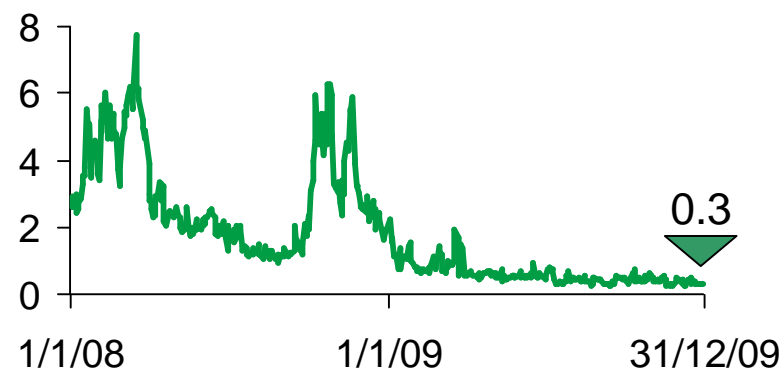
² 2008 figures were adjusted to reflect the allocation of custodial banking activities to Wealth Management

CHF millions (rounded)

2008 2009

- Complete withdrawal from equity-derivative activities as of 31 Dec. 2009
- Risk profile much lower. Trading activities now clearly focused on “client-driven” flows
- Revenues and operating profit very high especially in forex trading, driven by strong market activity
- Lower activity level in structured products

Value at risk (VaR 99%, 1 day)



¹ 2008 figures were adjusted to reflect the allocation of custodial banking activities to Wealth Management

Other highlights in 2009

- New organization implemented, with four front-line divisions and a newly created credit management division
- Three new Executive Board members were appointed. The Executive Board is now complete, with the appointment of Bertrand Sager from 15 Feb. 2010
- The terms of three representatives of the Cantonal Government on the Board of Directors were renewed for four years: Olivier Steimer (Chairman), Luc Recordon and Paul-André Sanglard
- Information-exchange agreement between BCV and Vaud Canton updated
- PricewaterhouseCoopers (PwC) appointed as independent auditor

- BCV in 2009 Pascal Kiener
- **FY 2009 financial results** **Thomas Paulsen**
- Outlook Pascal Kiener

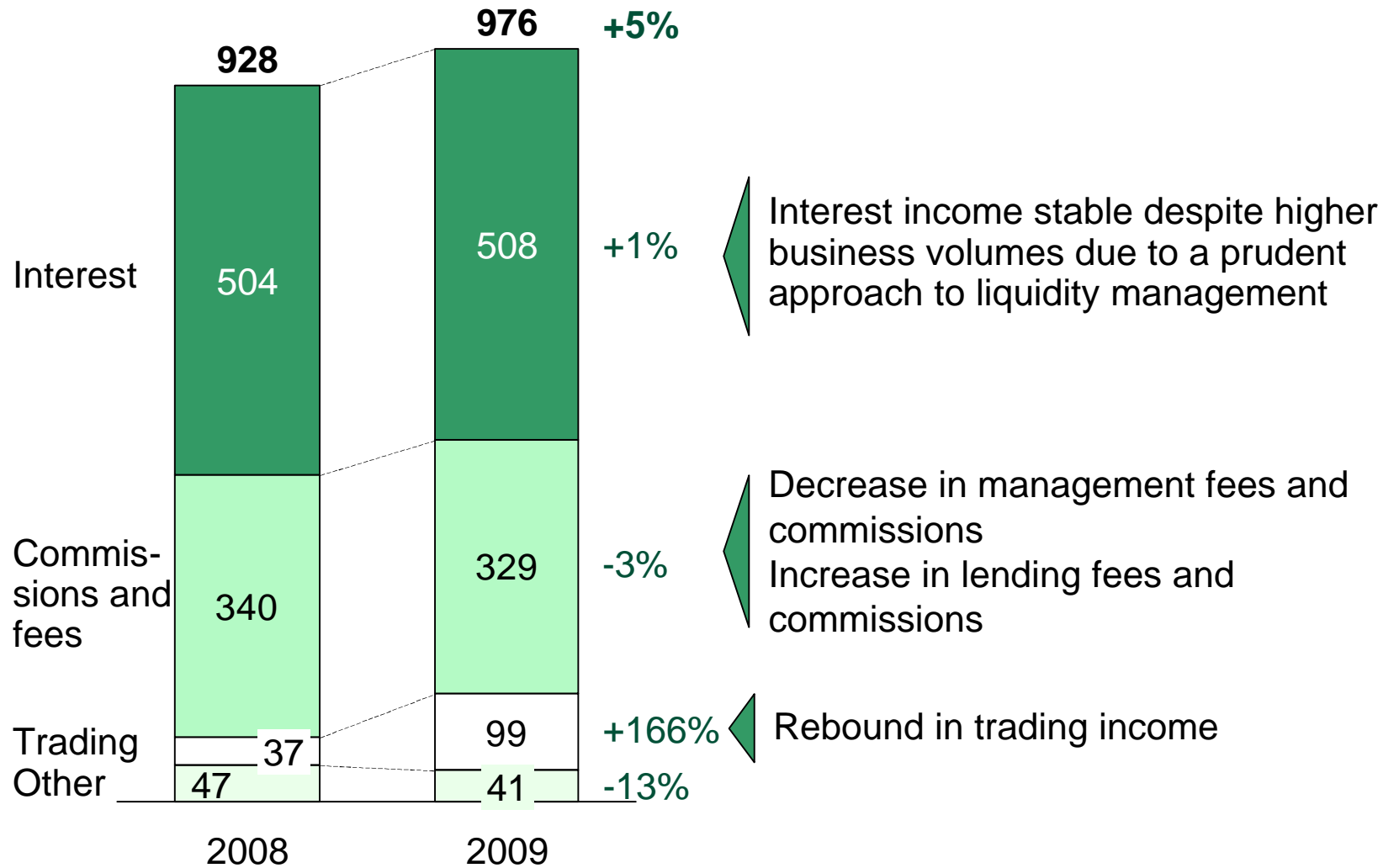
Income statement

CHF millions (rounded), as of 31 Dec.

	2009	2008	Change	
Total revenues	976	928	+48	+5%
Operating expenses	-506	-505	+1	—
Operating profit	470	423	+47	+11%
Depreciation	-79	-77	+2	+3%
Value adjustments, provisions, losses	-18	-16	+2	+12%
Extraordinary income	17	130	-113	-87%
Extraordinary expenses	—	-1	-1	—
Taxes	-88	-101	-13	-13%
Net profit (before minority interests)	301	358	-57	-16%

Revenues

CHF millions (rounded), as of 31 Dec.



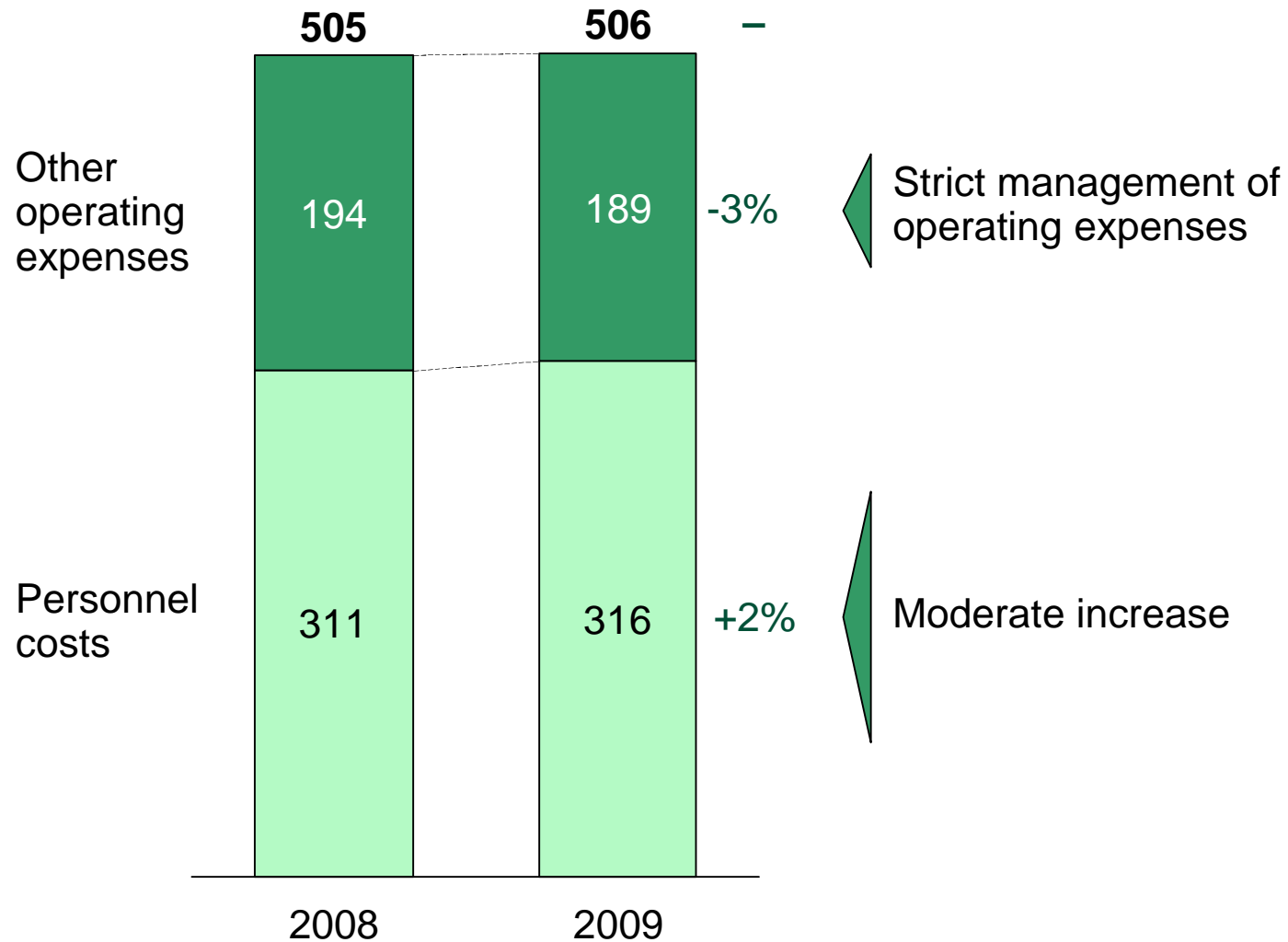
Trading income breakdown

CHF millions (rounded)

	H1 2008	H2 2008	H1 2009	H2 2009	Going forward
Trading income	-45	+82	+46	+53	75 +/- 15
Forex trading	+29	+33	+34	+32	50 to 60 Lower income following record year 2009
Other trading (mainly structured products)	+10	+6	+15	+13	15 to 25 Slight recovery following low volumes post crisis
Equity-derivative trading	-74	+64	-5	+1	0
Asset management portfolio	-10	-21	+2	+7	-5 to 5 Reduced size New role: seed portfolio

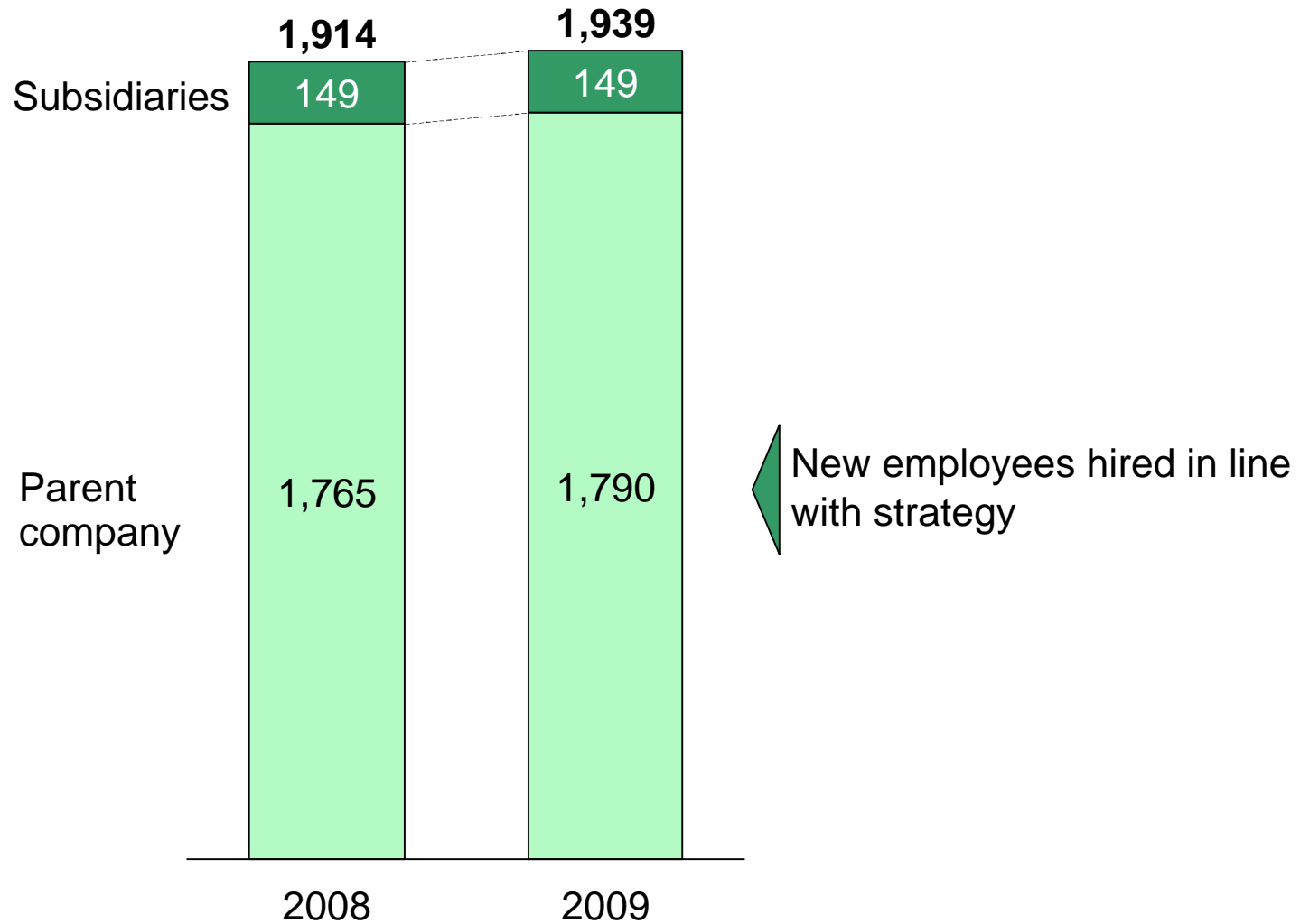
Operating expenses

CHF millions (rounded), as of 31 Dec.



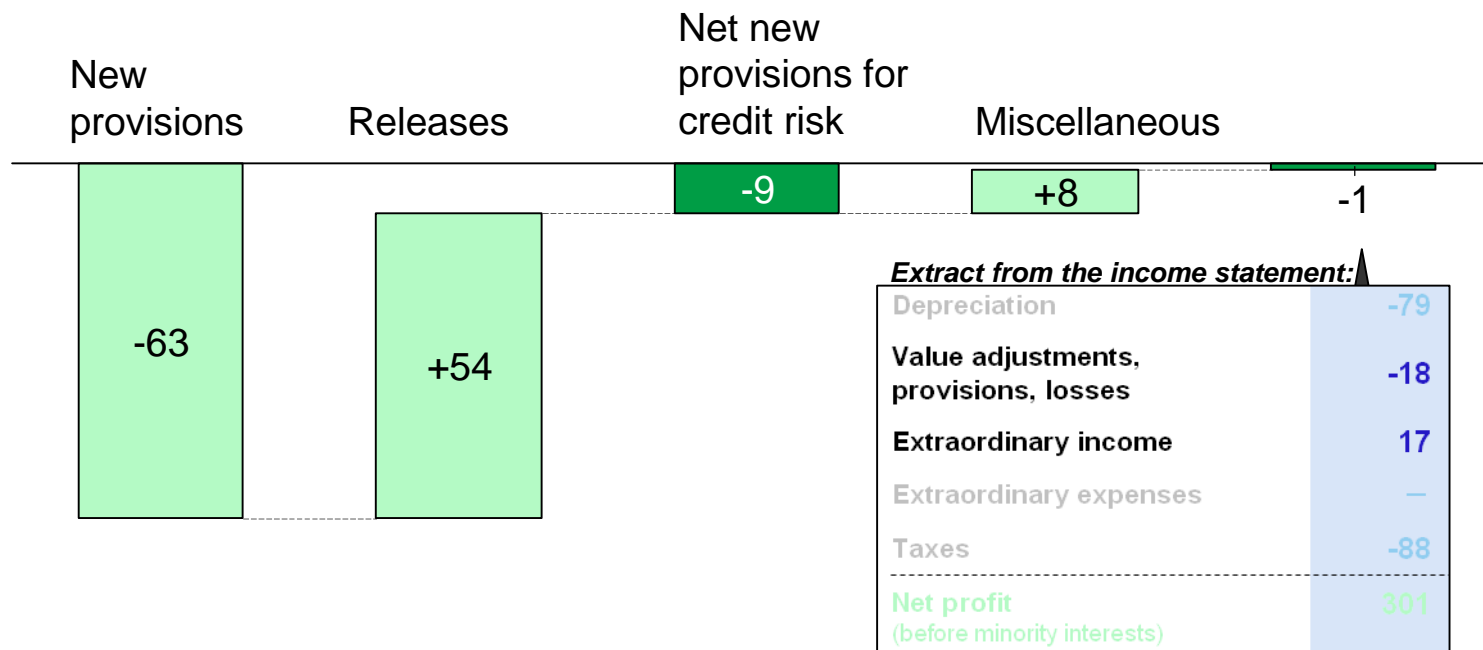
Headcount

Full-time equivalent, as of 31 Dec.



“Value adjustments, provisions & losses” and “Extraordinary income”

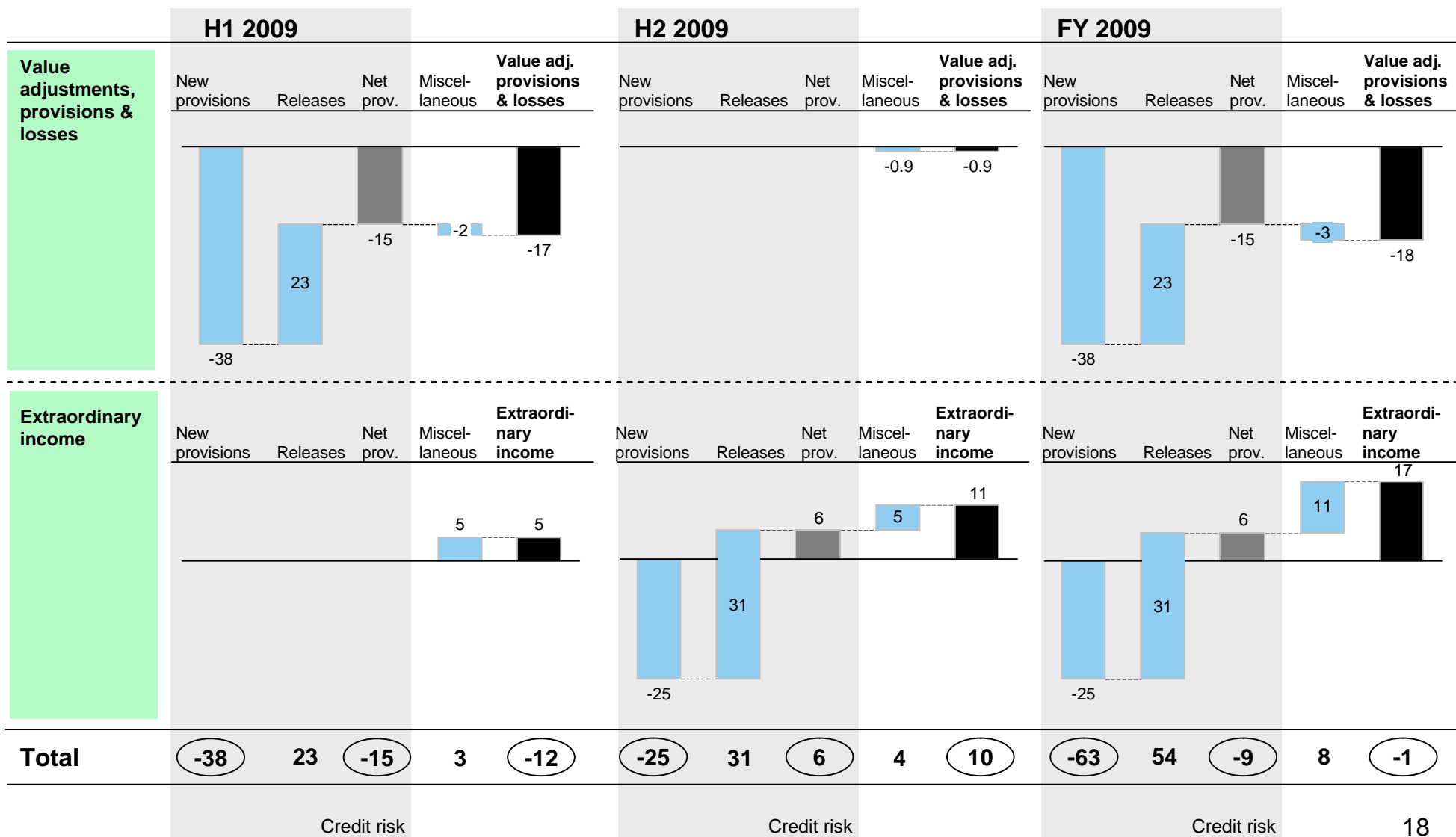
CHF in millions (rounded)



- Roughly half of new provisions relate to trade finance
- A few cases in large corporates and SMEs
- Strong overall resilience of loan portfolio

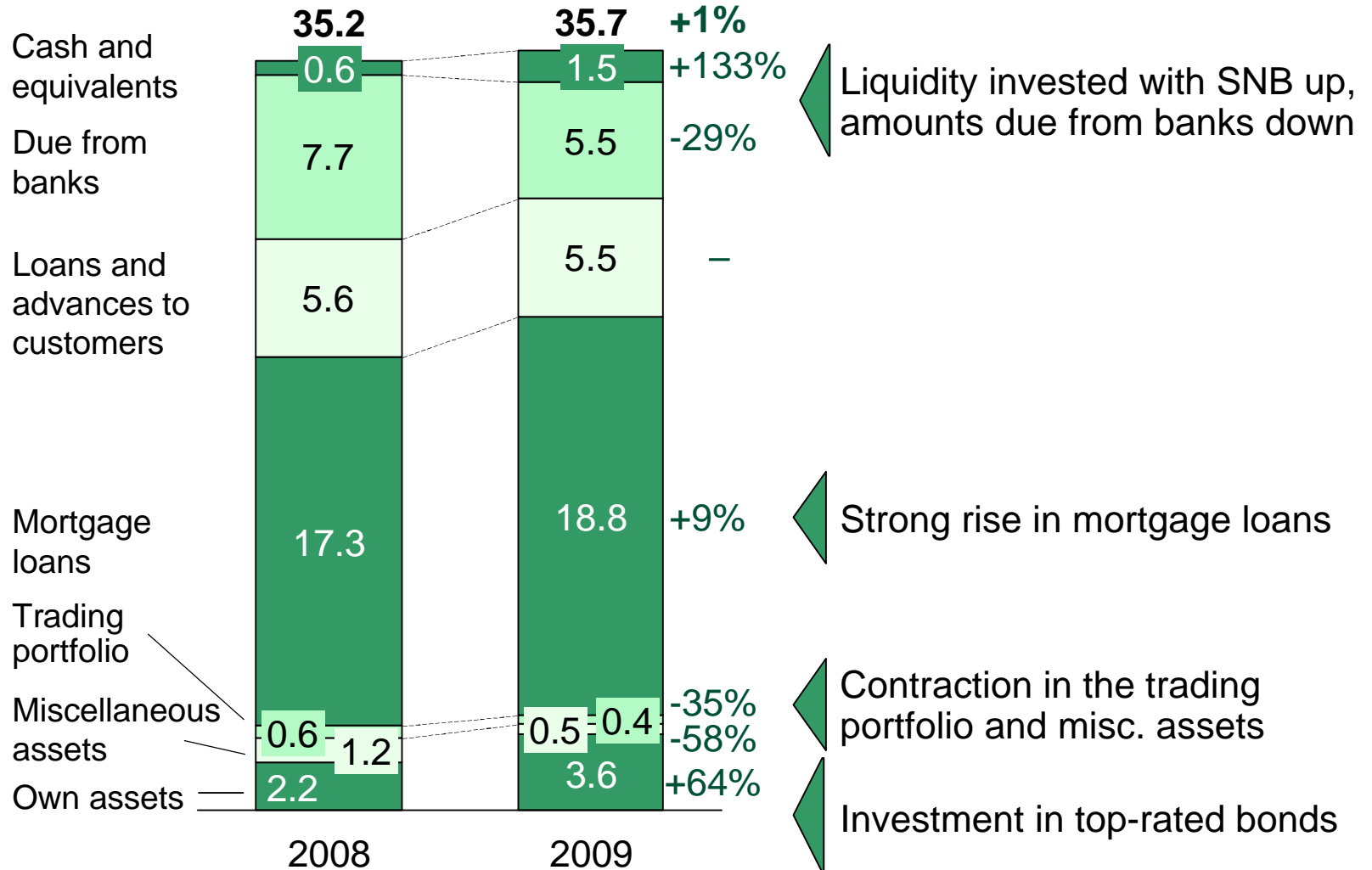
- According to FINMA accounting rules:
- Increase in net provisions in H1 2009 booked to Value adjustments, provisions & losses
 - Decrease in net provisions in H2 2009 booked to Extraordinary income

Breakdown of “Value adjustments, provisions & losses” and “Extraordinary income”



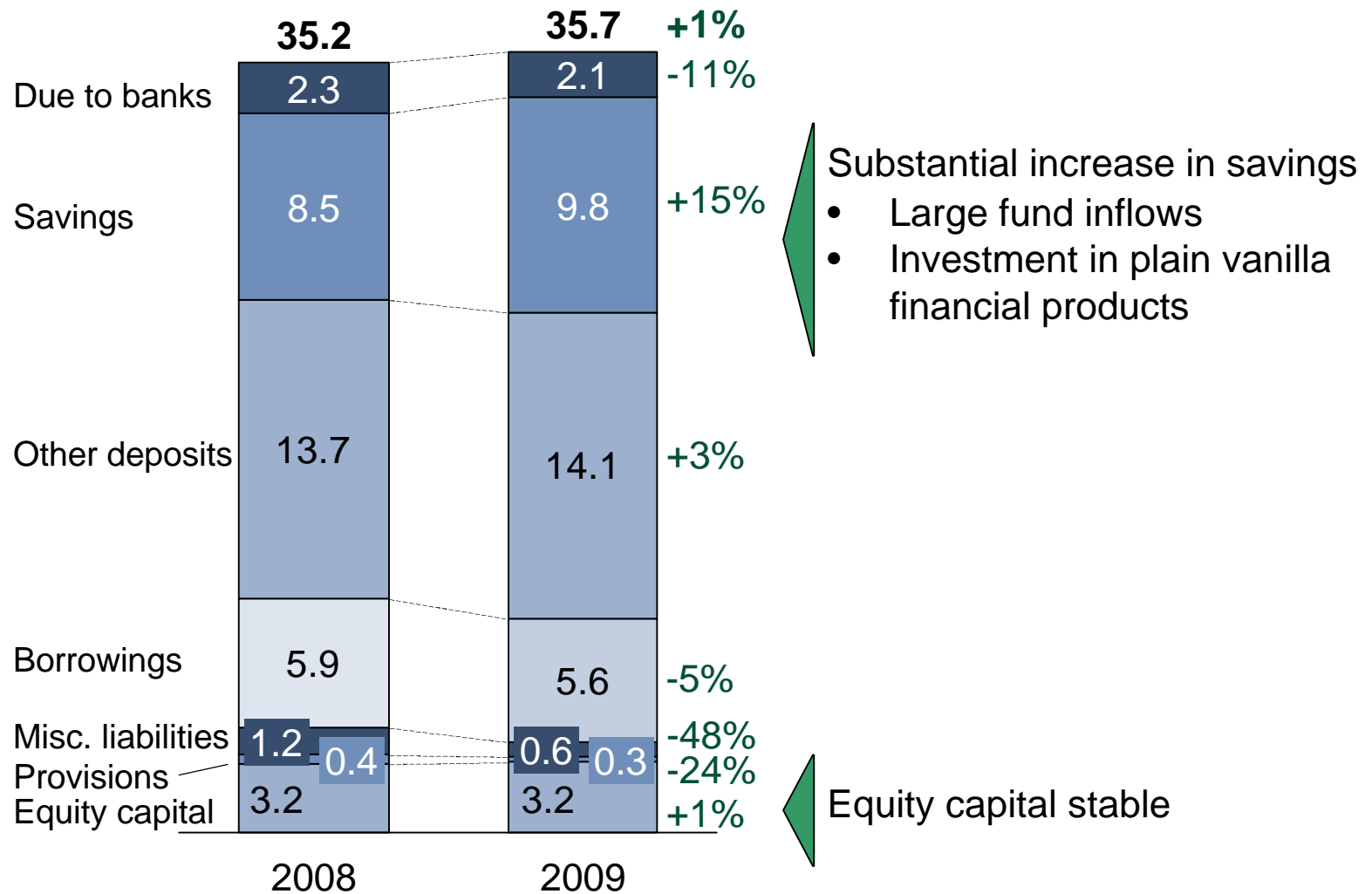
Assets

CHF billions (rounded), as of 31 Dec.



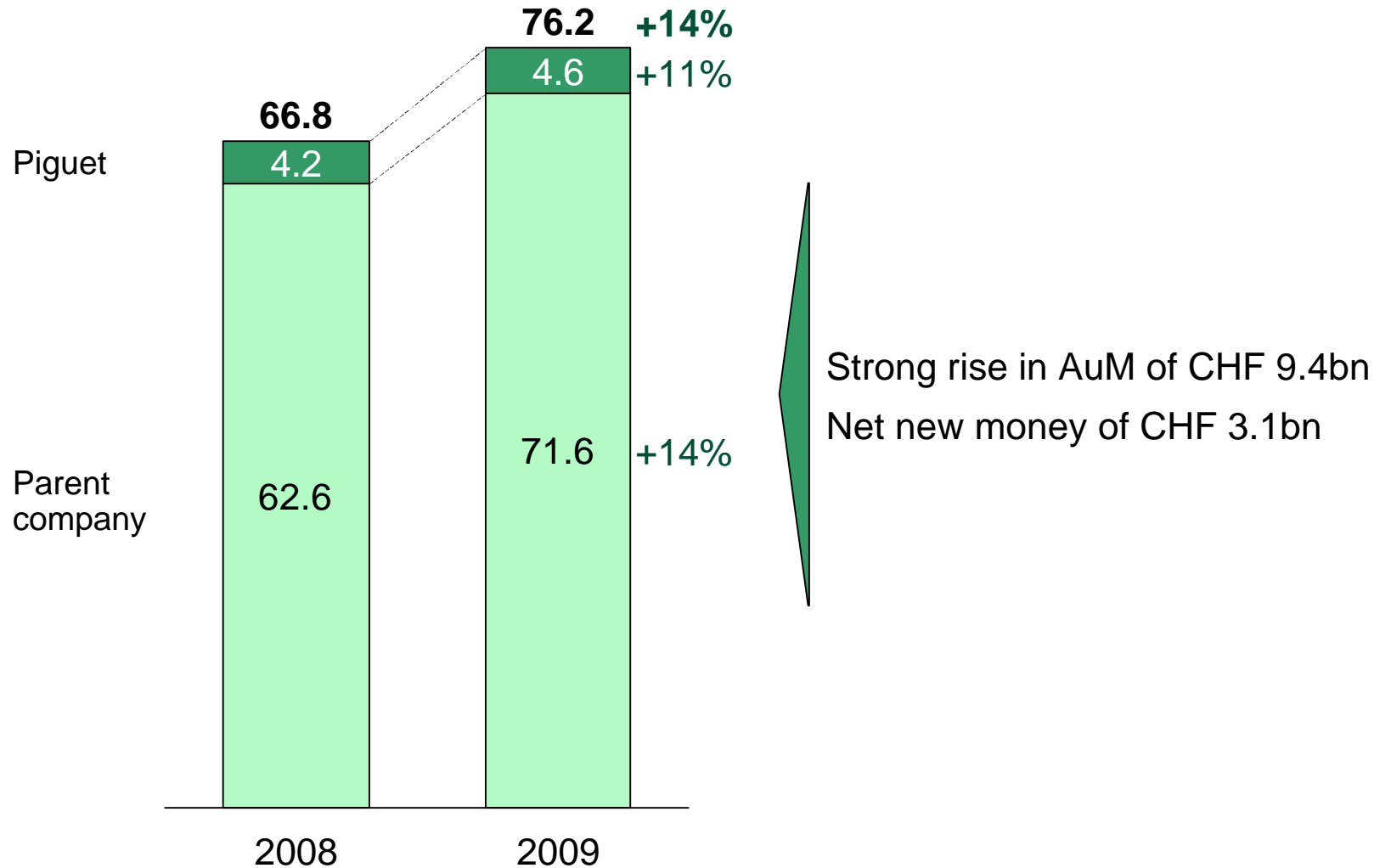
Liabilities

CHF billions (rounded), as of 31 Dec.



Increase in Assets under Management (AuM)

CHF billions (rounded), as of 31 Dec.



Results by business

CHF millions (rounded)¹

	Operating profit			Net profit		
	2008	2009	Change	2008	2009	Change
Retail banking	104	111	+5.9%	40	46	+15.0%
Corporate banking	229	249	+8.6%	109	126	+15.9%
Wealth management	241	231	-4.0%	146	143	-1.8%
Trading	9	26	+189%	13	19	+47.0%

¹ 2008 figures were adjusted to take into account segment changes following implementation of the new BCVPlus strategy

Key ratios

		2005	2006	2007	2008	2009
Asset quality and balance sheet structure	Impaired loans/ credit exposure	7.0%	4.6%	2.6%	2.2%	1.9%
	Customer deposits/ loans to customers	83%	85%	93%	97%	98%
	Interest margin	1.40%	1.39%	1.53%	1.51%	1.45%
Equity Capital¹	FINMA capital adequacy ratio ¹	196%	199%	179%	180%	176%
	BIS Tier 1 capital ratio ¹	17.8%	18.3%	16.3%	16.4%	17.8%
Productivity	Cost/income (excluding goodwill)	62%	59%	59%	63%	60%
Financial performance	ROE (net profit/avg. equity)	14.9%	16.0%	14.3%	11.2%	9.5%

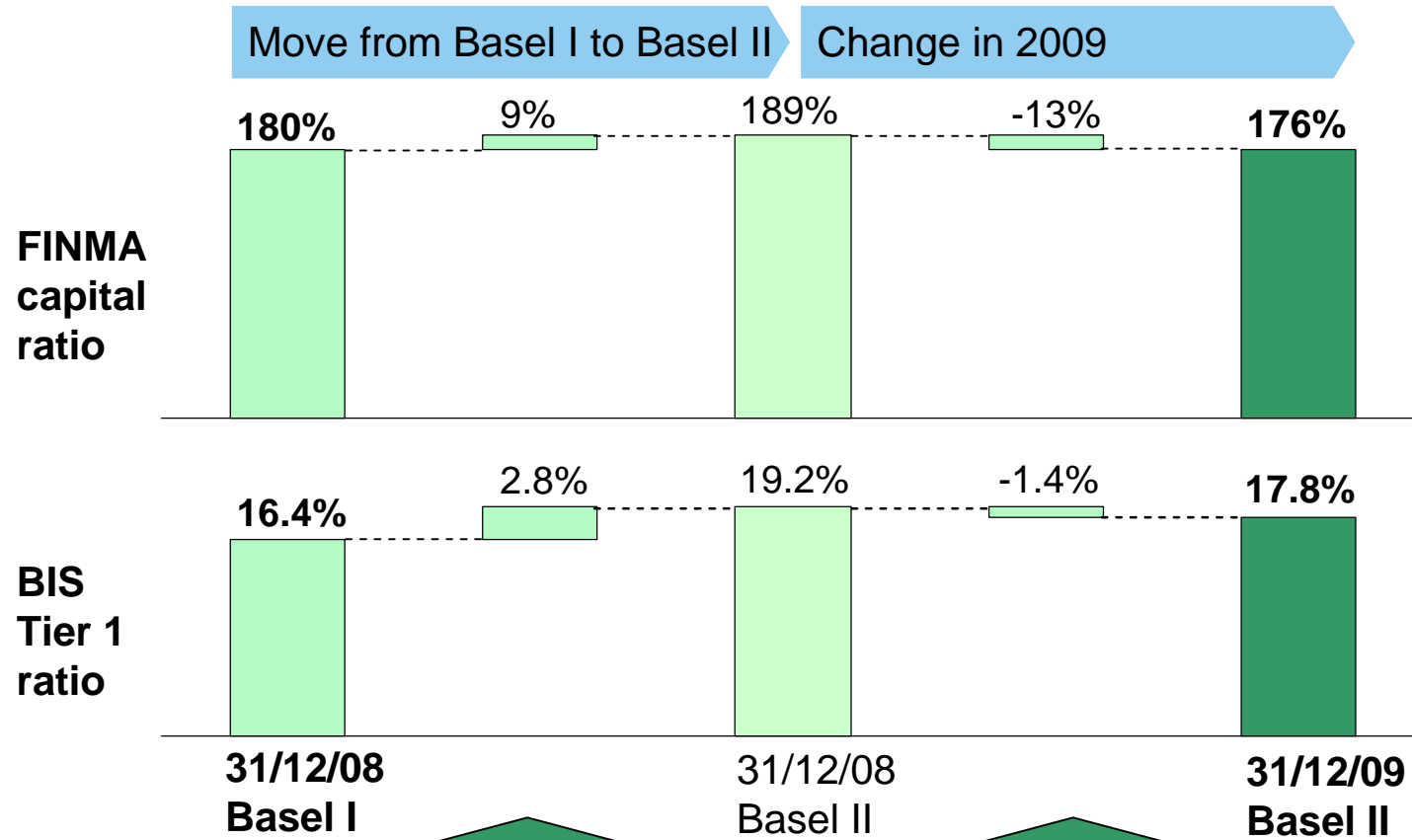
¹ Since 1 January 2009, BCV's capital requirements have been determined in accordance with the Basel II Foundation IRB approach

Since the beginning of 2009, BCV's capital requirements have been determined according to the **Basel II Foundation IRB approach**

The BIS and FINMA ratios are calculated differently:

- The **BIS ratio** is calculated in accordance with the Basel II Accord
- The **FINMA capital adequacy ratio** includes the “Swiss Finish”, i.e. a buffer of 27% above the BIS requirements (15% already under Basel I)

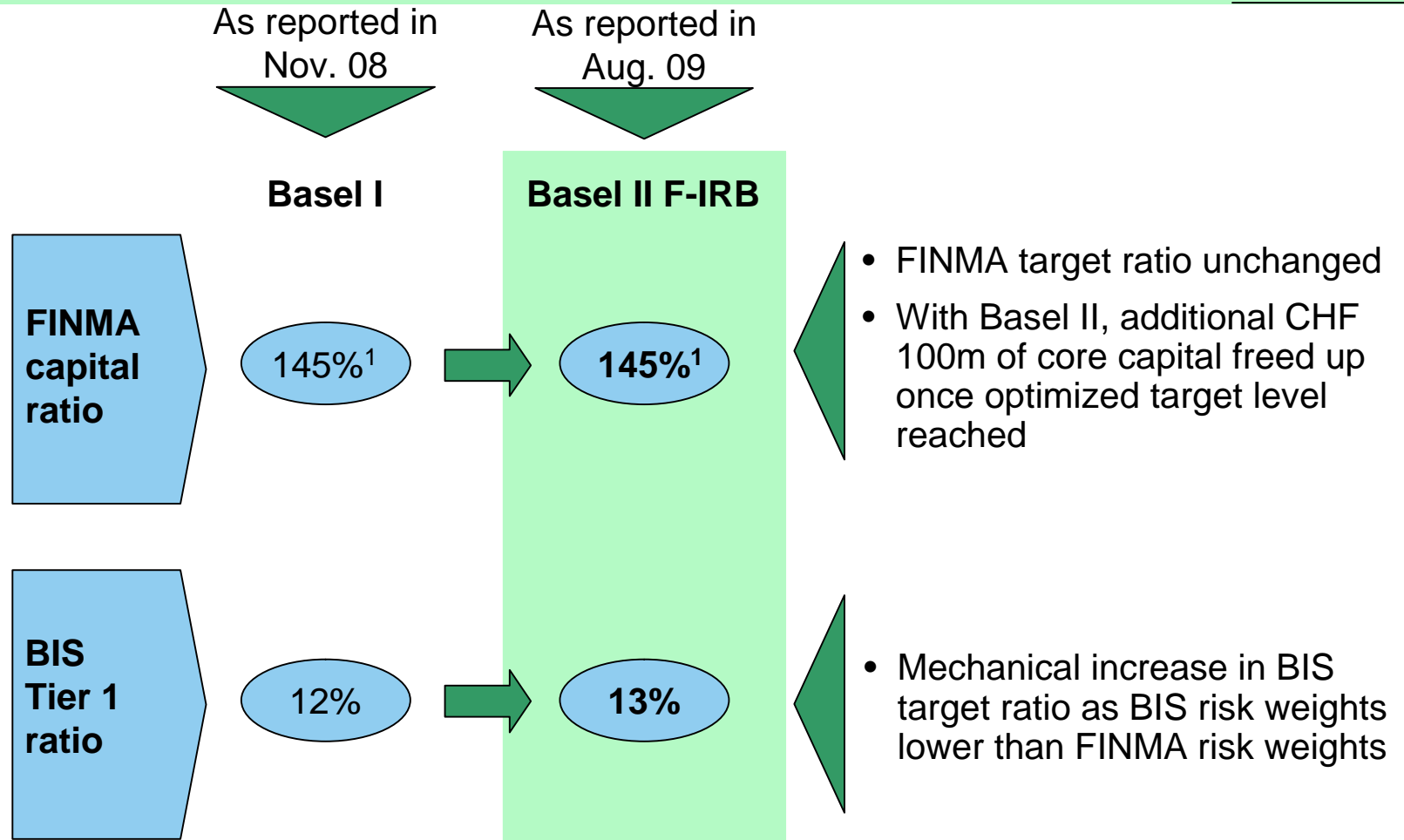
Capital ratios



- Improved capital ratios with Basel II F-IRB
- As expected, less improvement in the FINMA ratio due to Swiss Finish

- Proportional decrease in capital ratios following higher business volumes and increased financial investments

Unchanged FINMA target capital ratios



¹ Target FINMA total capital ratio of 145% of which 125% of core equity, under current FINMA regulations

Continuation of dividend and equity optimization policy

	2008	2009	
Ordinary dividend	CHF 20 per share	CHF 21 per share	CHF 181m
Optimization of equity capital	CHF 10 per share ¹	CHF 10 per share ¹	CHF 86m



Proposal to the 2010 Shareholders' Meeting

¹ par-value reduction

Agenda

- BCV in 2009 Pascal Kiener
- FY 2009 financial results Thomas Paulsen
- **Outlook** **Pascal Kiener**

BCV priorities in 2010 - 2011

- Continue efforts to gain market share in retail and SME banking activities in Vaud Canton
- Further develop onshore private banking
- Maintain growth in asset management by expanding our client base in German-speaking Switzerland
- Keep the focus on profitability and manage the risk profile in trade finance and large corporates activities in line with the Bank's risk appetite
- Implement internal initiatives to achieve operational excellence and simplicity

- **2010 revenues expected to be in line with 2009**
- **Costs under control**
- **Some uncertainties regarding provisioning needs for SMEs**

Management is confident in BCV's earnings capacity going forward

2010 Calendar

- 29 April 2010 Annual Shareholders Meeting
Q1 2010 Operating Profit
- 19 August 2010 HY 2010 Results
- 11 November 2010 Q3 2010 Operating Profit

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