

## **Press release**

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

### **BCV Group FY 2021 revenues above CHF 1.0bn and net profit up 14%**

**BCV Group delivered very strong FY 2021 financial results, with net profit at its highest since 2007. Revenues were up 6% to CHF 1.0bn, driven mainly by an increase in fee and commission income. Operating profit rose 15% year on year to CHF 429m on firm cost control. Net profit was up 14% to CHF 379m. At the upcoming Annual Shareholders' Meeting, the Board of Directors will recommend a CHF 0.10 increase in the ordinary dividend to CHF 3.70 per share.**

#### **Revenues up 6% to CHF 1.0bn**

Total revenues were up 6% year on year to CHF 1.0bn. Net interest income before loan impairment charges was steady at CHF 473m, with growth in lending helping to offset the downward pressure on the Bank's net interest margin resulting from the continued negative-interest-rate environment. Net interest income grew 1% to CHF 464m on lower loan impairment charges. Fee and commission income increased 15% to CHF 357m, driven by bullish financial markets, a strong business trend in private and institutional wealth management, and an uptick in the Trade Finance business. Net trading income was bolstered by volume growth in the structured products business, rising 3% to CHF 143m. Other ordinary income rose 11% to CHF 40m.

#### **Operating profit up 15% to CHF 429m**

Operating expenses rose 2% to CHF 505m. Personnel costs increased 3% to CHF 349m, reflecting in part the insourcing of around 20 IT specialists from an external service provider. Other operating expenses were stable at CHF 156m. Depreciation and amortization was flat at CHF 72m. Operating profit was up 15% to CHF 429m.

#### **Net profit up 14% to CHF 379m**

The Bank recorded a tax expense of CHF 63m. Net profit was up 14% to CHF 379m. That corresponds to an ROE of 10.7% – one of the highest in BCV's peer group.

#### **Significant expansion in the balance sheet**

Total assets increased 5%, or CHF 2.8bn, to CHF 56.0bn, driven by large cash inflows. Cash and cash equivalents, which are mainly held as SNB sight deposits, rose 9% to CHF 12.6bn. Mortgage lending expanded 5%, or CHF 1.3bn, to CHF 29.4bn, in a very dynamic real-estate market. Other loans increased 7% to CHF 6.2bn, primarily driven by a gradual uptick in Trade Finance business volumes.

On the liabilities side, customer deposits continued to expand significantly, rising 8%, or CHF 2.8bn, to CHF 38.2bn.

### **Continued net fund inflows**

The Group's assets under management rose 9% to CHF 112.9bn. Net new money totaled CHF 5.7bn and came from all client segments – individuals, SMEs, institutional clients, and large corporates. Investment performance drove AuM up by CHF 4.0bn.

### **Solid financial position**

Shareholders' equity rose 2% to CHF 3.6bn. The Bank's CET1 ratio stood at 17.2%, attesting to BCV's financial solidity. 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.

### **Proposed CHF 318m payout**

At the upcoming Annual Shareholders' Meeting, the Board of Directors will recommend a CHF 0.10 increase in the ordinary dividend to CHF 3.70 per share. If the payout is approved, BCV will distribute CHF 318m to its shareholders. The Canton of Vaud will receive CHF 213m in dividends together with CHF 30m in 2021 cantonal and municipal taxes, for a total of CHF 243m.

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

In 2021, the Bank maintained the measures it had implemented to protect its customers and employees, while continuing to provide a full range of banking services to the people and businesses of Vaud. Remote working arrangements for employees were adapted in line with the evolving public health situation, and customers could visit BCV's branches or use various remote banking channels to carry out their day-to-day transactions and speak with their advisors. In collaboration with a local healthcare group, the Bank also offered on-site vaccination for employees and their families.

To help support local SMEs during the pandemic, the Bank offered them the possibility to suspend the 31 March and 30 June principal repayments on their loans (including mortgage loans, overdraft facilities, and capital goods loans). A similar measure was taken in 2020 (see the press releases of 19 March 2020 and 3 February 2021).

### **Changes to the Board of Directors on 1 January 2022**

The Vaud Cantonal Government appointed Eftychia Fischer as the new Chair of BCV's Board of Directors, effective from 1 January 2022. Ms. Fischer, who was first elected to the Board at the 2020 Shareholders' Meeting, replaced Jacques de Watteville, who chaired the Board from 2018 to 2021. Mr. de Watteville, whose term expired on 31 December 2021, had reached the age limit stipulated by the cantonal act governing BCV (LBCV).

At the Shareholders' Meeting on 29 April 2021, Pierre-Alain Urech, former CEO of Romande Energie and current Vice Chairman of the Swiss Federal Railways (SBB) Board of Directors, was elected to the Board as from 1 January 2022.

### **Outlook**

Barring a significant deterioration in the financial markets and/or the overall economic situation, FY 2022 business development is expected to trend along the same lines as in prior years.

**Lausanne, Switzerland, 17 February 2022**

### **2022 calendar**

5 April	Publication of the 2021 Annual Report (on <a href="http://www.bcv.ch">www.bcv.ch</a> )
5 May	Annual Shareholders' Meeting in Lausanne
9 May	Ex-dividend date
10 May	Dividend record date
11 May	Dividend payment
18 August	Half-year 2022 results

### **Banque Cantonale Vaudoise – Contacts**

Daniel Herrera, Communications Director  
Tel.: +41 21 212 28 61  
Email: [daniel.herrera@bcv.ch](mailto:daniel.herrera@bcv.ch)

Gregory Duong, Investor Relations  
Tel.: +41 21 212 20 71  
Email: [gregory.duong@bcv.ch](mailto:gregory.duong@bcv.ch)

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

**Consolidated balance sheet**

(in CHF millions)

	31/12/2021	31/12/2020	Absolute change	Change as %
Cash and cash equivalents	12,600	11,550	1,050	9
Due from banks	952	1,347	-395	-29
Reverse repurchase agreements	158	236	-78	-33
Loans and advances to customers	6,209	5,812	397	7
Mortgage loans	29,373	28,037	1,336	5
Trading portfolio assets	200	312	-112	-36
Positive mark-to-market values of derivative financial instruments	368	321	47	15
Other financial assets at fair value	1,212	886	327	37
Financial investments	4,287	4,084	203	5
Accrued income and prepaid expenses	67	87	-20	-23
Non-consolidated holdings	86	69	17	25
Tangible fixed assets	393	412	-19	-5
Intangible assets	0	2	-2	-100
Other assets	46	31	15	49
<b>Assets</b>	<b>55,952</b>	<b>53,186</b>	<b>2,765</b>	<b>5</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	3,378	2,948	430	15
Repurchase agreements	1,458	2,781	-1,322	-48
Customer deposits	38,195	35,424	2,771	8
Trading portfolio liabilities	2	1	0	33
Negative mark-to-market values of derivative financial instruments	273	329	-55	-17
Other financial liabilities at fair value	1,340	969	371	38
Medium-term notes	2	2	-0	-15
Bonds and mortgage-backed bonds	7,313	6,911	402	6
Accrued expenses and deferred income	139	145	-5	-4
Other liabilities	183	75	108	144
Provisions	24	27	-3	-12
<b>Liabilities</b>	<b>52,308</b>	<b>49,612</b>	<b>2,696</b>	<b>5</b>
Reserves for general banking risks	666	666	0	0
Share capital	86	86	0	0
Capital reserve	36	36	0	1
Retained earnings	2,493	2,472	21	1
Currency translation reserve	-2	-2	-0	-5
Own shares	-15	-15	0	3
Minority interests in equity	0	0	0	1
Net profit	379	331	48	14
<i>of which minority interests</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>158</i>
<b>Shareholders' equity</b>	<b>3,644</b>	<b>3,574</b>	<b>69</b>	<b>2</b>
<b>Total liabilities and shareholders' equity</b>	<b>55,952</b>	<b>53,186</b>	<b>2,765</b>	<b>5</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**

(in CHF millions)

	31/12/2021	31/12/2020	Absolute change	Change as %
Contingent liabilities	1,588	1,754	-166	-9
Irrevocable commitments	1,478	1,440	38	3
Commitments relating to calls on shares and other equity securities	243	178	65	37
Confirmed credits	39	46	-7	-16

**Consolidated income statement**

(in CHF millions)

	2021 FY	2020 FY	Absolute change	Change as %
Interest and discount income	480.5	511.2	-30.7	-6
Interest and dividend income from financial investments	18.0	22.6	-4.6	-20
Interest expense	-26.0	-59.4	-33.4	-56
<b>Net interest income before loan impairment charges/reversals</b>	<b>472.6</b>	<b>474.4</b>	<b>-1.9</b>	<b>-0</b>
Loan impairment charges/reversals	-8.2	-15.1	-6.9	-46
<b>Net interest income after loan impairment charges/reversals (NII)</b>	<b>464.4</b>	<b>459.4</b>	<b>5.0</b>	<b>1</b>
Fees and commissions on securities and investment transactions	312.1	266.6	45.5	17
Fees and commissions on lending operations	42.1	36.2	5.9	16
Fees and commissions on other services	67.8	63.0	4.8	8
Fee and commission expense	-64.7	-55.5	9.2	16
<b>Net fee and commission income</b>	<b>357.3</b>	<b>310.2</b>	<b>47.1</b>	<b>15</b>
Trading income on fixed-income instruments and equity securities	38.2	21.6	16.6	77
Trading income on foreign currencies, banknotes, and precious metals	117.5	124.9	-7.4	-6
Trading fee and commission expense	-12.5	-7.4	5.1	69
<b>Net trading income and fair-value adjustments</b>	<b>143.2</b>	<b>139.2</b>	<b>4.0</b>	<b>3</b>
Gains/losses on disposals of financial investments	4.3	2.0	2.3	117
Income from equity investments	5.5	6.5	-1.0	-16
<i>of which other non-consolidated holdings</i>	5.5	6.5	-1.0	-16
Real-estate income	7.0	7.1	-0.1	-2
Miscellaneous ordinary income	24.3	21.2	3.1	14
Miscellaneous ordinary expenses	-0.6	-0.4	0.2	43
<b>Other ordinary income</b>	<b>40.5</b>	<b>36.4</b>	<b>4.1</b>	<b>11</b>
<b>Total income from ordinary banking operations</b>	<b>1,005.4</b>	<b>945.2</b>	<b>60.2</b>	<b>6</b>
Personnel costs	-349.3	-339.2	10.2	3
Other operating expenses	-155.8	-156.2	-0.4	-0
<b>Operating expenses</b>	<b>-505.2</b>	<b>-495.4</b>	<b>9.8</b>	<b>2</b>
Depreciation and amortization of fixed assets and impairment on equity investments	-72.0	-72.1	-0.1	-0
Other provisions and losses	0.6	-5.0	-5.6	-113
<b>Operating profit</b>	<b>428.8</b>	<b>372.7</b>	<b>56.1</b>	<b>15</b>
Extraordinary income	12.6	4.8	7.8	161
Extraordinary expenses	-0.2	-0.1	0.1	142
Taxes	-62.5	-46.7	15.8	34
<b>Net profit</b>	<b>378.7</b>	<b>330.8</b>	<b>47.9</b>	<b>14</b>
Minority interests	-0.0	-0.0	0.0	158
<b>Net profit attributable to BCV shareholders</b>	<b>378.7</b>	<b>330.8</b>	<b>47.9</b>	<b>14</b>