

Press release

BCV Group reports 9M 2014 operating profit of CHF 356m alongside rising business volumes

BCV Group's financial results at 30 September 2014 were in line with the trend observed so far this year. Business volumes continued to expand, and operating profit rose 1% to CHF 356m.*

Revenues stable

Total revenues for the nine months ending 30 September were stable year-on-year at CHF 746m. Interest income increased 1% to CHF 379m in a continuing low-interest-rate environment. Fee and commission income held steady at CHF 259m. Trading income retreated 6% due to lower volatility on the forex market but remained solid at CHF 79m. Other ordinary income rose 14% to CHF 30m.

Operating profit of CHF 356m

Total operating expenses declined 1% to CHF 390m. With the transfer of 80 IT specialists from IBM on 1 July 2013, personnel costs edged up 1% to CHF 253m, while other operating expenses were down 4% to CHF 137m. Operating profit was up 1% to CHF 356m.

Ongoing growth in customer-driven business volumes

Total assets expanded 4% to CHF 41.9bn. Mortgage lending rose 2% (+CHF 449m) to CHF 23.8bn, while other loans decreased 1% to CHF 5.4bn.

On the liabilities side, customer savings and investment accounts continued to expand, rising 2% (+CHF 311m) to CHF 13.1bn. Other customer accounts remained stable at CHF 15.5bn.

Rise in AuM

Group assets under management were up 4% (+CHF 3.0bn) to CHF 86.8bn. There was an inflow of onshore funds (+CHF 582m) and, as expected, an outflow of offshore funds (-CHF 821m). The net new money outflow therefore amounted to CHF 239m.

Outlook

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

Lausanne, Switzerland, 13 November 2014

* Unaudited figures

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Note to editors:

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



Banque Cantonale Vaudoise

Consolidated balance sheet

(unaudited – in CHF millions)

	30/9/2014	31/12/2013	Absolute change	Change as %
Cash and cash equivalents	4 703	4 669	34	+ 1
Money-market instruments	28	39	-11	- 28
Due from banks	2 526	1 609	917	+ 57
Loans and advances to customers	5 362	5 434	-72	- 1
Mortgage loans	23 824	23 375	449	+ 2
Trading portfolio assets	835	932	-97	- 10
Financial investments	3 307	3 146	161	+ 5
Non-consolidated holdings	50	50	–	–
Tangible fixed assets	571	602	-31	- 5
Intangible assets	28	32	-4	- 13
Accrued income and prepaid expenses	141	196	-55	- 28
Other assets	550	370	180	+ 49
Assets	41 925	40 454	1 471	+ 4
Total subordinated assets	–	–	–	–
Money-market paper issued	1	43	-42	- 98
Due to banks	2 725	1 921	804	+ 42
Customer savings and investment accounts	13 110	12 799	311	+ 2
Other customer accounts	15 460	15 452	8	–
Medium-term notes	60	81	-21	- 26
Bonds and mortgage-backed bonds	6 434	6 064	370	+ 6
Accrued expenses and deferred income	213	224	-11	- 5
Other liabilities	743	377	366	+ 97
Value adjustments and provisions	135	171	-36	- 21
Liabilities	38 881	37 132	1 749	+ 5
Reserves for general banking risks	704	704	–	–
Equity capital	86	86	–	–
Capital reserve	106	192	-86	- 45
Own equity securities	-13	-11	-2	- 18
Retained earnings	2 161	2 071	90	+ 4
Minority interests - equity	–	–	–	–
Net profit for 2013	–	280	-280	–
Shareholders' equity	3 044	3 322	-278	- 8
Total liabilities and shareholders' equity	41 925	40 454	1 471	+ 4
Total subordinated liabilities	–	–	–	–

Consolidated income statement

(unaudited – in CHF millions)

	2014 1/1 - 30/09	2013 1/1 - 30/09	Absolute change	Change as %
Interest and discount income	490.8	506.4	- 15.6	- 3
Interest and dividend income from financial investments	40.9	43.0	- 2.1	- 5
Interest expense	- 153.1	- 174.8	- 21.7	- 12
Net interest income	378.6	374.6	+ 4.0	+ 1
Fees and commissions on lending operations	34.3	34.2	+ 0.1	–
Fees and commissions on securities and investment transactions	211.3	212.9	- 1.6	- 1
Fees and commissions on other services	61.6	58.6	+ 3.0	+ 5
Fee and commission expense	- 48.7	- 47.9	+ 0.8	+ 2
Net fee and commission income	258.5	257.8	+ 0.7	–
Net trading income	79.4	84.8	- 5.4	- 6
Profit on disposal of financial investments	2.0	1.6	+ 0.4	+ 25
Total income from holdings	3.7	9.0	- 5.3	- 59
Real-estate income	8.2	8.1	+ 0.1	+ 1
Miscellaneous ordinary income	16.8	9.0	+ 7.8	+ 87
Miscellaneous ordinary expenses	- 0.9	- 1.6	- 0.7	- 44
Other ordinary income	29.8	26.1	+ 3.7	+ 14
Total income from ordinary banking operations	746.3	743.3	+ 3.0	–
Personnel costs	- 253.3	- 249.9	+ 3.4	+ 1
Other operating expenses	- 136.7	- 142.1	- 5.4	- 4
Operating expenses	- 390.0	- 392.0	- 2.0	- 1
Operating profit	356.3	351.3	+ 5.0	+ 1