

2019 Semi-annual results

VP Bank Group in figures



All key figures are pointing upwards

Market environment and growth initiatives are having a positive impact on results

	30.06.2018	30.06.2019	
Group net income	CHF 29.3 million	CHF 35.3 million	Above-average income growth
Cost / income ratio	70.3%	68.6%	Back below the long-term target of 70%

Net new money remains above average

	30.06.2018	30.06.2019	
Net new money	CHF 0.6 billion	CHF 1.2 billion	International markets are seeing dynamic growth

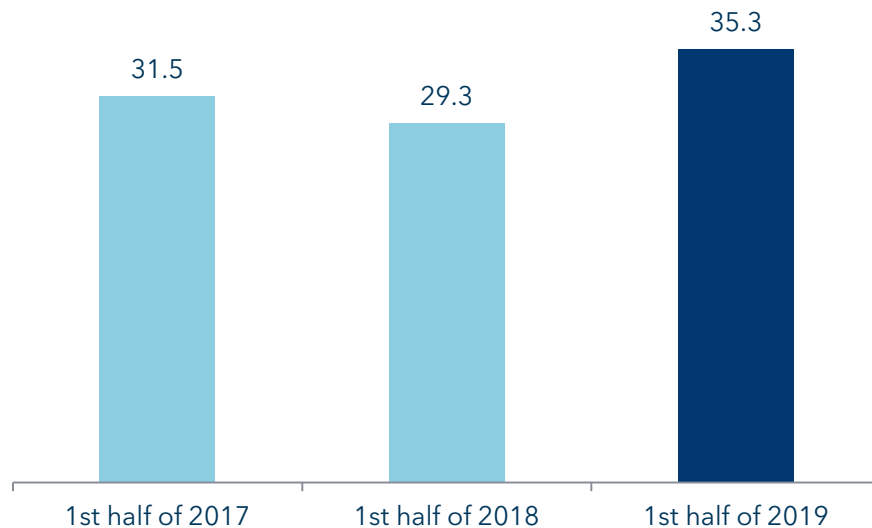
Extremely stable balance sheet ratios

	31.12.2018	30.06.2019	
Tier 1 ratio	20.9%	19.7%	Comfortable capitalisation
Rating: Standard & Poor's	A/Stable/A-1	A/Stable/A-1	Stable since the increase in May 2018

Profitability rose substantially

- 20% higher Group net income in the first half of 2019
- Above-average income growth set against only moderately higher costs

Adjusted Group net income in CHF million



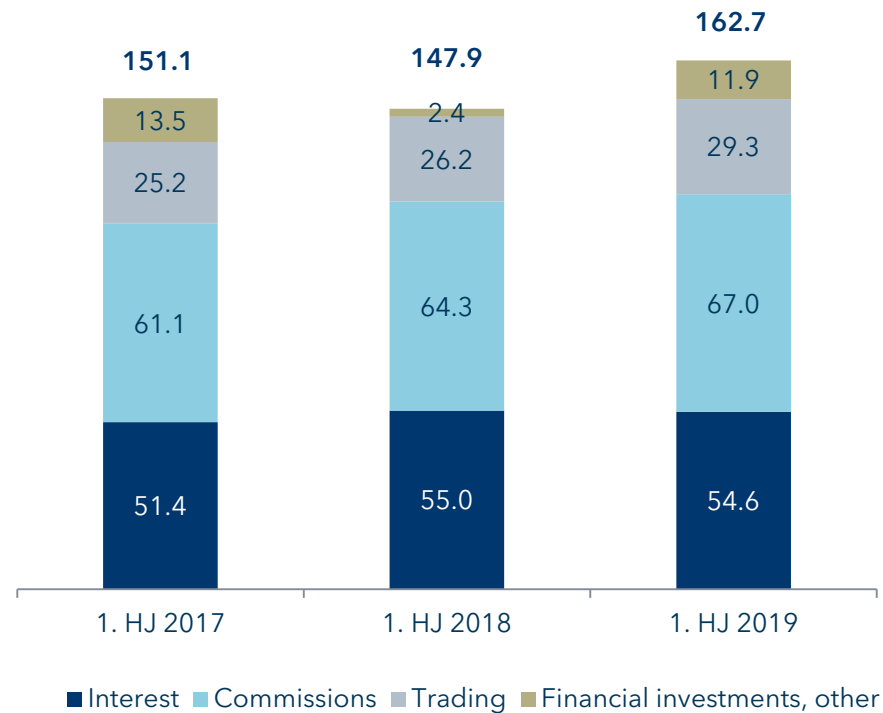
Income statement in CHF million

	1st half of 2017	1st half of 2018	1st half of 2019
Operating income	151.1	147.9	162.7
Operating expenses	-117.2	-115.5	-122.7
Taxes	-2.5	-3.1	-4.8
Group net income	31.5	29.3	35.3

¹ One-off effect due to the NRW provision and IAS 19.

Income growth thanks to increase in commission and trading activities

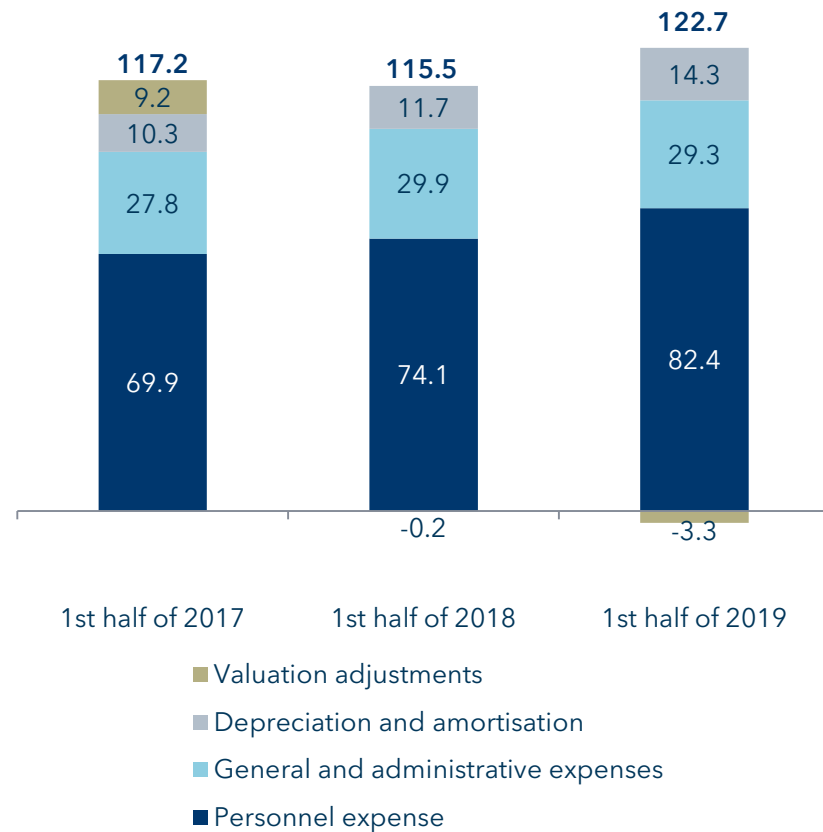
Operating income in CHF million



- Interest income down CHF 0.4 million, or 0.7%
 - Interest income from clients was increased
 - Interest income from treasury activities fell
- Commission income up CHF 2.7 million, or 4.3%
 - Higher portfolio-based income thanks to increase in average volumes
 - Lower transaction-based income was more than compensated
- Trading income up CHF 3.1 million, or 11.8%
- Financial investments, most of which were realised, up CHF 10.5 million

Personnel expense increased as a result of recruiting effort

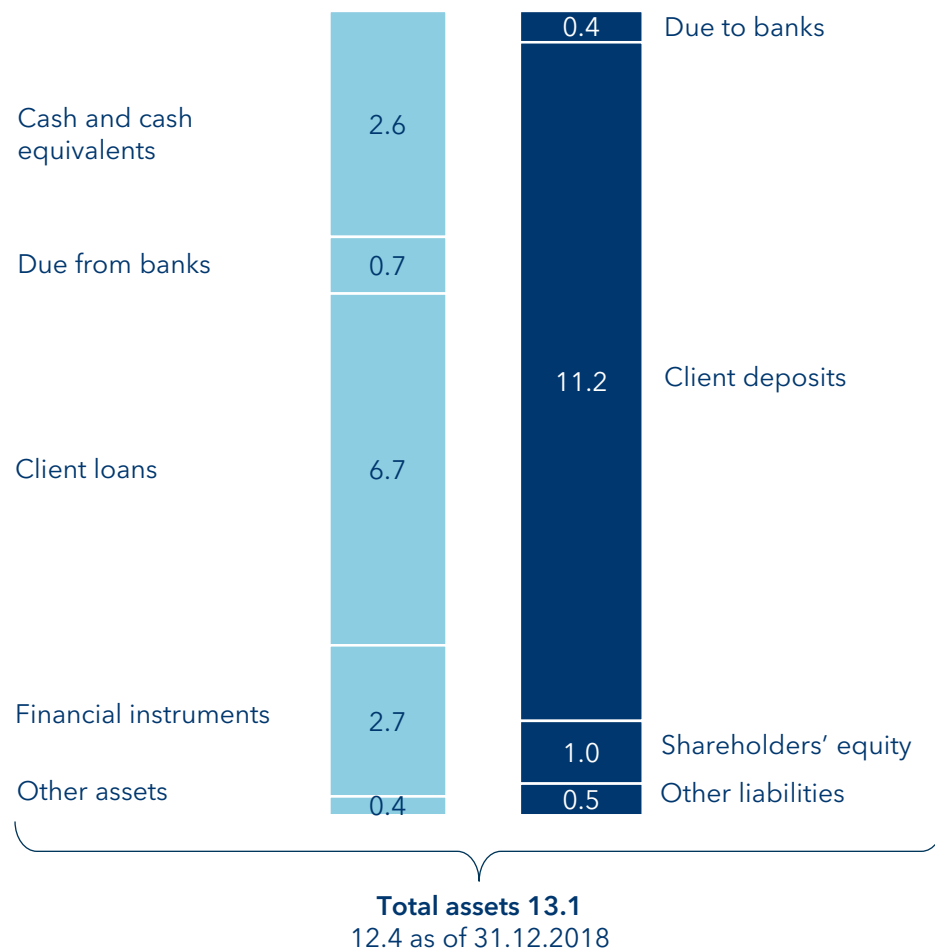
Operating expenses in CHF million



- Personnel expense up CHF 8.3 million, or 11.2%
 - Headcount has increased by 5.8% since 30 June 2018 to 876 full-time employees
- General and administrative expenses down CHF 0.6 million, or 2.1%
 - Increase in costs for acquisition of information and other general and administrative expenses
 - Significant decline in leases (IFRS 16)
- Depreciation and amortisation up CHF 2.6 million, or 22.1%, mainly due to IFRS 16
- Valuation adjustments, provisions and losses down CHF 3.3 million on account of the release of credit provisions

Increase in total assets as a result of organic growth and acquisitions

Balance sheet as of 30 June 2019 in CHF billion



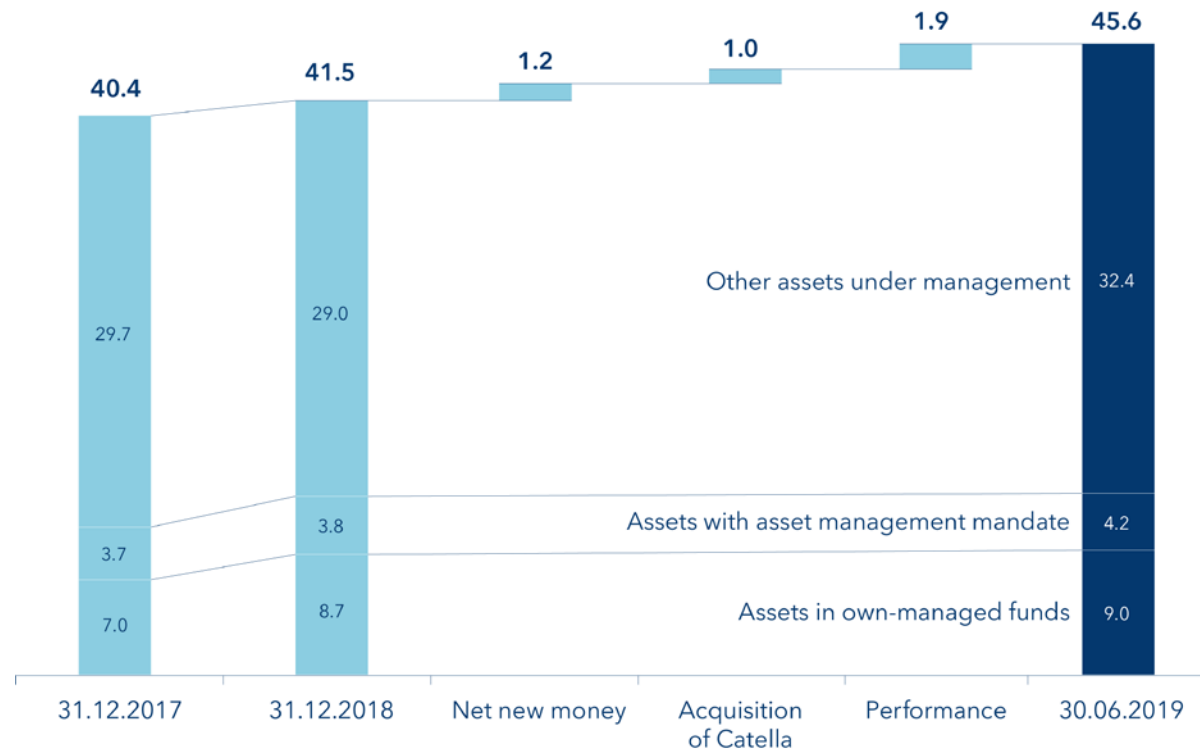
- Stable assets
 - High level of liquid assets
 - Client loans up by 7.5%, with Catella accounting for 1.5%
 - Financial instruments up 3.8%
- Stable refinancing
 - Client deposits 85% of total assets
 - Client deposits up by 5.9%, with Catella accounting for 2.2%
- Strong shareholders' equity

Capital adequacy requirements well exceeded

	31.12.2017	31.12.2018	30.06.2019
Risk-weighted assets in CHF billion	3.8	4.5	4.7
Core capital (CET 1) in CHF million	976.6	942.8	932.1
Tier 1 ratio (CET 1 ratio)	25.7%	20.9%	19.7%
Liquidity coverage ratio (LCR)	161.0%	142.6%	173.4%
Leverage ratio	7.5%	7.3%	6.9%
Loan-to-deposit ratio	52.2%	58.6%	59.5%
Non-performing loans	1.1%	0.4%	0.4%
S&P rating	A-/Positive/A-2	A/Stable/A-1	A/Stable/A-1

Client assets under management increase despite negative environment

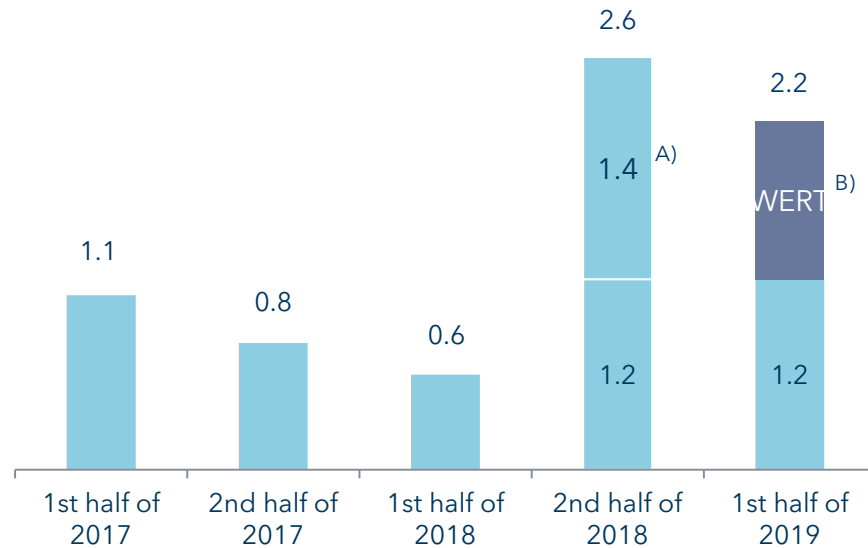
Client assets under management in CHF billion



- Increase in client assets under management of 9.9%
- Net inflow of client assets totaling CHF 2.2 billion, or 5.2%
- Positive market performance
- Client assets including custody assets at CHF 51.7 billion

International business as driver of growth

Net new money (including acquisitions) in CHF billion



A) Second half of 2018: acquisition of Carnegie fund.
B) First half of 2019: acquisition of Catella Bank clients.

- Strong inflows in the first half of the year – both organic and as a result of acquisitions
- Solid inflows thanks to recruitment of new relationship managers
- Catella acquisition brought VP Bank client assets of CHF 1 billion
- Net inflows from existing clients

Geographic diversification proceeding

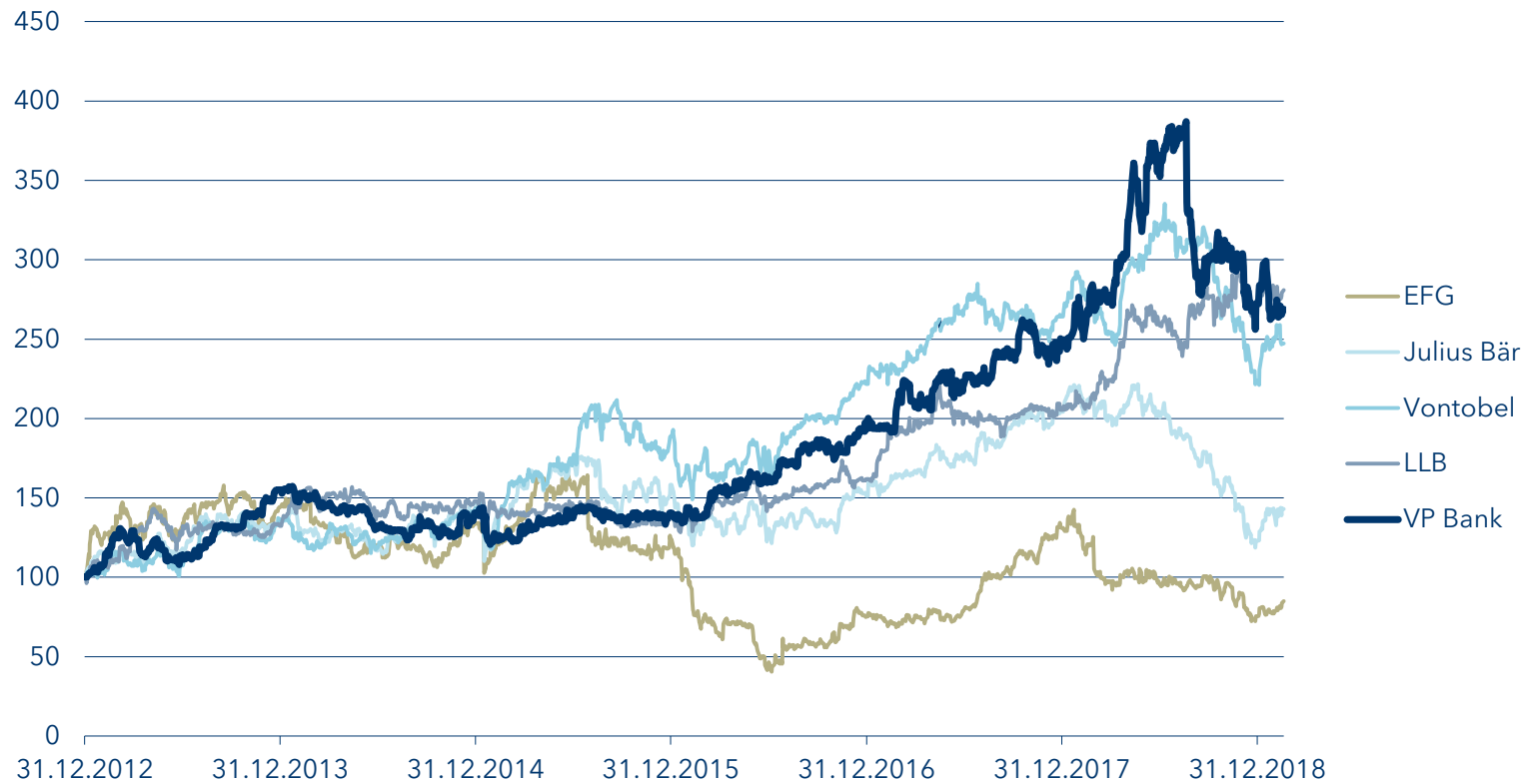
Segment overview as of 30 June 2019

	Client Business Liechtenstein	Client Business International	Corporate Center	Group
Business volume in CHF ¹	30.2 billion	22.1 billion	-	52.3 billion
Client assets under management in CHF	26.0 billion	19.6 billion	-	45.6 billion
Net new money in CHF	-0.2 billion	1.4 billion	-	1.2 billion
Pre-tax net income in CHF	42.0 million	17.2 million	-19.1 million	40.1 million
Gross margin in basis points ²	66.3	67.9	-	-
Headcount in FTEs	183	326	367	876

¹ Client assets under management and client loans

² Operating income divided by average client assets under management

Comparison of VP Bank share price performance



Summary

Growth strategy is bearing fruit

- Net new money inflows from new and current client advisors
- Successful acquisition of clients of Catella Bank in Luxembourg

Good operative performance

- Increase in operating income
- Cost-saving measures initiated

Secure and stable Bank

- High level of liquid assets
- Solid equity and strong tier 1 ratio
- Excellent Standard & Poor's rating



Contact address and agenda

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Agenda

- Annual results 2019, media and analysts conference: 10 March 2020
- Annual general meeting of shareholders 2020: 24 April 2020
- Ex-dividend date: 28 April 2020
- Record date: 2 May 2020
- Dividend payment: 3 May 2020
- Semi-annual results 2020: 18 August 2020

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