



UNION BANCAIRE PRIVÉE

Press release

Annual results 2016

Union Bancaire Privée reports a solid net profit of CHF 176.4 million

Geneva, 24 January 2017

- Union Bancaire Privée, UBP SA (“UBP”) saw profits excluding non-recurring items (*operating income*) rise significantly by 26.3%. *Net profits* reached CHF 176.4 million, demonstrating a marked improvement in the profitability of the Group, where the *cost/income ratio* was 67.9% (compared with 69.3% at the end of 2015).
- *Assets under management* reached CHF 118.3 billion, a rise of 7.6% on year end 2015 (CHF 110 billion).

Strong growth

Revenue increased sharply (+24.7%) to CHF 934.6 million, compared with CHF 749.7 million at the end of 2015. This rise was largely due to the increase in interest income, fees and commissions related to expansion, particularly in Asia, as well as solid growth in the EMEA region. *Operating expenses* were CHF 634.7 million (+22.2%) as a result of the completion of the Coutts International integration.

UBP’s *operating income* rose from CHF 152 million in 2015 to CHF 191.9 million in 2016. This significant increase is testament to the Bank’s continuing ability to adapt to developments in the industry while, at the same time, carefully managing its cost base, as demonstrated by its *cost/income ratio* of 67.9%, compared with 69.3% at the end of 2015. *Net profits* totalled CHF 176.4 million.

As of 31 December 2016, *assets under management* were CHF 118.3 billion, up 7.6% (CHF 8.3 billion) compared to the previous financial year (CHF 110 billion at the end of 2015). This is mainly due to the increase in assets in Asia – a major growth centre for both private and institutional clients – as well as net inflows from institutional clients (CHF 1 billion). These increases largely offset the outflows due to tax regularisations in regions such as Europe and Latin America, as well as adjustments made following the integration of clients from Coutts International.

“The external growth strategy that we have had in place for four years now, and the major investments we have made in our Asset Management division, are both bearing fruit. We are well positioned in those markets where we want to grow. Our ability to adapt, and to offer our clients solutions that meet their needs locally, are key factors in our success,” said Guy de Picciotto, UBP’s CEO.

Prudent balance sheet management

The Group’s good results have allowed it to increase its equity base and offset the impact of the purchase of Coutts International in Asia. As a result UBP’s *Tier 1 ratio* remains stable at 24.3%, well above the minima required by Basel III and by the FINMA.



UNION BANCAIRE PRIVÉE

The Bank's prudent management of its balance sheet is also reflected in its short-term liquidity ratio, which, at 262.1%, is more than 2.6 times the minimum required by Basel III. At the end of 2016, the balance sheet totalled CHF 30.8 billion.

UBP remains one of the best-capitalised banks in its field and has the necessary means to develop its wealth management business for both private and institutional clients.

For any further information

Bernard Schuster
Head of Group Communications & Spokesperson
Tel. : +41 58 819 24 70, e-mail : bernard.schuster@ubp.ch

Maude Hug
Group Media & PR Manager
Tel. : +41 58 819 75 27, e-mail : maude.hug@ubp.ch

About Union Bancaire Privée (UBP)

UBP is one of Switzerland's leading private banks, and is among the best-capitalised, with a Tier I ratio of 24.3% as at 31 December 2016. The Bank is specialised in the field of wealth management for both private and institutional clients. It is based in Geneva and employs around 1,665 people in some twenty-four locations worldwide; it held CHF 118.3 billion in assets under management as at 31 December 2016.

www.ubp.com



UNION BANCAIRE PRIVÉE

**GROUP'S FINANCIAL HIGHLIGHTS AS AT 31 DECEMBER 2016
(UNAUDITED ACCOUNTS)**

	31.12.2016	31.12.2015	Variation
Consolidated statement (in CHF millions)			
Net result from interest operations	255.6	156.4	63.4%
Net fees and commissions income	576.2	503.2	14.5%
Profit on trading operations and on fair value options	95.8	77.0	24.4%
Other result from ordinary activities	7.0	13.1	(46.6%)
Total income	934.6	749.7	24.7%
Staff expenses	(467.9)	(385.1)	21.5%
General and administrative expenses	(166.8)	(134.4)	24.1%
Total operating expenses	(634.7)	(519.5)	22.2%
Changes in value adjustments and provisions for default risks and losses from interest operations	(97.9)	(73.1)	33.9%
Changes to provisions and other value adjustments and losses	(10.1)	(5.1)	98.0%
Operating income before provisions	191.9	152.0	26.3%
Group profit	176.4	25.2	600.0%
Client assets (in CHF billions)			
	118.3	109.9	7.6%
Total balance sheet (in CHF billions)			
	30.8	25.2	22.2%
Shareholders' equity (in CHF millions)			
	2,095	1,868	12.2%
Ratios (in %)			
Operating cost/income ratio	67.9%	69.3%	
Tier 1 ratio	24.3%	24.4%	
Liquidity coverage ratio	262.1%	261.3%	
Staff members (as at 31 December)			
	1,665	1,450	14.8%