

# FINANCIAL RESULTS AS AT 30 JUNE 2018

(UNAUDITED ACCOUNTS)

## Financial highlights for the Group

In CHF million, unless otherwise stated

	As at 30.06.2018	As at 30.06.2017	Variation	Variation in %
Net profit	115.3	109.5	5.8	5.3%
Operating result before provisions	147.4	133.9	13.5	10.1%
Client assets (in CHF billions)	128.4	118.9	9.5	8.0%
<b>Total operating income</b>	<b>540.0</b>	<b>509.6</b>	<b>30.4</b>	<b>6.0%</b>
Net result from interest operations	150.6	139.3	11.3	8.1%
Net fees and commissions income	332.2	315.8	16.4	5.2%
Profit on trading operations and on fair value options	49.1	48.2	0.9	1.8%
<b>Total operating expenses</b>	<b>341.0</b>	<b>323.7</b>	<b>17.3</b>	<b>5.3%</b>
Personnel expenses	250.4	243.3	7.1	2.9%
General and administrative expenses	90.6	80.4	10.2	12.7%
Depreciation, value adjustments, provisions and losses	51.6	52.0	(0.4)	(0.7%)
Total assets	31'116.0	30'979.4	136.6	0.4%
Shareholders' equity	2'215.5	2'124.3	91.2	4.3%
Share capital	300.0	300.0	0.0	0.0%
Capital reserves	867.3	867.3	0.0	0.0%
Reserves and retained earnings	717.6	632.2	85.4	13.5%
Reserves for general banking risks	215.4	215.4	0.0	0.0%
Operating cost / income ratio	63.1%	63.5%	-	-
Cost / income ratio after depreciation	72.3%	72.9%	-	-
Return on equity (ROE)	10.1%	10.4%	-	-
Shareholders' equity / total assets	7.1%	6.9%	-	-
Tier 1 capital ratio	28.2%	26.0%	-	-

## Consolidated statement of income (unaudited accounts)

In CHF thousands

	As at 30.06.2018	As at 30.06.2017	Variation	Variation in %
<b>Consolidated statement of ordinary income and expenses on banking operations</b>				
<b>Result from interest operations</b>				
Interest and discount income	221,165	151,873	69,292	45.6%
Interest and dividends from financial investments	48,570	50,761	(2,191)	(4.3%)
Interest expense	(119,171)	(63,464)	(55,707)	87.8%
<b>Gross result from interest operations</b>	<b>150,564</b>	<b>139,170</b>	<b>11,394</b>	<b>8.2%</b>
Changes in value adjustments and provisions for default risks and losses from interest operations	-	146	(146)	(100.0%)
<b>Net result from interest operations</b>	<b>150,564</b>	<b>139,316</b>	<b>11,248</b>	<b>8.1%</b>
<b>Fees and commissions</b>				
Commission income on securities trading and investment transactions	337,416	324,091	13,325	4.1%
Credit-related fees and commissions	1,468	1,518	(50)	(3.3%)
Other fees and commissions income	2,028	1,182	846	71.6%
Commission expense	(8,749)	(10,960)	2,211	(20.2%)
<b>Fees and commissions</b>	<b>332,163</b>	<b>315,831</b>	<b>16,332</b>	<b>5.2%</b>
<b>Result from trading activities and the fair value option</b>	<b>49,102</b>	<b>48,245</b>	<b>857</b>	<b>1.8%</b>
<b>Other result from ordinary activities</b>				
Result from the disposal of financial investments	4,880	3,446	1,434	41.6%
Income from participations	1,802	1,978	(176)	(8.9%)
of which, from participations reported using the equity method	(684)	(594)	(90)	15.2%
of which, from other non-consolidated participations	2,486	2,572	(86)	(3.3%)
Result from real estate	728	439	289	65.8%
Other ordinary income	768	433	335	77.4%
Other ordinary expenses		(91)	91	(100.0%)
<b>Other result from ordinary activities</b>	<b>8,178</b>	<b>6,205</b>	<b>1,973</b>	<b>31.8%</b>
<b>Total income</b>	<b>540'007</b>	<b>509'597</b>	<b>30,410</b>	<b>6.0%</b>

In CHF thousands

	As at 30.06.2018	As at 30.06.2017	Variation	Variation in %
<b>Operating expenses</b>				
Personnel expenses	(250,417)	(243,335)	(7,082)	2.9%
General and administrative expenses	(90,559)	(80,386)	(10,173)	12.7%
<b>Operating expenses</b>	<b>(340,976)</b>	<b>(323,721)</b>	<b>(17,255)</b>	<b>5.3%</b>
Value adjustments on participations and depreciation of tangible and intangible fixed assets				
	(49,466)	(47,811)	(1,655)	3.5%
Changes to provisions and other value adjustments and losses	(2,118)	(4,145)	2,027	(48.9%)
<b>Operating result</b>	<b>147,447</b>	<b>133,920</b>	<b>13,527</b>	<b>10.1%</b>
Extraordinary income	254	2,111	(1,857)	(88.0%)
Taxes	(32,440)	(26,584)	(5,856)	22.0%
<b>Group profit</b>	<b>115,261</b>	<b>109,447</b>	<b>5,814</b>	<b>5.3%</b>

## Consolidated balance sheet

In CHF thousands

	As at 30.06.2018	As at 31.12.2017 (audited)
<b>Assets</b>		
Cash and cash equivalents	7,289,810	8,881,983
Due from banks	1,872,003	1,878,195
Due from securities financing transactions	833,531	292,545
Due from clients	8,221,301	7,736,181
Mortgages	1,522,052	1,475,424
Trading portfolio assets	403,943	23,087
Positive replacement values of derivative financial instruments	371,920	315,773
Other financial instruments at fair value	814,853	669,061
Financial investments	9,022,356	9,978,352
Accrued income and prepaid expenses	133,611	136,963
Non-consolidated participations	2,986	9,069
Tangible fixed assets	266,688	260,636
Intangible assets	319,597	347,791
Other assets	41,398	31,305
<b>Total assets</b>	<b>31,116,049</b>	<b>32,036,365</b>
<b>Total subordinated claims</b>	<b>-</b>	<b>-</b>

In CHF thousands

As at 30.06.2018	As at 31.12.2017 (audited)
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### Liabilities

Due to banks	568,626	541,959
Liabilities from securities financing transactions	4,575,387	5,938,741
Due in respect of client deposits	22,160,041	21,835,427
Liabilities from trading portfolios	-	3
Negative replacement values of derivative financial instruments	261,964	284,186
Liabilities from other financial instruments at fair value	897,295	722,215
Accrued expenses and deferred income	310,156	375,139
Other liabilities	97,941	74,609
Provisions	29,117	28,819
<b>Total liabilities</b>	<b>28,900,527</b>	<b>29,801,098</b>

Reserves for general banking risks	215,375	215,375
Share capital	300,000	300,000
Capital reserves	867,336	867,336
Reserves and retained earnings	717,550	632,192
Group profit	115,261	220,364
<b>Total equity</b>	<b>2,215,522</b>	<b>2,235,267</b>

<b>Total liabilities and equity</b>	<b>31'116'049</b>	<b>32'036'365</b>
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<b>Total subordinated liabilities</b>	<b>-</b>	<b>-</b>
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### Off-balance-sheet transactions

In CHF thousands

As at 30.06.2018	As at 31.12.2017 (audited)
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Contingent liabilities	442,129	488,729
Irrevocable commitments	137,350	81,734
Liabilities to pay up shares and to make additional payments	258,280	171,142
Credit commitments (deferred payments)	-	-