



UNION BANCAIRE PRIVÉE

## Press release

### Annual results 2014

## Union Bancaire Privée increases its net earnings by nearly 9%

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Geneva, 27 January 2015

- Union Bancaire Privée, UBP SA (UBP) announced today net earnings of CHF 165 million, an increase of 8.6% compared to 2013.
- Assets under management have risen by 12.5%, reaching CHF 98.7 billion.
- UBP continues to maintain a highly stable and liquid balance sheet; with a Tier 1 ratio of 29%, it is one of the best-capitalised banks in Switzerland.
- The Bank continues to manage costs tightly, as reflected by its cost/income ratio of 67.1%.

### Positive results in an unstable world

“Against a backdrop of ever-changing regulations, UBP improved its profitability in 2014 thanks to sound cost management and growing revenues. Net inflows from clients totalled CHF 4.5 billion, a reflection of our ability to develop high-performing products and investment solutions that are greatly appreciated by our clientele”, says Guy de Picciotto, UBP’s CEO, adding that “the SNB’s recent decision to abandon the cap against the euro and reinforce its negative interest rates policy will have an adverse impact on our foreign currency income in 2015 and therefore compels us to look at our income forecast for 2015 and to factor in some adjustments”.

### 12.5% increase in assets under management

As at 31 December 2014, *assets under management* reached CHF 98.7 billion. The 12.5% increase on the previous financial year is due to rising markets, the integration of Lloyds’ private banking business in Monaco and new business from our Institutional Clients division, which has enjoyed a number of commercial successes. On top of this, the Private Banking division has also set itself apart by its ability to maintain assets under management, thanks to significant new capital inflows from growth markets, notably from the Middle East.

### Improved profitability

Revenue for the year reached CHF 774 million, up from CHF 694 million at the end of 2013, boosted by both an increased net interest margin and an improvement in net fees and commissions (up by 11.5% and 12.4% respectively).

Alongside this, the Bank continues to keep a tight rein on its expenses and has again improved its *consolidated cost/income ratio* (67.1%). The 9.5% increase in *operating expenses*, which totalled CHF 520 million, can be put down, in the first instance, to the completion of the integration of Lloyds’ international private banking business, as well as to the opening of the new branch in Monaco. In addition, the Bank has adapted its range of products and services to meet the new needs of its clients.



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As a result UBP has increased its profitability, with the Group's *gross earnings* showing an increase of 17% to CHF 255 million, against CHF 218.3 million in the previous financial year, whilst the *net consolidated earnings* total CHF 165 million, rising by 8.6%.

#### Maintaining a strong financial base

The balance sheet, which is highly liquid, totals CHF 20.2 billion, up 10% from the end of 2013. With a Tier 1 ratio of 29%, UBP is one of the best-capitalised Swiss banks, allowing it to continue to grow organically, as well as looking at outside opportunities for expansion.

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#### About Union Bancaire Privée (UBP)

UBP is one of Switzerland's leading private banks, and is amongst the best-capitalised, with a Tier 1 ratio of 29%. The Bank specialises in wealth management for both private and institutional clients. It is based in Geneva and employs about 1,300 people in some twenty locations worldwide; as at 31 December 2014, it held CHF 98.7 billion in assets under management.

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