

Results presentation – 2016

VP Bank Group in figures



Profile & summary

Profile as at 31 December 2016

Total shareholders' equity	CHF 936.9 million
Net income	CHF 58.0 million
Headcount	738 (FTE)
Client assets	CHF 41.5 billion

Summary as at 31 December 2016

Increase in revenues and cost reduction due to utilization of Group synergies

Good inflow of net new money in our growth markets

Excellent Standard & Poor's «A-» - Rating with a «Positive» outlook (as of 2.3.2017)

Stable, substantial level of shareholders' equity and a strong tier 1 ratio of 27.1%

VP Bank Group – summary for 2016



Growth in line with strategy

- Good inflow of new money in our growth markets

Strong operative performance

- Increase in revenues
- Reduction of costs as a result of using synergies

Secure and stable Bank

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

VP Bank in 2016 (1/2)

**Group net income
CHF 58.0 million**

Strong adjusted Group net income (+90%)

- Revenue increase in a challenging market environment
- Cost decreases following implementation of further synergies from fusion with Centrum Bank

Significant improvement of the inflow of net new money

- High inflows in our growth markets
- Outflows owing to regulatory environment

**Cost/income
ratio
68.4%**

**Headcount
(FTEs)
738**

**Net new money
CHF 7 million**

**Client assets
under management
CHF 35.8 billion**

VP Bank in 2016 (2/2)

- Risk-weighted assets significantly reduced and liquidity strengthened
- Additional share buyback programme launched
- Excellent Standard & Poor's rating – high security and stability

Tier 1 ratio
27.1%

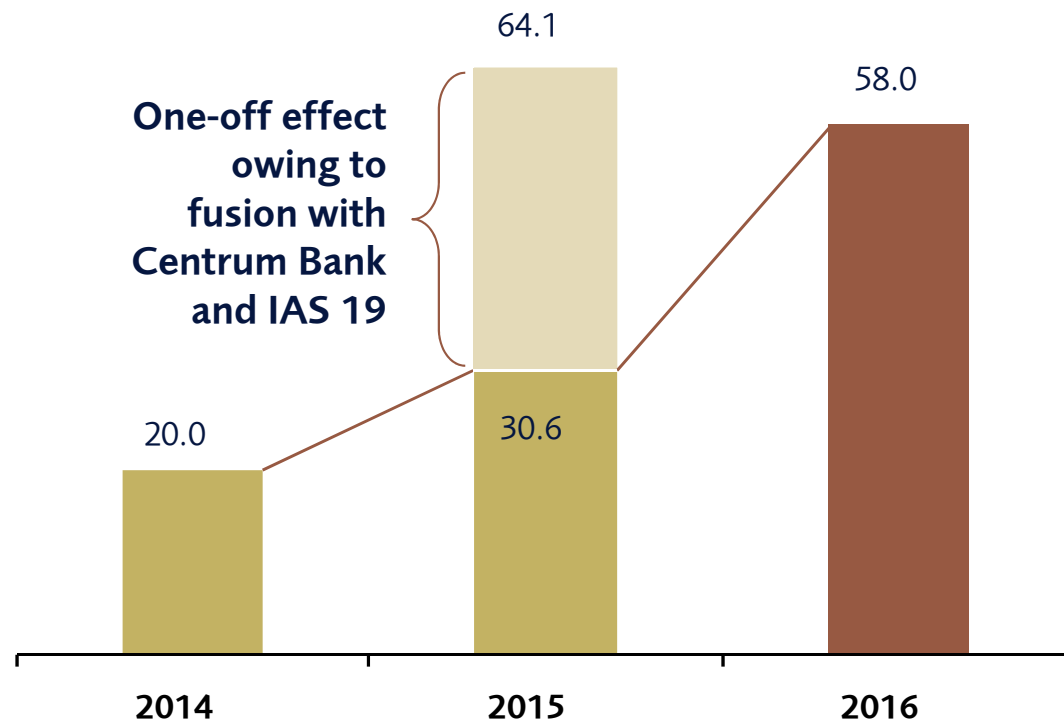
Shareholders' equity
CHF 937 million

Standard & Poor's rating
A- / Positive / A-2*

Conversion of bearer shares into registered shares A

Adjusted Group net income rises significantly

in CHF million



- Significant improvement in adjusted Group net income over the last three years
 - Increase in revenues
 - Active cost management
- Increase of 90% in 2016

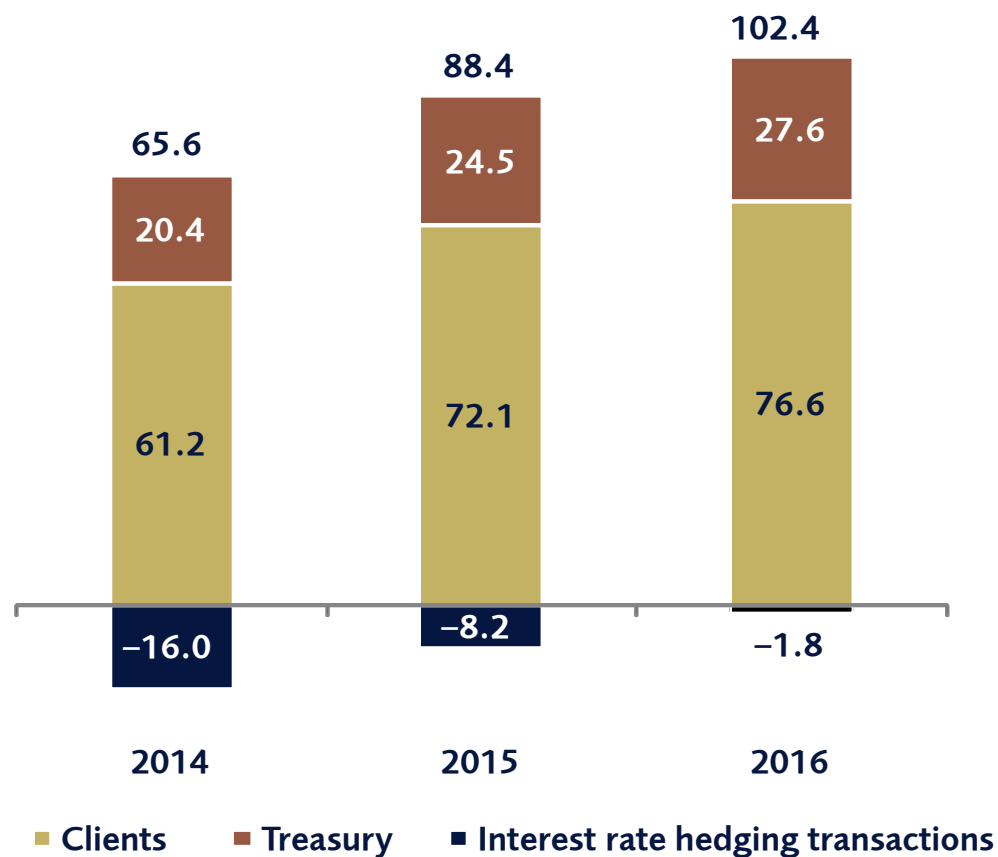
Income statement

in CHF million

	2014	2015	2016
Operating income	222.7	306.6	273.2
Operating expenses	-202.1	-246.4	-212.2
Taxes	-0.6	3.9	-3.0
Group net income	20.0	64.1	58.0

Interest business

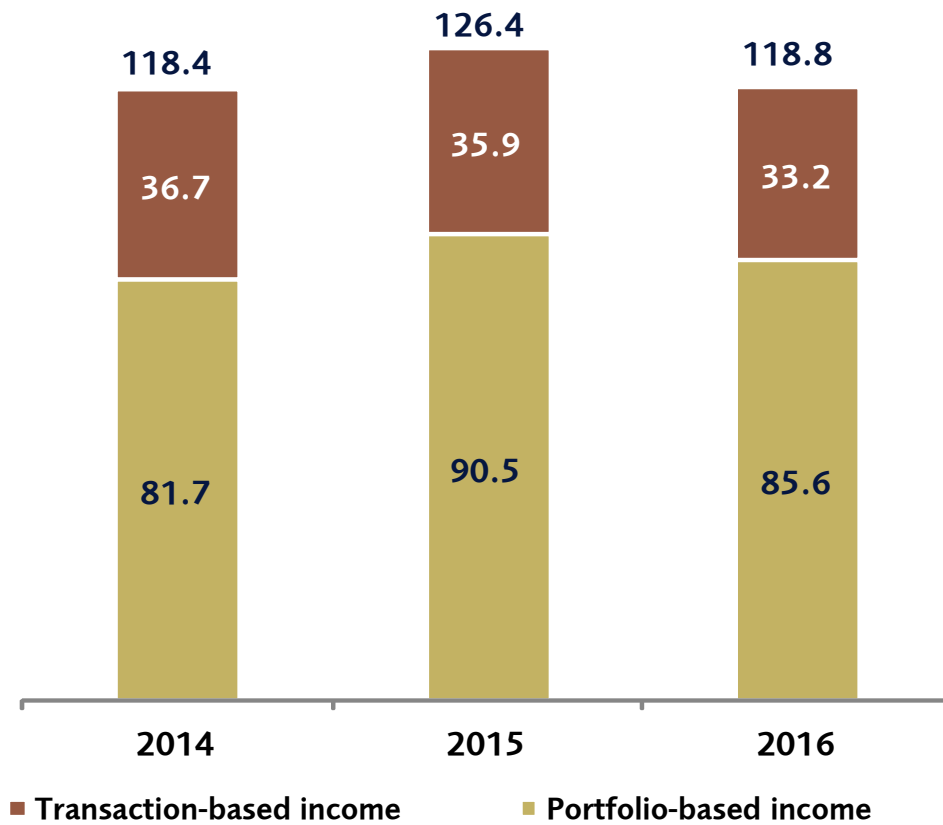
in CHF million



- Volume increase in client lending and expansion of margins
- Negative interest rate and decrease in client deposits
- Active treasury management and optimisation of risk/return profile of the balance sheet

Commission business and services

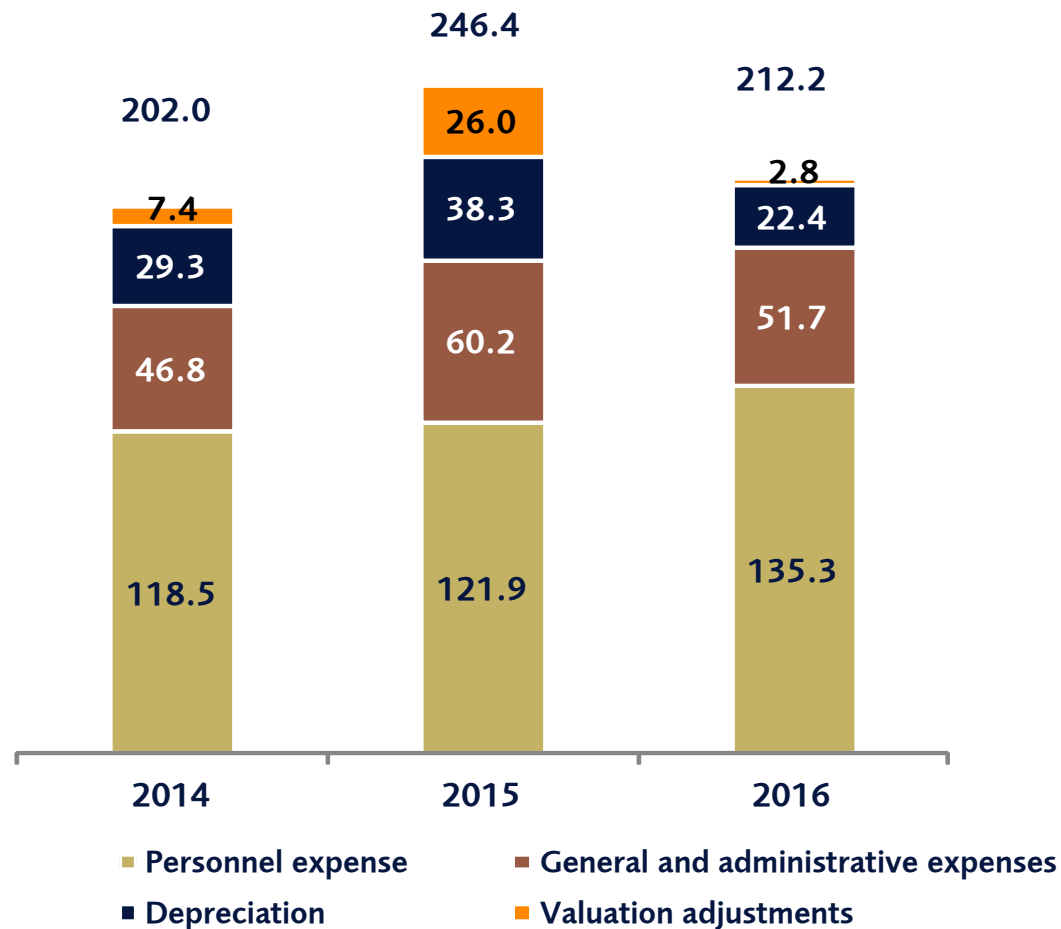
in CHF million



- Volatile financial markets and client uncertainty
- Restrained transaction volume

Operating expenses

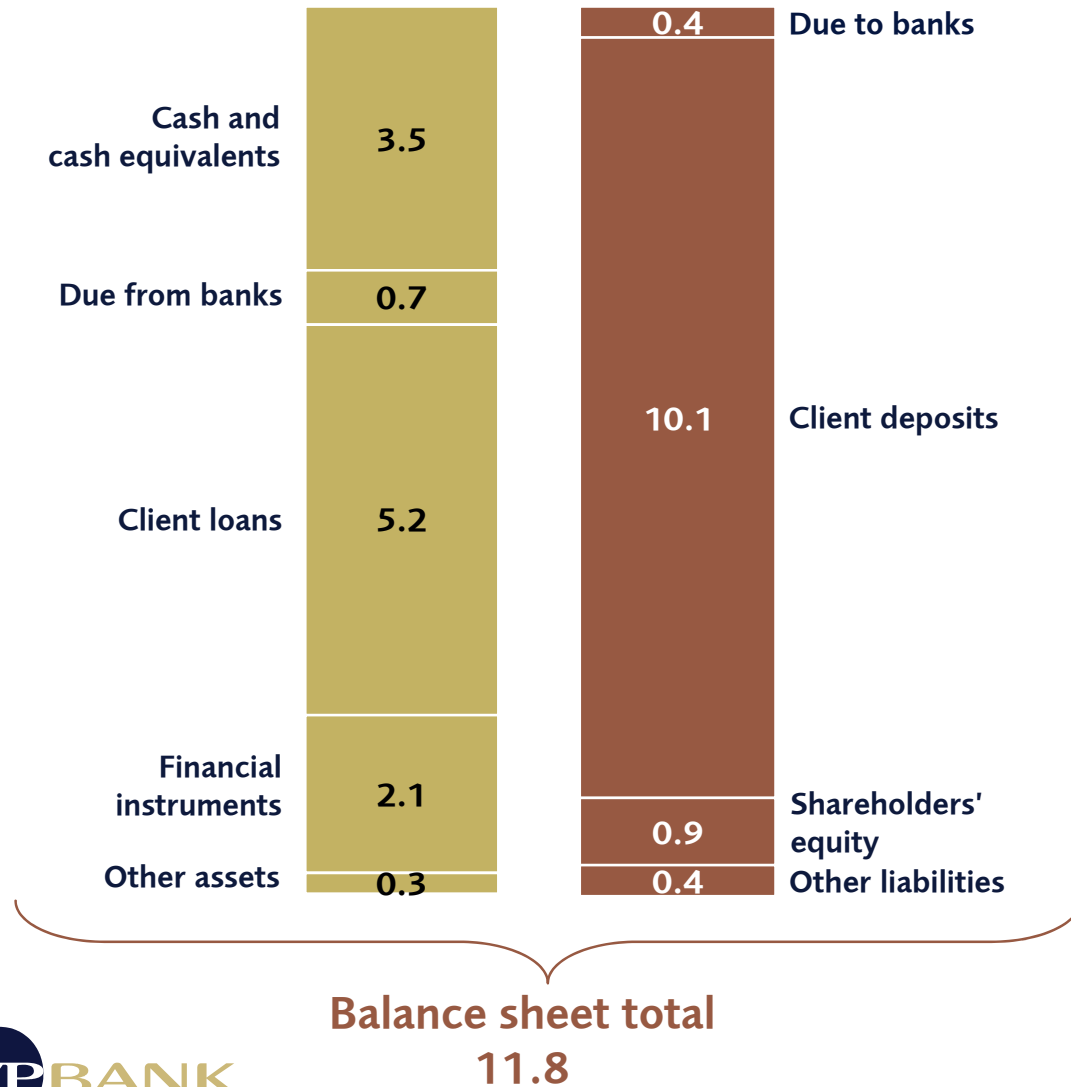
in CHF million



- No further integration costs in connection with the merger with Centrum Bank
- Cost reduction as a result of using synergies
- Expansion of front-office activities

Sound balance sheet as at 31 December 2016

in CHF billion



- Reduction of balance sheet total
- Increase in client lending
- High level of liquid assets and significant decrease in amounts due from banks
- Reduction of client deposits
- Further reduction of risk-weighted assets

Sound balance sheet and strong balance sheet ratios

	31.12.2014	31.12.2015	31.12.2016
Balance sheet total in CHF billion	11.2	12.4	11.8
Risk-weighted assets in CHF billion	4.2	3.7	3.5
Equity in CHF million	868.5	918.1	936.9
Core capital¹ in CHF million	860.5	911.2	938.5
Tier 1 ratio¹	20.5%	24.4%	27.1%
Leverage ratio²	7.7%	7.0%	7.8%
Loan-to-deposit ratio³	44.2%	46.5%	52.2%
Non-performing loans⁴	0.3%	0.4%	0.9%

¹ 2016 and 2015: calculations based on Basel III framework; 2014: calculations based on Basel II framework.

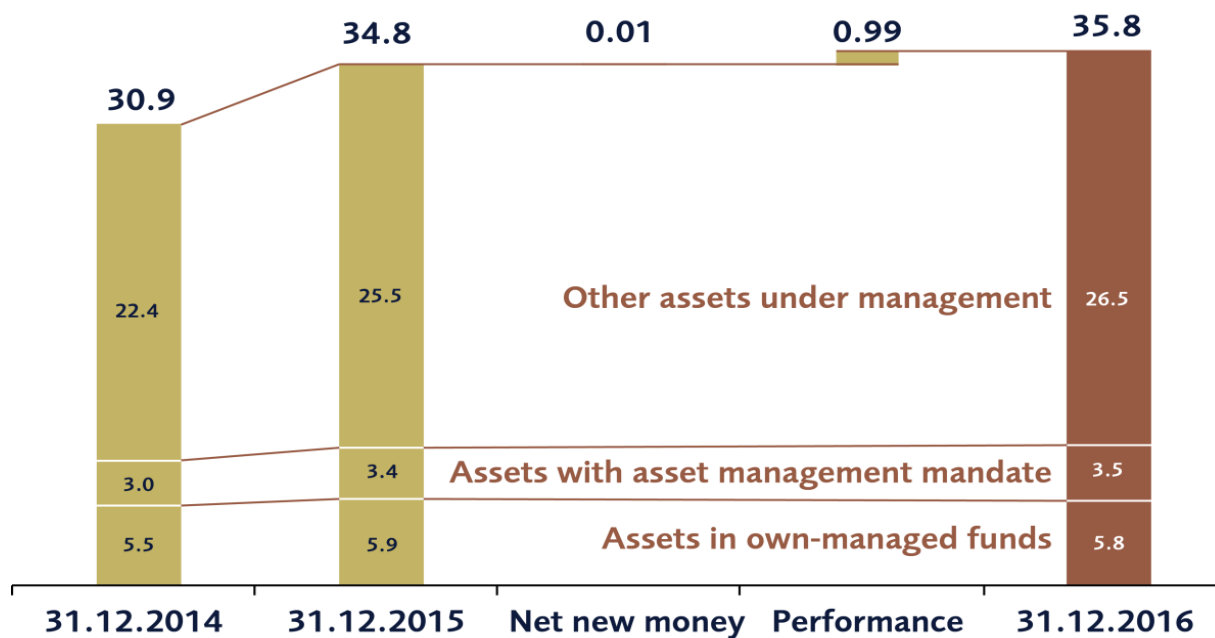
² Ratio of allocable shareholders' equity to balance sheet total.

³ Ratio of client deposits to client loans.

⁴ Ratio of non-performing loans to client loans.

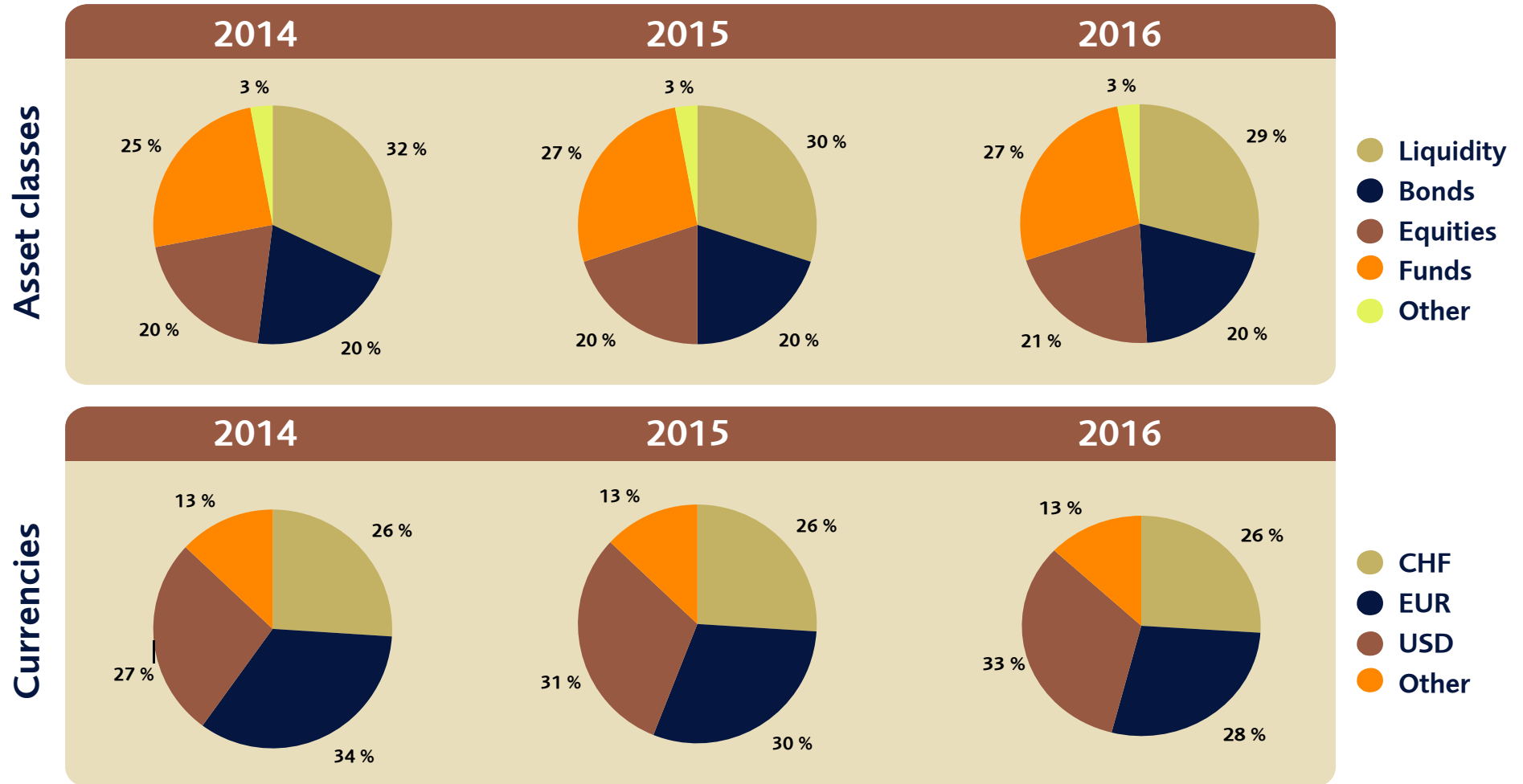
Increase in client assets under management

in CHF billion



- Positive development of inflow of net new money
- Significant inflows in Asia
- Outflows in Europe due to regulatory environment
- Decline in client deposits in the balance sheet had a partially negative effect on the inflow of net new money

Minimal changes in asset classes / currencies



Segment overview as of 31 December 2016

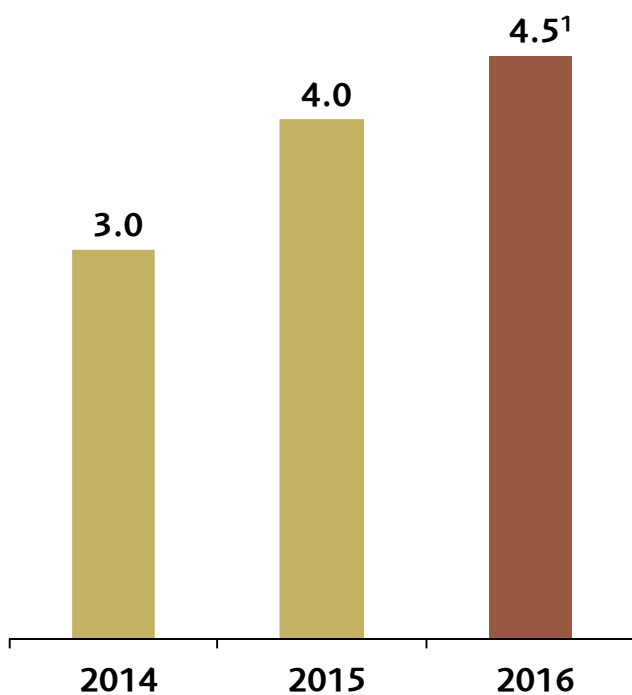
	Client Business Liechtenstein	Client Business International	Corporate Center	Group
Business volume in CHF ¹	28.9 billion	12.1 billion	–	41.0 billion
Net new money in CHF	–0.2 billion	0.2 billion	–	0.0 billion
Pre-tax net income in CHF	94.7 million	2.3 million	–35.8 million	61.0 million
Gross margin in base points ²	62	57	–	–
Headcount in FTEs	174	233	331	738

¹ Client assets under management and client loans.

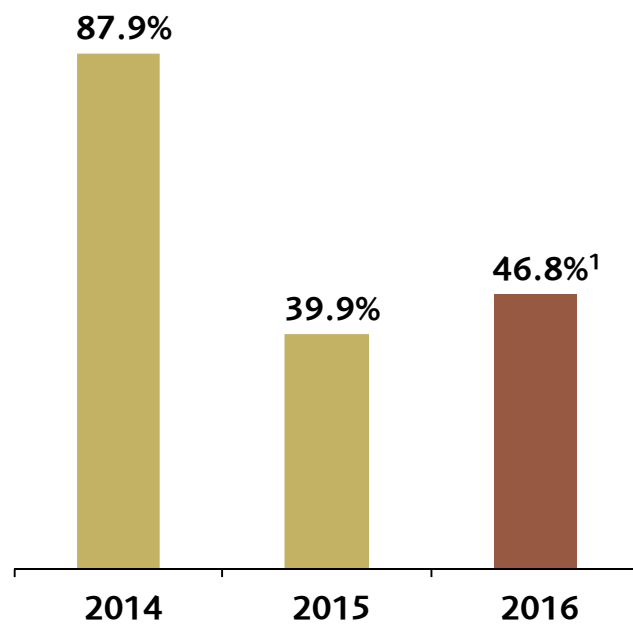
² Gross income divided by average business volume.

Dividends

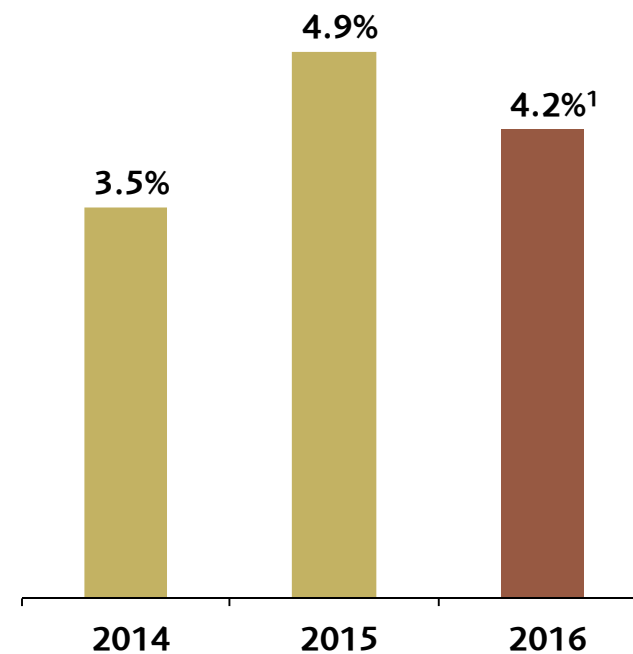
Dividends in CHF



Payout ratio



Dividend yield



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Agenda

- Annual results 2016, media and analysts conference: 07 March 2017
- Annual general meeting of shareholders 2017: 28 April 2017
- Ex-dividend date: 03 May 2017
- Record date: 04 May 2017
- Dividend payment: 05 May 2017
- Semi-annual results 2017: 22 August 2017

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