

2019 Annual results

VP Bank Group in figures



2019 annual results

Significantly higher
group net income

Strong growth in
net new money

Impressive rise in
client assets under
management

Sound equity
capital

Strong growth - positive financial market momentum



Growth initiatives and good operating performance as well as positive market environment

Net group income
CHF 73.5 million
CHF 54.7 million in 2018

Strong commission and trading income

Cost income ratio
67.6%
75.8% in 2018

Below-average development of costs



Continued strong net inflow of new money
CHF 2.3 billion
CHF 3.2 billion in 2018

Consistent, high inflows, larger outflows



Extremely stable key balance sheet figures

Tier 1 ratio
20.2%
20.9% in 2018

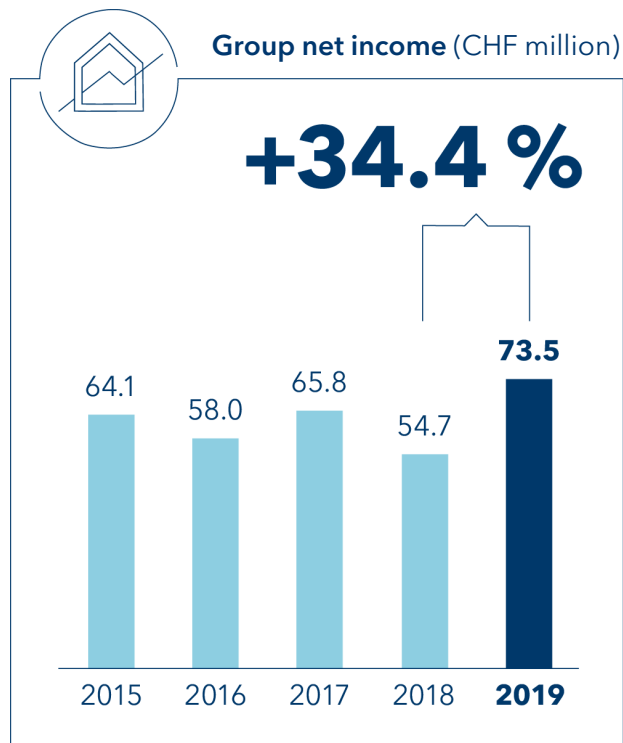
Comfortable capital provisioning

Rating:
Standard & Poor's
A/Stable/A-1

Excellent rating

Figures as at 31 December 2019

Strong rise in earnings, 34% higher



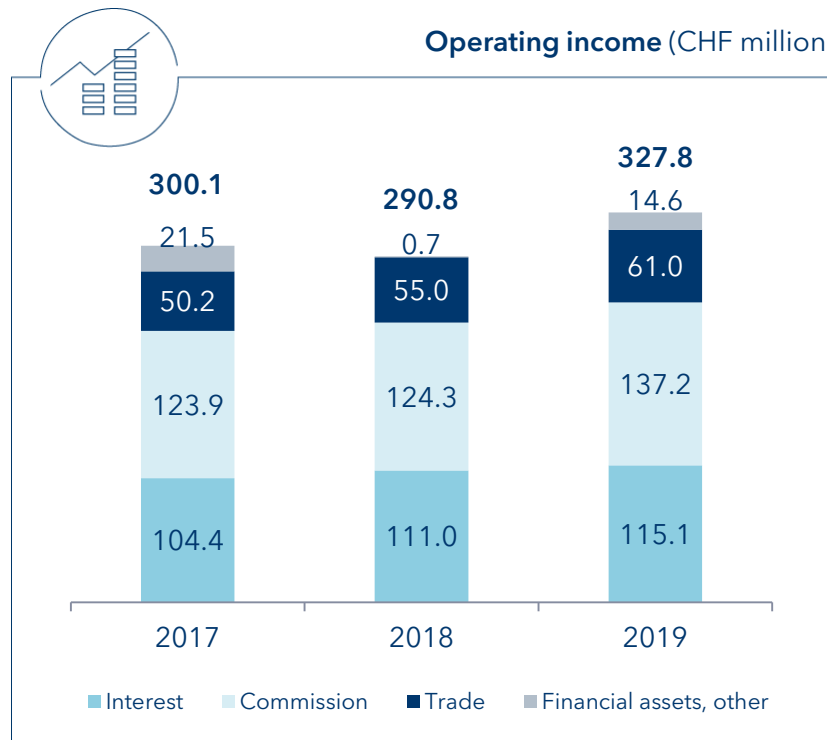
Income statement (CHF million)

	2017	2018	2019
Operating income	300.1	290.8	327.8
Operating expenses	-229.7	-232.3	-244.8
Taxes	-4.6	-3.8	-9.4
Net group income	65.8	54.7	73.5
One-off effects	0.8 ¹	0.0	0.0
Adjusted group net income	66.6	54.7	73.5

¹ One-off effect from provision NRW and IAS 19

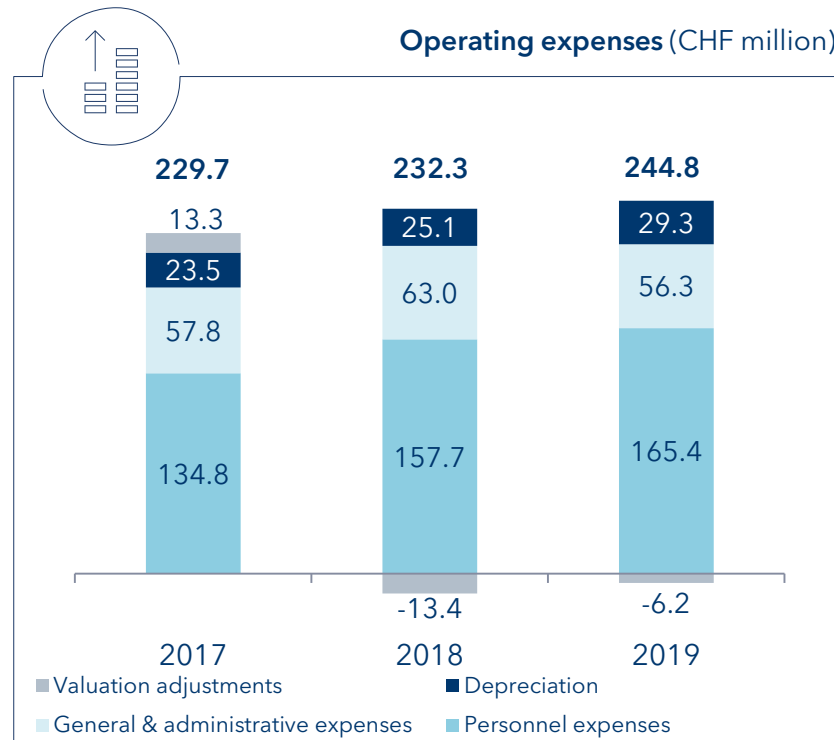
- Strong operating earnings growth as well as good result from financial assets
- Below-average increase in costs

Operative income figures show gains



- Interest income CHF 4.1 million or 3.7% higher
 - Interest income from customer loans significantly increased, but also higher interest expenses
 - Interest income from the treasury edged lower
- Commission income CHF 12.9 million or 10.4% higher
 - Good result from transaction-related earnings due to more client activities
 - Higher repeat earnings thanks to higher average assets
- Trading income CHF 6.0 million or 10.9% higher due to increased activities and price adjustments
- Financial assets CHF 15.9 million higher due to the positive performance of stock markets

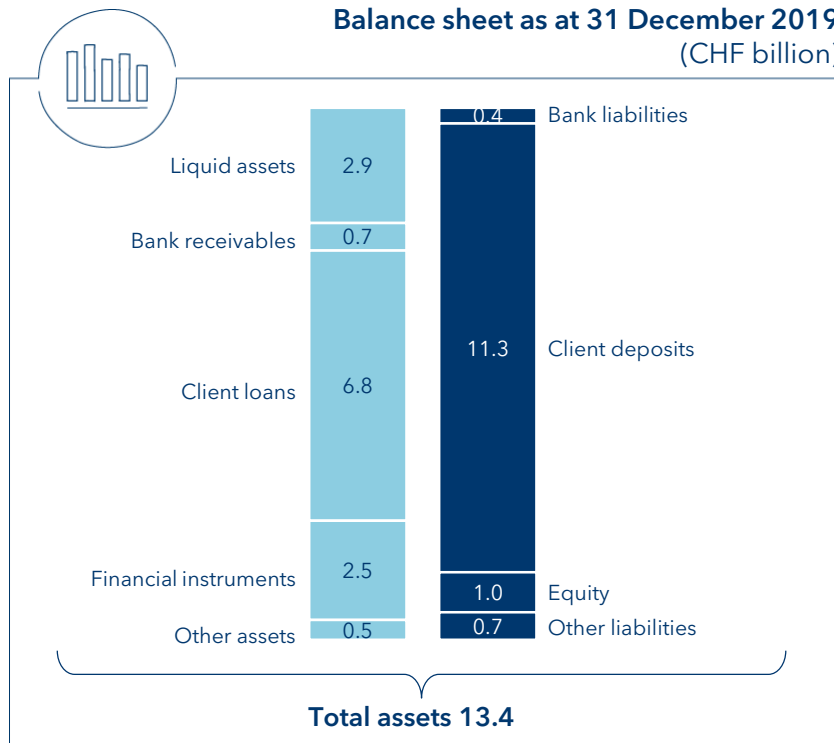
Higher personnel expenses - reversal of valuation adjustments



- Personnel expenses CHF 7.7 million or 4.9% higher
 - Higher average workforce
- General & administrative expenses CHF 6.6 million or -10.5% lower
 - Rise in the cost of information procurement
 - Cost of premises¹⁾ significantly lower
- Depreciation & amortisation¹⁾ CHF 4.2 million or 16.8% higher
- Valuation adjustments CHF 6.2 million lower due to reversal of loan provisions

1) From 01 January 2019 pursuant to IFRS 16 rental expenses was posted separately under interest expenses and depreciation, previously general & administrative expenses

Rise in total assets through organic and acquisition-driven growth

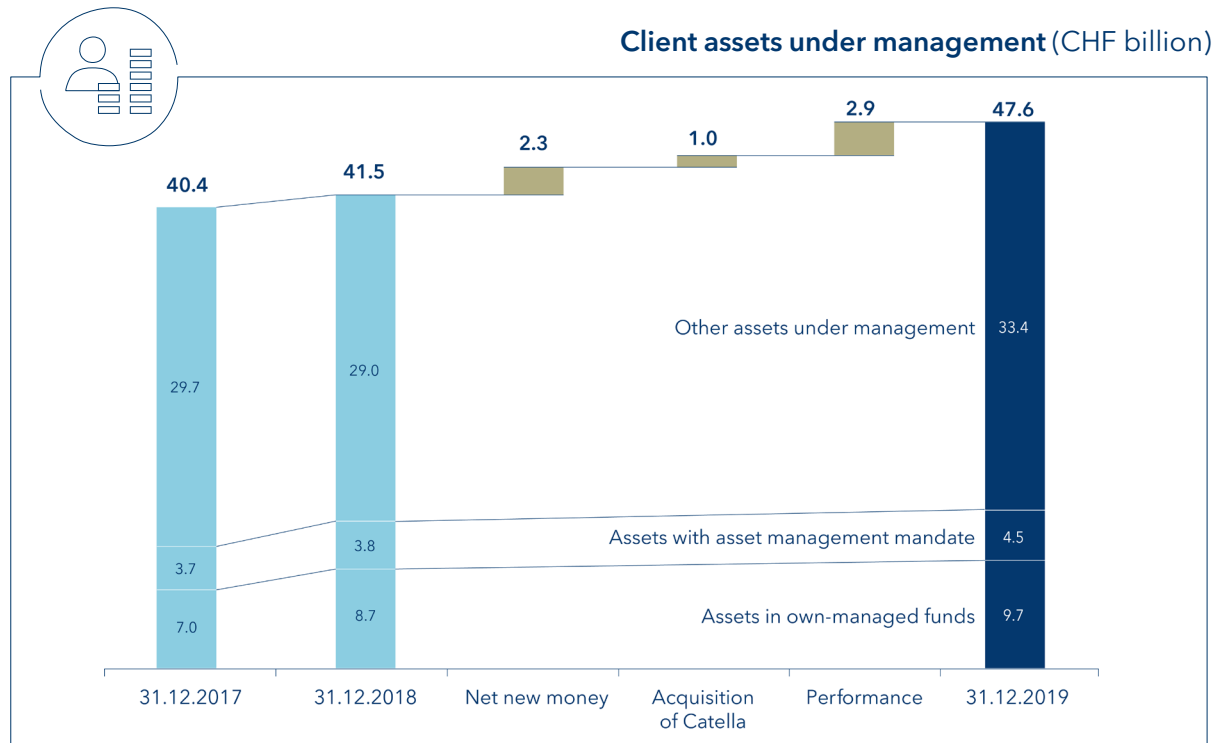


- Sound assets
 - High liquidity position
 - 9.7% rise in client lending, above all Lombard loans
- Stable refinancing
 - Client deposits account for 84% of total assets
 - Client deposits 7.0% higher
- Good equity capital base

Equity capital requirements comfortably exceeded

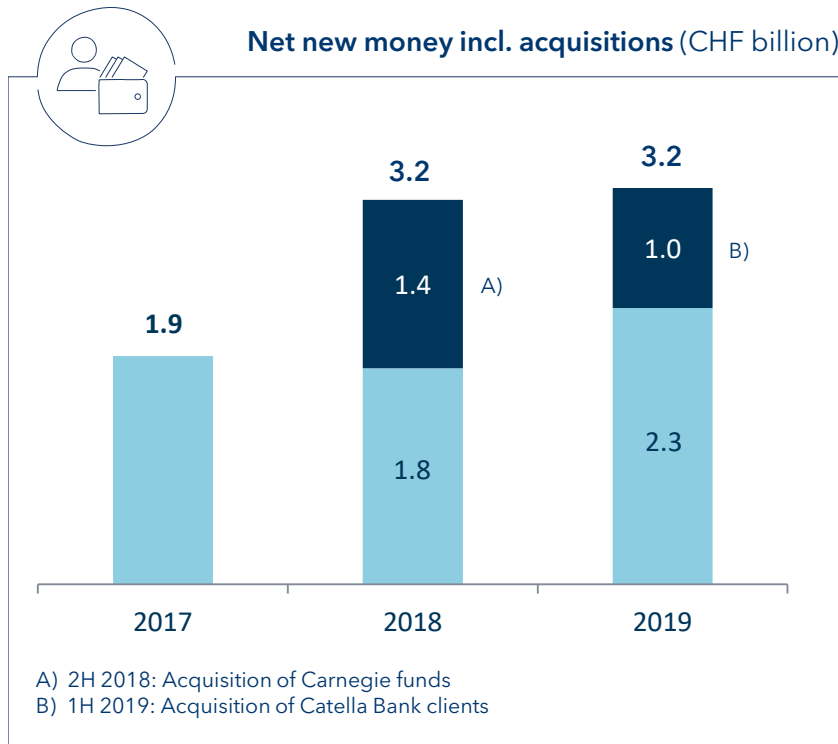
	31 December 2017	31 December 2018	31 December 2019
Risk-weighted assets in CHF billion	3.8	4.5	4.8
Core capital (CET 1) in CHF million	976.6	942.8	979.0
Tier 1 ratio (CET 1 ratio)	25.7%	20.9%	20.2%
Liquidity coverage ratio (LCR)	161%	143%	213%
Leverage ratio	7.5%	7.3%	7.1%
Loan to deposit ratio	52.2%	58.6%	60.1%
Non-performing loans	1.1%	0.4%	0.8%
"Standard & Poor's" rating	A-/positive/A-2	A/stable/A-1	A/stable/A-1

Client assets rise thanks to new money and market performance



- Client assets under management increase by 14.7%
- Net inflow of client assets total CHF 3.2 billion or 7.7%
- Positive market performance

International activities as engine of growth



- Strong inflow during the first half of the year - both organic as well as through acquisitions
- Good inflows thanks to recruitment of new client advisors
- Good net inflow from existing clients, despite larger outflows
- Catella acquisition brought VP Bank client assets totalling CHF 1 billion

Geographical diversification continues apace

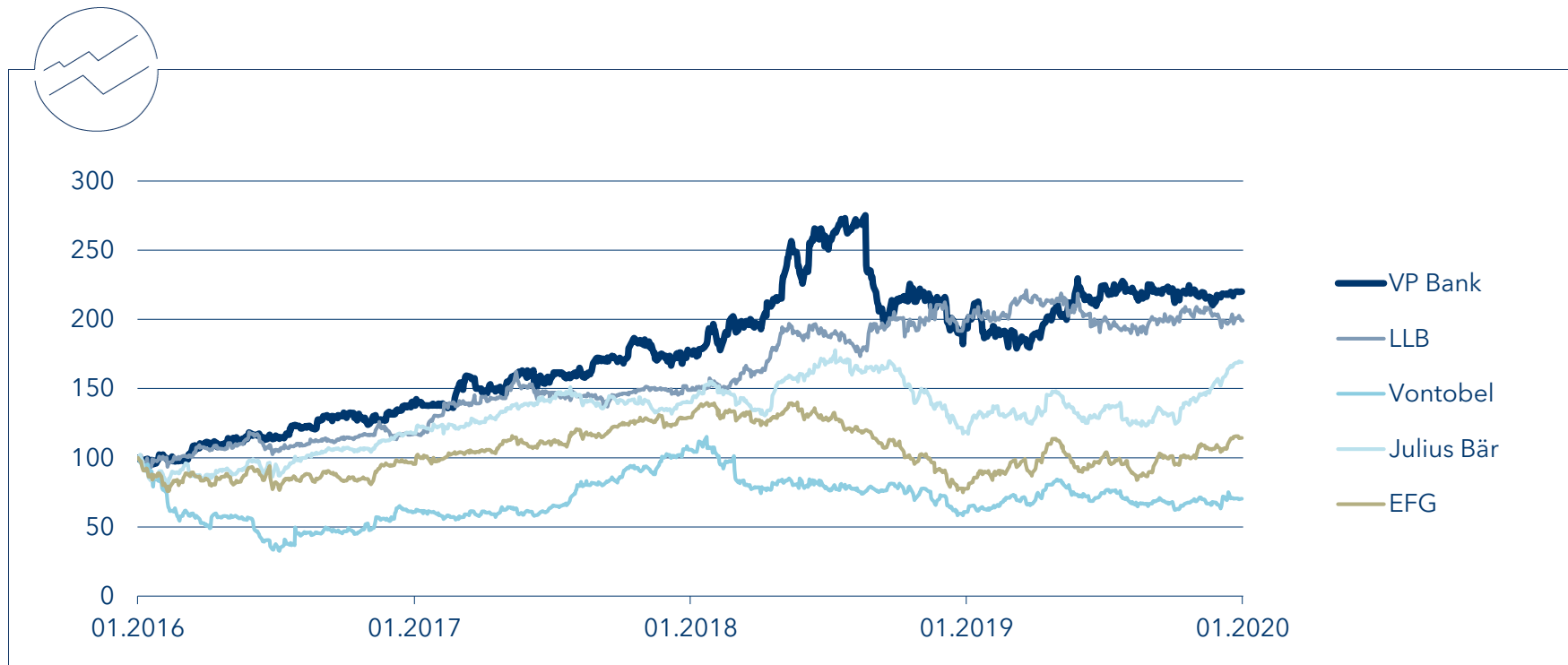
Segment overview as at 31 December 2019

	Client Business Liechtenstein	Client Business International	Corporate Center	Group
Business volumes in CHF ¹	31.1 billion	23.3 billion	-	54.4 billion
Client assets under management in CHF	26.9 billion	20.7 billion	-	47.6 billion
Net new money in CHF	-0.6 billion	2.9 billion	-	2.3 billion
Pre-tax results in CHF	84.2 million	38.8 million	-40.1 million	82.9 million
Gross margin in basis points ²	65.5	68.6	-	-
Workforce in FTE	180	326	368	874

¹ Client assets under management and client loans

² Operating income divided by average client assets under management

VP Bank share price performance in comparison



Summary

Growth in line with strategy

- Front-office recruitment initiative
- Strong net inflows of new money

Robust operating performance

- Higher revenues (interest, commission and trade)

Two positive factors of influence

- Very good result from financial assets and reversal of valuation adjustments

Secure and stable bank

- High liquidity position
- Sound equity capital and sound Tier 1 ratio
- Excellent “Standard & Poor’s” rating



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Agenda

- Annual general meeting of shareholders 2020: 24 April 2020
- Ex-dividend date: 28 April 2020
- Record date: 29 April 2020
- Dividend payment: 30 April 2020
- Semi-annual results 2020: 18 August 2020

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