

VP Bank
August 31, 2010

VP Bank Group Semi-annual report 2010

August 31, 2010, SIX Swiss Exchange



Program

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Hans Brunhart, Roger H. Hartmann, Fredy Vogt





Welcoming remarks
Hans Brunhart
Chairman of the Board

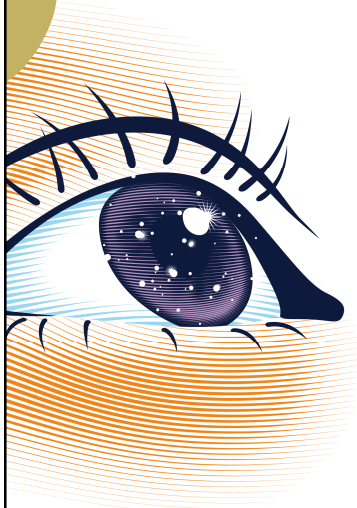
The illustration shows a stylized eye with a globe as the iris. The globe is dark with white continents and is set against a light blue and white background. The eye is rendered with fine, radiating lines in shades of brown and gold, giving it a textured, almost vibrating appearance. The overall background of the slide is a solid, muted gold color.



Financial results
Fredy Vogt
Chief Financial Officer

The illustration shows a stylized eye with a house as the iris. The house is dark with a white roof and is set against a yellow and white background. The eye is rendered with fine, radiating lines in shades of brown and gold, giving it a textured, almost vibrating appearance. The overall background of the slide is a solid, muted brown color.

Overview of topics

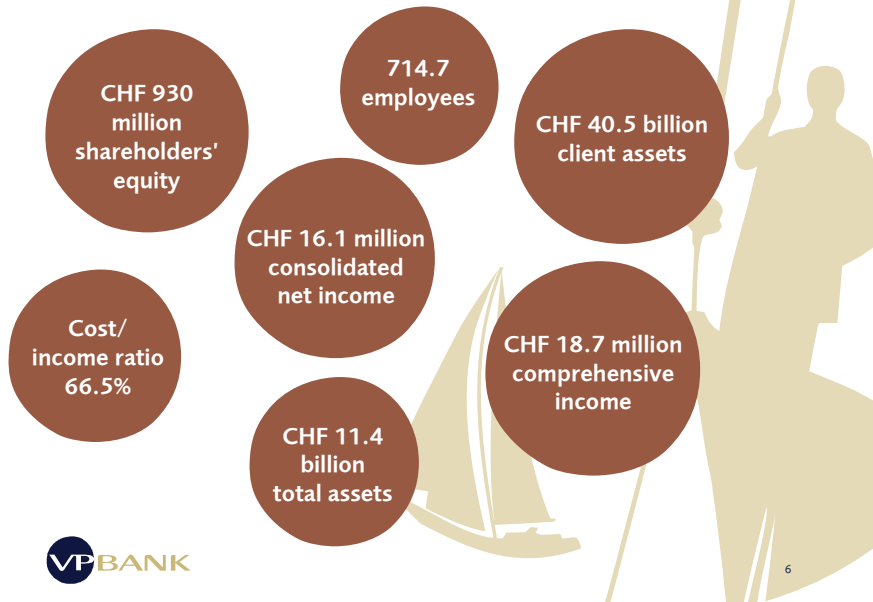


- Profile as at June 30, 2010
- Consolidated income statement
- Consolidated balance sheet
- Client assets
- Segments
- Summary & outlook

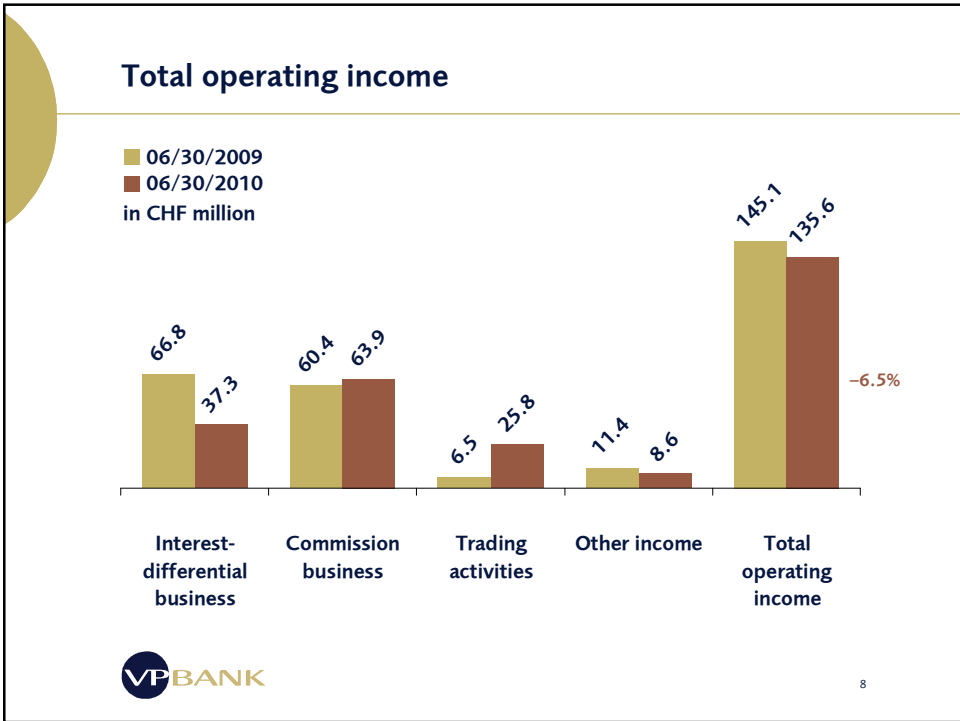


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VP Bank Group – profile as at June 30, 2010

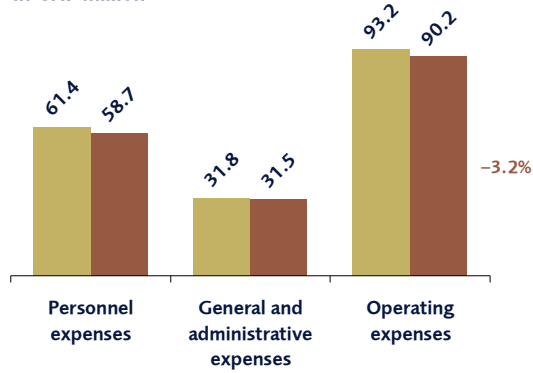


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Operating expenses

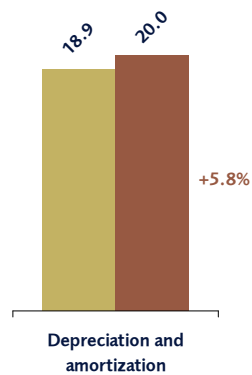
■ 06/30/2009
■ 06/30/2010
in CHF million



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Depreciation and amortization

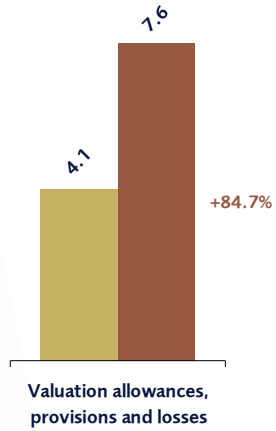
■ 06/30/2009
■ 06/30/2010
in CHF million



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Valuation allowances, provisions and losses

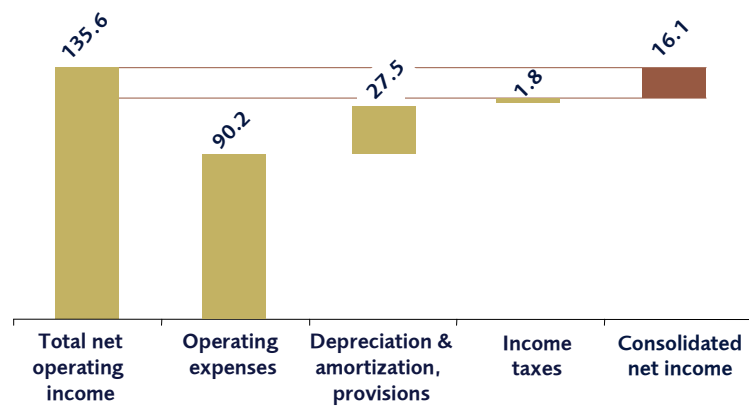
06/30/2009
06/30/2010
in CHF million



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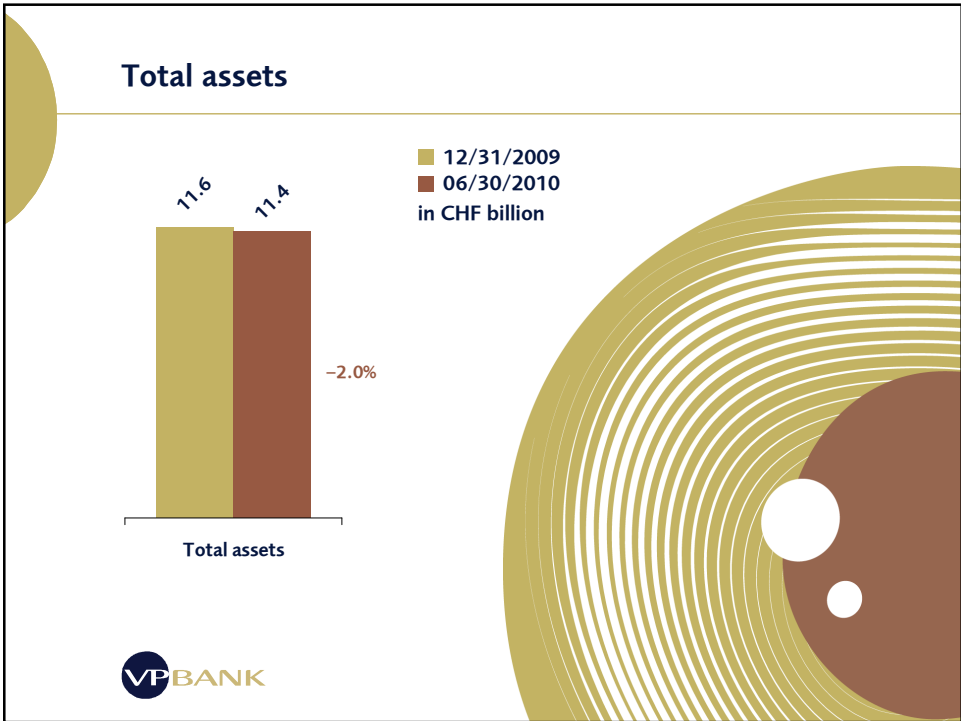
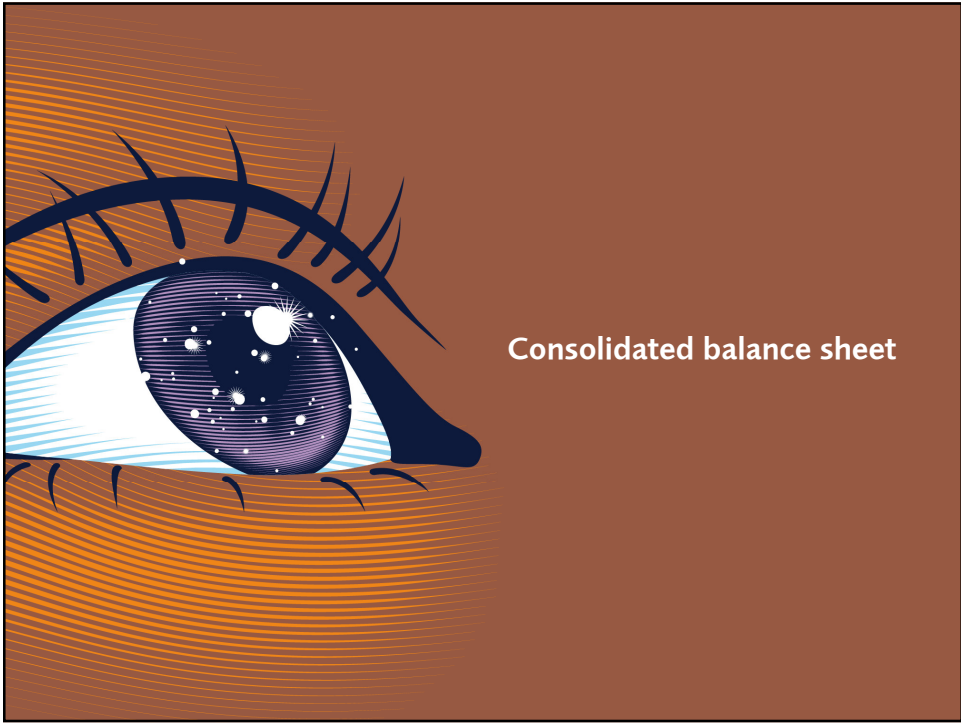
Consolidated net income

in CHF million



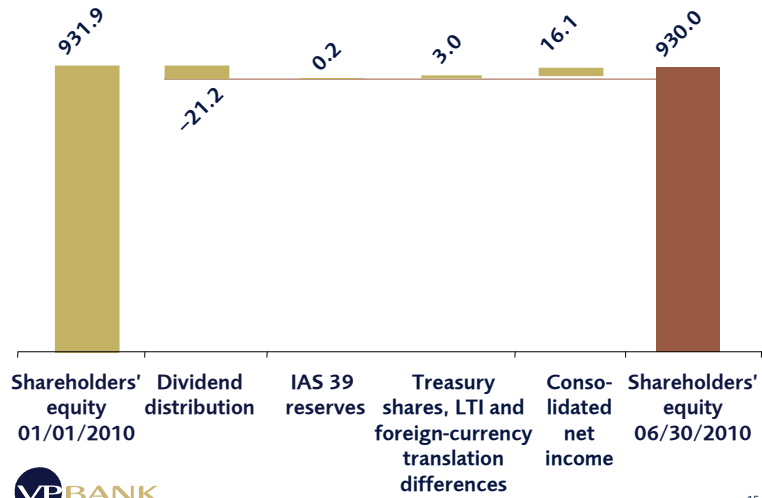
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Shareholders' equity

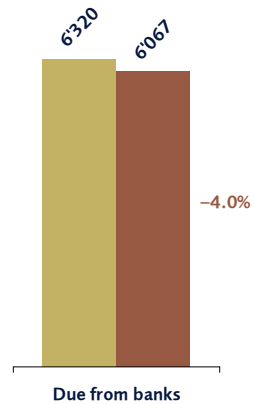
in CHF million



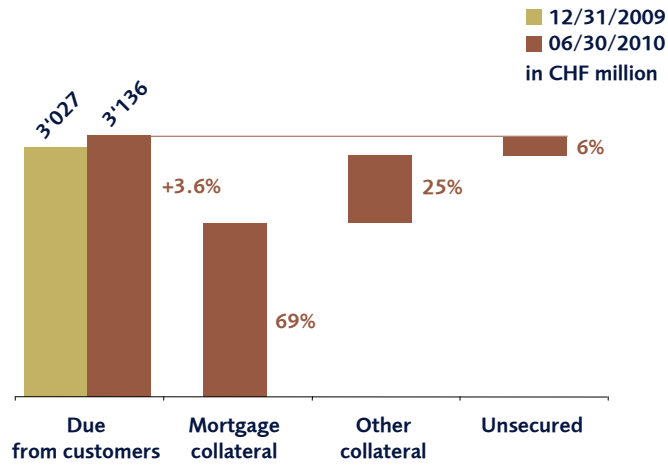
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Due from banks

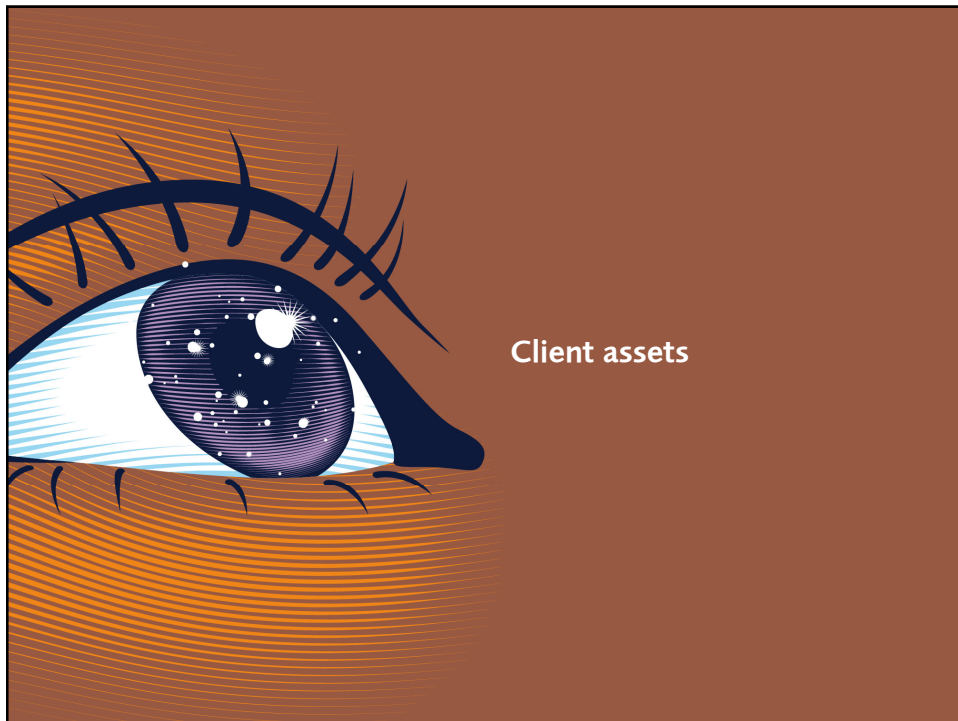
■ 12/31/2009
■ 06/30/2010
in CHF million

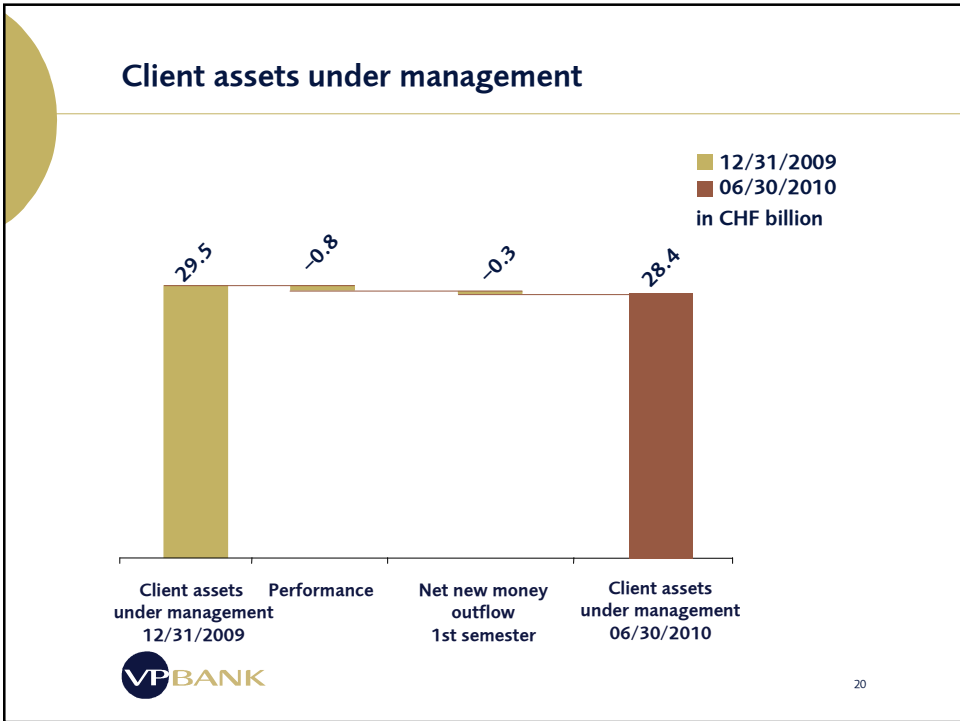
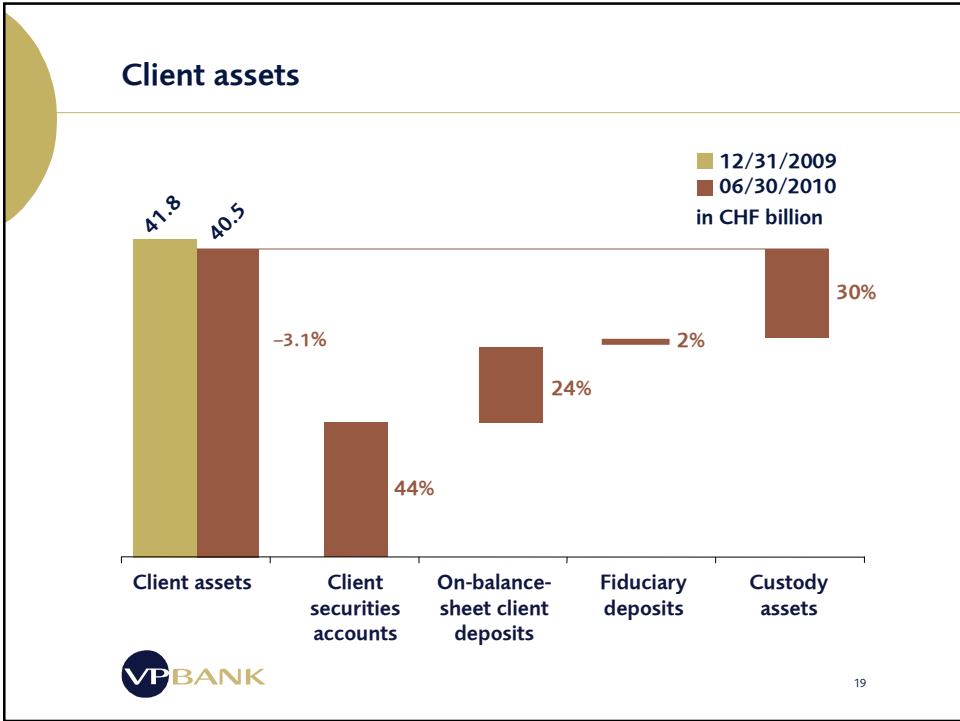


Due from customers

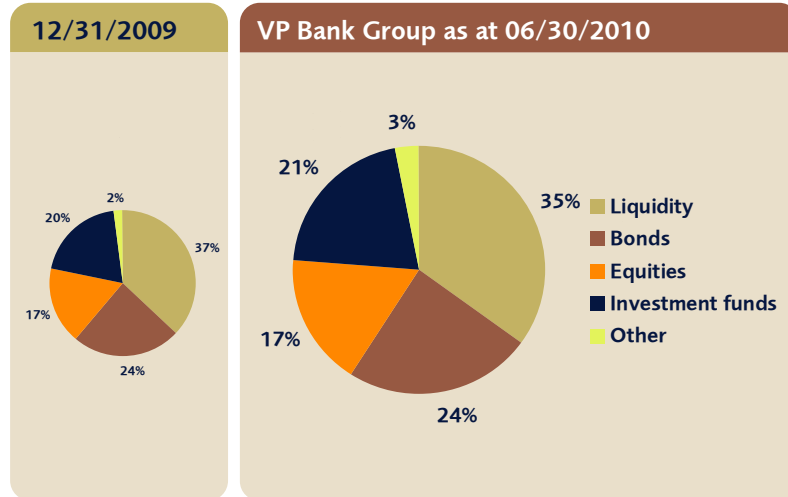


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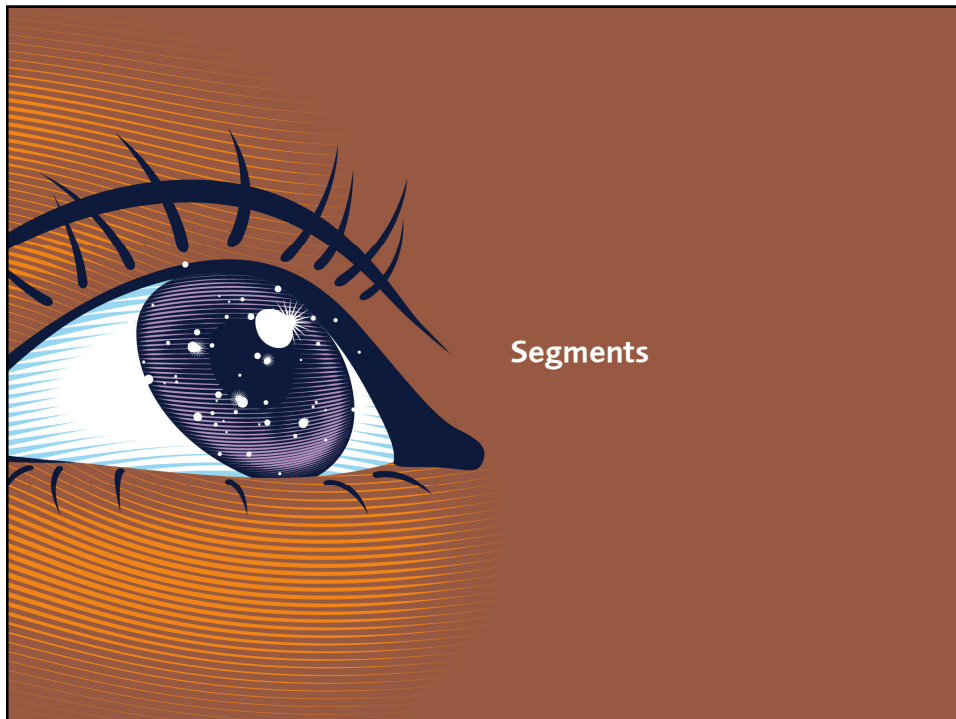




Client assets under management – asset classes



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Overview of segments as at June 30, 2010

* in CHF	Private Banking Clients	Intermediaries	Banking Services	Corporate Center	Group
Group net result before tax*	23.9 mn	28.1 mn	-27.9 mn	-6.2 mn	17.9 mn
Client assets under management*	14.2 bn	13.7 bn	0.0 bn	0.4 bn	28.4 bn
Headcount (full-time equivalents)	262.2	102.4	217.2	132.9	714.7



Summary & outlook

VP Bank Group – key financial indicators

	12/31/2009	06/30/2010
Tier 1 ratio	17.1%	18.7%
Cost/income ratio	59.0%	66.5%
Value-at-risk in CHF million (market risk)	34.1	26.7
Group net result per bearer share CHF	9.97	2.52



VP Bank Group – summary 2010

Client assets stabilized

Net income
16.1 mn

Solid equity base

Cost goals
achieved

Bond issue



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Where we stand
Hans Brunhart
Chairman of the Board



Expectations & outlook
Roger H. Hartmann
Chief Executive Officer

Point of departure

- Enormous amount of "human capital", manageable size
- Organization lacks sufficient client and marketing orientation; internal processes are too complicated → hinders many talented and motivated employees from working efficiently and in a targeted manner
- Unsatisfactory first-half results
- Keeping client assets is a tremendous challenge
- Net new money trend is too weak
- Cost level too high given the unsatisfactory income situation
- Internationalization of VP Bank is stuck in its infancy



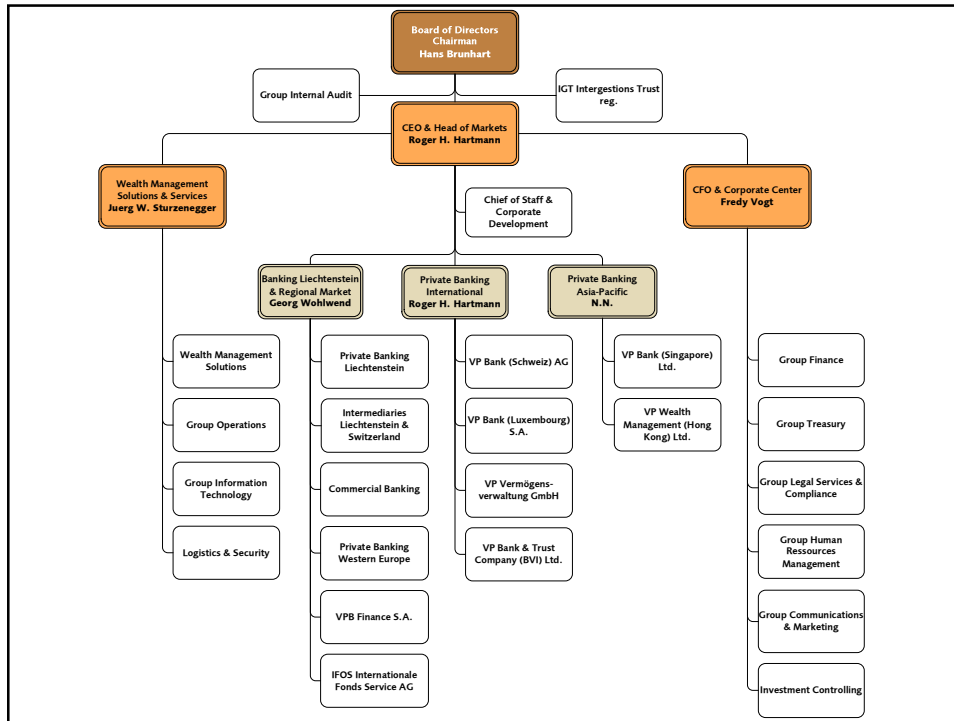
Transformation plan



- Establish client-oriented management **structure**
- Launch **growth initiatives** and reinforce marketing strength
- **Heighten efficiency**: streamline range of services, increase productivity, reduce costs, and spur new cost-consciousness
- Exploit **acquisition opportunities** in a targeted manner (client advisors and advisory teams)



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Initiatives (1/2)

Establish new management structure

- Redoubled client orientation; management of all locations by Chief Executive Officer
- Stronger marketing support by combining service and product units

Generate growth

- Targeted growth initiatives aimed at attracting new money in the core markets of Switzerland and Germany, as well as by participating in the overproportionately expanding market in Asia and Central/Eastern Europe
- Retain client money and intensify activities in the home market of Liechtenstein

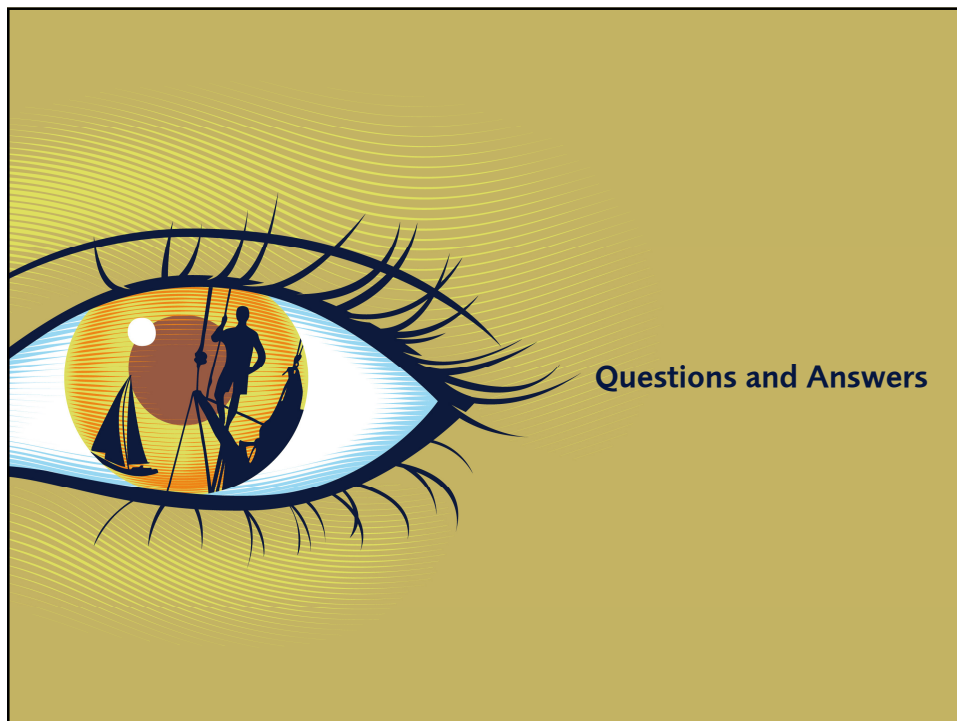
Initiatives (2/2)

Heighten efficiency, reduce costs and spur cost-consciousness

- Critically examine range of services and streamline it in a targeted manner
- Improve servicing practices and productivity: faster, leaner, more effective
- Intensify cost controlling
- Reduce personnel costs through restrictive approach to recruiting replacements

Exploit acquisition opportunities in a targeted manner

- Selective, focused acquisition of client advisors and advisory teams



Questions and Answers

