

## 2005 half-year financial results

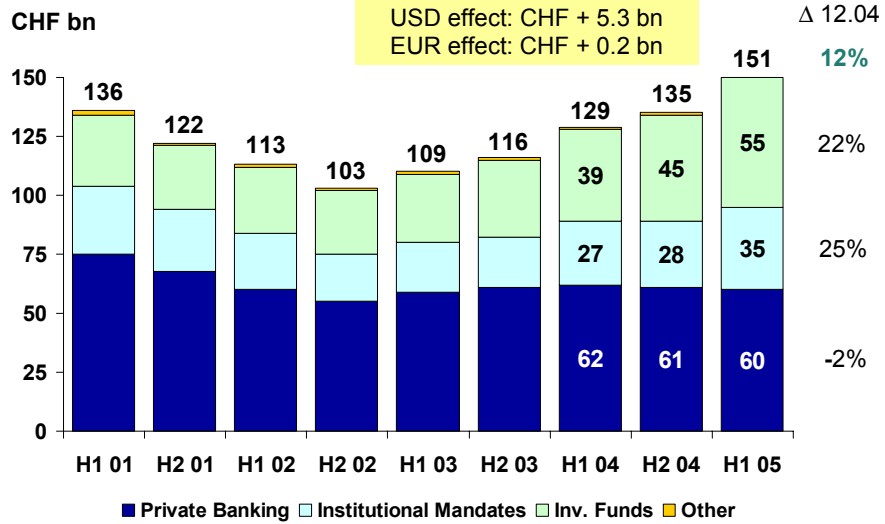
Rolf W. Aeberli  
Chief Financial Officer

Media conference on 12 August 2005  
Zurich

## Overview of 2005 half-year financial results

CHF m	H1 2005	Δ H1 04	Δ in %
▪ Assets under management (Δ 12.04)	150,722	15,352	11%
▪ Net operating income	616	100	19%
▪ Operating expenses	462	87	23%
▪ Net profit before taxes	154	13	9%
▪ Net profit attributable to shareholders	130	17	15%
▪ Return on equity	16.5%	120 bps	
▪ Cost/income ratio	71.3%	40 bps	
▪ BIS Tier 1 ratio	17.4%	40 bps	

## Assets under management by business line

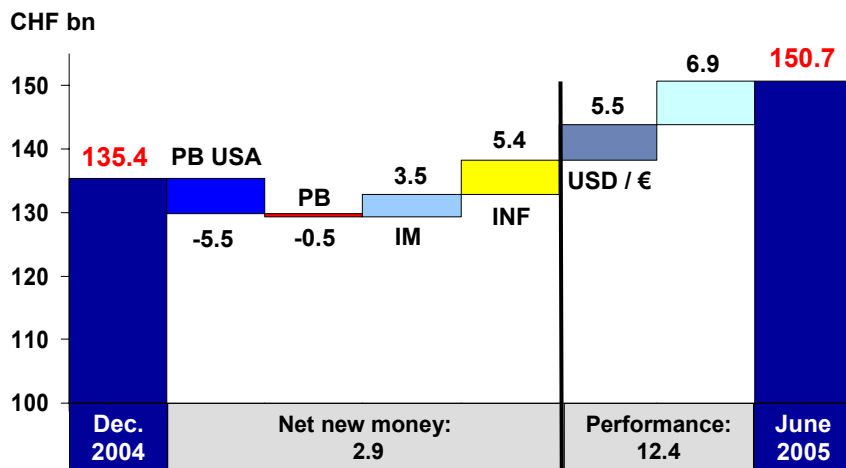


Assets under management are stated according to the guidelines of the accounting regulations of the Swiss Federal Banking Commission.

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## Analysis of AuM development in H1 2005



PB: Private Banking IM: Institutional Mandates INF: Investment Funds

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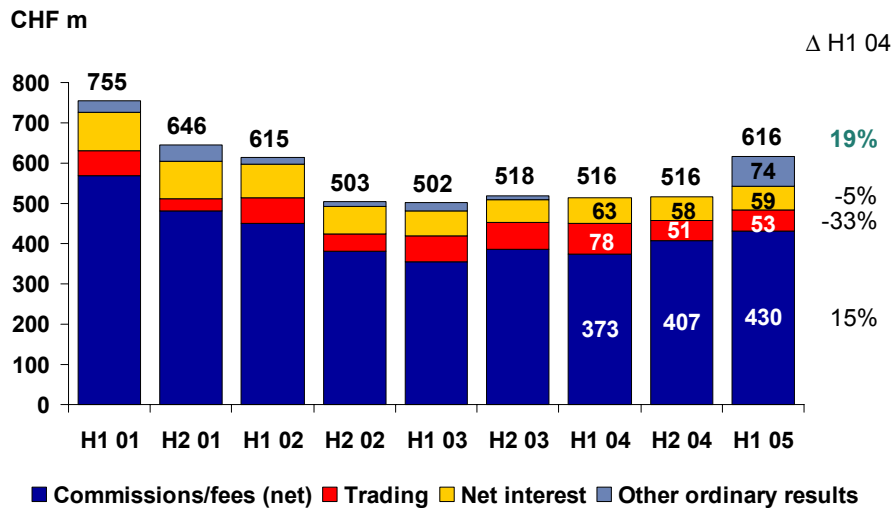
## Impact of Private Banking USA sale

CHF m	H1 2005 incl. PB USA	Effect PB USA	H1 2005 excl. PB USA
▪ Assets under management	150,722	-5,487	156,209
▪ Net operating income	616	58	558
▪ Operating expenses	462	29	433
▪ Net profit before taxes	154	29	125
▪ Net profit attributable to shareholders	130	26	104
▪ Net profit per share in CHF	2.59	0.52	2.07
▪ Cost/income ratio	71.3%	2.4%	73.7%
▪ Private Banking gross margin	96 bps	19 bps	77 bps
▪ Private Banking net margin	20 bps	10 bps	10 bps
➤ <i>without US business</i>			20 bps

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## Net operating income

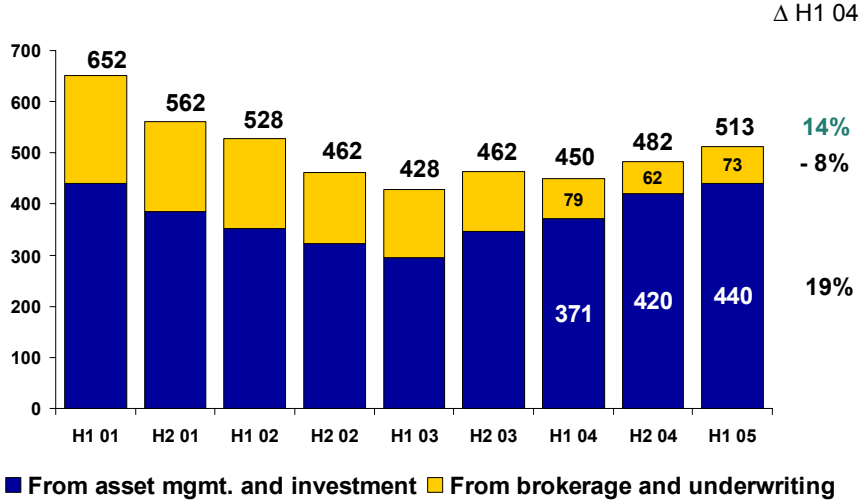


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## Commission income on securities and investment transactions

CHF m

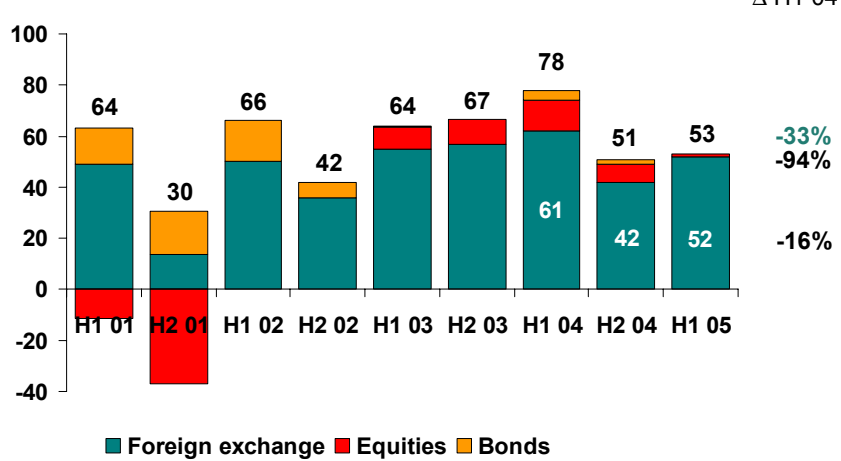


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## Results from trading operations

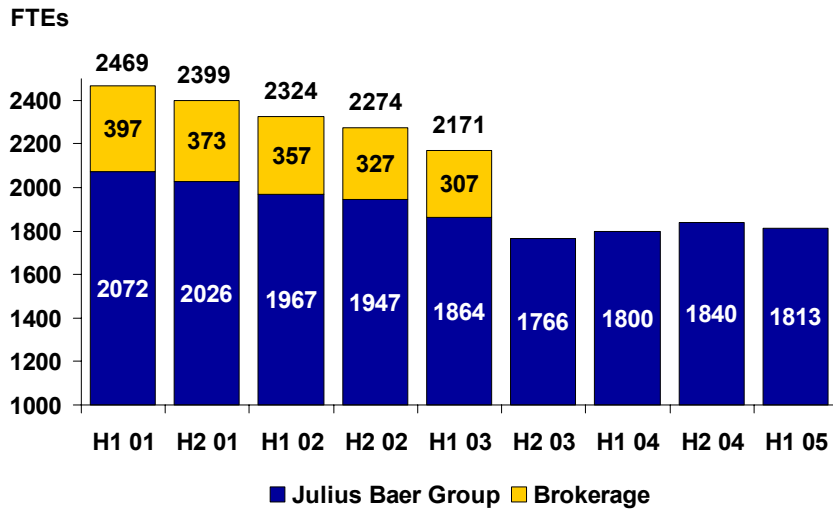
CHF m



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## Employees at end of period

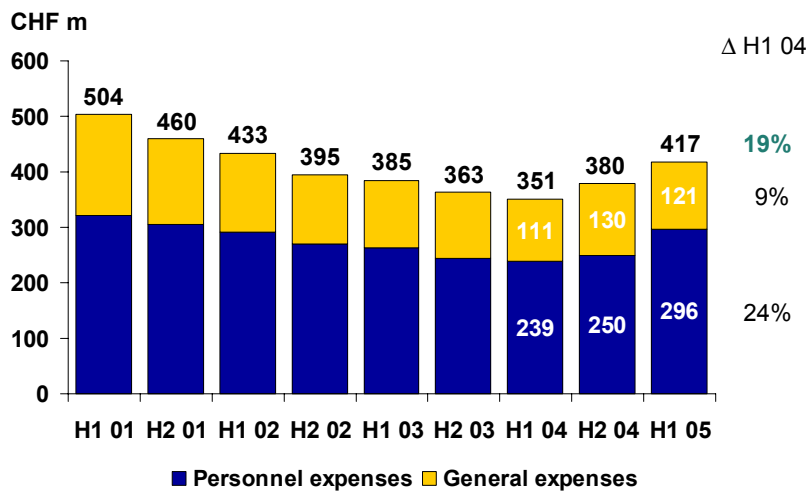


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## Operating expenses

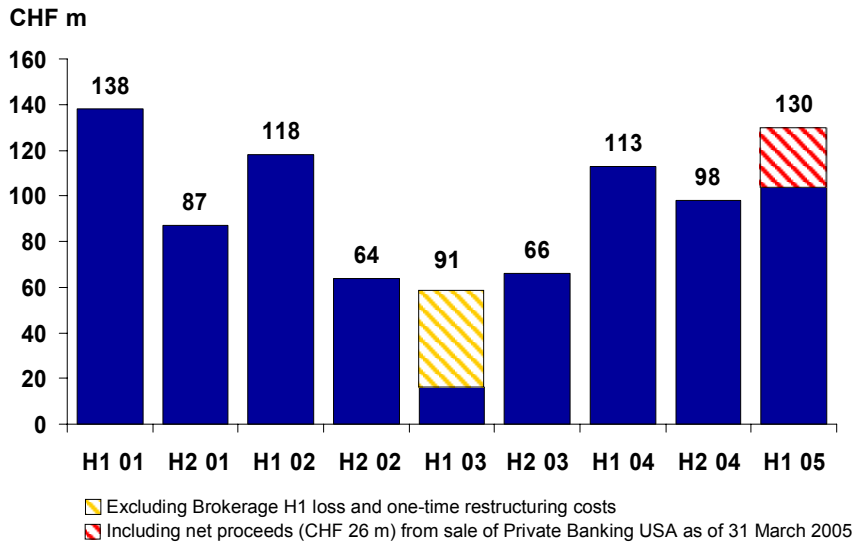
(excl. depreciation, write-offs, valuation adjustments & provisions)



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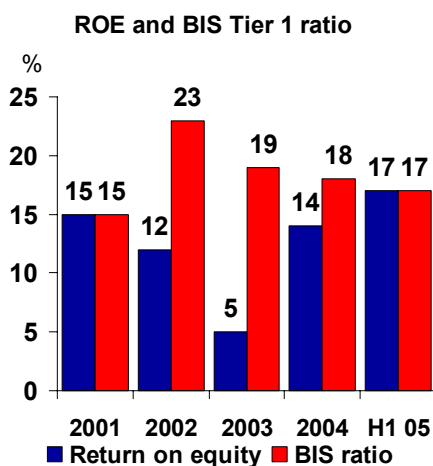
## Net profit attributable to shareholders



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## Profitability and capital management



### Solid financial footing

- Strong equity base: CHF 1.6 bn
- BIS Tier 1 ratio of 17.4%
- Minor impact of Basle II

### Share repurchase program

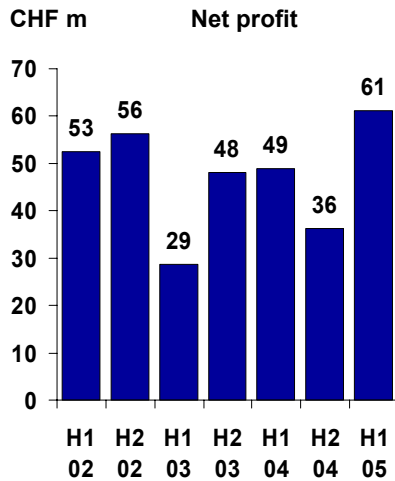
- 2005/2006 program authorizes up to CHF 90 m; CHF 27 m worth of shares repurchased by 30 June 2005

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## Private Banking

(incl. sale of Private Banking USA)



### AuM H1 05: CHF 60 bn (-2%)

- CHF -6.0 bn net new money
- CHF 4.9 bn market performance

### Business line results

- Income: CHF 290 m (+24%)
- Expenses: CHF 213 m (+27%)
- Net profit: CHF 61 m (+25%)

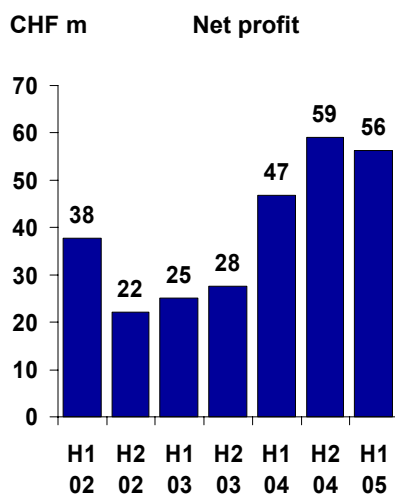
### Margins (excl. sale of PB USA)

- Gross margin from 76 to 77 bps
- Net margin from 16 to 10 bps
  - *without US business 20 bps*

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## Asset Management



### AuM H1 05: CHF 90 bn (+22%)

- CHF 9.0 bn net new money
- CHF 7.4 bn market performance

### Business line results

- Income: CHF 225 m (+41%)
- Expenses: CHF 151 m (+48%)
- Net profit: CHF 56 m (+20%)

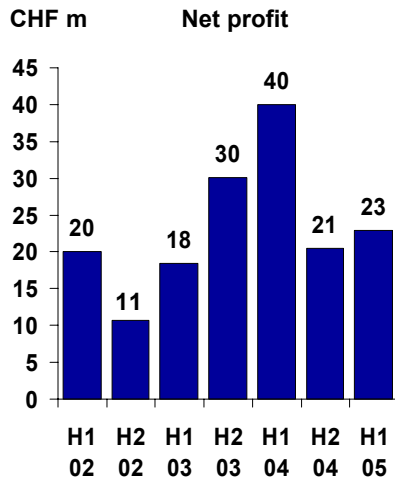
### Margins

- Gross margin from 53 to 55 bps
- Net margin from 16 to 14 bps

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## Trading & Sales



### Business line results

- Income: CHF 70 m (-22%)
- Expenses: CHF 43 m (+9%)
- Net profit: CHF 23 m (-43%)

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True to you.



## Appendix 1: Group P&L H1 2005

CHF m	H1 2005	H1 2004*	Change
Net interest income	59.3	62.7	-5%
Results from commission and service fee activities	430.1	373.3	+15%
Results from trading operations	52.5	78.1	-33%
Other ordinary results	73.9	1.9	-
<b>Net operating income</b>	<b>615.8</b>	<b>516.0</b>	<b>+19%</b>
Personnel expenses (incl. bonuses)	296.2	239.4	+24%
General expenses	121.3	111.4	+9%
Depreciation, write-offs, valuation adjustments and provisions	44.7	24.2	+85%
<b>Operating expenses</b>	<b>462.2</b>	<b>374.9</b>	<b>+23%</b>
<b>Net profit before taxes</b>	<b>153.6</b>	<b>141.1</b>	<b>+9%</b>
Taxes	24.4	29.7	-18%
<b>Net profit attributable to shareholders</b>	<b>130.1</b>	<b>112.7</b>	<b>+15%</b>

\* incl. IFRS accounting changes

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## Appendix 2: Business line overview H1 2005

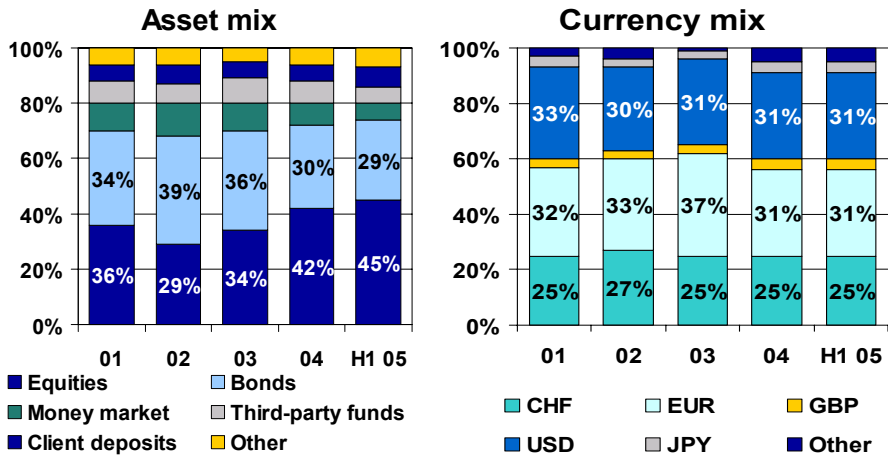
CHF m	* Private Banking	Asset Mgmt.	Trading & Sales	Corp. Center	Group total
Net operating income	290.3	225.2	69.9	30.4	615.8
Operating expenses	212.8	151.2	42.6	55.6	462.2
<b>Net profit before taxes</b>	<b>77.5</b>	<b>74.0</b>	<b>27.3</b>	<b>-25.2</b>	<b>153.6</b>
Taxes	17.3	17.8	4.4	-15.1	24.4
<b>Net profit</b>	<b>60.2</b>	<b>56.2</b>	<b>22.9</b>	<b>-10.1</b>	<b>129.2</b>
Minority interest	-0.9	-	-	-	-0.9
<b>Net profit attributable to shareholders</b>	<b>61.1</b>	<b>56.2</b>	<b>22.9</b>	<b>-10.1</b>	<b>130.1</b>
Assets under mgmt. (bn)	60.0	90.0	0.4	0.4	150.7
Number of staff members	462	362	151	838	1,813
Allocated staff from CC	362	123	72	-557	-

\* incl. sale of Private Banking USA

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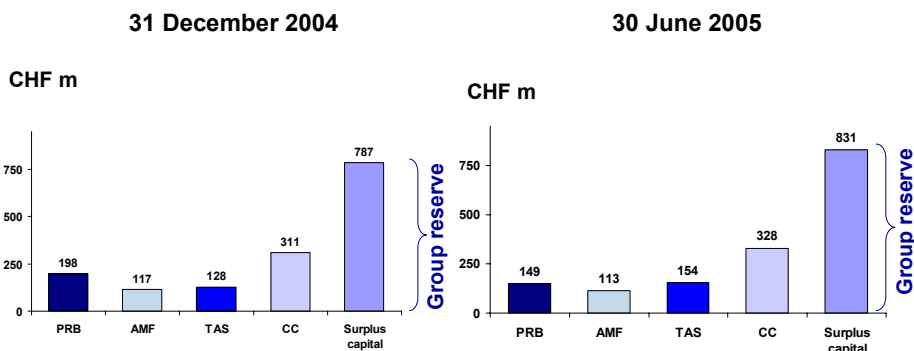
### Appendix 3: Assets under management



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### Appendix 4: Capital allocation by business line



Allocation = MAX (economic capital; BIS 8% capital required)

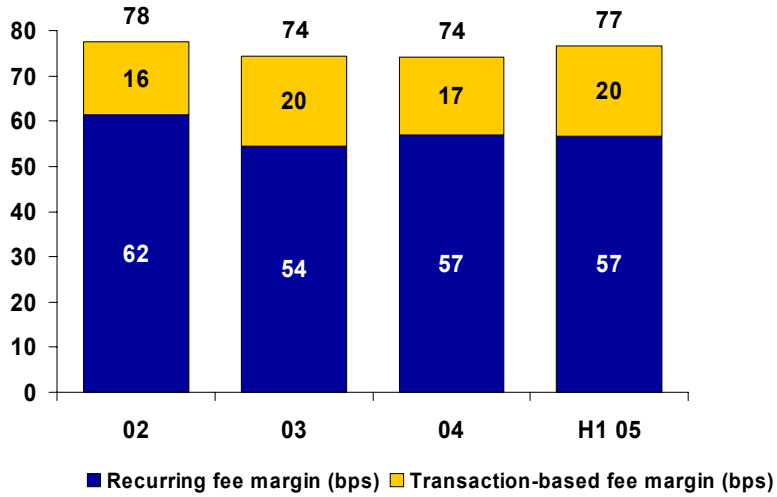
PRB: Private Banking AMF: Asset Management TAS: Trading & Sales CC: Corporate Center

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## Appendix 5: Private Banking gross margin

(excl. sale of PB USA)

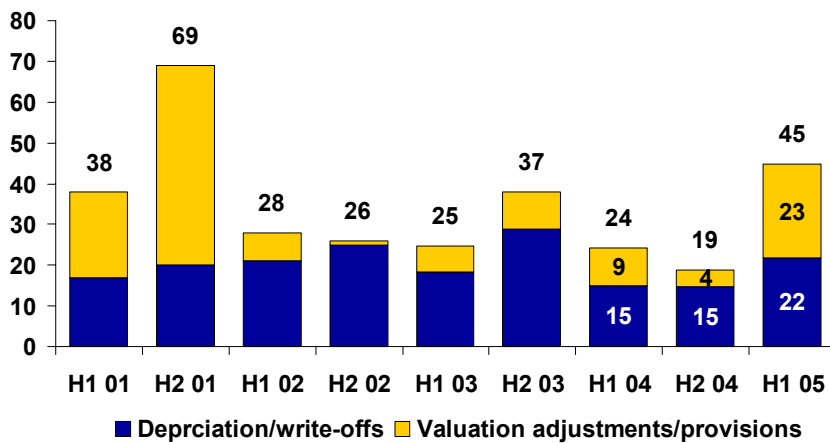


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## Appendix 6: Depreciation, write-offs, valuation adjustments and provisions

CHF m



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## Disclaimer

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