

Bern, 8 November 2018

## **Valiant reports increase in 9M net profit**

**The 2018 financial year continues to be a positive one for Valiant. Consolidated 9M net profit rose to CHF 85.2 million, up 1.6% year on year, while the interest margin expanded slightly, to 1.10%. The outlook remains positive: Valiant still expects net profit for the year to be in line with that of FY 2017.**

The bank's 9M results confirmed the positive trend recorded in H1. Net profit increased by 1.6% year on year to CHF 85.2 million.

### **Interest margin expanded**

Net interest income again proved to be extremely robust and was the main driver behind the growth in net profit. It rose 3.9% year on year to CHF 228.1 million, primarily due to the decline in interest expense. The increase in the interest margin, from 1.09% in the first half of the year to 1.10%, was a particularly welcome development. As a result, Valiant has already attained one of its key annual targets, winning the "fight for every basis point".

### **Solid increase in revenue**

Fee and commission income also increased, up 2.2% to CHF 45.6 million. Other operating income rose 64.5% to CHF 22.3 million following an extraordinary, previously announced dividend payment by Aduno Holding AG. This payment was offset by a CHF 9 million allocation to the reserves for general banking risks.

### **Costs under control**

Valiant continues to press ahead with its expansion strategy, opening new branch offices and recruiting additional advisors for private and SME clients. As a result, costs also increased, by 3.1% to CHF 172.2 million. The bank aims to ensure that costs rise at a slower pace than income. With operating income growing by 6.3% to CHF 304.4 million, it is performing well in this regard.

### **Profitable growth**

Volumes in the bank's core businesses of mortgages and SME loans grew by 1.3%. Client loans increased by a total of CHF 313.2 million, to CHF 23.8 billion, with mortgages up 1.7% to CHF 22.3 billion (+CHF 381.4 million). This level of growth is very satisfactory, given the bank's prudent lending policy and stable interest margin. Valiant continues to strive for profitable growth, with margin and quality as its main priorities.

The forecasts for FY 2018 are unchanged. Valiant still expects net profit for the year to be in line with that of FY 2017.

## Balance sheet data

	30/09/2018 in CHF millions	31/12/2017 in CHF millions	Change in %
Total assets	27,828	27,564	1.0
Client loans	23,834	23,521	1.3
- of which mortgages	22,293	21,912	1.7
Client deposits	18,376	18,723	-1.9
Headcount (FTEs)	877	873	+4 FTEs

## Income statement data

	30/09/2018 in CHF thousands	30/09/2017 in CHF thousands	Change in %
Net interest income before value adjustments for credit risk, and loan losses	228,066	219,577	3.9
Fee and commission income	45,550	44,576	2.2
Net trading income	8,505	8,616	-1.3
Other operating income	22,264	13,534	64.5
Operating income*	304,385	286,303	6.3
Operating expenses	172,240	167,126	3.1
Operating profit	113,055	104,235	8.5
Consolidated net profit (including minority interests)	85,189	83,809	1.6

\* Before adjustments for credit risk, and loan losses

Documents and information on the interim results at 30 September 2018 are available at:

[valiant.ch/results](http://valiant.ch/results)

## Contact for media

Marc Andrey, Head of Media Relations, +41 31 320 96 01, [medien@valiant.ch](mailto:medien@valiant.ch)

## Contact for analysts

Joachim Matha, Head of Investor Relations, +41 31 310 77 44, [ir@valiant.ch](mailto:ir@valiant.ch)

### About Valiant

Valiant is an independent retail and SME bank operating exclusively in Switzerland. It offers private clients and small and medium-sized businesses a comprehensive range of easy-to-understand products and services covering all financial needs. Valiant has a strong local presence, with 91 branch offices in the following 11 Swiss cantons: Aargau, Basel-Land, Basel-Stadt, Bern, Fribourg, Jura, Lucerne, Neuchâtel, Solothurn, Vaud and Zug. Through its innovative digital services, Valiant is also available to clients throughout Switzerland. Valiant has total assets of CHF 27.8 billion and around 1,000 employees.

## Valiant calendar

13 February 2019

2 May 2019

16 May 2019

FY 2018 results: media and analysts conference

Q1 2019 results

AGM of Valiant Holding AG in Lucerne