

**valiant**

**interim  
financial statements  
as at 31 march 2019**

# Consolidated financial statements

## Consolidated balance sheet

	31/03/2019 in CHF thousands	31/12/2018 in CHF thousands	Change in CHF thousands	Change as %
<b>Assets</b>				
Cash and cash equivalents	2,511,867	1,972,228	539,639	27.4
Due from banks	171,201	154,134	17,067	11.1
Due from customers	1,552,805	1,538,649	14,156	0.9
Mortgage loans	22,712,255	22,482,749	229,506	1.0
Trading portfolio assets	100	187	-87	-46.5
Positive replacement values of derivative financial instruments	2,967	8,316	-5,349	-64.3
Financial investments	789,757	830,932	-41,175	-5.0
Accrued income and prepaid expenses	21,707	19,920	1,787	9.0
Non-consolidated holdings	214,629	214,079	550	0.3
Tangible fixed assets	122,718	130,314	-7,596	-5.8
Intangible assets	1,452	1,621	-169	-10.4
Other assets	41,381	29,546	11,835	40.1
<b>Total assets</b>	<b>28,142,839</b>	<b>27,382,675</b>	<b>760,164</b>	<b>2.8</b>
Total subordinated claims	0	0	0	0.0
of which subject to mandatory conversion and/or conditional write-off	0	0	0	0.0
<b>Liabilities and equity</b>				
Due to banks	865,800	544,311	321,489	59.1
Customer deposits	18,220,259	18,100,855	119,404	0.7
Negative replacement values of derivative financial instruments	36,829	22,976	13,853	60.3
Medium-term notes	153,568	190,054	-36,486	-19.2
Bond issues and central mortgage institution loans	6,363,528	6,044,227	319,301	5.3
Accrued expenses and deferred income	104,903	127,669	-22,766	-17.8
Other liabilities	73,378	51,596	21,782	42.2
Provisions	30,883	34,306	-3,423	-10.0
Reserves for general banking risks	34,786	34,786	0	0.0
Share capital	7,896	7,896	0	0.0
Capital reserve	592,676	592,676	0	0.0
Retained earnings reserve <sup>1</sup>	1,631,323	1,510,995	120,328	8.0
Treasury shares	-1,221	0	-1,221	n/a
Consolidated net profit	28,231	120,328	-92,097	-76.5
<b>Total equity capital</b>	<b>2,293,691</b>	<b>2,266,681</b>	<b>27,010</b>	<b>1.2</b>
<b>Total liabilities and equity</b>	<b>28,142,839</b>	<b>27,382,675</b>	<b>760,164</b>	<b>2.8</b>
Total subordinated liabilities	0	0	0	0.0
of which subject to mandatory conversion and/or debt waiver	0	0	0	0.0

<sup>1</sup> Before distribution of balance sheet profit.

<b>Off-balance-sheet transactions</b>	<b>31/03/2019</b> in CHF thousands	<b>31/12/2018</b> in CHF thousands	<b>Change</b> in CHF thousands	<b>Change</b> as %
Contingent liabilities	210,706	225,306	-14,600	-6.5
Irrevocable commitments	746,155	752,783	-6,628	-0.9
Commitments relating to calls on shares and other equities	50,295	50,295	0	0.0
Credit commitments	0	0	0	0.0

# Consolidated income statement

	31/03/2019 in CHF thousands	31/03/2018 in CHF thousands	Change in CHF thousands	Change as %
<b>Interest income</b>				
Interest and discount income	85,706	88,657	-2,951	-3.3
Interest and dividend income from trading portfolios	0	0	0	0.0
Interest and dividend income from financial investments	5,377	5,922	-545	-9.2
Interest expense	-14,289	-19,626	5,337	-27.2
<b>Net interest income before value adjustments for credit risk, and loan losses</b>	<b>76,794</b>	<b>74,953</b>	<b>1,841</b>	<b>2.5</b>
Value adjustments for credit risk, and loan losses	-1,308	-1,190	-118	9.9
<b>Net interest income after value adjustments for credit risk, and loan losses</b>	<b>75,486</b>	<b>73,763</b>	<b>1,723</b>	<b>2.3</b>
<b>Fee and commission income</b>				
Commission income from securities trading and investment activities	9,775	10,198	-423	-4.1
Commission income from lending activities	898	1,056	-158	-15.0
Commission income from other services	7,837	7,191	646	9.0
Commission expense	-3,941	-3,334	-607	18.2
<b>Net fee and commission income</b>	<b>14,569</b>	<b>15,111</b>	<b>-542</b>	<b>-3.6</b>
<b>Net trading income and fair-value adjustments</b>	<b>3,150</b>	<b>2,849</b>	<b>301</b>	<b>10.6</b>
<b>Other operating income</b>				
Income from the disposal of financial investments	168	554	-386	-69.7
Income from holdings	550	553	-3	-0.5
of which holdings recognised using the equity method	550	553	-3	-0.5
of which other non-consolidated holdings	0	0	0	0.0
Net income on real estate	520	547	-27	-4.9
Other ordinary income	10	34	-24	-70.6
Other ordinary expenses	0	-15	15	-100.0
<b>Net other operating income</b>	<b>1,248</b>	<b>1,673</b>	<b>-425</b>	<b>-25.4</b>
<b>Total operating income<sup>1</sup></b>	<b>95,761</b>	<b>94,586</b>	<b>1,175</b>	<b>1.2</b>
<b>Operating expenses</b>				
Personnel expenses	-32,094	-30,942	-1,152	3.7
General and administrative expenses	-25,104	-26,051	947	-3.6
<b>Total operating expenses</b>	<b>-57,198</b>	<b>-56,993</b>	<b>-205</b>	<b>0.4</b>
Depreciation and amortisation of tangible fixed and intangible assets, and impairments on holdings	-5,733	-5,364	-369	6.9
Other provisions and losses	-110	-50	-60	120.0
<b>Operating profit</b>	<b>31,412</b>	<b>30,989</b>	<b>423</b>	<b>1.4</b>
<b>Net profit</b>				
Extraordinary income	4,378	1,801	2,577	143.1
Extraordinary expenses	0	0	0	0.0
Changes in reserves for general banking risks	0	0	0	0.0
Taxes	-7,559	-6,810	-749	11.0
<b>Consolidated net profit (including minority interests)</b>	<b>28,231</b>	<b>25,980</b>	<b>2,251</b>	<b>8.7</b>
Minority interests in consolidated net profit	0	27	-27	-100.0
<b>Consolidated net profit</b>	<b>28,231</b>	<b>25,953</b>	<b>2,278</b>	<b>8.8</b>

<sup>1</sup> Before value adjustments for credit risk, and loan losses.

## Consolidated statement of changes in equity

	Share capital in CHF thousands	Capital reserve in CHF thousands	Retained earnings reserve <sup>1</sup> in CHF thousands	Reserves for general banking risks in CHF thousands	Treasury shares in CHF thousands	Minority interests in CHF thousands	Profit for the period in CHF thousands	Total in CHF thousands
Equity at the beginning of the reporting period	7,896	592,676	1,510,995	34,786	0	0	120,328	2,266,681
Appropriation of previous year's net profit			120,328				-120,328	0
Acquisition of treasury shares					-1,221			-1,221
Consolidated net profit							28,231	28,231
<b>Equity at the end of the reporting period</b>	<b>7,896</b>	<b>592,676</b>	<b>1,631,323</b>	<b>34,786</b>	<b>-1,221</b>	<b>0</b>	<b>28,231</b>	<b>2,293,691</b>

<sup>1</sup> Before distribution of balance sheet profit.

# Condensed notes

## Changes to the principles of consolidation as well as any error corrections and their impact on the interim financial statements

There were no changes to the principles of consolidation or corrections of errors.

## Information on factors that influenced the economic position of the group during the current period or compared with the previous period

There were no material factors that influenced the group's financial situation during the reporting period or compared with the previous period.

## Material events after the date of the interim financial statements

Since the balance-sheet date, no extraordinary events have occurred that might have a material impact on Valiant's assets, financial position or income situation during the reporting period.

## Extraordinary income or extraordinary expenses

	31/03/2019 in CHF thousands	31/03/2018 in CHF thousands
<b>Extraordinary income</b>		
Gains from the sale of properties	4,378	1,801
<b>Total extraordinary income</b>	<b>4,378</b>	<b>1,801</b>
<b>Extraordinary expenses</b>		
<b>Total extraordinary expenses</b>	<b>0</b>	<b>0</b>