



INTERIM FINANCIAL RESULTS 2011

as of 30 June 2011

VALIANT

Valiant simplifies group structure and streamlines network of branches

Dear Shareholders,
Ladies and Gentlemen,

It is our pleasure to inform you first-hand concerning Valiant's 2011 half-year results.

Despite having to contend with an increasingly competitive environment, the Valiant group is able to show a Group profit of CHF 66 million, with a slight rise in client loans and funds.

We responded to the shifting market environment in a timely manner by initiating a cost efficiency improvement program: Valiant is simplifying its group structure and streamlining its network of branches. The plan of action provides for consolidating the four subsidiary banks – Valiant Bank, Valiant Private Bank, Spar + Leihkasse Steffisburg and Banque Romande Valiant – under the umbrella of Valiant Bank.

Our customers can rest assured that they can continue to rely on the excellent, professional service and discretion to which they have become accustomed.

Growth curbed due to risk considerations – increase in client funds

In view of the difficult economic climate abounding during the first six months, perceptible margin pressure and Valiant's resolute pursuit of its cautious risk policy, Valiant deliberately curbed the growth of client loans, which increased slightly to over CHF 21.3 billion (+0.7%). Client funds increased by 1% to ca CHF 17 billion, with net interest income amounting to CHF 153.4 million (-7.9%).

The decline in interest income could be offset in part by an increase in other ordinary income, which exhibited extraordinary growth due to the consolidation of equity for the first time and a higher dividend payment by RBA-Holding AG (+ CHF 8.1 million).

Commission and fee income showed a positive development of 3% (+ CHF 1.1 million), with net trading income also increasing by 9.4%.

The group profit amounts to CHF 66 million, slightly below the 2010 figure for the same period, owing to the current difficult climate as compared to last year.

As already announced at the annual general meeting, Valiant Holding AG has been able to continuously reduce the shares from its treasury holdings during the past couple of months thanks to increasing demand. Valiant's treasury holdings of 720,434 shares as of 31 December 2010 had been reduced to 145,350 as of 30 June 2011, or 0.92% of the bank's share capital, going hand in hand with an increase in the bank's unencumbered assets.

Change in client needs

Following from an analysis of its branch network, the Board of Directors decided to close a total of ten small, primarily transaction-oriented branches as of the end of November 2011, since other Valiant branches are located in their immediate vicinity, to wit the Bümpliz, Kirchenfeld, Lenk, Lützelflüh, Menziken, Muhen, Rain, Steinhölzli, Teufenthal and Trub branches.

The reason for this was a perceptible shift toward online banking and an associated drop in clients personally frequenting these branches. The staff of these branches will continue to be employed within Valiant, and hence their closure will not impact the size of Valiant's overall workforce.

By consolidating the four subsidiaries we are simplifying our presence and in so doing strengthening the Valiant brand. Streamlining structures also enables management to be simplified and costs to be cut as well.

Personal, individual client advice and service will continue to take front and center stage in the future. We will expand our range of advisory services and are still also able to visit our customers in the comfort of their own homes if they so desire.

Outlook

Valiant will continue to work on enhancing its cost management effectiveness, and this will be reflected in an improved earnings situation in the medium term. The pay-off of the taken cost efficiency enhancement measures will be reflected in Valiant's bottom line starting next year. In light of the decidedly volatile environment, the current outlook is characterized by uncertainty. From the point of view of today, and assuming the market climate remains unchanged, Valiant is continuing to reckon with an annual showing in line with that of 2010.

On behalf of the Board of Directors and the Executive Board, we would like to thank you for the confidence and trust you have placed in Valiant.

Yours sincerely
Valiant Holding AG



Kurt Streit
Chairman of the Board of Directors



Michael Hobmeier
CEO

Lucerne, 19 August 2011

CONSOLIDATED BALANCE SHEET

	30.06.2011 in CHF 1000	31.12.2010 in CHF 1000
Assets		
Cash	533 097	453 599
Money market instruments	3 364	21 508
Due from banks	918 977	1 038 892
Due from customers	2 467 157	2 332 025
Mortgages	18 786 550	18 777 529
Securities and precious metals trading portfolio	831	478
Financial investments	1 414 914	1 341 290
Non-consolidated participations	161 037	62 880
Fixed assets	202 103	199 682
Intangible assets	47 914	50 272
Accrued income and prepaid expenses	59 025	34 949
Other assets	62 942	80 398
Total assets	24 657 911	24 393 502
Total subordinated claims	4 666	12 766
Total due from non-consolidated participating interests	241 470	484 613
Liabilities		
Money market liabilities	530	1
Due to banks	243 047	258 285
Due to customers, in the form of savings or deposits	12 141 831	12 042 253
Due to customers, other	3 942 718	3 822 970
Cash bonds	909 856	961 385
Debentures and mortgage bond loans	5 262 228	5 299 430
Accrued expenses and deferred income	121 857	121 814
Other liabilities	89 280	104 159
Valuation adjustments and provisions	158 384	161 512
Reserves for general banking risks	15 500	20 500
Share capital	7 896	7 896
Capital reserve	695 986	646 377
Profit reserve	1 029 687	957 700
Own shares	-26 855	-133 303
Group profit	65 966	122 523
Total liabilities	24 657 911	24 393 502
Total subordinated debt	0	0
Total liabilities due to non-consolidated participating interests	32 314	25 944

CONSOLIDATED INCOME STATEMENT

	30.06.2011 in CHF 1000	30.06.2010 in CHF 1000
Net interest income		
Interest and discount income	270 996	284 323
Interest and dividends from trading portfolios	7	5
Interest and dividends from financial investments	16 234	18 752
Interest expense	-133 854	-136 601
<i>Subtotal net interest income</i>	<i>153 383</i>	<i>166 479</i>
Net commission and fee income		
Commission income from credit-granting business	630	505
Commission income from security trading and investment activities	31 292	30 383
Commission income from other services	11 230	11 196
Commission expense	-7 017	-7 008
<i>Subtotal net commission and fee income</i>	<i>36 135</i>	<i>35 076</i>
Net trading income		
<i>Subtotal net income from trading operations</i>	<i>7 738</i>	<i>7 074</i>
Other ordinary income		
Income from sale of financial investments	1 255	1 036
Income from participating interests	8 571	1 349
Income from real estate	1 132	1 192
Other ordinary income	902	708
Other ordinary expense	-1 664	-2 218
<i>Subtotal other ordinary income</i>	<i>10 196</i>	<i>2 067</i>
Operating expenses		
Personnel expenses	-66 933	-66 841
Other operating expenses	-50 336	-43 785
<i>Subtotal operating expenses</i>	<i>-117 269</i>	<i>-110 626</i>
Gross profit	90 183	100 070
Group profit		
Gross profit	90 183	100 070
Depreciation of capital assets	-14 413	-10 815
Valuation adjustments, provisions and losses	-435	-462
Result before extraordinary items and taxes	75 335	88 793
Extraordinary income	7 772	1 055
Extraordinary expenses	-173	-71
Taxes	-16 968	-19 751
Group profit	65 966	70 026

VALIANT

Valiant Holding AG
6003 Lucerne

Valiant Holding AG
Investor Relations
General Secretariat
Laupenstrasse 7
P.O. Box
3001 Berne

Telephone 031 310 71 11
Telefax 031 310 71 12
www.valiant.ch
ir@valiant.ch

The present text is a translation
of the original German Interim
Financial Results 2011 («Zwischen-
abschluss 2011»), which constitutes
the definitive text and is binding
in law.

