

The PKB Group continues its growth

Total revenues of more than CHF 128 million in 2014, net profit of CHF 26 million. Tier 1 ratio of 21.39%

For the PKB group, 2014 was a year marked by sharp growth in nearly all income statement and balance sheet items, mainly thanks to the increase in business volumes generated by the acquisition of the Lugano branch of LLB.

Net revenues totalled CHF 128.148 million, an increase of CHF 27.83 million (+27.75%) on the previous year. Interest income, which came to CHF 20.41 million (up 53.45% compared with 2013), and commission income, which rose by 23.35% to CHF 89.51 million, both performed particularly well. The result from trading operations came in at CHF 15.29 million, an increase of 16.19%.

These results were sustained by sharp growth in volumes: assets under management grew to CHF 10.995 billion (+26.71% compared with figures at end-2013), while loans practically doubled to CHF 1.369 billion, of which CHF 637.83 million were mortgages. *"The acquisition of LLB, Lugano," explained the CEO of PKB Umberto Trabaldo Togna, "enabled us on the one hand to significantly increase penetration of the domestic Ticino market, and on the other boosted our loans portfolio, particularly as regards mortgages."*

In addition to growth in Switzerland, the results of the foreign affiliates were also positive, particularly in the Latin America region, where the Group has a bank in Panama.

Naturally, costs also rose, amounting to CHF 79.448 million in 2014, an increase of 24.30% compared with the previous year. At the end of 2014, the PKB Group employed 284 people, of which 248 were in Switzerland.

Consolidated net profit came in at CHF 26.028 million, compared with CHF 19.458 million in 2013 (+33.76%). *"We are pleased with these results", commented Umberto Trabaldo Togna, "which were achieved on the back of the efforts made in the last few years in terms of shareholder investment, and the commitment shown by the management and staff. They will not however divert us in our determination to continue along the path of growth, and adapt to the new regulatory environment and changing client demands affecting our Group".*

Parent company PKB Privatbank SA also put in a good performance: operating revenues rose by 25.99% in 2014 to CHF 118.35 million, pre-tax profit advanced by 32.95% to CHF 44.61 million, while net profit increased by 34.71% to CHF 22.24 million.

At the end of 2014, Group shareholders' equity stood at CHF 330 million, while the Tier 1 ratio was 21.39%.

PKB Privatbank SA specialises in private banking. It operates from five Swiss offices, in Lugano (headquarters), Bellinzona, Geneva, Lausanne and Zurich, as well as from its affiliates PKB Privatbank Ltd (St. John's, Antigua) and PKB Banca Privada (Panama). The PKB Group, including Cassa Lombarda in which the Group holds 33.93%, manages assets of approximately CHF 16.5 billion. At the end of 2014, PKB's tier 1 capital ratio was approximately 22%, while the ratio between eligible regulatory capital and the minimum capital required under Swiss law was around 200%.

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