

Cornèr Bank Ltd.
Lugano Head Office

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Cornèr Bank Group again confirms its strength

The 63rd Annual Report from Cornèr Bank Group is evidence of the fundamental strength of the company and the soundness of its asset position. Income rose by 2.6% to over 380 million francs, despite highly adverse conditions for the Swiss banking sector. On the other hand, the important IT development projects currently under way and an increase in staff have driven costs upwards. Net profit is down from 59.1 to 50.7 million francs, while equity has strengthened further (+2.6% to 931.9 million francs).

The instability of the global economy and financial markets continues to be closely monitored from within a banking sector additionally burdened by a regulatory system that repeatedly envisages general changes and that, for a number of years, has compelled Swiss banks to make far-reaching adjustments.

In 2014, the Swiss economy grew moderately, outperforming the member states of the European Union. Cornèr Bank Group continued to reap the benefits of a prudent management policy and to increase its development targets. Both client numbers and business volumes have risen across all divisions – Loans, Private Banking, Markets, CornèrTrader and Cornèrcard. Cornèrcard was licensed in 2014 to issue Diners Club cards, thus adding a third brand to its payment card portfolio.

The broad diversity of products and services offered is a special feature of Cornèr Bank Group and contributed to the generally positive trend in terms of results. Commission income rose by 6% to around 180 million francs. Trading income also increased, by 8.4% to 75.2 million francs, boosted by the gratifying performance and emerging opportunities on the equity markets. By contrast, interest income fell 2% to 126.9 million francs due to the steady decline of interest rates.

As a result of further investments in the IT business development projects, Group staffing rose to the considerable number of 1,031 employees (+65 on 2013), 80% of whom work in Ticino.

The positive progress made in the year under review is also reflected in a further increase in our balance sheet total. This grew by 8% to a record 6.5 billion francs, boosted by the significant increase in client loans (about 3 billion francs). Deposits also rose by more than 9%, to 4.6 billion francs.

Our Bank's creditworthiness and stability were again confirmed by the trade journal *The Banker*. Its July 2014 edition featured Cornèr Bank Group – with Group equity of more than 900 million francs and a Tier 1 coefficient of 26% – as one of the three best capitalised banks in Switzerland for the third year in a row.

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Cornèr Bank Group

Founded in Lugano in 1952, Cornèr Bank Group is an independent Swiss private bank group operating on the national market as a full-service bank. Lugano is Switzerland's third-largest banking centre, after Zurich and Geneva.

Active across the whole range of traditional banking services, Cornèr Bank Group specialises in the Private Banking sector, as well as in the areas of lending, Visa, MasterCard and Diners Club payment cards (Cornèrcard) and online trading (CornèrTrader) – the core businesses on which the growth of Cornèr Bank Group is based.

The decision to keep the Head Office and Executive Board situated in Lugano reflects the Bank's strong link with the local economy. Over the years, Cornèr Bank has opened offices in other leading Swiss financial centres and launched a vital process of internationalisation. The specific aim is to diversify and extend the Bank's own range of products and services to keep pace with increasing market globalisation and a more cosmopolitan clientele.

Cornèr Bank Group consists of the Lugano-based **parent bank** Cornèr Bank Ltd., the four Swiss **branches** in Chiasso, Geneva, Locarno and Zurich, the **affiliated** Cornèr Banque (Luxembourg) SA, Cornèr Bank (Overseas) Limited, of Nassau and BonusCard.ch Ltd.