

Investor Presentation 2009

Basler Kantonalbank



Our aim is the sustainable and permanent communication with investors and analysts.



**Basler
Kantonalbank**
fair banking



Key Figures for BKB Group

(as at 30.06.2009)

| in CHF m | 30.06.2009 |
|----------------|------------|
| Total assets | 32'507 |
| Customer money | 21'399 |
| Mortgage debts | 19'174 |
| Gross profit | 220.4* |

* adjusted (excluding IT migration)

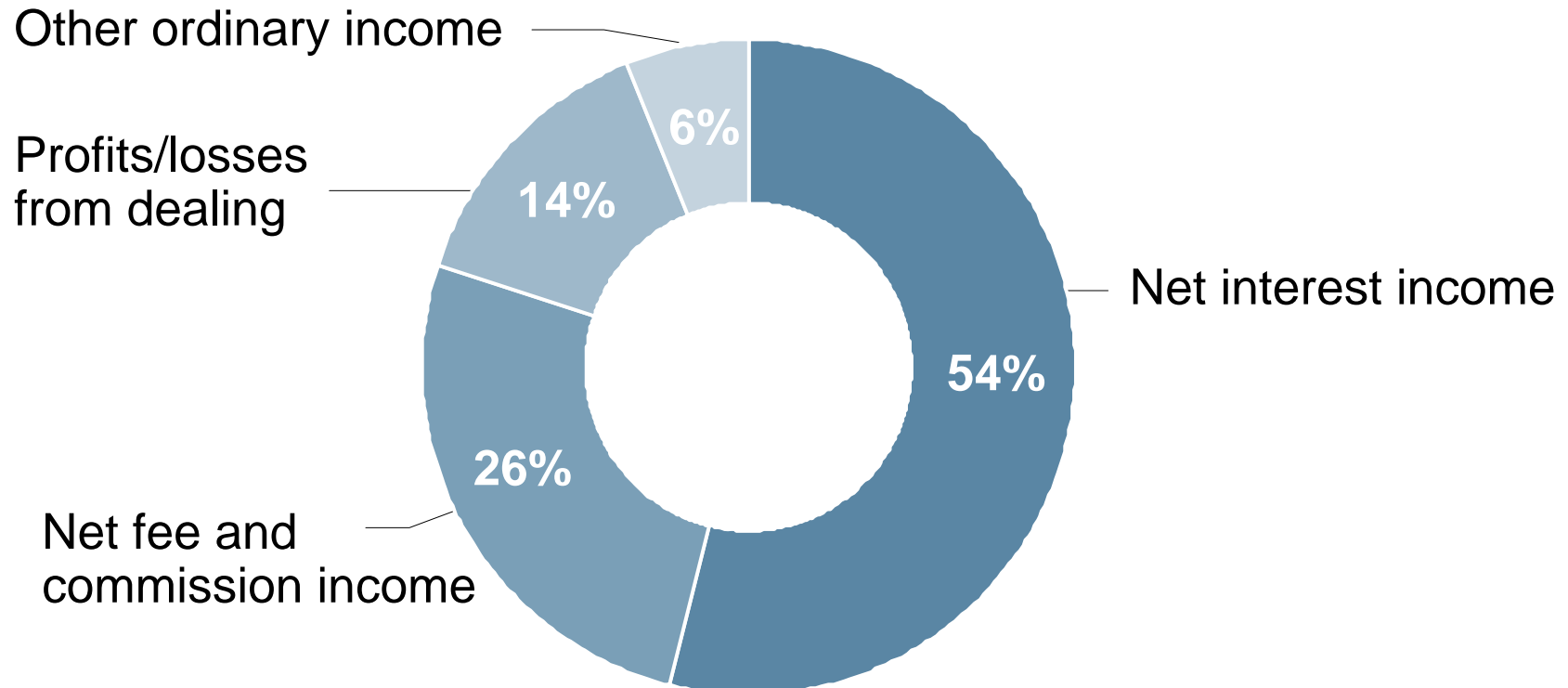
Key Figures for BKB parent company and Bank Coop (as at 31.12.2008)

| |  Basler Kantonalbank fair banking |  fair banking bank coop |
|----------------------|---|--|
| Gross profit: | 251.7 Mio. CHF | 112.9 Mio. CHF |
| Total assets: | 19.4 Mrd. CHF | 13.3 Mrd. CHF |
| Customer assets: | 25.7 Mrd. CHF | 15.0 Mrd. CHF |
| Number of customers: | 200'605 | 273'985 |
| Cost-income ratio: | 41.9% | 56.9% |

BKB parent company

Analysis of the gross operating profit

Operating income 433 Mio.



Segment information as at 31.12.2008

(in CHF m)

| | Retail Banking | Private Banking | Commercial Banking | Trading Department | Corporate Center | Total |
|--|-------------------|--------------------|-----------------------|-----------------------|---------------------|---------------|
| Net interest income | 194,0 | 73,8 | 96,9 | 7,0 | 39,4 | 411,0 |
| Net fee and commission income | 55,5 | 95,9 | 6,5 | 7,6 | 14,8 | 180,3 |
| Profits/losses from dealing | 11,9 | 11,5 | 2,5 | 47,5 | -6,0 | 67,4 |
| Other ordinary income | 0,3 | 0,1 | 0,0 | - | 6,7 | 7,2 |
| Operating income | 261,7 | 181,3 | 105,9 | 62,1 | 54,9 | 665,9 |
| Personnel expense | -40,3 | -24,2 | -10,4 | -13,9 | -122,8 | -211,6 |
| General administrative expense | -11,0 | -6,0 | -1,7 | -7,2 | -111,0 | -136,8 |
| Internal cost allocation | -53,0 | -23,7 | -8,5 | -3,1 | 88,3 | - |
| Operating expense | -104,3 | -53,9 | -20,6 | -24,2 | -145,5 | -348,4 |
| Gross operating profit | 157,4 | 127,4 | 85,3 | 37,9 | -90,6 | 317,5 |
| Depreciation, write-offs on fixed assets | - | - | - | - | -56,7 | -56,7 |
| Value adjustments, provisions and losses | -12,1 | -0,4 | -6,6 | -26,6 | -5,2 | -37,8 |
| Operating results (pre-tax) | 145,3 | 127,0 | 91,9 | 11,3 | -152,5 | 223,0 |
| Guarantor settlement | | | | | | -32,3 |
| Interim results | | | | | | 190,7 |
| Extraordinary income | | | | | | 2,8 |
| Extraordinary expenses | | | | | | -0,8 |
| Taxes | | | | | | -19,9 |
| Net profit | | | | | | 172,8 |

Income statement for 2008 Basler Kantonalbank parent company as at 31.12.2008

| CHF 1000 | 2007 | 2008 | +/- in % |
|--------------------------------|-----------------|-----------------|---------------|
| Net interest income | 225,256 | 233,636 | 3.7% |
| Net fee and commission income | 136'537 | 112,256 | -17.8% |
| Profits/losses from dealing | 60'980 | 60,485 | -0.8% |
| Other ordinary income | 53'259 | 26,767 | -49.7% |
| Operation income | 476'031 | 433,144 | -9.0% |
| Personnel expense | -107'082 | -114,925 | 7.3% |
| General administrative expense | -65'555 | -66,499 | 1.4% |
| Total operating expense | -172'637 | -181,424 | 5.1% |
| GROSS OPERATING PROFIT | 303'394 | 251,720 | -17.0% |

Income statement for 2008 Basler Kantonalbank parent company as at 31.12.2008

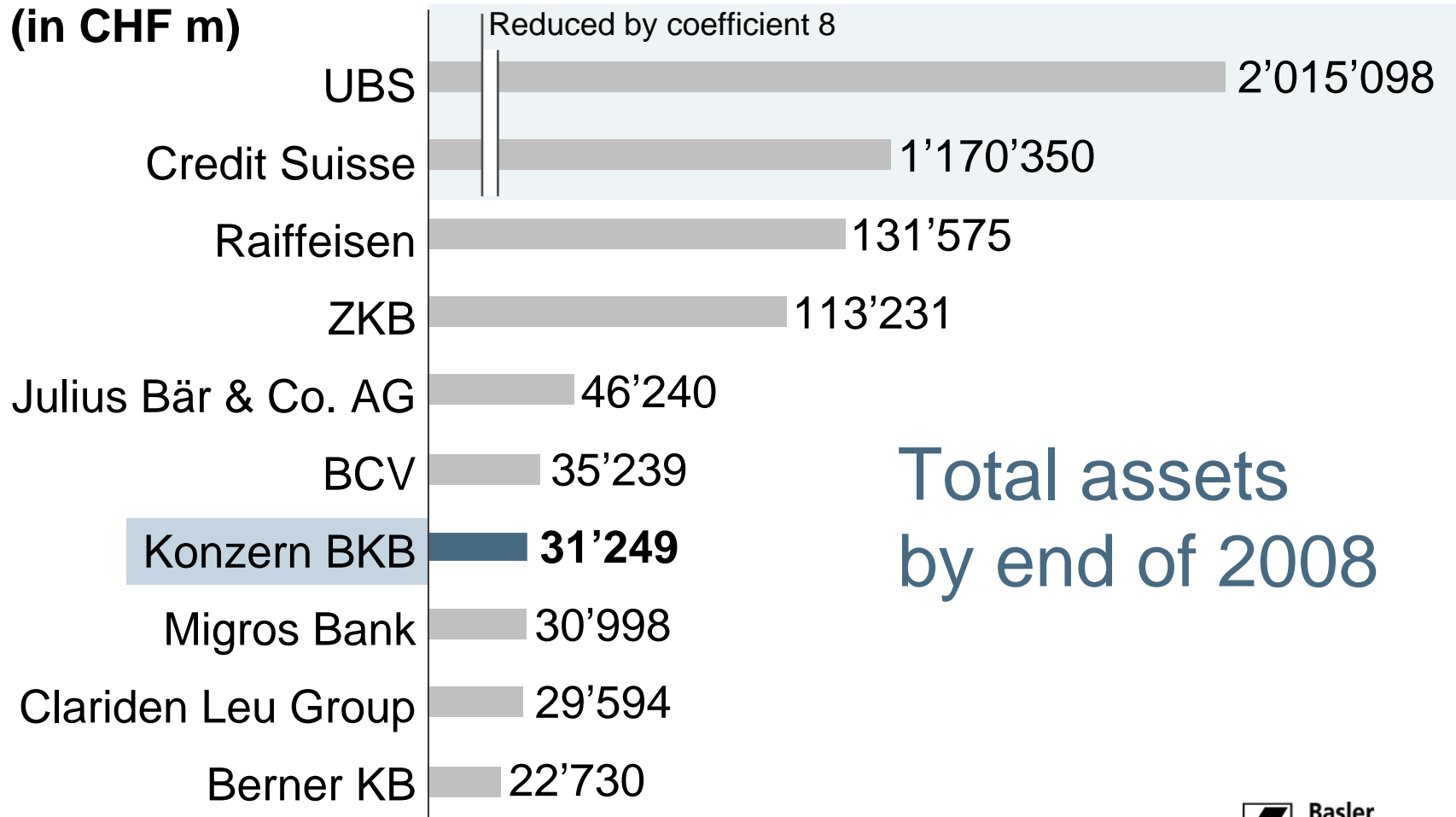
| CHF 1000 | 2007 | 2008 | +/- % |
|---|----------------|----------------|---------------|
| GROSS OPERATING PROFIT | 303'394 | 251,720 | -17.0% |
| Depreciations, write-offs on fixed assets | -25'660 | -46,722 | 82.1% |
| Value adjustments, provisions, losses | -12'281 | -18,781 | -52.9% |
| Operating results | 265'453 | 186,217 | -29.8% |
| Guarantor settlement | -44'645 | -32,363 | -27.5% |
| Interim results | 220'807 | 153,854 | -30.3% |
| Extraordinary income | 835 | 1'887 | 126.0% |
| Extraordinary expense | -488 | 0 | -100.0% |
| Provisions IT | -30'000 | -30'000 | 0.0% |
| Alloc. to reserves for general bank risks | -102'500 | -47'500 | -54.1% |
| Taxes | -3'148 | -872 | -72.3% |
| NET PROFIT | 85'507 | 77,869 | -8.9% |

BKB parent company New Customers 2008

| | |
|---------------|---------------------------|
| New customers | + 18'717 customers |
| Net New Money | 2.0 Mrd. CHF |

BKB Group: 7th Largest Swiss Bank Group (excluding foreign banks)

(in CHF m)

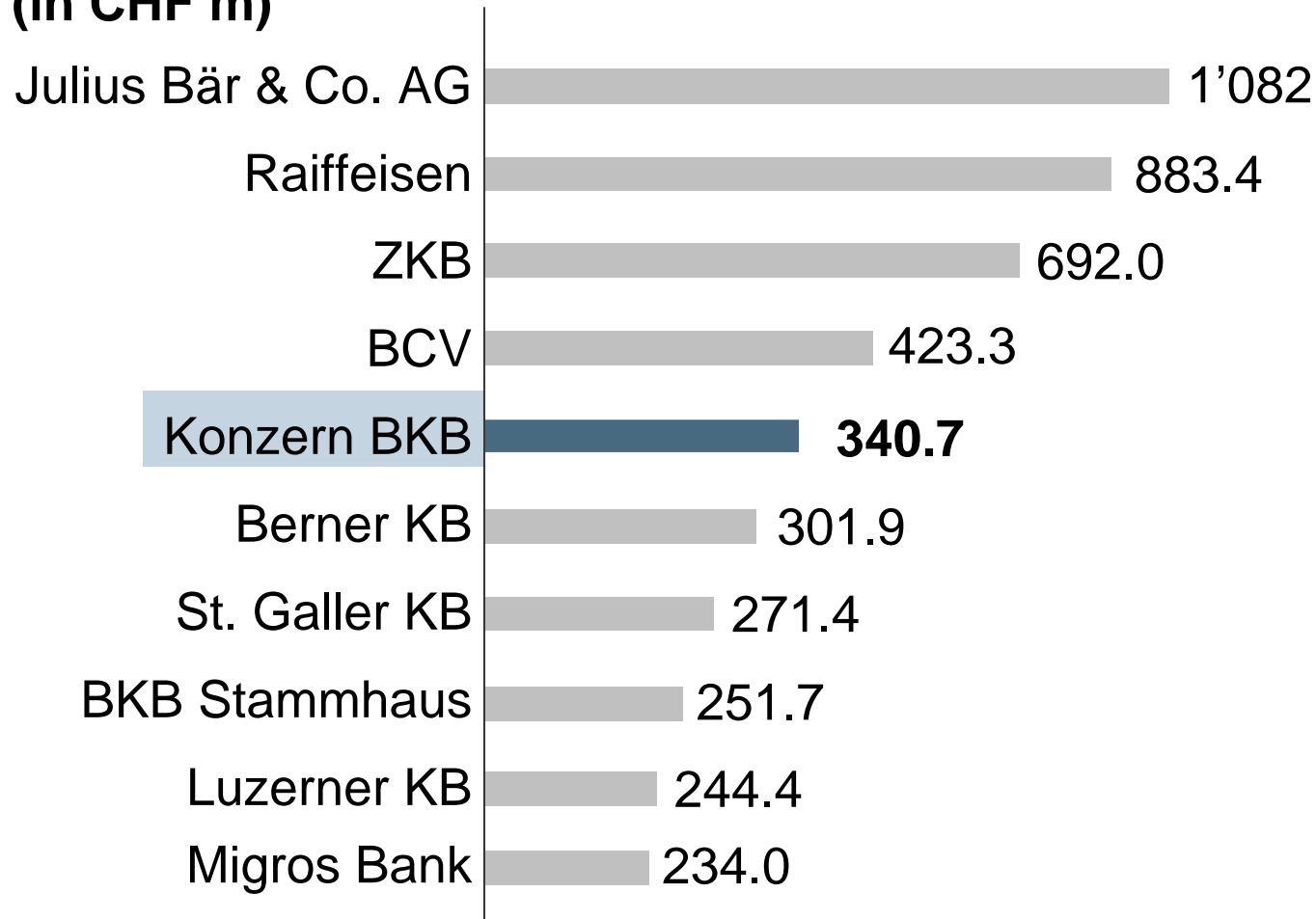


Total assets
by end of 2008

Swiss Bank Groups by Gross Profit

as at 31.12.2008

(in CHF m)



The 100 Top Value Creators in 2008

| Rank | | Wertschöpfung |
|------------|----------------------------|-----------------|
| 1. | Novartis | 22 055 Mio. |
| 2. | Roche | 11 503 Mio. |
| 3. | Nestlé | 5 691 Mio. |
| 4. | Actelion | 3 561 Mio. |
| ⋮ | | |
| 13. | PSP Swiss Property | 608 Mio. |
| 14. | Berner Kantonalbank | 524 Mio. |
| 15. | Basler Kantonalbank | 491 Mio. |
| ⋮ | | |

Source: **BILANZ**
Das Schweizer Wirtschaftsmagazin

Market capitalization

| Rank | | Market value in CHF bn * |
|------|-----------------------------|-----------------------------|
| 1. | Credit Suisse Group | 50,89 |
| 2. | UBS | 44,08 |
| 3. | Julius Bär | 8,97 |
| 4. | Basler Kantonalbank | 3,34 |
| 5. | Banque Cantonale Vaudoise | 3,32 |
| 6. | Valiant | 3,16 |
| 7. | Partners Group | 2,60 |
| 8. | Banque Privée E. Rothschild | 2,58 |
| 9. | Graubündner Kantonalbank | 2,58 |
| ⋮ | | |

Source: FuW-Aktienführer online

* 18.5.2009

BKB Group: Vision / Aims and Lines of Attack

By the end of 2010 the BKB Group will be among the

- **largest** (ranked 6th – 8th in terms of total assets),
- **most profitable** (ranked 7th in terms of gross operating profit) and
- **most efficient** (Cost-Income-Ratio < 45%)

banking groups in Switzerland.



Positioning of Basler Kantonalbank

- A rather atypical cantonal bank with strong income diversification (geographical constraints)
- Need to stand out from other cantonal banks and banks with regard to:
 - Top-quality professional banking
 - Countrywide activities and presence
 - Dynamism, efficiency

In sum

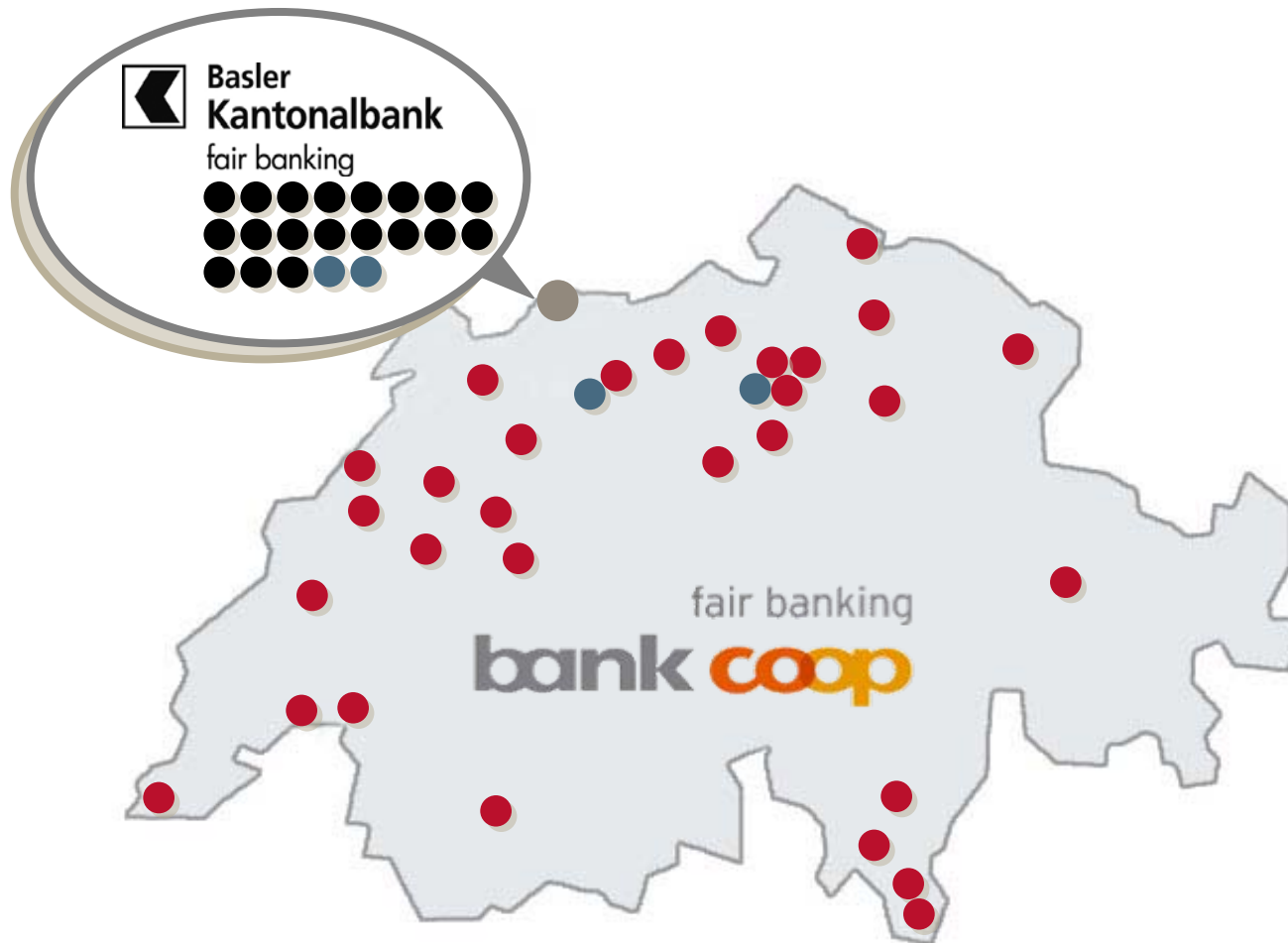
Sharpen our profile

BKB Group: Vision / Aims and Lines of Attack

2. Lines of Attack

Both banks are positioned in such a way that **instead of competing** with one another, they **help each other** develop and grow in the Swiss market (with the exception of Basel City).

BKB Group locations



Risk situation

Value-at-risk in the trading portfolio for the various risk categories for groups and individual institutions

Holding period 1 year, 99% confidence interval, in CHF, as at 31.12.2008










| | Group | Parent company | Bank Coop |
|----------------------|------------|----------------|-----------|
| VaR-trading book | 70'266'491 | 70'348'748 | 6'143'578 |
| - VaR-currencies | 2'391'319 | 2'097'959 | 7'410'800 |
| - VaR-interest rates | 67'232'079 | 67'169'202 | 0 |
| - VaR-equities | 6'973'454 | 5'543'349 | 2'542'763 |
| - VaR-commodities | 38'444 | - | 38'444 |

Interest-rate sensitivity of the balance-sheet structure portfolio

in CHF per point increase

| | Group 31.12.2008 | Group 31.12.2007 |
|--|---------------------|---------------------|
| Fixed-interest positions | -2'201'010 | -1'897'530 |
| Variable positions and sight deposits | +1'055'240 | +861'619 |
| Investment of share capital and reserves | +1'163'534 | +1'082'023 |
| Total sensitivity | +17'764 | +46'112 |

Growth strategy

| Segment | Market Territory | Clients | Income |
|--|------------------|---|---|
|  | | | |
| Private Clients, SMEs | NWCH | |  |
| Private Banking | CH, D |  |  |
| Firms, Institutionals, Banks | CH |  |  |
|  | | | |
| Private Clients, SMEs | CH |  |  |

Migration of BKB Group to Avaloq

- Shared IT Platform “Avaloq” in the BKB Group
- Increased efficiency for both banks
- Enables offering of complex investment solutions
- Further potential synergism in the processing area

Basler Kantonalbank: Migration in October 2009

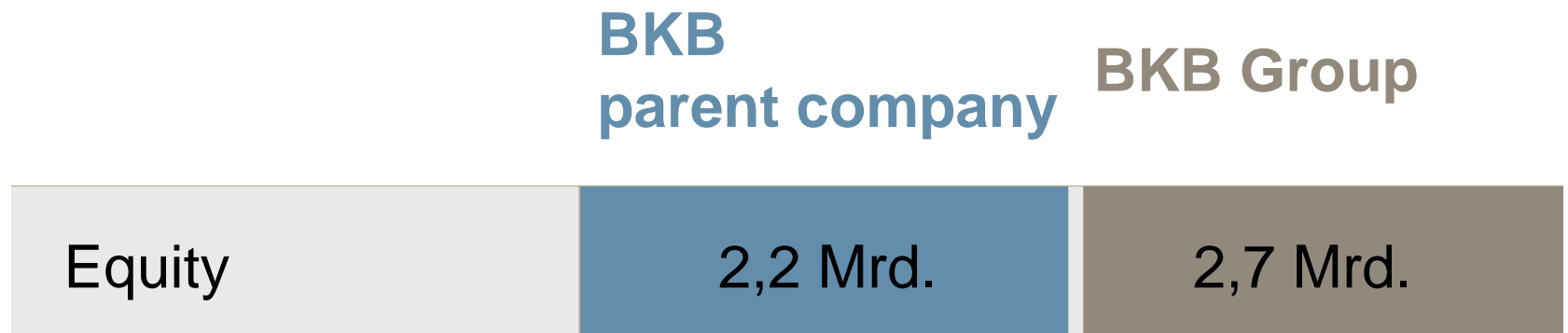
Bank Coop: Migration at the end of 2010

BKB-PS Key Figures

| | 30.06.2009 |
|--|------------|
| Market capitalization in CHF m | 3'439 |
| Key Figures per Participation Certificate | |
| Market price as at 30.06.2009 (in CHF) | 115.00 |
| Return on dividends | 2.61% |
| Pay-out-ratio | 20.8% |
| Price-earnings-ratio | 15.17 |
| Price-book-ratio | 1.50 |

Strong capital position

(as at 31.12.2008)



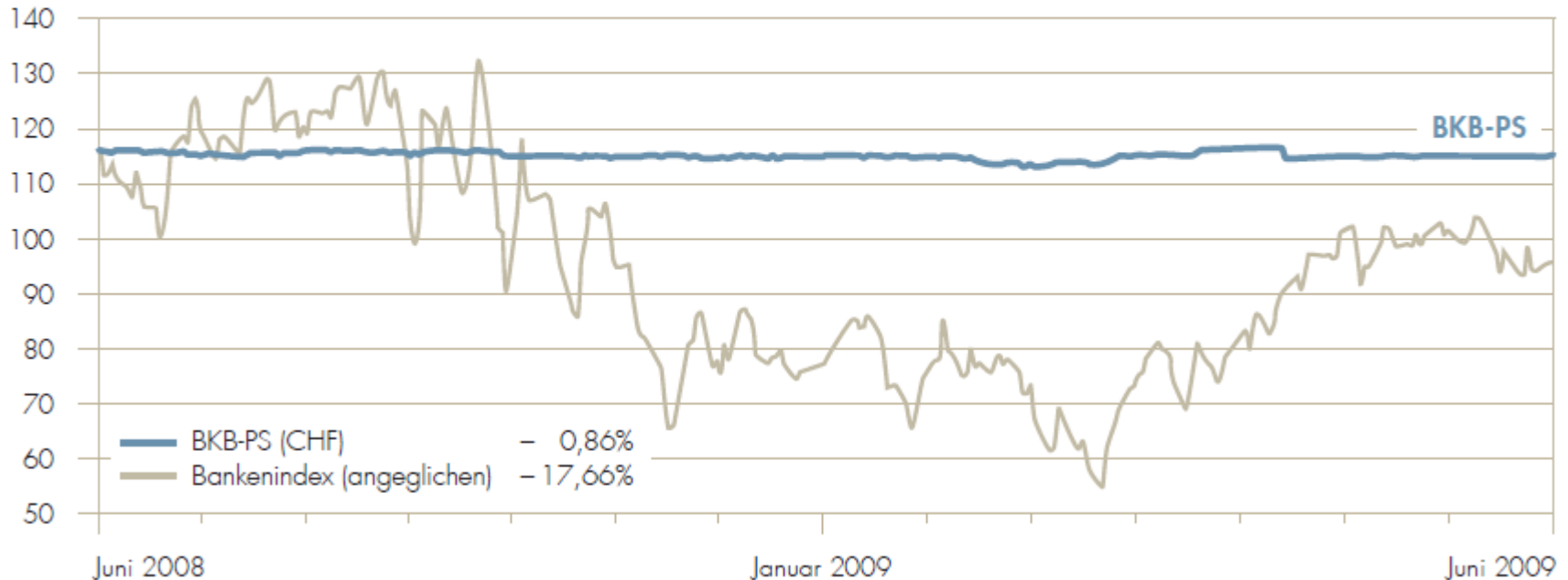
„No bank has ever failed because of too much capital“

Performance of BKB Participation Certificate (PS)

Kursveränderung BKB-Partizipationsschein

Kursverlauf des BKB-PS verglichen mit dem SPI-Bankenindex (Preisart ohne Reinvestition von Dividenden).

in CHF



Standard & Poor`s Rating 2008

AA+

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Caution regarding forward-looking statements

- This communication contains statements that constitute “forward-looking statements”, including, but not limited to, statements relating to the implementation of strategic initiatives, such as the expansion in private banking, and other statements relating to our future business development and economic performance.
- While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.
- These factors include, but are not limited to, (1) general market, macro-economic, governmental and regulatory trends, (2) movements in local and international securities markets, currency exchange rates and interest rates, (3) competitive pressures, (4) technological developments, (5) changes in the financial position or creditworthiness of our customers, obligors and counterparties and developments in the markets in which they operate, (6) federal and local legislative developments, (7) management changes and changes to our Business Group structure.
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