


“Gemeinsam
wachsen”



Investor Presentation 2005

Basler Kantonalbank

Agenda

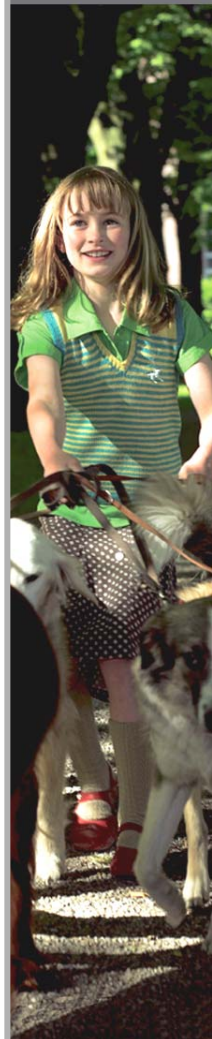
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Key figures for the BKB Group

Half-yearly results for the BKB Group

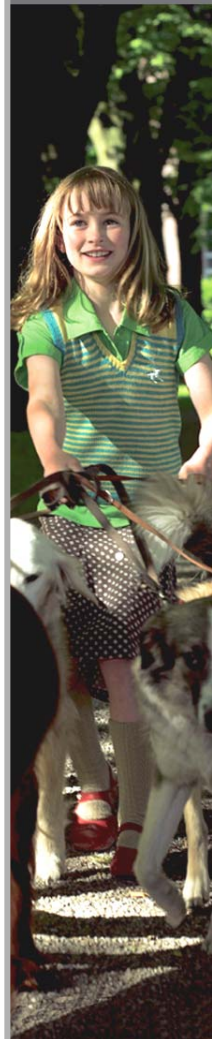
Vision / aims & lines of attack for the BKB Group

Price performance



Ranking of Swiss banks as at 31.12.2005

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Total assets		
Rank	Bank	(in CHF m)
1	UBS	2,060,250
2	Credit Suisse	1,339,052
3	Raiffeisenbanken	108,200
4	Zürcher Kantonalbank	84,351
5	Banque Cantonale Vaudoise (BCV)	34,900
6	Julius Bär	28,648
7	Migrosbank	28,000
8	Basler Kantonalbank	24,654
9	Berner Kantonalbank	20,724
10	St. Galler Kantonalbank	19,117
11	Luzerner Kantonalbank	18,880
12	Neue Aargauer Bank	17,526
13	Aargauische Kantonalbank	15,500

Net income		
Rank	Bank	(in CHF m)
1	UBS	14,690
2	Credit Suisse	5,850
3	Zürcher Kantonalbank	810
4	Raiffeisen-Gruppe	608
5	Banque Cantonale Vaudoise (BCV)	457
6	HSBC Private Bank (Suisse)	347
7	Union Bancaire Privée UBP	326
8	BNP Paribas (Suisse) SA	309
9	Basler Kantonalbank	263
10	Clariden Bank	190
11	Vontobel Holding AG	183
12	Bank Leu AG	179
13	St. Galler Kantonalbank	168

Client assets		
Rank	Bank	(in CHF m)
1	UBS	2,652,000
2	Credit Suisse	1,484,300
3	Bank Julius Bär & Co. AG	304,300
4	Zürcher Kantonalbank	128,591
5	Union Bancaire Privée UBP	95,783
6	Banque Privée. E. de Rothschild SA	74,405
7	Banque Cantonale Vaudoise	71,751
8	Vontobel Holding AG	57,600
9	Coutts Bank von Ernst AG	48,781
10	Clariden Bank	48,314
11	Crédit Agricole (Suisse) SA	47,242
12	Basler Kantonalbank	39,320
13	St. Galler Kantonalbank	30,769

Share capital and reserves		
Rank	Bank	(in CHF m)
1	UBS	51,943
2	Credit Suisse	42,118
3	Bank Julius Bär & Co. AG	6,207
4	Zürcher Kantonalbank	6,138
5	Raiffeisen-Gruppe	5,976
6	Banque Cantonale Vaudoise	3,160
7	HSBC Private Bank (Suisse)	2,631
8	Basler Kantonalbank	2,285
9	BNP Paribas (Suisse) SA	2,076
10	Migros Bank	1,943
11	Union Bancaire Privée UBP	1,713
12	St. Galler Kantonalbank	1,489
13	Berner Kantonalbank	1,478

Source: Handelszeitung 2006

Key figures for the BKB Group as at 31.12.2005

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Basler Kantonalbank Group

Gross operating profit: CHF 386 m

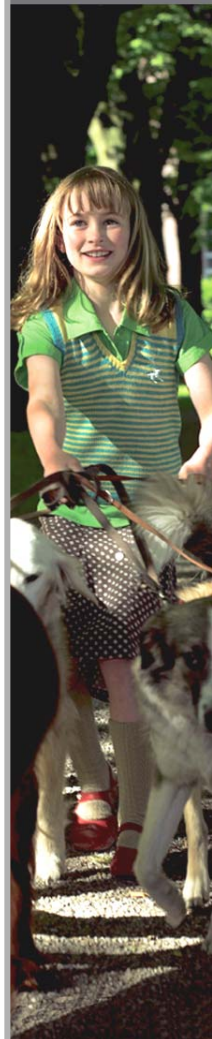
Total assets: CHF 24.7 bn

Client assets: CHF 39.3 bn

Number of clients: 479,103

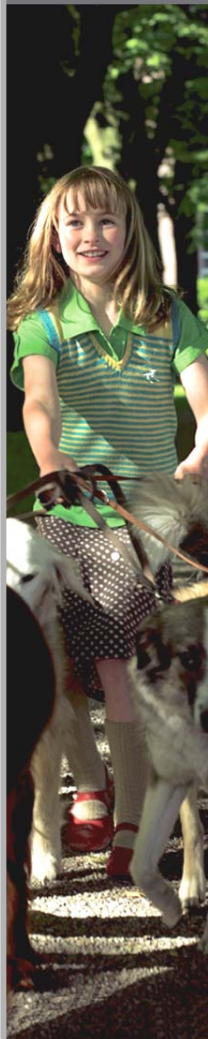
Cost-income ratio: 42.4%

8th-largest Swiss banking group (by total assets)



Key figures for the BKB Group as at 31.12.2005

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**Basler
Kantonalbank**
GARANTIERT SICHER

Eine anständige Bank
bank coop

Gross operating profit:	CHF 297 m	CHF 108 m
Total assets:	CHF 14.1 bn	CHF 11.2 bn
Client assets:	CHF 24.0 bn	CHF 15.4 bn
Number of clients:	198,341	280,762
Cost-income ratio:	33.0%	57.0%

Analysis of the gross operating profit of the BKB parent company as at 31.12.2005

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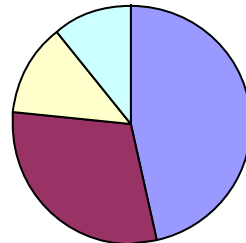
In % terms the gross operating profit breaks down as follows:

Operating income:
CHF 443.1 m



Other ordinary
income 11%

Income from
commercial trans-
actions 12%



Fee and commission
income 30%

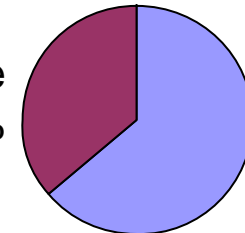
Income from interest
operations 47%

Operating expenses:
CHF 146.3 m



CIR 33.0%

General
administrative
expense 36%



Personnel
expense
64%

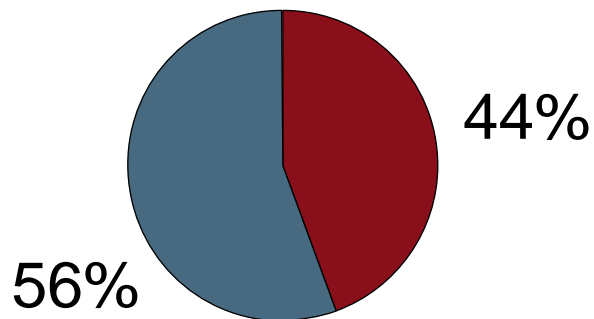
Summary

Basler Kantonalbank is an atypical and particularly dynamic cantonal bank.

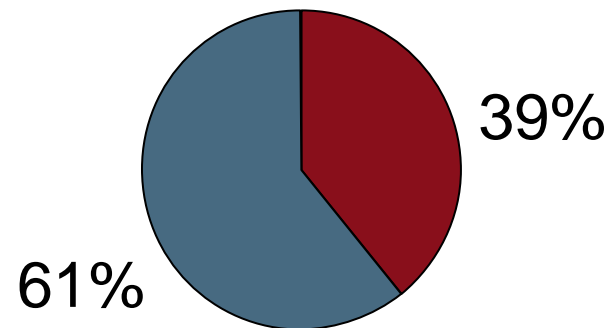
The balance sheet and income structure of the BKB Group, 2005

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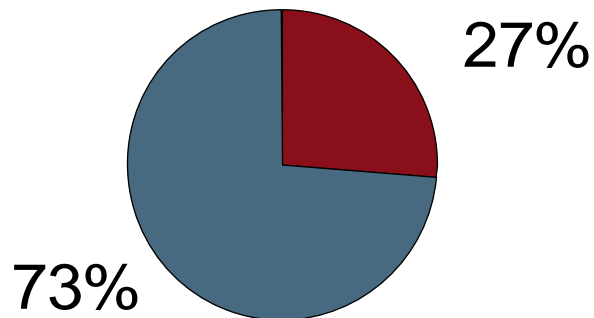
Distribution of total assets:



Distribution of client assets:



Distribution of gross operating profit:



Key:

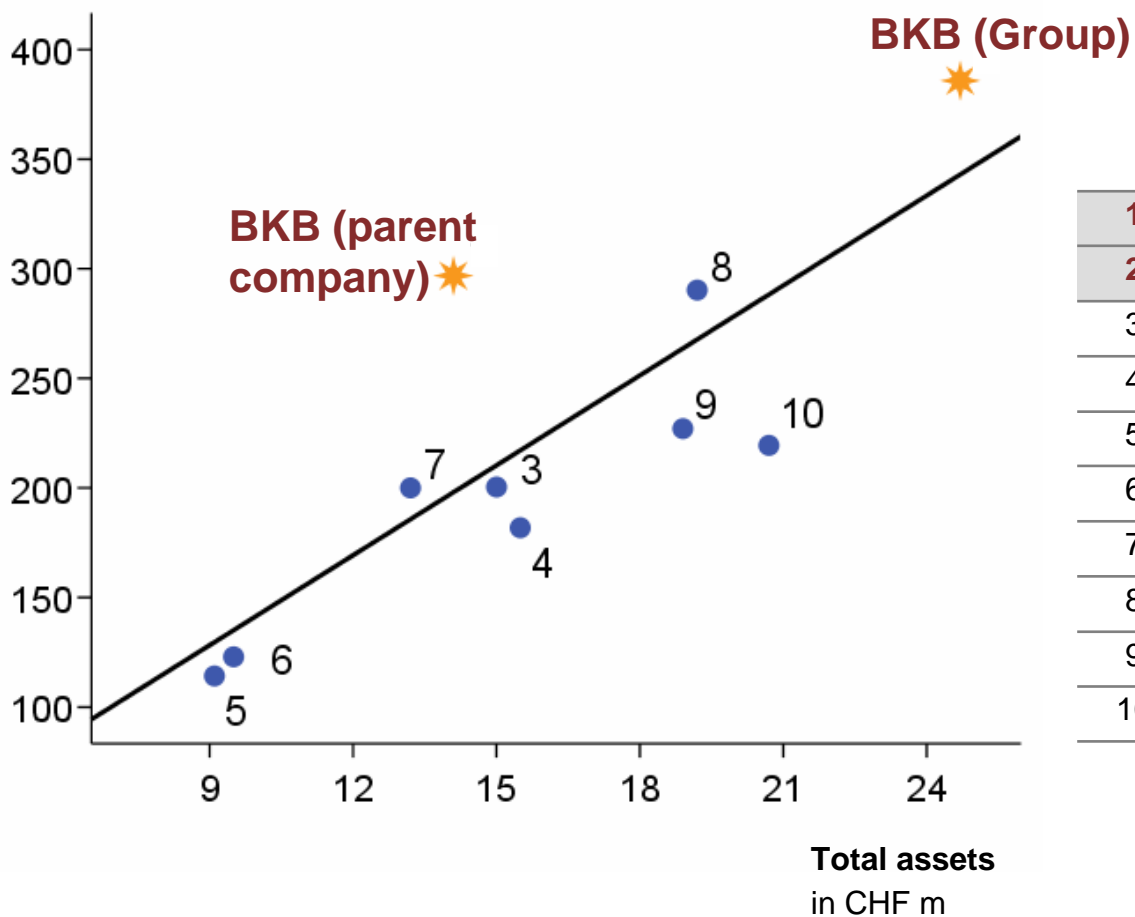
 Basler Kantonalbank

 Bank Coop

Earnings power comparison with other cantonal banks

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Gross operating profit in CHF m



1 BKB (parent co.)

2 BKB (Group)

3 BLKB (Group)

4 AKB (Group)

5 ZGKB

6 Schwyzer KB

7 GKB (Group)

8 SGKB (Group)

9 LUKB (Group)

10 BEKB

Balance sheet of the Basler Kantonalbank parent company as at 30 June 2006

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(in CHF m)

Due from customers

30.06.2006

31.12.2005

+/- in %

1,693.7

1,733.2

-2.3%

Mortgages

7,615.2

7,453.9

+2.2%

Trading inventories

738.4

662.3

+11.5%

Financial assets

863.5

930.7

-7.2%

Due to customers on savings
and investment accounts

4,425.3

4,516.8

-2.0%

Other amounts due to
customers

2,766.9

2,874.8

-3.8%

Medium-term notes

218.7

191.1

+14.4%

Bonds and loans from central
mortgage institutions

2,837.0

2,723.0

+4.2%

Total assets

14,135.0

14,120.3

+0.1%

Income statement for first half-year 2006

BKB parent company

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(in CHF 1,000)

	1st half-year 06	1st half-year 05	+/- in %
Income from interest operations	103,106	101,868	1.2%
Fee and commission income	63,165	66,901	-5.6%
Income from commercial transactions	35,343	29,615	19.3%
Other ordinary income	30,288	31,117	-2.7%
Operating income	231,902	229,501	1.0%
Personnel expense	49,613	46,553	6.6%
General administrative expense	27,762	27,466	1.1%
Operating expense	77,375	74,019	4.5%
Gross operating profit	154,527	155,482	-0.6%

Income statement for first half-year 2006

BKB parent company

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(in CHF 1000)

Gross operating profit

Depreciations on fixed assets

Value adjustments, provisions, losses

Operating income

Guarantor settlement

Interim result

Extraordinary income

Extraordinary expense

Taxes

Half-yearly profit

1st half-year 06 1st half-year 05 +/- in %

154,527 **155,482** **-0.6%**

8,413 **6,729** **25.0%**

8,558 **16,740** **-48.9%**

137,556 **132,013** **4.2%**

16,881 **-**

120,675 **132,013**

36,839 **-**

120,838 **87,000**

208 **207**

36,468 **44,806**

Risk situation as at 31.12.05

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

Holding period 1 year, 95% confidence interval

	Group	Parent company	Bank Coop
VaR trading book	6,849,540	6,007,344	1,309,509
- VaR currencies	2,589,410	2,089,358	534,736
- VaR interest rates	3,570,931	3,560,098	80,612
- VaR equities	2,586,694	1,860,711	1,049,396

Interest-rate sensitivity of the balance-sheet structure portfolio

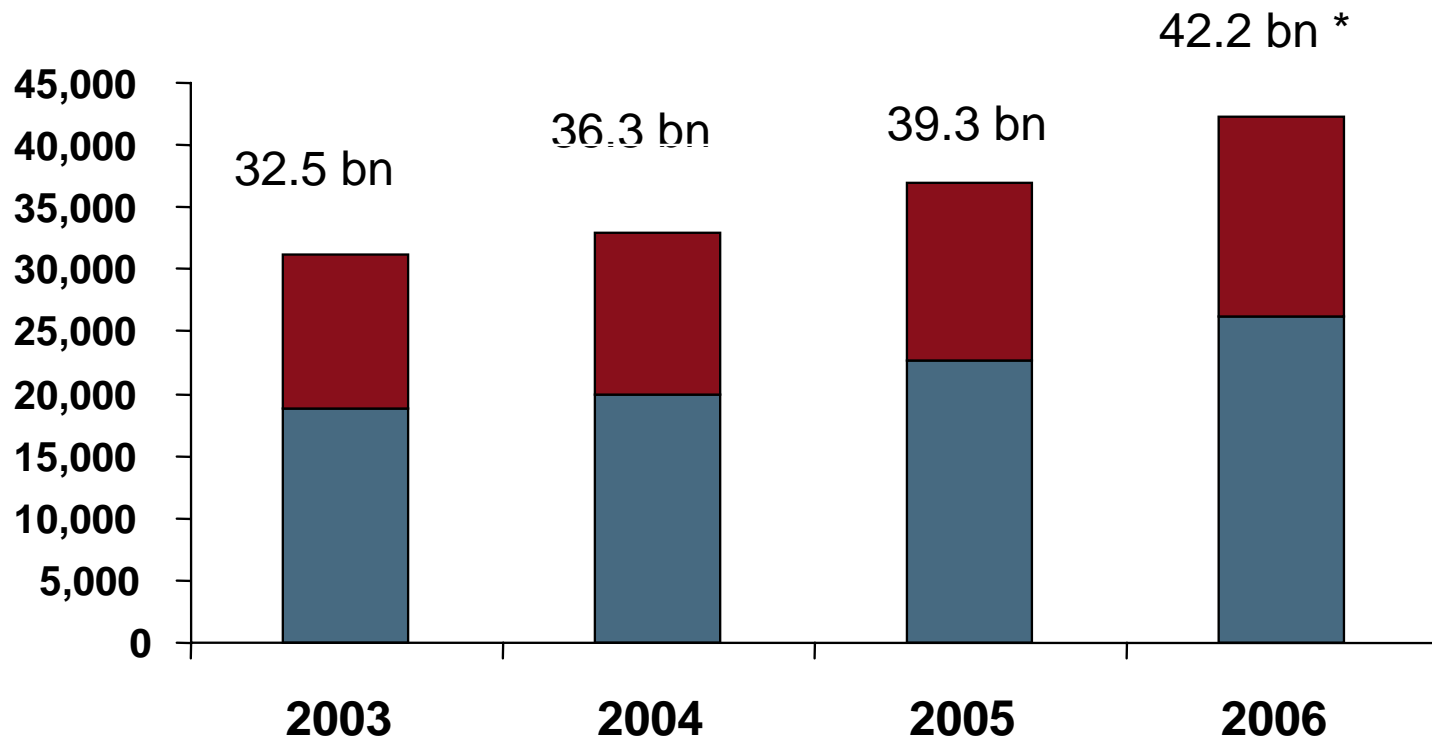
in CHF per basis point increase

	Group 31.12.2005	Group 31.12.2004
Fixed-interest positions	-2,180,490	1,660,235
Variable positions and sight deposits	1,266,970	1,012,569
Investment of share capital and reserves	975,648	740,758
Total sensitivity	62,128	93,092

Change in BKB Group client assets

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in CHF m



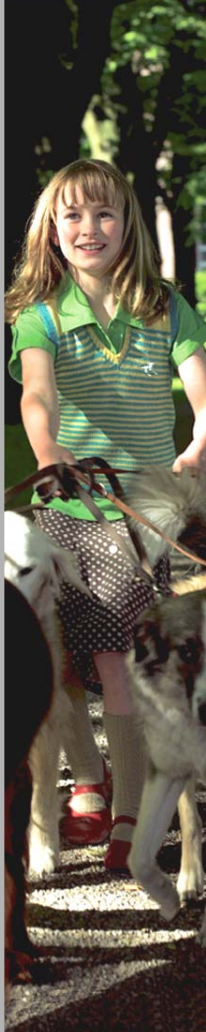
■ Basler Kantonalbank

■ Bank Coop

*as at 31.10.06

Elite asset manager

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DIE WELT

WELT am SONNTAG



The ‘Pyramid of Excellence 2007’ of the 268 asset managers analyzed in German-speaking countries.

BKB Group: Vision / Aims and Lines of Attack

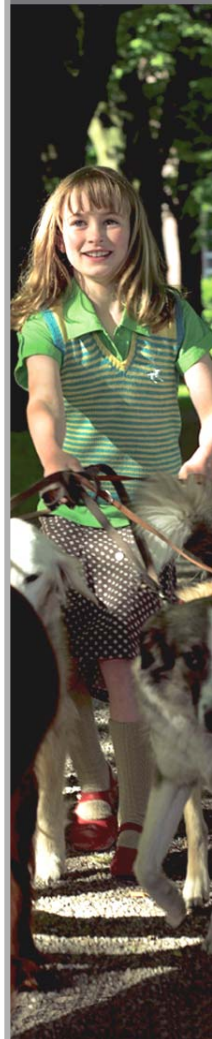
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1. Vision / Aims for 2010

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

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- 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

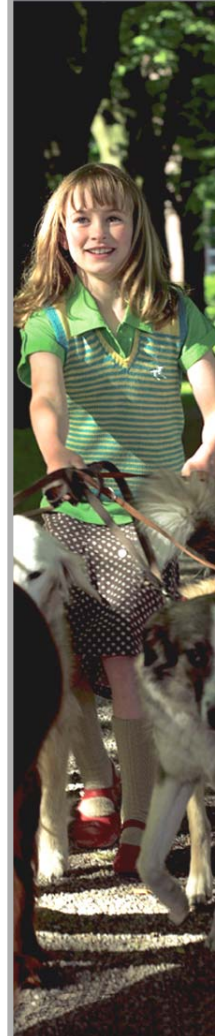
Positioning of Bank Coop

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- National retail bank (towns, conurbations)
- Prosperity with integrity
- Sustainability / equivalence
- Excellent client orientation + service quality
- Coop / Supercard

In sum

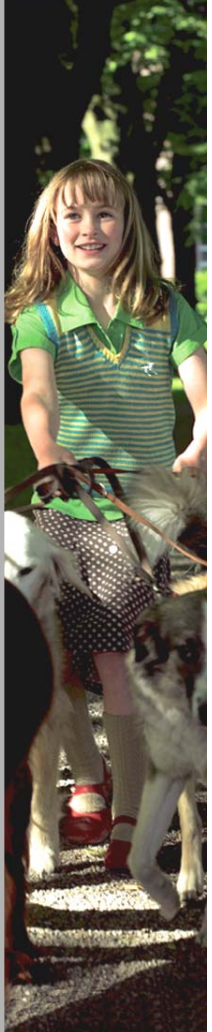
➔ Enhance / strengthen our positioning



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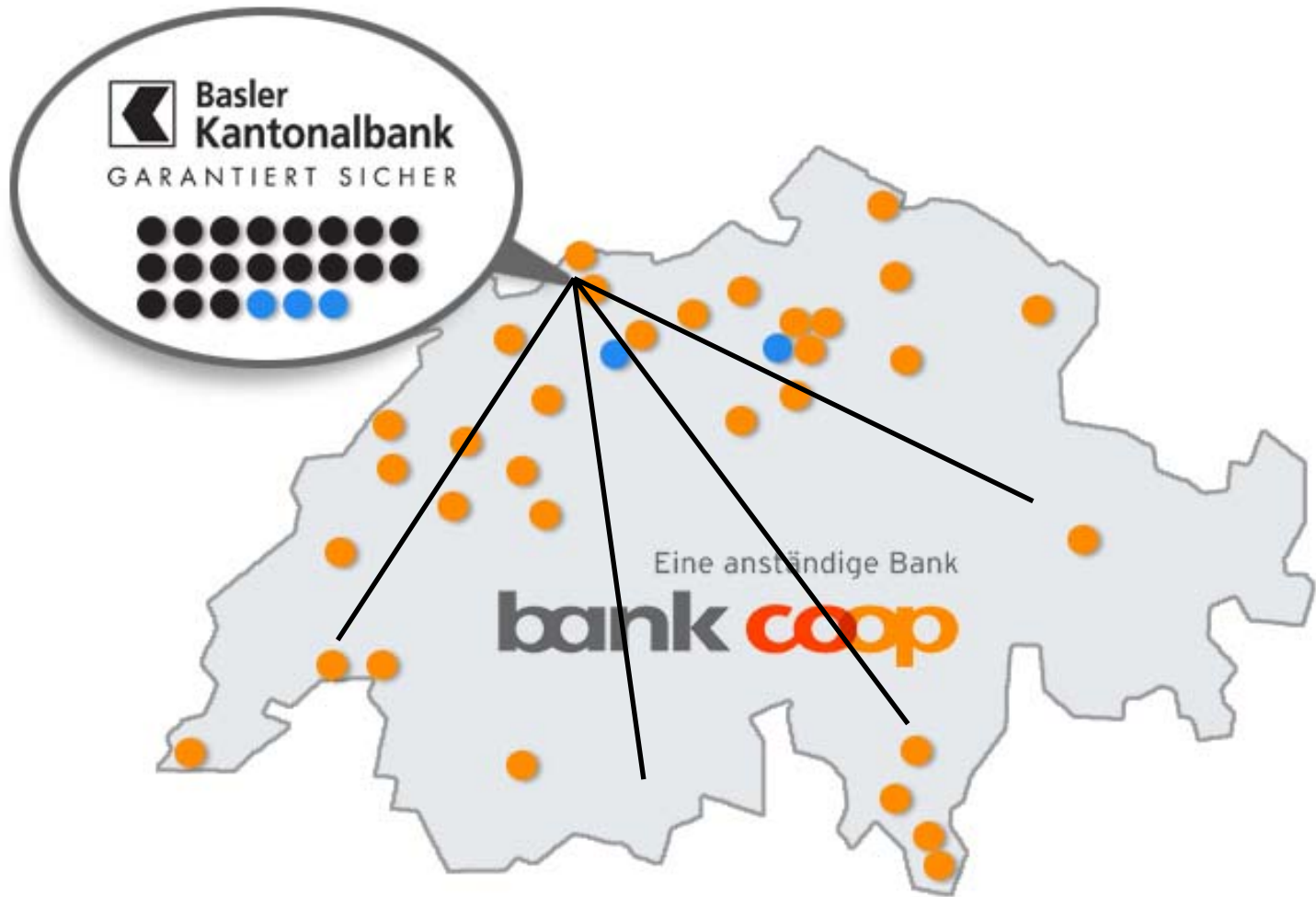
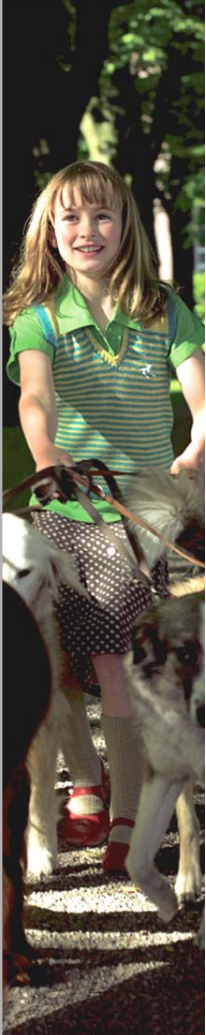
2. Lines of Attack

➔ **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).



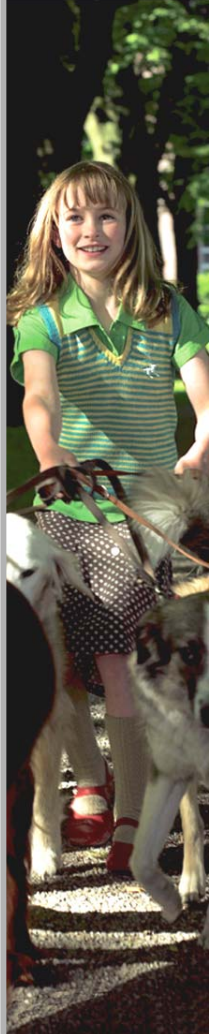
Basler Kantonalbank Group locations



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Growth strategy

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		Number of clients	Income
			
Private Clients, SMEs	NWCH		↗
Private Banking	CH, D	↗	↗
Firms, Institutionals, Banks	CH	↗	↗
			
Private Clients, SMEs	CH	↗↗	↗↗

PS BKB Key Figures

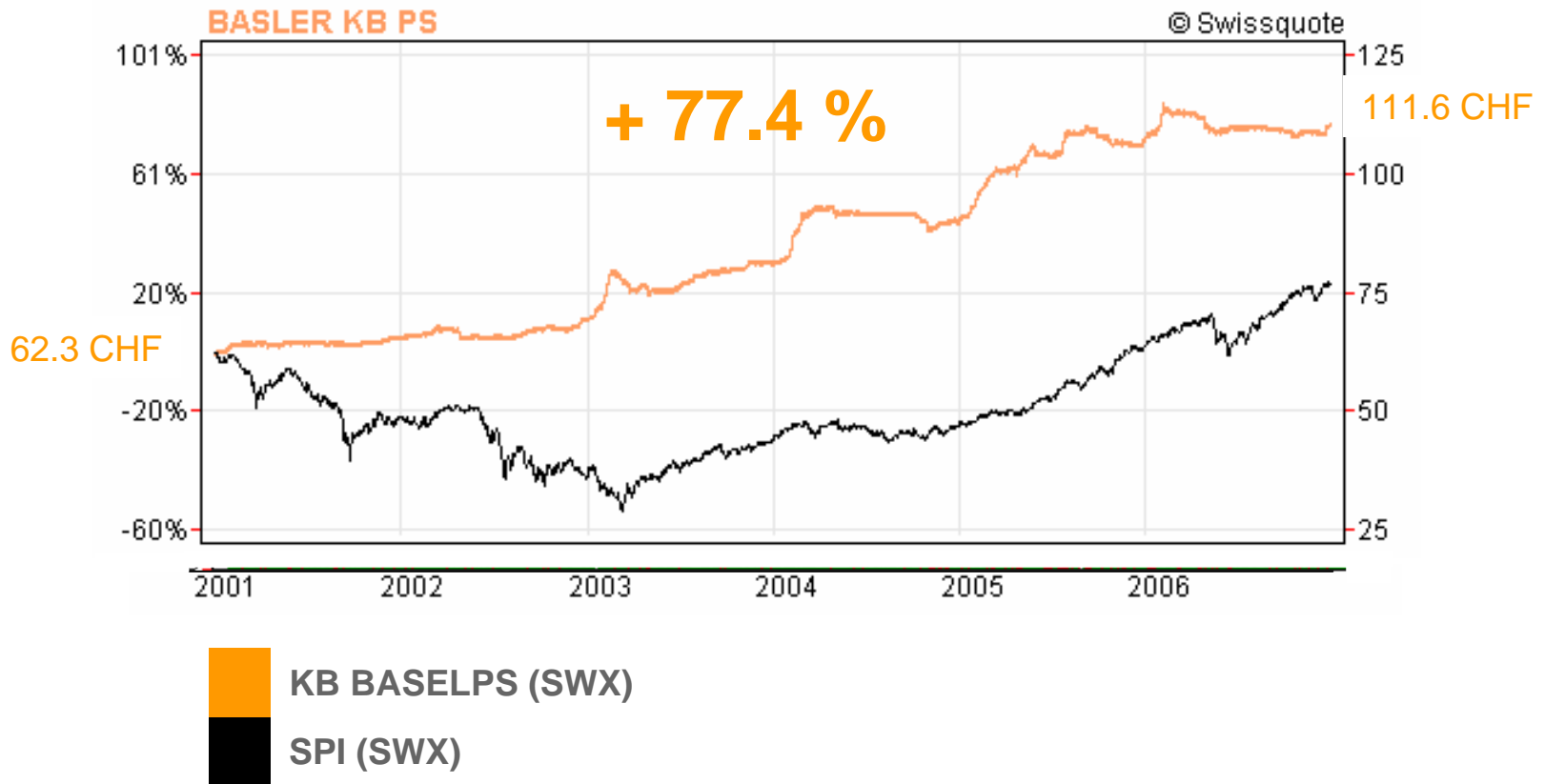
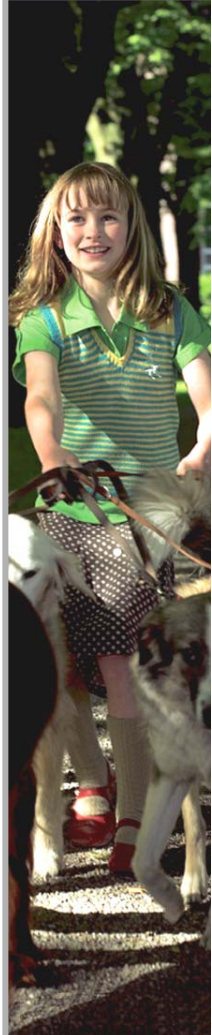
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		2005
Gross operating profit ¹⁾	CHF	9,93
Operating income ¹⁾	CHF	8,43
Annual earnings (earnings per share) ¹⁾	CHF	2,34
Book value ¹⁾	CHF	60,74
Dividend returns	in %	2,09
Pay-out ratio	in %	18,97
Price-earnings ratio		12,76
Price-book ratio		176,99

¹⁾ the endowment capital is included

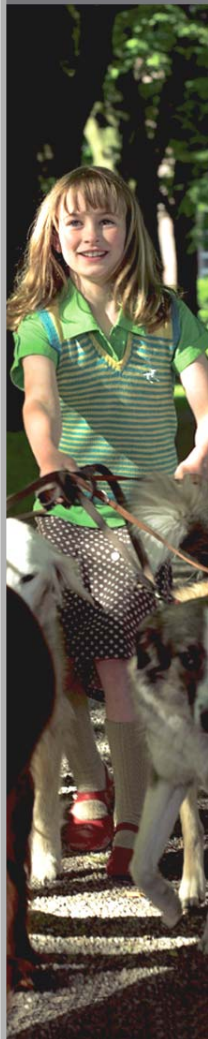
PS price performance (2001-2006)

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Ranking of Swiss companies by stock-market capitalization as at 31.12.06 (in CHF bn)

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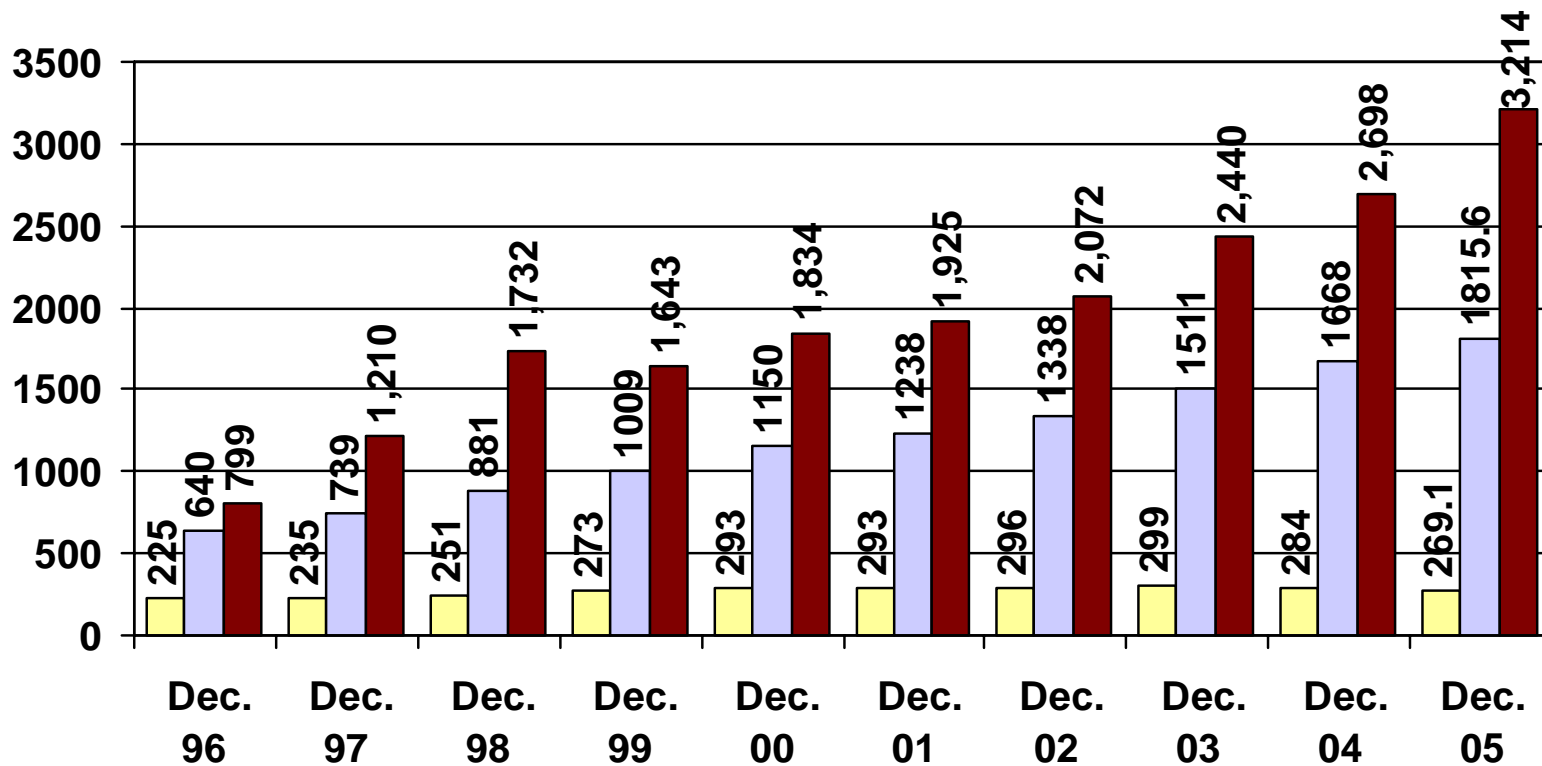
1. Novartis	195.67
2. Roche	194.19
3. Nestlé	175.62
4. UBS	154.83
5. Credit Suisse	102.1
6. Zurich FS	47.55
7. ABB	46.8
8. Swiss Re	39.8
9. Holcim	28.45
10. Swisscom	25.92
11. Syngenta	23.91
12. Serono	16.79
13. Synthes	16.77
14. Swatch	15.95
15. Adecco	15.3
16. Julius Bär	14.8
17. Pargesa	11.22
18. SGS	10.68
19. Kühne + Nagel	10.63
20. Swiss Life	10.34
21. Nobel Biocare	9.69
22. Atel	9.29
23. Schindler	9.26
24. Givaudan	8.36
25. OC Oerlikon	8.12

26. Geberit	7.89
27. BKW	7.4
28. Lindt & Sprüngli	6.76
29. Logitech	6.68
30. Baloise	6.6
31. EFG	6.34
32. Phonak	6.33
33. Actelion	5.82
34. Ciba SC	5.65
35. Lonza	5.37
36. Sulzer	4.88
37. Motor Columbus	4.87
38. Banque Cantonale Vaudoise	4.86
39. Petroplus	4.69
40. Straumann	4.64
41. Sika	4.22
42. Clariant	4.13
43. Panalpina	3.95
44. Ems-Chemie	3.57
45. Partners Group	3.52
46. Vontobel	3.47
47. EG Laufenburg	3.45
48. Helvetia	3.4
49. Basler Kantonalbank	3.25
50. PSP	3.2

Source: Stocks 1/2007

Capital/Stock-Market Capitalization Performance

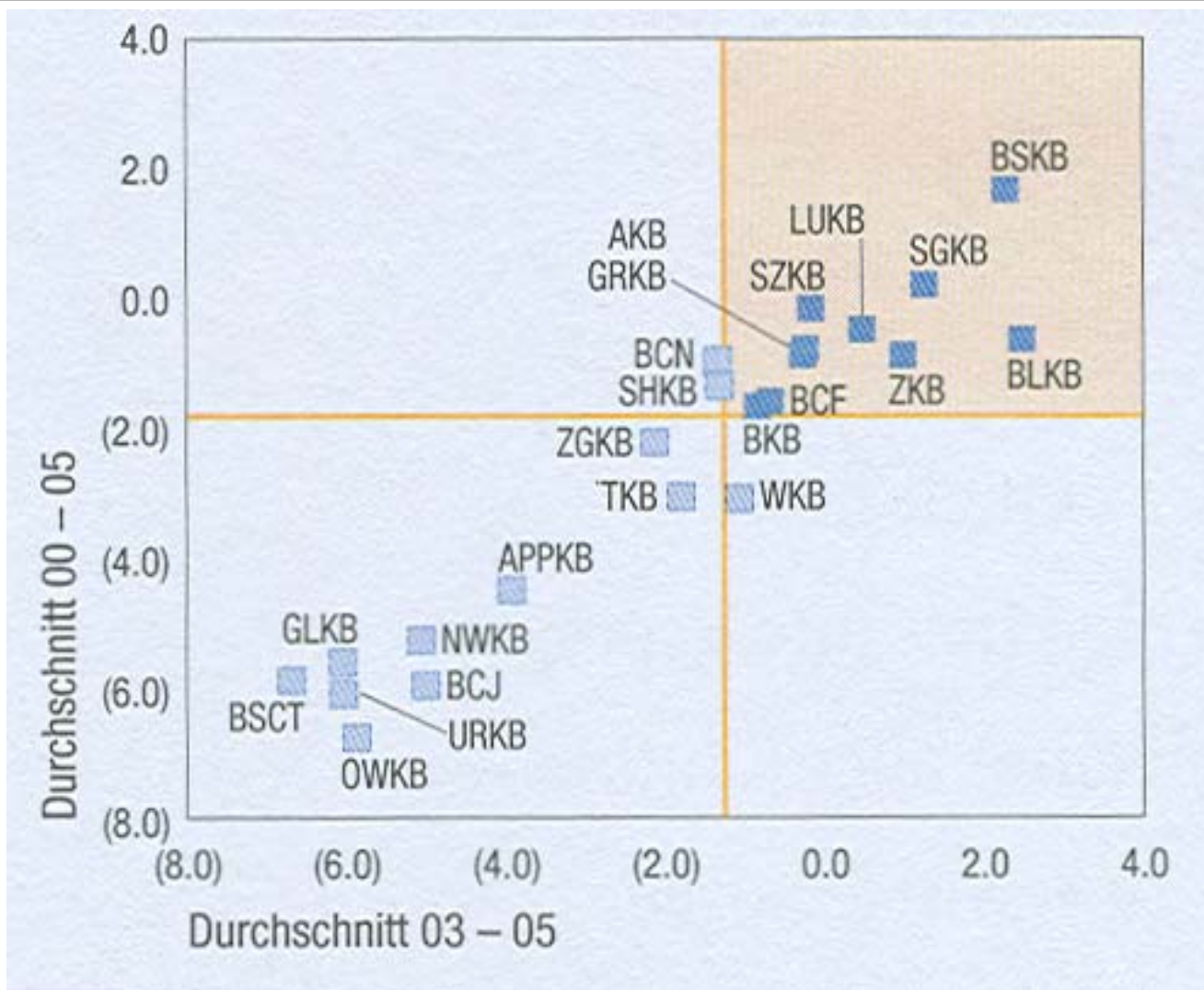
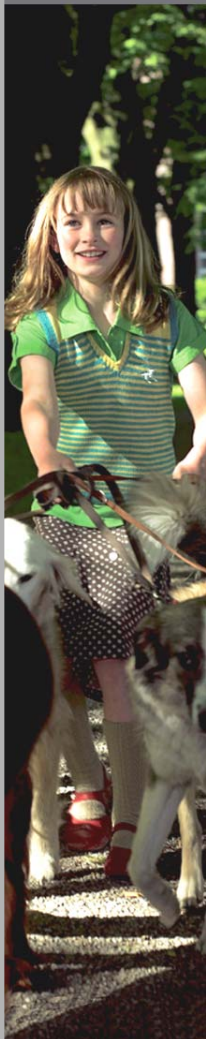
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- Endowment/participation certificate capital
- Share capital and reserves
- Stock market capitalization

Top Value Performer (IFBC Study 2006)

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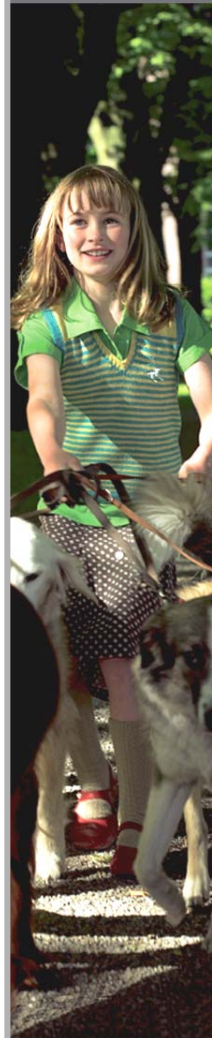
BCV (-14.8%; 3.2%) BCG (-12.8%; 5.6%)

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- 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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