

Investor Presentation 2010

Basler Kantonalbank



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



**Basler
Kantonalbank**
fair banking

Agenda

1. Financial figures
 - Parent Company Basler Kantonalbank
 - BKB Group
2. Focal Points
3. Positioning in the BKB Group
4. Objectives 2015
5. BKB Participation Certificate

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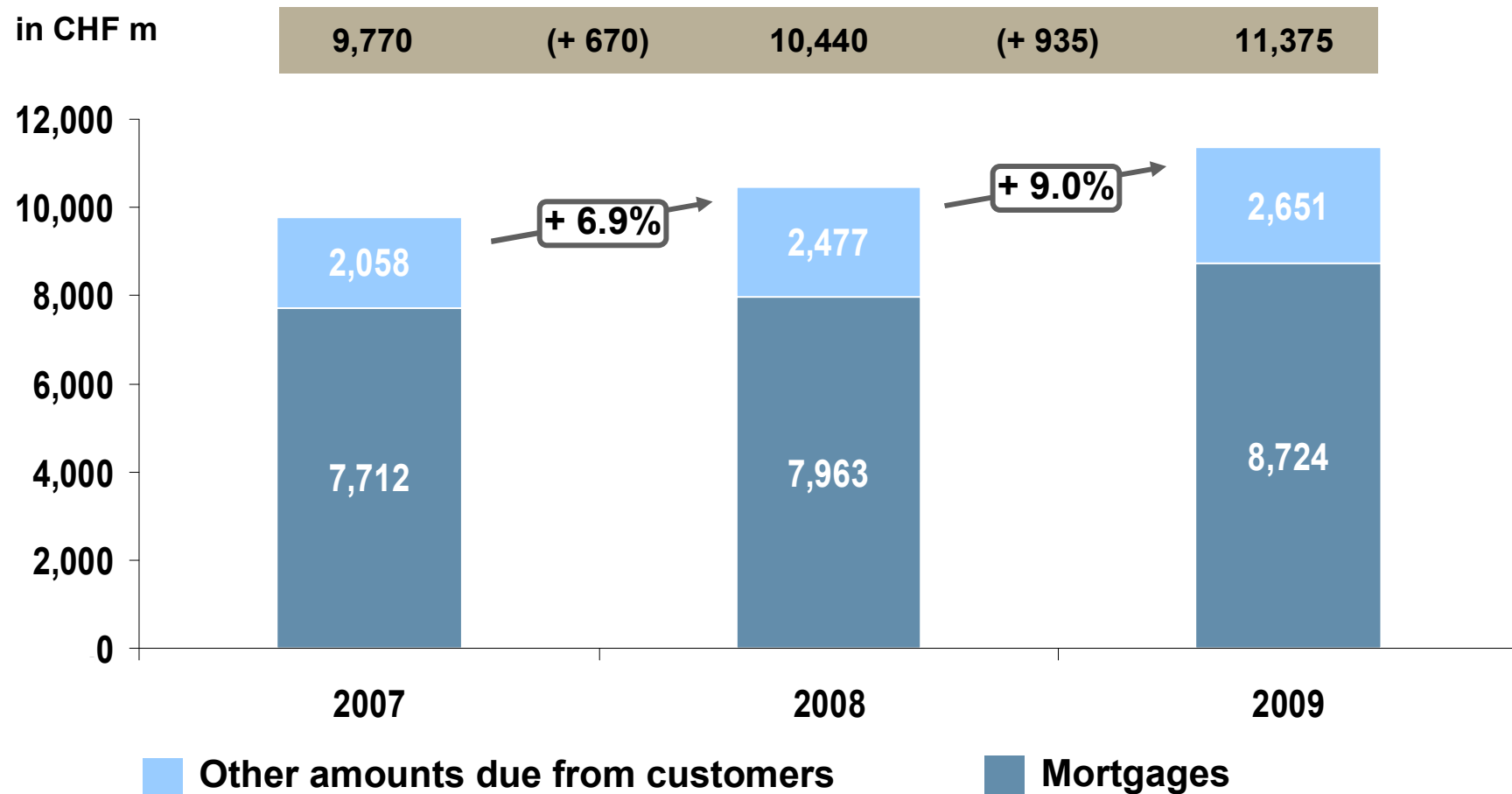
Parent Company Basler Kantonalbank

Key Figures

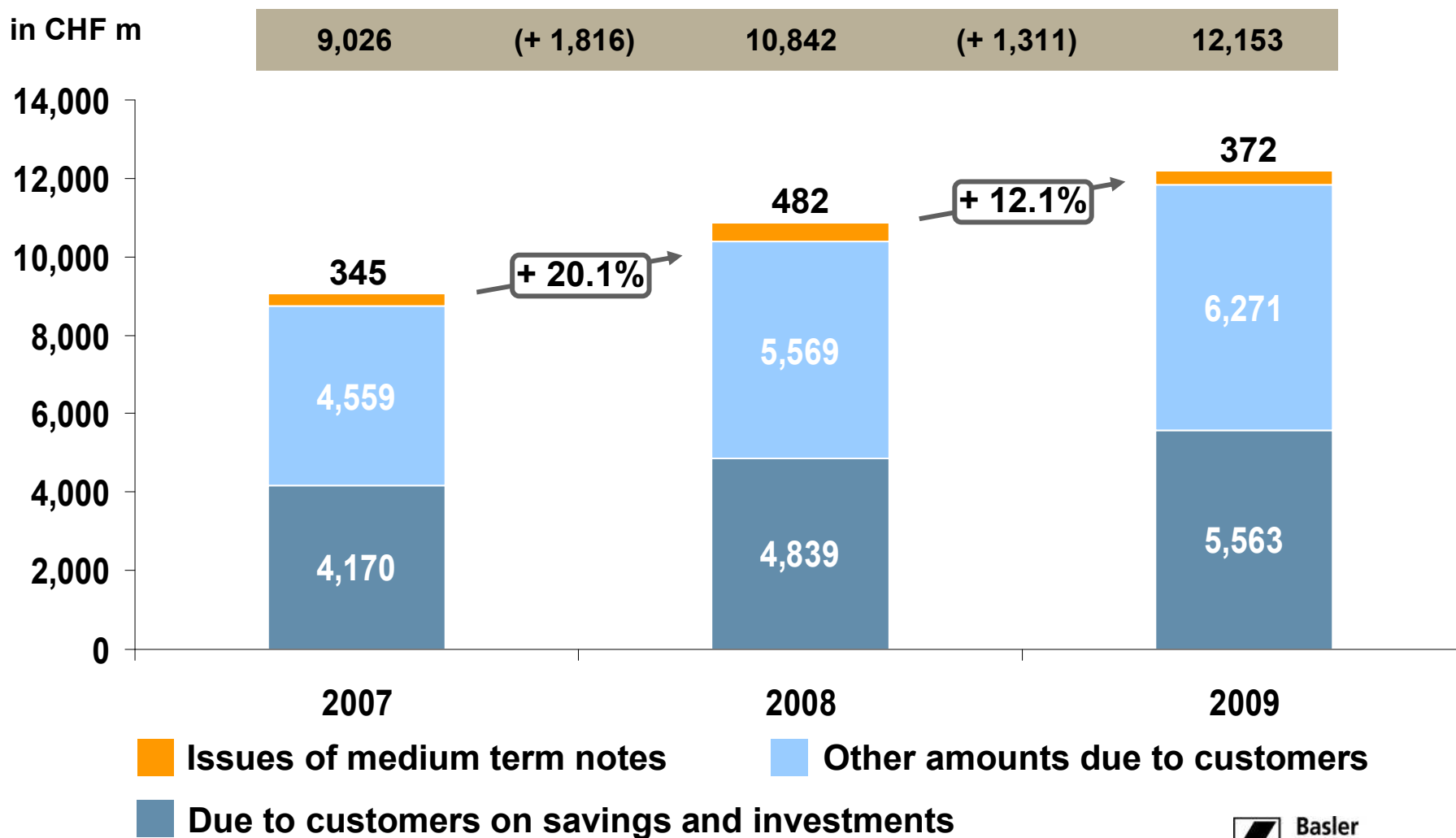
	31.12.2008	31.12.2009	Change
Gross profit*	251.7 m CHF	328.2 m CHF	+ 30.4%
Total assets	19.4 bn CHF	20.2 bn CHF	+ 4.3%
Loans to customers	10.4 bn CHF	11.4 bn CHF	+ 9.0%
Customer deposits	10.8 bn CHF	12.2 bn CHF	+ 12.1%
Total customer assets	25.7 bn CHF	28.9 bn CHF	+ 12.7%
Declared equity	2.2 bn CHF	2.4 bn CHF	+ 6.0%
Number of customers	200,605	204,442	-
Cost-income-ratio I*	41.89%	37.36%	-

* adjusted (without IT migration)

Parent Company Basler Kantonalbank Loans to customers

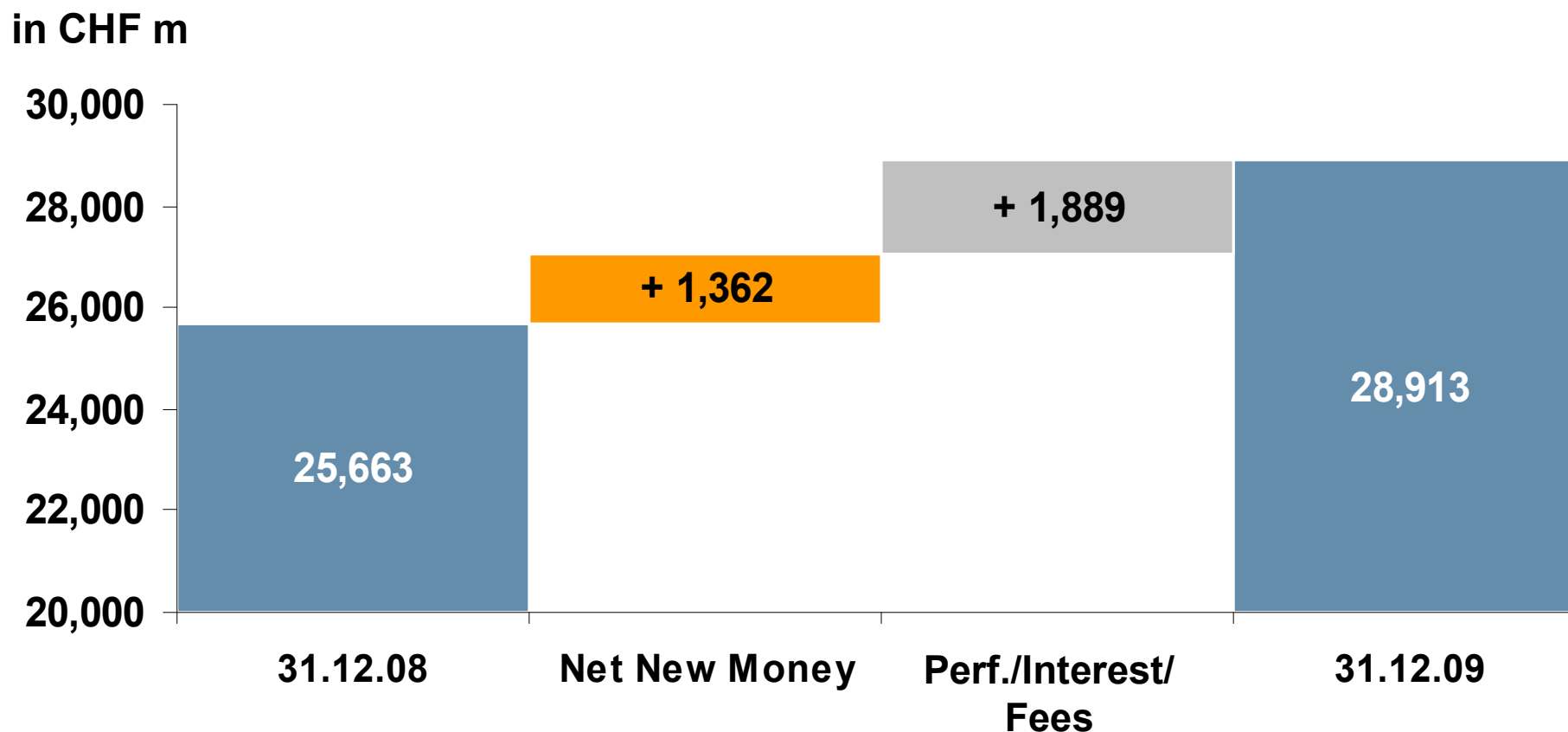


Parent Company Basler Kantonalbank Customer deposits



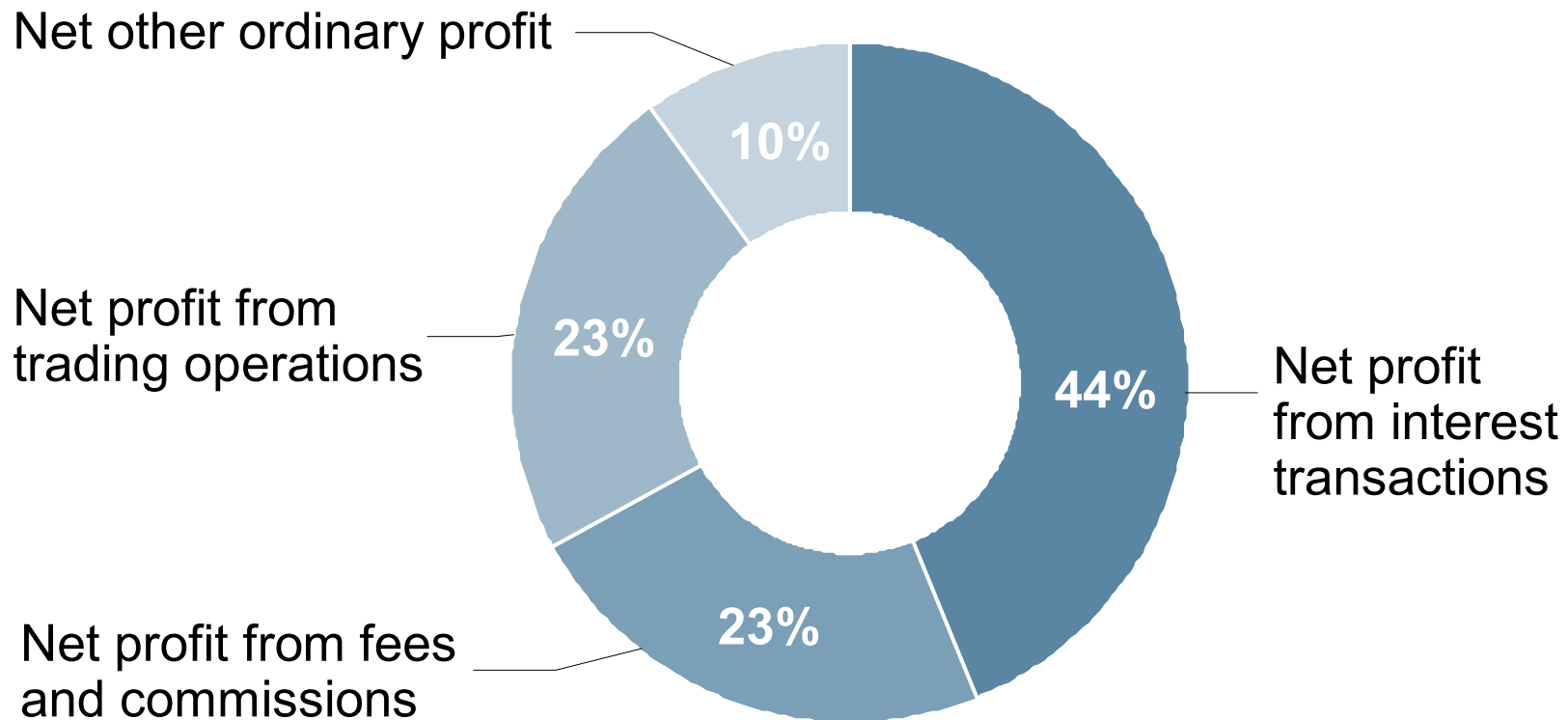
Parent Company Basler Kantonalbank

Change of total customer assets



Parent company Basler Kantonalbank Income structure

Operating profit: 524 m CHF



Parent Company Basler Kantonalbank Profit Statement 2009

in 1000 CHF	FY 2008	FY 2009	Change in %
Net profit from interest transactions	233,636	230,289	-1.4%
Net profit from fees and commissions	112,256	120,669	7.5%
Profit from trading operations	60,485	122,380	102.3%
Net other ordinary income	26,767	50,594	89.0%
Operating income	433,144	523,932	21.0%
Personnel expense	-114,925	-122,687	6.8%
General administrative expense	-66,499	-73,039	9.8%
Net operating expense adjusted (without IT migration)	-181,424	-195,726	7.9%
Net operating expense	-204,685	-221,495	8.2%
Gross profit adjusted (without IT migration)	251,720	328,206	30.4%
Gross profit	228,459	302,437	32.4%

Parent Company Basler Kantonalbank

Profit Statement 2009

in 1000 CHF	FY 2008	FY 2009	Change in %
Gross profit adjusted (without IT migration)	251,720	328,206	30.4%
Gross profit	228,459	302,437	32.4%
Depreciation, write-offs of fixed assets	-46,722	-46,770	0.1%
Value adjustments, provisions and losses	-18,781	-19,820	5.5%
Operating profit adjusted (without IT migration)	186,217	261,616	40.5%
Operating profit adjusted	162,956	235,847	44.7%
Guarantor settlement	-32,363	-37,510	15.9%
Profit, pre-tax adjusted (without IT migration)	153,854	224,106	45.7%
Profit, pre tax	130,593	198,337	51.9%
Extraordinary income	25,148	41,320	64.3%
Extraordinary expense	0	-1,615	--
Provisions IT	-30,000	-30,000	0.0%
Allocation to reserves for general banking risks	-47,000	-109,350	132.7%
Taxes	- 872	-1,265	45.1%
Annual profit	77,869	97,427	25.1%

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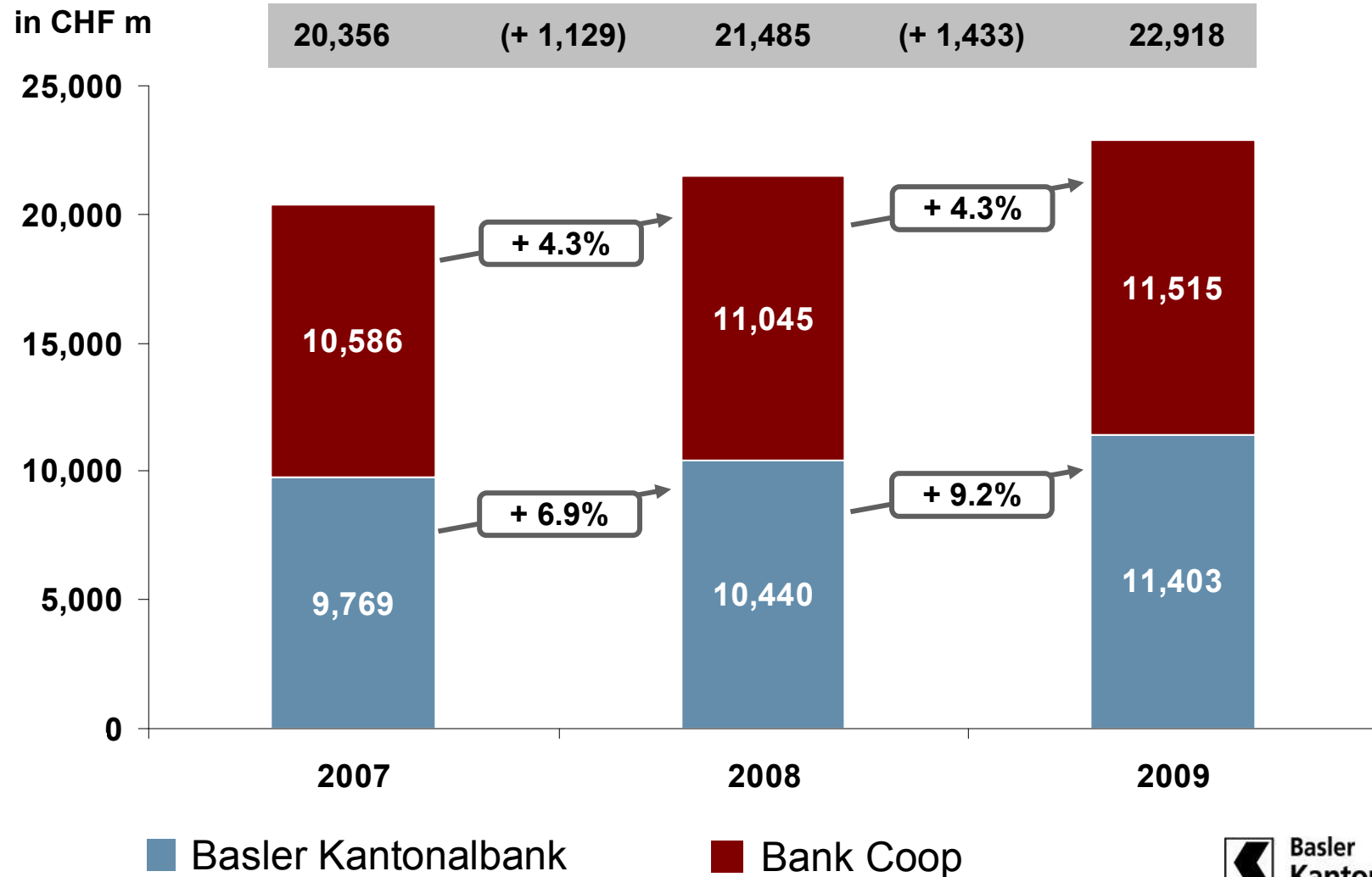
5. BKB Participation Certificate

BKB Group Key Figures

in CHF m	31.12.2008	31.12.2009	Change
Gross profit*	340.7	397.2	+ 16.6%
Group profit*	196.0	289.4	+ 47.7%
Total assets	31,249	32,837	+ 5.1%
Customer deposits	19,540	21,701	+ 11.1%
Loans to customers	21,485	22,918	+ 6.7%
Total customers assets	40,633	47,957	+ 18.0%
Declared equity	2,699	2,890	+ 7.1%

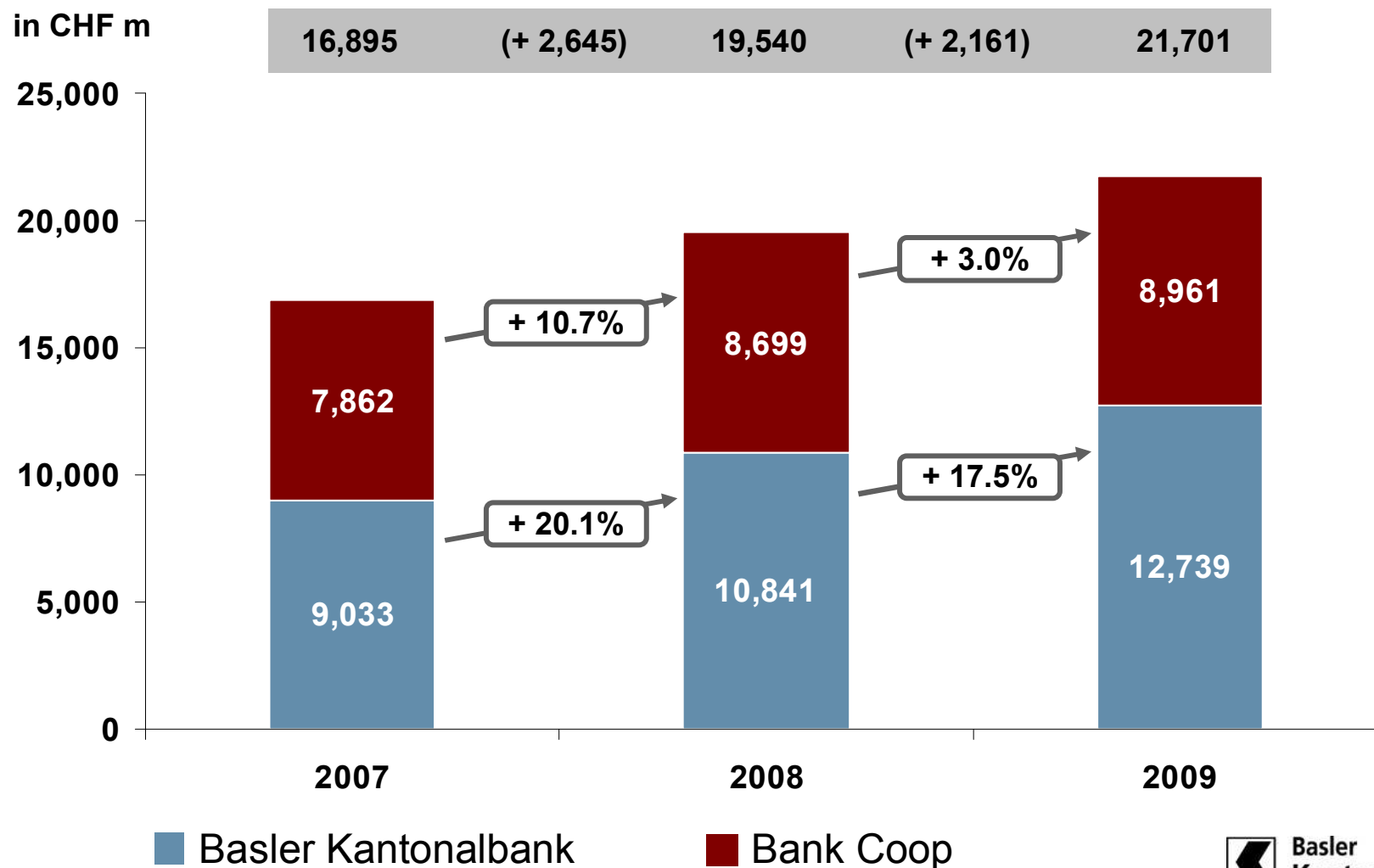
* adjusted (without IT migration)

BKB Group Loans to customers



BKB Group Customer deposits

in CHF m



■ Basler Kantonalbank

■ Bank Coop



BKB Group

Derivation of Gross profit

in 1000 CHF	FY 2008	FY 2009	Change in %
Net profit from interest transactions	411,019	380,155	-7.5%
Net profit from fees and commissions	180,288	195,054	8.2%
Profit from trading operations	67,401	143,707	113.2%
Net other ordinary profit	7,157	17,027	137.9%
Operating profit	665,865	735,943	10.5%
Personnel expense	-211,593	-214,337	1.3%
General administrative expense	-136,795	-174,947	27.9%
Net operating expense adjusted (without IT migration)	-325,127	-338,740	4.2%
Net operating expense	-348,388	-389,284	11.7%
Gross profit adjusted (without IT migration)	340,738	397,203	16.6%
Gross profit	317,477	346,659	9.2%

BKB Group

Derivation of Group profit

in 1000 CHF	FY 2008	FY 2009	Change in %
Gross profit adjusted (without IT migration)	340,738	397,203	16.6%
Gross profit	317,477	346,659	9.2%
Depreciation, write-offs fixed assets	-56,739	-57,293	1.0%
Value adjustments, provisions and losses	-37,723	-27,911	-26.0%
Operating results adjusted (without IT migration)	246,276	311,999	26.7%
Operating results	223,015	261,455	17.2%
Guarantor settlement	-32,364	-37,510	15.9%
Profit, pre-tax adjusted (without IT migration)	213,912	274,489	28.3%
Profit, pre-tax	190,651	223,945	17.5%
Extradordinary income	2,809	31,287	--
Extraordinary expense	- 819	-2,619	219.8%
Taxes	-19,887	-13,728	-31.0%
Group profit adjusted (without IT migration)	196,015	289,429	47.7%
Group profit	172,754	238,885	38.3%
of which minority interests in the Group profit	27,180	16,202	-40.4%

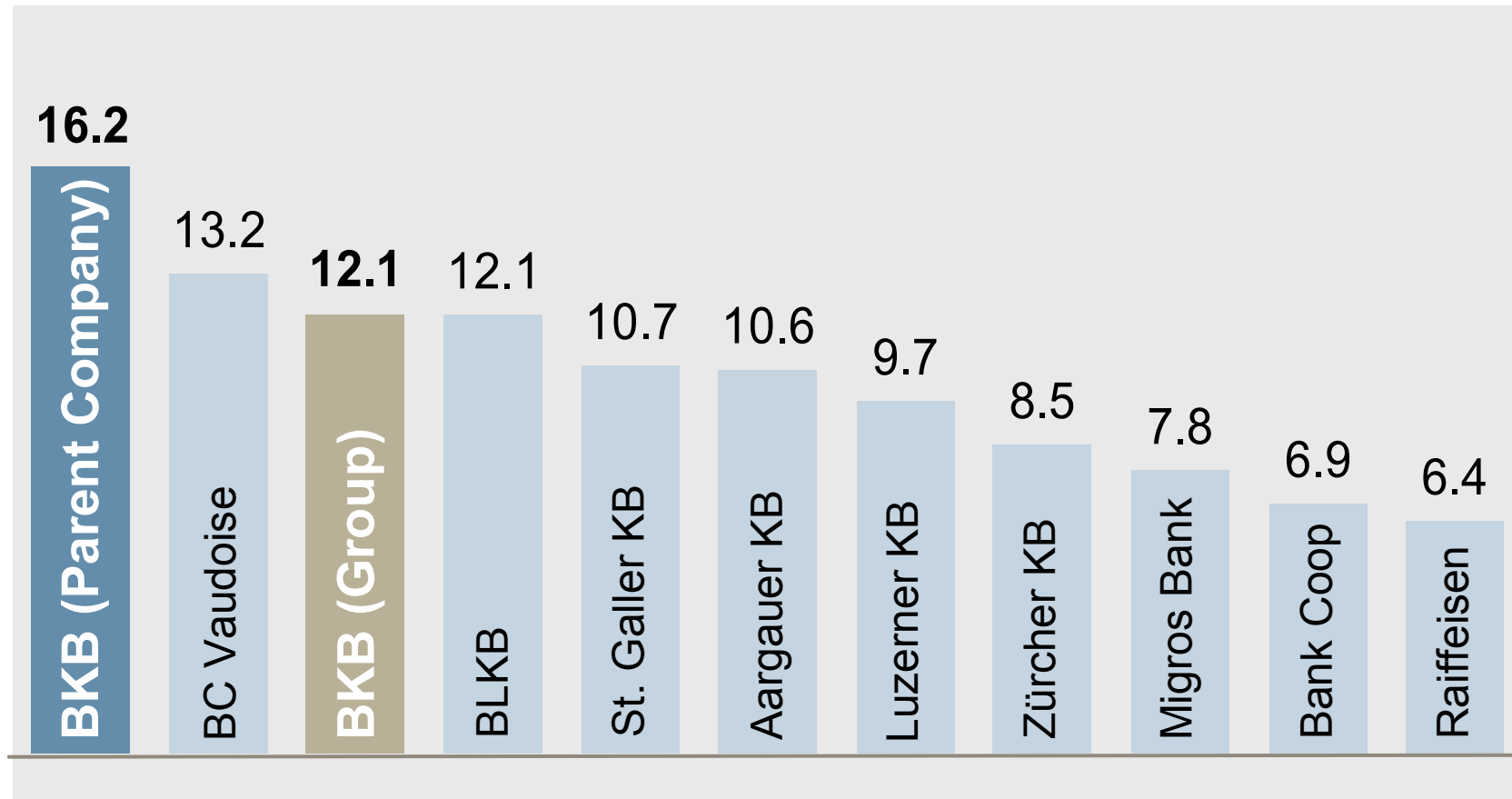
BKB Group

Segment information

2009, in CHF m	Retail Banking	Private Banking	Commercial Banking	Trading Department	Corporate Center	Total
Net profit from interest transactions	182.0	85.5	98.5	6.1	8.1	380.2
Net profit from fees and commissions	52.6	111.6	8.2	8.3	14.3	195.0
Profit from trading operations	13.2	12.7	2.1	111.6	4.1	143.7
Net other ordinary income	-0.1	-	-	-	17.1	17.0
Operating income	247.7	209.8	108.8	126.0	43.6	735.9
Personnel expense	-41.1	-33.0	-11.3	-17.9	-111.0	-214.3
General administrative expense	-14.3	-11.7	-2.2	-9.9	-136.8	-174.9
Internal cost allocation	-52.0	-26.5	-8.3	-7.7	94.5	-
Net operating expense	-107.4	-71.2	-21.8	-35.5	-153.3	-389.2
Gross profit	140.3	138.6	87.0	90.5	-109.7	346.7
Depreciation, write-offs fixed assets	-	-0.7	-	-	-56.6	-57.3
Value adjustments, provisions and losses	-11.3	-1.0	-27.7	-0.1	12.2	-27.9
Operating profit	129.0	136.9	59.3	90.4	-154.1	261.5
Guarantor settlement	-	-	-	-	-	-37.5
Profit, pre-tax	-	-	-	-	-	224.0
Extraordinary income	-	-	-	-	-	31.2
Extraordinary expense	-	-	-	-	-	-2.6
Taxes	-	-	-	-	-	-13.7
Group profit	-	-	-	-	-	238.9

Earnings power comparison 2009

How many millions of **Gross Profit** is being generated per billion of **Total Assets**:*



* The listing is not comprehensive.

Rating confirmation

AAA+

STANDARD
& POOR'S

BKB Group: Risk situation trading book

Value at Risk* in the trading book for the various risk categories

(Holding period 1 year, 99% confidence interval)

in CHF	31.12.2007	31.12.2008	31.12.2009
VaR trading book	29,937,203	70,266,491	46,000,606
VaR currencies	5,015,306	2,391,319	2,436,062
VaR interest rates	18,518,982	67,232,079	44,070,378
VaR equities	29,518,696	6,973,454	7,476,122
VaR commodities	-	38,444	3,503

* The Value-at-Risk (VaR) represents the estimated loss of a portfolio that is not exceeded with a given probability (confidence interval) for a predetermined holding period.

BKB Group: Risk situation banking book

Interest-rate sensitivity* of the banking book (in CHF per basis point increase)

	31.12.2008	31.12.2009
Fixed-interest positions	- 2,201,010	- 3,013,522
Variable positions and sight deposits	1,055,240	1,766,443
Investments of share capital and reserves	1,163,534	1,228,459
Total sensitivity	17,764	- 18,620

* The interest-rate sensitivity is measured as the present value of the gain/loss that occurs when the interest rate is increased by one basis point. A basis point equals 0,01 percent.

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Migration of BKB Group to Avaloq

Basler Kantonalbank: Migration as at 4.10.2009
Bank Coop: Migration at the beginning of 2011

Shared IT platform „Avaloq“ in the BKB Group

Increased efficiency for both banks

Enables offering of complex investment solutions

Acquisition of AAM Privatbank AG

PRIVATE BANKING



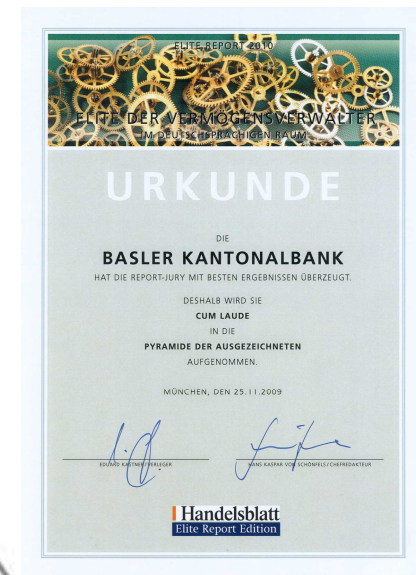
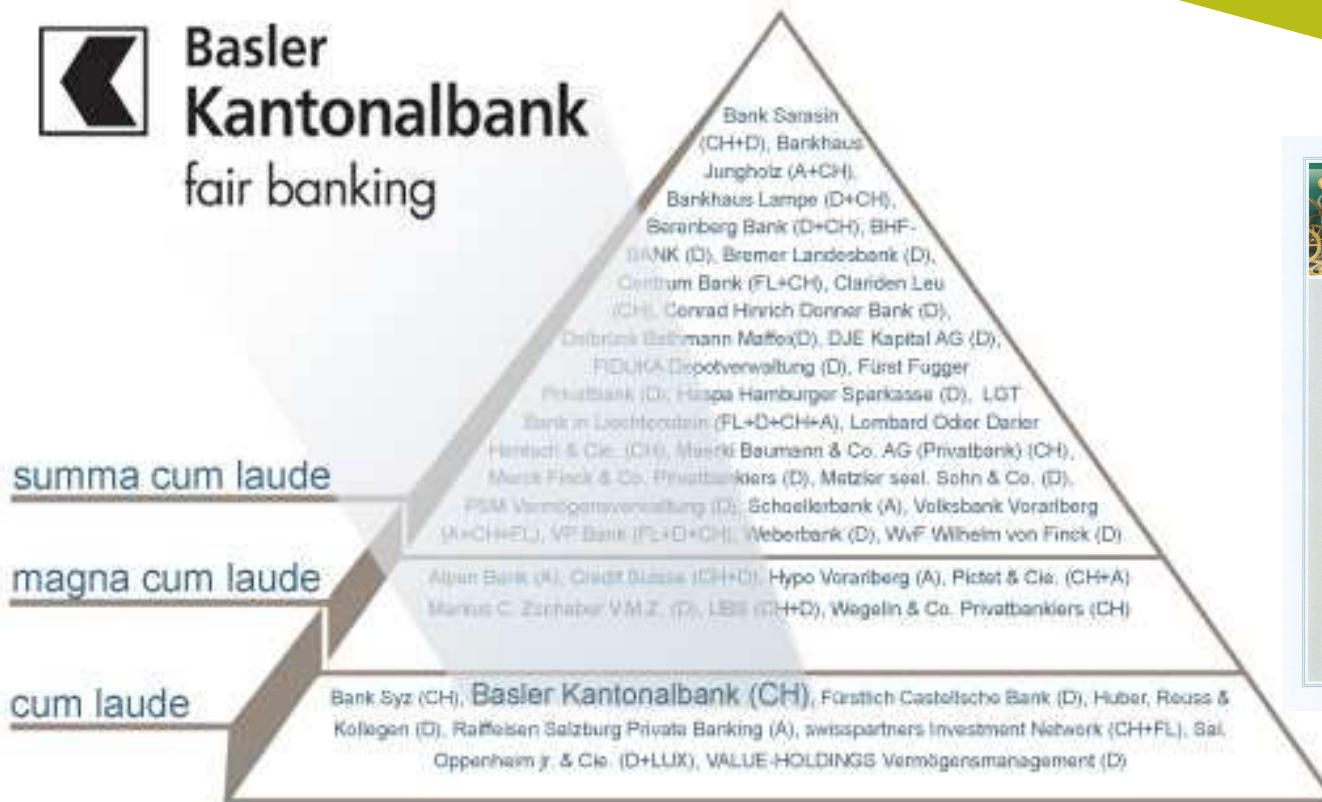
- Successful Integration
- Expansion of Client Basis
- New Private Banking Locations
- Strengthening of Workforce

Private Banking receives fourth consecutive award

In the Top 40 among 360 institutes!



Basler Kantonalbank
fair banking



Enthusiating customers!



**Focal Points
2010**

Fine-Tuning



IT migration
Bank Coop

avalog
essential for banking

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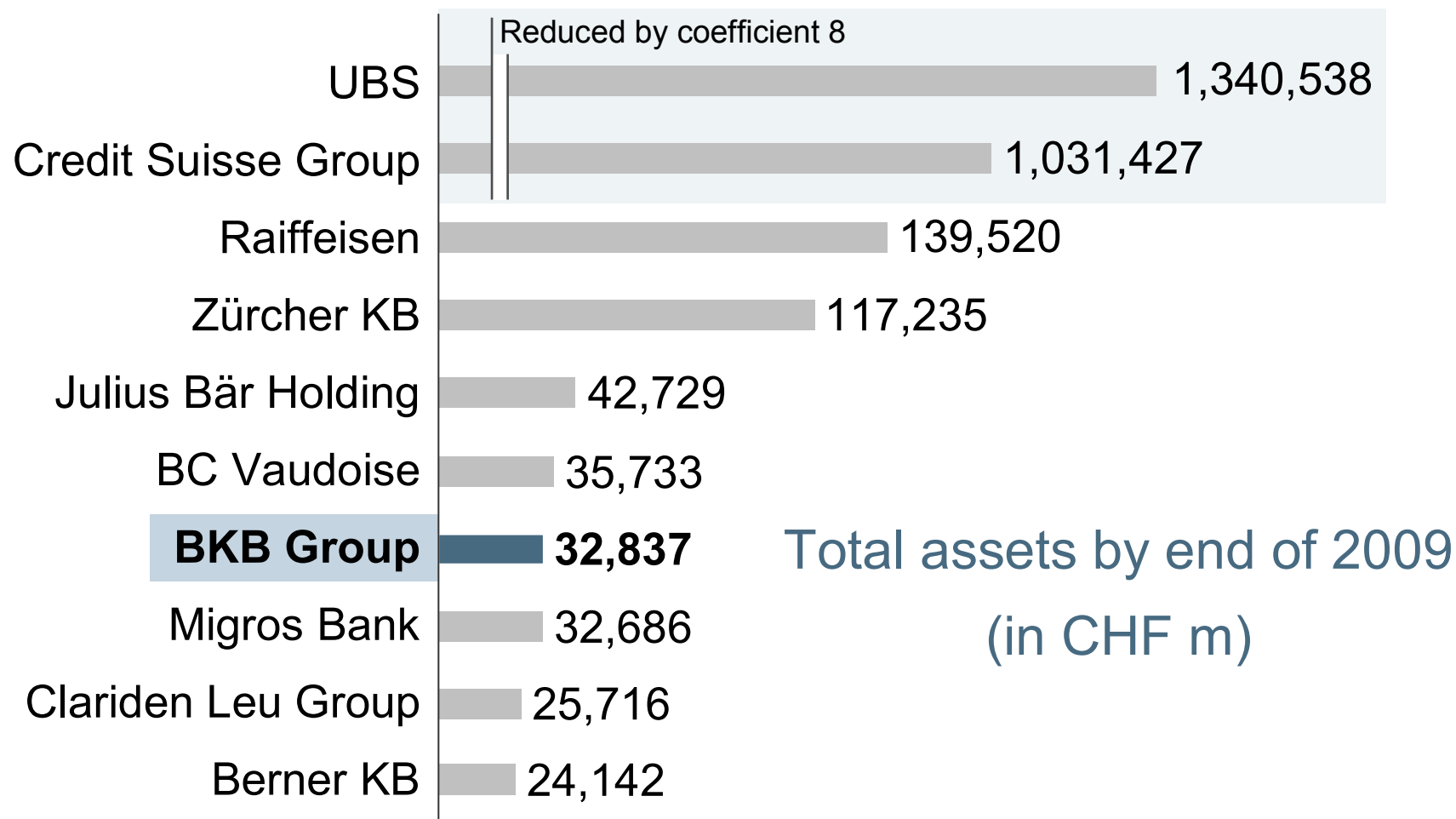
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BKB Group: 7th Largest Swiss Bank Group

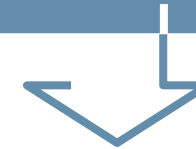


Positioning of Basler Kantonalbank



**A rather untypical cantonal bank with strong income diversification
(geographical constraints)**

- Need to stand out from other banks with regard to:**
- **Top-quality professional banking**
 - **Countrywide activities and presence**
 - **Dynamism, efficiency**

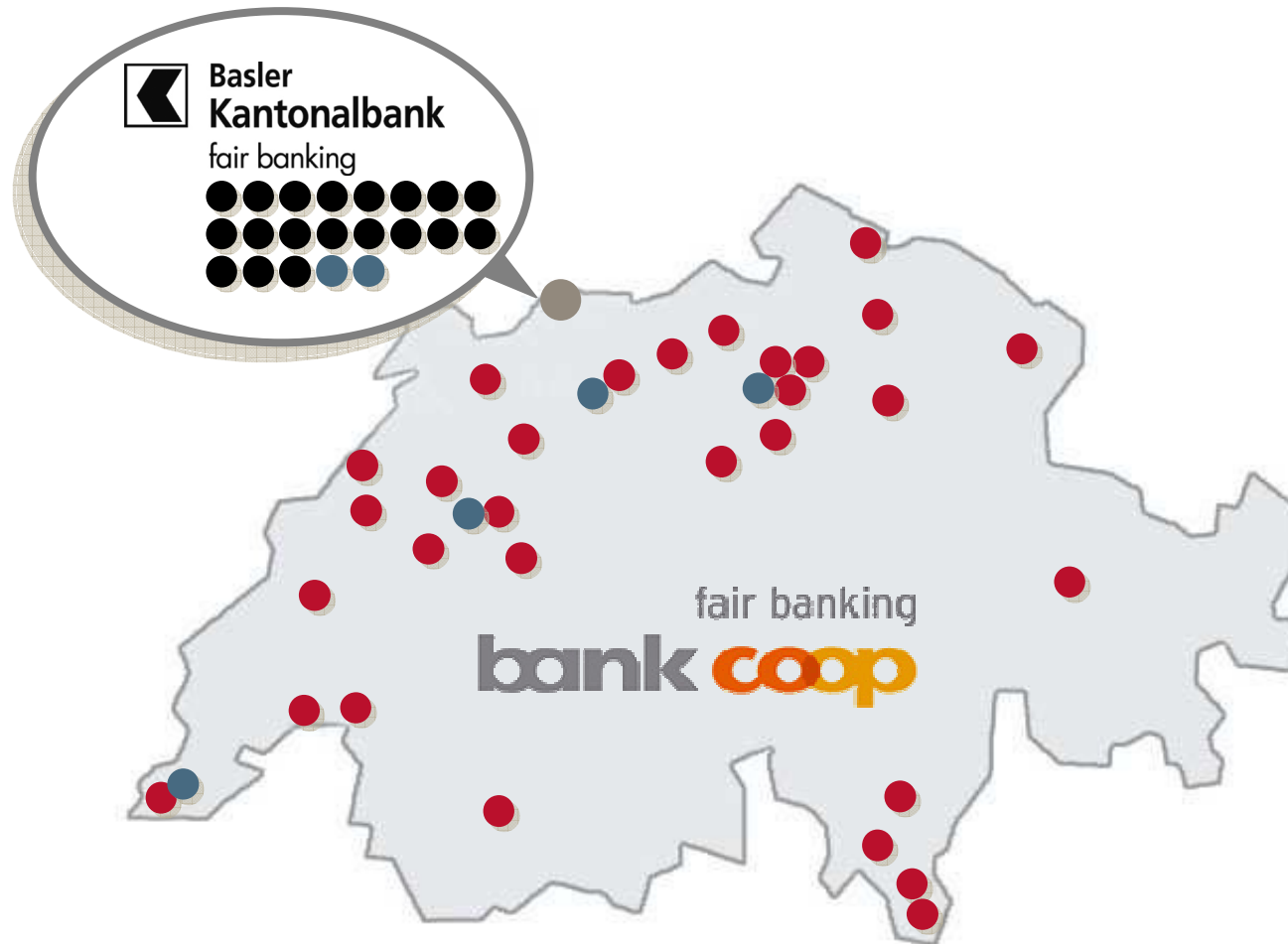


**In sum:
Sharpen our profile**



Positioning of Bank Coop



BKB Group locations



Strategic thrusts

Segment	Market Territory	Clients	Income
 Basler Kantonalbank fair banking			
Private Clients, SME	NWCH	→	↗
Private Banking	CH, D	↗	↗
Firms, Institutionals, Banks	CH	↗	↗
fair banking 			
Private Clients, SME	CH	↗ ↗	↗ ↗

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Group Vision 2015

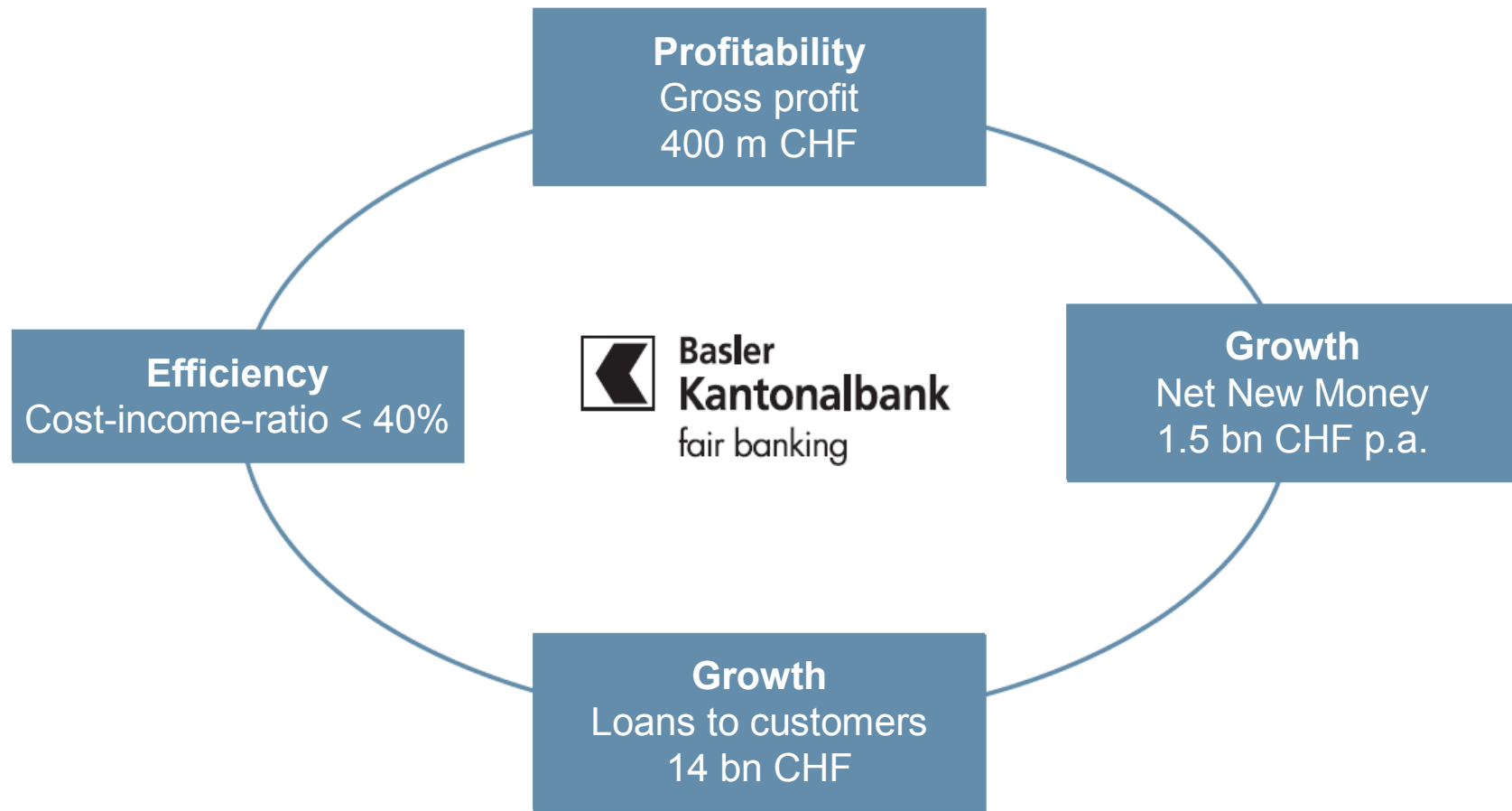
VISION

Based on our mandate as a cantonal bank and our **responsibility as a bank in Northwest Switzerland**, we as the BKB Group strive for a strong competitive position as a **full-service bank in Switzerland**.

We are committed to „**Fair Banking**“ for all stakeholders and want **sustainable added value** for clients, owners, and employees.

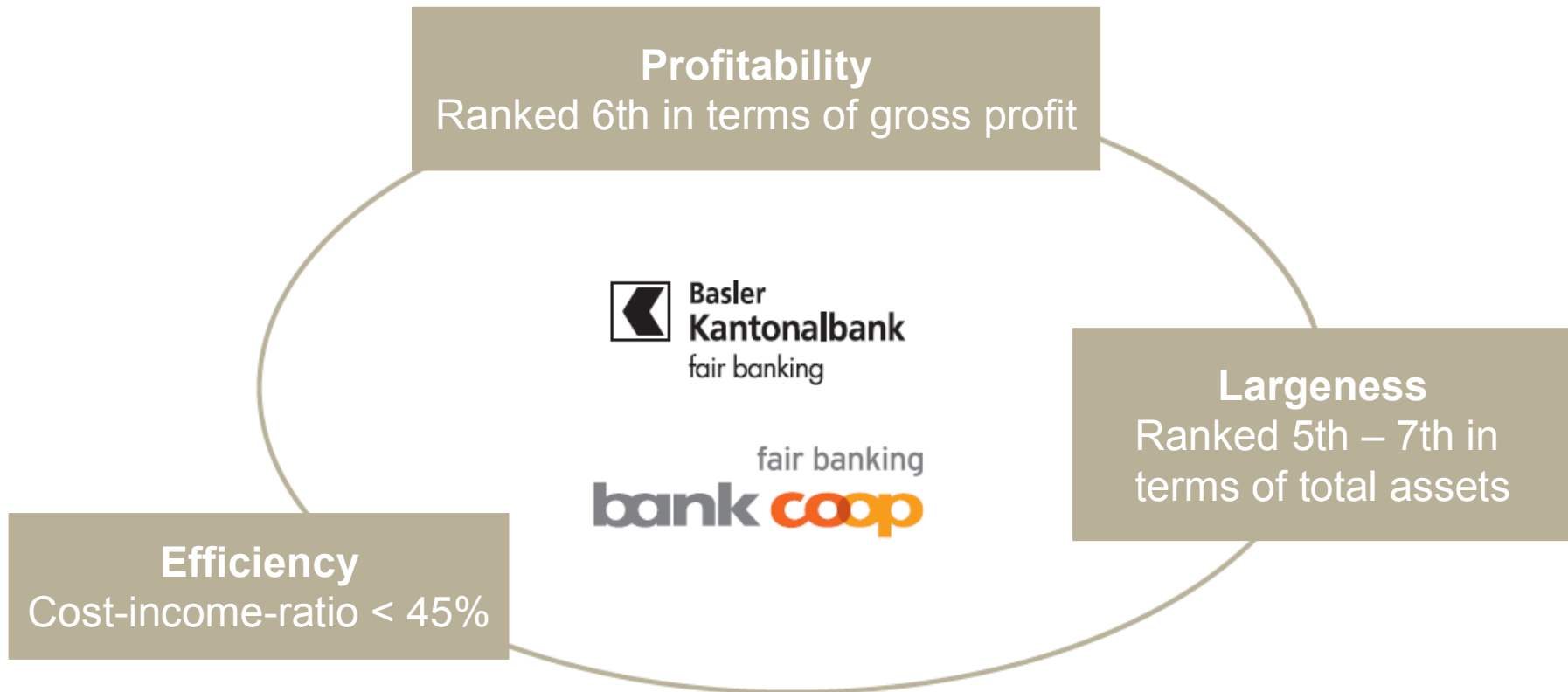
Strategic Objectives 2015

Parent Company Basler Kantonalbank



Strategic Objectives 2015

BKB Group



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BKB Participation Certificate – a sustainable investment



Source: Bloomberg

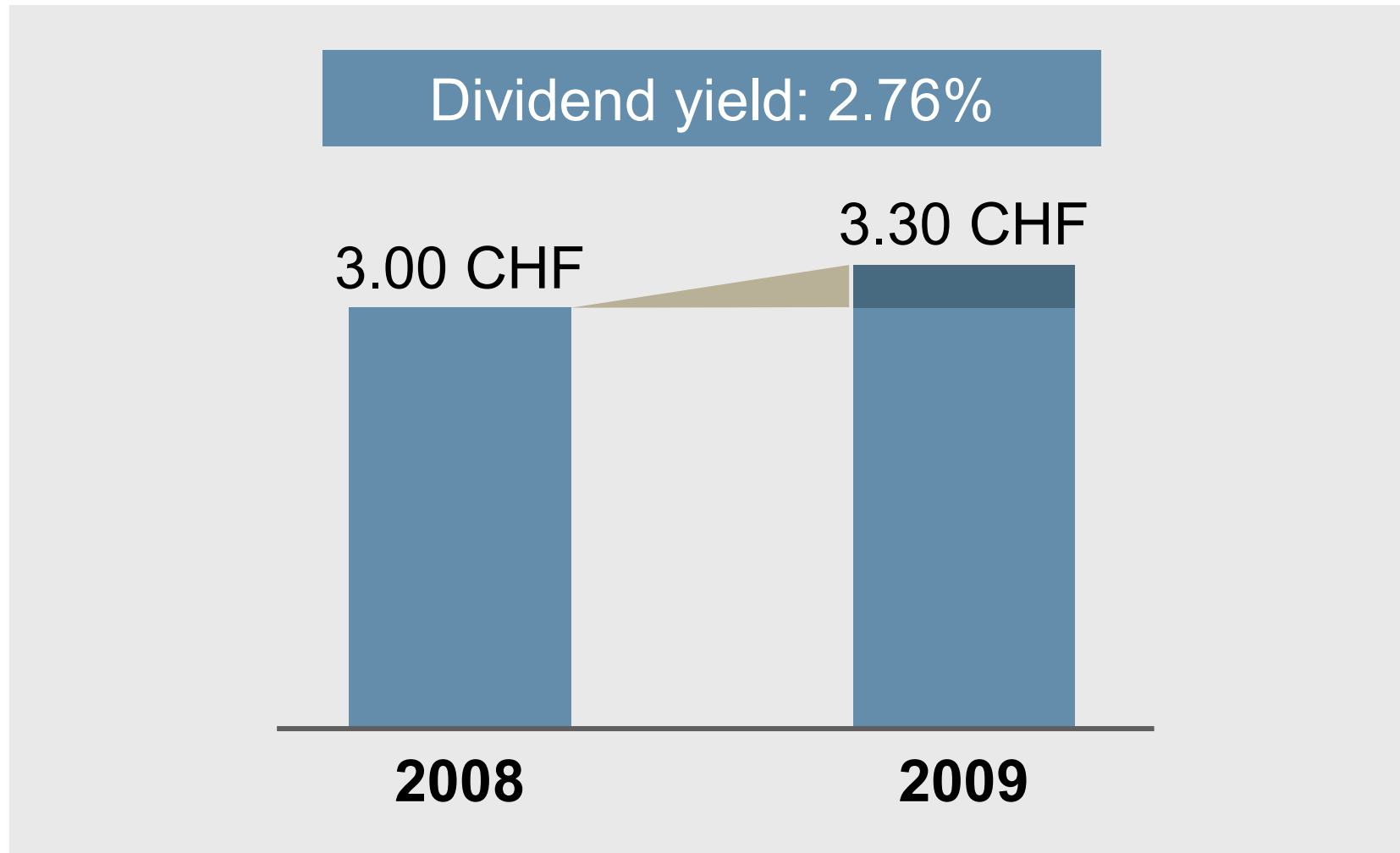
Market capitalization

Rank		Market value in CHF bn *
1.	UBS	55.85
2.	Credit Suisse Group	51.01
3.	Julius Bär Holding	6.71
4.	Basler Kantonalbank	4.10
5.	Banque Cantonale Vaudoise	3.79
6.	Partners Group	3.25
7.	Valiant	3.11
8.	Graubündner Kantonalbank	3.09
9.	Basellandschaftliche Kantonalbank	2.68
⋮		

Source: FuW-Aktienführer online

* 7.6.2010

Dividend payout (gross)



BKB Participation Certificate – Always a Winner for the Last 10 Years

- **BKB PS**: Ranked 10th among 8,000 shares worldwide
- Average Performance: **+ 10.33%**
- Overall Performance: **+ 167.25%**



BKB Participation Certificate

Key Figures

Exchange-rate statistics		2008	2009
Market price at year-end	in CHF	115.10	119.60
Market capitalization at year-end*	in m CHF	3,441.49	3,576.04

Key figures per Participation Certificate		2008	2009
Gross profit adjusted (without IT migration)*	in CHF	8.42	10.98
Operating profit adjusted (without IT migration)*	in CHF	6.23	8.75
Annual profit (Earnings per share)*	in CHF	2.60	3.26
Book value*	in CHF	72.87	77.17
Dividend yield	in %	2.61	2.76
Pay-out-ratio	in %	20.80	19.98
Price-earnings-ratio		27.56	17.29
Price-book-ratio		1.58	1.55

* The endowment capital is also taken into account.

Disclaimer

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.

- Basler Kantonalbank is not under any obligations to (and expressly disclaims any such obligations to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

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