

**PRESS RELEASE**Lugano, 3<sup>rd</sup> May 2010PKB Privatbank's 2009 Results**STABLE CUSTOMER ASSETS FOR THE PKB PRIVATBANK GROUP**

- *The Italian fiscal amnesty resulted in a moderate shift of funds from Switzerland-based PKB Privatbank to the Italian affiliate Cassa Lombarda, but the Group still maintains total customer assets under management in excess of CHF 10 billion.*
- *In 2009 operating revenues totalled CHF 72.9 million, down 12% in comparison with 2008.*
- *The Tier 1 capitalization ratio was close to 26%, one of the highest in Switzerland.*
- *Business expansion continues in Switzerland: addition of a new team of advisors in Geneva and establishment of an alternative investment unit.*

In 2009 PKB Privatbank, the Lugano-based bank of the COFI Group, saw a sharp drop in net interest income (due to the fall of interest rates, which penalized the Bank's traditionally prudent approach in managing its substantial liquidity), a strong increase in results from trading operations (especially in fixed-income securities, field in which PKB has significant expertise) and relatively stable commission income from traditional private banking activities.

Thus, operating revenues totalled CHF 72.9 million, down 12% from the previous year.

Operating expenses, which rose slightly (CHF 44.8 million, up 2.75%) due to development projects and the prudent write-down on equity participations, affected net profit for 2009, which stood at CHF 20.5 million, compared with CHF 26.8 million in 2008.

At year-end PKB Privatbank had CHF 5.5 billion in customer assets under management, down 9.9%, due mainly to the CHF/EUR exchange rate and the outflow determined by the Italian fiscal amnesty. Both factors eroded the net new money inflows that mainly occurred during the first half of the year. In addition to customer assets managed in Switzerland, one must also take into consideration client assets managed by the subsidiary in Antigua and the affiliated Cassa Lombarda. Overall, the COFI group had customer assets under management exceeding CHF 10 billion.

PKB Privatbank's core capital amounts to CHF 329 million (CHF 417 million at group level). At 25.78%, the Tier 1 capitalization ratio is one of the highest in Switzerland, thus attesting the Bank's financial strength.

The Bank - which is headquartered in Lugano, Via Balestra, and has branches in Geneva, Zurich and Bellinzona – continues to expand. "I am happy to announce a significant reinforcement of our Geneva branch, thanks to the arrival, in the next few months, of a team of advisors that has been active for decades on the Swiss domestic and European French-speaking markets", said Umberto Trabaldo Togna, President of the General Management.

In terms of products and services the Bank announces a strengthened Advisory platform and the creation of a new Asset Management unit specializing in alternative investments for qualified and/or institutional clients.

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*PKB, Privatbank AG is a private banking institution which operates through four Swiss offices - Lugano (headquarter), Bellinzona, Geneva and Zurich – an affiliate in St. Johns, Antigua - PKB Privatbank Ltd – and Cassa Lombarda S.p.A., Milan, active in private banking for an Italian domestic clientele. The PKB Group, including Cassa Lombarda, has approximately CHF 10 billion assets under management.*

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