

Value *Creating*



Strategic focus on asset management pays off

After the successful sale of Bank am Bellevue, Bellevue Group is operating with a clear business model as a pure asset manager with internationally recognized core competencies in biotech and healthcare. Its innovative range of services and products spans the three pillars of specialized healthcare strategies, alternative investment strategies and traditional investment strategies.

Rapid rebound in assets under management

After a pandemic-induced 20% decline in March, assets under management recovered steadily in the months that followed thanks to the rapid market recovery. In addition, the coronavirus heightened general awareness and appreciation of the healthcare sector. Bellevue's attractive healthcare strategies witnessed high levels of investor interest and took in CHF 500 mn in new money. Meanwhile clients withdrew funds from traditional investment strategies. At the mid-year mark total assets under management amounted to CHF 10.6 bn, slightly above the figure from the end of 2019.

Improved operating performance despite COVID-19 pandemic

The business model proved to be extremely robust during the turbulent first half and made a renewed improvement in operating performance possible, as illustrated by the 15% increase in operating profit. A higher average level of assets under management compared to the prior-year period coupled with a proportionally slower increase in costs led to this pleasing development and an improvement in the cost/income ratio. The stable organization and modern infrastructure enabled intensive interaction with clients and the acquisition of new clients without in-person contact even at the height of the pandemic.

First-class investment performance

Bellevue Group's innovative investment ideas generated convincing absolute and relative returns and value for clients during the first half of the year. 70% of assets under management profited from an outperformance versus the respective benchmark. The two investment companies BB Biotech and BB Healthcare Trust extended their positive track records with returns of 11.4% and 16.0% over the reporting period. BB Healthcare Trust, now a member of the FTSE 250 Index, beat its benchmark by 7.3%, BB Biotech beat its benchmark by 0.2%. The entrepreneur strategies also delivered pleasing returns. BB Adamant Emerging Markets was Bellevue Group's top performer in the first half, having gained 30.9% over the period.

ASSETS UNDER MANAGEMENT

CHF 10.6 bn

OPERATING INCOME

CHF 48.6 mn

(+4%)

INCOME FROM RECURRING REVENUES

99%

OPERATING PROFIT (EBITDA)¹

CHF 17.5 mn

(+15%)

COST/INCOME RATIO²

64%

(Prior-year: 67%)

SHAREHOLDERS EQUITY

148 mn

(as at 2020/06/30)

¹ Group net profit from continuing operations before tax, depreciation and amortization

² Based on operating income and expense (excl. income from investments in proprietary products)

Alternative performance measures

To measure our performance, we use alternative performance measures that are not defined under International Financial Reporting Standards (IFRS). Details can be found in note 6 on page 24.

Table of contents

Letter to the Shareholders	2
-----------------------------------	----------

Consolidated interim Financial Statements	
Consolidated income statement	5
Consolidated statement of comprehensive income	6
Consolidated balance sheet	7
Statement of shareholder's equity	8
Consolidated cash flow statement	9

Notes to the Consolidated interim Financial Statements	
Accounting principles	10
Risk management and risk control	13
Details on the consolidated income statement	13
Details on the consolidated balance sheet	14
Off-balance sheet and other information	20
Alternative Performance Indicators	24

Report of the statutory auditors	25
---	-----------

Investor Relations and contacts	26
--	-----------



André Rüegg
Chief Executive Officer

Veit de Maddalena
Chairman of the Board
of Directors

Dear Shareholders,

After a promising start to the year, the COVID-19 pandemic put Bellevue Group through a veritable stress test as the first half progressed. Bellevue's business model as a pure asset manager with internationally acknowledged core competencies in the areas of biotechnology and healthcare proved to be robust. Bellevue Group consequently improved its operating performance despite the unprecedented market gyrations, thanks in no small measure to the higher average level of assets under management.

The COVID-19 pandemic captured global attention during the first half. Reality was turned on its head very quickly and all of us had to adjust to completely new situations. Businesses and individuals alike were affected, and still are. For a while financial markets around the world were rocked by unbelievable turmoil. Bellevue Group was compelled to adjust its operating activities and workplace collaboration as well as its interaction with clients from one day to the next in response to the emergency situation. Thanks to the hard work and dedication of our employees and the flexibility of our clients, not to mention the company's robust and modern digital infrastructure, Bellevue Group navigated these challenges quite well. Fortunately, none of our employees have been infected with the virus. To the surprise of many, financial markets bounced back very quickly and that benefited our business activities as well. Furthermore, the coronavirus and the tangible consequences it had around the world have increased the general awareness and appreciation of issues related to health and healthcare, giving our business operations in the biotech and healthcare segments where we offer tremendous expertise good tailwinds. Nevertheless, we expect that the second half of the year will also be volatile because the positive developments priced into the stock market

are not yet reflected in key economic indicators. High-quality investment ideas can provide good returns in such an environment. Bellevue Group's track record on this point speaks for itself.

Stronger asset base, strong client demand for healthcare strategies

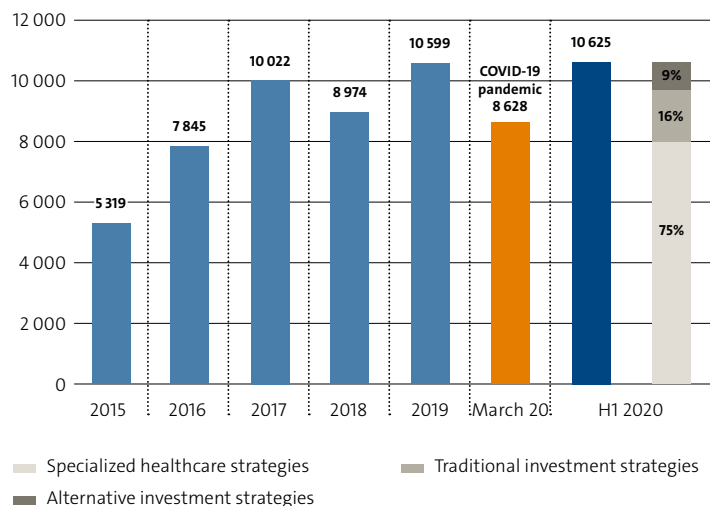
The pandemic-induced turmoil put an abrupt end to the positive momentum markets displayed early in the year and assets under management briefly lost nearly 20% of their value. Thanks to the market's rapid recovery and strong inflow of new money, assets under management rose to CHF 10.6 bn by the end of the reporting period, slightly higher than at year-end 2019. Healthcare strategies attracted significant amounts of new money as the market began to recover in April. They were also buoyed by greater awareness of the healthcare sector. New money inflows into the healthcare strategies during the first half reached more than CHF 500 mn. BB Adamant Medtech & Services attracted the greatest inflows, and investors also showed increased interest in the BB Adamant Asia Pacific Healthcare as well as the BB Adamant Digital Health funds. The alternative investment strategies proved their worth in the period under review. However, as expected, the traditional equity, bond and multi-asset class funds came under pressure. Investors pulled approximately CHF 390 mn from these funds, but this outflow of low-margin assets had little impact on operating earnings. Total net new money for the period amounted to CHF 38 mn, but the overall margin mix improved.

Compelling product quality – more than 70% of assets under management outperform their benchmarks

Bellevue Group's investment strategies generated value for investors with compelling returns in absolute and

DEVELOPMENT OF ASSETS UNDER MANAGEMENT

(CHF mn)



Source: Bellevue Group, as at June 30, 2020

relative terms even amid an extraordinary six-month period. The healthcare strategies stood out once again and almost every fund ended the period with a positive return.

Bellevue's two investment companies, BB Biotech and BB Healthcare Trust, advanced 11.4% and 16.0% and beat their benchmarks by 0.2% and 7.3%, respectively. The admission of BB Healthcare Trust to the FTSE 250 equity index attests to its impressive performance record.

The BB Adamant Emerging Markets Healthcare Fund was Bellevue's top performer in the first half, closing the period with a year-to-date gain of 30.9%, for an out-performance of 5.1%. It was closely followed by the BB Adamant Asia Pacific Healthcare Fund with a ytd gain of 30.0% (outperformance of 16.3%). The BB Adamant Global Biotech Fund and the BB Adamant Digital Health Fund, which was launched in 2018, showed a very positive development and their prospects for the full fiscal year are promising. More than 70% of all assets under management outperformed their benchmark in the first half of 2020 (75% over 3 years).

Operating profit increased by around 15% thanks to improved earnings power and cost discipline

The operating results of Bellevue's continuing operations improved during the period under review despite the market turbulence. Total operating income for the first six months of 2020 reached nearly CHF 49 mn, an increase of more than 4% to prior-year. This renewed growth is entirely due to the higher average level of assets and the attractive new money inflows.

The share of asset-based and thus recurring income remained at the high level of 99%. Personnel expenses were slightly higher, which reflects the recruitment of additional talent, while other operating expenses declined by 14.1%. Despite considerable spending in vari-

ous business areas and initiatives with high potential (healthcare, direct equity investments, infrastructure, etc.), total operating expenses were slightly lower at CHF 31 mn, which reflects ongoing efforts to reduce historical fixed costs. Stronger earnings power coupled with the slight decline in operating expenses led to a 14.6% rise in earnings before interest, tax, depreciation, and amortization (EBITDA) to CHF 17.5 mn. There was also a significant improvement in the operating cost/income ratio, which stood at 64% versus 67% in the prior-year period. A cost/income ratio of less than 60% is targeted over the medium term. Bellevue Group employed 99 people at the end of June 2020 (expressed as FTEs).

Consolidated net profit from continuing operations reached CHF 6.2 mn and was materially impacted by impairments and provisions in excess of CHF 7.0 mn, mostly pertaining to StarCapital, which is facing stiff competition with its traditional focus on global equity, bond and multi-assets strategies. Bank am Bellevue contributed a loss of CHF 0.7 mn during the period prior to deconsolidation end of April 2020. This led to a consolidated net profit of CHF 5.5 mn. The y-o-y decline is attributed to the opposing non-recurring effects from the two reporting periods.

Diversified investment competencies – with quality and innovation – are a significant advantage

As an independent, entrepreneurial "multi-boutique", Bellevue Group has steadily diversified its investment capabilities in recent years. This broad range of investment expertise enables Bellevue to profile itself as a "House of Investment Ideas" and it served the company well during the COVID-19 pandemic. Its three pillars of specialized healthcare strategies, alternative investment strategies and traditional investment strategies cover a well-focused investment spectrum. They create a good balance between "growth" and "protection". What's more, Bellevue's extensive and very distinctive range of healthcare strategies captures the zeitgeist of our times and is generating greater resonance with clients.

The ongoing expansion of our alternative investing capabilities is taking shape. Initial rewards of the Group's growing activities in the direct equity investment business, focusing on "healthcare" and "entrepreneurial" investment themes, have materialized: BB Pureos Bioventures has received commitments from top-tier institutional and strategic investors and has already made several investments; final closing is expected in the second half of 2020.

In the entrepreneurial private equity growth capital financing business for SMEs, our subsidiary adbodmer is making good headway. A number of highly regarded entrepreneurs and families were added to its already very attractive group of investors and the deal flow rose rapidly. Two more attractive transactions were closed in

July 2020 and the pipeline for Q4 2020 and Q1 2021 is full. Building on this promising base, a specialized private equity fund is scheduled for launch in the second half of 2020. Bellevue has selectively expanded its teams with highly qualified specialists to manage this good momentum.

The traditional investment strategies with specialized growth strategies, defensive equity strategies, and bond as well as multi-asset strategies remain under pressure from both a market and structural standpoint. The range of products and services is being adjusted and new innovative ideas were introduced to give it new growth opportunities.

Further progress on sustainability

Sustainability is an integral part of Bellevue's business operations and it is playing an increasingly important role in its investment practices and solutions. After implementation of an ESG integration process, Bellevue began to systematically screen all of its investment portfolios on the basis of sustainability risks, violations of basic human rights and norms, carbon emission levels and other ESG criteria. The BB Adamant Sustainable Healthcare Fund, the world's first healthcare fund managed in accordance with strict sustainability standards, showed strong customer interest and doubled its volume to more than CHF 120 mn during the first half of 2020.

Leaner Group structure and revitalization of StarCapital

The sale of Bank am Bellevue announced last year was successfully closed at the end of April 2020 amid the market turmoil and lockdowns. The strategic focus on asset management only has clearly simplified Bellevue Group's entire organization.

The Group-level roles will be streamlined during the second half of 2020 and most of the previously centralized services (such as IT Infrastructure & Services, Compliance) will be transferred to the operating units. This will provide synergy benefits and allow the operating units to better manage their growth and development.

As part of this change, Michael Hutter, the long-standing CFO of Bellevue Asset Management AG and ad interim Group CFO until the end of 2019, who has also managed strategic Group projects and served in management roles at various subsidiaries, will assume the role of CFO of Bellevue Group as of August 1, 2020.

Patrik Gilli, who was instrumental in the successful sale of the equity interest in SIX and of Bank am Bellevue in his roles as CFO of Bank am Bellevue and Group, will leave Bellevue Group once ongoing projects have been completed. The Board of Directors and the Group Executive Board thank Patrik Gilli for his tremendous, results-focused efforts and wish him all the best for his future career.

Bellevue's StarCapital subsidiary has been increasingly challenged by relentless structural competitive pressure in the area of traditional investment products, particularly bond and multi-asset products. Falling business volume has forced the Management Board of StarCapital to take ongoing cost-cutting action to address this situation. Bellevue Group and StarCapital's Board have launched further-reaching initiatives to reposition and revitalize the company and ensure its sustained, successful development. The effect of all these measures will become more visible in 2021.

Strong positioning enables a solid performance despite challenging environment

The transformation to a "pure play" asset manager was successfully completed. A solid organization, a highly talented and motivated workforce and an attractive market positioning contributed to Bellevue Group's steadfast resilience during the period under review. The highly distinct focus of its business model as a "pure play" asset manager naturally heightens its dependency on the stock market and the healthcare sector in particular. There is no viable alternative to equities due to structural financial market developments, but caution is called for in view of today's rich valuations and political uncertainty. The future course of the pandemic and, in particular, the not yet accurately quantifiable collateral damage it will inflict on the real economy make the overall situation somewhat fragile.

The strong positioning and extremely solid financial foundation of our Group allow us to look to the future with confidence. Our stable income base with a very high share of recurring revenue streams makes its business more predictable and the recent reduction in organizational complexity will lead to further efficiency gains. Our straightforward and debt-free balance sheet gives us a solid financial footing. Our strong capital structure puts us in a comfortable position to create further value (organic and/or inorganic) going forward and offer shareholders attractive dividend potential.

Our confident outlook for the second half despite the pandemic-driven uncertainties and geopolitical imponderables is rooted above all in the people who work for Bellevue Group. Without their commitment and dedication, the stable course of business we witnessed during the first half would not even have been conceivable. On behalf of the Board of Directors and the Executive Board, we thank them for their perseverance and support. We also thank our clients and shareholders. Their trust and loyalty are the foundation of Bellevue Group's successful future.



Veit de Maddalena
Chairman of the Board of
Directors



André Rüegg
Chief Executive Officer

Consolidated interim Financial Statements

Consolidated income statement

CHF 1 000	Note	1.1.–30.6.2020	1.1.–30.6.2019	Δ to 30.06.2019
Management fees		48 365	45 951	+2 414
Performance fees		35	–	+35
Other commission income		495	2	+493
Fee and commission expense		–215	–242	+27
Revenues from asset management services		48 680	45 711	+2 969
Income from financial investments		–220	464	–684
Net other income	3.1	179	379	–200
Operating income		48 639	46 554	+2 085
Personnel expenses	3.2	–25 282	–24 471	–811
Other operating expenses	3.3	–5 836	–6 791	+955
Depreciation and amortization	3.4	–2 362	–2 113	–249
Valuation adjustments and provisions	3.5	–7 032	–949	–6 083
Operating expenses		–40 512	–34 324	–6 188
Group profit before tax from continuing operations		8 127	12 230	–4 103
Taxes	3.6	–1 924	–2 670	+746
Group net profit from continuing operations		6 203	9 560	–3 357
Group net profit from discontinued operations (net of tax)	5.3	–697	4 648	–5 345
Group net profit		5 506	14 208	–8 702
Undiluted earnings per share from continuing operations (in CHF)		+0.46	+0.71	–0.25
Undiluted earnings per share from discontinued operations (in CHF)		–0.05	+0.35	–0.40
Total undiluted earnings per share (in CHF)		+0.41	+1.06	–0.65
Diluted earnings per share from continuing operations (in CHF)		+0.46	+0.71	–0.25
Diluted earnings per share from discontinued operations (in CHF)		–0.05	+0.35	–0.40
Total diluted earnings per share (in CHF)		+0.41	+1.06	–0.65

We refer to the statement on the change in presentation in section 1.2 on page 10 f.

Consolidated statement of comprehensive income

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019	Δ to 30.06.2019
Group net profit in the income statement	5 506	14 208	-8 702
Other comprehensive income (net of tax)			
Items that may be reclassified subsequently to net income			
Currency translation adjustments	-671	-613	-58
Items that will not be reclassified subsequently to net income			
Gains and losses arising on revaluation of financial assets at fair value through other comprehensive income	-102	2 995	-3 097
Remeasurements of post employment benefit obligations	-1 045	193	-1 238
Total comprehensive income	3 688	16 783	-13 095

Details of the discontinued operation are provided in Note 5,3 on page 21 f.

Consolidated balance sheet

	Note	30.6.2020	31.12.2019 restated*	Δ to 31.12.2019 restated
Cash and cash equivalents		54 583	87 486	-32 903
Trade and other receivables	4.1	13 187	19 021	-5 834
Financial investments	4.2	41 611	40 568	+1 043
Other assets	4.3	8 444	5 774	+2 670
Current tax assets		2 082	665	+1 417
Assets classified as held for sale	5.3	-	153 707	-153 707
Current assets		119 907	307 221	-187 314
Financial investments	4.2	6 670	6 818	-148
Property and equipment		7 055	8 254	-1 199
Goodwill and other intangible assets	4.8	55 532	63 959	-8 427
Other assets	4.3	10 186	6 429	+3 757
Deferred tax assets		779	465	+314
Non-current assets		80 222	85 925	-5 703
Assets		200 129	393 146	-193 017
Trade and other payables	4.9	26 933	35 583	-8 650
Lease liabilities		2 237	2 147	+90
Other financial liabilities		93	-	+93
Current tax liabilities		248	7 612	-7 364
Liabilities directly associated with assets held for sale	5.3	-	127 624	-127 624
Current liabilities		29 511	172 966	-143 455
Trade and other payables	4.9	13 129	11 135	+1 994
Lease liabilities		3 820	5 060	-1 240
Deferred tax liabilities		5 496	5 635	-139
Provisions and pension obligations		626	-	+626
Non-current liabilities		23 071	21 830	+1 241
Liabilities		52 582	194 796	-142 214
Share capital		1 346	1 346	+0
Capital reserves		27 340	27 340	+0
Unrealized gains and losses recognized in other comprehensive income		-1 504	-800	-704
Currency translation adjustments		-1 272	-601	-671
Retained earnings		123 646	172 719	-49 073
Treasury shares		-2 009	-1 654	-355
Total shareholder's equity		147 547	198 350	-50 803
Total liabilities and shareholders' equity		200 129	393 146	-193 017

¹⁾ The previous-year period has been adjusted. We refer to the statements on the change in presentation in section 1.2 on page 10 f. and on the correction of errors in section 1.3 on page 11 f.

Statement of shareholder's equity

CHF 1 000	Share capital	Capital reserves	Gains and losses recognized in other comprehensive income	Currency translation adjustments	Retained earnings	Treasury shares	Total
Balance at 31 December 2019	1346	27340	-800	-601	170131	-1654	195762
Correction of error 2019 (net of tax)	-	-	-	-	2588	-	2588
Restated total equity at 31 December 2019	1346	27340	-800	-601	172719	-1654	198350
Currency translation adjustments	-	-	-	-671	-	-	-671
Gains and losses arising on revaluation of financial assets at fair value through other comprehensive income	-	-	-102	-	-	-	-102
Remeasurement of post employment benefit obligations	-	-	-1045	-	-	-	-1045
Reclassification from OCI positions ¹⁾	-	-	443	-	-443	-	-
Other comprehensive income	-	-	-704	-671	-443	-	-1818
Group net profit	-	-	-	-	5506	-	5506
Total comprehensive income	-	-	-704	-671	5063	-	3688
Employee stock ownership plan	-	-	-	-	63	-	63
Acquisition of own shares	-	-	-	-	-	-12950	-12950
Disposal of own shares	-	-	-	-	-353	12595	12242
Dividends and other distributions	-	-	-	-	-53846	-	-53846
Balance at 30 June 2020	1346	27340	-1504	-1272	123646	-2009	147547

¹⁾ Reclassification in connection with pension obligations of discontinued operations.

The share of other comprehensive income attributable to discontinued operations is shown in Note 5.3 on page 21 f.

CHF 1 000	Share capital	Capital reserves	Gains and losses recognized in other comprehensive income	Currency translation adjustments	Retained earnings	Treasury shares	Total
On January 1, 2019	1346	30706	45015	842	120665	-1693	196881
Currency translation adjustments	-	-	-	-613	-	-	-613
Gains and losses arising on revaluation of financial assets at fair value through other comprehensive income	-	-	2995	-	-	-	2995
Remeasurement of post employment benefit obligations	-	-	193	-	-	-	193
Other comprehensive income	-	-	3188	-613	-	-	2575
Group net profit	-	-	-	-	14208	-	14208
Total comprehensive income	-	-	3188	-613	14208	-	16783
Employee stock ownership plan	-	-	-	-	798	-	798
Acquisition of own shares	-	-	-	-	-	-4630	-4630
Disposal of own shares	-	-	-	-	-122	4612	4490
Dividends and other distributions	-	-3366	-	-	-11442	-	-14808
Balance at 30 June 2019	1346	27340	48203	229	124107	-1711	199514

Consolidated cash flow statement

	1.1.–30.6.2020	1.1.–30.6.2019 restated*
Cash flow from operating activities		
Group net profit from continuing operations	6 203	9 560
Group net profit from discontinued operations	– 697	4 648
Total group profit	5 506	14 208
Reconciliation to net cash flow from operating activities		
Non-cash positions in Group results:		
Depreciation and amortization	2 362	2 297
Impairment of goodwill and intangible assets	7 032	949
Change in provisions	– 751	–
Income taxes	1 919	– 339
Other non-cash items	149	1 119
Net (increase) / decrease in operating assets		
Receivables and other assets	– 30 340	– 41 301
Financial assets and trading positions	– 8 631	3 849
Net increase / (decrease) in liabilities		
Payables and other financial liabilities	151 506	– 44 316
Paid income taxes	– 11 039	– 3 497
Cash flow from operating activities	117 713	– 67 031
Cash flow from investing activities		
Purchase of property and equipment	– 200	– 8
Acquisition of intangible assets	–	– 200
Payments for acquisitions of controlled entities, net of cash	– 69	– 5 305
Reduction in cash and cash equivalents following disposal of subsidiaries	– 148 271	–
Net cash flow from investing activities	– 148 540	– 5 513
Cash flow from financing activities		
Cash distributions / dividends paid	– 53 846	– 14 807
Leasing payments	– 1 150	– 962
Purchases of treasury shares	– 12 950	– 4 630
Disposal of treasury shares	8 002	4 612
Net cash flow from investing activities	– 59 944	– 15 787
Currency translation effects	– 94	– 73
Net increase / decrease in cash and cash equivalents	– 90 865	– 88 404
Cash at the beginning of the period	145 448	190 284
Cash at the end of the period	54 583	101 880
Further information ¹⁾		
Cash received as interest	60	–
Cash paid as interest	125	259
Cash received as dividends on equities	458	5 691

* The previous-year period has been adjusted. We refer to the statements on the change in presentation in section 1.2 on page 10 f.

¹⁾ These cash flows are allocated to cash flows from operating activities.

The cash flow statement does not differentiate between continuing and discontinued operations. The cash flows of discontinued operations is shown separately in Note 5.3 on page 21.

Notes to the Consolidated interim Financial Statements

1 Accounting principles

1.1 Basis of presentation

The condensed consolidated interim financial statements of Bellevue Group AG, Küsnacht, have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”. As they do not contain all of the information and disclosures required in the consolidated annual report these interim financial statements should be read in conjunction with the consolidated annual financial statement for the year ended 31 December 2019. The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies set out in the consolidated annual financial statements, except for the changes described in notes 1.2 to 1.4.

The COVID-19 pandemic has an impact on the global economy and accordingly the economic conditions have deteriorated significantly during the first half-year of 2020. Management immediately took various precautionary measures to ensure the smooth and uninterrupted continuation of business operations. Together with the Board of Directors, the Executive Board is constantly assessing the challenges and opportunities arising from this crisis. At the time of preparing the interim financial statements, however, there are no direct consequences of the crisis that have an impact on the business policy of Bellevue Group.

1.2 Change in presentation

On 20 August 2019, Bellevue Group AG and KBL European Private Bankers (new: Quintet Private Bank) signed an agreement on the sale of Bank am Bellevue AG (including its subsidiary Bellevue Investment Advisers AG). After receiving all the necessary regulatory approvals, Bellevue Group successfully closed the sale of Bank am Bellevue to Quintet Private Bank on 30 April 2020. For further details on the sale, please refer to Note 5.3 on page 21 f.

The presentation of the balance sheet, including the definition of subtotals, has been adjusted accordingly to the continuing operations, as these operations do not reflect any assets or liabilities from the banking business. The balance sheet is now divided into current and non-current assets and liabilities. Previously, the balance sheet was presented in the order of liquidity based on the banking business. The definition of cash and cash equivalents now includes the short-term part (<3 months) of “due from banks”. This adjustment to the definition of cash and cash equivalents had an impact on the presentation in the balance sheet and in the cash flow statement. The previous year’s figures have been adjusted to the new presentation accordingly. The presentation and structure of the income statement has also been adjusted to the continuing operations. Due to the new focus of Bellevue Group on asset management, the changed presentation provides a more accurate picture of the net assets, financial position, results for the period and cash flows.

The balance sheet items as of 31.12.2019 were presented as follows:

Balance sheet items as per Annual Report 2019	New balance sheet items
Cash	Cash and cash equivalents
Due from banks	Cash and cash equivalents
Due from clients	Trade and other receivables
Trading portfolio assets	Financial investments
Positive replacement values	Financial investments
Other financial assets at fair value	Financial investments
Accrued income and prepaid expenses	Trade and other receivables
Financial investments	Financial investments
Property and equipment	Property and equipment
Goodwill and other intangible assets	Goodwill and other intangible assets
Current tax assets	Current tax assets
Deferred tax assets	Deferred tax assets
Assets classified as held for sale	Assets classified as held for sale
Other assets	Trade and other receivables / Other assets
Total assets	Total assets
Due to banks	Other financial liabilities
Due to clients	Trade and other payables
Leasing liabilities	Lease liabilities
Negative replacement values	Other financial liabilities
Other financial liabilities at fair value	Other financial liabilities
Accrued expenses and deferred income	Trade and other payables / Other financial liabilities
Current tax liabilities	Current tax liabilities
Deferred tax liabilities	Deferred tax liabilities
Provisions and pension obligations	Provisions and pension obligations
Other liabilities	Trade and other payables
Liabilities directly associated with assets held for sale	Liabilities directly associated with assets held for sale
Total liabilities	Total liabilities
Share capital	Share capital
Capital reserves	Capital reserves
Unrealized gains and losses recognized in other comprehensive income	Unrealized gains and losses recognized in other comprehensive income
Currency translation adjustments	Currency translation adjustments
Retained earnings	Retained earnings
Treasury shares	Treasury shares
Total shareholder's equity	Total shareholder's equity
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity

1.3 Correction of the consolidated financial statements 2019 according to IAS 8

Following the publication of the consolidated financial statements 2019, Bellevue Group AG determined that personnel expenses were overstated due to incorrect accounting accrual in the financial year 2019.

According to IFRS, incorrect postings in the financial statements of a company have to be corrected in the period in which they are detected. Consequently, the comparative periods are to be adjusted (restatement). The facts of the case are described in detail below.

Under IAS 19 "Employee Benefits", compensation costs with a specific gains service period (service condition) must be spread over the term of the period. This resulted in a cut-off error in the consolidated income statement 2019. The correction will increase net profit after tax in 2019 by CHF 2.6 million to CHF 14.0 million and equally shareholders' equity by CHF 2.6 million to CHF 198 million. Earnings per share increased from CHF 0.85 to CHF 1.04 in the annual report 2019. The error has no impact on the figures as of 30 June 2019.

Impact on the consolidated annual report 2019:

Position	Before Adjustment	Adjustment	Adjusted
Consolidated income statement			
Personnel expenses	- 50 989	3 195	- 47 794
Total operating expenses (incl. Depreciation and amortization and Valuation adjustments)	- 76 688	3 195	- 73 493
Group net profit from continuing operations before tax	24 680	3 195	27 875
Taxes	- 7 808	- 607	- 8 415
Group net profit from continuing operations	16 872	2 588	19 460
Group net profit	11 445	2 588	14 033
Earnings per share			
Undiluted earnings per share from continuing operations (in CHF)	1.26	0.19	1.45
Total undiluted earnings per share (in CHF)	0.85	0.19	1.04
Diluted earnings per share from continuing operations (in CHF)	1.26	0.19	1.45
Total diluted earnings per share (in CHF)	0.85	0.19	1.04
Consolidated statement of comprehensive income			
Total comprehensive income	12 306	2 588	14 894
Consolidated balance sheet			
Other assets	9 008	3 195	12 203
Total assets	389 951	3 195	393 146
Deferred tax liabilities	5 028	607	5 635
Total liabilities	194 189	607	194 796
Total shareholder's equity	195 762	2 588	198 350
Total liabilities and shareholders' equity	389 951	3 195	393 146

The correction has no impact on net cash flow from operating activities or net cash flow from investing and financing activities.

1.4 New standards and interpretations

The following new or revised standards and interpretations did not have any material effects on Bellevue Group when first applied on 1 January, 2020 or were of no relevance to Bellevue Group:

IFRS 9 and IFRS 7: Interest Rate Benchmark Reform
IAS 1/IAS 8 Amendments: Definition materiality
IFRS 3 Amendments: Definition of a business unit

1.5 International Financial Reporting Standards and interpretations which will be introduced in 2021 or later and other amendments

Based on early stage analyses, the following new or revised standards and interpretations will not have a significant effect on Bellevue Group's financial statements:

	To be applied as of
IAS 1 Amendments: Classification of Liabilities as current or non-current	01.01.2023
IFRS 17: Insurance contracts	01.01.2023

1.6 Estimates, assumptions and the exercising of discretion by management

The preparation of the consolidated interim financial statements requires management to make assumptions and estimates that have an impact on the balance sheet values and items of the income statement in the current financial period. In certain circumstances, the actual values may diverge from these estimates. The main assumptions and estimates made in drawing up the condensed consolidated interim financial statements conformed to Group-wide accounting principles and were based on the assumptions applied on 31 December 2019. The current COVID-19 pandemic has no direct influence on management's assumptions and estimates, which have an impact on balance sheet values and income statement items.

2 Risk management and risk control

Bellevue Group's activity is subject to multiple financial risks including market, credit, forex, liquidity and refinancing risks. The condensed consolidated interim financial statements do not include the full information on the above mentioned risks, which the consolidated financial statements are required to present. These interim statements should therefore be read in conjunction with the consolidated financial statements in the 2019 Annual Report.

3 Details on the consolidated income statement

3.1 Net other income

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Dividend income	458	394
Interest income	7	6
Interest expenses	-55	-61
Net foreign exchange income/losses	-279	-36
Other	48	76
Total other income	179	379

3.2 Personnel expenses

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Fix and variable salaries	21 992	21 657
Pension cost	1 074	863
Other social benefits	2 050	1 703
Other personnel expenses	166	248
Total Personnel expenses	25 282	24 471

3.3 Other operating expenses

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Occupancy expense	332	423
IT and telecommunications	1 687	1 465
Travel and representation, PR, advertising	1 422	2 048
Consulting and audit fees	961	1 012
Research expenses	1 075	1 153
Other operating expenses	359	690
Total Other operating expenses	5 836	6 791

3.4 Depreciation and amortization

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Depreciation of property and equipment	234	128
Depreciation of rights of use	1 115	981
Depreciation of intangible fixed assets	1 013	1 004
Total Depreciation and amortization	2 362	2 113

3.5 Valuation adjustments and provisions

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Value adjustment Goodwill (Impairment)	5 293	–
Value adjustment intangible assets (Impairment)	1 739	949
Total Valuation adjustments and provisions	7 032	949

For further details, please refer to Note 4.8 on page 18.

3.6 Taxes

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Current income taxes	2 476	2 806
Deferred income taxes	– 552	– 136
Total taxes	1 924	2 670

4 Details on the consolidated balance sheet

4.1 Trade and other receivables

CHF 1 000	30.6.2020	31.12.2019
Trade receivables	10 432	15 794
Prepayments	290	1 034
Other receivables	2 465	2 193
Total	13 187	19 021

4.2 Financial investments

CHF 1 000	30.6.2020	31.12.2019
Investments in own products	26 903	28 491
Investments in own products to fulfill long-term incentive plans	17 549	14 454
Derivative financial instruments	8	30
Other financial assets	3 821	4 411
Total	48 281	47 386
Current	41 611	40 568
Non-current	6 670	6 818
Total	48 281	47 386

4.3 Other assets

CHF 1 000	30.6.2020	31.12.2019 restated*
Assets related to other employee benefits	17 118	11 329
Assets from pension plans	–	355
Other	1 512	519
Total	18 630	12 203
Current	8 444	5 774
Non-current	10 186	6 429
Total	18 630	12 203

* The previous-year period has been adjusted. We refer to the statements in section 1.3 on page 11 f.

4.4 Fair Value of financial instruments

CHF 1 000	30.6.2020	31.12.2019
	Book value	Book value
Assets		
Financial investments		
Investments in own products	24 348	28 475
Investments in own products to fulfill long-term incentive plans	17 549	14 454
Derivative financial instruments	8	30
Other financial investments	1 321	4 411
Assets classified as held of sale	–	6 935
Financial assets at fair value through profit and loss	43 226	54 305
Financial investments		
Investments in own products	2 555	16
Other financial investments	2 500	–
Financial assets with OCI fair value measurement	5 055	16
Total financial assets at fair value	48 281	54 321
Liabilities		
Other financial liabilities	93	–
Liabilities directly associated with assets held for sale	–	218
Financial liabilities at fair value through profit and loss	93	218
Total financial liabilities at fair value	93	218

The fair value of other financial instruments measured at amortised cost does not differ significantly from their book value.

4.5 Valuation methods of financial instruments

CHF 1 000	Level 1	Level 2	Level 3	Total
30.6.2020				
Assets				
Financial investments				
Investments in own products	2 097	18 740	6 066	26 903
Investments in own products to fulfill long-term incentive plans	17 549	–	–	17 549
Derivative financial instruments	–	8	–	8
Other financial investments	558	159	3 104	3 821
Financial assets at fair value	20 204	18 907	9 170	48 281
Liabilities				
Other financial liabilities	–	13	80	93
Financial liabilities at fair value	–	13	80	93

CHF 1 000	Level 1	Level 2	Level 3	Total
31.12.2019				
Assets				
Financial investments				
Investments in own products	2 941	19 261	6 289	28 491
Investments in own products to fulfill long-term incentive plans	14 454	–	–	14 454
Derivative financial instruments	–	30	–	30
Other financial investments	1 223	159	3 029	4 411
Assets classified as held of sale	375	6 560	–	6 935
Financial assets at fair value	18 993	26 010	9 318	54 321
Liabilities				
Liabilities directly associated with assets held for sale	–	218	–	218
Financial liabilities at fair value	–	218	–	218

No transfer between levels of the fair value hierarchy took place in the first half of 2020 or in the comparable period of the previous year.

Level-1-instruments

If a financial instrument is traded in an active market, its fair value is based on listed market prices. In the fair value hierarchy prescribed in IFRS 13, this type of financial instrument is classified as a level 1 instrument. The fair value of these positions corresponds to the current price (e.g. settlement price or closing price) multiplied by the number of units of the financial instruments held.

Level-2-instruments

If there is no active market, the fair value is determined on the basis of valuation models or other generally accepted valuation methods (primarily option pricing and discounted cash flow models). If all the significant inputs can be observed directly or indirectly in the market, the instrument is classified as a level 2 instrument. The valuation models take account of the relevant parameters such as contract specifications, the market price of the underlying asset, foreign exchange rates, yield curves, default risks and volatility.

Level-3-instruments

If at least one significant input cannot be observed directly or indirectly in the market, the instrument is classified as a level 3 instrument. These instruments essentially comprise private-equity funds and non-listed equity instruments, as well as the contingent purchase price liability. The fair value of private equity funds is determined based on the last available net asset values, less necessary value adjustments according to own assessment. The fair value of unlisted equity instruments is determined with net asset value calculation, based on up-to-date available financial information (e.g. annual reports), less necessary value adjustments according to own assessment. The valuation of the contingent purchase price liability is mainly based on the underlying contractual share purchase terms and conditions.

4.6 Level-3-Financial Instruments

CHF 1 000	6 months as per 30.6.2019			
	Financial investments	Assets classified as held for sale	Financial investments	Total
Assets				
Holdings at the beginning of the year as 1.1.	9 318	–	63 368	63 368
Investments	–	–	592	592
Redemptions / Payments	–	–	–	–
Reclassified as assets held for sale	–	57 778	–57 778	–
Losses recognized in the income statement	–209	–	–1 548	–1 548
Losses recognized as other comprehensive income	–14	–	–21	–21
Gains recognized in the income statement	75	–	–	–
Gains recognized as other comprehensive income	–	–	4 378	4 378
Total book value at balance sheet date	9 170	57 778	8 991	66 769
Unrealised profit/losses from level 3 instruments which were held on the balance sheet date recorded in the income statement in the period	–134	–	–1 548	–1 548

Key assumption in the valuation of Level 3 financial instruments are the underlying net asset values. The following table shows the effect on the valuation when this assumption changes:

Key assumptions	Changes in key assumption	Change in fair value in CHF 1 000
Net Asset value	+ 5 percentage points	459
	– 5 percentage points	–459

4.7 Business combination

On 7 January 2020, Bellevue Group AG acquired 100% of the shares in REALWERK AG, based in Zug, Switzerland for CHF 0.2 Mio., thereof CHF 0.1 Mio. in cash. The conditional purchase price payment amounts to CHF 0.1 million. The acquired company offers consulting and management services to qualified investors.

4.8 Goodwill and other intangible assets

CHF 1 000	30.6.2020	31.12.2019
Goodwill	45 917	51 670
Other intangible assets	9 615	12 289
Total Goodwill and other intangible assets	55 532	63 959

CHF 1 000		Total
Goodwill		
Acquisition cost		
Balance as of 31.12.2019		109 977
Foreign currency effect		-460
Balance as of 30.6.2020		109 517
Accumulated valuation adjustments		
Balance as of 31.12.2019		-58 307
Additions		-5 293
Balance as of 30.6.2020		-63 600
Net carrying values		
Balance as of 31.12.2019		51 670
Balance as of 30.6.2020		45 917

Bellevue Group basically examines the recoverable value of the goodwill annually, based on the estimated amount that can be obtained per each single cash-generating unit, or group of such units (depending on allocation). If events or a change of circumstances indicate a possible impairment, the test is carried out more frequently. Detailed explanations of the methods used in calculating the recoverable amount are given in the note in the annexe, item 4.6 on page 85 f, of the 2019 annual report.

An impairment test was carried out at the end of June 2020. The discount rate used in these calculations was 10.1% (31.12.2019: 10.0%) and the assumed growth rate was 2.1% (31.12.2019: 2%). A further reduction in the assets under management of StarCapital AG in the first half of 2020 and the resulting expected cash flow surpluses compared to the business plan have led to an adjustment of the estimate for the future earnings achievable by StarCapital AG. As a result, the goodwill for StarCapital AG had to be adjusted by CHF5.3 million as of 30 June 2020. This amount corresponds to the amount by which the carrying amount exceeds the recoverable amount. Assuming that the used growth rates of expected cash inflows (which depend primarily on the return on average assets under management and expected investment returns) would be assumed to be 20% lower or the used discount rate 10% higher, this could lead to an additional goodwill impairment of CHF 1.4 million or CHF 2.6 million, respectively. The goodwill allocated to the cash-generating unit StarCapital AG amounts to CHF 16.2 million as of June 30, 2020. The remaining goodwill (CHF 29.7 million) is attributable to the cash-generating units Bellevue Asset Management AG and adbodmer AG.

CHF 1 000	Client base	Brand	Other	Total
Other intangible assets				
Acquisition cost				
Balance as of 31.12.2019	49 271	375	–	49 646
Additions	–	–	230	230
Foreign currency effect	–150	–2	–	–152
Balance as of 30.6.2020	49 121	373	230	49 724
Accumulated amortisation and impairment				
Balance as of 31.12.2019	–37 055	–302	–	–37 357
Additions	–968	–22	–23	–1 013
Impairment	–1 739	–	–	–1 739
Balance as of 30.6.2020	–39 762	–324	–23	–40 109
Net carrying values				
Balance as of 31.12.2019	12 216	73	–	12 289
Balance as of 30.6.2020	9 359	49	207	9 615

The additions in the first half year 2020 result from the acquisition of the 100% investments in REALWERK AG.

As of 30 June 2020, the review of the residual values of the client base StarCapital/MARS led to an impairment of CHF 1.7 million. The discount rate used in these calculations was 11.6% (31.12.2019: 11.5%) and the assumed growth rate was 2.1% (31.12.2019: 2%).

The estimated future depreciation of other intangible assets appears as follows:

2020 (01.07.–31.12.2020)	881
2021	1 721
2022	1 699
2023	1 699
2024	1 543
2025	1 031
2026	546
2027	200
2028	200
2028	95
Total	9 615

4.9 Trade and other payables

CHF 1 000	30.6.2020	31.12.2019
Trade payables	512	627
Accrued expenses	36 120	42 066
Other payables	3 430	4 025
Total	40 062	46 718
Current	26 933	35 583
Non-current	13 129	11 135
Total	40 062	46 718

4.10 Authorized capital

	Number of shares	Par value CHF 1 000
Authorized capital		
Balance as of 31.12.2019	2 500 000	250
Balance as of 30.6.2020	–	–

At the Annual General Meeting on 24 March 2020, the Board of Directors did not propose any renewal of the authorized capital increase provided for in Art. 3b of the Articles of Association (version of 20 March 2018). The corresponding provision of the Articles of Association was deleted without replacement by means of an amendment to the Articles of Association on 7 May 2020.

5 Off-balance sheet and other information

5.1 Off-balance sheet

CHF 1 000	30.6.2020	31.12.2019
Irrevocable commitments		
Undrawn irrevocable commitments	–	124
of which payment obligation to the protection of deposits	–	124
Total	–	124
Fiduciary transactions		
Fiduciary placements with third-party banks	–	22 952
Total	–	22 952
Securities lending and pension transactions		
Book value of own holdings of securities lent in securities lending or provided as collateral in securities borrowing, and transferred in repurchase transactions	15 430	15 769

As of 30 June 2020, there were contingent liabilities towards private equity funds managed by the Group in the amount of CHF 4.0 million (31.12.2019: CHF 4.1 million).

5.2 Transactions with related companies and persons

Legal entities and natural persons are considered to be related parties if one party has the ability to control the other or exercise significant influence over its financial or operational decisions.

CHF 1 000	Key management personnel ¹⁾	Major share- holders ²⁾	Other related companies and persons ³⁾	Total
30.6.2020				
Due from clients	–	–	–	–
Due to clients	–	–	–	–
1.1.–30.6.2020				
Interest income	10	18	–	27
Fee and commission income	4	315	–	319
31.12.2019				
Due from clients	3 302	268	–	3 570
Due to clients	41	9 348	–	9 389
1.1.–30.6.2019				
Interest income	19	7	–	26
Fee and commission income	5	422	–	427

¹⁾ Key management personnel: Board of Directors and Group Executive Board (excluding major shareholders)

²⁾ Major shareholders: see Corporate Governance, section Group structure and shareholders, page 34 f. of the annual report 2019

³⁾ Other closely related companies and persons: This includes all other natural persons and legal entities that have close personal, economic, legal or de members of the Board of Directors or the Group Executive Board.

The account designations as of 31.12.2019 were not adjusted to the new designations, as all transactions relate to the discontinued operation.

Loans to related parties were generally Lombard loans secured by pledged assets (securities portfolios). As a result of the sale of the subsidiary Bank am Bellevue AG in the first half of 2020, there were no receivables (loans) from or liabilities to related parties as at 30 June 2020. Employees, members of the Board of Directors and the Executive Board benefited from preferential terms customary in the banking industry. Transactions for all other related parties were executed at terms equivalent to those available to third parties.

In the first half year 2020 there was a payment to a related company of one of the members of the Board of Directors for consultancy services in the amount of CHF 0.1 Mio. (previous period: no payments).

5.3 Discontinued operations

On 20 August 2019, Bellevue Group AG and KBL European Private Bankers (new: Quintet Private Bank) signed an agreement on the sale of Bank am Bellevue AG (including its subsidiary Bellevue Investment Advisers AG).

After receiving all the necessary regulatory approvals, Bellevue Group successfully closed the sale of Bank am Bellevue to Quintet Private Bank on 30 April 2020, and am Bellevue's workforce and its client relationships with underlying assets of CHF 1.7 bn have been transferred to Quintet Private Bank.

On 28 January 2020, the General Meeting of Shareholders of Bank am Bellevue AG unanimously resolved to distribute the available earnings of CHF 49.1 million and the reserves from tax-exempt capital contributions of CHF 1.3 million to the wholly owned parent company, Bellevue Group AG. The total distribution of CHF 50.4 million was made on 29 January 2020 and is allocated to continuing operations under the item "Cash and cash equivalents" in the consolidated balance sheet.

Further details of the discontinued operation are disclosed below.

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Income statement of discontinued operations		
Operating income ¹⁾	2 061	7 379
Personnel expenses	–2 340	–3 550
Other operating expenses	–1 174	–2 147
Depreciation and Amortization	–	–184
Profit before tax from discontinued operations	–1 453	1 498
Taxes ²⁾	5	3 150
Valuation adjustments and provisions ³⁾	751	–
Group net profit from discontinued operations	–697	4 648
Statement of comprehensive income for discontinued operations		
Currency translation adjustments	–	–
Gains and losses arising on revaluation of financial assets at fair value through other comprehensive income	–	3 012
Remeasurements of post employment benefit obligations	–383	28
Other comprehensive income for discontinued operations	–383	3 040
Statement of cash flows for discontinued operations		
Net cash flow from operating activities	117 391	–79 338
Net cash flow from investing activities	–176 252	–200
Net cash flow from financing activities	899	–18
Currency translation effects	–	–
Net cash flow	–57 962	–79 556
Earnings per share (discontinued operations)		
Basic earnings per share (in CHF)	–0.05	0.35
Diluted earnings per share (in CHF)	–0.05	0.35

¹⁾ The comparative period includes CHF 4.8 million dividend income from the SIX participation.

²⁾ The comparative period includes CHF 3.1 million capitalized deferred income taxes on losses carried forward in connection with the sale of the SIX participation.

³⁾ In connection with the completion of the sale of Bank am Bellevue in the first half of 2020, provisions of CHF 0.8 million no longer required were released to the income statement.

As the balance sheet items of the discontinued operations as of June 30, 2020 are not included in the consolidated balance sheet of Bellevue Group, they are shown in the following two tables with the old balance sheet structure.

CHF 1 000	30.6.2020	31.12.2019
Assets held for sale		
Cash and cash equivalents (incl. Due from banks)	–	57 962
Due from clients	–	85 648
Trading portfolio assets	–	6 640
Positive replacement values	–	295
Accrued income and prepaid expenses	–	521
Current tax assets	–	413
Deferred tax assets	–	81
Other assets	–	2 147
Total assets held for sale	–	153 707
Liabilities directly associated with assets held for sale		
Due to clients	–	115 609
Negative replacement values	–	218
Accrued expenses and deferred income	–	1 087
Current tax liabilities	–	2 382
Provisions and pension obligations	–	428
Other provisions ¹⁾	–	7 600
Other liabilities	–	300
Total liabilities directly associated with assets held for sale	–	127 624

CHF 1 000	30.6.2020	31.12.2019
Amounts included in accumulated OCI		
Currency translation adjustments	–	–
Gains and losses arising on revaluation of financial assets	–	–
Remeasurements of post employment benefit obligations	–	60
Total amounts included in accumulated OCI	–	60

¹⁾ In connection with the sale of Bank am Bellevue, there were one-off provisions based on the terms of sale contractually agreed between the parties.

The aggregated carrying amounts of net assets disposed of and the aggregated cash outflows on disposal of subsidiaries in 2020 were as follows:

CHF 1 000	30.4.2020
Cash and cash equivalents (incl. Due from banks)	176 252
Due from clients	116 531
Trading portfolio assets	14 632
Positive replacement values	209
Accrued income and prepaid expenses	964
Current tax assets	454
Deferred tax assets	175
Other assets	405
Due to clients	–270 066
Negative replacement values	–527
Accrued expenses and deferred income	–645
Current tax liabilities	–2 382
Provisions and pension obligations	–925
Other liabilities	–248
Net assets disposed of	34 829
Selling price (cash and cash equivalents)	27 981
Cash and cash equivalents disposed of	–176 252
Net cash flow from the sale of companies	–148 271

Due to the effective completion of the sale of Bank am Bellevue at the end of April 2020, provisions in the amount of CHF 6.8 million were used. The remaining provisions of CHF 0.8 million that were no longer necessary were released to the income statement in the first half of 2020. Overall, this resulted in a loss on disposal of CHF 6.8 million.

5.4 Major foreign exchange rates

The following exchange rates were used for the major currencies:	30.6.2020 Half year-end rate	1.1.–30.6.2020 Average rate	31.12.2019 Year-end rate	1.1.–30.6.2019 Average rate
EUR	1.06415	1.06695	1.08750	1.12718
USD	0.94730	0.96255	0.96845	0.99574
GBP	1.17470	1.22393	1.12826	1.28832

5.5 Segment reporting

Bellevue Group was previously divided into the two reportable business units “Bank am Bellevue” and “Asset Management”. Due to the sale of Bank am Bellevue, Bellevue Group will focus exclusively on business activities in the area of asset management.

As the Board of Directors believes that there is now only one reportable segment due the sale of the “Bank am Bellevue” (see Note 5.3), the corresponding reporting has been shortened or adjusted. Bellevue Group only has one reportable segment since 31.12.2019.

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019
Operating income (by business locations)		
Switzerland	43 600	49 818
Germany	3 352	4 786
Other countries	3 748	–671
Total	50 700	53 933
thereof from continuing operations	48 639	46 554
thereof from discontinued operations	2 061	7 379

All income from discontinued operations was managed in Switzerland in the period under review and in the previous period.

Total non-current assets at 30 June 2020, with the exception of financial instrument and deferred tax assets amount to CHF 40.4 million (31.12.2019: CHF 41.4 million) in Switzerland, CHF21.9 million (31.12.2019: 30.4 million) in Germany and CHF 0.3 million (31.12.2019: 0.4 million) in other countries.

5.6 Events after the balance sheet date

No events have occurred since the balance sheet date 30 June 2020 that would have a material impact on the information provided in the interim consolidated financial statements and would therefore need to be disclosed.

5.7 Approval of the consolidated interim financial statements

The Board of Directors has approved the consolidated interim financial statements at the meeting of July 28, 2020.

6 Alternative Performance Indicators

CHF 1 000	1.1.–30.6.2020	1.1.–30.6.2019	Change
Total operating income	48 639	46 554	+2 085
Personnel expenses	– 25 282	– 24 471	– 811
Other operating expenses	– 5 836	– 6 791	+ 955
Total operating expenses	– 31 118	– 31 262	+ 144
Total operating profit from continuing operations (operating profit)	17 521	15 292	+ 2 229
Depreciation and amortization	– 2 362	– 2 113	– 249
Valuation adjustments	– 7 032	– 949	– 6 083
Group profit before tax from continuing operations	8 127	12 230	– 4 103
Taxes	– 1 924	– 2 670	+ 746
Group net profit from continuing operations	6 203	9 560	– 3 357
Group net profit from discontinued operations (net of tax)	– 697	4 648	– 5 345
Group net profit	5 506	14 208	– 8 702
Special effect from continuing operations			
Valuation adjustments (impairments)	7 032	949	+ 6 083
Special effect from discontinued operations			
Valuation adjustments (impairments)	– 751	–	– 751
Dividend participation SIX	–	– 4 756	+ 4 756
Deferred income tax (capitalised losses carried forward)	–	– 3 142	+ 3 142
Adjusted group net profit	11 787	7 259	+ 4 528

Report on the Review of Interim consolidated financial statements to the Board of Directors of Bellevue Group AG Küsnacht

Introduction

We have reviewed the interim consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity, consolidated cash flow statement and notes) (pages 5 to 23) of Bellevue Group AG for the period ended 30 June 2020. The Board of Directors is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Swiss Auditing Standard 910 and International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swiss Auditing Standards and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements have not been prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers AG

Daniel Pajer

Roland Holl

Zurich, 29 July 2020

Investor Relations und Adresse

Investor Relations

Bellevue Group AG
Seestrasse 16
CH-8700 Küsnacht
Telefon +41 (0)44 267 67 00
Fax +41 (0)44 267 67 01
ir@bellevue.ch

Adresse

Bellevue Group AG

Seestrasse 16
CH-8700 Küsnacht
Telefon +41 (0)44 267 67 77
Fax +41 (0)44 267 67 78
info@bellevue.ch
www.bellevue.ch

In case of any deviations resulting from the translation, the German version shall prevail.

Herausgeber

Bellevue Group AG, Küsnacht

Produktion

NeidhartSchön AG, Zürich

Design & Konzept

Nadiv Visual Communication, Zürich

Fotografie

Pablo Faccinnetto, Zürich

Art Director

Tanja Chicherio

