

Communications

P.O. Box, CH-8022 Zurich
Telephone +41 1 631 31 11
Fax +41 1 631 39 10

Zurich, 26 October 2007

Interim results and balance sheet of the Swiss National Bank as at 30 September 2007

The interim result of the Swiss National Bank in the first three quarters of 2007 amounted to CHF 5.4 billion compared with CHF 3.8 billion in the same period in the previous year. The result was again strongly affected by the increase in the price of gold.

In addition to the rise in valuation gains on gold holdings, the higher net income from foreign currency investments also had a positive impact on the result.

Further increase in the price of gold...

The net result from gold is CHF 3.7 billion (CHF 3.2 billion) and mostly consists of valuation gains. In September alone, the price per kilogram shot up by 7% to CHF 27,939. Some of the valuation gains were realised through the sale of 113 tonnes of gold before the end of September. The sales were effected in the context of adjustments in the composition of currency reserves announced in June. Before the end of September 2009, a total of 250 tonnes of gold will be sold and the corresponding proceeds invested in foreign currency reserves.

... and higher return on foreign currency investments

The net result from foreign currency investments amounts to CHF 1.6 billion (CHF 0.6 billion). At CHF 1.3 billion (CHF 1.2 billion), interest income on fixed-income securities was the most significant component; by contrast, at CHF -161 million, investment income was slightly in negative territory (CHF -576 million). Equity exposures, which account for roughly twelve percent of the National Bank's foreign currency investments, resulted in a net result of CHF 288 million (CHF 289 million). The exchange rate gain amounted to CHF 189 million (loss of CHF 339 million).

The net result from Swiss franc investments came to CHF 288 million (CHF 147 million), an outcome that was attributable to higher interest income from repo transactions in particular.

Zurich, 26 October 2007

2

Interim results and distributable profit

Together with other income and expenses, the interim result came to CHF 5.40 billion (CHF 3.79 billion) before the legally prescribed increase in provisions. In accordance with art. 30 para. 1 of the National Bank Act (NBA), the National Bank is required to set aside provisions permitting it to maintain the currency reserves at the level necessary for monetary policy. These provisions are increased in step with the growth in nominal gross domestic product. Based on this assessment method, the allocation to provisions totals CHF 751 million for the year as a whole, or CHF 563 million for the first nine months. After this allocation, the amount of the contribution to the distributable profit is CHF 4.84 billion (CHF 3.12 billion).

Zurich, 26 October 2007

3

Income statement from 1 January–30 September 2007¹

In CHF millions	Item no. in Notes	Q1-Q3 2007	Q1-Q3 2006	Change
Net result from gold	1	3 675.3	3 211.1	+ 464.2
Net result from foreign currency investments	2	1 597.3	581.0	+1 016.3
Net result from Swiss franc investments	3	288.3	147.0	+ 141.3
Net result from other assets		17.9	15.1	+ 2.8
Gross income		5 578.7	3 954.3	+1 624.4
Banknote expenses		22.9	26.2	- 3.3
Personnel expenses		83.5	77.9	+ 5.6
General overheads		47.5	39.8	+ 7.7
Depreciation on tangible assets		24.1	23.2	+ 0.9
Interim result		5 400.7	3 787.2	+1 613.5
Contribution to planned allocation to provisions for currency reserves ²		- 563.3	- 666.5	+ 103.2
Contribution to distributable profit³		4 837.5	3 120.8	+1 716.7

1 Unaudited. The external Audit Board only audits the annual financial statements.

2 Three quarters of the fixed annual allocation (for 2007: CHF 751 million). Cf. Annual Report 2006, p. 83).

3 Since the amount of distributable profit depends heavily on fluctuations in the gold price, exchange rates and interest rates, it is liable to vary from one quarter to the next. Given that market movements cannot be forecast, only provisional conclusions as to the end-of-year distributable profit may be drawn.

Zurich, 26 October 2007

4

Balance sheet as at 30 September 2007¹

	30.09.2007	31.12.2006	Change
In CHF millions			
Gold holdings	29 103.5	29 190.2	- 86.7
Claims from gold transactions	3 826.7	3 030.3	+ 796.4
Foreign currency investments	49 487.1	45 591.9	+3 895.2
Reserve position in the IMF	424.5	557.3	- 132.8
International payment instruments	439.7	330.8	+ 108.9
Monetary assistance loans	243.7	236.6	+ 7.1
Claims from Swiss franc repo transactions	22 710.4	27 126.9	-4 416.5
Claims against domestic correspondents	0.6	5.1	- 4.5
Swiss franc securities	4 351.4	4 907.6	- 556.2
Banknote stocks	135.7	125.0	+ 10.7
Tangible assets	347.3	358.5	- 11.2
Participations	129.6	129.6	-
Other assets	239.1	223.6	+ 15.5
Total assets	111 439.4	111 813.5	- 374.1
Banknotes in circulation	38 787.8	43 182.2	-4 394.4
Sight deposits of domestic banks	6 320.0	6 716.0	- 396.0
Liabilities towards the Confederation	1 545.7	1 056.2	+ 489.5
Sight deposits of foreign banks and institutions	583.6	421.7	+ 161.9
Other sight liabilities	210.9	163.2	+ 47.7
Liabilities from Swiss franc repo transactions	-	-	-
Foreign currency liabilities	846.5	1.8	+ 844.7
Other liabilities	58.3	81.9	- 23.6
Provisions for operating risks	8.0	11.1	- 3.1
Provisions for currency reserves	39 524.3	38 635.7	+ 888.6 ²
Share capital	25.0	25.0	-
Distribution reserve	18 128.7	16 473.4	+1 655.3
Annual result for 2006		5 045.3	-5 045.3
Interim result	5 400.7		+5 400.7
Total liabilities	111 439.4	111 813.5	- 374.1

1 Unaudited. The external Audit Board only audits the annual financial statements.

2 Allocation from the 2006 annual result.

Zurich, 26 October 2007

5

Accounting and valuation principles

The interim results, which have not been audited by the statutory auditors, cover the period from 1 January to 30 September 2007. The principles applied to the books of account, asset valuation, balance sheet and disclosure are governed by the NBA and the Swiss Code of Obligations and are in compliance with the Swiss GAAP FER 12 accounting provisions. The accounting and valuation principles remain unchanged from the 2006 annual result.

Valuation rates

	Year under review			Previous year		
	30.09.2007	31.12.2006	Change	30.09.2006	31.12.2005	Change
	CHF	CHF	In percent	CHF	CHF	In percent
1 USD	1.17	1.22	- 4.1	1.25	1.32	- 5.3
1 EUR	1.66	1.61	+ 3.1	1.59	1.56	+ 1.9
100 JPY	1.01	1.03	- 1.9	1.06	1.12	- 5.4
1 GBP	2.38	2.39	- 0.4	2.34	2.27	+ 3.1
1 kilogram of gold	27 939.41	24 938.72	+ 12.0	24 171.54	21 692.03	+ 11.4

Notes to the interim results

Item no. 1: Net result from gold

Breakdown by type	Q1-Q3 2007	Q1-Q3 2006	Change
In CHF millions			
Net result from changes in market value	3 664.3	3 198.8	+ 465.5
Interest income from gold lending transactions	10.9	12.3	- 1.4
Total	3 675.3	3 211.1	+ 464.2

Zurich, 26 October 2007

6

Item no. 2: Net result from foreign currency investments

Breakdown by origin	Q1-Q3 2007	Q1-Q3 2006	Change
In CHF millions			
Foreign currency investments	1 598.7	582.1	+1 016.6
Reserve position in the IMF	4.1	- 3.0	+ 7.1
International payment instruments	2.4	2.0	+ 0.4
Monetary assistance loans	6.3	0.6	+ 5.7
Foreign currency liabilities	- 14.2	- 0.7	- 13.5
Total	1 597.3	581.0	+1 016.3

Breakdown by type	Q1-Q3 2007	Q1-Q3 2006	Change
In CHF millions			
Interest gain/loss	1 302.9	1 216.3	+ 86.6
Capital gain/loss	- 160.7	- 575.9	+ 415.2
Interest expenses	- 14.2	- 0.7	- 13.5
Dividend income and price gain/loss	288.5	288.8	- 0.3
Exchange rate gain/loss	188.6	- 339.0	+ 527.6
Asset management and safe custody account fees	- 7.7	- 8.5	+ 0.8
Total	1 597.3	581.0	+1 016.3

Zurich, 26 October 2007

7

Item no. 3: Net result from Swiss franc investments

Breakdown by origin	Q1-Q3 2007	Q1-Q3 2006	Change
In CHF millions			
Swiss franc securities	- 37.3	- 9.5	- 27.8
Swiss franc repo transactions	349.7	174.0	+ 175.7
Other assets	0.0	0.0	-
Liabilities towards the Confederation	- 18.0	- 12.8	- 5.2
Other sight liabilities	- 6.3	- 4.7	- 1.6
Total	288.3	147.0	+ 141.3

Breakdown by type	Q1-Q3 2007	Q1-Q3 2006	Change
In CHF millions			
Interest gain/loss	458.1	301.8	+ 156.3
Capital gain/loss	- 143.5	- 135.1	- 8.4
Interest expenses	- 24.2	- 17.5	- 6.7
Trading and safe custody account fees	- 2.1	- 2.3	+ 0.2
Total	288.3	147.0	+ 141.3