



# Consolidated Accounts for the Financial Year.

Ending December 31, 2022.

[gkb.ch](https://www.gkb.ch)



**Graubündner  
Kantonalbank**



CEO Daniel Fust and Chairman Peter Fanconi

## Record result thanks to diversification

Graubündner Kantonalbank generated a record profit of CHF 207.5 million in the 2022 financial year. Acquisitions of CHF 2.9 billion in client business also shaped the positive consolidated financial statements. The outlook for the current year is fundamentally optimistic, inflation is likely to have peaked and the financial markets should stabilise further.

### Key figures:

- Group profit: CHF 207.5 million / +2.3%
- Operating result: CHF 218.2 million / -5.2%
- Net new money: CHF +1.6 billion (previous year: CHF +1.7 billion)
- Loans to clients: CHF +1.2 billion / +5.6%
- Business volume: CHF 69.3 billion / +8.7%
- Cost/income ratio I: 48.3 %; cost/income ratio II (incl. depreciation): 51.9%

Graubündner Kantonalbank (GKB) has diversified its income very consistently in recent years. A good investment year brought a record result in the previous year. In the year under review, the Bank was once again able to increase its profit from the lending and deposit business. Bank Chairman Peter Fanconi is very satisfied with GKB's performance and financial result: "The successfully established positioning with the investment and pension business on the one hand and the traditional lending business on the other, enabled a further increase in value creation, even in a challenging investment year."

Daniel Fust, CEO of GKB, focuses primarily on sales performance when analysing the results: "Our acquisition strength is remarkable. The sales units acquired a business volume of CHF 2.9 billion, and acquisitions also enabled us to expand the business volume by CHF 6.2 billion. We have thus significantly strengthened our position in the Swiss investment and pension market, but also in the credit and deposit market."

### Operating income: CHF 460 million

The development of operating income (CHF 460.5 million / +0.9%) shows the benefits of income diversification. With the abrupt end of the equity boom, lower commission income was offset by higher interest income.

### Interest income plus CHF 23.7 million: end of the negative interest rate regime and risk result

Net interest income (CHF 284.0 million) rose by +9.1% or CHF +23.7 million. The SNB's rapid and marked departure from the negative interest rate regime enabled it to generate a revenue contribution from client deposits. A further easing of credit risks had a positive impact on earnings growth (CHF +14.0 million).

### Correction on the capital markets

Net fee and commission income (CHF -16.6 million) suffered from the negative performance of the capital markets. Due to the negative performance on the equity and bond markets, the fee models led to a disproportionately large decline in earnings of 9.9% to CHF 151.7 million. The earnings ratio of commission business fell to 34.0% (previous year: 36.9%). The performance of the equity markets compared to the previous year primarily explains the lower other ordinary income (CHF -4.1 million / -39.4%).

### Operating expenses: cost/income ratio II of 51.9%

Operating expenses increased year-on-year by CHF +11.4 million or +5.6%. Expansion of the group of consolidated companies to include BZ Bank Aktiengesellschaft, higher personnel expenses and rising investment volumes have led to a slight increase in costs. As a result, the cost/income ratio II increased to 51.9% (previous year: 48.1%). The cost/income ratio I (excluding depreciation and amortisation) is 48.3%. GKB's productivity performance was in line with the strategic guidelines.

### Group profit: record CHF 207.5 million

Reported consolidated profit of CHF 207.5 million (+2.3%) exceeded the record result of the previous year (CHF 202.9 million). The same applies to net income excluding non-controlling interests; earnings per participation certificate were CHF 83.37 (previous year: CHF 81.94).

### Loans to clients: growth of +5.6%

Growth in client loans of CHF +1,193.5 million (+5.6%) was significantly higher than in the previous year (CHF +651.3 million / +3.1%). The greater contribution to growth in the home market and large-scale financing via consortia gave growth additional momentum.

### Investment business: assets under management exceed CHF 50 billion for the first time

Client assets of CHF 46.8 billion (+10.3% / CHF +4.4 billion) benefited from the expansion of the group of consolidated companies (CHF +6.1 billion) and the acquisition performance of CHF +1.6 billion. In addition to the parent company, the GKB consolidated financial statements include Privatbank Bellerive AG, Albin Kistler AG and BZ Bank Aktiengesellschaft (from 1 July 2022), which are fully consolidated, and Twelve Capital Group (from 1 January 2022), which is accounted for using the equity method. Assets under management grew by +6.4% to CHF 50.5 billion.

### Positioning as a safe bank

The strategic resistance to crisis aimed for by the Bank is reflected in the generously measured shock absorbers. At the end of the year, equity including non-controlling interests rose to CHF 2.9 billion (CHF +54.8 million). The CET 1 ratio, at 19.3% (previous year: 20.3%), was in the strategic target range (17.5 – 22.5%). Value adjustments and provisions for inherent risks were raised to CHF 260.3 million.

### Distribution: dividend CHF 42.50;

### Canton of Graubünden receives CHF 92.8 million

With regard to the appropriation of the profits of the parent company, investors and the public share in the slightly higher value added with an unchanged distribution. Investors will receive a dividend of CHF 42.50 per share. The Canton of Graubünden participates with CHF 92.8 million, including payment for the state guarantee.

### Outlook for 2023: good result expected

In its baseline scenario, Graubündner Kantonalbank anticipates moderate interest rate hikes by the SNB this year and the stock market to bottom out. Inflation is expected to ease slightly. In the context outlined above, GKB expects consolidated profit of around CHF 210 million and earnings per share of around CHF 80.00, which is in line with the year under review.

Chur, 10 February 2023

## Group key figures

### Balance sheet / Off-balance-sheet

	in CHF million 12/31/2022	in CHF million 12/31/2021	+ / - in %
Client assets <sup>1)</sup>	46,760	42,402	10.3
Loans to clients	22,571	21,378	5.6
Own funds <sup>2)</sup>	2,801	2,757	1.6

### Headcount

	12/31/2022	12/31/2021	+ / - in %
FTEs (adjusted for part-time positions, apprenticeships at 50 %)	825	818	0.8

### Income statement

	in CHF million 2022	in CHF million 2021	+ / - in %
Operating income	460.5	456.2	0.9
Operating expenses	215.8	204.4	5.6
Operating result	218.2	230.2	-5.2
Profit before allocation to reserves without minority interests	207.8	204.2	1.7
Group profit	207.5	202.9	2.3

### Key figures

	2022	2021	+ / - in %
Net new money in CHF million <sup>1)</sup>	1,641	1,703	
Operating expense / Operating income (CIR I) <sup>3)</sup>	48.3 %	44.8 %	7.9
Operating expense incl. depreciation / operating income (CIR II) <sup>3)</sup>	51.9 %	48.1 %	8.0
Return on equity (ROE) <sup>2)4)</sup>	7.7 %	7.7 %	0.1
Profit / PC (EPS) in CHF <sup>4)</sup>	83.4	81.9	1.7
Own funds <sup>2)</sup> / PC in CHF	1,124	1,106	1.6
Leverage Ratio	7.8 %	7.9 %	-1.3
Core capital ratio (CET-1-ratio / Tier-1-ratio)	19.3 %	20.3 %	-4.9

1) Client funds, client deposits and fiduciary investments incl. client assets with account and custody account management at third-party banks (incl. double counting); without cash management positions

2) Equity before the appropriation of profits without minority interests

3) without value adjustments interest rates; CIR II: depreciation excl. goodwill depreciation

4) Basis: profit before allocation to reserves without minority interests

## Group Balance Sheet

### Assets

	in CHF 1'000 12/31/2022	in CHF 1'000 12/31/2021	+ / - in %
Liquid assets	7,743,231	8,911,776	-13.1
Amounts due from banks	267,918	128,692	>100
Amounts due from customers	3,015,373	2,664,847	13.2
Mortgage loans	19,555,845	18,712,904	4.5
Trading portfolio assets	5,308	63	>100
Positive replacement values of derivative financial instruments	39,286	25,353	55.0
Financial investments	2,230,379	2,077,702	7.3
Accrued income and prepaid expenses	34,335	29,625	15.9
Non-consolidated participations	35,160	34,821	1.0
Participations valued using the equity method	2,390	-	-
Tangible fixed assets	139,623	134,082	4.1
Intangible assets	34,466	6,729	>100
Other assets	149,919	62,003	>100
<b>Total assets</b>	<b>33,253,232</b>	<b>32,788,597</b>	<b>1.4</b>
Total subordinated claims	0	185	-100.0

### Liabilities

	in CHF 1'000 12/31/2022	in CHF 1'000 12/31/2021	+ / - in %
Amounts due to banks	2,586,716	4,098,979	-36.9
Liabilities from securities financing transactions	1,751,580	1,738,000	0.8
Amounts due in respect of customer deposits	20,398,054	19,537,218	4.4
Trading portfolio liabilities	0	59	-100.0
Negative replacement values of derivative financial instruments	47,271	40,248	17.4
Cash bonds	1,182	3,186	-62.9
Bond issues and central mortgage institution loans	5,374,000	4,403,285	22.0
Accrued expenses and deferred income	139,623	85,487	63.3
Other liabilities	38,846	24,960	55.6
Provisions	46,967	42,962	9.3
Reserves for general banking risks	1,264,617	1,309,335	-3.4
Bank's capital	250,000	250,000	-
Capital reserves	35,747	35,201	1.5
Retained earnings reserves	1,064,431	989,452	7.6
Own shares	-11,331	-11,382	-0.4
Minority interests in equity	57,992	38,666	50.0
Consolidated profit	207,538	202,941	2.3
of which, minority interests in consolidated profit	9,757	18,711	-47.9
<b>Total liabilities</b>	<b>33,253,232</b>	<b>32,788,597</b>	<b>1.4</b>

## Group off-balance-sheet

	in CHF 1,000 12/31/2022	in CHF 1,000 12/31/2021	+/- in %
Contingent liabilities	62,016	68,554	-9.5
Irrevocable commitments	1,084,665	960,604	12.9
Obligations to pay up shares and make further contributions	1,129	1,129	-
fiduciary transactions	12,719	19,493	-34.8
<b>Total off-balance-sheet transactions</b>	<b>1,160,529</b>	<b>1,049,780</b>	<b>10.5</b>

# Consolidated Income Statement

	in CHF 1'000	in CHF 1'000	+ / - in %
	2022	2021	
Interest and discount income	278,207	222,922	24.8
Interest and dividend income from trading portfolios	40	45	-11.1
Interest and dividend income from financial investments	5,924	4,832	22.6
Interest expense	13,972	-32,742	>100
<b>Gross result from interest operations</b>	<b>270,199</b>	<b>260,541</b>	<b>3.7</b>
Changes in value adjustments for default risks and losses from interest operations	13,849	-192	>100
<b>Net result from interest operations</b>	<b>284,048</b>	<b>260,349</b>	<b>9.1</b>
Commission income from securities trading and investment activities	141,374	160,254	-11.8
Commission income from lending activities	2,623	2,213	18.5
Commission income from other services	21,178	18,766	12.9
Commission expense	13,523	12,976	4.2
<b>Result from commission business and services</b>	<b>151,652</b>	<b>168,257</b>	<b>-9.9</b>
<b>Result from trading activities and the fair value option</b>	<b>18,467</b>	<b>17,146</b>	<b>7.7</b>
Result from the disposal of financial investments	3,703	5,544	-33.2
Income from participations	1,900	1,617	17.5
of which, participations valued using the equity method	300	0	-
of which, other non-consolidated participations	1,600	1,617	-1.0
Result from real estate	4,682	4,243	10.3
Other ordinary income	377	380	-0.8
Other ordinary expenses	4,336	1,352	>100
<b>Other result from ordinary activities</b>	<b>6,327</b>	<b>10,432</b>	<b>-39.4</b>
<b>Operating income</b>	<b>460,494</b>	<b>456,184</b>	<b>0.9</b>
Personnel expenses	136,380	132,121	3.2
General and administrative expenses	76,198	69,148	10.2
Compensation for cantonal guarantee	3,223	3,109	3.7
<b>Operating expenses</b>	<b>215,801</b>	<b>204,378</b>	<b>5.6</b>
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	27,614	21,696	27.3
of which, goodwill depreciation	11,585	6,729	72.2
Changes to provisions and other value adjustments, and losses	1,087	58	>100
<b>Operating result</b>	<b>218,166</b>	<b>230,168</b>	<b>-5.2</b>
Extraordinary income	4,400	2,489	76.8
Extraordinary expenses	0	1	-100.0
Changes in reserves for general banking risks	-10,000	-20,000	-50.0
of which, reserves for general banking risks (earmarked)	0	0	-
Taxes	5,028	9,716	-48.2
<b>Consolidated profit</b>	<b>207,538</b>	<b>202,941</b>	<b>2.3</b>
of which, minority interests in consolidated profit	9,757	18,711	-47.9



## Profit Appropriation of the Parent Company

	in CHF 1,000 12/31/2022	in CHF 1,000 12/31/2021	+/- CHF 1'000
Annual profit	203,248	185,900	17,349
Profit carried forward	0	0	0
Distributable profit	203,248	185,900	17,349
Pursuant to the board of directors ruling, profit is to be appropriated as follows:			
Dividend on nominal capital of 42.5 % (previous year 40 %)	106,250	106,250	0
Funds for projects with cultural, charitable, sporting or economic purposes in the Canton of Graubünden	3,000	3,000	0
Allocation to voluntary retained earnings reserves	93,998	76,650	17,349
Allocation to statutory retained earnings reserves <sup>1)</sup>	0	0	0
New amount carried forward	0	0	0

1) No allocation to statutory retained earnings reserves, as 50 % of the nominal capital has been achieved.

# Graubündner Kantonalbank

Listed on SIX Swiss Exchange. Sec. No. 134 020. Price: CHF 1,695.00<sup>1</sup>

<sup>1</sup> price as at 12/30/2022

## Portrait

Graubündner Kantonalbank offers everything that makes up a modern universal bank – for private individuals, businesses and the public sector. The company is headquartered in Chur and has over 40 branches in Graubünden. With around 1,000 employees, GKB is one of the largest employers in the canton. It expresses its close relationship with Graubünden in a variety of ways. In addition to its economic activities, it is committed to the canton through its sponsorship, its contributory funds and its voluntary work.

GKB holds majority stakes in Privatbank Bellerive AG, Albin Kistler AG and BZ Bank Aktiengesellschaft as well as a minority stake in Twelve Capital Holding AG. GKB participation certificates have been listed on the stock exchange since 1985.

## Capital structure

Endowment and participation capital: CHF 250 million  
Participation capital: 750,000 PC at CHF 100 nom.  
CHF 175,000,000 endowment capital

## Shareholders

Canton of Graubünden: 84.5% of capital (per 12/31/2022)  
Board/Management: 0.1% of PC (per 12/31/2022)

## Board of directors/Management

Chairman of the Bank: Peter Fanconi (since 2014)  
Chief Executive Officer: Daniel Fust (since 2019)  
No. of BD/EB members 2022: 7/4

## Rating Standard & Poor's

Long term: AA  
Outlook: stable

## Key dates

Ex-dividend date: 10 March 2023  
Participation certificate holder's meeting: 22 April 2023  
Half-year figures 2023: 27 July 2023

