



# Consolidated Interim Financial Statements.

As at 30 June 2022.

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



**Graubündner  
Kantonalbank**



CEO Daniel Fust and Chairman Peter Fanconi.

## Half-Year and Management Report: strong group growth thanks to excellent investment business

Graubündner Kantonalbank (GKB) is reaping the fruits of the strategic expansion of its investment business, supported by strong equity markets. At the same time, the Bank has posted pleasing lending growth. Consolidated profit rose by +17.6% year-on-year to CHF 112.1 million. With the tailwind from the first half, the prospects for the full financial year are improving too. The innovations in pensions are performing very positively.

"The half-year result shows an impressive +41.4 % growth in commission business and confirms that we have set the right course strategically by expanding the investment business and investing in the asset management business," says chairman Peter Fanconi. CEO Daniel Fust is delighted at how robust the Bank has proven to be: "We showed remarkable resilience in the challenging period of COVID-19. The entire team rose enthusiastically to the challenge. The healthy structure of the Bank also makes us less vulnerable to crises."

### Operating result: +31.3 % year-on-year to CHF 127.1 million

The operating result (CHF 127.1 million, +31.3 %) benefited from significantly higher income from the investment business and income from financial investments. With a moderate increase in costs, the additional income significantly boosted consolidated profit to CHF 112.1 million (+17.6%). Earnings per participation certificate increased by +20.1% year-on-year to CHF 44.60.

### Operating income: increase in all key income components

All key income components contributed to an increase in operating income to CHF 233.4 million. The increase of CHF +33.2 million (+16.6%) is mainly due to the Bank's acquisitions and the good stock market environment. GKB benefited from this because the Bank is well positioned with its own investment business and its subsidiaries Albin Kistler AG and Privatbank Bellerive AG. Overall, successful management of the SNB cap resulted in additional income (+2.2%) from interest operations. Credit risk as measured by items not making regular interest or amortisation payments (NPLs) declined further despite volume growth.

### Share of commission business and services up to 37.1%

The result from commission business and services rose sharply by +41.4% to CHF 84.9 million (CHF +24.9 million). Due to this income growth, commission business as a share of total income rose to 37.1% (prior-year period: 30.7%). The increase is due to increased client investment volumes, the expansion of the mandate and fund business at the parent company and performance-related fees at Albin Kistler AG. The volume of GKB funds increased by +27.6% to CHF 2.8 billion between 31 December 2020 and 30 June 2021.

### Cost/income ratio I: 42.5%

Operating expenses (CHF 97.3 million), including payment of the state guarantee, increased by CHF 3.0 million (+ 3.2%) year-on-year. The trend in costs reflects investments in the forward strategy and personnel costs. Productivity increased significantly due to the extraordinary growth in income. Cost/income ratio II fell to 45.0% (-6.1 percentage points), and cost/income ratio I fell as low as 42.5%.

### Net acquired off-balance sheet volume: CHF +1.1 billion

The 2021 interim financial statements show a sharp increase in business volume at GKB Group to CHF 62.6 billion (+6.4%). The investment business saw a high inflow of new money in the off-balance sheet volume of around CHF +1.1 billion (+5.1%). The Bank increased loans to clients by CHF 460.6 million (+2.2%). The mortgage portfolio grew by +2.6% to CHF 18.4 billion. Client assets increased by +8.6% to CHF 41.4 billion, supported by positive market performance.

### Proven structural resilience to crises

Graubündner Kantonalbank enjoys a structure that gives the Bank resilience to all kinds of crises. Above-average shock absorbers in the form of equity (CHF 2,741 million, giving a CET 1 ratio of 19.9%) and value adjustments/provisions (CHF 242.8 million) secure the company's long-term existence. The high productivity (cost/income ratio I: 42.5%), diversified income and geographical diversification of mortgage loans also reduce the risk of a major setback in earnings.

### Outlook for 2021: consolidated profit of CHF 200 million

Based on the half-year figures, Graubündner Kantonalbank is raising its outlook for 2021. The adjusted forecast assumes a favourable environment on the capital markets and in credit risk. For the first time, consolidated profit is now expected to be CHF 200 million and earnings per participation certificate CHF 78.00, which is considerably higher than in 2020.

### Position as an expert partner in the pensions market strengthened by Diventa AG and GKB Gioia 3a

Diventa AG, an independent management company for pension solutions set up in September 2020, successfully commenced operations on 1 January. The joint venture between GKB and ÖKK has been capitalised and Stefan Schena, CEO of ÖKK, has joined the Board of Directors. Initial experience shows that a pensions hub meets a market need. GKB also launched a digital retirement app for Savings 3 under the slogan "Gioia 3a – Make pensions a pleasure", with the aim of being simple, fast and clear. Our securities investments are also based on the GKB sustainability approach. With these two initiatives, GKB is sending a clear signal that it is strengthening its position as an expert partner for professional investment solutions; for pension funds and foundations as well as for private individuals.

## Group key figures

(Half-yearly figures are not audited.)

### Balance sheet / Off-balance-sheet

|                             | in CHF million<br>30.06.2021 | in CHF million<br>31.12.2020 | + / - in % |
|-----------------------------|------------------------------|------------------------------|------------|
| Client assets <sup>1)</sup> | 41,427                       | 38,129                       | 8.6        |
| Loans to clients            | 21,187                       | 20,726                       | 2.2        |
| Own funds <sup>2)</sup>     | 2,691                        | 2,710                        | -0.7       |

### Headcount

|  | 30.06.2021 | 31.12.2020 | + / - in % |
|--|------------|------------|------------|
| FTEs (adjusted for part-time positions, apprenticeships at 50 %) | 787        | 791        | -0.4       |

### Income statement

|   | in CHF million<br>1st half 2021 | in CHF million<br>1st half 2020 | + / - in % |
|---|---------------------------------|---------------------------------|------------|
| Operating income  | 233.4                           | 200.2                           | 16.6       |
| Operating expenses  | 97.3                            | 94.3                            | 3.2        |
| Operating result  | 127.1                           | 96.8                            | 31.3       |
| Profit before allocation to reserves without minority interests | 111.1                           | 92.6                            | 20.1       |
| Group profit  | 112.1                           | 95.2                            | 17.6       |

### Key figures

|  | 1st half 2021 | 1st half 2020 | + / - in % |
|--|---------------|---------------|------------|
| Net new money (in CHF million) <sup>1)</sup>                                   | 1,297         | 1,076         |            |
| Operating expense / Operating income (CIR I) <sup>3)</sup>                     | 42.5 %        | 48.3 %        | -11.9      |
| Operating expense incl. depreciation / operating income (CIR II) <sup>3)</sup> | 45.0 %        | 51.1 %        | -11.9      |
| Return on equity (ROE) <sup>2)4)</sup>   | 8.4 %         | 7.0 %         | 20.0       |
| Own funds <sup>2)</sup> / PC   | 1,080         | 1,075         | 0.4        |
| Leverage Ratio   | 7.9 %         | 10.9 %        | -27.5      |
| Core capital ratio (CET-1-ratio / Tier-1-ratio)                                | 19.9 %        | 20.2 %        | -1.5       |

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

All amounts listed in this document have been rounded. This can lead to a minimal difference to the total amounts.

## Group Balance Sheet

### Assets

|   | in CHF 1'000<br>30.06.2021 | in CHF 1'000<br>31.12.2020 | + / - in % |
|---|----------------------------|----------------------------|------------|
| Liquid assets   | 8,455,351                  | 8,180,260                  | 3.4        |
| Amounts due from banks  | 325,574                    | 124,700                    | >100       |
| Amounts due from customers                                      | 2,787,575                  | 2,796,278                  | -0.3       |
| Mortgage loans  | 18,399,496                 | 17,930,176                 | 2.6        |
| Trading portfolio assets  | 571                        | 2                          | >100       |
| Positive replacement values of derivative financial instruments | 41,231                     | 30,536                     | 35.0       |
| Financial investments   | 2,088,682                  | 2,113,905                  | -1.2       |
| Accrued income and prepaid expenses                             | 37,192                     | 27,019                     | 37.7       |
| Non-consolidated participations                                 | 19,208                     | 19,082                     | 0.7        |
| Tangible fixed assets   | 127,790                    | 124,634                    | 2.5        |
| Intangible assets   | 10,094                     | 13,458                     | -25.0      |
| Other assets  | 75,763                     | 59,560                     | 27.2       |
| <b>Total assets</b>   | <b>32,368,527</b>          | <b>31,419,610</b>          | <b>3.0</b> |
| Total subordinated claims                                       | 10,185                     | 10,185                     | -          |

### Liabilities

|   | in CHF 1'000<br>30.06.2021 | in CHF 1'000<br>31.12.2020 | + / - in % |
|---|----------------------------|----------------------------|------------|
| Amounts due to banks  | 4,395,551                  | 4,071,843                  | 7.9        |
| Liabilities from securities financing transactions              | 1,800,000                  | 2,000,000                  | -10.0      |
| Amounts due in respect of customer deposits                     | 18,981,322                 | 18,106,079                 | 4.8        |
| Trading portfolio liabilities                                   | 35                         | 1                          | >100       |
| Negative replacement values of derivative financial instruments | 22,201                     | 29,654                     | -25.1      |
| Cash bonds  | 4,718                      | 5,326                      | -11.4      |
| Bond issues and central mortgage institution loans              | 4,225,285                  | 4,315,280                  | -2.1       |
| Accrued expenses and deferred income                            | 82,974                     | 81,991                     | 1.2        |
| Other liabilities   | 79,136                     | 29,351                     | >100       |
| Provisions  | 36,354                     | 24,535                     | 48.2       |
| Reserves for general banking risks                              | 1,326,695                  | 1,343,739                  | -1.3       |
| Bank's capital  | 250,000                    | 250,000                    | -          |
| Capital reserves  | 35,158                     | 34,816                     | 1.0        |
| Retained earnings reserves                                      | 989,452                    | 920,330                    | 7.5        |
| Own shares  | -11,072                    | -11,789                    | -6.1       |
| Minority interests in equity                                    | 38,666                     | 37,567                     | 2.9        |
| Consolidated profit   | 112,051                    | 180,886                    | -38.1      |
| of which, minority interests in consolidated profit             | 10,918                     | 8,064                      | +35.4      |
| <b>Total liabilities</b>  | <b>32,368,527</b>          | <b>31,419,610</b>          | <b>3.0</b> |

## Group off-balance-sheet

|   | in CHF 1,000<br>30.06.2021 | in CHF 1,000<br>31.12.2020 | +/- in %   |
|---|----------------------------|----------------------------|------------|
| Contingent liabilities                                      | 69,398                     | 71,776                     | -3.3       |
| Irrevocable commitments                                     | 935,035                    | 891,292                    | 4.9        |
| Obligations to pay up shares and make further contributions | 1,129                      | 4,004                      | -71.8      |
| <b>Total off-balance-sheet transactions</b>                 | <b>1,005,562</b>           | <b>967,072</b>             | <b>4.0</b> |

# Consolidated Income Statement

|  | in CHF 1'000<br>1st half 2021 | in CHF 1'000<br>1st half 2020 | + / - in %     |
|--|-------------------------------|-------------------------------|----------------|
| Interest and discount income   | 110,800                       | 114,771                       | -3.5           |
| Interest and dividend income from trading portfolios   | 23                            | 23                            | 0.0            |
| Interest and dividend income from financial investments  | 2,606                         | 3,414                         | -23.7          |
| Interest expense   | -15,615                       | -7,657                        | >100           |
| <b>Gross result from interest operations</b>   | <b>129,044</b>                | <b>125,865</b>                | <b>2.5</b>     |
| Changes in value adjustments for default risks and losses from interest operations                                   | 4,384                         | 4,751                         | -7.7           |
| <b>Net result from interest operations</b>   | <b>133,428</b>                | <b>130,616</b>                | <b>2.2</b>     |
| Commission income from securities trading and investment activities  | 81,349                        | 55,277                        | 47.2           |
| Commission income from lending activities  | 1,205                         | 999                           | 20.6           |
| Commission income from other services  | 8,861                         | 9,021                         | -1.8           |
| Commission expense   | 6,482                         | 5,248                         | 23.5           |
| <b>Result from commission business and services</b>  | <b>84,933</b>                 | <b>60,049</b>                 | <b>41.4</b>    |
| <b>Result from trading activities and the fair value option</b>  | <b>8,243</b>                  | <b>8,017</b>                  | <b>2.8</b>     |
| Result from the disposal of financial investments  | 4,036                         | 2,276                         | 77.3           |
| Income from participations   | 770                           | 1,531                         | -49.7          |
| Result from real estate  | 2,087                         | 2,150                         | -2.9           |
| Other ordinary income  | 288                           | 96                            | >100           |
| Other ordinary expenses  | 409                           | 4,571                         | -91.1          |
| <b>Other result from ordinary activities</b>   | <b>6,772</b>                  | <b>1,482</b>                  | <b>&gt;100</b> |
| <b>Operating income</b>  | <b>233,376</b>                | <b>200,164</b>                | <b>16.6</b>    |
| Personnel expenses   | 63,894                        | 61,103                        | 4.6            |
| General and administrative expenses  | 31,884                        | 31,665                        | 0.7            |
| Compensation for cantonal guarantee  | 1,563                         | 1,525                         | 2.5            |
| <b>Operating expenses</b>  | <b>97,341</b>                 | <b>94,293</b>                 | <b>3.2</b>     |
| Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets | 9,113                         | 8,943                         | 1.9            |
| of which, goodwill depreciation  | 3,365                         | 3,365                         | -              |
| Changes to provisions and other value adjustments, and losses  | 221                           | -82                           | >100           |
| <b>Operating result</b>  | <b>127,143</b>                | <b>96,846</b>                 | <b>31.3</b>    |
| Extraordinary income   | 514                           | 0                             | -              |
| Extraordinary expenses   | 1                             | 1                             | -              |
| Changes in reserves for general banking risks  | -10,000                       | 0                             | -              |
| Taxes  | 5,605                         | 1,603                         | >100           |
| <b>Consolidated profit</b>   | <b>112,051</b>                | <b>95,242</b>                 | <b>17.6</b>    |
| of which, minority interests in consolidated profit  | 10,918                        | 2,683                         | >100           |

## Information on the summarised notes

### Extraordinary income and expense

There are no material items under extraordinary income and expenses for the first half of 2022. In the previous year, extraordinary income of CHF 514,000 included gains of CHF 474,000 from the sale of two properties.

No allocation was made to the reserves for general banking risks in the period under review (previous year: CHF 10.0 million).

### Changes in the accounting and valuation principles

None.

### Material events after the closing date of the interim financial statements

None.

### Disclosure report

The disclosure report as at 30 June 2022 will be published in August 2022.

Chur, 28 July 2022

## Statement of consolidated Equity Capital

|   | in CHF 1,000   |                  |                            |   |  |            |                    |                     |           |
|---|----------------|------------------|----------------------------|---|--|------------|--------------------|---------------------|-----------|
|   | Bank's capital | Capital reserves | Retained earnings reserves | Unassigned reserves for general banking risks | Reserves for general banking risks (earmarked) | Own shares | Minority interests | Consolidated profit | Total     |
| <b>Equity on 1.1.2021</b>   | 250,000        | 34,816           | 920,330                    | 1,343,739                                     | -  | -11,789    | 37,567             | 180,886             | 2,755,550 |
| Prior year's profit carried forward   | -              | -                | 172,822                    | -   | -  | -          | 8,064              | -180,886            | -         |
| Acquisition of own shares   | -              | -                | -                          | -   | -  | -614       | -                  | -                   | -614      |
| Disposal of own shares  | -              | -                | -                          | -   | -  | 1,331      | -                  | -                   | 1,331     |
| Profit (loss) on disposal of own shares   | -              | 23               | -                          | -   | -  | -          | -                  | -                   | 23        |
| Dividends and other distributions   | -              | 319              | -103,700                   | -   | -  | -          | -6,965             | -                   | -110,346  |
| Other allocations to (transfers from) the reserves for general banking risks  | -              | -                | -                          | 10,000  | -  | -          | -                  | -                   | 10,000    |
| Withdrawal from reserves for general banking risks in order to create value adjustments for inherent risks without affecting profit or loss | -              | -                | -                          | -27,044                                       | -  | -          | -                  | -                   | -27,044   |
| Change in non-controlling interests   | -              | -                | -                          | -   | -  | -          | -                  | -                   | -         |
| Consolidated profit   | -              | -                | -                          | -   | -  | -          | -                  | 112,051             | 112,051   |
| <b>Equity on 30.06.2021</b>   | 250,000        | 35,158           | 989,452                    | 1,326,695                                     | 0  | -11,072    | 38,666             | 112,051             | 2,740,951 |



# Graubündner Kantonalbank

Listed on SIX Swiss Exchange. Sec. No. 134 020. Price: CHF 1,635.00<sup>1</sup>

<sup>1</sup> price as at 06/30/2022

## 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 06/30/2022)  
Board/Management: 0.1% of PC (per 06/30/2022)

## 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

Annual figures 2022: 10 February 2023  
Participation certificate holder's meeting: 22 April 2023

