



Basler
Kantonalbank

Half-yearly Report 2023 – Abridged Version



About us

Group BKB consists of the parent company and Bank Cler. Since its foundation in 1899, the parent company BKB has been deeply rooted in the Basel region and positions itself for its private clients as the bank of Basel for Basel. BKB operates a total of twelve branches and an SME centre in the city canton. Asset management ensures a high level of investment expertise, from which not only the Private Banking clientèle benefits. As a universal bank it is active for its corporate and institutional clients throughout Northwestern Switzerland. BKB is majority-owned by the Canton of Basel-Stadt and has a state guarantee that is compensated to the Canton. The owner strategy sets the strategic guidelines and requires above-average equity capitalisation and liquidity. With an AAA rating from Fitch and an AA+ rating from S&P Global Ratings, BKB is one of the safest banks in Switzerland. Its financial strength or solidity, coupled with deep local roots and client proximity, are the most important unique selling points of BKB. In addition, sustainability in both operations and core business is a central prerequisite for making a positive contribution to the economy, environment and society in the long term. Fourteen per cent of the equity of CHF 354 million is listed as participation certificates on the SIX Exchange.

With the acquisition of Bank Cler (previously "Bank Coop") in 2000, today Group BKB employs almost 1,400 people and is present in all major cities throughout Switzerland. Bank Cler has a total of 24 branches, divided into three market areas "Central" (seven branches), "South-East" (ten branches) and "French-speaking Switzerland" (seven branches). Thanks to digital services, clients of both banks can also perform the most important banking services independently of time and place. The neobanking app Zak is proof of how easy banking can be. Bank Cler has been making Zak available for everyday banking services for several years and is continuously developing it further, including through new functionalities and partner offers. Zak has now successfully established itself as a neobanking service and the number of active users has increased to over 60,000. Thus, Bank Cler is positioning itself as a fresh, smart and Swiss bank that, with Zak, also appeals to a broad and digitally savvy client segment. With this business model, Bank Cler optimally complements the parent company and contributes to the geographical diversification of income streams within the Group.

The client funds of the Group BKB amount to around CHF 29 billion. Based on the total assets of CHF 55.3 billion, the Group is one of the ten largest banking groups in Switzerland.

Group BKB



Sales Private Clients

Sales Commercial Clients

Presidential

Services

Finance & Risk

Legal & Compliance



Sales Department

Finance & Risk

Market Management

Cover image: BKB's natural meadow market in cooperation with BirdLife Switzerland in June 2023 on Meret Oppenheim-Platz in Basel

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Facts & Figures



49.6 %

cost/income ratio
down from 56.2 %
within one year
(target value by 2025:
max. 55 %)



**CHF 75.5
million**

group net profit
+20.7 % within one year
(CHF 62.6 million)



7.0 %

return on equity
up from 5.4 %
within one year
(target value by 2025:
min. 6 %)



1.43 %

RWA efficiency
up from 1.11 %
since end of 2022
(target value by 2025:
min. 1.0 %)



18.4 %

total capital ratio
up from 18.1 %
within one year
(target value by 2025:
min. 16 %)



125.5 %

net stable funding ratio
up from 122.4 %
since end of 2022
(target value by 2025:
min. 110 %)

Business development over the first half of 2023

Revenues have grown and profitability has increased

The strategic focus on our strengths, excellent creditworthiness and our proximity to clients are once again making an impact: Group Basler Kantonalbank (BKB) achieved profitable growth in the first half of 2023 and significantly improved its operating result again.

In the first half of 2023 Group BKB achieved a +32.3 % increase in operating performance or a +20.7 % increase in consolidated profit. Christoph Auchli, CFO of BKB, summarises the half-yearly result: "We have continued to develop along our strategic priorities and have grown profitably. By focusing on our strengths, we have succeeded in broadening our earnings base, keeping costs under control and increasing efficiency. This means that we have already achieved all of our strategic goals for 2025 in terms of profitability, stability and balance sheet quality."



CFO Christoph Auchli: "By focusing on our strengths, we have succeeded in broadening our earnings base, keeping costs under control and increasing efficiency."

Five highlights characterise the first half of 2023

#1 Stability and client proximity as a foundation

Significant increase in earnings

In the challenging environment of rising interest rates and volatile financial markets, the operating income of Group BKB increased significantly by +12.7 % to CHF 337.0 million. Gross income from the interest business has risen particularly significantly: It increased by +18.5 % to CHF 229.4 million. The top rating received in January 2023 and confirmed in July 2023 of AAA from the international rating agency Fitch further strengthened confidence in the soundness of BKB and enabled broader refinancing on the money and capital markets. Thanks to the high quality of the loan portfolio, no additional value adjustments had to be made in the interest business. The +23.1 % increase in net trading income to CHF 35.5 million has been driven by successful trading in interest rate instruments. Thanks to the expansion of investment solutions and asset management mandates, the success of the commission and services business has become an important pillar of earnings in recent years. It is still slightly lower than a year ago due to declining transactional income and the elimination of a one-off effect in the previous year (-4.4 % to CHF 67.6 million).

#2

Focusing works

Increased productivity and profitability

Thanks to a further increase in efficiency and productivity, operating expenses were reduced by -0.3 % to CHF 167.0 million despite the growth in volume and investments in strategic initiatives. As a result of the profitable growth, operating performance in the first half-year increased significantly by +32.3 % to CHF 155.9 million and the cost-income ratio fell by -6.6 percentage points to 49.6 %. After another high allocation to reserves of CHF 72.0 million (previous year CHF 48.2 million), profit increased by +20.7 % to CHF 75,5 million in the first half of the year.

#3

Risk-oriented growth

Continued high balance sheet quality

Client proximity with holistic advice and two excellent ratings from S&P Global Ratings and Fitch, as well as the stable balance sheet with high own funds, create confidence. Group BKB recorded an increase in client funds of CHF +547.0 million in the first half of 2023. Compared to 31 December 2022, client deposits nevertheless declined by -6.7 % to CHF 29.1 billion, because short-term opportunities in operational liquidity management were used at the end of 2022. Client loans increased by +2.0 % and mortgage receivables grew by +2.0 % to CHF 32.2 billion in line with market trends. Total assets remained constant at CHF 55.3 billion (+0.1 %). In doing so, the Group aligned its balance sheet to stability and managed growth in a risk-oriented manner. Therefore, the total capital ratio continued to rise to 18.4 % (comparative half-year in 2022: 18.1 %). At 20.5 % and 17.9 %, respectively, both the parent company BKB and Bank Cler were significantly above the equity target (13.0 %, including a countercyclical capital buffer for Group BKB).

#4

Consistent and cooperative

Dealing with sustainability and promoting biodiversity

Sustainability plays an increasingly important role for clients as well as for institutional investors and counterparties. Independent ESG ratings are gaining importance in this context. In March 2023, BKB (the parent company) received the ESG risk rating "Low Risk" from Morningstar Sustainalytics. This puts BKB in the top spot among cantonal banks. The rating confirms that BKB is consistently pursuing its sustainability goals and, at the same time, is closely supporting its clients in achieving their sustainability goals. As part of the new commitment in cooperation with BirdLife Switzerland, "Basel blüht auf" (Basel is flourishing), BKB has been supporting projects that contribute to biodiversity in the region since the beginning of 2023.

#5

Committed to Basel

Teaching financial competence and proximity to the population

BKB is actively committed to the region and its people. In May, it launched the weekly business magazine "Geld & Co." together with Telebasel. Experts from BKB provide information on everyday aspects of money. In order to understand which topics affect the population and clients, client proximity remains of central importance. In the first half of the year, BKB welcomed over 1,300 clients to specialist and hospitality events. The Neighbourhood Saturdays, which have been held twice a year since last year and now attract several thousand visitors per occasion, have also proven their worth. After celebrating in Kleinbasel in June, the next Neighbourhood Saturday will take place on 19 August 2023 in the "Gundel" on Meret Oppenheim-Platz.

Outlook

In the second half of the year, the Group will continue to consistently pursue along the path of Strategy 2022+. The new digital banking system is creating a basis for clients to be able to handle more and more financial matters, regardless of location and time, with greater security. The further expansion and optimisation of the functionalities on offer are currently being pushed forward at full speed. The intra-group transfer of corporate and institutional clients from Bank Cler to BKB, which was completed in the first half of the year, enables Bank Cler to focus on growth in private and real estate clients on the one hand and to support the demanding client groups in the Group's competence centres on the other. In addition, the Group's infrastructure will be optimised further. The focus is on the scalability of processes and a more powerful and secure IT architecture. At the same time, the partnership for cloud applications entered into with Microsoft and tested with an initial migration will also play an important role.

CEO Basil Heeb is convinced: "With our proximity to clients, our stability-oriented business model and a broad-based, sustainable earnings base, Group BKB is very well positioned. This is creating the prerequisites for the current positive momentum to continue in the second half of the year and for us to be able to achieve a good to very good annual result."



CEO Basil Heeb: "The proximity to our clients, our stability-oriented business model and a broad-based, sustainable earnings base are creating the prerequisites for us to be able to achieve a good to very good annual result."

Information for investors

Half-yearly result 2023

The strategic focus on our strengths, excellent creditworthiness and our proximity to clients are once again making an impact: Group Basler Kantonalbank (BKB) achieved profitable growth in the first half of 2023 and significantly improved its operating result again.

CHF 61.60

closing price on 30.6.2023

31.12.2022: CHF 61.40



CHF 3.10

dividend per participation certificate

Previous year: CHF 3.10



5.0 %

dividend yield

Previous year: 5.1 %



3.25 %

average performance

for the last 5 years (p.a.)



Share price statistics

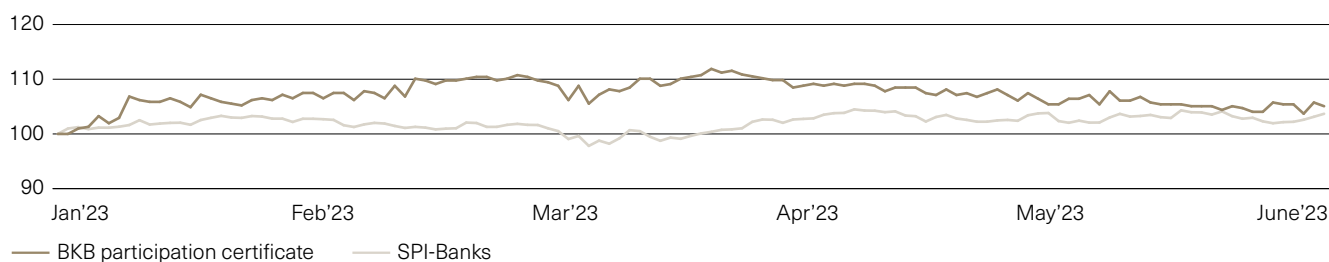
		1 st half-year 2023	2022
Highest price	in CHF	68.20	67.00
Lowest price	in CHF	60.80	57.40

Participation capital

The participation capital was created in 1986 and is divided into 5.9 million participation certificates with a par value of CHF 8.50 each. These are traded on the SIX Swiss Exchange (ISIN: CH0009236461).

Holders of participation certificates are participate directly involved in the performance of the business and have no voting rights.

Price development in percent (total return)



Group BKB – Half-yearly financial statements

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- Group BKB – At a glance
- Consolidated balance sheet
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Group BKB – At a glance

Balance sheet		30.6.2023¹	31.12.2022²
Total assets	in CHF 1000	55,300,549	55,230,118
– Change	in %	0.1	3.3
Customer loans	in CHF 1000	35,458,182	34,775,685
– of which Mortgages	in CHF 1000	32,154,739	31,523,993
Customer deposits	in CHF 1000	29,126,082	31,205,037
General public funds ³	in CHF 1000	29,182,152	31,208,188
Reported own funds (incl. Group net profit)	in CHF 1000	4,268,149	4,211,361
Reported own funds (incl. Group net profit)	in CHF 1000	4,192,624	4,071,699

Income statement		1st half 2023¹	1st half 2022^{1,2}
Net income from interest activities	in CHF 1000	230,004	194,945
Income from commission and service activities	in CHF 1000	67,569	70,657
Income from trading activities and exercising the fair-value option	in CHF 1000	35,548	28,885
Other ordinary income	in CHF 1000	3,853	4,616
Gross Income ⁴	in CHF 1000	336,326	297,739
– Change	in %	13.0	0.4
Operating income	in CHF 1000	336,974	299,103
– Change	in %	12.7	0.6
Operating expenses	in CHF 1000	166,957	167,447
– Change	in %	-0.3	-4.9
Amortisation, depreciation, write-downs and provisions	in CHF 1000	14,162	13,836
Business performance	in CHF 1000	155,855	117,820
– Change	in %	32.3	10.4
Group net profit	in CHF 1000	75,525	62,564
– Change	in %	20.7	15.9

Profitability key figures		1st half 2023¹	1st half 2022¹
Return on equity (Group net profit before reserves/average equity)	in %	7.0	5.4

Balance sheet ratios		30.6.2023¹	31.12.2022²
Customer loans as % of total assets	in %	64.1	63.0
Mortgage loans as % of customer loans	in %	90.7	90.6
Customer deposits as % of total assets	in %	52.7	56.5
Degree of funding I (customer funds/customer loans) ³	in %	82.3	89.7
Degree of funding II (general public funds/customer loans) ⁵	in %	113.4	119.9
Equity ratio	in %	7.7	7.6
Hard core capital ratio (CET1 ratio)	in %	17.5	17.7
Core capital ratio (T1 ratio)	in %	18.0	18.3
Total capital ratio	in %	18.4	18.6
Capital adequacy target ⁶	in %	13.0	13.0
Leverage ratio	in %	6.8	6.9
Average liquidity coverage ratio (LCR) – Q2/Q4	in %	166.9	154.5
Net stable funding ratio (NSFR)	in %	125.5	122.4
RWA efficiency ⁷	in %	1.43	1.11

Income statement ratios		1st half 2023¹	1st half 2022^{1,2}
Cost to income ratio (operating expenses/gross income) ⁴	in %	49.6	56.2
Net interest income as % of operating income	in %	68.3	65.2
Income from commission and service activities as % of operating income	in %	20.1	23.6
Net trading income as % of operating income	in %	10.5	9.7
Other ordinary income as % of operating income	in %	1.1	1.5
Personnel expenses as % of operating expenses	in %	59.1	58.3
Non-personnel expenses as % of operating expenses ⁸	in %	40.9	41.7

Employees		30.6.2023	31.12.2022
Number of employees (Headcount)		1,422	1,401
Number of apprentices and trainees		52	66
Full-time equivalents (FTEs) ⁹		1,268	1,241

¹ Unaudited.

² Adjustment of the accounting and measurement policies and restatement of the previous-year figures.

³ Customer funds (customer deposits, medium-term notes).

⁴ Gross income (operating income without any changes in write-downs relating to the risk of default and losses from interest activities).

⁵ General public funds (customer deposits, medium-term notes, bonds and mortgage-backed bonds).

⁶ The capital adequacy target is made up of the minimum own funds of 8 % and a capital adequacy buffer of 4 % for category 3 banks in accordance with Annex 8 CAO, plus the countercyclical capital buffer.

⁷ Gross profit / total risk-weighted assets (RWA).

⁸ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁹ Apprentices and trainees are weighted at 50 %.

Consolidated balance sheet

Assets	30.6.2023 ¹ in CHF 1000	31.12.2022 in CHF 1000	Change absolute	Change in %
Liquid funds	8,358,483	8,086,076	272,407	3.4
Receivables from banks	1,066,501	820,903	245,598	29.9
Receivables from securities financing transactions	6,754,022	5,979,408	774,614	13.0
Receivables from customers	3,303,443	3,251,692	51,751	1.6
Mortgages	32,154,739	31,523,993	630,746	2.0
Trading activities	961,128	1,074,887	-113,759	-10.6
Positive replacement values of derivative financial instruments	93,334	115,348	-22,014	-19.1
Financial assets	1,775,807	3,462,799	-1,686,992	-48.7
Prepaid expenses	122,405	119,562	2,843	2.4
Non-consolidated investments	71,212	71,149	63	0.1
Property, plant and equipment	173,960	185,528	-11,568	-6.2
Other assets	465,515	538,773	-73,258	-13.6
Total assets	55,300,549	55,230,118	70,431	0.1
Total subordinated receivables	3,219	3,564	-345	-9.7
- of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	5,314,787	3,119,198	2,195,589	70.4
Liabilities from securities financing transactions	4,624,550	5,241,854	-617,304	-11.8
Liabilities from customer deposits	29,126,082	31,205,037	-2,078,955	-6.7
Liabilities from trading activities	12,484	4,867	7,617	-
Negative replacement values of derivative financial instruments	210,629	300,054	-89,425	-29.8
Liabilities from other financial instruments measured at fair value	370,616	428,451	-57,835	-13.5
Medium-term notes	56,070	3,151	52,919	-
Bonds and mortgage-backed bonds	11,040,669	10,473,006	567,663	5.4
Deferred income	196,715	160,860	35,855	22.3
Other liabilities	53,863	55,306	-1,443	-2.6
Provisions	25,935	26,973	-1,038	-3.8
Reserves for general banking risks	2,905,898	2,833,898	72,000	2.5
Share capital	354,150	354,150	-	-
Capital reserve	132,487	132,341	146	0.1
Retained earnings	880,700	831,921	48,779	5.9
Treasury shares (short position)	-80,611	-80,611	-	-
Group net profit	75,525	139,662	-	-
Total equity and liabilities	55,300,549	55,230,118	70,431	0.1
Total subordinated liabilities	192,149	191,736	413	0.2
- of which with conversion obligation and/or debt waiver	192,149	191,736	413	0.2
Off-balance sheet transactions				
Contingent liabilities	236,124	120,447	115,677	96.0
Irrevocable commitments	3,228,878	3,201,108	27,770	0.9
Liabilities for calls on shares and other equity	118,848	118,848	-	-

¹ Unaudited.

² Adjustment of the accounting and measurement policies and restatement of the previous-year figures.

Consolidated income statement

	1st half 2023 ¹ in CHF 1000	1st half 2022 ^{1,2} in CHF 1000	Change absolute	Change in %
Income from interest activities				
Interest and discount income	548,627	226,732	321,895	–
Interest and dividend income from financial assets	7,862	1,096	6,766	–
Interest expenses	–327,133	–34,247	–292,886	–
Gross income from interest activities	229,356	193,581	35,775	18.5
Changes in write-downs relating to the risk of default and losses from interest activities	648	1,364	–716	–52.5
Net income from interest activities	230,004	194,945	35,059	18.0
Income from commission and service activities				
Commission income from securities and investment activities	53,666	56,106	–2,440	–4.3
Commission income from lending activities	5,219	3,696	1,523	41.2
Commission income from other service activities	18,111	21,265	–3,154	–14.8
Commission expenses	–9,427	–10,410	983	–9.4
Income from commission and service activities	67,569	70,657	–3,088	–4.4
Income from trading activities and exercising the fair-value option	35,548	28,885	6,663	23.1
Other ordinary income				
Income from the disposal of financial assets	190	147	43	29.3
Income from investments	2,402	2,127	275	12.9
– of which from investments accounted for using the equity method	208	205	3	1.5
– of which from other non-consolidated investments	2,194	1,922	272	14.2
Real estate income	868	979	–111	–11.3
Other ordinary income	425	1,363	–938	–68.8
Other ordinary expenses	–32	–	–32	–
Other ordinary income	3,853	4,616	–763	–16.5
Operating income	336,974	299,103	37,871	12.7
Operating expenses				
Payroll costs	–98,744	–97,542	–1,202	1.2
General and administrative expenses	–63,113	–64,805	1,692	–2.6
Compensation for the state guarantee	–5,100	–5,100	–	–
Operating expenses	–166,957	–167,447	490	–0.3
Write-downs on investments and depreciation of property, plant and equipment, and amortisation of intangible assets	–13,666	–12,980	–686	5.3
Changes to provisions and other value adjustments, and losses	–496	–856	360	–42.1
Business performance	155,855	117,820	38,035	32.3
Extraordinary income	66	123	–57	–46.3
Extraordinary expenses	–	–	–	–
Change in reserves for general banking risks	–72,000	–48,218	–23,782	49.3
Taxes	–8,396	–7,161	–1,235	17.2
Group net profit	75,525	62,564	12,961	20.7

¹ Unaudited.

² Adjustment of the accounting and measurement policies and restatement of the previous-year figures.

Consolidated statement of changes in equity

	Share capital	Capital reserve	Retained earnings	Reserves for general banking risks	Treasury shares (short position)	Group net profit	Total equity
	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000
Equity at the beginning of the reporting period (31.12.2022) ¹	354,150	132,341	831,921	2,833,898	-80,611	139,662	4,211,361
Appropriation of profit from 2022							
- Allocation to retained earnings	-	-	48,779	-	-	-48,779	-
- Dividend	-	146	-	-	-	-15,954	-15,808
- Distribution to canton	-	-	-	-	-	-74,929	-74,929
Allocations to reserves for general banking risks	-	-	-	72,000	-	-	72,000
Group net profit	-	-	-	-	-	75,525	75,525
Equity at the end of the reporting period (30.6.2023) ²	354,150	132,487	880,700	2,905,898	-80,611	75,525	4,268,149

¹ Adjustment of the accounting and measurement policies and restatement of the previous-year figures.

² Unaudited.

Parent Company BKB – Half-yearly financial statements

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- Parent company BKB – At a glance
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- Income statement
- Statement of changes in equity

Parent company BKB – At a glance

Balance sheet		30.6.2023¹	31.12.2022²
Total assets	in CHF 1000	36,894,158	37,732,585
– Change	in %	–2.2	10.2
Customer loans	in CHF 1000	18,767,256	18,284,958
– davon mortgages	in CHF 1000	15,556,240	15,137,736
Customer deposits	in CHF 1000	16,722,226	19,243,862
Customer funds ³	in CHF 1000	16,735,410	19,243,862
Reported own funds (including Net profit)	in CHF 1000	3,620,812	3,588,106
Reported own funds (excluding Net profit)	in CHF 1000	3,550,768	3,459,601

Income statement		1st half 2023¹	1st half 2022¹
Net income from interest activities	in CHF 1000	133,283	105,049
Income from commission and service activities	in CHF 1000	43,102	41,455
Income from trading activities and exercising the fair-value option	in CHF 1000	31,108	23,899
Other ordinary income	in CHF 1000	41,013	41,368
Gross Income ⁴	in CHF 1000	247,874	212,062
– Change	in %	16.9	–1.2
Operating income	in CHF 1000	248,506	211,771
– Change	in %	17.3	–1.6
Operating expenses	in CHF 1000	116,170	113,051
– Change	in %	2.8	–3.9
Amortisation, depreciation, write-downs and provisions	in CHF 1000	–8,953	–8,858
Business performance	in CHF 1000	123,383	89,862
– Change	in %	37.3	3.7
Net Profit	in CHF 1000	70,044	56,609
– Change	in %	23.7	15.5

Profitability key figures		1st half 2023¹	1st half 2022¹
Return on equity (net profit for the year before reserves/average equity)	in %	6.9	5.2

Balance sheet ratios		30.6.2023¹	31.12.2022²
Customer loans as % of total assets	in %	50.9	48.5
Mortgage loans as % of customer loans	in %	82.9	82.8
Customer deposits as % of total assets	in %	45.3	51.0
Degree of funding I (customer funds/customer loans) ³	in %	89.2	105.2
Degree of funding II (general public funds/customer loans) ⁵	in %	123.6	138.2
Equity ratio	in %	9.8	9.5
Hard core capital ratio (CET1 ratio)	in %	19.8	19.8
Core capital ratio (T1 ratio)	in %	20.2	20.2
Total capital ratio	in %	20.5	20.6
Capital adequacy target ⁶	in %	12.6	12.6
Leverage ratio	in %	8.1	8.0
Average liquidity coverage ratio (LCR) – Q2/Q4	in %	175.7	159.5
Net stable funding ratio (NSFR)	in %	119.3	116.6
RWA efficiency ⁷	in %	1.48	1.11

Income statement ratios		1st half 2023¹	1st half 2022¹
Cost to income ratio (operating expenses/gross income) ⁴	in %	46.9	53.3
Net interest income as % of operating income	in %	53.6	49.6
Income from commission and service activities as % of operating income	in %	17.3	19.6
Net trading income as % of operating income	in %	12.5	11.3
Other ordinary income as % of operating income	in %	16.6	19.5
Personnel expenses as % of operating expenses	in %	62.1	61.9
Non-personnel expenses as % of operating expenses ⁸	in %	37.9	38.1

Employees		30.6.2023	31.12.2022
Number of employees (Headcount)		1,047	1,018
Number of apprentices and trainees		30	38
Full-time equivalents (FTEs) ⁹		932	901

¹ Unaudited.

² Balance before appropriation of net profit.

³ Customer funds (customer deposits, medium-term notes).

⁴ Gross income (operating income without any changes in write-downs relating to the risk of default and losses from interest activities).

⁵ General public funds (customer deposits, medium-term notes, bonds and mortgage-backed bonds).

⁶ The capital adequacy target is made up of the minimum own funds of 8 % and a capital adequacy buffer of 4 % for category 3 banks in accordance with Annex 8 CAO, plus the countercyclical capital buffer.

⁷ Gross profit / total risk-weighted assets (RWA).

⁸ The compensation for the state guarantee is allocated to non-personnel expenses for the calculation of this key figure.

⁹ Apprentices and trainees are weighted at 50 %.

Balance sheet

Assets	30.6.2023 ¹ in CHF 1000	31.12.2022 ² in CHF 1000	Change absolute	Change in %
Liquid funds	5,905,583	6,303,573	-397,990	-6.3
Receivables from banks	1,355,944	1,265,541	90,403	7.1
Receivables from securities financing transactions	6,904,022	5,979,408	924,614	15.5
Receivables from customers	3,211,016	3,147,222	63,794	2.0
Mortgages	15,556,240	15,137,736	418,504	2.8
Trading activities	965,970	1,074,900	-108,930	-10.1
Positive replacement values of derivative financial instruments	93,106	116,998	-23,892	-20.4
Financial assets	1,534,475	3,260,459	-1,725,984	-52.9
Prepaid expenses	80,780	78,260	2,520	3.2
Investments	747,097	747,099	-2	-
Property, plant and equipment	79,191	86,394	-7,203	-8.3
Other assets	460,734	534,995	-74,261	-13.9
Total assets	36,894,158	37,732,585	-838,427	-2.2
Total subordinated receivables	4,357	4,718	-361	-7.7
- of which with conversion obligation and/or debt waiver	-	-	-	-
Equity and liabilities				
Liabilities to banks	4,619,534	2,690,021	1,929,513	71.7
Liabilities from securities financing transactions	4,624,550	5,241,854	-617,304	-11.8
Liabilities from customer deposits	16,722,226	19,243,862	-2,521,636	-13.1
Liabilities from trading activities	10,124	4,867	5,257	-
Negative replacement values of derivative financial instruments	210,612	299,705	-89,093	-29.7
Liabilities from other financial instruments measured at fair value	370,616	428,451	-57,835	-13.5
Medium-term notes	13,184	-	13,184	-
Bonds and mortgage-backed bonds	6,463,955	6,019,887	444,068	7.4
Deferred income	125,326	94,129	31,197	33.1
Other liabilities	93,381	102,511	-9,130	-8.9
Provisions	19,838	19,192	646	3.4
Reserves for general banking risks	2,656,646	2,603,246	53,400	2.1
Share capital	354,150	354,150	-	-
Statutory capital reserve	147,750	147,750	-	-
- of which reserves from capital contributions	90,152	90,152	-	-
- of which other reserves	57,598	57,598	-	-
Statutory retained earnings	324,347	322,802	1,545	0.5
Voluntary retained earnings	146,100	109,800	36,300	33.1
Treasury shares (short position)	-80,611	-80,611	-	-
- against reserves from capital contributions	-67,839	-67,839	-	-
- other	-12,772	-12,772	-	-
Profit carried forward	2,386	2,464	-78	-3.2
Net profit	70,044	128,505	-	-
Total equity and liabilities	36,894,158	37,732,585	-838,427	-2.2
Total subordinated liabilities	100,536	101,474	-938	-0.9
- of which with conversion obligation and/or debt waiver	100,536	101,474	-938	-0.9
Off-balance sheet transactions				
Contingent liabilities	215,577	90,691	124,886	-
Irrevocable commitments	2,862,423	2,835,040	27,383	1.0
Liabilities for calls on shares and other equity	92,251	92,251	-	-

¹ Unaudited.

² Balance before appropriation of net profit.

Income statement

	1st half 2023 ¹ in CHF 1000	1st half 2022 ¹ in CHF 1000	Change absolute	Change in %
Income from interest activities				
Interest and discount income	414,170	125,480	288,690	-
Interest and dividend income from financial assets	6,976	822	6,154	-
Interest expenses	-288,496	-20,962	-267,534	-
Gross income from interest activities	132,650	105,340	27,310	25.9
Changes in write-downs relating to the risk of default and losses from interest activities	633	-291	924	-
Net income from interest activities	133,283	105,049	28,234	26.9
Income from commission and service activities				
Commission income from securities and investment activities	34,303	33,963	340	1.0
Commission income from lending activities	4,485	2,775	1,710	61.6
Commission income from other service activities	11,218	11,806	-588	-5.0
Commission expenses	-6,904	-7,089	185	-2.6
Income from commission and service activities	43,102	41,455	1,647	4.0
Income from trading activities and exercising the fair-value option	31,108	23,899	7,209	30.2
Other ordinary income				
Income from the disposal of financial assets	69	103	-34	-33.0
Income from investments	16,741	16,629	112	0.7
Real estate income	603	616	-13	-2.1
Other ordinary income	23,600	24,020	-420	-1.7
Other ordinary expenses	-	-	-	-
Other ordinary income	41,013	41,368	-355	-0.9
Operating income	248,506	211,771	36,735	17.3
Operating expenses				
Payroll costs	-72,153	-69,939	-2,214	3.2
General and administrative expenses	-38,917	-38,012	-905	2.4
Compensation for the state guarantee / guarantor	-5,100	-5,100	-	-
Operating expenses	-116,170	-113,051	-3,119	2.8
Write-downs on investments and depreciation of property, plant and equipment, and amortisation of intangible assets	-8,472	-8,808	336	-3.8
Changes to provisions and other value adjustments, and losses	-481	-50	-431	-
Business performance	123,383	89,862	33,521	37.3
Extraordinary income	61	-	61	-
Extraordinary expenses	-	-	-	-
Change in reserves for general banking risks	-53,400	-33,208	-20,192	60.8
Taxes	-	-45	45	-100.0
Net profit	70,044	56,609	13,435	23.7

¹ Unaudited.

Statement of changes in equity

	Share capital	Statutory capital reserve	Statutory retained earnings	Reserves for general banking risks	Freiwillige Gewinnreserven und Gewinn- bzw. Verlustvortrag	Treasury shares (short position)	Net profit	Total Total Eigenkapital
	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000	in CHF 1000
Equity at the beginning of the reporting period (31.12.2022)	354,150	147,750	322,802	2,603,246	112,264	-80,611	128,505	3,588,106
Appropriation of profit 2022								
- Allocation to statutory retained earnings	-	-	1,400	-	-	-	-1,400	-
- Allocation to voluntary retained earnings	-	-	-	-	36,300	-	-36,300	-
- Dividend	-	-	145	-	-	-	-15,954	-15,809
- Distribution to canton	-	-	-	-	-	-	-74,929	-74,929
- Net change in profit carried forward	-	-	-	-	-78	-	78	-
Allocations to the reserves for general banking risks	-	-	-	53,400	-	-	-	53,400
Net profit	-	-	-	-	-	-	70,044	70,044
Equity at the end of the reporting period (30.6.2023) ¹	354,150	147,750	324,347	2,656,646	148,486	-80,611	70,044	3,620,812

¹ Unaudited.

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