# **Consolidated Accounts** for the Financial Year.

Ending 31 December 2020.



Graubündner Kantonalbank

Growing together. gkb.ch

# Group key figures.

### Balance sheet / Off-balance-sheet

	in CHF million	in CHF million	
	12/31/2020	12/31/2019	+/- in %
Client assets <sup>1)</sup>	38,129	36,162	5.4
Net new money <sup>1)</sup>	1,387	184	
Loans to clients	20,726	20,079	3.2
Own funds <sup>2)</sup>	2,710	2,707	0.1

#### Headcount

	12/31/2020	12/31/2019	+/- in %
FTEs (adjusted for part-time positions, apprenticeships at 50 %)	791	783	1.0

#### Income statement

	in CHF 1'000	in CHF 1'000	
	2020	2019	+/- in %
Operating income	407,336	415,346	-1.9
Operating expenses	196,594	188,625	4.2
Operating result	188,154	201,826	-6.8
Profit before allocation to reserves without minority interests	177,513	186,920	-5.0
Group profit	180,886	185,457	-2.5

### Key figures

2020	2019	+/- in %
48.7 %	46.0 %	5.9
52.2 %	49.6 %	5.2
6.8 %	7.2 %	-5.6
71.2	75.0	-5.1
1,087	1,086	0.1
9.5 %	8.9 %	6.7
20.4 %	20.9 %	-2.4
	48.7 % 52.2 % 6.8 % 71.2 1,087 9.5 %	48.7 %         46.0 %           52.2 %         49.6 %           6.8 %         7.2 %           71.2         75.0           1,087         1,086           9.5 %         8.9 %

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 Equity before the appropriation of profits without minority interests without value adjustments interest rates; CIR II: depreciation excl. goodwill depreciation Basis: profit before allocation to reserves without minority interests 1)

2) 3) 4)



CEO Daniel Fust and Chairman Peter Fanconi

### Successful anniversary year for GKB.

Graubündner Kantonalbank's (GKB) broadly diversified business model is an important success factor which has proved itself in the 2020 pandemic year as well. The investment business generated strong earnings, albeit not quite on a par with the record year 2019. The importance of focusing on competent and comprehensive advice and a strong regional presence has also been made clear once again.

Within the context of the ongoing strategy review, the strategic agenda has been realigned and expedited. This will ensure the Bank's growth, above-average productivity and attractive returns for the coming years. The implementation of the strategy is already at an advanced stage and various projects and products will be launched very soon. In the medium term, these will further GKB's strategic initiatives and further strengthen its position.

The Bank's performance capability was particularly encouraging in the past year, including the implementation of an efficient system for processing COVID-19 loans. In sometimes very difficult circumstances, GKB was always there to help find solutions for its clients. The Bank also supported Graubünden as an economic area and a living environment and demonstrated its close ties to its home canton.

### Net interest income

Net interest income improved by +2.9% to CHF 258.9 million. The Swiss National Bank's revised method for calculating the exemption threshold for banks counteracted the falling trend for interest income in the reporting year. The reversal of value adjustments that are no longer needed contributed CHF 3.6 million to the result.

#### Commission income contributed 31.8 percent to earnings

Owing to performance-related fees and excellent stock market performance, net fee and commission income reached an all-time high in 2019. In 2020, an increase in volume- and transaction-related fees helped to cushion the decline in earnings by -4.4% to CHF 128.3 million. Including the strategic investments in Albin Kistler AG and Privatbank Bellerive AG, at 31.8% GKB once again outstripped its strategic objective of generating 30% of its earnings from commission income.

#### Other earnings: affected by equity market performance

In 2019, the Bank profited from the above-average rise in equity prices, setting a very high benchmark for the reporting year. This explains the year-on-year decline in other ordinary earnings of CHF -8.7 million.

#### Operating expenses: cost/income ratio I of 48.7%

Operating expenses, including the settlement of the state guarantee, increased by +4.2% relative to the previous year. Among others, the digitalisation offensive, the #gkb2020 anniversary project and the recruitment of specialists are responsible for the increase in costs. The cost/income ratio II increased to 52.2% (previous year: 49.6%). The cost/income ratio I of 48.7% confirms GKB's long-standing status as one of the most productive banks.

#### Operating result: consolidated operating profit declined year-on-year

As a measure of operating success, the operating result was -6.8% below the prior year (CHF 201.8 million) at CHF 188.2 million. In contrast to the previous year, the operating business was under pressure from weaker equity market performance, which affected performance-related commission fees as well as valuation adjustments for financial investments.

### Consolidated profit: CHF 180.9 million / -2.5 percent

At CHF 180.9 million, the reported consolidated profit was more or less on a par with the previous year. At CHF 177.5 million (CHF -9.4 million), the consolidated profit prior to allocations to reserves and excluding minority interests failed to match the prior-year result as expected. This results in earnings per participation certificate of CHF 71.21 (previous year: CHF 74.98).

#### Loans to clients: +3.2 percent growth in client lending

Following a lower growth rate of +1.9% in the previous year, client lending grew by +3.2% or CHF +647.5 million. This growth was once again supported by first-class mortgages granted to clients in other cantons and syndicated loans/bonded loans. In contrast, fundable demand for credit in Graubünden has declined considerably. By year-end, GKB had paid out CHF 161.7 million in COVID-19 loans (federal/canton).

### Client assets: increased to CHF 38.1 billion

The client assets of CHF 38.1 billion (+5.4% / CHF +2.0 billion) were mainly improved by inflows of net new money of CHF +1.39 billion (previous year: CHF +184.3 million). These extraordinary inflows primarily represented client assets derived directly from the increase in the savings rate (corona pandemic). It is very encouraging that most of the acquisitions in investment volume took the form of mandates.

### Equity base: core capital ratio is still above 20 percent

Equity remained unchanged at CHF 2.8 billion at the end of the year. This includes a reclassification of reserves for general banking risks in value adjustments for inherent default risks. At 20.4% (previous year: 20.9%), the Group's CET 1 ratio is slightly above the middle of the strategic target range of 17.5 to 22.5% and considerably higher than the 12% target prescribed by the supervisory authority. The strategic resistance to crisis aimed for by the Bank is reflected in the generously measured shock absorbers.

### Distribution: unchanged dividend of CHF 40.00

The good result allows the Bank to hold the dividend payment at CHF 40.00. A total dividend of CHF 100 million will be paid to the Canton of Graubünden and the participation capital holders. The Canton of Graubünden will receive CHF 87.3 million (including payment for the state guarantee). CHF 3.7 million will be allocated to the contributory fund for non-commercial cultural, charitable, sport, business, tourism and social projects.

### Outlook for 2021

The Bank expects a good result for the current year, too. Taking account of the economic environment, the consolidated profit is likely to be on a par with the reporting year. If equity markets perform in line with the historic average, earnings per share are expected to be around CHF 70.00.

Chur, 4 February 2021

# **Group Balance Sheet.**

### Assets

	in CHF 1,000	in CHF 1,000	
	12/31/2020	12/31/2019	+/- in %
Liquid assets	8,180,260	6,244,201	31.0
Amounts due from banks	124,700	338,286	-63.1
Amounts due from customers	2,796,278	2,701,145	3.5
Mortgage loans	17,930,176	17,377,780	3.2
Trading portfolio assets	2	292	-99.3
Positive replacement values of derivative financial instruments	30,536	25,267	20.9
Financial investments	2,113,905	1,536,064	37.6
Accrued income and prepaid expenses	27,019	28,811	-6.2
Non-consolidated participations	19,082	17,952	6.3
Tangible fixed assets	124,634	120,814	3.2
Intangible assets	13,458	20,187	-33.3
Other assets	59,560	98,018	-39.2
Total assets	31,419,610	28,508,818	10.2
Total subordinated claims	10,185	10,185	-

### Liabilities

	in CHF 1,000	in CHF 1,000	
	12/31/2020	12/31/2019	+/- in %
Amounts due to banks	4,071,843	3,015,529	35.0
Liabilities from securities financing transactions	2,000,000	1,268,650	57.6
Amounts due in respect of customer deposits	18,106,079	16,696,704	8.4
Trading portfolio liabilities	1	0	-
Negative replacement values of derivative financial instruments	29,654	29,267	1.3
Cash bonds	5,326	7,624	-30.1
Bond issues and central mortgage institution loans	4,315,280	4,604,280	-6.3
Accrued expenses and deferred income	81,991	84,625	-3.1
Other liabilities	29,351	32,489	-9.7
Provisions	24,535	16,462	49.0
Reserves for general banking risks	1,343,739	1,393,900	-3.6
Bank's capital	250,000	250,000	-
Capital reserves	34,816	49,667	-29.9
Retained earnings reserves	920,330	849,143	8.4
Own shares	-11,789	-10,209	-15.5
Minority interests in equity	37,567	35,231	6.6
Consolidated profit	180,886	185,457	-2.5
of which, minority interests in consolidated profit	8,064	11,410	-29.3
Total liabilities	31,419,610	28,508,818	10.2

# Group off-balance-sheet.

	in CHF 1,000	in CHF 1,000	
	12/31/2020	12/31/2019	+/- in %
Contingent liabilities	71,776	85,058	-15.6
Irrevocable commitments	891,292	792,439	12.5
Obligations to pay up shares and make further contributions	4,004	4	>999.9
Total off-balance-sheet	967,072	877,501	10.2

### **Consolidated Income Statement.**

Interest and dividend income         228,695         228,220         -4.0           Interest and dividend income from trading portfolios         45         47         -4.1           Interest and dividend income from trading portfolios         45         47         -4.1           Interest and dividend income from trading portfolios         205.237         206.82         -5.00         -3.999           Changes in value adjustments for default risks and losses from interest operations         3.588         5.114         -298           Commission income from securities trading and investment activities         113,149         133,328         -3.2           Commission income from securities trading and investment activities         113,317         20.088         -7.4           Commission income from other services         113,217         20.088         -7.4           Commission income from other services         112,227         114,223         -4.4           Result from the disposal of financial investments         13,358         2.113         -4.4           Result from the disposal of financial investments         13,058         2.113         -4.4           Result from the disposal of financial investments         13,058         2.113         -4.4           Result from the disposal of financial investments         13,058         2.113		in CHF 1,000	in CHF 1,000	
Interest and dividend income from trading portfolios     4     47     4.3       Interest and dividend income from francial investments     6,079     7,672     2-10.0       Interest and dividend income from francial investments     20,033     3-999       Gross result from interest operations     3,588     5,114     -29.8       Changes in value adjustments for default risks and losses from interest operations     3,588     5,114     -29.8       Commission income from securities trading and investment activities     119,166     112,128     -3.2       Commission income from securities trading and investment activities     118,537     20,068     -7.6       Commission come from securities trading and investment activities     112,321     10,449     13.5       Commission or comes     118,537     20,068     -7.6       Commission or comes     113,232     10,449     13.5       Commission or comes     113,232     10,449     13.5       Commission or comes     113,235     14.4     4.9       Result from rading activities and the fair value option     16,559     17.647     -4.0       Result from rading activities and the fair value option     16,559     17.647     -4.0       Other ordinary expenses     5,999     140     -9.9       Other ordinary expenses     125,622     123,799 </td <td></td> <td></td> <td></td> <td>+/- in %</td>				+/- in %
Interest and dividend income from trading portfolios     4     47     4.3       Interest and dividend income from francial investments     6,079     7,672     2-10.0       Interest and dividend income from francial investments     20,033     3-999       Gross result from interest operations     3,588     5,114     -29.8       Changes in value adjustments for default risks and losses from interest operations     3,588     5,114     -29.8       Commission income from securities trading and investment activities     119,166     112,128     -3.2       Commission income from securities trading and investment activities     118,537     20,068     -7.6       Commission come from securities trading and investment activities     112,321     10,449     13.5       Commission or comes     118,537     20,068     -7.6       Commission or comes     113,232     10,449     13.5       Commission or comes     113,232     10,449     13.5       Commission or comes     113,235     14.4     4.9       Result from rading activities and the fair value option     16,559     17.647     -4.0       Result from rading activities and the fair value option     16,559     17.647     -4.0       Other ordinary expenses     5,999     140     -9.9       Other ordinary expenses     125,622     123,799 </td <td></td> <td></td> <td></td> <td></td>				
Interest and dividend income from financial investments     6,079     7,692     -21.0       Interest expense     -20.031     -30.3     -3989       Commission interest operations     255,277     224,442     3.6       Changes in value adjustments for default risks and losses from interest operations     3.84     5.114     -24.8       Net result from interest operations     255,865     251,576     2.0       Commission income from securities trading and investment activities     119,169     123,128     -3.3       Commission income from term inding activities     11,822     1.88     -3.5       Commission income from other services     118,357     2.0668     -7.6       Commission orgenee     11,211     10,449     -3.5       Result from trading activities and the fair value option     16,559     17,647     -4.0       Result from real estate     4,338     4,226     -3.3       Other ordinary income     2.07     -2.42       Other ordinary seques     5,593     140     -9.999       Other ordinary seques     5,593     140     -9.999       Other ordinary seques     2.07,532     -4.25     -4.2       Operating income     407,536     -4.52     -3.3       Operating income     2.07,532     -4.52     -3.3	Interest and discount income	228,635	238,220	-4.0
Interest expense 20,511 303 >999.9 Gross result from interest operations 255,777 24,44,2 Gross in value adjustments for default risks and losses from interest operations 258,682 211,776 2.9 Commission income from securities trading and investment activities 119,246 1.822 1.888 -3.5 Commission income from securities trading and investment activities 119,246 1.822 1.888 -3.5 Commission income from herding activities 113,331 10,449 3.5 Commission income from ther services 218,277 144,44 Result from trading activities and the fair value option 16,339 17,047 4.0 Result from trading activities and the fair value option 16,339 17,047 4.0 Commission during activities 31,331 10,449 3.5 Commission expense 32,331 10,449 3.5 Commission expense 32,331 10,449 3.5 Commission expense 32,331 10,439 3.5 Result from trading activities and the fair value option 16,339 17,047 4.0 Result from trading activities and the fair value option 116,339 17,047 4.0 Commission income from opticapations 31,333 10,449 3.2 Commission expense 32,331 10,449 3.2 Commission expense 32,331 14,333 10,449 3.2 Commission expense 31,333 10,449 3.2 Commission expense 32,334 10,344 3.2	Interest and dividend income from trading portfolios	45	47	-4.3
Gross result from interest operations255,277246,4623.6Changes in value adjustments for default risks and losses from interest operations3,5885,114-2.88Net result from interest operations258,865251,5762.9Commission income from securities trading and investment activities119,169123,128-3.2Commission income from onding activities11,85720,0687.6Commission income from ondur services11,85720,0687.6Commission expense11,23110,8499.8Result from trading activities and the fair value option16,359114,2354.4Result from real elsate4,1584,266-3.2Other ordinary expenses19,3552,607-3.42Result from real elsate4,1584,266-3.2Other ordinary expenses5,593140>9999.9Other ordinary expenses5,593140>9999.9Other ordinary expenses125,622123,3791.8Operating income407,356415,346-1.9Personnel expenses67,91062,2529.1Compensation for cantonal guarantee3,0622,0942.3Operating expenses67,91062,2529.1Changes in expenses67,91062,2529.1Compensation for cantonal guarantee3,0622,0942.3Operating expenses13,85-3,2684.8Operating expenses13,85-3,2684.8Operating expense	Interest and dividend income from financial investments	6,079	7,692	-21.0
Changes in value adjustments for default risks and losses from interest operations3,8485,114-29.8Net result from interest operations258,865251,5762.9Commission income from securities trading and investment activities119,169123,128-3.2Commission income from ending activities118,32720,068-7.6Commission income from ender services118,327134,235-4.4Result from trading activities and the fair value option16,33917,0474.0Result from trading activities and the fair value option16,33921,0154.37Result from trading activities and the fair value option16,33921,0474.0Result from trading activities3,0882,1154.37Result from trading activities3,0882,1154.37Result from trading activities3,0882,1154.37Other ordinary income2,267-2.423.31Other ordinary expenses5,5991.40>999.9Other ordinary expenses5,5991.40>999.9Other result from ordinary activities3.83512,488-6.5Operating Income407,35541,546-1.9Personnel expenses67,95042,2229.1Compensation for cantonal guarantee5,0622,2942.3Operating result5,0622,2942.39.1Compensation for cantonal guarantee6,7296,729-2Changes in exerves for general banking risks4,68120,425	Interest expense	-20,518	-503	>-999.9
Net result from interest operations258,86251,5762.9Commission income from leading activities119,169123,128.128.138.135Commission income from leading activities18,32710,089.7.6.7.6Commission expense11,23110,849.3.5.7.6.7.6Commission expense11,23110,849.3.5.7.6.7.6Result from commission business and services126,237.1.42.3.4.4Result from the disposal of financial investments.3.08.2.115.4.3Result from the disposal of financial investments.3.09.2.007.2.42Result from edisposal of financial investments.3.09.2.017.4.6Result from edisposal of financial investments.3.09.2.007.2.42Other ordinary expenses.5.593.1.02.9.999.9Other ordinary expenses.3.611.9.98.9.9.999.9Other ordinary activities.3.612.9.999.9.9.999.9Other ordinary expenses.3.612.2.94.9.999.9Other ordinary expenses.3.612.9.999.9.9.999.9Other ordinary expenses.3.612.9.999.9.9.999.9Other ordinary expenses.3.612.9.999.9.9.999.9Other ordinary expenses.3.612.9.999.9.9.999.9Other ordinary expenses.3.612.9.999.9.9.999.9Other ordinary expenses.3.612.9.999.9.9.999.9Other ordinary expenses.3.612 <t< td=""><td>Gross result from interest operations</td><td>255,277</td><td>246,462</td><td>3.6</td></t<>	Gross result from interest operations	255,277	246,462	3.6
Commission income from securities trading and investment activities       119,160       123,128       -32         Commission income from dending activities       1,822       1,888       -35         Commission income from other services       18,237       20,068       -7.6         Commission income from other services       112,311       10,849       35         Result from commission business and services       128,297       134,235       -44         Result from trading activities and the fair value option       16,359       17,047       -4.0         Result from trading activities and the fair value option       16,359       17,047       -4.0         Result from real estate       3,035       2,115       43.7         Result from real estate       3,035       1,075       2,607       -242         Other ordinary regeness       3,035       12,488       -495       -32         Other ordinary regeness       3,035       12,488       -495       -32         Operating income       407,336       415,346       -1.9         Personnel expenses       125,622       13,347       145         Operating expenses       126,622       123,379       18         General and administrative expenses       67,910       62,729 <td< td=""><td>Changes in value adjustments for default risks and losses from interest operations</td><td>3,588</td><td>5,114</td><td>-29.8</td></td<>	Changes in value adjustments for default risks and losses from interest operations	3,588	5,114	-29.8
Commission income from lending activities1.8221.883-1.5Commission expense11.33110.4493.5Result from commission business and services128.297134.2354.4Result from trading activities and the fair value option16,53917,0474.0Result from the disposal of financial investments3.0382.1154.37Income from participations1.19752.607-2.42Result from the disposal of financial investments3.0382.1154.37Income from participations1.19752.607-2.42Result from real estate4.1584.296-3.2Other ordinary income2.373.611-9.98Other ordinary income3.81512.488-6.95Operating income407,338415,346-1.9Personnel expenses125,622123,3791.8Compensation for cantonal guarantee3.0622.9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets-1,8333,2684.88Operating result188,15420,822-1,833-4,643Or which, goodwill depreciation6,729-6,729-6,6729Changes in reserves for general banking risks13-6,672Or which, reserves for general banking risks4,64112,873-6,645Other cancer and administrative expenses13-6,672 <t< td=""><td>Net result from interest operations</td><td>258,865</td><td>251,576</td><td>2.9</td></t<>	Net result from interest operations	258,865	251,576	2.9
Commission income from lending activities1.8221.883-1.5Commission expense11.33110.4493.5Result from commission business and services128.297134.2354.4Result from trading activities and the fair value option16,53917,0474.0Result from the disposal of financial investments3.0382.1154.37Income from participations1.19752.607-2.42Result from the disposal of financial investments3.0382.1154.37Income from participations1.19752.607-2.42Result from real estate4.1584.296-3.2Other ordinary income2.373.611-9.98Other ordinary income3.81512.488-6.95Operating income407,338415,346-1.9Personnel expenses125,622123,3791.8Compensation for cantonal guarantee3.0622.9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets-1,8333,2684.88Operating result188,15420,822-1,833-4,643Or which, goodwill depreciation6,729-6,729-6,6729Changes in reserves for general banking risks13-6,672Or which, reserves for general banking risks4,64112,873-6,645Other cancer and administrative expenses13-6,672 <t< td=""><td></td><td></td><td></td><td></td></t<>				
Commission income from other services         18.537         20.668         -7.6           Commission expense         11,231         10,849         3.5           Result from commission business and services         122,297         134,235         -44           Result from trading activities and the fair value option         16,339         17,047         -4.0           Result from trading activities and the fair value option         16,339         2,115         43.7           Income from participations         1,975         2,667         -242           Result from real estate         4,158         4,296         -3.2           Other ordinary income         237         3,611         -994.8           Other ordinary expenses         5,593         140         >999.9           Other ordinary expenses         3,815         12,488         -6.55           Operating income         407,356         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         67,910         62,252         9.1           Compensation for cantonal guarantee         3,062         2.994         2.3           Operating expenses         136,594         188,625         4.2	Commission income from securities trading and investment activities	119,169	123,128	-3.2
Commission expense         11,231         10,449         3.5           Result from commission business and services         128,297         134,235         4.4           Result from trading activities and the fair value option         16,339         17,047         4.0           Result from trading activities and the fair value option         16,339         17,047         4.0           Result from trading activities and the fair value option         1,975         2,607         242           Result from participations         1,975         2,607         242           Result from call estate         4,158         4,296         -32           Other ordinary expenses         5,939         140         99999           Other result from ordinary activities         5,815         12,488         -695           Operating income         407,336         415,346         -19           Personnel expenses         125,622         123,779         18           General and administrative expenses         67,910         62,252         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,534         188,623         4.2           Value adjustments on participations and depreciation and amortisation of tangible	Commission income from lending activities	1,822	1,888	-3.5
Result from commission business and services         128,297         134,235         -4.4           Result from trading activities and the fair value option         16,359         17,047         -4.0           Result from the disposal of financial investments         3,038         2,115         43.7           Income from participations         1975         2,607         -242           Result from real estate         4138         4.296         -3.2           Other ordinary income         237         3,611         -93.4           Other ordinary expenses         5.939         140         >999.9           Other result from ordinary expenses         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         67,910         62,232         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,594         188,625         42           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets         -1,835         -3,268         43.8           Operating result         188,154         201,826         -6.8         -4.9           Changes to provisi	Commission income from other services	18,537	20,068	-7.6
Result from trading activities and the fair value option16,35917,047-4.0Result from the disposal of financial investments3,0382,11543.7Income from participations1,9752,607-24.2Result from real estate4,1584,296-3.2Other ordinary expenses23.73,611-994.9Other result from ordinary activities3,81512,488-695.9Operating income407,336415,346-1.9Personnel expenses67,91062,2529.1Compensation for cantonal guarantee3,0622,9942.3Operating expenses67,91062,2529.1Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets-3,26843.8Operating result188,154201,826-6.8Extraordinary recenses13-6.7Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result13-6.6.7Extraordinary income2,1413,832-44.1Extraordinary serves for general banking risks-4.691-1.2.87366.6Changes in reserves for general banking risks-4.691-1.2.87366.6Consolidated profit180,866185,457-2.5	Commission expense	11,231	10,849	3.5
Result from the disposal of financial investments         3,038         2,115         437           Income from participations         1,975         2,607         2-242           Result from real estate         4,158         4,296         -3.2           Other ordinary income         237         3,611         -934           Other ordinary expenses         5,593         140         >999.9           Other ordinary expenses         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         67,910         62,252         9.1           Compensation for cantonal guarantee         3,062         2.994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets         -1,835         -3,268         43.8           Operating result         188,154         201,826         -4.0           Changes to provisions and other value adjustments, and losses         -1,835         -3,268         43.8           Operating result         188,154	Result from commission business and services	128,297	134,235	-4.4
Result from the disposal of financial investments         3,038         2,115         437           Income from participations         1,975         2,607         2-242           Result from real estate         4,158         4,296         -3.2           Other ordinary income         237         3,611         -934           Other ordinary expenses         5,593         140         >999.9           Other ordinary expenses         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         67,910         62,252         9.1           Compensation for cantonal guarantee         3,062         2.994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets         -1,835         -3,268         43.8           Operating result         188,154         201,826         -4.0           Changes to provisions and other value adjustments, and losses         -1,835         -3,268         43.8           Operating result         188,154				
Income from participations         1,975         2,607         -24.2           Result from real estate         4,158         4,236         -3.2           Other ordinary income         237         3,611         -984           Other ordinary expenses         5,593         140         >9999           Other result from ordinary activities         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         66,7910         62,252         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intragible assets         20,753         21,627         -4.0           of which, goodwill depreciation         6,729         6,729         -         -           Changes to provisions and other value adjustments, and losses         -1,835         -3,268         43.8           Operating result         188,154         201,826         -6.8         -6.8           Extraordinary expens	Result from trading activities and the fair value option	16,359	17,047	-4.0
Income from participations         1,975         2,607         -24.2           Result from real estate         4,158         4,236         -3.2           Other ordinary income         237         3,611         -984           Other ordinary expenses         5,593         140         >9999           Other result from ordinary activities         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         66,7910         62,252         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intragible assets         20,753         21,627         -4.0           of which, goodwill depreciation         6,729         6,729         -         -           Changes to provisions and other value adjustments, and losses         -1,835         -3,268         43.8           Operating result         188,154         201,826         -6.8         -6.8           Extraordinary expens				
Result from real estate         4,158         4,296         -3.2           Other ordinary income         237         3,611         -93.4           Other ordinary expenses         5,593         140         >999.9           Other ordinary expenses         5,593         140         >999.9           Other result from ordinary activities         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         67,910         62,252         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets         -1,835         -3,268         43.8           Operating result         188,154         20,122         -4.0           Changes to provisions and other value adjustments, and losses         -1,835         -3,268         43.8           Operating result         188,154         20,122         -6.8           Extraordinary income         2,141         3,832	Result from the disposal of financial investments	3,038	2,115	43.7
Other ordinary income         1.1.         1.1.           Other ordinary income         2.37         3.611         9.999.9           Other ordinary expenses         5,593         140         >9999.9           Other ordinary expenses         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         67.910         62,252         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets         -1.835         -3,268         43.8           Operating result         188,154         20,753         21,627         -4.0           Changes to provisions and other value adjustments, and losses         -1.835         -3,268         43.8           Operating result         188,154         20,826         -6.8         -6.8           Extraordinary income         2,141         3,832         -44.41           Extraordinary expenses         1         3	Income from participations	1,975	2,607	-24.2
Other ordinary expenses         5,593         140         >9999.9           Other result from ordinary activities         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         67,910         62,252         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets         20,753         21,627         -4.0           of which, goodwill depreciation         6,729         6,729         -         -           Changes to provisions and other value adjustments, and losses         1,835         -3,268         43.8           Operating result         188,154         201,826         -6.8           Extraordinary expenses         1         3         -66.7           Changes in reserves for general banking risks         -4.691         -12,873         636.6           of which, reserves for general banking risks (earmarked)         5,309         2,627         102.1	Result from real estate	4,158	4,296	-3.2
Other result from ordinary activities         3,815         12,488         -69.5           Operating income         407,336         415,346         -1.9           Personnel expenses         125,622         123,379         1.8           General and administrative expenses         67,910         62,252         9.1           Compensation for cantonal guarantee         3,062         2,994         2.3           Operating expenses         196,594         188,625         4.2           Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets         20,753         21,627         -4.0           of which, goodwill depreciation         6,729         6,729         -         -           Changes to provisions and other value adjustments, and losses         -1,835         -3,268         43.8           Operating result         188,154         201,826         -68.8           Extraordinary income         2,141         3,832         -44.1           Extraordinary expenses         1         3         -66.7           of which, reserves for general banking risks         -4691         -12,873         63.6           Operating result         3,832         -44.1         3,832         -44.1           Extraordina	Other ordinary income	237	3,611	-93.4
Operating income407,336415,346-1.9Personnel expenses125,622123,3791.8General and administrative expenses67,91062,2529.1Compensation for cantonal guarantee3,6622,9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4,691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5	Other ordinary expenses	5,593	140	>999.9
Personnel expenses125,622123,3791.8General and administrative expenses67,91062,2529.1Compensation for cantonal guarantee3,0622,9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4,691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5	Other result from ordinary activities	3,815	12,488	-69.5
Personnel expenses125,622123,3791.8General and administrative expenses67,91062,2529.1Compensation for cantonal guarantee3,0622,9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4,691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5				
General and administrative expenses67,91062,2529.1Compensation for cantonal guarantee3,6622,9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729Changes to provisions and other value adjustments, and losses1.883-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4.691-112,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5	Operating income	407,336	415,346	-1.9
General and administrative expenses67,91062,2529.1Compensation for cantonal guarantee3,6622,9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729Changes to provisions and other value adjustments, and losses1.883-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4.691-112,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5				
Compensation for cantonal guarantee3,0622,9942.3Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses-13-66.7Changes in reserves for general banking risks-4.691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5		125,622	123,379	1.8
Operating expenses196,594188,6254.2Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4,691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5		67,910	62,252	9.1
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets21,627-4.0of which, goodwill depreciation6,7296,729-Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4,691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5			2,994	2.3
assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729-Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4.691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6-35.6Consolidated profit180,886185,457-2.5	Operating expenses	196,594	188,625	4.2
assets and intangible assets20,75321,627-4.0of which, goodwill depreciation6,7296,729-Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4.691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6-35.6Consolidated profit180,886185,457-2.5				
Changes to provisions and other value adjustments, and losses-1,835-3,26843.8Operating result188,154201,826-6.8Extraordinary income2,1413,832-44.1Extraordinary expenses13-66.7Changes in reserves for general banking risks-4,691-12,87363.6of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Consolidated profit180,886185,457-2.5	Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	20,753	21,627	-4.0
Operating result         188,154         201,826         -6.8           Extraordinary income         2,141         3,832         -44.1           Extraordinary expenses         1         3         -66.7           Changes in reserves for general banking risks         -4,691         -12,873         63.6           of which, reserves for general banking risks (earmarked)         5,309         2,627         102.1           Taxes         4,717         7,325         -35.6	of which, goodwill depreciation	6,729	6,729	-
Operating result         188,154         201,826         -6.8           Extraordinary income         2,141         3,832         -44.1           Extraordinary expenses         1         3         -66.7           Changes in reserves for general banking risks         -4,691         -12,873         63.6           of which, reserves for general banking risks (earmarked)         5,309         2,627         102.1           Taxes         4,717         7,325         -35.6				
Extraordinary income         2,141         3,832         -44.1           Extraordinary expenses         1         3         -66.7           Changes in reserves for general banking risks         -4,691         -12,873         63.6           of which, reserves for general banking risks (earmarked)         5,309         2,627         102.1           Taxes         4,717         7,325         -35.6	Changes to provisions and other value adjustments, and losses	-1,835	-3,268	43.8
Extraordinary income         2,141         3,832         -44.1           Extraordinary expenses         1         3         -66.7           Changes in reserves for general banking risks         -4,691         -12,873         63.6           of which, reserves for general banking risks (earmarked)         5,309         2,627         102.1           Taxes         4,717         7,325         -35.6				
Extraordinary expenses     1     3     -66.7       Changes in reserves for general banking risks     -4,691     -12,873     63.6       of which, reserves for general banking risks (earmarked)     5,309     2,627     102.1       Taxes     4,717     7,325     -35.6       Isolated profit	Operating result	188,154	201,826	-6.8
Extraordinary expenses     1     3     -66.7       Changes in reserves for general banking risks     -4,691     -12,873     63.6       of which, reserves for general banking risks (earmarked)     5,309     2,627     102.1       Taxes     4,717     7,325     -35.6       Isolated profit				
Changes in reserves for general banking risks	Extraordinary income	2,141	3,832	-44.1
of which, reserves for general banking risks (earmarked)5,3092,627102.1Taxes4,7177,325-35.6Iso,886185,457-2.5	Extraordinary expenses	1	3	-66.7
Taxes         4,717         7,325         -35.6           Consolidated profit         180,886         185,457         -2.5	Changes in reserves for general banking risks	-4,691	-12,873	63.6
Consolidated profit 180,886 185,457 -2.5	of which, reserves for general banking risks (earmarked)	5,309	2,627	102.1
	Taxes	4,717	7,325	-35.6
of which, minority interests in consolidated profit 8,064 11,410 -29.3	Consolidated profit	180,886	185,457	-2.5
	of which, minority interests in consolidated profit	8,064	11,410	-29.3

# Profit Appropriation of the Parent Company.

	in CHF 1,000	in CHF 1,000	+/- CHF 1'000
	12/31/2020	12/31/2019	
Annual profit	188,746	172,264	16,482
Profit carried forward	0	0	0
Distributable profit	188,746	172,264	16,482
Pursuant to the board of directors ruling, profit is to be appropriated as follows:			
Dividend on nominal capital of 40 % (previous year 40 %)	100,000	100,000	0
Funds for projects with cultural, charitable, sporting or economic purposes in the Canton of Graubünden	3,700	3,200	500
Allocation to voluntary retained earnings reserves	85,046	69,064	15,982
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 Participation Certificate.

### Listed on SIX Swiss Exchange. Sec. No. 134 020. Price: CHF 1,500.00<sup>1</sup>

Graubündner Kantonalbank (GKB) is a mid-sized cantonal bank. In addition to private and corporate client business focused on the Canton of Graubünden, GKB has a long-standing tradition in private banking. Offering a comprehensive range of services, attractive employment options, progressive training opportunities and balanced value management, meeting the needs of its clients, employees, investors and the public is of paramount importance to GKB.

The bank holds strategic stakes in Privatbank Bellerive AG, Zurich, and Albin Kistler AG, Zurich.

 $^{\scriptscriptstyle 1}$  price as at 12/30/2020

### **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 12/31/2020) Board/Management: 0.1% of PC (per 12/31/2020)

### Board of directors/Management

Chairman of the Bank: Peter Fanconi (since 2014) Chief Executive Officer: Daniel Fust (since 2019) No. of BD/EB members 2020: 6/4

### **Rating Standard & Poor's**

Long term: AA Outlook: stable

### Key dates

Ex-dividend date: 4 March 2021 Half-year figures 2021: 29 July 2021 Participation certificate holder's meeting 2022: 23 April 2022

per PC (adjusted in CHF)		2017	2018	2019	2020	2021
					estimation	estimation
Equity capital <sup>2)</sup>		1'011.1	1'039.5	1'079.1	1'103.8	1'139.8
Adjusted net profit		78.4	81.1	75.9	68.4	71.2
Dividend		40.0	40.0	46.0	40.0	40.0
Payout ratio		56.3 %	55.0 %	66.1 %	61.0 %	57.8 %
per PC (in CHF)			2017	2018	2019	2020
Price <sup>3)</sup>	High		1'566	1'535	1'505	1'610
	Low		1'398	1'300	1'320	1,350
P/E <sup>4)</sup>	High		20.0	18.9	19.8	23.5
	Low		17.8	16.0	17.4	20.0

# Key figures per Participation Certificate (PC): Figures according to ZKB Research

<sup>2</sup> not including intangible assets

<sup>3</sup> highest/lowest prices on actually paid prices

<sup>4</sup> highest/lowest prices of a given year as a ratio of the adjusted net profit of that year

### 10 year performance (including dividend distributions)



