



# Consolidated Accounts for the Financial Year.

Ending 31 December 2012.

Growing together.



**Graubündner  
Kantonalbank**

## Overview.

Income statement	2012	2011	+/- in %
	in CHF million	in CHF million	
Gross income	391.9	384.7	+1.9
Operating expense	174.4	175.8	-0.8
Operating profit/operational cash flow	217.5	208.9	+4.1
Profit before allocations to reserves excluding deductions for minority interests	182.5	183.7	-0.6
Group profit	158.7	153.4	+3.5

Balance sheet	31.12.2012	31.12.2011	+/- in %
	in CHF million	in CHF million	
Due from customers	2,901	2,744	+5.7
Mortgage loans	12,395	11,786	+5.2
Deposits from the public	13,800	12,496	+10.4
Bonds and loans from central mortgage institutions	2,268	2,146	+5.7
Equity excluding minority interests (before appropriation of profits)	2,097	2,013	+4.2
Balance sheet total	19,364	17,869	+8.4

Selected key figures	2012	2011	+/- in %
Net new money	590	1,408	-58.1
Cost/Income-Ratio II	47.7%	49.1%	-3.0
Return on equity	9.1%	9.6%	-4.9
Return on required equity	14.0%	14.7%	-5.2

	31.12.2012	31.12.2011	+/- in %
Client assets	28,948	27,357	+5.8
Full-time equivalents (adjusted for part- time positions, apprenticeships at 50%)	847.1	852.3	-0.6
Staff headcount 1)	966	964	+2
Parent company locations 1)	68	70	-2
Group locations 1)	70	72	-2

1) Absolute change

## Group Balance Sheet.

Assets	31.12.2012	31.12.2011	+/- in %
	in CHF 1,000	in CHF 1,000	
Liquid assets	1,252,269	382,364	+ 227.5
Claims from money market securities	1	4	-75.0
Due from banks	595,336	857,543	-30.6
Due from customers	2,900,938	2,743,575	+ 5.7
Mortgage loans	12,395,285	11,785,614	+ 5.2
Securities and precious metals trading assets	5,784	6,953	-16.8
Financial assets	1,655,430	1,498,432	+10.5
Non-consolidated participations	18,815	19,195	-2.0
Tangible assets	122,390	126,894	-3.5
Goodwill	-	7,683	-100.0
Accrued income and prepaid expenses	47,029	55,466	-15.2
Other assets	370,346	385,734	-4.0
<b>Balance sheet total</b>	<b>19,363,623</b>	<b>17,869,457</b>	<b>+ 8.4</b>
Liabilities	31.12.2012	31.12.2011	+/- in %
	in CHF 1,000	in CHF 1,000	
Due to banks	530,263	457,531	+15.9
Due to customers on savings and deposit accounts 1)	8,193,448	7,550,022	+ 8.5
Other balances due to customers 1)	5,534,616	4,835,212	+14.5
Medium-term notes	71,739	111,018	-35.4
Bonds and loans from central mortgage institutions	2,267,600	2,145,670	+ 5.7
Accrued expenses and deferred income	71,442	82,455	-13.4
Other liabilities	317,095	404,759	-21.7
Value adjustments and provisions	244,115	238,663	+ 2.3
Reserves for general banking risks	1,256,075	1,226,905	+ 2.4
Endowment capital	175,000	175,000	-
Participation capital	75,000	75,000	-
Own equity	-3,238	-4,492	-27.9
Capital reserve	47,026	46,960	+ 0.1
Retained earnings	394,202	343,799	+14.7
Minority interests in equity	30,510	27,540	+10.8
Group profit	158,730	153,415	+ 3.5
<i>of which minority interests</i>	<i>5,437</i>	<i>3,834</i>	<i>+41.8</i>
<b>Balance sheet total</b>	<b>19,363,623</b>	<b>17,869,457</b>	<b>+ 8.4</b>

1) The differences from the previous year's figures are a result of reclassifications in accordance with FINMA Circular 2008/2 margin no. 70.

## Consolidated Income Statement.

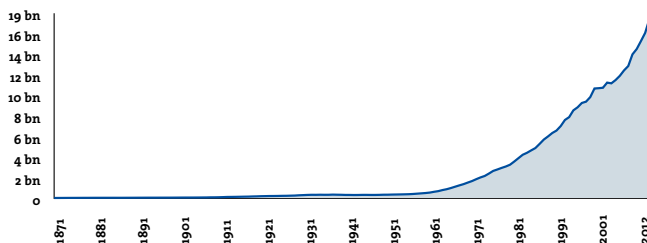
	2012	2011	
	in CHF 1,000	in CHF 1,000	+/- in %
Net interest income	253,154	256,635	-1.4
Net fee and commission income	109,391	105,946	+3.3
Net trading income	19,687	21,667	-9.1
Other ordinary income	9,656	448	>+999.9
<b>Gross income</b>	<b>391,888</b>	<b>384,696</b>	<b>+1.9</b>
Personnel expense	118,931	118,030	+0.8
General administrative expense	55,487	57,786	-4.0
Total operating expense	174,418	175,816	-0.8
<b>Operating profit/operational cash flow</b>	<b>217,470</b>	<b>208,880</b>	<b>+4.1</b>
Depreciation and write-offs on fixed assets and participations	12,476	13,246	-5.8
Goodwill amortisation	7,683	7,682	+0.0
Value adjustments, provisions and losses	8,354	1,555	+437.2
<b>Group profit before extraordinary items and taxes</b>	<b>188,957</b>	<b>186,397</b>	<b>+1.4</b>
Extraordinary income, including taxes	-30,227	-32,982	-8.4
<i>of which allocation to reserves for general banking risks</i>	<i>29,170</i>	<i>34,075</i>	<i>-14.4</i>
<b>Group profit</b>	<b>158,730</b>	<b>153,415</b>	<b>+3.5</b>
<i>of which minority interests</i>	<i>5,437</i>	<i>3,834</i>	<i>+41.8</i>

## Profit Appropriation of the Parent Company.

	31.12.2012 in CHF 1,000	31.12.2011 in CHF 1,000	+/- CHF 1,000
Annual profit	152,093	149,581	2,512
Dividend on nominal capital of 38% (previous year 38%)	95,000	95,000	0
Compensation for government guarantee	2,593	2,581	12
Funds for projects with cultural, charitable, sporting or economic purposes in the Canton of Graubünden	2,000	2,000	0
Allocation to free reserves	46,451	41,200	5,251
Allocation to the general legal reserve	6,049	8,800	-2,751

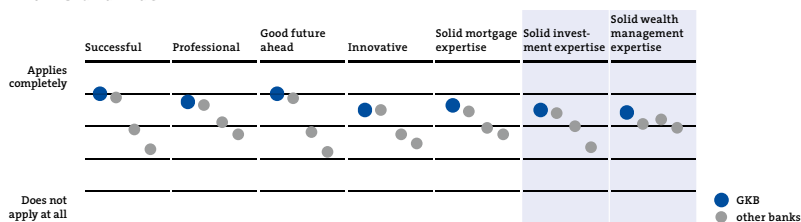
# GKB's history – milestones.

GKB's total assets (in CHF billion)



- 1870 Graubündner Kantonalbank founded
- 1876 First branch opens in Graubünden
- 1911 Move to current premises at "Postplatz"
- 1921 Endowment capital increased to CHF 30 million
- 1970 GKB Beitragsfonds (special charitable fund for Graubünden) created in our centenary year (details of what we support can be found at: [www.gkb.ch/beitragsfonds](http://www.gkb.ch/beitragsfonds))
- 1975 Participation certificates issued
- 1981 Opening of the Engadinstrasse head office
- 1983 First ATMs introduced
- 1990 First counter service offering bank-counter device
- 1998 Cantonal banking legislation adopted and cantonal guarantee put in place  
Stake in Zurich-based Privatbank Bellerive AG
- 2002 Entire bank restructured to form modern retail bank
- 2004 IT outsourced
- 2005 Stake in Private Client Bank AG in Zurich
- 2006 New Client House opens in Chur
- 2008 Stake in Private Client Bank AG increased to 50%
- 2009 GKB Auditorium opens (details on our events centre can be found at [www.gkb.ch/auditorium](http://www.gkb.ch/auditorium))
- 2011 Receives "Top Employer of 2011" award and "kunu Top Company" award
- 2012 GKB comes top in latest brand index/reputation study

## 2012 brand index



2012 regionalised brand study

More on value management and Graubündner Kantonalbank's strategy can be found at: [www.gkb.ch/strategie](http://www.gkb.ch/strategie).

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 Private Client Bank AG, Zurich. The equity capital of Graubündner Kantonalbank comprises endowment capital, participation capital, and reserves.

### Capital structure

Endowment and participation cap.: CHF 250 Mio.  
750,000 PC at CHF 100 nom.  
1,750,000 units endow. cap.  
at CHF 100 nom.

### Shareholders

Canton of Graubünden: 86.2% of capital (per 31.12.12)  
Board/Management: 0.1% of PC (per 31.12.12)

### Board/Management

Supervisory Board: Hans Hatz (since 1998)  
Chairman:  
CEO: Alois Vinzens (since 2003)  
No. of SB/EB members 2012: 7/4

### Rating Standard & Poor's

Short term: A-1+  
Long term: AA+  
Outlook: negative

### Key dates

Ex-dividend date: 8 March 2013  
Value date dividend payment: 13 March 2013  
Participation capital holders' meeting: 23 March 2013  
Half-year figures 2013: 26 July 2013

### Key figures per Participation Certificate (PC)

per PC (adjusted in CHF)	2009	2010	2011	2012(S)	2013(S)	per PC (in CHF)	2009	2010	2011	2012	
Equity capital <sup>1</sup>	734	776	814	839 <sup>2</sup>	890 <sup>2</sup>	Price	High	1,237	1,255	1,245	1,206
Adjusted net profit	86.6	77.6	77.5	78.9 <sup>2</sup>	81.8 <sup>2</sup>		Low	925	1,190	1,142	1,144
Dividend	35.0	38.0	38.0 <sup>3</sup>	38.0 <sup>2</sup>	40.0 <sup>2</sup>	P/E	High	14.3	16.2	16.1	15.3
Payout ratio	40.9%	49.6%	49.7%	50.1% <sup>2</sup>	50.4% <sup>2</sup>		Low	10.7	15.3	14.7	14.5

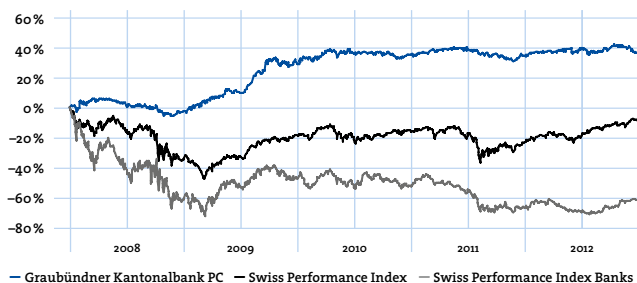
<sup>1</sup> not including goodwill/immateral

<sup>2</sup> estimate ZKB Research

<sup>3</sup> Ex-dividend as at 2.3.2012

<sup>4</sup> price and performance development as at 28.12.2012

### 5 year performance (including dividend distributions)



In addition to the GKB Participation Certificate, the following convertible bonds allow investors to participate in GKB's performance:

Convertible bond	Maturity	Sec.No.	Convertible until	Conversion price	Price <sup>4</sup>
1% Graubündner Kantonalbank	03.07.2013	10 261 620	19.06.2013	CHF 1,160	100.40%
2% Graubündner Kantonalbank	08.05.2014	2 514 817	24.04.2014	CHF 1,200	103.10%



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