



INTERIM
FINANCIAL
REPORT
2022



UNION BANCAIRE PRIVÉE

Financial highlights for the Group

In CHF million, unless otherwise stated

	As at 30.06.2022	As at 30.06.2021	Variation	Variation in %
Half-year net profit	112.6	100.2	12.4	12.4%
Operating result	136.9	121.6	15.3	12.6%
Client assets (in CHF billions)	148.2	161.1	(12.9)	(8.0%)

Total operating income	620.9	562.1	58.8	10.5%
Net result from interest operations	144.5	101.8	42.7	41.9%
Net fees and commissions income	401.0	401.8	(0.8)	(0.2%)
Profit on trading operations and on fair value options	72.5	56.0	16.5	29.5%

Total operating expenses	411.7	372.7	39.0	10.5%
Personnel expenses	299.2	269.5	29.7	11.0%
General and administrative expenses	112.5	103.2	9.3	9.0%
Depreciation, value adjustments, provisions and losses	72.3	67.8	4.5	6.7%

	As at 30.06.2022	As at 31.12.2021	Variation	Variation in %
Total assets	37,176.5	38,784.7	(1,608.2)	(4.1%)
Shareholders' equity	2,458.8	2,478.2	(19.4)	(0.8%)
Share capital	300.0	300.0	-	-
Capital reserves	867.3	867.3	-	-
Reserves and retained earnings	963.1	894.0	69.1	7.7%
Reserves for general banking risks	215.4	215.4	-	-
Operating cost/income ratio	66.3%	66.5%	-	-
Cost/income ratio after depreciation	77.9%	78.1%	-	-
Return on equity (ROE)	9.3%	8.4%	-	-
Shareholders' equity/total assets	6.3%	6.4%	-	-
Tier 1 capital ratio	23.2%	25.2%	-	-
Liquidity coverage ratio (LCR)	286.5%	274.5%	-	-
Leverage ratio (LERA)	5.5%	5.4%	-	-
Net stable funding ratio (NSFR)	169.6%	162.6%	-	-

Consolidated statement of income (unaudited account)

In CHF thousands

	As at 30.06.2022	As at 30.06.2021
Consolidated statement of ordinary income and expenses on banking operations		
Result from interest operations		
Interest and discount income	137,925	88,994
Interest and dividends from financial investments	57,540	37,758
Interest expense	(50,982)	(24,932)
Gross result from interest operations	144,483	101,820
Changes in value adjustments and provisions for default risks and losses from interest operations		
Net result from interest operations	144,483	101,820
Fees and commissions		
Commission income on securities trading and investment transactions	409,350	408,537
Credit-related fees and commissions	1,568	1,425
Other fees and commissions income	1,270	2,534
Commission expense	(11,215)	(10,743)
Fees and commissions	400,973	401,753
Result from trading activities and the fair value option	72,512	56,001
Other result from ordinary activities		
Result from the disposal of financial investments	879	(27)
Income from participations	1,276	1,992
of which, from participations reported using the equity method	-	(253)
of which, from other non-consolidated participations	1,276	2,245
Result from real estate	348	138
Other ordinary income	453	462
Other ordinary expenses	-	(49)
Other result from ordinary activities	2,956	2,516
Total income	620,924	562,090

In CHF thousands

	As at 30.06.2022	As at 30.06.2021
Operating expenses		
Personnel expenses	(299,197)	(269,485)
General and administrative expenses	(112,537)	(103,235)
Operating expenses	(411,734)	(372,720)
Value adjustments on participations and depreciation of tangible and intangible fixed assets	(64,228)	(66,616)
Changes to provisions and other value adjustments and losses	(8,031)	(1,137)
Operating result	136,931	121,617
Extraordinary income	-	106
Taxes	(24,296)	(21,487)
Half-year Group profit	112,635	100,236
of which minority interests in Group profit	103	92

Consolidated balance sheet (unaudited account)

In CHF thousands	As at 30.06.2022	As at 31.12.2021 (audited)
Assets		
Cash and cash equivalents	1,803,992	5,574,847
Due from banks	3,616,754	3,196,097
Due from securities financing transactions	574,410	364,460
Due from clients	9,550,945	10,491,593
Mortgages	2,397,522	2,171,942
Trading portfolio assets	1,647,746	1,660,339
Positive replacement values of derivative financial instruments	1,414,200	530,245
Other financial instruments at fair value	1,628,149	2,103,184
Financial investments	13,400,488	11,494,630
Accrued income and prepaid expenses	191,322	174,392
Non-consolidated participations	3,580	3,550
Tangible fixed assets	298,906	305,769
Intangible assets	269,933	218,650
Other assets	378,536	495,014
Total assets	37,176,483	38,784,712
Total subordinated claims	-	-

In CHF thousands	As at 30.06.2022	As at 31.12.2021 (audited)
Liabilities		
Due to banks	1,399,488	609,258
Liabilities from securities financing transactions	1,945,561	5,127,130
Due in respect of client deposits	27,663,309	26,487,668
Liabilities from trading portfolios		
Negative replacement values of derivative financial instruments	1,301,358	1,050,003
Liabilities from other financial instruments at fair value	1,747,773	2,294,641
Bond issues and central mortgage institution loans	335,000	335,000
Accrued expenses and deferred income	222,592	313,395
Other liabilities	64,764	56,965
Provisions	37,875	32,484
Total liabilities	34,717,720	36,306,544
Reserves for general banking risks		
	215,375	215,375
Share capital	300,000	300,000
Capital reserves	867,336	867,336
Reserves and retained earnings	963,131	894,047
Minority interests in equity	286	180
Half-year/annual Group profit	112,635	201,230
of which minority interests in Group profit	103	106
Total equity	2,458,763	2,478,168
Total liabilities and equity	37,176,483	38,784,712
Total subordinated liabilities	-	-

Off-balance-sheet transactions (unaudited account)

In CHF thousands	As at 30.06.2022	As at 31.12.2021 (audited)
Contingent liabilities	637,211	627,659
Irrevocable commitments	279,271	63,857
Liabilities to pay up shares and to make additional payments	988,055	1,008,314
Credit commitments (deferred payments)	3,260	4,090

Statement of shareholders' equity

(in CHF thousands)

	Share capital	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Foreign exchanges reserves	Own shares (negative item)	Minority interests in equity	Result of the period	Total
Total shareholders' equity as at 31/12/2021	300,000	867,336	894,047	215,375	-	-	180	201,230	2,478,168
Attribution of previous year's result			201,124				106	(201,230)	-
Foreign exchange differences			(40)						(40)
Acquisition of equity									-
Dividends and other distributions			(132,000)						(132,000)
Profit/loss (result of the period)								112,635	112,635
Total shareholders' equity as at 30/06/2022	300,000	867,336	963,131	215,375	-	-	286	112,635	2,458,763

Company name, legal form and registered head office

Union Bancaire Privée, UBP SA is a limited company registered in Switzerland and based in Geneva.

Activities

On 30 June 2021, the Bank signed an agreement to acquire a portfolio of clients from Danske Bank International S.A. in Luxembourg through an asset deal. The acquisition was completed on 28 January 2022 with the transfer of CHF 5.7 billion of client assets, CHF 0.6 billion of client loans, CHF 0.85 billion of client deposits and 48 staff on a FTE basis.

Accounting principles

The accounting, measurement and presentation principles applied to the Group and individual company financial statements comply with the Swiss federal act on banks and savings banks, its implementing ordinance, FINMA's "Accounting rules for banks, securities dealers, financial groups and conglomerates" (ARB), and FINMA Circular 2020/1.

The consolidated financial statements provide a true and fair picture of the Union Bancaire Privée Group's net worth, financial position and earnings.

Valuation principles

All transactions are recognised and measured according to recognised principles and are in principle recognised in the balance sheet at their value date, or at their settlement date for money transfers and cash securities transactions.

Income and expenses are recognised in the period to which they relate. Accruals and prepayments are made to ensure income and expenses are matched to the proper accounting period.

The balance sheets of Group companies prepared in foreign currencies are translated into Swiss francs at the exchange rate effective on the balance sheet date, with the exception of equity, which is translated at historical rates. For the statement of income, average annual exchange rates are used. Differences resulting from differing rates are recognised under equity as part of retained earnings.

Known and foreseeable risks are reflected in individual value adjustments, which are deducted directly from the corresponding balance sheet items.

Consolidation

Holdings of more than 50% are fully consolidated if the Bank has control, i.e. if the Bank has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Assets and liabilities, as well as income and expenses, are integrated in full (100%). Minority shareholders interests in net assets and net profit are stated separately in the consolidated balance sheet and statement of income.

Holdings of 20% to 50% are accounted for under the equity method. The net assets and net profit corresponding to those holdings are reflected in the consolidated financial statements in proportion to the Group's percentage stake.

Minor holdings and those of less than 20% are recognised as unconsolidated holdings at their purchase price, after deduction of any depreciation necessary.

Changes in accounting policies

There were no changes in accounting policies in the first half of 2022.

Extraordinary income and expense

No material extraordinary income or expense was recognised in the first half of 2022.

Significant events occurring after the balance sheet closing date

No other significant events have taken place since 1 July 2022 that could have an impact on the financial statement as at 30 June 2022.

Copyright

© 2022 Union Bancaire Privée, UBP SA
Photos: @Getty Images / @iStock / UBP

July 2022



UNION BANCAIRE PRIVÉE