



INTERIM FINANCIAL REPORT

2023



UNION BANCAIRE PRIVÉE

Financial highlights for the Group

In CHF million, unless otherwise stated

	As at 30.06.2023	As at 30.06.2022	Variation	Variation in %
Half-year net profit	110.8	112.6	(1.8)	(1.6%)
Operating result	138.0	136.9	1.1	0.8%
Client assets (in CHF billion)	140.6	148.2	(7.6)	(5.1%)

Total operating income	616.4	620.9	(4.5)	(0.7%)
Net result from interest operations	207.0	144.5	62.6	43.3%
Net fees and commissions income	350.9	401.0	(50.1)	(12.5%)
Profit on trading operations and on fair value options	53.4	72.5	(19.1)	(26.4%)

Total operating expenses	414.8	411.7	3.0	0.7%
Personnel expenses	299.5	299.2	0.3	0.1%
General and administrative expenses	115.3	112.5	2.7	2.4%
Depreciation, value adjustments, provisions and losses	63.6	72.3	(8.6)	(12.0%)

	As at 30.06.2023	As at 31.12.2022	Variation	Variation in %
Total assets	37,931.4	38,761.3	(829.9)	(2.1%)
Shareholders' equity	2,550.5	2,571.5	(21.0)	(0.8%)
Share capital	300.0	300.0	-	-
Capital reserves	867.3	867.3	-	-
Reserves and retained earnings	1,041.5	963.2	78.3	8.1%
Reserves for general banking risks	230.4	230.4	-	-
Operating cost/income ratio	67.3%	68.1%	-	-
Cost/income ratio after depreciation	77.6%	79.3%	-	-
Return on equity (ROE)	8.7%	8.5%	-	-
Shareholders' equity/total assets	6.7%	6.6%	-	-
Tier 1 capital ratio	27.3%	26.7%	-	-
Liquidity coverage ratio (LCR)	262.0%	304.6%	-	-
Leverage ratio (LERA)	5.8%	5.6%	-	-
Net stable funding ratio (NSFR)	186.0%	194.2%	-	-

Consolidated statement of income (unaudited account)

In CHF thousands

	As at 30.06.2023	As at 30.06.2022	Variation	Variation in %
Consolidated statement of ordinary income and expenses on banking operations				
Result from interest operations				
Interest and discount income	588,337	137,925	450,412	326.6%
Interest and dividends from financial investments	146,864	57,540	89,324	155.2%
Interest expense	(527,929)	(50,982)	476,947	935.5%
Gross result from interest operations	207,272	144,483	62,789	43.5%
Changes in value adjustments and provisions for default risks and losses from interest operations	(225)	-	225	-
Net result from interest operations	207,047	144,483	62,564	43.3%
Fees and commissions				
Commission income on securities trading and investment transactions	357,888	409,350	(51,462)	(12.6%)
Credit-related fees and commissions	1,560	1,568	(8)	(0.5%)
Other fees and commissions income	661	1,270	(609)	(48.0%)
Commission expense	(9,240)	(11,215)	(1,975)	(17.6%)
Fees and commissions	350,869	400,973	(50,104)	(12.5%)
Result from trading activities and the fair value option	53,405	72,512	(19,107)	(26.4%)
Other result from ordinary activities				
Result from the disposal of financial investments	(10)	879	(889)	(101.1%)
Income from participations	1,440	1,276	164	12.9%
of which, from other non-consolidated participations	1,440	1,276	164	12.9%
Result from real estate	377	348	29	8.3%
Other ordinary income	3,253	453	2,800	618.1%
Other ordinary expenses	(6)	-	6	(100.0%)
Other result from ordinary activities	5,054	2,956	2,098	71.0%
Total income	616,375	620,924	(4,549)	(0.7%)

In CHF thousands

	As at 30.06.2023	As at 30.06.2022	Variation	Variation in %
Operating expenses				
Personnel expenses	(299,504)	(299,197)	307	0.1%
General and administrative expenses	(115,268)	(112,537)	2,731	2.4%
Operating expenses	(414,772)	(411,734)	3,038	0.7%
Value adjustments on participations and depreciation of tangible and intangible fixed assets	(61,818)	(64,228)	(2,410)	(3.8%)
Changes to provisions and other value adjustments and losses	(1,802)	(8,031)	(6,229)	(77.6%)
Operating result	137,983	136,931	1,052	0.8%
Taxes	(27,149)	(24,296)	2,853	11.7%
Half-year Group profit	110,834	112,635	(1,801)	(1.6%)
of which minority interests in Group profit	(127)	103	(230)	(223.3%)

Consolidated balance sheet (unaudited account)

In CHF thousands	As at 30.06.2023	As at 31.12.2022 (audited)
Assets		
Cash and cash equivalents	1,013,636	1,553,557
Due from banks	3,414,460	3,476,661
Due from securities financing transactions	760,415	1,777,545
Due from clients	7,631,258	8,389,859
Mortgages	2,163,895	2,351,902
Trading portfolio assets	7,631	191,619
Positive replacement values of derivative financial instruments	1,460,763	1,374,951
Other financial instruments at fair value	1,246,175	1,318,047
Financial investments	19,340,559	17,513,156
Accrued income and prepaid expenses	290,224	205,706
Non-consolidated participations	3,352	3,529
Tangible fixed assets	305,961	309,471
Intangible assets	213,561	233,767
Other assets	79,496	61,574
Total assets	37,931,386	38,761,344
Total subordinated claims	-	-

In CHF thousands

	As at 30.06.2023	As at 31.12.2022 (audited)
Liabilities		
Due to banks	3,038,476	1,989,336
Liabilities from securities financing transactions	3,846,493	3,630,585
Due in respect of client deposits	24,902,513	26,949,521
Liabilities from trading portfolios	1	25
Negative replacement values of derivative financial instruments	1,195,661	1,413,056
Liabilities from other financial instruments at fair value	1,405,674	1,362,784
Bond issues and central mortgage institution loans	335,000	335,000
Accrued expenses and deferred income	342,140	357,342
Other liabilities	279,478	113,124
Provisions	35,402	39,027
Total liabilities	35,380,838	36,189,800
Reserves for general banking risks	230,413	230,413
Share capital	300,000	300,000
Capital reserves	867,336	867,336
Reserves and retained earnings	1,041,457	963,152
Minority interests in equity	508	267
Half-year/annual Group profit	110,834	210,376
of which minority interests in Group profit	(127)	150
Total equity	2,550,548	2,571,544
Total liabilities and equity	37,931,386	38,761,344
Total subordinated liabilities	-	-

Off-balance-sheet transactions (unaudited account)

In CHF thousands

	As at 30.06.2023	As at 31.12.2022 (audited)
Contingent liabilities	503,612	621,779
Irrevocable commitments	725,562	678,723
Liabilities to pay up shares and to make additional payments	653,271	746,745
Credit commitments (deferred payments)	269	1,412

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 31/12/2022	300,000	867,336	963,152	230,413	-	-	267	210,376	2,571,544
Attribution of previous year's result			210,226				150	(210,376)	-
Foreign exchange differences			79				(50)		29
Disposal of own shares							141		141
Acquisition of equity									-
Dividends and other distributions			(132,000)						(132,000)
Profit/loss (result of the period)								110,834	110,834
Total shareholders' equity as at 30/06/2023	300,000	867,336	1,041,457	230,413	-	-	508	110,834	2,550,548

Company name, legal form and registered head office

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

Activities

On 25 May 2023, the Bank signed an agreement to acquire Angel Japan Asset Management Limited ("Angel Japan AM"), an independent investment advisor based in Tokyo. The transaction was closed at the end of May 2023 and increased UBP's assets under management (AuM) by CHF 885.6 million.

Accounting principles

The accounting, measurement and presentation principles applied to the Group and stand-alone 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 view of the Union Bancaire Privée Group's net worth, financial position and earnings.

Valuation principles

All transactions are measured and presented according to generally accepted accounting principles and are recognised in the balance sheet at their settlement date, or at their transaction 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 functional currencies are translated into Swiss francs at the exchange rate prevailing on the balance sheet date, with the exception of equity, which is translated at historical rates. For the statement of income, average exchange rates are used. Differences resulting from translation are recognised in 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 position.

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 equity and net profit are presented 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 non-consolidated participations at their acquisition costs, after deduction of any necessary depreciation.

Changes in accounting policies

There were no changes in accounting policies in 2023.

Extraordinary income and expense

No material extraordinary income or expense was recognised in the first half of 2023.

Significant events occurring after the balance sheet closing date

No significant events have taken place since 1 July 2023 that could have an impact on the financial statement as at 30 June 2023.

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UNION BANCAIRE PRIVÉE