



UNION BANCAIRE PRIVÉE

Press release

## Annual results 2021

### Union Bancaire Privée posts net earnings of CHF 201.2 million, up 10.9%

Geneva, 21 January 2022

- *Assets under management* grew to CHF 160.4 billion at the end of 2021, CHF 13 billion higher than in 2020 (+8.8%).
- *Revenue* rose by 5.9% to CHF 1.134 billion.
- *Operating income* increased by 11.1% and *net earnings* were CHF 201.2 million, up from CHF 181.4 million the previous year (+10.9%).

#### Growth in assets under management, supported by positive markets and strong management performances

*Assets under management* at UBP rose by 8.8% to CHF 160.4 billion, thanks to strong performances in its mandates and funds at a time of favourable market conditions, as well as substantial net capital inflows of CHF 5.7 billion. This net new money comes mainly from growth markets, but in particular Asia, the Middle East and Eastern Europe, as well as from the acquisition of Millennium Banque Privée, which was finalised in the last quarter of the year.

*Revenue* was 5.9% higher than in 2020, at CHF 1.134 billion, boosted in part by an increase in commissions (+10.6%), which made up for the shrinking net interest margins (-7.5%) in the current low interest rate environment.

*Operating expenses* totalled CHF 754.5 million, rising by 5.0% (CHF 718.4 million in 2020). This increase reflects the substantial investments UBP has made in strengthening its sustainability and responsible investing expertise and offering, but also in the recruitment of new teams. Part of the increase is also due to the costs of the recent acquisitions.

*Operating income* increased by 11.1%, and *net earnings* reached CHF 201.2 million, an increase of 10.9% compared with 2020 (CHF 181.4 million). The *cost/income ratio* improved to 66.5% (compared with 67.1% in 2020).

“In a context marked with multiple uncertainties we continue to expand in our areas of expertise and strengthen our footprint in our priority markets, by implementing our strategy of acquisitions and targeted recruitments. We have made substantial investments in order to develop management solutions that match the prevailing market conditions but also those to come in future years, while at the same time aiming to make UBP a major player in sustainable finance,” states **UBP’s CEO Guy de Picciotto**.

#### Firm fundamentals

UBP continues to have the means to allow it to develop in both Switzerland and abroad, with a balance sheet total of CHF 38.8 billion as at the end of December 2021 (up from CHF 37.8 billion in 2020). Its *Tier 1 ratio*, at 25.2%, is well above the minimum requirement under the Basel III accords and FINMA regulations. Its *short-term liquidity coverage ratio* (LCR) stands at 274.5%.

These ratios reflect UBP’s solid financial base, as well as the quality of its balance sheet, demonstrated by the long-term deposit rating of Aa2 assigned by Moody’s.



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For any further information, please contact:

**Bernard Schuster**

Group Head of Communications (Spokesman)

Tel. +41 58 819 24 70

E-mail [bernard.schuster@ubp.ch](mailto:bernard.schuster@ubp.ch)

**Maude Hug**

Head of Media Relations

Tel. +41 58 819 75 27

E-mail [maude.hug@ubp.ch](mailto:maude.hug@ubp.ch)

About Union Bancaire Privée (UBP)

UBP is one of Switzerland's leading private banks, and is among the best-capitalised, with a Tier 1 ratio of 25.2%. The Bank is specialised in the field of wealth management for both private and institutional clients. It is based in Geneva and employs 1,904 people in over twenty locations worldwide; it holds CHF 160.4 billion in assets under management (numbers as at 31 December 2021).

[www.ubp.com](http://www.ubp.com)

# FINANCIAL RESULTS AS AT 31 DECEMBER 2021

(UNAUDITED ACCOUNTS)

## Consolidated statement of income

In CHF thousands

	As at 31.12.2021	As at 31.12.2020	Variation	Variation in %
<b>Consolidated statement of ordinary income and expenses on banking operations</b>				
<b>Result from interest operations</b>				
Interest and discount income	177,050	318,805	(141,755)	(44.5%)
Interest and dividends from financial investments	83,206	66,118	17,088	25.8%
Interest expense	(53,402)	(161,307)	(107,905)	(66.9%)
<b>Gross result from interest operations</b>	<b>206,854</b>	<b>223,616</b>	<b>(16,762)</b>	<b>(7.5%)</b>
Changes in value adjustments and provisions for default risks and losses from interest operations		13	(13)	(100.0%)
<b>Net result from interest operations</b>	<b>206,854</b>	<b>223,629</b>	<b>(16,775)</b>	<b>(7.5%)</b>
<b>Fees and commissions</b>				
Commission income on securities trading and investment transactions	830,682	746,875	83,807	11.2%
Credit-related fees and commissions	3,491	2,748	743	27.0%
Other fees and commissions income	3,964	3,479	485	13.9%
Commission expense	(23,123)	(16,381)	6,742	41.2%
<b>Fees and commissions</b>	<b>815,014</b>	<b>736,721</b>	<b>78,293</b>	<b>10.6%</b>
<b>Result from trading activities and the fair value option</b>	<b>105,070</b>	<b>106,660</b>	<b>(1,590)</b>	<b>(1.5%)</b>
<b>Other result from ordinary activities</b>				
Result from the disposal of financial investments	1,840	1,867	(27)	(1.4%)
Income from participations	3,762	706	3,056	432.9%
of which, from participations reported using the equity method	426	(415)	841	202.7%
of which, from other non-consolidated participations	3,336	1,121	2,215	197.6%
Result from real estate	279	576	(297)	(51.6%)
Other ordinary income	1,171	1,030	141	13.7%
Other ordinary expenses	(49)		49	-
<b>Other result from ordinary activities</b>	<b>7,003</b>	<b>4,179</b>	<b>2,824</b>	<b>67.6%</b>
<b>Total income</b>	<b>1,133,941</b>	<b>1,071,189</b>	<b>62,752</b>	<b>5.9%</b>

In CHF thousands

	As at 31.12.2021	As at 31.12.2020	Variation	Variation in %
<b>Operating expenses</b>				
Personnel expenses	(554,675)	(529,811)	24,864	4.7%
General and administrative expenses	(199,785)	(188,618)	11,167	5.9%
<b>Operating expenses</b>	<b>(754,460)</b>	<b>(718,429)</b>	<b>36,031</b>	<b>5.0%</b>
Value adjustments on participations and depreciation of tangible and intangible fixed assets				
	(131'603)	(129'601)	2'002	1.5%
Changes to provisions and other value adjustments and losses	(3'403)	(3'148)	255	8.1%
<b>Operating result</b>	<b>244'475</b>	<b>220'011</b>	<b>24'464</b>	<b>11.1%</b>
Extraordinary income	111	1	110	-
Taxes	(43,356)	(38,570)	4,786	12.4%
<b>Group profit</b>	<b>201,230</b>	<b>181,442</b>	<b>19,788</b>	<b>10.9%</b>
including minority shareholders' interests	106	248	(142)	(57.3%)

## Consolidated balance sheet

In CHF thousands

	As at 31.12.2021	As at 31.12.2020
<b>Assets</b>		
Cash and cash equivalents	5,574,847	7,043,041
Due from banks	3,196,097	2,538,863
Due from securities financing transactions	364,460	95,587
Due from clients	10,491,593	9,587,854
Mortgages	2,171,942	1,957,788
Trading portfolio assets	1,660,339	1,590,107
Positive replacement values of derivative financial instruments	530,245	625,442
Other financial instruments at fair value	2,103,184	1,454,014
Financial investments	11,494,630	11,795,932
Accrued income and prepaid expenses	174,392	157,875
Non-consolidated participations	3,550	2,755
Tangible fixed assets	305,769	317,643
Intangible assets	218,650	223,433
Other assets	495,014	418,395
<b>Total assets</b>	<b>38,784,712</b>	<b>37,808,729</b>
<b>Total subordinated claims</b>	<b>-</b>	<b>-</b>

In CHF thousands

	As at 31.12.2021	As at 31.12.2020
<b>Liabilities</b>		
Due to banks	609,258	592,670
Liabilities from securities financing transactions	5,127,130	6,403,239
Due in respect of client deposits	26,487,668	24,894,302
Liabilities from trading portfolios	-	241
Negative replacement values of derivative financial instruments	1,050,003	1,317,827
Liabilities from other financial instruments at fair value	2,294,641	1,792,661
Bond issues and central mortgage institution loans	335,000	-
Accrued expenses and deferred income	313,395	295,309
Other liabilities	56,965	78,251
Provisions	32,484	27,306
<b>Total liabilities</b>	<b>36,306,544</b>	<b>35,401,806</b>
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	894,047	842,847
Minority shareholders' interests	180	(77)
Group profit	201,230	181,442
including minority shareholders' interests	106	248
<b>Total equity</b>	<b>2,478,168</b>	<b>2,406,923</b>
<b>Total liabilities and equity</b>	<b>38,784,712</b>	<b>37,808,729</b>
<b>Total subordinated liabilities</b>	<b>-</b>	<b>-</b>

## Off-balance-sheet transactions

In CHF thousands

	As at 31.12.2021	As at 31.12.2020
Contingent liabilities	627,659	403,902
Irrevocable commitments	63,857	72,126
Liabilities to pay up shares and to make additional payments	1,023,432	833,278
Credit commitments (deferred payments)	4,090	1,903

## Financial highlights for the Group

In CHF millions, unless otherwise stated

	As at 31.12.2021	As at 31.12.2020	Variation	Variation in %
Net profit	201.2	181.4	19.8	10.9%
Operating result	244.5	220.0	24.5	11.1%
Client assets (in CHF billions)	160.4	147.4	13.0	8.8%
<b>Total operating income</b>	<b>1,133.9</b>	<b>1,071.2</b>	<b>62.7</b>	<b>5.9%</b>
Net result from interest operations	206.9	223.6	(16.7)	(7.5%)
Net fees and commissions income	815.0	736.7	78.3	10.6%
Profit on trading operations and on fair value options	105.1	106.7	(1.6)	(1.5%)
<b>Total operating expenses</b>	<b>754.5</b>	<b>718.4</b>	<b>36.1</b>	<b>5.0%</b>
Personnel expenses	554.7	529.8	24.9	4.7%
General and administrative expenses	199.8	188.6	11.2	5.9%
Depreciation, value adjustments, provisions and losses	135.0	132.7	2.3	1.7%
<b>Total assets</b>	<b>38,784.7</b>	<b>37,808.7</b>	<b>976.0</b>	<b>2.6%</b>
Shareholders' equity	2,478.2	2,406.9	71.3	3.0%
Share capital	300.0	300.0	-	-
Capital reserves	867.3	867.3	-	-
Reserves and retained earnings	894.0	842.8	51.2	6.1%
Reserves for general banking risks	215.4	215.4	-	-
Staff members (as at 31 December, FTE)	1,904	1,812	92	5.1%
Net profit per staff member (in CHF thousands)	105.7	100.1	5.6	5.6%
Operating cost / income ratio	66.5%	67.1%	-	-
Cost / income ratio after depreciation	78.1%	79.2%	-	-
Return on equity (ROE)	8.4%	7.7%	-	-
Shareholders' equity / total assets	6.4%	6.4%	-	-
Tier 1 capital ratio	25.2%	27.7%	-	-
Liquidity coverage ratio (LCR)	274.5%	307.5%	-	-
Leverage ratio	5.4%	6.6%	-	-
Net stable funding ratio (NSFR)	162.6%	-	-	-