Zuger Kantonalbank

Ad-hoc notice in accordance with Art. 53 Listing Rules

Media release

Zug, 14 July 2026

Zuger Kantonalbank achieves pleasing result for first half 2026

Zuger Kantonalbank's result for the first half of 2026 was on a par with the prior-year level. The operating result came to CHF 82.3 million (–0.2%), while consolidated profit rose 0.6% to CHF 71.4 million. Growth in the investment and asset management business was the key factor strengthening profitability. Income from commission and service fee activities climbed to CHF 50.0 million (+8.3%). Due to the changing interest-rate environment, the net result from interest operations was down –2.8% and amounted to CHF 104.9 million.

"International uncertainties and unexpected events dominated the first half of 2026 and fuelled volatility on financial markets. At the same time, demand for in-depth advice and investment expertise remained strong. This was reflected in net new money of CHF 612.5 million and growth of 11.3% in the investment and securities business. The backdrop for interest operations remains challenging," said Hanspeter Rhyner, CEO of Zuger Kantonalbank, in his comments on the 2026 first-half results.

Solid interest operations despite low interest rates

Zuger Kantonalbank's interest operations showed resilience in the first half of 2026. The lower level of interest rates compared with the prior-year period took its toll. Interest income amounted to CHF 131.3 million (–9.4%). As in the prior year, this figure includes an extraordinary item amounting to around CHF 8 million. At the same time, interest expense fell significantly to CHF 28.1 million (–26.5%). This limited the decrease in the net result to CHF 104.9 million (–2.8%).

The bank continues to manage the growth in loans to customers in a selective, disciplined manner. At CHF 15.2 billion, volume fell slightly short of the prior-year figure (–1.0%). Customer deposits increased by 3.5% to CHF 13.5 billion, thus confirming the bank's stable reputation among its clients.

Growth in investment business bolsters income

Zuger Kantonalbank's investment and advisory business continues to develop in a very pleasing way, with income from commission and service fee activities rising by 8.3% to CHF 50 million. A primary growth driver was the securities and investment business, where income increased by 11.3% to CHF 36.2 million.

Income from other services rose to CHF 18.8 million (+1.7%), in part due to an important contribution from Immofonds Asset Management AG (IFAM). As an independent fund management company and asset manager with a focus on Swiss real estate investments, IFAM is successfully expanding its investment assets and is therefore strengthening the group's recurrent earnings.

The bank increased assets under management by CHF 1.5 billion to CHF 30.8 billion in the first half of 2026. Net new money amounted to CHF 612.5 million, as against CHF 251.7 million in the first half of 2025. High demand for investment solutions was the main driver of this development.

Increased result from trading activities

The result from trading activities increased by 3.4% year-on-year to CHF 10.3 million. Earnings came mainly from client transactions in currencies and securities. Despite shifting market phases, client activity in the foreign currency business remained stable.

Cost trend due to targeted investments and capacity expansion

Operating expenses grew by 3.2% to CHF 73.5 million in the first six months of 2026, which was in line with projections. The rise related to the targeted expansion of specialist capacity and investment in technological developments. Implementation of regulatory requirements also drove up costs.

Personnel expenses grew to CHF 46.8 million as a result of the capacity expansion. General and administrative expenses totalled CHF 25.0 million and were particularly affected by IT applications, digitalisation initiatives and work in connection with regulatory implementation.

At 43.5%, the cost/income ratio was slightly above the prior-year level and represents a good figure. Value adjustments on participations and depreciation amounted to CHF 13.3 million (–7.9%). This includes goodwill amortisation of CHF 6.3 million.

Regulatory requirements comfortably met

Total assets grew by CHF 1.3 billion to CHF 20.6 billion in the first half of 2026. Around one fifth of the bank's total balance sheet was held in the form of highly liquid assets, mainly SNB deposits. All liquidity ratios were at a high level and comfortably met the regulatory requirements. Zuger Kantonalbank benefits from strong capitalisation. The total capital ratio stood at 24.4% – significantly above the regulatory requirements.

Outlook

Zuger Kantonalbank had a successful start to the first year of its new "towardsourgoalstogether2029" strategy. The bank expects a persistently challenging interest-rate environment in the second half of the year, although it sees good prospects for further growth in commission and service fee activities. It is systematically implementing its strategy and investing selectively in advisory and service activities as well as in efficient processes – coupled with strong discipline on costs and risks. For the 2026 financial year, the bank expects a lower result than in the prior year due to the previous year's extraordinary items as well as the changed interest-rate situation.

Enquiries and further information

Tobias Fries
Zuger Kantonalbank Media Office
Bahnhofstrasse 1, CH 6301 Zug
Phone +41 (0)41 709 16 66
medien@zugerkb.ch

Alternative performance measures

This media release contains a number of alternative performance measures aimed at providing a better description of Zuger Kantonalbank's performance. A full list of these alternative performance measures can be found on our website at www.zugerkb.ch.

Zuger Kantonalbank

Founded in 1892, Zuger Kantonalbank is the leading bank in the Zug economic region. It is a public limited company under special law. Its registered shares, which are listed on the SIX Swiss Exchange, are 50% owned by the Canton. The remaining 50% are held by approximately 11,000 private shareholders. With a total of 14 branches throughout the Canton of Zug and around 600 employees, Zuger Kantonalbank covers the entire business spectrum of a universal bank. As at 30 June 2026, Zuger Kantonalbank had total assets of CHF 20.6 billion. www.zugerkb.ch