

Press release

Ad hoc notification according to Art. 53 Listing Regulations

Interim financial statements of the Raiffeisen Group for the period ending 30 June 2021

Raiffeisen reports excellent half-year result – high client trust, strong client business

Key results

- **Strong operating result – all income items increased, and the operating result rose by 19.6% to CHF 614 million.**
- **Group profit is CHF 505 million for the first half of 2021.**
- **Commission and service business posted a gain of CHF 24 million.**
- **Interest operations increased CHF 40 million despite a difficult margin situation.**
- **Client deposits grew significantly by CHF 10 billion.**
- **Mortgage volume totalling CHF 193 billion and mortgage loan growth of 1.4%.**
- **The cost/income ratio improved from 58.1% to 56.3%.**
- **Strategic priorities on track – first successes visible.**

St.Gallen, 25 August 2021. The Raiffeisen Group recorded an excellent result in the first half of 2021. The Group profit of CHF 505 million is well above the previous year (+45.9%). All income items contributed to this strong result. The Group recorded pleasing growth especially in the commission and service business as well as in interest operations.

Heinz Huber, Chairman of the Executive Board of Raiffeisen Switzerland commented on the result, "In our operating business, we were able to post an impressive rise both on the balance sheet side and the profit-and-loss side. I consider this as a great show of confidence from our clients. We are on track with the implementation of our strategy. Initial success from implementing our strategy can already be seen in the strong numbers in pension and investment activity, the consistent consideration of sustainability aspects in the Raiffeisen fund family and within the "Housing" ecosystem in the launch of our digital self-service platform Liiva."

Growth across all income items

Interest operations, the Group's main pillar of income, grew strongly at 3.4% (CHF +39.9 million). The commission and service business also made a substantial gain of CHF 24.1 million to CHF 256 million (+10.4%) in the first half of 2021. This was particularly due to the successful securities trading and investment activities of Raiffeisen banks and Raiffeisen Switzerland branches. Custody account volumes significantly increased by CHF 5.7 billion (+15.3%). Since the beginning of the year, the number and volume of asset management mandates have increased by around two thirds, and the number of fund savings plan and retirement custody accounts has increased by 13% and 17% respectively. Revenues from trading portfolio assets rose CHF 14.4 million. Overall, operating income is CHF 1.6 billion or CHF 93 million (+6.0%) above the previous year's level.

Group operating expenses increased moderately as was expected (+2.6%). The cost/income ratio improved again compared to the previous year, from 58.1% in the first half of 2020 to 56.3%.

The rapid economic recovery associated with the relaxation of coronavirus safeguards in Switzerland had a positive effect on the Group's risk situation and led to a net reversal of value adjustments for credit risks in the amount of CHF 12.3 million.

Balance sheet business growth

The Raiffeisen Group's balance sheet business also performed well in the first half of the year. Mortgage loans rose by CHF 2.6 billion or 1.4% to CHF 192.9 billion in the first half of the year. This growth is in line with the performance in the previous year and reflects the Group's endeavour to grow roughly in line with the market. Client deposits once again increased significantly (CHF +10.1 billion) throughout all parts of the country even in comparison to the strong previous year.

Outlook

Forecast uncertainty remains high due to the COVID-19 pandemic. However, Raiffeisen expects the positive trend in its core business to continue in the second half of 2021. The focus in the second half of the year will remain on expanding the "Housing" ecosystem, digital channels as well as pension and investment activity. Raiffeisen is on course and well-positioned thanks to its focused implementation of the strategy with targeted investments in the future.

Overview of the Raiffeisen Group

	1 January – 30 June 2021 (in million CHF)	1 January – 30 June 2020 (in million CHF)	Change in million CHF	Change in %
Key figures				
Operating income	1,645	1,552	93	6.0
Operating expenses	926	902	24	2.6
Operating result	614	513	101	19.6
Group profit	505	346	159	45.9
Cost/income ratio (Kosten-Ertrags-Verhältnis)	56.3%	58.1%		

	As at 30 June 2021 (in million CHF)	As at 31 December 2020 (in million CHF)	Change in million CHF	Change in %
Key balance sheet figures				
Total assets	281,166	259,653	21,512	8.3
Loans to clients	203,357	200,358	2,998	1.5
Mortgage loans	192,890	190,317	2,572	1.4
Liabilities in respect of client deposits	200,562	190,425	10,137	5.3
Client deposits in % of loans to clients	98.6%	95.0%		

Client assets	As at 30 June 2021 (in million CHF)	As at 31 December 2020 (in million CHF)	Change in million CHF	Change in %
Assets under management (AuM)	236,330	223,843	12,487	5.6

Resources	As at 30 June 2021	As at 31 December 2020	Change	Change in %
Number of full-time positions	9,565	9,492	74	0.8
Number of Raiffeisen locations	823	824	-1	-0.1

The full report is available at report.raiffeisen.ch.

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Conference call

Heinz Huber, Chairman of the Executive Board of Raiffeisen Switzerland and Dr Christian Poerschke, CFO of Raiffeisen Switzerland, will discuss the half-yearly result in a conference call at 10 a.m. and will field questions from members of the media. The conference call will be conducted in standard German and will not be translated. Please register by sending an e-mail to medien@raiffeisen.ch.

You can download the presentation as a PDF file after 10 a.m. from www.raiffeisen.ch/medien.

Contact: Raiffeisen Switzerland Press Office
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Raiffeisen: the third largest banking group in Switzerland

The Raiffeisen Group is the leading Swiss retail bank. The third-largest bank in the Swiss banking sector has around 1.95 million cooperative members and 3.6 million clients. The Raiffeisen Group is present at 823 locations throughout Switzerland. The 219 legally autonomous Raiffeisen cooperative banks are amalgamated into the Raiffeisen Switzerland Cooperative, which is the strategic leader of the entire Raiffeisen Group. Through Group companies, partnerships and participations, Raiffeisen offers private individuals and corporate clients a full range of products and services. As of 30.06.2021, the Raiffeisen Group had CHF 236 billion in assets under management and around CHF 203 billion in loans to clients. The market share is 17.5 % in the mortgage business. Total assets amount to CHF 281 billion.

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