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# Media Release

St.Gallen, 14 February 2024

Ad hoc announcement pursuant to Art. 53 LR

This text is a translation from the media release in German, which version shall be decisive.

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## Successful St.Galler Kantonalbank: more profit, higher dividend

**St.Galler Kantonalbank (SGKB) continues to be successful: profit increases by 12.8% to CHF 207.2 million. All income pillars are higher than in the previous year. The dividend will be increased by CHF 2 to CHF 19 per share.**

### Strong growth

SGKB increased its business volume by CHF 6.9 billion to CHF 90.9 billion (+8.2%), continuing the very good growth of previous years. «This growth is broadly based across all business areas and our bank subsidiary in Germany», says Christian Schmid, CEO of St.Galler Kantonalbank.

CHF 4.2 billion in new managed assets (net new money) were acquired in 2023 (+7.8%). Thus, SGKB currently manages CHF 58.7 billion in client assets. The strongest growth was recorded by the client groups «Private Individuals Domestic», «External Asset Managers» and «Institutional Investors». Loans to clients rose by 5.7% to CHF 32.2 billion. CEO Christian Schmid: «This proves that we are well positioned and on a high level of customer confidence.»

### All income pillars strengthened

Consolidated profit rose by 12.8% to CHF 207.2 million. All income pillars were higher than in the previous year: gross result from interest operations increased by 19.5%, result from commission business and services by 4.9% and result from trading activities by 8.4%. Interest income benefited from growth in the lending business and, in particular, from the normalisation of the interest rate level. For the first time in 8 years, the central bank rate was positive for the entire financial year.

### 39 new jobs created

The good growth is also reflected in the number of employees. Last year, 39 new jobs were created, more than half of them in customer advisory services. As a result, SGKB employed a total of 1'393 people at the end of 2023. Personnel expenses increased accordingly by 3.9%. Operating expenses rose by 7.2% due to larger investments in construction and IT projects as well as generally higher purchase prices.

### Higher dividend

SGKB pursues a predictable and sustainable dividend policy and distributes 55% of its consolidated profit for 2023 to shareholders. The Board of Directors will therefore propose a CHF 2 higher dividend of CHF 19 per share at the Annual General Meeting on 1 May 2024. CHF 7 of this will be paid out of reserves from capital contributions and will be tax-free for individuals residing in Switzerland who hold their shares as private assets. The main shareholder, the Canton of St.Gallen, will receive CHF 58.1 million as a result.

### Outlook result 2024

St.Galler Kantonalbank expects the result for the 2024 financial year to be at the previous year's level.

## Key figures

(in CHF million)	2023	2022	Change
Operating income	580.7	511.5	+13.5%
Operating result	272.7	221.7	+23.0%
Consolidated profit	207.2	183.8	+12.8%

(in CHF million)	31.12.2023	31.12.2022	Change
Balance sheet total	41'337	40'824	+1.3%
Loans to clients	32'161	30'417	+5.7%
Managed assets	58'736	53'568	+9.6%
Shareholders' equity	2'903	2'771	+4.8%
Number of employees (average)	1'374	1'337	+2.8%
Full-time equivalents (average)	1'155	1'132	+2.1%

### Alternative Performance Measures:

The alternative performance measures used outside the scope of generally accepted accounting principles as defined in the corresponding SIX Directive are explained (in German) on the SGKB website ([www.sgkb.ch/alternative-performancekennzahlen](http://www.sgkb.ch/alternative-performancekennzahlen)).

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The **St.Galler Kantonalbank AG (SGKB)**, founded in 1868, has been listed on the SIX Swiss Exchange since 2001. The Canton of St. Gallen is the majority shareholder, with 51% of the share capital. The St.Galler Kantonalbank offers a comprehensive range of financial services to its clients in the cantons of St. Gallen and Appenzell Ausserrhoden. While SGKB operates out of Zurich in the remaining parts of German-speaking Switzerland in private banking and corporate banking segments, it is actively engaged in the German market, also through its subsidiary SGKB Germany. SGKB meets its responsibilities for the economic, social and cultural development of the region as an employer, taxpayer and sponsorship partner. The parent company operates with a state guarantee and has an Aa1/P-1 Bank Deposits Rating as well as an Aa2 Senior Unsecured Debt Rating from Moody's. Further information at: [www.sgkb.ch/en](http://www.sgkb.ch/en)