Luzerner Kantonalbank

Media release

Ad hoc announcement pursuant to Article 53 of the Listing Rules (LR)

LUKB starts the new strategy period with a significant profit increase for the first half of 2026

In brief:

- Consolidated profit for the first half of 2026: 161.4 million Swiss francs (+7.1 %)
- Growth in all key income components:
  - interest operations +3.1 % to 238.9 million Swiss francs
  - commission business and services +11.1 % to 77.5 million Swiss francs
  - trading business +12.1 % to 45.5 million Swiss francs
- Target range for consolidated profit 2026: increase to 305 to 320 million Swiss francs (previously: at least 295 million Swiss francs)

Lucerne, 25 August 2026 – **Luzerner Kantonalbank AG (LUKB) reports consolidated profit of 161.4 million Swiss francs for the first half of 2026. This represents an increase of 10.7 million Swiss francs or 7.1 % over the comparable figure for 2025 and is the best half-year result in the history of LUKB. All key income components contributed to the significant earnings growth. 'The combination of moderate credit growth and double-digit growth rates in the commission business and services as well as in the trading business aligns perfectly with our strategic ambition,' says Daniel Salzmann, CEO of LUKB. Thanks to the wide-ranging positive development in the first half of 2026, LUKB is increasing the target range for consolidated profit in 2026 from at least 295 million Swiss francs to CHF 305 to 320 million Swiss francs. (By way of comparison, profit in 2025 was 295.5 million Swiss francs.) The financial strategic objectives to be achieved by 2030 remain unchanged.**

The Swiss economy proved resilient in the face of global uncertainty in the first half of 2026. This market environment is also reflected in LUKB's 2026 half-year results. Daniel Salzmann, CEO of LUKB, notes: 'We made a spirited start to the new strategy period. The significant increase in profit of 7.1 % was driven by three key elements: strong growth in the commission business and services as well as the trading business, healthy credit growth and our strict cost discipline.'

Further growth in interest operations despite zero-interest-rate environment

In the first half of 2026, LUKB posted earnings from **interest operations** of 238.9 million Swiss francs (+3.1 %). 'This is a very good result, especially when compared to the same period in the previous year with a positive interest rate environment,' comments LUKB CFO Marcel Hurschler on the success in interest operations, adding: 'A zero-interest-rate environment, as we currently have, is the worst conceivable situation. But there are ways of stabilising interest operations under such conditions. Over the past ten years, our bank has deliberately built up a portfolio of financial assets that allows us to actively exploit opportunities in various market situations.'

Following the significant growth in lending in 2025 (+6.9 %), LUKB was consciously more cautious in the first half of 2026. All in all, **loans to clients** increased by 0.8 % in the first half of 2026 (total: 46.717 billion Swiss francs), **mortgage loans** remained practically unchanged from the end of 2025 (to a total of 40.890 billion Swiss francs). Marcel Hurschler explains: 'Equity to cover loans is valuable and limited. We therefore conduct our lending business with the utmost prudence and with a view to profitability. We have therefore reduced our mortgage lending to the very price-sensitive client group of real estate companies by almost 600 million Swiss francs. This way, we can now use the freed up regulatory capital for higher-value-added client groups, which is fully in line with our LUKB30 strategy.'

Double-digit growth in the commission business and services

At 77.5 million Swiss francs, LUKB's result from the **commission business and services** exceeded the previous year's figure by 7.7 million Swiss francs or 11.1 % after the first six months of 2026. This growth is primarily due to higher portfolio-related income from **asset management and asset advisory mandates**, which increased by 806.1 million Swiss francs to 18.212 billion Swiss francs in the first half of 2026. For CEO Daniel Salzmann, this is the most important indicator of progress in the implementation of the strategy: 'We want to diversify income more broadly and, in particular, strengthen the investment business. This increase in mandated client assets puts us well on track in terms of our strategic objectives for the full year (more than CHF 1,200 million Swiss francs).

In total, LUKB was managing 43.993 billion Swiss francs worth of **client assets** (AuM) as of mid-2026. This is 1.386 billion Swiss francs more than at the end of 2025 (+3.3 %). This growth stems from the increase in **net new money** of 709 million Swiss francs and the positive performance of 677 million Swiss francs.

Continuous growth in the trading business thanks to the strong demand for structured products

At 45.5 million Swiss francs, **net trading income** was 4.9 million Swiss francs higher (+12.1 %) than during the same period in the previous year. This positive development was primarily driven by structured products, which benefited from calmer financial markets and generally favourable stock market sentiment, particularly in the second quarter of 2026.

Increase in other ordinary income

Standing at 7.3 million Swiss francs, **other ordinary income** for the first half of 2026 is 2.0 million Swiss francs higher than for the same period in the previous year (+38.4 %). The main drivers are the equity securities held by the bank. LUKB acted very cautiously when it came to selling these assets, so that hidden reserves increased by a further 3.6 million Swiss francs.

Significant increase in profitability

Operating income taken as the sum of all income components in the amount of 369.2 million Swiss francs is 6.3 % higher than in the first half of 2025. CEO Daniel Salzmann comments: 'This is very pleasing: our operating profitability improved again in the first half of 2026. The growth in client business, optimised credit margins and lower value adjustments contributed to this positive development.'

Targeted investments at the start of the new strategy period

At 170.9 million Swiss francs, operating expenses in the first half of 2026 were 5.7 % higher than the corresponding period in the previous year. This growth is attributable, among other things, to the measures taken to implement the new 'LUKB30' strategy.

Personnel expenses – the largest expense item at 115.6 million Swiss francs – were 6.9 million Swiss francs higher in the first half of 2026 than in the same period of the previous year (+6.4 %). Headcount has increased from 1,206.2 to 1,226.0 full-time equivalents since the end of the year. CEO Daniel Salzmann comments: 'We want to be one of the top-five leading full-service banks in Switzerland by 2030. This ambition also requires investment in qualified specialists.'

A cost-income-ratio of 45.5 % demonstrates a sustained high level of efficiency

At 45.5 %, the cost-income-ratio as of mid-2026 was slightly below the level recorded at the end of 2025. CEO Daniel Salzmann emphasises the significance of this figure, which is also key for LUKB in the long term: 'We launched a significant number of strategic projects in the first half of 2026 and invested accordingly in human resources and technological infrastructure. The consistently low cost-income-ratio demonstrates that a high level of efficiency and innovation go hand-in-hand at LUKB.'

Record half-year consolidated profit

Thanks to the increase in earnings and strict cost discipline, LUKB was able to increase its consolidated profit in the first half of 2026 by 7.1 %, from 150.7 million Swiss francs to 161.4 million Swiss francs. This is the highest half-year consolidated profit in the history of LUKB.

Profit forecast increased for full-year 2026

At the start of the year, LUKB set the target of generating a greater consolidated profit in 2026 than in the previous year, i.e. 295.5 million Swiss francs. Based on the generally positive results for the first half of 2026, LUKB is now aiming for consolidated profit of between 305 million Swiss francs and CHF 320 million Swiss francs for the entire 2026 financial year. LUKB CEO Daniel Salzmann explains this as follows: 'We expect a slightly weaker second half of the year. This is due to various factors, such as the dividend payments traditionally received in the first half of the year as well as the limited potential for further margin expansion and upcoming strategic investments in our technological infrastructure. All in all however, we can expect an excellent annual result for 2026.'

The financial strategic goals for 2030 remain unchanged:

Strategic targets	**6M 2026**	**Targets for 2026**	**Targets for 2030**
Consolidated profit	161.4 million Swiss francs	305 to 320 million Swiss francs*	> 340 million Swiss francs
Non-interest income	130.3 million Swiss francs	> 240 million Swiss francs	> 310 million Swiss francs
Net growth of asset management and asset advisory mandates (performance-adjusted)	806.1 million Swiss francs	> 1.2 billion Swiss francs	> 1.8 billion Swiss francs
Net growth in the lending business (per year)	0.8 %	3.5 % to 5.5 %	2.5 % to 4.0 %
Cost-income-ratio	45.5 %	< 50.0 %	

* Increased as of August 2026 (previously > 295 million Swiss francs)

Further information

2026 Half-Year Report: https://report.lukb.ch
Presentation and speeches on the 2026 half-year results: www.lukb.ch/finanzinformationen
Image material: https://www.lukb.ch/ueber-uns/medien/bilder

Important dates for media representatives, analysts and investors

30.10.2026	Publication of results for Q1 to Q3 2026
29.01.2027	Media and analysts' conference/publication of the annual results for 2026
16.03.2027	Publication of the 2026 Annual Report
09.04.2027	Publication of the results for Q1 2027
12.04.2027	2027 Annual General Meeting
24.08.2027	Publication of half-year results for 2027

Note on the binding nature of this Media Release

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