

One over many

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The LLB Group in profile

With its ACT-26 strategy, the LLB Group focuses on a dual positioning in the market: number 1 in Liechtenstein and the region as well as a secure and sustainable, international private bank.

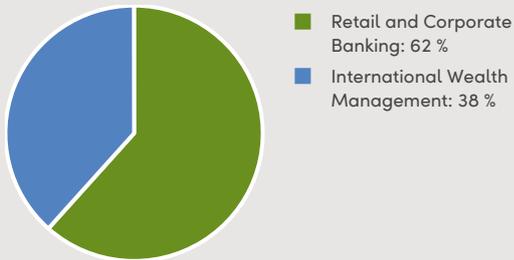
First bank in Liechtenstein founded in 1861

Moody's Rating Aa2

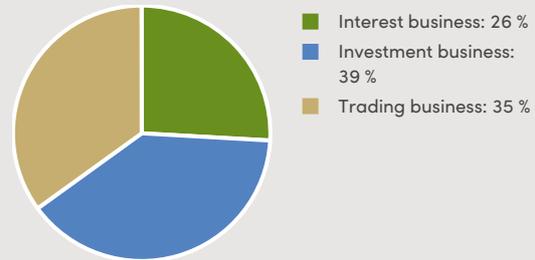
Three banks:
Liechtenstein, Switzerland and Austria

Two competence centres:
Asset Management and Fund Services

Two high-earning market divisions
Operating profit before tax



Diversified income structure
Earnings



Target Markets

- ◆ Liechtenstein, Switzerland, Austria, Germany
- ◆ Further growth markets in Central Europe and the Middle East

Security and stability

- ◆ Stable ownership situation
- ◆ Solid equity base

Information for shareholders

The LLB share

Security number	35514757	
ISIN	LI0355147575	
Listing	SIX Swiss Exchange	
Ticker symbols	Bloomberg	LLBN:SW
	Reuters	LLBN.S
	Telekurs	LLBN

Capital structure

	30.06.2024	31.12.2023	+ / - %
Share capital (in CHF)	154'000'000	154'000'000	0.0
Total of registered shares issued (fully paid up)	30'800'000	30'800'000	0.0
Total shares outstanding, eligible for dividend	30'542'495	30'591'945	- 0.2
Weighted average shares outstanding	30'569'303	30'638'158	- 0.2

Information per LLB share

	30.06.2024	31.12.2023	+ / - %
Nominal value (in CHF)	5.00	5.00	0.0
Share price (in CHF)	71.20	66.10	7.7

	30.06.2024	30.06.2023	+ / - %
Basic earnings per share (in CHF)	2.95	2.89	2.0
Price / earnings ratio	12.07	10.15	

Comparison of LLB share Indexed from 1 January 2022



Key figures

Consolidated income statement

in CHF millions	First half 2024	First half 2023	+ / - %
Income statement			
Operating income	283.0	267.2	5.9
Operating expenses	- 177.2	- 164.3	7.9
Net profit	90.2	88.7	1.7
Performance figures			
Cost Income Ratio (in per cent) ¹	65.2	61.0	
Return on equity (in per cent) ¹	8.4	8.7	

¹ Definition available under www.llb.li/investors-apm

Consolidated balance sheet

in CHF millions	30.06.2024	31.12.2023	+ / - %
Balance sheet			
Total equity	2'182	2'131	2.4
Total assets	25'496	25'692	- 0.8
Capital ratio			
Tier 1 ratio (in per cent) ¹	19.7	19.8	
Risk-weighted assets	9'167	8'887	3.1

¹ Corresponds to the CET ratio 1 because the LLB Group has solely hard core capital

Additional information

in CHF millions	First half 2024	First half 2023	+ / - %
Net new money ¹	792	806	- 1.6
in CHF millions	30.06.2024	31.12.2023	+ / - %
Business volume (in CHF millions) ¹	109'881	102'214	7.5
Assets under management (in CHF millions) ¹	94'272	86'927	8.4
Loans (in CHF millions)	15'610	15'287	2.1
Employees (full-time equivalents, in positions)	1'261	1'213	4.0

¹ Definition available under www.llb.li/investors-apm



Gabriel Brenna (Group CEO) and Georg Wohlwend (Chairman of the Board of Directors)

LLB Group with further increase in profit

Dear shareholders

In the past few months we have made further progress towards accomplishing our financial and operative goals and can look back on a successful first half year.

Successfully on course

A particular highlight of the first half year was our business volume attaining the record level of CHF 110 billion for the first time in our over 160-year history. Higher net new money inflows and loans to clients together with the generally positive performance on the financial markets were the main contributors to this growth. Loans to clients grew by CHF 217 million or an annualised rate of 2.8 per cent. In addition, new money inflows amounting to CHF 792 million (annualised 1.8 %) were generated. We increased net profit to CHF 90.2 million, exceeding the result for the equivalent period in the previous year by 1.7 per cent (first half of 2023: CHF 88.7 million).

Operating income improved by 6 per cent to CHF 283.0 million in comparison with the first half of 2023. Interest income and trading income were slightly lower than in the previous year due to the reduction in Swiss franc interest rates. The development of net fee and commission income was especially pleasing. On account of the larger business volume, this exceeded the previous year's

result by nearly CHF 5 million. Risk provisions for credit losses were reduced. Several long-standing legal cases were settled and brought to a successful conclusion. In line with the Group's strategy operating expenses rose by around 8 per cent. This was largely attributable to the increase in personnel expenses. As planned, we created almost one hundred new jobs in the past twelve months mainly at our new business locations in Germany and Switzerland. In addition, we also expanded human resources in the area of digitalisation. General and administrative expenses increased on account of our investments in digitalisation and higher marketing expenses in connection with the rebranding of the LLB Group.

And even against the backdrop of the strategic investments made for the future, the Cost Income Ratio stood at 65.2 per cent (first half of 2023: 61.0 %) and therefore remained at our strategic target level of 65 per cent.

Growth in Germany and Switzerland

In order to achieve our strategic growth targets, we focus on organic growth. Since the beginning of this year therefore we have established a business presence in Germany for the first time at three locations: Munich, Frankfurt and Dusseldorf. All the locations have developed positively since they were opened in January. With more than thirty employees our team in Germany is now almost complete and there is great interest in the services they offer.

In Switzerland we are expanding in Zurich and St. Gallen. This represents a significant step in realising our growth ambitions in the Swiss market and in improving our services for clients in eastern Switzerland and the greater Zurich region.

Strengthened presence in Austria

In addition to organic growth our ambitious plans also include growth through acquisitions. Following the acquisition of the Semper Constantia Privatbank in 2018, and the taking over of the private banking clients of Credit Suisse in 2021, we now see another opportunity in Austria: LLB AG will acquire 100 per cent of the shares of the ZKB Österreich and therefore increase its business volume by around EUR 3.0 billion. This move enables us to further strengthen our position as one of the leading wealth management banks in Austria while at the same time underlining the strategic importance of the Austrian market. Both LLB Österreich and ZKB Österreich have a similar ownership structure, a similar business model and a similar culture. Furthermore, our two markets complement each other ideally. Thanks to the takeover, we will in future have a strong business presence in Austria's two most important wealth management centres, Vienna and Salzburg. The merger of LLB Österreich with ZKB Österreich is planned to be completed by the middle of the coming year.

Digitalisation makes further progress

Further progress has been achieved in realising our core element "Efficiency" and we are even closer to accomplishing our goal of greater digitalisation and delivering a modern client experience. Our new digital onboarding process and the introduction of "Salesforce", a cloud-based software package, have made key contributions to this progress. In the long term therefore we shall be able to process a large proportion of our business on a single platform, which will simplify collaboration and make this more client focused and friendly. In turn, this will enable us to provide our clients with even more specific and individual advisory services.

More progress with sustainability

In relation to sustainability, we are continuing to pursue the goal of achieving complete climate neutrality by 2040. As an important step in this direction, last year we implemented our new mobility concept 2.0. Among other measures, this envisages higher subsidies for our employees when they use public transport facilities. On the product front, we have launched a new renovation calculator. This enables building owners to inform themselves about renovation requirements, costs and subsidy possibilities for sustainable, energy-efficient properties. Last but not least, behind the scenes our sustainability team is working intensively on the format and content of our future sustainability report, which is to be based on the new reporting standards of the European Union.

Outstanding investment expertise

At the prestigious Lipper Fund Awards 2024, LLB secured the top position as best “Overall Manager” in the category “Small Asset Managers in Germany”. This award honours outstanding performance in at least three equity, bond and strategy funds over the last three years. For investors this is further confirmation that we are rightly regarded as one of the most trustworthy banks in the world.

Best employer in Switzerland and Liechtenstein

We are particularly proud of being presented with the award for achieving first place at the Swiss Employer Awards at the beginning of this year. The award is based on the results of the last employee survey in which our employees gave the LLB Group a very good testimonial. We are discussing the points where there is potential for improvements with our colleagues because the satisfaction of our staff is both an incentive for us and the basis of our success.

Award for new brand

We also received an award for our “brand management” since our corporate rebranding last autumn. The jury of the German Brand Award praised the “impressive transformation” of our brand with its clear and authentic orientation to the future. This prestigious award makes us proud and serves as an incentive for us to continue to strive to be the best.

Outlook

In summary it can be said that we are successful and sustainably profitable. We have set the parameters for further business success with our ACT-26 strategy, more than half of which has now been implemented. In spite of the continuing challenges posed by the business environment, we therefore expect to achieve a solid result for the whole 2024 business year.

Thank you for your trust

Dear shareholders, at the General Meeting in April you approved all the proposals put forward by the Board of Directors and all the election recommendations. The trust you showed in us again drives our motivation and provides the support for us to address the coming challenges and decisions.

Yours sincerely



Georg Wohlwend
Chairman of the Board of Directors



Gabriel Brenna
Group CEO

Retail & Corporate Banking

The Retail & Corporate Banking segment encompasses the universal banking business in the domestic markets of Liechtenstein and Switzerland and offers the entire spectrum of banking and financial services. Traditionally, savings and mortgage lending business have always played a very important role. This is supplemented by financial planning, corporate pension provisioning, as well as specific investment advice and asset management for clients having available assets of up to CHF 0.5 million. It also cares for retail and private clients as well locally oriented private banking clients in the German-speaking region (Liechtenstein / Switzerland / Germany).

In retail and corporate banking business modern bank branches and web-based services are combined. LLB has three branches in Liechtenstein, as well as the business locations of LLB Schweiz in the Swiss regions of Linthgebiet, Zurichsee, Sarganserland, Ausserschwyz, Winterthur and Thurgau.

Business segment result

The segment profit before taxes rose by 55.7 per cent to CHF 95.7 million.

Interest differential business, which comprises the largest proportion of earnings in the Retail & Corporate Banking Division, posted a 31.0 per cent increase. This was attributable to the continual growth of mortgage lending business and interest rates. In the first half of 2024 risk provisions for credit losses were reduced by net CHF 11.0 million (first half of 2023: CHF 2.1 million net allocation). Several long-standing legal cases were settled and brought to a successful conclusion. Fee and commission income also developed positively to reach CHF 47.7 million, and therefore exceeded the result in the equivalent period of the previous year (first half of 2023: CHF 45.1 million). In total, operating income climbed by nearly 32 per cent to CHF 166.2 million. The gross margin again improved and stood at 88 basis points. At 8.9 per cent, the rise in operating expenses was substantially lower than the increase in operating income. Higher efficiency was reflected in the significantly improved Cost Income Ratio of 45.4 per cent.

Following the extremely strong growth attained in the previous year, the division experienced a net new money outflow of around CHF 100 million in the report period.

The segment again achieved positive growth in its lending business. Loans to clients rose by CHF 224 million. The business volume remained stable and stood at CHF 35.7 billion.

Segment reporting

in CHF thousands	First half 2024	First half 2023	+ / - %
Net interest income	95'867	73'208	31.0
Expected credit losses	11'019	- 2'093	
Net interest income after expected credit losses	106'886	71'115	50.3
Net fee and commission income	47'749	45'063	6.0
Net trading income	9'270	9'277	- 0.1
Other income	2'298	770	198.4
Total operating income	166'204	126'224	31.7
Personnel expenses	- 26'340	- 22'301	18.1
General and administrative expenses	- 2'960	- 2'619	13.0
Depreciation	- 27	- 25	5.2
Services (from) / to segments	- 41'183	- 39'808	3.5
Total operating expenses	- 70'509	- 64'753	8.9
Segment profit before tax	95'694	61'471	55.7

Performance figures

	First half 2024	First half 2023
Gross margin (in basis points) ¹	88.3	75.8
Cost Income Ratio (in per cent) ¹	45.4	50.5
Net new money (in CHF millions) ¹	- 103	594
Growth of net new money (in per cent) ¹	- 0.5	3.1

¹ Definition available under www.llb.li/investors-qpm

Additional information

	30.06.2024	31.12.2023	+ / - %
Business volume (in CHF millions) ¹	35'680	35'602	0.2
Assets under management (in CHF millions) ¹	20'806	20'952	- 0.7
Loans (in CHF millions)	14'874	14'650	1.5
Employees (full-time equivalents, in positions)	301	273	10.4

¹ Definition available under www.llb.li/investors-qpm

International Wealth Management

The International Wealth Management segment focuses on private banking clients as well as institutional and investment fund clients. In the private banking business area the emphasis lies on the Liechtenstein, Swiss, Austrian, and German markets, as well as the other growth markets in Central Europe and the Middle East. Investment advisory services, wealth management, asset structuring, financing facilities, as well as financial and retirement planning are our core competencies for these clients. The investment fund and institutional clients business areas encompass clients such as fiduciaries, asset managers, fund promoters, family offices as well as insurance companies, pension funds and public institutions. The focus lies on the home markets of Liechtenstein, Switzerland, Germany and Austria.

Business segment result

The segment result before taxes of the International Wealth Management Division amounted to CHF 59.7 million. In comparison with the equivalent period in the previous year, this represents a fall of 6.2 per cent. Operating income remained stable at CHF 122.4 million. Thanks to higher client assets under management, fee and commission income rose by 8.8 per cent to CHF 67.1 million. This increase compensated for the fall in interest income, which was attributable to clients switching their assets into fixed-interest products. In addition, a reduction occurred in the volume of high-margin client deposits in US dollars. In line with strategy, operating expenses rose by CHF 4.6 million to CHF 62.7 million.

Solid growth was achieved with net new money inflows, which climbed by CHF 560 million. Gratifying increases were registered especially in investment fund business. On account of this factor as well as the positive market and currency development, client assets under management expanded by 11.1 per cent to CHF 73.4 billion.

Segment reporting

in CHF thousands	First half 2024	First half 2023	+ / - %
Net interest income	45'585	52'125	- 12.5
Expected credit losses	- 17	0	
Net interest income after expected credit losses	45'567	52'125	- 12.6
Net fee and commission income	67'143	61'729	8.8
Net trading income	9'659	9'491	1.8
Other income	1	- 1'612	
Total operating income	122'370	121'734	0.5
Personnel expenses	- 24'867	- 23'147	7.4
General and administrative expenses	- 2'881	- 2'612	10.3
Depreciation	- 183	- 173	5.3
Services (from) / to segments	- 34'723	- 32'170	7.9
Total operating expenses	- 62'654	- 58'102	7.8
Segment profit before tax	59'716	63'632	- 6.2

Performance figures

	First half 2024	First half 2023
Gross margin (in basis points) ¹	33.8	37.4
Cost Income Ratio (in per cent) ¹	51.2	47.7
Net new money (in CHF millions) ¹	560	208
Growth of net new money (in per cent) ¹	0.9	0.3

¹ Definition available under www.llb.li/investors-apm

Additional information

	30.06.2024	31.12.2023	+ / - %
Business volume (in CHF millions) ¹	73'448	66'130	11.1
Assets under management (in CHF millions) ¹	72'558	65'287	11.1
Loans (in CHF millions)	890	843	5.6
Employees (full-time equivalents, in positions)	281	268	4.5

¹ Definition available under www.llb.li/investors-qpm

Corporate Center

The Corporate Center bundles central functions within the LLB Group and supports the market-oriented divisions in conducting their activities and implementing their strategies. The focus lies on the areas of finances, risk and credit management, legal and compliance, trading and securities administration, payment services, human resources, communication, marketing, asset management, corporate development, logistics and IT services. In addition, the Corporate Center steers, coordinates and monitors groupwide business activities, processes and risks. It drives the Group's corporate development and its digital transformation, as well as enhancing the efficiency and quality of the services the LLB Group delivers.

Business segment result

The LLB Group reports the structural contribution from interest business, the value of interest rate hedging instruments and income from financial investments under the Corporate Center. In comparison with the previous year, operating income fell to minus CHF 5.6 million. The decrease was attributable primarily to interest business. On the one hand, due to treasury measures, earnings shifted into trading business. On the other, the higher interest income occurred in the market divisions. In contrast, the structural contribution to the Corporate Center decreased. On account of further specific investments in the ACT-26 strategy, operating expenses climbed, as expected, by 6.3 per cent to CHF 44.0 million.

Segment reporting

in CHF thousands	First half 2024	First half 2023	+ / - %
Net interest income	- 73'722	- 43'546	69.3
Expected credit losses	- 1	- 14	- 90.3
Net interest income after expected credit losses	- 73'724	- 43'559	69.2
Net fee and commission income	- 12'544	- 9'112	37.7
Net trading income	72'490	63'750	13.7
Net income from financial investments	6'923	6'894	0.4
Other income	1'269	1'300	- 2.4
Total operating income	- 5'586	19'272	
Personnel expenses	- 62'446	- 56'217	11.1
General and administrative expenses	- 40'258	- 37'247	8.1
Depreciation	- 17'246	- 19'938	- 13.5
Services (from) / to segments	75'906	71'978	5.5
Total operating expenses	- 44'044	- 41'424	6.3
Segment profit before tax	- 49'630	- 22'152	124.0

Additional information

	30.06.2024	31.12.2023	+ / - %
Employees (full-time equivalents, in positions)	679	671	1.1

Consolidated interim financial statement of the LLB Group (unaudited)

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Consolidated interim management report

Income statement

In the first half of 2024, the LLB Group earned a net profit of CHF 90.2 million, 1.7 per cent higher than in the same period of the previous year (first half of 2023: CHF 88.7 million). Undiluted earnings per share stood at CHF 2.95 (first half of 2023: CHF 2.89).

Operating income increased by 5.9 per cent to CHF 283.0 million in the first half of 2024 (first half of 2023: CHF 267.2 million).

In comparison with the same period in the previous year, interest income before expected credit losses fell by 17.2 per cent to CHF 67.7 million (first half of 2023: CHF 81.8 million). Income from interest business climbed by 31.6 per cent to CHF 261.2 million (first half of 2023: 198.5 million). Both earnings from loans to clients and from deposits with central banks increased in comparison with the equivalent period in the previous year. Interest expense increased by 65.8 per cent to CHF 193.5 million (first half of 2023: CHF 116.7 million). On the one hand, the LLB Group offers its clients attractive interest rates on time deposits and savings deposits. On the other, interest expense increased further due to clients switching into fixed interest products.

In the first half of 2024, risk provisions for credit losses were reduced by net CHF 11.0 million (first half of 2023: CHF 2.1 million net allocation). Several long-standing legal cases were settled and brought to a successful conclusion.

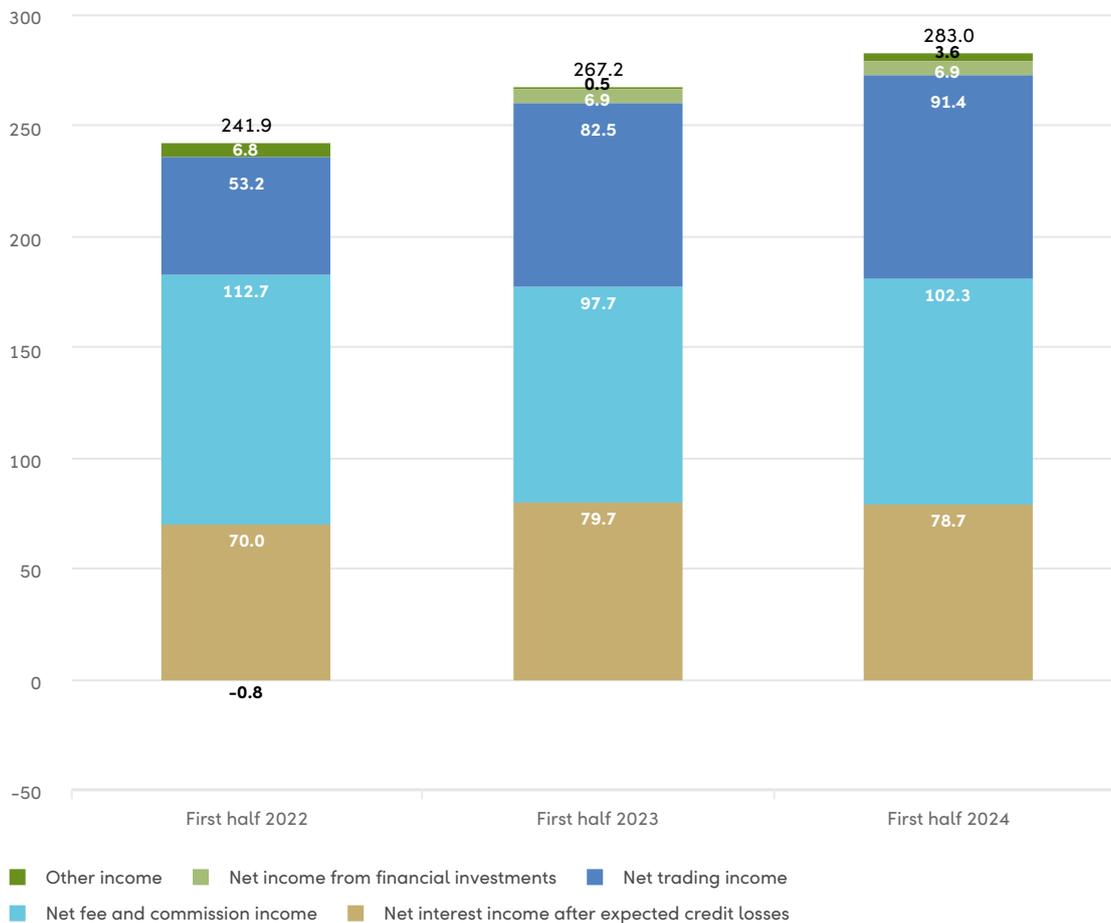
In comparison with the previous year, net fee and commission income rose by CHF 4.7 million to CHF 102.3 million (first half of 2023: CHF 97.7 million). The first half year was marked by the positive development of the volume of LLB Invest. Holdings in asset management and investment advisory mandates increased by 11 per cent. Thanks to the increase in client assets under management, higher earnings from portfolio-related fees were recorded. These rose to CHF 71.3 million (first half of 2023: CHF 67.9 million). In addition, transaction-related revenues improved slightly in comparison with the previous year reaching CHF 31.1 million (first half of 2023: CHF 29.7 million). Earnings from net brokerage fees developed positively.

Net trading income expanded by 10.8 per cent during the report period to CHF 91.4 million (first half of 2023: CHF 82.5 million). Foreign exchange business was the largest contributor to this success climbing by CHF 7.5 million to CHF 88.8 million relative to the same period in the previous year (first half of 2023: CHF 81.3 million). The LLB Group's trading income benefited from the investing of client foreign currency assets in Swiss franc currency swaps. The interest differential between foreign currencies and the Swiss franc had a positive effect. Cuts in Swiss franc interest rates coupled with a stable US dollar boosted this effect in the first half year.

Income from financial investments stood at CHF 6.9 million and was therefore at the same level as in the previous year (first half of 2023: CHF 6.9 million).

In comparison with the previous year, other income rose by CHF 3.1 million to CHF 3.6 million (first half of 2023: CHF 0.5 million). Successful loan recovery measures in 2024 contributed to this result. Furthermore, other income was lower in the previous year due to valuation adjustments made on real estate.

Operating income (in CHF millions)



At CHF 177.2 million, operating expenses in the first half of 2024 were 7.9 per cent higher than in the previous year (first half of 2023: CHF 164.3 million). The increase in both personnel expenses and general and administration expenses was in line with expectations and reflects the investments made in implementing the ACT-26 strategy.

Personnel expenses grew by 11.8 per cent or CHF 12.0 million to CHF 113.7 million (first half of 2023: CHF 101.7 million). In accordance with its strategy, the LLB Group created around one hundred new jobs during the last twelve months, mainly in its new business locations in Germany and Switzerland. In addition, further recruitments were made in the area of digital transformation. Inflation-related increases in salaries also added to the higher personnel expenses.

At CHF 46.1 million, general and administrative expenses were 8.5 per cent higher than in the previous year (first half of 2023: CHF 42.5 million). The increase was attributable to the further investments made in digitalisation and to higher marketing expenses in connection with the rebranding of the LLB Group.

Depreciation was lower, falling by 13.3 per cent to CHF 17.5 million (first half of 2023: CHF 20.1 million). The decrease was mainly related to the higher write downs made in the previous year in connection with the business location strategy for Switzerland.

The Cost Income Ratio was unsurprisingly higher on account of investments made in line with the LLB Group's strategy, rising to 65.2 per cent (first half of 2023: 61.0 %).

Balance sheet

The consolidated balance sheet total remained stable at CHF 25.5 billion (31.12.2023: CHF 25.7 billion).

Equity stood at CHF 2.2 billion as at 30 June 2024 (31.12.2023: CHF 2.1 billion). The Tier 1 ratio stood at 19.7 per cent (31.12.2023: 19.8 %). The return on equity amounted to 8.4 per cent (first half of 2023: 8.7 %).

Business volume

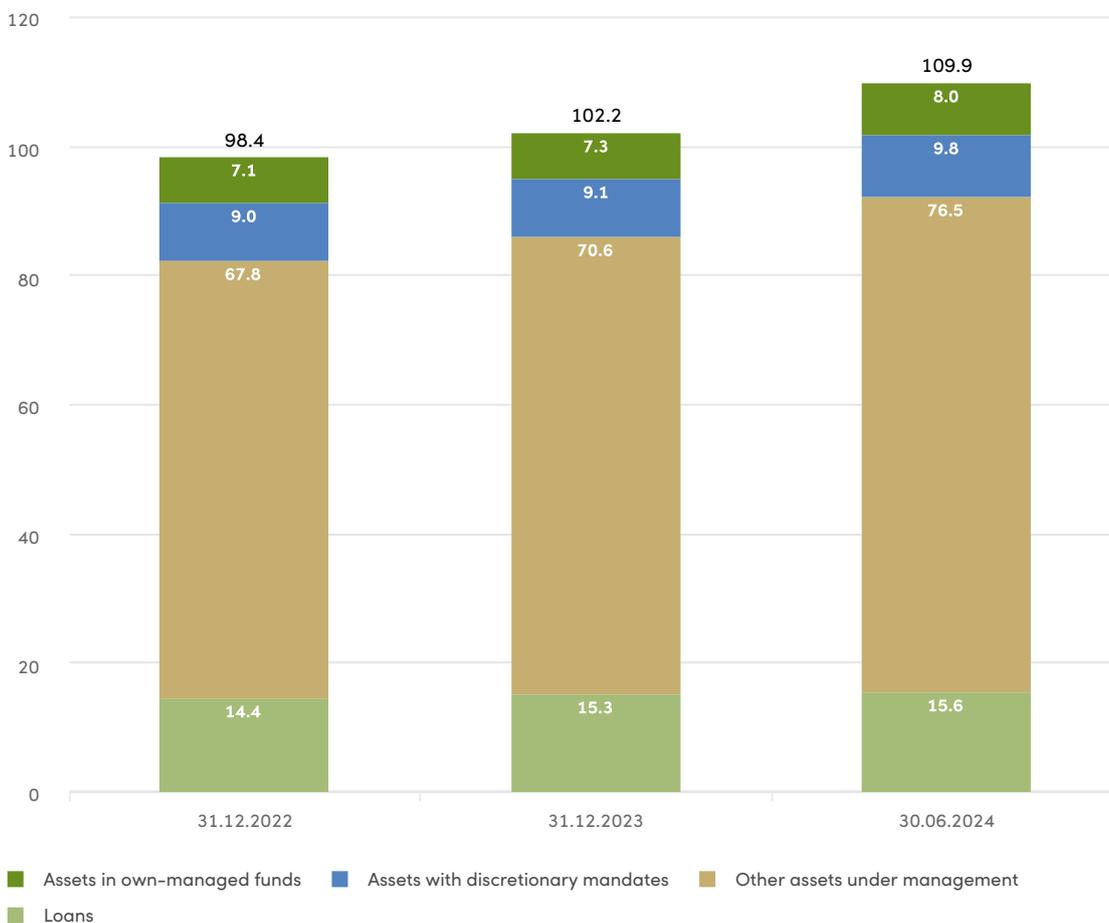
In comparison with 31 December 2023, the business volume expanded by 7.5 per cent or CHF 7.7 billion to CHF 109.9 billion (31.12.2023: CHF 102.2 billion), a new record level.

Compared with 31 December 2023, loans to customers grew by 2.1 per cent to CHF 15.6 billion (31.12.2023: CHF 15.3 billion), whereby mortgage loans increased by 3.8 per cent to CHF 14.3 billion (31.12.2023: CHF 13.8 billion). A major portion of the growth was achieved through collateral loans extended against income-generating real estate portfolios in Switzerland.

Thanks to the positive market performance and new money inflows, client assets under management climbed by 8.4 per cent to CHF 94.3 billion (31.12.2023: CHF 86.9 billion).

In the first half of 2024, the LLB Group registered a net new money inflow of CHF 792 million (first half of 2023: CHF 806 million). Gratifying inflows were recorded above all at LLB Österreich, at our business locations in Germany, as well as with the digital "wiLLBe" app.

Business volume (in CHF billions)



Outlook

The LLB Group is continuing its sustained profitable development. It has set the parameters for its further business success with its ACT-26 strategy, more than half of which has now been successfully implemented. In spite of the continued challenges posed by the business environment, the LLB Group therefore expects to achieve a solid result for the year 2024 as a whole.

Consolidated income statement

in CHF thousands	Note	First half 2024	First half 2023	+ / - %
Interest Income	1	261'233	198'498	31.6
Interest expenses	1	- 193'504	- 116'711	65.8
Net interest income	1	67'729	81'787	- 17.2
Expected credit losses		11'000	- 2'107	
Net interest income after expected credit losses		78'729	79'680	- 1.2
Fee and commission income	2	163'708	163'865	- 0.1
Fee and commission expenses	2	- 61'360	- 66'185	- 7.3
Net fee and commission income	2	102'348	97'680	4.8
Net trading income	3	91'420	82'518	10.8
Net income from financial investments	4	6'923	6'894	0.4
Other income	5	3'568	459	678.0
Total operating income		282'988	267'230	5.9
Personnel expenses	6	- 113'654	- 101'664	11.8
General and administrative expenses	7	- 46'099	- 42'479	8.5
Depreciation		- 17'455	- 20'137	- 13.3
Total operating expenses		- 177'207	- 164'280	7.9
Operating profit before tax		105'780	102'950	2.7
Tax expenses	8	- 15'560	- 14'258	9.1
Net profit		90'221	88'692	1.7
Of which attributable to:				
Shareholders of LLB		90'159	88'585	1.8
Non-controlling interests		62	108	- 42.4
Earnings per share attributable to the shareholders of LLB				
Basic earnings per share (in CHF)	9	2.95	2.89	2.0
Diluted earnings per share (in CHF)	9	2.94	2.88	2.1

Consolidated statement of comprehensive income

in CHF thousands	Note	First half 2024	First half 2023	+ / - %
Net profit		90'221	88'692	1.7
Other comprehensive income (after tax), which can be reclassified to the income statement				
Foreign currency translation		13'099	- 2'309	
Changes in value of debt instruments, recognised at fair value through other comprehensive income		4'919	18'559	- 73.5
Reclassified (profit) / loss with debt instruments, recognised at fair value through other comprehensive income	4	0	81	- 100.0
Tax effects		- 750	- 2'608	- 71.2
Total		17'267	13'722	25.8
Other comprehensive income (after tax), which cannot be reclassified to the income statement				
Actuarial gains / (losses) of pension plans ¹		17'686	- 6'449	
Changes in value of equity instruments, recognised at fair value through other comprehensive income		15'789	10'519	50.1
Tax effects		- 1'995	694	
Total		31'480	4'764	560.9
Total other comprehensive income (after tax)		48'747	18'486	163.7
Comprehensive income for the period		138'968	107'178	29.7
Of which attributable to:				
Shareholders of LLB		138'862	107'074	29.7
Non-controlling interests		106	104	2.0

1 Based mainly on the increased valuation of pension plan assets and the higher discount rate

Consolidated balance sheet

in CHF thousands	Note	30.06.2024	31.12.2023	+ / - %
Assets				
Cash and balances with central banks		5'586'320	6'389'870	- 12.6
Due from banks		358'420	317'014	13.1
Loans		15'609'542	15'286'758	2.1
Derivative financial instruments		189'848	286'374	- 33.7
Financial investments	10	3'097'284	2'786'987	11.1
Property and equipment		134'494	134'016	0.4
Goodwill and other intangible assets		263'309	259'684	1.4
Deferred tax assets		5'465	7'450	- 26.6
Accrued income and prepaid expenses		125'697	105'995	18.6
Other assets		125'518	117'424	6.9
Total assets		25'495'897	25'691'573	- 0.8
Liabilities				
Due to banks		664'916	950'541	- 30.0
Due to customers		19'451'335	19'368'333	0.4
Derivative financial instruments		121'220	337'165	- 64.0
Debt issued	11	2'748'167	2'581'977	6.4
Current tax liabilities		40'890	37'266	9.7
Deferred tax liabilities		22'651	20'948	8.1
Accrued expenses and deferred income		97'652	76'332	27.9
Provisions	12	10'811	15'445	- 30.0
Other liabilities		156'733	172'913	- 9.4
Total liabilities		23'314'376	23'560'921	- 1.0
Equity				
Share capital		154'000	154'000	0.0
Share premium		- 16'741	- 15'066	11.1
Treasury shares		- 17'088	- 13'356	27.9
Retained earnings		2'149'216	2'140'361	0.4
Other reserves		- 88'808	- 136'250	- 34.8
Total equity attributable to shareholders of LLB		2'180'579	2'129'690	2.4
Non-controlling interests		942	962	- 2.1
Total equity		2'181'521	2'130'652	2.4
Total liabilities and equity		25'495'897	25'691'573	- 0.8

Consolidated statement of changes in equity

in CHF thousands	Attributable to shareholders of LLB						Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Retained earnings	Other reserves ⁴	Total		
As at 1 January 2023	154'000	- 14'923	- 11'640	2'056'623	- 161'534	2'022'525	1'203	2'023'728
Comprehensive income for the period				88'585	18'489	107'074	104	107'178
Net profit				88'585		88'585	108	88'692
Other comprehensive income					18'489	18'489	- 4	18'486
Reclassification not affecting the income statement ¹				- 4'636	4'636	0		0
Net movements in treasury shares ²		- 1'246	2'682			1'436		1'436
Dividend 2022, paid 2023				- 76'654		- 76'654	- 280	- 76'934
As at 30 June 2023	154'000	- 16'169	- 8'958	2'063'917	- 138'409	2'054'381	1'026	2'055'407
As at 1 January 2024	154'000	- 15'066	- 13'356	2'140'361	- 136'250	2'129'690	962	2'130'652
Comprehensive income for the period				90'159	48'703	138'862	106	138'968
Net profit				90'159		90'159	62	90'221
Other comprehensive income					48'703	48'703	44	48'747
Reclassification not affecting the income statement ¹				1'261	- 1'261	0		0
Net movements in treasury shares ^{2/3}		- 1'675	- 3'732			- 5'408		- 5'408
Dividend 2023, paid 2024				- 82'565		- 82'565	- 134	- 82'699
Increase / (Reduction) in non-controlling interests			0	0	0	0	8	8
As at 30 June 2024	154'000	- 16'741	- 17'088	2'149'216	- 88'808	2'180'579	942	2'181'521

1 The reclassification reflects the transfer of the profit or loss from the sale of financial investments in equity instruments, which were recognised at fair value in other comprehensive income (see note 10).

2 Contains the change of reserves for security entitlements

3 Contains changes due to the share repurchase programme (further information at <https://llb.li/en/llb/investors/llb-share/shares-repurchase>)

4 The reconciliation of currency translation differences amounted to minus CHF thousands 56'816 at 30 June 2024 (31 December 2023: minus CHF thousands 69'875) and to minus CHF thousands 51'759 at 30 June 2023 (31 December 2022: minus CHF thousands 49'455). The respective difference reflects the change within the business year, which is reported in the statement of comprehensive income.

Consolidated statement of cash flows

in CHF thousands	Note	First half 2024	First half 2023
Cash flow from / (used in) operating activities			
Interest received		259'198	187'845
Interest paid		- 191'505	- 97'518
Fees and commission received		160'610	156'685
Fees and commission paid		- 42'014	- 57'415
Trading income		89'299	82'121
Dividends received from financial investments	4	6'264	6'226
Other income		3'175	459
Payments for personnel, general and administrative expenses		- 191'863	- 154'760
Income tax paid		- 7'021	- 4'688
Cash flow from operating activities, before changes in operating assets and liabilities		86'143	118'956
Due from / to banks		- 284'825	- 554'732
Loans / due to customers		- 369'974	124'724
Other assets		- 13'277	3'805
Other liabilities		15'260	19'301
Changes in operating assets and liabilities		- 652'815	- 406'902
Net cash flow from / (used in) operating activities		- 566'672	- 287'946
Cash flow from / (used in) investing activities			
Purchase of property and equipment		- 7'481	- 2'989
Purchase of other intangible assets		- 6'552	- 5'404
Purchase of financial investments		- 509'915	- 448'511
Disposal of financial investments		223'579	420'074
Purchase of non-current assets held for sale		0	- 9'272
Sale of non-current assets held for sale		3'331	0
Net cash flow from / (used in) investing activities		- 297'038	- 46'102
Cash flow from / (used in) financing activities			
Purchase of treasury shares		- 7'439	0
Dividends paid		- 82'565	- 76'654
Dividends paid to non-controlling interests		- 134	- 280
Increase in non-controlling interests		8	0
Repayment of lease liabilities		- 3'173	- 2'822
Issuance of debt		210'713	191'086
Repayment of debt		- 56'768	- 35'241
Net cash flow from / (used in) financing activities		60'641	76'089
Effects of foreign currency translation on cash and cash equivalents		40'923	- 10'857
Net increase / (decrease) in cash and cash equivalents		- 762'146	- 268'817
Cash and cash equivalents at beginning of the period		6'706'886	7'079'415
Cash and cash equivalents at end of the period		5'944'740	6'810'598
Cash and cash equivalents comprise:			
Cash and balances with central banks		5'586'320	6'364'040
Due from banks (due daily)		358'420	446'557
Total cash and cash equivalents		5'944'740	6'810'598

Accounting principles

1 Accounting principles

1.1 Basis for financial accounting

This interim financial reporting was prepared in accordance with the international accounting standard for interim financial reporting (IAS 34 “Interim Financial Reporting”). The accounting and valuation principles employed in the unaudited consolidated interim financial report correspond to those used in the [2023 annual report](#), which was prepared in accordance with the international financial reporting standards applied in the European Union (EU-IFRS) and the requirements stipulated in Article 17a of the Person and Company Law Ordinance of the Principality of Liechtenstein.

The unaudited interim financial reporting 2024 does not encompass all the data contained in the audited consolidated financial statement and should, therefore, be read together with the audited consolidated financial statement as at 31 December 2023.

1.2 Use of estimates in the preparation of financial statements

Areas having large scope for estimate judgements, which are of great significance for the financial statement, include estimates for expected credit losses, goodwill, provisions, fair value measurement, and liabilities for pension plans. Explanations regarding this point are shown under notes [12](#) and [13](#) in the 2024 consolidated interim financial statement and under notes [13](#), [17](#), [25](#) and [33](#), as well as in the chapter [Pension plans and other long-term benefits](#) in the 2023 consolidated financial statement.

The LLB Group updates the actuarial assumptions and parameters used for the calculation of pension obligations on every reporting date.

1.3 New IFRS, amendments and interpretations

1.3.1 Changes to accounting policies effective from 1 January 2024

There are no new or amended EU-IFRS or interpretations, which are relevant and applicable to the LLB Group.

The constant further development and evaluation of the materiality of the presented information led to two amendments in presentation in comparison with the 2023 annual report:

- ◆ In the consolidated balance sheet the position “Current tax assets” was assigned to the position “Other assets”.
- ◆ In the consolidated statement of cash flows the position “Rent paid for short-term and low-value leases” was assigned to the position “Payments for personnel, general and administrative expenses”.

The comparison period was adjusted in the notes.

1.3.2 Applicable for financial years beginning on 1 January 2025 and later

IFRS 18 “Presentation and Disclosure in Financial Statements” was issued by the International Accounting Standards Board (IASB) in April 2024. IFRS 18 comes into effect for financial years beginning on or after 1 January 2027, subject to it being incorporated in European law.

Amendments, which have been issued by the IASB but not yet incorporated in European law:

- ◆ Amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures” – Relevant amendments contain clarifications and additional disclosure obligations regarding ESG characteristics with financial instruments and with equity instruments, which are recognised at fair value through other comprehensive income.

LLB will analyse the new requirements promptly.

2 Changes in the scope of consolidation

During the first half of 2024, the Future Foundation of Liechtensteinische Landesbank AG was deconsolidated and removed from the scope of consolidation. The deconsolidation had no material effects.

3 Foreign currency translation

Closing Rate	30.06.2024	31.12.2023
1 USD	0.9000	0.8380
1 EUR	0.9634	0.9260

Average rate	First half 2024	First half 2023
1 USD	0.8861	0.9157
1 EUR	0.9592	0.9878

4 Risk management

The current situation has not changed substantially in comparison with the situation as at 31 December 2023. For more detailed information, we refer to the [2023 annual report](#). As part of the 2024 half year reporting, a brief qualitative disclosure regarding credit risks will be made.

In terms of the value of its absolute loans, the credit portfolio of the LLB Group has not changed materially during the first half of 2024. In the case of stage 1 and 2 loans, a net release of CHF 2.3 million for expected credit risks (first half of 2023: CHF 0.4 million net allocation) and for stage 3 positions a net release of CHF 8.7 million were made (first half of 2023: CHF 1.7 million net allocation). Across all stages the expected credit losses led to a total income of CHF 11.0 million (first half of 2023: CHF 2.1 million expense). This is reported in the consolidated income statement.

5 Events after the balance sheet date

Liechtensteinische Landesbank AG (LLB) has signed a purchase agreement for the acquisition of 100 per cent of the shares of the Zurich Cantonal Bank Österreich AG with business locations in Salzburg and Vienna on 1 July 2024. This transaction, in line with its corporate strategy, will enable the LLB Group to increase its business volume by around CHF 3 billion. The transaction is subject to the approval of the Federal Competition Authority and the supervisory authorities.

No additional material events occurred after the balance sheet date which would have a significant influence on the asset, financial and earnings position of the LLB Group.

Segment reporting

The business activities of the LLB Group are divided into two business areas. These form the basis for the segment reporting:

- ♦ The Retail and Corporate Banking segment services locally oriented private banking clients in Liechtenstein, Switzerland and Germany, as well as corporate and private clients in Liechtenstein and Switzerland.
- ♦ The International Wealth Management segment cares for Austrian and international private banking clients, as well as institutional and investment fund clients.

The Corporate Center supports the two segments primarily in the following areas: finances, risk and credit management, legal and compliance, trading and securities administration, payment services, human resources, communication, marketing, asset management, corporate development, as well as logistics and IT services.

Following the management approach of IFRS 8 "Operating segments", operating segments are reported in accordance with the internal reporting provided to the Group Executive Management (chief operating decision maker), which is responsible for allocating resources to the reportable segments and assessing their performance. All operating segments used by the LLB Group meet the definition of a reportable segment under IFRS 8.

In accordance with the principle of responsibility and based on the organisational structure, income and expenditure are allocated to the business divisions. Indirect costs resulting from services provided internally are accounted for according to the principle of causation and are recorded as a cost decrease for the service provider and as a cost increase for the service beneficiary. The remaining income and expenditure for overriding services which cannot be assigned to the segments are shown under Corporate Center. Furthermore, consolidation adjustments are reported under Corporate Center.

Transactions between the segments are executed at standard market conditions.

First half of 2023

in CHF thousands	Retail & Corporate Banking	International Wealth Management	Corporate Center	Total Group
Net interest income	73'208	52'125	- 43'546	81'787
Expected credit losses	- 2'093	0	- 14	- 2'107
Net interest income after expected credit losses	71'115	52'125	- 43'559	79'680
Net fee and commission income	45'063	61'729	- 9'112	97'680
Net trading income	9'277	9'491	63'750	82'518
Net income from financial investments	0	0	6'894	6'894
Other income	770	- 1'612	1'300	459
Total operating income¹	126'224	121'734	19'272	267'230
Personnel expenses	- 22'301	- 23'147	- 56'217	- 101'664
General and administrative expenses	- 2'619	- 2'612	- 37'247	- 42'479
Depreciation	- 25	- 173	- 19'938	- 20'137
Services (from) / to segments	- 39'808	- 32'170	71'978	0
Total operating expenses	- 64'753	- 58'102	- 41'424	- 164'280
Operating profit before tax	61'471	63'632	- 22'152	102'950
Tax expenses				- 14'258
Net profit				88'692

1 There were no substantial earnings generated between the segments so that income between the segments is not material.

First half of 2024

in CHF thousands	Retail & Corporate Banking	International Wealth Management	Corporate Center	Total Group
Net interest income	95'867	45'585	- 73'722	67'729
Expected credit losses	11'019	- 17	- 1	11'000
Net interest income after expected credit losses	106'886	45'567	- 73'724	78'729
Net fee and commission income	47'749	67'143	- 12'544	102'348
Net trading income	9'270	9'659	72'490	91'420
Net income from financial investments	0	0	6'923	6'923
Other income	2'298	1	1'269	3'568
Total operating income¹	166'204	122'370	- 5'586	282'988
Personnel expenses	- 26'340	- 24'867	- 62'446	- 113'654
General and administrative expenses	- 2'960	- 2'881	- 40'258	- 46'099
Depreciation	- 27	- 183	- 17'246	- 17'455
Services (from) / to segments	- 41'183	- 34'723	75'906	0
Total operating expenses	- 70'509	- 62'654	- 44'044	- 177'207
Operating profit before tax	95'694	59'716	- 49'630	105'780
Tax expenses				- 15'560
Net profit				90'221

1 There were no substantial earnings generated between the segments so that income between the segments is not material.

There was no income from transactions with a single external client, which amounted to 10 per cent or more of the total earnings of the LLB Group.

Notes to the consolidated income statement

1 Net interest income

in CHF thousands	First half 2024	First half 2023	+ / - %
Interest income from financial instruments measured at amortised cost			
Due from banks	73'654	57'242	28.7
Loans	156'443	119'272	31.2
Debt instruments	20'316	4'260	376.9
Loan commissions with the character of interest	1'367	1'794	- 23.8
Received negative interest	1'118	1'428	- 21.7
Total interest income from financial instruments measured at amortised cost	252'898	183'997	37.4
Interest income from financial instruments, recognised at fair value through other comprehensive income			
Debt instruments	7'600	10'511	- 27.7
Total interest income from financial instruments, recognised at fair value through other comprehensive income	7'600	10'511	- 27.7
Interest income from financial instruments at fair value through profit and loss			
Debt instruments	334	130	157.4
Interest rate derivatives	400	3'861	- 89.6
Total interest income from financial instruments at fair value through profit and loss	735	3'991	- 81.6
Total interest income	261'233	198'498	31.6
Interest expenses from financial instruments measured at amortised cost			
Due to banks	- 16'069	- 11'286	42.4
Due to customers	- 166'153	- 97'963	69.6
Paid negative interest	- 1'146	- 1'375	- 16.6
Lease liabilities	- 196	- 136	43.7
Debt issued	- 9'243	- 4'656	98.5
Total interest expenses from financial instruments measured at amortised cost	- 192'807	- 115'415	67.1
Interest expenses from financial instruments measured at fair value through profit and loss			
Interest rate derivatives	- 696	- 1'296	- 46.3
Total interest expenses from financial instruments at fair value through profit and loss	- 696	- 1'296	- 46.3
Total interest expenses	- 193'504	- 116'711	65.8
Total net interest income	67'729	81'787	- 17.2

2 Net fee and commission income

in CHF thousands	First half 2024	First half 2023	+ / - %
Brokerage fees	19'949	20'492	- 2.7
Custody fees	23'293	24'696	- 5.7
Advisory and management fees	29'333	26'969	8.8
Investment fund fees	76'570	77'143	- 0.7
Credit-related fees and commissions	543	399	36.2
Commission income from other services	14'021	14'166	- 1.0
Total fee and commission income	163'708	163'865	- 0.1
Brokerage fees paid	- 3'752	- 5'459	- 31.3
Other fee and commission expenses	- 57'607	- 60'726	- 5.1
Total fee and commission expenses	- 61'360	- 66'185	- 7.3
Total net fee and commission income	102'348	97'680	4.8

LLB and its subsidiaries offer clients an all-in fee for various services. This is recognised in the line "Advisory and management fees". The following table shows what share of the income position the all-in fee has, and what proportion of which services is included in it.

in CHF thousands	First half 2024	First half 2023	+ / - %
Total all-in fees	19'480	16'253	19.9
of which brokerage	4'382	4'633	- 5.4
of which securities administration	3'235	2'795	15.7
of which asset management	11'863	8'825	34.4

3 Net trading income

in CHF thousands	First half 2024	First half 2023	+ / - %
Foreign exchange trading	88'790	81'302	9.2
Foreign note trading	798	- 105	
Precious metals trading	1'376	1'002	37.2
Interest rate instruments ¹	455	319	42.9
Total net trading income	91'420	82'518	10.8

1 The LLB Group employs interest rate swaps to hedge interest rate risks. The interest rate swaps reported here do not fulfil the approval criteria for booking as hedging transactions in accordance with IAS 39.

4 Net income from financial investments

in CHF thousands	First half 2024	First half 2023	+ / - %
Financial investments at fair value through profit and loss			
Dividend income	176	589	- 70.1
Price gains ¹	659	749	- 12.0
Total net income from financial investments at fair value through profit and loss	835	1'337	- 37.6
Financial investments, recognised at fair value through other comprehensive income			
Dividend income	6'088	5'637	8.0
of which from financial investments held on the balance sheet date	5'992	5'462	9.7
of which from financial investments sold during the reporting period ²	96	175	- 45.3
Realised gain	0	- 81	- 100.0
Total net income from financial investments, recognised at fair value through other comprehensive income	6'088	5'556	9.6
Total net income from financial investments	6'923	6'894	0.4

1 The realised price gains for the first half of 2024 amounted to minus CHF thousands 30 (first half of 2023: minus CHF thousands 207).

2 Further details are provided in note 10.

5 Other income

in CHF thousands	First half 2024	First half 2023	+ / - %
Net income from properties ¹	1'255	- 231	
Income from various services	344	365	- 6.0
Share of income from associated companies and joint venture	1	5	- 79.3
Additional other income ²	1'968	319	517.3
Total other income	3'568	459	678.0

1 In the first half of 2024, net income from properties consisted of rental income and the profit from the sale of properties (first half of 2023: rental income and market-related revaluation adjustments of property).

2 Additional other income contains an amount of CHF 1.3 million for the sale of a value-adjusted customer receivable.

6 Personnel expenses

in CHF thousands	First half 2024	First half 2023	+ / - %
Salaries	- 94'285	- 82'713	14.0
Pension and other post-employment benefit plans ¹	- 5'861	- 6'716	- 12.7
Other social contributions	- 10'646	- 9'346	13.9
Training costs	- 905	- 1'146	- 21.0
Other personnel expenses	- 1'957	- 1'743	12.2
Total personnel expenses	- 113'654	- 101'664	11.8

1 Contains a positive, one-time effect of CHF 3.1 million on account of plan adjustments to the Swiss pension plans.

7 General and administrative expenses

in CHF thousands	First half 2024	First half 2023	+ / - %
Occupancy	- 3'433	- 2'923	17.4
Expenses for IT, machinery and other equipment	- 17'277	- 15'085	14.5
Information and communication expenses	- 9'883	- 9'918	- 0.4
Marketing and public relations	- 7'133	- 4'139	72.3
Consulting and audit fees	- 2'510	- 3'216	- 22.0
Provisions for legal and litigation risks ¹	73	3	
Litigation, legal and representation costs	- 453	- 288	57.6
Contributions to Deposit Protection Fund	- 1'162	- 2'689	- 56.8
Other general and administrative expenses	- 4'322	- 4'224	2.3
Total general and administrative expenses	- 46'099	- 42'479	8.5

1 See note 12 for details

8 Tax expenses

in CHF thousands	First half 2024	First half 2023	+ / - %
Current taxes	- 14'652	- 9'693	51.2
Deferred taxes	- 907	- 4'565	- 80.1
Total tax expenses	- 15'560	- 14'258	9.1

9 Earnings per share

	First half 2024	First half 2023	+ / - %
Net profit attributable to the shareholders of LLB (in CHF thousands)	90'159	88'585	1.8
Weighted average shares outstanding	30'569'303	30'643'989	- 0.2
Basic earnings per share (in CHF)	2.95	2.89	2.0
Net profit for diluted earnings per share attributable to the shareholders of LLB (in CHF thousands)	90'159	88'585	1.8
Weighted average shares outstanding for diluted earnings per share	30'710'648	30'796'543	- 0.3
Diluted earnings per share (in CHF)	2.94	2.88	2.1

The weighted average number of shares outstanding for the calculation of the undiluted and diluted result differs in that the share entitlements are included in the calculation of diluted earnings. There are no other factors that would lead to a dilution of earnings.

Notes to the consolidated balance sheet and off-balance sheet transactions

10 Financial investments

in CHF thousands	30.06.2024	31.12.2023	+ / - %
Financial investments measured at amortised cost			
Debt instruments			
listed	1'233'776	813'599	51.6
unlisted	0	20'507	- 100.0
Total debt instruments	1'233'776	834'106	47.9
Total financial investments measured at amortised cost	1'233'776	834'106	47.9
Financial investments at fair value through profit and loss			
Debt instruments			
listed	14'491	24'109	- 39.9
unlisted	33'770	32'326	4.5
Total debt instruments	48'261	56'435	- 14.5
Equity instruments			
listed	13	10	28.3
unlisted	274	263	4.1
Total equity instruments	287	274	5.0
Total financial investments at fair value through profit and loss	48'548	56'709	- 14.4
Financial investments, recognised at fair value through other comprehensive income			
Debt instruments			
listed	1'564'358	1'663'993	- 6.0
Total debt instruments	1'564'358	1'663'993	- 6.0
Equity instruments			
listed	214'803	199'062	7.9
unlisted	35'800	33'116	8.1
Total equity instruments	250'602	232'179	7.9
Total financial investments, recognised at fair value through other comprehensive income	1'814'961	1'896'172	- 4.3
Total financial investments	3'097'284	2'786'987	11.1

The equity instruments recognised at fair value through other comprehensive income consist of strategic investments of an infrastructure nature, which are unlisted (see [note 13](#)), as well as instruments of the Swiss Market Index (SMI). Short-term profit-taking is not the focus with equity instruments recognised at fair value through other comprehensive income, rather they represent a long-term position which pursues the collection of dividends and a long-term appreciation in value.

Due to adjustments in the weighting of individual securities within the SMI, the LLB also adjusted its own portfolio. Various disposals resulted in a profit of CHF 1.3 million (previous year: loss of CHF 4.6 million). The fair value of the transactions amounted to CHF 7.1 million (previous year: CHF 7.6 million). The profit was recognised directly in retained earnings.

11 Debt issued

in CHF thousands	30.06.2024	31.12.2023	+ / - %
Medium-term notes ¹	196'612	217'704	- 9.7
Shares in bond issues of the Swiss Regional or Cantonal Banks' Central Bond Institutions ²	1'998'528	1'813'184	10.2
Bonds	553'027	551'090	0.4
Total debt issued	2'748'167	2'581'977	6.4

1 The average interest rate was 0.9 per cent as at 30 June 2024 (31.12.2023: 0.8 %).

2 The average interest rate was 1.4 per cent as at 30 June 2024 (31.12.2023: 0.8 %).

The following table provides further details on the bonds issued.

Year issued	Name	ISIN	Currency	Maturity	Effective annual interest rate in %	Nominal interest rate in %	in CHF thousands		
							Nominal value	30.06.2024	31.12.2023
2019	Liechtensteinische Landesbank AG 0.125 % Senior Preferred Anleihe 2019 – 2026	CH0419041204	CHF	28.05.2026	0.106 %	0.125 %	150'000	150'071	150'179
2019	Liechtensteinische Landesbank AG 0.000 % Senior Preferred Anleihe 2019 – 2029	CH0419041527	CHF	27.09.2029	- 0.133 %	0.000 %	100'000	100'702	100'769
2020	Liechtensteinische Landesbank AG 0.300 % Senior Preferred Anleihe 2020 – 2030	CH0536893255	CHF	24.09.2030	0.315 %	0.300 %	150'000	150'204	149'968
2023	Liechtensteinische Landesbank AG 2.5 % Senior Non-Preferred Anleihe 2023 – 2030	CH1306117040	CHF	22.11.2030	2.522 %	2.500 %	150'000	152'050	150'174

12 Provisions

in CHF thousands	Provisions for legal and litigation risks	Provisions for other business risks and restructuring	Total 2024	Total 2023
As at 1 January	3'302	12'143	15'445	13'785
Provisions applied	- 2'789	- 100	- 2'889	- 3'918
Increase in provisions recognised in the income statement	88	293	381	6'108
Decrease in provisions recognised in the income statement	- 161	- 2'176	- 2'337	- 343
Currency effects	106	105	212	- 187
As at 30 June 2024 / 31 December 2023	547	10'265	10'811	15'445

Estimates and assumptions are made to assess the amount of provisions required. This is associated with significant uncertainties regarding the occurrence of the provision events as well as their amount.

Provisions for legal and litigation risks

The LLB Group was able to reach settlements with various parties in legal cases and accordingly utilised provisions for legal and litigation risks amounting to CHF 2.8 million for the designated purpose in the first half of 2024.

There were no contingent liabilities in connection with legal and litigation risks.

Provisions for other business risks and restructuring

In the first half of 2024, provisions for other business risks and restructuring measures that were no longer required amounting to net CHF 1.9 million were released. The provisions related in particular to expenses in the previous years in connection with fee and commission business.

13 Fair value measurement

Measurement guidelines and classification in the fair value hierarchy

The measurement of the fair value of financial and non-financial assets and liabilities is carried out using various standardised and recognised valuation methods and models. On the basis of their observable and non-observable input factors, the positions are assigned to one of the three levels of fair value hierarchy.

Level 1

Financial and non-financial assets and liabilities, whose prices are quoted on active markets for identical assets and liabilities and which were not calculated on the basis of valuation techniques or models for the determination of fair value.

Level 2

If no market price quotes are available, or if they cannot be extrapolated from active markets, the fair value is determined by means of valuation techniques or models which are based on assumptions made on the basis of observable market prices and other market quotes.

Level 3

Input factors are considered in the valuation techniques and models to determine the fair value, which are not observable because they are not based on market prices.

Valuation methods and models

The LLB Group employs the market-based approach to determine the fair value of investment funds and shares, which are not traded on an active market or which are not listed.

The income-based approach is used if payment streams or expenses and revenues with financial assets and liabilities form the basis for the fair value measurement. The present or cash value method is used to determine the fair value by discounting the payment streams to the present value on the reporting date. Interest rate curves appropriate for the term and / or foreign currency curves, as well as spot prices form the main basis for this purpose. Forward pricing models are used in the case of futures contracts.

To determine the fair value of financial and non-financial assets and liabilities, which are classified as Level 3 positions, the LLB Group takes over the fair value determined by third parties (estimates made by experts).

The following table shows the most important valuation methods and models together with the key input factors:

	Valuation method / model	Inputs	Significant, non-observable inputs
Level 2			
Derivative financial instruments	Income approach, present value calculation	Market price of congruent SARON interest rates, foreign currency curves, spot rates	
Investment funds	Market approach	Market prices of underlying assets	
Equities	Market approach	Market prices of underlying assets	
Commercial Papers	Income approach, present value calculation	The underlying interest rate for the contract	
Due from banks	Income approach, present value calculation	Market price of congruent SARON interest rates	
Due to banks	Income approach, present value calculation	Market price of congruent SARON interest rates	
Loans	Income approach, present value calculation	Market price of congruent SARON interest rates	
Due to customers	Income approach, present value calculation	Market price of congruent SARON interest rates	
Medium-term notes and shares in bond issues of the Swiss Regional or Cantonal Banks' Central Bond Institutions	Income approach, present value calculation	Market price of congruent SARON interest rates	
Level 3			
Infrastructure title	Market approach	Audited financial statements	Illiquidity, special micro-economic conditions
Investment property	External expert opinions, present value calculation	Prices of comparable properties	Assessment of special property factors, expected expenses and earnings for the property

Measurement of assets and liabilities, classified as Level 3

Financial investments measured at fair value through other comprehensive income

These financial investments largely relate to non-listed shares in companies having an infrastructure nature, which offer the services necessary or advantageous for the operation of a bank. The material proportion of the portfolio consists of shares in the SIX Swiss Exchange and in the Pfandbriefbank Schweizerischer Hypothekarinstitute (Swiss Mortgage Institutes). The financial investments are periodically revalued on the basis of current company data, or with the aid of external valuation models.

Investment property

These properties are periodically valued by external experts. The assessments take into consideration such circumstances as the location and condition of the property, as well as the costs and revenues expected in connection with it.

Measurement of fair values through active markets or valuation methods

Positions measured at fair value are recognised on a recurring basis in the balance sheet at fair value. As at 30 June 2024, the LLB Group had no assets which were measured at fair value on a non-recurring basis in the balance sheet; the same applies to liabilities.

Transfers of positions measured at fair value to or from a level are generally made at the end of a period. In the financial year, there were no material transfers between Level 1, Level 2 and Level 3 financial instruments.

The following table shows the classification of financial and non-financial assets and liabilities of the LLB Group within the fair value hierarchy and their fair value.

in CHF thousands	30.06.2024	31.12.2023	+/- %
Assets			
Level 1			
Financial investments at fair value through profit and loss	14'504	24'120	- 39.9
Financial investments, recognised at fair value through other comprehensive income	1'779'161	1'863'056	- 4.5
Precious metals receivables	67'635	66'600	1.6
Total financial instruments at fair value	1'861'300	1'953'775	- 4.7
Precious metals holdings	77'261	68'335	13.1
Total other assets at fair value	77'261	68'335	13.1
Cash and balances with central banks	5'586'320	6'389'870	- 12.6
Financial investments measured at amortised cost	1'227'144	814'427	50.7
Total financial instruments not at fair value	6'813'465	7'204'297	- 5.4
Total Level 1	8'752'026	9'226'407	- 5.1
Level 2			
Derivative financial instruments	189'848	286'374	- 33.7
of which for hedging purpose	62'601	65'800	- 4.9
Financial investments at fair value through profit and loss ¹	34'044	32'589	4.5
Total financial instruments at fair value	223'892	318'963	- 29.8
Due from banks	289'792	249'471	16.2
Loans	15'847'918	15'437'166	2.7
Financial investments measured at amortised cost ²	0	20'498	- 100.0
Total financial instruments not at fair value	16'137'710	15'707'135	2.7
Total Level 2	16'361'602	16'026'098	2.1
Level 3			
Financial investments, recognised at fair value through other comprehensive income ³	35'800	33'116	8.1
Total financial instruments at fair value	35'800	33'116	8.1
Investment property	19'412	19'241	0.9
Total other assets at fair value	19'412	19'241	0.9
Total Level 3	55'212	52'357	5.5
Total assets	25'168'840	25'304'863	- 0.5

1 Investment funds and equities

2 Commercial Papers

3 Infrastructure titles

in CHF thousands	30.06.2024	31.12.2023	+/- %
Liabilities			
Level 1			
Precious metals liabilities	144'193	134'550	7.2
Total financial instruments at fair value	144'193	134'550	7.2
Bonds	535'733	528'701	1.3
Total financial instruments not at fair value	535'733	528'701	1.3
Total Level 1	679'926	663'251	2.5
Level 2			
Derivative financial instruments	121'220	337'165	- 64.0
of which for hedging purpose	10'191	13'491	- 24.5
Total financial instruments at fair value	121'220	337'165	- 64.0
Due to banks	664'390	949'470	- 30.0
Due to customers	19'214'915	19'132'520	0.4
Medium-term notes and shares in bond issues of the Swiss Regional or Cantonal Banks' Central Bond Institutions	2'202'844	2'014'082	9.4
Total financial instruments not at fair value	22'082'149	22'096'071	- 0.1
Total Level 2	22'203'369	22'433'236	- 1.0
Level 3			
Total Level 3	0	0	
Total liabilities	22'883'295	23'096'488	- 0.9

Financial instruments not measured at fair value

The fair value hierarchy also includes details of financial assets and liabilities which are not measured on a fair value basis, but for which a fair value does exist. In addition to their inclusion in the fair value hierarchy, basically a comparison between the fair value and the carrying amount of the individual categories of financial assets and liabilities is to be disclosed.

The following table shows this comparison only for positions which are not measured at fair value, since for positions measured at fair value the carrying amount corresponds to the fair value. On account of the maturity being more than one year, for specific positions a present value was calculated taking as a basis SARON interest rates appropriate for the duration of the term. In the case of all other positions, the carrying amount represents a reasonable approximation of the fair value.

in CHF thousands	30.06.2024		31.12.2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Cash and balances with central banks	5'586'320	5'586'320	6'389'870	6'389'870
Due from banks ¹	290'785	289'792	250'415	249'471
Loans	15'609'542	15'847'918	15'286'758	15'437'166
Financial investments measured at amortised cost	1'233'776	1'227'144	834'106	834'924
Liabilities				
Due to banks	664'916	664'390	950'541	949'470
Due to customers ¹	19'307'142	19'214'915	19'233'782	19'132'520
Medium-term notes and shares in bond issues of the Swiss Regional or Cantonal Banks' Central Bond Institutions	2'195'140	2'202'844	2'030'887	2'014'082
Bonds	553'027	535'733	551'090	528'701

1 Adjusted to consider the claims or liabilities from precious metals accounts due to the separate disclosure in the fair value hierarchy

14 Off-balance sheet transactions

in CHF thousands	30.06.2024	31.12.2023	+ / - %
Contract volumes of derivative financial instruments	23'735'545	22'428'867	5.8
Contingent liabilities	60'678	55'873	8.6
Credit risks	830'292	811'978	2.3
Fiduciary transactions	127'650	159'063	- 19.7
Securities received as collateral within the scope of securities lending or securities received in connection with reverse repurchase agreements, which are capable of being resold or further pledged without restrictions	0	0	

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Imprint

Liechtensteinische Landesbank Aktiengesellschaft: hereafter also referred to as Liechtensteinische Landesbank AG, Liechtensteinische Landesbank, LLB AG, LLB and LLB parent bank. Liechtensteinische Landesbank (Österreich) AG: hereafter also referred to as LLB (Österreich) AG and LLB Österreich. LLB (Schweiz) AG: hereafter also referred to LLB Schweiz.

This report is published in German and English. The German edition is binding.

Due to rounding, there may be minor discrepancies in the totals and percentage calculations in this report.

To measure our performance we employ alternative financial key figures, which are not defined in the International Financial Reporting Standards (IFRS). Details can be found at llb.li/investors-apm.

