

**ENLIGHTENMENT WITH A
CAPITAL E**

CAPITAL  **BANK**

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Graz
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annual report
2015

**THE WAY WE SEE IT, THE FUTURE
IS A MOMENT OF HAPPINESS**

The Capital Bank 2015

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GRAWE
Bankengruppe

CHRISTIAN JAUK
CHAIRMAN OF THE BOARD

How much do our expectations and material resources have to do with each other? A good deal, according to research on happiness. If our material circumstances do not match our expectations, then happiness remains an elusive goal. A basic level of material comfort is of course necessary. Without it, achieving happiness is very difficult indeed. But equally important is something we call a feeling of coherence. This describes the condition under which a person experiences their life as meaningful, intelligible and something they can fashion for themselves. When it comes to finding happiness, these elements are of central importance.

**CONSTANTIN
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Material goods can contribute to a sense of meaning in our lives. Through them, we can give shape to our own experiences and help to meet the needs of others. Altruism is as intrinsic to humanity as the pursuit of profit for oneself. When these two things exist in a well-balanced harmony with one another, we experience a feeling of well-being that most often arises when we are able to bring our own strengths to bear – whether these are intellectual or material in nature. I hope you will allow me a small observation: material goods are best put to use for social causes in exactly the manner demonstrated by our private philanthropic foundation, “Philanthropie Österreich”.

Do you always seem to be standing in the slow queue at the airport or stuck in the slower-moving lane on a congested motorway? Perhaps the neighbour’s grass is greener? We quickly start to believe that happiness has abandoned us and we trust our own perceptions in these moments much too readily. Because what seems to be “true” is often not as it appears – it is certainly not as true as we have convinced ourselves it is. Systems theory has filled bookshelves on exactly this topic.

Our guest author, Michael Lehofer, has spent a great deal of time considering the relationship between money and happiness. As a psychiatrist, psychologist, psychotherapist, philosopher and management coach, he knows what he is talking about and can illuminate the matter from a variety of perspectives. He discusses that common sense maxim that money cannot buy happiness and investigates in his essay here what it takes to be happy.

Imagine you suddenly came into some money and you may do what you want with it without having to answer to anyone. Would you save it? Buy something? Donate it? Whatever you end up doing, the money itself will not have a lasting effect on your happiness. The reverse of the popular maxim, that no or little money can ensure happiness, is also complete nonsense. A decent life is difficult without a sound financial basis and economic pressures cannot simply be ignored. Erich Kirchler, who used this scenario involving a windfall of money in a scientific experiment, demonstrated that happiness cannot be bought with money. The kind of happiness money brings dissipates much more rapidly than that which comes from strong relationships, for example. Michael Lehofer’s essay therefore has been given the provocative title “Happiness In Spite of Money”. We hope you will find it inspiring.

And for what it’s worth: statistically speaking, the reasonable course of action in congested traffic is simply to stay in your own lane and wait it out. Regardless of what your satnav tells you!

CONTENTS

Foreword	5
Happy In Spite of Money	7
Capital Bank – GRAWE Gruppe AG	
<i>Performance and Key Figures</i>	31
<i>Management Report</i>	32
<i>Risk Report</i>	56
<i>Report by the Supervisory Board</i>	90
<i>Balance Sheet</i>	92
<i>Income Statement</i>	96
<i>Capital base</i>	98
<i>Statement of Changes in Equity</i>	100
<i>Excerpt from the Notes to the Annual Financial Statements</i>	102
<i>Company boards</i>	134
<i>Audit Certificate</i>	136
<i>Consolidated Balance Sheet</i>	142
Imprint	149

FOREWORD

Researchers from across the globe are searching for the true meaning of happiness. Many find happiness in material wealth, others in ascetic renunciation. For some, happiness lasts only a fleeting moment, while others experience it as a sustained, almost meditative state of mind. One thing is certain: while we all want and hope for happiness, there is no single reliable formula for finding it. But that doesn't stop us from trying. Think of how many inventions such as penicillin, to name perhaps the most famous example, were the result of a just a bit of luck, the kind of luck we trust will shine on us from time to time.

Time and again, researchers find themselves turning to the relationship between money and happiness. We have all heard that money can't buy happiness. On the other hand, basic material well-being is necessary for providing the opportunities we need to find and experience happiness, such as holidays.

In his foreword to our annual report, guest author Michael Lehofer (Dr. med., Dr. phil.) investigates the relationship between money and happiness to uncover the real connection between them. We hope you enjoy reading it as much as we did.

HAPPY IN SPITE OF MONEY

An essay by Michael Lehofer

Money can't buy happiness, as we have been told time and again. And this is indeed confirmed by research on happiness. Though this must be qualified with an acknowledgement that too little money, on the other hand, can make one unhappy. The quantifiable difference between happiness and unhappiness is higher or lower depending on average income levels; in Central Europe, the threshold seems to be around an annual gross income of 70,000 euros. Because it is relative, people in countries that are less well off are able to achieve happiness at lower incomes. Once this level of income has been reached, it is no longer worthwhile investing more of your time in earning ever more money, at least not with the aim of increasing your happiness.

Average income levels are important here because of our innate tendency to compare ourselves to others. So what others around us earn is significant and determines whether we end up feeling sorry for ourselves or not. Feeling sorry for yourself is a perfect way to absolutely ruin your life and it is a path frequently taken. The advantage of feeling sorry for yourself is that it helps you avoid taking personal responsibility. Without self-pity, there is no way for you to delegate the responsibility for your own life to others. That is why self-pity is, in spite of its many drawbacks, so popular.

One original study investigated whether women who are married to wealthier men are happier than women who are married to men who earn average wages. The answer: yes, for a few months at least. These months are the moment of victory, at least from the perspective of female competition. After this, the women who managed to snag the higher earners end up experiencing the same average level of happiness as those who were less fortunate. That is because they have by then begun to start comparing themselves to the women in their new social situation.

We are by now well aware that happiness and satisfaction depend not least on comparing yourself to the right group. If you compare yourself to people who earn less than you do, then you will always come out the winner. But where's the fun in that? If, however, you compare yourself to someone in a category far superior to your own, then you've brought the resulting failure on yourself. This is precisely why women tend to choose women as their friends who are similarly attractive. In this

way, you can always convince yourself that you come out at least a little bit on top.

In some circles, you don't get invited to parties and other events because you are an all-around great chap or because you're a lovely, kind, interesting and one-of-a-kind woman, but because who you are and where you are in life gives your hosts a bit of an ego-boost. You are invited as a sort of object of comparison. The whole point of comparing oneself to others is self-affirmation. And though I have no desire to moralise, I will say that these types of parties tend not to be very enjoyable. Does nice food and drink make up for the fact that you're only there to prop up someone else's weak self-esteem? But perhaps I, as a psychiatrist and psychotherapist, am simply sensitive to these situations. I have little interest in using my free time to stabilise someone's depressed self-esteem, especially not over the course of several hours with just a few canapés and three glasses of champagne for reward! I trust you can understand my point of view.

When it comes to happiness, things can be somewhat complicated. It is clear today that genes and experiences in early childhood establish – in a fairly determinative manner – whether one will be happy. An astonishingly high percentage of optimistic, cheerful, good-natured children end up as happy adults, regardless of what happens to them later in life. Our happiness is far less dependent on external factors than we tend to believe. This does not mean,

however, that we are the masters of our own destiny when it comes to happiness. But we work assiduously on creating conditions necessary for happiness, and then wait for it to come. We should instead work directly on being happy, rather than on trying to create conditions that are themselves not effective. “There is no way to happiness, happiness is the way”, said the Buddha.

How can one work on being happy? I’ll admit it’s difficult. But it can be done. To really understand how one can work on being happy, you have to first understand what happiness is: being happy as opposed to being content. We tend to think of happy, cheerful and content as synonyms, or at the very least, they are difficult to tell apart. This is why I also use happy and content as synonyms in this essay, even though I know that we can differentiate between being happy and being content.

Happiness is always a moment. Happiness is even a moment when it lasts longer than a moment. If you think back to your own moments of happiness, it will seem clear to you

that these were moments in which you forgot yourself. When you are captured fully and completely by wonder: that is when you experience happiness. The very experience of time is compromised in these situations. We are all familiar with how we lose all sense of time when we are in this trance-like state that we call happiness. This is why the experience of happiness seems like a moment, even when it lasts longer. It is in these situations that we step outside of the otherwise uninterrupted flow of our own sense of time. Isn't that magical?

But this is not what researchers investigating happiness are interested in. These researchers are often more interested in the state of contentedness. Contentedness denotes a sense of peace. To be content is to find myself in a state in which my inner voice is telling me that what is happening at that moment is exactly what I want to be happening (whereas my inner voice remains silent in happiness). If your goal is to take a degree, then you deliberately and temporarily put yourself into a state of discontentedness. But when you hold that degree in your hand, then you are finally content. There are of course many sources of discontent that supposedly stem from external influences. Someone who has been passed over for a pay rise, for example, is generally not content with that having happened. To summarise, contentedness is a result of needs being fulfilled. Being discontent is a matter of feeling frustration at not knowing how to move from that state to one of being content.

What researchers interested in happiness are looking at, then, is generally more like contentedness than happiness. We talk about happiness but really mean contentedness. We won't worry about the confusion of terms. Instead we want to turn our attention to finding the path to happiness. How can we be happy, or be happier? How can we increase our sense of contentedness?

To get to the bottom of things, we need to turn our attention to enjoyment. From what I have observed, the art of enjoyment is not very widespread. Otherwise people would not be so greedy. Greed is an alien feeling to someone who really knows how to enjoy life. The conclusion one can draw from the prevalence of greed and of consumerism is that the general state of the art of enjoyment leaves much to be desired.

I have long noticed that people really look forward to their holidays. When you ask them after their return how it was, most talk about how magical and wonderful it was. But when I have visited popular

travel destinations and observed peoples' faces, they tend to look, at least in those moments when they're not feeling the mellow effects of alcohol, less than cheerful. This may simply be a projection of my own foul holiday mood, or I am always picking out unrepresentative examples from my observations. Perhaps people look forward to their holidays so much and this anticipation is so powerful that even the experience of a boring or disappointing holiday can do nothing to alter it. So they recall the anticipation after their return from their holiday, not the holiday itself. If this is what is happening, there is certainly an element of tragicomedy to it.

The truth is that we are all very much prisoners of our own expectations. What we imagine will happen is often more important to us than what we actually experience happening, or at least much of the time. The word anticipation is itself revealing. Anticipation is something that comes before ('ante') an experience. Experiments involving brain imaging have demonstrated that an experience can on average only change somewhat less than 20% of a pre-conceived notion. We therefore race from one lovely thing to another without ever realising how little we are getting from any of it.

If we want to truly enjoy, we have to give ourselves over to the moment. Giving yourself over to the moment means being fully present. Being present means, in turn, that whatever it is right in front of you is the most important thing in the world. All

of us are inclined to start thinking about the past or the future when we are meant to be focusing on whatever it is that is meant to be occupying us in that moment. Thinking about the past or the future, what we generally call worrying, robs us of the energy and attentiveness we need in order to fully engage with the now. And that is a shame.

After all, there is only one chance in your life to miss something: the moment right now. Many chase after life experiences only to then completely miss them. Julio Iglesias is said to have had relationships with over a thousand women. I asked myself whether I, with a much more modest number, may have let opportunities pass me by. But there are over two billion women that Iglesias never got to know. Looked at from that perspective, there's really no difference between us. What it comes down to is fully experiencing whatever life throws your way in the present. We are also prone to overly rely on our imaginations when the experience of reality is right in front of us. How

many people have travelled to countries all over the world and yet never really left the safe confines of their own heads? How many people have met famous individuals and yet seemed to be interacting only with their own narcissistic personalities? How many people are able to take advantage of the incredible opportunities available to them, but seem to experience nothing in it?

There is only one way to miss out on one's life, and that's to miss out on the immediate moment. Enjoyment comes precisely from experiencing the immediate moment. Experiencing the immediate moment also means not rushing to figure out whether it is good or bad. Unfortunately, judgement puts distance between me and the world. This is why you should judge only when it is meaningful to judge. But that is another matter entirely. We should enjoy the current moment, the time that we experience as now, so as not to let our lives pass us by. Being present is the way to find happiness.

The key to being content is understanding what one really needs in life. I often speak of the need to be able to keep yourself in the conditions that are appropriate to your type. To do that, I need to know what my type needs. I will need to take an honest look at myself, free of any preconceptions, and accept that what others need may not be what I need, and vice versa. It is in this context we often talk about Socrates and how others could not even begin to conceive what it was he didn't need. I mean

that we ourselves often do not really know what we do not need, or what it is that we actually do need. It is not rare to find that we fill ourselves up with things we claim to need but could not possibly need, and then deny ourselves those things we really do require.

Satisfaction comes from being a person who understands what it is he or she really needs and who is in a position to arrange to get it. We know from the research on happiness that each of us needs both obligations and self-efficacy. This is why a feeling of attachment to other people is essential to happiness. It is indeed a wonderful thing to know that one is not alone in the world. It is incredibly important to have role models on whom one can rely. The profound sense of peace this promotes leaves one feeling truly satisfied. The need for attachment is so strong that we all want to be that person who is everything to someone else. That is why we refuse to abandon the concept of monogamy in spite of different ways of living and contradictory experiences. Self-efficacy is, as stated

above, equally important. Having an autonomous space in which I experience myself as self-efficacious is immensely important in determining how content people are.

The unfortunate contemporary development of a business culture that seeks to structure every aspect of life has led to restrictions on individual creativity, to the limiting of personal responsibility and, therefore, to a curtailment of self-efficacy, to dissatisfied, frustrated and, one could say, unhappy people.

Unhappy people only achieve a lot out of fear.

Sustainability requires endings. I am now wondering if this is perhaps a case of professional deformation: that is, thinking that happy people make the best employees. I must here ask the sympathetic reader to forgive me this flight into social romanticism.

Now that we have given serious attention to the topic of what makes one happy, and found it to be ourselves, we ought to turn back to our original subject of “happiness in spite of money”. Contrary to what many argue, it is certainly not true that money brings unhappiness. Those who claim otherwise may just be suffering from envy. Admittedly, wealthier people are not necessarily any happier than others. And that’s pretty fair, I’d say. If wealthier people were not only richer than others, but also happier, then being wealthy would start to look almost immoral. But as it is, one can look at a well-off individual and say simply: So he has a lot of stuff, what of it?

Many don't think that way though. More often we tend to enjoy feeling a bit of schadenfreude when they see a wealthier individual who is sad, anxious, or otherwise having a hard time. When it comes to envy, schadenfreude is the other side of the coin. Envy is wanting something someone else has, and therefore begrudging them it too. Why are wealthier people envied? Money is a means to create opportunities for oneself. That is what is attractive about money. It promises influence and status. Opportunities are a form of freedom, it is said. I can supposedly do whatever I want if I have money. Bill Gates can do anything he wants. Brilliant. But is he really free? Maybe, or I hope so for his sake, but it is certainly not true simply because he has a lot of money.

He is free when he has as few worries as possible. Freedom, after all, is not freedom to do things, but freedom from worry instead. Only a person who is free of worry is truly free. Money is not a means of reducing anxiety. As a matter of fact, your money can become a

source of worry, as can all of the things you own. You identify yourself with the things you own and start to worry that you may still lose it all. There is much truth to the saying: possessions weigh you down.

I remember a patient plagued with anxiety who came to me after having gone from pillar to post. He came from a deprived background and was very well off. He told me that when he was a child he did not even own his own shoes. I jokingly suggested that he give up owning his own shoes, and that he'd eventually be free of worry. My patient did not find that humorous at all. As I say, I wasn't being entirely serious. But I did want to push him to not identify as much with what he owned. Psychotherapists do occasionally stage interventions that are only half in jest. This method is called provocative therapy.

Be that as it may, to identify oneself with something is to internalise it as oneself. When we are young we don't even know what belongs to us. We increasingly come to learn that our bodies, our feelings, our toys, our mum and dad, our gran and our auntie all belong to us. Later in life we add to our self-identity our academic degrees, our spouse, children, our political views, real estate and cars, and how we have decided to live our lives. It is possible that when I can't take the kind of holiday that I have come to expect, I fall into an existential crisis because I have begun to confuse myself with the way in which I spend my holidays.

I take on more and more because of this identification process. It's almost as if we inflate ourselves. More and more of the outside world becomes almost a part of myself. As I described above, this is partially because the feeling that something belongs to you is itself part of a psychological process. From the beginning of our lives onwards, an identity is built from this process of identification. Identity is nothing more than the fiction of a self. Identity is a working hypothesis that each of us have about ourselves. I want to stress here that this isn't a bad thing! Identity is based on an error, the error of thinking that everything that does belong to you would naturally belong to you (though of course, legally speaking whatever belongs to you does indeed belong to you). But to have no identity would not itself be very pleasant. This is why I am a rather ardent supporter of identity and think about it in ways that are the opposite of certain Asian philosophical and religious teachings on the subject of salvation. These propose that one should leave behind the illusion of identification and iden-

tity, since it will of course be distressing to lose them when that inevitable day comes.

There is of course no way of avoiding this aspect of the course of life. Children are not exactly how you thought they'd be, you lose your looks, your body grows weaker, perhaps you even become ill, your partner cheats on you. Anything is possible. These are the moments in which identification with something stops acting as a source of pleasure.

Wouldn't it be nice if one could understand that all of those things that one thought were a part of oneself are, in the end, not worth a farthing. What I want to say is that the loss of something that supposedly constituted who you are is in reality not a loss at all, because identity is a matter of having borrowed something, something that you eventually will have to give back. At the very latest this is the moment of death, when one no longer has any living body, let alone a beautiful one, no partner or children, and one is the poorest individual in the world. Accepting this is called de-identification. None of us can escape it. I must admit, I hate the process of de-identification. Many talk about grief. But the entire matter does have undeniable benefits: the process makes you free, there's nothing left to defend.

It is lovely to imagine that something belongs to you, and equally lovely when you're able to free yourself of that illusion. To each his own and at the appropriate moment. And that would be that. But

for most people, it's not that simple. When it comes to letting go of something that supposedly belongs to them, they fight it tooth and nail. The suffering that results comes not from the big bad world, as is often supposed, but from the inability to let go. The art of living well has to do with being able to let the world in at the right moment and then, when the time has come, to let it go again, to drop out, so to speak. If someone can't manage one or the other or both, that's perfectly normal and fine, too, since doctors and psychiatrists need to make a living as well.

Many of those who are materially well off simply cannot believe what I've just written. I am not sure how well I can explain this, but there is indeed a difference between knowing something rationally and truly assimilating that knowledge. An example may help. Someone who is obsessive-compulsive knows that he has checked whether the door is locked x number of times, and he also knows that the door is indeed locked, but because he is, for some reason, unable to really assimilate

the door's being locked, he essentially does not know that it is actually locked when he's on the other side, and so he must check again. Looked at in this way, it is clear that not every well-off individual knows how much he really has. To put it simply, many stay poor, even when rich.

And this is the root of stinginess. Stinginess is a curse, for those who are ungenerous and for everyone around them. That's what a miser is: a wealthy person who thinks himself poor. I am convinced that we do misers an injustice when we accuse them of stinginess. Why? If you look into the terror-stricken eyes of a miser who has no other choice at that particular moment than to be generous, you will see pure fear, a fear that is understandable from the perspective of the miser's delusion of poverty. This is why it is the wealthy who are most often the poorest. I think there is something wrong with that. It's mad, isn't it?

But still, with all due respect, it is hard to have sympathy for misers. Their unsympathetic character stems from their refusal to cultivate relationships. That is to say, the central dynamic of any relationship, the alternation of giving and taking like a stretching rubber band, does not function properly. Miserliness is a form of rejection, which prompts an antipathic response. Antipathy is a form of emotional knowledge we provide ourselves that tells us to keep our distance from someone else. It has often been my experience that stinginess is

the root cause of loneliness. As a general rule, those who are miserly tend not to recognise this about themselves, and they are therefore confused by their loneliness and at a loss in trying to understand the world. What should one do in this situation?

In actual fact, stinginess is wealth's disavowal of itself to itself. But the miserly have to start with something. It is difficult for the truly poor to be stingy. It's the opposite with boasting. Boasting is pretending to have what one does not in fact have. Boasting is a form of aggressive self-marketing. The boaster wants to be more than he is. He sends out the signal that he's not enough for himself. There's quite a lot of boasting among the nouveau riche. People with new money tend to resent that they lack access, in spite of their material well-being, to the self-affirming class of the rich and famous.

Boastfulness is an attempt to present oneself as even more impressive as a way of overcoming one's own self-esteem issues. Unfortunately in

doing so, the boaster reveals himself to be someone with a complex and poor self-esteem. I feel sorry for them. Many others find them detestable. That is because the boaster often comes across as aggressive. He wants to build himself up at the cost of others by repeatedly emphasising, “I have more than you, I am more than you.” Those who boast seek to put themselves above others and therefore come across as aggressive. It’s astounding that boasting these days is considered socially acceptable, and there are those who have absolutely no need to boast, but the very fact that they do so is a public statement that they do in fact feel it necessary.

Show-offs used to be sniffed at in finer circles. It seems to me that these days we are all so engrossed in a trance of consumerism, hypnotised almost, that we are no longer cognisant of the absurdity inherent in showing off. Many just want to keep up. This leads to an escalating social dynamic of ever more vulgar showing off. A more suitable and appropriate presentation of one’s wealth would be far more elegant, subjectively speaking. Appropriateness reveals a deeply harmonious relationship to oneself and complete, affirmative acceptance of oneself. One is true to oneself, without any attempt to be more or less than what one is. The fullest you is revealed when you are authentic in your own self. If you make yourself smaller, you will be smaller, and even if you try to make yourself bigger, you’ll shrink just the same. I take this to be a vital life lesson: Instead of trying to make something of ourselves, let’s allow

who we are, in its fullest sense, to be seen.

Whilst no one needs have a guilty conscience related to their wealth, since the time of Plato many of us have spent a good deal of time thinking about justice in this world. And it has to do with more than just money. The question of being well off has to do with whether one is rich in mental capacity, rich in health, rich in friends and in much else. Every individual who is blessed with wealth, of whatever type, would do well to give some of it back to others, to tend to those bonds that connect us to one other and unite all of creation.

The insufficient sense of connection in those people who do not strive to create balance is noticeable in the certain sense of aloofness that attaches itself to them. Aloofness comes from being closed off to the possibility of contact with the world of life surrounding you. It is clear from a psychological point of view that what we have here is a defence behaviour, a protective device. Every protective device costs energy

and in the end becomes a *locus minoris resistentiae*, a predetermined breaking point. Defence costs more than just energy; it feeds on subconscious anxiety that curtails the enjoyment of life. Aloofness is not a very good idea. Nevertheless, balance is foregone in the interest of maintaining elitism, and aloofness plays its part in this.

And yet for the person who is rich in something, whatever it may be, balance costs very little. It is more a matter of sending a signal. These are clear signals, but nothing more than signals in the end. Balance provides freedom and no one is the poorer for it, let alone made poor. If not put into practice, it starts to act like an unidentified infection in a tooth that causes an unattributable discomfort. He who gives in the interest of creating balance does himself more good than he does anyone else. Balance is a question of common sense and caring for oneself.

To conclude I'd like to encourage you to take seriously what you have read here, but ultimately to forget about it. As we have seen, a certain amount of self-forgetfulness is an important component of happiness. To act responsibly means to respond to life, to respond to life in the most direct manner. We find in this response a devotion to life. A preoccupation with oneself has no place here. Preoccupation with money beyond that which is truly necessary causes us to lose sight of the need to forget ourselves and acts as a brake on finding happiness. Let us not allow our money to hold us back from being happy. Let us

promise ourselves that we are not here for the money, or anything else for that matter, we are here simply for our own life, as we encounter it through ourselves and others.

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