

Julius Bär

Press Release

from Julius Baer Group Ltd.

Julius Baer to acquire ING Bank (Switzerland) Ltd.

Zurich, 7 October 2009 --- Julius Baer Group Ltd. ('Julius Baer'), the Swiss private banking group, announced today that it reached an agreement to acquire ING Bank (Switzerland) Ltd. ('ING Bank') for CHF 520 million in cash, including surplus capital of CHF 170 million based on a target Tier 1 ratio of 12%. At the end of August 2009, ING Bank had assets under management of CHF 15 billion, adding 10% to Julius Baer's overall private client assets and doubling its presence in Geneva.

ING Bank which employs a staff of 310, will be integrated into Bank Julius Baer, creating estimated pre-tax synergies of CHF 35 million p.a. The acquisition is expected to be EPS neutral in 2010, strongly accretive from 2011 onward, reaching a high single-digit percentage in 2012. With this acquisition which sets combined assets under management to over CHF 160 billion as of August 2009, Julius Baer continues to strengthen its position as the leading pure private banking group in Switzerland. Pending regulatory approvals, the closing of the transaction is expected to take place in the first quarter of 2010.

Julius Baer has agreed to acquire ING Bank (Switzerland) Ltd., headquartered in Geneva, a fully-owned subsidiary of ING Group NV, including its subsidiaries in Monaco and Jersey. This pure private banking business oversaw total assets under management of ca. CHF 15 billion at the end of August 2009, adding roughly 10 % to Julius Baer's overall asset base and doubling its business in Geneva. Raymond J. Baer, Chairman of Julius Baer, said: "Julius Baer is taking advantage of current market developments in acquiring a high quality, profitable asset with a strong track record. The client base is similar to the one of Julius Baer and ING Bank's employees share the same client-centric passion, making it a true cultural fit."

ING Bank employs a total staff of 310, of which 80 relationship managers. It offers a comprehensive range of services and products, such as discretionary and advisory portfolio management based on open architecture as well as family office, trust and execution services. ING Bank's roots in Switzerland date back to 1962, when Banque Bruxelles Lambert established a subsidiary in Geneva. ING Bank is strongly capitalised and has a net asset value of about CHF 380 million as of August 2009.

Goodwill / AuM 0.9% – Acquisition funded by excess capital

Julius Baer will pay a total consideration of CHF 520 million in cash, including surplus capital of approximately CHF 170 million. In terms of multiples, Julius Baer is paying 0.9% Goodwill / AuM and, adjusted for surplus capital, 2.3% for the AuM of the business. The purchase price will be fully funded by existing excess capital, leaving Julius Baer with a pro forma BIS Tier 1 ratio of about 16%, still well above its 12% target. The surplus capital of ING Bank will be allocated to Julius Baer.

The transaction is estimated to bring significant pre-tax synergies of ca. CHF 35 million p.a. primarily due to the integration of the different IT and back-office operations as well as streamlining of staff functions. Of total estimated integration costs of approximately CHF 65 million, about two thirds are expected to be booked in 2010. The integration is foreseen to be completed by mid 2010. The acquisition is expected to be EPS neutral in 2010 and strongly accretive from 2011 onward, reaching a high single-digit percentage in 2012.

Boris F.J. Collardi, CEO of Julius Baer, added: "This transaction fully matches the strategic and financial criteria which we have communicated. We are pleased to add significant scale to our domestic and European platforms while strengthening our business in Central and Eastern Europe, Russia and other growth markets. Clients will benefit from new opportunities as a result of strengthened local franchises. With our track record of successful integrations, we are looking forward to working with our new colleagues and to a smooth integration process."

Well diversified client base – Integration into Bank Julius Baer – Strong in growth markets

While the transaction will add to Bank Julius Baer's domestic business in the French-speaking part of Switzerland as well as to selected European core markets, it will also substantially increase its business volume in Central and Eastern Europe, Russia and other growth markets, providing an attractive base for future growth.

Julius Baer will rebrand ING Bank and merge its local operations in Switzerland (Geneva, Basel, Crans Montana, Lausanne, Lugano and Zurich) and transfer the business of its subsidiaries in Monaco and Jersey to Julius Baer's existing operations.

Pending approval by the relevant authorities and other customary conditions, the closing of the transaction is expected to take place in the first quarter of 2010.

Contacts

Media Relations: +41 58 888 8888

Investor Relations: +41 58 888 5256

About Julius Baer

Julius Baer is the leading Swiss pure private banking group, with an exclusive focus on servicing and advising private clients. Julius Baer's total client assets amounted to CHF 211 billion at the end of June 2009, with assets under management accounting for CHF 142 billion (excluding ING Bank). With origins dating back to 1890, Bank Julius Baer & Co. Ltd. is both the principal operating company and renowned Swiss private bank of the Julius Baer Group Ltd., whose shares are listed on the SIX Swiss Exchange and form part of the Swiss Market Index (SMI), which comprises the 20 largest and most liquid Swiss stocks.

Julius Baer employs a staff of over 3 000 in more than 20 countries and some 40 locations, including Zurich (head office), Buenos Aires, Dubai, Frankfurt, Geneva, Hong Kong, London, Lugano, Milan, Moscow and Singapore.

For more information visit our website at www.juliusbaer.com