Julius Bär

H1 2010 Results and Review

Presentation for Investors, Analysts & Media

Zurich, 21 July 2010

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Cautionary Statement On Forward-Looking Information

FORWARD-LOOKING STATEMENTS

THIS PRESENTATION BY JULIUS BAER GROUP LTD. ("THE COMPANY") INCLUDES FORWARD-LOOKING STATEMENTS THAT REFLECT THE COMPANY'S INTENTIONS, BELIEFS OR CURRENT EXPECTATIONS AND PROJECTIONS ABOUT THE COMPANY'S FUTURE RESULTS OF OPERATIONS, FINANCIAL CONDITION, LIQUIDITY, PERFORMANCE, PROSPECTS, STRATEGIES, OPPORTUNITIES AND THE INDUSTRIES IN WHICH IT OPERATES. FORWARD-LOOKING STATEMENTS INVOLVE ALL MATTERS THAT ARE NOT HISTORICAL FACT. THE COMPANY HAS TRIED TO IDENTIFY THOSE FORWARD-LOOKING STATEMENTS BY USING THE WORDS "MAY", "WILL", "WOULD", "SHOULD", "EXPECT", "INTEND", "ESTIMATE", "ANTICIPATE", "PROJECT", "BELIEVE", "SEEK", "PLAN", "PREDICT", "CONTINUE" AND SIMILAR EXPRESSIONS OR THEIR NEGATIVES. SUCH STATEMENTS ARE MADE ON THE BASIS OF ASSUMPTIONS AND EXPECTATIONS WHICH, ALTHOUGH THE COMPANY BELIEVES THEM TO BE REASONABLE AT THIS TIME, MAY PROVE TO BE ERRONEOUS.

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Programme and Content

Introduction
Boris F.J. Collardi, CEO

Financial Results H1 2010
Dieter A. Enkelmann, CFO

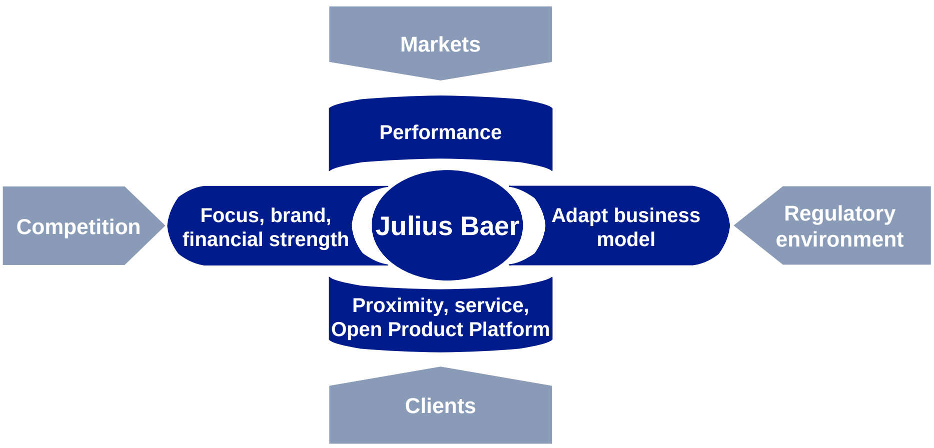
Business Update
Boris F.J. Collardi, CEO

Q&A Session

Appendices

Drivers of Change in Private Banking

Focusing pro-actively on opportunities and challenges



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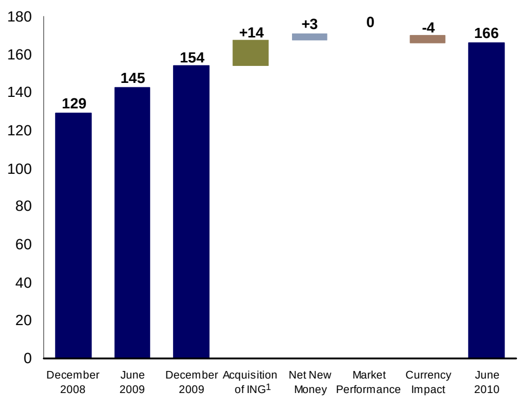
Client Assets at Record High

Despite negative currency impact

CHF bn **Development of Assets under Management**



Total client assets CHF 255bn, up 6%, of which:

- Assets under management CHF 166bn, +8% or CHF 12bn
  - Acquisition[1] impact +13.6bn
  - Net new money +3.3bn
  - Market performance -0.4bn
  - Currency impact -4.0bn
- Assets under custody CHF 89bn, +2% or CHF 2bn
  - Net new money +1.5bn
  - Market/currency +0.3bn

Average assets under management for H1 2010 CHF 171bn, up 26% from CHF 136bn in H1 2009

[1] ING Bank (Switzerland) Ltd (ING Bank), the acquisition of which was completed in January 2010

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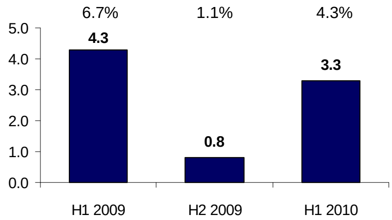
Net New Money
NNM momentum recovering from low in H2 2009

Net New Money in CHF bn and %[1]



– NNM of CHF 3.3bn in H1 2010, at an annualised pace of 4.3% (within medium-term target range)

– Overall continued healthy inflows, especially from growth markets

– Partly offset by
  - outflows due to certain changes in the regulatory environment
  - slight impact from attrition in former ING Bank client base during integration (successfully completed end of May)

[1] Annualised, as percentage of start-of-period assets under management

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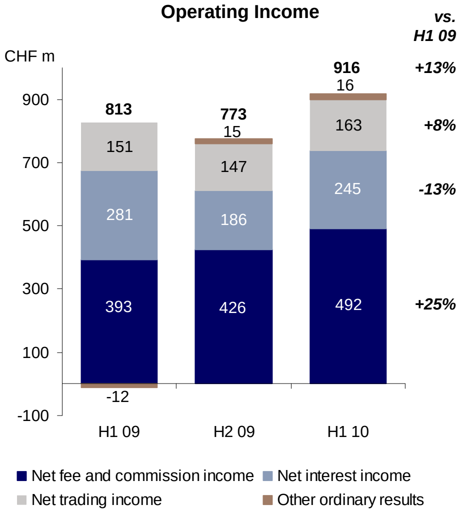
Operating Income[1] Increased 13% to CHF 916m

Operating Income



– Net fees/commissions +25% to CHF 492m
  - 26% increase in average AuM
  - investor confidence improved somewhat, but overall still conservative

– Net interest income[2] -13% to CHF 245m
  - increased deposit and loan volumes
  - lower interest margins

– Net trading income[2] +8% to CHF 163m
  - higher client-driven volumes, mainly FX related

[1] H1 2010 results include former ING Bank for full six months
[2] CHF 59m (H1 2009: CHF 11m) trading instruments related dividend income included in net interest income and not in net trading income

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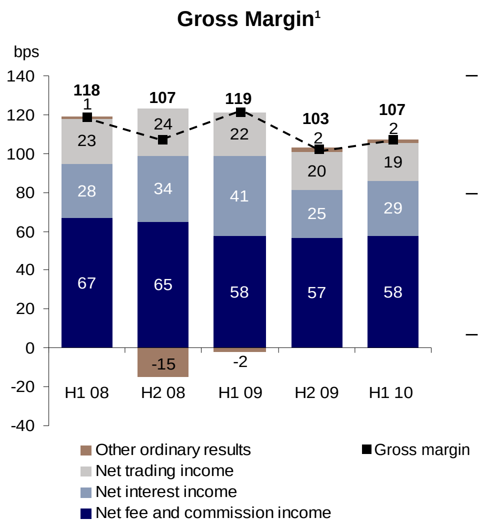
Gross Margin Recovering from Low in H2 2009



- Net fee and commission income 58bps
  - stable since early 2009
  - still below long-term average
- Net interest income 29bps (22bps when adjusted for trading instruments related dividend income[2])
  - back to more normalised levels
- Net trading income 19bps (26bps when adjusted for negative trading instruments related dividend income[2])
  - mainly benefitting from high FX volatility

[1] Operating income divided by period average assets under management, in basis points. Average AuM for H1 2010 was CHF 171bn, up 26% from CHF 136bn in H1 2009
[2] See footnote, slide 8

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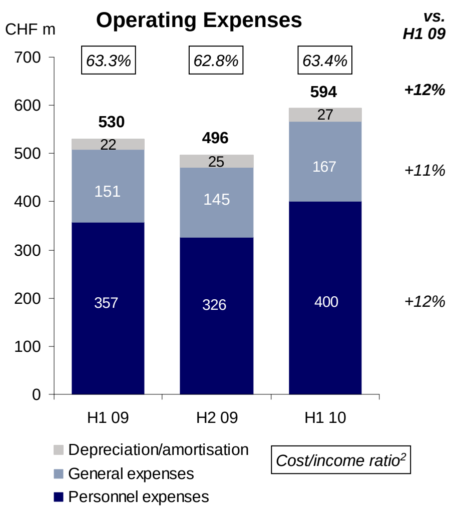
Operating Expenses[1] Up 12%, Mainly on ING Acquisition

Cost/income ratio stable at 63.4%



- Personnel expenses +12% to CHF 400m vs. headcount increase of 17% to 3'534
- General expenses +11% to CHF 167m
- Cost/income ratio[2] at 63.4%, essentially unchanged from 63.3% in H1 2009

[1] Excluding amortisation of intangible assets, integration and restructuring costs; H1 2010 results include former ING Bank for full six months
[2] Excluding valuation adjustment, provisions and losses

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Net Profit* Increased 8%

(CHF m)	H1 2009	H2 2009	H1 2010	Change H1 09/10
Net interest income	281	186	245	-13%
Net fee and commission income	393	426	492	+25%
Net trading income	151	147	163	+8%
Other ordinary results	-12	15	16	
Operating income	**813**	**773**	**916**	**+13%**
Personnel expenses	357	326	400	+12%
General expenses [1]	151	145	167	+11%
Depreciation and amortisation	22	25	27	
Operating expenses	**530**	**496**	**594**	**+12%**
Profit before taxes	**283**	**277**	**323**	+14%
Pre-tax margin adjusted (bps) [3]	41.6	36.9	37.7	-3.9 bps
Income taxes	41	46	62	+50%
Net profit [2]	**242**	**231**	**261**	**+8%**
EPS (in CHF)	1.17	1.12	1.27	
Tax rate (%)	14.5	16.6	19.1	+4.6% pts
Gross margin (bps) [3]	119.4	102.8	107.2	-12.2 bps
Cost/income ratio (%) [4]	63.3	62.8	63.4	+0.1% pts
Staff	3'025	3'078	3'534	+17%
Valuation adjustment, provisions and losses	15.4	10.1	12.7	-18%
Average assets under management (CHF bn)	136.1	150.4	170.9	+26%

* Excluding amortisation of intangible assets, integration and restructuring costs. See slide 29
[1] Including valuation adjustments, provisions and losses
[2] Including non-controlling interests of CHF 0.1m for H1 2009, CHF 0.5m for H2 2009 and CHF 0.4m for H1 2010
[3] Calculated on average assets under management
[4] Excluding valuation adjustment, provisions and losses

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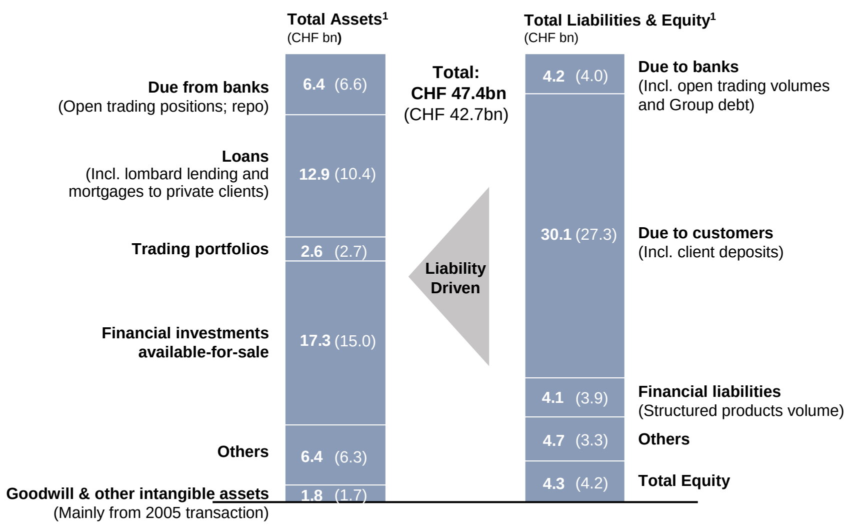
Total Assets Up 11%, Mainly Due to ING Bank Acquisition

Loan-to-deposit ratio remains comfortable at 0.43



[1] Figures as of 30 June 2010, summarised and regrouped from Financial Statements
(In brackets: Figures at year-end 2009).

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Balance Sheet – Financial Investments AFS

(CHF m)	31.12.09	30.06.10	Change vs. 31.12.09
Money market instruments	**9'087**	**9'170**	**+1%**
Debt instruments	**5'755**	**7'960**	**+38%**
Government and agency bonds	932	3'235	
Financial institution bonds	2'839	2'906	+2%
Corporate bonds	1'984	1'819	-8%
Equity instruments	**170**	**159**	**-7%**
Total financial investments available-for-sale	**15'012**	**17'289**	**+15%**

Debt instruments by credit rating classes (excluding money market instruments)		31.12.09	30.06.10	*in %*	Change vs. 31.12.09
Fitch, S&P	**Moody's**				
AAA - AA-	Aaa - Aa3	4'062	6'300	*79%*	+55%
A+ - A-	A1 - A3	1'428	1'368	*17%*	-4%
BBB+ - BBB-	Baa1 - Baa3	149	141	*2%*	-6%
BB+ - CCC-	Ba1 - Caa3	30	39	*0%*	+29%
Unrated[1]		84	112	*1%*	+33%
Total		**5'755**	**7'960**	***100%***	**+38%**

– Exposure to highly rated sovereign issuers/guarantors increased …
– … to more than 35% of total Treasury assets (including SNB account plus repos)

[1] new issues or unrated bonds from top rated issuer

ING Bank (Switzerland): Integration Completed

– January 2010: acquisition closed
– May 2010: technical integration completed
– Overall process successful, with only limited client attrition during the integration process

– Total consideration approximately CHF 510m, less excess capital of more than the CHF 170m when the acquisition was announced last October
  - still subject to possible adjustments
  - fully funded by excess capital
– Adds CHF 13.6 bn AuM

– Cost synergies will start materialising in H2 2010
– By 2012, fully phased-in pre-tax cost synergies targeted of app. CHF 35m
– Total integration and restructuring expenses expected to amount to app. CHF 65m
  - CHF 39m booked in H1 2010
  - large majority of balance expected to be booked in 2011

– Goodwill and other intangible assets amount to CHF 192m

22.8% BIS Tier 1 Ratio - Low Leverage

(CHF m)	31.12.09 Basel II	30.06.10 Basel II	Change vs. 31.12.09
Risk-weighted assets (RWA)			
Credit risk	7'141	7'951	+11%
Non-counterparty-related risk	465	515	+11%
Market risk	709	422	-40%
Operational risk	2'656	2'949	+11%
Total risk-weighted assets	**10'970**	**11'837**	**+8%**
Eligible tier 1 capital [1]	2'656	2'695	+1%
BIS tier 1 ratio [1]	**24.2%**	**22.8%**	**-6%**
Core capital [1]	2'431	2'470	+2%
Core capital ratio	**22.2%**	**20.9%**	**-6%**
Tangible equity in % of total assets	5.8%	5.2%	-10%
Leverage ratio (total assets / tangible equity)	17.2	19.2	+11%
Hybrid capital / tier 1 capital	8.5%	8.3%	-2%

– RWA and capital ratios impacted by ING Bank acquisition (completed in January 2010)
– Julius Baer targets a tier 1 ratio of 12%, pending potential changes to regulatory capital requirements

[1] After dividend

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Further Progress on Strategic Priorities in 2010

Pure Private Banking

- Recognised as the leading private bank by independent market research (awards in several markets)
- Clients and RMs value proximity and open product platform
- Top brand in Private Banking, e.g. named „Top Private Banking Brand" by The Banker magazine (Feb 2010)

Leverage International Platform

Switzerland
- Analysed market positioning, offering, channels & structure
- Strengthened position in Geneva (ING)

Europe
- Italy: Alpha SIM integrated; planning Rome office
- Germany: strengthening management

Asia
- Hong Kong: upgrade to branch on track
- Shanghai: application for rep. office licence prepared

Other markets
- LatAm: further build on successful footprint
- Eastern Europe: accelerate expansion

Generate Growth

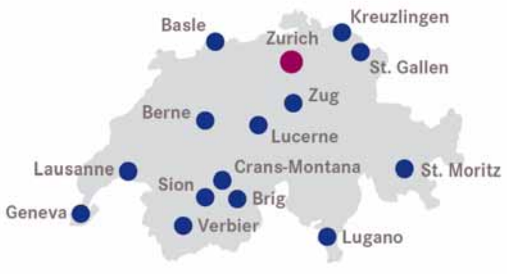
Organic
- Adding 40-50 RMs p.a.
- Continued healthy NNM inflows

M&A
- ING and Alpha SIM integrations completed
- Open mind as to further acquisitions

Client-centric Business Model

- Further improved service offering & positioning, e.g. launch of new targeted portfolio mandates (Asymmetric Return, Asia-specific), added tax- & estate-planning specialists, Emerging Markets capabilities (e.g. Asia Investment Conference)
- Established precious metals service to offer an increasingly important investment alternative
- Continued strengthening of professional FX advisory to sophisticated clients

Markets: Switzerland



Head Office

- Become first choice private bank for HNWI and clients with assets of >CHF0.5m
- Build on our strong brand and extensive presence (15 locations)
  - Strengthening our marketing efforts from H2 2010
- Thorough review of capabilities over last 6 months, resulting in planned enhancement of products and services range for Swiss-domiciled clients
  - Portfolio Management mandate with Swiss focus
  - Financial/estate/retirement planning
  - Online banking
  - Full range of tailor-made mortgage services

Markets: Asia, Julius Baer's Second "Home Market"

- Preparations for upgrading Hong Kong to branch and booking centre on track
- Mainland China entry: application for Shanghai representative office licence prepared
- Adapt Group's client-centric approach to Asian-specific needs
- Develop Asian capabilities as centre of competence for rest of Group: "Gateway to Asia"
  - Successful Asia investment conference held in Zurich in June – very strong interest from clients
- Leverage our platform to realise further strong growth in North and South East Asia
  - Per end of June, >400 staff compared to just 30 at beginning of 2006
  - Double digit % NNM growth
  - AuM could grow to 20-25% of Group AuM within 5 years

* to be opened

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Markets: Europe

- Transformation of cross-border business model is progressing well
- Fine-tuning value chain on country-by-country basis taking into account the different and evolving regulatory environments
- Germany:
  - On-shore clients: good traction due to
    - strong brand recognition (named 'Best Wealth Manager 2010' in German-speaking Europe by 'Fuchsbriefe' publishers)
    - further dislocation of market
  - Strengthening top management team with new Head of PB in Germany
- Italy:
  - ´Scudo fiscale´ (tax amnesty) ended in April: most impact in H2 2009
  - Alpha SIM (acquired 2009) integrated successfully
  - Planning second Italian office in Rome

* to be opened

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Other International Growth Markets

- **Central and Eastern Europe, Russia**

- Economic development and political agenda expected to unlock growth potential in coming years
- Key markets: Russia, Ukraine, Kazakhstan, Poland
- Good hiring opportunities
- Leveraging premium brand positioning of Julius Baer

Latin America

- HNWI wealth in Latin America forecast to grow by 6.8%* (in terms of growth, second to Asia for Julius Baer)
- Good presence, mainly in key markets where we have experience (Argentina, Uruguay, Chile, Peru, Venezuela)

**2008-2013 expected CAGR; source: Merrill Lynch/Capgemini*

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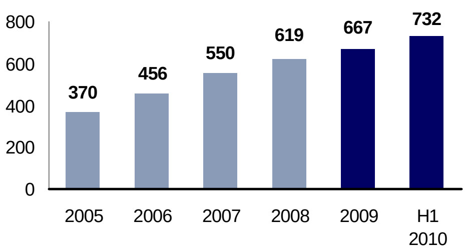
Steady Increase of Relationship Managers

Number of Relationship Managers



- In H1 2010, the RM base expanded by 65 (net) to 732*
  - doubled since end of 2005 (370 RMs)
- Most of new RMs in H1 2010 joined as part of acquisition of ING Bank (Switzerland)
- Active performance management continuing (like every year before)
- Expect on average to add 40 – 50 (net) p.a. over the next years

**including ING RMs*

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Product & Service Offering further enhanced

Research	– Scope of coverage widened to include Emerging Markets topics, e.g. High Yield Bonds, Asia
Investment Advisory Mandates	– Focus on investment themes was very well received by clients – Enhanced coverage of Investment Advisory translated in strong increase of mandates
Discretionary Mandates	– New mandates launched: Asymmetric Return (Evolution Defensive & Evolution Dynamic) as well as Germany and Asia-specific mandates
Wealth & Tax Planning	– Strengthened tax- and estate-planning teams – Further built up global network with external partners
Credit	– Credit volumes increased steadily on the back of re-leveraging of clients (Lombard / mortgages) and enhanced offering
Global Custody	– Strong Global Custody capabilities attracted new clients
Markets	– Established precious metals service: increasingly important investment alternative – Continued strength in professional FX advisory for sophisticated clients – Offering fixed-income brokerage to external clients

In Conclusion: Strongly Positioned

– Strong result in continued difficult environment
  - Continued healthy NNM inflows
  - Gross margin recovered
  - Cost/income ratio stable

– ING Bank integrated successfully and ahead of schedule

– Transformation of business model on track

– Very solid capital position

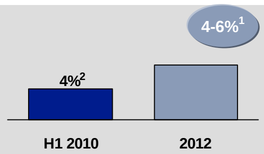
Julius Baer well positioned to

– weather future challenges
– take advantage of arising opportunities
– truly transform the business …

… whilst delivering growth and protecting profitability

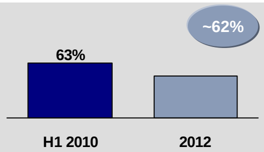
2012 Financial Targets

Net New Money



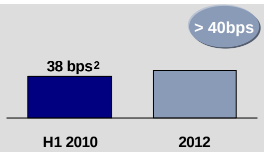
- Organic growth, supported by selected hiring of RMs

Cost Income Ratio[3]



- Continued focus on cost control
- Depending on market performance and further growth investments

Pre-Tax Profit Margin



- Focus on preserving long-term profitability

[1] As % of beginning-of-year AuM
[2] Annualized
[3] Calculated excluding valuation adjustments, provisions and losses

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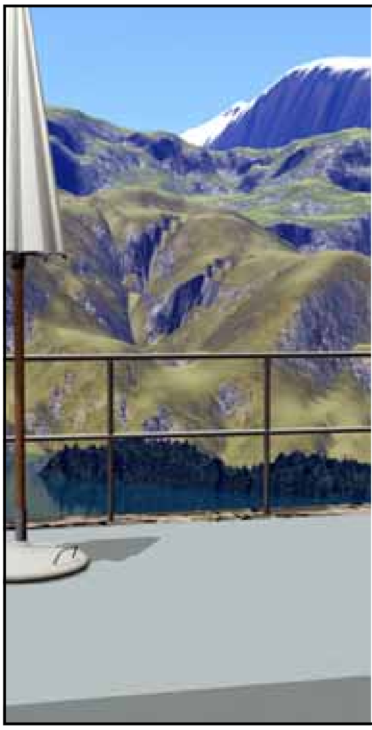

Questions & Answers

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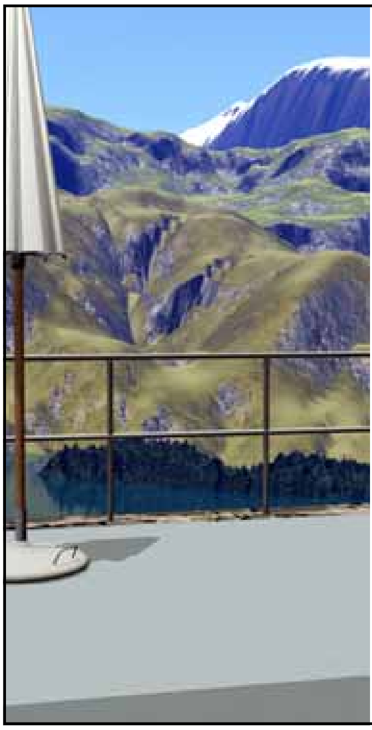

Appendix

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Reconciliation from Adjusted Results to Published Consolidated Financial Statement H1 2010

CHF m	H1 2009	H2 2009	H1 2010	Change H1 09/10
Profit after tax per consolidated Financial Statements	**203**	**186**	**185**	-9%
Amortisation of intangible assets, restructuring, demerger and integration costs [1]	39	47	85	-
Tax impact on above	0	-2	-9	-
Total impact	**39**	**45**	**76**	-
Net profit (adjusted)	**242**	**231**	**261**	+8%

NB: Amortisation of intangibles will amount to CHF 74m in each year until 2015 for the UBS deal and ING will be amortised until 2019.
Please see detailed financial statements in the Annual Report 2009 and the Half-year Report 2010.

[1] Includes CHF 39m integration and restructuring costs related to ING in H1 2010

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Strong Capital Base
Development of equity and tier 1 capital

(CHF m)	31.12.09	30.06.10	Change vs. 31.12.09
Equity at the beginning of the year	3'485	4'192	+20%
Julius Baer Group Ltd. dividend	-72 [1]	-83	-
Net profit (IFRS)	389	185	-
Proceeds from the Artio Global IPO	309	-	-
Change in treasury shares	-12	7	-
Other components of equity	93	7	-
Financial investments available-for-sale	*106*	*17*	-
Treasury shares and own equity derivative activity	*-14*	*-1*	-
Hedging reserve for cash flow hedges	*3*	*1*	-
FX translation differences	*-2*	*-9*	-
Others	-	-	-
Equity at the end of the period	**4'192** [2]	**4'309** [3]	+3%
- Goodwill & intangible assets (as per capital adequacy rules)	1'572	1'700	-
- Other deductions	188	139	-
= Core capital	**2'431**	**2'470**	+2%
+ Tier I instrument (hybrid capital)	225	225	-
= Tier I capital	**2'656**	**2'695**	+1%

[1] The amount is based on the assumption that the Group contributed to the dividend distributed by the former Julius Baer Holding Ltd.
[2] Including non-controlling interests of CHF 1.7m at 31.12.2009
[3] Including non-controlling interests of CHF 1.9m at 30.06.2010

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Breakdown of Julius Baer Group AuM

Asset mix	**31.12.08**	**30.06.09**	**31.12.09**	**30.06.10**
Equities	19%	19%	22%	22%
Bonds	26%	30%	30%	30%
Third-party funds[1]	20%	19%	20%	20%
Money Market	17%	14%	11%	10%
Client Deposits	17%	17%	15%	16%
Other [2]	1%	1%	2%	2%
Total	**100%**	**100%**	**100%**	**100%**

Currency mix	**31.12.08**	**30.06.09**	**31.12.09**	**30.06.10**
CHF	18%	17%	17%	17%
EUR	37%	37%	36%	33%
GBP	4%	4%	4%	4%
USD	32%	31%	30%	32%
JPY	1%	1%	1%	1%
Other	8%	10%	12%	13%
Total	**100%**	**100%**	**100%**	**100%**

[1] Includes further exposure to equities and bonds through equity funds and bond funds
[2] Including alternative investment assets

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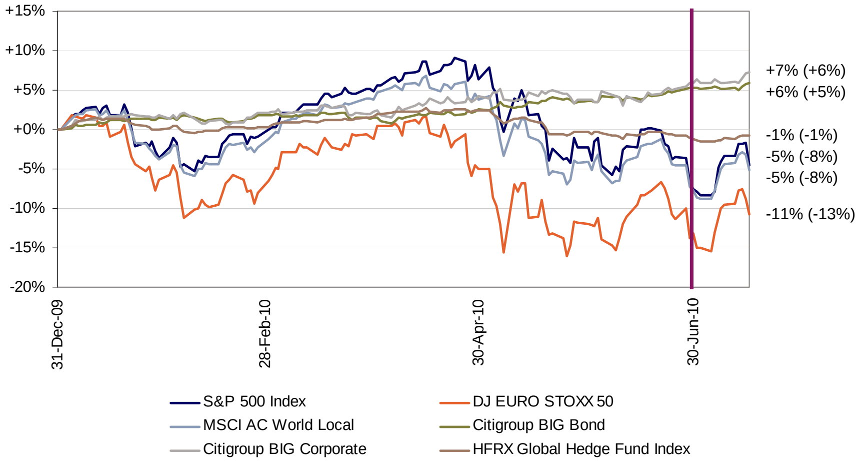
Impact from Asset Prices Development

% change of value of selected indices, 31 December 2009 to 16 July 2010
(In brackets: H1 2010 development)



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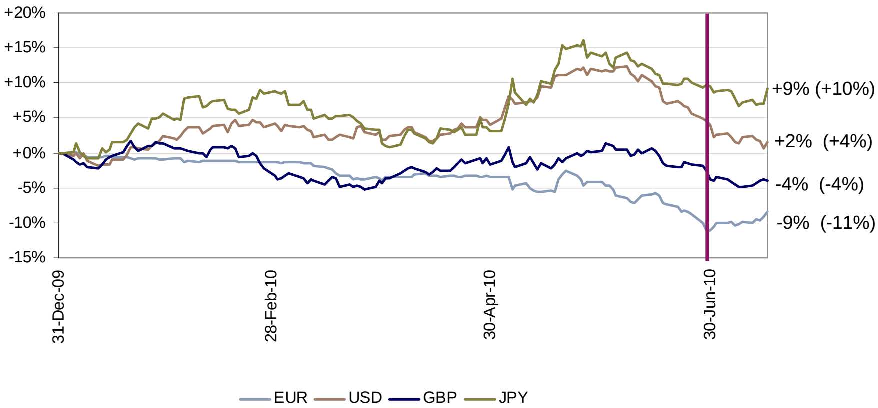
Currency Translation Impact

% change of value of key currencies vs. CHF, 31 December 2009 to 16 July 2010
(In brackets: H1 2010 development)



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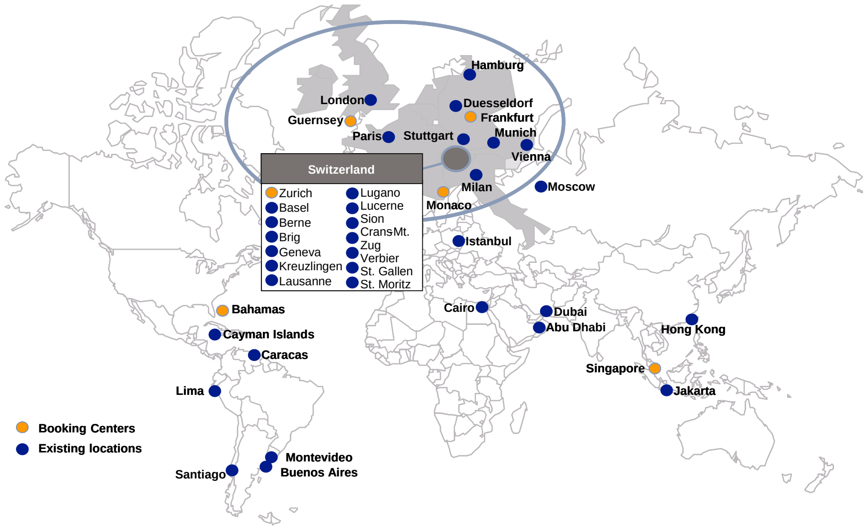
Global Footprint

A solid, growing franchise of more than 40 offices worldwide, with more than 3,500 staff



Julius Bär

Julius Baer: Private Banking at its Purest

Investment rationale

Superior Business Model

- Pure private banking business (excellent feedback from clients)
- Big enough to matter and small enough to care
- Premium brand with long-standing tradition

Strong Market Position

- Home market Switzerland: significant pan-Swiss presence
- Europe: serving clients domestically (Germany, Italy) and out of Switzerland
- Emerging markets: further build Asia as a "second home" market

Clear Value Proposition

- Best-in-class investment solutions and advice based on true open architecture for private clients and external asset managers
- Client-centric service excellence and management culture
- Best talent - employer of choice

Long-Term Growth Strategy

- Conservative balance sheet management and low-risk business profile
- Sustainable organic growth - hiring of relationship managers
- Market consolidator through opportunistic M&A

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