Julius Bär

DISCLOSURE OBLIGATIONS REGARDING CAPITAL ADEQUACY AND LIQUIDITY 2015

JULIUS BAER GROUP LTD.

ACCORDING TO FINMA-CIRCULAR 2008/22
'DISCLOSURE BANKS'

DISCLOSURE OBLIGATIONS REGARDING CAPITAL ADEQUACY AND LIQUIDITY 2015 JULIUS BAER GROUP LTD.

CAPITAL RATIO
INTRODUCTION

The Julius Baer Group Ltd. (the Group) is subject to the full disclosure requirements for capital adequacy according to the conditions defined in Circular 2008/22 'Disclosure Banks' of the Swiss Financial Market Supervisory Authority (FINMA).

The required qualitative information is disclosed in the Annual Report 2015 (AR 2015) of Julius Baer Group Ltd. under 'Comment on risk and capital management' (page 98ff.). This specifically includes the description of the strategy, processes and organisation employed for managing credit risks or counterparty risks, risks in the trading book and banking book as well as operational risks.

In the section 'Credit risk' (AR 2015, page 100ff.), the risk practice and the practice in relation to collateral are explained. External ratings from Moody's, Standard & Poor's and Fitch are employed for determining the risk weighting of amounts due from banks and of the interest rate instruments reported under financial investments. The standardised approach and subsidiary approaches for calculating capital requirements for credit risks are described in the section 'Approaches used for calculating required capital' on page 8 of this document.

In the section 'Market risk (trading book)' (AR 2015, page 110ff.), the methods and processes employed for measuring and limiting market risks are explained. For the trading book, the Group calculates the capital requirements based on its internal value at risk (VaR) model approach.

The assumptions applied for determining interest rate risk are described in the section 'Financing, liquidity and interest rate risks in the banking book' (AR 2015, page 114ff.). This section also contains an explanation of the methods used in practice to hedge or reduce the risks related to changes in interest rates. Quantitative figures on the effect on interest earnings of a major change in interest rates in the banking book are also provided in the aforementioned section.

The standardised approach is used for calculating the capital adequacy for operational risks. Management and control of the operational risks are described in the section 'Operational risk' (AR 2015, page 118ff.).

The section 'Management of capital including regulatory capital' (AR 2015, page 121ff.) describes the capital management principles, the legal parameters and the consolidation scope used for calculating the required capital. The therein disclosed capital ratios and capital components are supplemented in chapter 'Composition of capital', page 5ff. of this document, with the detailed disclosure of the capital positions following a table structure predetermined by FINMA.

CAPITAL COMPONENTS

BALANCE SHEET RECONCILIATION

In 2015, the scope of consolidation used for the calculation of capital adequacy is identical to that applied for accounting purposes. Therefore the balance sheet according to the regulatory scope of consolidation is identical to the IFRS balance sheet. In the table below the lines in the balance sheet are expanded and referenced where relevant to display all components that are used in the table as shown in the section 'Composition of capital', page 5ff.

Balance sheet reconciliation

Consolidated balance sheet[1]	**31.12.2015** According to the financial statement *CHF m*	References[2]
Assets		
Cash	9,185.7	
Due from banks	6,901.1	
Loans	36,380.9	
Trading assets	8,984.0	
Derivative financial instruments	2,189.1	
Financial assets designated at fair value	197.0	
Financial investments available-for-sale	16,572.5	
Investments in associates	90.3	9
Property and equipment	373.2	
Goodwill and other intangible assets	2,316.4	
of which goodwill	*1,712.5*	*5*
of which other intangible assets	*603.9*	*6*
Accrued income and prepaid expenses	366.2	
Deferred tax assets	23.8	
of which deferred tax assets on operating loss carryforwards	*18.9*	*7*
of which deferred tax assets on temporary differences	*4.9*	*11*
Other assets	535.4	
Total assets	**84,115.5**	

[1] The balance sheet positions are presented in accordance with the sample table as shown in the FINMA-Circular 2008/22, annex 2, I. a).
[2] For the reconciliation of individual balance sheet amounts the listed reference numbers in this table set a link to corresponding reference numbers in the table 'Composition of capital'.

Consolidated balance sheet[1]	**31.12.2015** According to the financial statement *CHF m*	References[2]
Liabilities and equity		
Due to banks	4,672.0	
Due to customers	64,781.4	
Trading liabilities	190.8	
Derivative financial instruments	2,391.4	
Financial liabilities designated at fair value	4,263.1	
Debt issued	1,152.7	
of which tier 1 bond issued 2012 (Basel III compliant capital instrument)	*249.3*	*8*
of which tier 1 bond issued 2014 (Basel III compliant capital instrument)	*343.9*	*8*
of which tier 1 bond issued 2015 (Basel III compliant capital intrument)	*314.7*	*8*
of which lower tier 2 capital (phase-out capital instrument)	*244.6*	*10*
Accrued expenses and deferred income	530.1	
Current tax liabilities	65.6	
Deferred tax liabilities[3]	41.6	
of which deferred tax liabilities on goodwill	*0.0*	
of which deferred tax liabilities on other intangible assets	*47.7*	*6*
Provisions	575.2	
Other liabilities	509.7	
Total liabilities	79,173.5	
Share capital	4.5	1
Retained earnings	5,467.8	2
Other components of equity	-317.9	3
Treasury shares	-218.9	
Equity attributable to shareholders of Julius Baer Group Ltd.	4,935.6	
Non-controlling interests	6.4	4
Total equity	4,942.0	
Total liabilities and equity	**84,115.5**	

1 The balance sheet positions are presented in accordance with the sample table as shown in the FINMA-Circular 2008/22, annex 2, I. a).
2 For the reconciliation of individual balance sheet amounts the listed reference numbers in this table set a link to corresponding reference numbers in the table 'Composition of capital'.
3 Total amount including negative amounts

Further details regarding tier 1 and tier 2 instruments can be found at www.juliusbaer.com/cap-instr.

COMPOSITION OF CAPITAL

The table below provides the composition of capital as defined by the Basel Committee on Banking Supervision and FINMA. Reference is made to items reconciling to the balance sheet as disclosed in the section 'Balance sheet reconciliation'. Where relevant, the effect of the transition period under Basel III is disclosed as well. A positive amount in the column 'Effect of the transition period' reflects the excess amount compared to the full application of the Basel III requirements at the closing date 31 December 2015.

Composition of capital

No.[1]		**31.12.2015** Phase-in amounts *CHF m*	**31.12.2015** Effects of the transition period *CHF m*	References[R]
1	Directly issued qualifying common share capital	4.5		1
2	Retained earnings	5,467.8		2
3	Accumulated other comprehensive income	-317.9		3
5	Non-controlling interests	3.8	3.8	4
6	**Common equity tier 1 capital before adjustments[2]**	**5,158.3**	**3.8**	
8	Goodwill	-1,004.8	707.7	5
9	Other intangibles (net of related tax liabilities)	-246.1	310.1	6
10	Deferred tax assets on operating loss carryforwards	-7.5	11.3	7
14	Gains and losses due to changes in own credit risk	-0.4		
16	Net long position of treasury shares	-155.1		
	Proposed dividend for the financial year	-246.2		
26a	Unrealised gains on financial investments available-for-sale	-96.8		
26a	IAS19 revised relating to defined benefit obligation[3]	132.8	132.8	
28	**Total adjustments to common equity tier 1 capital**	**-1,624.1**	**1,161.9**	
29	**Common equity tier 1 capital**	**3,534.2**	**1,165.7**	

1 Row numbers according to the sample table enclosed in the FINMA-Circular 2008/22, annex 2, I. b)
2 Before deduction of treasury shares of CHF 218.9 million and addition of CHF 2.6 million non-controlling interests (corresponds to Basel III phase-out percentage rate of 40%)
3 60% of remeasurement of defined benefit obligation of CHF 221.4 million according to AR 2015, page 85
R Comments to the references:
Reference 4: 60% of the balance sheet amount
Reference 6: Total of CHF 419.4 million from capital components results in a difference of CHF 136.8 million to the corresponding balance sheet total. This is equal to the non deducted amount from capital of capitalised software according to the phase-in ruling.
Reference 7: 40% of the balance sheet amount

No.[1]		31.12.2015 Phase-in amounts *CHF m*	31.12.2015 Effects of the transition period *CHF m*	References[R]
30	Directly issued qualifying additional tier 1 instruments	910.0		8
32	*of which classified as liabilities under applicable accounting standards*	*910.0*		
33	Directly issued capital instruments subject to phase-out from additional tier 1	0.0	0.0	
36	**Additional tier 1 capital before adjustments**[2]	**910.0**	**0.0**	
37	Investments in own additional tier 1 instruments	-2.0		8
	Regulatory adjustments of the tier 1 in respect of transitional agreements	-908.0	-908.0	
	of which goodwill	*-707.7*	*-707.7*	*5*
	of which other intangible assets (net of related deferred tax liabilities)	*-173.3*	*-173.3*	*6*
	of which share of investments in associates decucted from tier 1 capital	*-27.1*	*-27.1*	*9*
43	**Total adjustments to additional tier 1 capital**[2]	**-910.0**	**-908.0**	
44	**Additional tier 1 capital**	**0.0**	**-908.0**	
45	**Tier 1 capital**	**3,534.2**	**257.7**	
47	Directly issued capital instruments subject to phase-out from tier 2	174.3	174.3	10
51	**Tier 2 capital before adjustments**	**174.3**	**174.3**	
52	Investments in own tier 2 instruments	-2.9	-2.9	10
56	Additional adjustments (collective allowance plus 45% of unrealised gains on financial investments available-for-sale)	69.9		
	Regulatory adjustments of the tier 2 in respect of transitional agreements	-27.1	-27.1	
	of which share of investments in associates decucted from tier 2 capital	*-27.1*	*-27.1*	*9*
57	**Total adjustments to tier 2 capital**	**39.9**	**-30.0**	
58	**Tier 2 capital**	**214.2**	**144.3**	
59	**Eligible capital**	**3,748.4**	**402.0**	
	Total amount with risk weight pursuant to the transitional arrangements (phase-in)		-130.2	
	of which software capitalised (intangibles)		*136.8*	
	of which investments in associates		*-90.3*	
	of which deferred tax assets		*11.3*	
	of which credit valuation adjustments exchange traded derivatives		*-188.0*	
60	**Total risk-weighted assets**	**19,294.8**	**-130.2**	

[1] Row numbers according to the sample table enclosed in the FINMA-Circular 2008/22, annex 2, I. b)
[2] In the AR 2015, page 122, an additional tier 1 capital of CHF 908.0 million is disclosed, because the shares of additional tier 1 capital instruments of CHF 2.0 million held in own books are directly deducted.
[R] Comments to the references:
Reference 9: as at 1 January 2015 40% transitional deducted, results in CHF 54.2 million
Reference 10: as at 1 January 2015 30% transitional deducted, results in CHF 171.4 million

No.[1]		**31.12.2015** Phase-in amounts *CHF m*	**31.12.2015** Effects of the transition period *CHF m*	References[R]
	Capital ratios			
61	Common equity tier 1 ratio (row number 29, as a percentage of risk-weighted assets)	18.3%		
62	Tier 1 ratio (row number 45, as a percentage of risk-weighted assets)	18.3%		
63	Eligible capital ratio (row number 59, as a percentage of risk-weighted assets)	19.4%		
64	Common equity tier 1 capital requirement according to capital adequacy ordinance (CAO): minimum requirement plus capital conservation and countercyclical buffer requirement (as a percentag of risk-weighted assets)	4.7%		
65	*of which capital conservation buffer*	*0.0%*		
66	*of which countercyclical buffer*	*0.2%*		
68	Common equity tier 1 capital available to cover minimum and buffer requirements according to CAO after deduction of additonal tier 1 and tier 2 capital requirements which are filled by common equity tier 1 capital (as a percentage of risk-weighted assets)	15.9%		
68a	Common equity tier 1 regulatory minimum capital according to FINMA-Circular 11/2 plus the countercyclical buffer requirement (as a percentage of risk-weighted assets)	8.0%		
68b	Common equity tier 1 capital available after deduction of additional tier 1 and tier 2 capital requirements which are filled by common equity tier 1 capital (as a percentage of risk-weighted assets)	15.2%		
68c	Tier 1 regulatory minimum capital according to FINMA-Circular 11/2 plus the countercyclical buffer requirement (as a percentage of risk-weighted assets)	9.8%		
68d	Tier 1 capital available after deduction of tier 2 capital requirement which is filled by tier 1 capital (as a percentage of risk-weighted assets)	17.0%		
68e	Eligible regulatory minimum capital according to FINMA-C 11/2 plus the countercyclical buffer requirement (as a percentage of risk-weighted assets)	12.2%		
68f	Eligible capital available (as a percentage of risk-weighted assets)	19.4%		
	Amounts below the thresholds for deduction (before risk-weighting)			
72	Non significant investments in the financial sector	141.9		
73	Significant investments in the financial sector	36.1		
75	Other deferred tax assets	4.9		11
	Applicable cap on the inclusion of provisions in tier 2			
76	Provisions eligible for inclusion in tier 2 capital in respect of exposures subject to standardised approach	26.3		
77	Cap on inclusion of provisions under standardized approach	172.2		

[1] Row numbers according to the sample table enclosed in the FINMA-Circular 2008/22, annex 2, I. b)
[R] Comments to the references: none

CREDIT RISK

APPROACHES USED FOR CALCULATING REQUIRED CAPITAL

For calculating the required capital for credit risk, the Group uses the standardised approach SA-BIS according to the Swiss Capital Adequacy Ordinance (CAO). In the CAO and the circulars referred to therein, the calculation procedures are described in detail.

In addition, the following subsidiary approaches are used:

- Collateral is handled under the comprehensive approach, which means that the credit position is netted against the collateral provided. This takes into account add-ons or haircuts on the receivable and the collateral to reflect possible changes in value based on market developments. The resulting net unsecured position remains in the original position category and is risk weighted according to the criteria applicable to this category.
- Lombard loans are also handled under the comprehensive approach described above.
- The regulatory standard haircuts are used for collateral eligible under the comprehensive approach.
- Credit equivalents for derivatives are calculated using the mark-to-market method. The credit equivalent corresponds to the sum of the current replacement value and the add-on which is calculated on the basis of the notional amount of the contract.
- Securities lending, repo and repo-style transactions are handled under the comprehensive approach, at which capital is required to cover the difference between the margin provided less a haircut and the securities position plus a risk premium.
- The standard approach is used to quantify the risk of a loss due to credit value adjustments (CVAs) of derivatives based on counterparty credit risks.

CREDIT RISK BREAKDOWN

The credit risk breakdown by region, by sector, secured/not secured and by regulatory risk weightings, as presented numerically in the tables of the annual report 2015 on pages 101 to 104, is provided before deduction of the eligible collateral. Balance sheet and off-balance sheet positions exposed to credit risks are disclosed, with the exception of the following balance sheet positions, which include non-financial instruments: accrued income and prepaid expenses, deferred tax assets and other assets.

USE OF EXTERNAL RATINGS

The Group uses the ratings of the agencies Moody's, Standard & Poor's and Fitch in accordance with the regulations of the FINMA. The following table shows the receivables per counterparty category and split into risk-weightings. The allocation is based on external ratings before the deduction of eligible collaterals.

Based on external ratings determined risk-weighted positions[1]

						31.12.2015
Counterparty	**Rating**	0% *CHF m*	20% *CHF m*	50% *CHF m*	100% *CHF m*	150% *CHF m*
Central governments and central banks	with rating	4,106.4	178.4	5.8	0.4	-
	without rating	424.9	-	-	0.1	-
BIS, IMF and multilateral development banks	with rating	876.1	106.7	0.2	-	-
	without rating	-	-	-	-	-
Public-sector entities	with rating		413.9	330.5	9.5	-
	without rating		1.6	5.5	-	-
Banks and securities traders	with rating		10,774.8	4,128.4	166.4	249.8
	without rating		783.9	872.6	19.0	86.5
Corporates	with rating		2,205.4	2,149.6	105.8	1.7
	without rating		-	-	3,896.5	35.9
Total	with rating	4,982.5	13,679.2	6,614.5	282.1	251.5
	without rating	424.9	785.5	878.1	3,915.6	122.4
Grand total		**5,407.4**	**14,464.7**	**7,492.6**	**4,197.7**	**373.9**

[1] Before taking into consideration risk-mitigating measures

ADDITIONAL INFORMATION

In the following table the impaired loans are disclosed broken down by geographical region.

Impaired loans by region

		31.12.2015		31.12.2014
	Gross loans *CHF m*	Specific allowance *CHF m*	Gross loans *CHF m*	Specific allowance *CHF m*
Switzerland	**4.1**	**-0.5**	3.9	-3.9
Europe (excl. Switzerland)	**29.6**	**-20.1**	13.7	-3.4
Americas	**2.4**	**-2.5**	0.3	-0.3
Asia and other countries	**36.0**	**-35.3**	36.2	-21.4
Total	**72.2**	**-58.5**	54.1	-29.0

The total of the notional amounts of credit derivatives in the banking book is disclosed in the table below.

Credit derivatives

		31.12.2015		31.12.2014
	Protection sold *CHF m*	Protection bought *CHF m*	Protection sold *CHF m*	Protection bought *CHF m*
Notional amount credit default swaps	**123.9**	**-**	35.2	-
Notional amount total return swaps	**-**	**56.6**	-	13.8
Total	**123.9**	**56.6**	35.2	13.8

LEVERAGE RATIO
INTRODUCTION

In November 2014, FINMA published a new 'Leverage Ratio' circular, which sets out the rules for calculating the leverage ratio in Switzerland. In addition to the existing requirement for banks to hold eligible capital proportionate to their risk weighted assets, the circular defines the leverage ratio as a new, non-risk-based metric. The leverage ratio is defined as the ratio between eligible (tier 1) core capital and total exposure. The total exposure encompasses all balance-sheet and off-balance sheet positions, and the new 'Leverage Ratio' circular defines how these are to be calculated. The Basel Committee on Banking Supervision will define the requirements which it will place on the leverage ratio from 2018 after the conclusion of an observation period. That period will also be used to clarify a number of currently open questions regarding the calculation of total exposure. The indicative leverage ratio requirement, which is not yet binding at this stage, is three percent. This may however be subject to change once the observation period has concluded. Basel III regulations also require publication of the leverage ratio from 2015 onwards. This requirement is contained in the revised version of the FINMA-Circular 2008/22 'Disclosure Banks'.

COMPONENTS

The tier 1 leverage ratio was 4.3% as of the end of 2015. The difference of the total exposures of CHF 82,485 million (number 8 in the following table) to the total on-balance sheet exposures of CHF 84,116 million (number 1) is minus CHF 1,631. The difference is the total of the single amounts of the numbers 2 to 7 in the following table.

Summary comparison of accounting assets versus leverage ratio exposure measure

No.		**31.12.2015** *CHF m*
1	Total assets as per published financial statements	84,115.5
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation (margins 6–7 FINMA circular 15/3), and adjustments for assets that are deducted from tier 1 capital (margins 16–17 FINMA circular 15/3)	-2,166.5
3	Adjustments for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure (margin 15 FINMA circular RS 15/3)	-
4	Adjustments for derivative financial instruments (margins 21–51 FINMA circular 15/3)	162.2
5	Adjustments for securities financing transactions (margins 52–73 FINMA circular 15/3)	-543.7
6	Adjustments for off-balance sheet items (conversion to credit equivalent amounts of off-balance sheet exposures) (margins 74–76 FINMA circular 15/3)	917.2
7	Other adjustments	-
8	**Leverage ratio exposure**	**82,484.7**

Detailed description of the components of the the leverage ratio

No.		31.12.2015 CHF m
	On-balance sheet exposures	
1	On-balance sheet items excluding derivatives and securities financing transactions (SFTs), but including collateral (margins 14–15 FINMA circular 15/3)	81,280.4
2	(Asset amounts deducted in determining Basel III Tier 1 capital) (margins 7 and 16–17 FINMA circular 15/3)	-2,166.5
3	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**79,114.0**
	Derivative exposures	
4	Positive replacement cost associated with all derivatives transactions including exposures resulting from CCP transactions net of eligible cash variation margin according to margins 22-23 and 34-35 FINMA circular 15/3	1,726.1
5	Add-on amounts for potential futures exposures (PFE) associated with all derivatives transactions (margins 22 and 25 FINMA circular 15/3)	876.9
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework (margin 27 FINMA circular 15/3)	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions according to margin 36 FINMA circular 15/3)	-375.7
8	(Exempted central counterparty (CCP) leg of client-cleared trade exposures) (margin 39 FINMA circular 15/3)	-
9	Adjusted effective notional amount of all written credit derivatives (after deduction of negative replacement values) (margin 43 FINMA circular 15/3)	123.9
10	(Adjusted effective notional offsets (margins 44–50 FINMA circular 15/3) and add-on deductions for written credit derivatives according to margin 51 FINMA circular 15/3)	-
11	**Total derivative exposures**	**2,351.2**
	Securities financing transaction exposures	
12	Gross SFT assets with no recognition of netting other than novation with QCCPs (margin 57 FINMA circular 15/3), including sales accounting transactions (margin 69 FINMA circular 15/3), removing certain positions according to margin 58 FINMA circular 15/3	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets) (margins 59–62 FINMA circular 15/3)	-2.3
14	Counterparty credit risk (CCR) exposure for SFT assets (margins 63–68 FINMA circular 15/3)	104.6
15	Agent transaction exposures (margins 70–73 FINMA circular 15/3)	-
16	**Total securities financing transaction exposures**	**102.3**
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount (before calculation of credit conversion factors)	1,882.3
18	(Adjustments for conversion to credit equivalent amounts) (margins 75–76 FINMA circular 15/3)	-965.1
19	**Total off-balance sheet items**	**917.2**
	Eligible capital and total exposures	
20	**Core capital (Tier 1 capital, margin 5 FINMA circular 15/3)**	**3,534.2**
21	**Total exposures**	**82,484.7**
	Leverage ratio	
22	**Basel III leverage ratio (margins 3-4 FINMA circular 15/3)**	**4.3%**

LIQUIDITY COVERAGE RATIO
INTRODUCTION

Switzerland's Liquidity Ordinance and FINMA's 'Liquidity Risks – Banks' circular make it a regulatory requirement for the Group to calculate and monitor its Liquidity Coverage Ratio (LCR). The LCR provides banks with a metric to assist them in ensuring that they hold a sufficient quantity of highly liquid assets to enable them to withstand a short-term (30-day) company-specific stress situation which coincides with a period of general market stress. The management of the liquidity risks is described in the AR 2015 of the Julius Baer Group Ltd. in the section „Management of liquidity and financing risks" (page 114ff.).

COMPONENTS

In the following table the LCR figures are disclosed as 3-month average value per quarter. The totals of the high-quality liquid assets (number 1 in the following table) on a quarterly basis vary only in a range of +/- 1% compared to the annual average value. The total of net cash outflows (number 22) of the fourth quarter increased more significantly compared to the previous quarters resulting in the lowest liquidity coverage ratio of 186.8%. This value is far above the regulatory required minimum ratio of 60% valid as at end of 2015 (from 2019 100% is required).

Information to the liquidity coverage ratio

		Q1 2015 3-month average		**Q2 2015** 3-month average	
		Unweighted value *CHF m*	Weighted value *CHF m*	Unweighted value *CHF m*	Weighted value *CHF m*
No.					
A.	**High-quality liquid assets (HQLA)**				
	Cash and balances with central banks		10,953.2		10,140.2
	Securities category 1 and category 2		5,431.6		5,937.1
1	**Total high-quality liquid assets (HQLA)**		**16,384.9**		**16,077.3**
B.	**Cash outflows**				
2	Retail deposits	29,128.0	3,962.2	29,532.0	3,961.6
3	*of which stable deposits*	*3,451.5*	*172.6*	*3,733.4*	*186.7*
4	*of which less stable deposits*	*25,676.4*	*3,789.6*	*25,798.6*	*3,774.9*
5	Unsecured wholesale funding	34,156.3	19,311.1	34,182.9	19,164.0
6	*of which operational deposits (all counterparties)*	-	-	-	-
7	*of which non-operational deposits (all counterparties)*	*32,387.6*	*17,542.4*	*32,237.3*	*17,218.4*
8	*of which unsecured debts*	*1,768.6*	*1,768.6*	*1,945.6*	*1,945.6*
9	Secured wholesale funding		1,008.5		1,050.3
10	Additional cash outflows	7,627.9	7,030.5	7,624.2	7,035.4
11	*of which outflows related to derivatives and other transactions*	*6,873.5*	*6,873.5*	*6,870.0*	*6,870.0*
12	*of which outflows related to loss of funding on debt products*	-	-	-	-
13	*of which committed credit and liquidity facilities*	754.3	157.0	754.2	165.4
14	Other contractual funding obligations	409.3	384.1	405.7	401.4
15	Other contingent funding obligations	4,814.3	125.5	4,885.1	124.4
16	**Total cash outflows**		**31,821.9**		**31,737.0**
C.	**Cash inflows**				
17	Secured lending (e.g. reverse repurchase transactions)	264.5	117.0	325.9	185.6
18	Income from fully performing exposures	25,865.5	15,932.3	25,963.9	15,766.0
19	Other cash inflows	7,736.5	7,736.5	7,943.8	7,943.8
20	**Total cash inflows**[1]	**33,866.5**	**23,552.0**	**34,233.6**	**23,456.2**
	Liquidity coverage ratio				
21	Total high-quality liquid assets (HQLA)		16,384.9		16,077.3
22	Total net cash outflows		8,270.0		8,280.7
23	**Liquidity coverage ratio (in %)**		**198.1%**		**194.2%**

[1] After applying the cap on cash inflows at max. 75% of total cash outflows, calculated on a monthly basis

Information to the liquidity coverage ratio

		Q3 2015 3-month average		Q4 2015 3-month average	
		Unweighted value *CHF m*	Weighted value *CHF m*	Unweighted value *CHF m*	Weighted value *CHF m*
No.					
A.	**High-quality liquid assets (HQLA)**				
	Cash and balances with central banks		10,171.5		9,549.5
	Securities category 1 and category 2		6,075.8		6,638.1
1	**Total high-quality liquid assets (HQLA)**		**16,247.3**		**16,187.6**
B.	**Cash outflows**				
2	Retail deposits	31,414.2	4,282.8	32,198.4	4,403.5
3	*of which stable deposits*	*3,686.5*	*184.3*	*3,538.4*	*176.9*
4	*of which less stable deposits*	*27,727.7*	*4,098.5*	*28,660.0*	*4,226.6*
5	Unsecured wholesale funding	34,992.2	19,192.7	36,329.3	20,131.2
6	*of which operational deposits (all counterparties)*	-	-	-	-
7	*of which non-operational deposits (all counterparties)*	*33,186.6*	*17,387.0*	*34,586.3*	*18,388.1*
8	*of which unsecured debts*	*1,805.7*	*1,805.7*	*1,743.0*	*1,743.0*
9	Secured wholesale funding		750.0		968.5
10	Additional cash outflows	7,575.4	6,948.0	9,200.5	8,562.3
11	*of which outflows related to derivatives and other transactions*	*6,744.3*	*6,744.3*	*8,316.3*	*8,316.3*
12	*of which outflows related to loss of funding on debt products*	-	-	-	-
13	*of which committed credit and liquidity facilities*	831.1	203.7	884.2	246.0
14	Other contractual funding obligations	411.8	400.1	478.2	471.8
15	Other contingent funding obligations	4,720.1	119.0	4,915.8	119.5
16	**Total cash outflows**		**31,692.5**		**34,656.8**
C.	**Cash inflows**				
17	Secured lending (e.g. reverse repurchase transactions)	1,062.5	551.7	590.5	273.7
18	Income from fully performing exposures	26,927.4	16,425.8	27,899.7	16,964.1
19	Other cash inflows	8,225.7	8,225.7	10,170.7	10,170.7
20	**Total cash inflows**[1]	**36,215.5**	**23,769.4**	**38,661.0**	**25,992.6**
	Liquidity coverage ratio				
21	Total high-quality liquid assets (HQLA)		16,247.3		16,187.6
22	Total net cash outflows		7,923.1		8,664.2
23	**Liquidity coverage ratio (in %)**		**205.1%**		**186.8%**

[1] After applying the cap on cash inflows at max. 75% of total cash outflows, calculated on a monthly basis

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30.04.2016