

Julius Bär

MEDIA RELEASE

Julius Baer Group Ltd.

Decision in the case of the BvS against Julius Baer Zurich Court of Appeal has reassessed the case

The Zurich Court of Appeal has departed from its previous decision and affirmed the claim by the Bundesanstalt für vereinigungsbedingte Sonderaufgaben (BvS) against Bank Julius Baer & Co. Ltd. as successor of Bank Cantrade Ltd. in an amount of approx. CHF 97 million plus accrued interests since 2009 following an earlier decision by the Swiss Federal Supreme Court requiring it to reassess the case. As a consequence, Julius Baer will preventatively book a provision in the amount of CHF 153 million. However, Julius Baer will appeal the case to the Swiss Federal Supreme Court and claim any finally awarded amount from UBS AG under the terms of the related transaction agreement of 2005.

Zurich, 4 December 2019 – In 2005, Julius Baer acquired former Bank Cantrade Ltd. (Cantrade) through the acquisition of Bank Ehinger & Armand von Ernst Ltd. from UBS AG.

As previously disclosed, in September 2014 BvS initiated legal proceedings in Zurich against Julius Baer as successor of former Cantrade for an amount of approx. CHF 97 million plus accrued interests since 1994. BvS argues to be the competent German authority to claim alleged unauthorised withdrawals between 1990 and 1992 from a Cantrade account of a foreign trade company established in the German Democratic Republic (GDR).

On 18 April 2018, the Zurich Court of Appeal confirmed the decision by the First Instance Court and ruled again in favour of Julius Baer and dismissed all claims by BvS. On 17 January 2019, the Swiss Federal Supreme Court partially ruled in favour of BvS, rejecting the verdict by the Zurich Court of Appeal, ordering it to reassess the case.

On 3 December 2019, the Zurich Court of Appeal has decided the case anew and now affirmed BvS' claim in the principal amount of approx. CHF 97 million plus interest since 2009. Julius Baer takes note of such decision and will appeal it to the Swiss Federal Supreme Court again. As such appeal does not have a suspensive effect, Julius Baer has to preventatively book a provision for the full awarded amount of CHF 153 million. Julius Baer has always contested and continues contesting the claims of BvS.

As previously disclosed, the claims of the BvS were notified to UBS AG under the terms of the 2005 transaction agreement with regard to representations and warranties granted in respect of the acquired entities and Julius Baer will claim for reimbursement of any finally awarded amount.

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About Julius Baer

Julius Baer is the leading Swiss wealth management group and a premium brand in this global sector, with a focus on servicing and advising sophisticated private clients. At the end of October 2019, assets under management amounted to

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CHF 422 billion. Bank Julius Baer & Co. Ltd., the renowned Swiss private bank with origins dating back to 1890, is the principal operating company of Julius Baer Group Ltd., whose shares are listed on the SIX Swiss Exchange (ticker symbol: BAER) and are included in the Swiss Leader Index (SLI), comprising the 30 largest and most liquid Swiss stocks.

Julius Baer is present in over 25 countries and more than 60 locations. Headquartered in Zurich, we have offices in key locations including Dubai, Frankfurt, Geneva, Hong Kong, London, Luxembourg, Mexico City, Milan, Monaco, Montevideo, Moscow, Mumbai, São Paulo, Singapore and Tokyo. Our client-centric approach, our objective advice based on the Julius Baer open product platform, our solid financial base and our entrepreneurial management culture make us the international reference in wealth management.

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