Julius Bär

SPEECHES

at the Annual General Meeting 2018
of Julius Baer Group Ltd.

Zurich, 11 April 2018

Chairman's address

Daniel J. Sauter
Chairman of the Board of Directors

Address

Bernhard Hodler
Chief Executive Officer

Check against delivery.

Address by

Daniel J. Sauter, Chairman of the Board

Dear shareholders, guests, fellow members of the Board of Directors, and employees of the Julius Baer Group

I am pleased to welcome you to the Annual General Meeting of Julius Baer Group Ltd.

2017 was a successful year for Julius Baer. Supported by an overall favourable market environment, we achieved clear improvement in the operating performance of our Group on all levels. We remained attractive to existing and new clients and further strengthened our position as the international reference in private banking.

These developments and successes earned us the prestigious honour as the *World's Best Bank for Wealth Management*. This award, bestowed by Euromoney Magazine, is one of the most acclaimed accolades in the financial industry, with an allure perhaps most comparable to that of the Oscar Awards in the US film industry.

Our new Chief Executive Officer, Bernhard Hodler

Our CEO, Bernhard Hodler, will subsequently take a more detailed look at the 2017 business results, as is customary at our AGM, and discuss the implementation of Julius Baer's sharpened business strategy. Allow me to introduce him to you:

BERNHARD HODLER, CHIEF EXECUTIVE OFFICER (CEO) JULIUS BAER

JULIUS BAER GROUP

- Since 27.11.2017: CEO of Julius Baer Group Ltd. and of Bank Julius Baer & Co. Ltd.
- 22 September 2017: appointed deputy CEO Julius Baer
- 2001 – 2017: Chief Risk Officer

ADDITIONAL FUNCTIONS – BANK JULIUS BAER & CO. LTD.

- President of Management Committee
- Chief Operating Officer
- Chief Risk Officer

Julius Bär

Bernhard Hodler took over the position of CEO at the end of November 2017. He is no newcomer, however, but has played a key role in shaping the success of Julius Baer for more than twenty years now. He has held key, very client-centric positions during this time: President of the Management Committee of Bank Julius Baer, Chief Operating Officer, and Chief Risk Officer of the Bank and the Group for many years up until November 2017. As the longest standing member of the Executive Board, he has a more extensive and detailed knowledge of Julius Baer than perhaps anyone else.

Bernhard Hodler succeeded Boris Collardi, who decided at the end of November 2017 to leave Julius Baer after 11 years with the company. As is customary in such instances, new CEO Bernhard Hodler took over his duties immediately. This key change in the leadership of Julius Baer drew a strong reaction from the media. The circumstance that the Board of Directors named a new CEO within a weekend was interpreted by various pundits as a temporary succession solution. Bernhard Hodler, however, was appointed by the Board of Directors to guide the destiny of Julius Baer in the years ahead.

One of the most important duties of the Board of Directors and the Nomination Committee is to maintain the best staffing of the operating management of the Group and the Bank at all times. The job profiles of the CEO and the other members of the Executive Boards are continuously reviewed by this committee for fit with the current and expected future requirements of the Group and revised as needed. This evaluation process considers a whole host of internal and external factors. However, the sustainable and successful development of your company is always the primary focus.

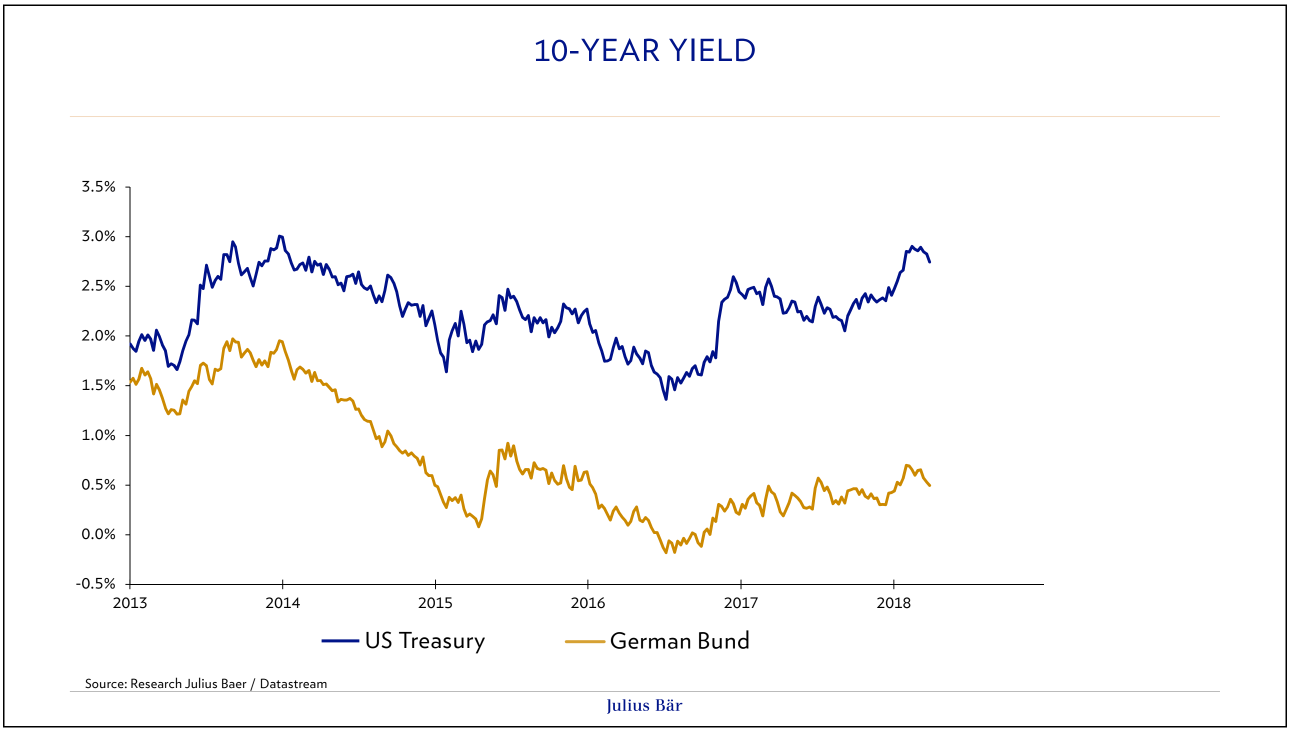
Bernhard Hodler thoroughly fulfils the high standards Julius Baer sets for the professional, business and personal qualifications of the CEO. These skills are complemented by extensive leadership experience and an impressive track record in strategy implementation. The Board of Directors is very pleased that Bernhard Hodler took on the role of CEO without hesitation, and he enjoys the complete confidence of myself and my colleagues. We look forward to shaping the future of Julius Baer together with Bernhard Hodler and his experienced management team and we thank him for his outstanding dedication.

Boris Collardi was with our company for more than 11 years, including 8 years as Chief Executive Officer. After 2005, the Julius Baer Group transformed itself into an international wealth manager, bringing immense growth in assets under management and net profit. Today Julius Baer is very well positioned in its markets and has an outstanding reputation. The successful acquisition and integration of the international wealth management business of Merrill Lynch in 2012 made a significant contribution to this success. Boris Collardi and his management team were largely responsible for this transformation of Julius Baer and thus deserve our utmost respect and thanks. I speak for everyone in wishing him all the best and good fortune in his new professional challenge. I am sure and hope our paths will cross again in the future.

Dynamic environment of international wealth management

Julius Baer is in great shape to successfully master the challenges of the future. Looking at the financial markets, this future will be characterised – at least in the medium term – by a dynamic environment that already prompted unrest at the beginning of the year.

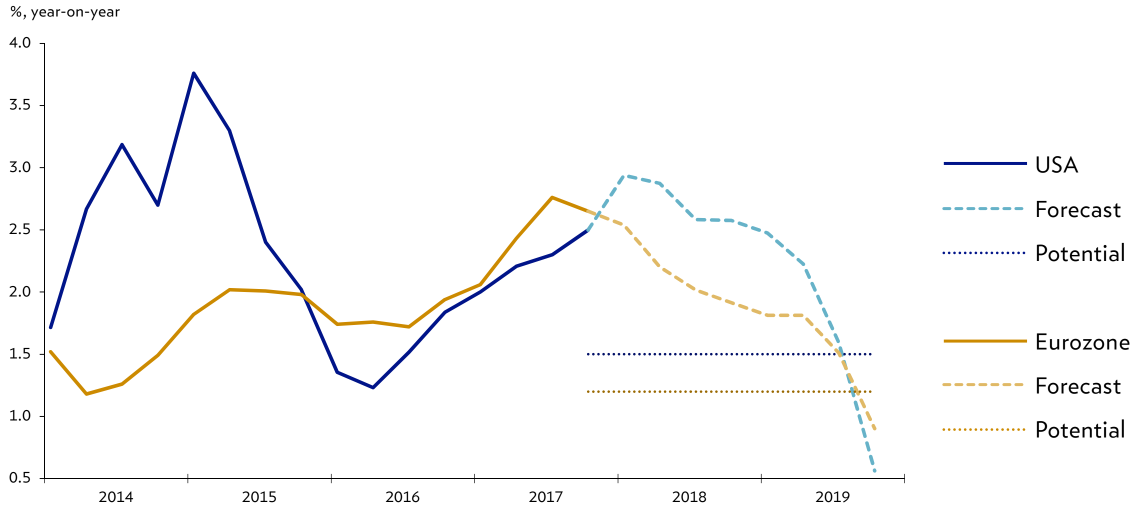
Following an exceptionally strong rise in the international equity markets in January, a sharp downturn ensued over the course of several days in early February. This was accompanied – and reinforced – by a massive increase in the previously record-low volatility as well as by a further rise in the general interest rate level. The indications of this development are clear: the period of record-low or even negative interest rates that has prevailed for years now is nearing an end. The financial markets are seeking a new normality, and this is an upward trending interest rate level, illustrated here by the government bonds of the USA and Germany:



The acceleration of global economic growth had virtually no impact on inflation in 2017, but this apparent contradiction seems to have come to an end at the start of this year. Our analysts believe that the greater uncertainty about the inflation trend and thus the increased probability of higher key interest rates will cause long-term interest rates to rise further. The uncertainty on the stock exchanges is reflected in price swings, otherwise known as volatility. The rise in volatility is an unmistakable sign that the market is trying to reassess the significance of rising interest rates for economic growth, corporate financing and the generally high debt level in the developed economies. The market correction was not triggered by a fundamental event. Other vulnerable market segments such as high yield bonds showed no stress symptoms. This supports our view that since February of this year we are seeing an adjustment process towards a higher interest rate level.

The global economy is in better shape than almost ever in the past years. The global upswing is exceptionally synchronous around the world for developed economies and developing economies alike.

GLOBAL CYCLE DRIVEN BY US AND EUROZONE GROWTH



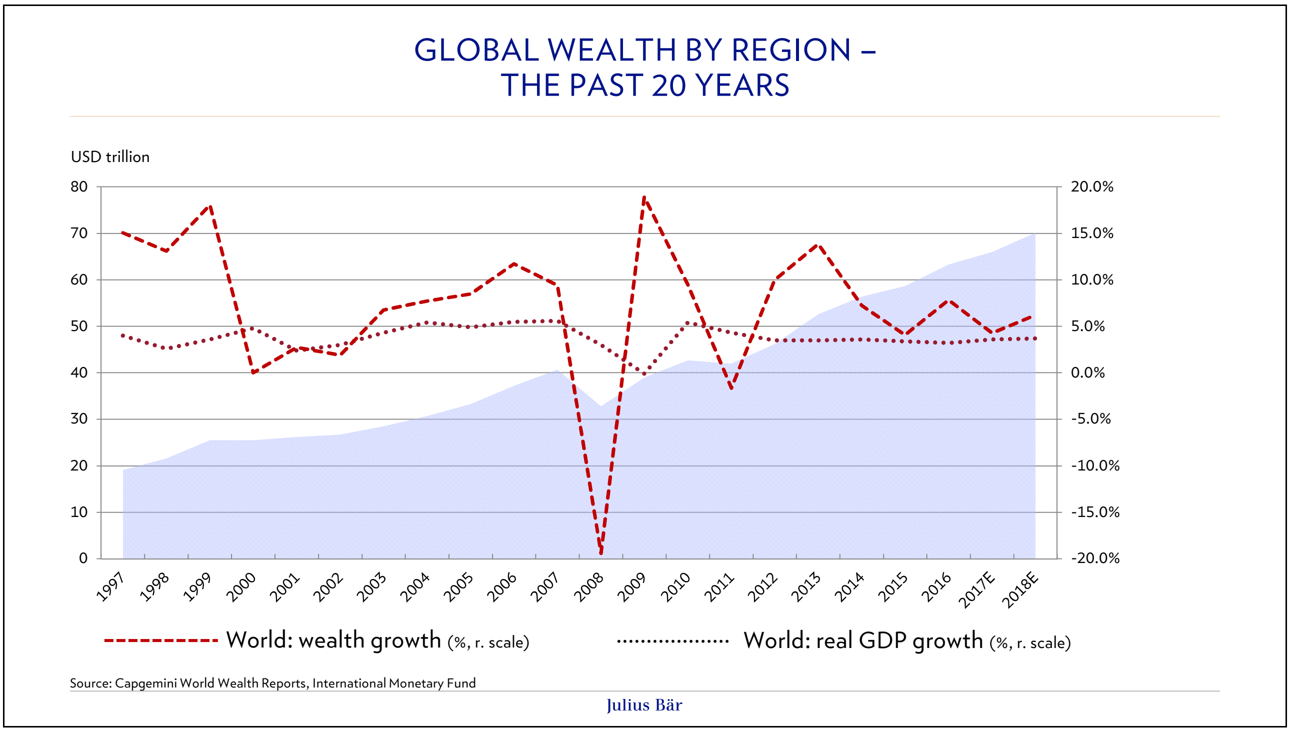
Source: Julius Baer research / Eurostat, Bureau of Economic Analysis

Julius Bär

The breath of this upswing is also reflected in corporate earnings – which have risen continuously in the past quarters. In the United States, whose economy is enjoying one of the longest expansion phases in its history, the final quarter of 2017 showed the strongest earnings growth in more than six years. This inherent strength of the corporate sector – not just in the USA – was largely responsible for the strong rebound in the equity markets in the second half of February. The aforementioned inflation risk is considered by our economists to be relatively unproblematic for equity valuations as long as the rise takes place at a moderate pace and in a range of one to three per cent.

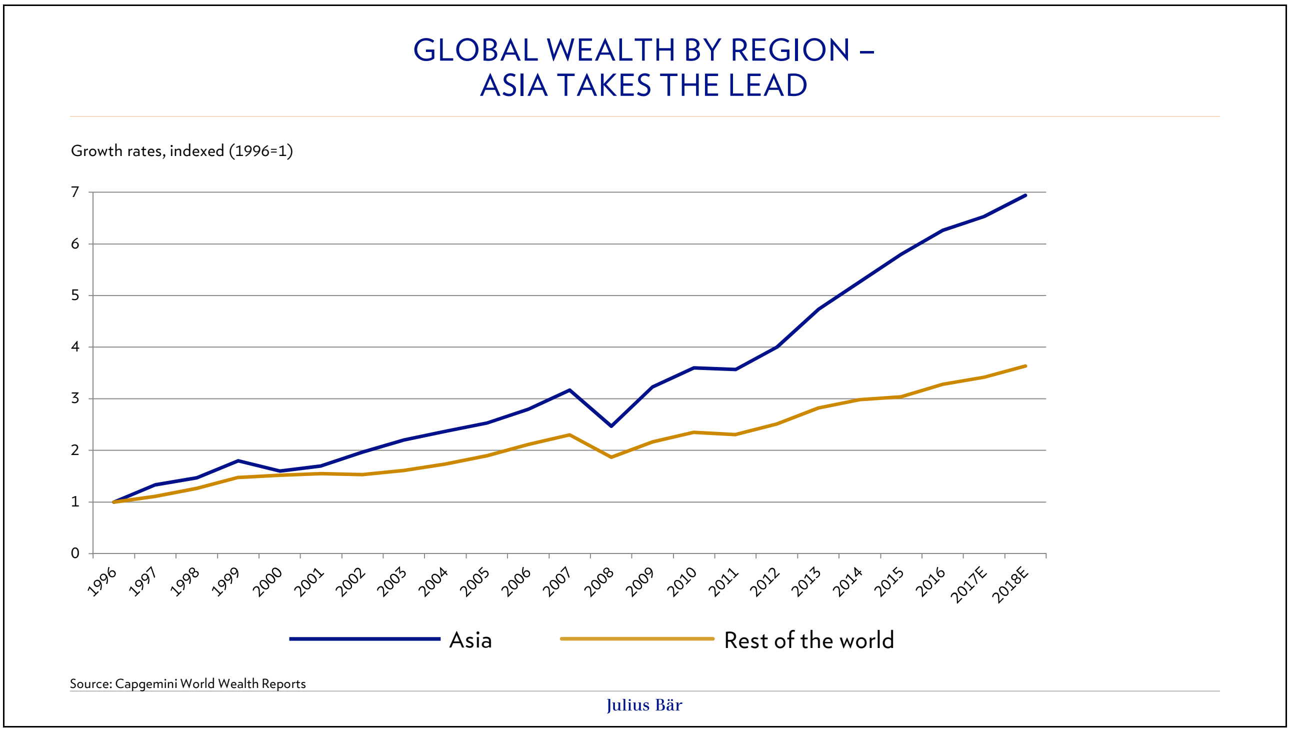
To sum up, according to our own analysis there are good odds that the global economy will grow above its long-term potential both this year and next. This is good news for a strongly focussed wealth manager such as Julius Baer, for whom the level and the increase of assets under management represent a key income and growth factor.

The correlation between global economic growth and the growth of global financial wealth is clearly evident in the diagram shown behind me:



Over the past twenty years, investible wealth has nearly quadrupled according to the annual study by consulting firm Capgemini, to over 65,000 billion US dollars. This corresponds to an annual growth rate of approximately 7%. This growth has been anything but linear, as reflected in the dashed line. It shows the annual rates of change in wealth growth. Slumps in the financial markets are clearly recognisable, such as in the aftermath of the Internet bubble collapse in 2000, the financial crisis in 2008 and the euro crisis in 2011. Apart from these swings, however, global financial wealth exhibits a significantly higher growth rate than global real economic output, illustrated by the dotted line in the diagram. The difference amounts on average to multiple percentage points in favour of the financial wealth levels. This confirms that international wealth management remains an industry with solid sustainable growth.

This positive assessment does not apply across the board to all providers, however. As is well known, growth patterns in the global economy have changed sharply in the course of globalisation. This is also reflected in the regional development of wealth levels:



In this diagram, the growth rates of all regions were indexed to „1“ as of 1996. As is readily apparent, the consequences of the international financial crisis in 2008 marked a turning point for all regions. Each region was able to recover from this setback and subsequently reach new highs, but there were broad differences in this trend. The regions with traditionally higher wealth concentration, such as Europe and North America, were clearly surpassed by the growth momentum in Africa, Latin America and Asia. If we also take into account the nominal wealth level at the beginning of this trend, then Asia is the undisputed leader in global wealth growth. It is unsurprising that Asia has meanwhile become the world’s biggest market for wealthy and ultra-wealthy individuals.

This trend underscores the validity of our business strategy. Already in 2006, we began to massively expand Julius Baer’s private banking business in Asia. Thanks to organic growth and successful acquisitions, we are today one of the biggest and most successful private banking providers in the region. After Switzerland, Asia is our second home market, accounting for approximately a quarter of our assets under management today.

As a consequence of the strong growth in recent years, our global franchise is well balanced across geographies. Around half of our assets under management come from the European core markets, including Switzerland. The other half are attributable to growth markets. This enables us to benefit from wealth creation in established and growth markets alike.

Our industry is evolving at a fast pace. Changes in client needs and regulation are redefining our business – from the way we advise our clients to the products and services we offer and the demands on our employees. With digitalisation sweeping through virtually every aspect of modern life, technology is becoming an increasingly important aspect of any value proposition. Continued development is key. We are fortunate to be able to harness these trends from a position of strength.

We continue to invest in our core banking platforms, the scalability of processes, our investment solutions capabilities and digital tools. We are thus also responding to our clients' evolving desire to interact, transact and receive advice and insights online. We do not underestimate the importance of this: over 48% of our clients in Switzerland make use of Julius Baer's e-banking offering. This figure is significantly higher than the average for all Swiss Banks, including retail banks, which was below 40% in 2017. 70% of our e-banking clients also already use Julius Baer's mobile app.

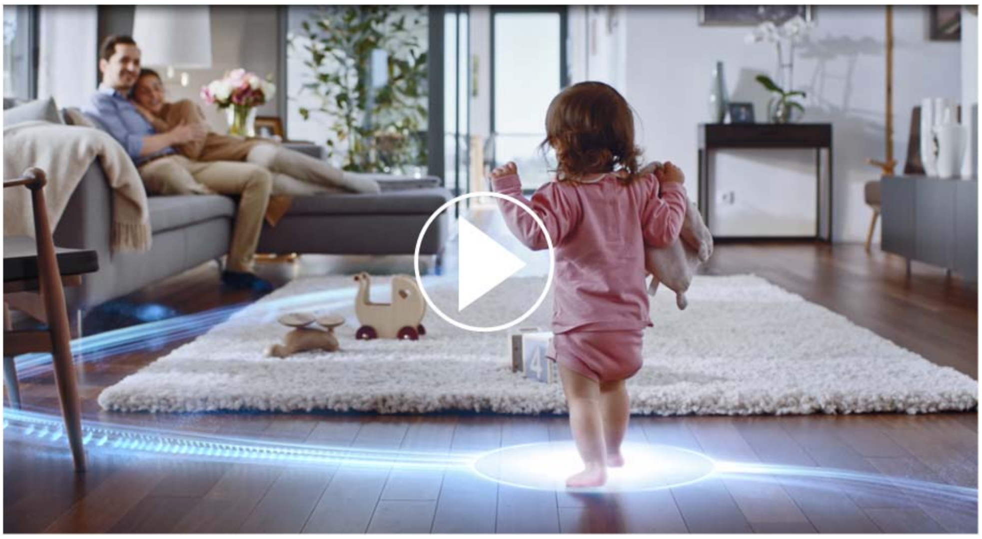
We are proactive in the digital world! Julius Baer is a founding member of the Swiss organisation *F10 FinTech Incubator and Accelerator Association*, which to date has brought together approximately 600 young tech firms from around the world. With a number of these start-ups, we are engaged in a lively discourse on how to apply their ideas, concepts and solutions in our business. We are already cooperating with some firms. Newly developed technologies are being put to use selectively by Julius Baer, whether in internal applications for test purposes or in connection with specific client requests.

To identify and integrate all these initiatives across the Group, we appointed a Chief Digital Officer in the second half of 2017. His task is to consolidate the deliverables of the various programmes into one coherent offering for the benefit of our clients.

Holistic advisory: *Julius Baer – Your Wealth*

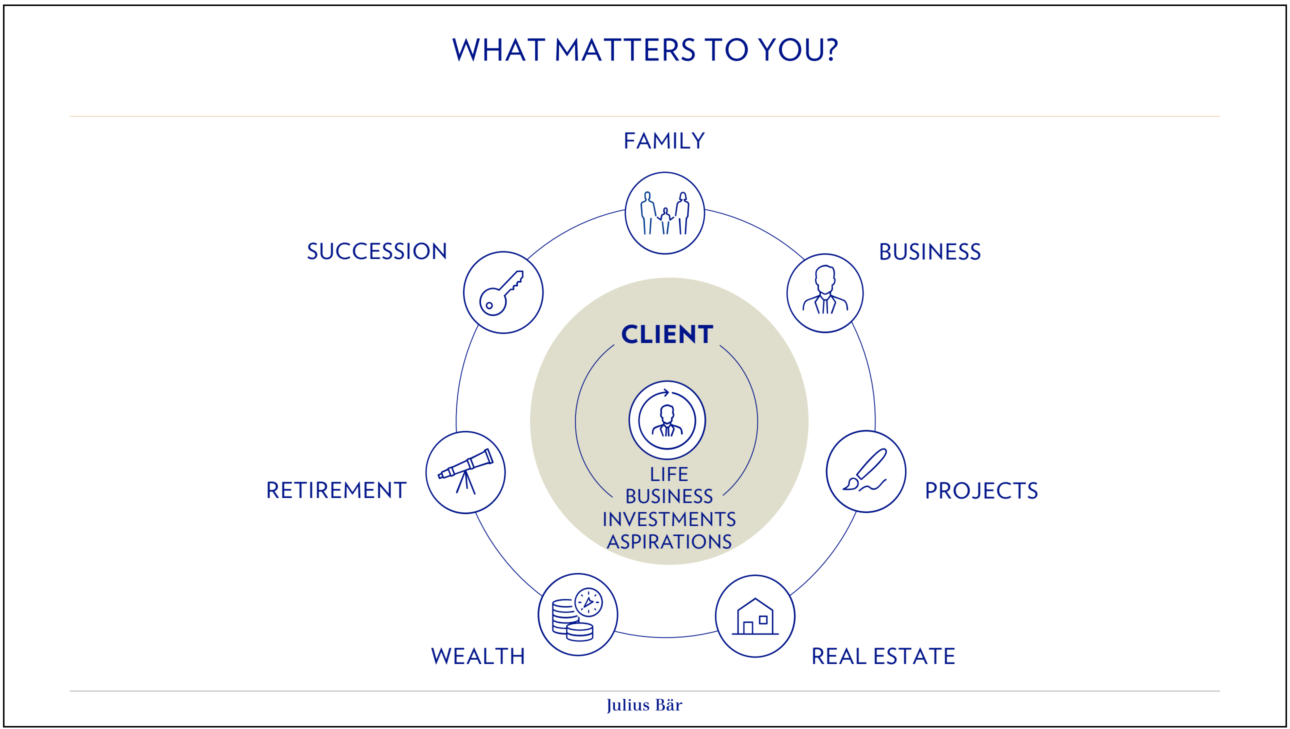
The overarching objective is to provide our clients with holistic and comprehensive wealth management services that cover every stage of their lives. We call our approach *Julius Baer – Your Wealth*. We introduced this concept in 2015 with a range of new advisory mandates. The complete service range for our holistic advisory approach was launched in our Swiss home market as of 2 February 2018 with great success.

Parallel to this, we initiated a corresponding advertising campaign – also very prominently via digital channels. Have a look – *Julius Baer – Your Wealth:*



The core message is the change that accompanies us as a constant in life. Personal circumstances, needs, expectations and goals change during our lifetimes.

Our advisory process therefore always starts with the same question: *What matters to you?*



The holistic perspective of *Your Wealth* allows us to turn our clients' answers to this question into individually tailored solutions. We thus ensure that throughout their lives – i.e. at every stage of their professional, family, economic and especially financial development – our clients receive optimal advice and support from Julius Baer, whether through wealth planning, wealth management or wealth financing.

As a pioneer on the starting line: *Julius Baer Zurich E-Prix*

Switzerland, or more precisely Zurich, will be in the spotlight once again this year, on 10 June 2018 to be exact. That is when the *Julius Baer Zurich E-Prix* will take place in Zurich's Enge district at the upper lake basin, the first circuit motor race in Switzerland in 64 years.

Behind me, you see the key visual of the event, which in the middle of Zurich's skyline shows a glimpse of the possible ultramodern future of our city – along with a Formula E racer. Cutting-edge technology will be on the starting line: electric race cars embodying the state of the art in electro mobility. This combination of innovation, technology and sustainability nearly perfectly represents what Julius Baer stands for as a pioneer in private banking. How we invest today determines how we live tomorrow. For this reason, we have already supported the Formula E as a main sponsor since the very first race in 2014.

The Formula E not only draws international attention to the brand Julius Baer and our commitment to values such as pioneering spirit, visionary thinking, entrepreneurial courage and responsible behaviour. The *Julius Baer Zurich E-Prix* also offers us a unique platform to present ourselves as the leading private banking group in Switzerland. Our country and especially Zurich can thus show themselves as future-oriented, outward-looking and innovative business and research locales.

Nowhere in the world are innovation, economic growth and prosperity more closely connected with each other than in Switzerland, which is why our country also leads the *World Economic Forum's* 2017/2018 ranking of the most competitive economies in the world. This innovativeness and dynamism of the Swiss economy also benefits us as a private banking group.

Julius Baer is in excellent shape to seize future opportunities and tackle future challenges from a position of strength. We have firm footing in our chosen markets, enjoy an outstanding reputation among our clients and as an employer, and can rely on our solid financial base. As such, we intend to leverage these strengths to continue on our path of profitable growth and exploit the considerable potential of our industry. Our pure private banking business model and our high-profile brand will only benefit us in these efforts. With the launch of *Julius Baer – Your Wealth*, our wealth advisory services have attained a new dimension of client interaction and relevance. In parallel, we will continually expand and deepen the technological basis of our business. These efforts are decisive for us to be able to offer an exceptional client experience, to remain one of the most trustworthy and esteemed private banks and to grow profitably over the coming economic cycles.

****

Ladies and Gentlemen

My confidence in our ability the achieve the ambitious goals set by the Board of Directors rests on our competent and experienced management team led by our CEO, Bernhard Hodler, as well as on our staff and their exceptional expertise and dedication. In the name of the entire Board of Directors, I extend my sincerest thanks to the Executive Board and our over 6,000 employees for their outstanding efforts over the past year.

I also thank our clients for their faith in us. We will do our best to keep earning your support.

I thank you for your continued loyalty to our company. Now let me hand the floor over to our CEO, Bernhard Hodler.

Address by

Bernhard Hodler, Chief Executive Officer

Ladies and Gentlemen

It is my pleasure to be able to welcome you for the first time in my role as the CEO of Julius Baer. As has already been pointed out, Julius Baer is in great shape. This reflects the power of our strategy as a pure private banking group with a global reach. We have pursued this strategy consistently for many years. It has set us apart from the competition in a highly competitive market. It has earned us the trust of our clientele around the globe. And it has produced an attractive share valuation for us on the stock exchange.

It is also a strategy I passionately believe in. I have been a part of the management team shaping it, and also implementing it steadily over the years. This made my decision to now guide the destiny of Julius Baer as CEO that much easier. At the same time, I am well aware of the great responsibility that comes with this role. I therefore want to take this opportunity to thank the Board of Directors, my colleagues on the Executive Board and the entire staff for their vote of confidence. I am highly motivated to lead Julius Baer successfully into the future with the help of our over 6,000 competent and enthusiastic employees.

We are in an outstanding position to achieve this, as also reflected in the results for the 2017 financial year:

SOLID OPERATIONAL PERFORMANCE

CHF m	**2017**	2016	Change
Assets under management (bn)	**388.4**	336.2	15.5%
Net new money (bn)	**22.2**	11.9	-
Operating income	**3 252.2**	2 852.8	14.0%
excluding one-off effects 2016	***3 252.2***	*2 813.8*[1]	*16.0%*
Adjusted operating expenses[2]	**2 263.6**	2 004.8	12.9%
excluding one-off effects 2016	***2 263.6***	*2 067.6*[3]	*9.5%*
Cost/income ratio (%)[4]	**69.0**	72.0[1,3]	-
Adjusted net profit[2]	**805.6**	705.5	14.2%

1 Excluding in 2016 the positive fair value adjustment of CHF 38.6 million resulting from the acquisition of an additional 60.1% stake in Kairos that year
2 Excluding integration and restructuring expenses as well as the amortisation of intangible assets related to previous acquisitions or divestments
3 Additionally excluding in 2016 the positive contribution of CHF 62.8 million resulting from the Swiss pension plan amendment
4 Calculated using adjusted operating expenses, excluding valuation allowances, provisions and losses

Julius Bär

Assets under management grew by over 15%, or 52 billion Swiss francs, to 388 billion Swiss francs. This increase came on the back of 22 billion Swiss francs in net new money – almost twice as much as in 2016. Additional contributions came from the strong positive market performance of 34 billion Swiss francs and a positive currency impact of almost 2 billion Swiss francs. At the same time, the completed roll-out of our new client advisory models in Switzerland and continental Europe resulted in a decline: 6 billion Swiss francs of assets under management were reclassified as assets under custody.

Net new money accelerated throughout the year, reaching a growth rate of 6.6%. This clearly exceeds our target range of achieving 4 to 6% net new money growth each year. Our hiring initiative in 2016 made a strong contribution to this success. Close to half of the new money in 2017 came from relationship managers who joined us in 2016, and nearly a quarter from relationship managers who joined us in 2017. We saw particularly strong inflows from clients domiciled in Asia and the Middle East, as well as a substantial recovery of the flows in Latin America. In Western Europe, we enjoyed especially good inflows in Monaco and the UK.

Moving on to operating income: To aid comparison, the one-off effects in 2016 have been excluded. Looking at revenues, this relates to the positive fair value adjustment from the Kairos acquisition. On this comparable basis, operating income rose by 16%, in line with the assets under management. Commission and fee income, which contributed close to 60% to operating income, showed disproportionate growth of 23%. This reflects the strong rise in assets under management and the greater proportion of asset-based mandates. It additionally reflects the significantly higher contribution from Kairos in its first full year as part of Julius Baer and the increased client activity.

The underlying net interest and dividend income grew by 16%. This was driven mainly by a 21% rise in loan volumes and higher credit spreads, partly offset by a rise in interest rates payable on client deposits as well as lower interest income on the portfolio of financial investments available-for-sale. Underlying net trading income declined by 5%. This was primarily attributable to a substantial year-on-year decrease in FX volatility as well as lower trading volumes.

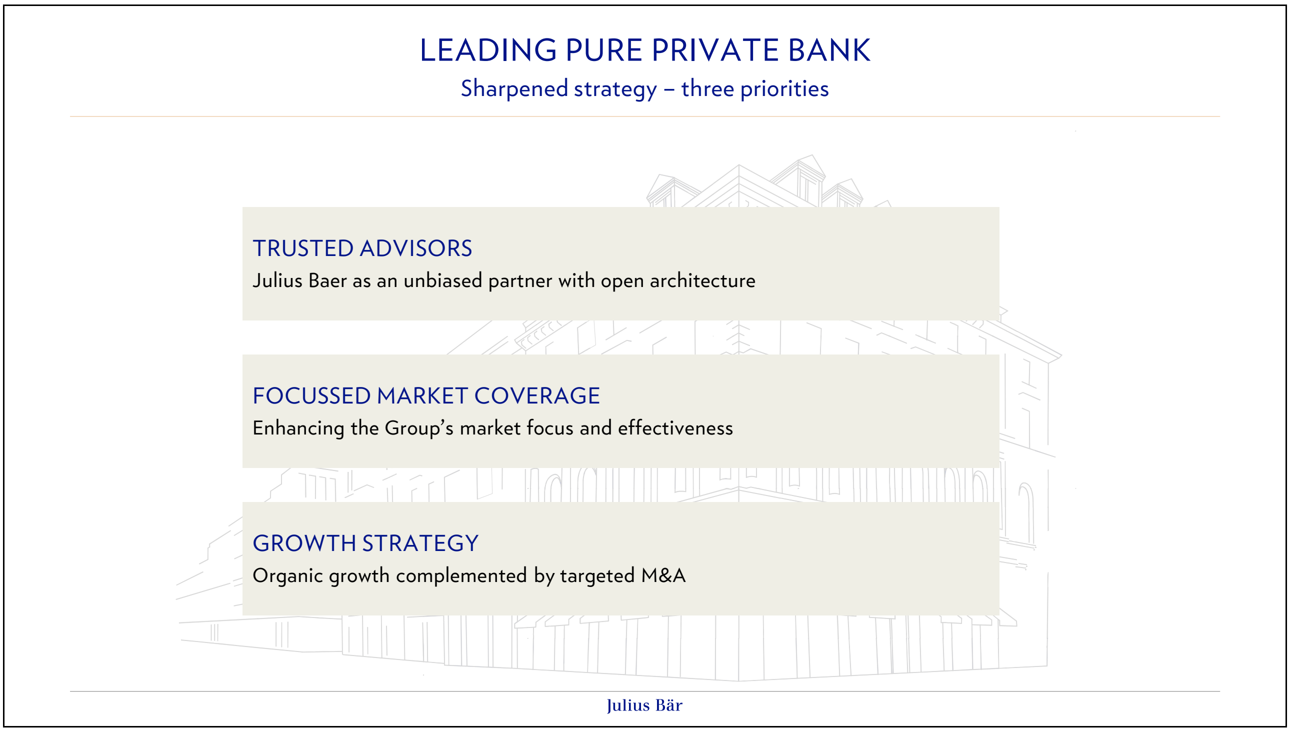
Moving on to expenses, the one-off effect of the positive contribution from the amendment of the Swiss pension plan in 2016 has been excluded. On this comparable basis, the adjusted operating expenses showed a below-average increase of 9%. This percentage is just a bit over half as large as that of the underlying increase in revenues. On the same basis, adjusted personnel expenses were up 12%, reflecting a 6.6% increase in the monthly average number of employees as well as the good performance of the Group. General expenses grew by 2% owing in part to the higher staff levels. This increase also reflects the ongoing investments in the core banking platforms.

Our income grew much more strongly than our expenses in 2017. On an operating basis, we thus managed to considerably improve our productivity last year. Again on a comparable basis, i.e. excluding the two one-off effects in 2016, the adjusted cost/income ratio improved by 3 percentage points from 72 to 69%. We are thus steadily approaching the target range of 64 to 68% and should reach it this year.

Adjusted net profit for the Group grew by 14% to 806 million Swiss francs in 2017. Excluding the one-off effects in 2016, the rise amounted to a sizable 30%. From an operating perspective, we consider the use of adjusted figures to be more meaningful since they allow for a truer comparison of the underlying results over time. Indeed, what is truly of interest to you as shareholders in our Group, as well as to the financial analysts and the broader public, is the performance of our actual operating business from year to year on as comparable a basis as possible.

Sharpened business strategy

When you become the CEO of a company, you have the opportunity and the obligation to take a fresh look at its chosen business strategy. This is exactly what I did together with my colleagues on the Executive Board in mid-January of this year. After intensive discussions, we concluded that in principle we will stand by our current strategy. However, there are some areas in which we want to sharpen it and focus it a little bit more.



That is why we will concentrate more firmly on our strengths in competing in the market and for clients. We intend to emphasise these strengths more clearly. As a consequence, we will focus on three strategic priorities in the coming years. Let me briefly touch on each one.

Trusted advisors

Daniel Sauter has already addressed the core element of the first priority, so I will just provide some added details here:

In our fast-paced world,

- where information is instant and virtually for free,
- where transactions are just a click away and
- where change is the only constant,

people actually require more quality advice. This is the only way to find the right answers to the relevant questions. We thus need a glimpse of the very personal, private realm of our clients – here we are talking about trust. Trust is solely created between people and is based on shared experiences and purpose. As trusted advisors, we know our clients and their circumstances in detail. As part of our holistic advisory approach *Julius Baer – Your Wealth*, we invite our clients to take us with them on their journey through their life, aspirations, needs and goals. Our clients' answers to the key question *What matters to you?* do not merely lead to stock exchange transactions. They are shaped into long-term solutions, which are underpinned by our entire service offering of wealth management, wealth planning and wealth financing.

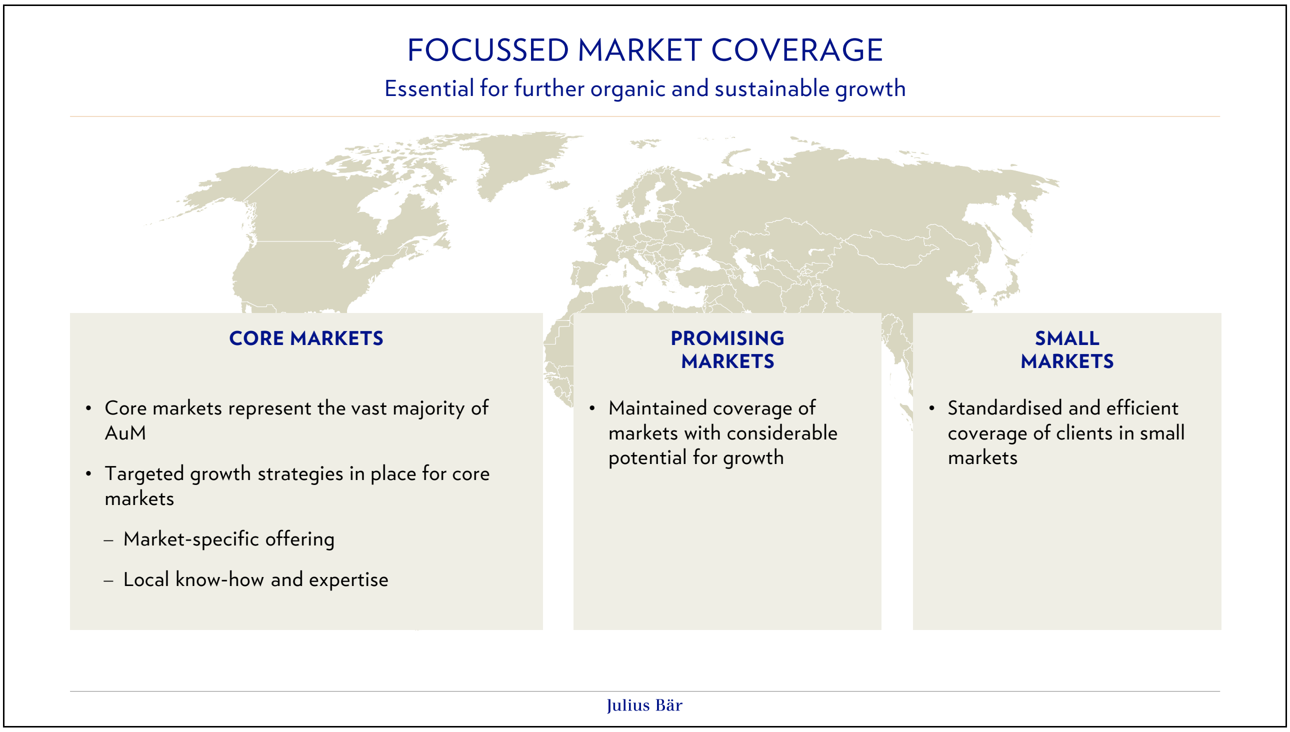
This has positive long-term consequences for the structure of our assets under management. Sustainable financial solutions are typically constructed in the form of mandates. These are based on recurring fees and thus provide a stable income stream. My long-term goal is to further increase the share of fee-based mandates. We are currently close to 50% worldwide. Yet the trend is promising: after the changeover of the client relationships booked in Switzerland and Europe to our new advisory model, most of our clients have opted for a mandate solution.

But even in our business based on personal relationships and mutual trust, technology now plays an important and indispensable role:

- On the one hand, we use technology to make our advisory services more efficient. So-called robo-assistants give our relationship managers access to the current data relevant to each client relationship. This makes our relationship managers more effective in serving our clients. Our upgraded technological platform was rolled out successfully in Europe last year. Additional regions and markets will follow.
- On the other hand, technology opens new channels. It gives us more ways to communicate with our clients. We are thus more easily able to provide them with information. And in the case of e-banking, they can execute transactions on their own. Daniel Sauter already covered our various initiatives in his address. What is important is the distinction that these channels *compliment* the interaction with our clients, but they are *no substitute* for personal advisory services as valued by our clients and as Julius Baer expects to provide.

Focussed market coverage

This brings me to our market presence. Sharpening our strategy here also means being focused in its execution.



For the markets in which we operate, this means concentrating more strongly on our core markets. The core markets currently represent about two thirds of our assets under management. They offer the best growth opportunities for our scalable offering. We are thus able to pursue our target client groups in a systematic and tailored manner.

We intend to maintain the existing scope of our activities in promising markets. For the remaining, mostly smaller markets, however, we have defined a specific approach. It entails providing a straightforward offering to serve clients in these markets in a standardised and thus efficient manner. This reduces complexity and makes our resources at the front, in compliance and in the back office more effective.

Growth strategy

Our focussed market coverage also largely defines our international growth plans. Growth is an important topic for us and the further success of Julius Baer. We intend to achieve growth across three dimensions:

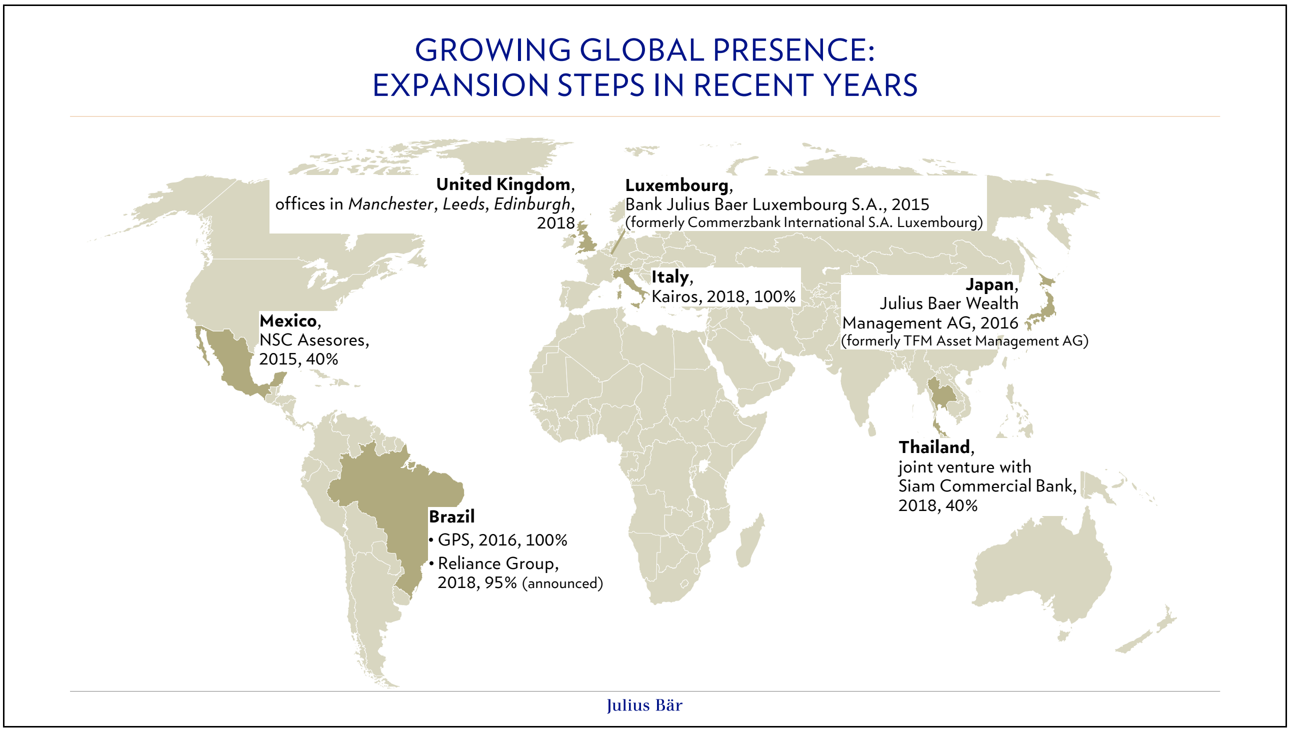
The first dimension almost sounds a bit prosaic but is extremely powerful. With close to 390 billion Swiss francs of assets under management, we have direct access to clients, to relationship networks as well as to social and economic connections. These represent a business potential that is far from exhausted. We want to more systematically capitalise on the breadth and depth of this franchise: we want to transform it into scalable advice and put it to use in the form of comprehensive and convincing financial solutions for our clients – for generations of clients. Client acquisition is most direct and cost efficient for existing clients and their assets not yet managed by us. Satisfied clients are the best ambassadors of our brand. And client referrals are the most powerful marketing instrument there is.

Our relationship managers are at the centre of our advisory services. They are the key to the client relationships. Their expertise enables us to tap into the business potential of existing clients and to win new clients. Apart from hiring new relationship managers, we must also retain all our talents. These individuals can afford to be selective in choosing their employer. For this reason, the corporate culture in the Bank is very significant. By that, I mean the immediate work environment at Julius Baer. It largely shapes how relationship managers can operate, grow professionally and be successful. Determining factors include performance incentives, entrepreneurial freedom, collaborative teamwork and instilled corporate values.

Thanks to our standing as an employer of choice in our industry, we have been able to attract a large number of experienced relationship managers in recent years. The success of these initiatives is reflected in our substantial new money inflows as I detailed earlier. Last year, we hired over 100 relationship managers. At the same time, we placed stronger emphasis on quality and performance. The net number of relationship managers thus rose by only 41 in 2017. This year, we are aiming to hire about 80 relationship managers on a net basis.

The most high profile growth, but certainly not the easiest, comes via acquisitions. Julius Baer has demonstrated impressive skill in this area over the years: we have identified suitable acquisition targets, initiated transactions and successfully integrated companies. Subsequent to the financial crisis, our industry changed massively. We actively and successfully participated in this wave of consolidation. We entered new, promising markets via gradual takeovers of established wealth managers. Recently, we also entered a joint venture in Thailand with a local bank.

Let me briefly go over the more recent expansion steps of Julius Baer:



In Latin America, we are represented in Brazil through the major wealth manager GPS. We established the initial minority participation of 30% in GPS in 2011. Then we increased the stake to 80% in 2014 and ultimately to 100% in 2016. This approach secured us the loyalty of the local staff, an orderly transfer of knowledge and a steady build-up of the very successful cooperation. At the end of January this year, we also announced the planned acquisition of 95% of the well-established Reliance Group in Brazil. With a total of about 13 billion Swiss francs of assets under management, Julius Baer will thus become the leading independent wealth manager in Brazil. We chose to take a similar approach in Mexico. Since 2015, we have held a 40% participation in independent Mexican wealth manager NSC Asesores.

In Europe, we have had a business location and a new booking centre in Luxembourg since the end of 2015 thanks to the acquisition of the local Commerzbank activities. This booking centre is currently being built into our European hub. In Italy, at the beginning of this year we increased our participation in local wealth manager Kairos in a third step to 100%. In the United Kingdom's attractive market, we announced the opening of three new offices in 2018, located in Manchester, Leeds and Edinburgh. Two thirds of the UK's wealth is held by individuals who live outside London and the south-east. To tap into this potential, we have recruited various teams.

Asia has been our second home market since 2010. Thanks to organic growth and successful acquisitions, today we are one of the biggest and most focussed private banking providers in the region. Asia accounts for around a quarter of the Group's total assets under management. In 2016, we expanded our business with Japanese clients through the acquisition of a Japanese wealth manager with Swiss roots. And for something completely new for us, last month we announced the establishment of a joint venture in Thailand. Our partner in this venture, Siam Commercial Bank, is the country's second-largest bank. Together, we want to satisfy the increasing demand for international wealth management on the part of wealthy Thai investors, a rapidly growing group.

Let me sum up my thoughts: Julius Baer is in great shape. We have a strong and growing position in major and promising markets around the world. This is the result of our pure private banking business model and our strategy targeting long-term profitable growth. We will maintain this successful focus and continue to seize suitable growth opportunities. At the same time, however, we will concentrate more strongly in the future on those factors that distinguish us as a bank. They are what set us apart in the market in a positive sense in the eyes of existing and future clients.

We will not engage in any short-term experiments, but will instead further sharpen our profile in the coming years. We will make use of the available technological tools. At our core, however, we will remain a bank whose greatest capital is dedicated and motivated employees. I consider myself lucky that I may count on competent support around the world in further implementing our strategy. For this, I thank you very much, dear colleagues.

This brings me to the end of my comments. Thank you for listening.