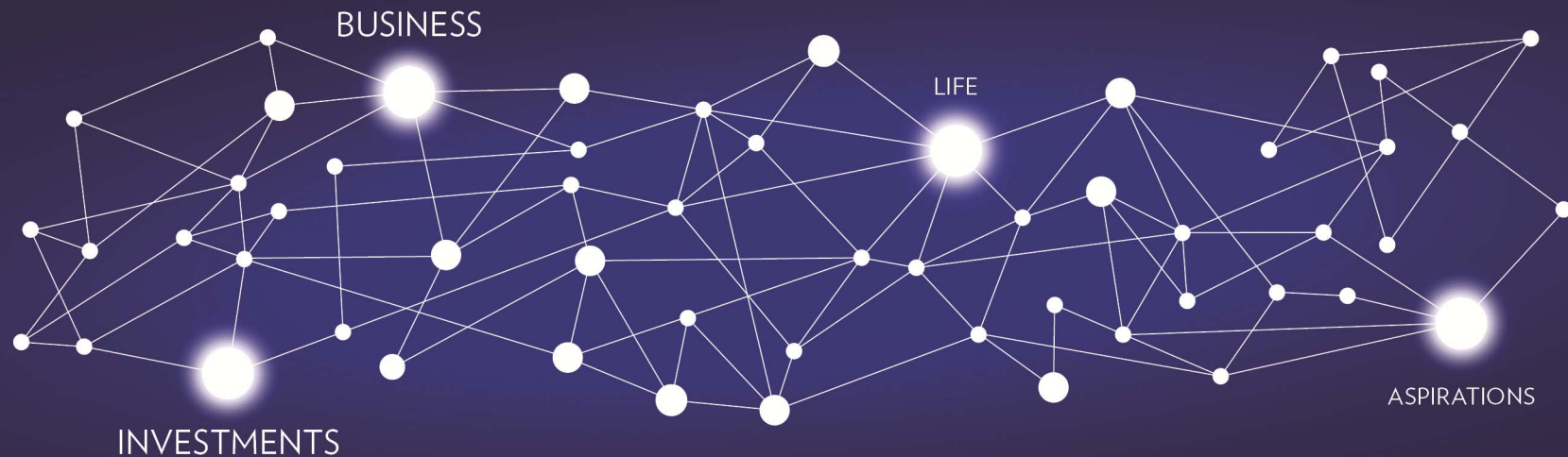


Julius Bär

FY 2017 RESULTS AND BUSINESS UPDATE

Presentation for Investors, Analysts & Media
Zurich, 31 January 2018



CONTENT

Introduction

Bernhard Hodler, CEO

A STRONG POSITION TO DRIVE A SHARPENED STRATEGY

Record profit | Acceleration in net inflows | Strong capitalisation | Increased dividend

Record profit

- Adjusted¹ net profit for the Group: up 14% to record CHF 806 million
- Gross margin resilient at 90 bp
- Cost/income ratio² at 69% – advancing towards target range

Accelerated net inflows across regions

- Net new money: acceleration to CHF 22 bn or 6.6%
- AuM CHF 388 bn, up 16%

Strong capitalisation, proposed dividend increase

- Fully applied CET1 capital ratio improved to 13.5%
- Proposed dividend up 17% to CHF 1.40, the fourth consecutive increase

¹ For definition of “adjusted” please refer to “Scope of Presentation of Financials” in the Appendix | ² Adjusted

CONTENT

Financial Results FY 2017*

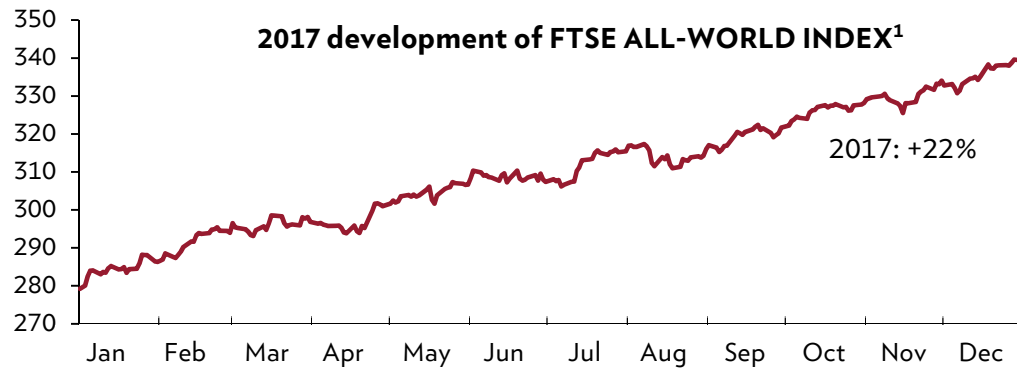
Dieter A. Enkelmann, CFO

*Financial Results are presented on adjusted basis. See “Scope of Presentation of Financials” in the Appendix

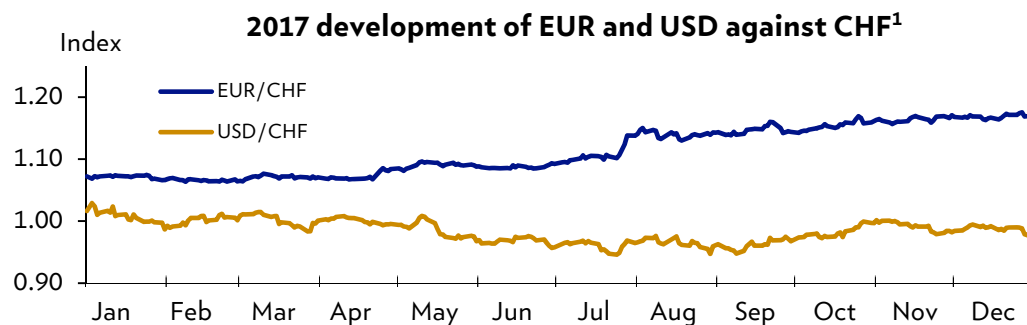
Julius Bär

2017: SUPPORTIVE MARKET ENVIRONMENT

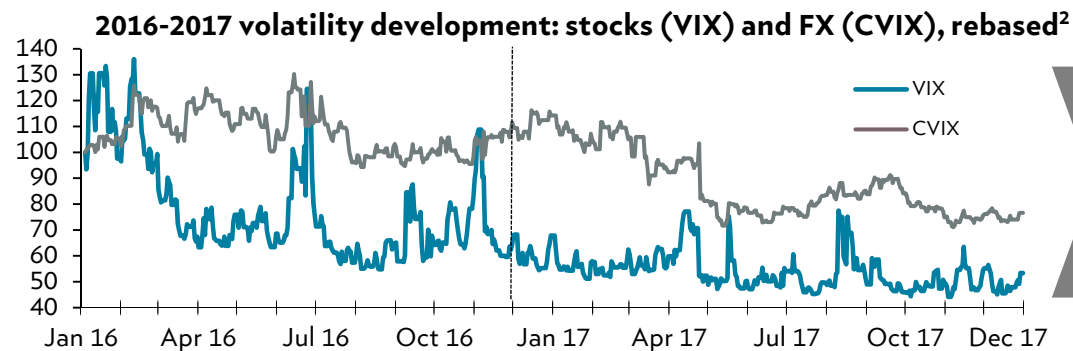
Partly offset by lower FX volatility



- Stock markets benefited from continued positive economic momentum ...
- ... leading to higher valuations and increased client engagement



- EUR strengthened by 9%
- USD weakened by 4%



- Lower-volatility environment: Combined with higher valuations a positive for clients' stock market activity ...
- ... but normally negative for client FX trading (volumes, spreads)

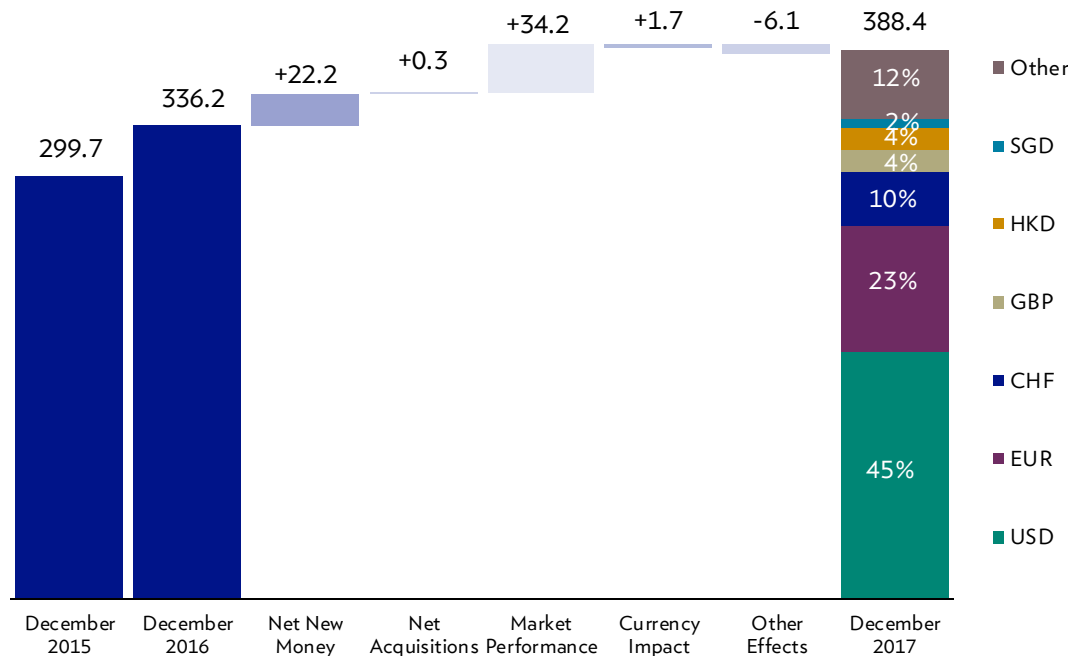
¹ Source: Datastream, Julius Baer | ² Source: Bloomberg Finance L.P., Julius Baer

AUM INCREASE OF CHF 52bn (+16%) TO CHF 388bn

Driven by organic growth and market performance

Development of Assets under Management (AuM)

CHF bn



- AuM CHF 388bn, +16%
 - Net new money CHF +22.2bn
 - Net acquisitions² CHF +0.3bn
 - Market performance CHF +34.2bn
 - Currency impact CHF +1.7bn
 - Other effects³ CHF -6.1bn

- Average AuM¹ of CHF 363bn, up +16% from CHF 313bn in 2016

- AuC⁴ CHF 69bn, +24%

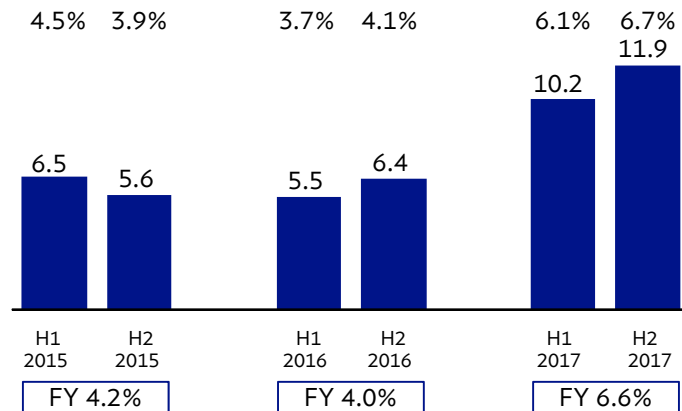
¹ Calculated on the basis of monthly AuM levels | ² Net acquisition consisting of acquisition of CHF +0.4bn Wergen & Partner and CHF -0.1bn resulting from discontinuation of offering to clients from selected countries | ³ Includes assets which have been reclassified following the completed roll-out of the new client advisory models in Switzerland and continental Europe | ⁴ Assets under custody

NET NEW MONEY EXCEEDING TARGET RANGE

Strong contributions from RMs hired in 2016 and 2017

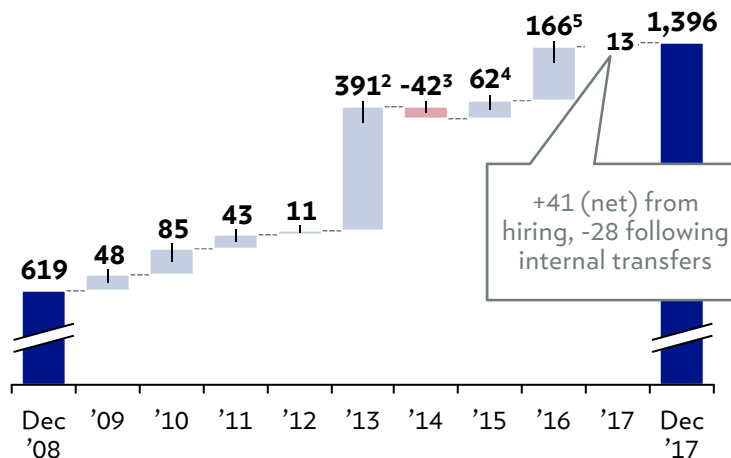
Net New Money

in CHF bn and %¹



- NNM: CHF 22.2bn (6.6%)
- Particularly strong inflows from Asia and Middle East ...
- ... and substantial recovery in Latin America
- Continued healthy NNM in traditional European markets, including strong contributions from Monaco and UK
- Limited impact from tax regularisations of legacy assets

Relationship Managers



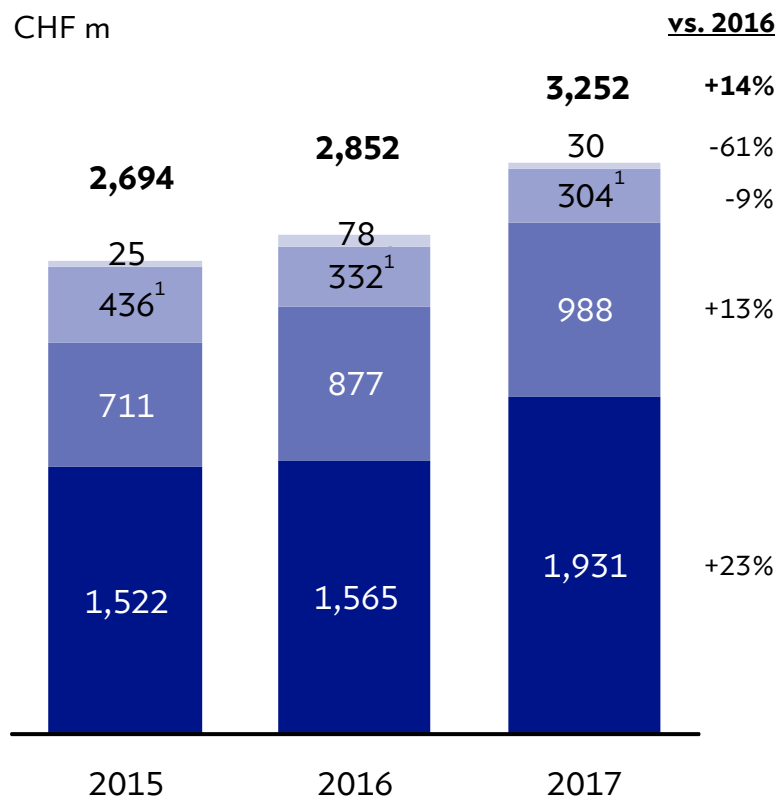
- 2017 net hiring: +41 RMs
- Net increase of 13 RMs, as 28 RMs transferred to client-facing management roles

¹ Annualised NNM in % of AuM at the beginning of the period | ² 2013: +391, mostly from RMs transferring in from Bank of America's International Wealth Management business (IWM) outside the US | ³ 2014: -42, driven by IWM transaction-related synergy realisations | ⁴ 2015: +62, of which net 40 from hiring, remainder from acquisitions | ⁵ Including 50 RMs transferring following the consolidation of Kairos and Commerzbank International S.A. Luxembourg

OPERATING INCOME +14% TO CHF 3.3bn

Excluding CHF 39m Kairos fair value adjustment in 2016: +16%

Operating Income



- Other ordinary results
- Net trading income
- Net interest & dividend income
- Net commission & fee income

Net commission/fee income +23% to CHF 1,931m

- Broadly similar percentage increases in asset-based fees and transaction-driven commissions
- Increased asset-based fees driven by:
 - higher penetration of advisory mandates
 - full 12-month and improved contribution from Kairos

Net interest/dividend income +13% to CHF 988m

- Excl. dividend on trading portfolios¹: +16% to CHF 792m
- Mainly on higher loan volumes and credit spreads ...
- ... partly offset by decrease in treasury portfolio and higher deposit rates

Net trading income -9% to CHF 304m

- Crediting back dividend on trading portfolios¹: -5% to CHF 499m
- Decrease in overall FX volatility and volumes

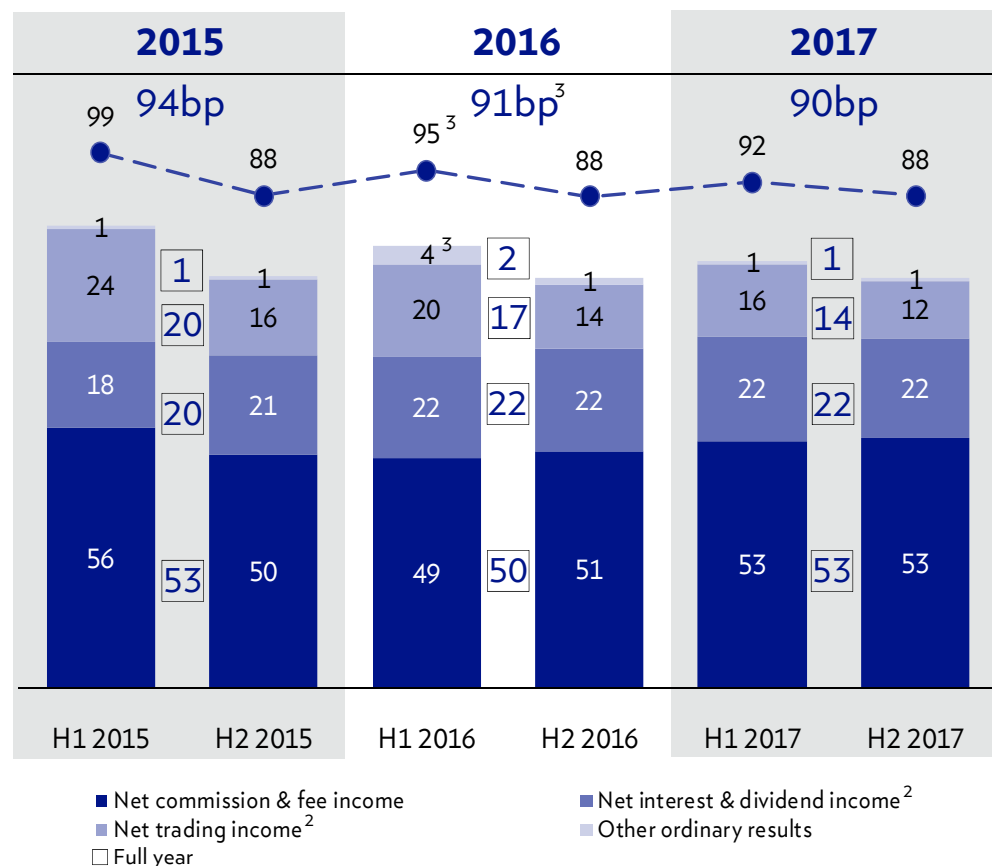
Other ordinary results from CHF 78m to CHF 30m

- 2016: CHF 39m from Kairos fair value adjustment
- Brand licence agreement with GAM Holding Ltd. was terminated in March 2017

¹ Dividend income on trading portfolios: 2017: CHF 195m (2016: CHF 192m, 2015: CHF 139m)

GROSS MARGIN¹

Decline y-o-y in trading gross margin² was offset by increase in commission & fee gross margin



- 2016 Kairos fair value adjustment (CHF 39m): equivalent to 1.2 bp
- Excluding this item, the gross margin was stable y-o-y (-0.2 bp)
 - Commissions & fees +3 bp to 53 bp
 - Trading -3 bp to 14 bp
 - Net interest² stable at 22 bp

¹ Operating income divided by monthly average AuM, in basis points. Average AuM H2 2017 was CHF 377bn, up 16% compared to H2 2016 and up 9% from H1 2017

² Net interest income adjusted to exclude dividends on trading portfolios, net trading income adjusted to include the same
 (H1 2015: CHF 122m, H2 2015: CHF 17m, H1 2016: CHF 180m, H2 2016: CHF 12m, H1 2017: CHF 181m, H2 2017: CHF 14m)

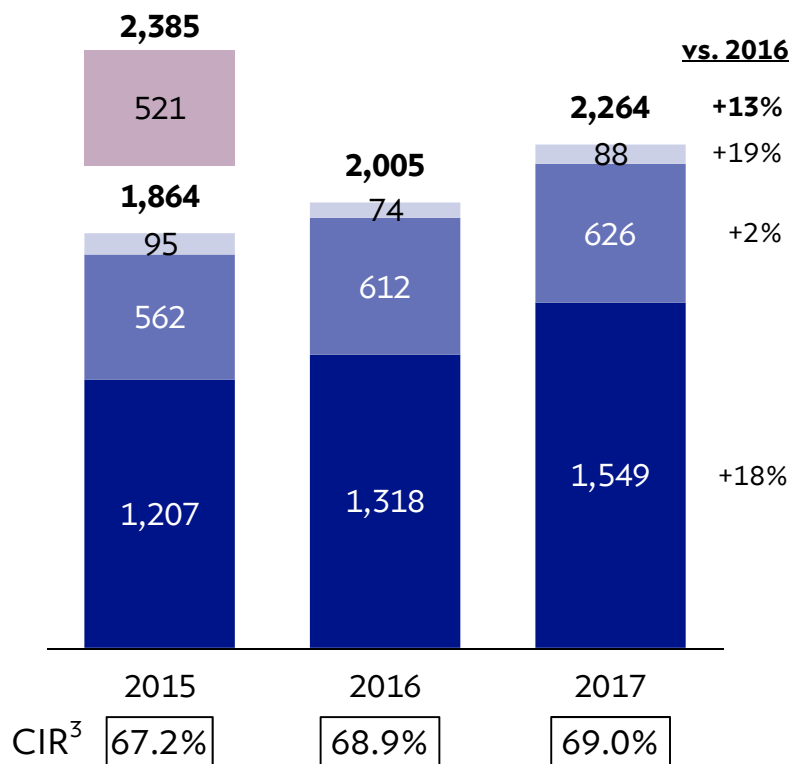
³ Includes CHF 38.6m Kairos fair value adjustment (equal to 2.6 bp in H1 2016 and 1.2 bp in FY 2016)

OPERATING EXPENSES¹ +13% TO CHF 2.3bn

Excluding CHF 63m pension fund amendment in 2016: +9%

Operating Expenses¹

CHF m



■ Personnel expenses
■ General expenses²
■ Depreciation/amortisation
■ US provision (USD 547m)

Personnel expenses +18% to CHF 1,549m

- Excluding 2016 CHF 63m pension fund amendment: +12% from CHF 1,381m to CHF 1,549m
- 6% increase in average FTE

General expenses² +2% to CHF 626m

- Ongoing investments in core banking platforms and indirect impact of higher staff levels ...
- ... partly offset by CHF 20m decrease in valuation allowances, provisions and losses

Depreciation/amortisation +19% to CHF 88m

- Increase in IT-related investments over recent years

Cost/income ratio³ 69.0%

- 3 percentage point underlying improvement, when excluding 2016 pension fund amendment and Kairos fair value adjustment (2016 underlying CIR was 72.0% on that basis)

Operating expenses¹ – approx. breakdown by currency

CHF	52%	SGD	10%	USD	6%	Other	5%
EUR	16%	HKD	7%	GBP	4%		

¹ Excluding integration and restructuring expenses and the amortisation of intangible assets related to acquisitions and divestments | ² Including valuation allowances, provisions and losses | ³ Cost/income ratio not considering valuation allowances and provisions and losses

STRONG GROWTH IN OPERATING RESULT

Group adjusted net profit CHF 806m

CHF m	2016	2017	Change 2017/2016
Operating income	2,852	3,252	+14%
Adjusted operating expenses	2,005	2,264	+13%
Adjusted profit before taxes	848	989	+17%
Adjusted pre-tax margin (bp)	27.1	27.3	+0.2 bp
Income taxes	142	183	+29%
Adjusted net profit¹ for the Group	706	806	+14%
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	3.23	3.66	+13%
ROTE, adjusted ² (%)	28.2%	29.7%	+1.5 pt
Tax rate (%)	16.8%	18.5%	+1.7 pt
IFRS net profit attributable to shareholders of Julius Baer Group Ltd.	619	705	+14%

When excluding the 2016 Kairos- and pension fund-related items (CHF 101m pre-tax; CHF 88m net of taxes³):

- Adjusted profit before taxes: +32% year-on-year
- Adjusted pre-tax margin: +3.5 bp (2016 underlying pre-tax margin was 23.8 bp on that basis)
- Adjusted net profit for the Group: +30% year-on-year
- IFRS net profit attributable to shareholders of Julius Baer Group Ltd.: +33% year-on-year

Tax guidance

- Adjusted tax rate (2017: 18.5%) likely to remain in 18-19% range in next few years

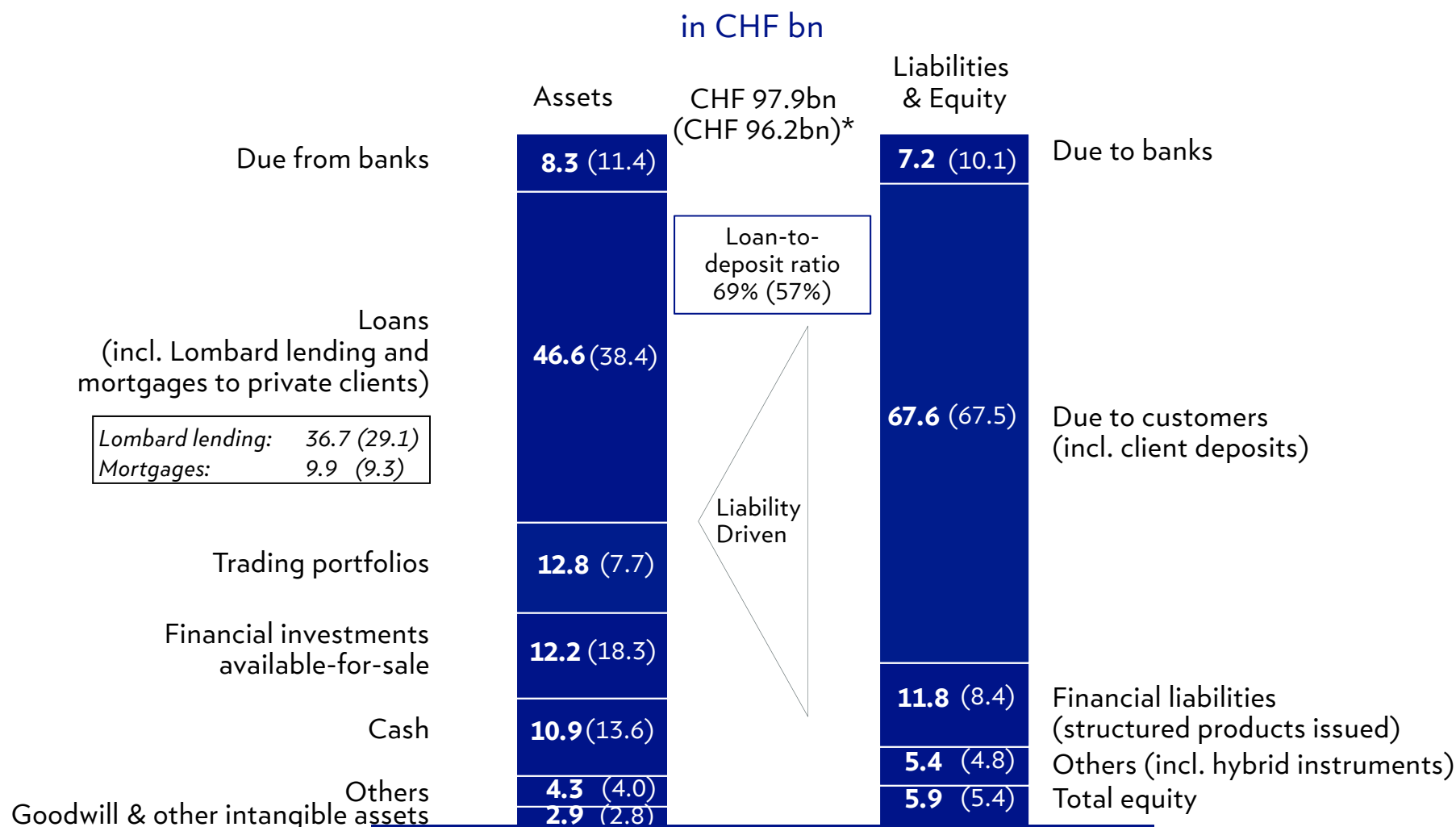
¹ Excluding integration and restructuring expenses and the amortisation of intangible assets related to acquisitions and divestments, as well as taxes on those items. Including these positions (see also reconciliation in Appendix), net profit was CHF 716m in 2017, up 15% from CHF 622m in 2016

² Adjusted net profit attributable to shareholders/(half-yearly) average shareholders' equity less goodwill and other intangible assets

³ 22% taxes on CHF 63m pension fund amendment; no tax impact on Kairos fair value adjustment

SOLID BALANCE SHEET – TOTAL ASSETS STABLE

Low risk profile



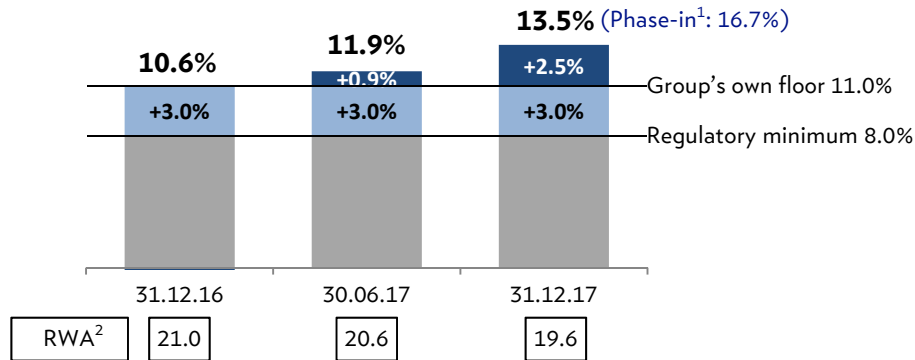
Figures as at 31 December 2017, summarised and regrouped from Financial Statements.

* In brackets: figures as at 31 December 2016

SIGNIFICANTLY STRENGTHENED CAPITAL RATIOS

Minimum regulatory requirement for tier 1 leverage ratio confirmed at 3%

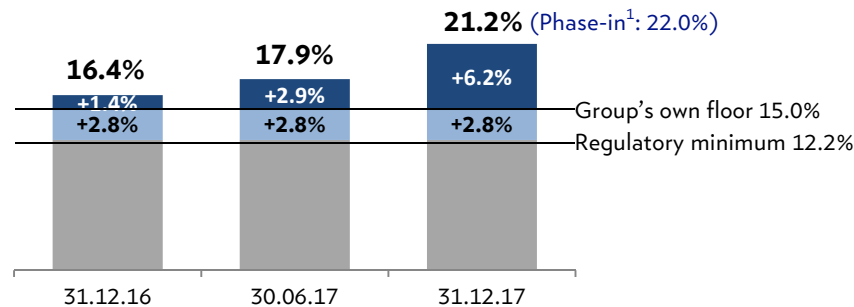
BIS CET1 capital ratio (fully applied)



- Capital ratios well above minimum regulatory requirements and Group's own floors

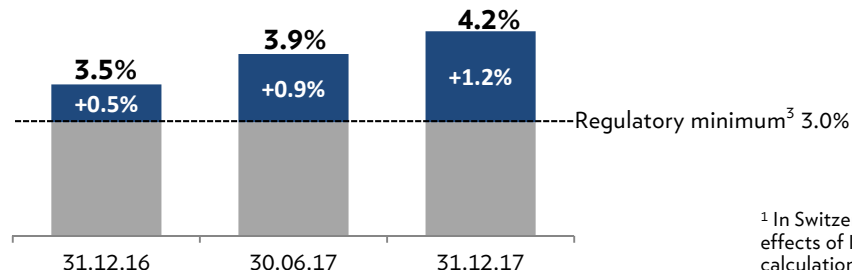
- Fully applied CET1 capital ratio 13.5%, a 290 bp increase from end 2016
 - CHF 0.4bn CET1 capital build (net of CHF 0.3bn dividend accrual)
 - CHF 1.4bn RWA reduction, mainly on lower credit RWA, driven by improved collateral allocation and decrease in AFS portfolio

BIS total capital ratio (fully applied)



- Fully applied total capital ratio 21.2%, up 480 bp, helped by USD 300m AT1 bond issue

Tier 1 leverage ratio (tier 1 capital fully applied)



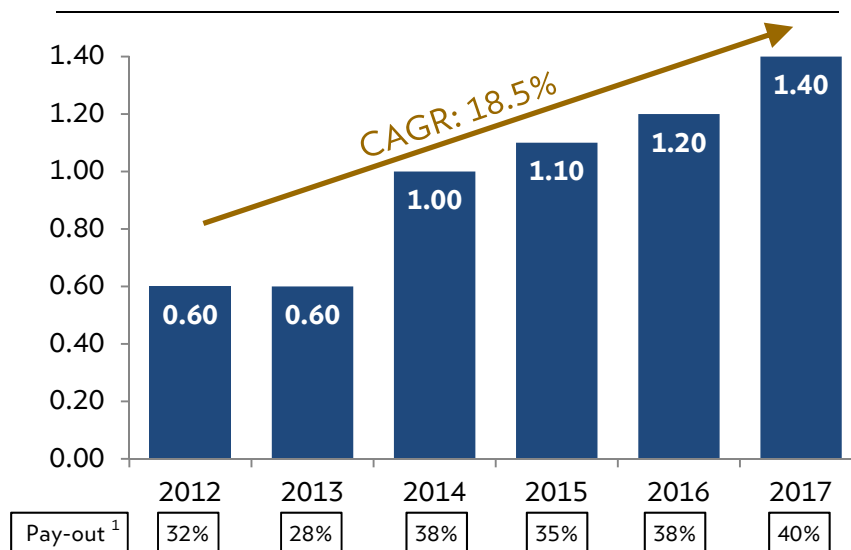
- Fully applied tier 1 leverage ratio 4.2%, well in excess of the newly confirmed minimum leverage ratio requirement of 3.0%³

¹ In Switzerland the Basel III framework came into effect on 1 January 2013. The Basel III effects but also the effects of IAS 19-revised relating to pension liabilities will be phased in between 2014 and 2018 for the calculation of the eligible capital | ² Risk-weighted assets (fully applied), in CHF bn | ³ From 1 January 2018

FURTHER RISE IN DIVIDEND

Pay-out ratio¹ increased to 40%

Dividend per share (CHF) for financial years 2012-2017



Proposed dividend CHF 1.40, up 17%

- Fourth consecutive dividend increase
- To be paid out of statutory capital reserve
- Total distribution CHF 313m ...
- ... in line with pay-out target of ~40% of adjusted net profit attributable to shareholders

Unchanged dividend/capital return policy

- Intention to distribute ~40%¹ via ordinary dividends
- Unless justified by significant events, per-share ordinary dividend at least equal to previous year's ordinary dividend
- At all times considering capital floors, business and market outlook, and near-term significant investment requirements and opportunities
- From time to time, if justified, special dividends and share buybacks could be considered

¹ Of adjusted net profit attributable to shareholders of Julius Baer Group Ltd. (2015: excluding CHF 521 million US provision (CHF 422 million net of tax))

CONTENT

Business Update Bernhard Hodler, CEO

LEADING PURE-PLAY PRIVATE BANK

Sharpened strategy – three priorities

TRUSTED ADVISORS

Julius Baer as an unbiased partner with open architecture

FOCUSED MARKET COVERAGE

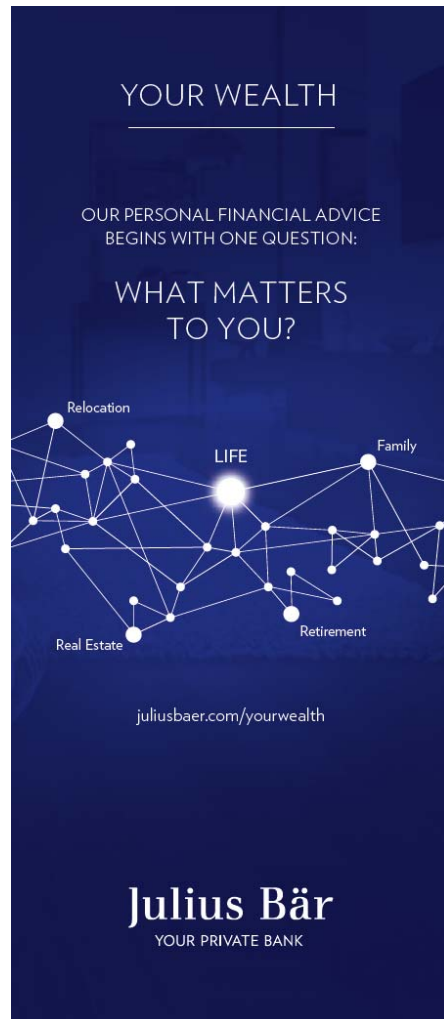
Enhancing the Group's market focus and effectiveness

GROWTH STRATEGY

Organic growth complemented by targeted M&A

TRUSTED ADVISORS

“What matters to you?”



Our promise to deliver the best possible financial solutions for our clients' needs.



- Holistic, in-depth advice from experts and solutions for every stage of a client's life
- Almost 50% of clients globally in fee-based mandates
- Upgraded state-of-the-art advisory platform for Europe-based Relationship Managers – further roll-outs in 2018
- Increased engagement of clients via digital touch-points

FOCUSED MARKET COVERAGE

Essential for further organic and sustainable growth



CORE MARKETS

- Core markets represent the vast majority of total AuM
- Targeted growth strategies in place for core markets (e.g. UK)
 - Market-specific offering
 - Local know-how and expertise

REGULAR MARKETS

- Maintained coverage of markets with considerable potential for growth

SMALL MARKETS

- Standardised and efficient coverage of clients in small markets

GROWTH STRATEGY

Concentrating on proven strengths

CAPITALISING ON OUR STRONG FRANCHISE

1

- Increase **share of wallet** through
 - Enhanced **client know-how**
 - **Holistic solutions**
 - **Cross-generation** relationships
 - **Scalable advisory experience**
- **Client referrals**

ATTRACTING TALENT

2

- 2016** **Smooth onboarding** of the accelerated hiring initiative population
- 2017** Continued hiring and **significant contribution of 2016 and 2017 hires to inflows**
- 2018** Aiming for normalised net hiring run rate of **~80 RMs p.a.**

TAKING ADVANTAGE OF M&A OPPORTUNITIES

3

- **Large transaction** (Merrill Lynch IWM)
- **Industry consolidation** (e.g. Commerzbank Luxembourg)
- **New market entry** (e.g. GPS in Brazil)

INTERNATIONAL GROWTH – EXAMPLE: LATIN AMERICA

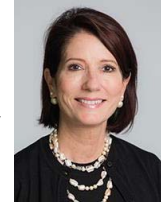
Organic growth complemented by targeted M&A



Beatriz Sanchez

Head Latin America

- Joined Julius Baer in 2017 from Goldman Sachs



REGION LATIN AMERICA

- New regional leadership
- Positive business development, inflows recovering after voluntary disclosure programs
- Acquisition of Reliance, an independent wealth manager in Brazil with an advisory model – complementary to the discretionary model of GPS

MEDIUM-TERM TARGETS UNCHANGED

	Adjusted results ¹		
	FY 2016	FY 2017	Medium-term targets
Cost/income ratio ²	72.0% ³	69.0%	64-68%
Pre-tax margin	23.8 bp ³	27.3 bp	>30bp
Net new money	4.0%	6.6%	4-6%

¹ Excluding integration and restructuring expenses and the amortisation of intangible assets related to acquisitions and divestments | ² Excluding valuation allowances, provisions and losses | ³ 2016 cost/income ratio and pre-tax margin when excluding the impacts of the Kairos fair value adjustment and the Swiss pension plan amendment

CONTENT

Appendix

SCOPE OF PRESENTATION OF FINANCIALS

Financial results are presented as usual on the adjusted basis

- *Excluding* integration and restructuring expenses and the amortisation of intangible assets related to acquisitions or divestments, as well as taxes on those respective items
 - Reconciliation from the IFRS results to the adjusted results is outlined in the Appendix
 - Please refer to the Julius Baer Group Ltd. Consolidated Financial Statements 2017 (audited)¹ for the IFRS results
-

- The 2016 results included a benefit of CHF 39 million in operating income resulting from the Kairos fair value adjustment following the acquisition of an additional 60% stake in Kairos in April 2016 as well as a CHF 63 million benefit to operating expenses resulting from the amendment to the Swiss pension plan (together CHF 101 million, or CHF 88 million net of taxes)
- The commentary in this presentation occasionally refers to the operational development, which would result if these two items were excluded from the results in 2016

¹ Available from www.juliusbaer.com

RECONCILIATION CONSOLIDATED FINANCIAL STATEMENTS¹

IFRS to adjusted net profit

CHF m	2015	2016	2017	Change 2017/2016
IFRS net profit attributable to shareholders of Julius Baer Group Ltd.	121.2	619.4	704.8	+14%
Non-controlling interests	1.4	2.7	11.1	+307%
Profit after tax per consolidated Financial Statements (IFRS)	122.5	622.1	715.9	+15%
Amortisation of intangible assets related to the UBS transaction	67.8	-	-	-
Amortisation of intangible assets related to the ING transaction	16.3	16.3	16.3	+0%
Amortisation of intangible assets related to the IWM transaction ²	34.5	36.1	36.3	+0%
Amortisation of intangible assets related to the GPS transaction	4.4	4.4	4.7	+6%
Amortisation of intangible assets related to the Kairos transaction	-	6.7	8.9	+33%
Amortisation of intangible assets related to the Commerzbank Lux. transaction	-	0.8	1.7	+100%
Amortisation of intangible assets related to the Leumi and Fransad transactions	1.0	1.9	1.9	+0%
Amortisation of intangible assets related to the Wergen transaction	-	-	0.7	-
Amortisation of intangible assets related to the WMPartners transaction	-	-	1.4	-
Integration, restructuring and transaction costs	46.3	28.7	30.2	+5%
Tax impact	-13.6	-11.6	-12.4	+7%
Net impact	156.6	83.4	89.8	+8%
Adjusted net profit for the Group	279.2	705.5	805.6	+14%
US settlement, provision	521.3	-	-	-
Tax impact	-99.0	-	-	-
Net impact	422.3	-	-	-
Adjusted net profit for the Group (excluding US provision)	701.5	705.5	805.6	+14%

Further details on transaction-related amortisation:

- ING: CHF 16.3m p.a. until December 2019
- IWM: approx. CHF 36m p.a. for most of the years² until October 2024
- GPS: BRL 15.4m p.a. until March 2023
- Leumi: CHF 1.0m p.a. until February 2025
- Fransad: CHF 0.9m p.a. until October 2024
- Kairos: CHF 8.9m p.a. until March 2026
- Commerzbank Luxembourg: CHF 1.7m p.a. until June 2025
- Wergen: CHF 0.7m for February 2017 - December 2017, going forward CHF 0.8m p.a. until January 2026
- WMPartners: CHF 1.4m p.a. until December 2022

¹ Please see detailed financial statements in the Consolidated Financial Statements 2017

² The acquisition of IWM took place in steps and is to a small extent subject to CHF translation effects

ADJUSTED* NET PROFIT CHF 806m

Annually – including 2015 US provision**

CHF m	2015	2016	2017	Change 2017/2016	2017 in %
Net interest and dividend income ¹	711	877	988	+13%	30%
Net commission and fee income	1,522	1,565	1,931	+23%	59%
Net trading income ¹	436	332	304	-9%	9%
Other ordinary results	25	78	30	-61%	1%
Operating income	2,694	2,852	3,252	+14%	100%
Personnel expenses	1,207	1,318	1,549	+18%	68%
General expenses ²	1,083	612	626	+2%	28%
Depreciation and amortisation	95	74	88	+19%	4%
Operating expenses	2,385	2,005	2,264	+13%	100%
Profit before taxes	309	848	989	+17%	
Pre-tax margin (bp) ⁴	10.7	27.1	27.3	+0.2 bp	
Income taxes	30	142	183	+29%	
Adjusted net profit for the Group ³	279	706	806	+14%	
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	1.27	3.23	3.66	+13%	
ROTE, adjusted (%) ⁶	10.2%	28.2%	29.7%	+1.5% pt	
Gross margin (bp) ⁴	93.6	91.1	89.7	-1.4 bp	
Cost/income ratio (%) ⁵	67.2	68.9	69.0	+0.1% pt	
Tax rate	9.7%	16.8%	18.5%	+1.7% pt	
Staff (FTE)	5,364	6,026	6,292	+4%	
Valuation allowances, provisions and losses	575	40	20	-50%	
Net new money (CHF bn)	12.1	11.9	22.2	+87%	
Assets under management (CHF bn)	299.7	336.2	388.4	+16%	
Average assets under management (CHF bn)	288.0	313.1	362.5	+16%	

* Excluding integration and restructuring expenses and the amortisation of intangible assets related to acquisitions and divestments, as well as taxes on those items

** USD 547 million (CHF 521 million) provision taken in 2015 for Julius Baer's settlement with the US Department of Justice concerning Julius Baer's legacy US cross-border business (the final settlement was announced on 5 February 2016)

¹ Net interest income contains dividend income (2015: CHF 139m, 2016: CHF 192m, 2017: CHF 195m) on trading portfolios

² Including valuation allowances, provisions and losses

³ Including non-controlling interests of CHF 1.9m for 2015, CHF 4.1m for 2016 and CHF 12.8m for 2017

⁴ Based on average AuM

⁵ Not considering valuation allowances, provisions and losses

⁶ Adjusted net profit attributable to shareholders/(half-yearly) average shareholders' equity less goodwill and other intangible assets

ADJUSTED* NET PROFIT CHF 806m

Annually – excluding 2015 US provision**

CHF m	2015	2016	2017	Change 2017/2016	2017 in %
Net interest and dividend income ¹	711	877	988	+13%	30%
Net commission and fee income	1,522	1,565	1,931	+23%	59%
Net trading income ¹	436	332	304	-9%	9%
Other ordinary results	25	78	30	-61%	1%
Operating income	2,694	2,852	3,252	+14%	100%
Personnel expenses	1,207	1,318	1,549	+18%	68%
General expenses ²	562	612	626	+2%	28%
Depreciation and amortisation	95	74	88	+19%	4%
Operating expenses	1,864	2,005	2,264	+13%	100%
Profit before taxes	830	848	989	+17%	
Pre-tax margin (bp) ⁴	28.8	27.1	27.3	+0.2 bp	
Income taxes	129	142	183	+29%	
Adjusted net profit for the Group (excl. 2015 US provision) ³	701	706	806	+14%	
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	3.20	3.23	3.66	+13%	
ROTE, adjusted (%) ⁶	25.7%	28.2%	29.7%	+1.5 pt	
Gross margin (bp) ⁴	93.6	91.1	89.7	-1.4 bp	
Cost/income ratio (%) ⁵	67.2	68.9	69.0	+0.1 pt	
Tax rate	15.5%	16.8%	18.5%	+1.7 pt	
Staff (FTE)	5,364	6,026	6,292	+4%	
Valuation allowances, provisions and losses	53	40	20	-50%	
Net new money (CHF bn)	12.1	11.9	22.2	+87%	
Assets under management (CHF bn)	299.7	336.2	388.4	+16%	
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² Including valuation allowances, provisions and losses

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⁴ Based on average AuM

⁵ Not considering valuation allowances, provisions and losses

⁶ Adjusted net profit attributable to shareholders/(half-yearly) average shareholders' equity less goodwill and other intangible assets

ADJUSTED* HALF-YEARLY PERFORMANCE

CHF m	H1 2016	H2 2016	H1 2017	H2 2017	Change H2 17/H2 16	Change H2 17/H1 17	H2 2017 in %
Net interest and dividend income ¹	510	367	566	421	+15%	-26%	25%
Net commission and fee income	739	826	922	1,009	+22%	+9%	61%
Net trading income ¹	118	215	90	214	-1%	+137%	13%
Other ordinary results	58	20	14	17	-18%	+22%	1%
Operating income	1,425	1,428	1,592	1,660	+16%	+4%	100%
Personnel expenses	623	695	762	787	+13%	+3%	68%
General expenses ²	285	327	294	332	+1%	+13%	28%
Depreciation and amortisation	31	43	42	46	+7%	+9%	4%
Operating expenses	940	1,065	1,098	1,166	+9%	+6%	100%
Profit before taxes	485	363	494	495	+36%	+0%	
Pre-tax margin (bp) ⁴	32.2	22.3	28.4	26.2	+3.9 bp	-2.2bp	
Income taxes	83	59	90	93	+57%	+3%	
Adjusted net profit for the Group ³	402	304	404	402	+32%	-0%	
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	1.84	1.38	1.84	1.82	+31%	-1%	
ROTE, adjusted (%) ⁶	32.3%	24.8%	31.6%	28.6%	+3.8 pt	-3.0 pt	
Gross margin (bp) ⁴	94.7	87.7	91.6	88.0	+0.3 bp	-3.6 bp	
Cost/income ratio (%) ⁵	64.7	73.0	69.1	68.9	-4.2% pt	-0.2% pt	
Tax rate	17.1%	16.3%	18.3%	18.8%	+2.5% pt	+0.5% pt	
Staff (FTE)	5,856	6,026	6,205	6,292	+4%	+1%	
Valuation allowances, provisions and losses	18	22	-2	22	-1%	-	
Net new money (CHF bn)	5.5	6.4	10.2	11.9	+87%	+16%	
Assets under management (CHF bn)	311.4	336.2	354.7	388.4	+16%	+10%	
Average assets under management (CHF bn)	300.8	325.5	347.7	377.4	+16%	+9%	

* Excluding integration and restructuring expenses and the amortisation of intangible assets related to acquisitions and divestments, as well as taxes on those items

¹ Net interest income contains dividend income (H1 2016: 180m, H2 2016: CHF 12m, H1 2017: CHF 181m, H2 2017: CHF 14m) on trading portfolios

² Including valuation allowances, provisions and losses

³ Including non-controlling interests of CHF 1.2m for H1 2016, CHF 2.8m for H2 2016, CHF 4.5m for H1 2017 and CHF 8.3m for H2 2017

⁴ Based on average AuM

⁵ Not considering valuation allowances, provisions and losses

⁶ Adjusted net profit attributable to shareholders/(half-yearly) average shareholders' equity less goodwill and other intangible assets

DETAILED RWA AND CAPITAL RATIO DEVELOPMENT

BIS approach / CHF m	31.12.2016 Basel III ² phase-in	30.06.2017 Basel III ² phase-in	31.12.2017 Basel III ² phase-in	31.12.2016 Basel III fully applied	30.06.2017 Basel III fully applied	31.12.2017 Basel III fully applied
Risk-weighted positions						
Credit risk	14,903	14,073	13,628	15,031	14,187	13,742
Non-counterparty-related risk	507	442	446	369	364	357
Market risk	958	1,253	561	958	1,253	561
Operational risk	4,635	4,796	4,941	4,635	4,796	4,941
Total risk-weighted positions	21,002	20,564	19,576	20,993	20,600	19,601
CET1 capital ¹	3,444	3,060	3,261	2,231	2,458	2,643
Tier 1 capital ¹	3,597	3,720	4,235	3,366	3,603	4,098
- of which tier 1 capital 'fully eligible Basel III instruments'	1,135	1,145	1,455	1,135	1,145	1,455
Eligible total capital ¹	3,667	3,800	4,298	3,442	3,686	4,164
CET1 capital ratio ¹	16.4%	14.9%	16.7%	10.6%	11.9%	13.5%
Tier 1 capital ratio ¹	17.1%	18.1%	21.6%	16.0%	17.5%	20.9%
Total capital ratio ¹	17.5%	18.5%	22.0%	16.4%	17.9%	21.2%
Leverage ratio (LERA, tier 1 divided by total exposure)	3.8%	4.0%	4.4%	3.5%	3.9%	4.2%
Liquidity coverage ratio (LCR)				156.5%	123.3%	144.8%
Net stable funding ratio (NSFR)				123.8%	118.9%	119.0%
Leverage exposure (LERA)				95,202	92,048	96,949

- Regulatory minimum: CET1 capital ratio 8.0%, total capital ratio 12.2%, leverage ratio 3.0%
- Group's own floors: CET1 capital ratio 11.0%, total capital ratio 15.0%
- CHF 250m AT1 bond (5.375% coupon) to be redeemed on 19 March 2018 (as announced on 29 January 2018):
 - -130 bp pro forma impact on total and tier 1 capital ratios
 - no impact on CET1 capital ratio
- Final phase-in effect applied in January 2018

¹ After dividend | ² In Switzerland the Basel III framework came into effect on 1 January 2013; the Basel III effects but also the effects of IAS 19-revised relating to pension liabilities are being phased in between 2014 and 2018 for the calculation of eligible capital

CAPITAL DEVELOPMENT

Basel III fully applied

CHF m	31.12.2016 Basel III fully applied	31.12.2017 Basel III fully applied	Change	30.06.2017 Basel III fully applied	31.12.2017 Basel III fully applied	Change last 6 months
Equity at the beginning of the year	4,942	5,354	+8%	5,354	5,354	+0%
Julius Baer Group Ltd. dividend	-246	-269	+9%	-269	-269	+0%
Net profit (IFRS)	622	716	+15%	357	716	+101%
Change in treasury shares	-44	-13		-58	-13	
Treasury shares and own equity derivative activity	23	29		-18	29	
Other components of equity	69	43		67	43	
<i>Financial investments available-for-sale</i>	28	10		41	10	
<i>Remeasurement of defined benefit obligation</i>	19	3		37	3	
<i>FX translation differences</i>	23	30		-10	30	
Others	-12	-6		-6	-6	
Equity at the end of the year	5,354	5,854	+9%	5,427	5,854	+8%
- Goodwill & intangible assets (as per capital adequacy rules)	-2,784	-2,837	+2%	-2,802	-2,837	+1%
- Other deductions	-339	-374	+10%	-167	-374	+124%
+ Effects of IAS 19 revised relating to pension liabilities	-	-	-	-	-	-
CET1 capital	2,231	2,643	+18%	2,458	2,643	+8%
+ Tier 1 capital instruments	1,135	1,455	+28%	1,145	1,455	+27%
= BIS tier 1 capital	3,366	4,098	+22%	3,603	4,098	+14%
+ Tier 2 capital	76	66	-13%	83	66	-20%
= BIS total capital	3,442	4,164	+21%	3,686	4,164	+13%

CAPITAL DEVELOPMENT

Basel III phase-in

CHF m	31.12.2016 Basel III phase-in	31.12.2017 Basel III phase-in	Change	30.06.2017 Basel III phase-in	31.12.2017 Basel III phase-in	Change last 6 months
Equity at the beginning of the year	4,942	5,354	+8%	5,354	5,354	+0%
Julius Baer Group Ltd. dividend	-246	-269	+9%	-269	-269	+0%
Net profit (IFRS)	622	716	+15%	357	716	+101%
Change in treasury shares	-44	-13		-58	-13	
Treasury shares and own equity derivative activity	23	29		-18	29	
Other components of equity	69	43		67	43	
<i>Financial investments available-for-sale</i>	28	10		41	10	
<i>Remeasurement of defined benefit obligation</i>	19	3		37	3	
<i>FX translation differences</i>	23	30		-10	30	
Others	-12	-6		-6	-6	
Equity at the end of the year	5,354	5,854	+9%	5,427	5,854	+8%
- Goodwill & intangible assets (as per capital adequacy rules)	-1,671	-2,270	+36%	-2,242	-2,270	+1%
- Other deductions	-320	-363	+13%	-158	-363	+130%
+ Effects of IAS 19 revised relating to pension liabilities	81	40	-51%	33	40	+21%
= CET1 capital¹	3,444	3,261	-5%	3,060	3,261	+7%
+ Tier 1 capital instruments	1,135	1,455	+28%	1,145	1,455	+27%
- Goodwill & intangible assets as per phase-in rules	-982	-481	-51%	-485	-481	-1%
= BIS tier 1 capital¹	3,597	4,235	+18%	3,720	4,235	+14%
+ Tier 2 capital	70	63	-10%	80	63	-21%
= BIS total capital	3,667	4,298	+17%	3,800	4,298	+13%

¹ During the phase-in period the amount of intangibles which has to be deducted directly from CET1 increases proportionally over time and the remaining amount of intangibles which is allowed to be deducted from additional tier 1 capital decreases respectively.

BALANCE SHEET – FINANCIAL INVESTMENTS AFS

CHF m	31.12.2015	31.12.2016	31.12.2017	in %	Change vs. 31.12.2016
Money market instruments	2,298	3,785	2,191	18%	-42%
Debt instruments	14,177	14,316	9,869	81%	-31%
Government and agency bonds	3,560	3,477	2,307	19%	-34%
Financial institution bonds	6,187	6,296	4,118	34%	-35%
Corporate bonds	4,388	4,500	3,437	28%	-24%
Other bonds	42	44	6	0%	-86%
Equity instruments	97	166	187	2%	+13%
Total financial investments available-for-sale	16,573	18,267	12,247	100%	-33%
Cash with central banks	9,154	13,571	10,838		-20%

Debt instruments by credit rating classes (excluding money market instruments)	Fitch, S&P	Moody's	31.12.2015	31.12.2016	31.12.2017	in %	Change vs. 31.12.2016
1-2	AAA – AA-	Aaa – Aa3	9,122	9,491	7,237	73%	-24%
3	A+ – A-	A1 – A3	4,662	4,459	2,474	25%	-45%
4	BBB+ – BBB-	Baa1 – Baa3	287	267	127	1%	-52%
5	BB+ – BB-	Ba1 – Ba3	43	52	17	0%	-68%
7	CCC+ – D	Caa1 – C	4	-	-	-	-
Unrated ¹			59	47	13	0%	-73%
Total			14,177	14,316	9,869	100%	-31%

¹ New issues or unrated bonds from top rated issuers

BREAKDOWN OF AUM

Asset mix	31.12.2015	31.12.2016	31.12.2017
Equities	27%	27%	28%
Bonds (including Convertible Bonds)	19%	19%	19%
Investment Funds ¹	23%	24%	26%
Money Market Instruments ²	4%	3%	3%
Client Deposits ²	21%	20%	18%
Structured Products	5%	5%	5%
Other, including alternative investment assets	1%	2%	1%
Total	100%	100%	100%

Currency mix	31.12.2015	31.12.2016	31.12.2017
USD	46%	45%	45%
EUR	21%	22%	23%
CHF	12%	11%	10%
GBP	4%	4%	4%
HKD	3%	3%	4%
INR	2%	2%	3%
SGD	2%	2%	2%
BRL	1%	2%	1%
JPY	1%	1%	1%
AUD	1%	1%	1%
CNY	1%	1%	1%
CAD	1%	1%	1%
Others	5%	5%	4%
Total	100%	100%	100%

¹ Includes, amongst other asset classes, further exposure to equities and bonds

² Reversal of a restatement as at 31.12.2016

JULIUS BAER: PURE-PLAY PRIVATE BANKING GROUP

Well positioned for further growth



- World's largest pure-play private banking Group
- Premium brand in global wealth management
- Client-centric approach
- Balanced exposure to traditional and growth markets
- Present in more than 50 locations
- >6,000 highly dedicated staff, incl. almost 1,400 RMs
- AuM CHF 388bn¹
- Strongly capitalised:
 - BIS total capital ratio 21.2%¹
 - BIS CET1 capital ratio 13.5%¹
- Moody's long-term deposit rating Bank Julius Baer & Co. Ltd.: Aa2 / stable outlook
- Market capitalisation: CHF 14bn²

¹ At 31 December 2017, Basel III fully applied | ² At 30 January 2018 | ³ Additional advisory locations in Bangalore, Chennai, Kolkata and New Delhi

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Julius Bär

