Julius Bär

FY 2016 RESULTS AND BUSINESS UPDATE

Presentation for Investors, Analysts & Media
Zurich, 1 February 2017

CONTENT

Introduction

Boris F.J. Collardi, CEO

STRONG ASSET INCREASE AND MAJOR GROWTH INVESTMENTS

- Assets under management up 12% to record CHF 336 billion
- Net new money accelerated over the period to 4%
- Asset growth drives increase of revenues by 6%
- Significant investments in organic growth: short-term cost/income ratio impact, but substantial medium-term inflow potential
  - ➢ Adjusted net profit for Group[1] up 1%[2] to CHF 706 million
  - ➢ CET1 ratio improved in H2 - Confirmation of organic capital build
  - ➢ Dividend increased by 9% to CHF 1.20

Resilient profitability despite challenging markets and major organic growth investments

[1] Excluding amortisation of intangible assets, integration and restructuring costs related to acquisitions or divestments | [2] When excluding from the 2015 adjusted results the initial USD 547 million (CHF 521 million) provision for the settlement with the US Department of Justice regarding the legacy US cross-border business. When including this provision in the 2015 results, the year-on-year increase in adjusted net profit was 153%

EXCELLENTLY POSITIONED FOR CHANGING ENVIRONMENT

Substantial investments into:

1. Our **global client franchise** with extensive local presence
   - Added large number of experienced RMs, attracted by our unique pure private banking positioning
2. Our state-of-the-art **global products & services platform**
   - Advisory models, Investment Management, acquired Kairos
3. Our **infrastructure and technology** to enhance client experience and scale benefits
   - Boosting value for clients and shareholders

Superbly positioned to create value in a rapidly changing geopolitical and macro environment

CONTENT

Financial Results FY 2016*

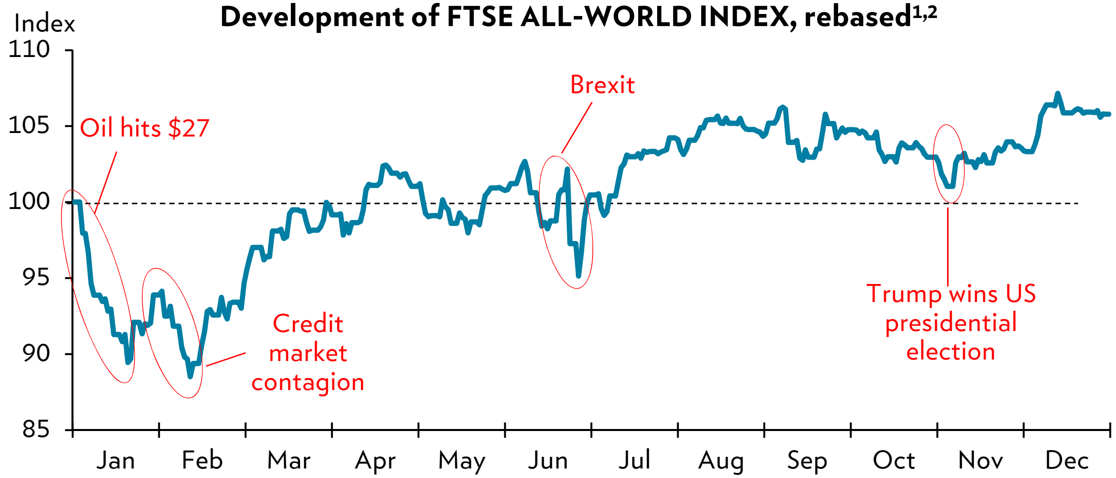
Dieter A. Enkelmann, CFO

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

MARKETS IMPACTED BY SIGNIFICANT EVENTS

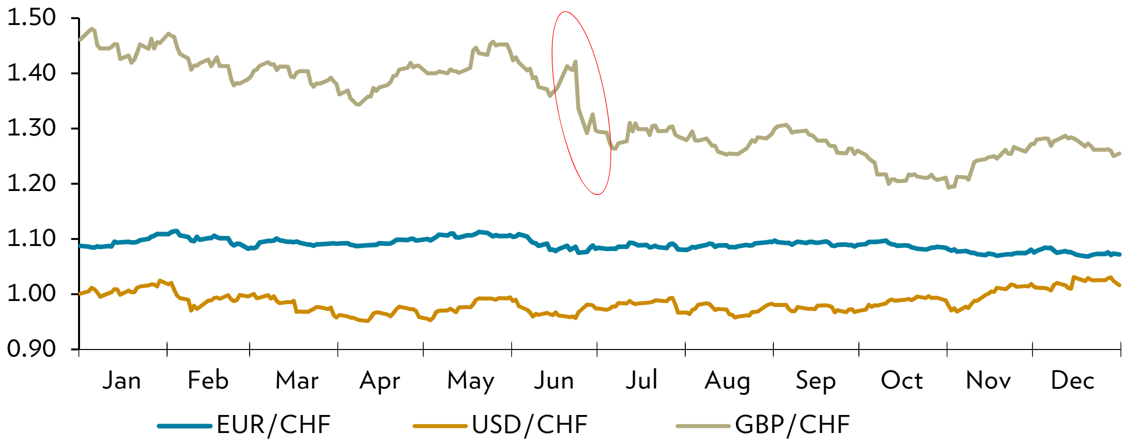
Clients' stock market activities did not improve until Q4

Development of FTSE ALL-WORLD INDEX, rebased[1,2]



- H1: Significant negative events suppressed clients' stock market activity
- Q4: Improvement in volumes and sentiment after US elections

Development of EUR, USD, GBP against CHF[3]



- EUR and USD ended 2016 barely changed (vs. CHF)
- GBP strongly declined after Brexit vote
- FX volumes: FY 2016 less elevated than FY 2015

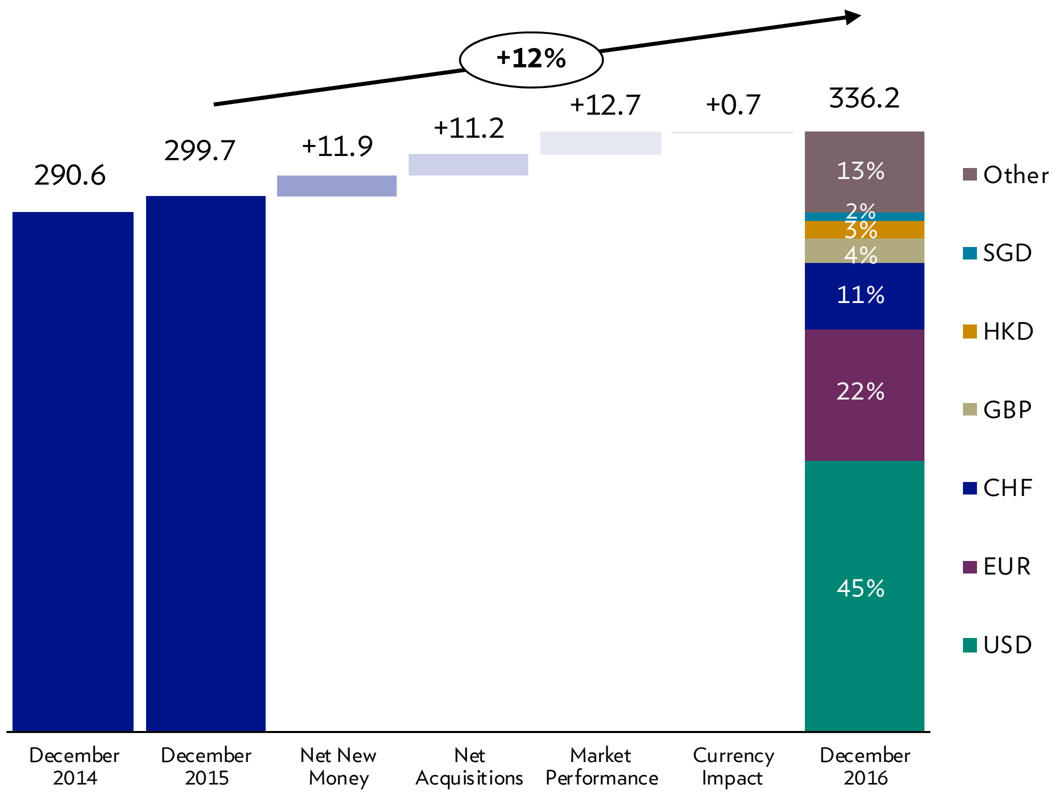
[1] Source: Bloomberg | [2] Starting point is 100 | [3] Source: Datastream

AUM INCREASE BY +12% TO RECORD HIGH

Driven by organic growth, market performance and acquisitions

Development of Assets under Management

CHF bn



- Net acquisition consisting of CHF +8.6bn Kairos and CHF +2.6bn Commerzbank International S.A. Luxembourg (CISAL)
- *Average* AuM[1] of CHF 313bn, up +9% from CHF 288bn in 2015

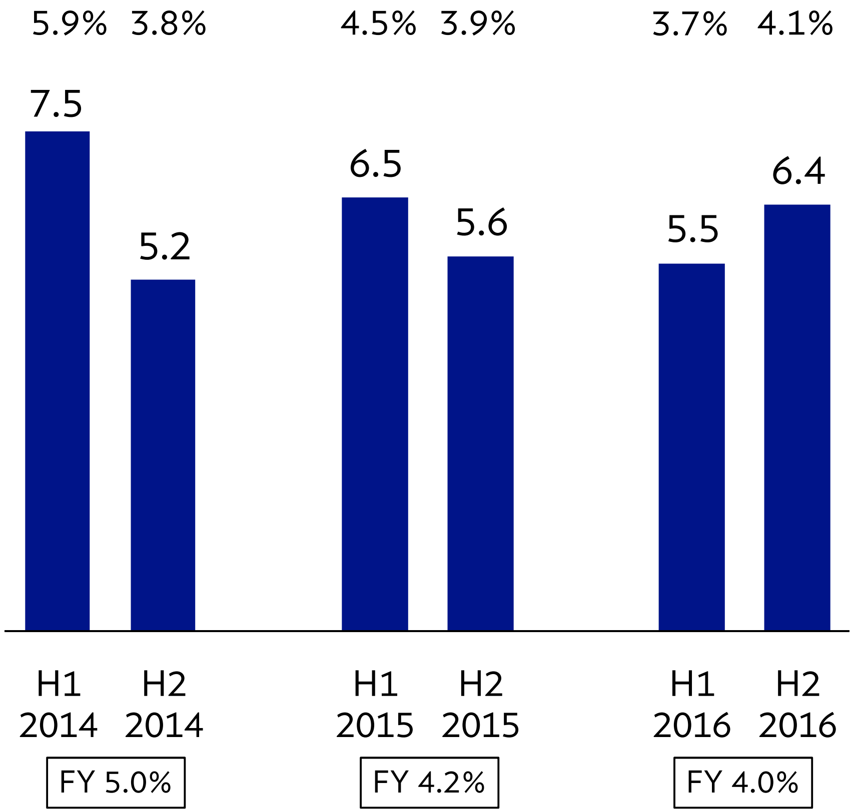
[1] Calculated on the basis of monthly AuM levels

NET NEW MONEY ACCELERATED INTO TARGET RANGE

Strong inflows from Asia, Middle East and Western Europe

Net New Money

in CHF bn and %[1]

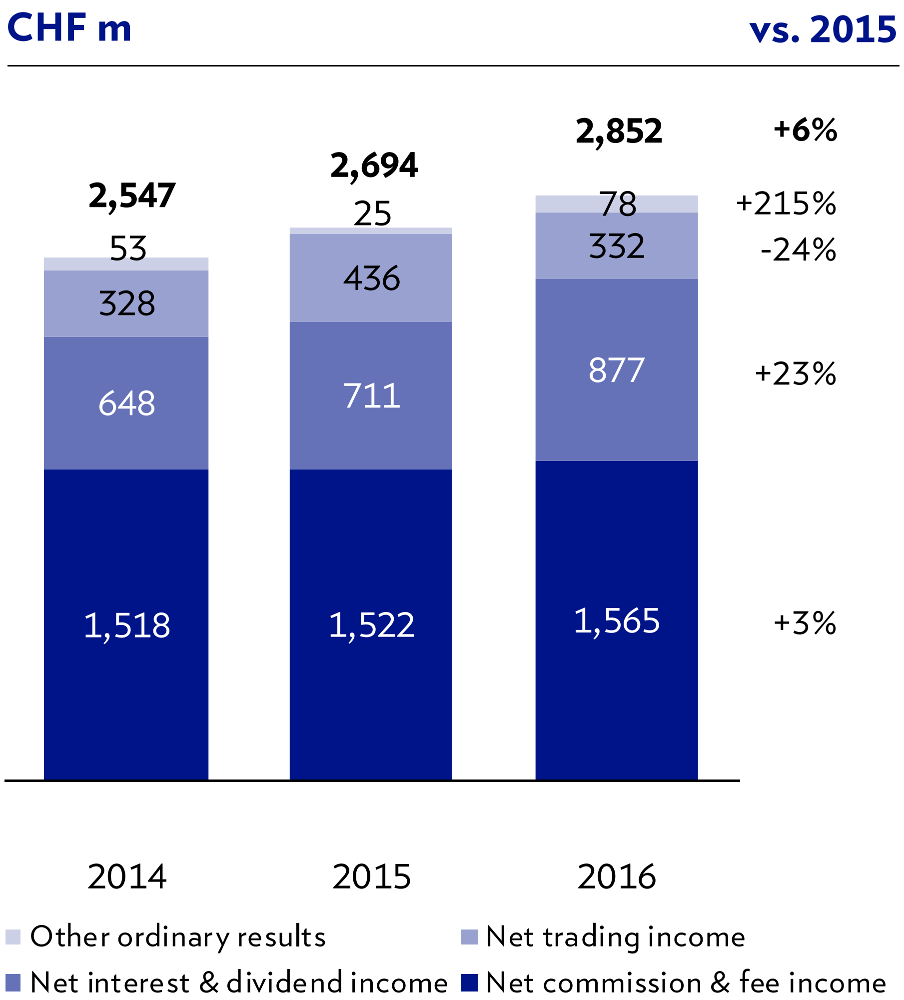


[1] Annualised NNM in % of AuM at the beginning of the period

- NNM: CHF 11.9bn (4.0% annualised)
- After modest start, NNM gradually accelerated during the year
- Continued solid net inflows from Asia, Middle East and Western Europe (especially Monaco) ...
- ... offsetting weakness in Latin America and CEE

OPERATING INCOME +6% TO CHF 2.9bn

Supported by significant increase in net interest income



Net commission/fee income +3% to CHF 1,565m

- 4% increase in asset-based income more than compensated for 6% lower brokerage commissions, following lower year-on-year client activity
- Growth in asset-based income driven by increase in advisory & management commissions which more than offset lower investment fund fees

Net interest/dividend income +23% to CHF 877m

- Excl. dividend on trading portfolios[1]: +20% to CHF 685m
- Increase in loans and lending margins and further improvement in AFS-portfolio interest income

Net trading income -24% to CHF 332m

- Crediting back dividend on trading portfolios[1]: -9% to CHF 524m
- FX volumes decreased from very strong H1 2015

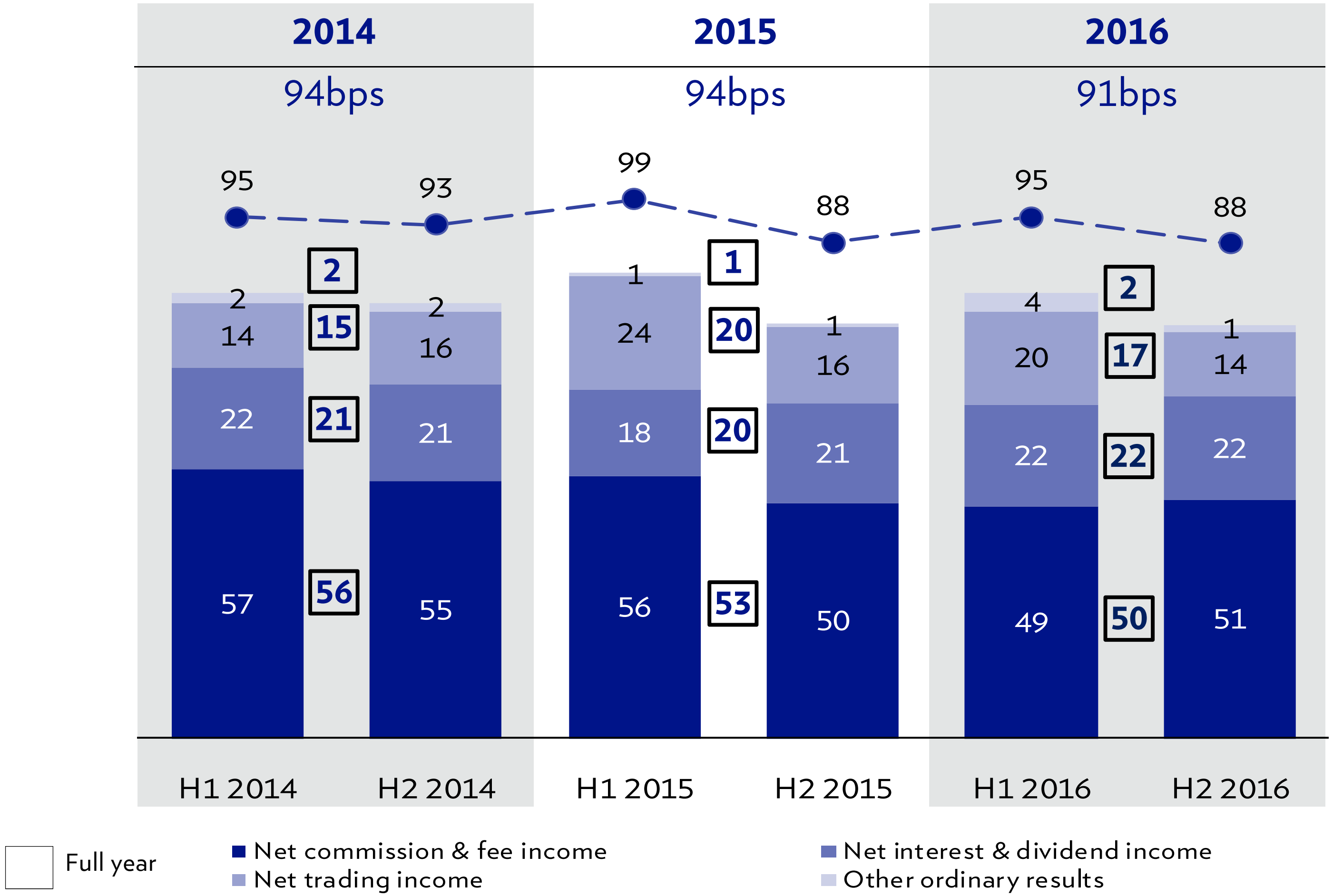
Other ordinary results from CHF 25m to CHF 78m

- CHF 39m positive fair value adjustment resulting from acquisition of 60.1% stake in Kairos (H1 2016)

[1] Dividend on trading portfolios 2016: CHF 192m (2014: CHF 72m, 2015: CHF 139m)

GROSS MARGIN[1,2] DECLINED ON LOWER CLIENT ACTIVITY

Contribution from net commission & fee income improved in H2

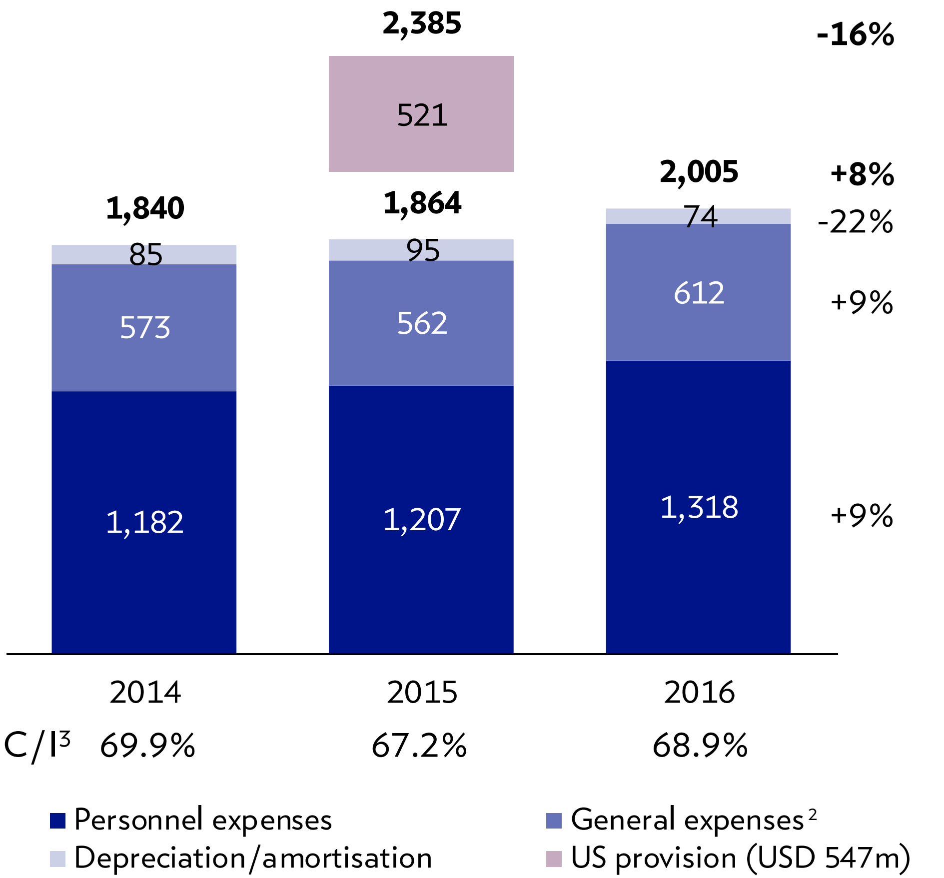


[1] Operating income divided by average AuM in basis points. Average AuM for H2 2016 was CHF 325bn, up 11% compared to H2 2015 and up 8% compared to H1 2016
[2] Net interest income adjusted to exclude dividends on trading portfolios, net trading income adjusted to include the same
(H1 2014: CHF 63m, H2 2014: CHF 9m, H1 2015: CHF 122m, H2 2015: CHF 17m, H1 2016: CHF 180m, H2 2016: CHF 12m)

OPERATING EXPENSES[1] -16% TO CHF 2.0bn

Excluding 2015 US provision: +8%, reflecting major investment in RM recruitment

CHF m **vs. 2015**



Personnel expenses +9% to CHF 1,318m

- Excl. H1 pension fund credit benefit[4]: +14% to CHF 1,381m, of which 4% linked to acquisitions
- Remaining 10% reflects to significant extent the major investments in organic growth, as well as cost of redundancies and inflation
- Average FTE +9% (of which +5% acquisitions)

General expenses[2] -43% to CHF 612m

- Excl. 2015 US provision: +9%
- Increase largely linked to acquisitions, RM hiring and technology investments
- Valuation allowances, (non-US) provisions & losses down CHF 13m to CHF 40m

Cost/income ratio[3] 68.9%

- Excl. pension fund credit and Kairos revaluation gain (both in H1 2016): 72.0%

Adj. expenses: Approximate breakdown by currency

CHF	55%	HKD	7%
EUR	12%	GBP	5%
SGD	10%	Others	4%
USD	7%		

[1] Excluding amortisation of intangible assets, integration and restructuring costs
[2] Including valuation allowances, provisions and losses
[3] Cost/income ratio not considering valuation allowances, provisions and losses
[4] In H1 2016, personnel expenses saw a positive impact of CHF 63m from the Swiss pension plan amendment

ADJUSTED NET PROFIT UP 1% TO CHF 706m

When excluding US provision from 2015 results

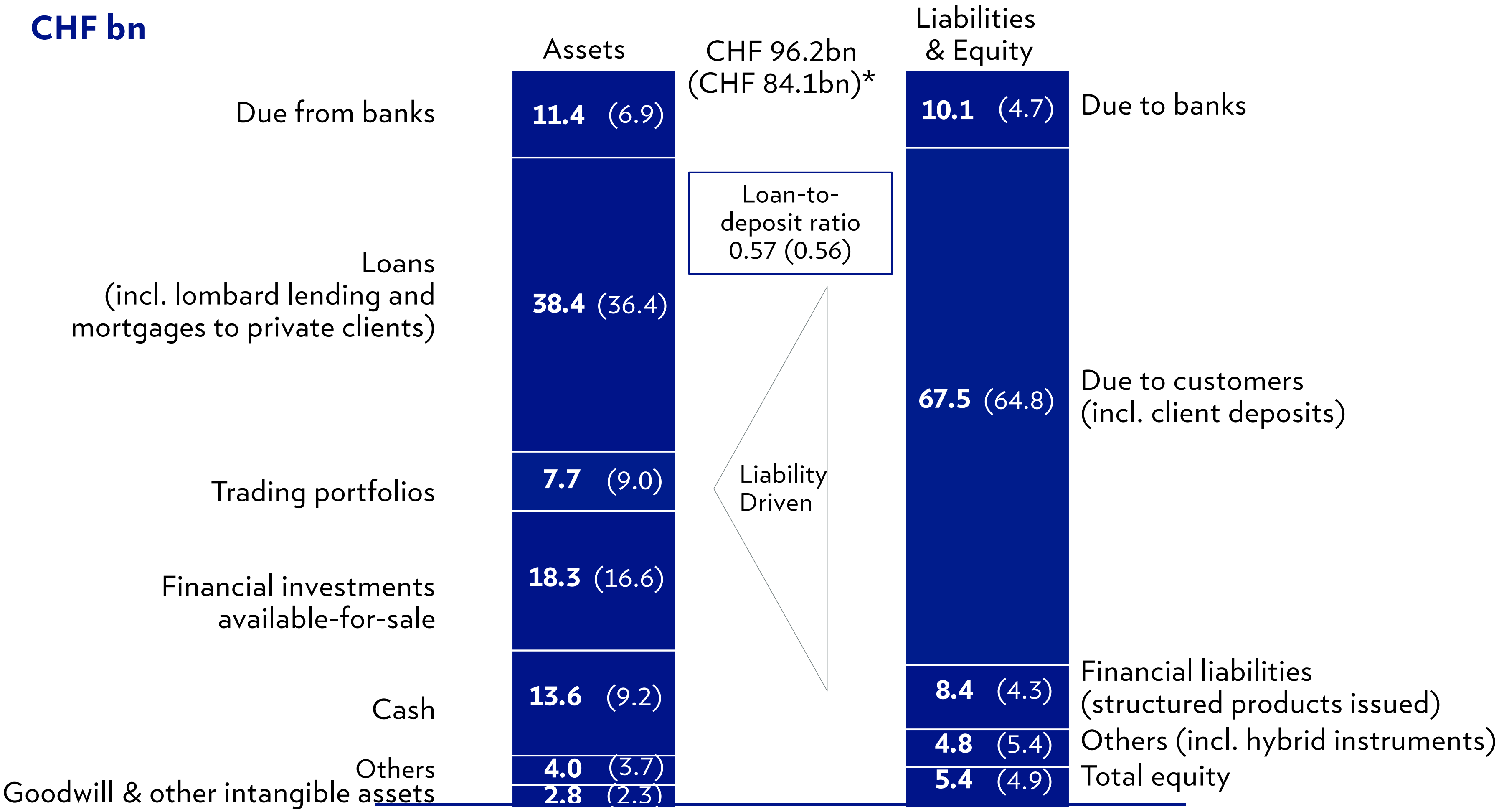
CHF m	2014	2015	2016	Change 2016/2015
Operating income	2,547	2,694	2,852	+6%
Adjusted operating expenses	1,840	2,385	2,005	-16%
Adjusted profit before taxes	**706**	**309**	**848**	**+174%**
Adjusted pre-tax margin (bps)	**25.9**	**10.7**	**27.1**	**+16.3 bps**
Income taxes	121	30	142	+376%
Adjusted net profit[1] for the Group	**586**	**279**	**706**	**+153%**
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	2.67	1.27	3.23	+154%
ROTE, adjusted[2] (%)	20.1%	10.2%	28.2%	+18.0 pts
Tax rate (%)	17.1%	9.7%	16.8%	+7.1 pts
IFRS net profit attributable to shareholders of Julius Baer Group Ltd.	366	121	619	+411%
Compared to 2015 underlying results:		**Excluding 2015 US provision:**		
Adjusted operating expenses	1,840	1,864	2,005	+8%
Adjusted profit before taxes	**706**	**830**	**848**	**+2%**
Adjusted pre-tax margin (bps)	**25.9**	**28.8**	**27.1**	**-1.8 bps**
Income taxes	121	129	142	+10%
Adjusted net profit[1] for the Group (excl. 2015 US provision)	**586**	**701**	**706**	**+1%**
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	2.67	3.20	3.23	+1%
ROTE, adjusted[2] (%)	20.1%	25.7%	28.2%	+2.5 pts
Tax rate (%)	17.1%	15.5%	16.8%	+1.2 pts

[1] Excluding amortisation of intangible assets, integration and restructuring costs. Including these positions (see appendix), the net profit was CHF 622m in 2016, up 408% from CHF 123m in 2015 and up 69% from 367m in 2014.
[2] Adjusted net profit attributable to shareholders / (half-yearly) average shareholders' equity less goodwill and other intangible assets

SOLID BALANCE SHEET – LOW RISK PROFILE

High liquidity – Loan-to-deposit ratio 0.57

CHF bn



Figures as at 31 December 2016, summarised and regrouped from Financial Statements.
* In brackets: figures as at 31 December 2015

CAPITAL RATIOS WELL ABOVE REGULATORY REQUIREMENTS

In H2 2016 all capital ratios improved, despite CISAL acquisition impact

BIS approach / CHF m	31.12.2015 Basel III [3] phase-in	30.06.2016 Basel III [3] phase-in	31.12.2016 Basel III [3] phase-in	31.12.2015 Basel III fully applied	30.06.2016 Basel III fully applied	31.12.2016 Basel III fully applied
Risk-weighted positions						
Credit risk	13,775	14,597	14,902	14,042	14,726	15,031
Non-counterparty-related risk	510	481	507	373	369	369
Market risk	777	877	958	777	877	958
Operational risk	4,233	4,452	4,635	4,233	4,452	4,635
Total risk-weighted positions	**19,295**	**20,407**	**21,002**	**19,425**	**20,424**	**20,993**
CET1 capital [1]	3,534	3,251	3,444	2,368	2,090	2,231
Tier 1 capital [1]	3,534	3,251	3,597	3,277	3,018	3,366
- of which tier 1 capital 'fully eligible Basel III instruments'	*908*	*928*	*1,135*	*908*	*928*	*1,135*
Eligible total capital [1]	3,748	3,524	3,667	3,346	3,146	3,442
- of which lower tier 2 instruments [2]	*171*	*150*	*0*	*0*	*0*	*0*
CET1 capital ratio [1]	**18.3%**	**15.9%**	**16.4%**	**12.2%**	**10.2%**	**10.6%**
Tier 1 capital ratio [1]	**18.3%**	**15.9%**	**17.1%**	**16.9%**	**14.8%**	**16.0%**
Total capital ratio [1]	**19.4%**	**17.3%**	**17.5%**	**17.2%**	**15.4%**	**16.4%**
Leverage ratio (LERA, tier 1 divided by total exposure)	4.3%	3.8%	3.8%	4.0%	3.5%	3.5%
Liquidity coverage ratio (LCR)				172.1%	167.4%	156.5%
Net stable funding ratio (NSFR)				123.7%	124.4%	123.8%
Leverage exposure (LERA)				82,458	86,556	95,202

- Solid capital ratios also confirmed by a Aa2 Moody's deposit rating with stable Outlook

Regulatory capital requirements (phase-in)[4]:
- BIS total capital ratio >12.2 %
- BIS CET1 capital ratio >8.0%

Julius Baer floors (phase-in):
- BIS total capital ratio >15%
- BIS CET1 capital ratio >11%

[1] After dividend | [2] Old style capital instrument, which did not qualify under Basel III, and was redeemed in December 2016 | [3] 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 | [4] Includes 0.2% for SNB temporary countercyclical buffer for Swiss mortgages

ON TRACK TO MEET MEDIUM-TERM TARGETS

	2016 (adjusted results[1])	Medium-term targets (adjusted results[1])
Cost/income Ratio[1,2]	68.9%	64-68%
Pre-tax margin[1,3]	27.1 bps	>30bps
Net new money[4]	4.0%	4-6%

- Expecting to reach cost/income ratio target in 2018[5]

[1] Excluding amortisation of intangible assets, integration and restructuring costs related to acquisitions or divestments | [2] Adj. cost/income ratio, calculated excluding valuation allowances, provisions and losses | [3] Adj. pre-tax profit divided by monthly average AuM | [4] (Annualised) net new money as % of AuM at end of previous period | [5] Assuming no significant deterioration in market conditions and currency developments from current levels

CONTENT

Business Update

Boris F.J. Collardi, CEO

EXCELLENTLY POSITIONED TO CREATE VALUE IN A NEW GEOPOLITICAL AND MACRO ENVIRONMENT

Entering a new geopolitical and macro environment

- Volatile outlook driven by geopolitical shift
  - Role US / China / Europe
  - Regulatory pendulum
  - GDP growth, interest rates & currencies development

Global client franchise with extensive local presence

- New regional front-office setup with increased client proximity Launched several initiatives to increase front-office productivity
- Substantially enlarged number of experienced new RMs to access untapped asset pools and drive further organic growth

State-of-the-art products & services platform

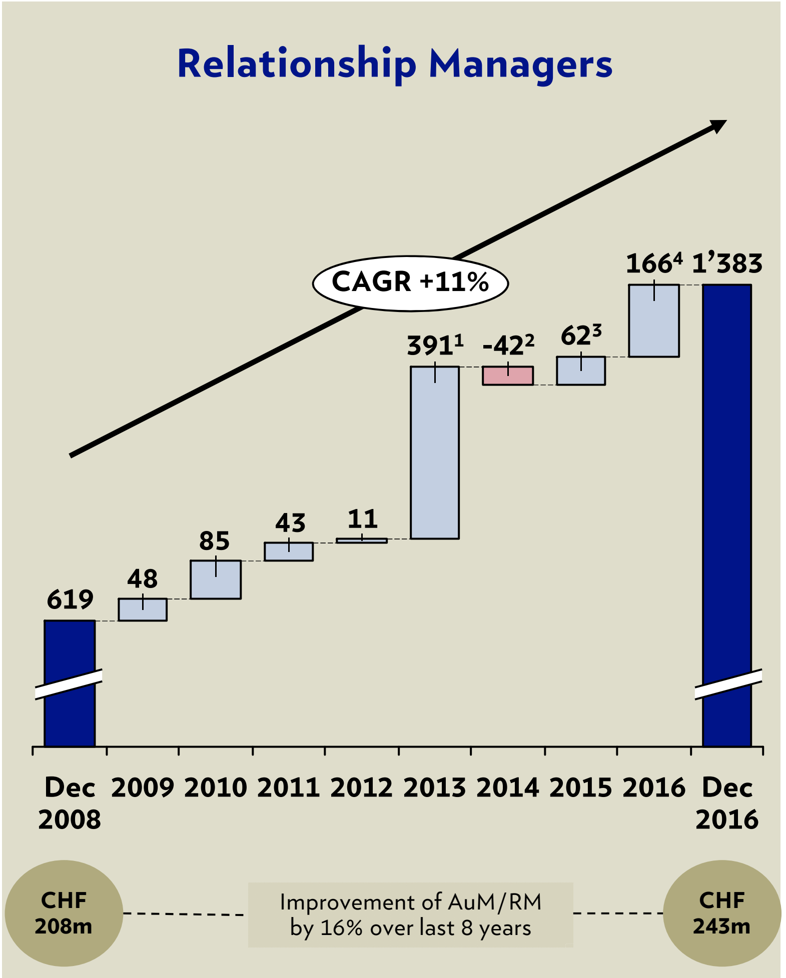
- Products & Services organisation and platform perfectly geared to navigate clients through volatile market environment
- 'Your Wealth' roll-out well on track with new advisory models, enhanced Investment Management offering and comprehensive wealth financing / estate planning capabilities

Large investments in infrastructure and technology

- Platform project well underway with Asia and European hub (Luxembourg) "go-live" in 2017 - moving onto target platform T24
- Further investments into processes and new technology to enhance client experience and create synergies

LARGE NUMBER OF EXPERIENCED RMs HIRED IN 2016

Attracted by our unique pure Private Banking positioning



Accelerated RM hiring in 2016

- Further capitalising on consolidation in Wealth Management industry
- 2016 initiative successfully completed with net hires of 116 RMs, well above 40 RMs hired in 2015
- Short-term cost income ratio impact, but created substantial medium-term inflow potential
- Vast majority of RMs joined in Switzerland, Asia and Monaco
- Aiming for normalised net hiring run rate of ~80 RMs p.a. in next years

[1] 2013: +391, mostly from RMs transferring in from Bank of America's International Wealth Management business (IWM) outside the US | [2] 2014: -42, driven by IWM transaction-related synergy realisations | [3] 2015: +62, of which net 40 from hiring, remainder from acquisitions | [4] Including 50 RMs at Kairos and CISAL (end 2016)

STATE-OF-THE-ART PRODUCTS & SERVICES PLATFORM

'Your Wealth' roll-out well on track

WEALTH PLANNING

Preserving and growing *Your Wealth*
Holistic, in-depth advice by experts and solutions at every stage of a client's life cycle

WEALTH MANAGEMENT

Advise
Supervision and provision of recommendations

- Advice Basic
- Advice Premium
- Advice Advanced

RMs supported by "robo-advice" tool

Manage
Full delegation to Julius Baer

- Multi-/Single-asset class mandates
- Mandates with regional focus
- Julius Baer in-house funds
- Kairos
- Bespoke and combined mandate solutions (incl. offering for UHNWIs)

- **Successfully rolled out new "Advisory Models"** to vast majority of Swiss-booked clients
- Roll-out in **European hub starting 2017**

29% of AuM

- **New investment approach** based on active risk management & asset allocation

16% of AuM

WEALTH FINANCING

Lombard lending
against eligible collateral

Mortgages

Mandates: 45% of total AuM – up from ~30% in 2015

By end 2018 vast majority of clients expected to be served along "Your Wealth" approach globally

STRONG FOUNDATION FOR FURTHER VALUE CREATION

Continuous investments into profitable growth, client experience and efficiency

Established global franchise driving growth by leveraging existing RM population and untapped asset pools of new hires

Enhancing client experience through improved market set-up and investments into state-of-the-art products & services platform

Increasing front-office productivity and effectiveness through targeted initiatives

Realising efficiency gains through large investments in global infrastructure and state-of-the-art technology

Delivering further value to clients and shareholders

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Appendix

SCOPE OF PRESENTATION OF FINANCIALS

Financial results are presented as usual on the adjusted basis

- *Excluding* integration and restructuring expenses and amortisation of intangible assets related to acquisitions or divestments, as well as taxes on those respective items
- In order to ensure a meaningful comparability with the *underlying* business performance in the previous year, certain figures for the previous year are additionally provided excluding the USD 547 million (CHF 521 million) provision taken in 2015 (CHF 326m in H1 2015, CHF 195m in H2 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
- Reconciliation from the IFRS results to the adjusted and underlying results is outlined on the next page
- Please refer to the Consolidated Financial Statements Julius Baer Group 2016 (audited)[1] for the IFRS results

[1] Available from www.juliusbaer.com

RECONCILIATION CONSOLIDATED FINANCIAL STATEMENT [1]

IFRS to adjusted / adjusted (excluding US provision) net profits

CHF m	2014	2015	2016	Change 2016/2015
IFRS net profit attributable to shareholders of Julius Baer Group Ltd.	366.2	121.2	619.4	+411%
Non-controlling interests	1.2	1.4	2.7	+101%
Profit after tax per consolidated Financial Statements (IFRS)	**367.4**	**122.5**	**622.1**	**+408%**
Amortisation of intangible assets related to the UBS transaction	74.0	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	28.4	34.5	36.1	+5%
Amortisation of intangible assets related to the GPS transaction	4.5	4.4	4.4	+0%
Amortisation of intangible assets related to the Kairos transaction	-	-	6.7	-
Amortisation of intangible assets related to the Commerzbank Lux. transaction	-	-	0.8	-
Amortisation of intangible assets related to the Leumi and Fransad transactions[2]	-	1.0	1.9	+95%
Integration and restructuring costs	113.0	46.3	28.7	-38%
Tax impact	-17.8	-13.6	-11.6	-14%
Net impact	**218.4**	**156.6**	**83.4**	**-47%**
Adjusted net profit for the Group	**585.8**	**279.2**	**705.5**	**+153%**
US settlement, provision	-	521.3	-	-
Tax impact	-	-99.0	-	-
Net impact	**-**	**422.3**	-	**-**
Adjusted net profit for the Group (excluding US provision)	**585.8**	**701.5**	**705.5**	**+1%**

Note:
- UBS transaction-related amortisation of CHF 74.0m p.a. started in December 2005 and ended in November 2015
- Kairos transaction-related amortisation started in April 2016 and will end in March 2026; for April-December 2016 it amounted to CHF 6.7m
- Commerzbank Lux. transaction-related amortisation started in July 2016 and will end in June 2025; for July-December 2016 it was CHF 0.8m

[1] Please see the Consolidated Financial Statements 2016

[2] Leumi: CHF 1.0m in 2016, going forward CHF 1.0m per annum until February 2025; Fransad: CHF 0.9m in 2016, going forward CHF 0.9m per annum until October 2024

ADJUSTED FINANCIAL PERFORMANCE

Annually – *Including* 2015 US provision

CHF m	2014	2015	2016	Change 2016/2015	2016 in %
Net interest and dividend income [1]	648	711	877	+23%	31%
Net commission and fee income	1,518	1,522	1,565	+3%	55%
Net trading income [1]	328	436	332	-24%	12%
Other ordinary results	53	25	78	+215%	3%
Operating income	**2,547**	**2,694**	**2,852**	**+6%**	**100%**
Personnel expenses	1,182	1,207	1,318	+9%	66%
General expenses [2]	573	1,083	612	-43%	31%
Depreciation and amortisation	85	95	74	-22%	4%
Operating expenses	**1,840**	**2,385**	**2,005**	**-16%**	**100%**
Profit before taxes	**706**	**309**	**848**	**+174%**	
Pre-tax margin (bps) [4]	25.9	10.7	27.1	+16.3 bps	
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ROTE, adjusted (%) [6]	20.1%	10.2%	28.2%	+18.0% pts	
Gross margin (bps) [4]	93.5	93.6	91.1	-2.5 bps	
Cost/income ratio (%) [5]	69.9	67.2	68.9	+1.7% pts	
Tax rate	17.1%	9.7%	16.8%	+7.1% pts	
Staff (FTE)	5,247	5,364	6,026	+12%	
Valuation allowances, provisions and losses	59.9	574.6	40.4	-93%	
Net new money (CHF bn)	12.7	12.1	11.9	-2%	
Assets under management (CHF bn)	290.6	299.7	336.2	+12%	
Average assets under management (CHF bn)	272.2	288.0	313.1	+9%	

[1] Net interest income contains dividend (2014: CHF 72m, 2015: CHF 139m, 2016: CHF 192m) on trading portfolios
[2] Including valuation allowances, provisions and losses
[3] Including non-controlling interests of CHF 1.8m for 2014, CHF 1.9m for 2015 and CHF 4.1m for 2016
[4] Based on average AuM
[5] Not considering valuation allowances, provisions and losses
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ADJUSTED FINANCIAL PERFORMANCE

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ADJUSTED FINANCIAL PERFORMANCE

Half-yearly – *Including* H2 2015 US provision

CHF m	H2 2015	H1 2016	H2 2016	Change H2 16/H2 15	Change H2 16/H1 16	H2 2016 in %
Net interest and dividend income [1]	327	510	367	+12%	-28%	26%
Net commission and fee income	730	739	826	+13%	+12%	58%
Net trading income [1]	219	118	215	-2%	+83%	15%
Other ordinary results	10	58	20	+101%	-65%	1%
Operating income	**1,286**	**1,425**	**1,428**	**+11%**	**+0%**	**100%**
Personnel expenses	577	623	695	+21%	+12%	65%
General expenses [2]	479	285	327	-32%	+15%	31%
Depreciation and amortisation	50	31	43	-14%	+37%	4%
Operating expenses	**1,106**	**940**	**1,065**	**-4%**	**+13%**	**100%**
Profit before taxes	**181**	**485**	**363**	**+101%**	**-25%**	
Pre-tax margin (bps) [4]	12.4	32.2	22.3	+9.9 bps	-10.0bps	
Income taxes	10	83	59	+469%	-29%	
Adjusted net profit for the Group[3]	**170**	**402**	**304**	**+78%**	**-24%**	
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	0.78	1.84	1.38	+78%	-25%	
ROTE, adjusted (%) [6]	13.0%	32.3%	24.8%	+11.8% pts	-7.4% pts	
Gross margin (bps) [4]	88.1	94.7	87.7	-0.4 bps	-7.0 bps	
Cost/income ratio (%) [5]	69.9	64.7	73.0	+3.1% pts	+8.4% pts	
Tax rate	5.7%	17.1%	16.3%	+10.5% pts	-0.8% pts	
Staff (FTE)	5,364	5,856	6,026	+12%	+3%	
Valuation allowances, provisions and losses	206.1	18.2	22.2	-89%	+22%	
Net new money (CHF bn)	5.6	5.5	6.4	+14%	+16%	
Assets under management (CHF bn)	299.7	311.4	336.2	+12%	+8%	
Average assets under management (CHF bn)	292.0	300.8	325.5	+11%	+8%	

[1] Net interest income contains dividend (H2 2015: CHF 17m, H1 2016: CHF 180m, H2 2016: CHF 12m) on trading portfolios
[2] Including valuation allowances, provisions and losses
[3] Including non-controlling interests of CHF 0.9m for H2 2015, CHF 1.2m for H1 2016 and CHF 2.9m for H2 2016
[4] Based on average AuM
[5] Not considering valuation allowances, provisions and losses
[6] Adjusted net profit / average shareholders' equity less goodwill and other intangible assets

ADJUSTED FINANCIAL PERFORMANCE

Half-yearly – *Excluding* H2 2015 US provision

CHF m	H2 2015	H1 2016	H2 2016	Change H2 16/H2 15	Change H2 16/H1 16	H2 2016 in %
Net interest and dividend income [1]	327	510	367	+12%	-28%	26%
Net commission and fee income	730	739	826	+13%	+12%	58%
Net trading income [1]	219	118	215	-2%	+83%	15%
Other ordinary results	10	58	20	+101%	-65%	1%
Operating income	**1,286**	**1,425**	**1,428**	**+11%**	**+0%**	**100%**
Personnel expenses	577	623	695	+21%	+12%	65%
General expenses [2]	284	285	327	+15%	+15%	31%
Depreciation and amortisation	50	31	43	-14%	+37%	4%
Operating expenses	**910**	**940**	**1,065**	**+17%**	**+13%**	**100%**
Profit before taxes	**376**	**485**	**363**	**-4%**	**-25%**	
Pre-tax margin (bps) [4]	25.8	32.2	22.3	-3.5 bps	-10.0bps	
Income taxes	59	83	59	+1%	-29%	
Adjusted net profit for the Group (excl. 2015 US provision)	**317**	**402**	**304**	**-4%**	**-24%**	
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	1.45	1.84	1.38	-4%	-25%	
ROTE, adjusted (%) [6]	24.3%	32.3%	24.8%	+0.5% pts	-7.4% pts	
Gross margin (bps) [4]	88.1	94.7	87.7	-0.4 bps	-7.0 bps	
Cost/income ratio (%) [5]	69.9	64.7	73.0	+3.1% pts	+8.4% pts	
Tax rate	15.6%	17.1%	16.3%	+0.7% pts	-0.8% pts	
Staff (FTE)	5,364	5,856	6,026	+12%	+3%	
Valuation allowances, provisions and losses	10.8	18.2	22.2	+106%	+22%	
Net new money (CHF bn)	5.6	5.5	6.4	+14%	+16%	
Assets under management (CHF bn)	299.7	311.4	336.2	+12%	+8%	
Average assets under management (CHF bn)	292.0	300.8	325.5	+11%	+8%	

[1] Net interest income contains dividend (H2 2015: CHF 17m, H1 2016: CHF 180m, H2 2016: CHF 12m) on trading portfolios
[2] Including valuation allowances, provisions and losses
[3] Including non-controlling interests of CHF 0.9m for H2 2015, CHF 1.2m for H1 2016 and CHF 2.9m for H2 2016,
[4] Based on average AuM
[5] Not considering valuation allowances, provisions and losses
[6] Adjusted net profit / average shareholders' equity less goodwill and other intangible assets

CAPITAL DEVELOPMENT

Basel III phase-in

CHF m	31.12.2015 Basel III phase-in	31.12.2016 Basel III phase-in	Change last 12 months	30.06.2016 Basel III phase-in	31.12.2016 Basel III phase-in	Change last 6 months
Equity at the beginning of the period	**5,338**	**4,942**	**-7%**	**4,942**	**5,172**	**+5%**
Julius Baer Group Ltd. dividend	-224	-246	+10%	-246	-	-
Net profit (IFRS)	123	622	+408%	362	260	-28%
Change in treasury shares	-40	-44		-49	5	
Treasury shares and own equity derivative activity	10	23		2	21	
Other components of equity	-261	69		153	-84	
Financial investments available-for-sale	*-85*	*28*		*182*	*-154*	
Remeasurement of defined benefit obligation	*-98*	*19*		*-41*	*60*	
FX translation differences	*-77*	*23*		*13*	*10*	
Others	-4	-12		8	-20	
Equity at the end of the period	**4,942**	**5,354**	**+8%**	**5,172**	**5,354**	**+4%**
- Goodwill & intangible assets (as per capital adequacy rules)	-1,251	-1,671	+34%	-1,691	-1,671	-1%
- Other deductions	-290	-320	+10%	-335	-320	-4%
+ Effects of IAS 19 revised relating to pension liabilities	133	81	-39%	105	81	-23%
= CET1 capital[1]	**3,534**	**3,444**	**-3%**	**3,251**	**3,444**	**+6%**
+ Tier 1 instruments	908	1,135	+25%	928	1,135	+22%
- Goodwill & intangible assets as per phase-in rules	-908	-982	+8%	-928	-982	+6%
= BIS tier 1 capital[1]	**3,534**	**3,597**	**+2%**	**3,251**	**3,597**	**+11%**
+ Tier 2 capital	214	70	-67%	273	70	-74%
= BIS total capital	**3,748**	**3,667**	**-2%**	**3,524**	**3,667**	**+4%**

[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. As soon as the remaining amount of intangibles is lower than the additional tier 1 capital, the CET1 capital will be lower than the tier 1 capital as it is the case as at 31.12.2016

CAPITAL DEVELOPMENT

Basel III fully applied

CHF m	31.12.2015 Basel III fully applied	31.12.2016 Basel III fully applied	Change last 12 months	30.06.2016 Basel III fully applied	31.12.2016 Basel III fully applied	Change last 6 months
Equity at the beginning of the period	**5,338**	**4,942**	**-7%**	**4,942**	**5,172**	**+5%**
Julius Baer Group Ltd. dividend	-224	-246	+10%	-246	-	-
Net profit (IFRS)	123	622	+408%	362	260	-28%
Change in treasury shares	-40	-44		-49	5	
Treasury shares and own equity derivative activity	10	23		2	21	
Other components of equity	-261	69		153	-84	
Financial investments available-for-sale	*-85*	*28*		*182*	*-154*	
Remeasurement of defined benefit obligation	*-98*	*19*		*-41*	*60*	
FX translation differences	*-77*	*23*		*13*	*10*	
Others	-4	-12		8	-20	
Equity at the end of the period	**4,942**	**5,354**	**+8%**	**5,172**	**5,354**	**+4%**
- Goodwill & intangible assets (as per capital adequacy rules)	-2,269	-2,784	+23%	-2,725	-2,784	+2%
- Other deductions	-304	-339	+12%	-357	-339	-5%
+ Effects of IAS 19 revised relating to pension liabilities	-	-	-	-	-	-
CET1 capital	**2,368**	**2,231**	**-6%**	**2,090**	**2,231**	**+7%**
+ Tier 1 instruments	908	1,135	+25%	928	1,135	+22%
= BIS tier 1 capital	**3,277**	**3,366**	**+3%**	**3,018**	**3,366**	**+12%**
+ Tier 2 capital	69	76	+10%	128	76	-41%
= BIS total capital	**3,346**	**3,442**	**+3%**	**3,146**	**3,442**	**+9%**

BALANCE SHEET – FINANCIAL INVESTMENTS AFS

CHF m	31.12.2014	31.12.2015	31.12.2016	*in %*	Change vs. 31.12.2015
Money market instruments	**2,312**	**2,298**	**3,785**	**21%**	**+65%**
Debt instruments	**12,204**	**14,177**	**14,316**	**78%**	**+1%**
Government and agency bonds	1,571	3,560	3,477	19%	-2%
Financial institution bonds	7,056	6,187	6,296	34%	+2%
Corporate bonds	3,574	4,388	4,500	25%	+3%
Other bonds	3	42	44	0%	+3%
Equity instruments	**82**	**97**	**166**	**1%**	**+70%**
Total financial investments available-for-sale	**14,597**	**16,573**	**18,267**	**100%**	**+10%**
Cash with central banks	11,159	9,154	13,571		+48%

Debt instruments by credit rating classes (excluding money market instruments)	Fitch, S&P	Moody's	31.12.2014	31.12.2015	31.12.2016	*in %*	Change vs. 31.12.2015
1–2	AAA – AA-	Aaa – Aa3	7,332	9,122	9,491	*66%*	+4%
3	A+ – A-	A1 – A3	4,345	4,662	4,459	*31%*	-4%
4	BBB+ – BBB-	Baa1 – Baa3	267	287	267	*2%*	-7%
5–7	BB+ – CCC-	Ba1 – Caa3	47	43	52	*0%*	+22%
8–9	CC – D	Ca – C	3	4	0	*0%*	-100%
Unrated[1]			209	59	47	*0%*	-20%
Total			**12,204**	**14,177**	**14,316**	***100%***	**+1%**

[1] New issues or unrated bonds from top rated issuers

BREAKDOWN OF AUM

Asset mix	**31.12.2014**	**31.12.2015**	**31.12.2016**
Equities	26%	27%	27%
Bonds (including Convertible Bonds)	19%	19%	19%
Investment Funds [1]	24%	23%	24%
Money Market Instruments	4%	4%	6%
Client Deposits	21%	21%	17%
Structured Products	5%	5%	5%
Other [2]	1%	1%	2%
Total	**100%**	**100%**	**100%**

Currency mix	**31.12.2014**	**31.12.2015**	**31.12.2016**
USD	43%	46%	45%
EUR	22%	21%	22%
CHF	13%	12%	11%
GBP	5%	4%	4%
HKD	2%	3%	3%
INR	0%	2%	2%
SGD	2%	2%	2%
BRL	2%	1%	2%
JPY	1%	1%	1%
AUD	1%	1%	1%
CNY	1%	1%	1%
CAD	1%	1%	1%
Others	7%	5%	5%
Total	**100%**	**100%**	**100%**

[1] Includes, amongst other asset classes, further exposure to equities and bonds
[2] Including alternative investment assets

JULIUS BAER: PURE-PLAY PRIVATE BANKING GROUP

Well positioned for further growth

Legend

- Head office
- Location
- Booking centre
- GPS (100%)
- Kairos (80%)
- NSC (40%)

- World's largest pure 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 336bn[1]
- Strongly capitalised:
  - BIS total capital ratio 17.5%[1]
  - BIS CET1 ratio 16.4%[1]
- Moody's long-term deposit rating Bank Julius Baer & Co. Ltd: Aa2 / stable outlook
- Market capitalisation: CHF 10bn[2]

[1] At 31 December 2016, phase-in ratios | [2] At 31 January 2017 | [3] Additional advisory locations in Bangalore, Chennai, Kolkata and New Delhi

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