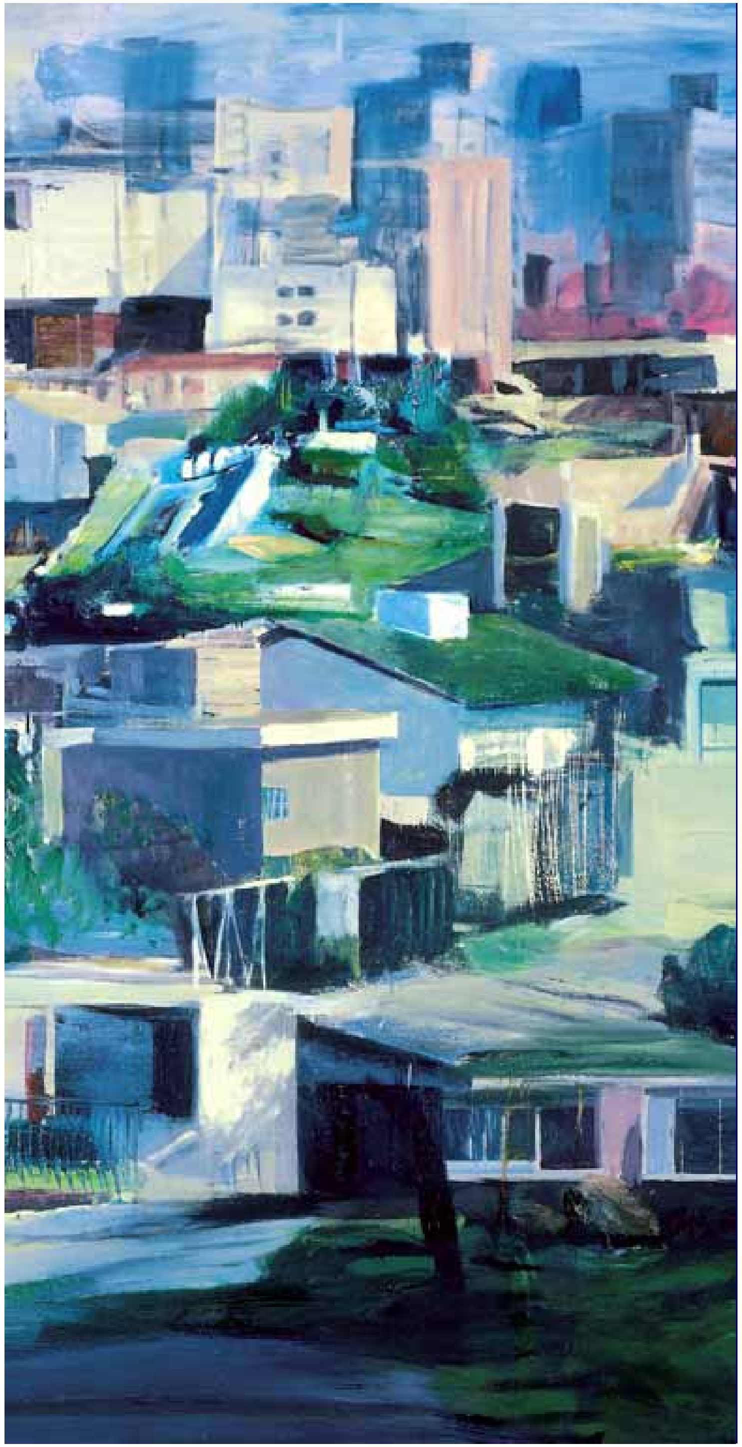

Julius Bär

H1 2013 Results and Review

Presentation for Investors, Analysts & Media

Zurich, 22 July 2013

Left: *S. T.,* 1998; by Swiss/Slovenian/Dutch artist Robert Suermondt, acrylic on canvas, 180 x 190 cm; part of the Julius Baer Art Collection

Cautionary Statement On Forward-Looking Information

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Julius Bär

Markedly Improved Operational Performance

Excellent progress on IWM: AuM reported at CHF 47bn after July transfers

IWM asset transfer on track

- AuM up 15% to CHF 218 billion at end June, total client assets above CHF 300bn
- Includes IWM AuM of CHF 24bn at end June – which increased to CHF 47bn after the further transfers in July

Recovery in client activity, improved cost efficiency

- Recovery in client transaction and FX trading activity
- ➢ Improved gross margin to 102 bps
- Cost/income ratio improved by three percentage points to 69%

Significant profit growth

- ➢ Resulting in 26% improvement in adjusted net profit to CHF 261m

Targets reaffirmed

- Goal to have 80% of CHF 57-72bn targeted AuM on board by end 2013

Progress on regulatory and tax matters

- European legacy tax regularisation advancing rapidly: UK and Austria tax agreements implemented, ongoing client self-declarations elsewhere
- US tax situation: pro-active cooperation with US authorities – solution by Swiss government on provision of data helpful

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Julius Bär

Scope of Presentation of Financials / Restatement 2012

Financial results are presented as usual on the adjusted basis

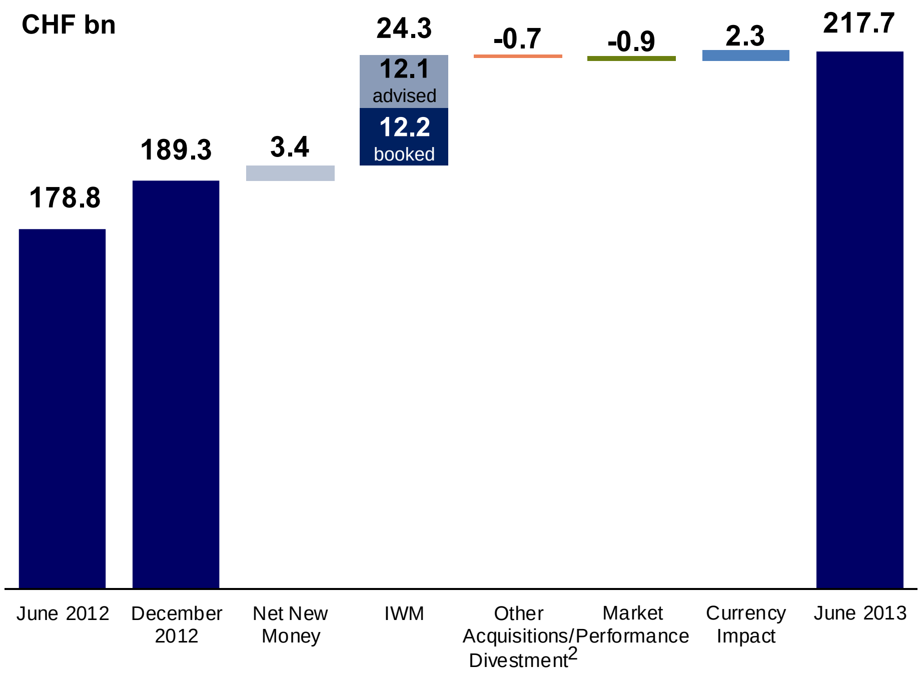
- *Excluding* integration and restructuring expenses and the amortisation of intangible assets related to previous acquisitions or divestments as well as in H1 2013 a charge in relation to the withholding tax treaty between Switzerland and the UK (CHF 28m before tax, CHF 22m after tax)
- Reconciliation from the IFRS results to the adjusted results as outlined in slide 13 of this presentation
- Please refer to the Half-year Report 2013 for the full IFRS results

Restatement 2012

- Revised accounting standards related to the Group's pension plan (IAS 19 – Employee Benefits) that became effective on 1 January 2013 and are described in the Group's Half-year Report 2013, resulted in certain expense and balance sheet items to be restated for the 2012 reporting period
- Please refer to restated adjusted P&L for FY 2012, H1 2012 and H2 2012 on slides 33, 34 and 12

Assets under Management up 15% to CHF 218bn

Development of Assets under Management



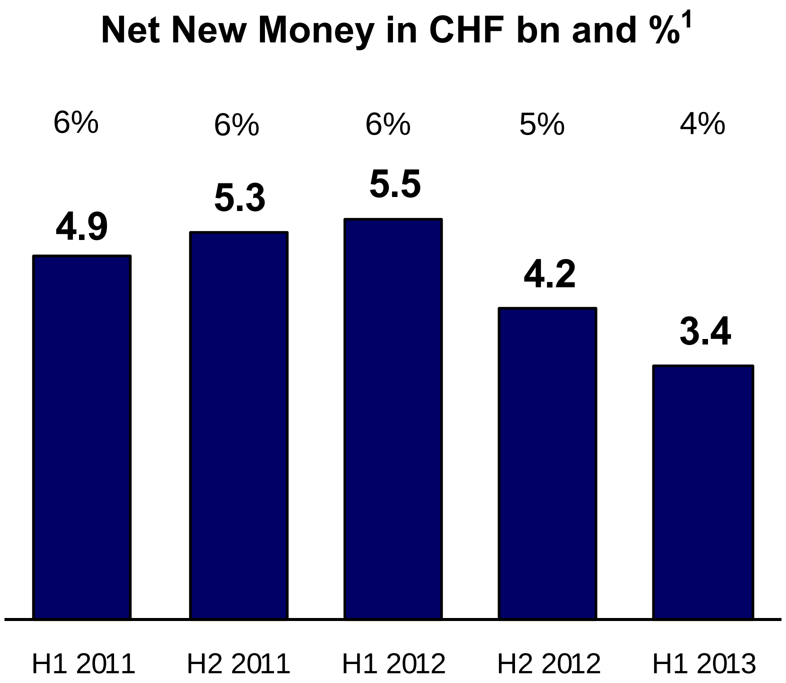
- *Average* AuM[1] of CHF 212bn in H1 2013, up 20% from CHF 177bn in H1 2012
- Assets under custody CHF 86bn, down CHF 2bn compared to year-end 2012
- Total client assets CHF 304bn, up 10% from year-end 2012

- At 30.06.2013, reported IWM AuM of CHF 24bn
- In July 2013 a further CHF 22bn of IWM AuM were transferred to Julius Baer …
- … taking total IWM AuM reported to CHF 47bn, of which CHF 19bn booked on the Julius Baer platforms (and paid for)

[1] Calculated on the basis of monthly AuM levels
[2] Acquisition TFM Asset Management Ltd, Erlenbach, Switzerland (60%): CHF +0.2bn, divestment Julius Baer SIM, Milano, Italy: CHF -1.0bn

Net New Money at 3.6%

Impacted by European tax regularisation and slightly slower RM hiring pace



- NNM of CHF 3.4bn or 3.6%[1]
- Continued inflows from growth markets and domestic business in Germany
- W. European cross-border inflows offset by tax-driven outflows
- Due to IWM focus slightly slower stand-alone RM hiring pace (excl. IWM and Italy sale: +12 to 809)

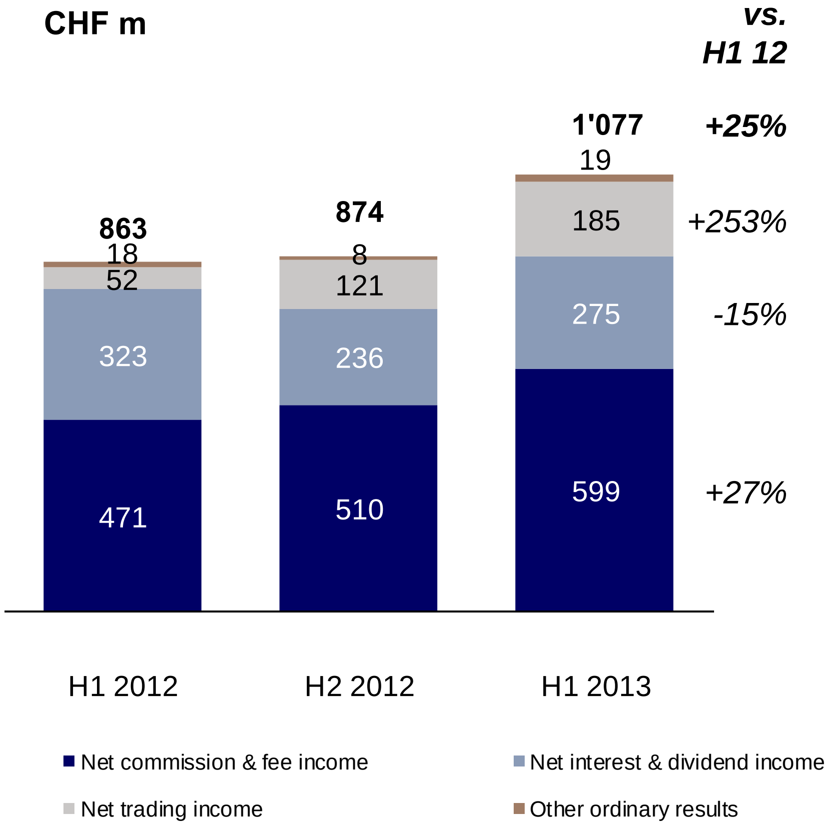
- Continued positive view on growth markets but further W. European tax-regularisation impacts expected: NNM for FY 2013 expected at lower end of 4-6% medium-term target range

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

Julius Bär

Operating Income up 25% to CHF 1,077m

Recovery in client activity

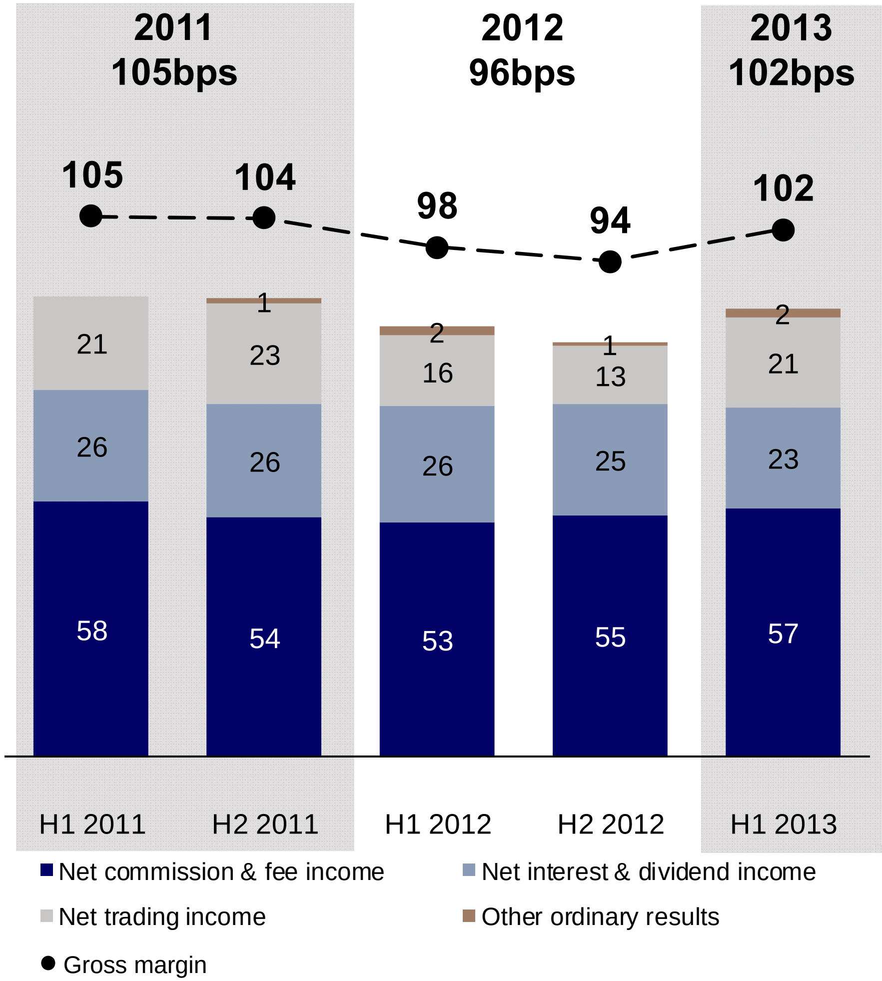


- Net commission/fee +27% to CHF 599m
  - Driven by a recovery in client transaction volumes and a 20% higher average AuM year-on-year
- Net interest/dividend income[1] -15% to CHF 275m
  - Increase in loan volumes more than off-set by decline in dividend income on trading portfolios
  - Excluding dividend income on trading portfolios, underlying net interest income was up 4% to CHF 242m
- Net trading income[1] +253% to CHF 185m
  - Crediting back dividend income on trading portfolios, underlying net trading income +53% to CHF 218m
  - Almost entirely driven by higher FX income due to increased client activity following higher market volatility

[1] Including dividend income on trading portfolios (H1 2012: CHF 90m, H2 2012: CHF 3m, H1 2013: CHF 33m)

Gross Margin[1] Recovered to 102bps

Higher commissions and trading – slight decline from interest income[2]

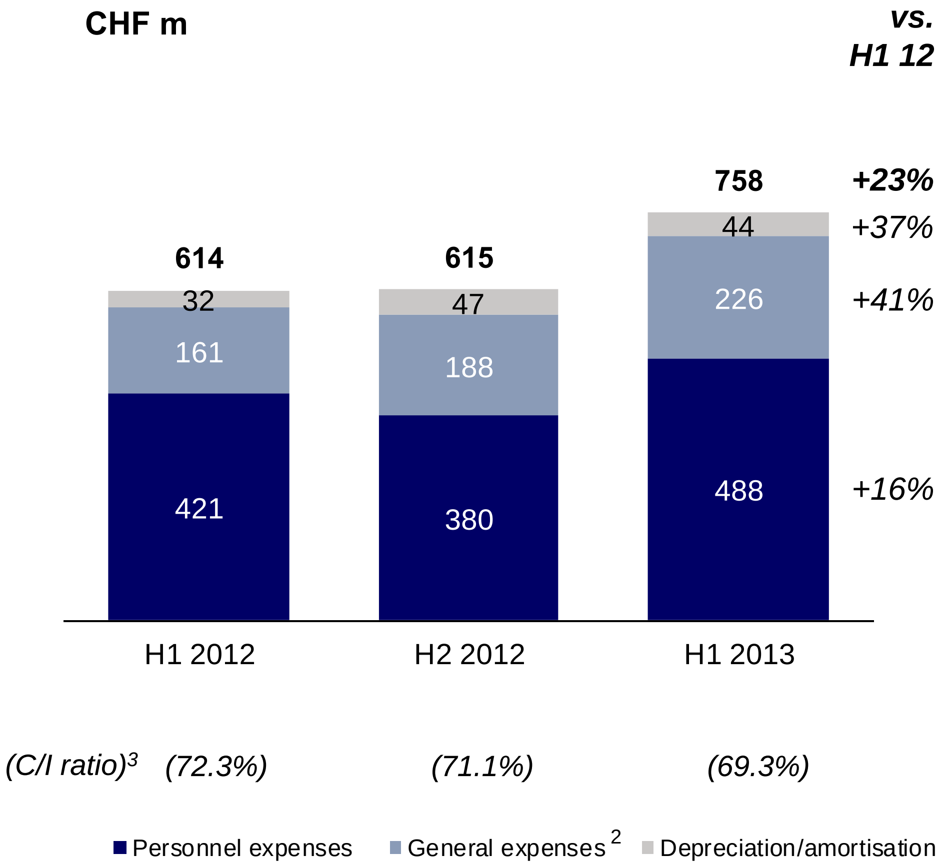


- Net commission/fee income 57bps (+4bps)
  - Increase in client transaction activity
- Net interest income[2] 23bps (-3bps)
  - Impacted by flat treasury income and an increase in hybrid capital issued, interest income grew more slowly than average AuM
- Net trading income[2] 21bps (+5bps)
  - Recovery in FX volumes following higher market volatility
- Excluding IWM, gross margin was 103bps (IWM stand-alone: 93bps)
- In H2 2013 weight of IWM in overall gross margin calculation will increase

[1] Annualised operating income divided by period average AuM in basis points.
[2] Net interest income adjusted to exclude dividends on trading portfolios, net trading income adjusted to include the same (H1 2011: CHF 97m, H2 2011: CHF 4m, H1 2012: CHF 90m, H2 2012: CHF 3m, H1 2013: CHF 33m)

Operating Expenses[1] Increased by 23% to CHF 758m

Partly attributable to transfer of IWM businesses



- Personnel expenses +16% to CHF 488m
  - Average number of FTEs increased by 13% mainly on staff joining from IWM
- General expenses[2] +41% to CHF 226m
  - Mainly due to swing in valuation allowances, provisions and losses back to normalised levels (excluding the latter: +25% to CHF 214m) and the IWM integration
  - Includes CHF 16m for US tax situation (H1 2012: CHF 14m)
- Cost/income ratio[3] at 69%, down from 72% in H1 2012
  - Excluding costs related to US tax situation: 68% (H1 2012: 71%)

[1] Excluding amortisation of intangible assets, integration and restructuring costs, as well as provision related to bilateral treaty between Swiss and UK authorities on withholding tax (CHF 28m before tax, CHF 22m after tax). 2012 is restated for impact of IAS 19 revised

[2] Including valuation allowances, provisions and losses

[3] Not considering valuation allowances, provisions and losses

Julius Bär

Adjusted Net Profit H1 2013: CHF 261m

Year-on-year increase of 26% vs. restated H1 2012 result

CHF m	H1 2012 (restated)	H2 2012 (restated)	H1 2013	Change H1 13/H1 12	Change H1 13/H2 12
Operating income	**863**	**874**	**1'077**	**+25%**	**+23%**
Net interest and dividend income	323	236	275	-15%	+17%
Net commission and fee income	471	510	599	+27%	+17%
Net trading income	52	121	185	+253%	+53%
Other ordinary results	18	8	19	+6%	+132%
Operating expenses	**614**	**615**	**758**	**+23%**	**+23%**
Personnel expenses	421	380	488	+16%	+28%
General expenses	161	188	226	+41%	+20%
Depreciation and amortisation	32	47	44	+37%	-6%

Profit before taxes	**249**	**260**	**319**	**+28%**	**+23%**
Pre-tax margin (bps)	**28.2**	**28.0**	**30.1**	**+1.9 bps**	**+2.1 bps**
Income taxes	41	44	57	+39%	+30%
Adjusted net profit[1]	**208**	**215**	**261**	**+26%**	**+21%**
Adjusted EPS (in CHF)	**1.04**	**1.07**	**1.23**	**+17%**	**+15%**
Tax rate	**16.6%**	**17.1%**	**18.0%**	**+1.4 pts**	**+0.9 pts**

- Restatement increases reported operating expenses FY 2012 by CHF 12m (H1 2012: CHF +17m, H2 2012: CHF -5m) and reduces 2012 adjusted net profit by CHF 10m (H1 2012: CHF -13m, H2 2012: CHF +3m)
- For FY 2012 restatement see slide 33 in appendix

[1] Excluding amortisation of intangible assets, integration and restructuring costs as well as the provision related to bilateral treaty between Swiss and UK authorities on withholding tax. Including these items, the net profit was CHF 114m in H1 2013, down 30% from CHF 162m in H1 2012 (2012 is restated for impact of IAS 19 revised). See also the reconciliation from the IFRS results to the adjusted results on slide 13

Reconciliation from Published Consolidated Financial Statement H1 2013[1] to Adjusted Net Profit

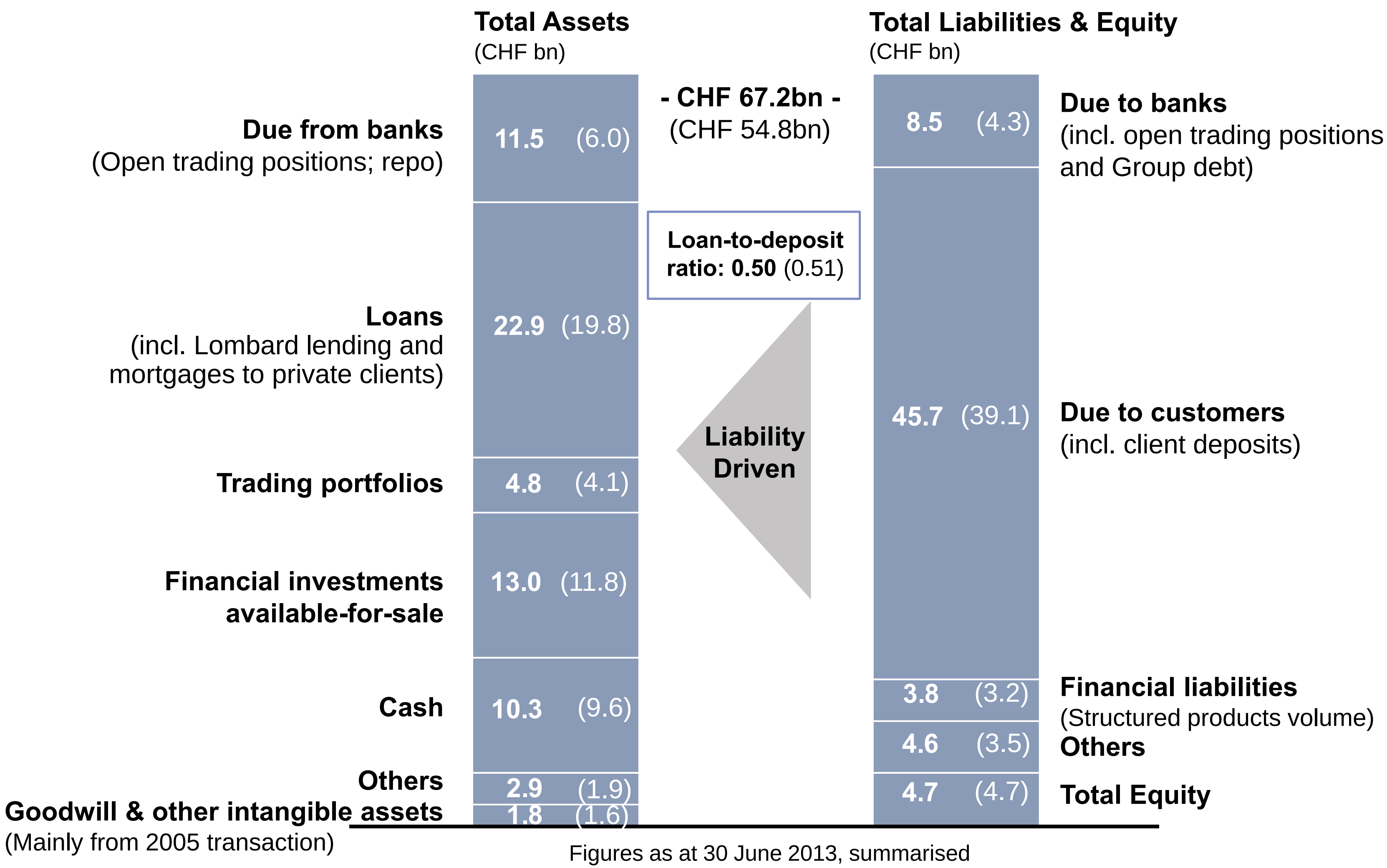
CHF m	H1 2012 (restated)	H2 2012 (restated)	H1 2013	Change H1 13/H1 12	Change H1 13/H2 12
Profit after tax per consolidated Financial Statements	**162.4**	**125.9**	**114.3**	**-30%**	**-9%**
Amortisation of intangible assets related to the UBS transaction	37.0	37.0	37.0	-	-
Amortisation of intangible assets related to the ING transaction	8.2	8.2	8.2	-	-
Amortisation of intangible assets related to the IWM transaction			2.9	-	-
Integration and restructuring costs	0.7	56.7	98.9	-	+74%
UK withholding tax			28.0	-	-
Tax impact	-0.2	-12.5	-27.9	-	+124%
Total impact	**45.7**	**89.4**	**147.0**	**+222%**	**+65%**
Adjusted net profit	**208.1**	**215.2**	**261.4**	**+26%**	**+21%**

- Amortisation of intangibles will amount in each year to CHF 74.0m (until 2015) for the UBS transaction and CHF 16.3m (until 2019) for the ING transaction
- Amortisation of intangibles related to the IWM transaction amounted to CHF 2.9m in H1 2013, and will increase in H2 2013 and 2014 as more IWM AuM are transferred and paid for
- See slide 38 for an update and estimated breakdown over time of the IWM-related transaction, restructuring and integration costs

[1]Please see detailed financial statements in the Half-year Report 2013 (2012 is restated for impact of IAS 19 revised)

Group Balance Sheet – Low Risk Profile

Growth driven by higher client deposits & FX transaction volume



Figures as at 30 June 2013, summarised and regrouped from Financial Statements.
In brackets: Figures as at 31 December 2012 (restated for IAS 19 revised)

Julius Bär

24.5% BIS Total Capital Ratio

BIS approach / CHF m	30.06.2012 *Basel 2.5*	31.12.2012 *Basel 2.5*	30.06.2013 *Basel III* [3]	Absolute Change	% Change
Risk-weighted positions					
Credit risk	8'676	7'886	10'166	2'280	+29%
Non-counterparty-related risk	535	542	561	+19	+4%
Market risk	853	1'098	1'169	+71	+6%
Operational risk	2'871	2'925	3'322	397	+14%
Total risk-weighted positions	**12'935**	**12'451**	**15'218**	**+2'767**	**+22%**
CET1 capital [1]	-	-	3'488	-	-
Tier 1 capital [1]	2'766	3'645	3'488	-157	-4%
- of which tier 1 capital 'preferred securities' [2]	225	225	203	-22	-10%
- of which tier 1 capital 'fully eligible Basel III instruments'	-	245	244	-1	-0%
CET1 capital ratio [1]	**-**	**-**	**22.9%**	**-**	**-**
Tier 1 capital ratio [1]	**21.4%**	**29.3%**	**22.9%**	**-6.4 pts**	**-22%**
Eligible total capital [1]	3'056	3'940	3'724	-216	-5%
- of which lower tier 2 instruments [2]	*243*	*246*	*221*	*-25*	-10%
Total capital ratio [1]	**23.6%**	**31.6%**	**24.5%**	**-7.2 pts**	**-23%**
Tangible equity in % of total assets	4.4%	5.6%	4.4%	-1.2 pts	-21%
Eligible tier 1 capital in % of total assets	5.1%	6.6%	5.2%	-1.5 pts	-22%
Loan-to-deposit ratio	0.48	0.51	0.50	-0.00	-1%
Liquidity coverage ratio (LCR)	132.9%	145.7%	106.6%	-39.1 pts	-27%
Net stable funding ratio (NSFR)	116.0%	123.4%	114.5%	-9.0 pts	-7%

- Basel III implementation for the first time – main changes vs Basel 2.5 are additional RWA charges on credit risk on derivatives and deduction of software intangibles from common equity
- Julius Baer's targets: total capital ratio > 15%; tier 1 capital ratio > 12%

[1] After dividend
[2] Old style capital instruments, which do not qualify under Basel III. Phase out period is 10 years starting 2013
[3] In Switzerland the BIS 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. Furthermore, non-compatible Basel III tier 1 and tier 2 capital instruments will be phased out between 2013 and 2022

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IWM: CHF 47bn AuM Reported, CHF 19bn AuM Booked/Paid

Following the July 2013 local closings and asset transfers

Merrill Lynch Bank (Suisse)

- **Acquired 1 February 2013**

Legal Entity Acquisitions

Local closings April 2013:
- Uruguay*
- Luxembourg*
- Chile*
- Monaco*

Local closings July 2013:
- UK* (Portfolio Mgt)
- Spain

Local closings H2 2013:
- Lebanon

Local closings 2014:
- France
- India

app. 1/3

At local closings: FAs join immediately

Business Transfers

Local closings May 2013:
- Hong Kong*
- Singapore*

Local closings July 2013:
- UK* (Advisory)
- Israel

Local closings H2 2013:
- Bahrain
- Panama (Brokerage)
- UAE

Local closings 2014:
- Ireland
- Netherlands
- Italy *(to Kairos)*

app. 2/3

At local closings: FAs join gradually**

AuM Reported

(= advisory relationship with Julius Baer, but client custody still with BAML)

AuM gradually booked on JB platforms and paid for

AuM gradually booked on JB platforms and paid for

AuM Reported, Booked and Paid

(= advisory relationship *and* client custody with Julius Baer; 1.2% acquisition price is paid to seller)

* Asia represents app. 1/3 of total IWM AuM; UK just over 1/5; Uruguay/Chile/Luxembourg/Monaco app. CHF 13bn

** FAs may move immediately in some locations

Targeted Development of IWM Integration

Of total AuM expected to be acquired, ~80% estimated to be reported by end 2013

Targets for IWM on Julius Baer platform[1]	Actual 30 June 2013	Actual July 2013	Target 2013	Target 2014	Target 2015
AuM reported, out of targeted CHF 57–72bn	CHF 24bn	CHF 47bn	80%	100%	100%
AuM reported & booked (& paid for), out of targeted CHF 57–72bn	CHF 12bn	CHF 19bn	70%	100%	100%
Financial Advisers joined (net)	157	272			
Net new money			Limited	Limited	4 - 6%
Gross margin	H1 2013: 93bps				~85bps
Cost-income ratio			– improving from estimated normalised 87% in H1 2012 towards targeted ~70% in 2015 –		
Pre-tax margin			– improving towards targeted ~25bps in 2015 –		
Effective tax rate[2], *entire* Julius Baer Group	H1 2013: 18%		– expected to decline to below 16% in 2015 –		

In the remainder of H2 2013:

- The expected local closing of the legal entity acquisition in Lebanon will further add to AuM reported
- The further asset transfers in Hong Kong, Singapore and Israel (in automated transfer batches in September, October, November) will add to both AuM reported and AuM booked
- The transfer to the Julius Baer custody platforms of client assets associated with the legal entities in the UK, Uruguay, Chile, Luxembourg, Monaco and Spain will add to AuM booked (not to AuM reported, where they are already included)
- In the UK, all FAs are subject to so-called 'dual hatting' (Julius Baer and IWM) until end of November 2013 and all assets count as AuM reported. During this period, a significant amount of these assets are expected to be transferred to the Julius Baer custody platforms (AuM booked)

[1] As announced in 2012
[2] On the back of changing geographical footprint and transaction tax benefits and on basis of adjusted profit, i.e. excluding integration and restructuring expenses and amortisation of intangible assets related to acquisitions or divestments

Targeted Profit Impact 2013 - 2015 of IWM Integration

Assuming CHF 57-72bn AuM acquired

Unchanged expectations/targets:

- The contribution from the IWM business to 2013 adjusted profit[2] is expected to be neutral to slightly negative
- The IWM transaction is targeted to be at least EPS neutral[1] in 2014 and to deliver EPS accretion[1] of around 15% in 2015[2]
- With scope for further efficiency improvements after 2015, there is also potential for higher accretion beyond 2015

[1] Relative to stand-alone scenario as of August 2012 and no buybacks and taking targeted capital ratios into basis for the calculation

[2] On basis of adjusted profit, i.e. excluding integration and restructuring expenses and amortisation of intangible assets related to acquisitions or divestments; based on share price prior to the announcement of the transaction on 13 August 2012; and relative to a scenario with no transaction or share buybacks. To the extent less than CHF 72bn AuM are acquired, resulting incremental excess capital can be used for share buybacks

Capital Management: Balancing Returning Capital and Reinvestment Opportunities

Excess capital at 30 June 2013:

- Relative to Julius Baer's self-defined total capital ratio target (15%): CHF 1.4bn
- Relative to regulatory minimum total capital ratio requirement (12.2%[1]): CHF 1.9bn

- As presented in 2012 at time of capital raisings, all currently known future stand-alone capital impacts have been taken into account in Group's capital planning
- While due to *isolated* impact of IWM transaction over next 12-18 months capital ratios would move in direction of group target floors[2], they are expected to remain well above Group's targets at all times during this process
- Towards end of IWM integration period: capital ratios are expected to start increasing again

- As before, longer-term capital management strategy is to balance returning capital to shareholders and reinvestment opportunities, whilst taking expected business development into consideration
  - ➢ If no opportunity arises to take part in market consolidation in a value-creative manner, new buybacks and/or special dividends would be considered again
  - ➢ Strategic fit, value creation for shareholders and integration risk are key criteria in evaluating any M&A opportunities

Julius Baer Capital Ratio Targets	
BIS Total Capital Ratio: >15%	BIS Tier 1 Ratio: >12%

[1] 12%, plus current FINMA countercyclical buffer
[2] See slide 37 for expected further *isolated* impact of IWM transaction on capital ratios

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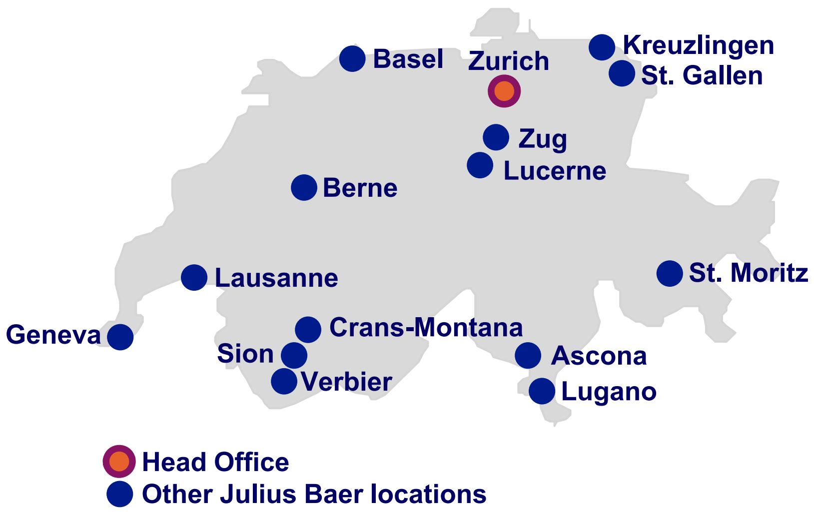
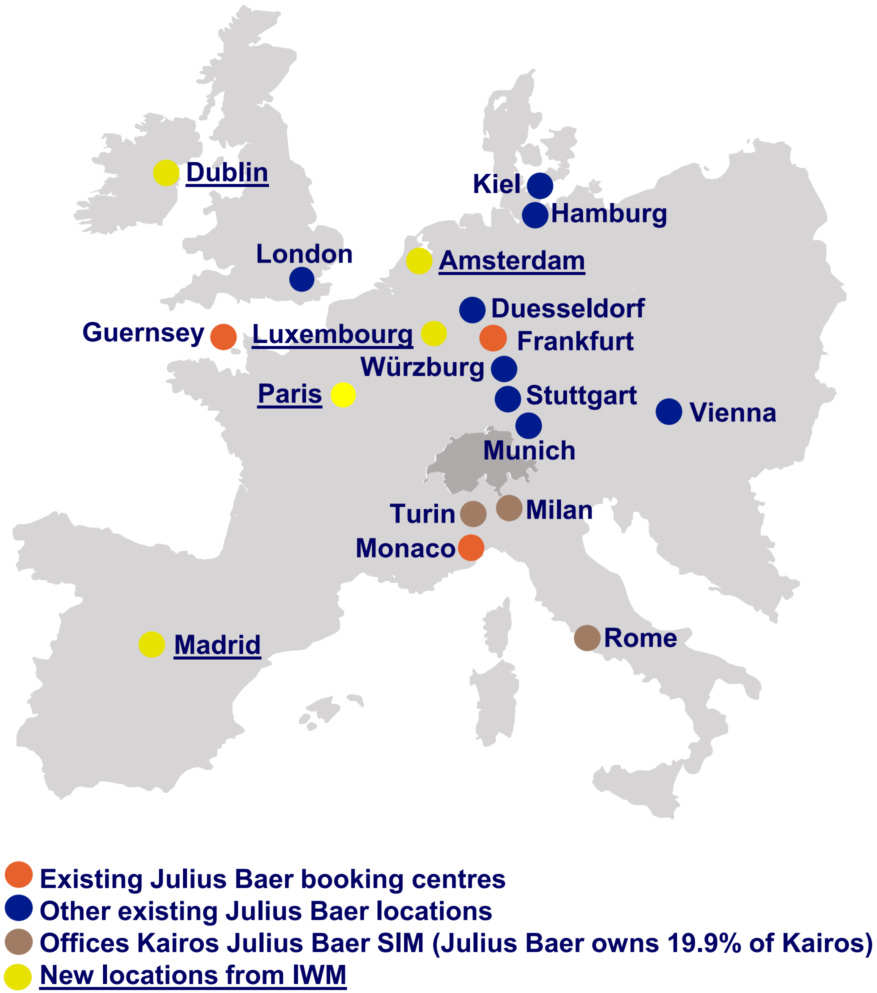
Switzerland

Strong commitment to home market



- Julius Baer's commitment visible through major investments in the Swiss market since 2005:
  - ➢ From 7 to 15 locations
  - ➢ From ~2,000 to ~3,200 staff
  - ➢ Paid more than CHF 600 million in taxes
- Offering full scope of domestic private banking services
- MLBS merger adding further scale
- Switzerland to remain a leading financial centre
- Strengths of financial centre (private banking know-how, financial and political stability, service-orientation) to re-emerge stronger

Europe
Well-positioned for changing regulatory environment



Germany
- Frankfurt as European booking platform
- Healthy NNM from domestic business

Italy
- Kairos deal closed, next step to create a leading wealth management business
- IWM local closing 2014 - to be integrated into Kairos Julius Baer

United Kingdom
- From a niche player to one of the larger private banks (from 40 to over 400 staff)

Tax regularisations
- UK, Austria tax agreements implemented
- Continuing to recommend to client to regularise

IWM Add-Ons
- April-July: Local closings in United Kingdom, Luxembourg, Spain, Monaco
- To come (2014): France, Ireland, The Netherlands

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Central & Eastern Europe and Middle East

Strong franchise supporting NNM

Russia/CEE/CIS

- Continued strong recognition among client target group
- Multiple locations supporting Russian business development – Zurich, Geneva, London, Monaco, Singapore and Vienna

Israel

- Attractive private banking market
- Onshore Financial Advisory Company Licence granted

Middle East

- Solid NNM

IWM Add-Ons

- Local closing Israel took place in July 2013
- Local closings Lebanon, Bahrain and UAE expected in H2 2013

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Asia

AuM expected to increase to ~25% of Group AuM by 2015

- Existing Julius Baer booking centres
- Other existing Julius Baer locations
- Office of Julius Baer 60% subsidiary TFM Asset Management
- New locations from IWM

'Julius Baer Asia Wealth Report' (2013)

- Asia's growth and wealth creation engine decoupled from mature economies
- Number of HNWIs in Asia (excl. Japan) to grow from 2.17 million in 2013 to at least 2.82 million HNWIs in Asia by 2015
- Solid base for further growth

Japan

- 60% stake in TFM Asset Management allowing for onshore advisory business

IWM Add-Ons

- Asian AuM expected to reach ~25% of Group's AuM by 2015
- Staff to grow to ~1'000 FTEs
- Asset transfers well underway with the initial successful milestones in May and July
- India to be integrated in 2014

[1] IWM main office in Mumbai – plus four smaller offices in Bangalore, Kolkata, Chennai, New Delhi

Latin America

Significantly growing our position along three dimensions

LatAm key growth region for Julius Baer

- Continuing inflows
- Distinct market strategies for Uruguay, Panama, Brazil, Chile and Peru

GPS (Brazilian partner)

- Reached BRL 15.7bn (~CHF 6bn) in H1 2013

IWM

- Asset transfers started in Uruguay and Chile
- Panama local closing expected in H2 2013

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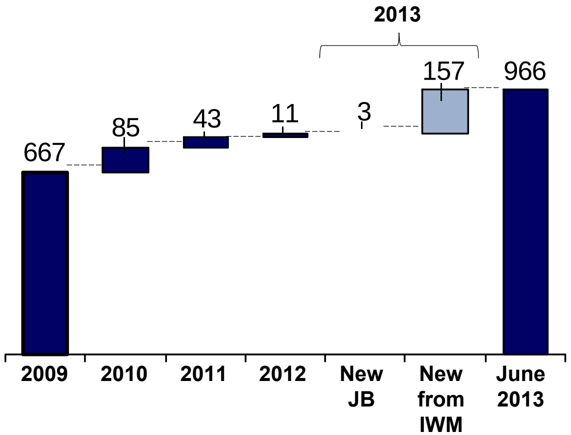
Julius Baer's Three Levers of Growth

Via investment in human capital, acquisitions and strategic partnerships

Relationship Managers



Attractive platform for **top talents in the private banking industry**

- Independence/pure private bank
- Client-centric approach
- First-class range of products
- Strong brand
- International reach & local touch
- Solid capital position & balance sheet

Acquisitions

Acquisitions considered on selective basis, e.g.:

- **To complement market strategies/consolidation**
  For example Switzerland, (consolidation, e.g. ING 2010), Europe (e.g. Italy via Kairos)

- **New market entry strategies**
  Market access plays – Brazil (e.g. 30% investment in wealth manager GPS), Japan (e.g. 60% stake in TFM Asset Management)

Subject to strict criteria:

- Strategic fit
- Cultural fit
- Creating shareholder value

KAIROS

GPS Global Portfolio Strategists

Strategic Partnerships

MACQUARIE

中国银行 BANK OF CHINA

Bank of America Merrill Lynch

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IWM Integration Well On Track

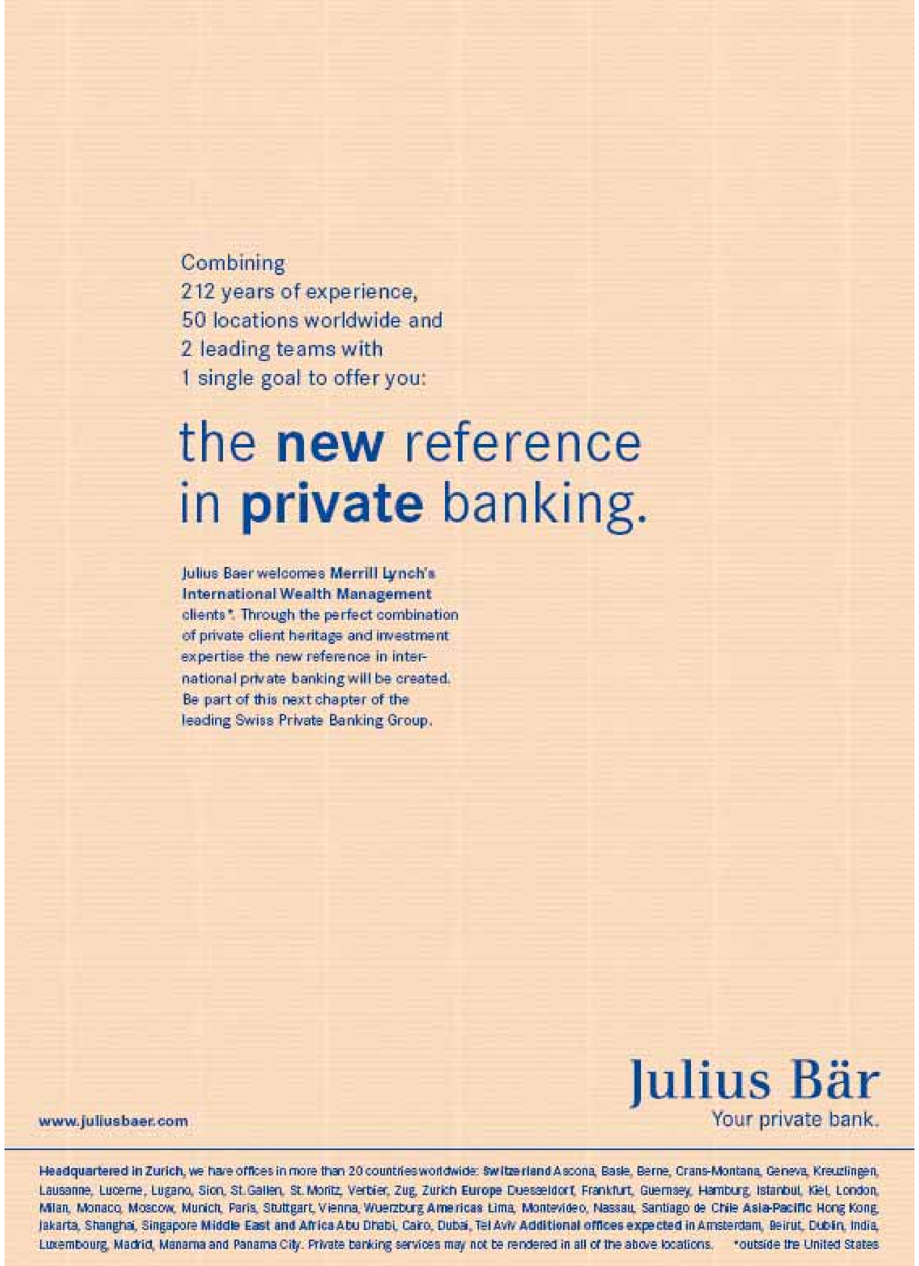
	2013 H1	2013 H2	2014 H1	2014 H2	2015 H1	2015 H2
Asset transfer on track[1] (reported[2] / booked[3])	MLBS assets: 11bn booked; 24bn reported, 11bn booked	47bn reported, 19bn booked	80% of target reported, 70% of target booked		End of integration target: 57 -72bn, 100% booked	
FAs moving over	30 June 2013: 553 FTEs o/w 157 FAs	July 2013: 1005 FTEs o/w 272 FAs[4]				
Gross margin[5]	H1 2013: 93 bps				Target FY 2015: 85 bps	
Synergies	Cost synergy targets defined by region/location				Targets FY 2015: ▪ CIR <70% ▪ Pre-tax margin >25bps	

[1] AuM are shown on an accumulated basis
[2] Advisory relationship with Julius Baer, but client custody still with BAML
[3] Advisory relationship and client custody with Julius Baer; 1.2% acquisition price is paid to seller
[4] In the UK, all FAs are subject to so-called ‘dual hatting’ (Julius Baer and IWM) until end of November 2013
[5] Based on AuM reported

Targets Post IWM Integration

	Current	Medium-Term Targets		
	Julius Baer, incl. initial IWM transferred AuM - H1 2013	Julius Baer stand-alone *(former medium-term targets)*	IWM, integrated *(2015)*	**Combined entity[4] *(from 2015 onwards)***
Cost/Income Ratio[1]	69%[5]	62-66%	~70%	65-70%
Pre-Tax Profit Margin[2]	30bps[5]	>35bps	~25bps	30-35bps
Net New Money[3]	3.6%	4-6%	4-6%	4-6%

[1] Adjusted cost/income ratio, calculated excluding valuation allowances, provisions and losses
[2] Annualised adjusted pre-tax profit divided by period average AuM, in basis points
[3] Annualised net new money as % of AuM at end of previous period
[4] Targets based on CHF 57-72bn of AuM transferred as part of the transaction (actual AuM transferred may vary), and assuming market performance impact on transferred IWM AuM similar to impact on Julius Baer stand-alone AuM
[5] Including CHF 16m expenses related to the US tax situation – excluding these expenses the cost/income ratio was 68% and the pre-tax profit margin 32bps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212 years of experience,
50 locations worldwide and
2 leading teams with
1 single goal to offer you:
the new reference in private banking.
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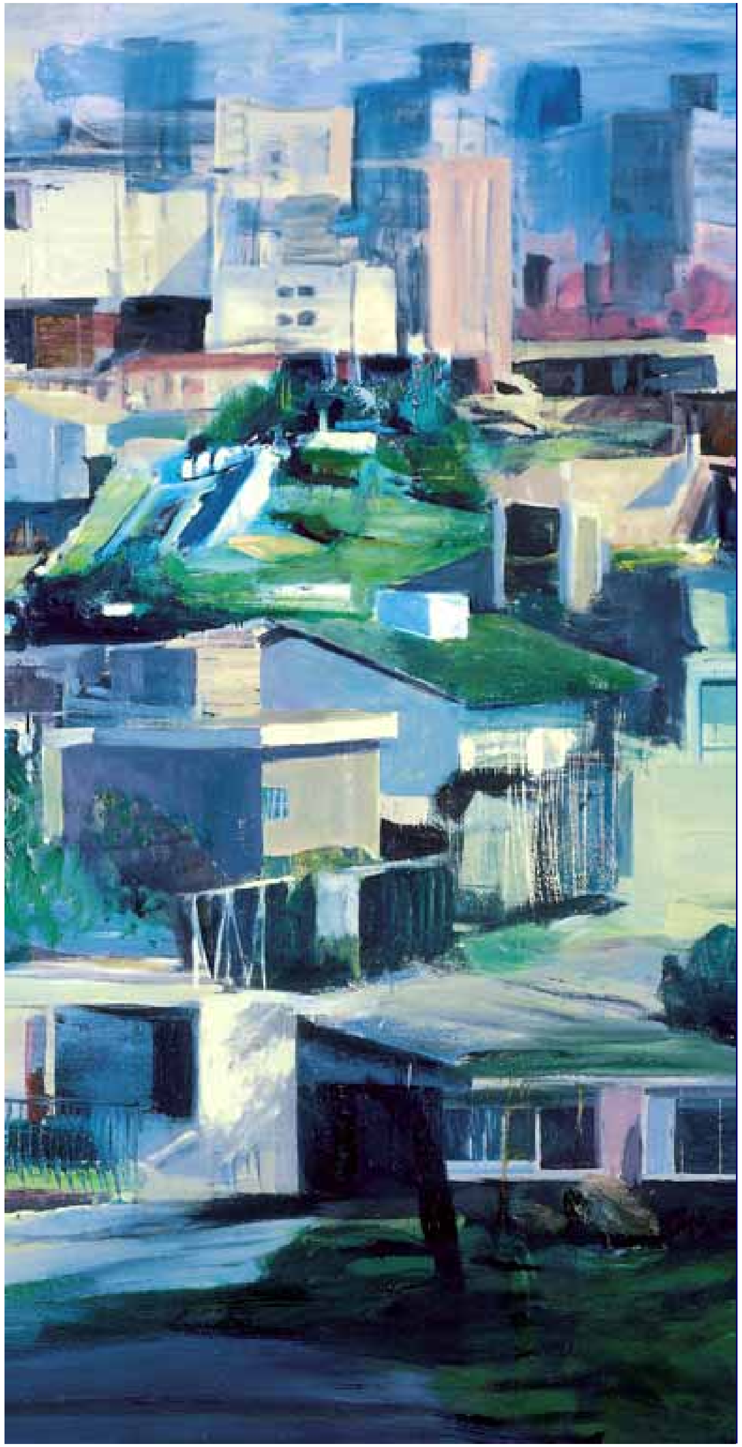

Programme and Content

Introduction
Boris F.J. Collardi, CEO

Financial Results H1 2013
Dieter A. Enkelmann, CFO

IWM Integration: Financial Update
Dieter A. Enkelmann, CFO

Business Update
Boris F.J. Collardi, CEO

Q&A Session

Appendix

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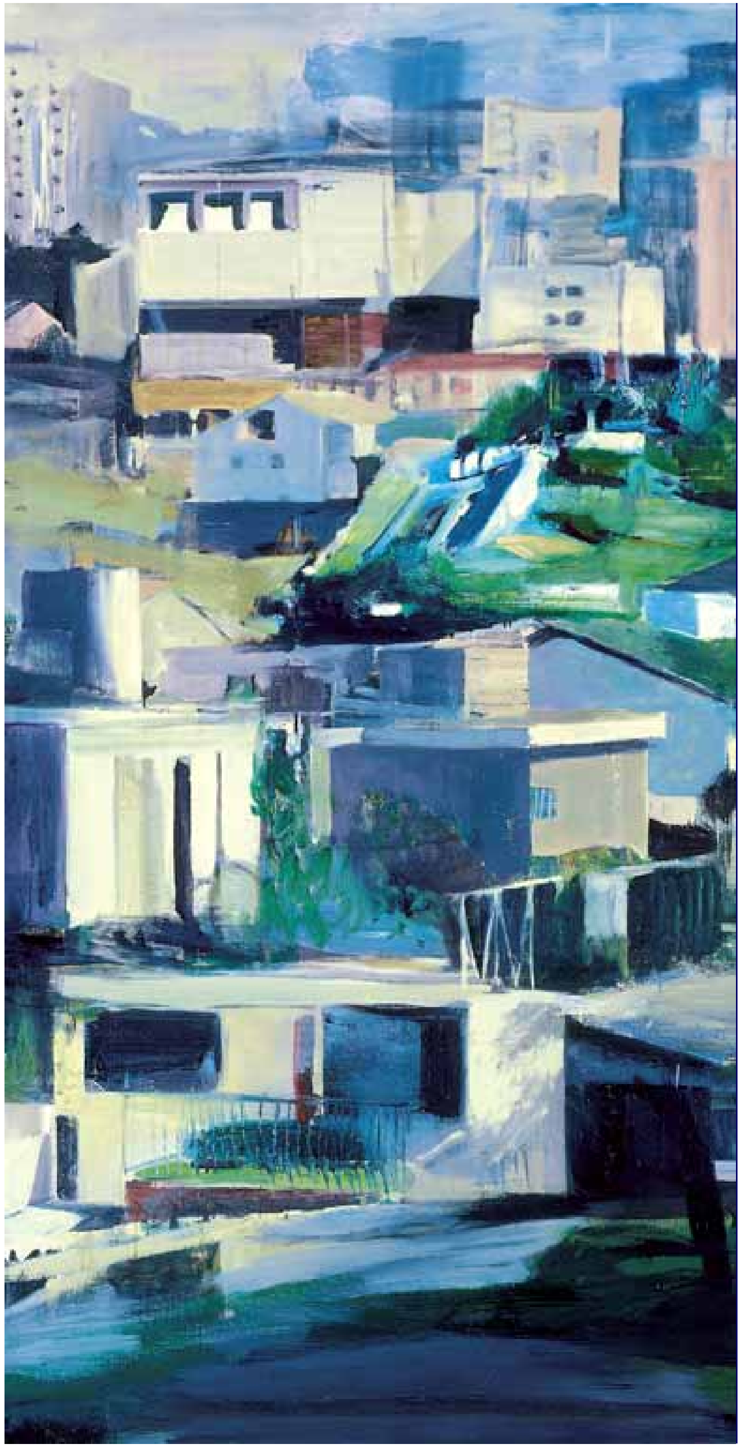

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Appendix

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Restated Adjusted Net Profit FY 2012: CHF 423m

Due to impact of IAS 19 revision

CHF m	2011	2012 (old)	Change	2012 (restated)	Change FY 11/FY 12
Operating income	**1'753**	**1'737**		**1'737**	**-1%**
Net interest and dividend income	533	559		559	+5%
Net commission and fee income	942	980		980	+4%
Net trading income	269	173		173	-36%
Other ordinary results	9	26		26	+172%
Operating expenses	**1'279**	**1'216**	**+12**	**1'229**	**-4%**
Personnel expenses	787	788	+12	801	+2%
General expenses	425	349		349	-18%
Depreciation and amortisation	66	79		79	+19%
Profit before taxes	**474**	**521**	**-12**	**509**	**+7%**
Pre-tax margin (bps)	**28.2**	**28.8**	**-0.7 bps**	**28.1**	**-0.1 bps**
Income taxes	73	88	-2	86	+17%
Adjusted net profit[1]	**401**	**433**	**-10**	**423**	**+6%**
Adjusted EPS (in CHF)	**1.93**	**2.14**	**-0.04**	**2.10**	**+9%**
Tax rate	**15.4%**	**16.9%**	**-0.1 pts**	**16.8%**	**+1.4 pts**

[1] Excluding amortisation of intangible assets, integration and restructuring costs as well as the provision for UK withholding tax. Including these positions, the net profit was CHF 288m in 2012 (restated for impact of IAS 19 revised), up 12% from CHF 258m in 2011

Adjusted Consolidated Income Statement – Half-Yearly

CHF m	H1 2012 (restated)	H2 2012 (restated)	H1 2013	Change H1 13/H1 12	Change H1 13/H2 12	H1 2013 in %
Net interest and dividend income [1]	323	236	275	-15%	+17%	26%
Net commission and fee income	471	510	599	+27%	+17%	56%
Net trading income [1]	52	121	185	+253%	+53%	17%
Other ordinary results	18	8	19	+6%	+132%	2%
Operating income	**863**	**874**	**1'077**	**+25%**	**+23%**	**100%**
Personnel expenses	421	380	488	+16%	+28%	64%
General expenses [2]	161	188	226	+41%	+20%	30%
Depreciation and amortisation	32	47	44	+37%	-6%	6%
Operating expenses	**614**	**615**	**758**	**+23%**	**+23%**	**100%**
Profit before taxes	**249**	**260**	**319**	**+28%**	**+23%**	
Pre-tax margin (bps) [4]	28.2	28.0	30.1	+1.9 bps	+2.1bps	
Income taxes	41	44	57	+39%	+30%	
Adjusted net profit [3]	**208**	**215**	**261**	**+26%**	**+21%**	
Adjusted EPS (in CHF)	1.04	1.07	1.23	+17%	+15%	
Gross margin (bps) [4]	97.7	94.3	101.8	+4.1 bps	+7.5 bps	
Cost/income ratio (%) [5]	72.3	71.1	69.3	-3.1% pts	-1.8% pts	
Tax rate	16.6%	17.1%	18.0%	+1.4% pts	+0.9% pts	
Staff (FTE)	3'649	3'721	4'505	+23%	+21%	
Valuation allowances, provisions and losses	-10.7	-6.4	12.1	-	-	
Net new money (CHF bn)	5.5	4.2	3.4	-37%	-19%	
Assets under management (CHF bn)	178.8	189.3	217.7	+22%	+15%	
Average assets under management (CHF bn)	176.6	185.3	211.5	+20%	+14%	

Excluding amortisation of intangible assets, integration and restructuring costs
[1] Net interest income contains dividend income (H1 2012: CHF 90m, H2 2012: CHF 3m, H1 2013: CHF 33m) on trading portfolios
[2] Including valuation allowances, provisions and losses
[3] Including non-controlling interests of CHF 0.2m for H1 2012, CHF 0.4m for H2 2012 and CHF 0.3m for H1 2013
[4] Based on annualised profit before taxes and period average AuM
[5] Not considering valuation allowances, provisions and losses

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Strong Capital Base

CHF m	31.12.2012 Basel 2.5	30.06.2013 Basel III[1]	Change
Equity at the beginning of the period	4'187	4'724	+13%
Julius Baer Group Ltd. dividend	-196	-130	-34%
Net profit (IFRS)	288	114	-60%
Capital reduction	-352	-	-
Capital increase	471	7	-
Change in treasury shares	175	-13	-
Other components of equity	151	44	-
Financial investments available-for-sale	*143*	*-19*	-
Treasury shares and own equity derivative activity	*25*	*5*	-
Hedging reserve for cash flow hedges	*-5*	*10*	-
Remeasurement of defined benefit obligations	*-17*	*45*	-
FX translation differences	*6*	*3*	-
Others	0	1	-
Equity at the end of the period	**4'724**	**4'746**	+0%
- Goodwill & intangible assets (as per capital adequacy rules)	1'453	1'577	+9%
- Other deductions	233	220	-6%
+ Effects of IAS 19 revised relating to pension liabilities	137	92	-33%
+ Tier 1 instruments	470	447	-5%
= BIS tier 1 capital	**3'645**	**3'488**	-4%
+ Tier 2 capital	295	236	-20%
= BIS total capital	**3'940**	**3'724**	-5%

[1] In Switzerland the BIS 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. Furthermore, non-compatible Basel III tier 1 and tier 2 capital instruments will be phased out between 2013 and 2022

Balance Sheet – Financial Investments AFS

CHF m	30.06.2012	31.12.2012	30.06.2013	*in %*	Change vs. 31.12.2012
Money market instruments	**2'510**	**635**	**1'529**	**12%**	**+141%**
Debt instruments	**10'646**	**11'051**	**11'387**	**88%**	**+3%**
Government and agency bonds	1'921	1'775	1'755	14%	-1%
Financial institution bonds	5'343	5'203	5'440	42%	+5%
Corporate bonds	3'382	4'072	4'184	32%	+3%
Other bonds			8	0%	
Equity instruments	**74**	**90**	**82**	**1%**	**-9%**
Total financial investments available-for-sale	**13'230**	**11'775**	**12'998**	**100%**	**+10%**

Debt instruments by credit rating classes (excluding money market instruments)	Fitch, S&P	Moody's	30.06.2012	31.12.2012	30.06.2013	*in %*	Change vs. 31.12.2012
1-2	AAA - AA-	Aaa - Aa3	8'065	8'259	7'828	*69%*	-5%
3	A+ - A-	A1 - A3	2'144	2'375	3'048	*27%*	+28%
4	BBB+ - BBB-	Baa1 - Baa3	213	236	331	*3%*	+40%
5-7	BB+ - CCC-	Ba1 - Caa3	105	93	60	*1%*	-35%
Unrated[1]			119	88	120	*1%*	+37%
Total			**10'646**	**11'051**	**11'387**	***100%***	**+3%**

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

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Expected Further *Isolated* Impact of IWM Transaction on Capital Ratios: ~6.5 Percentage Points

- At CHF 72bn AuM acquired: Goodwill CHF ~860m
- H1 2013: Goodwill /customer relationship booked CHF 169m

1 → **Expected further goodwill impact: CHF ~690m**

- Total expected transaction, restructuring and integration. costs[1]: CHF ~455m[2]
- Of which already expensed[1]: CHF 149m

2 → **Expected further cost impact (after tax): CHF ~240m**

- Total new shares to be transferred to BofA: CHF ~240m
- In equity at 30 June 2013: CHF 8m

3 → **Expected further positive capital impact: CHF ~230m**

- Total expected incremental RWA (at CHF 72bn AuM) from IWM transaction: CHF ~2.5bn
- Already included 30 June 2013: CHF~0.8bn

4 → **Expected further RWA impact: CHF ~1.7bn**

1	– **Goodwill impact:**	**neg**	**CHF ~690m**
2	– **Transaction costs:**	**neg**	**CHF ~240m**
3	+ **Share issued to BofA:**	**pos**	**CHF ~230m**
	– **Total capital impact:**	**neg**	**CHF ~700m**
4	**∆ RWA:**	**incr**	**CHF ~1.7bn**

→ ***Isolated*** **expected further impact *(i.e. ignoring expected profit etc.)* on total capital and tier 1 ratios, at CHF 72bn AuM acquired:**
~ 6.5 percentage points

[1] Excluded from adjusted expenses
[2] Increased from previous estimate of CHF 400m, mainly on higher estimated costs related to client onboarding process (see also slide 38)

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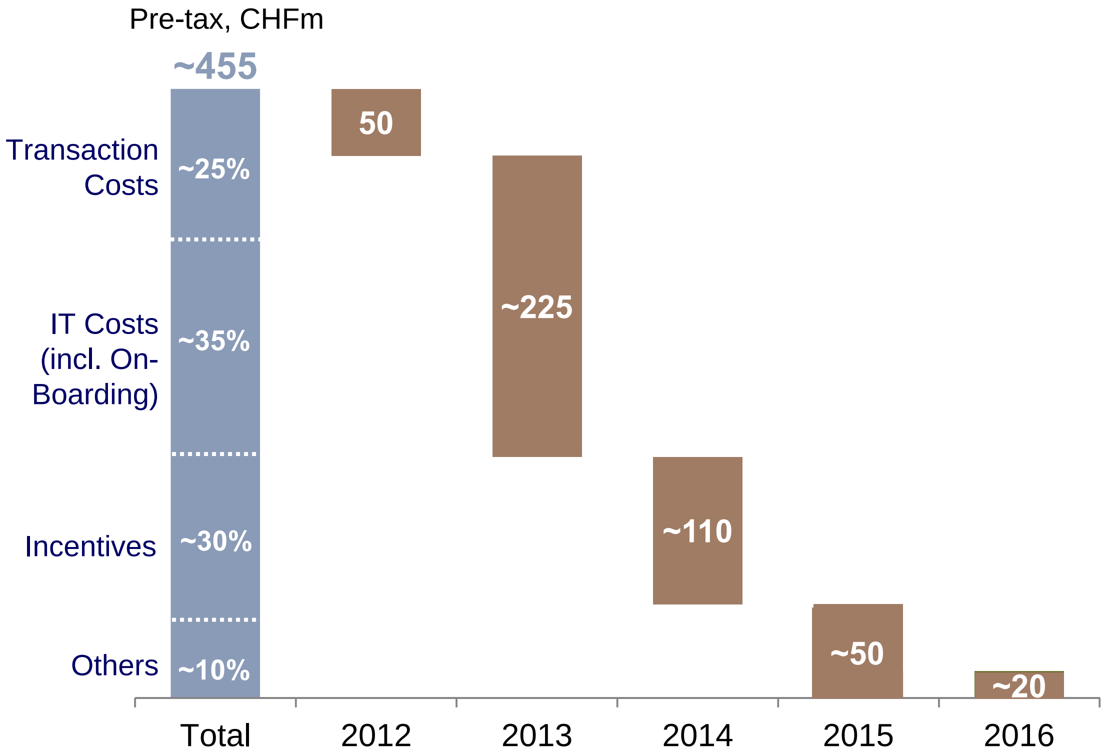
IWM: Transaction, Restructuring and Integration Costs

Update and estimated breakdown over time



- Increased estimates, mainly due to higher client on-boarding cost
- Shift from previously unallocated costs in “Others” to “IT Costs / On-Boarding” and “Incentives”
- Updated phasing, mainly to match accounting impact of incentives

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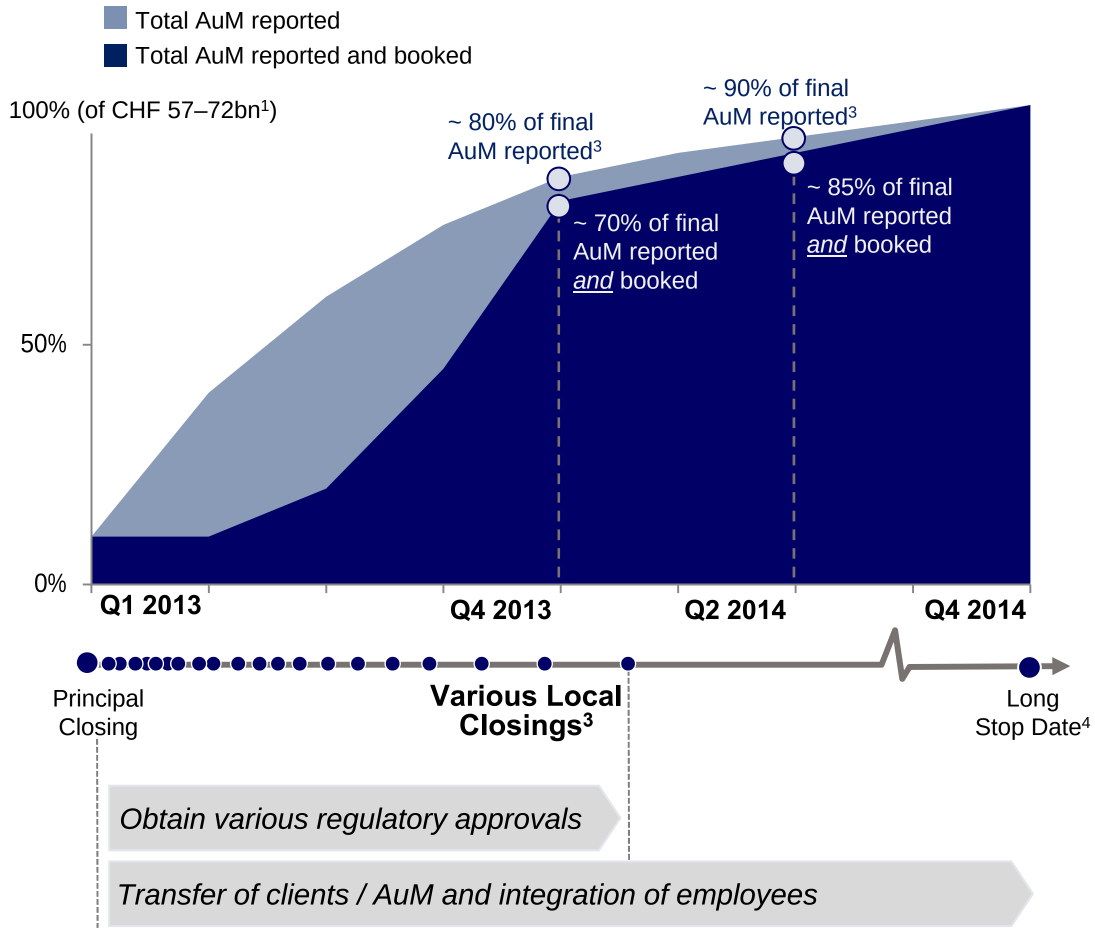
Targeted Development of AuM Transfer[1]

Of total AuM expected to be acquired, ~80% estimated to be reported by end 2013

Targeted Transfer of AuM [1,2]



- Principal Closing: Expected Q1 2013
- At Principal Closing: FAs and corresponding AuM of ML Bank Switzerland to transfer immediately
- Afterwards, further FAs and AuM transferred in steps, depending on
  - Local regulatory approvals
  - FA and client consent
  - Operational readiness
- Long Stop Date:
  - Two years after Principal Closing
  - Julius Baer may contractually require BofAML to close the accounts of any remaining clients within six months

[1] Julius Baer estimates, based on CHF 57-72bn AuM; actual transfer quantum and timing may differ materially due to unforeseen circumstances
[2] Based on value of AuM ultimately acquired/transferred
[3] Subject to local approvals and conditions, as well as operational readiness
[4] Two years after Principal Closing

Breakdown of Julius Baer Group AuM

Including at 30 June 2013 the AuM of the transferred IWM businesses

Asset mix	30.06.2012	31.12.2012	30.06.2013
Equities	24%	25%	25%
Bonds (including Convertible Bonds)	24%	23%	21%
Investment Funds [1]	19%	20%	22%
Money Market Instruments	8%	7%	5%
Client Deposits	18%	18%	20%
Structured Products	5%	5%	6%
Other [2]	2%	2%	1%
Total	**100%**	**100%**	**100%**

Currency mix	30.06.2012	31.12.2012	30.06.2013
CHF	17%	17%	15%
EUR	28%	27%	25%
USD	33%	34%	38%
GBP	4%	3%	4%
SGD	2%	2%	2%
HKD	2%	2%	2%
RUB	1%	1%	1%
CAD	2%	2%	1%
Other	11%	12%	12%
Total	**100%**	**100%**	**100%**

[1] Includes further exposure to equities and bonds through equity funds and bond funds
[2] Including alternative investment assets

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