

Julius Bär

HY 2019 RESULTS AND BUSINESS UPDATE

Presentation for Investors, Analysts & Media
Zurich, 22 July 2019



INTRODUCTION

BERNHARD HODLER, CEO

HALF-YEAR 2019 RESULTS: STRONG RECOVERY VS. H2 2018

Net profit
substantially
recovered from
H2 2018

- Adjusted¹ net profit for the Group CHF 391m, up 18% from H2 2018
- Gross margin² 83.2bp, up from 79.6bp
- Cost/income ratio³ 71.0%, down from 74.3%, and pre-tax margin⁴ 23.0bp, up from 19.9bp
- Cost programme: on track to achieve targeted CHF 100m gross savings in 2020

8% AuM growth,
NNM trending up
after weak start

- AuM CHF 412bn (+8% since end 2018)
- NNM CHF 6.2bn (3.2%): inflows improved towards end of period
- Strong inflows from clients in Asia, Europe and Middle East

Continuous capital
generation

- CET1 ratio: 13.1%, up from 12.8%
- Adjusted return on CET1 capital 28%, up from 24% in H2 2018
- Successfully placed CHF 350m AT1 bond at attractive terms

¹ The adjusted results as presented and commented in this Media Release and in the Business Review are derived by excluding from the IFRS financial statements the integration and restructuring expenses as well as the amortisation of intangible assets related to previous acquisitions or divestments, as well as the taxes on those respective items | ² Annualised total operating income divided by monthly average assets under management. | ³ Total operating expenses divided by total operating income; calculated using adjusted operating expenses (as defined in footnote 1), excluding provisions and losses. | ⁴ Annualised adjusted profit before taxes¹, divided by monthly average assets under management.

STRATEGIC PROGRESS & ACHIEVEMENTS

Smarter market coverage

- Continued investments in our 'core' markets with new offices opened in the United Kingdom (Belfast) and Spain (Barcelona)
- Increased stake in NSC Asesores in Mexico from 40% to 70%
- Thai joint venture between Siam Commercial Bank and Julius Baer officially launched

Holistic and personalised advice

- Substantial investments into Wealth Planning, Wealth Management and Wealth Financing solutions
- Continued growth of our UHNW clients

Technology transformation

- Digital Advisory Suite ('DiAS') global roll out on track
- Enhanced digital channels with personalised investment ideas rolled out

Risk framework

- Client documentation upgrade near completion
- DoJ deferred prosecution agreement terminated in February 2019
- Foreign exchange & precious metals-trading related investigations closed by Swiss Competition Commission

FINANCIAL RESULTS HY 2019*

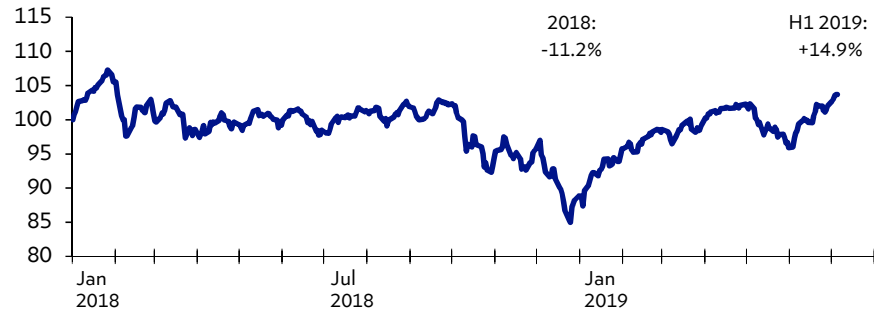
DIETER A. ENKELMANN, CFO

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

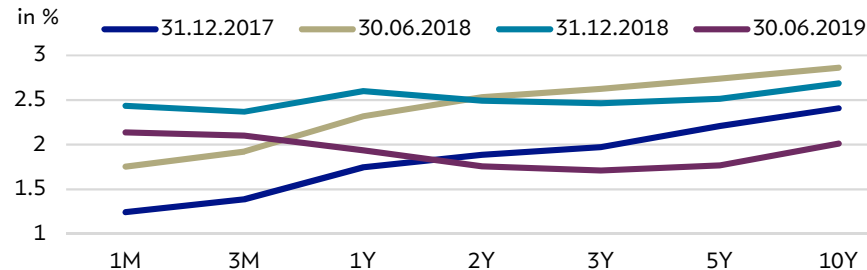
H1 2019 MARKET ENVIRONMENT

Global stock markets recovered strongly – Key bond yields sharply lower

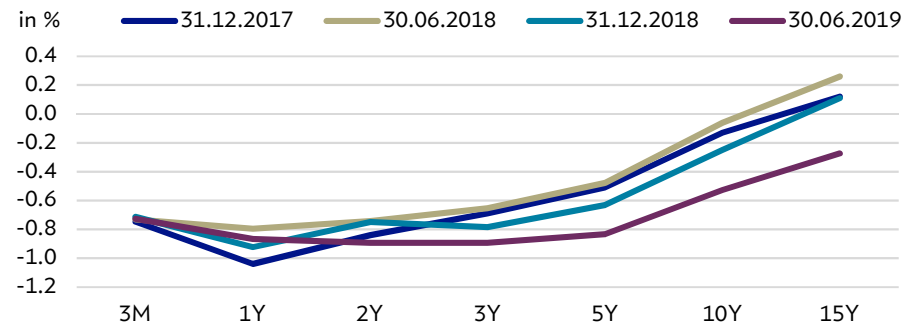
2018-2019 YTD development MSCI All-World Index¹



2018-2019 YTD development of US 1M-10Y treasury yield curve²



2018-2019 YTD development of Swiss 3M-15Y treasury yield curve²



Stock markets

- Global equities recovered solidly after major losses towards end of 2018

US interest rates

- After significant moves upward in 2018, US bond yields moved lower in H1 2019
- Yield curve continued to flatten and even invert

Swiss interest rates

- After relatively stable 2018, Swiss yields moved significantly further into negative territory

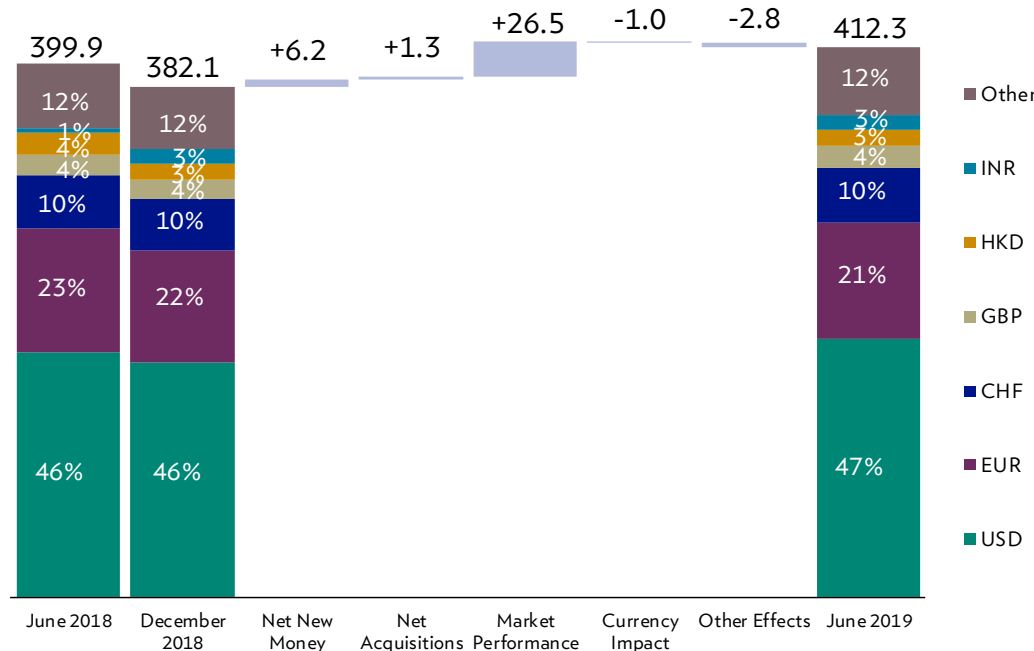
¹ Source: Datastream, Julius Baer | ² Source: Bloomberg Finance L.P., Julius Baer

AUM INCREASE OF CHF 30bn (+8%) TO CHF 412bn

Strong market performance² of +7% as main driver

Development of Assets under Management

CHF bn



- AuM CHF 412bn, up 30.2bn, +8%
 - Net new money CHF +6.2bn
 - Net acquisitions¹ CHF +1.3bn
 - Market performance CHF +26.5bn
 - Currency impact² CHF -1.0bn
 - Other effects³ CHF -2.8bn
- Average AuM⁴ of CHF 408bn,
 - up +4% from CHF 391bn in H1 2018
 - up +3% from CHF 397bn in H2 2018
- Assets under Custody CHF 67bn, +8%

¹ Net acquisitions consisting of acquisition of CHF +3.0bn NSC Asesores and CHF -1.7bn resulting from discontinuation of offering to clients from selected countries

² Currency impact is approximated by applying the changes in the currency exchange rates in the period to AuM at the end of the preceding year. Market performance is approximated through the change in AuM that remains after accounting for net new money, net acquisitions, the currency impact approximation, and the other effects

³ Includes assets which have been reclassified following the completed roll-out of the new client advisory models in Switzerland and Europe

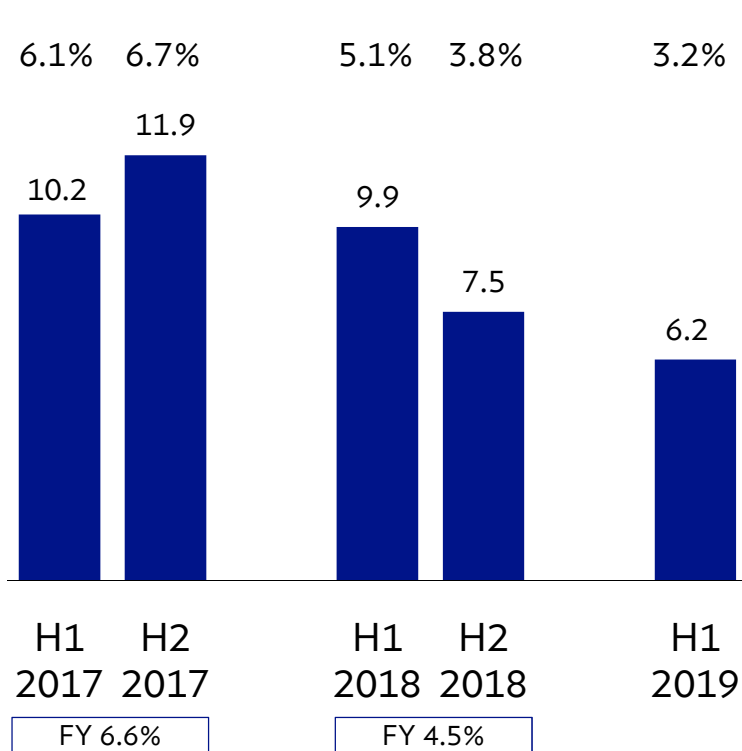
⁴ Calculated on the basis of monthly AuM levels

NET NEW MONEY UP 6.2bn, 3.2% ANNUALISED

Improved after slow start – NNM excl. Kairos: 4.1%

Development of Net New Money

In CHF bn and %¹

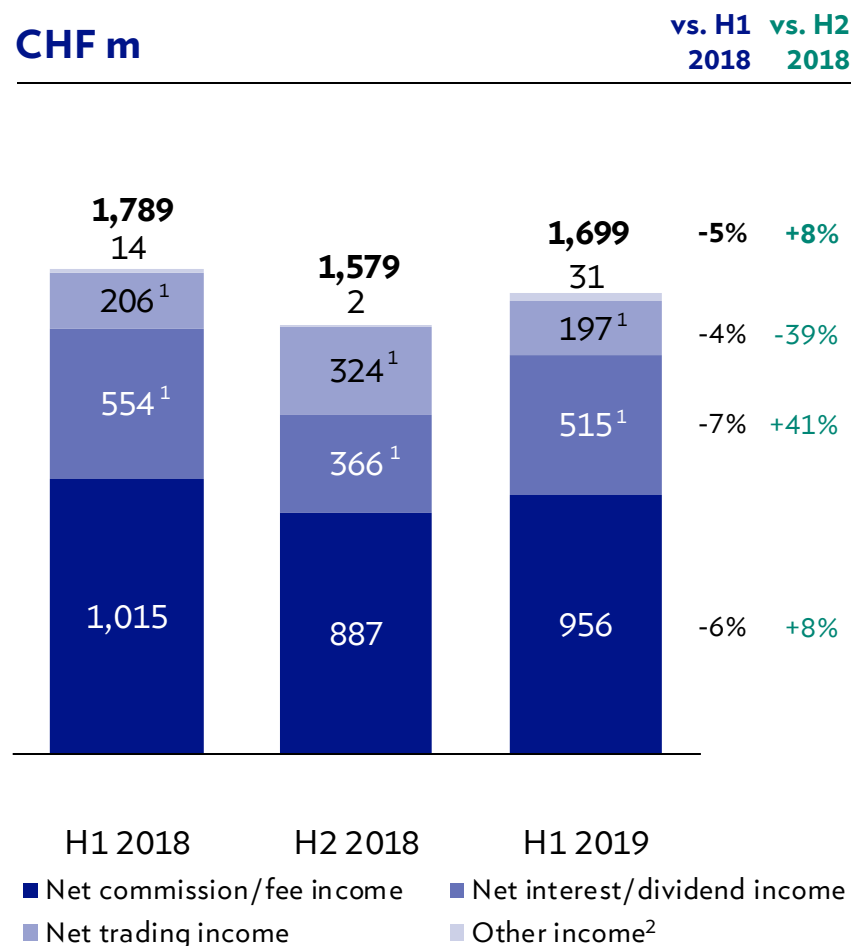


- NNM negatively impacted by net outflows at Kairos, after weak fund performance in 2018
- Excluding Kairos, NNM inside target range (4.1%), despite some outflows related to
 - client documentation upgrade/risk review project
 - wider application of negative interest rates
- Solid inflows from clients domiciled in Asia, Europe and Middle East

¹ Annualised NNM in % of AuM at the end of the preceding period

OPERATING INCOME CHF 1.7bn, UP 8% FROM H2 2018

On the back of clear recovery in transaction volumes



Net commission/fee income -6% to CHF 956m (vs H2'18: +8%)

- Significant y-o-y drop in client transaction volumes (but improvement vs H2)
- Modest fee pressure on discretionary mandates
- Lower contribution from Kairos (but improvement vs H2 on good levels of performance fees)

Net interest/dividend income -7% to CHF 515m

- Excl. dividend on trading portfolios¹: -10% to CHF 354m (vs H2'18: +2%)
- Benefit of increase from credit (on higher US rates) and treasury portfolio (higher volumes and rates) ...
- ... more than offset by higher cost of deposits (increase in USD non-current accounts, at higher rates)
- Improvement vs H2 due to lower interest paid on deposits with central banks

Net trading income -4% to CHF 197m

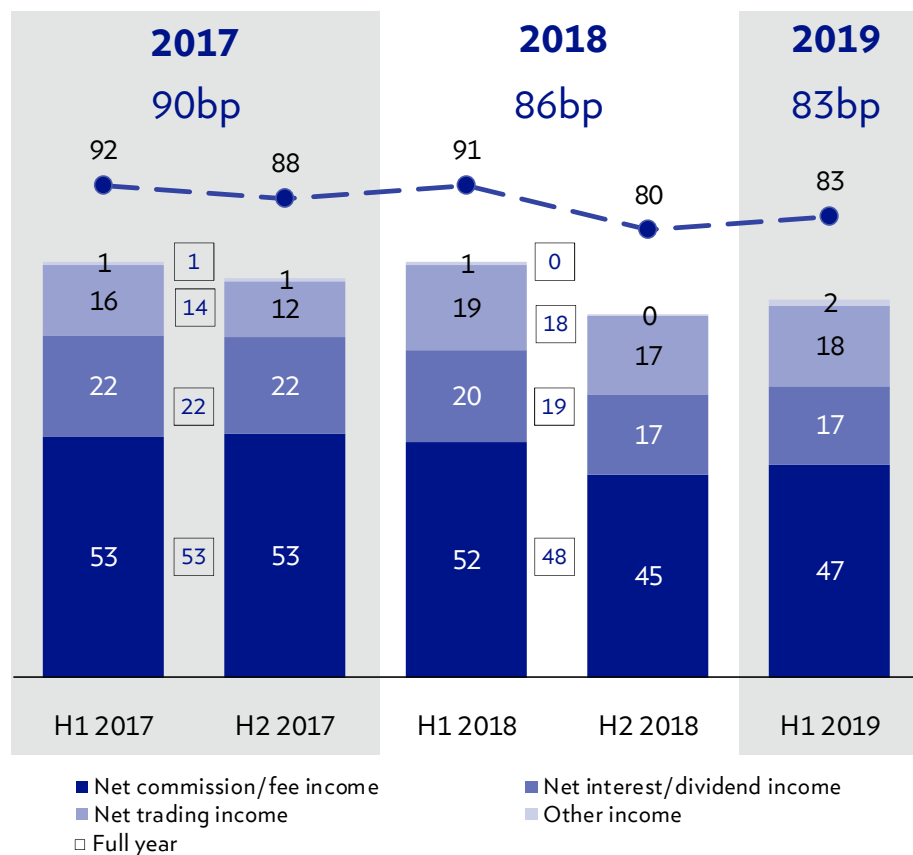
- Crediting back dividend on trading portfolios¹: -2% to CHF 359m (vs H2'18: +5%)
- FX volatility low in historical context
- Further internalisation of structured products issuance

¹ Dividend income on trading portfolios: H1 2019: CHF 162m (H1 2018: CHF 159m, H2 2018: CHF 19m)

² Includes net credit losses/recoveries on financial assets: H1 2019: CHF 3.1m (H1 2018: CHF 0.4m, H2 2018: CHF -3.4m)

GROSS MARGIN^{1,2}

Gross margin recovered close to 4bp from H2 2018



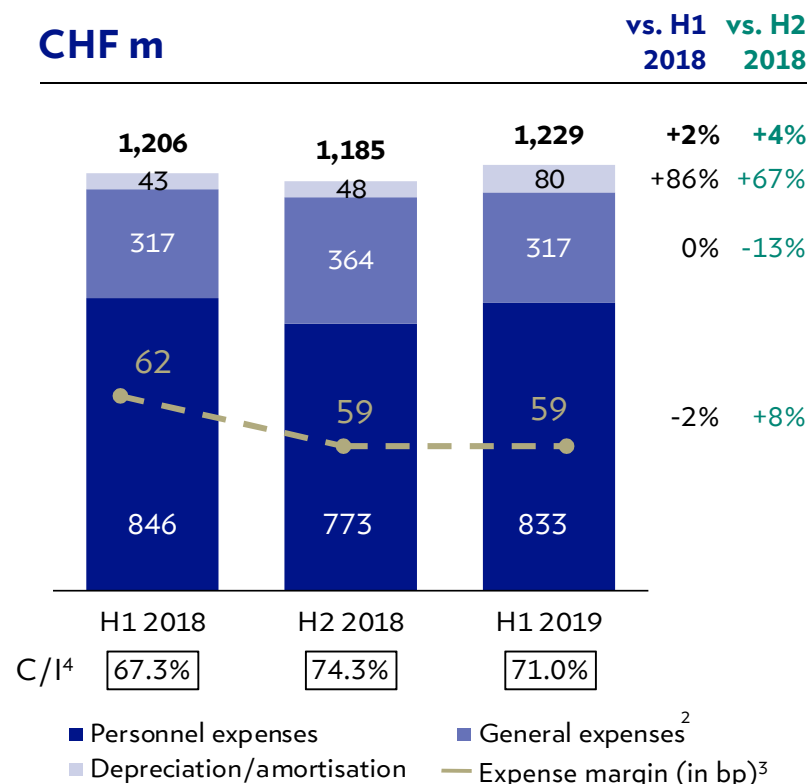
- Gross margin: 83bp
 - Down 8bp y-o-y, but **up 4bp from H2 2018, with momentum continuing to improve over the period**
- Net commissions & fees: 47bp
 - Down 5bp y-o-y, but **up 2bp from H2 2018**
- Net trading²: 18bp
 - Down 1bp y-o-y, **slightly higher vs H2 2018**
- Net interest²: 17bp
 - Down 3bp y-o-y, **essentially stable vs H2 2018**
- As explained in detail in FY 2018 results presentation: Significant portion of net trading income represents treasury swap income (swapping excess USD deposits into CHF – at no credit risk and with daily liquidity)
 - Close to interest income in nature, but accounted for as trading income
- In H1 2019 equivalent to ~5bp, essentially unchanged from H1 2018 and H2 2018 (and ~3bp in H1 2017 and H2 2017)³

¹ Operating income (annualised) divided by monthly average AuM, in basis points. Average AuM for H1 2019: CHF 408bn, +4% vs. H1 2018, +3% vs. H2 2018

² Net interest income adjusted to exclude dividends on trading portfolios, net trading income adjusted to include the same (H1 2017: CHF 181m, H2 2017: CHF 14m, H1 2018: CHF 159m, H2 2018: CHF 19m, H1 2019: CHF 162m) | ³ Based on management information

OPERATING EXPENSES¹ CHF 1.2bn, UP 2% YEAR ON YEAR

Cost/income ratio improved vs. H2 2018 to 71.0%



Personnel expenses -2% to CHF 833m (vs H2'18: +8%)

- Despite 5% increase in average FTE and CHF 17m of redundancy costs related to cost reduction programme...
- ... personnel expenses down 2% on lower performance-related remuneration
- Increase vs H2'18 on higher bonus and CHF 17m redundancy costs

General expenses² unchanged at CHF 317m (vs H2'18: -13%)

- IFRS 16-related shift of CHF 31m leasehold expenses to depreciation
- CHF 20m increase in provisions and losses
- Decrease vs H2'18 on IFRS 16 and cost reductions

Depreciation/amortisation +86% to CHF 80m (vs H2'18: +76%)

- Largely driven by IFRS 16-related shift of CHF 31m lease expenses from general expenses to depreciation ...
- ... and increase in software amortisation mainly related to the Temenos T24 implementation in Asia

Operating expenses¹ – approx. breakdown by currency

CHF	54%	SGD	10%	USD	6%	Other	5%
EUR	13%	HKD	7%	GBP	5%		

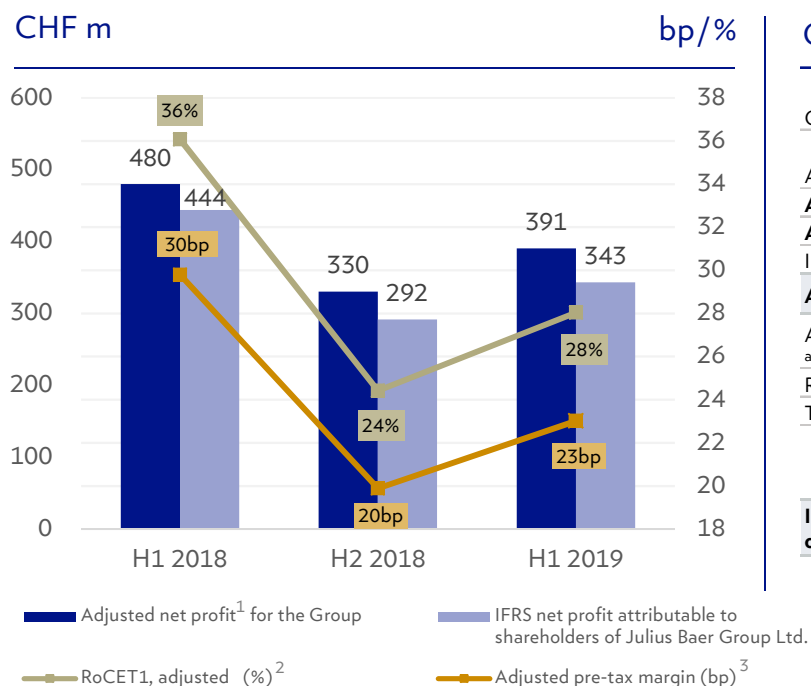
Cost/income ratio⁴ 71.0% (H1 2018: 67.3%, H2 2018: 74.3%)

Expense margin 59bp (H1 2018: 62bp, H2 2018: 59bp)

¹ Excluding integration and restructuring expenses as well as the amortisation of intangible assets related to previous acquisitions or divestments | ² Including provisions and losses | ³ (Annualised) operating expenses¹ excl. provisions and losses divided by monthly average AuM, in basis points | ⁴ Adjusted cost/income ratio not considering provisions and losses

ADJUSTED GROUP NET PROFIT¹ CHF 391m

Strong recovery of +18% after challenging H2 2018 | Down 19% from record-high H1 2018



CHF m	H1 2018	H2 2018	H1 2019	Change H1 19/H1 18	Change H1 19/H2 18
Operating income	1,789	1,579	1,699	-5%	+8%
Adjusted operating expenses	1,206	1,185	1,229	+2%	+4%
Adjusted profit before taxes	583	394	470	-19%	+19%
Adjusted pre-tax margin (bp)³	29.8	19.9	23.0	-6.8 bp	+3.1 bp
Income taxes	103	64	79	-23%	+23%
Adjusted net profit¹ for the Group	480	330	391	-19%	+18%
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	2.20	1.51	1.79	-18%	+18%
RoCET1, adjusted ² (%)	36%	24%	28%	-8 pt	+4 pt
Tax rate (%)	17.7%	16.3%	16.9%	-0.8 pt	+0.6 pt
IFRS net profit attributable to shareholders of Julius Baer Group Ltd.	444	292	343	-23%	+18%

Tax guidance

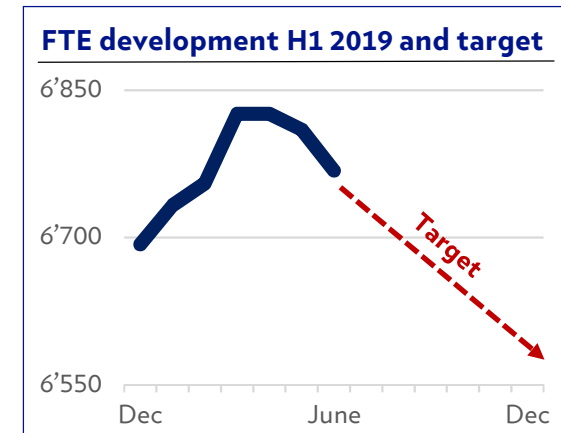
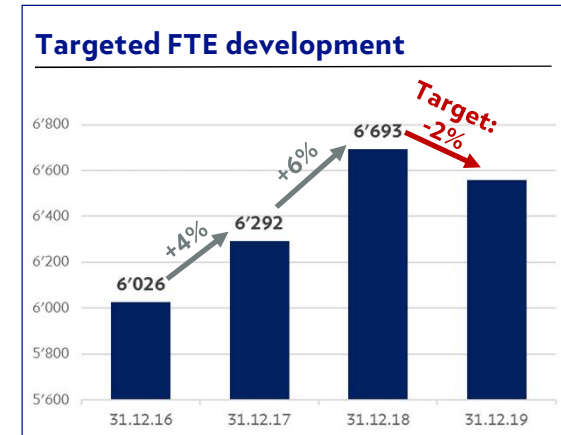
- Full-year adjusted tax rate (H1 2019: 16.9%) currently expected to be in 17-17.5% range in next few years

¹ Excluding integration and restructuring expenses and the amortisation of intangible assets related to acquisitions and divestments, as well as taxes on those respective items. See reconciliation in Appendix | ² Adjusted net profit attributable to shareholders divided by (half-yearly) average CET1 capital | ³ Adjusted profit before taxes (annualised) divided by monthly average AuM, in basis points

COST REDUCTION PROGRAMME ON TRACK

Targeting ~CHF 100m reduction | Full benefit in 2020

- Execution of 2019 cost reduction programme fully on track
- While continuing to invest in longer-term growth and strengthening the franchise, Group is targeting ~CHF 100m gross cost reduction
- Key measures:
 - Continued implementation of enhanced market focus (regional presence and resource allocation)
 - Leveraging ongoing investments in automation/digitalisation
 - Stricter performance management (front to back)
- These measures will result in **~2% net reduction in headcount¹** by end 2019
- I.e. after accounting for ongoing hiring to support growth and to strengthen franchise (incl. consolidation of NSC)
- After initial net FTE increase (partly on consolidation of NSC in March), headcount started to decrease in Q2.
- H1 2019 results did not yet meaningfully benefit (but will be impacted by CHF 17m redundancy costs related to programme)
- **Full benefits will be reflected in 2020 results, as planned**
- Expenses in 2020 will additionally benefit from non-recurrence of costs related to 2017-2019 client documentation project²



- **Aiming to reach <68% cost/income ratio medium-term target in 2020**
- **Assuming no meaningful deterioration relative to average 2018 market conditions**

¹ From end-2018 level (6,693 FTE) | ² 2017: ~CHF 13m, 2018: ~CHF 34m, H1 2019: ~CHF 20m, FY 2019: current estimate ~CHF 40m

SOLID BALANCE SHEET – LOW RISK PROFILE

Lombard lending up 4% following improved market environment

CHF bn	Assets	CHF 103.7bn (CHF 102.9bn)*	Liabilities & Equity
Due from banks	9.4 (9.2)		6.6 (6.9)
Loans	46.7 (45.3)	Loan-to-deposit ratio 66% (63%)	71.1 (71.5)
<i>Lombard lending: 37.3 (35.9)</i> <i>Mortgage lending: 9.4 (9.4)</i>			
Trading portfolios	10.0 (8.4)	Liability driven	
Financial assets (FVOCI)	15.1 (14.6)		
Cash ¹	12.7 (15.8)		14.0 (13.7)
Others	6.8 (6.6)		5.9 (4.8)
Goodwill & other intangible assets	3.0 (2.9)		6.1 (6.0)
			Total equity

RWA, capital, leverage exposure

Basel III / CHF m	31.12.2017	30.06.2018	31.12.2018	30.06.2019
Risk-weighted assets (RWA)	19,601	19,471	21,338	21,700
CET1 capital	2,643	2,677	2,731	2,837
Tier 1 capital	4,098	3,878	3,933	4,387
Total capital	4,164	3,935	3,991	4,496
Leverage exposure (LERA)	96,949	102,407	101,679	102,830

Balance sheet figures as at 30 June 2019, summarised and regrouped from Financial Statements

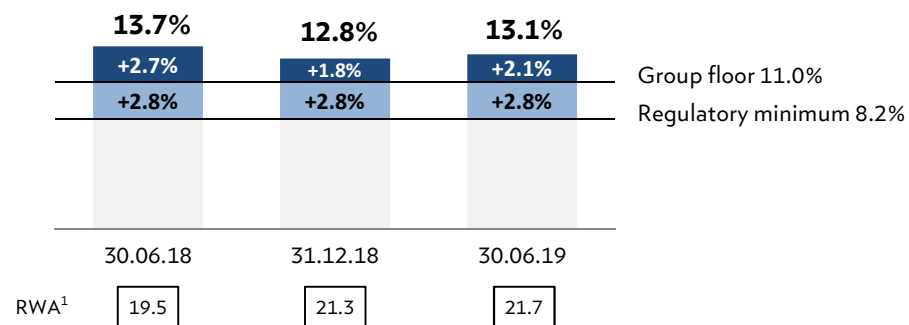
*In brackets: figures as at 31 December 2018

¹ Cash held mainly at Swiss National Bank as well as at Deutsche Bundesbank, Banque centrale du Luxembourg and Banque de France

CAPITAL AND LEVERAGE RATIOS WELL ABOVE FLOORS

CET1 ratio up ~30bp since start of year | Excluding NSC acquisition up ~60bp

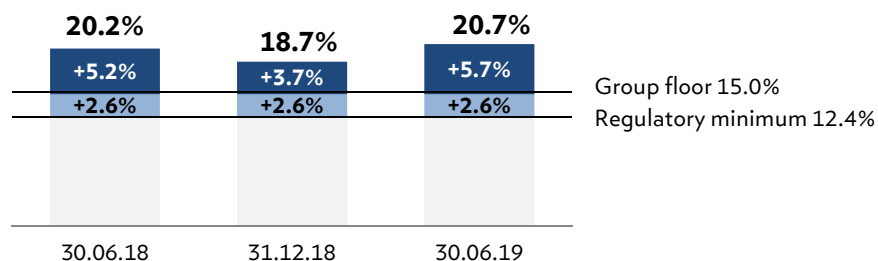
BIS CET1 capital ratio



CET1 ratio 13.1%, up ~30bp from end 2018 driven by:

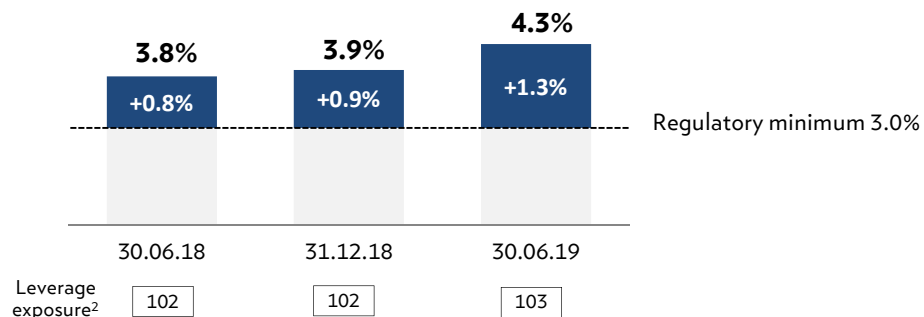
- CHF 0.1bn CET1 capital build, to CHF 2.8bn
- CHF 0.4bn RWA increase, to CHF 21.7bn
- ~30bp negative ratio impact from NSC (acquisition of additional 30% stake and first-time consolidation)
- ~40bp negative ratio impact from lower CHF interest rates on the Swiss pension fund liabilities

BIS total capital ratio



- Total capital ratio 20.7%, up ~200bp, to a large part following new issue of CHF 350m AT1 bond (June 2019)

Tier 1 leverage ratio



- Tier 1 leverage ratio 4.3%, well in excess of 3.0% minimum leverage ratio requirement
- Increase supported by AT1 bond issue
- Leverage exposure up 1% to CHF 103bn

¹ Risk-weighted assets in CHF bn | ² Leverage exposure in CHF bn

BUSINESS UPDATE
BERNHARD HODLER, CEO

STRATEGY TO MEET CLIENT NEEDS AND ACHIEVE MEDIUM-TERM TARGETS

SMARTER MARKET COVERAGE

Smart allocation of
resources to markets
which make up
> 85% of AuM

HOLISTIC AND PERSONALISED ADVICE

Leading product and
service offering tailored
to clients' needs

TECHNOLOGY TRANSFORMATION

Increased use of
technology, innovation
and robotics



ENHANCE
CLIENT
EXPERIENCE

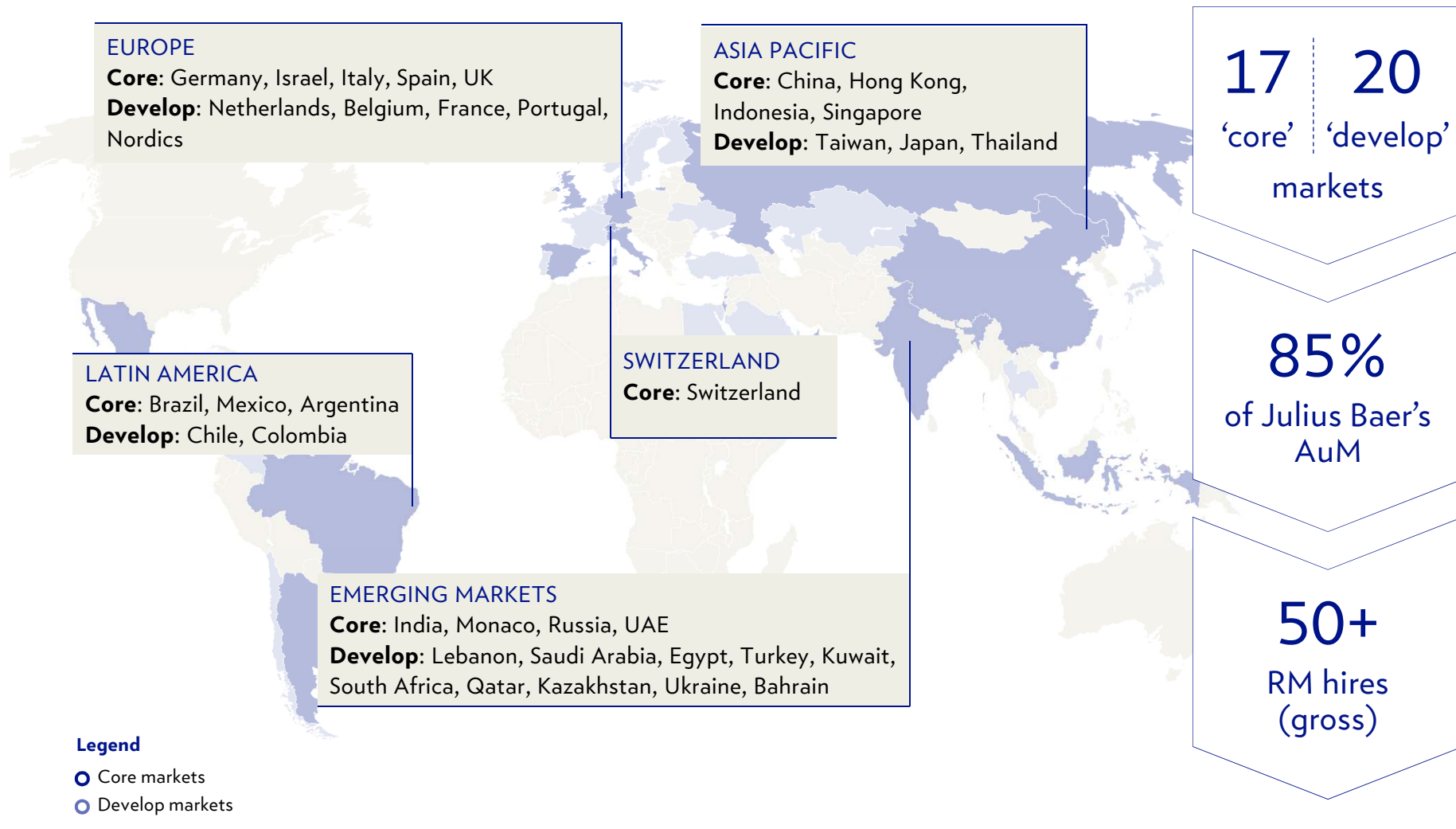


IMPROVE
EFFICIENCY

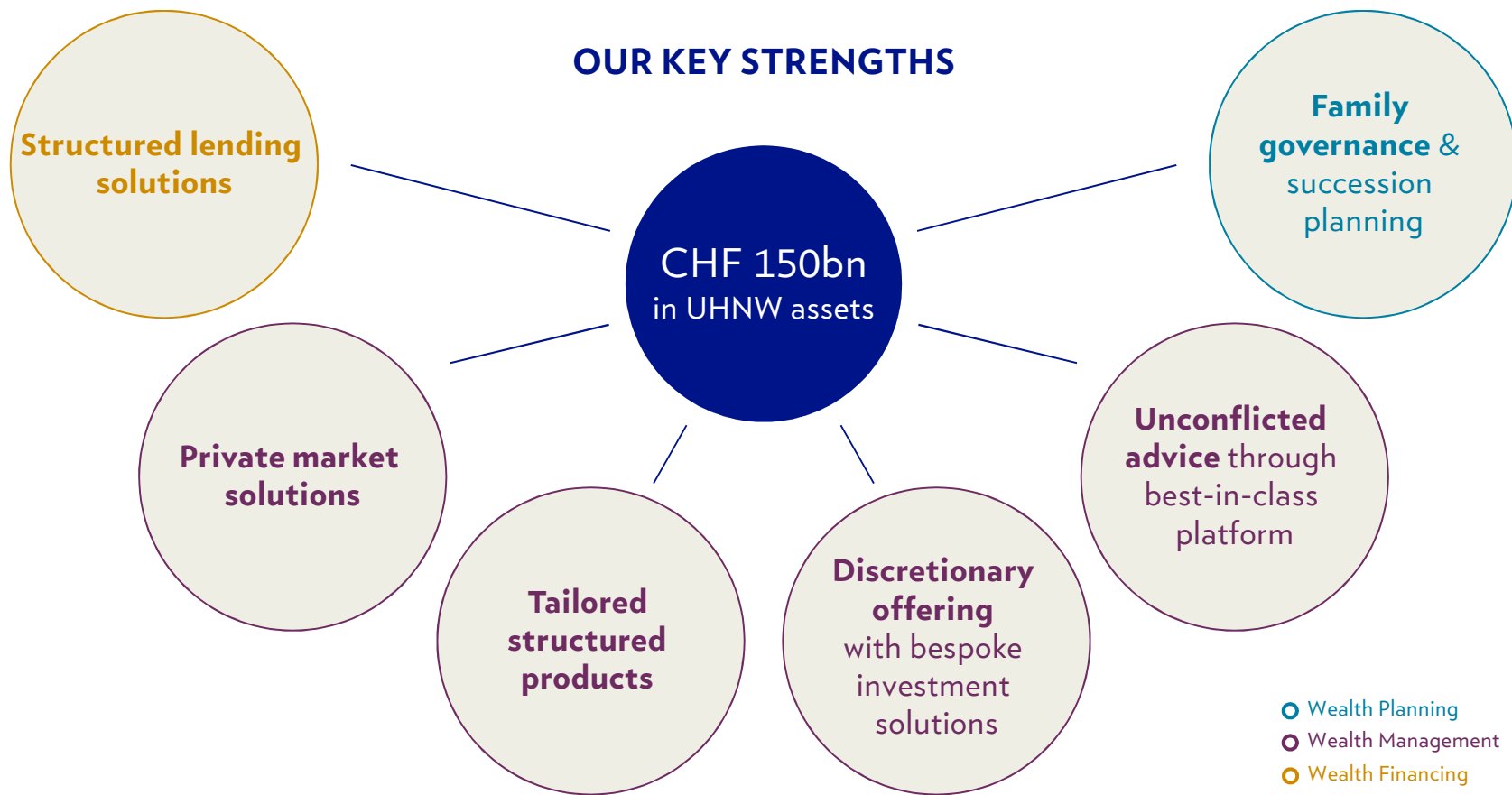


INCREASE
REVENUES

SMARTER MARKET COVERAGE WITH ONGOING INVESTMENTS INTO FOCUS MARKETS



HOLISTIC AND PERSONALISED ADVICE IN THE CONTEXT OF UHNW¹ CLIENTS



LOCAL PRESENCE AND GLOBAL REACH

¹ Clients with AuM > CHF 50m with Julius Bär

TECHNOLOGY TRANSFORMATION ENABLES HOLISTIC AND PERSONALISED ADVICE



INVESTMENT MANAGEMENT

- New integrated applications to make platform more scalable and efficient
 - Mandate Solution Designer (MSD) enabling guided tailoring
 - Investment Management Systems (IMS) upgrade



DIGITAL ADVISORY SUITE 'DIAS'

- End-to-end digital advisory process
 - Rolled-out in Europe and Switzerland
 - Ongoing in Middle East
 - Next year: Asia



DIGITAL CLIENT EXPERIENCE

- 'Idea to Trade' service
- Upgrade of mobile and e-banking solutions for Asian clients

MEDIUM-TERM TARGETS

	H2 2018 adjusted results ¹	H1 2019 adjusted results ¹	Medium-term targets ¹
Cost/income ratio ²	74.3%	71.0%	< 68%
Pre-tax margin	19.9bp	23.0bp	25-28bp
RoCET1	24%	28%	> 32%
Net new money	3.8%	3.2%	4-6%

¹ Excluding integration and restructuring expenses and the amortisation of intangible assets related to acquisitions and divestments, as well as taxes on those respective items

² Excluding provisions and losses

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 on the next page
- Please refer to the Julius Baer Group Ltd. Half-Year Report 2019¹ for the IFRS results

¹ Available from www.juliusbaer.com

RECONCILIATION CONSOLIDATED FINANCIAL STATEMENT¹

IFRS to adjusted net profit

CHF m	H1 2018	H2 2018	H1 2019	Change H1 19/H1 18	Change H1 19/H2 18
IFRS net profit attributable to shareholders of Julius Baer Group Ltd.	443.8	291.6	343.1	-23%	+18%
Non-controlling interests	-	-0.1	-0.2	-	+188%
Net profit for the Group per consolidated Financial Statements (IFRS)	443.8	291.6	342.9	-23%	+18%
M&A-related integration and restructuring expenses:					
Personnel expenses	1.1	1.5	2.0	+74%	+33%
General expenses	2.9	4.2	7.2	+149%	+72%
Total M&A-related integration and restructuring expenses	4.0	5.6	9.1	+128%	+62%
Amortisation of intangible assets related to previous acquisitions:					
ING	8.2	8.2	8.2 ³	-	-
IWM	18.2	18.2	23.0	+27%	+27%
GPS	2.1	1.9	2.0	-7%	+2%
Kairos	4.5	4.5	4.5	-1%	-1%
Commerzbank Luxemburg	0.8	0.8	0.8	-	-
Leumi and Fransad	1.0	1.0	1.0	-	-
Wergen	0.4	0.4	0.4	-	-
WMPartner	0.7	0.7	0.7	-	-
Reliance	0.3	1.7	1.7	+459%	-2%
NSC Asesores	-	-	1.0	-	-
Total amortisation of intangible assets related to previous acquisitions	36.2	37.4	43.2	+19%	+15%
Total adjustments to personnel expenses	1.1	1.5	2.0	+74%	+33%
Total adjustments to general expenses	2.9	4.2	7.2	+149%	+72%
Total adjustments to depreciation and amortisation	36.2	37.4	43.2	+19%	+15%
Total adjustments to operating expenses and profit before taxes	40.2	43.0	52.3	+30%	+22%
Impact of total adjustments on income taxes	-4.3	-4.6	-4.7	+9%	+3%
Adjustments to net profit	35.9	38.5	47.6	+33%	+24%
Adjusted net profit for the Group	479.6	330.0	390.5	-19%	+18%

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 0.8m p.a. until January 2026
- WMPartners: CHF 1.4m p.a. until December 2022
- Reliance: CHF 2.0m in 2018; BRL 12.9m p.a. until May 2027
- NSC Asesores: CHF 3.0m p.a. until February 2028

¹ Please see detailed financial statements in the Half-Year Report 2019, available from www.juliusbaer.com | ² The acquisition of Bank of America Merrill Lynch's international wealth management business outside the US (IWM) took place in steps and is to a small extent subject to CHF translation | ³ One-off step-up following discontinuation of services in certain acquired locations

ADJUSTED* HALF-YEARLY PERFORMANCE

CHF m	H1 2018	H2 2018	H1 2019	Change H1 19/H1 18	Change H1 19/H2 18	H1 2019 in %
Net interest and dividend income ¹	554	366	515	-7%	+41%	30%
Net commission and fee income	1,015	887	956	-6%	+8%	56%
Net trading income ¹	206	324	197	-4%	-39%	12%
Other ordinary results	14	2	31	+127%	+1423%	2%
Operating income	1,789	1,579	1,699	-5%	+8%	100%
Personnel expenses	846	773	833	-2%	+8%	68%
General expenses ²	317	364	317	-0%	-13%	26%
Depreciation and amortisation	43	48	80	+86%	+67%	6%
Operating expenses	1,206	1,185	1,229	+2%	+4%	100%
Profit before taxes	583	394	470	-19%	+19%	
Pre-tax margin (bp) ⁴	29.8	19.9	23.0	-6.8 bp	+3.1 bp	
Income taxes	103	64	79	-23%	+23%	
Adjusted net profit for the Group ³	480	330	391	-19%	+18%	
Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF)	2.20	1.51	1.79	-18%	+18%	
RoTE, adjusted (%) ⁶	33%	22%	25%	-8% pt	+3% pt	
RoCET1, adjusted (%) ⁷	36%	24%	28%	-8% pt	+4% pt	
Gross margin (bp) ⁴	91.5	79.6	83.2	-8.2 bp	+3.6 bp	
Cost/income ratio (%) ⁵	67.3	74.3	71.0	+3.7% pt	-3.3% pt	
Tax rate	17.7%	16.3%	16.9%	-0.8% pt	+0.6% pt	
Staff (FTE)	6,643	6,693	6,768	+2%	+1%	
Provisions and losses	2	12	22	+914%	+94%	
Net new money (CHF bn)	9.9	7.5	6.2	-38%	-18%	
Assets under management (CHF bn)	399.9	382.1	412.3	+3%	+8%	
Average assets under management (CHF bn)	391.1	396.6	408.3	+4%	+3%	

* 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 2018: CHF 159m, H2 2018: CHF 19m, H1 2019: CHF 162m) on trading portfolios

² Including provisions and losses

³ Including non-controlling interests of CHF 0.1m for H1 2019 and CHF -0.1m for H2 2018; no non-controlling interests for H1 2018 since 100% of Reliance acquired from an accounting point of view

⁴ Based on average AuM

⁵ Not considering provisions and losses

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

⁷ (Annualised) adjusted net profit attributable to shareholders / (half-yearly) average CET1 capital

DETAILED RWA AND CAPITAL RATIO DEVELOPMENT

BIS approach / CHF m	30.06.2018 <i>Basel III</i>	31.12.2018 <i>Basel III</i>	30.06.2019 <i>Basel III</i>
Risk-weighted positions			
Credit risk	13,541	14,528	15,207
Non-counterparty-related risk	354	353	612
Market risk	451	1'245	540
Operational risk	5,125	5,213	5,341
Total risk-weighted positions	19,471	21,338	21,700
CET1 capital	2,677	2,731	2,837
Tier 1 capital	3,878	3,933	4,387
- of which tier 1 capital 'fully eligible Basel III instruments'	1,202	1,202	1,550
Total capital	3,935	3,991	4,496
CET1 capital ratio	13.7%	12.8%	13.1%
Tier 1 capital ratio	19.9%	18.4%	20.2%
Total capital ratio	20.2%	18.7%	20.7%
Leverage ratio (LERA, tier 1 divided by total exposure)	3.8%	3.9%	4.3%
Liquidity coverage ratio (LCR)	188.9%	196.9%	196.3%
Net stable funding ratio (NSFR)	126.2%	129.2%	122.3%
Leverage exposure	102,407	101,679	102,830

CAPITAL DEVELOPMENT

CHF m	30.06.2018 <i>Basel III</i>	31.12.2018 <i>Basel III</i>	30.06.2019 <i>Basel III</i>	Change
Equity at the beginning of the period	5,854	5,854	6,042	+3%
Julius Baer Group Ltd. dividend	-313	-313	-336	
Net profit (IFRS)	444	735	343	
Effect of adoption of IFRS 9	4	4	-	
Change in treasury shares	-24	-33	-33	
Treasury shares and own equity derivative activity	-21	-1	-5	
Remeasurement of defined benefit obligation	48	8	-83	
Other components of equity	-90	-106	151	
<i>Financial assets measured at fair value through other comprehensive income</i>	-60	-45	171	
<i>FX translation differences</i>	-30	-61	-20	
Others	-114	-108	7	
Equity at the end of the period	5,789	6,042	6,087	+1%
- Goodwill & intangible assets (as per capital adequacy rules)	-2,904	-2,902	-2,948	
- Other deductions	-208	-409	-302	
CET1 capital	2,677	2,731	2,837	+4%
+ Tier 1 capital instruments	1,202	1,202	1,550	
= BIS tier 1 capital	3,878	3,933	4,387	+12%
+ Tier 2 capital	57	58	109	
= BIS total capital	3,935	3,991	4,496	+13%

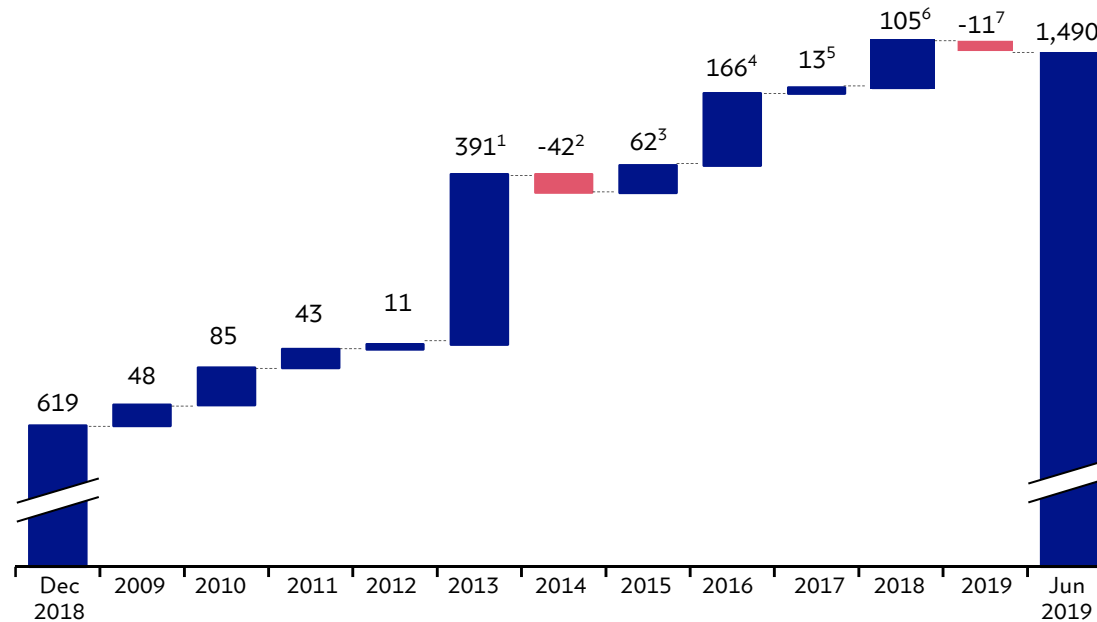
BALANCE SHEET – FINANCIAL ASSETS (FVOCI)

CHF m	30.06.2018	31.12.2018	30.06.2019	in %	Change vs. 31.12.2018
Debt instruments	12,901	14,442	14,887	98%	+3%
Government and agency bonds	3,111	3,291	3,627	24%	+10%
Financial institution bonds	6,287	7,113	7,051	47%	-1%
Corporate bonds	3,497	4,038	4,209	28%	+4%
Other bonds	6	-	-	0%	-
Equity instruments	144	145	233	2%	+61%
Total financial assets measured at fair value through other comprehensive income (FVOCI)	13,044	14,588	15,121	100%	+4%
Cash with central banks	13,149	15,811	12,695		-20%

Debt instruments by credit rating classes		Moody's	30.06.2018	31.12.2018	30.06.2019	in %	Change vs. 31.12.2018
1-2	AAA – AA-	Aaa – Aa3	8,540	8,775	8,397	56%	-4%
3	A+ – A-	A1 – A3	3,984	4,718	5,757	39%	+22%
4	BBB+ – BBB-	Baa1 – Baa3	346	933	703	5%	-25%
5	BB+ – BB-	Ba1 – Ba3	17	17	17	0%	+2%
Unrated ¹			13	-	14	0%	-
Total			12,901	14,442	14,887	100%	+3%

¹ New issues or unrated bonds from top-rated issuers

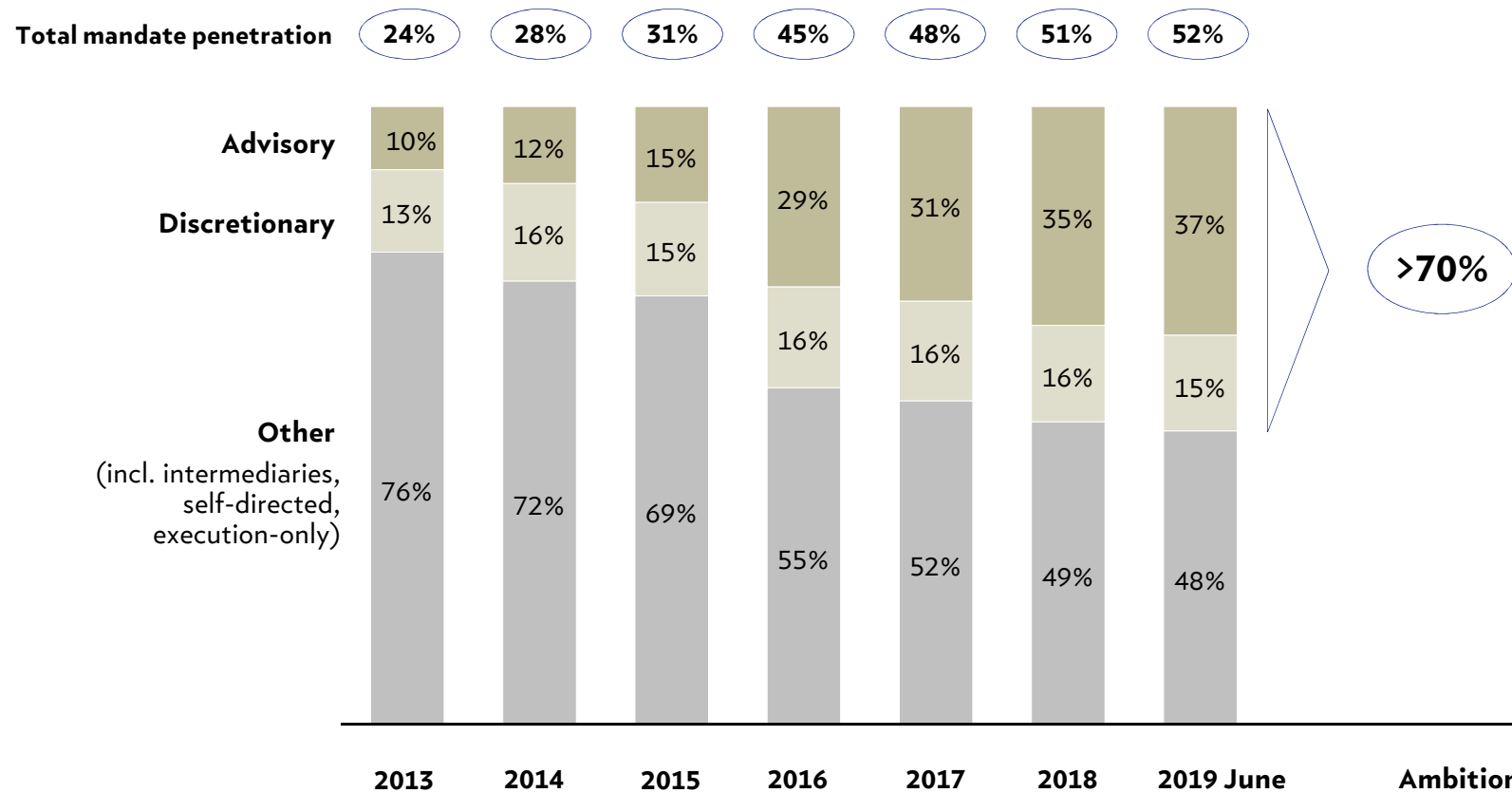
LONG TERM RM DEVELOPMENT



- 2019: net decrease of -11 RMs
 - Includes +20 RMs from NSC Asesores
 - Continued successful hiring of senior teams with promising pipelines
 - Net decrease following stricter performance management in context of cost reduction programme

¹ +391, mostly from RMs transferring in from Bank of America's International Wealth Management business (IWM) outside the US | ² -42, driven by IWM transaction-related synergy realisations | ³ +62, of which net +40 from hiring, remainder from acquisitions | ⁴ Incl. +50 RMs transferring following the consolidation of Kairos and Commerzbank International S.A. Luxembourg | ⁵ +13, of which +41 net from hiring, -28 following internal transfers | ⁶ Incl. +13 RMs from the acquisition of Reliance Group | ⁷ Incl. +20 RMs from the acquisition of NSC Asesores

MANDATE PENETRATION



AUM BREAKDOWN BY ASSET MIX AND CURRENCY MIX

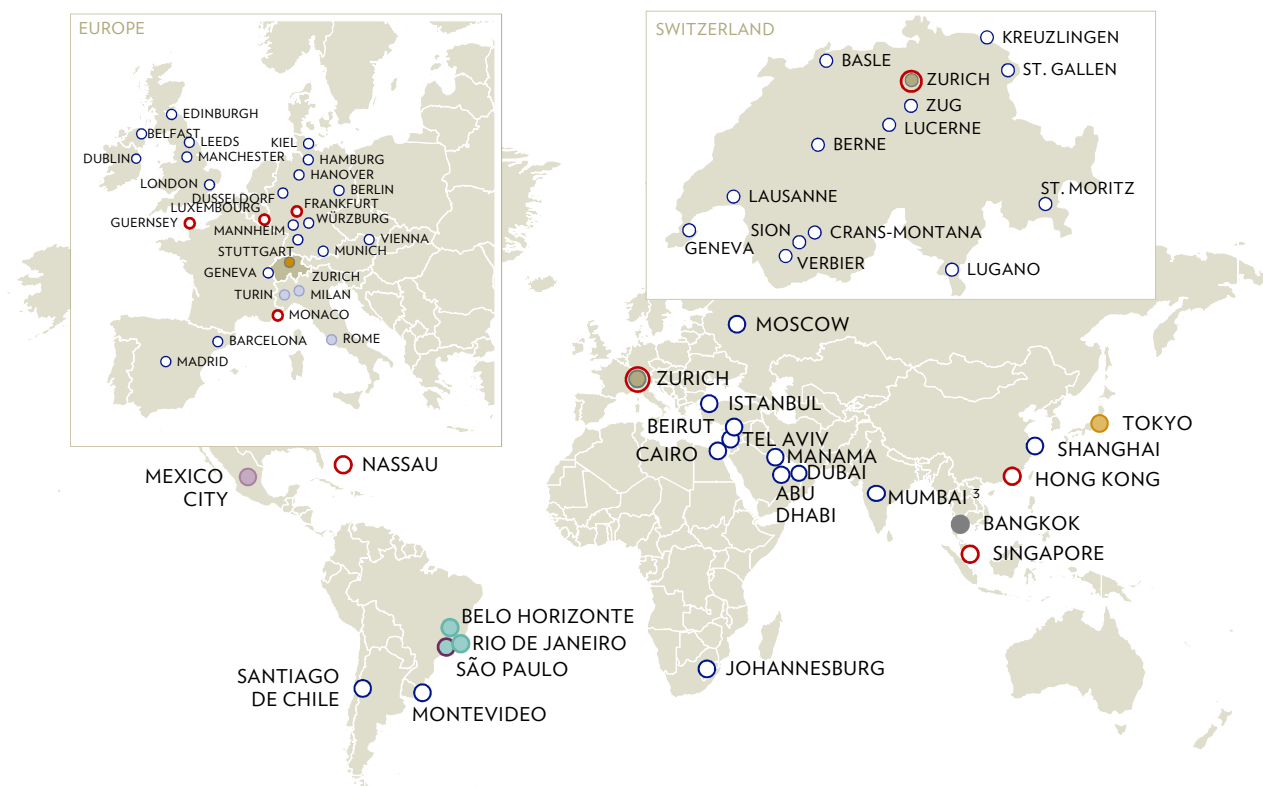
Asset mix	30.06.2018	31.12.2018	30.06.2019
Equities	28%	26%	27%
Bonds (including Convertible Bonds)	19%	20%	20%
Investment Funds ¹	26%	25%	26%
Money Market Instruments	3%	4%	4%
Client Deposits	18%	19%	17%
Structured Products	6%	5%	5%
Other, including alternative investment assets	0%	1%	1%
Total	100%	100%	100%

Currency mix	30.06.2018	31.12.2018	30.06.2019
USD	46%	46%	47%
EUR	23%	22%	21%
CHF	10%	10%	10%
GBP	4%	4%	4%
HKD	4%	3%	3%
INR	3%	3%	3%
SGD	1%	2%	2%
BRL	2%	2%	2%
JPY	1%	1%	1%
AUD	1%	1%	1%
CNY	1%	1%	1%
CAD	1%	1%	1%
Other	3%	4%	5%
Total	100%	100%	100%

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

JULIUS BAER: PURE-PLAY WEALTH MANAGEMENT GROUP

Well positioned for further growth



Legend

- Head office
- Location
- Booking centre
- GPS
- Kairos
- NSC (70%)
- SCB-Julius Baer Securities (40%)
- Reliance Group
- Julius Baer Nomura Wealth Management (60%)

- World's largest pure wealth management Group, with premium brand
- Client-centric approach
- Balanced exposure to traditional and growth markets
- Present in more than 60 locations
- More than 6,700 highly dedicated staff, incl. almost 1,500 RMs¹
- AuM CHF 412bn¹
- Strongly capitalised:
 - BIS total capital ratio 20.7%¹
 - BIS CET1 capital ratio 13.1%¹
- Moody's long-term deposit rating Bank Julius Baer & Co. Ltd: Aa2 / stable outlook
- Market capitalisation: CHF 10bn²

¹ At 30 June 2019 | ² At market close on 19 July 2019 | ³ Additional advisory locations in Bangalore, Chennai, Kolkata and New Delhi

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Julius Bär

