

18 January 2021

## Press Release

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### **GAM Holding AG: update on full year 2020 results**

**GAM today provides an update in accordance with its obligations under the listing rules of the SIX Swiss Exchange (article 53), in relation to the Group's expected results for the full year 2020.**

**This update is regarding the impairment charges, which were communicated on 19 June 2020 and again in the first half results announcement on 4 August 2020.**

**The amount of the impairment charge announced in the first half 2020 results was CHF 377.7 million. This means that the Group expects to report an IFRS net loss for the full year of 2020 of approximately CHF 380 million, compared to the net loss of CHF 3.5 million for the full year 2019.**

**In addition, GAM saw net inflows in Investment Management of CHF 0.3 billion during the fourth quarter of 2020, the first quarter of positive net inflows since the beginning of 2018.**

The impairment charges mainly related to legacy goodwill primarily created by the acquisition of GAM by Julius Baer in 2005 and UBS in 1999 (CHF 373.7 million) and do not impact the Group's tangible equity, its cash position or any client related or operational functions.

The Group also expects to report an underlying loss before tax of approximately CHF 15 million compared to a CHF 10.5 million underlying profit for the full year 2019.

Group assets under management were CHF 122.0 billion as at 31 December 2020, with Investment Management at CHF 35.9 billion, and Private Labelling at CHF 86.1 billion, compared to CHF 120.4 billion as at 30 September 2020 with Investment Management at CHF 33.9 billion and Private Labelling at CHF 86.5 billion.

In the fourth quarter of 2020, Investment Management saw net inflows of CHF 0.3 billion and positive net market and FX movements of CHF 2.1 billion as well as an impact from divestments of CHF 0.4 billion<sup>1</sup>. In Private Labelling we saw net outflows of CHF 3.4 billion driven by one client with existing capabilities, who decided to bring the services provided by GAM in-house. This has offset the positive net market and FX impact of CHF 3.0 billion.

GAM will announce its 2020 full year results on 18 February 2021.

**Peter Sanderson, Group CEO, said:** "GAM has continued to make strong progress on our strategic plans despite the very challenging conditions of 2020. I am pleased to see this bear fruit with positive momentum in our investment management business during the fourth quarter. I look forward to providing a complete update when we announce our results in detail on 18 February."

<sup>1</sup> Includes CHF 0.2 billion related to the real estate business sold to Invesco in Q4 2020 and CHF 0.2 billion of money market funds which GAM agreed to sell to ZKB as announced with the H1 2019 results.

## Upcoming events:

**18 February 2021**      **Full Year results 2020**  
**21 April 2021**        **Interim Management Statement Q1 2021**

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## About GAM

GAM is a leading independent, pure-play asset manager. The company provides active investment solutions and products for institutions, financial intermediaries and private investors. The core investment business is complemented by private labelling services, which include management company and other support services to third-party asset managers. GAM employed 701 FTEs in 14 countries with investment centres in London, Cambridge, Zurich, Hong Kong, New York, Milan and Lugano as at 31 December 2020. The investment managers are supported by an extensive global distribution network. Headquartered in Zurich, GAM is listed on the SIX Swiss Exchange with the symbol 'GAM'. The Group has AuM of CHF 122 billion (USD 138.0 billion) as at 31 December 2020.

## Disclaimer regarding forward-looking statements

This press release by GAM Holding AG ('the Company') includes forward-looking statements that reflect the Company's intentions, beliefs or current expectations and projections about the Company's future results of operations, financial condition, liquidity, performance, prospects, strategies, opportunities and the industry in which it operates. Forward-looking statements involve all matters that are not historical facts. The Company has tried to identify those forward-looking statements by using words such as 'may', 'will', 'would', 'should', 'expect', 'intend', 'estimate', 'anticipate', 'project', 'believe', 'seek', 'plan', 'predict', 'continue' and similar expressions. Such statements are made on the basis of assumptions and expectations which, although the Company believes them to be reasonable at this time, may prove to be erroneous.

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