

Julius Bär

Press Release from Julius Baer Holding Ltd.

Interim Management Statement for the period to 11 November 2008 issued in accordance with the EU Transparency Directive

Significant net new money in Private Banking – Outflows in Asset Management – Negative market impact on AuM – All businesses contributing to strong profits – Sound balance sheet with solid capital base

Zurich, 11 November 2008 --- Year-to-date, the Julius Baer Group continued to show forceful business expansion in Private Banking and ongoing product development with strong investment performance relative to peers within Asset Management. Group assets under management were impacted by the large market declines across most asset classes, client withdrawals within Asset Management as well as the strengthening of the Swiss Franc against European currencies, partly offset by significant net new money in Private Banking.

Net inflows in Private Banking were significantly above last year's level, supported by Julius Baer's strengthened franchise and with all Private Banking regions contributing to the increase. The target of adding a net 50 to 60 private bankers by year end has already been reached. In the second half of 2008, offices have been or will be opened in Jakarta, Cairo, St. Gallen and St. Moritz. The continued increase in new assets and clients creates a solid base for future revenue growth. Given the market environment, Bank Julius Baer is re-evaluating all business initiatives to ensure that resources are deployed to the most attractive opportunities. Therefore the Investment Products division will be even further aligned with Private Banking to maximise efficiency and service quality while the expansion of the fund range will be de-emphasised. This will allow Bank Julius Baer to greater focus its resources on the proven, still attractive growth opportunities to expand its private banking operations. Given these changes, Beat Wittmann, CEO of the Investment Products division, after advising on the transition, will be leaving the Group to pursue other opportunities.

The asset management industry has faced a challenging environment through October, with private and retail clients redeeming assets from hedge and equity funds, though the sophisticated institutional segment increased allocations during the period given the higher expected future returns created by the market dislocation. GAM, with largely private client assets, continued to experience net outflows, with the rate accelerating in October as market stress peaked. GAM's core multi-strategy funds of hedge funds are now meaningfully outperforming the relevant indices year-to-date; this, plus differentially strong long term track records, should create important growth opportunities once markets stabilise and as the industry consolidates to a smaller set of high quality providers. At Artio Global, though second half net flows turned negative, total net flows remained positive year-to-date supported by the strength of the large institutional client base. Artio Global's international equity funds continue their outstanding long-term track record and are now again performing ahead of their relevant indices year-to-date. Julius Baer intends to IPO Artio Global when market conditions allow.

The Group's net operating income through October was down by approximately ten percent compared to the same period of last year. Targeted cost-cutting in all business areas, overall lower performance compensation accruals as well as currency impacts resulted in slightly reduced operating expenses despite ongoing investment in business expansion. Given the decreased asset base, Julius Baer will continue to focus on stringent cost management, while maintaining key growth initiatives.

The Julius Baer Group continues to enjoy a sound balance sheet with low leverage, and a solid capital base. The Group has repurchased CHF 300 million of own shares since the inception of the buy-back programme in April 2008. The BIS Tier 1 ratio is at the targeted level of 12% under Basel II, and Bank Julius Baer & Co. Ltd. continues to be rated Aa3 by Moody's.

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The **2008 annual results** of the Julius Baer Group will be released on **6 February 2009** and the **2009 half-year results** on **24 July 2009**.

About Julius Baer

Julius Baer is the leading dedicated wealth manager in Switzerland. The Group, which has roots dating to the nineteenth century, concentrates exclusively on private banking and asset management for private and institutional clients. With more than 4,200 employees worldwide, the Group managed assets in excess of CHF 360 billion at the end of June 2008. The Julius Baer Group's global presence comprises more than 30 locations in Europe, North America, Latin America and Asia, including Zurich (head office), Buenos Aires, Dubai, Frankfurt, Geneva, Hong Kong, London, Lugano, Milan, Moscow, New York, Singapore and Tokyo. Bank Julius Baer and GAM, a global asset manager focused on active and alternative wealth management, are the key companies of the Group. The registered shares of Julius Baer Holding Ltd. are listed on the SIX Swiss Exchange and form part of the Swiss Market Index (SMI) which comprises the 20 largest and most liquid stocks.

For more information: www.juliusbaer.com