

# Julius Bär

## **Historical Segment Reporting under New Organisational Structure**

H1 2006, H2 2006, FY 2006 and H1 2007

16 January 2008

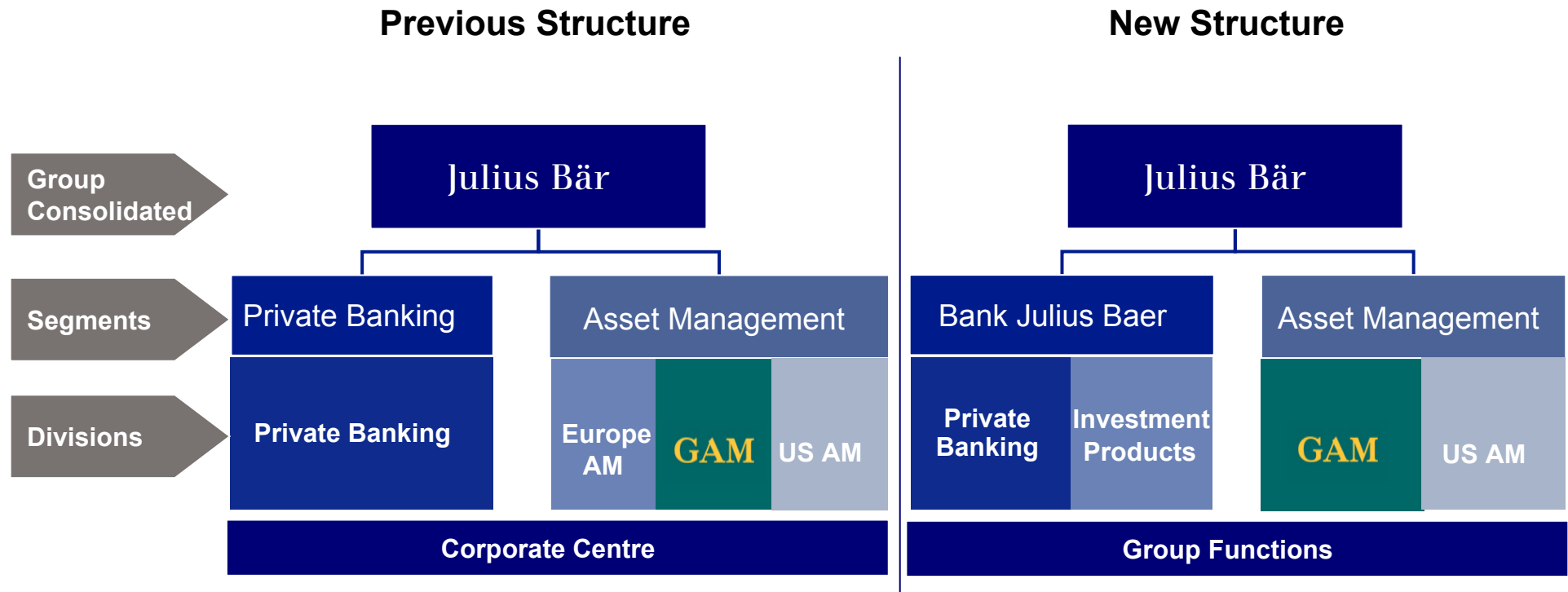
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# Implementation of Financial Holding Structure

## Implications on segment reporting

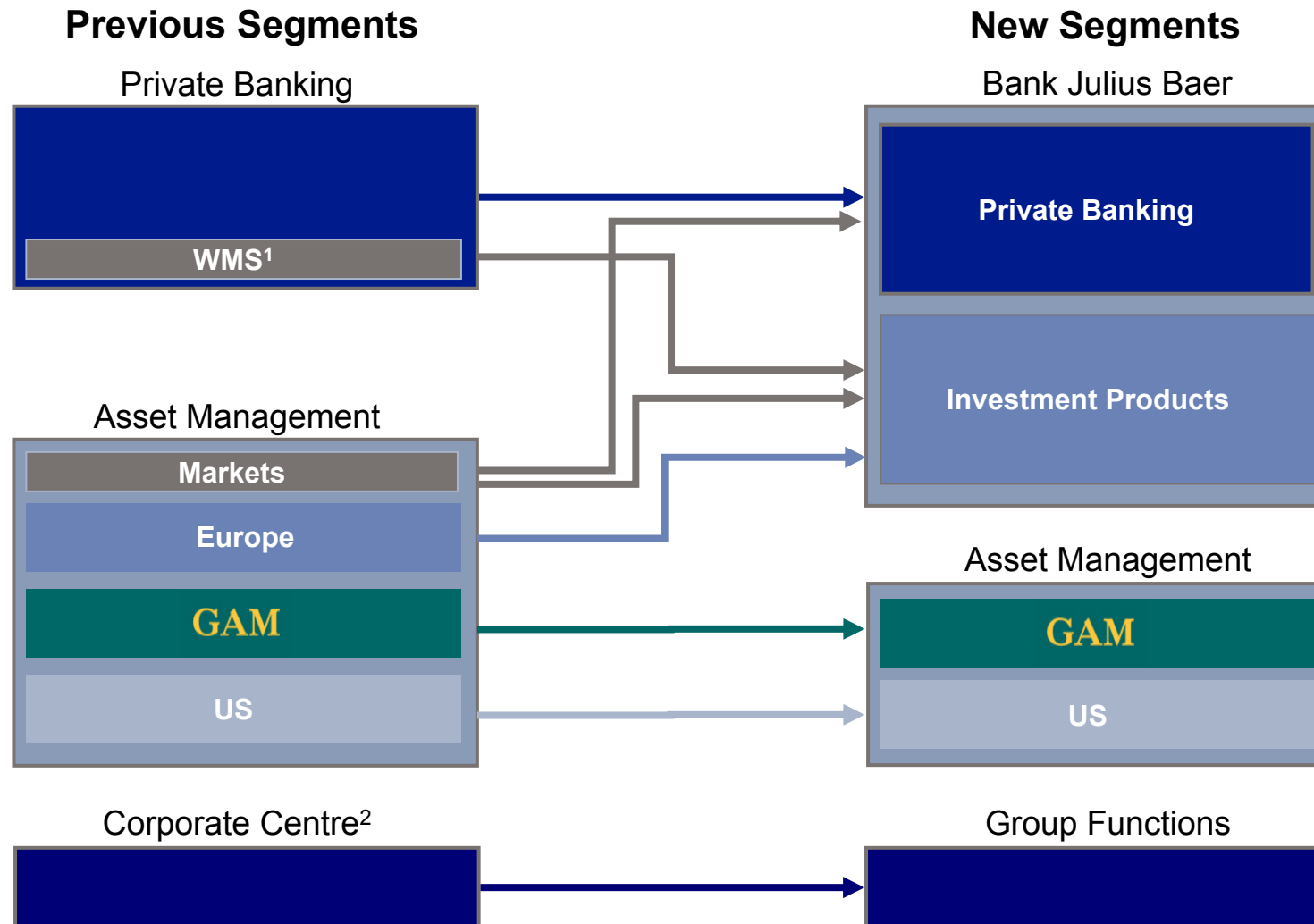
- The implementation of a pure financial holding structure as of 15 November 2007 mirrors the new business operating model announced mid-year 2007; it includes
  - the combining of the Julius Baer European Asset Management business with the product area, Wealth Management Solutions, of Private Banking to create the Investment Products division
  - the transfer of the execution, trading and product structuring unit "Markets" from Asset Management to the segment Bank Julius Baer
- As a consequence, the segments of the Julius Baer Group to be reported as of full year 2007 are
  - Bank Julius Baer, comprising the two Julius Baer branded divisions Private Banking and Investment Products
  - Asset Management, comprising GAM and the U.S. Asset Management business
  - Group Functions
- The figures for the periods H1 2006, H2 2006, FY 2006 and H1 2007 are restated to align prior periods with the changes implied by the new business operating model
- Targets will be adjusted/updated on 8 February 2008

# New Organizational Structure since 15 November 2007



# Changes in Segmental Reporting Structure

No change in consolidated Group financial results



<sup>1</sup> WMS – Wealth Management Solutions, previously the product area of Private Banking

<sup>2</sup> Some activities and related costs of the Corporate Centre shifted to Bank Julius Baer and GAM

# New Segment “Bank Julius Baer”

## Profit & Loss account

in CHF m	H1 2006	H1 2006 restated	H2 2006	H2 2006 restated	2006	2006 restated	H1 2007	H1 2007 restated
Operating income	not meaningful	843.2	not meaningful	776.7	not meaningful	1,619.9	not meaningful	946.1
Personnel expenses		347.4		326.6		674.0		371.4
General expenses <sup>1</sup>		136.4		151.8		288.2		153.0
Depreciation and amortisation		15.0		12.8		27.8		13.3
Operating expenses		498.8		491.2		990.0		537.7
<b>Profit before taxes of segment</b>		<b>344.4</b>		<b>285.5</b>		<b>629.9</b>		<b>408.4</b>
Gross margin (bp)		87.1		76.9		81.7		86.6
Pre-tax margin (bp)		35.6		28.3		31.8		37.4
Cost/income ratio (%) <sup>2</sup>		58.6		62.5		60.5		56.6

Assets under management (CHF bn)	192,311	212,151	212,151	227,616
Net new money (CHF bn)	7,929	5,259	13,188	7,246
Average assets under management (CHF bn)	193,687	201,960	198,250	218,584
Number of employees (FTE)	2,630	2,703	2,703	2,862
Valuation adjustment, provisions and losses	4.8	5.9	10.7	2.5

Excluding amortisation of intangible assets, integration and restructuring costs

<sup>1</sup> Including valuation adjustments, provisions and losses and services from/to other segment/divisions

<sup>2</sup> Calculated excluding valuation adjustments, provisions and losses

# Former Segment, New Division “Private Banking” of Bank Julius Bär

## Profit & Loss account

in CHF m	H1 2006	H1 2006 restated	H2 2006	H2 2006 restated	2006	2006 restated	H1 2007	H1 2007 restated
Operating income	585.5	648.3	582.3	618.1	1,167.8	1,266.4	676.5	732.0
Operating expenses	376.1	402.7	370.2	390.7	746.3	793.4	416.4	463.3
<b>Profit before taxes of division</b>	<b>209.4</b>	<b>245.6</b>	<b>212.1</b>	<b>227.4</b>	<b>421.5</b>	<b>473.0</b>	<b>260.1</b>	<b>268.7</b>
Gross margin (bp)	93.8	103.8	89.5	95.0	91.4	99.1	92.9	100.4
Pre-tax margin (bp)	33.6	39.3	32.6	34.9	33.0	37.0	35.7	36.8
Cost/income ratio (%) <sup>1</sup>	63.6	61.5	62.9	62.4	63.2	61.9	61.3	62.9
Assets under management (CHF bn)	123,163	123,243	138,074	138,144	138,074	138,144	152,816	153,313
Net new money (CHF bn)	1,305	1,325	4,579	4,584	5,884	5,909	5,310	5,365
Average assets under management (CHF bn)	124,781	124,873	130,077	130,173	127,757	127,851	145,575	145,880
Number of employees (FTE)	2,118	2,166	2,187	2,259	2,187	2,259	2,334	2,458
Valuation adjustment, provisions and losses	3.5	4.0	4.2	5.2	7.7	9.2	1.6	3.1

Excluding amortisation of intangible assets, integration and restructuring costs

<sup>1</sup> Calculated excluding valuation adjustments, provisions and losses

# New Division “Investment Products” of Bank Julius Baer

## Profit & Loss account

in CHF m	H1 2006	H1 2006 restated	H2 2006	H2 2006 restated	2006	2006 restated	H1 2007	H1 2007 restated
Operating income		194.9		158.6		353.5		214.1
Operating expenses		96.1		100.5		196.6		74.4
<b>Profit before taxes of division</b>		<b>98.8</b>		<b>58.1</b>		<b>156.9</b>		<b>139.7</b>
Gross margin (bp)	not meaningful	56.6	not meaningful	44.2	not meaningful	50.2	not meaningful	58.9
Pre-tax margin (bp)		28.7		16.2		22.3		38.4
Cost/income ratio (%) <sup>1</sup>		48.9		62.9		55.2		35.0
Assets under management (CHF bn)	not meaningful	69,068	not meaningful	74,007	not meaningful	74,007	not meaningful	74,303
Net new money (CHF bn)		6,604		675		7,279		1,881
Average assets under management (CHF bn)		68,813		71,788		70,398		72,704
Number of employees (FTE)		464		444		444		404
Valuation adjustment, provisions and losses		0.8		0.7		1.5		-0.6

Excluding amortisation of intangible assets, integration and restructuring costs

<sup>1</sup> Calculated excluding valuation adjustments, provisions and losses

# Segment “Asset Management”

## Profit & Loss account

in CHF m	H1 2006	H1 2006 restated	H2 2006	H2 2006 restated	2006	2006 restated	H1 2007	H1 2007 restated
Operating income	759.8	511.2	814.6	627.3	1,574.4	1,138.5	906.1	648.5
Personnel expenses	289.1	220.6	296.8	233.9	585.9	454.5	342.4	279.6
General expenses <sup>1</sup>	105.1	67.6	104.1	63.6	209.2	131.2	115.7	77.8
Depreciation and amortisation	6.7	4.4	9.0	6.1	15.7	10.5	7.8	5.5
Operating expenses	400.9	292.6	409.9	303.6	810.8	596.2	465.9	362.9
<b>Profit before taxes of segment</b>	<b>358.9</b>	<b>218.6</b>	<b>404.7</b>	<b>323.7</b>	<b>763.6</b>	<b>542.3</b>	<b>440.2</b>	<b>285.6</b>
Gross margin (bp)	77.3	80.1	77.9	91.4	77.5	85.7	76.8	79.7
Gross margin excl. perf. fees (bp)	77.0	79.6	70.8	80.5	73.6	79.9	76.1	78.6
Pre-tax margin (bp)	36.5	34.3	38.7	47.1	37.6	40.8	37.3	35.1
Cost/income ratio (%) <sup>2</sup>	52.3	56.8	49.9	48.1	51.1	52.0	51.0	55.5
Assets under management (CHF bn)	197,102	127,986	222,555	148,514	222,555	148,514	252,311	177,867
Net new money (CHF bn)	14,214	7,591	6,721	6,050	20,935	13,641	14,666	12,742
Average assets under management (CHF bn)	196,497	127,591	209,191	137,308	203,286	132,793	235,833	162,824
Number of employees (FTE)	1,304	838	1,357	885	1,357	885	1,378	937
Valuation adjustment, provisions and losses	3.5	2.2	3.4	1.7	6.9	3.9	3.9	2.9

Excluding amortisation of intangible assets, integration and restructuring costs

<sup>1</sup> Including valuation adjustments, provisions and losses and services from/to other segment/divisions

<sup>2</sup> Calculated excluding valuation adjustments, provisions and losses



# Former Segment Corporate Centre, New Segment “Group Functions”

## Profit & Loss account

in CHF m	H1 2006	H1 2006 restated	H2 2006	H2 2006 restated	2006	2006 restated	H1 2007	H1 2007 restated
Operating income	49.2	40.1	31.3	24.2	80.5	64.3	51.9	39.9
Personnel expenses	59.0	40.1	36.6	18.0	95.6	58.1	54.8	33.5
General expenses <sup>1</sup>	14.2	18.9	18.9	22.6	33.1	41.5	20.3	23.4
Depreciation and amortisation	2.7	2.6	3.1	3.2	5.8	5.8	2.4	2.3
Operating expenses	75.9	61.6	58.6	43.8	134.5	105.4	77.5	59.2
<b>Profit before taxes of segment</b>	<b>-26.7</b>	<b>-21.5</b>	<b>-27.3</b>	<b>-19.6</b>	<b>-54.0</b>	<b>-41.1</b>	<b>-25.6</b>	<b>-19.3</b>
Number of employees (FTE)	138	92	140	96	140	96	157	70

Excluding amortisation of intangible assets, integration and restructuring costs.

<sup>1</sup> Including valuation adjustments, provisions and losses and services from/to other segment/divisions

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