

## Press Release

### **GAM Holding AG: Interim management statement for the period to 31 March 2013**

Zurich, 17 April 2013

- **Group assets under management of CHF 119.0 billion, representing growth of 2% during first quarter 2013 and 8% year-on-year**
- **Rebound in client activity in first quarter 2013, with robust gross inflows across both GAM and Swiss & Global Asset Management product ranges**
- **Atypical quarterly outflows recorded from private labelling (PLF) partners and one large institutional redemption led to overall net new money outflows in the first quarter, while expectations for the full-year remain intact**
- **Positive outlook for the remainder of 2013 confirmed by continuing client demand and strong investment performance across investment strategies**

From 31 December 2012, Group assets under management have risen by CHF 2.8 billion or 2%. At CHF 119.0 billion, assets are currently CHF 8.4 billion higher than on 31 March 2012. Year-to-date, average asset levels were CHF 117.8 billion.

Client activity during the first quarter was strong, with robust levels of gross inflows for both GAM and Swiss & Global Asset Management. Demand remained high for fixed income products, particularly unconstrained strategies and funds investing in emerging market bonds, and it recovered considerably for equities. Inflows were recorded into the non-directional strategies managed by GAM as well as into a number of differentiated long-only products with strong performance, such as GAM's Chinese and European equity fund and the Julius Baer-branded luxury brands strategy. GAM's global rates strategy was also an important contributor of fresh assets.

Due to the loss of one large historical institutional mandate at GAM and an unexpected quarter of substantial outflows recorded by Swiss & Global Asset Management's private labelling (PLF) partners, which reduces the low-margin PLF asset base, the Group ended the period with overall net new money outflows. However, these were more than offset by the positive impact of market performance and currency movements and had a limited impact on the Group's profitability.

Given the exceptional and concentrated nature of the first-quarter outflows, the underlying business dynamics remain as expressed at the annual results presentation on 5 March 2013. The positive trend in client demand and the continued track record of strong investment performance, both of which contribute to the growth of higher-margin assets, confirm the Group's positive outlook for the remainder of 2013.

## Update on balance sheet and share buy-back programme

The Group's balance sheet remains strong and debt-free, with capital levels exceeding regulatory requirements. Tangible equity as at 31 March 2013 was CHF 501.5 million, compared to CHF 581.3 million at year-end, largely due to the repurchase of own shares over the second trading line as part of the Group's buy-back programme. Cash and cash equivalents declined by CHF 23.5 million to CHF 480.5 million.

At today's Annual General Meeting (AGM), shareholders of GAM Holding AG will be asked to approve a dividend of CHF 0.50 per share for 2012, leading to a total cash distribution of around CHF 82 million in the second quarter.

Shareholders today will also vote on the cancellation of 10.1 million shares repurchased in 2012 under the Group's 2011-2014 buy-back programme. A further 5.7 million shares were bought back under the same programme in first quarter 2013, reducing the Group's outstanding shares as at 31 March 2013 to 163.6 million<sup>1</sup>.

Since the programme's launch in May 2011, the Group has repurchased a total of 28.8 million shares over the second trading line – approximately 70% of the defined maximum limit – at an average price of CHF 13.50. As indicated at the annual results presentation, for the remainder of the programme, which runs until April 2014, the Group will control the pace of buy-backs based inter-alia on stock price developments, other opportunities to deploy capital for business growth, as well as the priority to retain a strong and liquid balance sheet. At the present time, the Group does not anticipate fully utilising the stated limit of 41.3 million shares.

### Upcoming events:

<b>17 Apr 2013</b>	Ordinary Annual General Meeting, further information on <a href="http://www.gamholding.com">www.gamholding.com</a>
<b>19 Apr 2013</b>	Ex-dividend date
<b>23 Apr 2013</b>	Dividend record date
<b>24 Apr 2013</b>	Dividend payment date
<b>13 Aug 2013</b>	Publication of half-year results 2013

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<sup>1</sup> The Group's outstanding shares exclude all shares held in treasury as at 31 March 2013:  
– 3.9 million shares bought back over the first trading line, to hedge outstanding employee options  
– 10.1 million shares bought back over the second trading line in 2012, to be cancelled at the 2013 AGM  
– 5.7 million shares bought back over the second trading line in 2013, to be cancelled at the 2014 AGM.

## **Notes to Editors: about GAM Holding AG**

GAM Holding AG is an independent, pure-play and well-diversified asset management group. With global distribution networks and investment teams based in Europe, the US and Asia, its operating businesses – GAM and Swiss & Global Asset Management – serve institutions, intermediaries and third-party asset managers as well as private clients around the world.

Headquartered in Zurich, GAM Holding AG is listed on the SIX Swiss Exchange and is a component of the Swiss Market Index Mid (SMIM) with the symbol “GAM”. The Group has assets under management of CHF 119.0 billion (as at 31 March 2013) and employs over 1,000 staff with offices in ten countries.

## **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.

These forward-looking statements are subject to risks, uncertainties, assumptions and other factors that could cause the Company's actual results of operations, financial condition, liquidity, performance, prospects or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Important factors that could cause those differences include, but are not limited to: changing business or other market conditions, legislative, fiscal and regulatory developments, general economic conditions, and the Company's ability to respond to trends in the financial services industry. Additional factors could cause actual results, performance or achievements to differ materially. The Company expressly disclaims any obligation or undertaking to release any update of or revisions to any forward-looking statements in this press release and any change in the Company's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.