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PRESS RELEASE

GAM Holding AG: Update on half-year results 2016

- Underlying profit before and after tax in H1 2016 expected to decline by approximately 50% compared with H1 2015. Decline mainly driven by a fall in performance fees
- IFRS profit after tax anticipated to decline broadly in line with the decrease in underlying profit after tax

Expected results for the first half of 2016

In accordance with the Group's obligations under the listing rules of the SIX Swiss Exchange (article 53), GAM today provides an update on its expected first-half 2016 results. The **underlying profit before tax** for the first half of 2016 is likely to decline by approximately 50% from the CHF 101.5 million reported for the first half of 2015.

Performance fees for the first half of 2016 are expected to be lower, at approximately CHF 1 million (CHF 44.1 million for the first half of 2015), a reduction highlighted in GAM's first-quarter interim management statement of 20 April 2016. This estimate is based on recognised performance fees up to 31 May 2016 and uncrystallised performance fees as at 31 May 2016 with June month-end crystallisation dates. Net management fees and commissions are also expected to decline, mainly driven by lower average assets under management and a slight reduction in the average management fee margin. These effects will be partially offset by a reduction in personnel expenses and ongoing cost control.

The **IFRS profit after tax** for the first half of 2016 is anticipated to decline broadly in line with the decrease in underlying profit after tax. The IFRS profit after tax reported for the first half of 2015 was CHF 80.9 million.

Update on strategic initiatives

The company continues to control costs in a disciplined manner and the implementation of its new target operating model is on track. As demonstrated by the recently announced acquisition of Taube Hodson Stonex (THS) on 16 May 2016, GAM continues to expand its core investment management capabilities and offerings through strategic and financially compelling acquisitions and the development of new products in areas such as trade finance, absolute return and real estate debt. The company will report its half-year results and update the market on its strategic initiatives as planned on 3 August 2016.

Forthcoming events:**3 August 2016** Half-year results 2016**20 October 2016** Interim management statement Q3 2016**For further information please contact:**

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Headquartered in Zurich, GAM 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 114.7 billion (USD 119.8 billion) as at 31 March 2016.

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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