

30 January 2020

## PRESS RELEASE

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### **GAM Holding AG: Decision of SIX Exchange Regulation AG Sanctions Commission**

SIX Exchange Regulation AG (“SIX”), the Swiss listing authority, has informed GAM that its Sanctions Commission has upheld the sanctions proposal submitted against GAM Holding AG. This related to the accounting treatment of future performance fee payments as a financial liability following GAM’s acquisition of Cantab Capital Partners LLP in 2016.

GAM takes its financial reporting responsibility very seriously and held a different point of view in good faith on this technical accounting matter, due in part to external and independent expert advice. However, GAM has decided to accept the decision made by SIX’s Sanctions Commission and will pay the related financial penalty of CHF 400,000 and costs of approximately CHF 100,000.

As a result of this decision, GAM is required to recognise the financial liability at fair value and to restate any impacted historical comparative amounts in its next consolidated financial statements on 20 February 2020. GAM currently estimates the fair value of the financial liability to be recognised is approximately CHF 35 million as at 31 December 2019, which will only crystallise once matching performance fees are received. GAM continues to expect that its full year 2019 underlying profit before tax will be approximately CHF 10 million.

This accounting matter relates to GAM Holding AG’s consolidated financial statements and does not relate to any of GAM’s investment funds, nor to any of its clients.

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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 employs around 850 people in 14 countries with investment centres in London, Cambridge, Zurich, Hong Kong, New York, Milan and Lugano. The investment managers are supported by an extensive global distribution network. The Group has AuM of CHF 135.7 billion (USD 136.1 billion) as at 30 September 2019.

Headquartered in Zurich, GAM is listed on the SIX Swiss Exchange with the symbol 'GAM'.

#### **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.