



Deutsche Bank Swiss Equities  
Conference 2009

Lawrence D. Howell, CEO

Zurich, 12 May 2009

This presentation has been prepared by EFG International solely for use by you for general information only and does not contain and is not to be taken as containing any securities advice, recommendation, offer or invitation to subscribe for or purchase any securities regarding EFG International.

This presentation contains specific forward-looking statements, e.g. statements which include terms like "believe", "assume", "expect" or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, the financial situation, and/or the development or performance of the company and those explicitly or implicitly presumed in these statements. These factors include (1) general market, macro-economic, governmental and regulatory trends, (2) movements in securities markets, exchange rates and interest rates, (3) competitive pressures, (4) our ability to continue to recruit CROs, (5) our ability to implement our acquisition strategy, (6) our ability to manage our economic growth and (7) other risks and uncertainties inherent in our business. EFG International is not under any obligation to (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

1.0

Review 2008

2.0

Current situation

## Year on year

Revenues / revenues  
excluding non-recurring



**4% / 10%**

to CHF 946 million /  
CHF 1,005 million

Net profit / net profit  
excluding non-recurring



**33% / 15%**

to CHF 222 million /  
CHF 281 million

AUM



**21%**

to CHF 77.2 billion

Net new assets & increase  
in client loans



**Broadly flat overall, but  
record PB inflows**

to CHF 13.2 billion  
(PB inflows CHF 18.2 billion)

CROs



**31%**

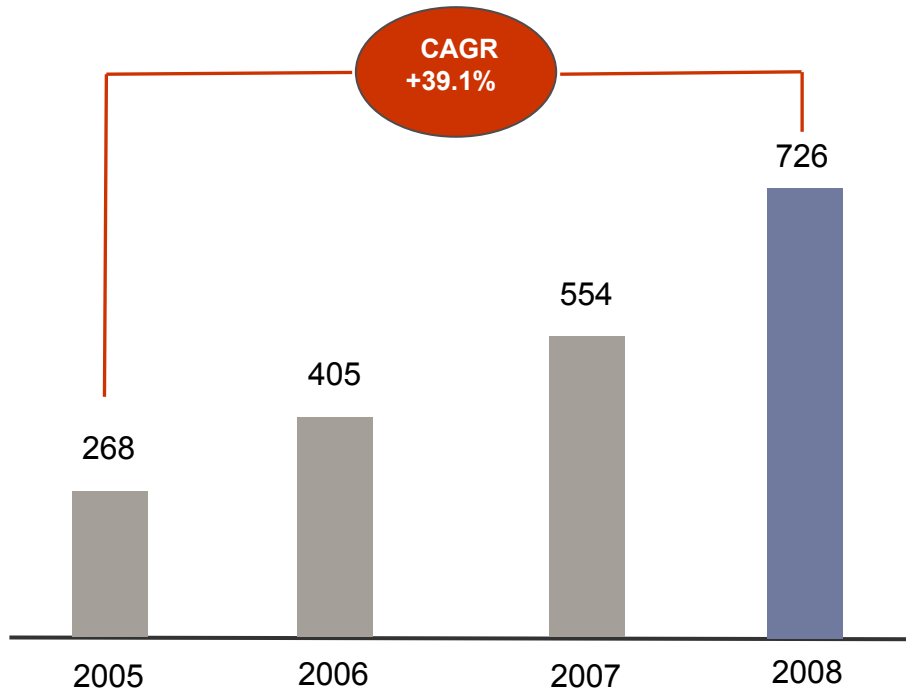
to 726

Our growth projections were based on normal conditions. However, external factors have produced a highly testing environment.

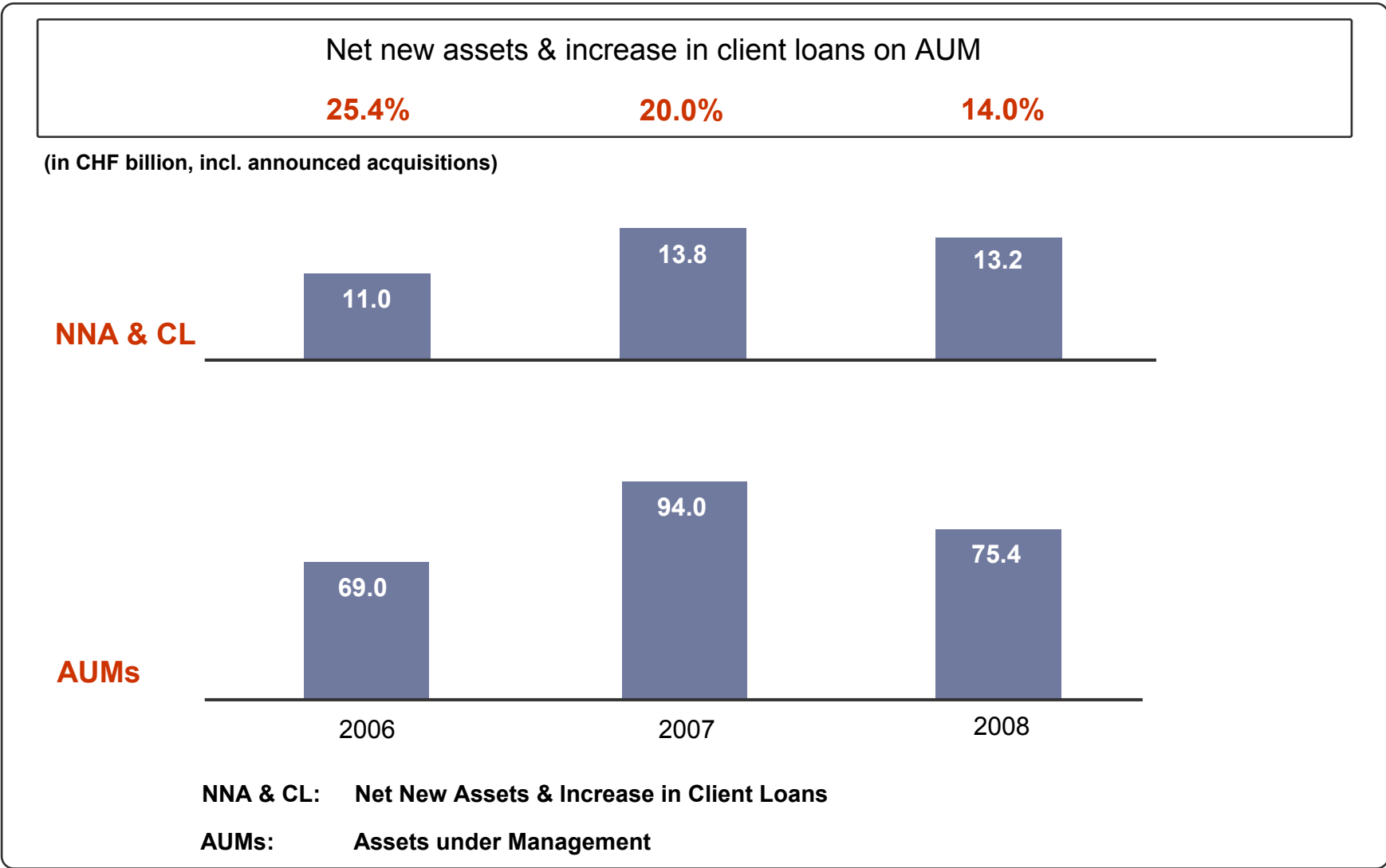
- Falling and volatile equity markets.
- Concerns over stability of financial system.
- Global economy in severe recession.
- Heightened pressure on offshore banking.
- Strength of the Swiss franc vs. major currencies.
- High levels of uncertainty.
- Clients (understandably) extremely cautious.

## Record level of organic hiring during 2008

Including announced acquisitions, as per period end

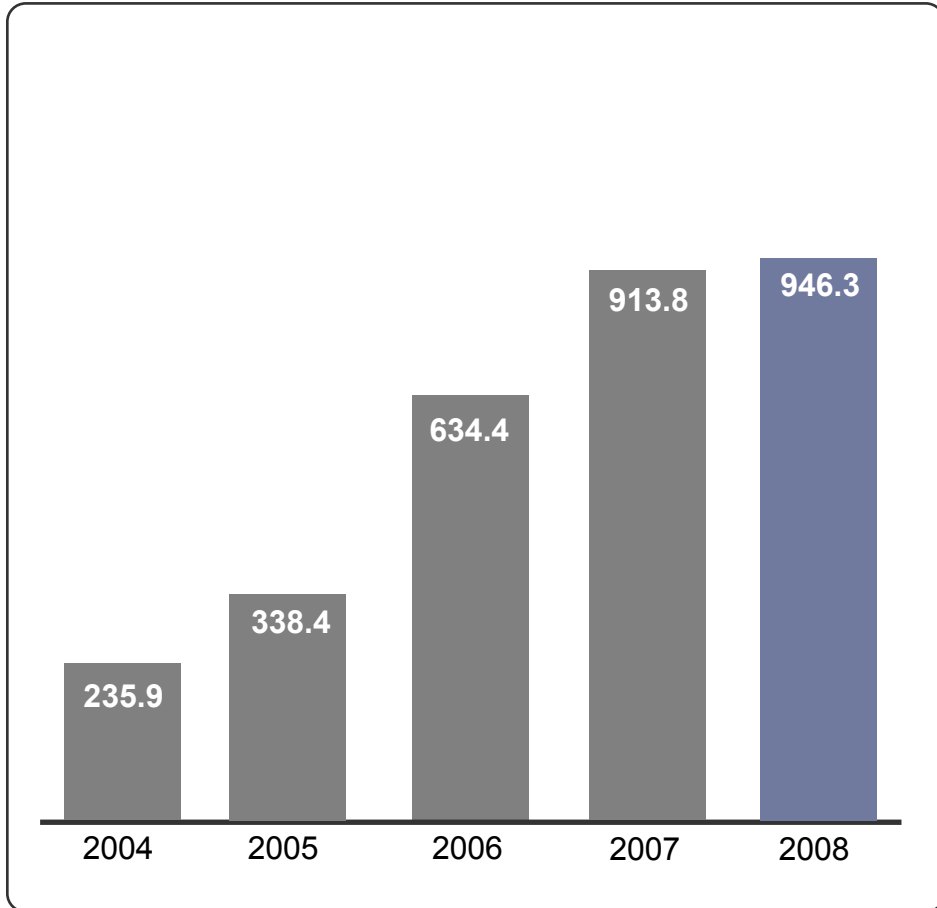


## Superior growth rates for net new assets & client loans

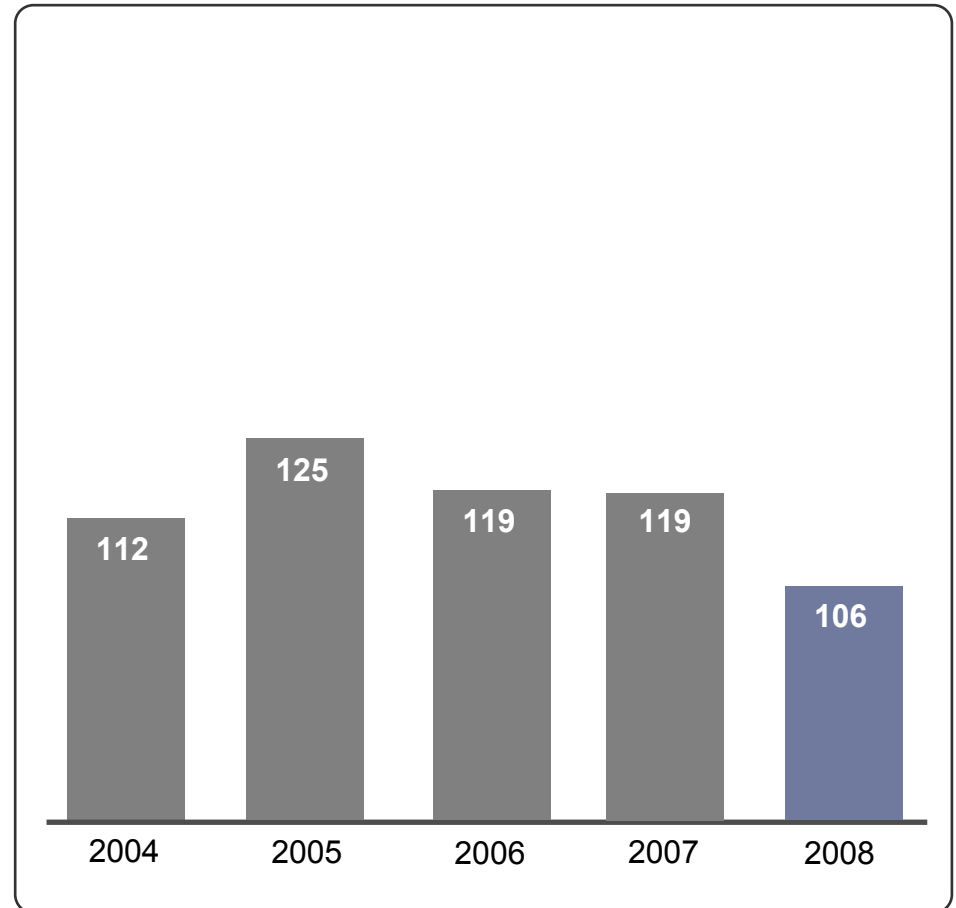


# Evolution of Operating income & RoAUM

**Operating income**  
(in CHF million)



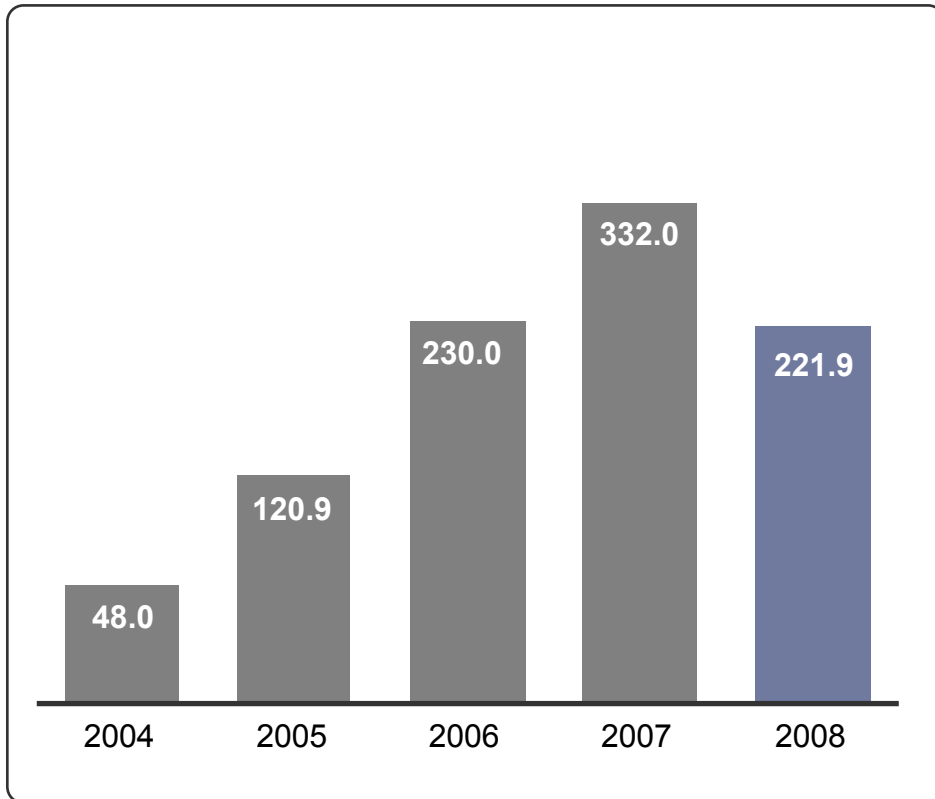
**Return on AUM**  
(in bps)



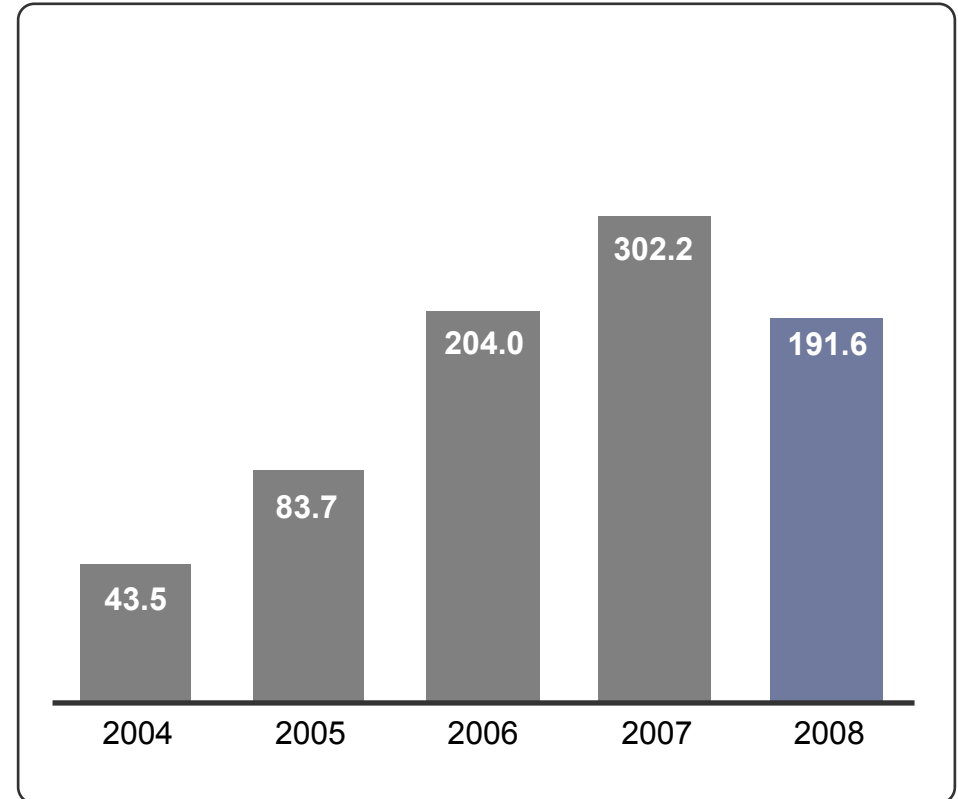


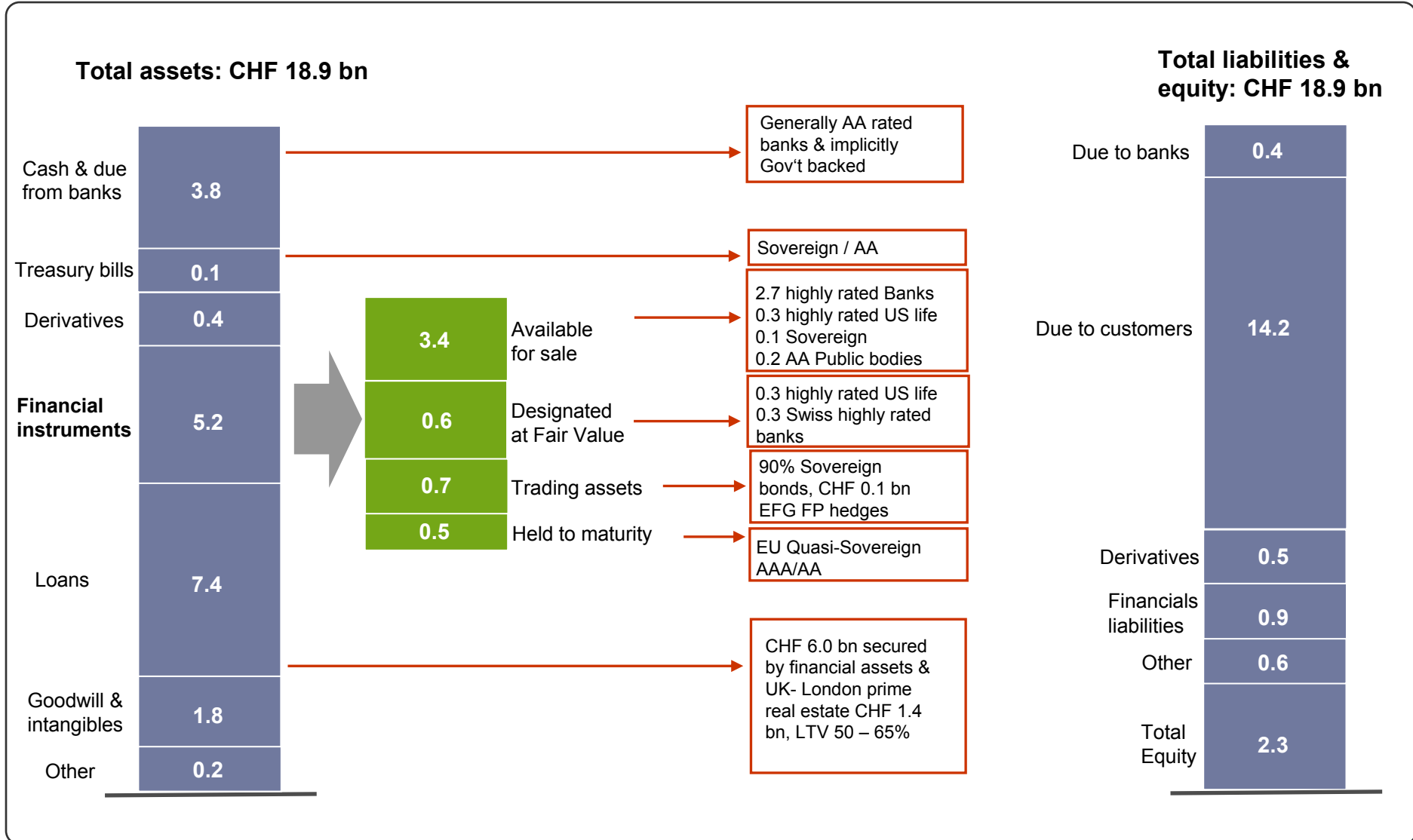
# Evolution of Net profit & Net profit attributable

**Net profit**  
(in CHF million)



**Net profit attributable to ordinary shareholders**  
(in CHF million)





- EFG International remains profitable.
- We have good capital ratios, with strong liquidity.
- We were not involved in sub-prime / other toxic assets.
- Minimal exposure to organisations that ceased trading.
- Overall lending book of high quality; conservative LTVs; focused on HNWI's. Provisions across credit and operations remained modest.
- Revaluation of life policies resulted in an accounting write-down. But well diversified; highly rated; leading US insurers.

1.0

Review 2008

2.0

**Current situation**

- We have a strong core private banking business.
  - Close to CHF 70 billion in private banking AUM (as of Dec 08).
  - Over 90% of total AUM – higher percentage than most peers.
  - Over 700 Client Relationship Officers.
  - A record of double digit net new asset growth.
  - Truly international.
  - Onshore and offshore.
  - Loyal clients.
- Strong in-house product capabilities in specialist areas. Integrate capabilities more effectively for the benefit of the whole business.
- However, we are about clients, not products.

- Maintaining a freeze on non-client facing employees.
- Salaries generally being held at existing levels (and in some cases reduced).
- Starting in 2008, changed CRO profit participation arrangements to include a proportion as restricted stock (25%), to reinforce the prevailing long-term mindset.
- But the fundamentals of our business model have not changed – nor will they. CROs still remunerated based on their profitability, providing incentive to do right by clients and to build a sustainable business, without distortionary sales targets.
- Executive team remuneration comprises salary and discretionary bonus (taken 100% in restricted stock / options). Starting 2008, CEO has waived profit-based formula in favour of salary plus discretionary bonus.

- All businesses are reviewing costs; have made (and are in the process of making) savings.
- Focus is presently on optimising the business, not on acquisitions. However, we continue to monitor market developments and acquisition opportunities that may arise.
- In terms of CROs, a record hiring year in 2008; coming into 2009, a record pipeline.
- However, conditions mean recruitment will be extremely prudent this year. Limited to individuals / teams, where we have strong conviction they can be profitable in short order. We are also looking closely at existing CROs who are loss-making.

- EFG derives benefit from its balanced geographical spread, and is now represented in more than 30 countries.
- All existing offices presently being reviewed. Likely a number will be downsized / closed. Possible that offices will be opened in select new locations, but only where strong prospect of significant new business.
- Review of all asset management capabilities to yield efficiency gains; also improved practical support to CROs.
- Ongoing review of IT and operational platforms, with view to producing efficiency gains / qualitative improvements.



- Q1 2009 still challenging; business started year with lower AUMs
- Improvement in activity in April
- Economically, hopefully seeing arrest in downward spiral
- Prospect of gradual pick-up late 2009 / 2010



Practitioners of the craft of private banking

[www.efginternational.com](http://www.efginternational.com)

3.0

## Appendix

# Consolidated income statement

(in CHF million)	2007	2008	Change
Net interest income	244.4	286.6	17.3%
Net banking fee & commission income	589.8	571.7	-3.1%
Net other income	79.6	88.0	10.6%
<b>Operating income</b>	<b>913.8</b>	<b>946.3</b>	<b>3.6%</b>
Operating expenses	(542.0)	(709.5)	30.9%
Provisions for operating and credit losses	(1.0)	(15.4)	NM
<b>Profit before tax</b>	<b>370.8</b>	<b>221.4</b>	<b>-40.3%</b>
Income tax expense	(40.6)	(25.5)	-37.3%
Consolidated net profit	330.2	195.9	-40.7%
Minorities	1.8	26.0	NM
<b>Net profit for the period</b>	<b>332.0</b>	<b>221.9</b>	<b>-33.2%</b>
Expected preference dividend on fiduciary shares	(29.8)	(30.3)	1.7%
<b>Net profit attributable to shareholders</b>	<b>302.2</b>	<b>191.6</b>	<b>-36.6%</b>

# Consolidated balance sheet

(in CHF million)	Dec 2007	Dec 2008	Change
Cash and balances with central banks	74	115	55%
Treasury bills and other eligible bills	795	74	-91%
Due from other banks	3,501	3,731	7%
Derivative financial instruments	223	453	103%
Financial instruments	4,141	5,119	24%
Loans and advances to customers	7,920	7,424	-6%
Goodwill and intangible assets	1,192	1,763	48%
Property, plant and equipment	45	57	27%
Deferred tax assets	11	26	127%
Other assets	135	133	-1%
<b>Total assets</b>	<b>18,037</b>	<b>18,894</b>	<b>5%</b>
Due to other banks	807	401	-50%
Due to customers	13,580	14,213	5%
Derivative financial instruments	236	460	95%
Financial liabilities at fair value		263	NM
Other financial liabilities		680	NM
Debt securities in issue	158		NM
Current income tax liabilities	40	13	-33%
Deferred income tax liabilities	36	66	83%
Other liabilities	742	541	-27%
<b>Total liabilities</b>	<b>15,598</b>	<b>16,637</b>	<b>7%</b>
Share capital	78	77	-1%
Share premium	1,263	1,205	-5%
Other reserves and retained earnings	1,095	880	-20%
Minority shareholders	2	95	NM
<b>Total shareholders' equity</b>	<b>2,439</b>	<b>2,257</b>	<b>-8%</b>
<b>Total liabilities and shareholders' equity</b>	<b>18,037</b>	<b>18,894</b>	<b>5%</b>

**28 July 2009**

Publication half-year results 2009

## EFG International Investor Relations

- Jens Brueckner, Head of Investor Relations
- Telephone: +41 44 226 1799
- E-mail: [jens.brueckner@efggroup.com](mailto:jens.brueckner@efggroup.com)

EFG International, Bahnhofstrasse 12,  
8001 Zurich, Switzerland

- Telephone: +41 44 212 73 77
- Fax: +41 44 226 18 55
- [www.efginternational.com](http://www.efginternational.com)
- Reuters: EFGN.S
- Bloomberg: EFGN SW