

Vontobel half-year results 2015

Zeno Staub, CEO

Martin Sieg Castagnola, CFO

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Cautionary statement regarding forward-looking statements

This document may contain projections or other forward-looking statements related to Vontobel that are subject to known and unknown risks, uncertainties and other important factors. These projections and forward-looking statements reflect management's current views and estimates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Vontobel's future results may vary materially from the results expressed in, or implied by, the projections and forward-looking statements contained in this document. Potential risks and uncertainties include, in particular, factors such as general economic conditions and foreign exchange, share price and interest rate fluctuations as well as legal and regulatory developments. Vontobel has no obligation to update or alter its forward-looking statements based on new information, future events or other factors.

Overview

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Growth in earnings per share of 52% driven by strong revenues, operating leverage and active capital management

Key figures

Net new money **10.3%¹**

CHF 6.4 bn

Advised client assets **+15%²**

CHF 142.2 bn

Cost/income ratio **-3.7 pp²**

75.7%

Group net profit **+33%²**

CHF 97.8 mn

Earnings per share **+52%²**

CHF 1.76

Return on equity **+4.6pp²**

13.6%

CET1 capital ratio

19.2%
Basel III fully applied

¹ Annualized growth in AuM attributable to NNM

² Compared to H1 2014

Vontobel's commitment to excellence, talent and a clear focus are driving the business forward

- **Clients continue to endorse our services and products**
 - Strong net new money growth of 10.3%¹ in first half of the year
 - Strong market position in Switzerland, growing market share in Germany and successful market entry in Nordics

- **Vontobel attracts and retains top talent**
 - High success rate in recruitment of senior client advisors in 2014 – well above industry benchmark
 - Continued recruitment of international talent

- **Acquisition accelerates growth and diversification**
 - Acquisition of majority stake in TwentyFour Asset Management was successfully completed
 - Significant contribution to asset base of Fixed Income boutique and presence in the UK

- **Vontobel delivers value through its client-centric business model, operating leverage and active capital management**
 - Fee and commission income accounts for a large proportion (ca. 70%) of operating income
 - Basic earnings per share increased from CHF 1.16 to CHF 1.76 (+52%)

¹ Annualized growth rate

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Vontobel provides additional transparency on its wealth management activities

Financial disclosure

Organisational set-up/ IFRS reporting	Core activities
Private Banking Investment Banking External Asset Managers	Wealth Management
Asset Management	Asset Management
Investment Banking Financial Products ¹	Financial Products

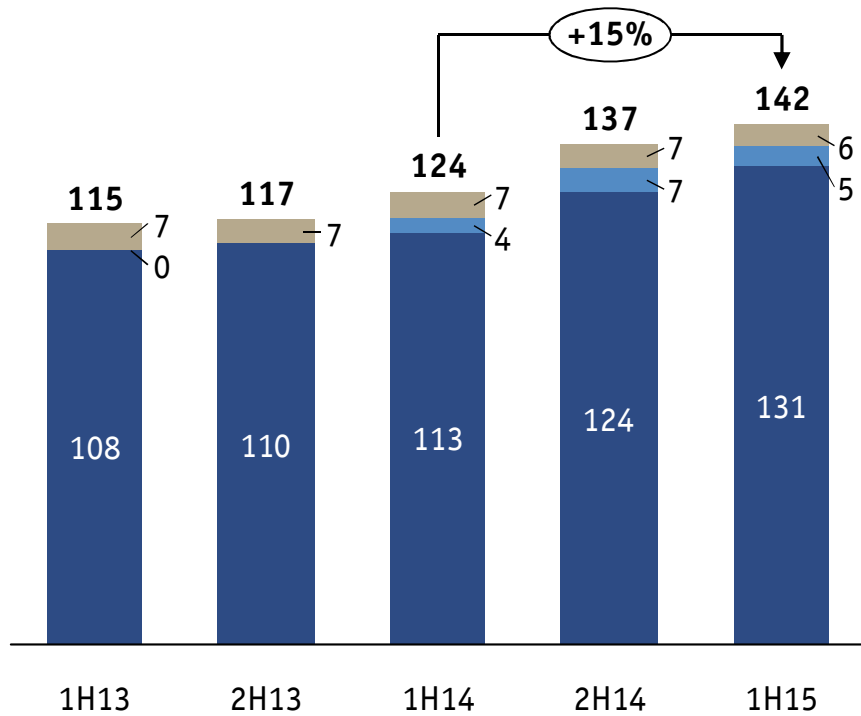
Comments

- Vontobel's Wealth Management activities consist of Private Banking (PB) and the business with External Asset Managers (EAMs)
- The EAM business is similar to PB in terms of its business model, stable income streams and risk profile
- To provide a comparable level of information on PB and EAM, Vontobel increased transparency on the EAM business
- At the same time, reported advised client assets in the EAM business were reviewed and amounted to CHF 7.1 bn by mid-2015
- The combined Wealth Management business reported advised client assets of around CHF 40 bn, a gross margin of 73 bps and an annualized NNM growth rate of 5.7% in the first half of 2015

¹ Segment Investment Banking w/o Business Unit External Asset Managers

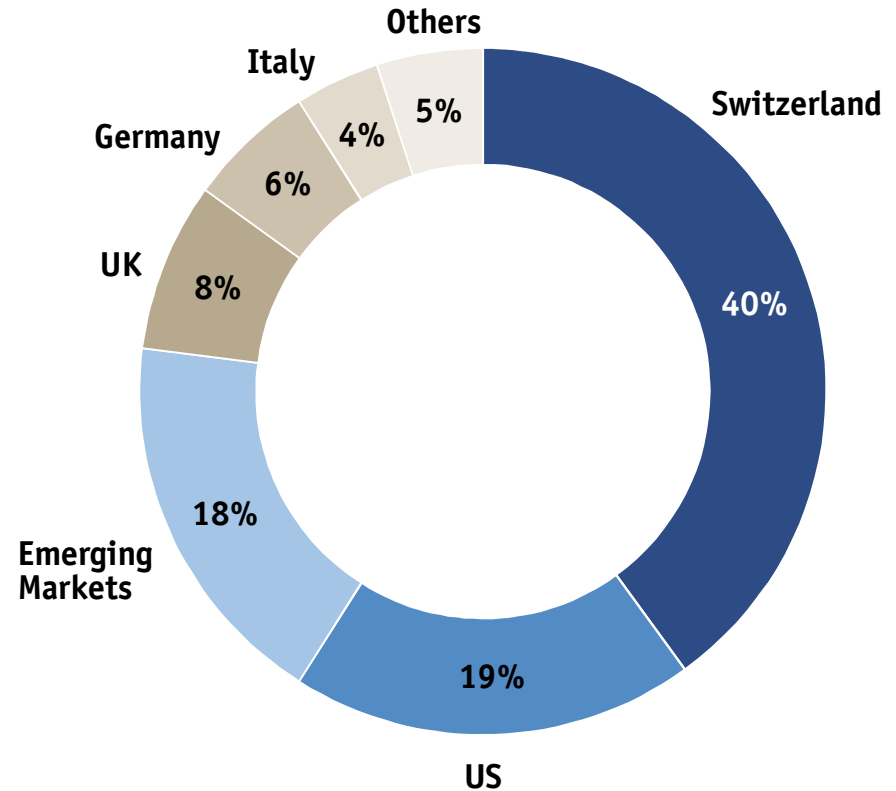
Advised client assets up from end-2014, reaching a new record high – proportion of assets from focus markets increased further to 95%

Advised client assets (CHF bn)



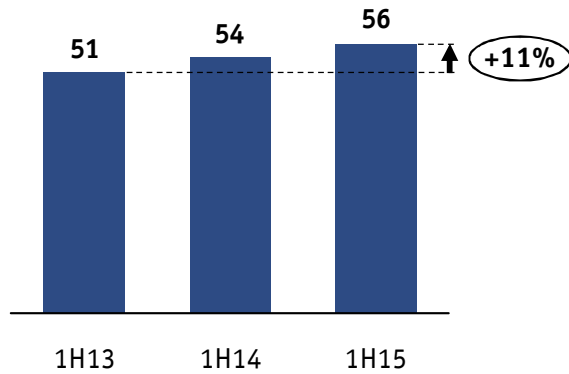
- Assets under management
- Other advised client assets
- Structured products

Advised client assets by client domicile

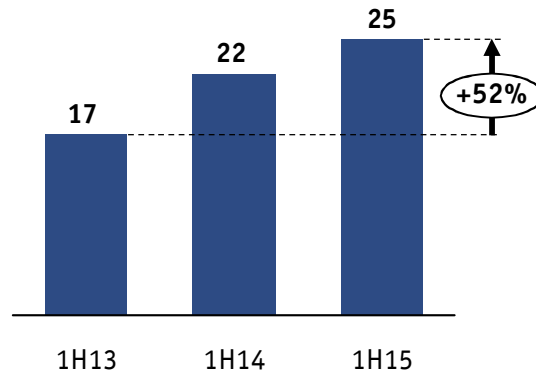


Significant position across all focus markets – assets in the UK almost trebled

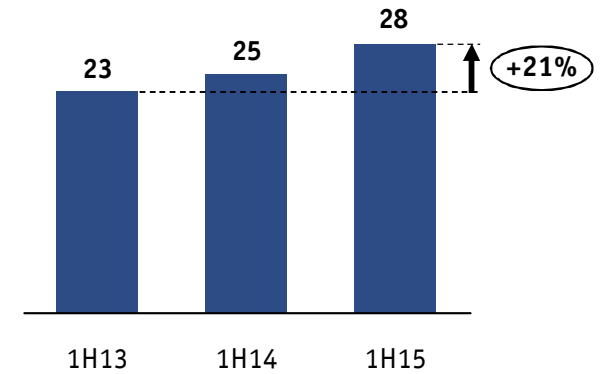
Switzerland (CHF bn)



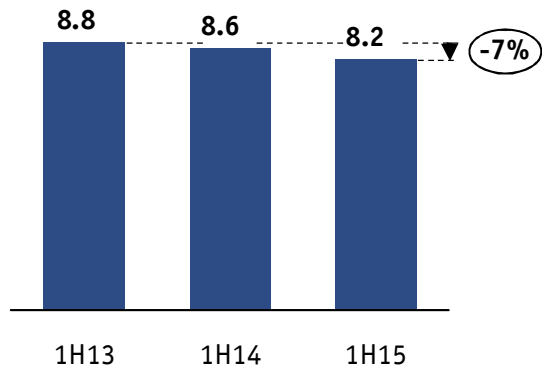
Emerging Markets (CHF bn)



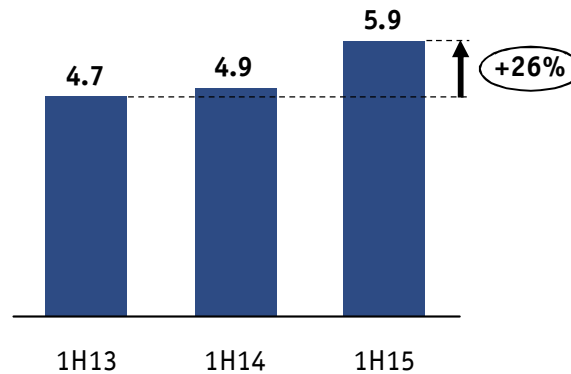
US (CHF bn)



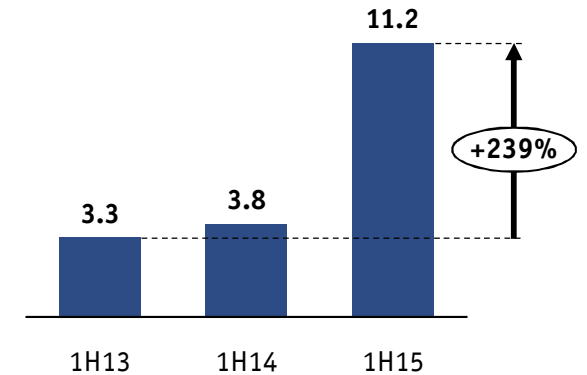
Germany (CHF bn)



Italy (CHF bn)

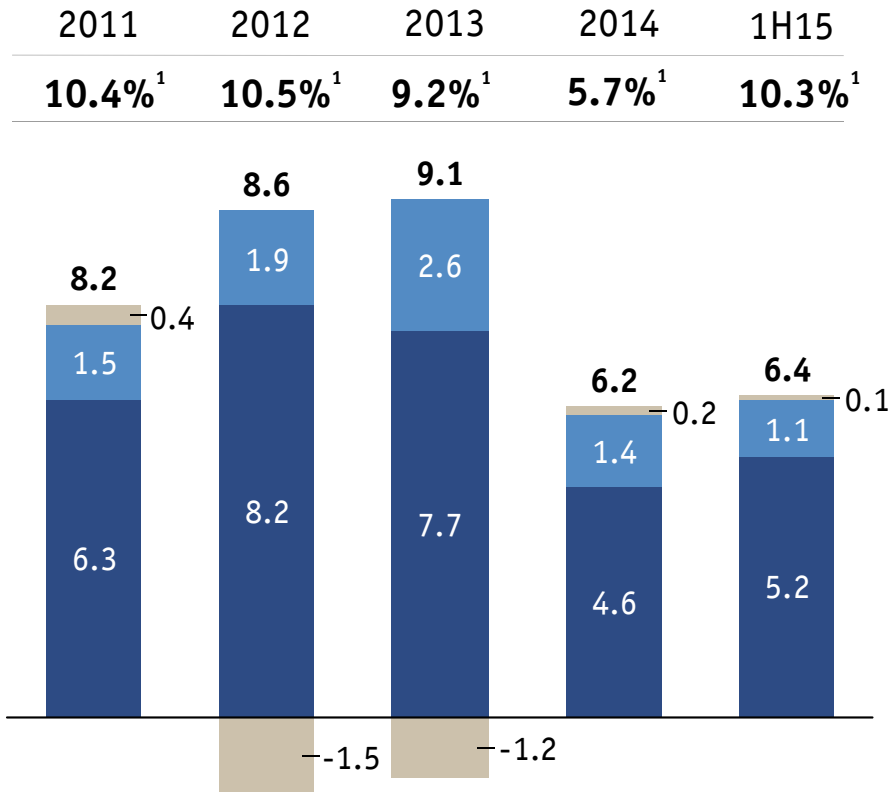


UK (CHF bn)



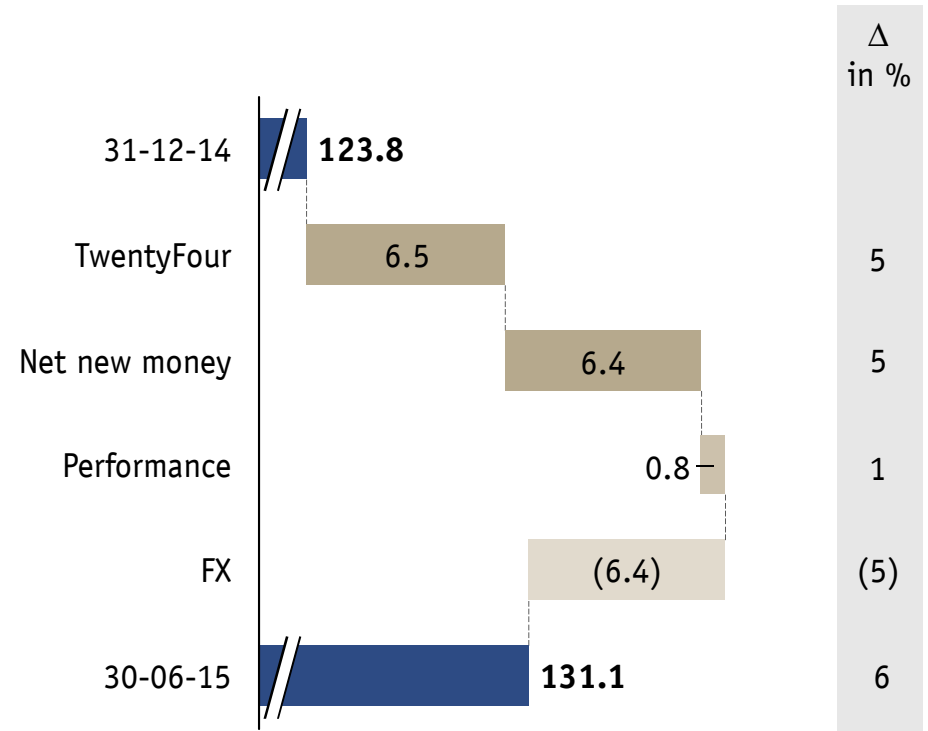
Impressive net new money growth of 10.3% on an annualized basis with greater diversification – strong negative impact from FX headwinds

Net new money (CHF bn)

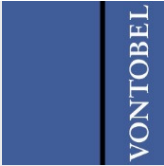


■ Asset Management
■ Wealth Management (PB and EAM)
■ Other

Development of AuM (CHF bn)



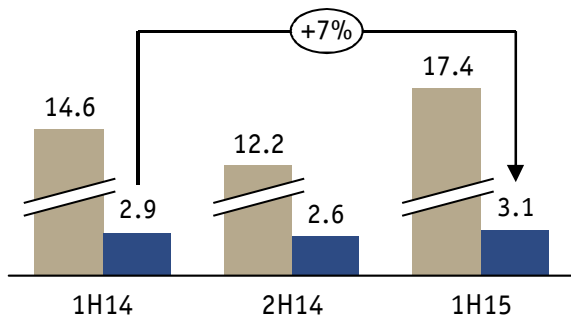
¹ Adjusted for double counting; growth in AuM attributable to net new money; annualized for 1H15



Strong demand for deritrade® MIP in Switzerland and successful entry into rapidly growing Nordics market

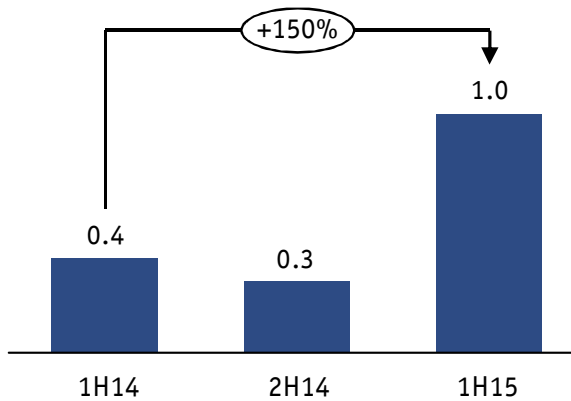
Switzerland

Listed products¹ (turnover on exchange; CHF bn)



Rank ¹	#2
Market share	
Turnover	17.8%
# of trades	43.6%

deritrade® MIP (notional issued; CHF bn)

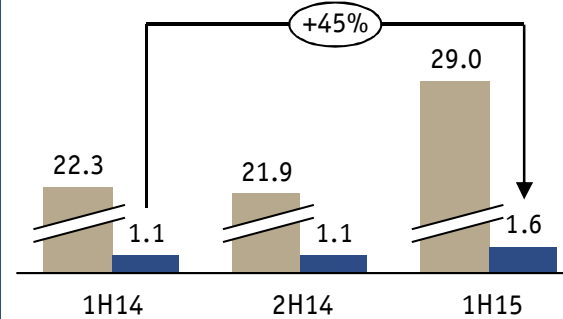


7 issuers²
Many distributors
<ul style="list-style-type: none"> 31 banks >300 EAMs
2 cooperations
<ul style="list-style-type: none"> UBS Wealth Mgmt. Raiffeisen

Market turnover (tan bar) Vontobel turnover (blue bar)

Germany

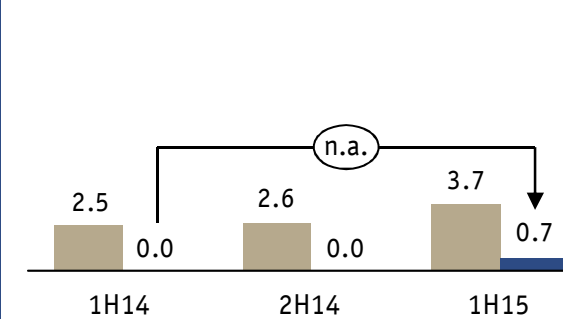
Listed products¹ (turnover on exchange; EUR bn)



Rank ¹	#7
Market share	
Turnover	5.6%
# of trades	6.1%

Nordics

Listed products¹ (turnover on exchange; EUR bn)



Rank ¹	#2
Market share	
Turnover	18.4%
# of trades	18.6%

Market turnover (tan bar) Vontobel turnover (blue bar)

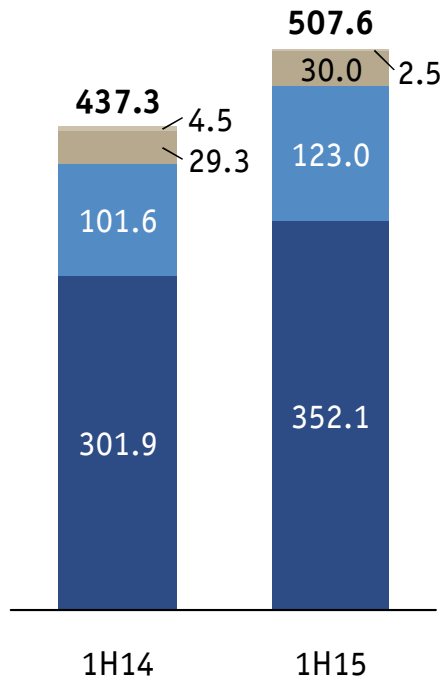
Source: Technolab, DDV (data do not include OTC trading of listed products), NGM; June 2015

¹ Structured products and leverage products

² Deutsche Bank, JP Morgan, Morgan Stanley, Société Générale, UBS, Vontobel, ZKB

Operating income grew by 16% – higher asset base led to increase in fee and commission income

Development of operating income (CHF mn)



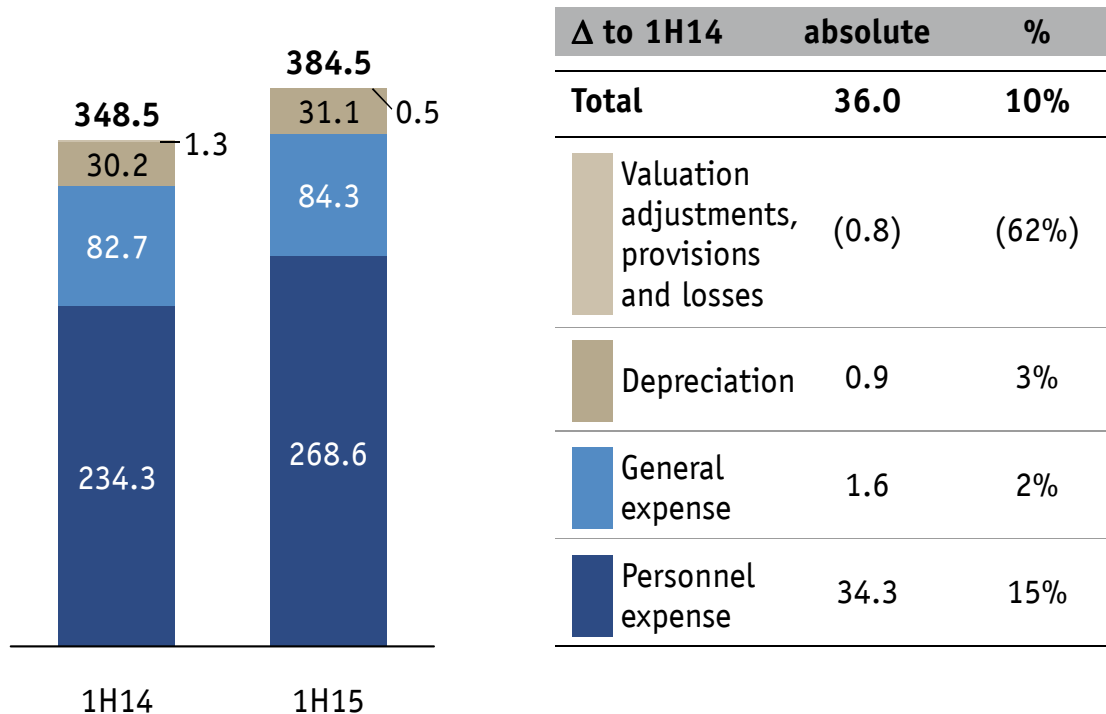
	Δ to 1H14	absolute	%
Total		70.3	16%
Other income		(2.0)	(44)
Interest income		0.7	2%
Trading income		21.4	21%
Fee and commission income		50.2	17%

Comments

- Operating income resilient to FX headwinds and negative interest rates
- 69.4% of operating income comprised fee and commission income
- Fee and commission income grew by 17%, driven by higher advised client assets
- Despite negative interest rates, net interest income remains stable, reflecting active management of diversified bond portfolio with continued conservative risk profile
- Trading income grew by 21%, given higher trading volume

Operating expense rose at a slower rate than operating income due to operating leverage

Development of operating expense (CHF mn)



Comments

- Operating leverage led to lower growth of operating expense compared to operating income
- Higher personnel expense due to increase in headcount and higher variable accruals
- Number of FTEs rose to 1,410 as of mid-2015 from 1,378 at end-2014, mainly driven by additional staff from TwentyFour Asset Management
- Increase in general expense considerably lower than increase in revenue due to operating leverage

Operating leverage led to significant increase in Group net profit of 33% – earnings per share grew by 52% due to active capital management

Development of key figures

	30-06-14	30-06-15	Δ
Operating income (CHF mn)	437.3	507.6	+16%
Operating expense (CHF mn)	348.5	384.5	+10%
Profit before tax (CHF mn)	88.8	123.1	+39%
Group net profit (CHF mn)	73.5	97.8	+33%
Cost/income ratio (%)	79.4	75.7	-3.7 pp
Basic earnings per share (CHF)	1.16 ¹	1.76 ²	+52%
Return on equity (%)	9.0	13.6	+4.6 pp
CET1 ratio (%; Basel III fully applied)	26.1	19.2	-6.9 pp
LCR (%; liquidity coverage ratio)	n.a.	222%	n.a.

Comments

- Profit before taxes grew much faster than operating income due to operating leverage
- Basic earning per share and ROE increased due to higher profit and active capital management, as demonstrated by 12.5% share buyback in 2014
- CET1 ratio remains substantially higher than regulatory requirements at 19.2%; even after share buyback and acquisition of majority stake in TwentyFour Asset Management
- LCR published by Vontobel for the first time substantially exceeds FINMA requirements (60% for 2015; 100% from 2019)

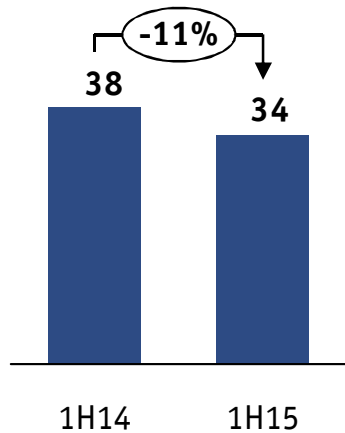
¹ Not adjusted for the share buyback, average number of shares outstanding 63,597,049

² Due to the buyback of 8,125,000 shares in 2H14 the average number of shares outstanding declined from 63,597,049 in 1H14 to 55,497,086 in 1H15; 55'693'199 shares were outstanding at end-1H15

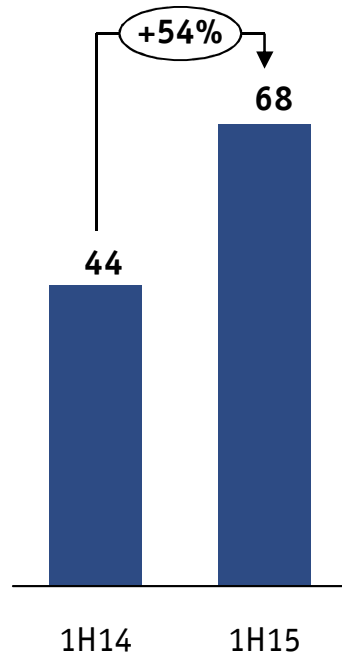
Wealth Management very resilient to FX headwinds and negative interest rates – other core activities achieve impressive growth

Pre-tax profit of core activities and the Corporate Center (IFRS, CHF mn)

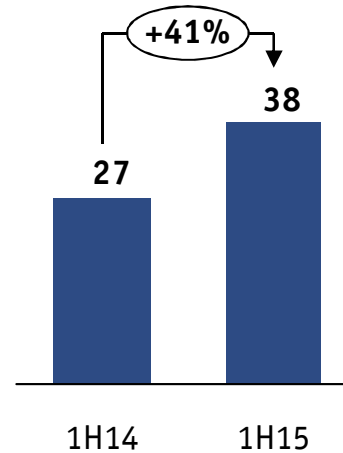
Wealth Management¹



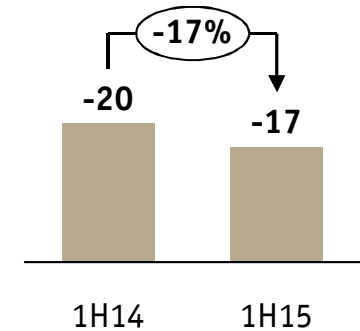
Asset Management



Financial Products²



Corporate Center



¹ Segment Private Banking and Business Unit External Asset Managers

² Segment Investment Banking w/o Business Unit External Asset Managers

Acquisition of a majority stake in rapidly growing TwentyFour Asset Management boutique successfully completed

Required capital

- Vontobel acquired a majority stake of 60% in TwentyFour Asset Management (TwentyFour) at end of April
- Since Vontobel will acquire the remaining 40% over the longer term, Vontobel booked a liability to purchase the remaining stake
- The purchase price for 100% of TwentyFour is GBP 99.4 mn and had an impact of -2.8 pp on our capital ratio (CET1 ratio was 21.3% at end-2014)
- The regulatory capital required for additional RWA is negligible and integration costs are not material

Valuation

- The purchase consideration was based on fair market multiples for a rapidly growing Asset Management boutique and includes future earn-out payments
- The assets as of July 2015 total GBP 4.8 bn. The resulting asset multiple is at most 2.1x
- The annual after-tax standalone profit is GBP 8.0 mn based on July 2015 run-rate. The resulting after-tax profit multiple is at most 12.4x

Purchase price allocation

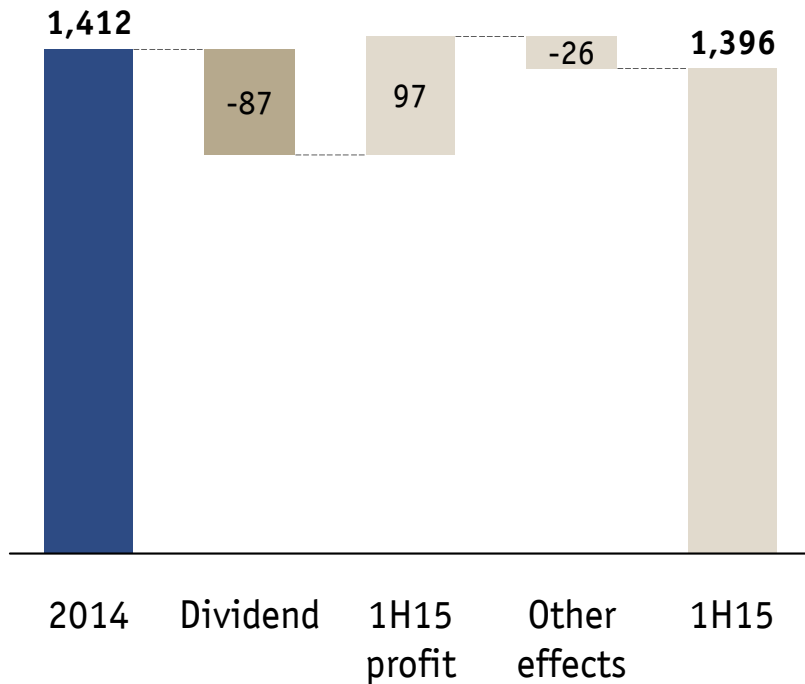
- A fair value of GBP 14.2 mn¹ was determined for the client relationships and the brand as part of the purchase price allocation
- The client relationships and the brand are amortized over 5 years, resulting in an annual charge of GBP 2.8 mn²

¹ Amount for 100% of TwentyFour

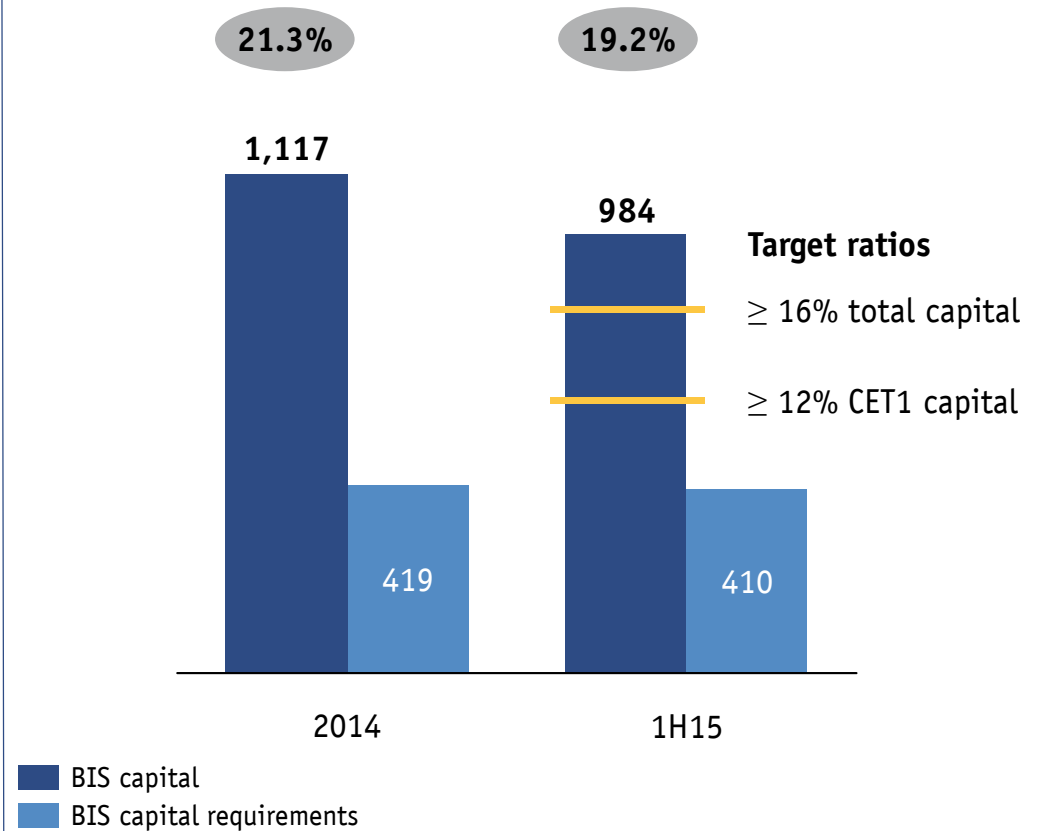
² Booked in the segment Asset Management

Capital position remains strong and significantly exceeds regulatory requirements – without tapping into AT1 or T2

Shareholder's equity¹ (CHF mn)



BIS CET1 capital and ratios² (CHF mn)



■ Vontobel comfortably meets the 12% total capital ratio prescribed by FINMA

¹ Excluding minority interest

² BIS tier 1 capital ratio under Basel III (fully applied)

Overview

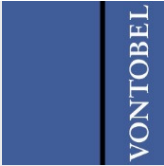
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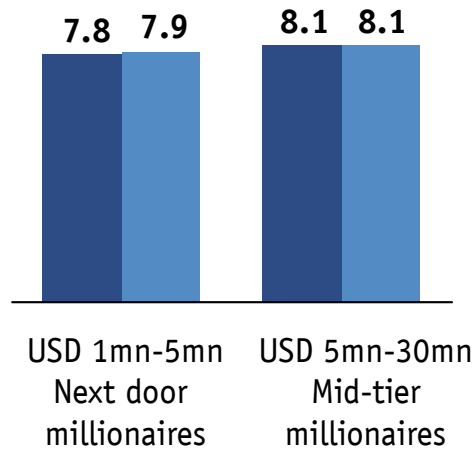


With our focused business model, we provide a first-class offering to meet individual client needs while generating a solid margin

Wealth management

- Strong growth of HNWI population and HNWI wealth since 2009
- Vontobel is targeting this market with prime services from Private Banking and the EAM Desk's offering

Global HNWI growth 2009-2014
(in % p.a.)

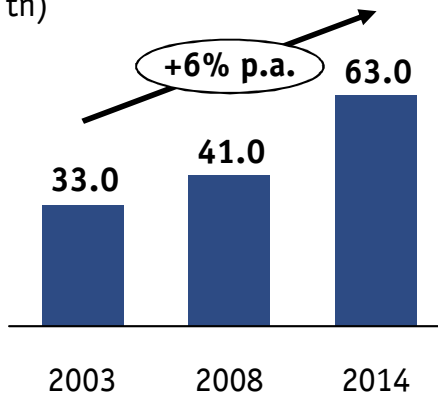


■ Population ■ Wealth

Active asset management

- Industry AuM grew by 6% p.a. over the last 11 years
- Vontobel's growth exceeded the market average due to its focused multi-boutique approach and outstanding performance quality

Actively managed assets globally
(USD tn)

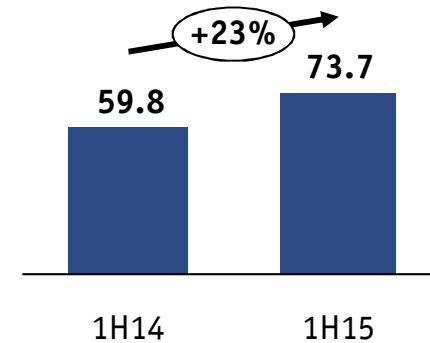


■ Assets under management

Financial products

- Strongly increasing demand in Europe
- Vontobel is well positioned with its leading technology, innovation capabilities and cost structure

Exchange turnover
(EUR bn)



■ Europe¹

Source: World Wealth Report 2015 / Capgemini and RBC Wealth Management, BCG Global Asset Management Survey 2015, Vontobel

¹ Austria, France, Germany, Italy, Netherlands, Sweden and Switzerland

Vontobel is delivering on its strategy

Core capabilities

Vontobel's core capabilities are:

- Protecting and building wealth
- Managing assets actively
- Delivering tailor-made investment solutions

Strategic priority: service and product excellence

Service leader



- Named 'Best Private Bank in Switzerland' in 2015 by Swiss business magazine BILANZ for the second consecutive year
- Outstanding service in structured products highlighted by Swiss Derivative Award

Performance quality



- Vontobel Asset Management: 112 awards since 2011 – from Lipper, Morningstar and other renowned institutions
- First-class research confirmed by Thomson Extel Surveys

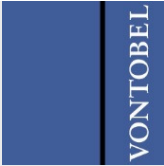
Best e-access



- Rollout of mobile private banking solutions and innovative tablet app for wealth management clients
- State-of-the-art platform for External Asset Managers
- Technology leadership in providing tailor-made solutions

Thought leadership

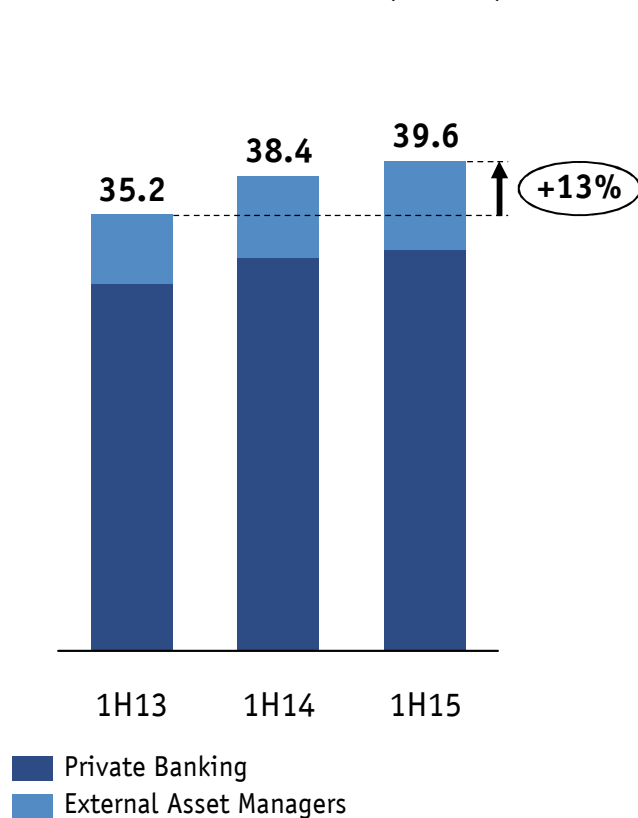
- Introduction in 2011 of advisory mandates underpinned by structured and system-supported advisory process
- Thought leader in Outcome-Driven Investments (ODI)
- Innovation through deritrade® Multi Issuer Platform



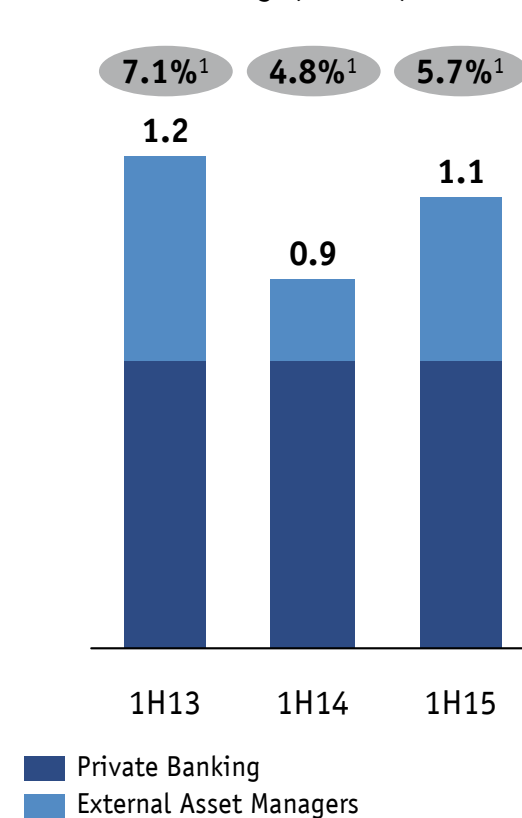
Wealth Management activities generated significant net new money growth of 5.7% in first half 2015

Vontobel's Wealth Management activities with private clients

Advised client assets (CHF bn)



Net new money (CHF bn)



Comments

- Growth of advised client assets slowed temporarily due to exposure to EUR and associated negative FX impact
- NNM in first half exceeded target of 3-5%
- Gross margin in the area of Wealth Management unchanged at 73 bps, despite the adverse impact of negative interest rates
- Continuous investments in advisory processes, proximity to clients, technology and client advisors in order to sustain future organic growth

▪ Margin unchanged at 73 bp, of which 62 bp are commission driven, including 43 bp from recurring fee income

¹ Annualized growth in AuM attributable to NNM

Private Banking's service and product excellence results in higher assets per client advisor and good investment performance

Private Banking: Higher assets per client advisor



- AuM per client advisor increased to CHF 201 mn, despite negative FX-impact in January
- Senior client advisors hired in 2014 – primarily in Germany, Hong Kong and Switzerland. The success rate of these hires was extremely high and significantly exceeded the industry benchmark
- Further targeted recruitment of client advisors to help drive future growth

Good investment performance and technology innovation

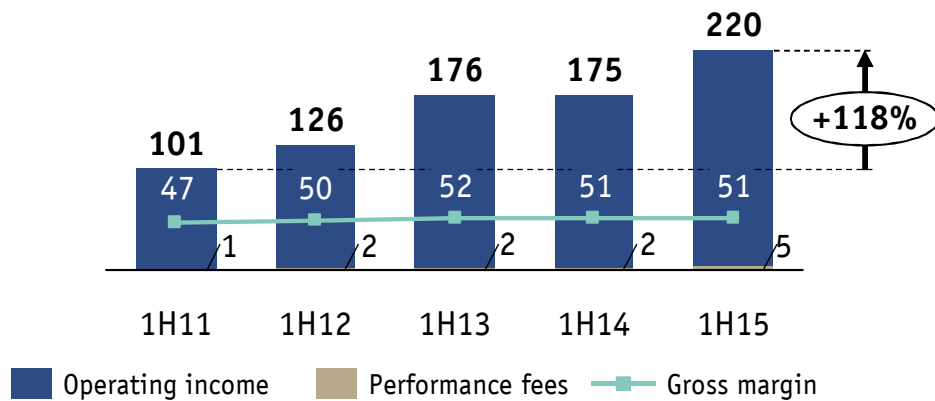
- Our mandate solutions performed well despite turbulence in the markets. This was due to the good positioning of our portfolios as well as to the continued development of our global, active and structured investment process.
- Reflecting our commitment to digitalization, Vontobel was one of the first private banks in Switzerland to complement its advisory services with mobile private banking solutions. Our mobile offering gives clients access to investment ideas and up-to-date market quotes as well as enabling them to interact with their client advisor.



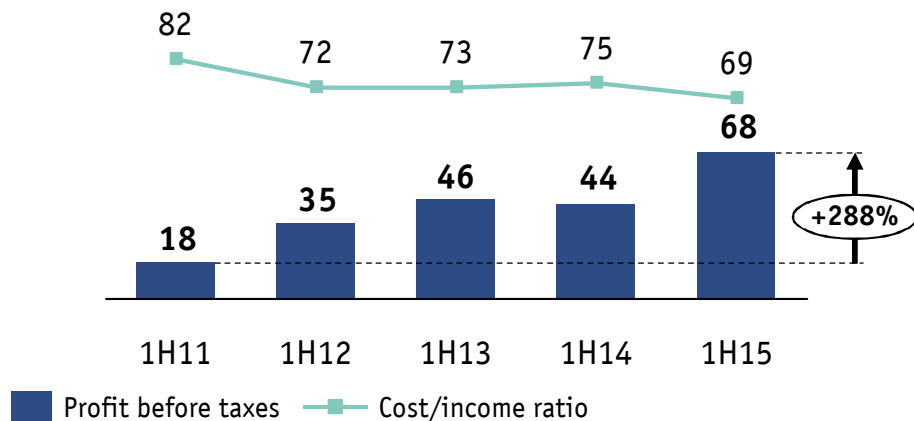
Private Banking AuM per client advisor (CHF mn)

Asset Management's strategy to run a diversified, institutional-focused and global book of boutiques produces impressive growth

Growing revenues and stable margin (CHF mn/bp)



Increased profit before taxes (CHF mn, %)

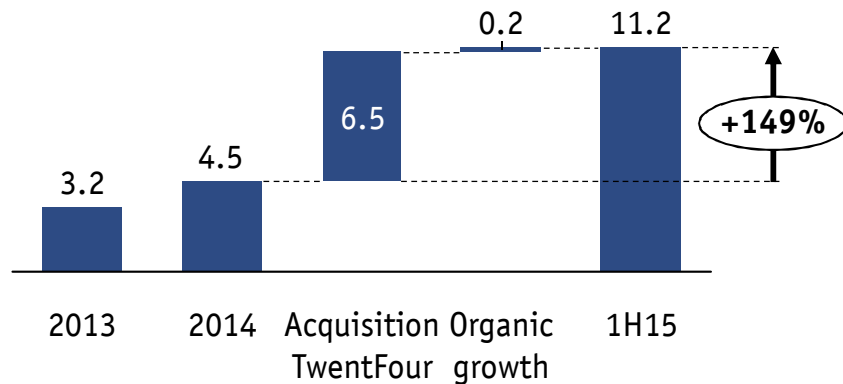


Diversified book of business

- Strong inflow of net new money of CHF 5.2 bn in first half 2015 is diversified across boutiques
- The Fixed Income boutique contributed an impressive CHF 1.4 bn of net new money
- The Multi Asset Class and Alternatives boutiques also recorded significant net new money
- Asset Management has a global client base: 27% of advised client assets stem from the US, 23% from Europe ex Switzerland and 11% from Asia Pacific
- Asset Management's client base has an institutional focus: 70% of advised client assets come from institutional clients

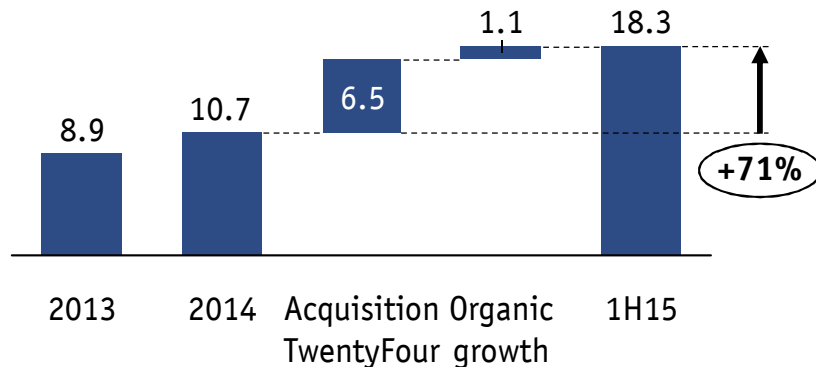
Acquisition of a majority stake in TwentyFour strengthens footprint in the UK and increases assets in the Fixed Income boutique

Stronger position in UK focus market (CHF bn)



■ UK-domiciled clients, advised client assets (CHF bn)

Broader base in Fixed Income (CHF bn)



■ Fixed Income, advised client assets

TwentyFour as a growth driver

- TwentyFour is growing rapidly and is expected to achieve annual growth of 20%
- TwentyFour was appointed investment manager for UK Mortgages Limited's assets (a mandate of GBP 250 mn) in July
- TwentyFour won the Strategic Bond category at Investment Week's prestigious "Fund Manager of the Year Awards" for the second year running
- The investment competence of TwentyFour will be made available to clients through Vontobel Asset Management's global distribution network
- TwentyFour gives Vontobel Asset Management improved access to wholesale and institutional investors and financial advisors in the UK market

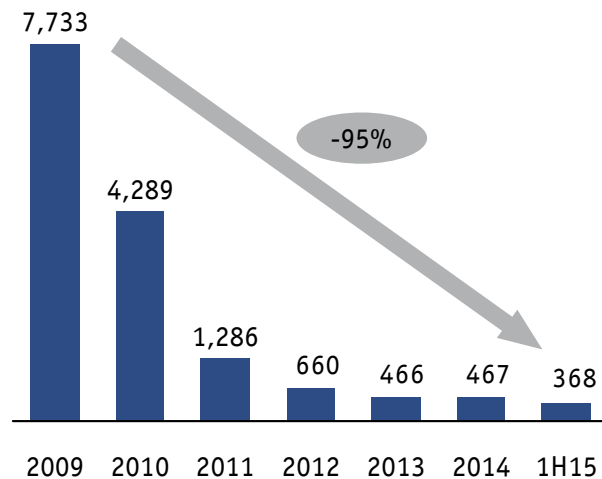
Financial Products leverages technology and cost structure to gain market share in Europe and to expand deritrade® MIP

Technology leadership

- Flexible technology platform enables Vontobel to rapidly enter new markets and to establish platform business
- High degree of automation allows Vontobel to enter markets at low marginal costs and to reduce average costs per unit

Cost leadership

Cost per unit¹ (CHF)



Leverage products in Europe

Markets	Volume in 2015 (expected ² ; EUR mn)	Volume growth in 2015 (expected)	VT market share in 2015 Volume (trades)	Volume in 2017 (expected)	
Vontobel presence	Switzerland	10,808	-1%	36.1% (48.5%)	⇒
	Germany	32,099	+47%	6.8% (6.5%)	↗
	Nordics	7,441	+11%	18.4% (18.6%)	↗
Potential new markets	Italy	27,128	+32%	0.0%	↗
	Netherlands	9,852	+8%	0.0%	↗
	France	6,336	+27%	0.0%	↗
	Total	93,664	+26%	8.0%	↗

¹ Calculated as total operating expense of business unit Financial Products divided by number of products issued

² Annualized figures based on January to June 2015

Source: Technolab, DDV, eusipa.org, ngm.se, Borsaitaliana.it, Euronext.com, Wienerbourse.at, Vontobel

Vontobel launches dedicated strategy for Asia Pacific to at least double business volume in the region by 2020

Wealth management

- Focus on niche offering based on ability to provide global diversification
- Maintain cost efficient model – no proprietary booking platform outside of Switzerland, Liechtenstein and Germany

Asset management

- Take market development to next level:
 - Become market-specific by breaking down APAC region into Asia ex Japan, Japan and Australia/New Zealand
 - Become local by developing closer relationships and servicing additional segments
 - Diversify growth across products
- Further develop cooperation with ANZ

Financial products

- Leverage technology leadership in Asia:
 - Establish deritrade® Multi Issuer Platform:
 - 7 distributors with total reachable assets of USD 130 bn have already officially expressed an interest
 - Onboarding of 3 leading issuers underway, Vontobel already live as an issuer. Discussions with 4 further major issuers in the region are ongoing
 - Provide advisory
 - List warrants on exchange

Investments

- No build-up of significant cost base
- Growth initiative to be fully funded by existing operations
- Target cost/income ratio for 2017 remains unchanged (<75%)

Vontobel's offices in APAC



Mergers and acquisitions

- Focus on organic growth
- M&A is an option

Vontobel continues to pursue disciplined M&A approach and expands search for potential opportunities to Asia

- Active participation in industry consolidation to accelerate profitable growth
- Current capital structure provides substantial resources for both bolt-on and larger acquisitions
- Maintain disciplined acquisition process when considering M&A opportunities:
 - Strategic and cultural fit
 - Maximize long-term shareholder returns

	Private Banking	Asset Management
Rationale	Add scale: <ul style="list-style-type: none"> ▪ Leverage our cross-border platform and gain market share in home and focus markets 	Add scale and/or skills: <ul style="list-style-type: none"> ▪ Increase diversification across boutiques by gaining market share and/or adding competencies
Markets	<ul style="list-style-type: none"> ▪ Switzerland (priority market) ▪ Germany ▪ Asia* (excl. local booking platform) 	<ul style="list-style-type: none"> ▪ Switzerland ▪ Germany ▪ Asia* ▪ US ▪ UK

* New addition since Investor Day on 11 March 2015

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Strategy update

Outlook



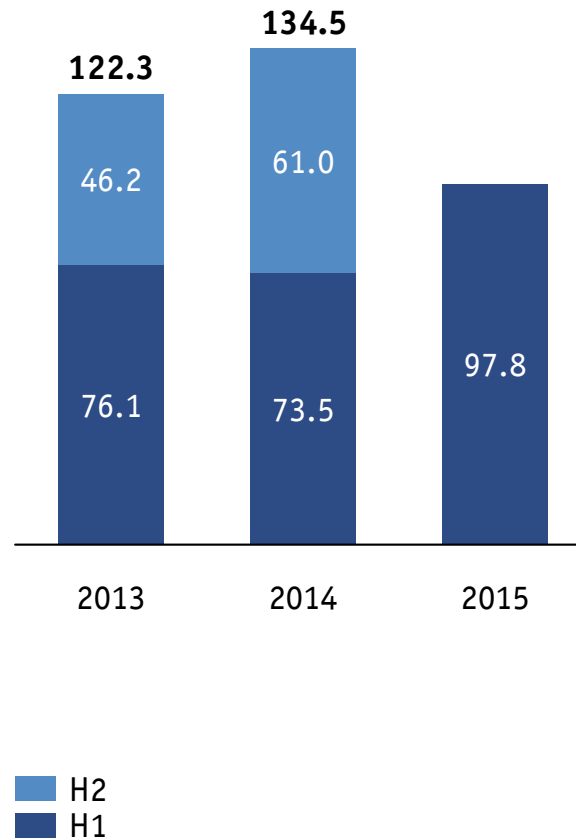
Outlook: Vontobel to continue on its growth path

A growing industry in a challenging environment

- Continued expansion of global wealth based on market performance as well as GDP growth and high savings rates, especially in Asia Pacific
- Operating environment to remain challenging – with low or even negative interest rates, central bank interventions, increasing regulation and political risks
- Structural change in Swiss banking sector: transformation process ongoing and expected to accelerate

First half of the year is seasonally stronger

Group net profit (CHF mn)

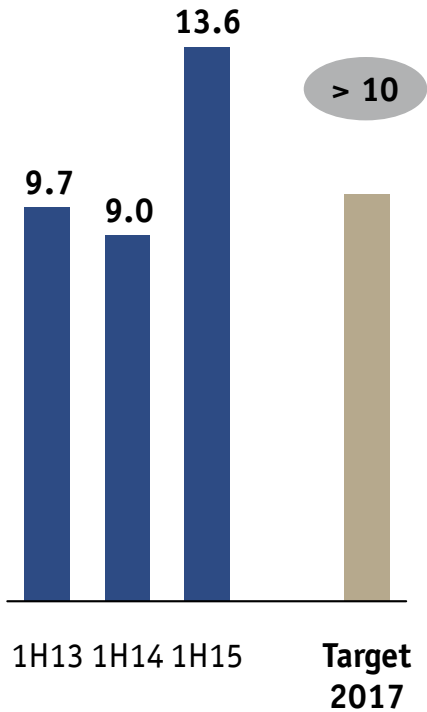


Growth initiatives to be continued

- Wealth Management: Pursue growth by investing in advisory and investment processes, proximity to clients, technology and client advisors
- Asset Management: Increase diversification across boutiques by adding meaningful NNM to Fixed Income and Multi Asset Class boutiques
- Financial Products: Leverage technology leadership internationally and continue rollout of deritrade[®] MIP in Switzerland and Asia
- Asia: Launch initiatives to accelerate growth across all core activities

The successful implementation of our growth strategy combined with operating leverage brings our targets for 2017 within reach

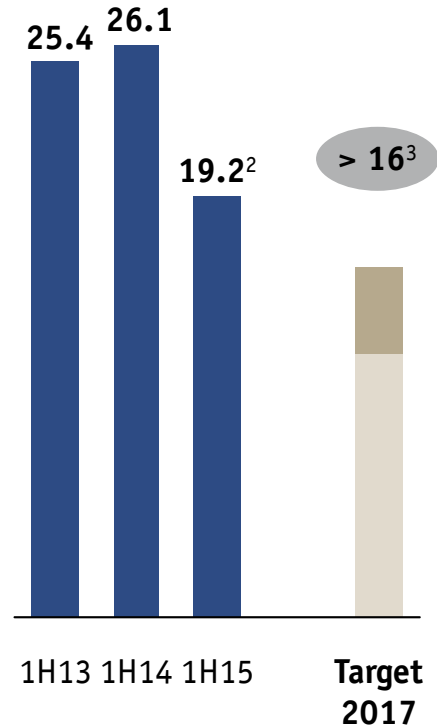
Return on equity (in %¹)



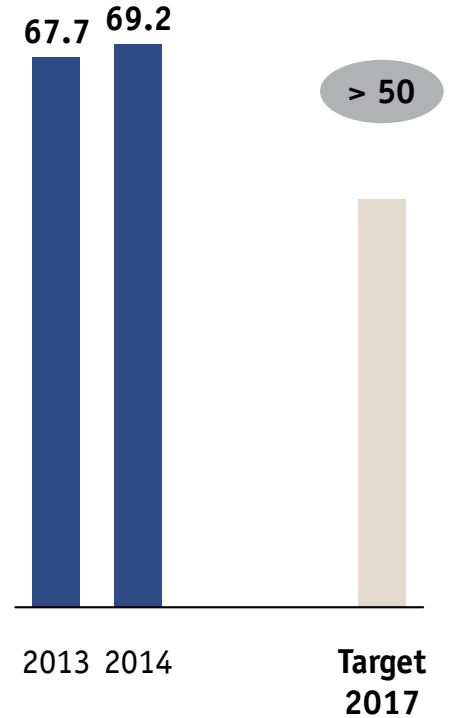
Cost/income ratio (in %)



Total capital ratio (in %)



Payout ratio (in %)



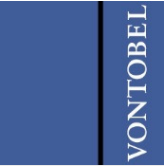
¹ Annualized

² Including share buyback of 12.5% in 2H14 and acquisition of majority stake in TwentyFour Asset Management in 1H15 (accounting for 100% of TwentyFour Asset Management)

³ CET1 target of >12%

Thank you for your attention.

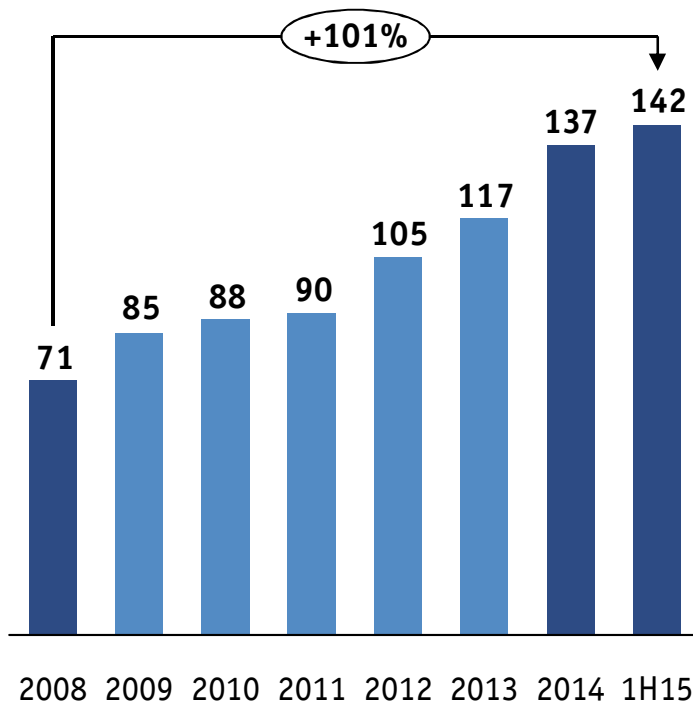




Appendix

Growth in advised client assets of over 100% since 2008 – confirming Vontobel’s successful focus on core capabilities

Advised client assets (CHF bn)



Vontobel’s business model

- **Vontobel’s core capabilities** are to protect and build wealth, to manage assets actively and to deliver tailor-made investment solutions
- **Advised client assets** are a key financial indicator to measure performance in Vontobel’s core capabilities. They consist of:
 - Assets under management
 - Other advised client assets
 - Structured products outstanding
- Advised client assets doubled since 2008 – confirming Vontobel’s successful focus on its core capabilities
- Proportion of operating income from stable and recurring fee and commission income grew from 54% in 2009 to ca. 70% in 1H15 – this large share is typical for a **wealth and asset manager**
- Vontobel’s client-centric business model enables it to tap into the growing **pool of global wealth**

Almost 95% of advised client assets stem from home and focus markets

Advised client assets by client domicile as of 30-06-15 (CHF bn)

Markets	Home market	Focus markets					Other markets	
Country	Switzerland ¹	Germany	Italy	UK	US	Emerging Markets ²		Total
Total advised client assets	56.4	8.2	5.9	11.2	27.8	25.0	7.7	▶ 142.2
Private Banking	Full presence	Onshore Cross-border	Cross-border	Cross-border	Onshore ³	Onshore Cross-border	Cross-border	▶ 32.5
Asset Management	Institutional Wholesale	Institutional Wholesale	Institutional Wholesale	Institutional Wholesale	Institutional Wholesale	Institutional Wholesale	Institutional Wholesale	▶ 92.6 ⁴
Investment Banking	FP, EAM, CF, TB Brokerage	FP Brokerage	-	Brokerage	EAM Brokerage	FP	Brokerage	▶ 17.1
Breakdown								
Assets under mgmt.	51.3	7.3	5.9	11.2	27.8	20.1	7.5	131.1
Other adv. client assets	0.1	-	-	-	-	4.9	0.2	5.2
Structured products	5.0	0.9	-	-	-	-	-	5.9

¹ Including Liechtenstein

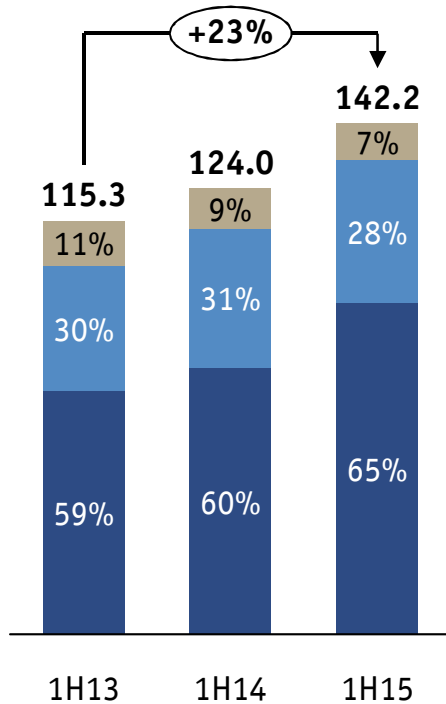
² Asia Pacific, CEE, LATAM and Middle East

³ Vontobel Swiss Wealth Advisors AG (SEC-registered investment advisor)

⁴ Excluding assets that are managed on behalf of other segments (CHF 3.2 bn)

Advised client assets: growth of 23% since 1H13 with good diversification across asset classes

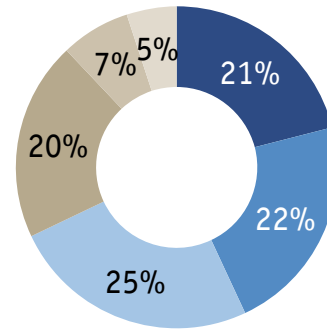
Advised client assets (CHF bn)



- Asset Management¹
- Wealth Management
- Financial Products²

Advised client assets by asset class (as of 30-06-15)

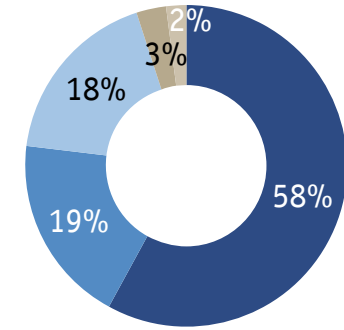
Wealth Management



- Liquidity/money market
- Bonds
- Foreign equities
- Domestic equities
- Others³
- Alternatives

- Wealth Management clients hold 21% of their assets in cash

Asset Management



- Equity
- Balanced
- Fixed Income
- Alternatives, Commodities
- Money market

- Large proportion of assets from institutional clients (70%)
- Asset Management with low proportion of money market funds

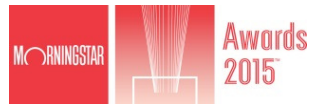
¹ Excluding assets managed on behalf of other segments

² Investment Banking without Business Unit External Asset Managers

³ Including structured products

Strong performance culture is confirmed by the market

Since 2011, our investment boutiques have received 112 awards across a wide range of asset classes



Vontobel's derivatives factory with well-balanced business model – leverage products and structured products

Capital markets

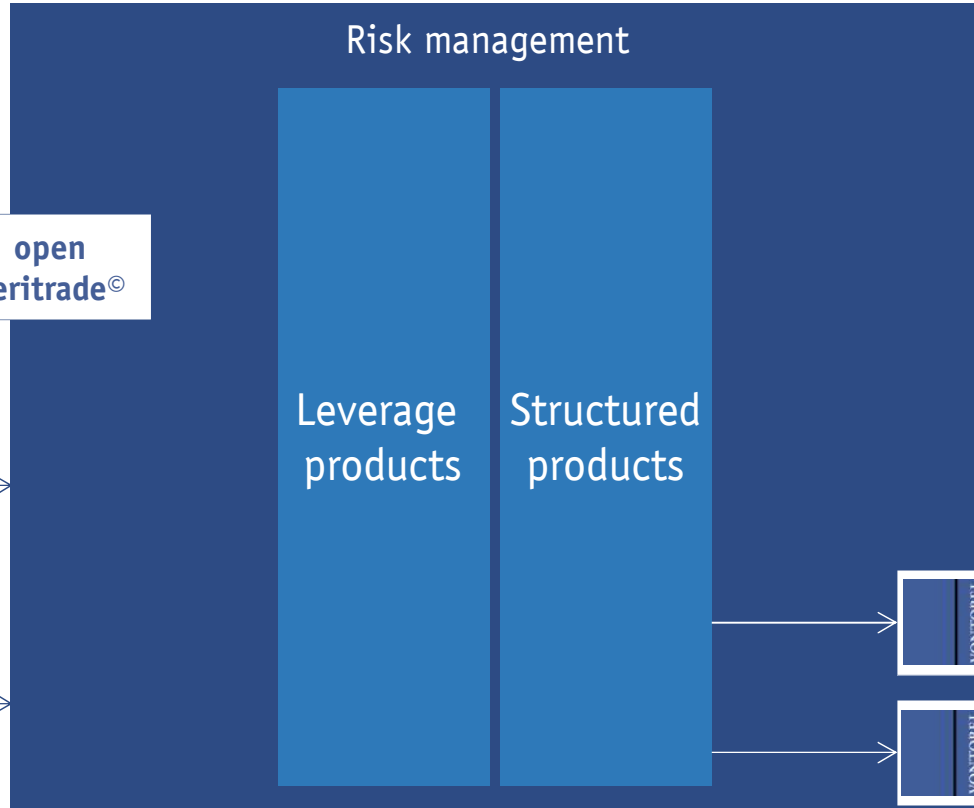
- **Risk**
 - Exchanges
 - OTC
 - Interbank markets
- **Asset classes**
 - Fixed income
 - Credit
 - Equities
 - Commodities
 - FX
 - Alternative investments

3rd party wrapper / notes

offering discontinued

3rd party issuer

Derivatives factory



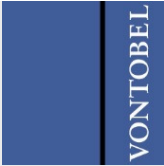
Distribution

B2C

- STRUCTURED PRODUCTS SIX
- euwax
- BÖRSE FRANKFURT
- NGM NORIC GROWTH MARKET
- SGX

B2B

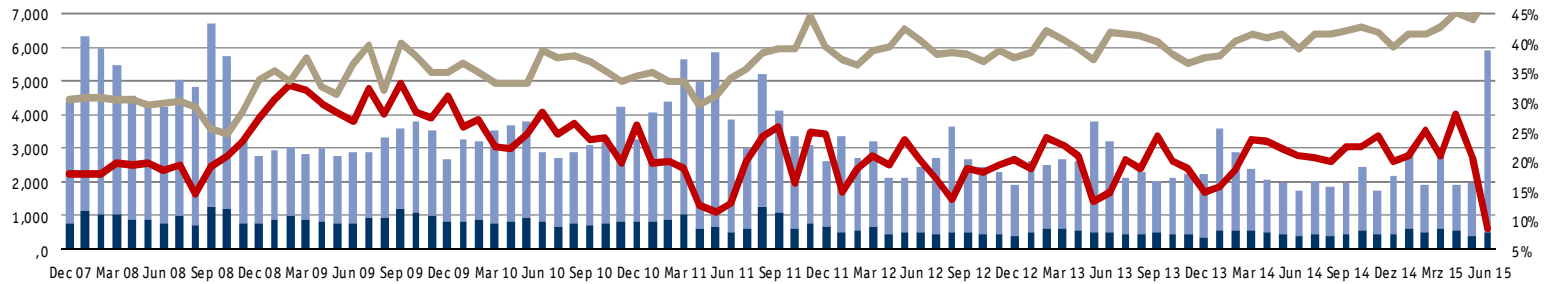
B2B4C



Strong position in Swiss home market and growing market share in Germany – impressive entry into rapidly growing Nordics market

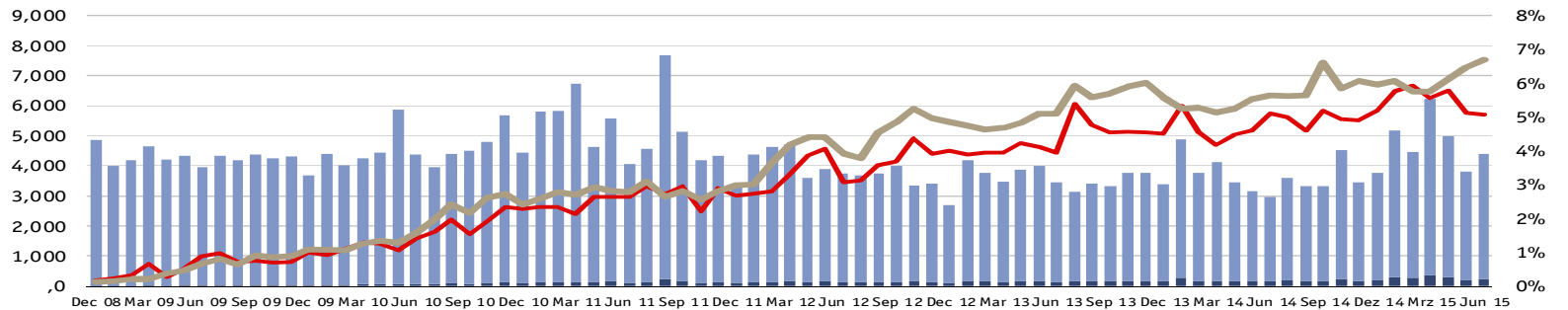
Switzerland (CHF mn)

Rank ¹	#2
Market share	
Turnover	17.8%
# of trades	43.6%



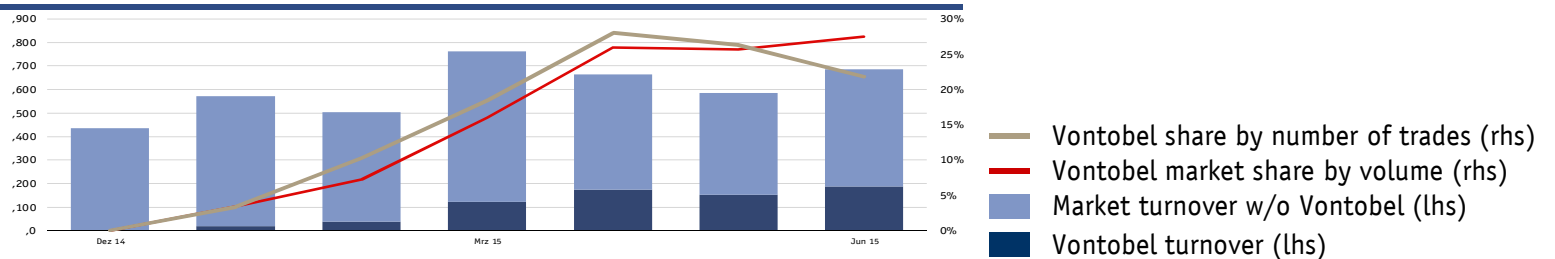
Germany (EUR mn)

Rank ¹	#7
Market share	
Turnover	5.6%
# of trades	6.1%



Nordics (EUR mn)

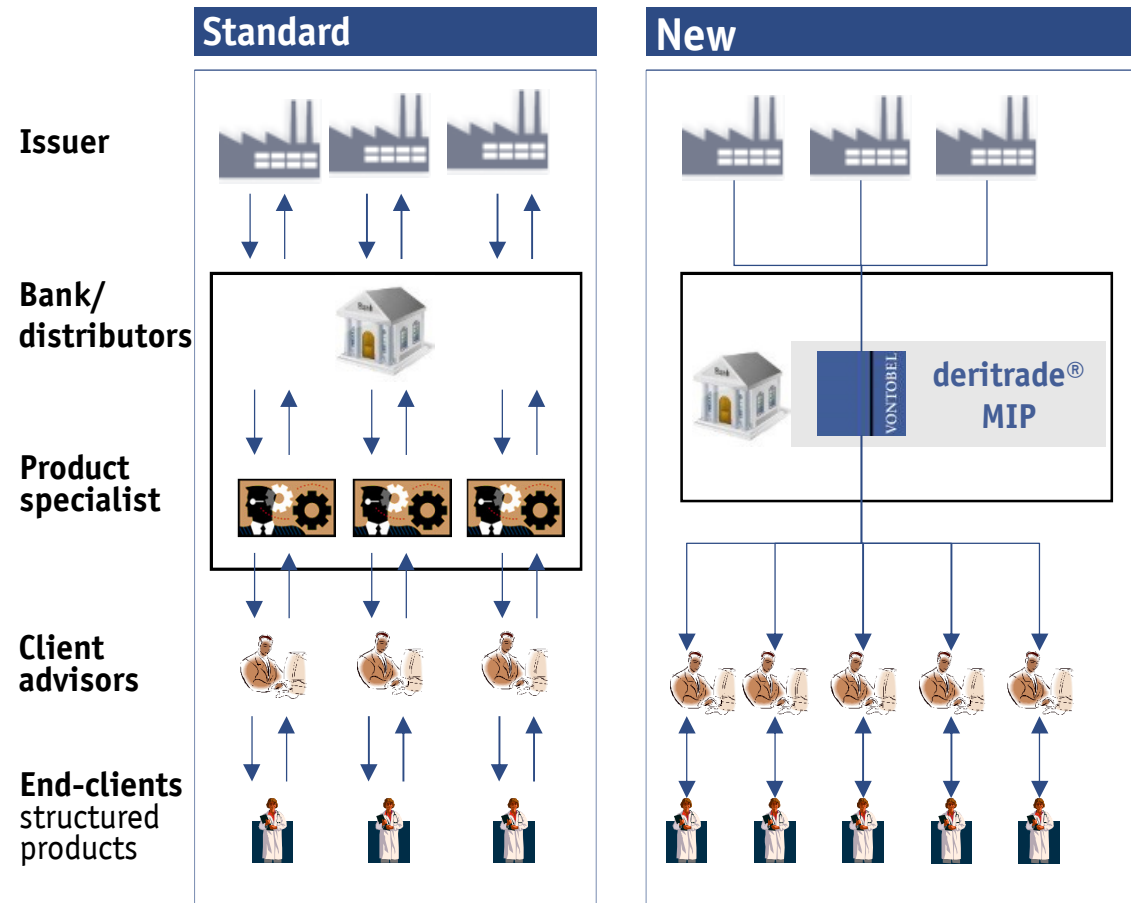
Rank ¹	#2
Market share	
Turnover	18.4%
# of trades	18.6%



Source: Technolab, DDV (data do not include OTC trading of listed products), NGM; June 2015

deritrade® Multi Issuer Platform is setting a new standard, driving rapid growth in demand from issuers and distributors

Business model



Cornerstones

Issuers
low costs,
distribution,
market reach

deritrade® MIP
connecting issuers
and distributors,
harmonized offering,
price transparency,
technology
and support

Client advisors
multi-issuer offering,
best execution, fully
automated trade
processing,
low distribution costs

End-clients
tailored structured
products

- Cost reduction
- Increased market reach

- Cost reduction
- Best execution
- Scalability

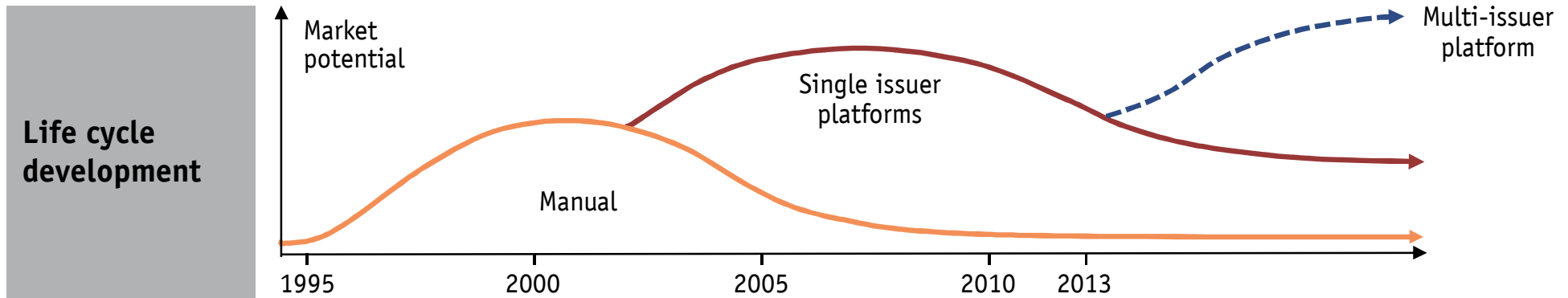
- Regulatory requirements addressed

- Investment suitability
- Maximize client returns

▪ Vontobel deritrade® MIP is redefining the market for structured products

Technology leadership enables next-generation solution – the multi-issuer platform

Multi-issuer platform represents ground-breaking technology for structured products



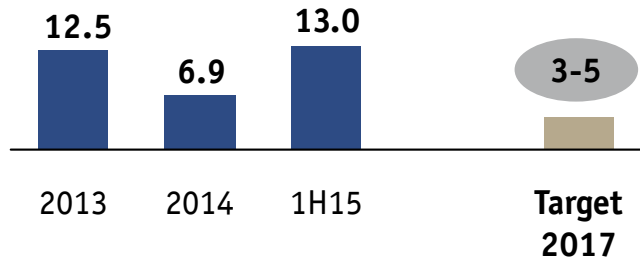
deritrade® leads

	Manual	Single issuer platforms	Multi-issuer platform
# issuers/platforms	~20	~6	Unique VT offering
Production costs	High	Lower	Significantly lower
Tailored offering	YES	YES	YES
Scalability	NO	YES	YES
Price competition	NO	NO	YES
Credit risk management	NO	NO	YES
Regulatory requirements	NO	NO	YES

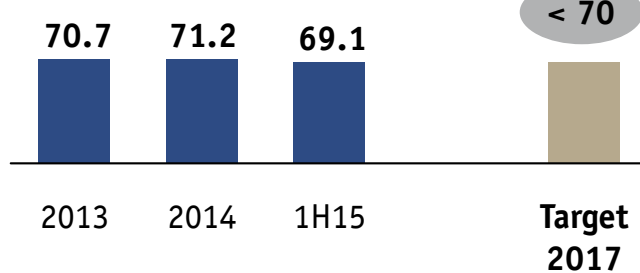
All segments with ambitious targets for 2017

Asset Management

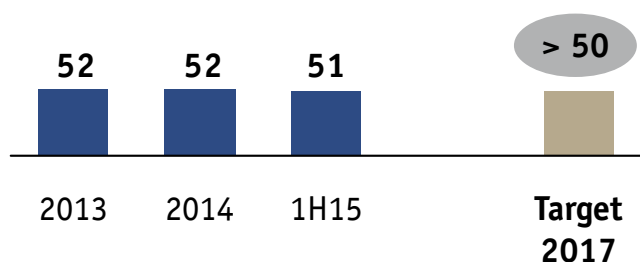
NNM growth¹ (in %, annualized)



Cost²/income ratio (in %)

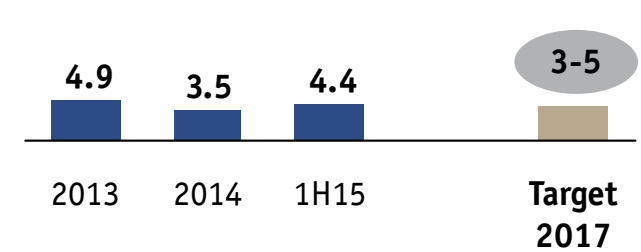


Return on assets (in bps)

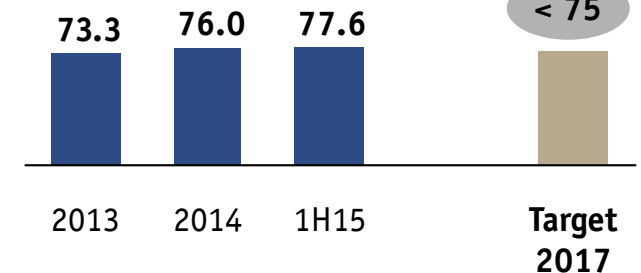


Private Banking

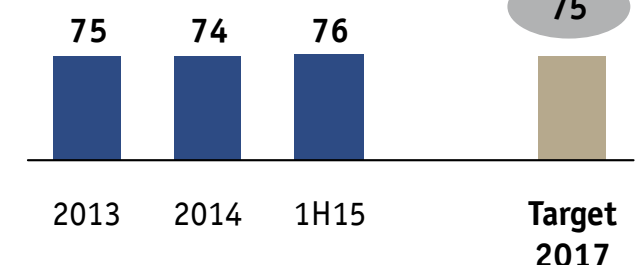
NNM growth (in %, annualized)



Cost²/income ratio (in %)

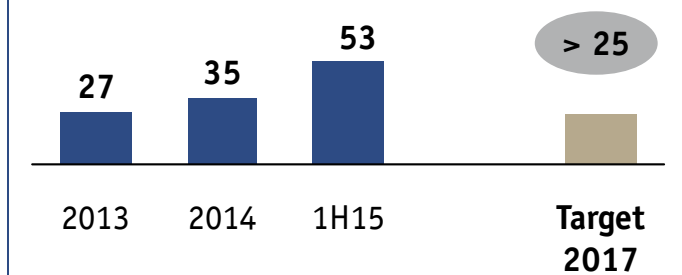


Return on assets (in %)

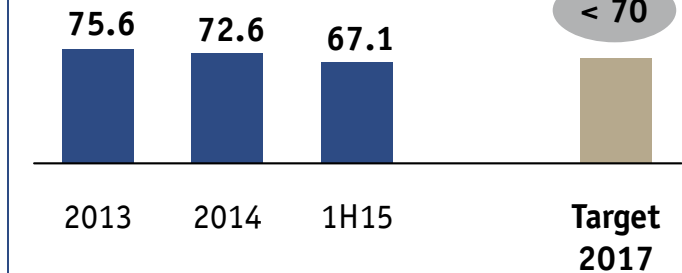


Investment Banking

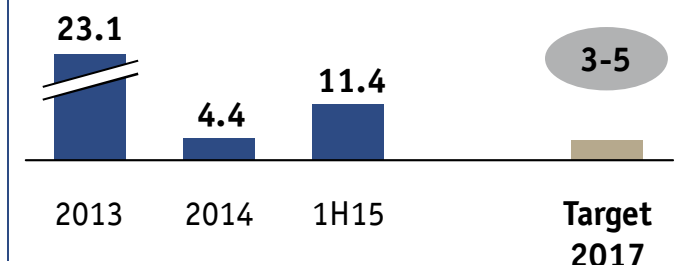
Pre-tax ROAC³ (in %, annualized)



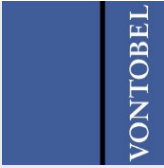
Cost²/income ratio (in %)



EAM NNM (in %)

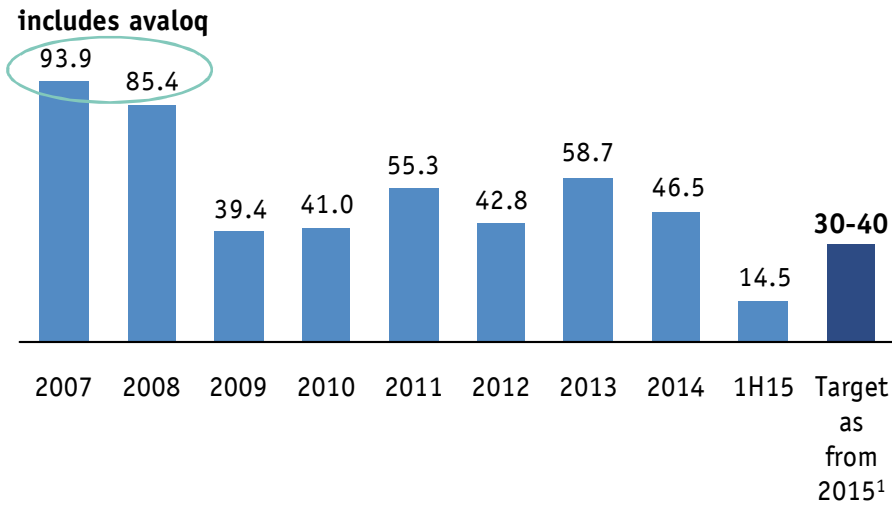


¹ Adjusted for assets that are managed on behalf of other segments
² Operating expense excl. valuation adjustments, provisions and losses
³ Pre-tax return on allocated capital (according to BIS III, 8%)



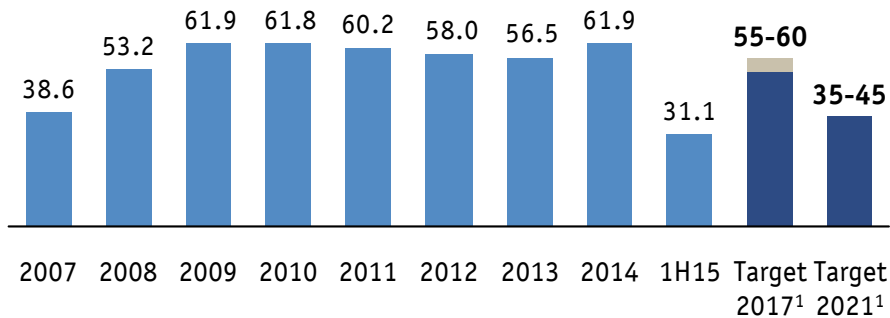
Active management of capital expenditure will lead to additional CIR improvement of 2.0-2.5 pp by 2021²

Development of capital expenditure (CHF mn)



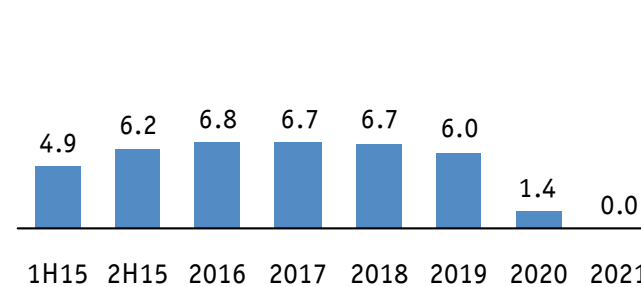
- Significant investments in IT (renewal of front office systems and avaloq) completed – initial investments in avaloq in 2007/08 will be fully depreciated by end-2018
- Major investments in office buildings completed
- Significant reduction in capital expenditure planned as from 2015

Development of depreciation and amortization (CHF mn)



■ Impact of TwentyFour Asset Management

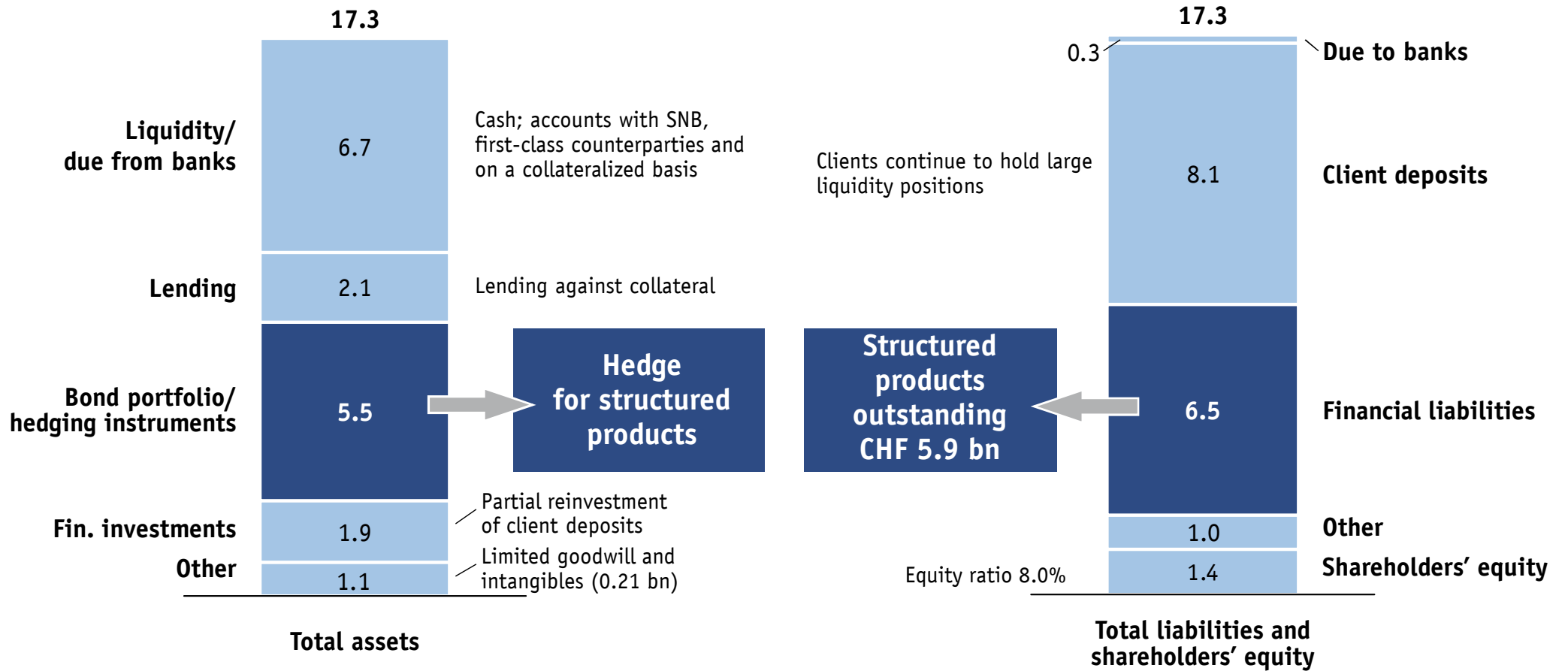
Run-down of amortization of intangibles from former acquisitions (CHF mn)



¹ Based on current planning

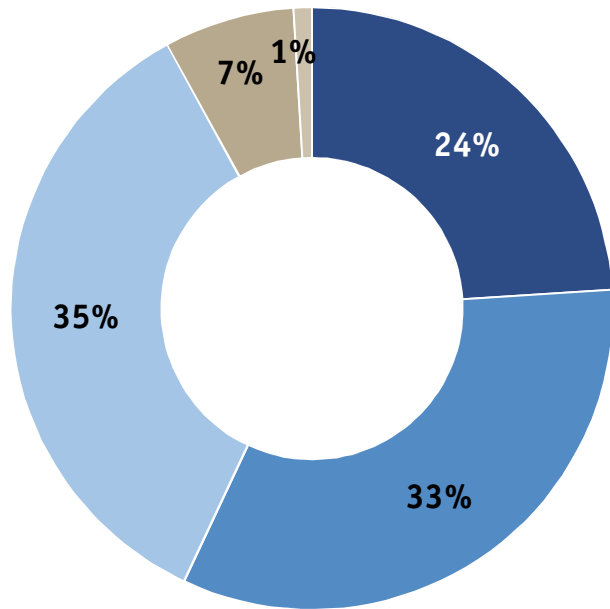
Conservative balance sheet ratios – reflecting high level of client deposits and business with structured products

Balance sheet as of 30 June 2015 (CHF bn)



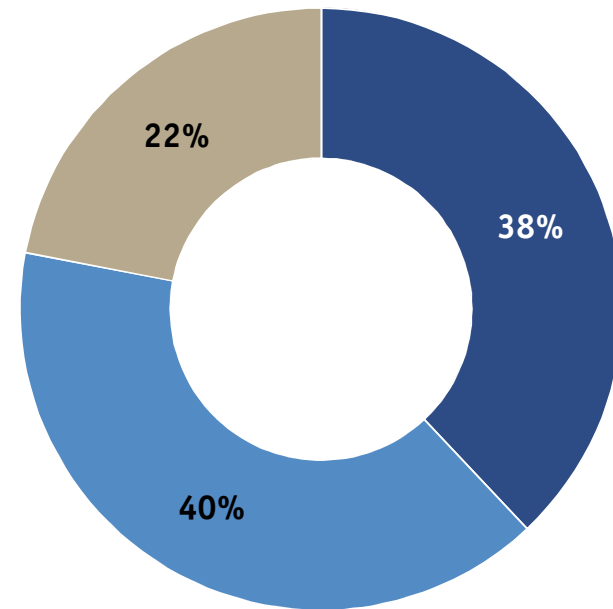
High quality of bond portfolio maintained

Counterparty exposure by rating (as of 30-06-15)



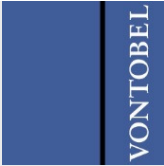
- AAA
- AA
- A
- BBB
- Other

Counterparty exposure by sector (as of 30-06-15)



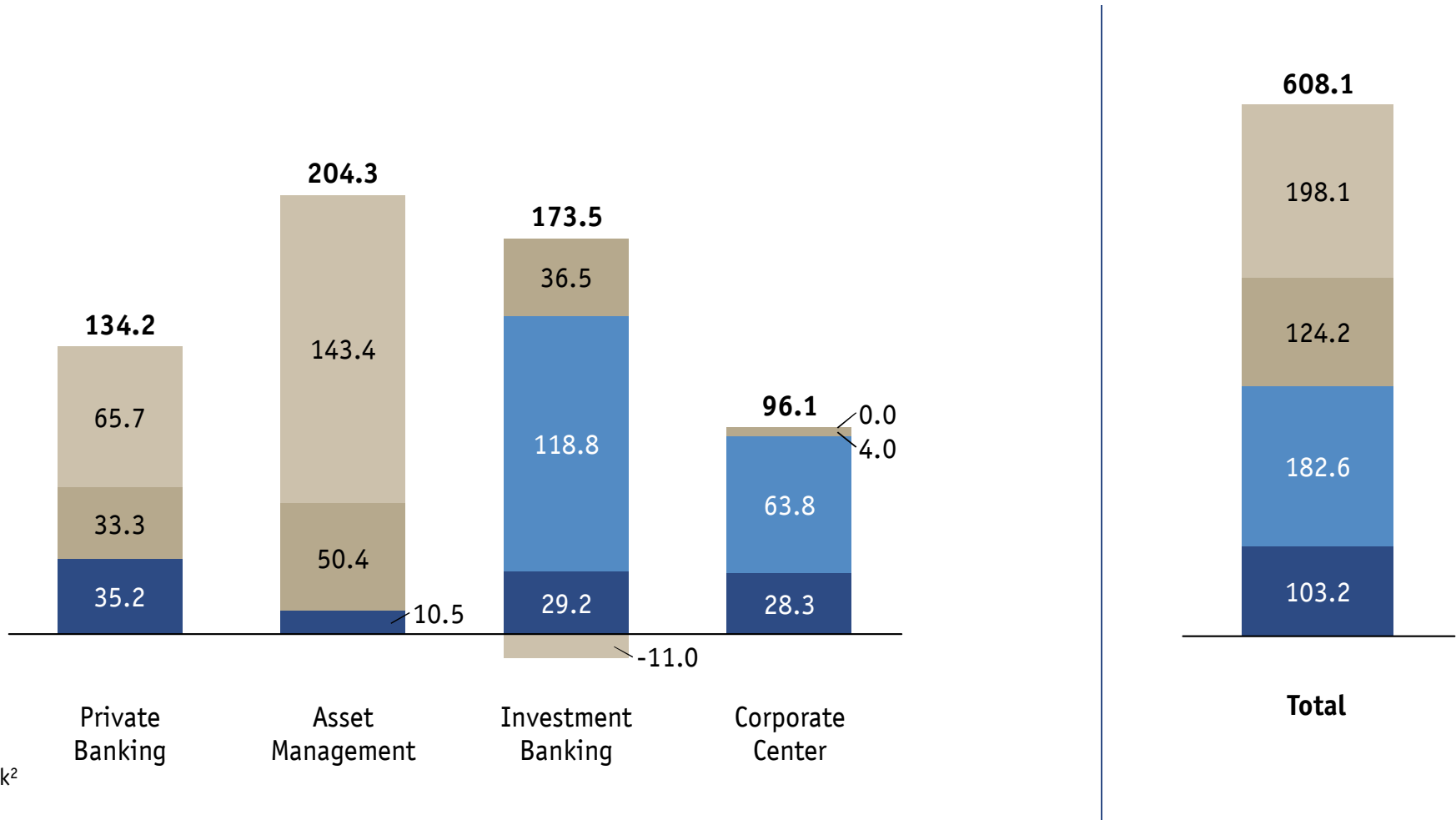
- Government/public sector bodies
- Financials
- Corporates (non-financials)

The purpose of the actively managed bond portfolio of CHF 6.2 bn is to hedge structured products (CHF 4.5 bn) and to invest treasury liquidity (1.7 bn)



Less than one-third of regulatory capital required under BIS rules is allocated to Investment Banking

Allocation of regulatory capital as 30 June 2015 (CHF mn)



¹ Including non-counterparty related risks

² Reported figures are based on BIS capital requirements, i.e. RWA multiplied by 8%

³ Reported figures represent deductions from equity

Comment: The allocation of the regulatory capital required in accordance with BIS standards to the individual segments is based on the principle of origination. The prescribed deduction of CHF 209.1 mn from core capital for intangible assets has been included in the above figures (Other) for the Private Banking and Asset Management segments. The valuation adjustments of own liabilities are assigned to the Investment Banking segment. The deduction of CHF 318.2 mn from core capital for Treasury shares is not included in the above figures

Vontobel represents an attractive value proposition for investors

A growth case...

- Wealth and asset management industry is growing globally
- Vontobel has a clear strategy and is committed to capturing growth opportunities
- Vontobel is a niche player with potential for further growth given its multi-boutique approach to actively managing assets, its distinctive offering for HNWI's and its technology leadership in delivering tailored investment solutions
- Vontobel has a strong and growing footprint in its home and focus markets

...with strong financial discipline...

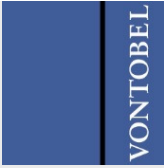
- Capital-light business model as a wealth and asset manager
- Solid capital base with CET1 ratio of 19.2%
- Strong family shareholder base; main shareholders committed to long-term profitable growth
- Attractive dividend yield despite investments in profitable growth (4.1% in 2014¹)
- Stability of business model demonstrated by 12.5% share buyback in 2014 – no dilution during financial crisis and continuation of annual dividend payouts, adding up to more than CHF 1 bn since 2004

...and potential for M&A

- Potential to boost profitability through M&A
- M&A deals to be considered if consistent with Vontobel's strategy and capable of creating value for shareholders
- Excess capital is available to finance M&A (target total capital ratio of >16% for 2017)
- Additional non-dilutive capital could be raised by issuing hybrid instruments if necessary
- Main shareholders hold 61.2%² of share capital, which provides financial flexibility

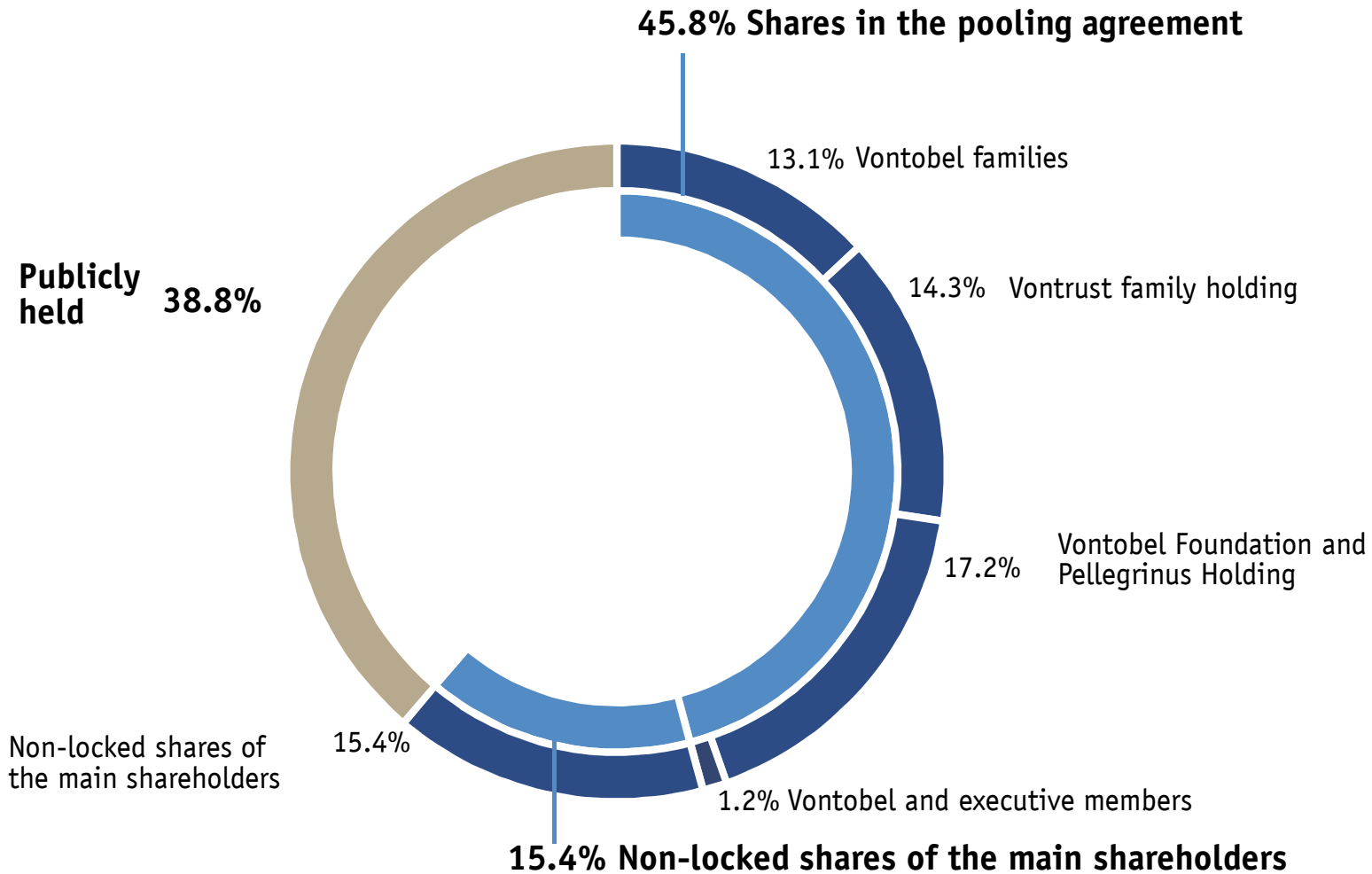
¹ Dividend paid out in 2015 / share price at end-2014

² Based on nominal share capital of CHF 56.875 mn



Strong commitment of Vontobel family

Shareholder structure as of 30 June 2015¹



¹ Based on nominal share capital of CHF 56.875 mn