

## EFG International Increases 2006 Net Profit by 90% to CHF 230.0 Million

**Net Profit Attributable to Ordinary Shareholders of CHF 204.0 Million, up 144%**

*Zurich, February 28, 2007* – EFG International continued to show strong earnings growth, increasing its net profit for 2006 to CHF 230.0 million, up 90% compared to net profit of CHF 120.9 million for 2005. Total Clients' Assets under Management including announced acquisitions were CHF 73.6 billion, up 56% from CHF 47.3 billion at the end of 2005. EFG International made greater than anticipated progress during the first full financial year after the IPO in October 2005 and based on this adjusts its 2007 and 2008 CRO and AUM targets upwards.

Financial highlights for 2006, compared to 2005, include:

<b>Client Relationship Officers (CROs):</b>	<b>398</b>	<b>up 49%</b>
<b>CROs incl. announced acquisitions:</b>	<b>405</b>	<b>up 51%</b>
<b>AUM incl. announced acquisitions:</b>	<b>CHF 73.6 billion</b>	<b>up 56%</b>
<b>Clients' Assets under Management (AUM):</b>	<b>CHF 69.8 billion</b>	<b>up 48%</b>
<b>Operating Income:</b>	<b>CHF 634.4 million</b>	<b>up 87%</b>
<b>Cost-Income Ratio:</b>	<b>55.6 %</b>	<b>vs 57.0%</b>
<b>Net Profit:</b>	<b>CHF 230.0 million</b>	<b>up 90%</b>
<b>Net Profit Attributable to Ordinary Shareholders:</b>	<b>CHF 204.0 million</b>	<b>up 144%</b>

During the fiscal year of 2006 and in early January 2007, EFG International has announced the acquisitions of the following companies:

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| <ul style="list-style-type: none"> <li>▪ <b>C. M. Advisors Limited (CMA), Bermuda</b></li> <li>▪ <b>Banque Monégasque de Gestion (BMG), Monaco</b></li> <li>▪ <b>Harris Allday, Birmingham, England</b></li> <li>▪ <b>Quesada Kapitalförvaltning, Stockholm, Sweden</b></li> <li>▪ <b>PRS Group, Cayman/Miami</b></li> </ul> | <p>Announced and closed Feb 06</p> <p>Announced May 06, closed Oct 06</p> <p>Announced July 06, closed Aug 06</p> <p>Announced Dec 06, not yet closed</p> <p>Announ. Jan 8, 07, not yet closed</p> |
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Lawrence D. Howell, Chief Executive Officer of EFG International, said: *“During the first full financial year after our IPO in October 2005, EFG International continued to grow as anticipated. This growth supports the positive outlook enunciated at the time of the IPO and reaffirmed today.”*

## **Financial Results for 2006**

During 2006, the number of Client Relationship Officers (CROs) increased by 51% from 268 to 405, including the announced acquisitions of Quesada Kapitalförvaltning and PRS Group (7 CROs).

Consolidated Clients' Assets under Management (AUM) increased 56% from CHF 47.3 billion at the end of 2005 to CHF 73.6 billion, including the announced acquisitions of Quesada Kapitalförvaltning and PRS Group (AUM of CHF 3.8 billion). Excluding these two announced acquisitions as well as shares of EFG International which do not form part of the current 28.1% free-float of EFG International shares at the SWX Swiss Exchange, AUM amounted to CHF 65.2 billion at the end of December, 2006.

Consolidated financial results for the full-year of 2006 reflect the full impact of the five acquisitions EFG International closed in 2005. The financial results of the Bahamas-based private banking business acquired from Banco Sabadell and of C. M. Advisors Limited (CMA), Bermuda, were consolidated from February 2006 onwards. The financial results from Harris Allday were consolidated from August 2006 onwards, while financial results from Banque Monégasque de Gestion were consolidated from November 2006 onwards.

EFG International's consolidated net profit for the financial year 2006 amounted to CHF 230.0 million, up 90% compared to CHF 120.9 million for 2005. Consolidated net profit attributable to ordinary shareholders increased by 144% from CHF 83.7 million for 2005 to CHF 204.0 million for 2006.

EFG International's consolidated operating income rose by 87% from CHF 338.4 million to CHF 634.4 million, reflecting healthy growth in all of EFG International's markets and activities as well as the contribution of the newly acquired businesses. Consolidated operating

expenses excluding amortisation and depreciation expenses increased by 83% to CHF 352.6 million, compared to CHF 192.8 million for 2005. EFG International's cost-income ratio stood at 55.6 % for the current period, down 1.4 percentage points from the 57.0% reported for the financial year 2005.

EFG International's consolidated balance sheet as of December 31, 2006 increased by 47% to CHF 15.9 billion, compared to CHF 10.8 billion as of December 31, 2005. At the end of the fiscal year 2006, consolidated shareholders' equity stood at CHF 2.3 billion.

All above-mentioned figures are unaudited.

Rudy van den Steen, Chief Financial Officer of EFG International, said: *"2006 saw a near doubling of EFG International's business both in terms of operating income and net profit, in line with growth in clients' assets under management which tripled in the last two years driven both by organic and acquisition growth. In addition, our balance sheet increased sizeably by almost 50% in 2006. The Board of Directors will recommend a dividend payment of 21.6% of net profit attributable to ordinary shareholders, in line with the dividend policy for 2006 announced during the time of the IPO. The dividend will leave EFG International with sufficient Tier 1 Capital to continue both its organic and acquisition driven growth strategy while honouring commitments made at the time of the IPO."*

### **Dividend Proposal**

The Board of Directors of EFG International will propose a cash dividend of CHF 0.30 per ordinary share for the financial year 2006 at the Annual General Meeting on April 27, 2007, in line with the dividend policy for the financial year 2006 communicated at the time of the Initial Public Offering in October 2005.

## Review of Business Expansion

During the first half of 2006, EFG International opened banks in Luxembourg and the Bahamas, a bank branch in Dubai, offices in Jakarta, Caracas and Bogotá and a trust company in Hong Kong. In the second half of the year, EFG International continued to increase its geographical presence by opening offices in Mexico-City, Quito, Panama-City, Cayman, Bahrain, Athens, Bangkok and Manila.

Since the beginning of 2006, EFG International announced the acquisition of five businesses:

- In February 2006, EFG International enhanced its hedge funds capabilities with the acquisition of Bermuda based **C. M. Advisors Limited** (CMA). The acquisition closed in February 2006 and added CHF 2.1 billion in AUM.
- In May 2006, EFG International announced the acquisition of **Banque Monégasque de Gestion**, increasing its private banking presence in Monaco. The acquisition closed end of October 2006 adding 6 CROs and CHF 1.3 billion in AUM.
- In July 2006, EFG International reached an agreement to acquire Birmingham-based private client stockbroker **Harris Allday**, extending its reach in the UK. The acquisition of Harris Allday closed in August 2006, adding 27 CROs and CHF 4.5 billion in AUM.
- In December 2006, EFG International announced the acquisition of **Quesada Kapitalförvaltning**, a Stockholm-based wealth management company focused on High Net Worth Individuals. Quesada Kapitalförvaltning will add 2 CROs and CHF 0.8 billion in AUM. The closing of the acquisition is expected during the first quarter of 2007.
- In January 2007, EFG International reached an agreement to acquire Cayman/Miami-based **PRS Group** specialized in investment services to Ultra High Net Worth Individuals. PRS Group will add 5 CROs and CHF 3.0 billion in AUM. The closing of the transaction is expected during the first quarter of 2007.

EFG International continues to evaluate multiple acquisition opportunities in Switzerland, onshore continental Europe, the UK and the Americas.

## Outlook and Update on Strategic Goals

EFG International reconfirms that it is on track to meet or exceed its previously announced medium-term targets. Based on greater than anticipated progress made during 2006, EFG International adjusts its 2007 and 2008 CRO and AUM targets upwards.

The updated 2007 and 2008 strategic goals are:

	<b>2006</b>	<b>2007 goal</b>	<b>2008 goal</b>
<b>CROs</b>	398 / 405 <sup>(1)</sup>	Previously announced: 500-525  <b>New:</b> <b>540</b>	Previously announced: 650-675  <b>New:</b> <b>675</b>
<b>AUM<sup>(2)</sup></b>	CHF 65.2 bn/ CHF 69.0 bn <sup>(1)</sup>	Previously announced: CHF 87-93 bn  <b>New:</b> <b>CHF 93-99 bn</b>	Previously announced: CHF 115-125 bn  <b>New:</b> <b>CHF 121-131 bn</b>

(1) Including announced acquisitions.

(2) Excl. shares of EFG International, which do not form part of the current 28.1% free-float at SWX Swiss Exchange.

For a full overview of EFG International's 2006 results and its strategic goals, please refer to the company presentation available on [www.efginternational.com](http://www.efginternational.com) (Investor Relations / Investor Presentations).

**EFG International's 2006 Annual Report including audited consolidated financial statements for 2006 will be made available on-line on [www.efginternational.com](http://www.efginternational.com) on April 4, 2007.**

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## **About EFG International**

EFG International is a global private banking group offering private banking and asset management services, headquartered in Zurich. EFG International's group of private banking businesses currently operate in 44 locations in 30 countries employing 1,477 staff. EFG International's registered shares (EFGN) are listed on the SWX Swiss Exchange. EFG International is a member of the EFG Group headquartered in Geneva, Switzerland, which is the third-largest banking group in Switzerland by Tier-1 Capital.

## **Disclaimer**

This press release 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 press release 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.



## Key Figures as at December 31, 2006 (unaudited)

(in CHF million unless otherwise stated)	31 Dec 2006	31 Dec 2005	Change vs. 31 Dec 2005
Clients' Assets under Management (AUM)	69'801	47'316	48%
AUM, excl. Shares of EFG International which do not form part of the current 28.1% free float of EFG International at the SWX Swiss Exchange	65'206	43'660	49%
Assets under Administration	7'375	6'471	14%
Number of Client Relationship Officers	398	268	49%
Number of Employees	1'477	1'053	40%

## Consolidated Income Statement as at December 31, 2006 (unaudited)

(in CHF '000)	Full year ended 31 Dec 2006	Full year ended 31 Dec 2005	Change vs. 2005
<b>Net interest income</b>	172'115	90'920	89%
<b>Net banking fee and commission income</b>	406'279	208'971	94%
Net trading income	53'644	38'398	40%
Other operating income / (expense)	2'400	120	NM
<b>Net other income</b>	56'044	38'518	46%
<b>Operating income</b>	634'438	338'409	87%
Operating expenses	(374'200)	(200'337)	87%
Impairment losses on loans and advances	-	-	
<b>Profit before tax</b>	260'238	138'072	88%
Income tax expense	(30'257)	(17'178)	76%
<b>Net profit for the period</b>	229'981	120'894	90%



## Consolidated Balance Sheet as at December 31, 2006 (unaudited)

(in CHF million)	31 Dec 2006	31 Dec 2005	Variation
<b>ASSETS</b>			
Cash and balances with central banks	44	43	3%
Treasury bills and other eligible bills	827	489	69%
Due from other banks	5'343	3'744	43%
Trading securities	-	8	-100%
Derivative financial instruments	118	106	11%
Loans and advances to customers	6'146	4'544	35%
Investment securities	2'320	1'434	62%
Intangible assets	910	351	159%
Property, plant and equipment	35	30	17%
Other assets	132	70	89%
<b>Total assets</b>	<b>15'875</b>	<b>10'819</b>	<b>47%</b>
<b>LIABILITIES</b>			
Due to other banks	673	429	57%
Derivative financial instruments	111	100	11%
Due to customers	11'994	7'712	56%
Debt securities in issue	153	148	3%
Other borrowed funds	161	31	418%
Other liabilities	480	317	51%
<b>Total liabilities</b>	<b>13'572</b>	<b>8'737</b>	<b>55%</b>
<b>EQUITY</b>			
Share capital	79	79	0%
Share premium	1'338	1'338	0%
Other reserves and retained earnings	886	665	33%
<b>Total shareholders' equity</b>	<b>2'303</b>	<b>2'082</b>	<b>11%</b>
<b>Total equity and liabilities</b>	<b>15'875</b>	<b>10'819</b>	<b>47%</b>