

EFG International to exchange its economic interest in Marble Bar Asset Management for perpetual cashflow stream

Zurich, 11 May 2010. EFG International has agreed terms to transfer its stake in Marble Bar Asset Management (MBAM) to MBAM's senior management, in exchange for a perpetual cashflow stream based on future MBAM revenues.

EFG International will transfer its stake in MBAM to MBAM's senior management, and in exchange will receive a perpetual cashflow stream based on MBAM revenues. The transaction is subject to regulatory approval, and it is anticipated that the new arrangement will be concluded during the third quarter of 2010.

In the context of a strategic review of EFG International's business activities, both parties concluded that the current transaction, which arose from an approach by MBAM's leadership team, provided the most sensible way forward. It is designed to optimise MBAM's growth prospects by restoring it to a manager-owned business, thereby maximising cashflows to EFG International over time. EFG International will receive 15% of MBAM's management fee revenues and 5% of its performance fee revenues (with some additional payments contingent on medium- and long-term business performance).

EFG International expects to record neither a gain nor a loss on the completion of the transaction (based on forecast performance indicators relating to MBAM which are in line with those provided with EFG International's 2009 results). EFG International will no longer have capital commitments to MBAM. MBAM's senior management will invest in developing the business and will replace working capital previously provided by EFG International. The transaction will have no impact on EFG International's capital ratios.

Going forward, EFG International will not consolidate MBAM for purposes of its consolidated financial statements. The right to receive the perpetual cash flow stream will be accounted for as a financial asset designated at fair value through profit and loss and will be valued using a mark-to-model approach in line with IFRS requirements.

The perpetual nature of the income sharing arrangement reflects EFG International's continued confidence in MBAM's investment capabilities and its future prospects. The two parties will continue to collaborate in product terms, with EFG International retaining the ability to access MBAM's funds on behalf of its clients.

EFG International's strategic focus is as a pure-play wealth manager, encompassing global private banking and closely related asset management activities (in the form of EFG Asset Management, covering traditional long-only investments, funds of hedge funds selection, and structured products).

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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 operates in over 50 locations in 30 countries, with circa 2,400 employees. EFG International's registered shares (EFGN) are listed on the SIX Swiss Exchange. EFG International is a member of EFG Group.

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FORWARD LOOKING STATEMENTS

This announcement contains specific forward-looking statements, e.g. statements which include terms like "believe", "assume", "expect" or similar expressions, in particular relating to the future assets under management, MBAM gross revenues and cashflows to the EFG International AG group. 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) MBAM's ability to attract new subscriptions for its funds, (2) MBAM's ability to generate returns in-line with or better than the estimates used as a basis for the projections, (3) changes in fee structures for the hedge fund industry in general or MBAM in particular, (4) MBAM's ability to retain certain key employees, (5) general market, macro-economic, governmental and regulatory trends, (6) competitive pressures, and (7) other risks and uncertainties inherent in the hedge fund business. A shortfall in the cashflows to the EFG International AG group resulting from any of these or other factors may have a negative impact on the valuation of the EFG International AG's preferred revenue share in its accounts. EFG International AG 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.