

## Media Release

# EFG International holds its Annual General Meeting and comments on business performance

Zurich, 28 April 2017

**EFG International hosts its Annual General Meeting today at 14:30 CEST in Zurich. In this context, EFG also provides an update on the integration process and its business performance in the first quarter of 2017.**

During the first quarter of 2017, EFG International made significant further progress in integrating the acquired business from BSI, and the implementation of the integration plan is ahead of schedule. As previously announced, the legal integration of BSI's Swiss business was completed on 7 April 2017, which marked the biggest single step in the overall integration process by number of employees, number of clients and assets under management. The integration in Asia and of BSI Overseas (Bahamas) was also completed in the first quarter of 2017. With regard to the remaining BSI entities, Luxembourg and Monaco are expected to be integrated by the end of the second quarter of 2017. The new EFG brand has been launched in all locations where the legal integration of BSI has been completed.

### **First-quarter 2017 business update**

In a continued challenging market environment, EFG's underlying profitability in the first quarter of 2017 reflects subdued revenue generation and margin development, in line with the fourth quarter of 2016, on the one hand, and further progress in reducing the underlying cost base on the other. Costs continued to develop well towards the pre-tax cost-synergies targeted for 2017, reflecting the advanced BSI integration process and the effects of EFG's standalone cost reduction program which was completed in 2016.

Net new assets were negative in the first quarter of 2017, mainly driven by outflows at BSI. Net asset attrition was CHF 3.5 billion, with a slow-down towards the end of the quarter. Supported by the stabilizing effect of the legal integration in Switzerland, trends continued to improve in April and remained in line with the net asset attrition assumption of approx. CHF 10 billion by 2019. Revenue-generating Assets under Management as at end-March 2017 were CHF 140.6 billion, versus CHF 144.5 billion at end-2016.

In the first quarter of 2017, EFG International continued to further improve its strong capital position compared to year-end 2016. The Swiss GAAP Common Equity Ratio (CET1) stood at 19.0% and the Total Capital Ratio at 24.3% at the end of the first quarter of 2017. The increased capital ratios mainly reflect the placement of USD 400.0 million of Tier 2 notes and a further reduction of risk-weighted assets in the first quarter of 2017. The Tier 2 notes serve as a replacement for the Tier 2 notes of EUR 67.6 million for EFG International redeemed in January 2017 and of USD 100.0 million for BSI redeemed in December 2016, and were also issued in view of outstanding CHF 180.0 million of Tier 2 notes for EFG International with an optional redemption call in January 2018.

### **BSI purchase price**

EFG International and BTG Pactual have begun to determine the final valuation of the assets and liabilities and other price adjustments under the resolution process required by the BSI Sale Purchase Agreement.

EFG International will report its results for the first half of 2017 on 26 July.

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## **About EFG International**

EFG International is a global private banking group offering private banking and asset management services and is headquartered in Zurich. EFG International's group of private banking businesses operates in around 40 locations worldwide. Its registered shares (EFGN) are listed on the SIX Swiss Exchange.

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