

RAIFFEISEN

Vontobel

Media presentation

“Raiffeisen further expands its own investment business and sells Notenstein La Roche Privatbank AG to Vontobel”

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Chairman of the Board of Directors of Notenstein La Roche
Privatbank AG and Chairman of Raiffeisen Schweiz

Dr. Zeno Staub

CEO Vontobel

Zurich, May 24, 2018

Focusing and strengthening



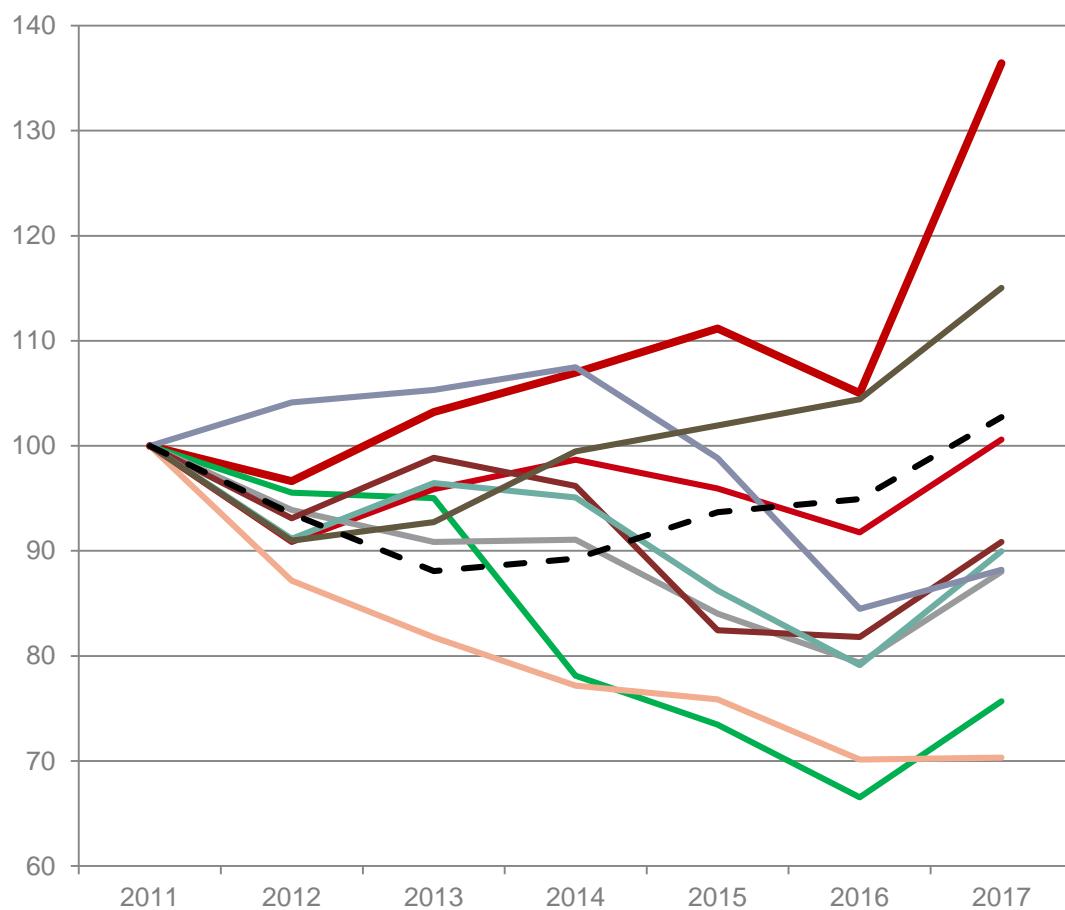
- Given the strong, organic growth in its investment business, Raiffeisen is consistently focusing on the segment of retail customers with small to medium-sized assets, thus making optimum use of the consulting strength of the 255 Raiffeisen banks.
 - In the course of this focusing, Raiffeisen is selling Notenstein La Roche Privatbank AG to Vontobel.
 - With Notenstein La Roche, Vontobel is complementing the disproportionately high organic growth in the area of Wealth Management for affluent clients in an ideal manner, and strengthening its own domestic market with additional locations.
 - With the acquisition, Vontobel emphasizes its position as one of the leading private banks in Switzerland.
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Raiffeisen is expanding its own investment business

- 1** Raiffeisen Schweiz is selling Notenstein La Roche to Vontobel. In doing so, Raiffeisen is creating the prerequisite for the success of Notenstein La Roche in the private banking environment.
 - 2** Raiffeisen is expanding its retail and investment clients business segment and substantially investing in consulting, channels and investment competence.
 - 3** Raiffeisen is focusing its business model and putting retail customers with small and medium-sized assets at the center of its activities. The Raiffeisen banks are the key to the customer.
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Continuous buildup over the past years Diversification in Raiffeisen's investment business taking effect

Security proceeds in comparison with peers



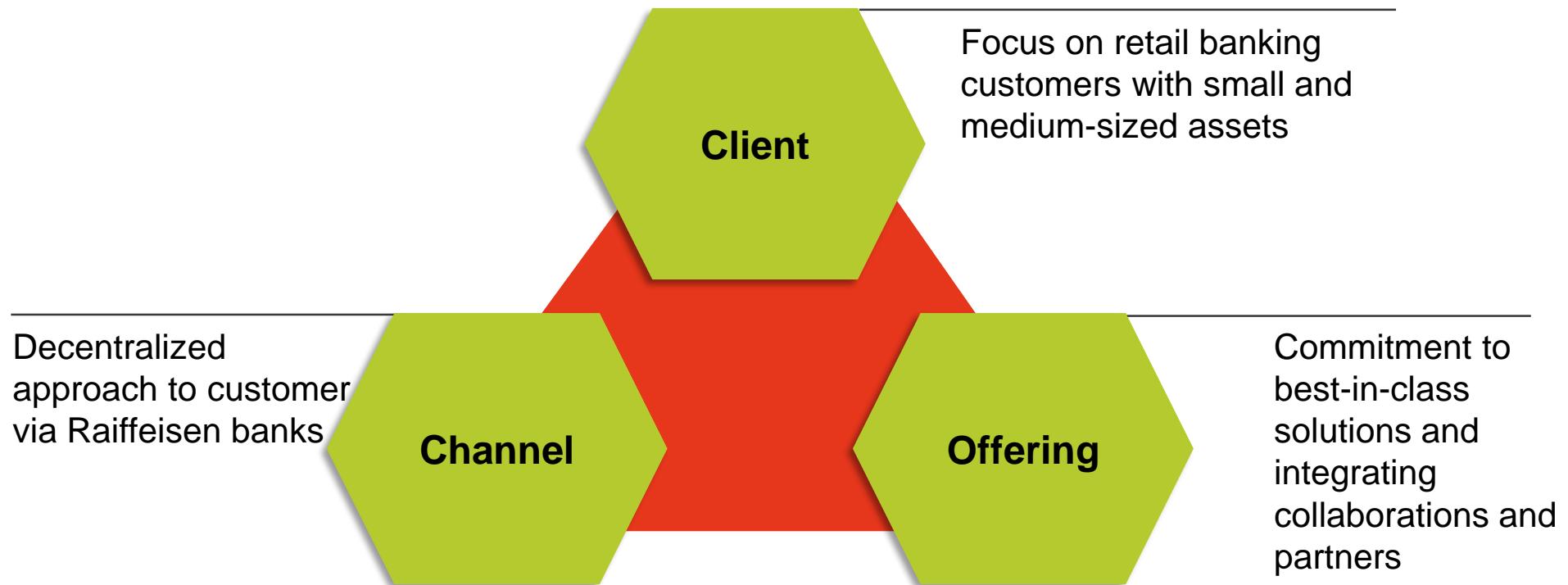
Developments

- Since 2012, growth above peers
- Securities and investment business provides substantial contribution to results
- Securities business is developing faster than interest revenues from customer margins

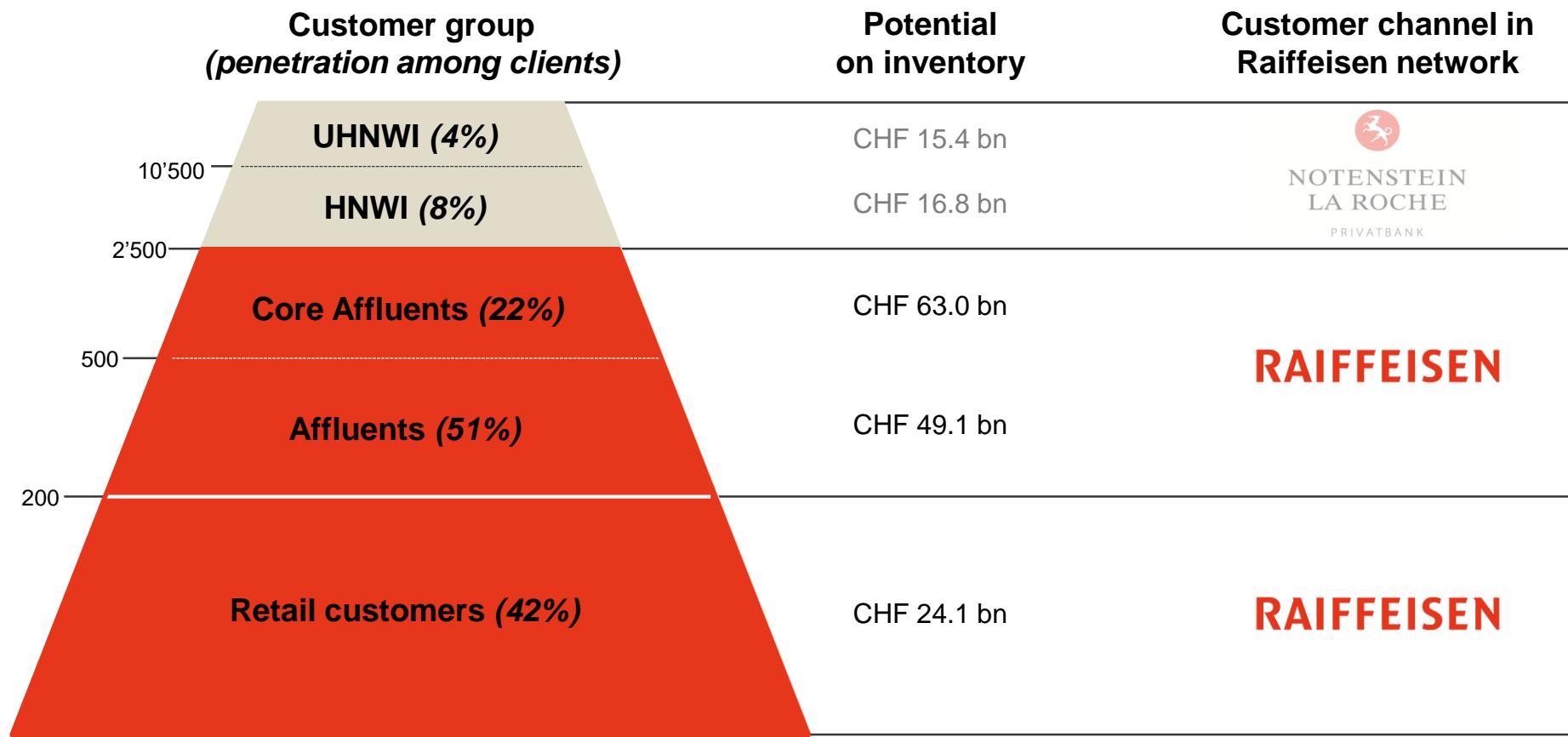
Legend

- Raiffeisenbanken/-NL (ex NLR)
- SG Kantonalbank
- LU Kantonalbank
- TG Kantonalbank
- Berner KB
- Basellandschaftliche KB
- Bank Cler
- Valiant
- Migros Bank
- - - Raiffeisen: Debit and Credit

Raiffeisen sharpening its focus on private and investment client business



Raiffeisen concentrating on customer segments with affinity to Raiffeisen



Raiffeisen expanding its investment client segment

Substantial investments in the future



Broad offering of collective investments with good performance



Efficient infrastructure for a discerning clientele (performance and asset reporting, tax statements, complementary consulting services)



Setting up an in-house Investment Office



Creation of a competence center for wealth and tax planning



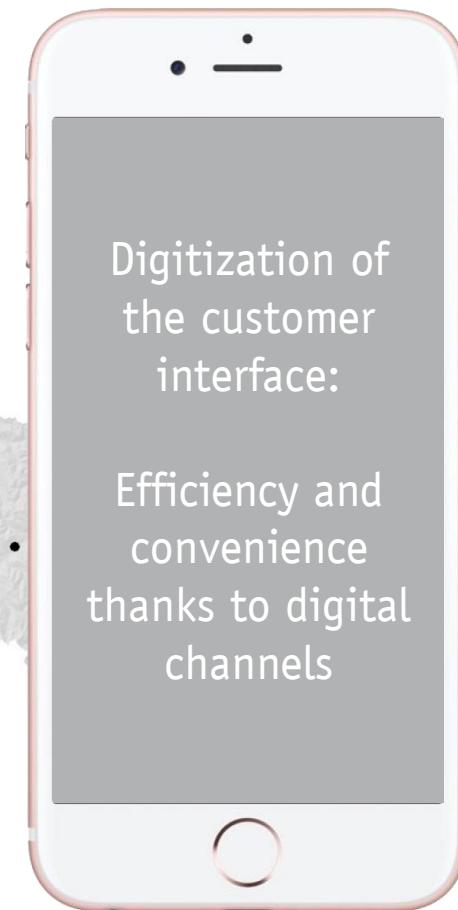
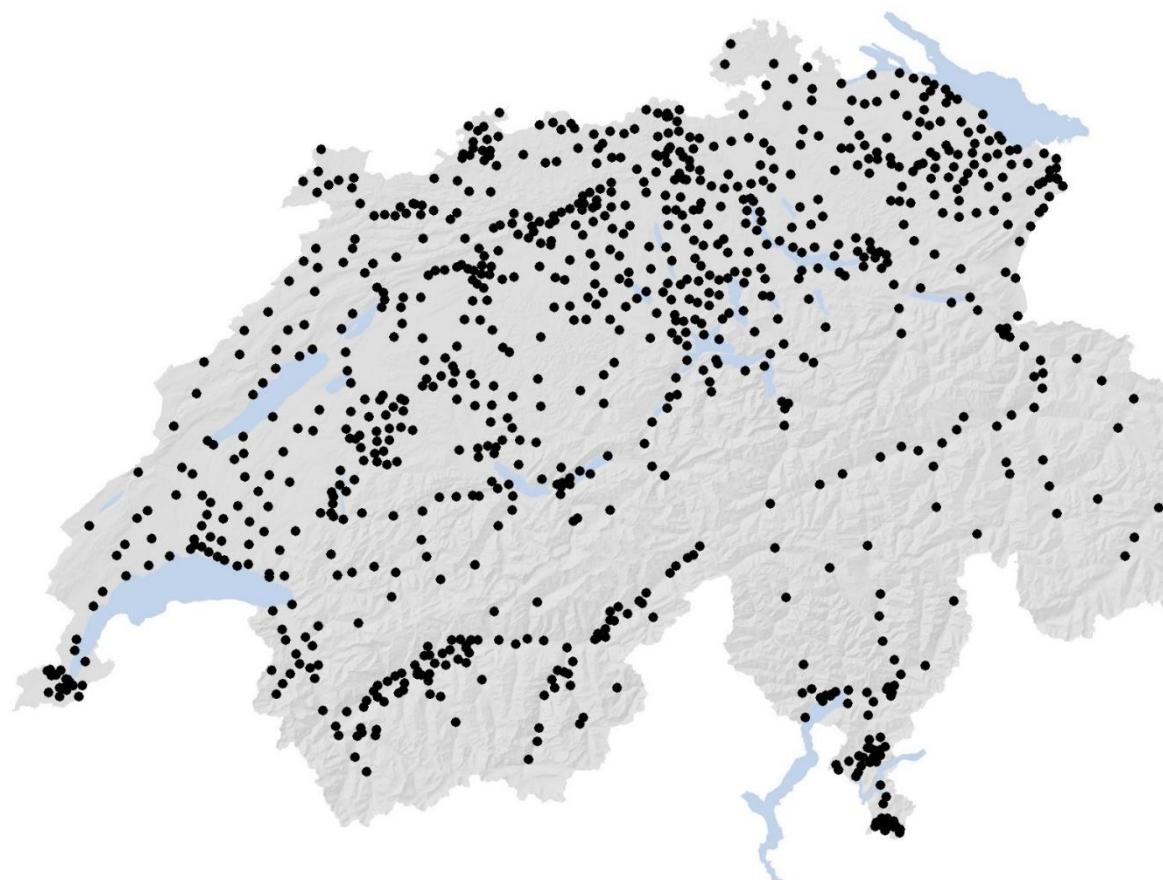
Further development of the offering in wealth management and in advisory



Investment in the expansion of the digital customer interface ("Beratung NEXT")

Raiffeisen banks as a strong customer channel
Physical proximity combined with digital approach

3.7 m customers



Notenstein La Roche acquisition¹ strengthens Vontobel's position in Wealth Management

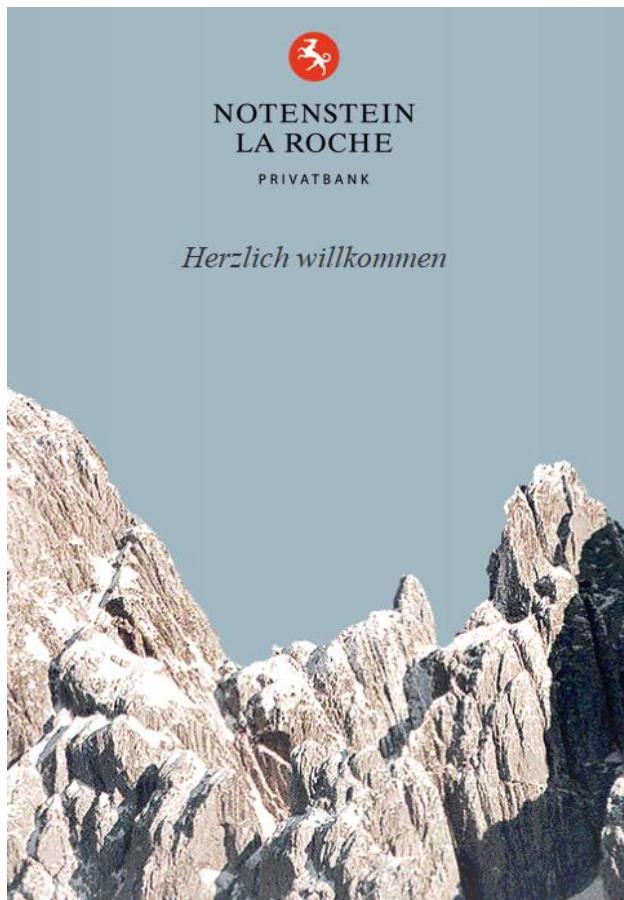
Growth-oriented transaction with strong economic drivers and fully consistent with the Vontobel strategy

Market positioning	High-quality AuM	Cultural similarities
<ul style="list-style-type: none"> - Swiss position is substantially expanded - 70% of the AuM from clients with domicile in Switzerland - Broad congruence in international focus markets (20% of AuM) - 13 locations in Switzerland 	<ul style="list-style-type: none"> - CHF 16.5 bn - RoA of 80 bps - 90% AuM in Wealth Management target volume of CHF >1 m 	<ul style="list-style-type: none"> - Customer-centered - Comparable roots
AT1 Emission	Synergies	
<ul style="list-style-type: none"> - More efficient capital structure - Strong equity base enables further growth in the future 	<ul style="list-style-type: none"> - One booking platform 	
Purchase price	Profitability	
<ul style="list-style-type: none"> - Approx. CHF 700 m <ul style="list-style-type: none"> - Basis of calculation: <ul style="list-style-type: none"> - Goodwill multiple of 1.78% on AuM - Equity 	<ul style="list-style-type: none"> - Positive profit contribution as of 2019 - Broadened basis for unchanged, ambitious aims for organic growth by 2020 	

¹ The transaction is subject to approval by the responsible authorities.

Vontobel buys acknowledged, customer-focused Wealth Manager

Notable private bank focused on Switzerland



- Within the scope of its wealth management for retail customers, Notenstein La Roche offers high-quality advisory and services.
- The geographic focus lies on Switzerland. Customers with a domicile in Switzerland account for approx. 70% of AuM.
- Assets mainly originate from the non-US business of the private banks Wegelin (2012) and La Roche (2015), which both have a long tradition.
- Head office in St. Gallen, 13 locations in Switzerland
- Approx. 330 FTEs, 106 relationship managers
- **Key figures¹:**
 - Client assets, total: CHF 21.2 bn
 - Assets under management: CHF 16.8 bn including 11% AuM from EAM
 - Balance sheet total: CHF 4.3 bn
 - Loans: CHF 0.8 bn
 - Equity: CHF 0.5 bn
 - CET1 capital ratio: 24.1%
 - RWA: CHF 1.51 bn
 - Net profit: CHF 23.3 m

Win-Win situation for clients and relationship managers for high loyalty

Clients recommend Vontobel

- Vontobel disposes of one of the highest Net Promoter Scores¹ among Swiss competitors – a strong sign of customer satisfaction
- More than half of our clients are ready to recommend Vontobel to others



78% of Vontobel clients
are very or extremely
satisfied

Attractive conditions for relationship managers

- Entrepreneurial culture relying on responsibility
- Long-term strategy
- Solid shareholder structure

Partner for good future perspectives

- Distinct investment culture
- Best-in-class advisory and discretionary offer
- International presence
- State-of-the-art digital platforms and systems
- Best Practice cross-border business that meets all international standards
- Consulting quality acknowledged by experts through a number of awards

Awarded as one of
the leading private
banks by “Bilanz”

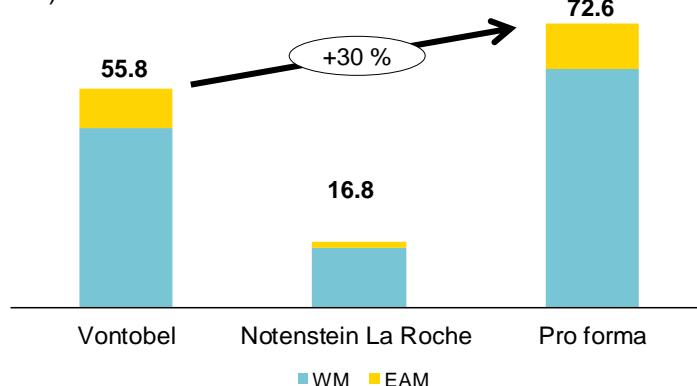
Top score in
Germany in
2014, 2015
and 2016



¹ The Net Promoter Score measures the customers' readiness to recommend their private bank. Question asked is: How high is the likeliness that you will recommend the company to others?

Acquired client portfolio matches the strategic orientation of Vontobel's combined Wealth Management and existing business

Distinct increase in client assets under management¹
(in CHF bn)



13 locations in Switzerland, of which 6 overlapping Vontobel locations



- 70% of AuM originate from clients with a domicile in Switzerland and 20% from Vontobel's international focus markets.
- Limited bad debt risk as the AuM basis of Notenstein La Roche comes from two asset deals and AIA has been in existence for most key markets since the beginning of this year.
- Comparable customer profiles: 90% of AuM are in the asset area of CHF >1 million per client.
- Very attractive RoA at approx. 80 bps.

- In the past five years, Vontobel Wealth Management has established itself through strong organic growth and the acquisition of Finter Bank as one of the leading providers in Switzerland.
- The acquisition of Notenstein La Roche is another significant milestone.
- Vontobel improves its presence in the domestic market, mainly in Eastern Switzerland and in the Basel region.

¹ Pro forma End of 2017

More efficient capital structure through emission of an AT1 bond

Vontobel improves its equity structure

Prospective main characteristics of the AT1 bond:

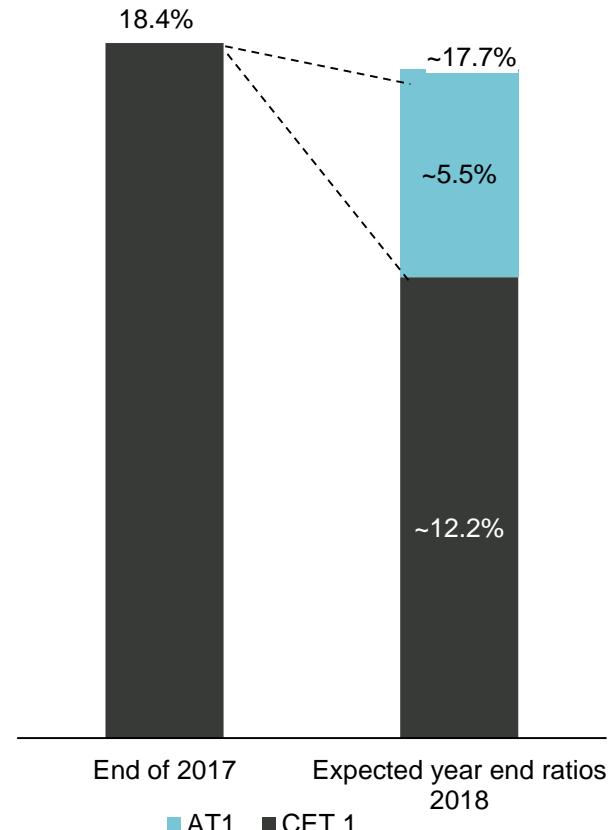
- Nominal CHF 350 – 450 m
- Perpetual non-callable 5.5 or 6.0 years
- Non-dilutive nominal write-off with a CET1 quota <7.0% or at the point of non-viability (PONV)
- Non-cumulative discretionary coupons, free of withholding tax according to Swiss law



- Vontobel's aspired minimum capital ratio of 12% CET1 and 16% total capital ratio is supported by this strategy.
- No dilution for Vontobel shareholders, and thus maintaining a long-term oriented shareholder structure.
- Confirms Vontobel's dividend strategy.

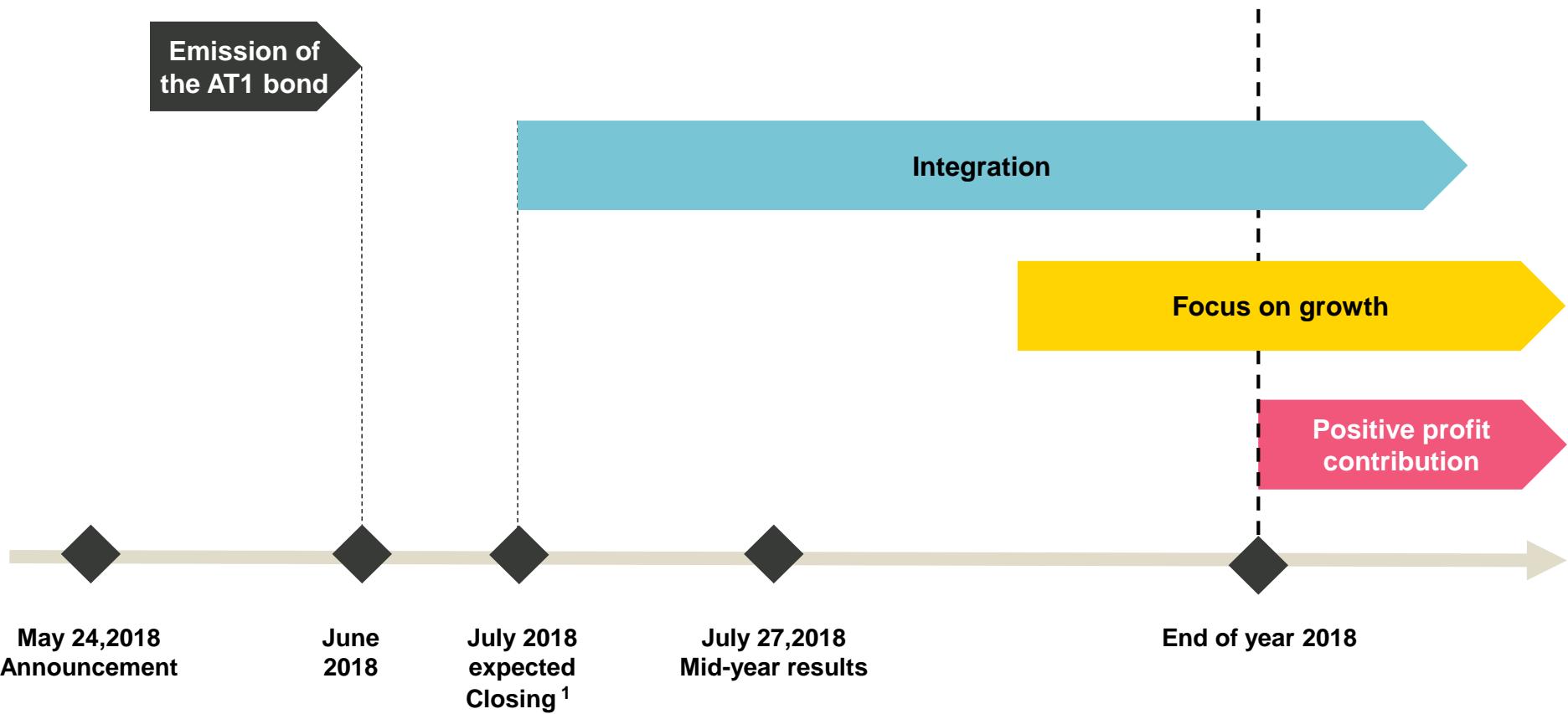
The more efficient capital ratios¹ are to stay above Vontobel's target values

Regulatory equity (rates as %)



¹Indicative, depending on the final price and the volume of the AT1 bond emission as well as other parameters

Rapid integration



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