



Liechtensteinische
Landesbank¹⁸⁶¹

Tradition meets Innovation.

23 August 2018

Conference Call of the LLB Group

Interim financial reporting 2018

Agenda

Introduction

Georg Wohlwend, Chairman BoD

Financial result

Christoph Reich, Group CFO

StepUp2020 strategy

Roland Matt, Group CEO

Outlook

Roland Matt, Group CEO

Q&A

Reconstituted Board of Directors



Georg Wohlwend
Chairman



Prof. Dr. Gabriela Nagel-Jungo
Vice-Chairwoman



Dr. Patrizia Holenstein



Urs Leinhäuser



Thomas Russenberger
(since 9 May 2018)



Dr. Richard Senti
(since 9 May 2018)

LLB welcomes the revocation of the state guarantee

The Government intends to revoke the limited state guarantee –
for savings account deposits and medium-term notes

Majority shareholding of the Principality of Liechtenstein remains unchanged (at least 51%)

LLB welcomes this step

A further logical step in LLB's development

LLB stands for security and stability: Moody's Aa2 rating

Public share repurchase programme

Scope

Maximum 400'000 registered shares

Duration

24 August 2018 to 31 Dezember 2020 at the latest

Purpose

Future acquisitions or treasury management

Share capital

No cancellation of shares

Further information

www.llb.li/sharebuyback

Financial result

Group interim result at a glance

Tier 1 ratio

21.6%
(-0.6 pp)

Cost-Income-Ratio

71.2%
(+8.4 pp)

Group net profit
CHF 45.8 million
(-23.7%)

Assets under
management

CHF **50.5** billion
(+0.6 %)

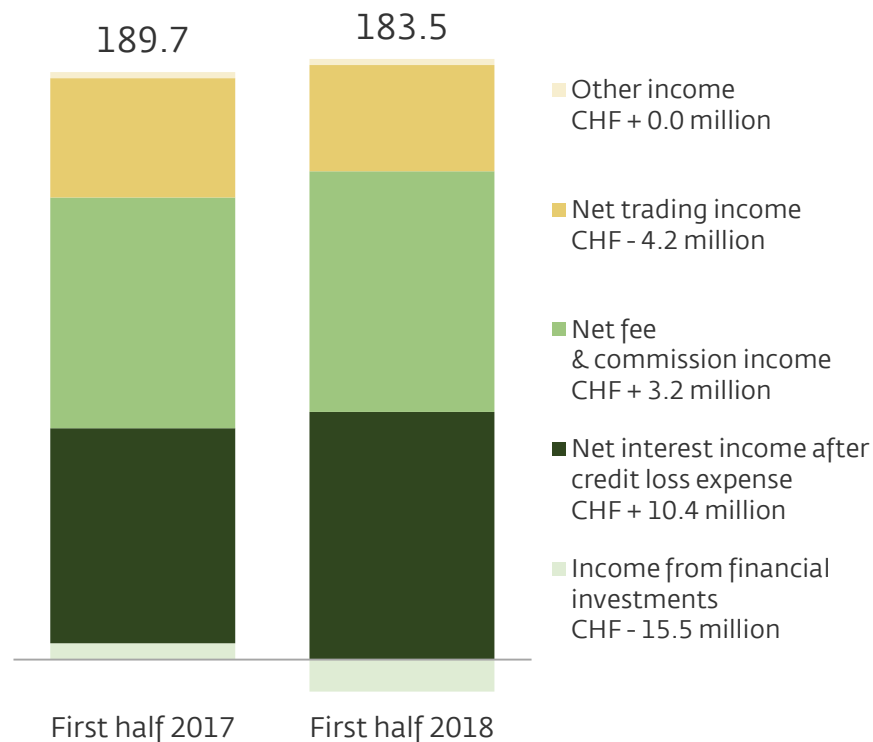
Loans to clients

CHF **12.4** billion
(+2.6 %)

Positive trend with interest and commission business

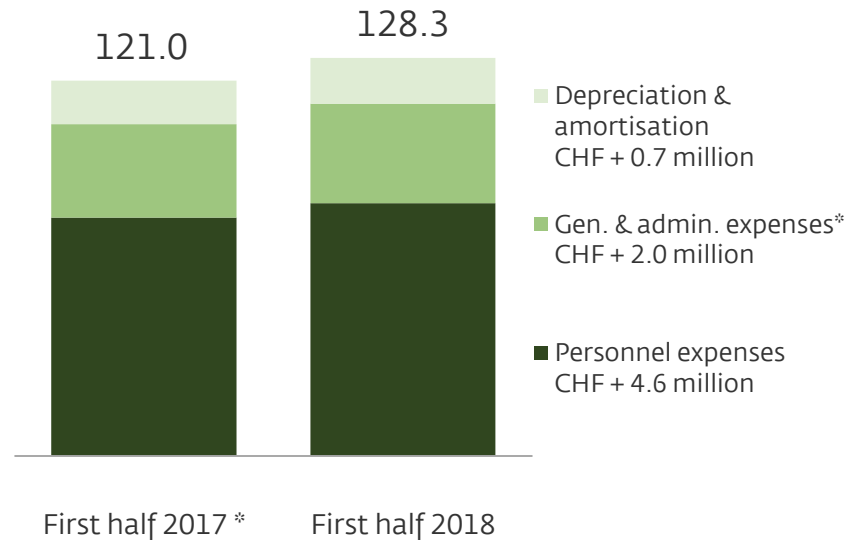
Operating income (in CHF millions)

↓ -6.2 million (-3.2 %)



Operating expenses (in CHF millions)

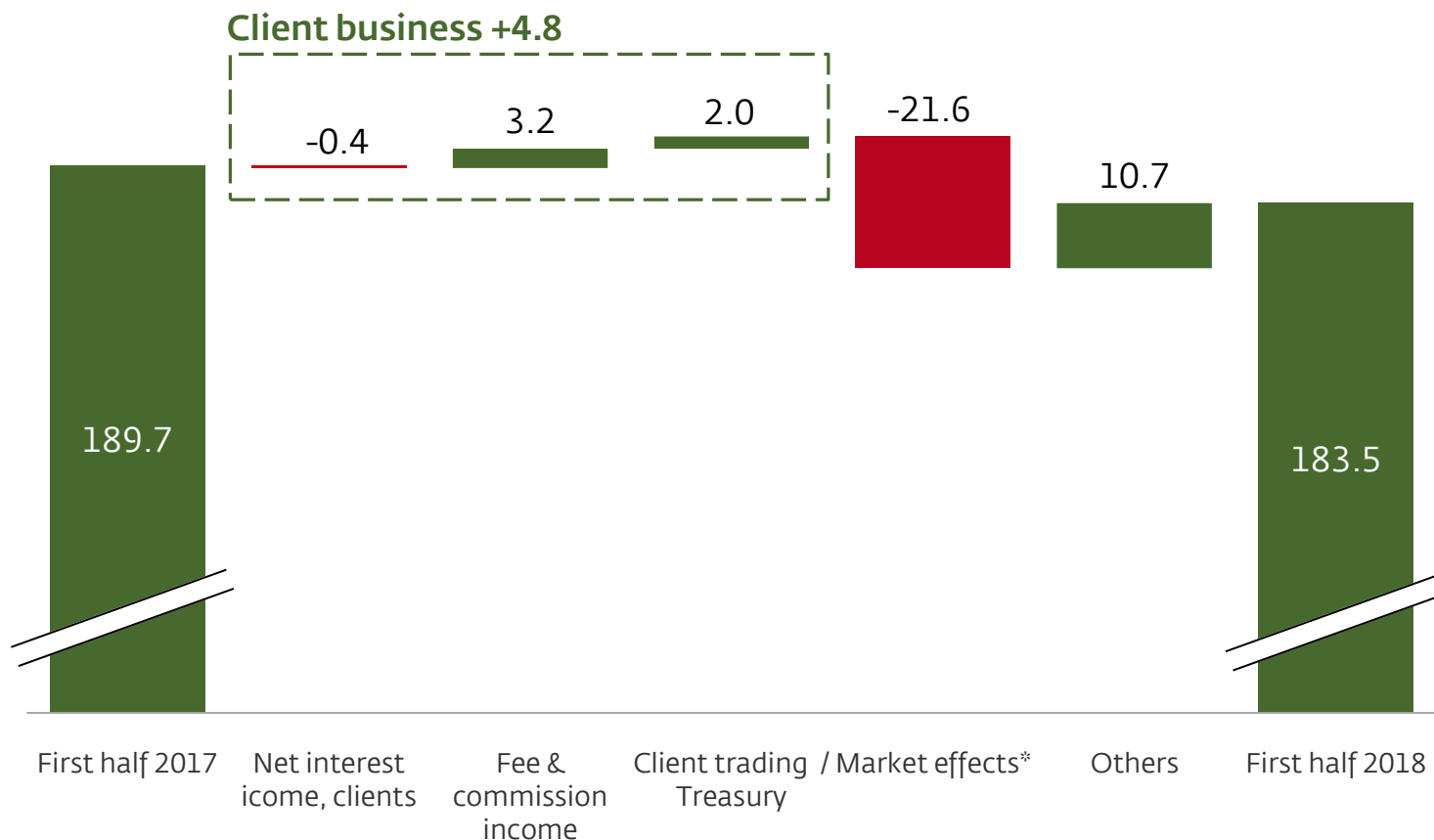
↑ +7.3 million (+6.1 %)



* without one-time release of provisions for legal and litigation risks totalling CHF 5.0 million

Expanded client business – Adverse impact of market effects

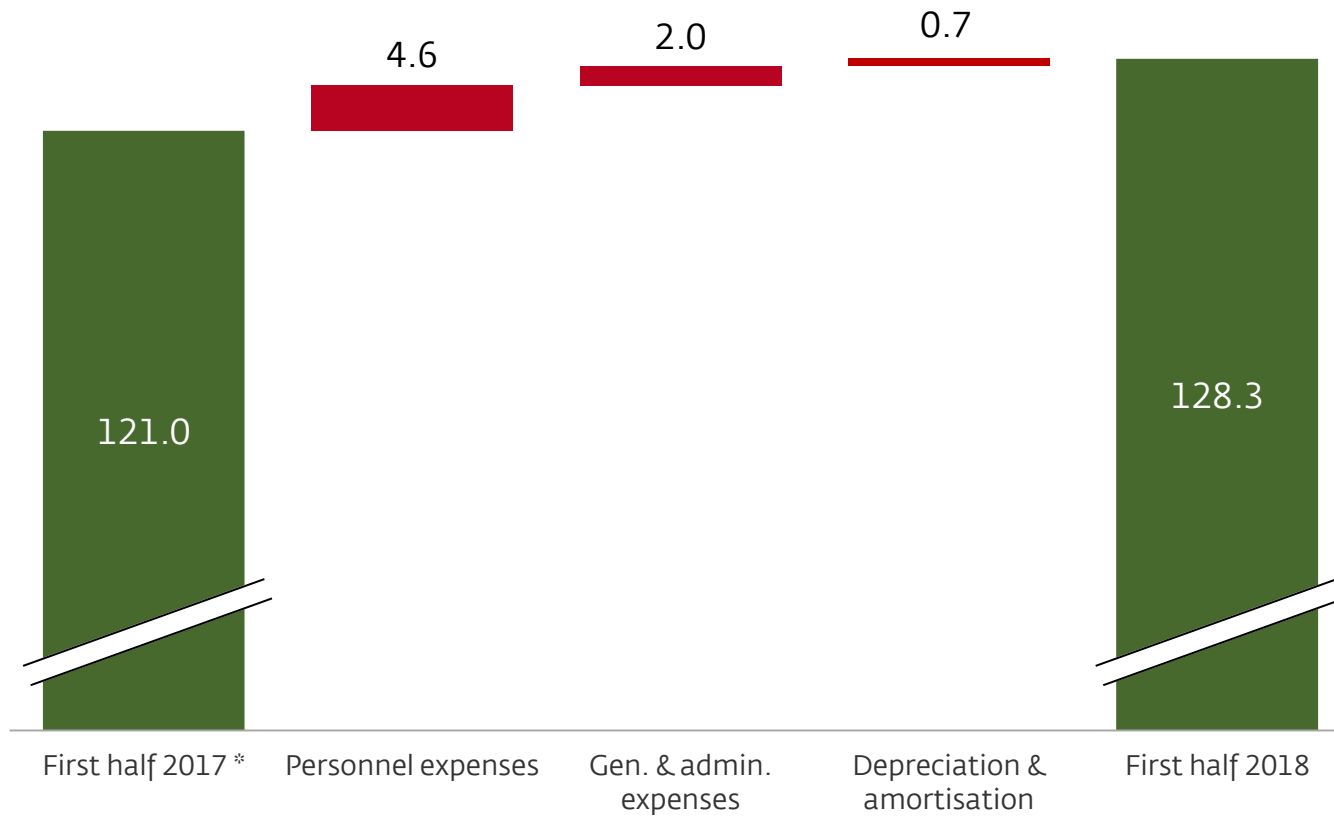
Operating income (in CHF millions)



* contains valuation of interest rate swaps measured on reporting date and price gains with financial investments

Strategic expansion of personnel

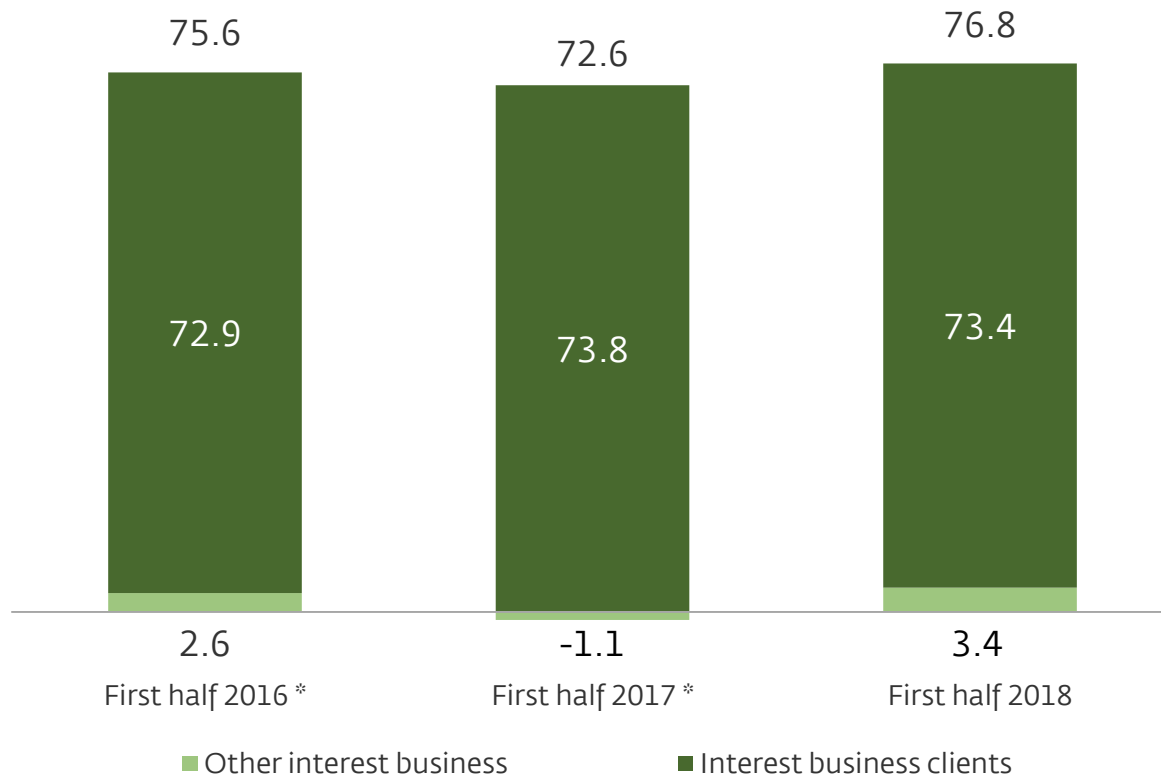
Operating expenses (in CHF millions)



* without release of provisions for legal and litigation risks totalling CHF 5.0 million

Stable interest business with clients

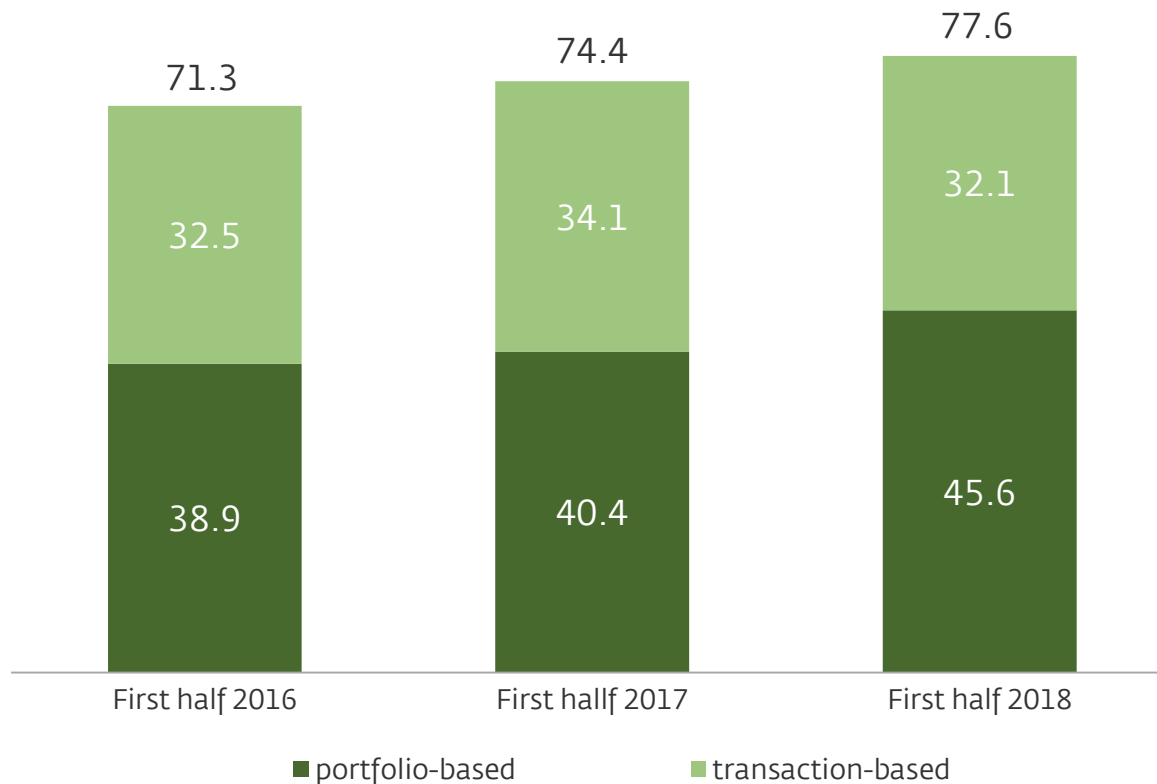
Interest income before credit loss expense (in CHF millions)



* reclassification of the position „Interest income from debt instruments“ from Income from financial investments to Other interest business in accordance with IAS 1

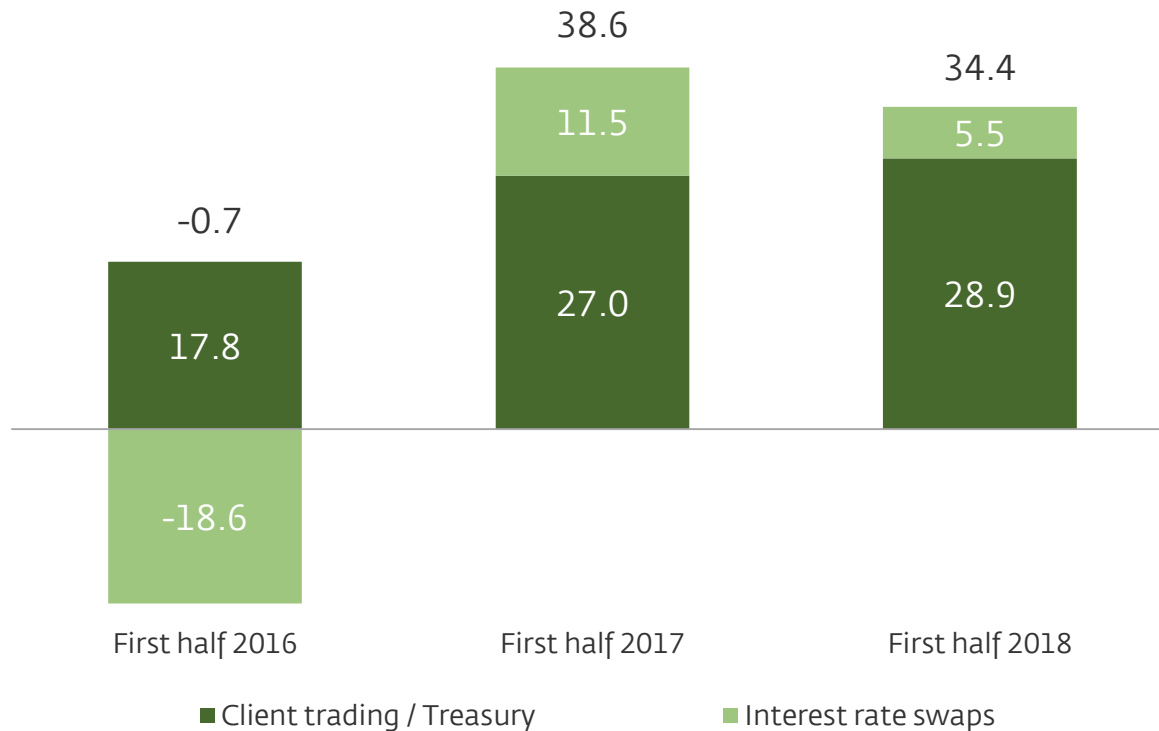
Pleasing development in commission business

Fee and commission income (in CHF millions)



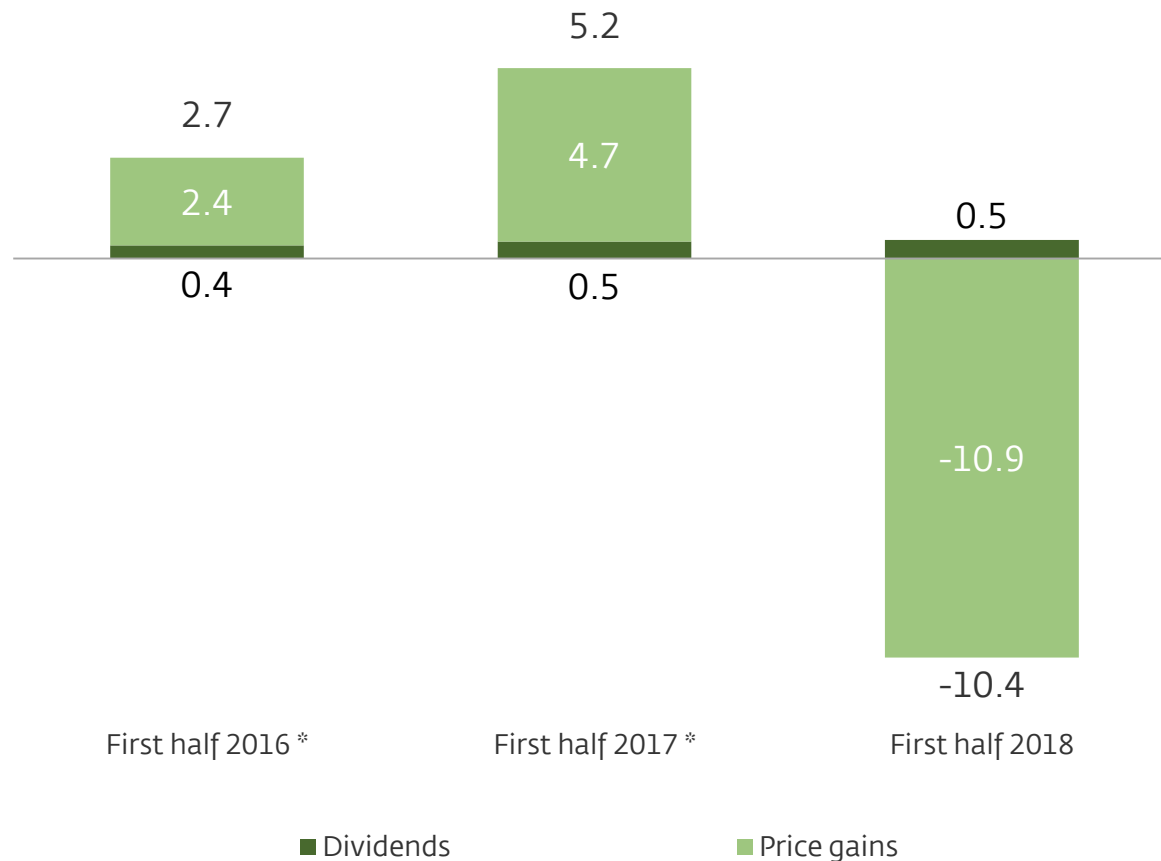
Client trading / Treasury another increase

Net trading income (in CHF millions)



Adverse impact of US Dollar interest rate hikes on financial investments

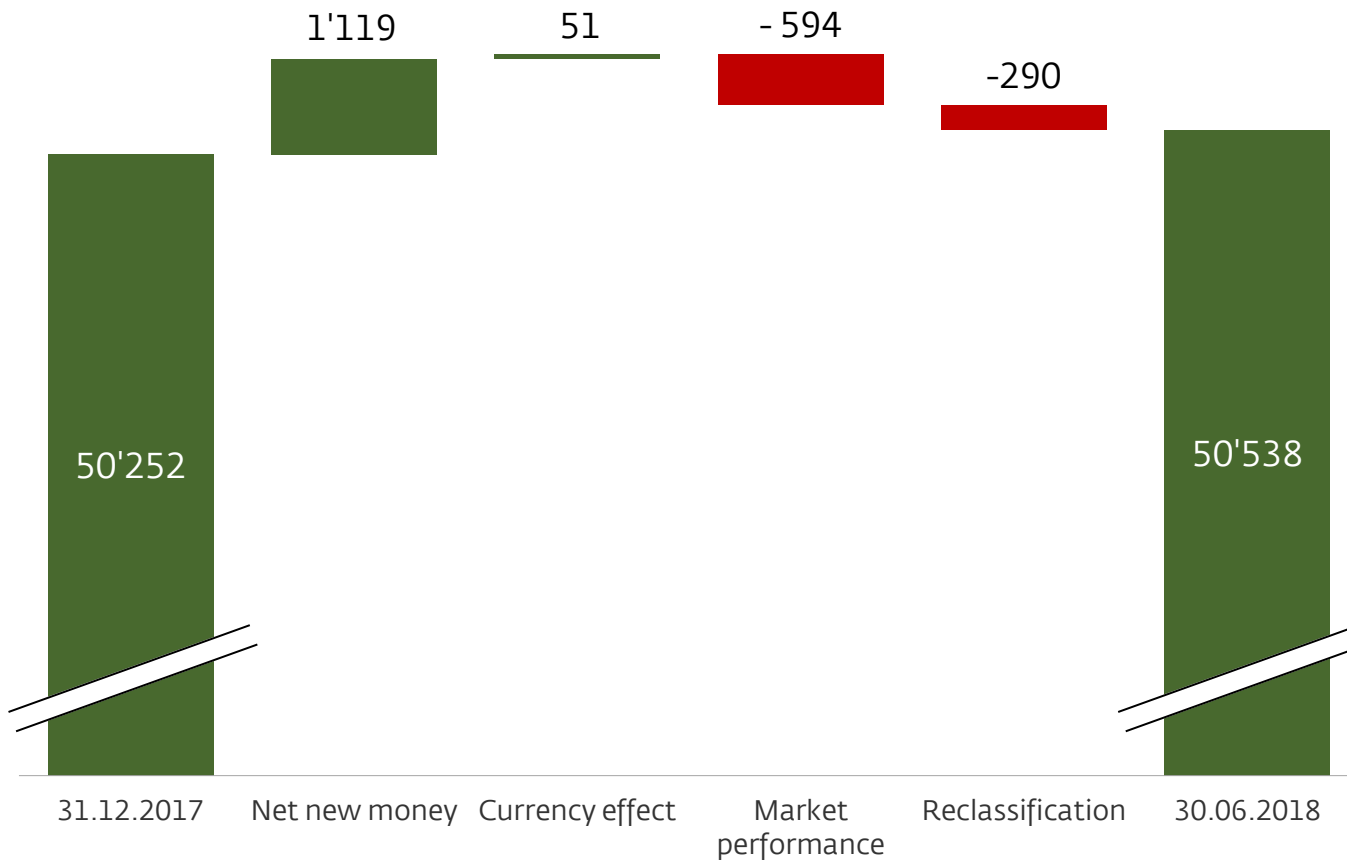
Income from financial investments (in CHF millions)



* reclassification of the position „Interest income from debt instruments“ from Income from financial investments to Other interest business in accordance with IAS 1

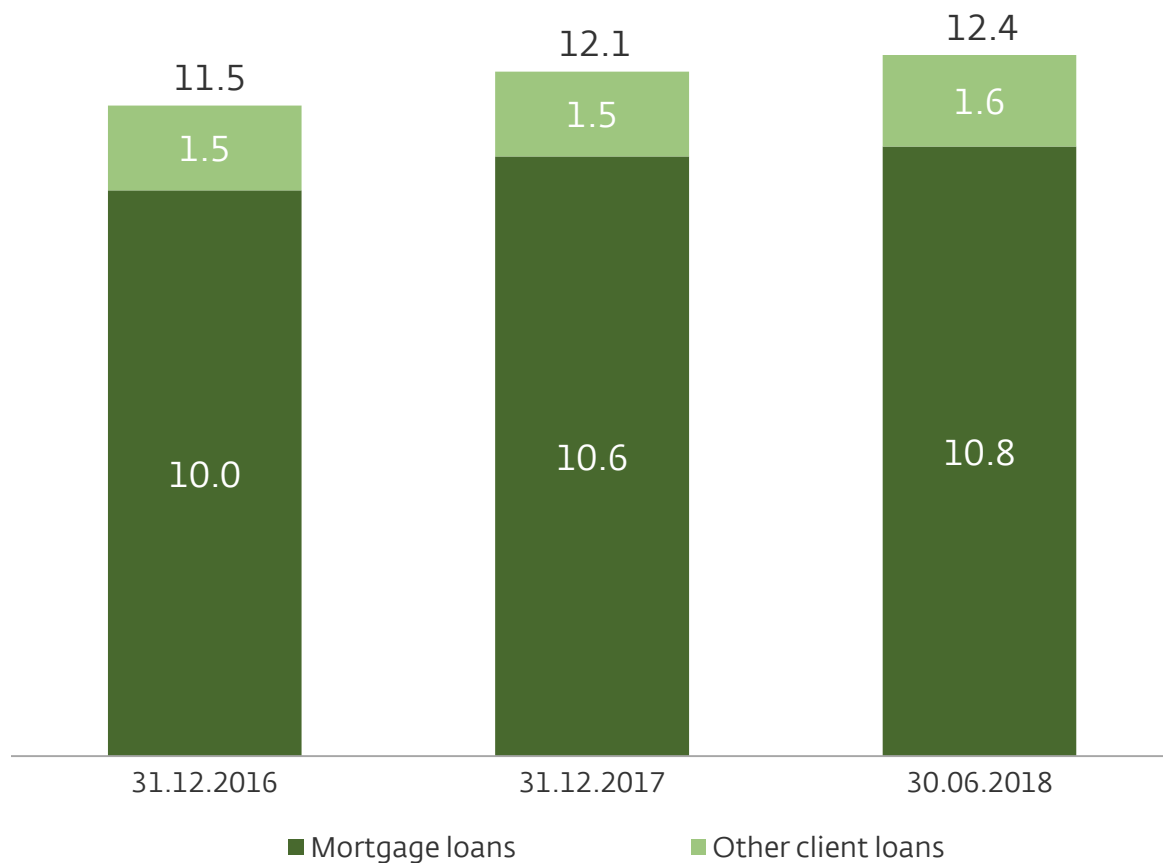
Highest net new money inflows since 2010

Development of assets under management (in CHF millions)



Continuing growth of mortgage loans

Client loans (in CHF billions)



Three high-performing market divisions

	Retail & Corporate Banking	Private Banking	Institutional Clients
Business volumes (in CHF billions)	19.0	16.5	27.7
Net new money (in CHF millions)	+200	+473	+446
Growth of client loans (in CHF millions)	+141	+72	+100
Gross margin (in bps)	71	72	32
Profit before taxes (in CHF millions)	31.6	24.7	26.3

Financial strength and stability

in CHF billions	31.12.2016	31.12.2017	30.06.2018
Bilance sheet total	20.0	20.0	21.1
Risk-weighted assets	7.6	7.6	7.8
Common equity (CET1)	1.6	1.7	1.7
in%			
Tier 1 ratio / CET1 ratio	21.0	22.2	21.6
LCR - liquidity coverage ratio	115	126	137
Leverage ratio	7.8	8.3	7.9
Moody's deposits rating	Aa2	Aa2	Aa2

Conclusion

1

Growth

- ◆ Broadly based organic growth
- ◆ Successful integration of LLB Swiss Investment
- ◆ Closing of Semper Constantia takeover on 4 July

2

Operative progress

- ◆ Increased revenues in operative business
- ◆ Strategic expansion of personnel
- ◆ Costs under control

3

Financial strength and stability

- ◆ Moody's deposits rating Aa2
- ◆ Tier 1 ratio of 21.6 percent
- ◆ Leeway for growth ambitions

StepUp2020 strategy



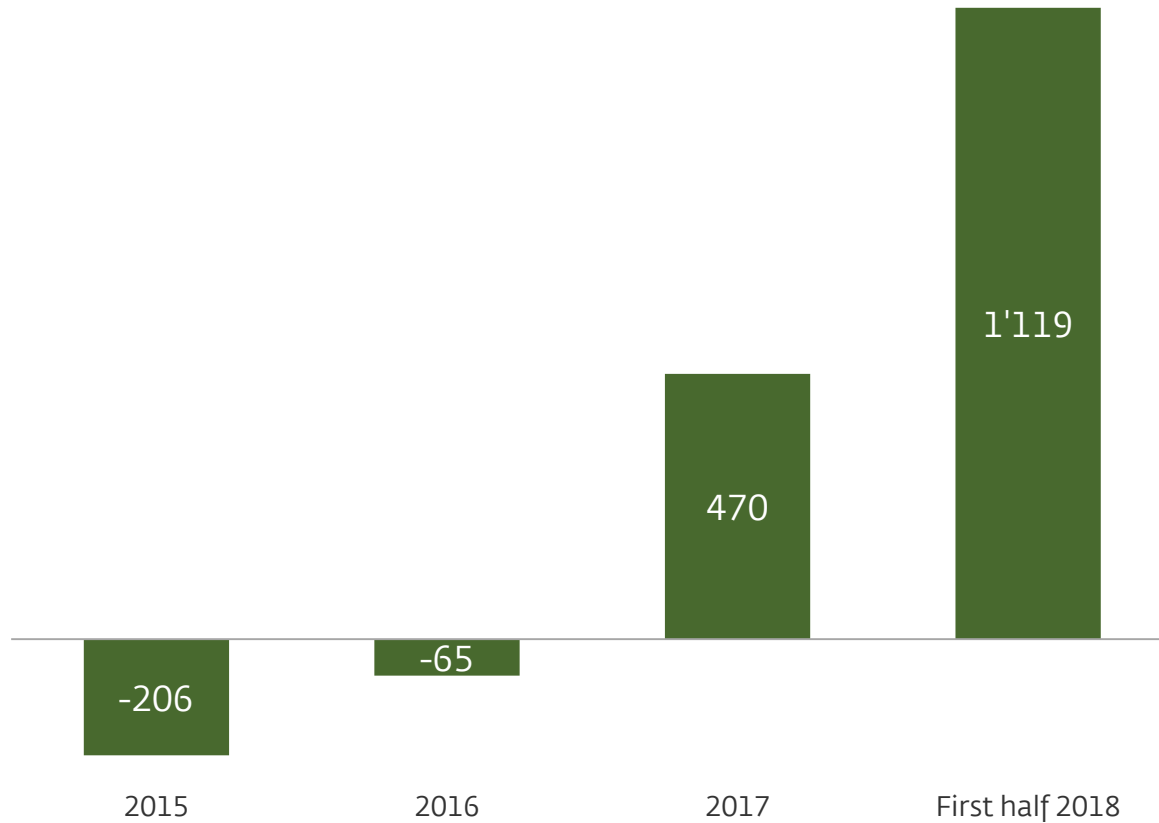
Organic growth
On course with StepUp2020



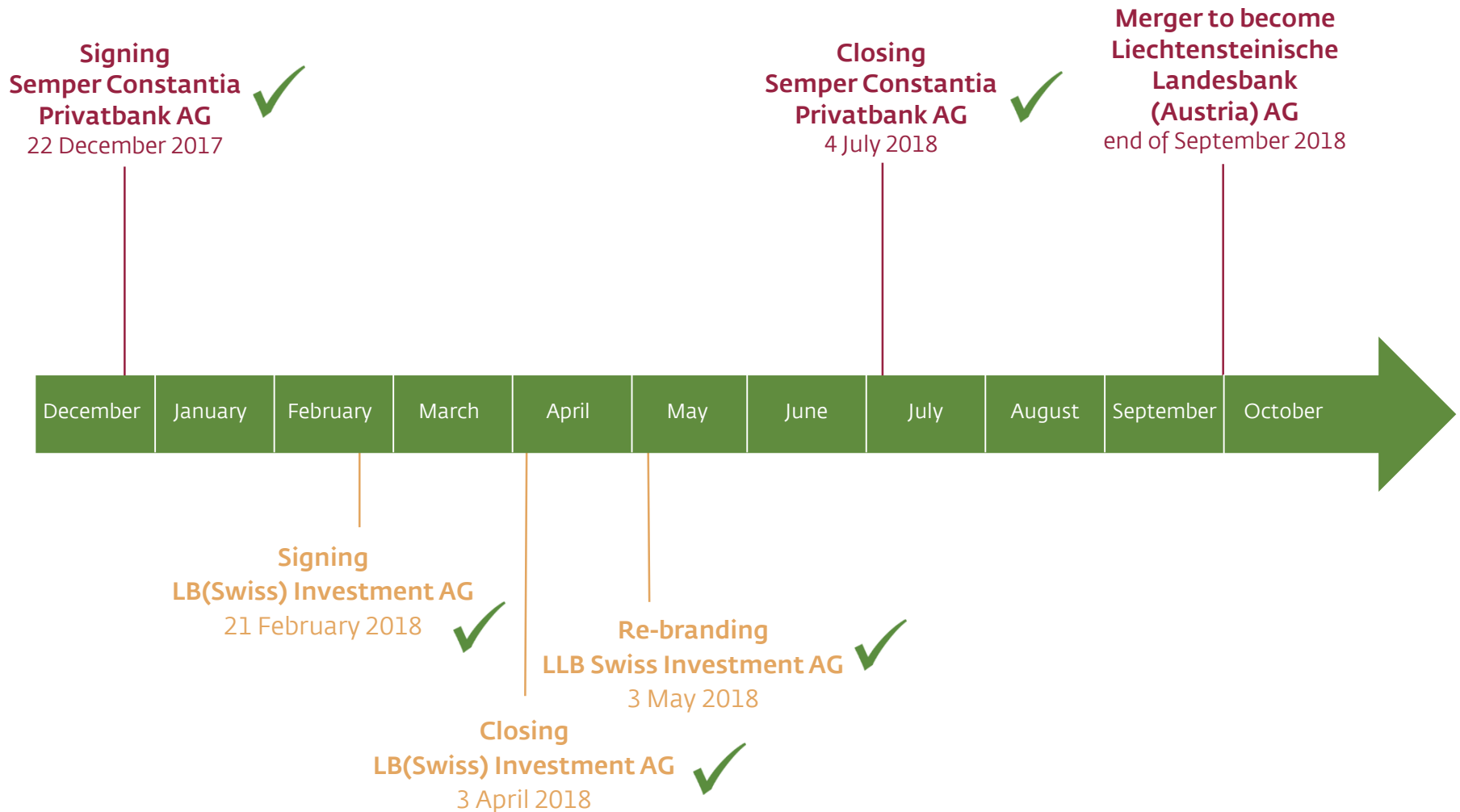
Growth through acquisitions
Strengthening of home
markets

Net new money inflows in all market divisions and booking centres

Development of net new money (in CHF millions)



Acquisitions completed quickly and as planned



LLB expands home markets of Switzerland and Austria

Growth | Profitability
Innovation | Excellence

Switzerland



Entry into the Swiss investment fund market

Made-to-measure Swiss fund solutions

Attractive growth market:
fund volume 2017 over CHF 1 trillion

Austria



Leading wealth management bank in Austria

Top service provider in private banking and
institutional business

Third strong home market

Fund business

FL 

Fund Services

Managed funds: 251
AuM: CHF 12.5 billion

A 

Investment fund business Semper Constantia Group

Managed funds: 295
AuM: EUR 13.5 billion

CH 

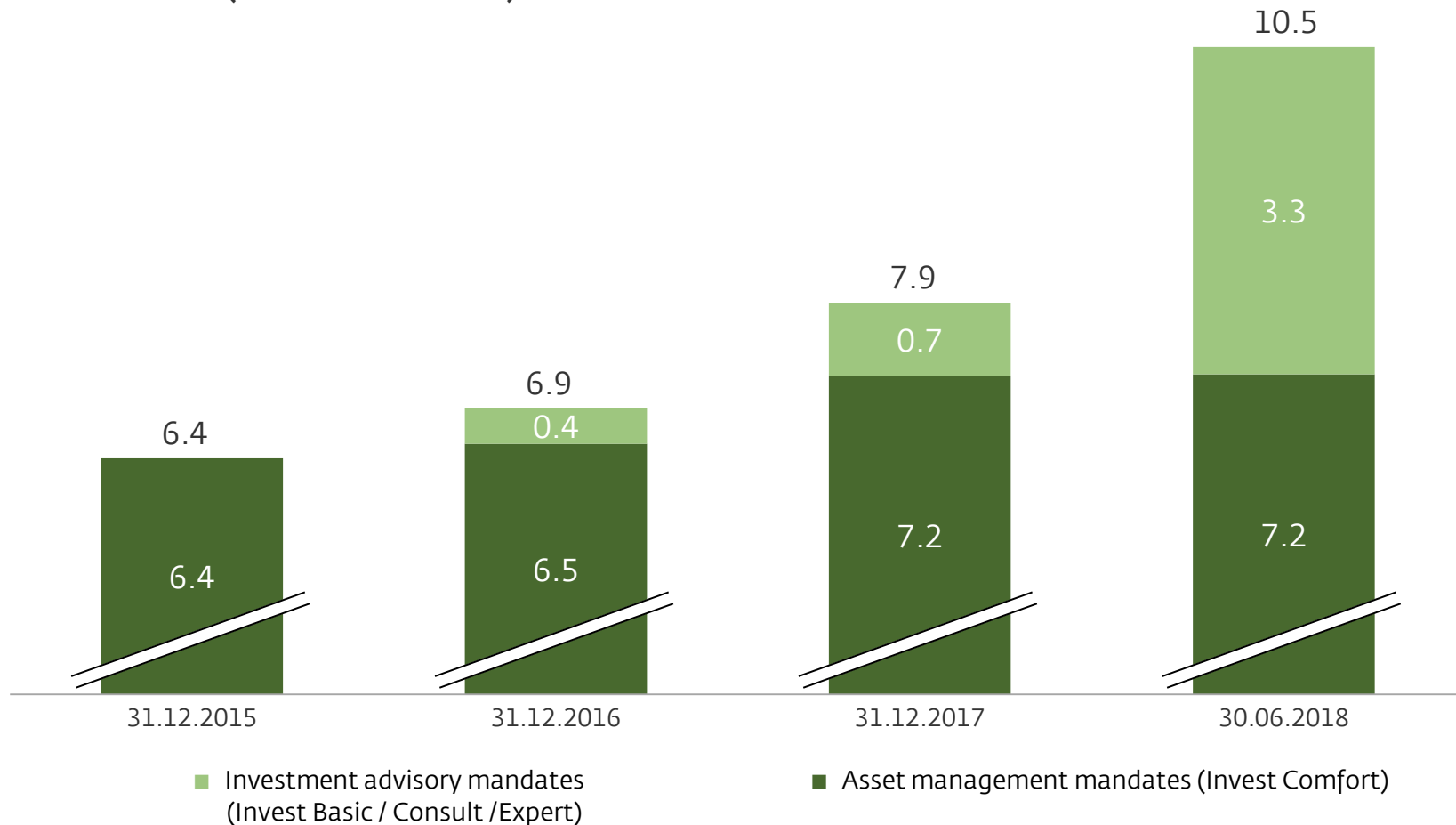
LLB Swiss Investment

Managed funds: 52
AuA: CHF 4.8 billion

LLB Asset Management AG

Higher profitability thanks to innovative products

LLB Invest (in CHF billions)





**Account / custody account
self-service**



**Expansion of interfaces:
EBICS, Connect
payment processes / stock market
orders**



**Digital banking platform:
new analysis / reporting possibilities for
intermediaries**



Introduction of eBill

The bank in your pocket

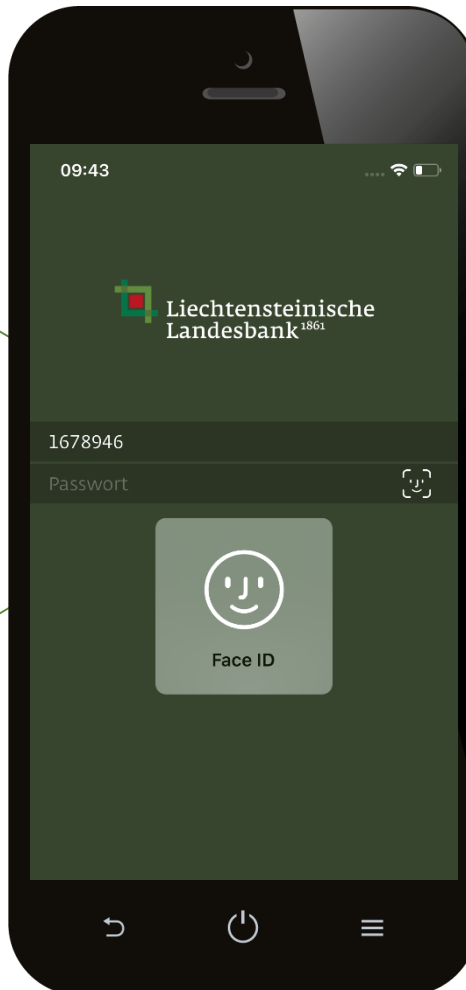
Growth | Profitability
Innovation | Excellence



Practical **self-service**
for Maestro cards



Scan & Pay
fast, simple payments



Modern **design** for iOS
and Android



Login with touch ID
and face ID
convenient and secure

30 %

of employees utilise lean methods

58 %

of 700 defined measures have been implemented



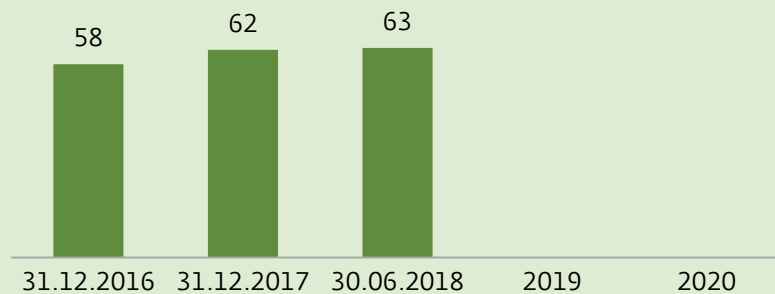
Our employees
take responsibility

Outlook

On course to achieve 2020 financial goals – Focus on profitability

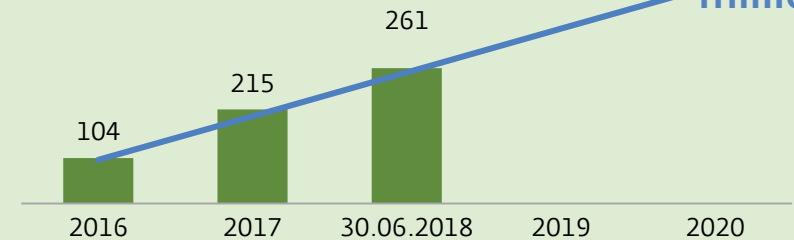
Business volumes

> CHF 70 billion



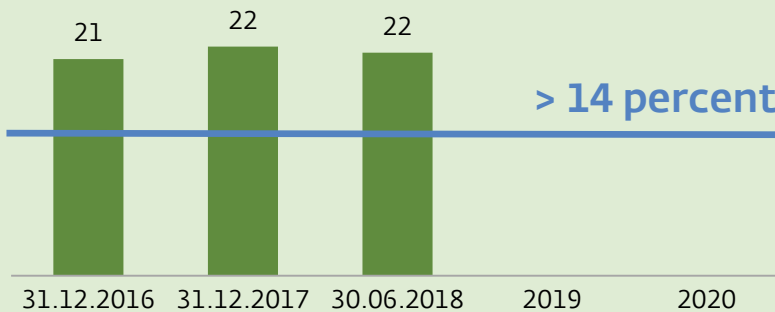
Cumulative business result

> CHF 500 million



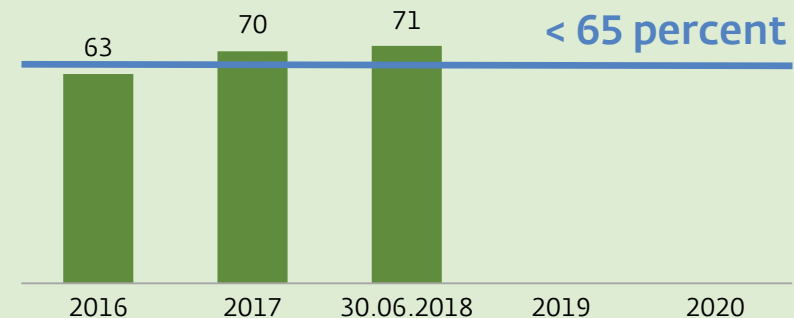
Tier 1 ratio

> 14 percent



Cost/income ratio

< 65 percent



Strategic priorities

-
- 1 Profitability and cost management
 - 2 Integration of Semper Constantia Privatbank
 - 3 Digitalisation
 - 4 Modern bank branches
 - 5 Lean management
-

Q&A

Contact and financial calendar

Contact

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Financial calendar

Presentation of 2018 business result

Thursday, 14 March 2019

27th Annual General Meeting of Shareholders

Friday, 3 May 2019

Disclaimer

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Thank you!



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