

8 March 2018

Media and analyst conference of the LLB Group

2017 annual business result

Agenda

Introduction

Georg Wohlwend, Chairman BoD

Financial result

Christoph Reich, Group CFO

StepUp2020 strategy

Roland Matt, Group CEO

Focus: M&A

Roland Matt, Group CEO

Outlook 2018

Roland Matt, Group CEO

Q&A

Introduction

Increase in profit to CHF 111 million

Tier 1 ratio

22.2 %
(+1.2 pp)

Assets under
management

CHF 50.3 billion
(+8.2 %)

Group net profit
CHF 111.3
million
(+7.1 %)

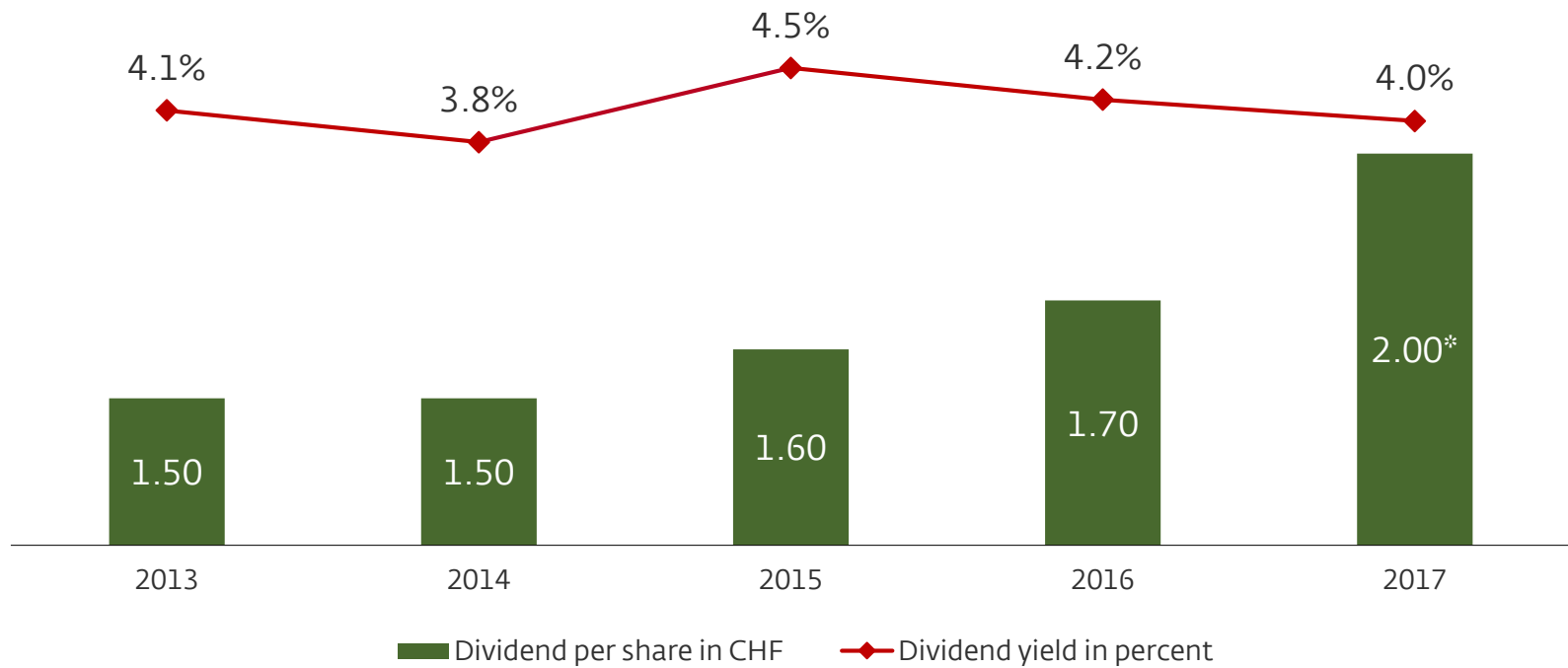
Cost/income ratio

69.6 %
(+6.8 pp)

Client loans

CHF 12.1 billion
(+4.7 %)

18-percent higher dividend



* Proposal of the Board of Directors to the General Meeting of Shareholders of 9 May 2018

Nomination of new members of the Board of Directors



Thomas Russenberger

Global Head of Human Resources
thyssenkrupp Presta



Dr. Richard Senti

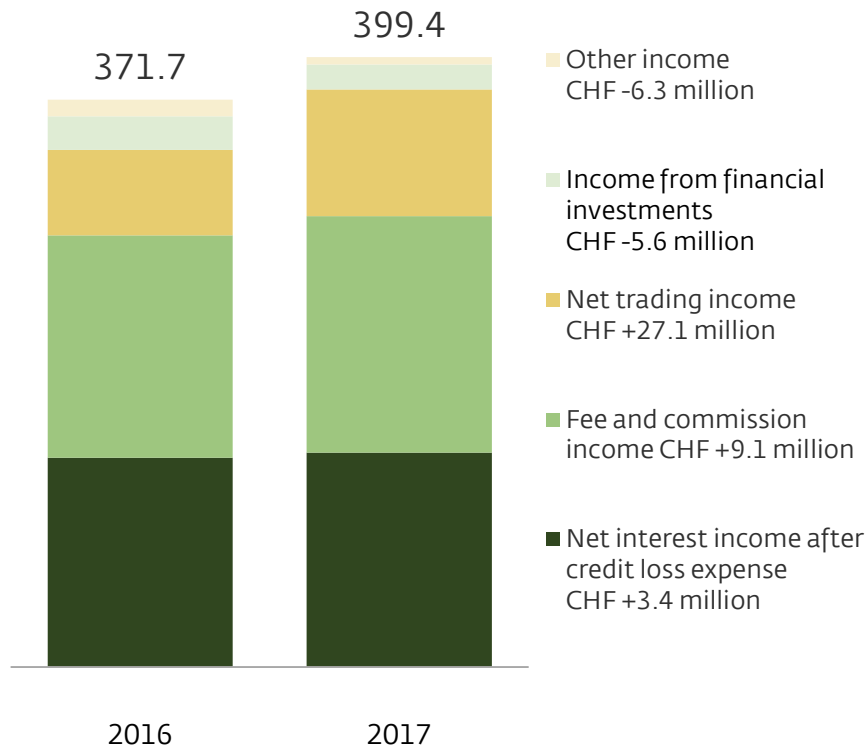
Chief Financial Officer
Hoval Gruppe

Financial result

Increased operative efficiency

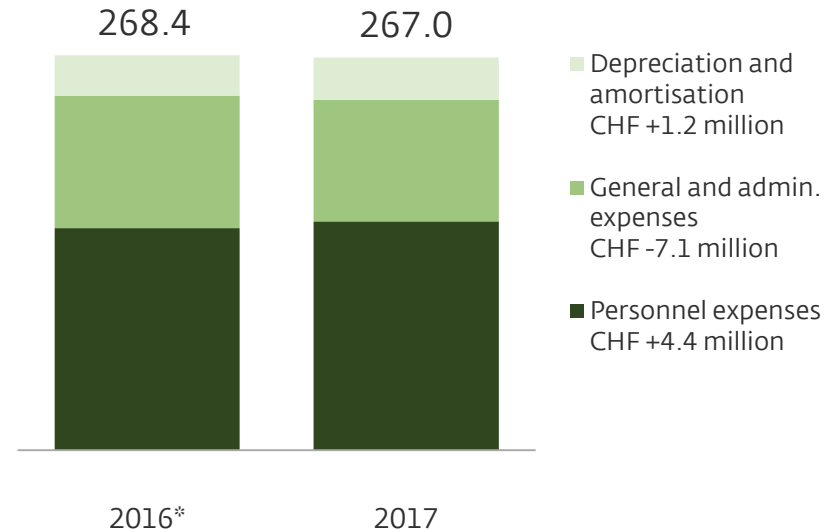
Operating income (in CHF millions)

↑ +27.7 million (+7.5 %)



Operating expenses (in CHF millions)

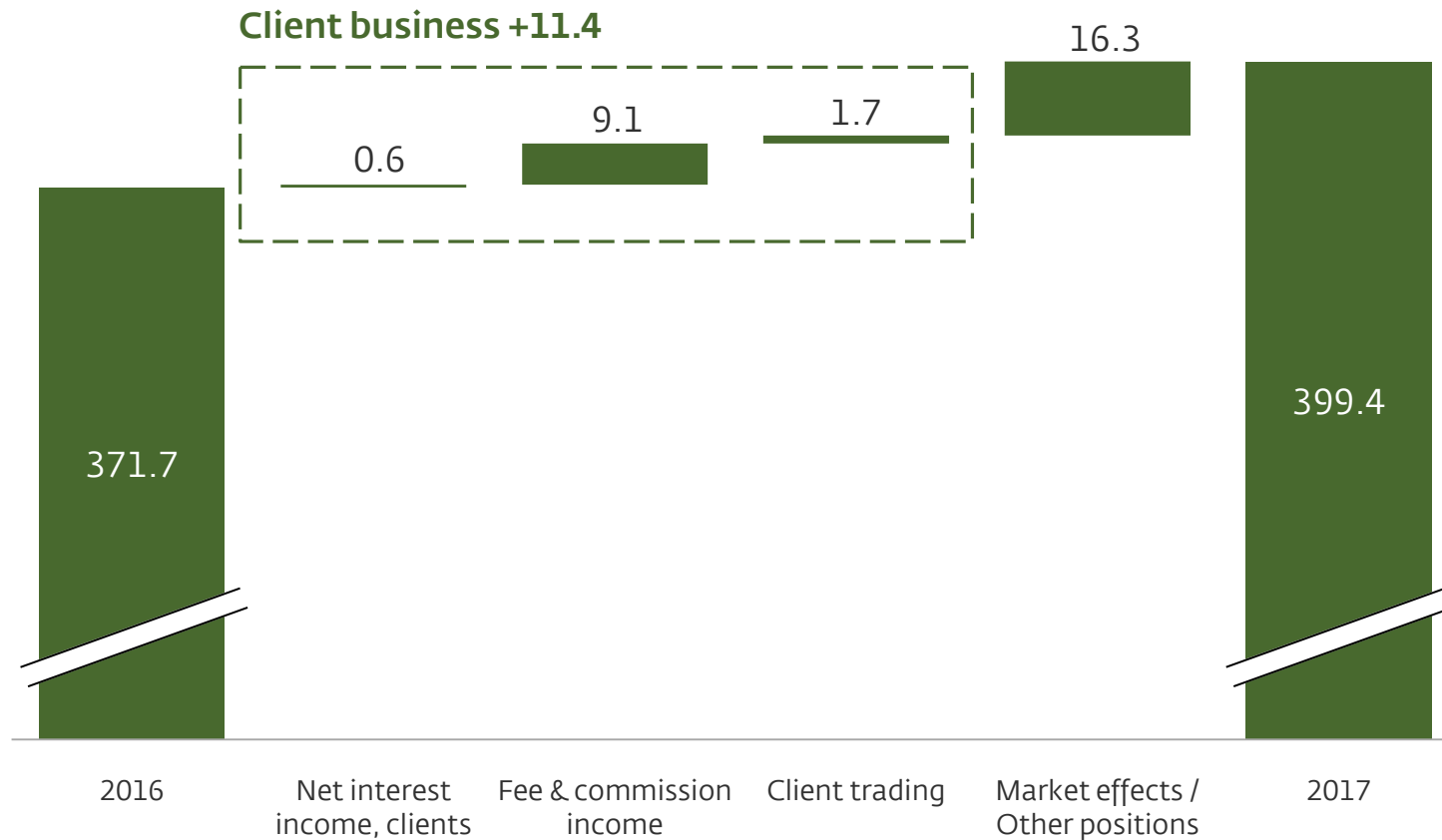
➡ stable



* adjusted for one-time reduction in expenses for pension obligations of CHF 10.2 million

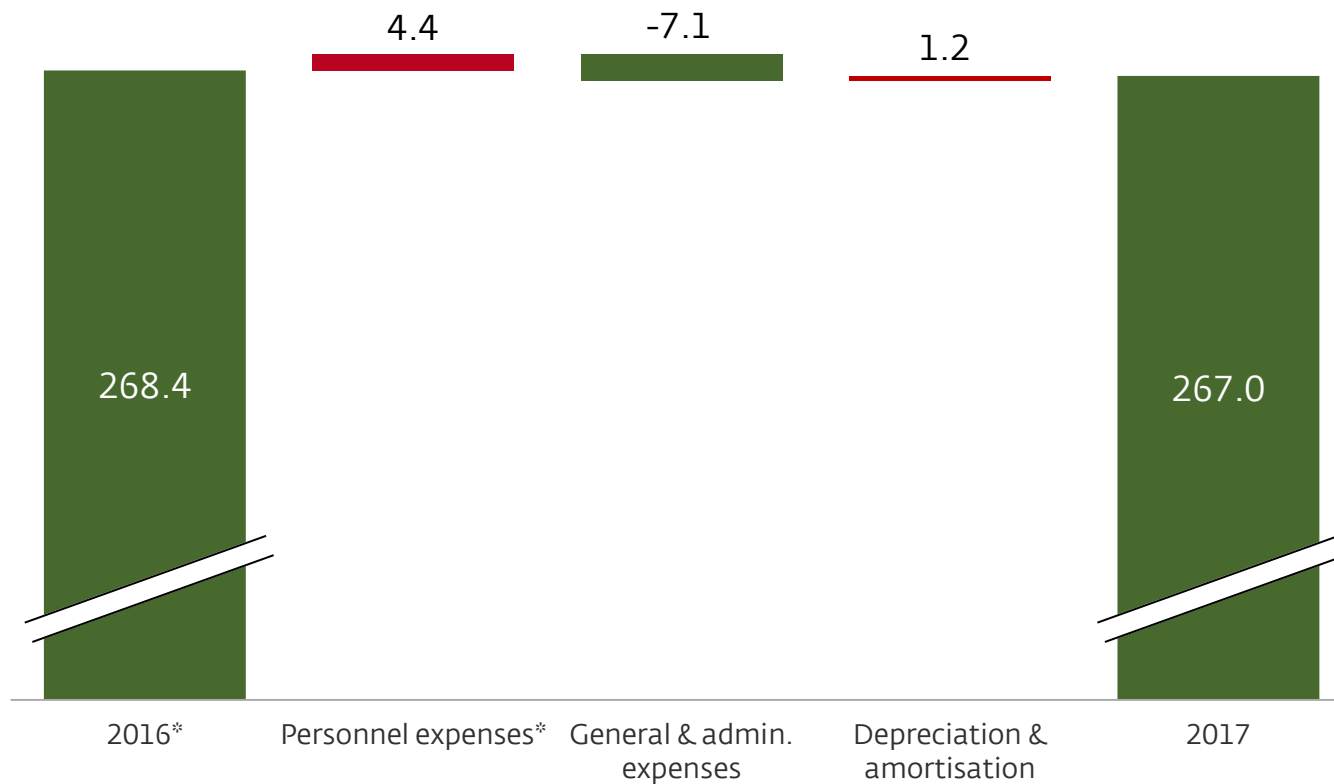
Higher earning power in client business

Operating income (in CHF millions)



Stable operating expenses

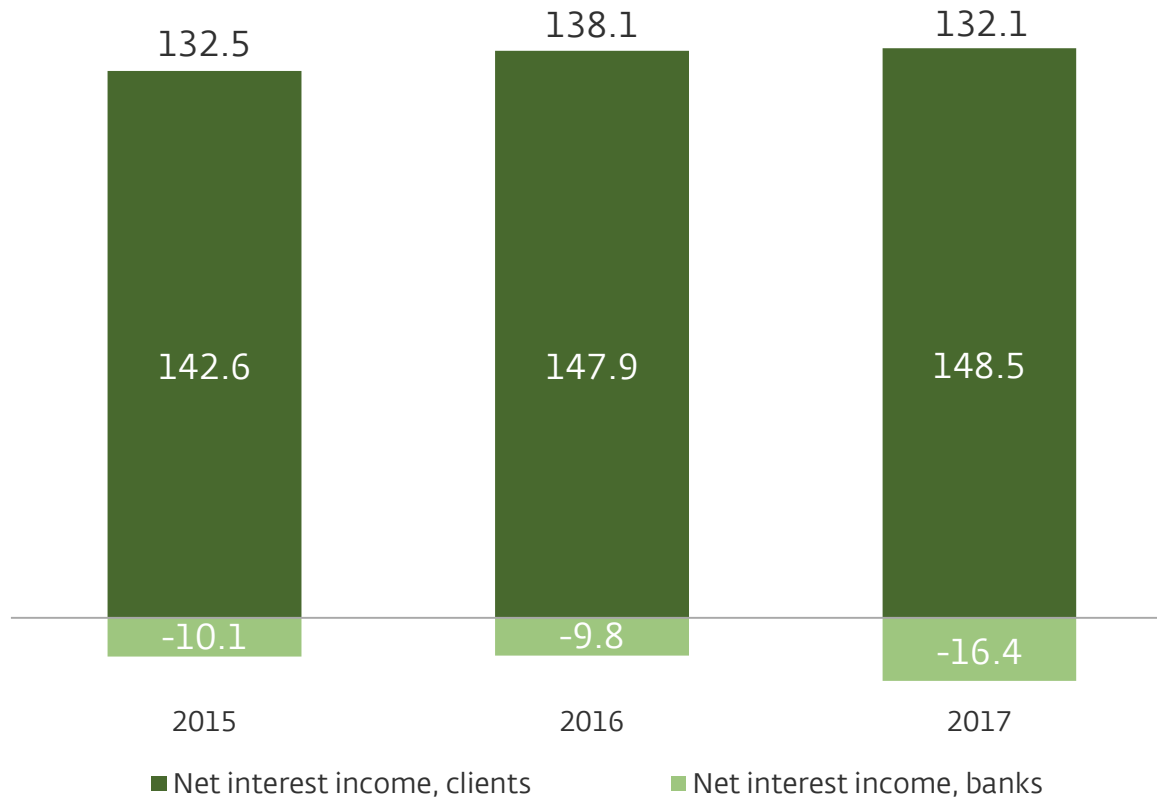
Operating expenses (in CHF millions)



* adjusted for one-time reduction in expenses for pension obligations of CHF 10.2 million

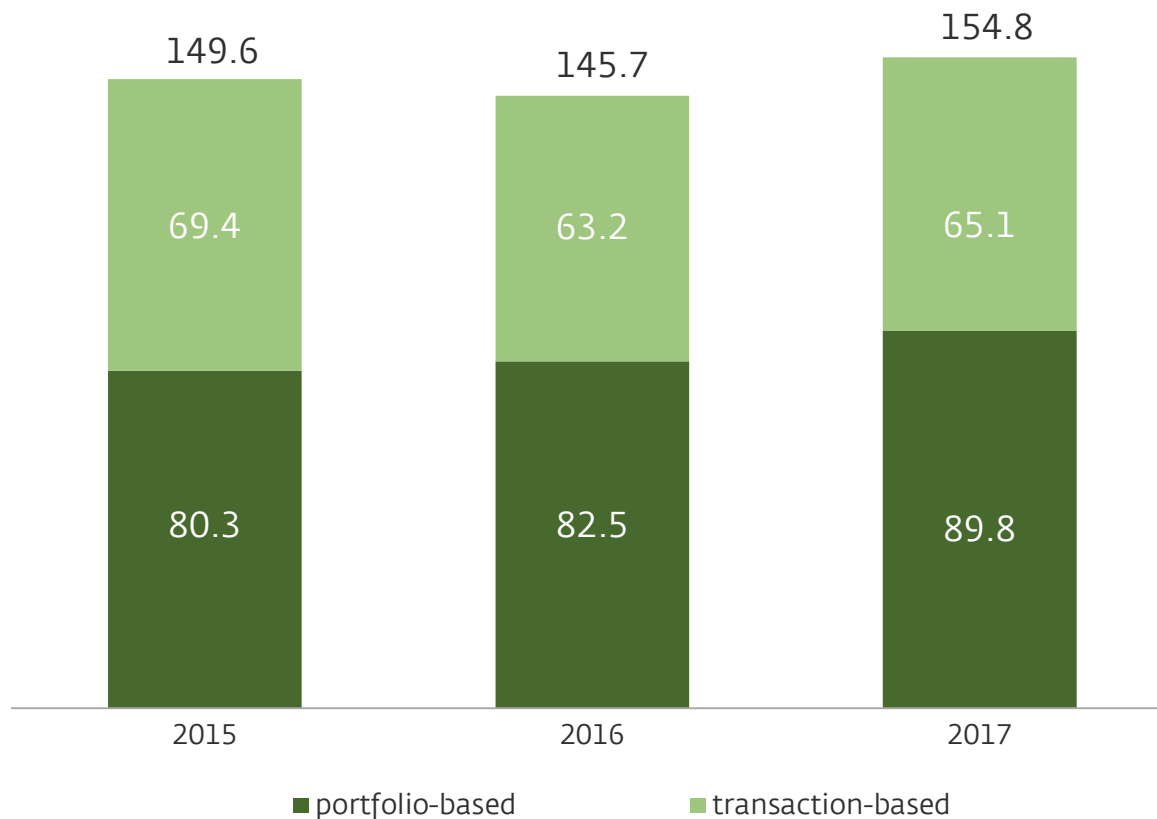
Pleasing interest business with clients

Interest income before credit loss expense (in CHF millions)



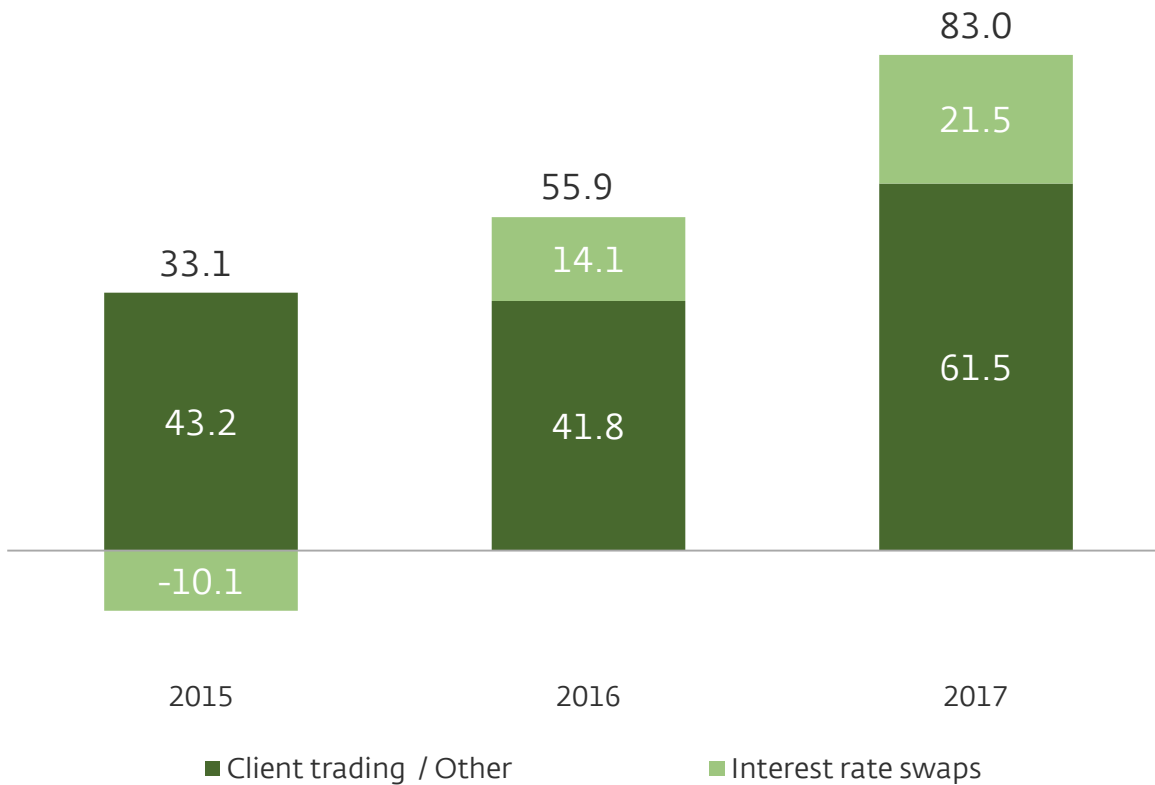
Earnings growth in fee and commission business

Fee and commission income (in CHF millions)



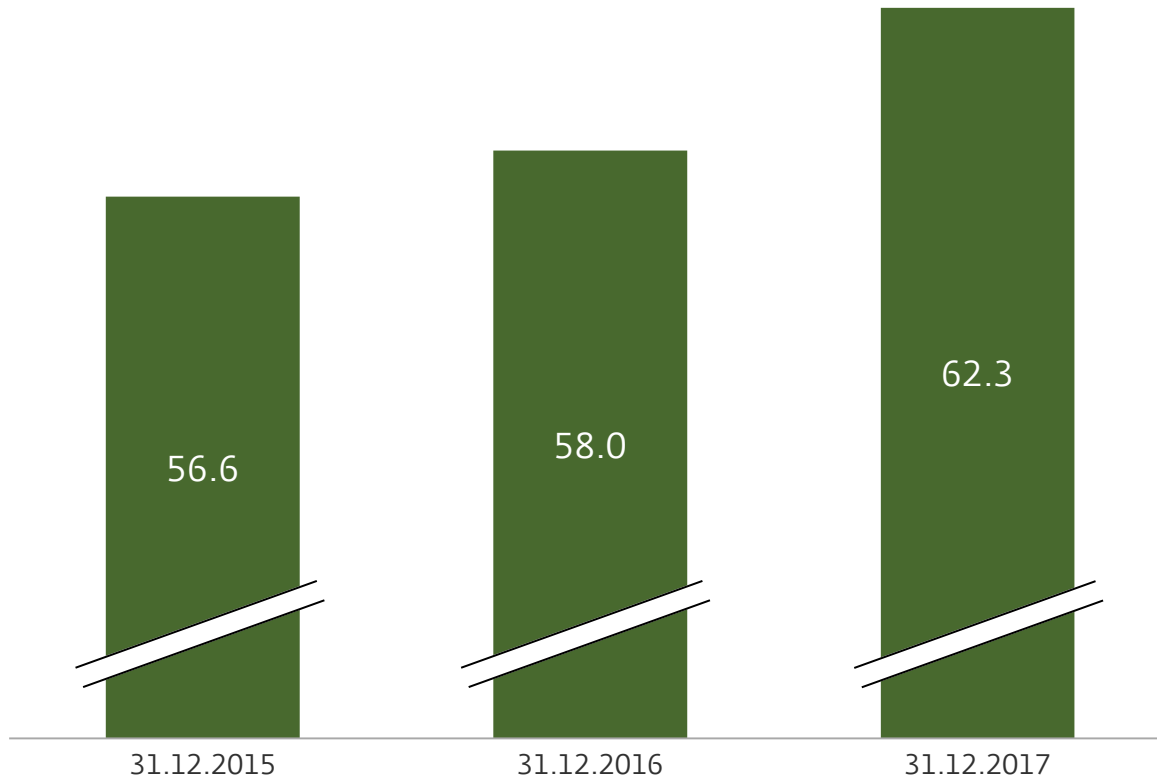
Higher client trading activity

Net trading income (in CHF millions)



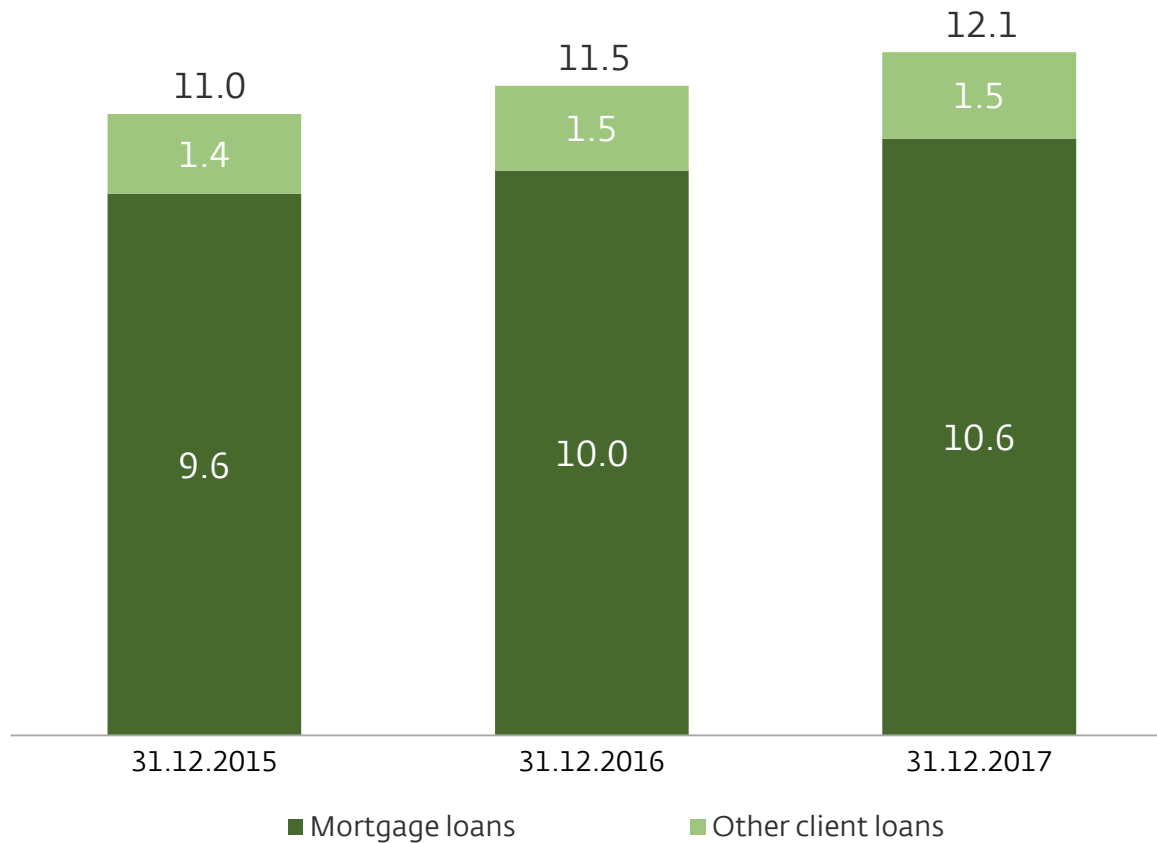
Business volume increased by 8 percent

Business volume (assets under management and client loans in CHF billions)



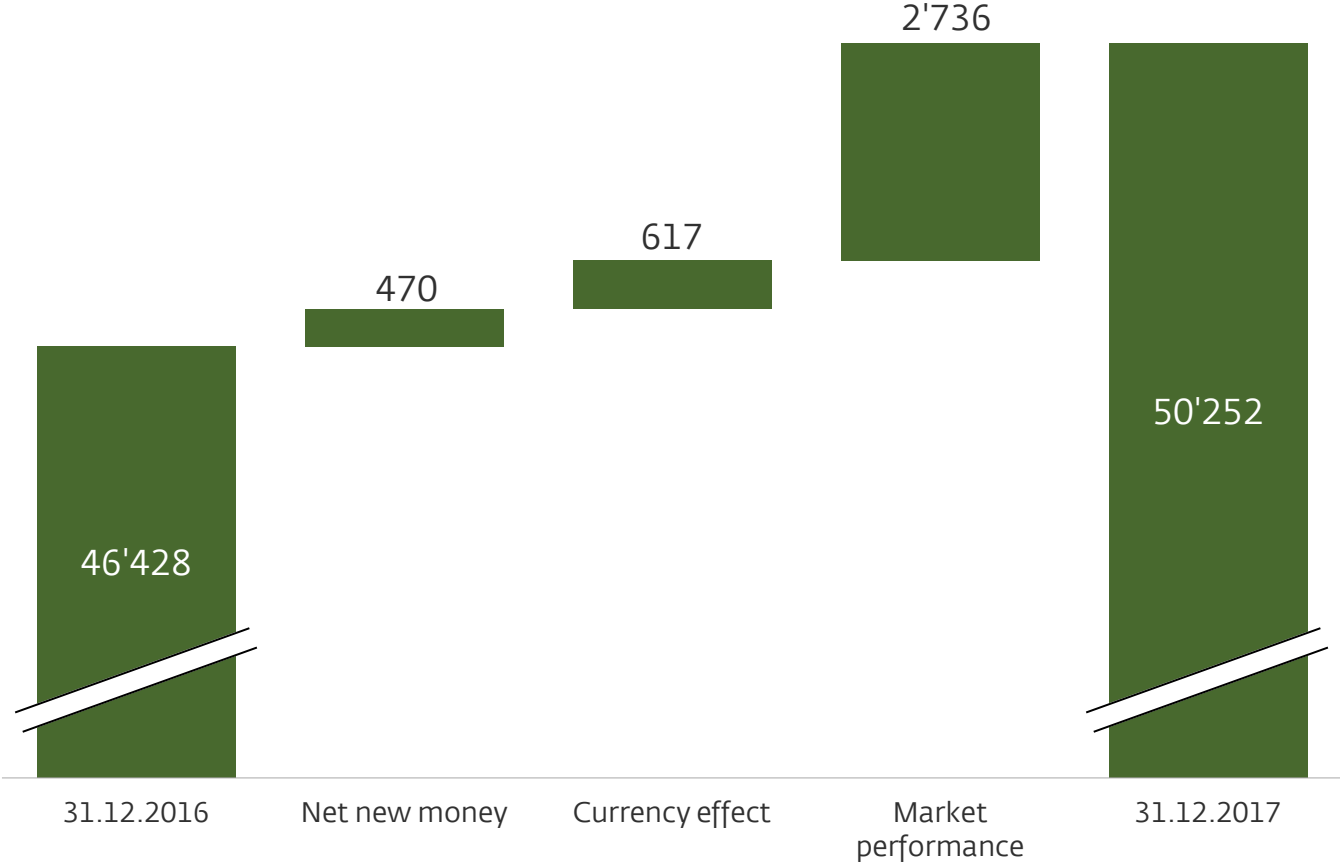
Mortgage growth above market level

Client loans (in CHF billions)



Trend reversal with net new money

Development of assets under management (in CHF millions)



Three market divisions with strong results

	Retail & Corporate Banking	Private Banking	Institutional Clients
Business volume (in CHF billions)	18.8	16.0	27.8
Net new money (in CHF millions)	-100	+172	+397
Growth of client loans (in CHF millions)	+633	+220	-218
Gross margin (in bps)	71	70	31
Profit before taxes (in CHF millions)	49.0	45.5	56.0

Moody's Aa2 rating confirms LLB financial strength

in CHF billions	31.12.2015	31.12.2016	31.12.2017
Balance sheet total	19.7	20.0	20.0
Risk-weighted assets	7.6	7.6	7.6
Common equity (CET1)	1.6	1.6	1.7
Tier 1 ratio / CET1 ratio (in %)	20.6	21.0	22.2
LCR - Liquidity coverage ratio (in %)	-	115	126
Leverage ratio (in %)	-	7.8	8.3
Moody's deposit rating	-	Aa2	Aa2

Conclusion

1

Accelerated growth

- ◆ Successful acquisitions
- ◆ Trend reversal with new money
- ◆ Mortgage growth above market level

2

Improved profitability

- ◆ Significantly improved client business
- ◆ Operating expenses stable
- ◆ Tail wind thanks to interest markets

3

Stability and security

- ◆ Tier 1 ratio of 22.2 percent
- ◆ Moody's deposit rating Aa2
- ◆ Leeway for further growth ambitions

StepUp2020 strategy



Business volume
increased by 8 percent



Trend reversal with
net new money

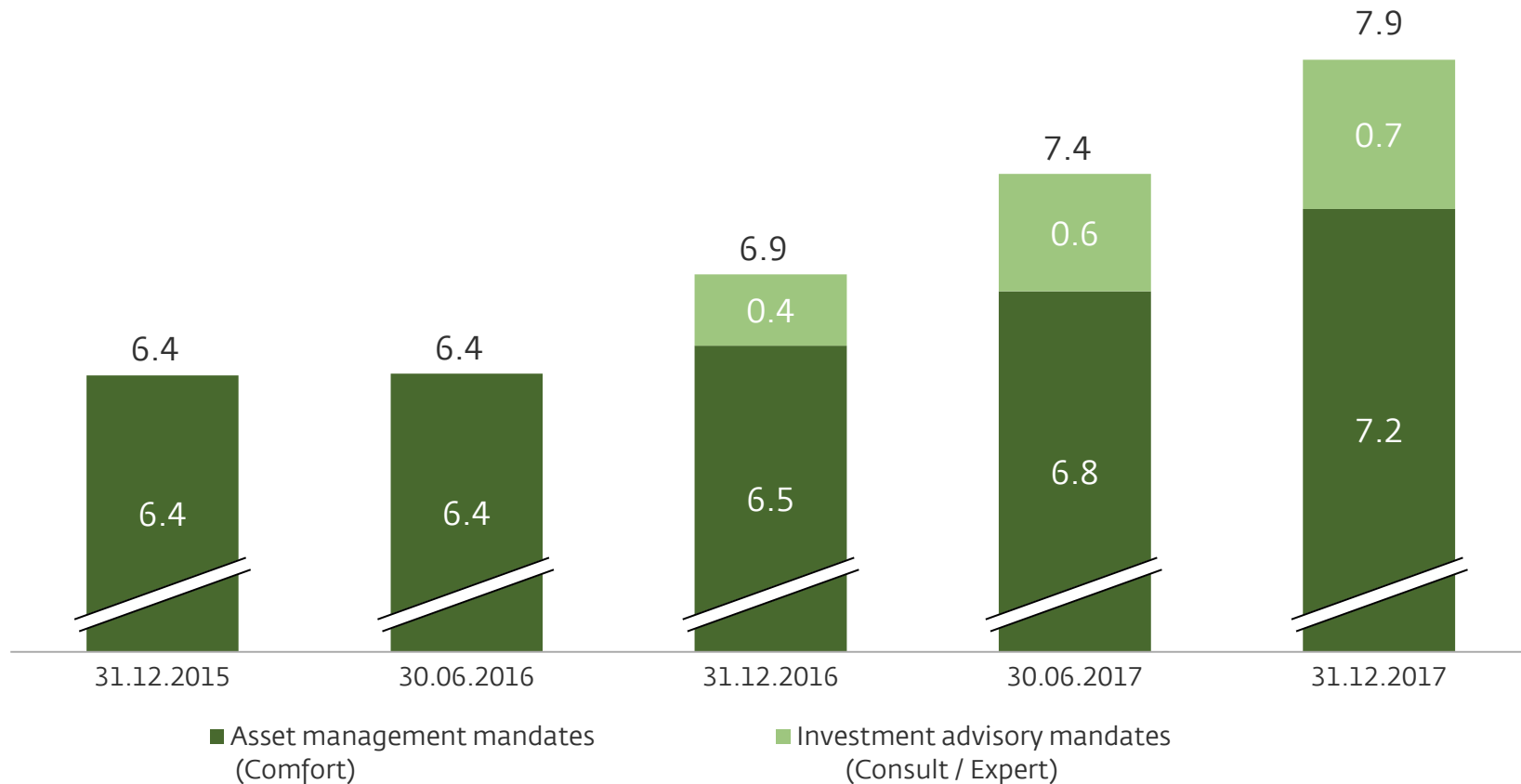


Market shares in
mortgage lending
expanded

Client trust

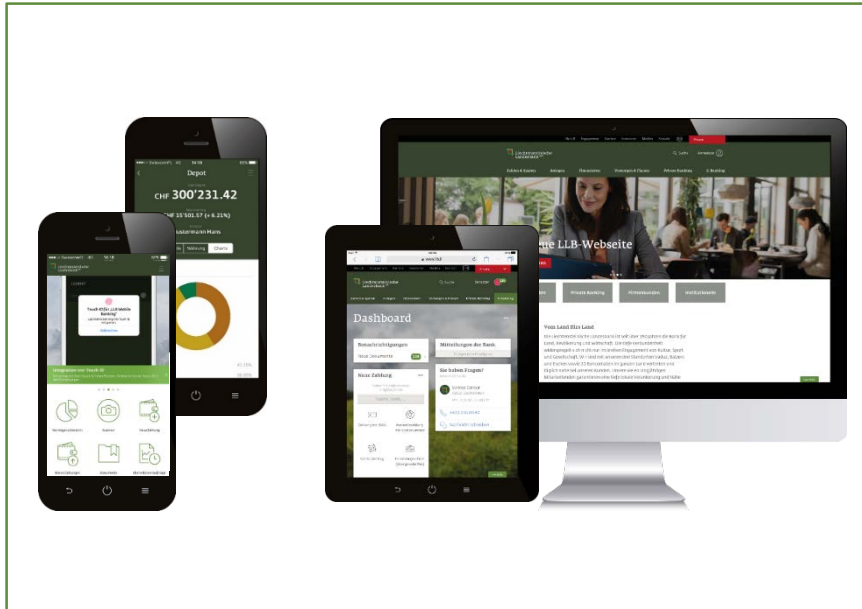
Higher profitability thanks to innovative products

LLB Invest (in CHF billions)



Digitalisation and bank branch of the future

Growth | Profitability
Innovation | Excellence



Portal, Online & Mobile Banking



Bank branch

- ◆ Innovative design
- ◆ Highest security standard
- ◆ One-stop-shopping portal

- ◆ New bank branch concept
- ◆ New design of Bank Linth headquarters
- ◆ In 2018, conversion of 9 bank branches

Excellent staff

Growth | Profitability
Innovation | Excellence



LLB Asset Management

- ◆ Largest investment team in Liechtenstein
- ◆ Over 30 employees
- ◆ 40 investment funds
- ◆ CHF 11 billion under management
- ◆ Value-based investment concept
- ◆ GIPS certification

Awards for investment performance



WINNER OF THE 2018
THOMSON REUTERS
LIPPER FUND AWARDS
SWITZERLAND

LIECHTENSTEINISCHE LANDESBANK
BEST GROUP OVER 3 YEARS
OVERALL SMALL COMPANY



Focus: M&A

Semper Constantia Privatbank AG: First-class asset management

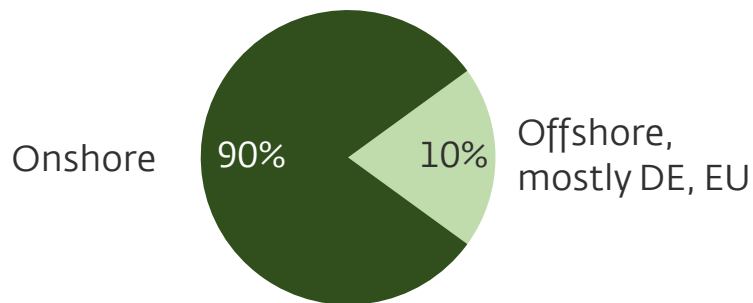
Business areas

- ◆ Asset management and advice
- ◆ Investment funds and custodian bank business
- ◆ Real estate

Profit	EUR 9.2 Mio.
RoE	16.9 %
Capital Ratio	25.2 %



Regional client structure

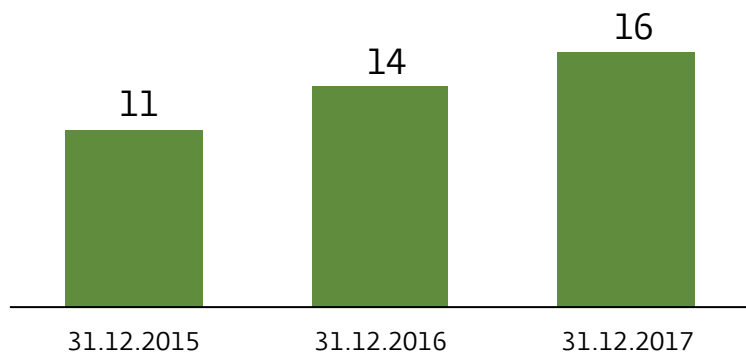


Employees (full-time equivalents)

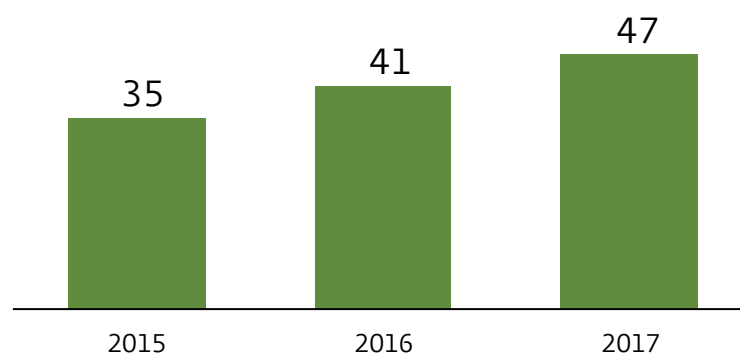
178
in Vienna

Business development of Semper Constantia

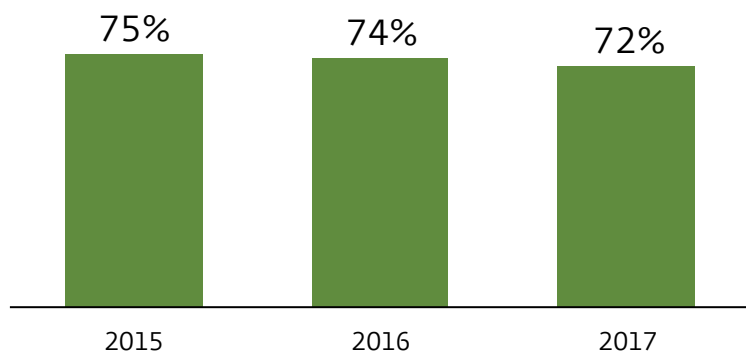
Assets under management
(in EUR billions)



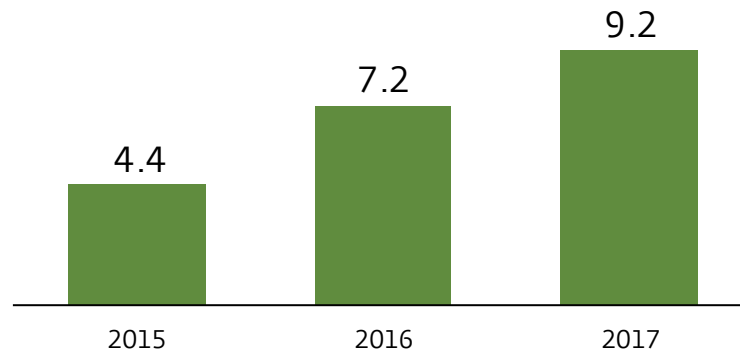
Operating income
(in EUR millions)



Cost/income ratio
(in %)



Net profit for the year (excl. participation interest)
(in EUR millions)



pre-audit; local GAAP

Key figures pro-forma for the entire Group

31.12.2017	LLB Group	Semper Constantia	Pro-forma Group
Business volumes, in CHF billions	62	19	81
of which Private Banking	16	3*	19
of which Institutional Clients	28	16**	44
of which Retail & Corporate Banking	19	0	19
Headcount, in FTE	867	178	1'045

* Gross margin Private Banking around 70 Bp

** Institutional business around 20 Bp

2017

Operating income, in CHF millions	399	54	453
Operating expenses, in CHF millions	267	43	310

Estimates; LLB Group IFRS; Semper Constantia local GAAP

Top-player in Austria

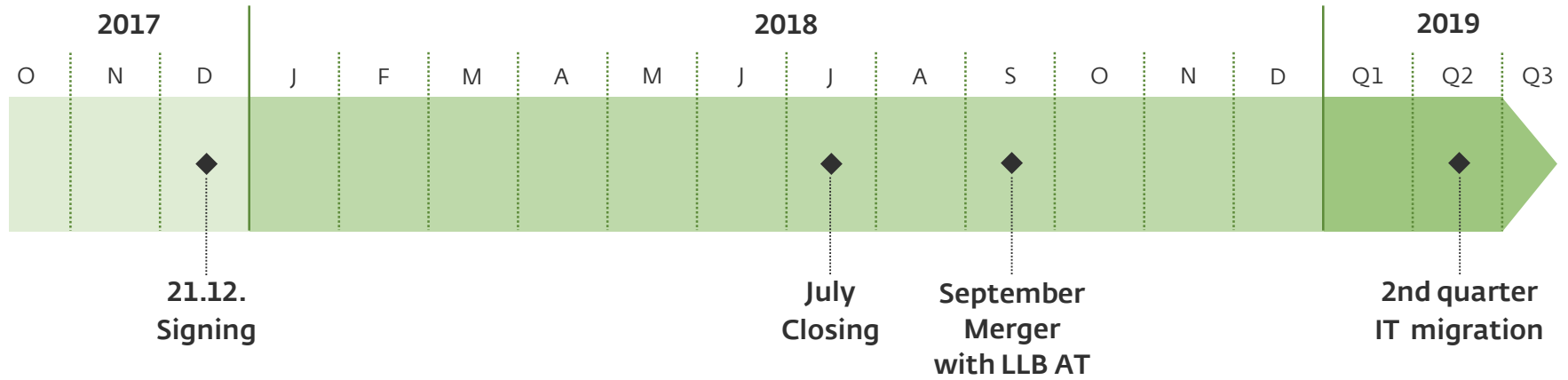
1 **Strengthening of** private banking in Austria

2 **Expansion of** institutional business in Austria

3 Third home market with **critical mass** in all business areas

4 **Positive contribution** to business result from 2019

Timetable for integration of Semper Constantia



LB(Swiss) Investment AG: access to Swiss market for investment fund services

Business areas

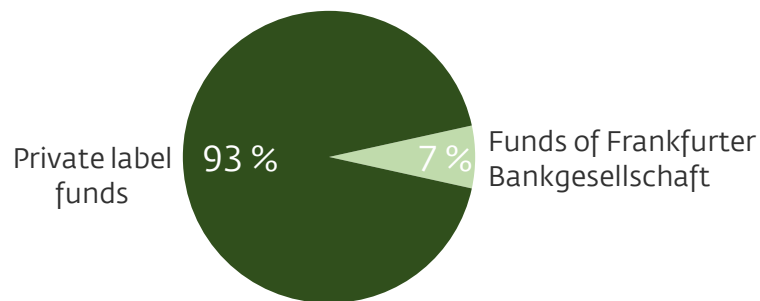
- ◆ Setting up and management of Swiss funds
- ◆ Representation of foreign funds
- ◆ Compliance
- ◆ Risk management

Number of funds 51

Assets under administration CHF 4.9 billion

LB Swiss
Investment
FONDSGESELLSCHAFT

Client structure



Employees
(full-time equivalents)

10
in Zurich

Fund powerhouse in the FL-A-CH region

Fund business

FL



**Fund Services
business area**

**Managed funds: 255
AuM: CHF 12.9 billion**

A



**Investment fund
business
Semper Group**

**Managed funds: 299
AuM: EUR 12.8 billion**

CH



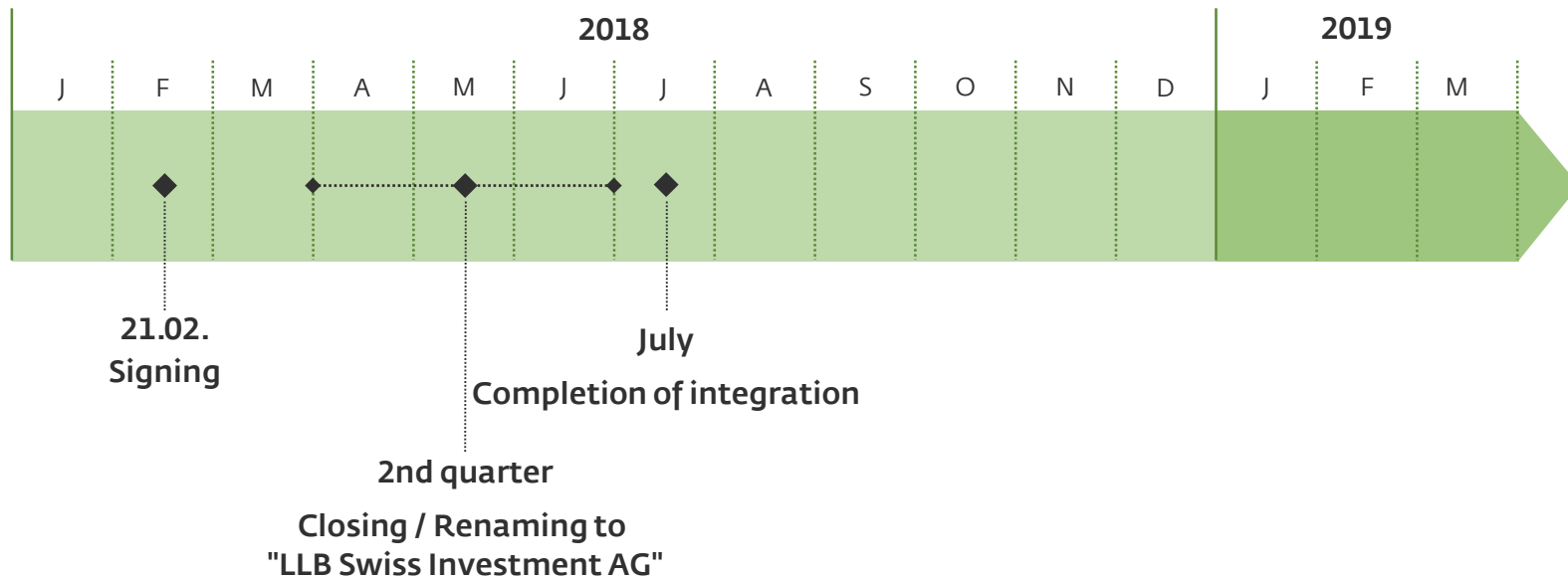
**LB(Swiss)
Investment**

**Managed funds: 51
AuA: CHF 4.9 billion**

LLB Asset Management AG



Timetable for integration of LB(Swiss) Investment



Quantum leap in realisation of strategy

1 Acquisitional growth achieved

2 TOP-player in Austria

3 Fund powerhouse in the FL-A-CH region

4 Positive contribution to business result from 2019

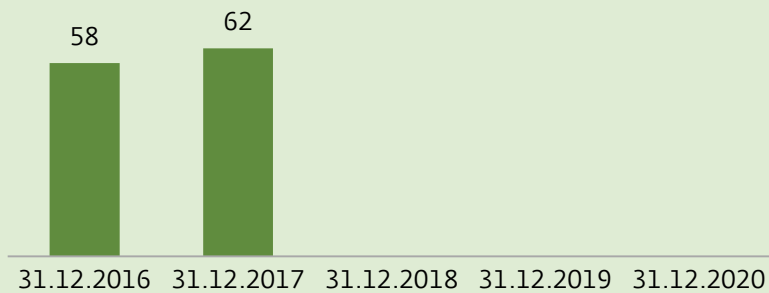
5 Further leeway for growth ambitions

Outlook 2018

On course to achieve 2020 financial goals

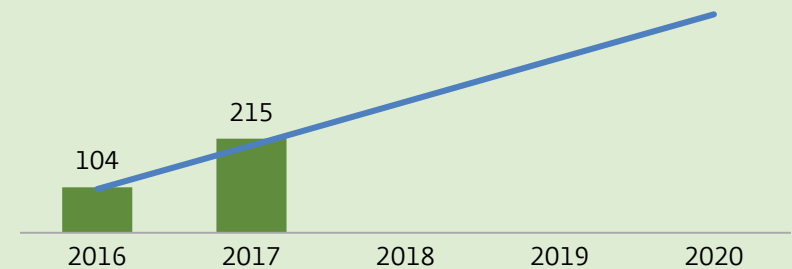
Business volumes

> CHF 70 billion



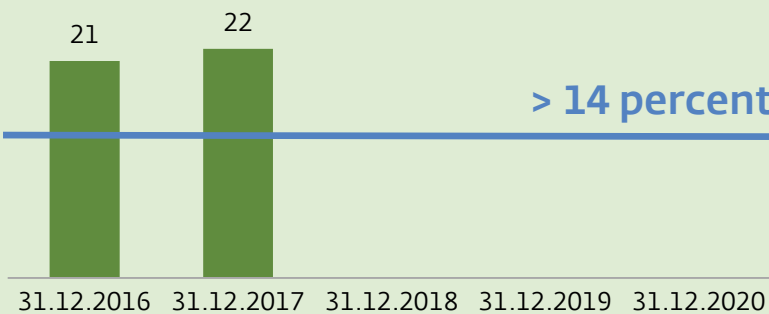
Cumulative business result

> CHF 500 million



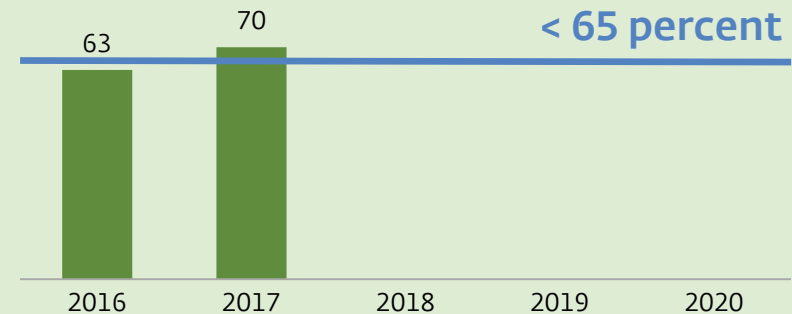
Tier 1 ratio

> 14 percent



Cost/income ratio

< 65 percent



Questions

Contact and financial calendar

Contact

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& General Secretary

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Financial calendar

26th Annual General Meeting of Shareholders

Wednesday, 9 May 2018

Ex-dividend date

Monday, 14 May 2018

Dividend payout date

Wednesday, 16 May 2018

Presentation of 2018 interim financial reporting

Thursday, 23 August 2018

Presentation of 2018 business result

Thursday, 14 March 2019

Disclaimer

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Thank you!



Liechtensteinische
Landesbank¹⁸⁶¹

Tradition meets Innovation.