

14 March 2019

Media and analyst conference of the LLB Group

2018 annual business result

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

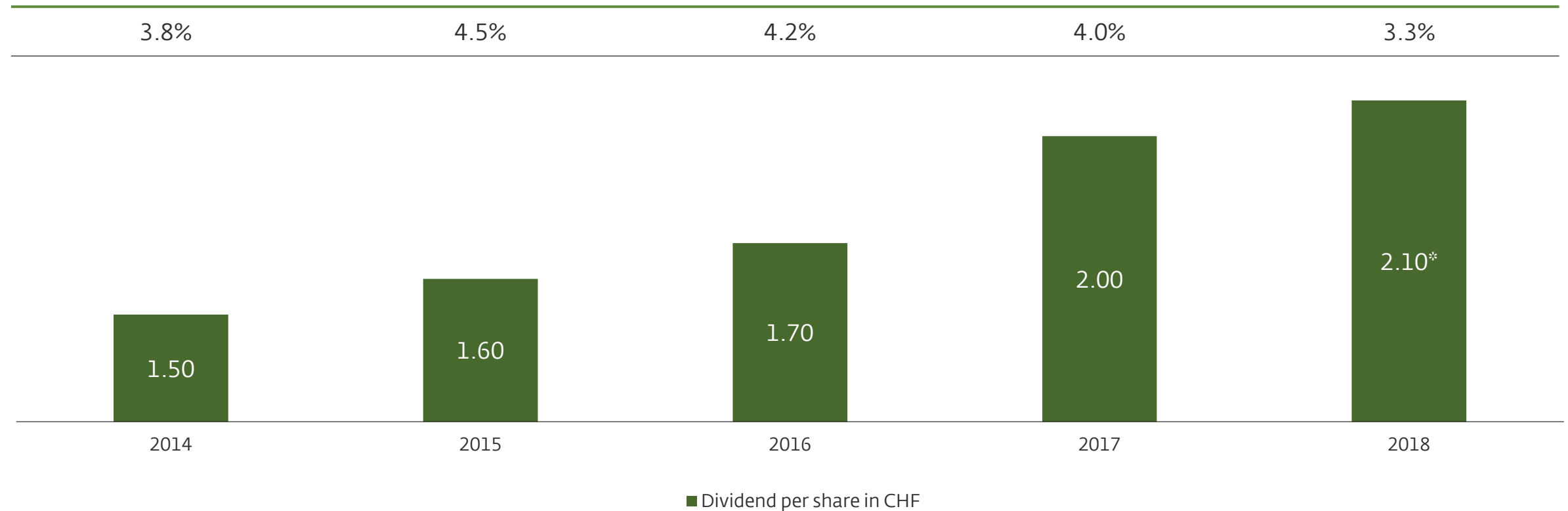
Introduction



Growth

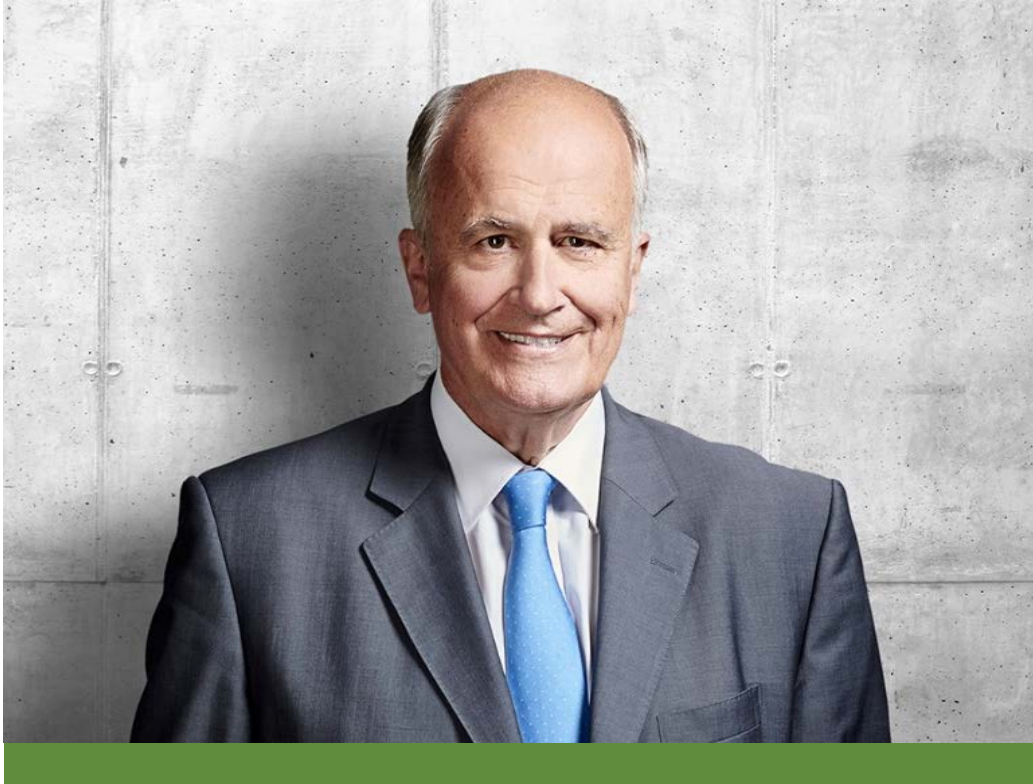
Higher dividend again

Dividend yield



* Proposal of the Board of Directors to the General Meeting of Shareholders of 3 May 2019

New member of the Board of Directors



Dr. Karl Sevelda

- ◆ Recognised financial specialist
- ◆ Expert on the Austrian financial centre
- ◆ From 2013 to March 2017 Chairman of the Executive Board of Raiffeisen Bank International

Financial result

Group business result at a glance

Tier 1 ratio

19.0 %
(-2.6 pp)

Cost/income ratio

77.7 %
(+8.1 pp)

Group net profit
CHF 85.1
million
(-23.5 %)

Assets under
management

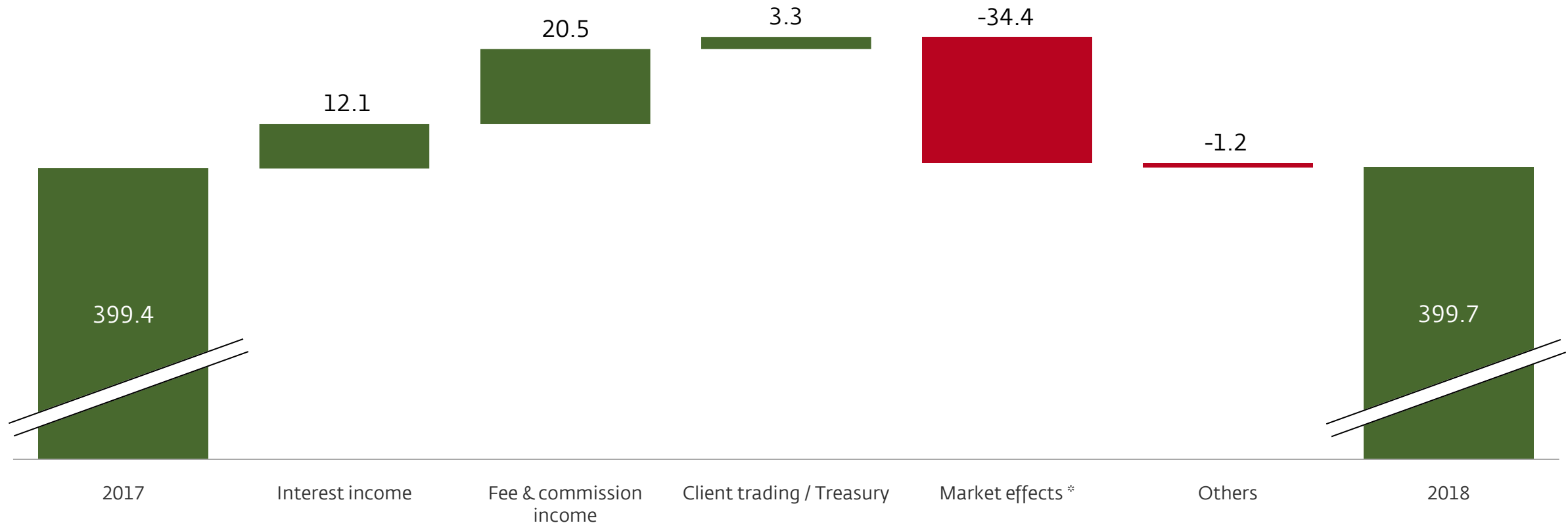
CHF 67.3 billion
(+33.9 %)

Client loans

CHF 12.9 billion
(+6.4 %)

Earning power boosted by acquisitions

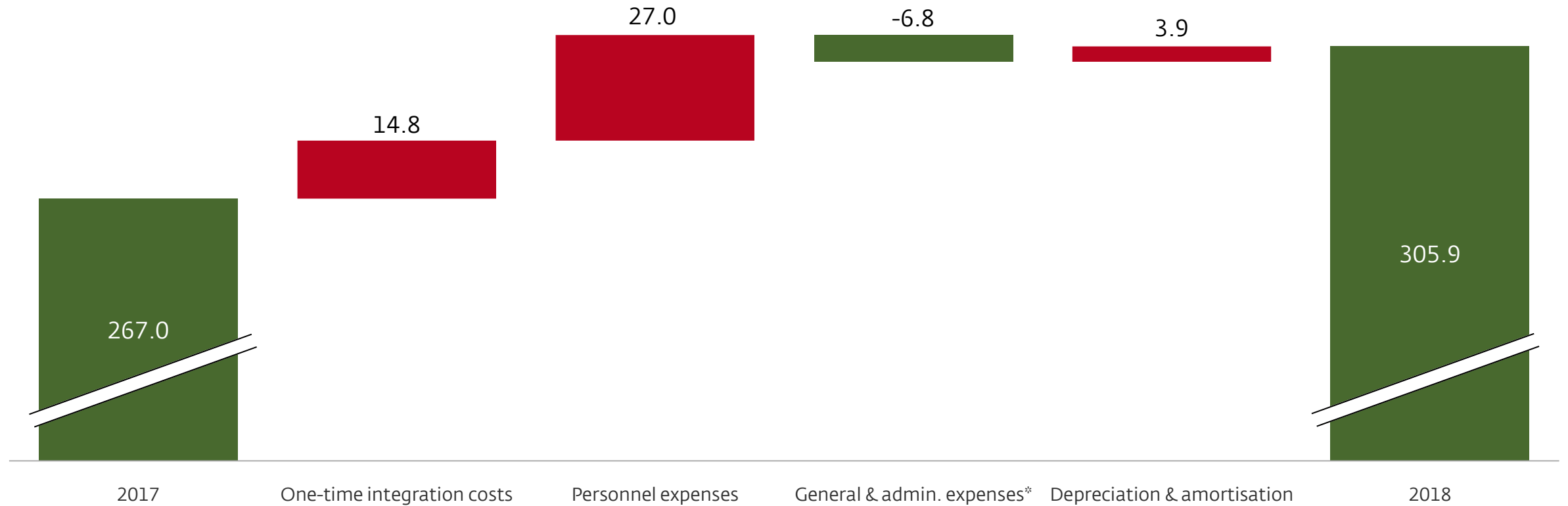
Operating income (in CHF millions)



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

Operating expenses increase in line with strategy

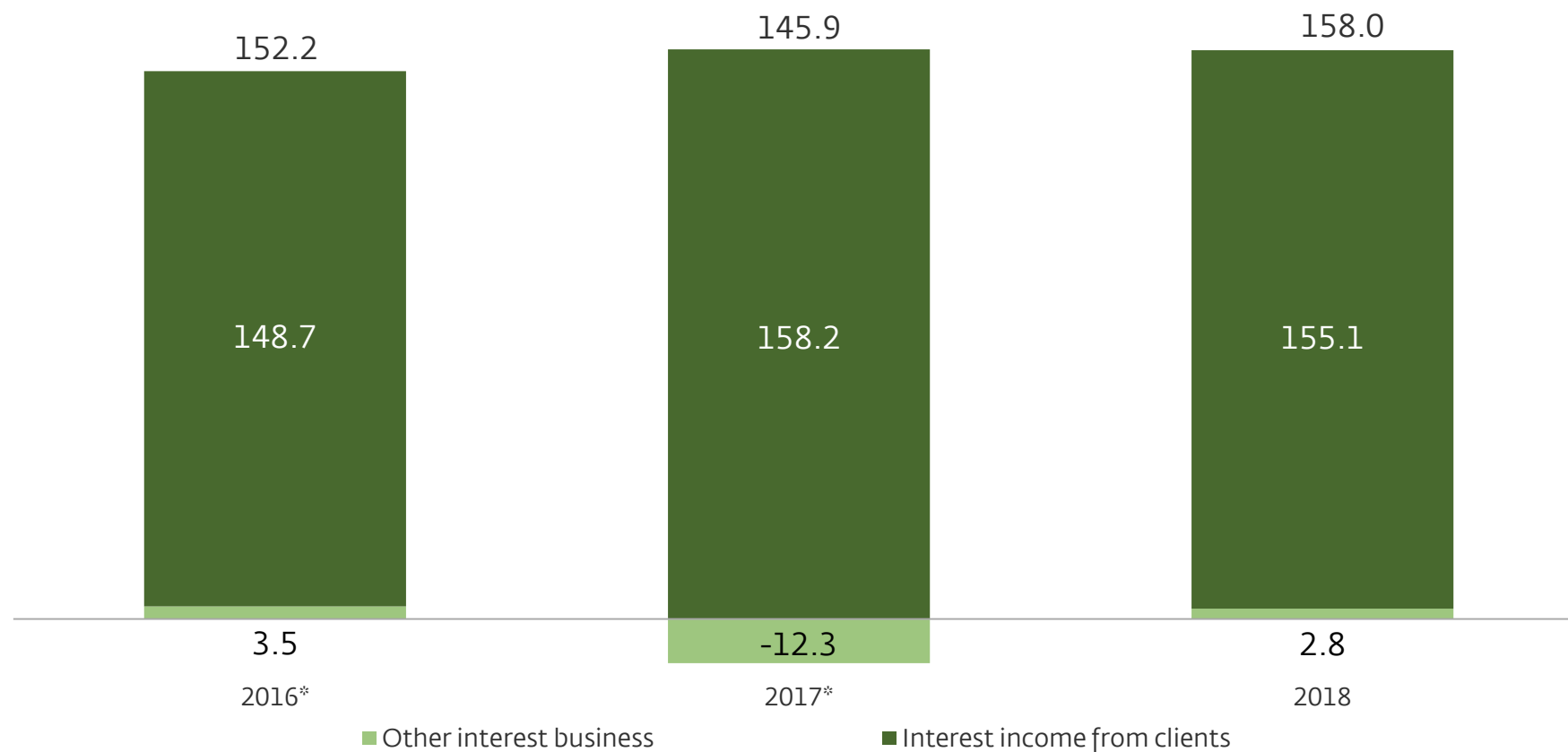
Operating expenses (in CHF millions)



* without integration costs

Stable interest business with clients

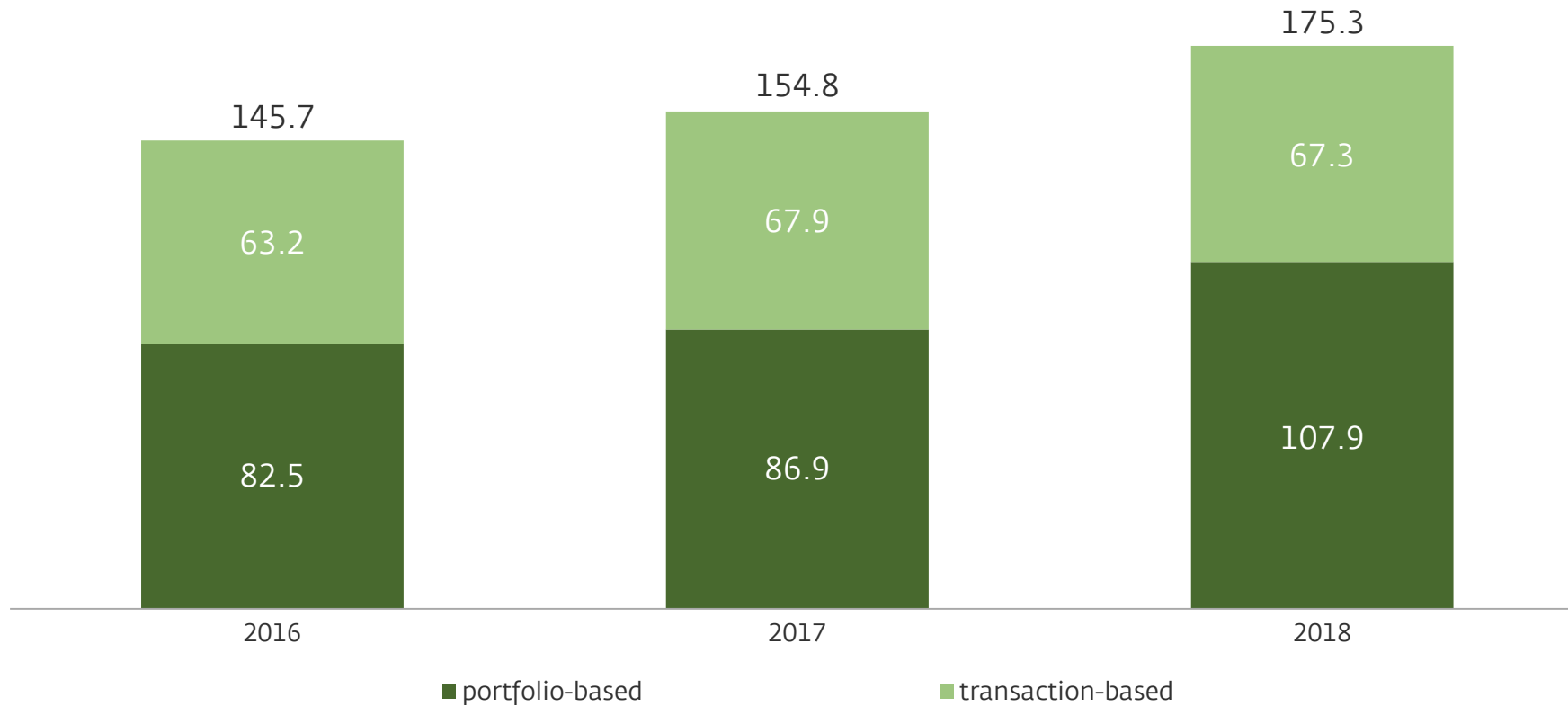
Interest income before expected credit loss (in CHF millions)



* Reclassification of the position „Interest income from debt instruments“ from Income from financial investments to Other interest business

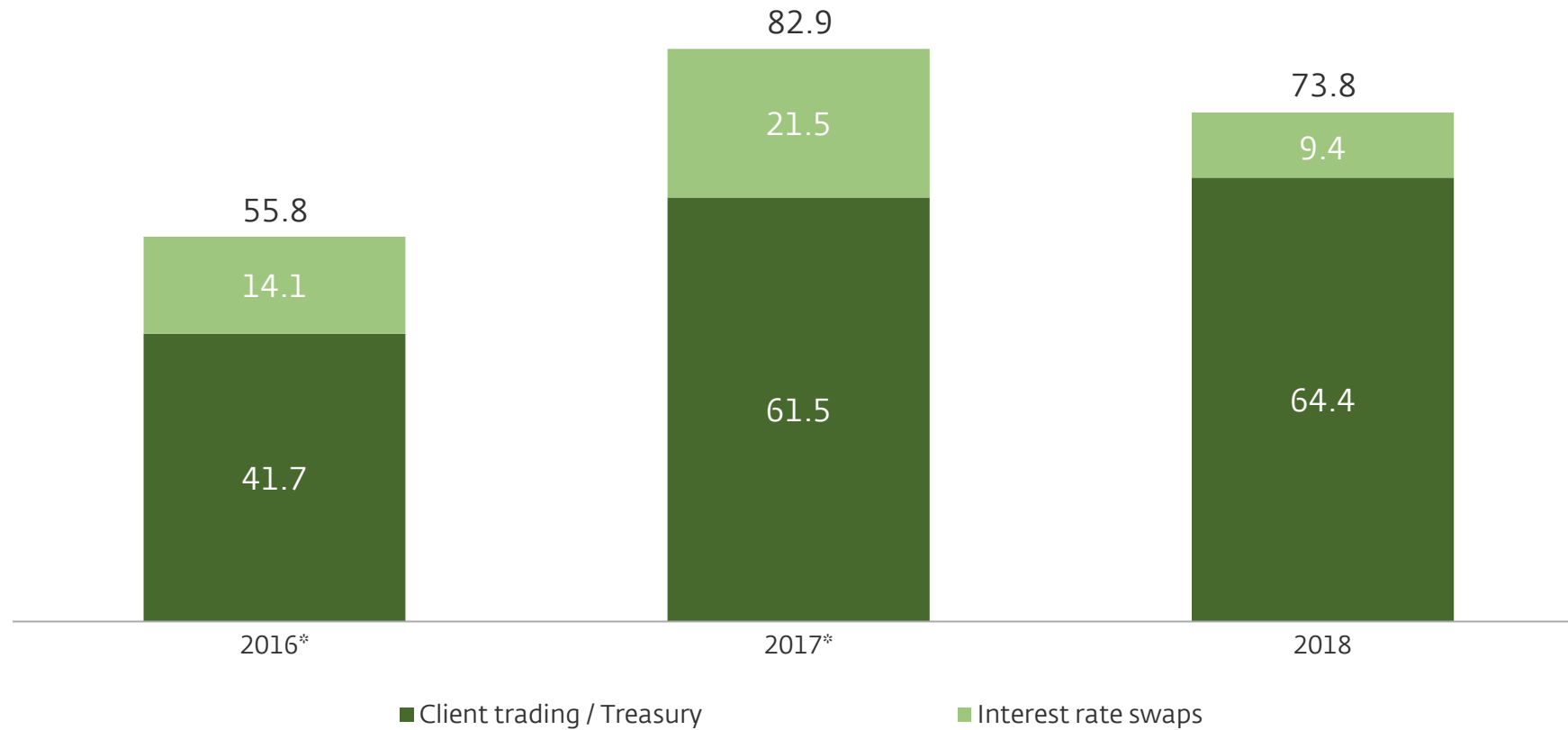
Earnings growth in fee and commission business

Fee and commission income (in CHF millions)



Increase in client trading

Net trading income (in CHF millions)



* Reclassification of the position „Trading portfolio assets,“ from Net trading income to Income from financial investments

US dollar interest rate rise adversely impacts financial investments

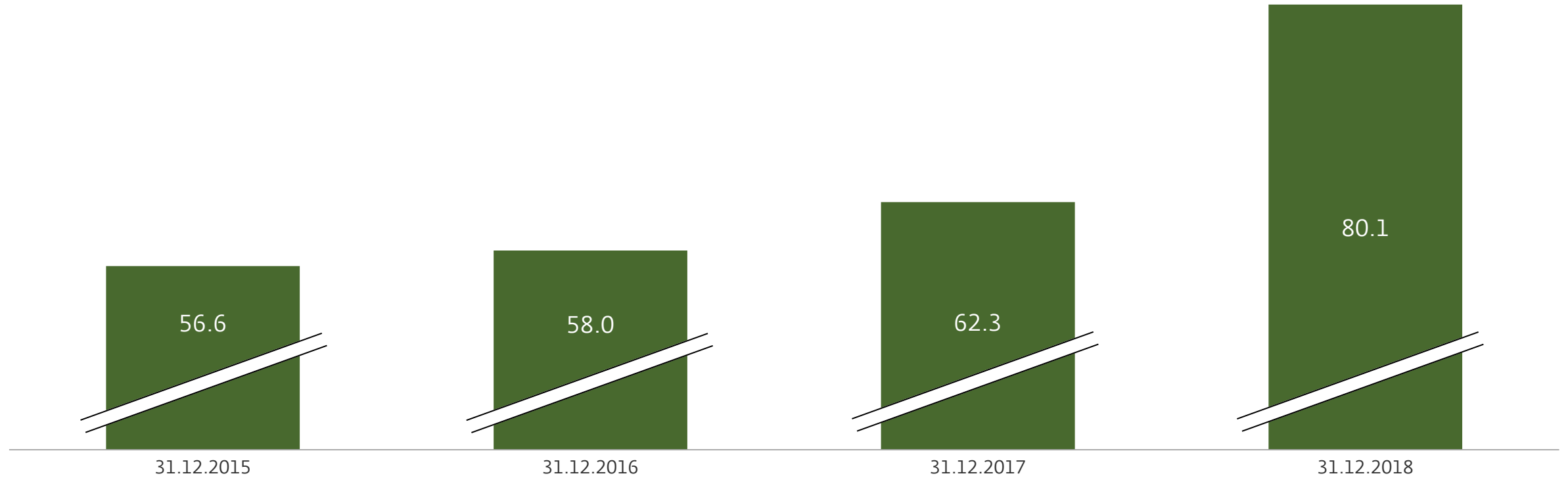
Income from financial investments (in CHF millions)



* Reclassification of the position „Interest income from debt instruments,“ from Income from financial investments to Other interest business;
Reclassification of the position „Trading portfolio assets,“ from Net trading income to Income from financial investments

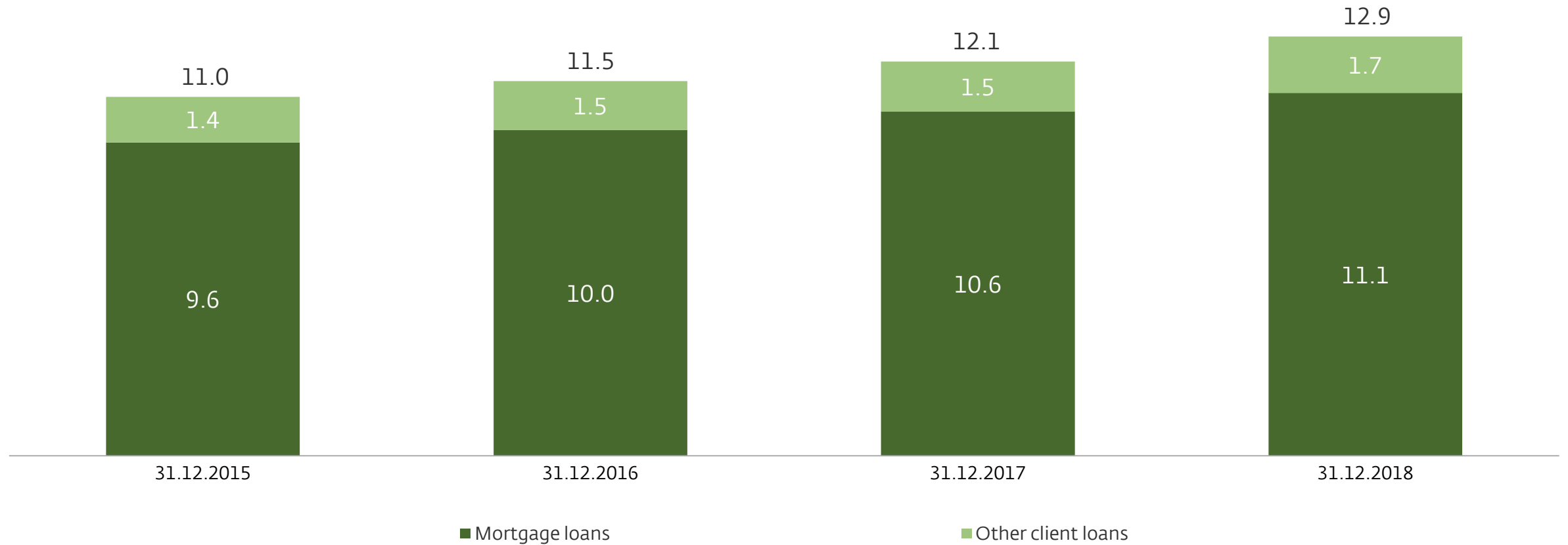
Business volume increased by 30 percent

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



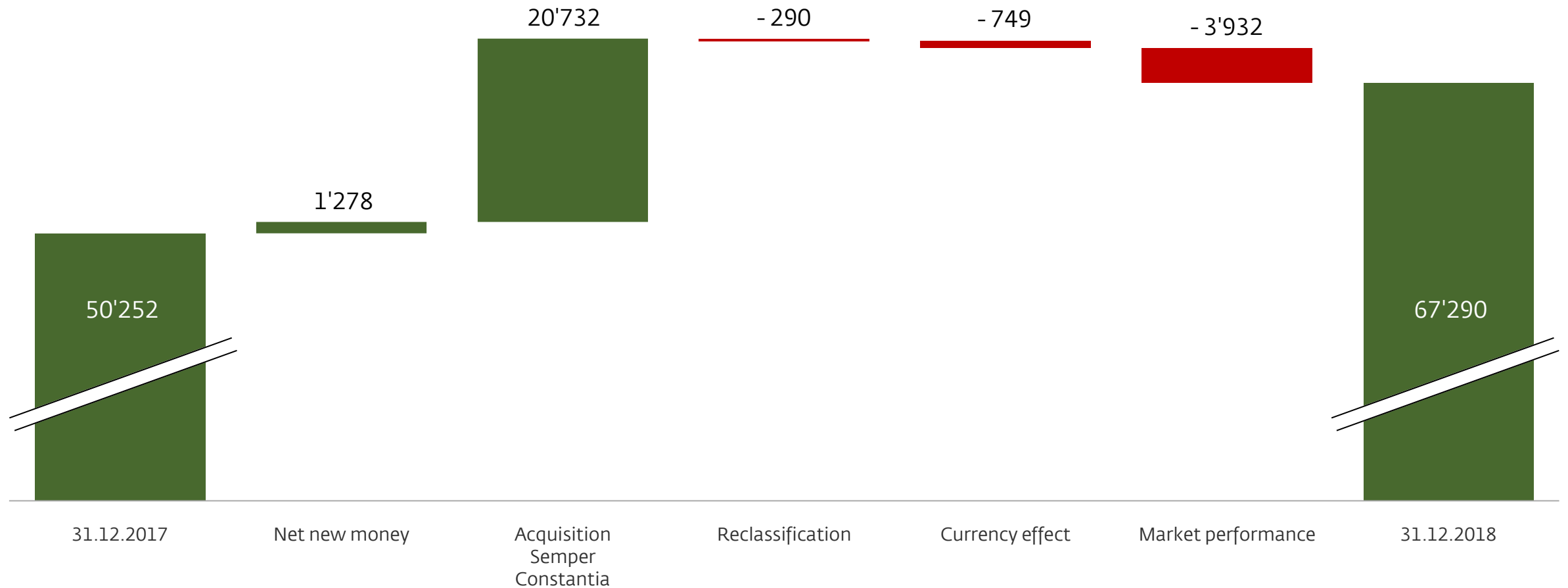
Continuing growth in mortgage loans

Client loans (in CHF billions)



Highest net new money inflows since 2010

Development of assets under management (in CHF millions)



Financial strength and stability

in CHF billions	31.12.2016	31.12.2017	31.12.2018
Balance sheet total	20.0	20.0	22.9
Risk-weighted assets	7.6	7.6	8.2
Common equity (CET1)	1.6	1.7	1.6
Tier 1 ratio / CET1 ratio (in %)	21.0	21.6	19.0
LCR - Liquidity coverage ratio (in %)	115	126	148
Leverage ratio (in %)	7.8	8.3	6.7
Moody's deposit rating	Aa2	Aa2	Aa2

Three market divisions with strong results

	Retail & Corporate Banking	Private Banking	Institutional Clients
Business volume (in CHF billions)	19.1	18.2	43.0
Net new money (in CHF millions)	+407	+780	+89
Growth of client loans (in CHF millions)	+379	+175	+213
Gross margin (in bps)	70	69	31
Profit before taxes (in CHF millions)	58.0	45.6	60.2

Conclusion

1 Growth

- ◆ Broadly-based growth
- ◆ Highest new money inflows since 2010
- ◆ Record level of loans

2 Operative progress

- ◆ Earning power strengthened by acquisitions
- ◆ Costs under control
- ◆ Market effects and integration costs weigh on performance

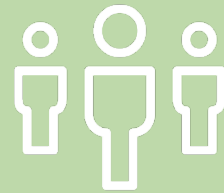
3 Stability and security

- ◆ Tier 1 ratio of 19.0 percent
- ◆ Moody's deposit rating Aa2
- ◆ Leeway for further growth ambitions

StepUp2020 strategy



Highest new money inflow since
2010



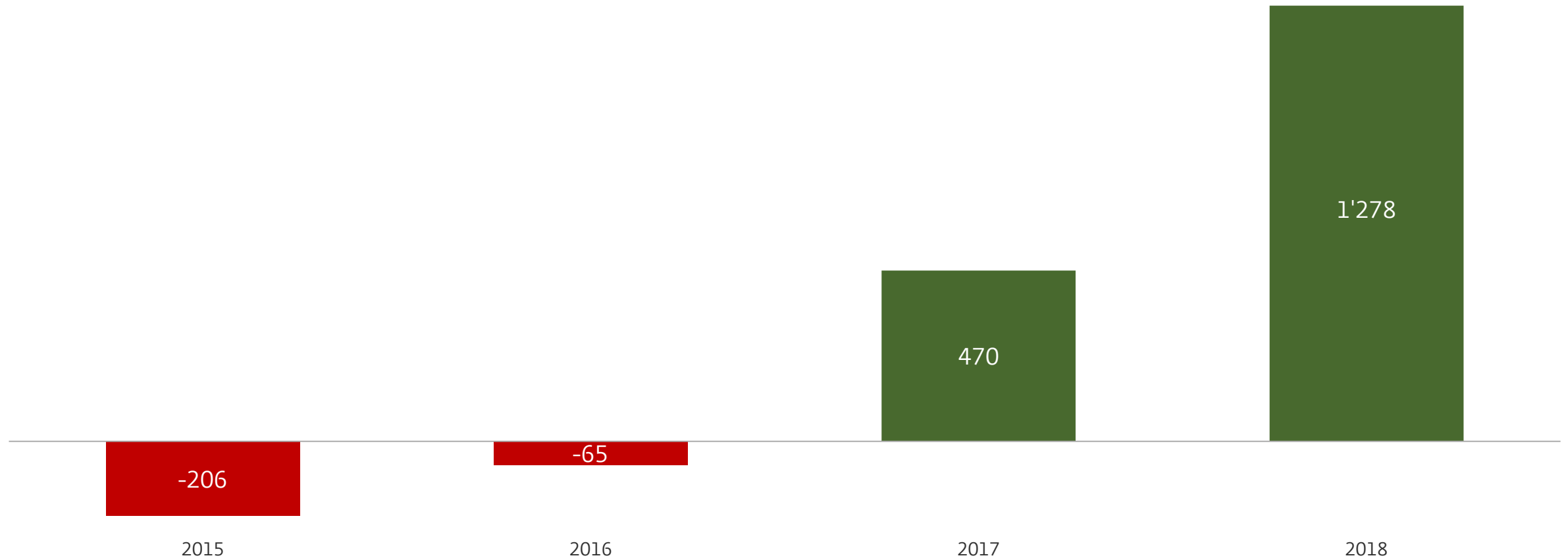
Expanded number of client advisers



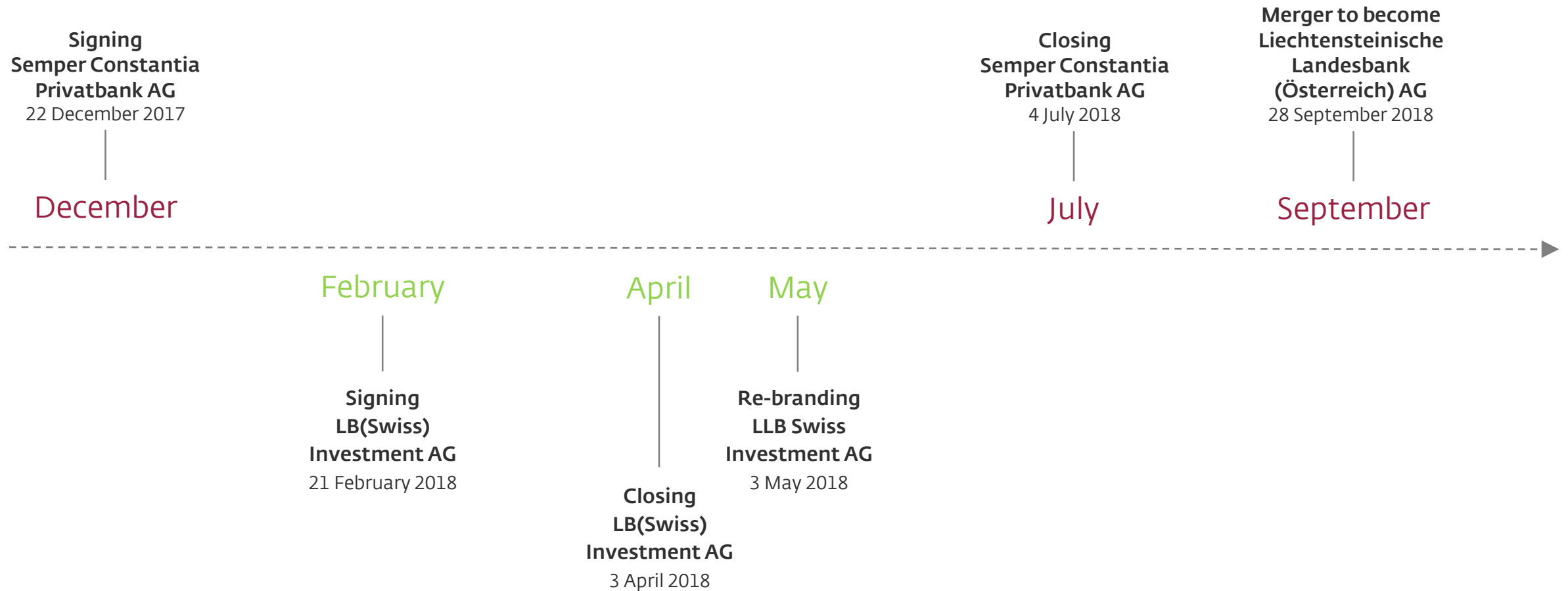
Market shares in mortgage lending
increased

Client trust

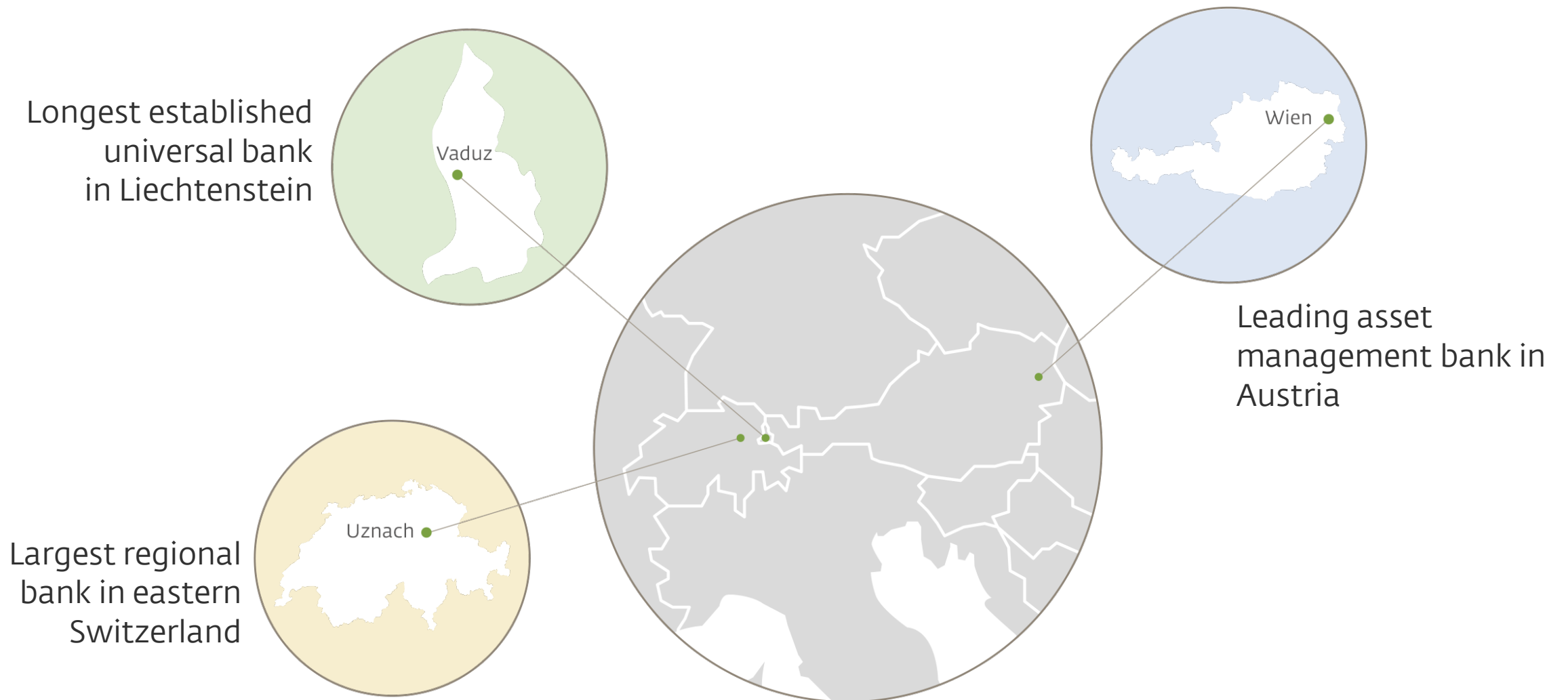
Development of net new money (in CHF millions)

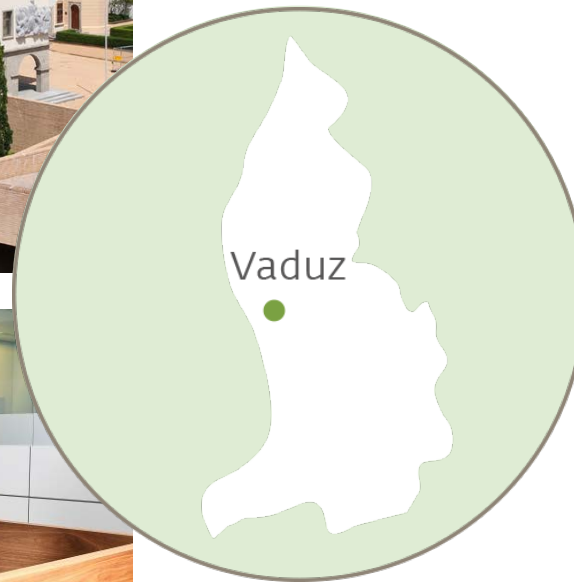


Acquisitions completed quickly and according to plan



Three banks – three home markets

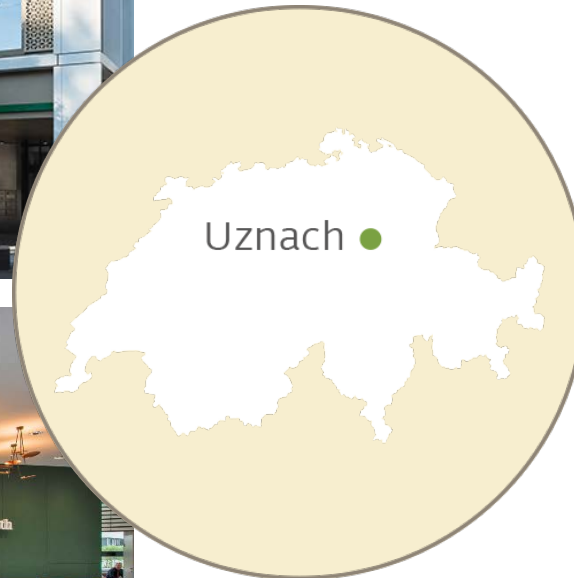




Liechtensteinische Landesbank AG

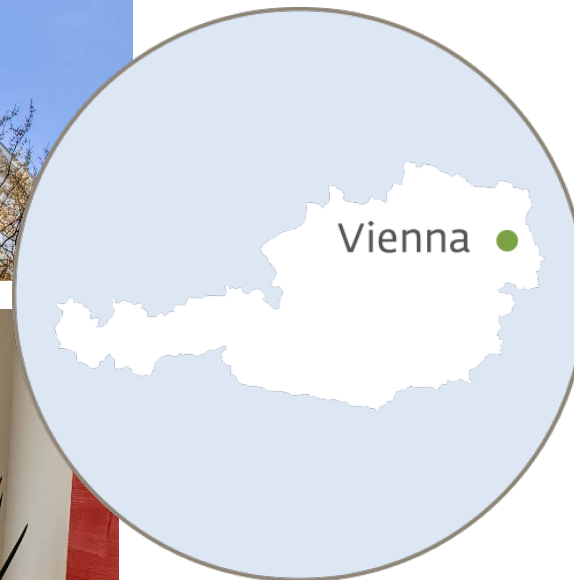
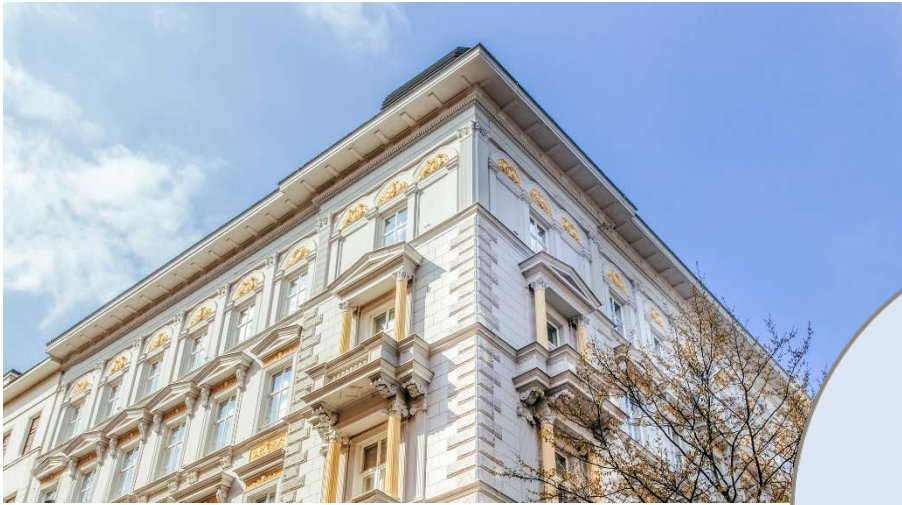
- ◆ Universal bank with strong private banking and institutional business
- ◆ Business volume over 45 billion Swiss francs
- ◆ 700 employees
- ◆ Founded: 1861

Largest regional bank in eastern Switzerland



Bank Linth LLB AG

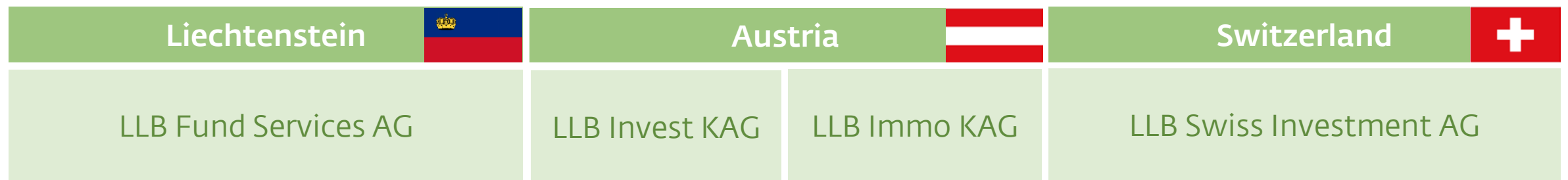
- ◆ Private and corporate client business and private banking
- ◆ Business volume over 13 billion Swiss francs
- ◆ 220 employees
- ◆ Founded: 1848



Liechtensteinische Landesbank (Österreich) AG

- ◆ Private banking, custodian bank and investment funds business, real estate
- ◆ Business volume over 22 billion Swiss francs
- ◆ 250 employees
- ◆ Founded: 2009

Fund powerhouse



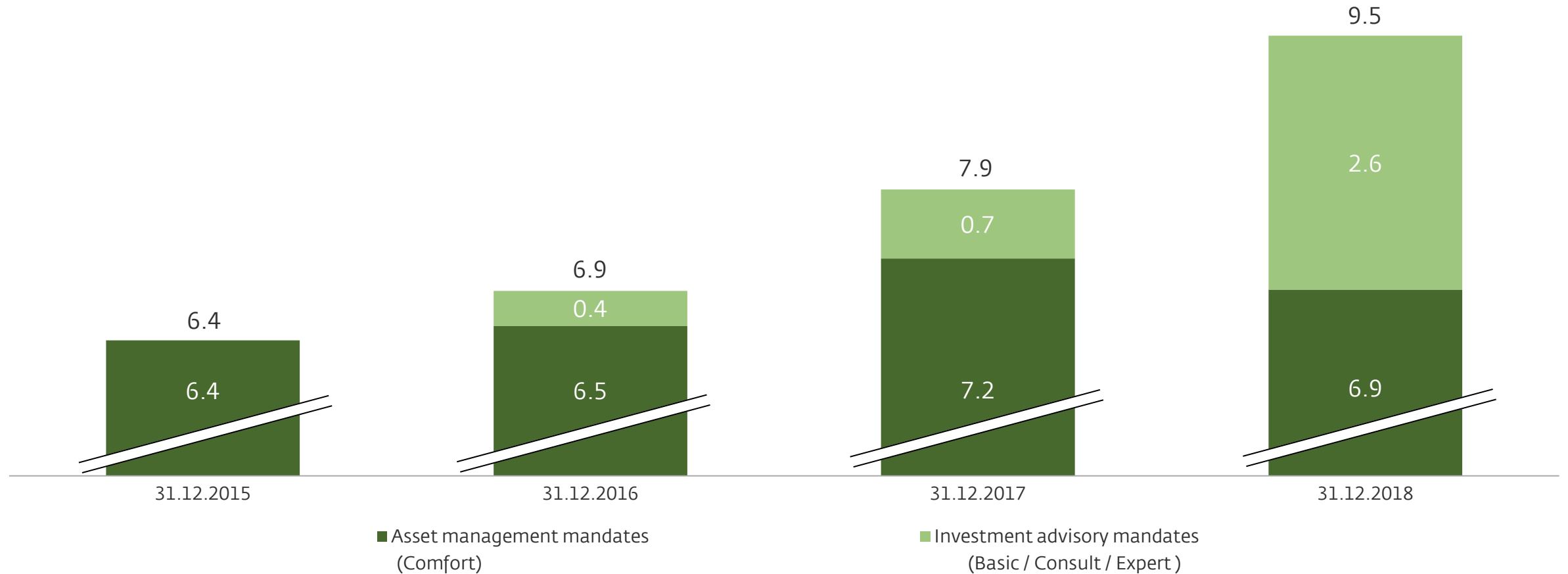
More than 600 funds with a volume of over 30 billion Swiss francs

Bundled expertise in 3 jurisdictions

Specific locational advantages enable individual structuring solutions

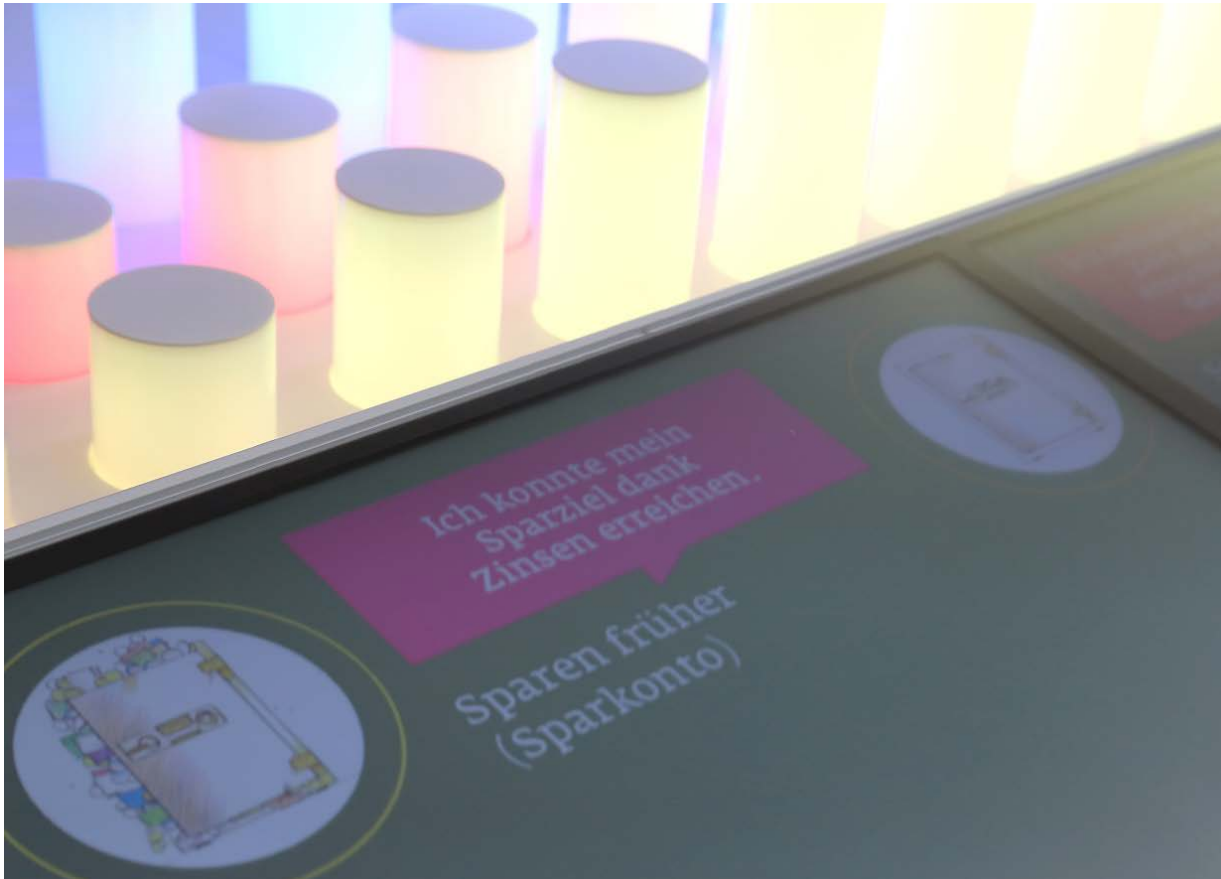
Higher profitability thanks to innovative products

LLB Invest (in CHF billions)



Modern bank branches bring us closer to clients

Growth | Profitability
Innovation | Excellence



We make banking an experience.



We create more space for advising clients.

Digital solutions for more user-friendliness



Account / custody account self-service



Introduction of eBill



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



Online Maestro cards
administration



Digital banking platform:
new analysis / reporting functionalities
for intermediaries



Online forex trading

LLB Asset Management

- ◆ Largest investment team in Liechtenstein
- ◆ 14 billion Swiss francs under administration
- ◆ Value-based investment approach



LIPPER FUND AWARDS FROM REFINITIV

2019 WINNER
GERMANY

Excellent client advice – SAQ certified

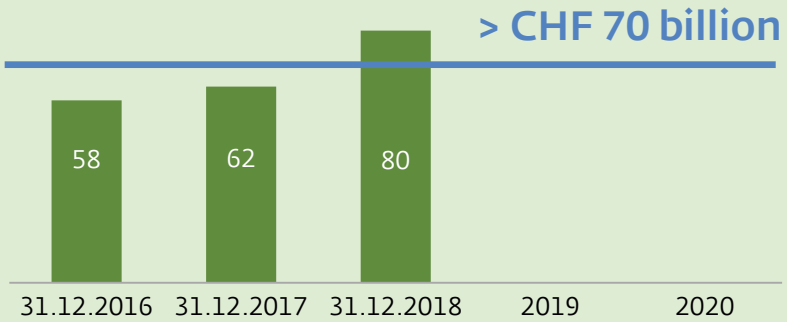
Growth | Profitability
Innovation | Excellence



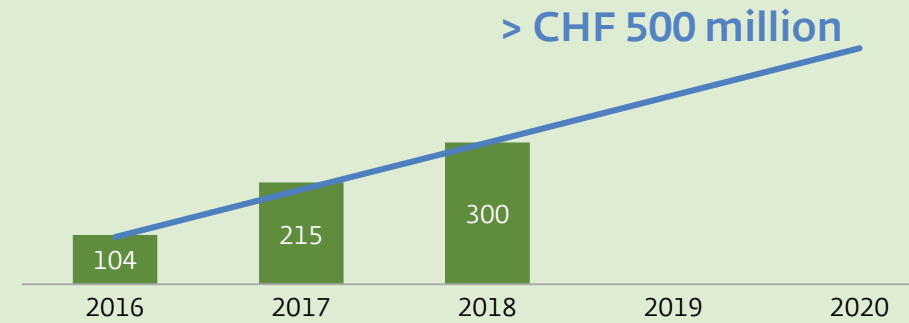
Outlook 2019

On course to achieve 2020 financial goals

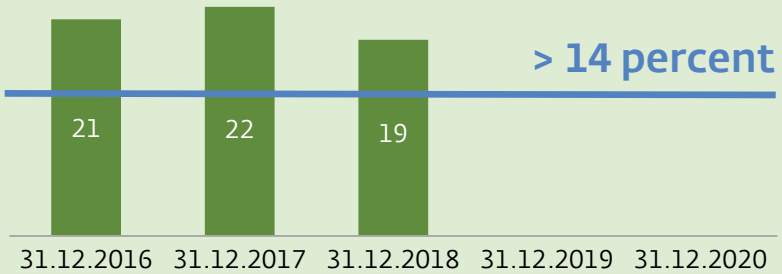
Business volume



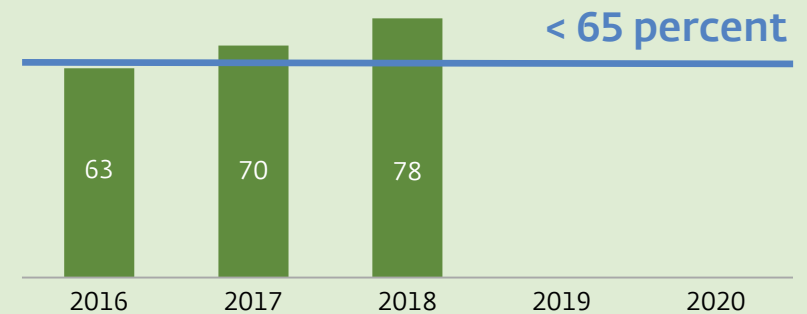
Cumulative business result



Tier 1 ratio



Cost/income ratio



Strategic priorities 2019

- 1 Profitability and cost management
- 2 Lean management
- 3 Digitalisation
- 4 Modern bank branches
- 5 Standardised bank platform
- 6 M&A

Q&A

Contact and financial calendar

Contact

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Internet www.llb.li

Financial calendar

27th Annual General Meeting of Shareholders

Friday, 3 May 2019

Ex-dividend date

Tuesday, 7 May 2019

Dividend payout date

Thursday, 9 May 2019

Presentation of 2019 interim financial reporting

Tuesday, 27 August 2019

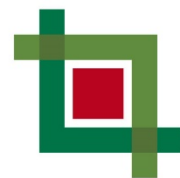
Presentation of 2019 business result

Thursday, 12 March 2020

Disclaimer

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Thank you



Liechtensteinische
Landesbank¹⁸⁶¹

Tradition meets Innovation.