

2019 Annual Business Result

Media and analyst conference of the LLB Group 12 March 2020



Agenda

Introduction

Georg Wohlwend, Chairman BoD

Financial result

Christoph Reich, Group CFO

StepUp2020 strategy

Roland Matt, Group CEO

Outlook

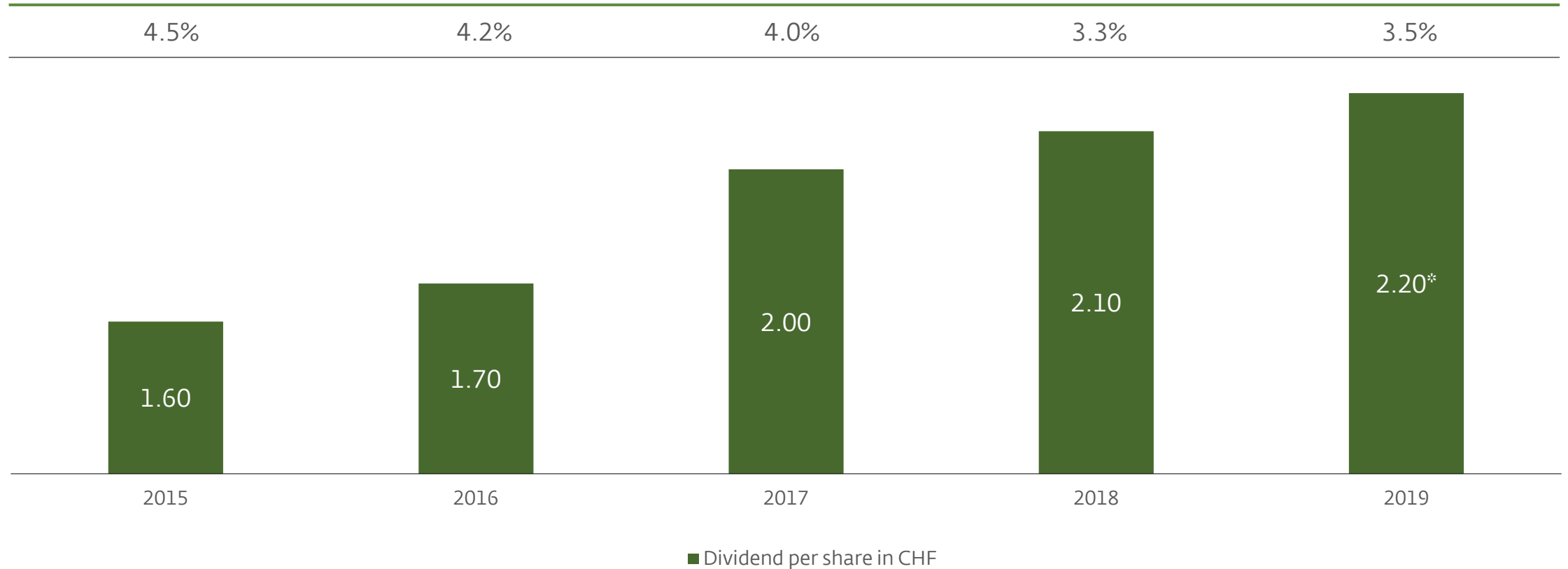
Roland Matt, Group CEO

Q&A

Profitability

Higher dividend again

Dividend yield



* Proposal of the Board of Directors to the General Meeting of Shareholders of 8 May 2020

Three members of the Board of Directors are standing for re-election in 2020



Georg Wohlwend
Chairman



Gabriela Nagel-Jungo
Vice Chairwoman



Urs Leinhäuser
Member

Financial result

Group business result at a glance

Tier 1 ratio

19.6 %

(+0.6 pp)

Cost/income ratio

70.0 %

(-7.7 pp)

Group net profit

CHF 123.4

million

(+44.9 %)

Assets under
management

CHF 76.3 billion

(+13.4 %)

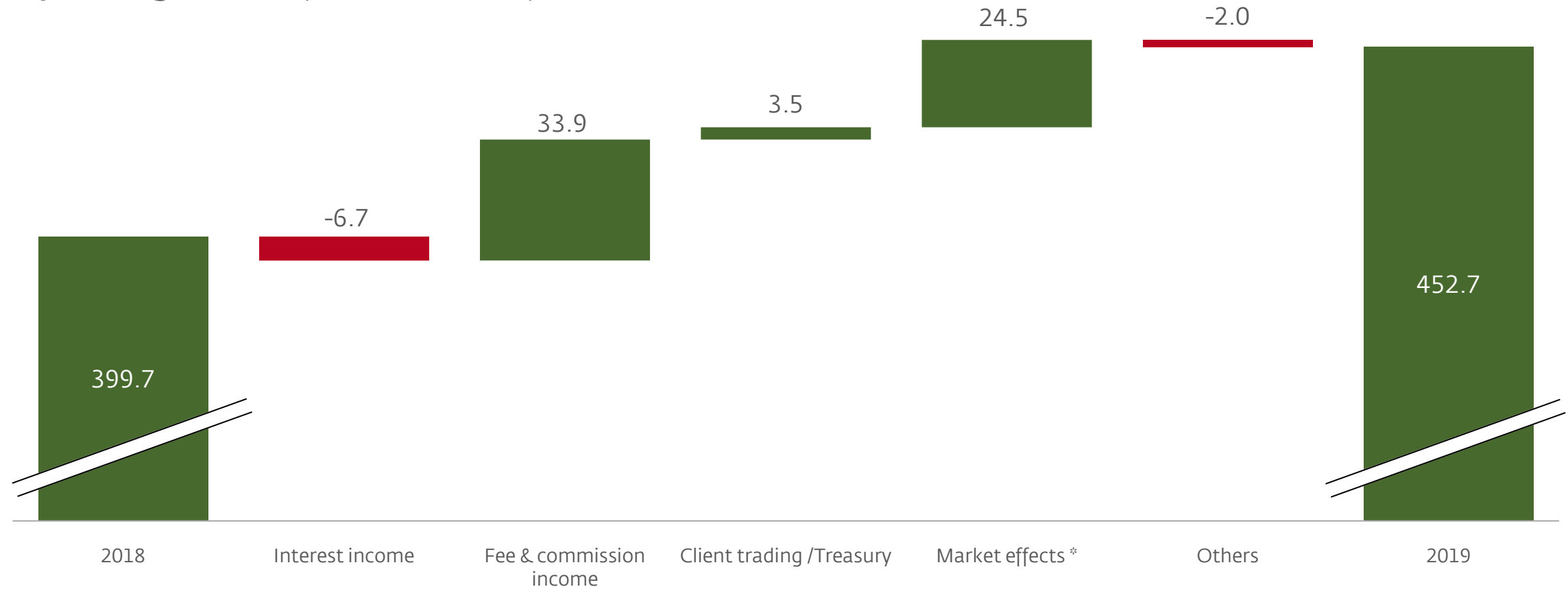
Client loans

CHF 13.0 billion

(+0.8 %)

Earning power strengthened again

Operating income (in CHF millions)



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

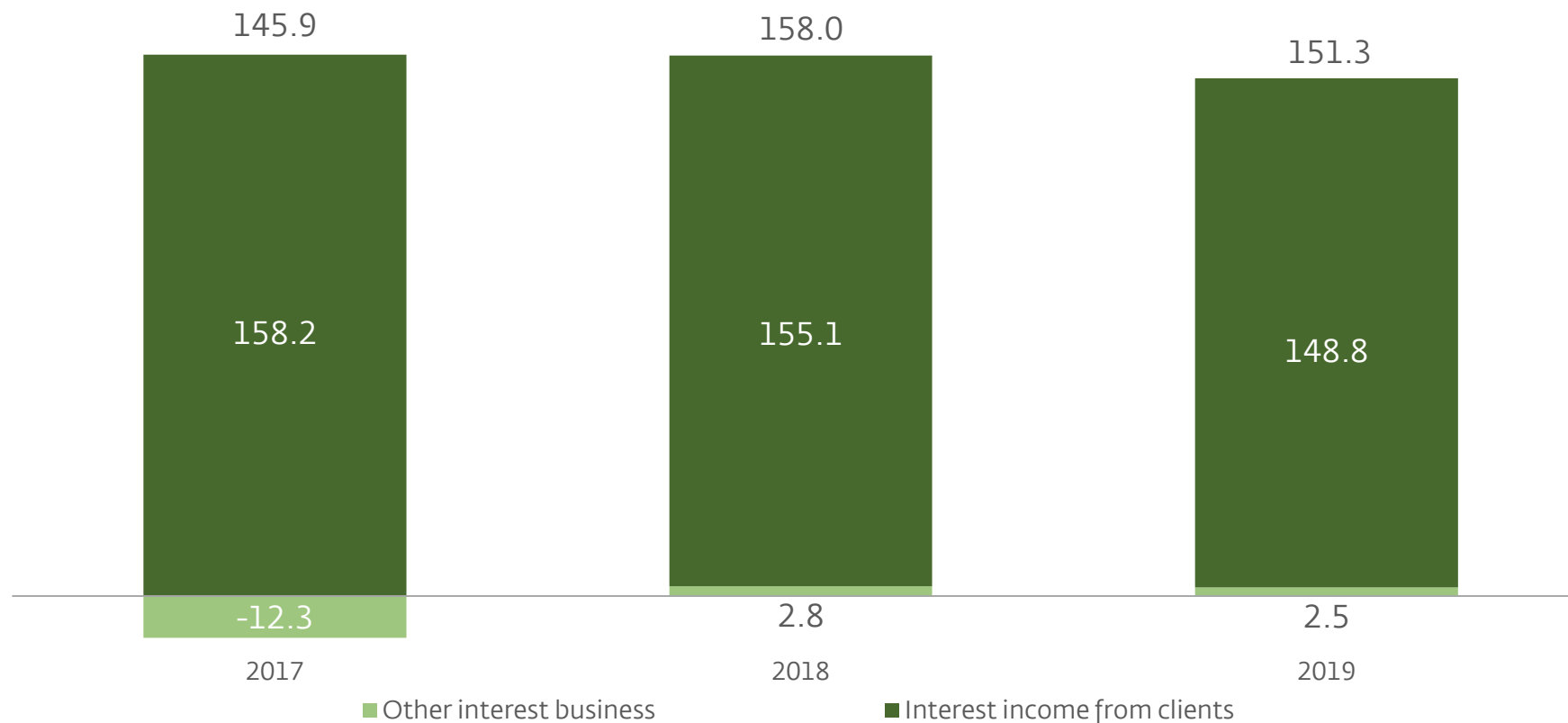
Operating expenses in line with strategy

Operating expenses (in CHF millions)



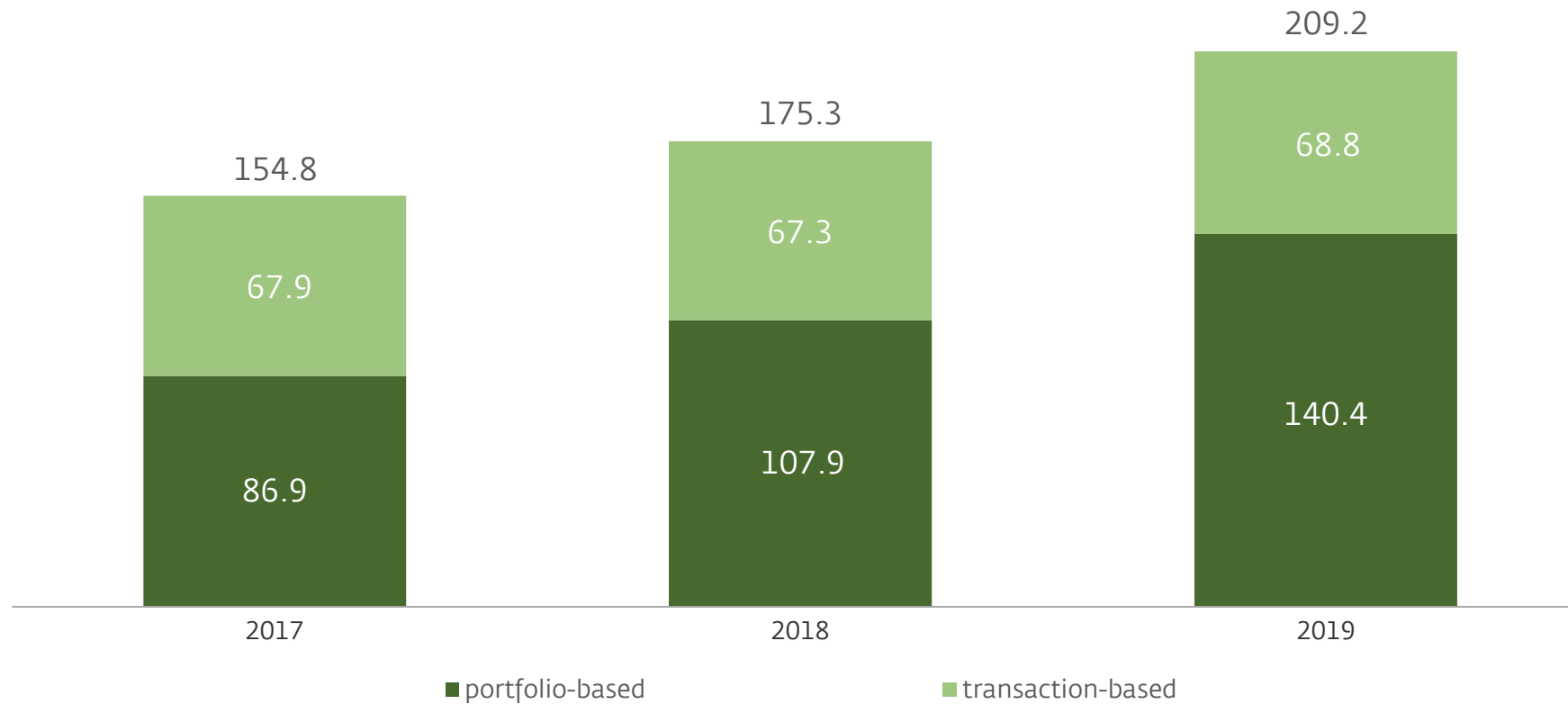
Slightly lower interest income

Interest income before expected credit loss (in CHF millions)



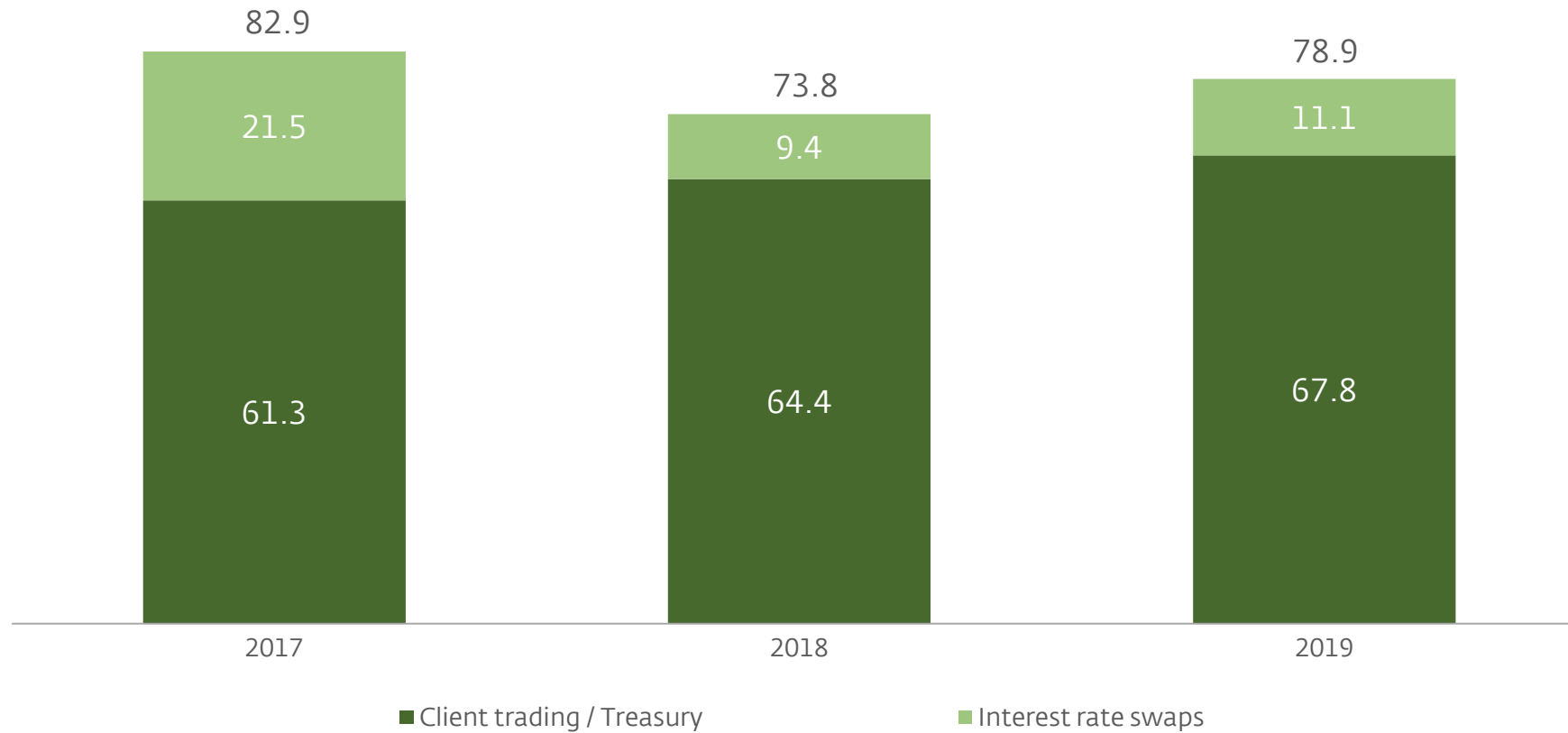
Earnings growth in fee and commission business

Fee and commission income (in CHF millions)



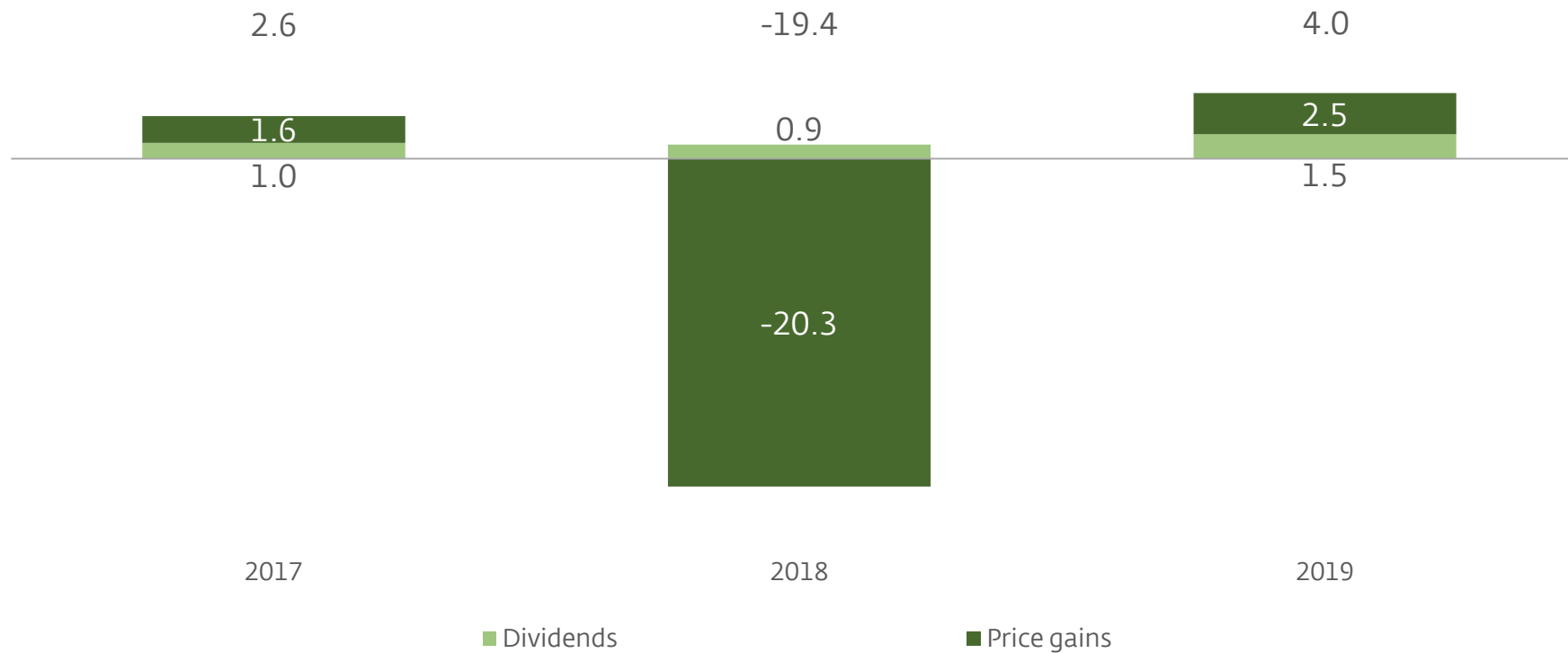
Stable trading business

Net trading income (in CHF millions)



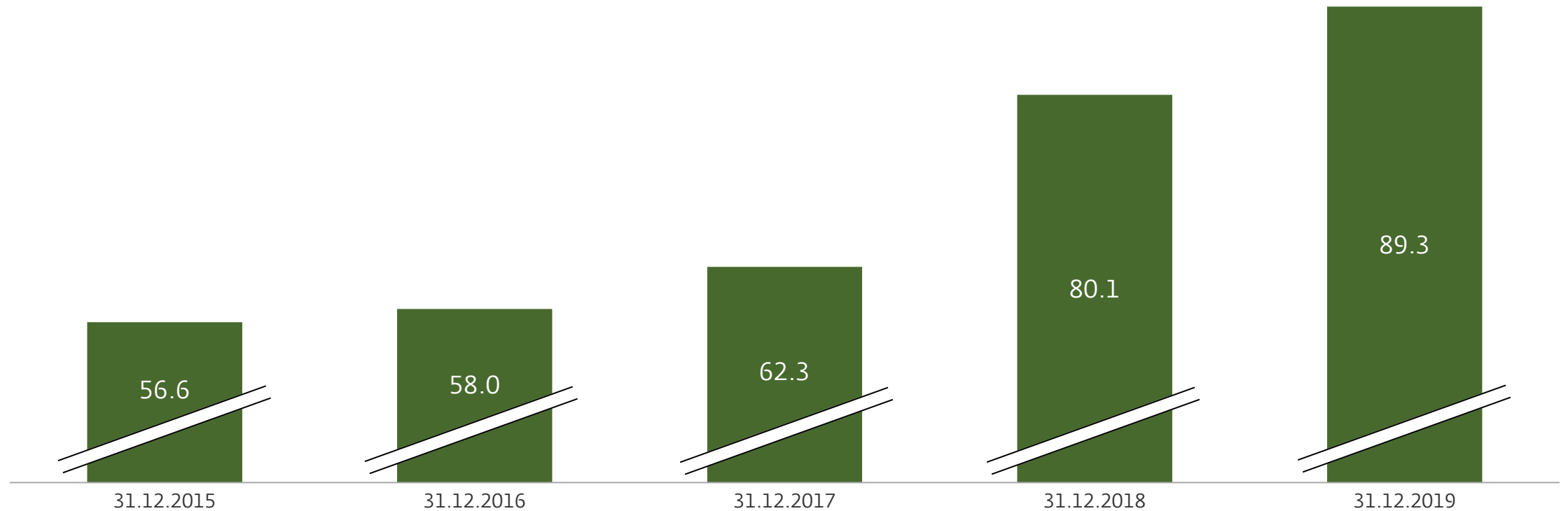
Financial investments higher than previous year

Income from financial investments (in CHF millions)



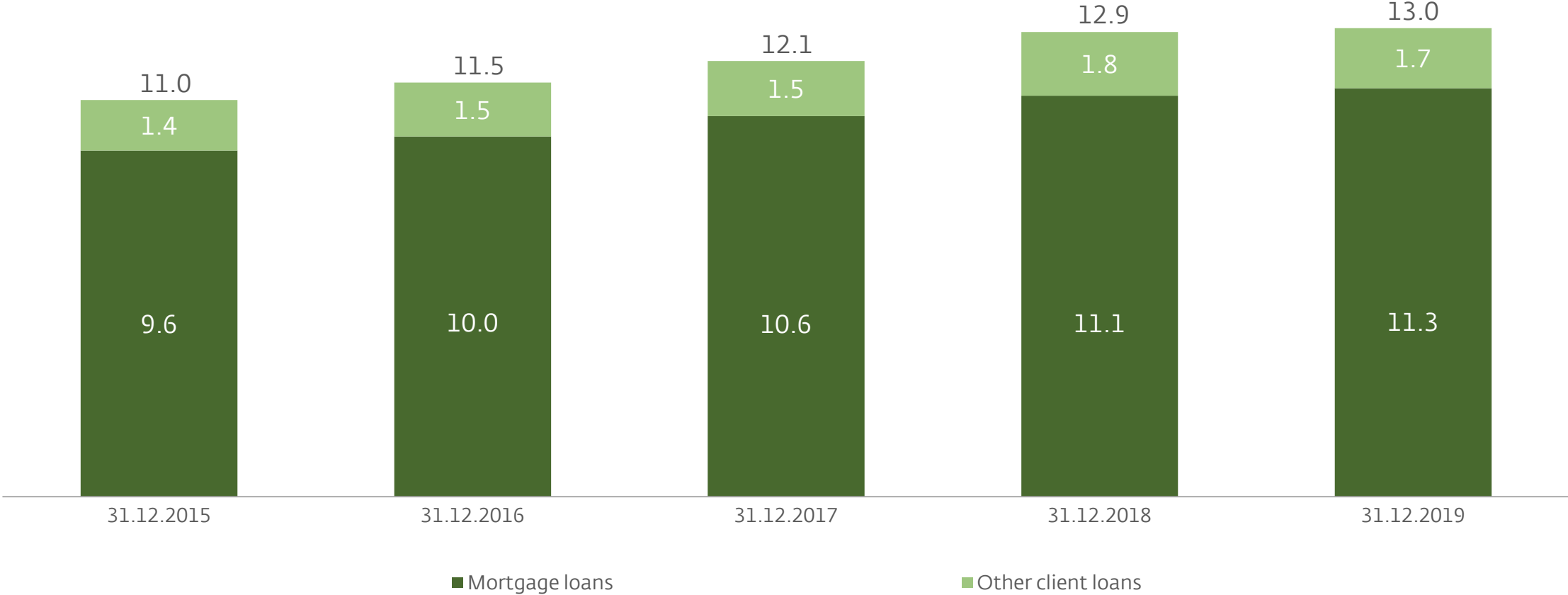
Business volume almost 90 billion

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



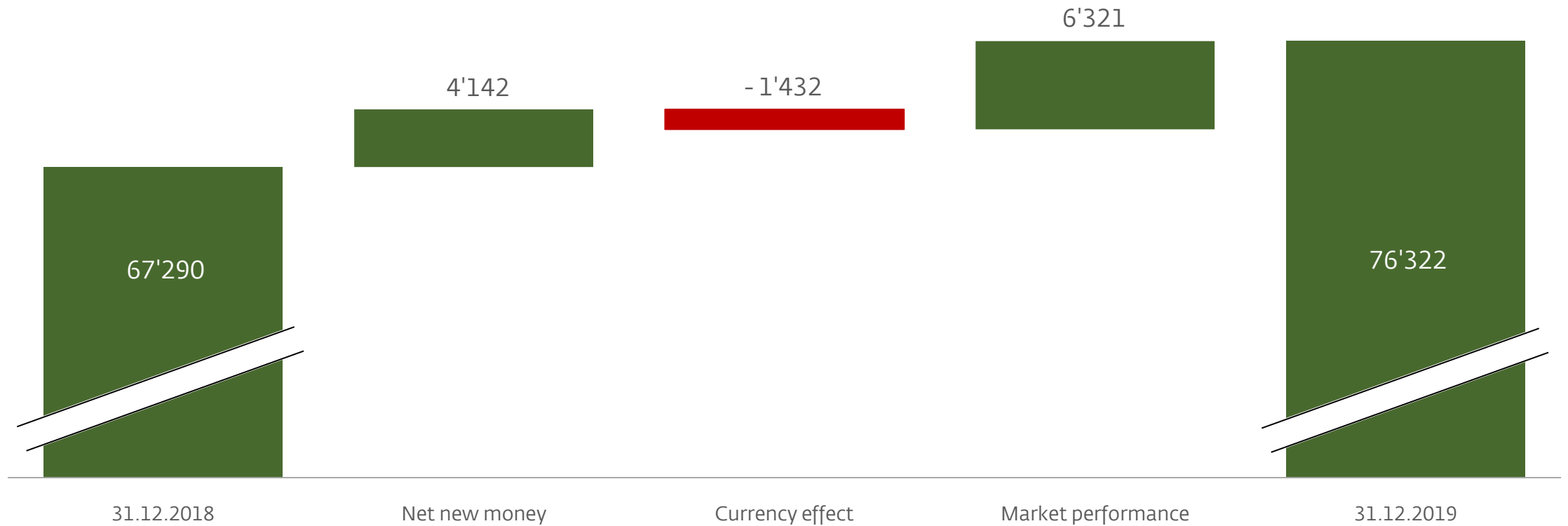
Continuing growth in mortgage loans

Client loans (in CHF billions)



Record level of client assets under management

Development of assets under management (in CHF millions)



Financial strength and stability

in CHF billions

	31.12.2017	31.12.2018	31.12.2019
Balance sheet total	20.0	22.9	22.7
Risk-weighted assets	7.6	8.2	8.4
Common equity (CET1)	1.6	1.6	1.6

in %

Tier 1 ratio / CET1 ratio	21.6	19.0	19.6
LCR - Liquidity coverage ratio	126	148	157
Leverage ratio	8.0	6.7	7.1
Moody's deposit rating	Aa2	Aa2	Aa2

Three high-performing market divisions

	Retail & Corporate Banking	Private Banking	Institutional Clients
Business volume (in CHF billions)	19.9	18.7	50.7
Net new money (in CHF millions)	+240	+89	+3'813
Growth of client loans (in CHF millions)	+102*	+18	-6
Gross margin (in bps)	70	72	29
Profit before taxes (in CHF millions)	55.6	59.6	72.3

*without release of Group internal sub-participations

Conclusion

1 Profitability

- ◆ Earning power further strengthened
- ◆ Persisting low interest rate levels weigh on performance
- ◆ Costs under control

2 Growth

- ◆ Record business volume
- ◆ Broadly-based growth
- ◆ Continuing growth in mortgage lending

3 Stability and security

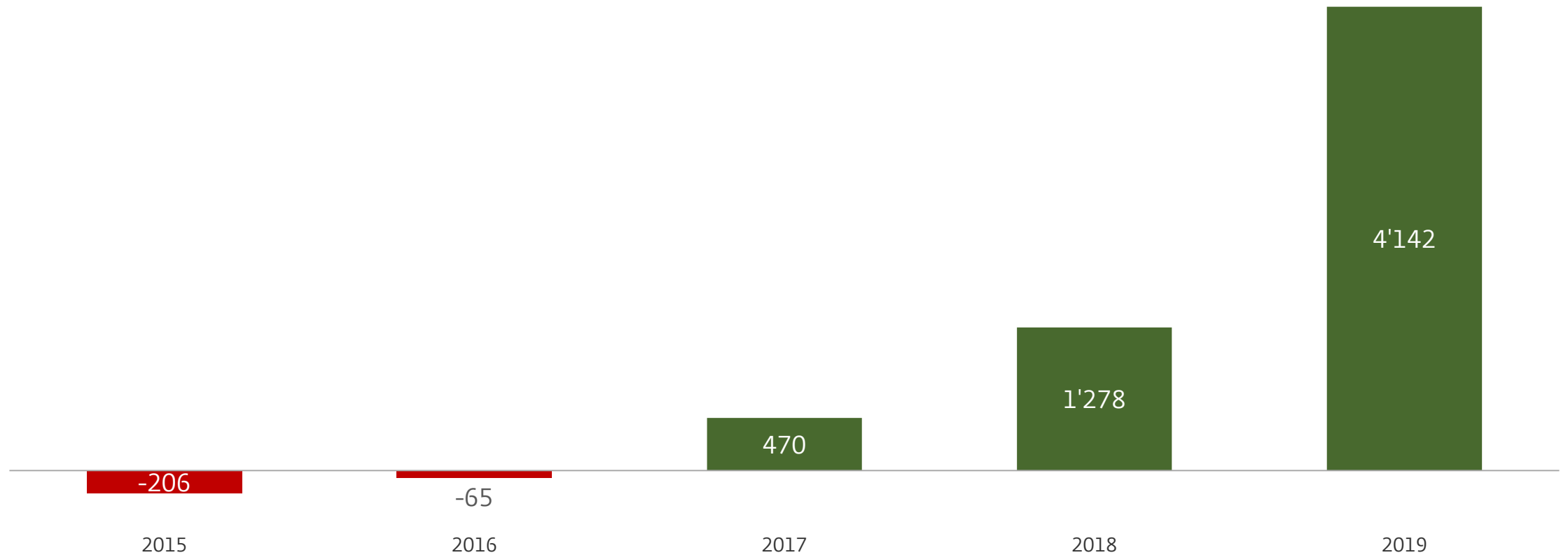
- ◆ Tier 1 ratio of 19.6 per cent
- ◆ Moody's deposit rating Aa2
- ◆ Leeway for further growth ambitions

StepUp2020 strategy

Significant increase in net new money inflow

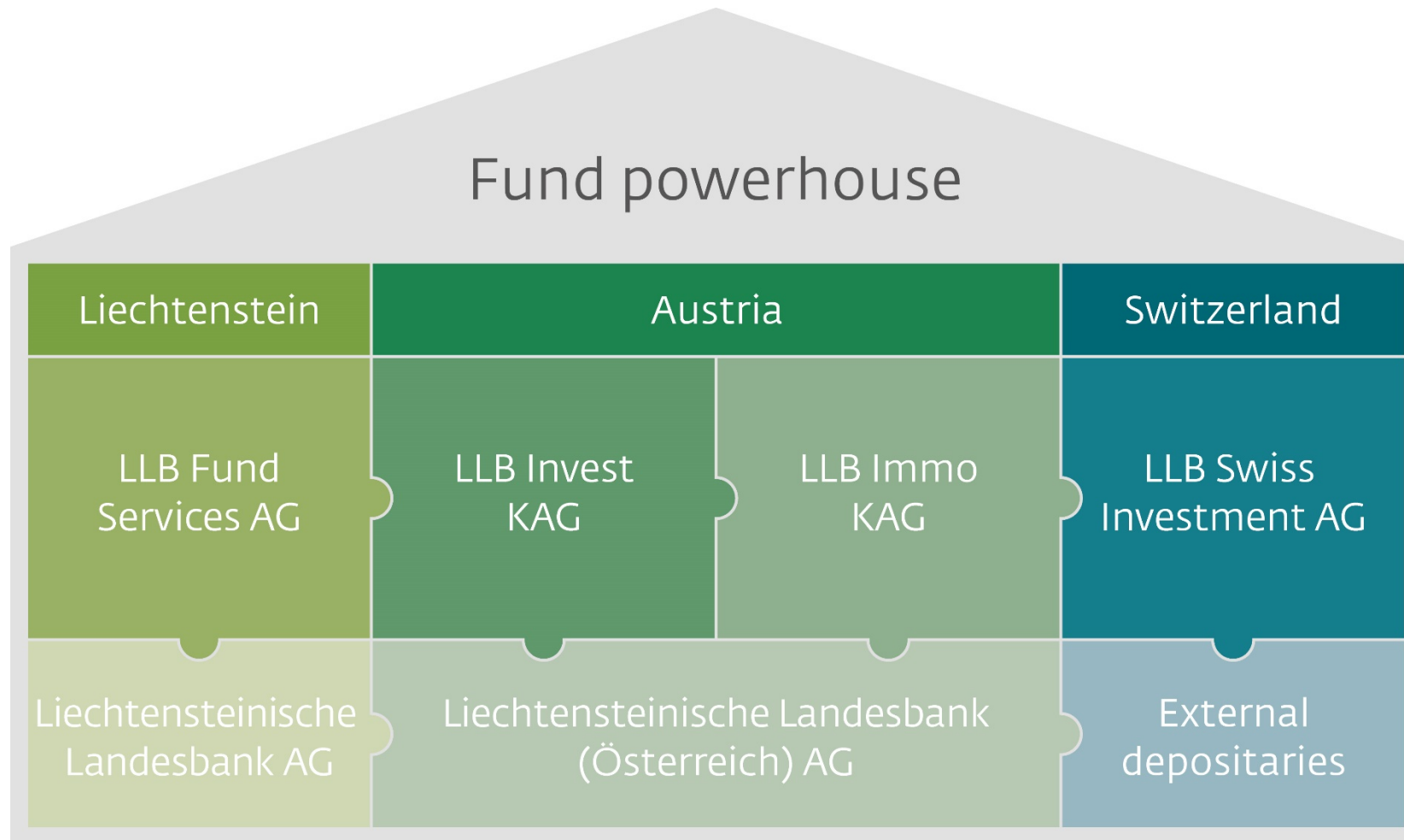
Growth
Profitability
Innovation
Excellence

Development of net new money (in CHF millions)



Fund powerhouse for complete flexibility

Growth
Profitability
Innovation
Excellence



- ◆ More than 650 funds with a volume of around 37 billion Swiss francs
- ◆ Bundled expertise in three jurisdictions
- ◆ Specific locational advantages enable individual structuring solutions

New growth prospects in the Middle East

Growth
Profitability
Innovation
Excellence

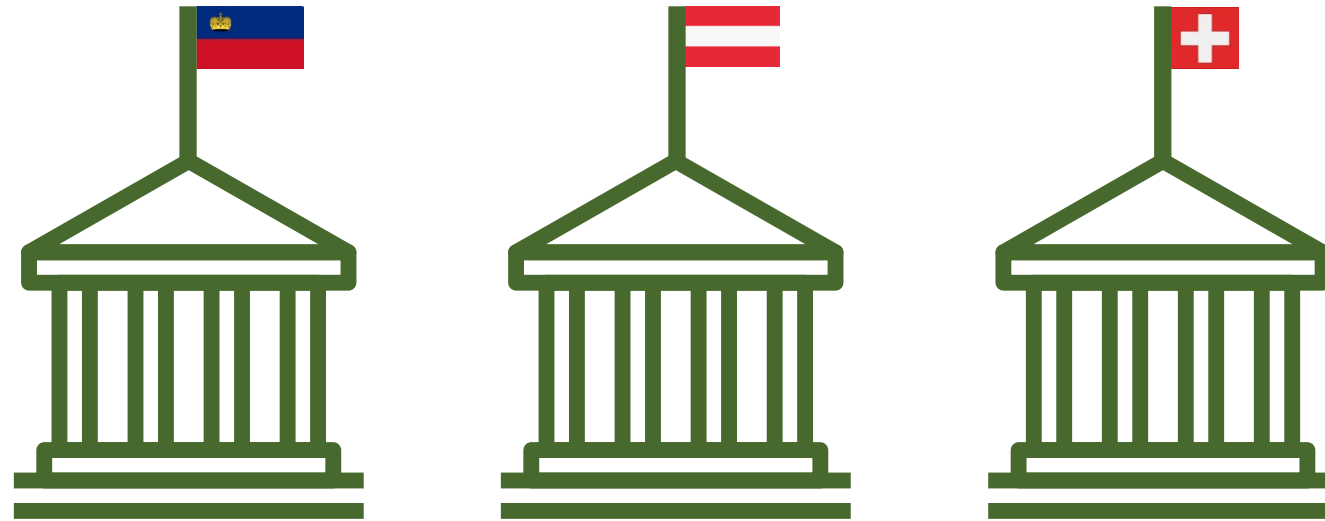
Relocation to new offices in Dubai International Financial Centre (DIFC)

- ◆ Free financial zone extends our scope of activity
- ◆ Important step in further development of our business activities in the Middle East
- ◆ Offices in representative "Burj Daman" offer space for 50 employees



Three banks – one core banking system – many advantages

Growth
Profitability
Innovation
Excellence



AVALOQ core banking system

Entire product range for all banks

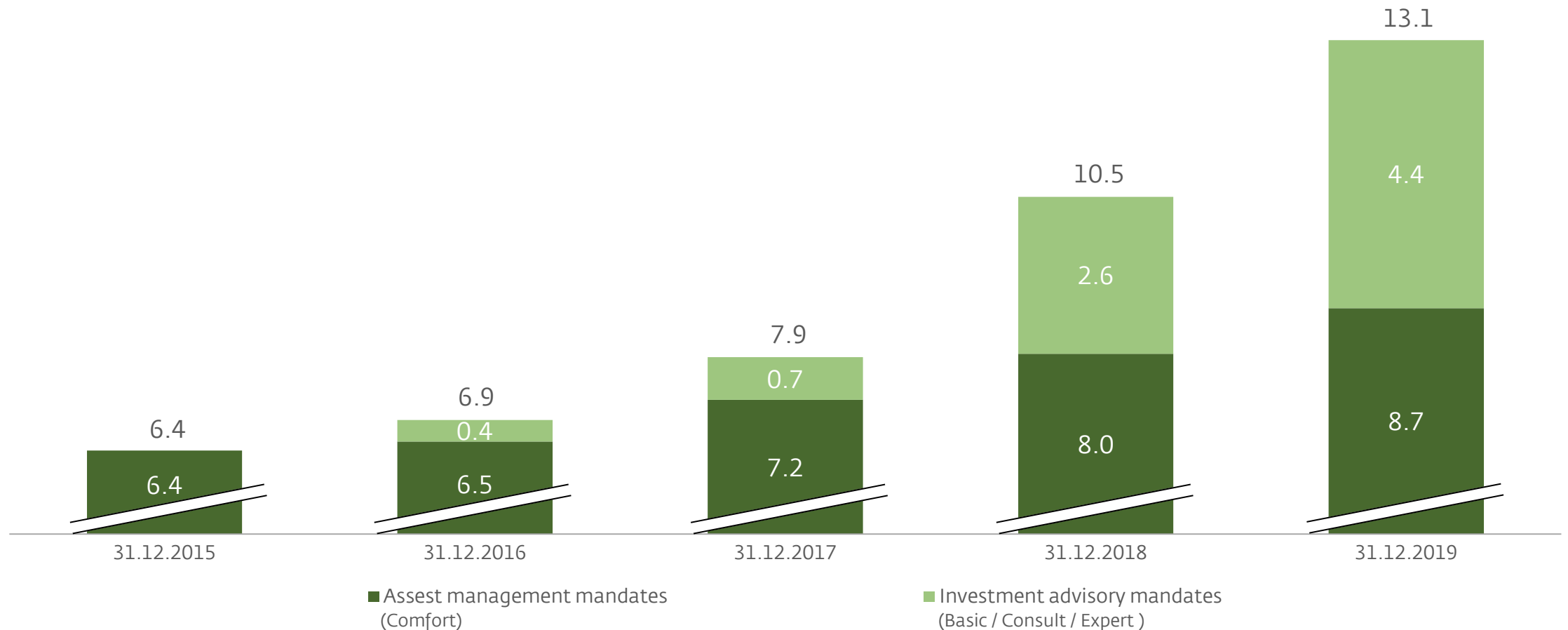
Online and Mobile Banking for all clients

Exploit synergies – enhance efficiency

Higher profitability thanks to innovative products

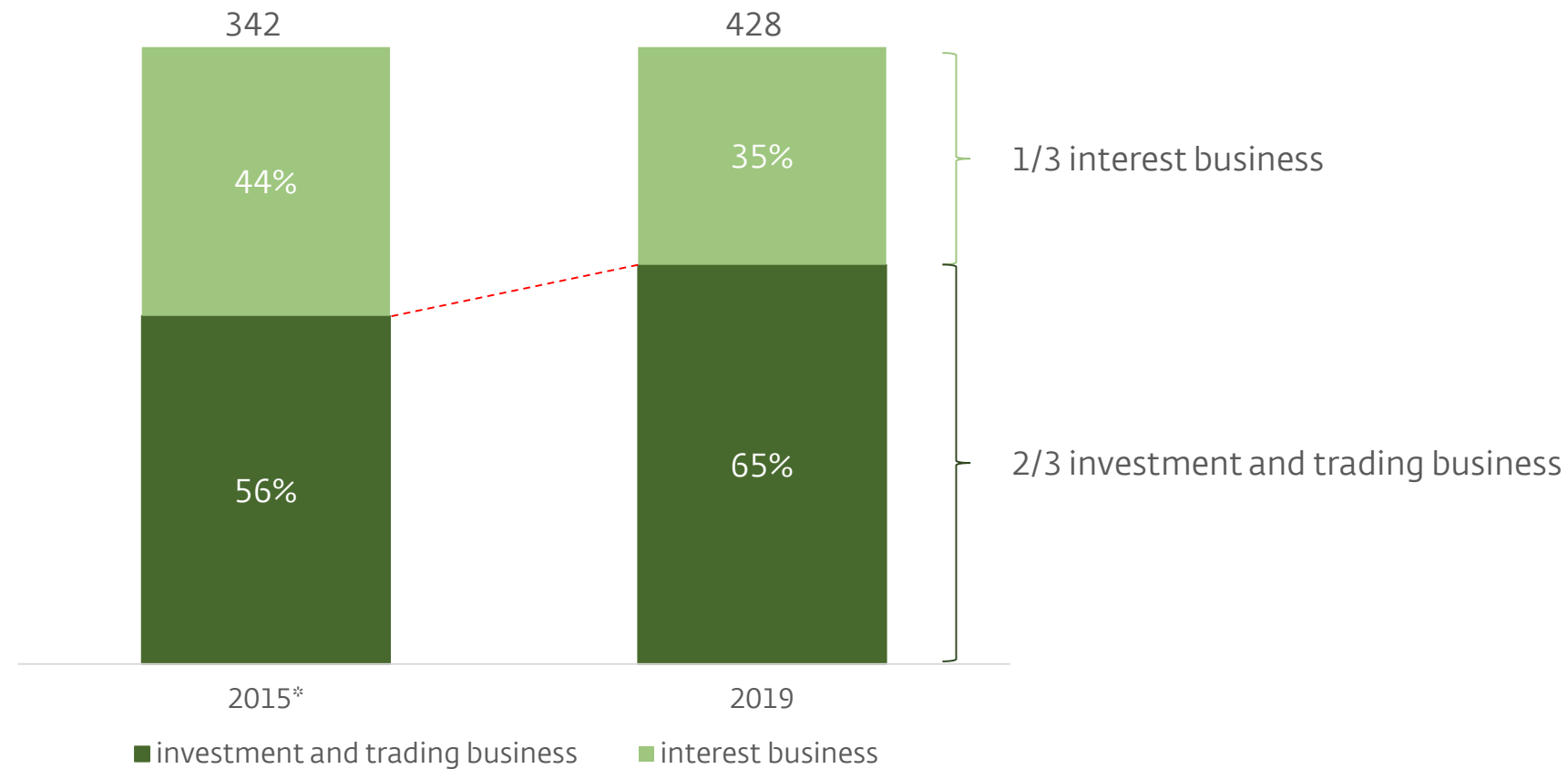
Growth
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Innovation
Excellence

LLB Invest (in CHF billions)



Investment and trading business substantially expanded

Share of investment and trading business / interest business (in CHF millions)



* Including re-classification of „Interest income from debt instruments“ in interest business

Innovative tools to support our intermediary clients

Growth
Profitability
Innovation
Excellence

Improvement of client interfaces:

- ◆ **"Pro Modus"** offers improved overview and more functions in Online Banking
- ◆ **Digital signature and form centre** speed up client onboarding process
- ◆ **"LLB Portfolio Analysis"** enables individual analysis possibilities



Modern bank branches bring us closer to clients

Growth
Profitability
Innovation
Excellence



We make banking an experience



We create more space for advising clients

Excellence in various disciplines

Growth
Profitability
Innovation
Excellence



Outstanding Asset Management

- ♦ European champion: Lipper Fund Award across all main investment categories
- ♦ Largest investment team in Liechtenstein
- ♦ 15 billion Swiss francs under administration



Outstanding client advisers

- ♦ Best rating in D und FL in Fuchsbriefe comparison test
- ♦ Award winners for innovation and digital solutions
- ♦ 150 SAQ-certified client advisers



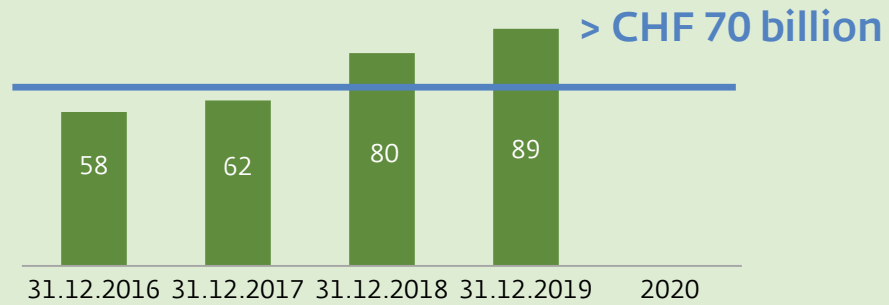
Outstanding communication

- ♦ Ranks overall first in Swiss annual report rating
- ♦ Best of all exchange-listed and important Swiss companies
- ♦ Exemplary as regards transparency, clearness and design

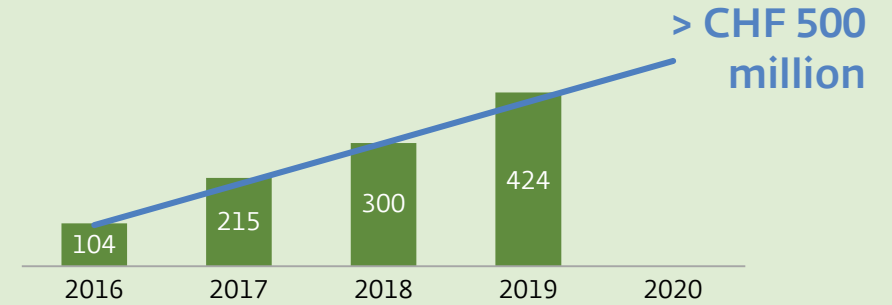
Outlook 2020

On course to achieve 2020 financial goals

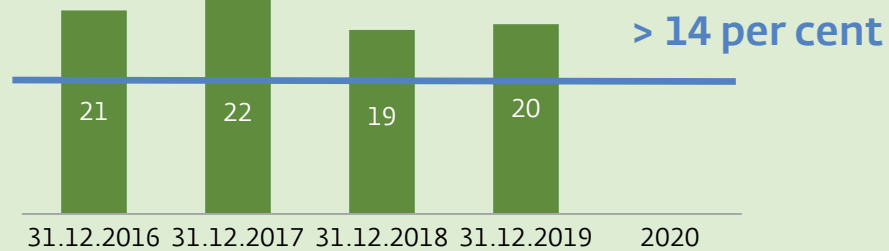
Business volume



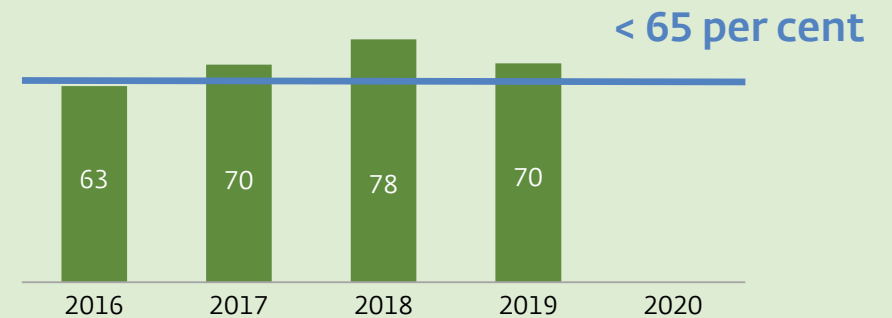
Cumulative business result



Tier 1 ratio



Cost/income ratio



Strategic priorities 2020

- 1 Profitability and cost management
 - 2 Strengthening of our „LLB Invest“ products
 - 3 Digitalisation and innovation
 - 4 Modern bank branches
 - 5 M&A
-



Banking exceeding
expectations

Q&A

Contact and financial calendar

Contact

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Financial calendar

28th Annual General Meeting of Shareholders

Friday, 8 May 2020

Ex-dividend date

12 May 2020

Dividend payout date

14 May 2020

Presentation of 2020 interim financial reporting

Tuesday, 25 August 2020

Disclaimer

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Thank you



Liechtensteinische
Landesbank¹⁸⁶¹

Tradition meets Innovation.