



## **EFG International comments on performance and on the successful IPO of EFG Financial Products**

**Zurich, 18 October 2012 – EFG International’s stake in EFG Financial Products has reduced from circa 58% to circa 25% as part of the successful IPO of EFG Financial Products. As a result, EFG International’s pro-forma total BIS capital ratio will improve to approximately 17%. The process of resetting EFG International is now complete, and performance during the third quarter of 2012 was broadly in line with that seen during the first half of the year.**

In keeping with the objective set out in its business review, EFG International has reduced its stake in EFG Financial Products from circa 58% to circa 25% in the successful initial public offering of EFG Financial Products. Based on the offering price set at CHF 45 per registered share, the market capitalisation of EFG Financial Products is CHF 300 million. Trading in shares of EFG Financial Products Holding AG (FPHN) begins on 19 October 2012 on the SIX Swiss Exchange. For further information on the offering, see the press release issued today by EFG Financial Products available at [www.efgfp.com](http://www.efgfp.com).

EFG International has sold 1,270,472 registered shares in the base offering, and has granted the underwriters an over-allotment option of up to 293,713 additional registered shares which can be exercised within 30 days after the first day of trading in shares of EFG Financial Products. If the over-allotment option is exercised in full, EFG International’s stake will decrease further to circa 20%. As previously announced in its press release dated 8 October 2012, EFG International has agreed to a lock-up of its remaining stake which ends twelve months after the first trading day, and it will continue to consolidate fully EFG Financial Products for accounting, regulatory supervision and regulatory capital purposes. There will be a positive impact on capital, with EFG International’s pro-forma total BIS capital ratio improving to approximately 17%, based on risk weighted assets as of June 30, 2012.

The process of resetting EFG International is now complete, just a year after the publication of its business review in October 2011. As well as the IPO of EFG Financial Products, EFG International has in recent weeks:

- Completed a review of its business in Gibraltar, concluding that this business is no longer commercially attractive and will be closed.
- Agreed to sell Quesada, its Stockholm-based wealth management boutique. This transaction is expected to complete within the next couple of months, subject to regulatory approval.

Business conditions continue to have a bearing on the rate of progress, but performance during the third quarter of 2012 was broadly in line with that seen during the first half of the year. This applies to both revenues and costs, with costs relating to a number of businesses being closed continuing for slightly longer than anticipated. Net new asset growth during the third quarter was in line with the level seen during the first half of 2012, and EFG International’s revenue margin remains resilient.

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## About EFG International

EFG International AG is a global private banking group offering private banking and asset management services, headquartered in Zurich. EFG International's group of private banking businesses operates in around 30 locations worldwide, with circa 2,300 employees. EFG International's registered shares (EFGN) are listed on the SIX Swiss Exchange.

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