

The LLB Group in profile

The LLB Group successfully positions itself as a universal bank with a strong private banking and institutional business.

First bank in Liechtenstein
founded in 1861

Moody's rating
Aa2

Three banks:
In Liechtenstein, Switzerland and Austria

Two competence centres:
LLB Asset Management and LLB Fund Services

Three high-earning market divisions

35.4 % Retail & Corporate
Banking

27.8 % Private Banking



Operating profit
before tax

36.8 %
Institutional
Clients

Diversified income structure

44.1 % Investment
business

16.2 % Trading business



Earnings

39.7 %
Interest business

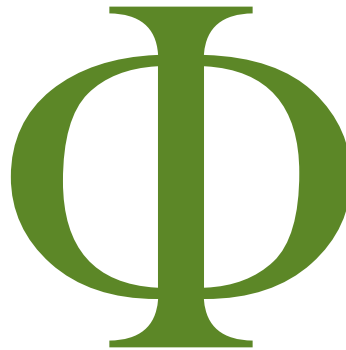
Outstanding investment competence

Lipper Group Awards Switzerland 2018:
Liechtensteinische Landesbank -
Winner over 3 years in the categories
Overall Small Company and Bond Small
Company.

Strong in three home markets

- Most important universal bank in Liechtenstein
- Largest regional bank in eastern Switzerland
- Leading asset management bank in Austria

The golden number



Growth is the future

The LLB Group is continuing to grow – as a bank for people and businesses, as an investment fund powerhouse and as an asset management specialist. The LLB Group is growing in a targeted, dynamic, sustainable and profitable manner.

Nature shows us the way, so does art and architecture. Examples and patterns, on which well-proportioned growth is based, inspired us to utilise the golden ratio as a theme for the Annual Report 2018. The symbol for the golden number is the Greek letter “phi”, the 21st letter of the Greek alphabet. Phi is a universal number having the value 1.6180339... The geometry of all organic structures is based on this golden ratio (or golden number).

Wherever one takes a closer look, one discovers everywhere the same numbers, angles, pentagons, spirals and patterns – for example, in the horn of the Alpine ibex, in the polyhedrons of the artist Hanna Roeckle, in the stalk of the cow parsley plant, in the decorations on the Sheikh Zayed Grand Mosque in Abu Dhabi. The pictures in this report show growth based on the golden number.

Video statements at:
ar2018.llb.li/growth



How does a pioneer become
a powerhouse?

The growth boosts
our strength.



Fund powerhouse in the FL-A-CH region



**Natalie
Epp**
Head of Division
Institutional Clients

The LLB Group is making a name for itself as a fund powerhouse in the FL-A-CH region. In Liechtenstein, it has been playing in the top league as a pioneer for over 20 years. In Switzerland and

Austria, it has been well positioned for continued sustainable growth since 2018. The model is unique. From Vaduz, LLB accesses the key EU market. From Vienna, it multiplies its reach. And from Zurich, it provides its clients with access to the largest offshore asset management and fund market in the world.

Video statement at:
ar2018.llb.li/funds-powerhouse

The higher the temperature
in spring, the faster the horns
of the alpine ibex grow.
Two rings are added each year.
Growth follows the law of
harmony and the golden ratio.





What brings people
together?

Where there is diversity,
there is culture.



Everyone is part of the whole



**Bernd
Moosmann**

Head of Group Human
Resources

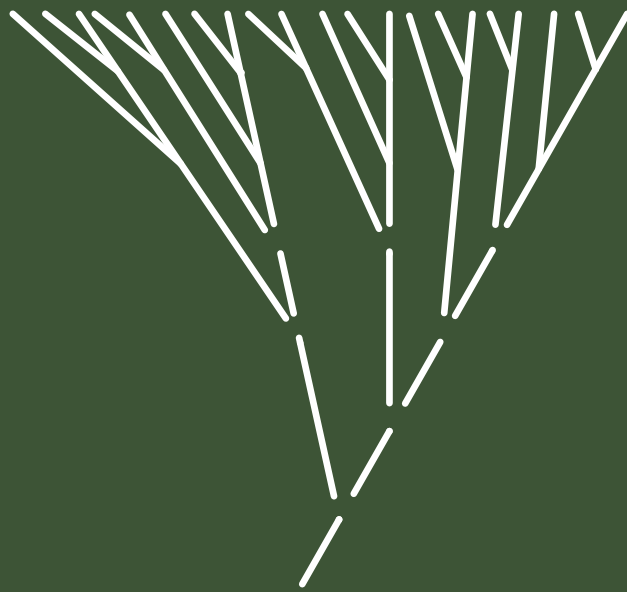
When people embody the same values, a unique identity is created. People from 38 nations work at the LLB Group. Together, they bring our corporate culture to life. By acting

according to our values of “integrity, respectfulness, excellence and pioneering”, they set the kind of positive energy free that makes all the difference. Growth means development at LLB, and diversity under one roof is a guarantee for quality and innovative power. Everyone is part of the whole, as the whole is part of the individual.

Video statement at:
ar2018.llb.li/corporate-culture

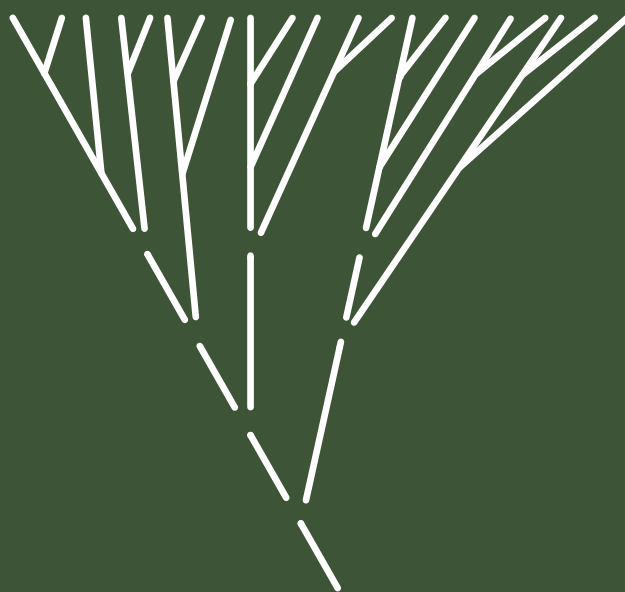
Hanna Roeckle
Polyeder / Polyhedron
Gemini Green
Lacquer on GFP
125 × 99 × 99 cm
Göttlich Golden Genial,
Museum for
Communication Berlin,
2016 / 2017





What makes banking
contemporary?

In communicating at all levels
lies the power.



In Dialogue: online as well as offline



Tobias
Schlömer
Head of Group Multi
Channel Management

In the banking of the future, the intelligent combination of technology, empathy and knowledge will make the difference. Clients will decide themselves when, how and where they contact their bank. The

LLB Group is responding to this with a coordinated interplay of the various communication channels. The bank branches represent the bridge between online and offline services. Multi-media self-service will be the standard, but with key questions, people will want answers from other people.

Video statement at:
ar2018.llb.li/online-offline



"The structural design of the cow parsley plant repeats itself in the smallest and largest details. The self-similarity of the branches corresponds to the golden ratio. If one focuses on the cluster of flowers, one sees the overall shape of the plant."



What makes a good partner?

Unique experiences
connect.



Growing partnership in the Middle East



Daniela
Leithe

Head of Legal &
Compliance Middle East

Al Wasl is the Arabic word for “connection/link” – the LLB Group's solution in the Middle East. The LLB Group has been committed to Dubai and Abu Dhabi as business locations for over

10 years, here connectedness is reflected in the close partnership with clients. Proximity, stability and a long tradition of private banking allow trust to grow. The same language and unique experiences connect, innovative investment solutions make sense – this creates valuable partnerships.

Video statement at:
ar2018.llb.li/middle-east



Half a millennium ago, Arab builders were already creating patterns utilising the golden ratio that never ends. The flower of life decorates the floors, ceilings and windows of the Sheikh Zayed Grand Mosque, which opened in Abu Dhabi in 2007.

Information for shareholders

LLB share

Security number		35514757
ISIN		LI0355147575
Listing		SIX Swiss Exchange
Ticker symbols	Bloomberg	LLBN SW
	Reuters	LLBN.S
	Telekurs	LLBN

Capital structure

	31.12.2018	31.12.2017	+/- %
Share capital	154'000'000	154'000'000	0.0
Total of registered shares issued (fully paid up)	30'800'000	30'800'000	0.0
Total shares outstanding, eligible for dividend	30'675'159	28'877'063	6.2
Weighted average shares outstanding	29'752'960	28'869'770	3.1

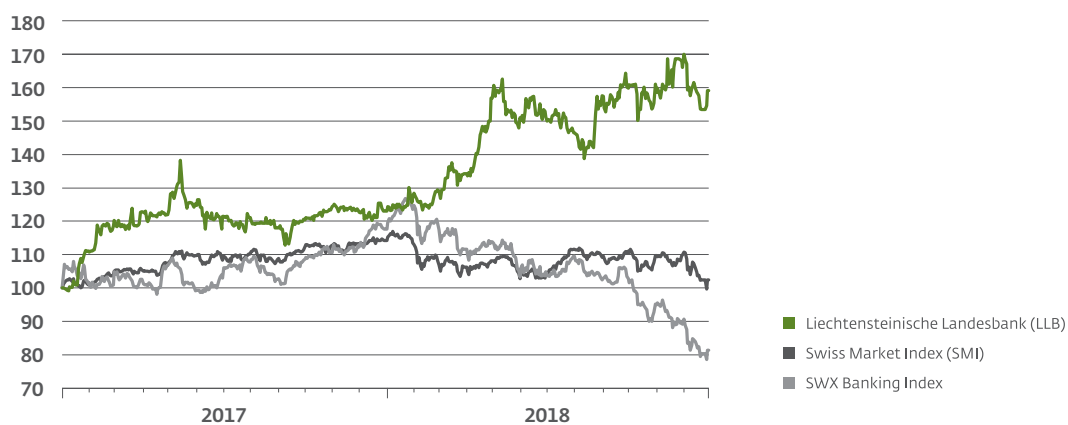
Information per share

	31.12.2018	31.12.2017	+/- %
Nominal value (in CHF)	5.00	5.00	0.0
Share price (in CHF)	64.20	49.65	29.3
Basic earnings per share (in CHF)	2.62	3.66	-28.4
Price/earnings ratio	24.49	13.58	
Dividend (in CHF)	* 2.10	2.00	

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

Comparison of LLB share

Indexed from 1 January 2017



Key figures

Consolidated income statement

in CHF millions	2018	2017	+ / - %
Income statement			
Operating income	399.7	399.4	0.1
Operating expenses	-305.9	-267.0	14.6
Net profit	85.1	111.3	-23.5
Performance figures			
Cost-Income-Ratio (in per cent) * / **	77.7	69.6	
Return on equity attributable to the shareholders of LLB (in per cent)	4.3	6.1	

* Operating expenses (excluding provisions for legal and litigation risks) in relation to operating income (excluding expected credit losses).

** Adjusted to consider market effects (interest rate swaps and price gains) the Cost-Income-Ratio stood at 75.5 per cent for 2018 and at 73.9 per cent for 2017.

Consolidated balance sheet and capital management

in CHF millions	31.12.2018	31.12.2017	+ / - %
Balance sheet			
Total equity	2'010	1'883	6.7
Total assets	22'892	20'017	14.4
Capital ratio			
Tier 1 ratio (in per cent) * / **	19.0	21.6	
Risk-weighted assets	8'225	7'568	8.7

* Corresponds to the CET ratio 1 because the LLB Group has solely hard core capital.

** From 31.12.2017 the calculation of the minority interests in the tier 1 ratio was considered fully in regulatory equity. According to EU directive 575/2013 (Art. 84 CRR) only a portion of minority interests is eligible to be considered on a consolidated basis in equity. This results in a 60 basis points reduction in the tier 1 ratio.

Additional information

in CHF millions	31.12.2018	31.12.2017	+ / - %
Business volume	80'143	62'336	28.6
Assets under management	67'290	50'252	33.9
Loans	12'853	12'084	6.4
Employees (full-time equivalents, in positions)	1'086	867	25.2

Purely for ease of reading, the masculine form used in this document is intended to refer to both genders.
Liechtensteinische Landesbank Aktiengesellschaft is referred to variously in the following as Liechtensteinische Landesbank AG, Liechtensteinische Landesbank, LLB AG, LLB as well as LLB parent bank.
Liechtensteinische Landesbank (Österreich) AG is also referred to as LLB (Österreich) AG and LLB Österreich.
Bank Linth LLB AG is also referred to in this report as Bank Linth.

This consolidated interim financial reporting is published in German and English. The German version is authoritative.
We also offer the 2017 consolidated interim financial reporting in an interactive online version:

German: <http://gb2018.llb.li>

English: <http://ar2018.llb.li>

Due to rounding, the numbers presented in this report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Key dates 2019

February

- 7** Presentation of awards at the Switzerland 2019 Lipper Fund Awards
- 20** Publication of Bank Linth 2018 business result

March

- 8** Reopening of Bank Linth bank branch in Bad Ragaz
- 11** Presentation of awards at the Austria 2019 Lipper Fund Awards
- 13** Presentation of awards at the Germany 2019 Lipper Fund Awards
- 14** Media and analyst conference, 2018 business result, LLB Group
- 30** Reopening of LLB bank branch in Balzers

April

- 3** SAQ certification event, Vaduz
- 17** General Meeting of Shareholders Bank Linth
- 26** Reopening of Bank Linth bank branch in Flums

May

- 3** General Meeting of Shareholders of LLB AG

June

Representative office in Dubai moves to DIFC (Dubai International Financial Center)

July

"LLB Sommer im Hof" performances by various artists in the inner courtyard of the headquarters building

August

- 13** Presentation of 2019 Bank Linth interim financial reporting
- 27** Presentation of 2019 LLB Group interim financial reporting

November

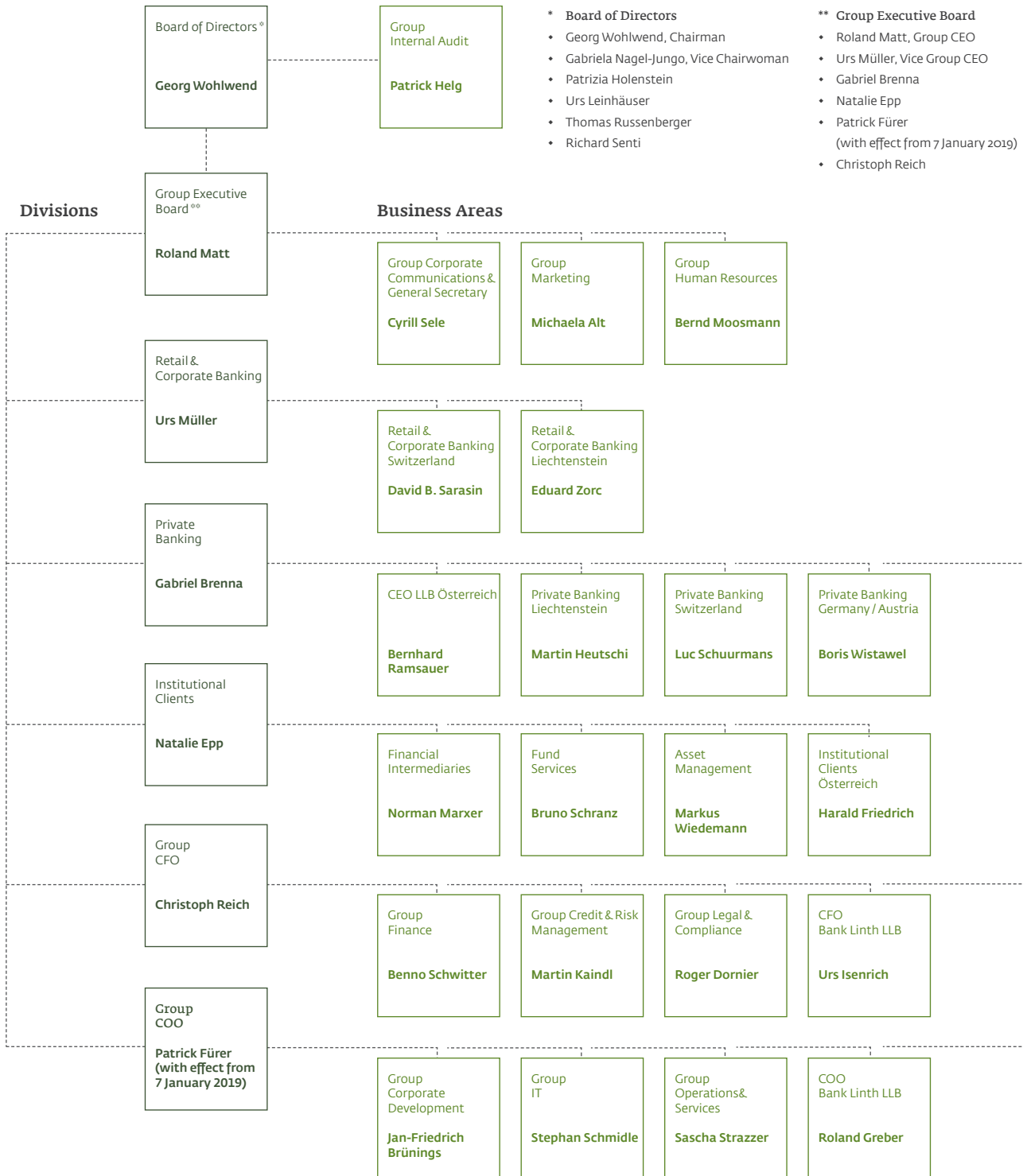
- 12** LLB Investment forum

December

Final stage preparations of LLB Österreich for the migration to the Avaloq core banking system

Organisational structure of the LLB Group

on 1 January 2019



Group companies

on 1 January 2019

Liechtensteinische Landesbank (Österreich) AG (100%)

Board of Directors

- Gabriel Brenna, Chairman
- Christoph Reich, Vice Chairman
- Natalie Epp
- Roland Matt
- Bernd Moosmann
- Ewald Nageler
- Aleksandar Lacarak
- Franz-Erwein Nostitz-Rieneck
- Alice Hritcu

Board of Management

- Bernhard Ramsauer, Chairman
- Robert Löw, Vice Chairman
- Harald Friedrich
- Gerd Scheider
- Selim Alantar

LLB Asset Management AG (100%)

Board of Directors

- Natalie Epp, Chairwoman
- Gabriel Brenna, Vice Chairman
- Christoph Reich
- Urs Müller

Board of Management

- Markus Wiedemann, Managing Director
- Christian Zogg

Bank Linth LLB AG (74.8%)

Board of Directors

- Ralph Peter Siegl, Chairman
- Urs Müller, Vice Chairman
- Gabriel Brenna
- Beatrix Frey-Eigenmann
- Karin Lenzlinger Diedenhofen
- Christoph Reich

Board of Management

- David B. Sarasin, Chairman
- Urs Isenrich, Vice Chairman
- Roland Greber
- Luc Schuurmans

LLB Fund Services AG (100%)

Board of Directors

- Natalie Epp, Chairwoman
- Stefan Rein, Vice Chairman
- Peter Meier

Board of Management

- Bruno Schranz, Managing Director
- Roland Bargetze
- Thomas Mähr

LLB Swiss Investment AG (100%)

Board of Directors

- Natalie Epp, Chairwoman
- Bruno Schranz, Vice Chairman
- Hans Stamm

Board of Management

- Dominik Rutishauser, CEO
- Ferdinand Buholzer

LLB Verwaltung (Schweiz) AG (100%)

Board of Directors

- Christoph Reich, Chairman
- Roger Dornier, Vice Chairman

