

Group Communications & Marketing
May 2012

VP Bank Equity Story



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History of Liechtenstein

- 1396 Earldom Vaduz
- 1699 Earldoms of Schellenberg
- 1712 Vaduz granted to Johann Adam Andreas von Liechtenstein
- 1719 Elevation to imperial principality, part of the German nation of the Holy Roman Empire
- 1806 Member of the German "Rheinbund"
- 1815 Seat and vote within the German Federation
- 1852 Customs treaty with Austria; dawn of industrialization (textile industry)
- 1919/1920 After end of WWI, termination of customs treaty and postal agreement with Austria; turn toward Switzerland
- 1921 Postal treaty with Switzerland
- 1923 Customs treaty with Switzerland
- 1924 Introduction of the Swiss franc as national currency of Liechtenstein
- 1950 Acceptance into the International Court of Justice in Den Haag
- 1975 OSCE membership
- 1978 Member of the European Council
- 1990 UN membership
- 1991 EFTA membership
- 1995 EEA membership
- 1995 WTO membership



Liechtenstein – figures and constitution

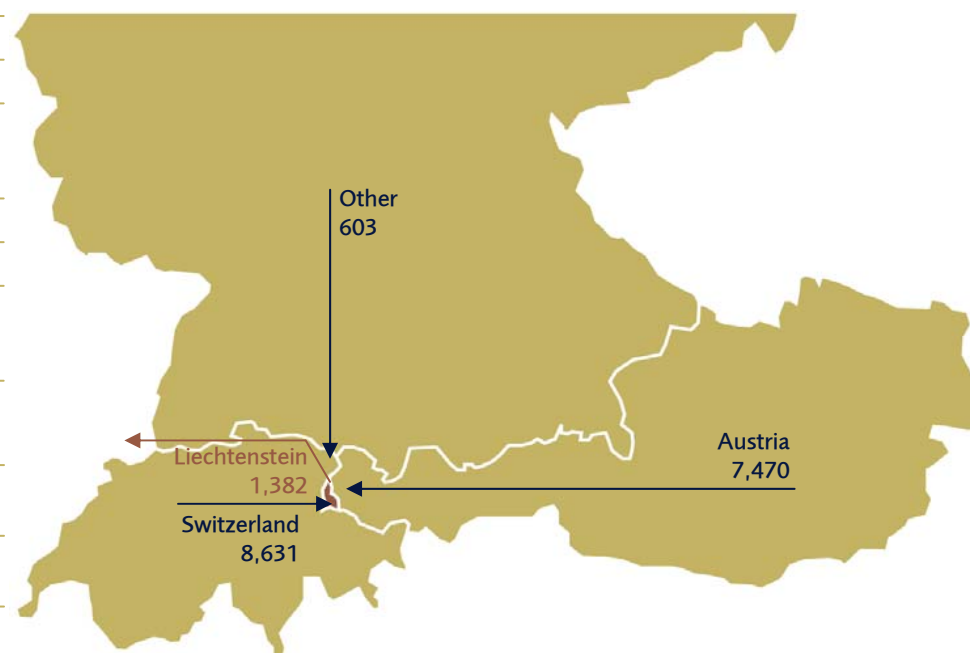
Figures

Surface area	160 km ²
Boundaries	41.2 km border with Switzerland; 36.7 km with Austria
GDP (at current prices, in CHF million)	1998: 3.6; 1999: 4.0; 2000: 4.2; 2001: 4.2; 2002: 4.2; 2003: 4.1; 2004: 4.3; 2005: 4.6; 2006: 5.0; 2007: 5.5; 2008: 5.5; 2009: 4.9
Population	36,149; 1/3 foreigners
Crossborder commuters	16,704 daily (see chart), 51% of employees
Industrial exports (in CHF million)	2002: 2,820; 2003: 2,877; 2004: 3,203; 2005: 3,227; 2006: 3,604; 2007: 4,182; 2008: 4,245; 2009: 3,081; 2010: 3,324

Constitution

Form of government	Constitutional hereditary monarchy based on democratic and parliamentary principles
Head of state	Prince Hans-Adam II; since 2004, Hereditary Prince Alois as deputy entrusted with the assertion of sovereign rights
Parliament	25 members of parliament, each elected by the populace in general, direct, secret-ballot elections for a four-year term of office
Government	5 members of government, each appointed by the Prince on the suggestion of parliament










Crossborder Commuters



Status: Dezember 2009 (latest survey)

Important Industrial Companies in Liechtenstein

Liechtenstein's major industrial companies

	1933	Ivoclar Vivadent AG
	1935	Hilcona
	1936	Hoval AG
	1941	Hilti Maschinenbau AG
	1941	Thyssen Krupp Presta AG
	1946	oerlikon
	1948	Swarovski
	1957	Herbert Ospelt Anstalt
	2000	Inficon Holding AG



Market environment – the Liechtenstein financial center

Characteristics

- Streamlined political system oriented toward citizenry
- Stable legal and social system
- Liberal economic system
- Short administrative paths
- Transparent, calculable legislation
- Simultaneous interrelationship with Swiss economic area and the EEA
- Access to highly qualified professionals from the neighboring countries (51% of the workforce comprised of commuters)



Market environment – Liechtenstein as a banking center

Characteristics

- Financial services represent the country's second most important commercial sector (33% of GDP) behind the manufacturing industry
- 150-year banking tradition
- Customs treaty with Switzerland (1923); introduction of the Swiss franc as legal tender; EEA membership since 1995
- 1923: Banking secrecy officially anchored
- 2001: Establishment of the Financial Intelligence Unit (FIU)
- 2005: Founding of the Financial Market Authority (FMA)
- Active participation in battle against money laundering and the financing of terrorism
- Full implementation of the third EU Directive on Combating Money Laundering
- Application of OECD standard on international cooperation in tax-related matters (2009)
- Administrative Assistance in Tax Matters with USA, UK and International (2010)

Structure

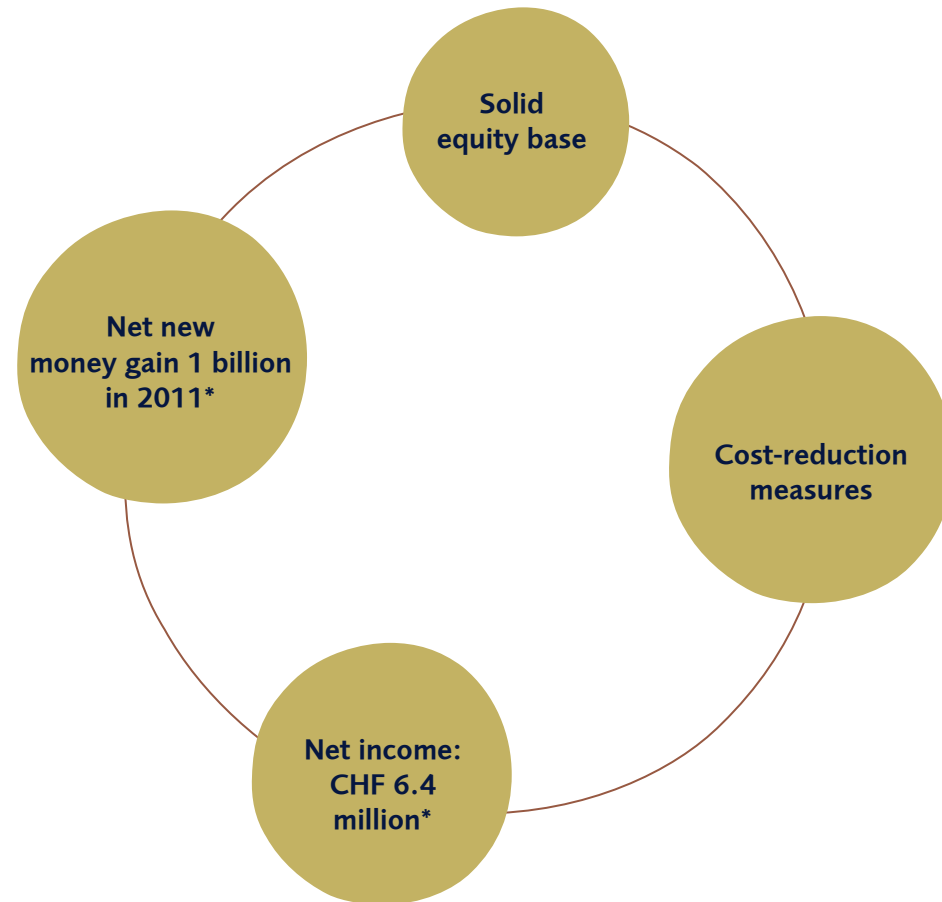
- 17 banks
- Total assets under management: around CHF 168 billion (2010)
- Financial center oriented toward continuity and sustainability
- Traditional focus on private banking and wealth management
- No risky investment banking activities
- Banks fully free to provide services in all EEA states
- Interesting diversification possibilities with financial products approved on an EU-wide scale
- Client deposits insured via comprehensive depositor protection system
- Solid equity base of the banks (average shareholders' equity: 17.8%)
- No governmental support of the banks during the financial crisis
- Tremendous financial know-how through collaboration with Liechtenstein University of Applied Sciences (Institute for Financial Services) and the "Center for Young Professionals in Banking"
- Liechtenstein rated AAA by Standard & Poor's



Overview of VP Bank

- Founded in 1956
- Third-largest bank in Liechtenstein
- Total client assets CHF 39.0 billion*
- Assets under management CHF 10.7 billion*
- Shareholders' equity ratio 8.2%*
- Cost/income ratio 79.2%*
- 737.8 employees (expressed in fulltime equivalents)*
- Close to 60,000 clients from 60 countries
- Listed on SIX Swiss Exchange in Zurich
- «A-» rating from Standard & Poor's
- Seven locations worldwide in key international financial centers
- Focus on asset management for private individuals and intermediaries

* Status: 31 December, 2011



History of VP Bank

- 1956** Guido Feger founds parent bank in Vaduz
- 1962** Conversion to a joint-stock company
- 1974** Introduction of public and employee-owned shares
- 1983** Listing in the side market of the Swiss Stock Exchange (today's SIX Swiss Exchange) as first Liechtenstein company to be publicly traded
- 1987** Trading commences in the main segment of the Swiss Stock Exchange
- 1988** Founding of VPB Finance S.A. subsidiary in Luxemburg and VP Bank (Schweiz) AG in Zurich
- 1995** Founding of VP Bank and Trust Company (BVI) Limited subsidiary as a joint venture with ATU Allgemeines Treuunternehmen in the BVIs
- 2001** Simplification of the shareholder structure (registered and bearer shares, participation certificates)
- 2003** Repurchase of large (33%) block of shares from BZ Group and reduction of outstanding equity capital through cancellation of most of those shares
- 2005** Opening of representative office in Moscow
- 2006** Opening of representative office in Hong Kong
- 2007** Opening of VP Wealth Management (Hong Kong) Ltd. in Hong Kong
- 2008** Opening of VP Bank (Singapore) Ltd. in Singapore

Locations of VP Bank Group



Roots and strengths of VP Bank

- VP Bank founded by Guido Feger, a successful entrepreneur as well as one of Liechtenstein's most important fiduciaries
- Continual growth in size and profitability
- Successful as the third bank to be established in Liechtenstein
- Continuation of the founder's charitable activities under the auspices of the Stiftung Fürstl. Kommerzienrat Guido Feger (majority shareholder of VP Bank)
- First Liechtenstein company to be exchange-listed
- Present in the international money market since day one via the European interbank market
- Outstanding reputation through high standards for quality and efficiency
- Great value has always been attached to continuing education of employees



Guido Feger
Founder of VP Bank

Structure of VP Bank

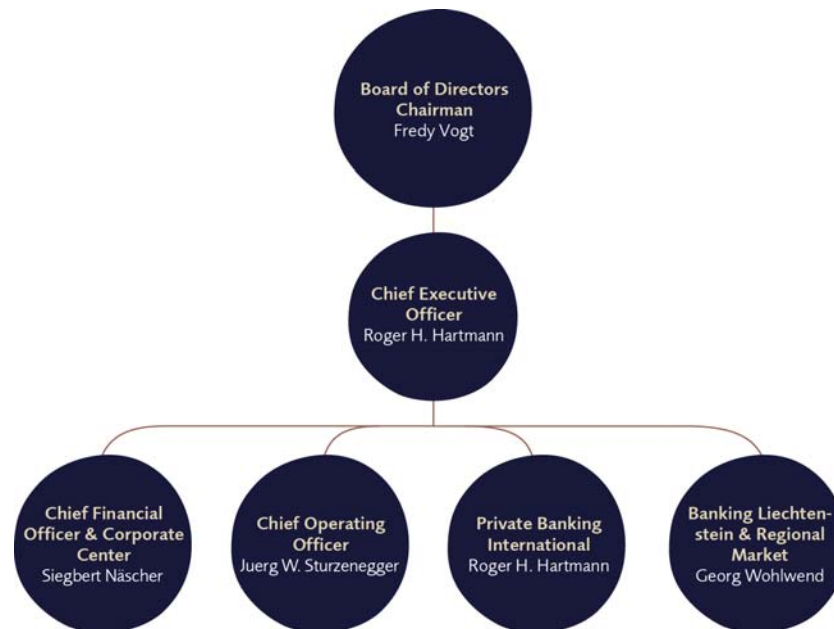
Organization

Executive Board	
CEO & Head of Markets	Roger H. Hartmann
Private Banking International	Roger H. Hartmann
CFO & Corporate Center	Siegbert Näscher
COO (Chief Operating Officer)	Juerg W. Sturzenegger
Banking Liechtenstein & Regional Markets	Georg Wohlwend

Strategy

- Compact, client-oriented management structure with executive board consisting of four members
- Strong sales support through combination of service and product units
- Private Banking International core business managed directly by CEO

Organization chart



Goals of VP Bank

our vision

VP Bank – for intelligent solutions

Strengths in client dialogue and advice, networked with the best partners, globally linked, at home in Liechtenstein.

Qualitative goals

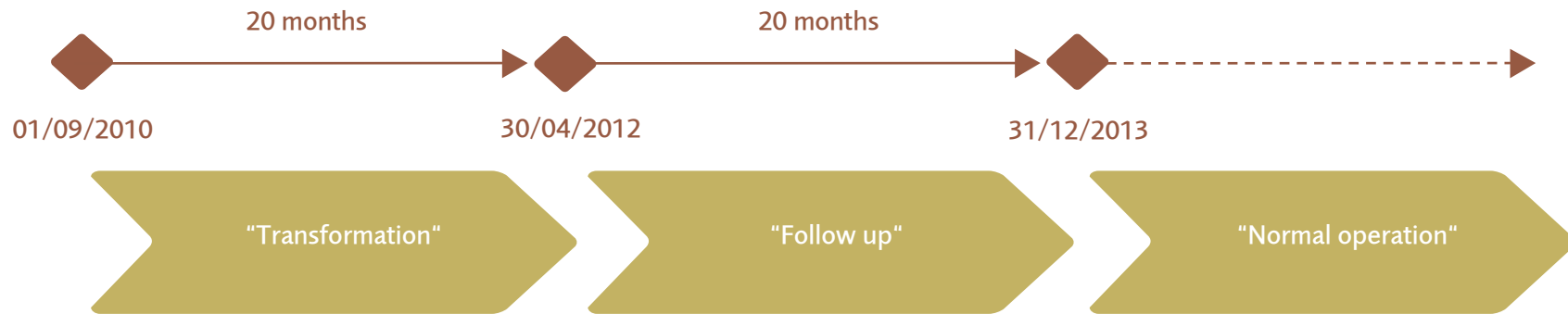
- Cost-containment measures
- Earnings-generation measures
- Reinforcement of marketing clout
- Streamlining of the Bank's project portfolio
- Reinforcement of the Bank's market position
- Optimization of VP Bank Group's services and processes
- Sustainable establishment and improvement of quality in all facets of the Bank's activities (quality awards, certifications)

Quantitative goals

- Cost/income ratio medium-term of 65% (currently: 79.2%*)
- Net new money inflow of 5% p.a. based on client assets under management
- Tier 1 ratio of 16% (currently 18.2%*)

* Status as at 31 December, 2011

Transformation plan of VP Bank



- Establish client-oriented management structure
- Launch growth initiatives and reinforce marketing strength
- Heighten efficiency: streamline range of services, increase productivity, reduce costs, and spur new cost-consciousness
- Exploit acquisition opportunities in a targeted manner (client advisors and advisory teams)

Markets of VP Bank



VP Bank Range of services

Business fields

- Holistic consulting and accompaniment of wealthy individuals with regard to financial matters and related issues (e.g. inheritance, succession, taxes, legal structures, etc.)
- Catering to the needs of intermediaries in all banking-related areas and questions regarding wealth structuring
- Execution of the relevant transactions
- Retail banking in Liechtenstein
- Commercial loans

Competence and know-how

- Clearly defined investment process represents important pillar for asset management
- Group-wide competence center for investment products
- Analysis and assessment of third-party products
- Holistic advisory principle
- Group-wide, uniformly applied management methods

Target groups and client segments

Segment	Target group
Retail Banking	Accounts valued at less than CHF 100,000 (regional; cost-optimized to the extent possible)
Affluent Banking	CHF 100,000 through 1 million
Private Banking	In excess of CHF 1 million
Commercial Banking	Mortgages, commercial loans, sureties, guarantees, import/export finance (regional, cost-optimized to the extent possible)
Intermediaries	External asset managers, fiduciaries and attorneys
Institutional Banking	Pension funds, etc. (opportunistic growth)

Group Executive Management of VP Bank



Siegbert Näscher 1965
Chief Financial Officer &
Leiter Corporate Center

Roger H. Hartmann 1957
Chief Executive Officer &
Head of Markets

Juerg Sturzenegger 1961
Chief Operating Officer

Georg Wohlwend 1963
Banking Liechtenstein
& Regional Markets

Board of Directors of VP Bank



Walo Frischknecht
Board member

Dr. Guido Meier
Vice Chairman of the Board
Representative of major shareholder
Stiftung Fürstlicher Kommerzienrat
Guido Feger

Lic.oec. Markus Thomas Hilti
Board member
Representative of major shareholder
U.M.M. Hilti-Stiftung

Fredy Vogt
Chairman of the Board

Prof. Dr. Teodoro D. Cocca
Board member

Roland Feger
Board member
Representative of major shareholder
Stiftung Fürstlicher Kommerzienrat
Guido Feger

Dr. Daniel Sigg
Board member

Max E. Katz
Board member



VP Bank shares

Share capital

	31 Dec, 2010 Number of shares	31 Dec, 2010 Par value in CHF 1000	31 Dec, 2011 Number of shares	31 Dec, 2011 Par value in CHF 1000
Bearer shares (CHF 10.00 par value)	5,314,347	53,143	5,314,347	53,143
Registered shares (CHF 1.00 par value)	6,004,167	6,004	6,004,167	6,004
Total share capital	11,318,514	59,148	11,318,514	59,148

Share segmentation

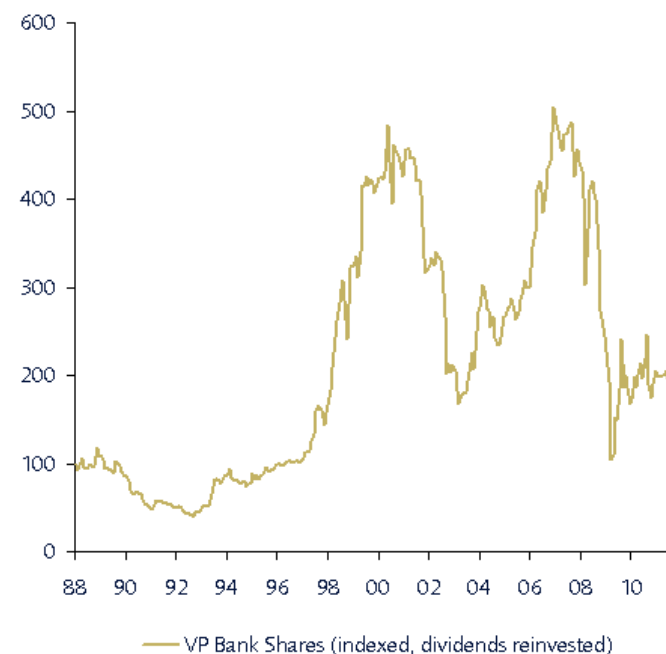
Bearer shares	Registered shares
VP Bank's bearer shares are listed and freely tradable on SIX Swiss Exchange.	The registered shares are not listed but are broadly distributed among the population of Liechtenstein.

Significant shareholdings

Shareholder	Proportion of voting rights	Proportion of share capital
Stiftung Fürstlicher Kommerzienrat Guido Feger, Vaduz	48.4 %	24.9 %
U.M.M. Hilti-Stiftung, Schaan	10.6 %	10.3 %



Share price*



Source: Thomson Reuters Datastream

The largest shareholder, the Guido Feger Stiftung (established in 1954 by the founder of VP Bank), supports social, charitable and cultural projects, thereby shaping the Bank's corporate culture and lending expression to its commitment to society as a whole.

* Status as at 31 December, 2011

Key figures of VP Bank

	31/12/2008	31/12/2009	31/12/2010	31/12/2011
Consolidated net income per bearer share (in CHF)	-14.32	9.97	2.62	0.75
Shareholders' equity per bearer share (in CHF)	144.13	158.93	156.21	153.06
Price per bearer share (in CHF)	140.10	100.70	114.80	83.00
Market capitalization (in CHF million)	829	596	673	485
Dividend per bearer share (in CHF)	2.50	3.50	3.50	1.50
Dividend per registered share (in CHF)	0.25	0.35	0.35	0.15
Payout ratio (relative to consolidated net income)	n. a.	35.1 %	133.7 %	199.5 %
Dividend yield (net)	1.8 %	3.5 %	3.0 %	1.8 %
Free float	67.9 %	67.9 %	61.9 %	61.8 %
Rating: Standard & Poor's	«A» (A-/negative/A-1)	«A» (A-/Stable/A-2)	«A» (A-/Stable/A-2)	«A» (A-/Stable/A-2)

Master Data

Bearer shares listed on the Swiss Stock Exchange (SIX) | Symbol SIX: VPB | Security number: 1073721 | ISIN number: LI0010737216 | Sedol number: 5968006 CH | Reuters Ticker: VPB.S | Bloomberg Ticker: VPB SW

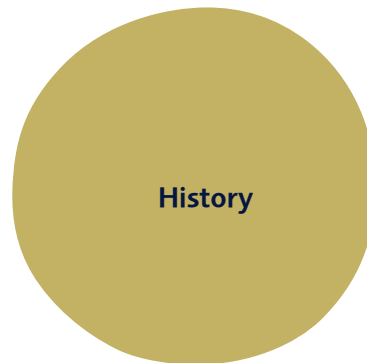


Specific features of VP Bank



Strategy

- Long-term orientation of corporate strategy
- Client-oriented, leaner and more efficient management structure
- No investment banking activities
- Presence in the major financial centers
- Solid equity base
- Constantly maintained dividend policy
- «A-» rating from Standard & Poor's
- Independent enterprise
- Stable shareholder base – long-term orientation facilitated by steadfast major shareholders



History

- Liechtenstein tradition
- More than a half-century of experience
- Long-lasting relationships



Products and marketing

- Uniform investment philosophy, uniform investment process
- No conflicts of interest in advice thanks to open-architecture philosophy (selection of the best-possible products and services offered in the marketplace)
- Consistent, unmistakable appearance in the market

VP Bank's 6 central messages



* Elite Report (summa cum laude), EFQM (recognized for excellence), Deutsche Bank (Euro STP Excellence Award), JP Morgan Chase (Elite Quality Recognition Award), certificate SQS 9004 (Schweizerische Vereinigung für Qualitäts- und Management-Systeme), certificates according to ISO 9001:2008, ISO 14000:2004, ISO/IEC 20000-1:2005 und BS 25999-2:2007)

Corporate Communications & Marketing

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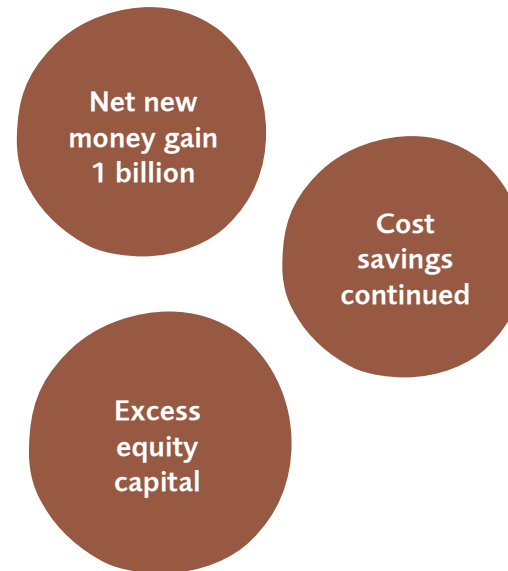


Summary & Outlook

Profile as of 31 December 2011

Shareholders' equity	CHF 898.6 million
Cost/Income Ratio	79.2%
Consolidated Net Income	CHF 6.4 million
Employees	737.8
Client Assets	CHF 39.0 billion
Total Assets	CHF 10.7 billion

Summary as of 31 December 2011



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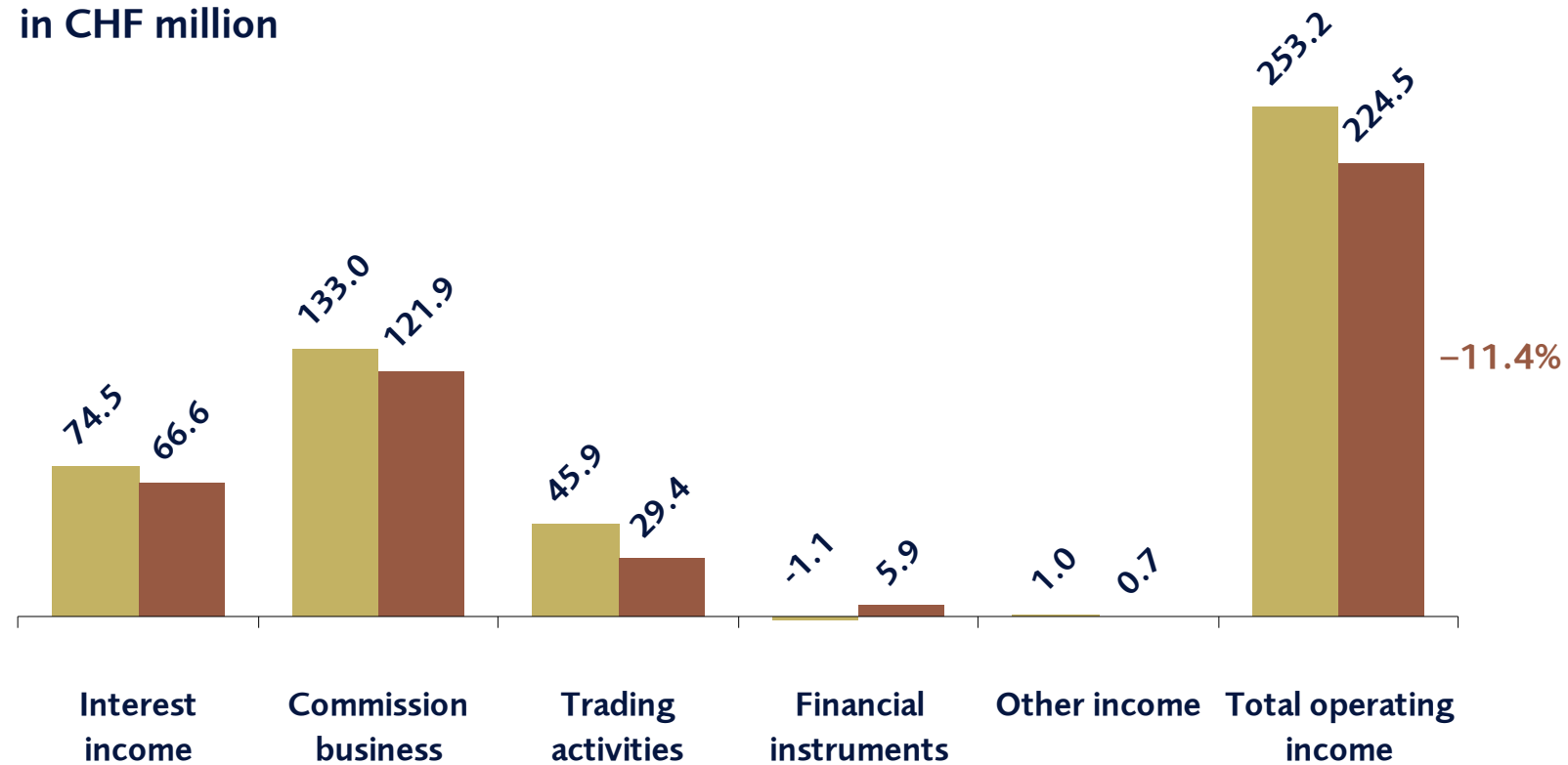
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Consolidated income statement



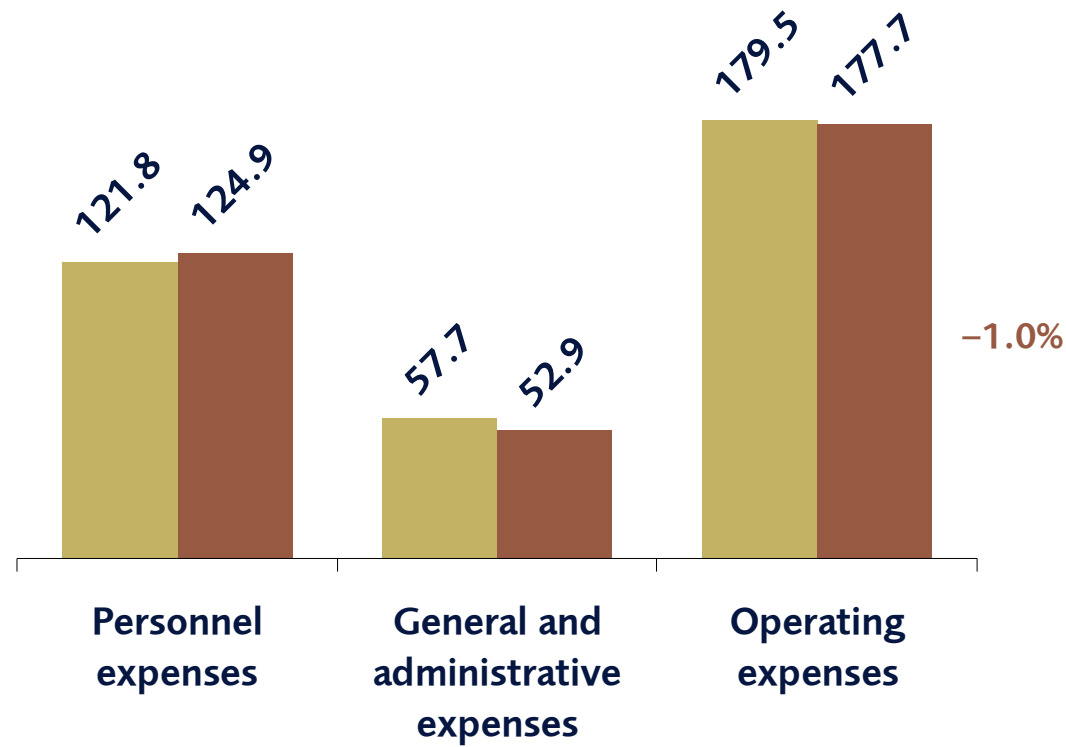
Total operating income

■ 2010
■ 2011
in CHF million



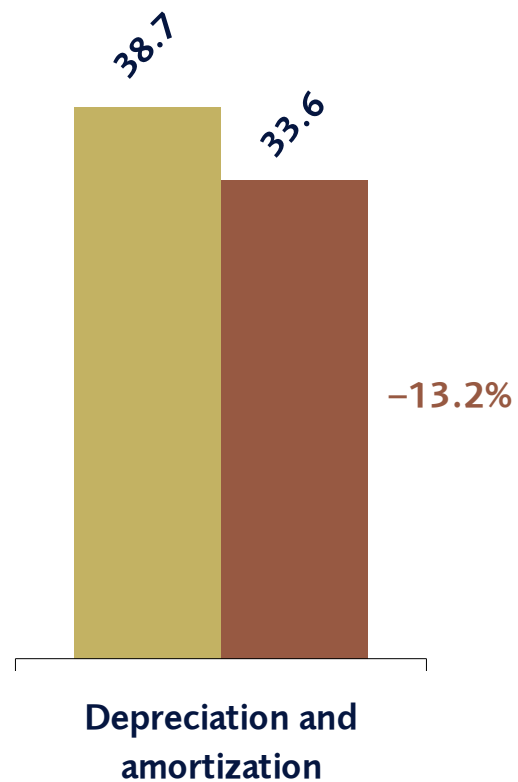
Operating expenses

■ 2010
■ 2011
in CHF million



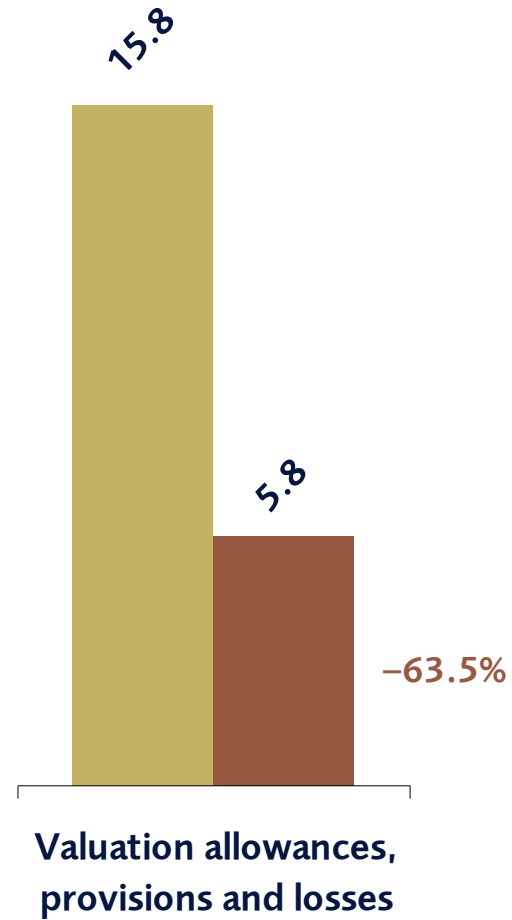
Depreciation and amortization

■ 2010
■ 2011
in CHF million



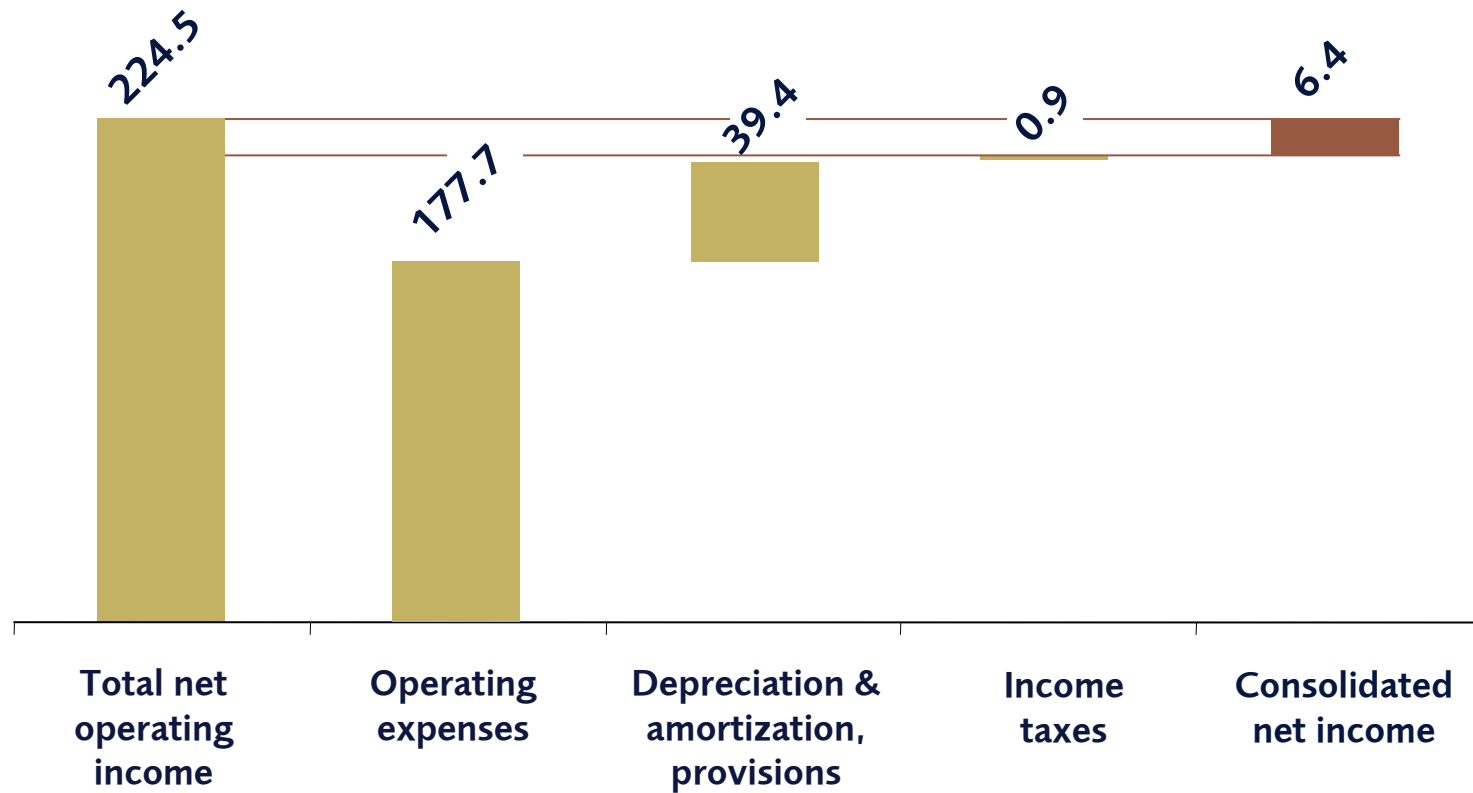
Valuation allowances, provisions and losses

■ 2010
■ 2011
in CHF million



Consolidated net income

in CHF million



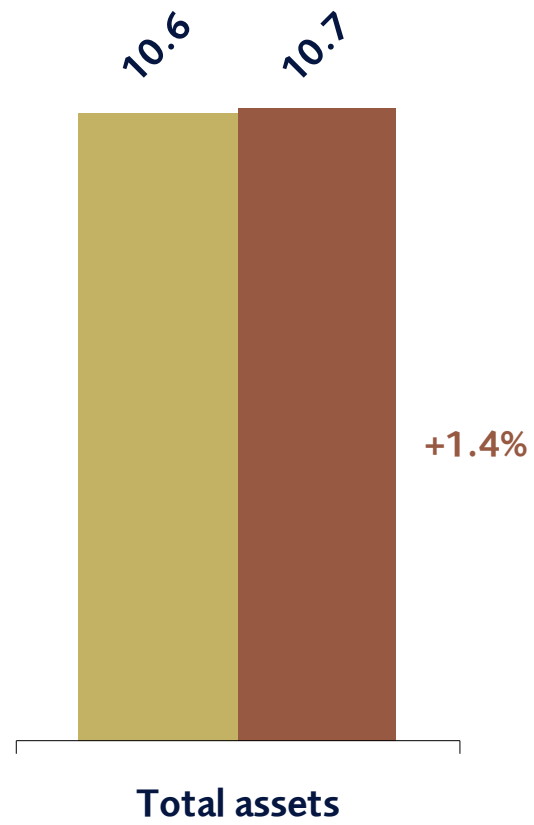
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Consolidated balance sheet



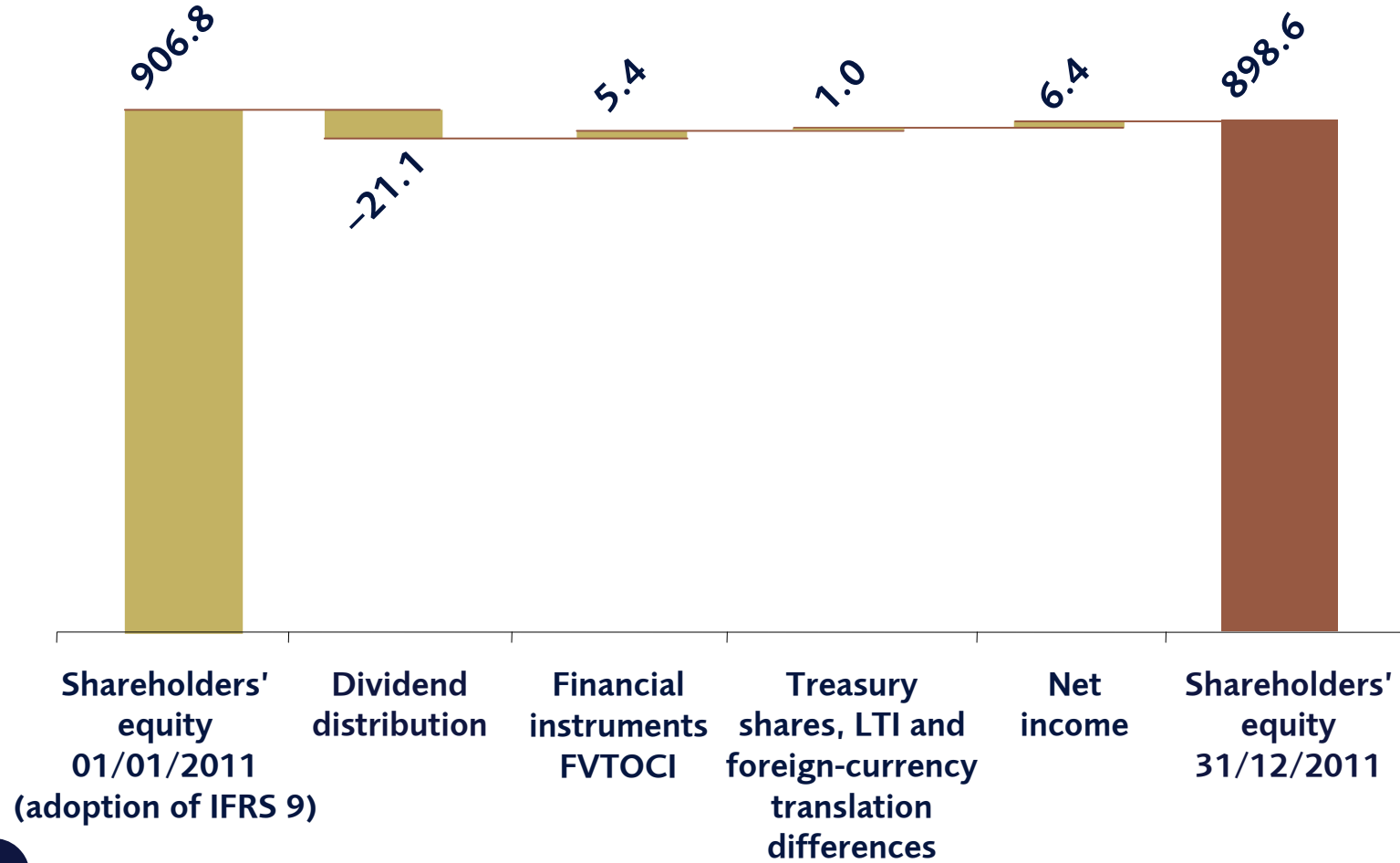
Total assets

■ 2010
■ 2011
in CHF billion



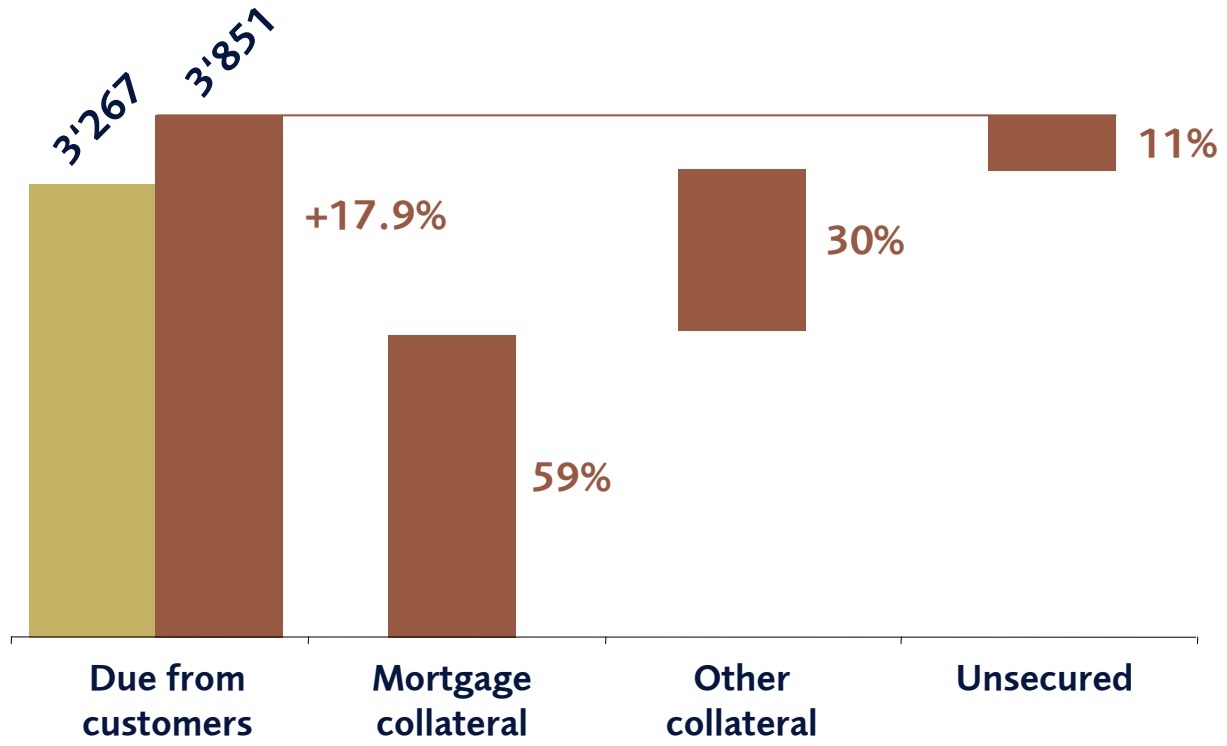
Shareholders' equity

in CHF million



Due from customers

■ 2010
■ 2011
 in CHF million

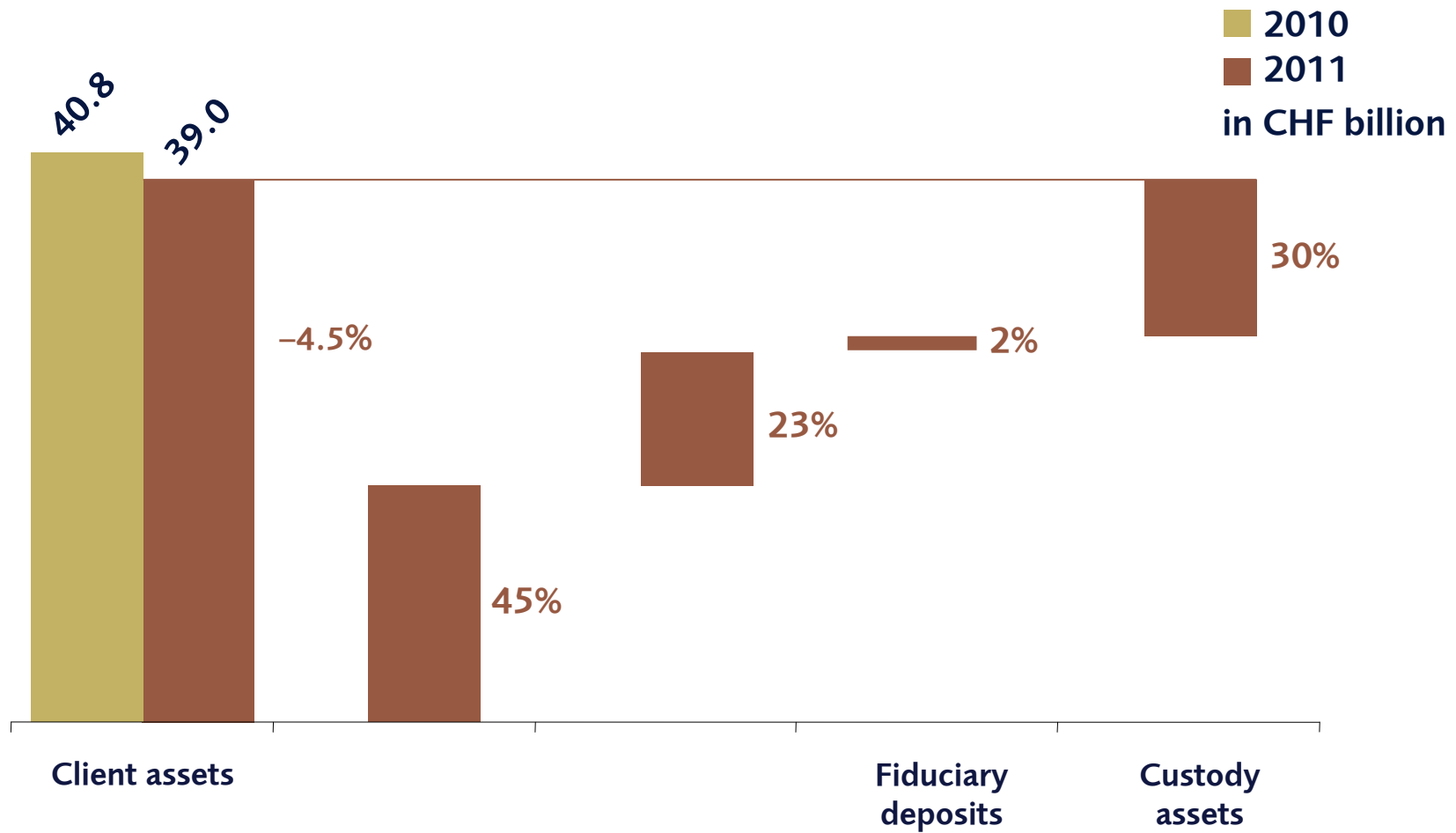


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Client assets

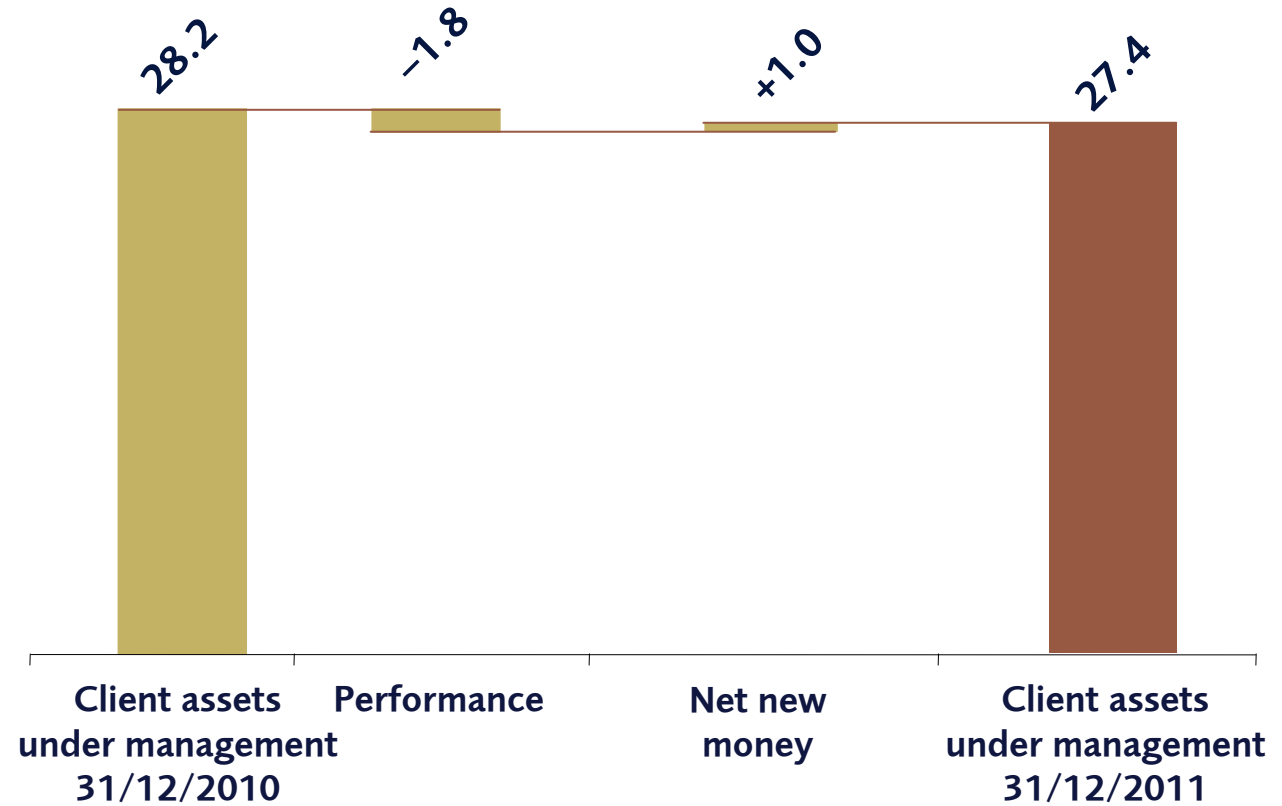


Client assets



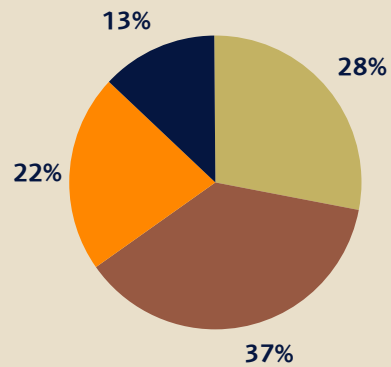
Client assets under management

■ 2010
■ 2011
in CHF billion

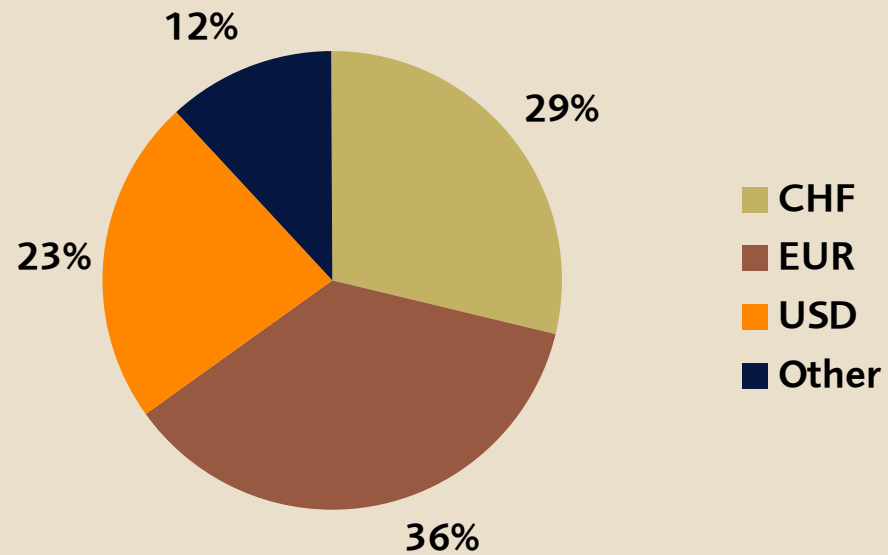


Client assets under management – currencies

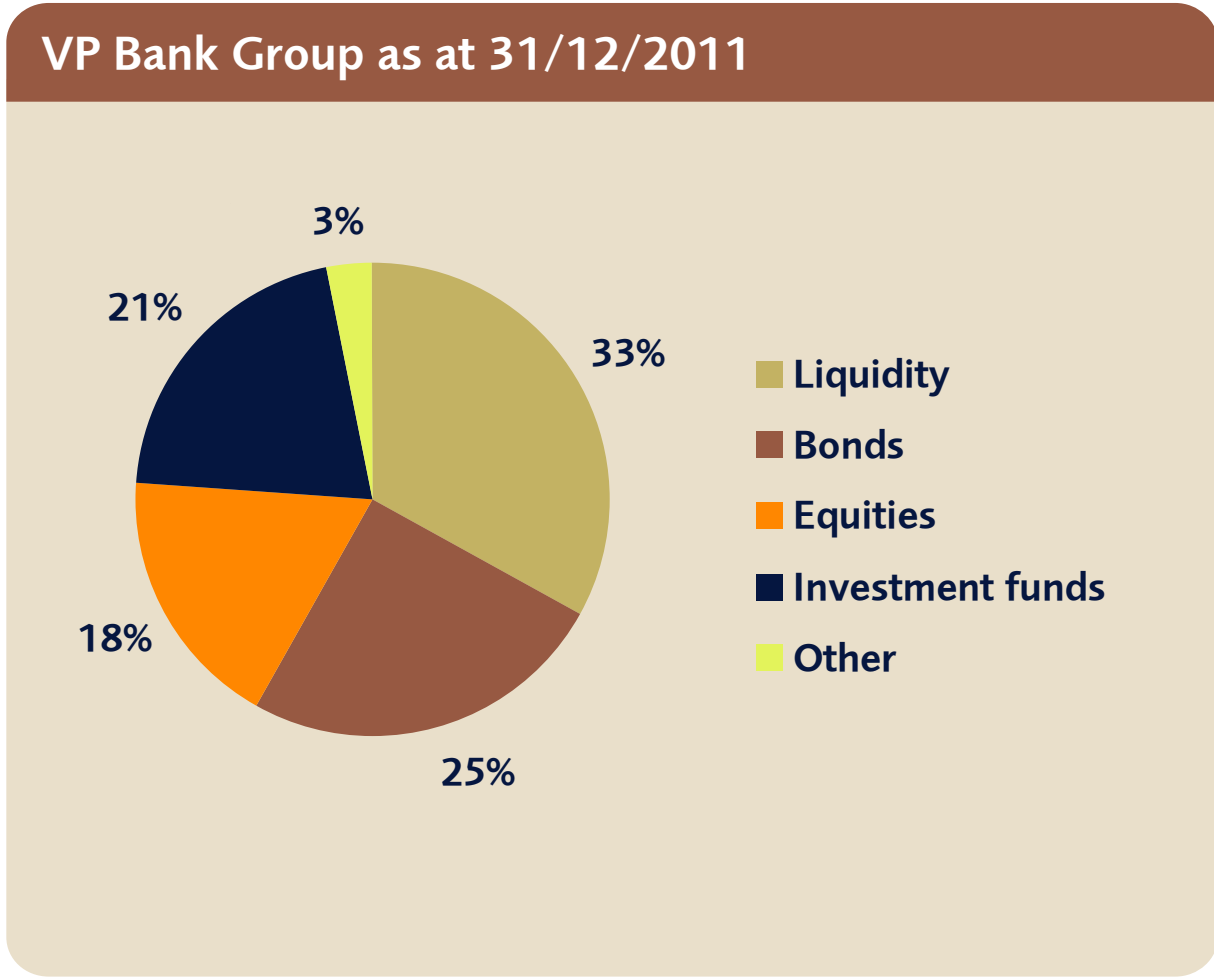
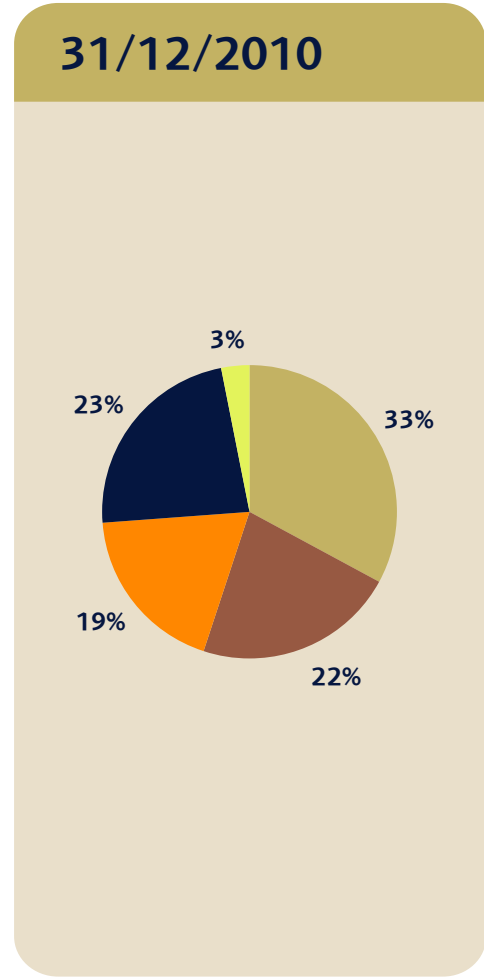
31/12/2010



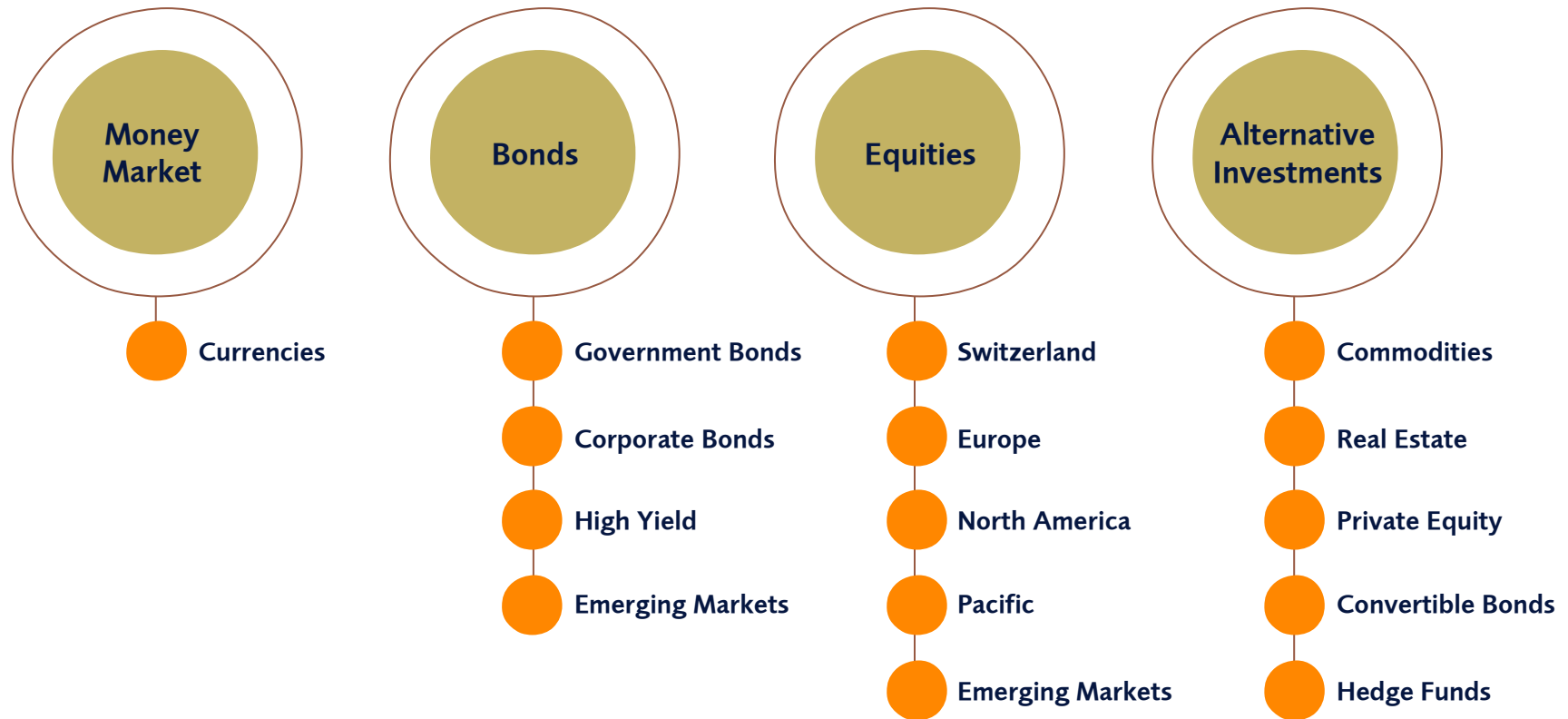
VP Bank Group as at 31/12/2011



Client assets under management – asset classes



The investment universe of VP Bank



Annual report 2011 – VP Bank Group

Segments



Overview of segments as at 31 December 2011

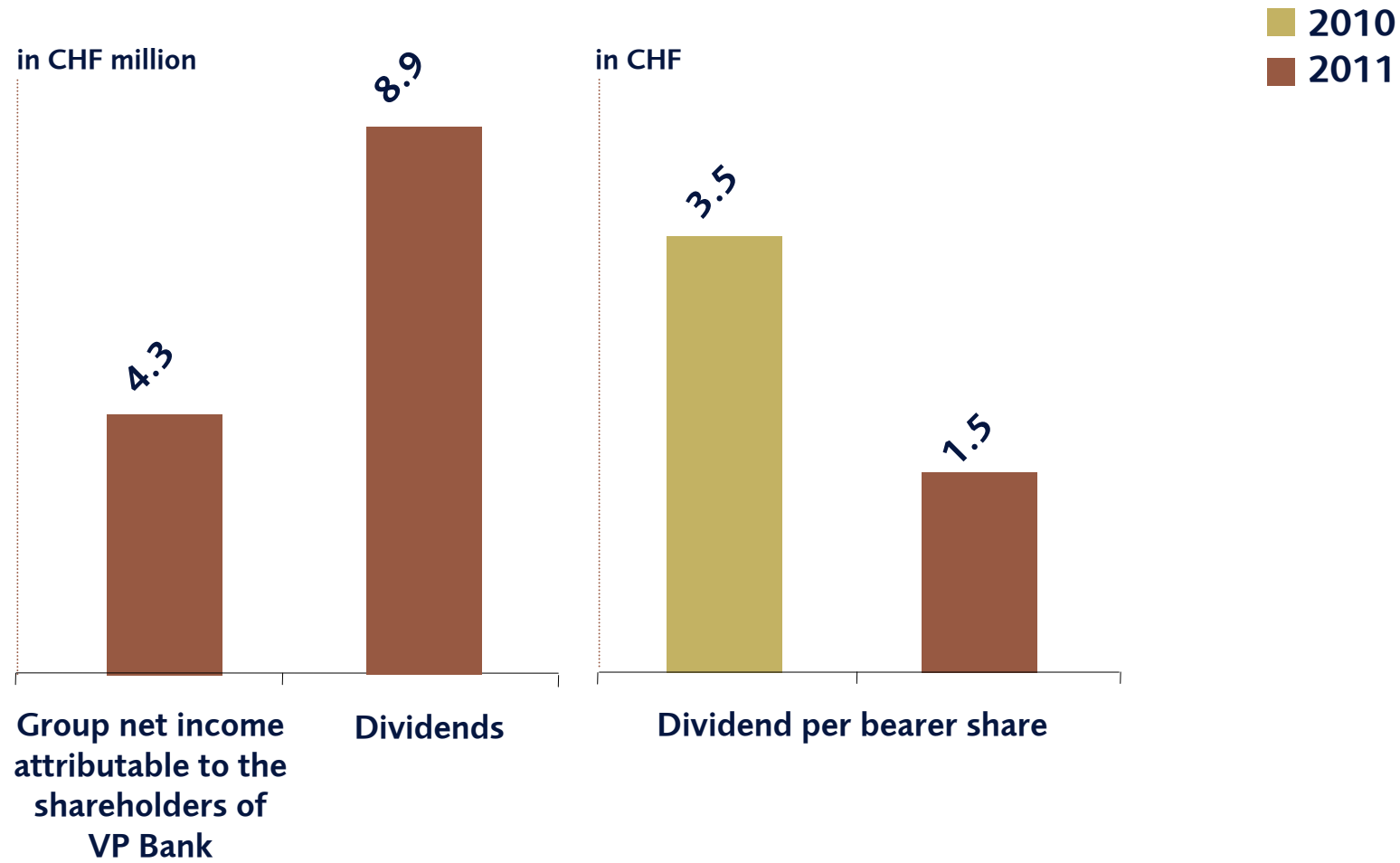
* in CHF	Banking Liechtenstein & Regional Market	Private Banking International	Wealth Management Solutions & Services	CFO & Corporate Center	Group
Group net result before tax*	75.5 mn	9.4 mn	-52.3 mn	-25.3 mn	7.3 mn
Client assets under management*	17.3 bn	8.6 bn	1.2 bn	0.3 bn	27.4 bn
Headcount (full-time equivalents)	165.3	212.9	250.4	109.2	737.8

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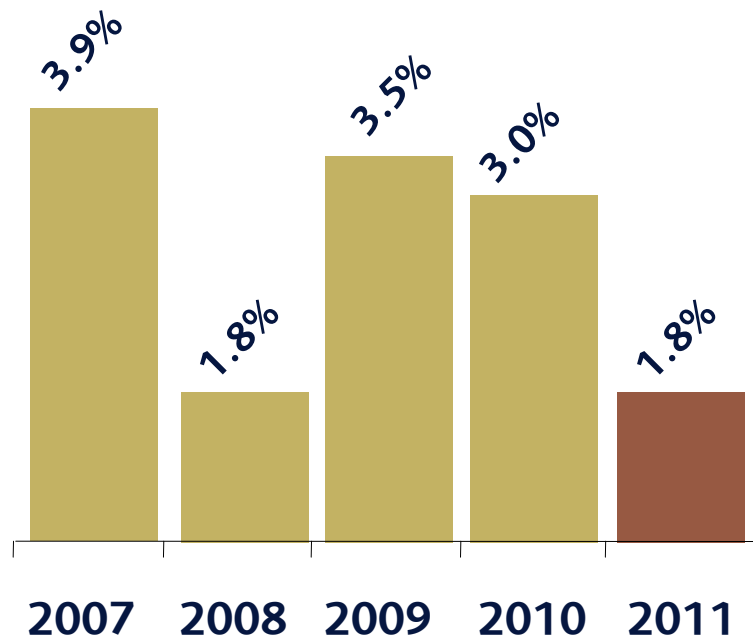
Dividend



Dividend



Dividend yield



Contact address and agenda

Investor Relations

Siegbert Näscher, CFO and member of Group Executive Management
Verwaltungs- und Privat-Bank Aktiengesellschaft
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Fax +423 235 78 96
E-mail: investor.relations@vpbank.com

Agenda

- Annual General Meeting: April 27, 2012
- Roundtable, 2012 semi-annual results: August 28, 2012
- Media- and analyst conference: March 12, 2013

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