

LEONTEQ AG | THE SWISS INVESTMENT ENGINE



LEONTEQ AG IN SHORT

- > CHF 10bn Platform assets
- > CHF 25bn Turnover
- > 1000 Clients
- 11 Platform partners
- > 25,000 Products issued

CONTACT

Dominik Ruggli

Head Investor Relations

Direct +41 58 800 1855

Email investorrelations@leonteq.com

ABOUT US

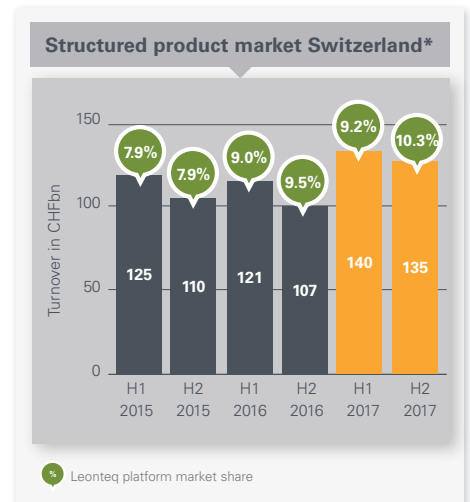
Leonteq is a Swiss company active in the finance and technology sector with a focus on the structured products segment. Based on a modern technology, the company offers derivative investment products and services across entire value chain. Leonteq acts as both a direct issuer of its own products and a guarantor for clients, as well as a partner to other financial institutions. Leonteq further enables life insurance companies to produce capital-efficient, unit-linked pension products with guarantees. The company has offices and subsidiaries in nine countries, through which it serves over 30 markets. Leonteq is listed on the SIX Swiss Exchange.

Leonteq's proprietary technology platform is able to instantly calculate complex structured financial products, even when tailored to individual customer requirements, and produce all the necessary documentation automatically in four languages. The Leonteq system accesses over 1,200 share values and other asset classes, as well as around 80 indexes as underlying assets. In addition, the Leonteq system suggests optimised, tradeable alternative combinations.

MARKET

The market for structured products is continuously developing and offers investment alternatives in the prevailing low interest rate environment. The industry undergoes a rough consolidation process, driven by lower unit costs and tightening regulatory demands. At the same time, banks are forced to handle the digital transformation and keep client services at high levels. In this challenging environment, automation drives the industry transformation and scalability is the key differentiator, which offers significant market opportunities for B2B outsourcing businesses like Leonteq.

Investment solutions	Banking solutions	Insurance solutions
<ul style="list-style-type: none"> • Manufacturing and distributing structured investment products with an agile, fully automated industry leading platform to financial intermediaries • Leonteq sales force distributes products issued on its own as well as third party balance sheets 	<ul style="list-style-type: none"> • Offering platform partners a flexible, fast, state-of-the-art and cost efficient manufacturing and distribution of structured products • Modular IT solutions to fully enable or enhance its partners' structured product capabilities 	<ul style="list-style-type: none"> • Offering long-term savings and investment solutions to end-clients seeking both upside potential and downside protection • Partners benefit from highly capital-efficient modular product concepts, based on tailored guarantees and upfront hedging, enabled by a full straight through digital platform



* Source: SSPA, January 2018

FINANCIALS

Income statement (CHFm)	2017	2016	2015	2014	2013	2012	5yr CAGR
Net fee income	247.0	209.0	228.7	181.1	135.9	120.9	15%
Net trading income	(25.8)	5.5	(4.1)	20.6	24.9	7.0	NA
Net interest income	(8.8)	(7.5)	(4.9)	(1.7)	(2.4)	(0.1)	145%
Other ordinary income	3.0	—	—	—	—	—	NA
Total operating income	215.4	207.0	219.7	200.0	158.4	127.8	11%
Personnel expenses	(113.6)	(111.5)	(94.4)	(85.6)	(69.1)	(60.8)	13%
Other operating expenses	(50.0)	(56.6)	(41.5)	(40.0)	(36.8)	(35.8)	7%
Depreciation	(19.2)	(16.8)	(14.6)	(12.3)	(9.0)	(9.3)	16%
Changes to provisions	(9.3)	(4.5)	—	(1.9)	—	—	NA
Total operating expenses	(192.1)	(189.4)	(150.5)	(139.8)	(114.9)	(105.9)	13%
Profit before taxes	23.3	17.6	69.2	60.2	43.5	21.9	1%
Taxes	(0.2)	(0.4)	(0.6)	2.4	(4.7)	(1.4)	(32%)
Group net profit	23.1	17.2	68.6	62.6	38.8	20.5	2%

Key performance and other indicators	2017	2016	2015	2014	2013	2012	5yr CAGR
Platform assets (CHFbn)	11.4	9.2	7.9	7.6	5.3	3.5	27%
Of which platform partner (CHFbn)	8.4	6.8	4.7	3.9	2.6	2.8	25%
Cost-income ratio	89%	91%	69%	70%	73%	83%	NA
Return on equity	6%	4%	17%	25%	27%	25%	NA
Total assets (CHFbn)	6.3	5.6	6.6	6.9	4.8	3.2	15%
RWA (CHFbn)	2.1	1.7	1.5	1.2	0.8	0.7	25%
Total capital ratio	20%	23%	26%	30%	18%	18%	NA

SHARE INFORMATION

Stock data (as at 31 Dec 2017)	
Market capitalisation	CHF 1,005m
Shares outstanding	15,944,504
Free Float (%)	60%
Sector	Financials

Significant shareholders (as at 31 Dec 2017)	
Raiffeisen Group	29.0%
Lukas Ruffin family interests (Founding partner)	8.1%
Rainer-Marc Frey ¹	6.4%
Credit Suisse ²	3.0%
Sandro Dorigo (Founding partner)	2.5%

¹ H21 Macro Limited / creation of obligation to notify: 13 March 2017

² Credit Suisse Funds AG / creation of obligation to notify: 25 October 2017

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