



CENTRUM BANK

MEDIA RELEASE

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Centrum Bank operating results for 2009 Gratifying net inflow of new assets

Centrum Bank can look back on an eventful and demanding year 2009. Particularly gratifying was the development of assets under management. Centrum Bank can report a strong inflow of net new assets in 2009. The extraordinarily low interest rates and clients' restrained investment activity nonetheless resulted in a decline in income. Thanks to tight cost management, this decline in income could be partially compensated. Centrum Bank AG, Vaduz, generated a profit of CHF 18.1 million during the reporting year, which corresponds to a decrease of 41%.

First consolidated financial statement

2009 was a very special year for Centrum Bank. With the establishment of Centrum Bank (Switzerland) Ltd. in Zurich, a 100% subsidiary of Centrum Bank AG in Vaduz, the bank took a step abroad. For this reason, a consolidated annual financial statement was prepared for the first time as at 31.12.2009 for Centrum Bank Group, consisting of Centrum Bank AG, Vaduz, and Centrum Bank (Switzerland) Ltd.

The first months of the business year were characterised by establishment and preparation work before the newly founded Centrum Bank (Switzerland) Ltd. could start operational activities on 25 May 2009. The substantial investments in establishing the bank are thus juxtaposed with an incomplete business year on the income side of Centrum Bank (Switzerland) Ltd. Taking account of this circumstance, the consolidated profit of Centrum Bank Group amounted to a respectable CHF 8.2 million.

The consolidated balance sheet total as at 31.12.2009 was CHF 1.837 billion. Compared with the 2008 financial statement of Centrum Bank AG, Vaduz, this represents an increase of nearly 3%.

Centrum Bank Group stands on a very solid foundation. It has considerably more equity capital than legally prescribed. The Tier 1 ratio of Centrum Bank Group is a comparatively high 37.9%.

The client assets under the management of Centrum Bank Group increased by 20% during the reporting year to CHF 8.69 billion. This is in part due to the higher prices on the stock exchanges, but also thanks to a gratifying net inflow of new assets of CHF 543 million.

The development of the mortgage business has been particularly gratifying. The mortgage volume as at 31.12.2009 was CHF 165 million, contributing a significant part of income to the bank's result already in the second year after the launch of this line of business.



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Proposals to the Annual General Meeting of Shareholders

Centrum Bank Group is maintaining its conservative dividend policy. Most of the profit will again be used to strengthen own funds. The Board of Directors of Centrum Bank AG, Vaduz, proposes to the shareholders to distribute a dividend of CHF 1.5 million and allocate CHF 100,000 to the Centrum Bank Foundation for the Promotion of Art and Science. The remaining resources generated in the reporting year are to be allocated to reserves.

The Board of Directors also proposes to the shareholders to expand the Board of Directors of Centrum Bank AG, Vaduz, by electing Dr Florian Marxer, who is a partner at Marxer & Partner Attorneys-at-Law.

Outlook 2010

Although the situation on the financial markets has relaxed somewhat, the market conditions will continue to be demanding in 2010. Centrum Bank will remain true to its philosophy of attaching the greatest importance to individual advice, quality, and a risk-aware, sustainable and long-term investment approach.

Overview of key data of Centrum Bank Group¹⁾

in CHF million	2009
Operating income	64.5
of which net interest income	15.6
of which net commission and fee income	37.9
of which income from financial transactions	10.9
Operating expenses	50.0
Net profit after taxes	8.2
Assets under management	8'692
Net new assets	543
Tier 1 ratio in %	37.9

¹⁾ The consolidated financial statement covers Centrum Bank AG in Vaduz and Centrum Bank (Switzerland) Ltd. Because this is the first consolidated statement, no figures from the previous year are available.

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Founded in 1993, Centrum Bank Aktiengesellschaft focuses as an independent private bank on its core competences of asset management and investment advisory services for national and international clients. Complementing its investment business, the bank offers broad lending options on a secured basis. Since 2009, the bank has also been represented in Zurich with Centrum Bank (Switzerland) Ltd., a 100% subsidiary of Centrum Bank in Vaduz. Centrum Bank AG is majority-owned by the Marxer Foundation for Values in Banking. Dr Peter Marxer serves as Chairman of the Board of Directors. Centrum Bank is the fourth-largest bank in the Principality of Liechtenstein.