

SYZ Group delivers on income as it positions for long-term growth

- **SYZ Group posts robust consolidated operating income of CHF 184.1 million, and a net income of CHF 2.5 million**
- **CET1 solvency ratio rose to 21.3%; operating costs fell to CHF 164.4 million**
- **2018 sees SYZ Group adding private markets arm, unveiling Banque SYZ succession plan and announcing executive appointments**
- **Successful migration to new technology platform and streamlining of banking activities from Switzerland.**

Geneva, 1 May 2019 – The Swiss banking group SYZ reported solid returns across its businesses, including discretionary management and private markets, contributing to a net income of CHF 2.5 million. 2018 marked an evolutionary year in which the group put in place a succession plan, launched a private markets business and made a series of key appointments, including the hiring of new SYZ Asset Management Chief Executive Officer William Nott.

Evolving the leadership structure

Positioning its offering to the next generation of entrepreneurial clients, SYZ began to evolve its leadership structure in 2018. Marc Syz joined the Group to launch SYZ Capital and William Nott was appointed as CEO of SYZ Asset Management. Mr Nott was previously CEO and chairman of M&G Securities and is president of the European Fund and Asset Management Association.

Effective February 2019, Eric Syz announced his decision to step down as CEO of Banque SYZ to oversee the strategic vision for the group - continuing in his role as SYZ Group CEO. Deputy CEO of SYZ Group since 2018, Yvan Gaillard replaced Eric Syz as CEO of Banque SYZ, and the Board named Nicolas Syz as Head of SYZ Private Banking.

Accessing private markets

In 2018, the group broadened its investment offering to clients by launching an innovative private markets division, SYZ Capital, under the leadership of Marc Syz. The asset class, which until now has been largely limited to institutional or semi-institutional private clients, offers qualified investors a diversification tool for their portfolios, especially in the current macro environment. SYZ Capital only offers its clients access to investments in which it has first invested.

“Last year was all about positioning our business for the long term in line with our entrepreneurial clients’ needs for alternative and active strategies,” said Eric Syz, CEO of SYZ Group. “We are proud of the progress we have made at SYZ, as the business evolves with a new generation,” he added.

Navigating a new era

Over the year, SYZ decided to center its private banking activities from Switzerland, by selling its share in Banca Albertini to the Ersel Group, which impacted managed assets and lowered costs. The group also built discretionary management capacity in Zurich and began applying environmental, social and governance selection criteria to the choice of issuers in the SYZ fixed income range. In addition, the private bank offered for the first time mortgage and financial planning solutions to Swiss domestic clients.

2018 financial year review

Financial markets have been challenging for clients who invested in active, high conviction strategies to complement investments they have made passively. The one-off attrition from the sale of Banca Albertini, negative market effects and cyclical performances in the last quarter of 2018 contributed to a 22% decline in assets under management which reached CHF 28.8 billion at 31 December.

SYZ Group posted a consolidated operating income of CHF 184.1 million. The Group also realised efficiencies, with operating costs falling by CHF 28.7 million to CHF 164.4 million. Over the year, SYZ migrated successfully its technology platform to a new provider in order to develop its management and reporting service to clients. This non-recurring cost contributed to the Group posting a net income of CHF 2.5 million.

Consolidated equity stays at a sound level of CHF 288.8 million, further enhancing the Group's independence and financial strength. This strong financial base resulted in an improved Common Equity Tier 1 ratio, which stands at 21.3% at end 2018 (2017: 18.4%), far in excess of the Swiss regulatory minimum.

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About SYZ Group

Founded in 1996 in Geneva, SYZ is a Swiss banking group experiencing strong growth, focusing exclusively on asset management via four complementary business lines: high-level private banking, institutional asset management, independent managers and private markets. SYZ offers private and institutional investors an investment style based on active management and risk management aimed at absolute performance. The Group has substantial equity and enjoys its status as an independent company due to its family shareholding structure.

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