

19 April 2018

PRESS RELEASE

GAM Holding AG reports Q1 group net inflows of CHF 6.0 billion

- Group assets under management up to CHF 162.3 billion as at 31 March 2018 from CHF 158.7 billion as at 31 December 2017
- Investment management:
 - Net inflows of CHF 2.5 billion, with inflows across a broad range of funds, in particular into specialist fixed income and systematic strategies
 - Assets under management of CHF 85.7 billion, up from CHF 84.4 billion as at 31 December 2017, driven by strong net inflows, partly offset by negative market and foreign exchange movements
- Private labelling:
 - Net inflows of CHF 3.5 billion
 - Assets under management of CHF 76.6 billion, up from CHF 74.3 billion as at 31 December 2017, driven by strong net inflows, partly offset by negative market and foreign exchange movements

Group CEO Alexander S. Friedman said: “The good momentum we had in 2017 continued into the first quarter. Our investment strategies continued to deliver strong performance, our net inflows across a broad range of products were solid, and we are on track with our strategic initiatives. Our focus remains on the diligent execution of our strategic plan, predicated on offering our clients performing and differentiated products, strengthening our distribution, and improving operating efficiency along with effective risk management.

We continue to see good demand for specialised products that offer diversification versus traditional asset classes and broad market trends. Nevertheless, market volatility has increased noticeably over the last few months, which may lead clients to become more cautious.”

Investment management

Assets under management increased to CHF 85.7 billion from CHF 84.4 billion as at 31 December 2017, driven by strong net inflows, partly offset by negative market and foreign exchange movements.

Investment performance continued to improve, with 82% of investment management assets in funds outperforming their respective benchmark over the three-year period to 31 March 2018 (77% as at 31 December 2017). Over the five-year period, 74% of assets in funds were outperforming (56% as at 31 December 2017).

Assets under management movements (CHF bn)

Capability	Opening AuM 1 January 2018	Net flows	Market/FX	Closing AuM 31 March 2018
Absolute return	15.6	(0.1)	(0.2)	15.3
Fixed income	37.1	2.1	0.1	39.3
Equity	12.6	0.1	(0.3)	12.4
Systematic	4.7	0.5	(0.5)	4.7
Multi asset	9.5	(0.1)	(0.1)	9.3
Alternatives	4.9	0.0	(0.2)	4.7
Total	84.4	2.5	(1.2)	85.7

In absolute return, the unconstrained/absolute return bond strategy continued to attract positive inflows. However, the GAM Absolute Return Europe Equity and the GAM Star Global Rates funds had redemptions following a period of weaker performance. Overall, investors withdrew net CHF 0.1 billion from GAM's absolute return strategies.

In fixed income, GAM's specialist product offering continued to be a key driver of inflows, totalling CHF 2.1 billion. The GAM Star Credit Opportunities strategy, the GAM Local Emerging Bond fund, and the GAM Star MBS Total Return fund, all attracted strong inflows.

In equity, the GAM Emerging Markets Equity and the GAM Star Continental European Equity funds attracted good net inflows, while some regional strategies recorded redemptions. Overall, investors added net CHF 0.1 billion to GAM's equity funds.

In systematic strategies, GAM attracted net inflows of CHF 0.5 billion into its alternative risk premia strategy and the CCP Core Macro Fund.

Multi asset strategies experienced net outflows of CHF 0.1 billion, reflecting redemptions from private clients.

In alternatives, the GAM Select fund of hedge funds and the GAM Physical Gold strategy attracted small inflows, which were offset by redemptions in other fund of hedge funds strategies.

Private labelling

Assets under management in private labelling, which provides management company services for third parties, rose to CHF 76.6 billion from CHF 74.3 billion as at 31 December 2017. Net inflows amounted to CHF 3.5 billion, while market and foreign exchange movements led to a CHF 1.2 billion decrease in assets under management.

Assets under management movements (CHF bn)

Fund domicile	Opening AuM 1 January 2018	Net flows	Market/FX	Closing AuM 31 March 2018
Switzerland	33.6	0.5	(0.6)	33.5
Rest of Europe	40.7	3.0	(0.6)	43.1
Total	74.3	3.5	(1.2)	76.6

Update on strategic initiatives

GAM is progressing well with its multi-year change programme to optimise efficiency and create a robust, scalable operating platform aligned with its growth ambitions.

GAM launched an insurance-linked securities strategy at the end of March, and has extended its range of private debt products through a partnership with Kimura Capital LLP in commodity trade finance strategies. There is a strong pipeline of other fund launches planned for the near term, including an equity fund focused on Europe, Australasia and the Far East (EAFE), a global income fund and a global equity long only systematic strategy.

Outlook

The markets have become more volatile and challenging for investors in 2018, which may lead clients to become more cautious. The Group continues to see good demand for its differentiated products that offer diversification versus traditional asset classes and broad market trends. The Group's focus remains on delivering on its strategic priorities and achieving its targets over the business cycle.

Forthcoming events:

26 April 2018	Annual General Meeting
30 April 2018	Ex-dividend date
2 May 2018	Dividend record date
3 May 2018	Dividend payment date
31 July 2018	Half-year results 2018

23 October 2018 Interim management statement Q3 2018

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About GAM

GAM is one of the world's leading independent, pure-play asset managers. The company provides active investment solutions and products for institutions, financial intermediaries and private investors. The core investment business is complemented by private labelling services, which include management company and other support services to third-party asset managers. GAM employs over 900 people in 13 countries with investment centres in London, Cambridge, Zurich, Hong Kong, New York, Milan and Lugano. The investment managers are supported by an extensive global distribution network.

Headquartered in Zurich, GAM is listed on the SIX Swiss Exchange and is a component of the Swiss Market Index Mid (SMIM) with the symbol 'GAM'. The Group has assets under management of CHF 162.3 billion (USD 169.4 billion) as at 31 March 2018.

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