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EFG FUNDING (GUERNSEY) LIMITED ANNOUNCES AN OFFER AND A PROPOSAL IN RESPECT OF THE OUTSTANDING €400,000,000 EFG FIDUCIARY CERTIFICATES ISSUED ON A FIDUCIARY BASIS BY BANQUE DE LUXEMBOURG

12 December 2012

EFG Funding (Guernsey) Limited (the "**Offeror**") announces today its invitations (subject to the Offer and Distribution Restrictions) to holders of the outstanding €400,000,000 EFG Fiduciary Certificates (ISIN: XS0204324890) of which €264,781,000 is currently outstanding (the "**Holders**" and the "**Certificates**", respectively) issued on a fiduciary basis by Banque de Luxembourg to offer to sell any and all of the Certificates for cash (such invitation, the "**Offer**") and to approve by Extraordinary Resolutions, *inter alia*, proposed amendments to the Conditions of the Certificates (such invitation, the "**Proposal**").

The Offer and the Proposal are made on the terms and subject to the conditions set out in the Information Memorandum dated 12 December 2012 (the "**Information Memorandum**").

Copies of the Information Memorandum are available (subject to the Offer and Distribution Restrictions) to Holders from the Dealer Manager and the Tender and Tabulation Agent as set out below. Capitalised terms used in this announcement but not defined have the meanings given to them in the Information Memorandum.

Description of the Certificates	ISIN / Common Code	Outstanding nominal amount	Amount subject to the Offer	Offer Price	Early Offer Premium
€400,000,000 EFG Fiduciary Certificates	XS0204324890 / 020432489	€ 264,781,000	Any and all	€590 per €1,000 in nominal amount	€10 per €1,000 in nominal amount

Rationale for the Offer and the Proposal

The Certificates constitute part of the current regulatory capital of EFG International and will be subject to a 10-year phase-out transition period starting as of 1 January 2013 on account of the capital applicability under the Basel III Framework as implemented in Switzerland ("**Basel III**"). The rationale for the Offer and Proposal is proactively to manage and strengthen the quality of EFG International's regulatory capital in light of the transition to Basel III by inviting the holders of the Certificates to consent to a modification of the terms and conditions of their Certificates, which once modified, are expected to qualify as Basel III compliant regulatory capital, subject to FINMA approval, whilst offering investors the option to sell Certificates at an Offer Price of 60 per cent. of their principal amount (subject to certain conditions, see the Information Memorandum for further information).

The Offer and the Proposal, if successful, is expected to manage and strengthen the quality of EFG International's regulatory capital by:

(i) making available as Common Equity Tier 1 capital to EFG International, in respect of any Certificate accepted for purchase in the Offer, the difference between (a) the sum of the Offer Price, Accrued Payment and any applicable Early Offer Premium, and (b) the principal amount of the Certificate. This difference would become part of the consolidated free reserves of EFG International and would therefore qualify as Common Equity Tier 1 capital under Basel III; and

(ii) modifying the terms and conditions of the Certificates to include, *inter alia*, a Write-Off of Non Principal Distributions and Principal Amounts in respect of the Certificates upon the occurrence of a "Viability Event" (terms as defined in Notice of Meeting) as determined by the Swiss Financial Market Supervisory Authority ("**FINMA**"). Following the modification of the terms and conditions of the Certificates, amendments are expected to be made to the terms of the Bons de Participation and Class B Shares, as a result of which the Bons de Participation are expected to comply with the regulatory capital rules under the Basel III framework, as implemented in Switzerland from 1 January 2013, subject to FINMA approval.

Any decision by EFG International as to the exercise of early redemption calls of the Certificates and any other regulatory capital instruments, will be adopted based on the economic impact of such early redemption, taking into account a number of factors, among them being the cost of funding, regulatory requirements and prevailing market conditions and will be subject to FINMA approval.

The Offeror intends to issue the CHF Notes to fully or partially fund the Offer.

Certificates acquired by the Offeror pursuant to the Offer will not be reissued or resold. The Offeror will surrender such Certificates to the Fiduciary for cancellation against delivery of the corresponding number of Bons de Participation and Class B Shares. The Offeror will then sell the Bons de Participation to EFG International at their nominal value for cancellation by way of capital reduction.

The Offer

Subject to Offer and Distribution Restrictions, the Offer is being made in respect of any and all of the outstanding Certificates. If the Offeror accepts any valid offers of Certificates for purchase pursuant to the Offer it will accept all such offers that have been made. Certificates that are not accepted for purchase pursuant to the Offer will remain outstanding. The Offer is conditional on (i) the aggregate nominal amount of CHF Notes issued being equal to, or greater than, the aggregate nominal amount of Certificates the Offeror intends to accept for purchase in connection with the Offer or such lesser amount of CHF Notes that the Offeror determines in its discretion; (ii) the passing of the Extraordinary Resolutions approving the Proposal; and (iii) the passing of the EFG Finance Shareholders' Resolutions (together, the "**Offer Conditions**").

Subject to satisfaction of the Offer Conditions, the price payable per €1,000 in nominal amount of the Certificates accepted for purchase in the Offer (the "**Offer Price**") will be €590 plus an Accrued Payment.

The Offeror reserves the right in its sole discretion at any time to waive any or all of the Offer Conditions, and may in its sole discretion decide to accept offers to sell Certificates even if the Offer Conditions are not satisfied.

Early Offer Premium

Each Holder which validly offers its Certificates by 4.00 p.m. (C.E.T) on 20 December 2012 (the "**Early Offer Deadline**") (and does not subsequently revoke such offer) will receive a further cash payment (the "**Early Offer Premium**") in addition to the Offer Price and Accrued Payment, and as additional consideration for the purchase of the relevant Certificates, of €10 for each €1,000 in nominal amount of the Certificates accepted for purchase in the Offer.

The Proposal

The Offeror is also inviting all Holders to vote on the Extraordinary Resolutions proposed by EFG International at the meeting of the Holders of Certificates convened by or on behalf of Banque de Luxembourg (i) to approve certain modifications to the Conditions and the Fiscal Agency Agreement as set out in the Notice; and (ii) to instruct Banque de Luxembourg to amend the Bons de Participation Agreement, the Class B Shares Agreement and the Fiscal Agency Agreement and to execute all such other documents, deeds, instruments, and to concur in and carry out acts as may be necessary or appropriate to carry out and give effect to the Extraordinary Resolutions.

Holders should refer to the Notice, the draft Supplemental Fiscal Agency Agreement, the draft Amended and Restated Bons de Participation Agreement, the draft Class B Shares Amendment and Restatement Agreement, the draft EFG Finance Shareholders' Resolutions and the articles of incorporation of EFG Finance for full details of the manner in which the Conditions, the Fiscal Agency Agreement, the Bons de Participation Agreement, the Class B Shares Agreement and any other relevant documents, if any, will be modified.

By offering Certificates for purchase pursuant to the Offer, Holders will automatically instruct the Fiscal Agent to appoint one or more representatives as their proxy to attend and vote in favour of the Extraordinary Resolutions at the Holders' Meeting. It will not be possible to validly offer Certificates for purchase pursuant to the Offer without at the same time giving such instructions to the Fiscal Agent.

Participation in the Offer and the Proposal

In order to participate in the Offer, Holders must validly offer for sale Certificates by delivering, or arranging to have delivered on their behalf, a valid Electronic Instruction which is received by the Tender and Tabulation Agent by the Final Expiration Deadline and is not subsequently revoked (in the circumstances in which such revocation is permitted).

In order to be eligible for the Early Offer Premium, Holders must deliver, or arrange to have delivered on their behalf, a valid Electronic Instruction which is received by the Tender and Tabulation Agent by the Early Offer Deadline and is not subsequently revoked (in the circumstances in which such revocation is permitted).

Expected Transaction Timeline

Events

Times and Dates

(All times are C.E.T.)

Commencement of the Offer and the Proposal

12 December 2012

Offer announced and Notice published on the Luxembourg Stock Exchange's website and delivered to Clearing Systems for communication to Direct Participants.

Information Memorandum available from the Dealer Manager and the Tender and Tabulation Agent, and the other documents referred to under "General" in the Notice available for collection or inspection, as indicated, from the Tender and Tabulation Agent and the Fiscal Agent.

Early Offer Deadline

4.00 p.m. on 20 December 2012

Deadline for receipt of valid Electronic Instructions by the Tender and Tabulation Agent in order for Holders to be eligible for the Early Offer Premium.

The Offeror will announce the aggregate nominal amount of Certificates in respect of which Electronic Instructions have been received as soon as reasonably practicable following the Early Offer Deadline.

Revocation Deadline

4.00 p.m. on 7 January 2013

Electronic Instructions become (and Electronic Instructions submitted after this deadline are) irrevocable (other than in the limited circumstances described in "Amendment and Termination" below).

Final Expiration Deadline

4.00 p.m. on 7 January 2013

Final deadline for receipt of valid Electronic Instructions by the Tender and Tabulation Agent in order for Holders to be able to participate in the Offer and Proposals.

Announcement of Offer results

8 January 2013

Announcement of the aggregate nominal amount of Certificates that the Offeror intends to accept for purchase, subject to satisfaction of the Offer Conditions.

Holders' Meeting

10.00 a.m. on 11 January 2013

Holders' Meeting to be held at the offices of Clifford Chance at 2-4 Place de Paris, B.P. 1147, L-1011 Luxembourg, Grand Duchy of

Events

Times and Dates

(All times are C.E.T.)

Luxembourg.

EFG Finance Shareholders' Resolutions

At or around 12.00 p.m. on 11
January 2013

The EFG Finance Shareholders' Resolutions to be approved.

Announcement of Meeting results

11 January 2013

Announcement of whether the Extraordinary Resolutions and the EFG Shareholders' Resolutions have been passed.

Announcement regarding Offer Conditions

28 January 2013

Announcement as to whether the Offer Conditions have been satisfied and, if so, the aggregate nominal amount of Certificates accepted for purchase by the Offeror.

Settlement Date

31 January 2013

The expected settlement date for the Offer.

*The above times and dates are subject to the right of the Offeror to extend, re-open, amend and/or terminate the Offer (subject to applicable law and as provided in the Information Memorandum). Holders are advised to check with any bank, securities broker or other intermediary through which they hold Certificates when such intermediary would require to receive instructions from a Holder in order for that Holder to be able to participate in, or (in the circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer or the Proposal before the deadlines set out above. **The deadlines set by any such intermediary and each Clearing System for the submission of Electronic Instructions will be earlier than the relevant deadlines above.***

Unless stated otherwise, announcements in connection with the Offer and the Proposal will be made by publication on the Luxembourg Stock Exchange's website at www.bourse.lu. Such announcements may also be (a) found on the relevant Reuters International Insider Screen, (b) made by the delivery of notices to the Clearing Systems for communication to Direct Participants and (c) made by the issue of a press release to a Notifying News Service. Copies of all such announcements, press releases and notices can also be obtained from the Tender and Tabulation Agent, the contact details for which are below. Significant delays may be experienced where notices are delivered to the Clearing Systems and Holders are urged to contact the Tender and Tabulation Agent for the relevant announcements during the course of the Offer and the Proposal. In addition, Holders may contact the Dealer Manager for information using the contact details below.

Holders are advised to read carefully the Information Memorandum for full details of and information on the procedures for participating in the Offer and the Proposal.

BNP Paribas is acting as Dealer Manager for the Offer and the Proposal and Lucid Issuer Services Limited is acting as Tender and Tabulation Agent.

Questions and requests for assistance in connection with the Offer and the Proposal may be directed to the Dealer Manager.

The Dealer Manager

BNP Paribas
10 Harewood Avenue
London NW1 6AA
United Kingdom

Telephone: +44 20 7595 8668
Attention: Liability Management Group

Email: liability.management@bnpparibas.com

Questions and requests for assistance in connection with the procedures for offering to sell Certificates pursuant to, and for any documents or materials relating to, the Offer may be directed to the Tender and Tabulation Agent.

The Tender and Tabulation Agent

Lucid Issuer Services Limited

436 Essex Road
London N1 3QP
United Kingdom

Telephone: +44 20 7704 0880

Fax: +44 20 7067 9098

Attention: Thomas Choquet / Sunjeeve Patel

Email: efg@lucid-is.com

DISCLAIMER

This announcement must be read in conjunction with the Information Memorandum. This announcement and the Information Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer or the Proposal. If any Holder is in any doubt as to the contents of this document or the action it should take or is unsure of the impact of the implementation of the Proposal or the Extraordinary Resolutions to be proposed by EFG International at the Holders Meeting, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Certificates are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to offer Certificates for sale pursuant to the Offer or otherwise participate in the Proposal.

None of BNP Paribas (the "**Dealer Manager**"), Lucid Issuer Services Limited (the "**Tender and Tabulation Agent**"), the Offeror or EFG International makes any recommendation as to whether holders of Certificates should offer Certificates for sale pursuant to the Offer or otherwise participate in the Proposal.

Banque de Luxembourg, as issuer on a fiduciary basis of the Certificates makes no representation, warranty or undertaking, express or implied and no responsibility or liability is accepted by Banque de Luxembourg as to the accuracy or completeness of the information contained in this announcement and the Information Memorandum.

Before making a decision whether to offer Certificates for sale pursuant to the Offer or otherwise participate in the Proposal, Holders should carefully consider all of the information in the Information Memorandum (including the Preliminary Prospectus) and, in particular, the risk factors described in "*Risk Factors and Other Considerations*" and the Prospectus Risk Factors.

OFFER AND DISTRIBUTION RESTRICTIONS

Neither this announcement nor the Information Memorandum constitutes an invitation to participate in the Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this announcement and the Information Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Information Memorandum comes are required by each of the Offeror, EFG International, the Dealer Manager and the Tender and Tabulation Agent to inform themselves about, and to observe, any such restrictions.

United States

The Offer is not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, for the account or benefit of, U.S. persons. This

includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of the Information Memorandum and any other documents or materials relating to the Offer are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to U.S. persons and the Certificates cannot be offered for purchase in the Offer by any such use, means, instrumentality or facilities or from within the United States or by U.S. persons. Any purported offer of Certificates for purchase resulting directly or indirectly from a violation of these restrictions will be invalid and any purported offer of Certificates for purchase made by a U.S. person, a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person will be invalid and will not be accepted.

Neither this announcement nor the Information Memorandum is an offer of securities for sale in the United States or to U.S. persons. Certificates may not be offered or sold in the United States absent registration or an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. The purpose of the Information Memorandum is limited to the Offer and the Information Memorandum may not be sent or given to a person in the United States or otherwise to any person other than in an offshore transaction in accordance with Regulation S under the Securities Act.

Each holder of Certificates participating in the Offer will represent that it is not located in the United States and is not participating in the Offer from the United States, that it is participating in the Offer in accordance with Regulation S under the Securities Act and that it is not a U.S. person or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in the Offer from the United States and is not a U.S. person. For the purposes of this and the above two paragraphs, "United States" means United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

Italy

None of this announcement, the Invitation, the Information Memorandum or any other documents or materials relating to the Invitation have been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**"). The Invitation is being carried out in the Republic of Italy ("**Italy**") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the Financial Services Act) and article 35-bis, paragraph 3, of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**CONSOB Regulation**"). Holders can offer the Certificates through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Holders or beneficial owners of the Certificates that qualify as qualified investors (*investitori qualificati*) can offer Certificates for purchase through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Certificates or the Offer.

United Kingdom

The communication of this announcement, the Information Memorandum and any other documents or materials relating to the Offer is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**")) or any other

persons to whom it may otherwise lawfully be made under Article 43, or any other Article, of the Financial Promotion Order.

Insofar as the communication of this announcement, the Information Memorandum and any other documents or materials relating to the Offer is made to or directed at investment professionals (as defined in Article 19(5) of the Financial Promotion Order), it is made to or directed at persons having professional experience in matters relating to investments, and any investment or investment activity to which it relates is available only to such persons or will be engaged in only with such persons, and persons who do not have professional experience in matters relating to investments should not rely upon it.

France

The Offer is not being made, directly or indirectly, to the public in the Republic of France ("**France**"). None of this announcement, the Information Memorandum nor any other document or material relating to the Offer has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) other than individuals, in each case acting on their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-4 of the French *Code Monétaire et Financier* are eligible to participate in the Offer. The Information Memorandum has not been and will not be submitted for clearance to nor approved by the *Autorité des Marchés Financiers*.

Switzerland

None of this announcement, the Information Memorandum nor any other document or material relating to the Offer is an issue prospectus pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus pursuant to articles 27 et seq. of the Listing Rules of the SIX Swiss Exchange and may not comply with the information standards required thereunder. Accordingly, the Offer is not addressed to the public in Switzerland, but only to a selected and limited circle of "qualified investors" within the meaning of article 10(3) of the Swiss Federal Act on Collective Investment Schemes.

Guernsey

The Offer is not being made to any person resident in the Bailiwick of Guernsey or any person resident for the purposes of the Income Tax (Guernsey) Law 1975 (as amended) in Guernsey, Alderney or Herm, Channel Islands.

General

Neither this announcement nor the Information Memorandum constitutes an offer to sell or buy or the solicitation of an offer to sell or buy the Certificates, (and offers of Certificates for purchase pursuant to the Offer will not be accepted from Holders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer and the Dealer Manager or any of its respective affiliates is such a licensed broker or dealer in any such jurisdiction, the Offer shall be deemed to be made by such Dealer Manager or affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each holder of Certificates participating in the Offer and/or the Proposal will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in the "*Procedures for Participating in the Offer and the Proposal*" in Information Memorandum. Any offer of Certificates for purchase pursuant to the Offer from a Holder that is unable to make these representations will not be accepted. Each of the Offeror, EFG International, the Dealer Manager and the Tender and Tabulation Agent reserves the right, in its absolute discretion, to investigate, in relation to any offer of Certificates for purchase pursuant to the Offer, whether any such representation given by a Holder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such offer shall not be accepted.