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Media communiqué

LGT Group commissions independent investigation of its Treuhand subsidiary in response to allegations

LGT international growth strategy reinforces its focus on local banking business in Europe and Asia and institutional asset management

Vaduz, 18 July 2008 - Following yesterday's Hearing of the Permanent Subcommittee on Investigations (PSI) of the US Senate, LGT Group asserted that it has always conducted its business in accordance with the applicable legal and regulatory provisions. The data under investigation by the PSI – which is based on the data stolen from LGT Treuhand in 2002 and goes back to the 1970s - is from a time when different regulations applied and when there was no Qualified Intermediary (QI) agreement in place. The specific cases mentioned in the subcommittee's report are dated and do not in any way reflect LGT's current business practices.

To support this assertion and counter unjustified allegations, the bank has decided to commission an independent investigation of its LGT Treuhand subsidiary. The point of this action is to obtain an independent ruling as to whether LGT Treuhand's business practices conform to the applicable laws and provisions. The investigating body will be an auditing firm of international repute, which has had no previous business dealings with LGT. The auditor will have unrestricted access to all documents and records, and will not receive any instructions from LGT regarding procedures.

LGT would welcome and fully cooperate with any investigations by the Financial Management Authority (FMA) in Liechtenstein. LGT is also prepared to submit its own investigation to the FMA.

LGT Group aims to reinforce and accelerate its international growth strategy going forward. This strategy was launched approximately ten years ago and involves reducing LGT's dependence on the domestic market and diversifying its earnings base. In line with a fundamental business policy decision taken at the beginning of 2008, LGT's business plan will include additional investments in its local onshore banks in Europe's German-speaking countries and in Asia, consideration of additional onshore locations in other European countries and a markedly stronger emphasis on developing the institutional asset management business. The decision also involves scaling down the business with US private clients, which has never been actively pursued and has always been of secondary importance for the bank in terms of volume and earnings.

Further details about the strategic measures will be communicated in early autumn.

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