

Julius Bär

**USD 3 YEARS 100% CAPITAL PROTECTED NOTE
WITH 100% PARTICIPATION TO PIMCO GIS
INCOME FUND (EUR)**

Julius Baer Structured Products
Tailored Solutions Group
August 21, 2017

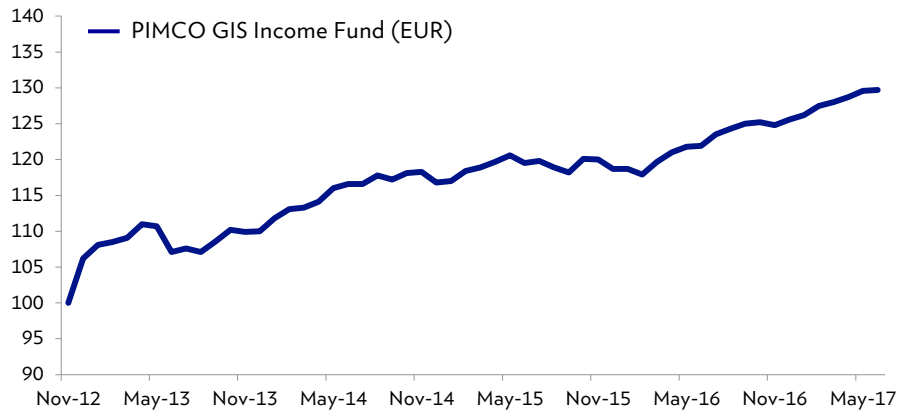


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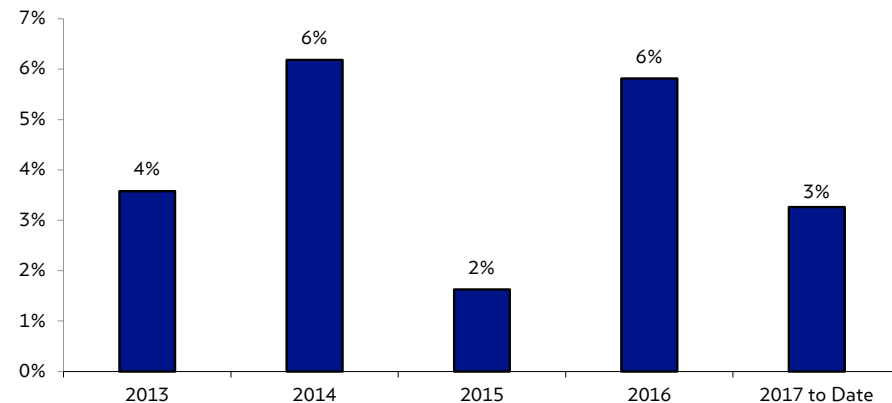
PIMCO GIS INCOME FUND (EUR)

Analysis of the Historical Returns of the Underlying

Historical Returns



Annual Returns



| PIMCO Income Fund | |
|-----------------------|--------|
| Return p.a. | 5.8% |
| NAV at maturity | 129.7% |
| Volatility p.a. | 4.1% |
| Maximum Drawdown p.a. | -3.5% |

ILLUSTRATIVE TERMS & CONDITIONS*

Quanto USD Note with 100% Principal Protection and 100% Participation

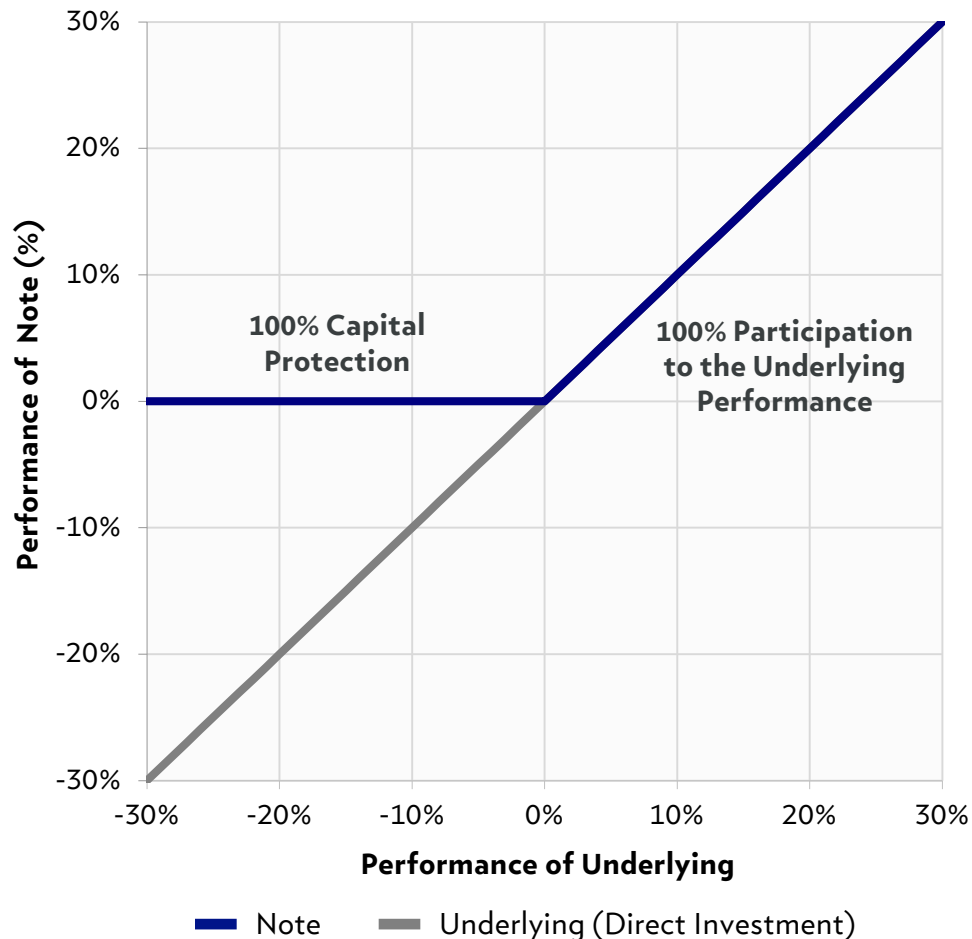
| | |
|------------------------------------|---|
| Issuer | Bank Julius Baer & Co. Ltd., Guernsey Branch |
| Issuer Rating | A2 (Moody's) |
| Arranger & Manager | Bank Julius Baer & Co. Ltd., Zurich Branch |
| Performance Component | 100% PIMCO GIS Income Fund (EUR) (Bloomberg: PINEEHA ID Equity, ISIN: IE00B84J9L26) |
| Valor & ISIN | 37684162/CH0376841620 |
| LTV | 85% |
| Tenor | 3 Years |
| Currency & Denomination | USD 100,000 (quanto) |
| Issue Price | 100% |
| Principal Protection | 100% of principal at maturity |
| Participation Rate | 100% |
| Call Option Strike | 100% |
| Investment Methodology | Zerobond + Call Option |
| Liquidity | Daily |

* Illustration only. All terms and conditions are subject to change without prior notice. No warranty given to completeness. This is not a term sheet.

3 YEARS 100% CAPITAL PROTECTED NOTE

Payoff scenarios at maturity

Payoff Chart at Maturity*



| Payoff of Underlying at Maturity | Redemption at maturity in % | Note Return |
|----------------------------------|-----------------------------|-------------|
| -20.0% | 100.0% | 0.0% |
| -18.0% | 100.0% | 0.0% |
| -16.0% | 100.0% | 0.0% |
| -14.0% | 100.0% | 0.0% |
| -12.0% | 100.0% | 0.0% |
| -10.0% | 100.0% | 0.0% |
| -8.0% | 100.0% | 0.0% |
| -6.0% | 100.0% | 0.0% |
| -4.0% | 100.0% | 0.0% |
| -2.0% | 100.0% | 0.0% |
| 0.0% | 100.0% | 0.0% |
| 2.0% | 102.0% | 2.0% |
| 4.0% | 104.0% | 4.0% |
| 6.0% | 106.0% | 6.0% |
| 8.0% | 108.0% | 8.0% |
| 10.0% | 110.0% | 10.0% |
| 12.0% | 112.0% | 12.0% |
| 14.0% | 114.0% | 14.0% |
| 16.0% | 116.0% | 16.0% |
| 18.0% | 118.0% | 18.0% |
| 20.0% | 120.0% | 20.0% |

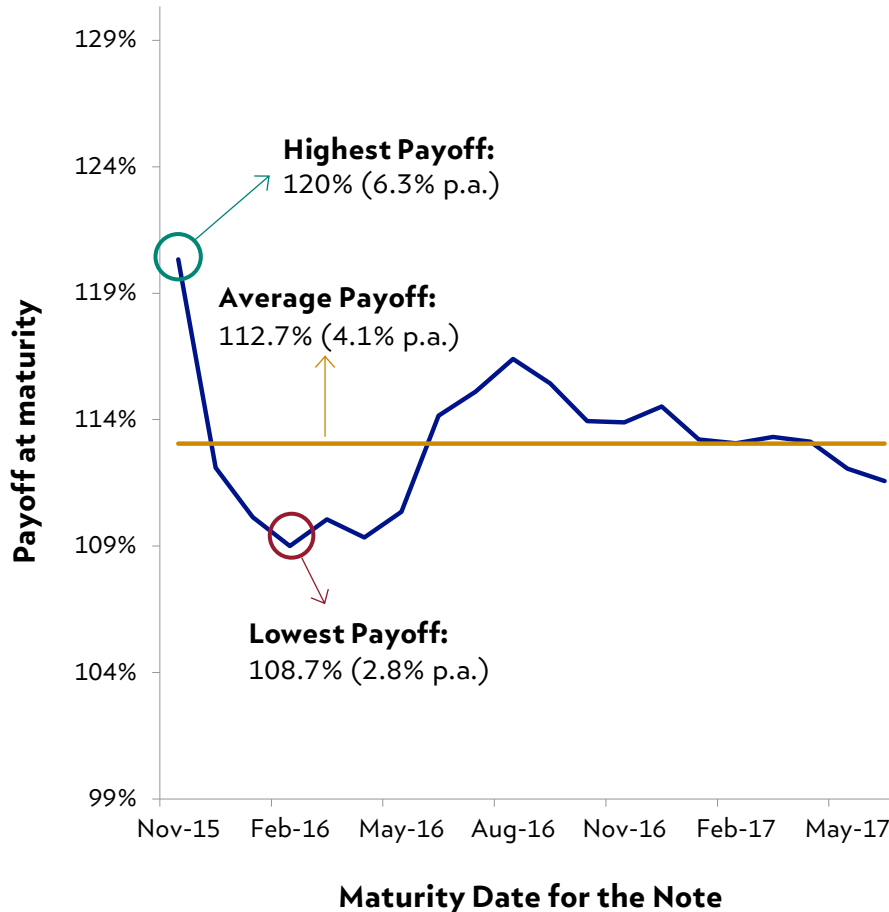
* Repayment at Maturity

$$= 100\% + 100\% * \text{MAX}(\text{Underlying Performance}; 0\%)$$

HISTORICAL BACKTEST

Average NAV at Maturity of 112.7% (4.1% p.a.)

Historical Backtest



- The backtest (simulation) shows 20 different 3 Years 100% Principal Protected Notes
- These backtested notes have varying entry points (Investment Dates)
- The first backtested 3 years Note starts in November 2012 and matures in November 2015. Thereafter, each month a new Note is simulated, maturing 3 years later (e.g. December 2012 – December 2015)

| | |
|-----------------------|---------------------------|
| Lowest Payoff | 108.7% (2.8% p.a.) |
| Average Payoff | 112.7% (4.1% p.a.) |
| Highest Payoff | 120% (6.3% p.a.) |

KEY RISKS AND SENSITIVITIES

Main Risks and Sensitivities of the Note

Principal Protection at Maturity

The Note comes with 100% Principal Protection at maturity. The price of the Note could theoretically drop below this level before maturity.

Price Sensitivity to the Underlying (Delta)

The Note provides a fixed participation at maturity. Ceteris Paribus, the closer to maturity, the higher the delta. The initial sensitivity (Delta) is approximately 50% times the Participation Rate. Therefore if e.g. the fund goes up by 10% first day, the Note is expected to be up by about 5%.

Interest Rates

The Principal is protected via a built-in Zerobond. This component will vary in price depending on changes in interest rates. Hence the price of the Note will tend to rise with falling interest rates and vice versa.

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Bank Julius Baer & Co. Ltd.

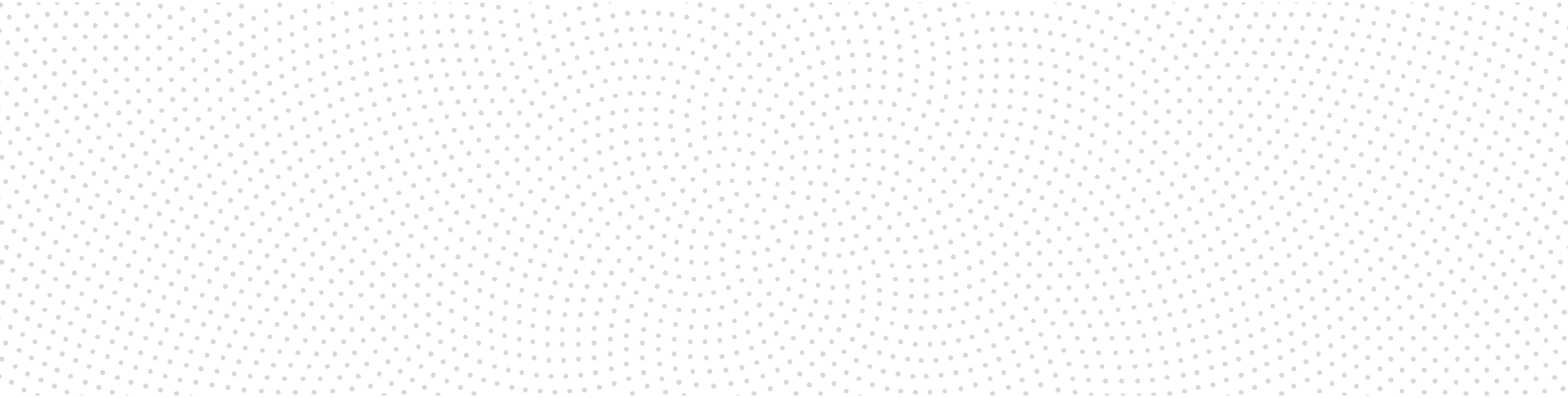
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