

Global Interest Rate Competence Centre

Key Information – 27.02.2018

SSPA Swiss Derivative Map©/ EUSIPA Derivative Map© Miscellaneous Capital Protection Products (1199)

5Y JB Floored Floating Rate Note with Daily Liquidity

(the "Products")

100% Protection – 3-month USD LIBOR – Minimum Interest Rate (Floor) of 2.20% p.a. – Cash Settlement – USD

This document is for information purposes only.

A Product does not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA"). Therefore, it is not subject to authorisation by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") and potential investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of the Issuer.

I. Product Description

Terms

Swiss Security Number (Valor)	40097518
ISIN	CH0400975188
Issue Size	Up to USD 25,000,000 (may be increased/decreased at any time)
Issue Currency	USD
Settlement Currency	USD
Issue Price	100% (per Product, including the Distribution Fee)
Denomination	USD 1,000.00
Capital Protection	100%

Initial Fixing Date:

23 February 2018, being the date on which the Product is fixed.

Issue Date/Payment Date:

27 February 2018, being the date on which the Products are issued and the Issue Price is paid.

Last Trading Date:

23 February 2023, being the last date on which the Products may be traded.

Final Redemption Date:

27 February 2023, being the date on which each Product will be redeemed at the Final Redemption Amount.

Redemption

Final Redemption	Unless previously redeemed, repurchased or cancelled, the Issuer will redeem each Product on the Final Redemption Date by payment of a cash amount equal to the Final Redemption Amount to the Holder thereof.
Final Redemption Amount	A cash amount per Product equal to 100% of the Denomination
Settlement Type	Cash settlement

Coupon

Interest	The Issuer shall pay the relevant Interest Payment Amount per Product on each Interest Payment Date to the Holder thereof, provided that the Products have not been redeemed, repurchased or cancelled on or prior to such Interest Payment Date.
Interest Payment Amount	with respect to any Interest Payment Date, a cash amount equal to the product of (i) the Denomination, (ii) the Day Count Fraction with respect to the relevant Interest Period and (iii) the relevant Interest Rate.
Interest Commencement Date	The Issue Date
Interest Payment Date(s)	29 May 2018, 27 August 2018, 27 November 2018, 27 February 2019, 28 May 2019, 27 August 2019, 27 November 2019, 27 February 2020, 27 May 2020, 27 August 2020, 27 November 2020, 26 February 2021, 27 May 2021, 27 August 2021, 29 November 2021, 28 February 2022, 27 May 2022, 29 August 2022, 28 November 2022 and the Final Redemption Date, being the dates on which the Issuer shall pay the relevant Interest Payment Amount per Product to the Holders.
Interest Period	(i) with respect to the first Interest Payment Date, the period from and including the Interest Commencement Date to and excluding such Interest Payment Date, and (ii) with respect to any other Interest Payment Date, the period from and including the immediately preceding Interest Payment Date to and excluding such Interest Payment Date.
Day Count Fraction	Actual/360, <i>i.e.</i> , the actual number of days in the relevant Interest Period divided by 360.
Business Day Convention	Modified following, unadjusted
Interest Rate	with respect to any Interest Payment Date, a rate per annum equal to the greater of the Reference Rate on the relevant Interest Determination Date and the Minimum Interest Rate.
Reference Rate	3 month USD LIBOR, <i>i.e.</i> , the London interbank offered rate for deposits in USD with a 3-month maturity, which, with respect to any Interest Determination Date, shall be determined in accordance with the Final Terms.
Minimum Interest Rate (Floor)	2.20% per annum
	Rate Source Bloomberg: US0003M INDEX
Interest Determination Date	with respect to any Interest Payment Date, two (2) Reference Rate Business Days prior to first calendar day of the relevant Interest Period.
Reference Rate Business Day	London Business Day

Swiss Taxation

Federal turnover tax	Federal turnover tax is due on secondary market transactions.
Withholding tax	No Swiss Federal withholding tax.
Income tax	For private investors (individuals) with tax residence in Switzerland, the interest payments are subject to income tax.

The aforementioned tax description is based on the relevant tax laws and regulations of the tax authorities valid at the time of launch of this issue. These laws and regulations may change at any time, possibly with retroactive effect. Furthermore the tax treatment may depend on the personal situation of the investor and may be subject to change in the future. This information is not purported to be a complete description of all potential tax effects. Potential investors are advised to consult their tax advisors to determine the special tax consequences of the purchase, ownership or disposition of the Product.

Product Description

The Products are financial instruments which allow the investor to benefit from an increasing 3 month USD Libor rate. The Products is aimed at investors who look for an investment with financial liquidity at any time.

On the Final Redemption Date, the holders will receive the Final Redemption Amount, which is equal to 100% of the Denomination (so long as not early redeemed). The Products further provide for the payment of Interest Payment Amounts, which are variable and depend on a Reference Rate (floored at 2.20% p.a.).

Product Documentation

The complete and legally binding terms and conditions of the Products are set forth in the base prospectus for the issuance of Fixed Income Products of Bank Julius Baer & Co. Ltd. (the "Bank"), dated 17 June 2016, as supplemented from time to time (the "Base Prospectus") and the relevant final terms prepared in relation to the Products (the "Final Terms"). **The Final Terms do not constitute Final Terms pursuant to the EU Prospectus Directive (Directive 2003/71/EG) and the implementation laws of any EU Member State and, accordingly, no non-**

exempt public offer of the Products will be made in any EU jurisdiction. The Base Prospectus and the Final Terms may be obtained free of charge from Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland.

This document is designated for distribution and use in Switzerland. Neither the Issuer nor any other person assumes any responsibility for the compliance of this document with any applicable law and regulations in any other jurisdiction than Switzerland.

Details

Issuer	Bank Julius Baer & Co. Ltd., Guernsey Branch (Rating: Moody's A2) (Prudential Supervision: by the Swiss Financial Market Supervisory Authority FINMA)
Lead Manager	Bank Julius Baer & Co. Ltd., Zurich
Risk Category	Complex Product
Product Category	Fixed Income
Product Type	Miscellaneous Capital Protection Products
SSPA Code	(1199)
Calculation Agent	Bank Julius Baer & Co. Ltd., Zurich and any agents or other persons acting on behalf of such Calculation Agent and any successor appointed by the Issuer
Distribution Fee	Up to 1.000% of the Issue Price (incl. VAT, if any); The Distribution Fee will be allocated/paid to the internal and/or external Distributor.
Paying Agent	Bank Julius Baer & Co. Ltd., Zurich and any agents or other persons acting on behalf of such Paying Agent and any successor appointed by the Issuer
Listing and Admission to Trading/Secondary Market Trading	None
Minimum Trading Lot	1 Product(s)
Trading (Secondary Market)	Under normal market conditions, Bank Julius Baer & Co. Ltd. Zurich will endeavour to provide a secondary market, but is under no legal obligation to do so.
Quotation	The Products are traded in percentage of the Denomination at a clean price, i.e., the trading price does not contain accrued interest, which is calculated separately, and are booked accordingly.
Clearing System	SIX SIS AG
Form	Uncertificated Securities
Governing Law / Jurisdiction	Swiss Law / Zurich 1, Switzerland

II. Profit and Loss Prospects

The potential return on the Product is limited to the aggregate of the Interest Payment Amounts scheduled to be paid under the Product, if any. This means that the return on the Product is capped.

If the Products are early redeemed, investors may receive a redemption amount that is considerably lower than the Final

Redemption Amount that would have otherwise been received. In such case, the investor in the Product may suffer a partial loss on its investment.

III. Significant Risks for Investors

The following risk disclosure cannot disclose all the risks associated with an investment in the Products. Therefore, potential investors in Products should consult the Base Prospectus and the Final Terms and their client advisor as to the product specific risks before making an investment decision.

1. Issuer Risk

Investors bear the credit risk of the Issuer. The Products' retention of value is dependent on the creditworthiness of the Issuer, which may change over the term of the Product. The credit rating of the Issuer is not a guarantee of credit quality. In case of the Issuer's insolvency or bankruptcy the investors in the Products may lose their entire investment.

The Products are direct, unconditional, unsecured and unsubordinated obligations of the Issuer. If the Issuer were to become insolvent, claims of investors in Products will rank equally in right of payment with all other unsecured and unsubordinated obligations of the Issuer, except such obligations given priority by law. In such a case, investors in Products may suffer a loss of all or a portion of their investment therein, irrespective of any favourable development of the other value determining factors.

The Products do not constitute bank accounts or deposits at Bank Julius Baer & Co. Ltd. The Products are less liquid than bank accounts or deposits and bear higher risks. An investment in Products will not be covered by any compensation or insurance scheme (such as a bank deposit protection scheme) of any government agency of Switzerland or any other jurisdiction and Products do not have the benefit of any government guarantee. Products are the obligations of the Issuer only and holders of Products must look solely to the Issuer for the performance of the Issuer's obligations under such Products. In the event of the insolvency of the Issuer, an investor in Products may lose all or some of its investment therein.

Bank Julius Baer & Co. Ltd. is a bank pursuant to the Federal Banking Act (BA; SR 952.0) and a securities dealer pursuant to the Federal Act on Stock Exchanges and Complex Products Trading (SESTA; SR 954.1) subject to the prudential supervision by the Swiss Financial Market Supervisory Authority FINMA in Berne (Laupenstrasse 27, CH-3003 Berne; <http://www.finma.ch>).

The Issuer, Bank Julius Baer & Co. Ltd., Guernsey Branch (a branch of Bank Julius Baer & Co. Ltd., Zurich, founded in Switzerland and under the supervision of the Swiss Financial Market Supervisory Authority FINMA), is licensed in Guernsey under the Banking Supervision (Bailiwick of Guernsey) Law 1994 and The Protection of Investors (Bailiwick of Guernsey) Law 1987. Neither the Guernsey Financial Services Commission (P.O. Box 128, Gategny Court, Gategny Esplanade, St. Peter Port, Guernsey, Channel Islands, GY1 3HQ) nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of the Issue or for the correctness of any of the statements made or opinions expressed with regard to it.

2. Product Risks

An investment in Products entails certain risks, which vary depending on the specific type and structure of the relevant Products.

An investment in Products requires a thorough understanding of the nature of Products. Potential investors in Products should be

experienced with respect to an investment in complex financial instruments and be aware of the related risks. A potential investor in Products should determine the suitability of such an investment in light of such investor's particular circumstances. In particular, a potential investor in Products should:

- have sufficient knowledge and experience to make a meaningful evaluation of Products, the merits and risks of investing in Products and the information contained in the Base Prospectus and the applicable Terms and Conditions;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of such investor's particular financial situation, an investment in Products and the impact the relevant Products will have on such investor's overall investment portfolio;
- have sufficient financial resources to bear all the risks of an investment in the relevant Products;
- understand thoroughly the Terms and Conditions applicable to the relevant Products and be familiar with the behaviour of the relevant factors affecting the market value of such Products and financial markets;
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect such investor's investment and ability to bear the applicable risks of an investment in Products until their redemption; and
- recognise that it may not be possible to dispose of Products for a substantial period of time, if at all, before their redemption.

The trading market for securities, such as Products, may be volatile and may be adversely impacted by many events.

Products are complex financial instruments. Investors generally purchase complex financial instruments as a way to enhance yield with an understood, measured, appropriate addition of risk to their overall investment portfolios. A potential investor should not invest in Products unless such investor has the expertise (either alone or with the help of a financial adviser) to evaluate how the relevant Products will perform under changing conditions, the resulting effects on the market value of the relevant Products and the impact such an investment will have on such investor's overall investment portfolio.

Risk of total loss

Products involve a high degree of risk, and prospective investors in the Products should recognise that, under certain circumstances the respective redemption amount and any accrued interest scheduled to be paid (or other benefits to be received) under the Products may not be paid or fulfilled. Prospective investors should therefore be prepared to sustain a partial or total loss of the amount of their investment therein.

Capped Profit Potential

Investors in Products should be aware that the profit potential in relation thereto is capped.

Unpredictable Market Value for Products

During the term of a Product, the market value of such Product may be influenced by many factors, some or all of which may be

unpredictable. Many economic and market factors will influence the market value of a Product. The Issuer expects that, generally, the creditworthiness of the Issuer on any day will affect the market value of such Product more than any other single factor. However, a potential investor should not expect the market value of a Product in the secondary market to vary solely in proportion to changes in the creditworthiness of the Issuer.

The market value of, and return (if any) on, a Product will be affected by a number of other factors, which may be unpredictable or beyond the Issuer's control, and which may offset or magnify each other, including, without limitation:

- supply and demand for such Product, including inventory positions of any other market maker;
- economic, financial, political or regulatory events or judicial decisions that affect the Issuer or the financial markets generally;
- interest and yield rates in the market generally; interest rates are determined by factors of supply and demand in the international money markets, which are in particular governed by macro-economic factors, complex political factors, speculation, central bank and government intervention and other market forces;
- the time remaining until the Final Redemption Date;
- the Issuer's creditworthiness, including actual or anticipated downgrades in the Issuer's credit ratings.

Some or all of these factors may influence the price of a Product. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors.

In addition, certain built-in costs are likely to adversely affect the market value of Products. The price at which the Issuer will be willing to purchase Products from a holder in secondary market transactions, if at all, will likely be lower than the original Issue Price.

Exchange Rate Risk

The Settlement Currency for a Product may be denominated in a currency other than the Issue Currency or, if applicable, the Settlement Currency may not be the currency of the home jurisdiction of the investor in such Product. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are in particular influenced by macro-economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Therefore, fluctuations in exchange rates may adversely affect the market value of a Product.

Secondary Market

Products may have no established trading market when issued and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Products easily or at prices reasonably acceptable to them.

Under normal market circumstances, the Issuer will endeavour to provide a secondary market for Products, but is under no obligation to do so. Upon investor demand, the Issuer will endeavour to provide bid/offer prices for products, depending on actual market conditions. There will be a price difference between bid and offer prices (spread).

Early Redemption

The investors must be aware of a possible early redemption of the Product.

Upon the occurrence of an extraordinary event, the Calculation Agent and the Issuer, acting together, have the right to, among other things, early terminate or redeem the relevant Products. If the Issuer exercises such early redemption right(s), investors should be aware that the early redemption price may be considerably lower than the Issue Price (or, if different, the price the relevant investor paid for such product) and/or the Final Redemption Amount that would otherwise have been paid on the Final Redemption Date.

Further product specific risks

The amount of interest paid under the Product is based on a floating rate and cannot be anticipated prior to the relevant date on which such amounts are calculated. Due to varying interest rates investors are not able to determine a definite yield at the time they purchase the Product. Investors in the Products are exposed to reinvestment risk if market interest rates decline.

Further, the Products represent an investment linked to a Reference Rate and any interest amount payable hereunder is generally dependent on the performance of the Reference Rate. Reference Rates are mainly dependent upon the supply and demand for credit in the money market, i.e. the rates of interest paid on investments determined by the interaction of supply and demand for funds in the money market. The supply and demand in the money market on the other hand is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors, or upon other factors, depending on the specific type of the Reference Rate. Such factors affecting the performance of the Reference Rate may adversely affect the market value of, and return (if any) on, the Products.

Depending upon the development of the Reference Rate, it is possible that the applicable interest rate for one or more interest periods during the term of the Product may be equal to zero, or, even if the interest rate is above zero, it may be substantially lower than the interest rate that would be applicable to conventional debt securities of the Issuer with a comparable term.

Further Information

For further details on the Product related risks please consult the risk disclosure brochure "Special Risks in Complex Products Trading" (Edition 2008) which is available on the Swiss Bankers Association's website: <http://www.swissbanking.org/en/home/shop.htm> or may be obtained from your client advisor upon request.

IV. Important Additional Information

If the Product is not listed on SIX Swiss Exchange, this document constitutes the simplified prospectus for the Products pursuant to Article 5 of the Swiss Federal Act on Collective Investment Schemes ("CISA") and is of summary nature with a view to include the information required by Article 5 CISA and the Guidelines of the Swiss Bankers Association dated July 2007 in relation to the Information for Investors in Structured Products. The simplified prospectus may be obtained free of charge from Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland.

This document does not constitute an offer or invitation to enter into any type of financial transaction and the Issuer has no obligation to issue the Products. This document is not the result of a financial analysis and therefore, is not subject to the "Directives on the Independence of Financial Research" from the Swiss Bankers Associations. The content of this document does therefore not fulfil the legal requirements for the independence of financial analyses and there is no restriction on trading in this regard.

Conflicts of Interest

The Issuer and affiliated companies may from time to time enter into transactions for their own account or for the account of a client that are related to the Products. These transactions may not be for the benefit of the investor and may have positive or negative effects on the value of the Products. Companies affiliated to the Issuer may also become counterparties in hedging transactions. Accordingly, conflicts of interest may therefore arise with regard to obligations relating to the ascertainment of the values of the Products and other related determinations both among affiliated companies of the Issuer and between these companies and the investors. In addition, the Issuer and affiliated companies may exercise a different function, if applicable, in relation to the products, for example as calculation agent, paying agent or administrative office.

Amendments to the Product Conditions

Information regarding unforeseen changes to the conditions of the Product which may arise during the lifetime of the Products are not subject to this document but may be obtained from your client advisor upon request and will be published on:

<http://derivatives.juliusbaer.com>; corporate actions and/or <http://www.six-swiss->

exchange.com/news/official_notices/search_en.html. This document will not be amended throughout the term of the Products.

Selling Restrictions

The Products were not registered with the local regulator and are not publicly distributable outside of Switzerland. The Products may not be offered in any jurisdiction in circumstances that would result in the Issuer being obliged to register any further prospectus relating to the Products in that jurisdiction. Potential purchasers of the Products are advised to read the detailed selling restrictions in the Base Prospectus and the Final Terms. Potential purchasers of the Products should seek specific advice before purchasing or selling-on a Product. Particular attention should be paid to the selling restrictions set out in the Base Prospectus and the Final Terms with respect to the following jurisdictions: European Economic Area (EEA), United States of America, United Kingdom, Guernsey, The Netherlands, Italy, France, Hong Kong, Singapore, Dubai International Financial Centre, United Arab Emirates, Kingdom of Bahrain, Israel, Uruguay, Panama, Bahamas. These restrictions must not be taken as conclusive guidance as to whether the Products can be sold in a jurisdiction.

For investors located in Panama: Neither these Products, nor their offer, sale or transfer, have been registered with the Superintendence of the Securities Market (formerly the National Securities Commission). The exemption from registration is based on numeral 3 of Article 129 (Institutional Investors) of Decree Law 1 of July 8, 1999 as amended and organized into a single text by Title II of Law 67 of 2011 (the "Securities Law"). In consequence, the tax treatment established in Articles 334 to 336 of the Securities Law, does not apply to them. These Products are not under the supervision of the Superintendence of the Securities Market.

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