

**Buyback of own shares at a fixed price**

The Board of Directors of VP Bank AG, Aeulestrasse 6, 9490 Vaduz, Liechtenstein, ("VP Bank"), was authorised at the Annual General Meeting held on 24 April 2015 to buy back own shares of up to a maximum of 10% of the share capital.

Based thereon the Board of Directors has decided to buy back a maximum of 298,442 own bearer shares with a nominal value of CHF 10 each (corresponding to 4.51% of the share capital and 2.48% of the voting rights) at a fixed price of CHF 82.00 (the "Buyback Offer"). The repurchased bearer shares shall be used for future acquisitions and treasury management purposes.

The acceptance period for the Buyback Offer lasts from 15 October 2015 until 28 October 2015, 05.00 p.m. CET. If the number of tendered bearer shares exceeds the maximum number of bearer shares to be bought back within the scope of the Buyback Offer, VP Bank will proportionally reduce the declarations of acceptance (pro rata).

The ordinary trading of bearer shares of VP Bank under the security number 1.073.721 is not affected by the Buyback Offer and continues as usual. This means that a shareholder of VP Bank who wishes to sell its shares has the choice during the acceptance period of either selling them via ordinary trading or to tender the shares to VP Bank within the acceptance period of the Buyback Offer.

The Board of Directors of VP Bank has also decided to buy back up to 484,705 of its own non-listed registered shares with a nominal value of CHF 1 each (corresponding to 0.73% of the share capital and 4.03% of the voting rights). The buy back price is in proportion to the nominal value CHF 8.20. The buy back of own registered shares will be conducted by VP Bank and is not part of the herein described Buyback Offer. The registered shareholders will be informed separately.

The current share capital of VP Bank amounts to CHF 66,154,167 and is divided into 6,015,000 bearer shares, with a nominal value of CHF 10 each, and 6,004,167 registered shares, with a nominal value of CHF 1 each.

The Buyback Offer is exempted from compliance with the provisions on public takeover bids provided for based on section 6.1 of Circular No. 1 of the Swiss Takeover Board dated 27 June 2013.

**Buyback price**

The offer price for the bearer shares tendered within the scope of the Buyback Offer is CH 82.00.

**Duration of the buyback**

The Buyback Offer lasts from 15 October 2015 until 28 October 2015, 05.00 p.m. CET.

**Tender**

Shareholders who would like to tender bearer shares within the Buyback Offer are asked to follow the instructions received by their custodian bank. All tendered bearer shares will be blocked by the respective custodian bank and are no longer tradable.

**Publication of the result**

VP Bank will inform regarding the result of the Buyback Offer, including any proportional reductions, via a media release and by publication on VP Bank's website ([www.vpbank.com/sharebuyback](http://www.vpbank.com/sharebuyback)) on 28 October 2015.

Any possible purchases and sales of own shares executed during but outside the Buyback Offer will also be published on the afore-mentioned website.

**Payment of the buyback price and delivery of shares**

The payment of the buyback price and the delivery of the bearer shares will take place with value date 30 October 2015.

**Taxes and duties**

Switzerland  
 Provided that the buyback of own shares is not carried out for capital reduction purposes, it will be treated as an ordinary purchase and sale of shares in terms of direct taxes. Specifically, this has the following implications in terms of tax for shareholders who want to tender shares in connection with the Buyback Offer:

1. Direct taxes  
 The following explanations relate to the levying of direct federal taxes. As a rule, the same practice applies to cantonal and municipal taxes as to direct federal taxes.
  - a. Privately held shares  
 If shares are repurchased by the company, the shareholder selling the shares normally receives a tax-free private capital gain or a capital loss not deductible for tax purposes.
  - b. Shares held as business assets  
 If shares are repurchased by the company, the difference between the buyback price and the book value constitutes taxable income (book value principle).
2. Withholding tax  
 VP Bank is not subject to the Swiss withholding tax and hence no withholding tax will be deducted
3. Charges and levies  
 Own shares are not bought back for the purpose of a capital reduction and are therefore subject to stamp duty. The stamp duty as well as any possible charges will be paid by the company.

Liechtenstein  
 Shares in profits and capital gains associated with participations in domestic legal entities are subject to neither acquisition tax nor income tax in Liechtenstein.

VP Bank is not subject to the Swiss withholding tax and hence no withholding tax will be deducted.

Own shares are not bought back for the purpose of a capital reduction and are therefore subject to stamp duty. The stamp duty as well as any possible charges will be paid by the company.

**Non-public information**

VP Bank confirms that it does not have any non-public information which could have a considerable influence on the shareholders' ability to make a decision.

**Own shares**

As of 09 October 2015, VP Bank held:  
 – directly or indirectly 303'058 own bearer shares (4.58% of the share capital and 2.52% of the voting rights); and  
 – directly or indirectly 115'712 own registered shares (0.17% of the share capital and 0.96% of the voting rights)

**Shareholders with more than 3% of voting rights**

The following beneficial owners hold more than 3% of the share capital and the voting rights of VP Bank:

Stiftung Fürstl. Kommerzienrat Guido Feger, Allgemeines Treuunternehmen, Mercotrust Aktiengesellschaft, Personalstiftung des Allgemeinen Treuunternehmens, all of which are located in Vaduz, Principality of Liechtenstein (indirect shareholder: Stiftung Fürstl. Kommerzienrat Guido Feger, Vaduz, Principality of Liechtenstein) <sup>1)</sup>

1,066,826 bearer shares (16.13% of the share capital and 8.88% of the voting rights)  
 4,530,047 registered shares (6.85% of the share capital and 37.69% of the voting rights)

Ethenea Independent Investors S.A., Luxemburg <sup>2)</sup>  
 855,395 bearer shares (12.93% of the share capital and 7.12% of the voting rights)

Marxer Stiftung für Bank- und Unternehmenswerte, Vaduz, Principality of Liechtenstein (indirect shareholder: Dr. Peter Marxer sen., Vaduz, Principality of Liechtenstein) <sup>3)</sup>  
 755,955 bearer shares (11.43% of the share capital and 6.29% of the voting rights)

U.M.M. Hilti-Stiftung, Vaduz, Principality of Liechtenstein (indirect shareholder: Ursula Zindel-Hilti, Markus Thomas Hilti, Martin Matthias Hilti, all of which are located in Schaan, Principality of Liechtenstein) <sup>4)</sup>  
 546,088 bearer shares (8.25% of the share capital and 4.54% of the voting rights)  
 658,370 registered shares (1.00% of the share capital and 5.48% of the voting rights)

VP Bank has no knowledge whether the shareholders have any intentions of tendering bearer shares within the scope of the Buyback Offer.

<sup>1)</sup> As at 22 May 2015  
<sup>2)</sup> According to VP Bank Group's Annual Report 2014  
<sup>3)</sup> As at 12 May 2015  
<sup>4)</sup> As at 23 May 2015

**Applicable law and place of jurisdiction**  
 Swiss law. The exclusive place of jurisdiction is Zurich.

**Mandated bank**  
 VP Bank has mandated Zürcher Kantonalbank with the execution of the Buyback Offer.

**Security number / ISIN / ticker symbol**  
 VP Bank bearer share of CHF 10 nominal value 1.073.721 / LI0010737216 / VPB

**This notice does not constitute an issue prospectus for the purposes of Art. 652a and/or Art. 1156 of the Swiss Code of Obligations.**

**This offer is not being and will not be made, directly or indirectly, in the United States of America and/or to US persons and may be accepted only by Non-US persons and outside the United States of America. Accordingly, copies of this document and any related materials are not being, and may not be, sent or otherwise distributed in or into or from the United States of America, and persons receiving any such documents (including custodians, nominees and trustees) may not distribute or send them in, into or from the United States of America.**