



Press release

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## **VZ Group continues to grow**

**Zurich, 5 March 2021 – In a difficult environment, VZ Group increased its operating revenues by 8.9 percent to CHF 328.7 million. As expected, profit grew disproportionately, namely by 14.9 percent to CHF 117.5 million. The dividend is to be increased from 1.02 to 1.23 per share. CEO Matthias Reinhart expects revenues and profits to grow in step again in the current year.**

### **8.9 percent increase in operating revenues**

VZ Group's course of business depends more on demographic trends than on the economy and the financial markets. This is why its business can continue to develop well even in a difficult environment. In the 2020 financial year, operating revenues increased by 8.9 percent from CHF 301.7 to CHF 328.7 million francs. In the first half of the year, the increase was 7.4 percent, and in the second half, 10.4 percent. As expected, profit grew disproportionately, namely by 14.9 percent from 102.3 to 117.5 million francs. The disproportionate increase was also due to the lower tax rate, which fell from 17.7 to 14.0 percent compared to 2019. The Corona crisis affected the individual revenue components differently. Because on-site consultations were restricted, especially in the spring, consulting fees grew less strongly, and the slump in stock market prices in the first half of the year slowed the growth of revenues from portfolio management. On the other hand, VZ Depository Bank's transaction revenues decreased less than expected in this volatile phase.

### **6400 additional management clients**

Despite the drastic cutbacks, VZ recorded a satisfactory number of new clients. The number of new management clients was 6400, compared with 5000 in the previous year. This represents a growth rate of almost 30 percent. At the same time, individual clients are using more and more services. VZ Finanzportal, which allows clients to manage their assets online, plays an important role in this positive development. Net new money grew by 18.4 percent in 2020, from 2.7 to 3.2 billion francs.

### **Higher balance sheet and dividend**

Total assets reached CHF 5.0 billion francs (2019: 4.1 billion), mainly due to the strong increase in the number of clients and the Swiss National Bank's higher exemption

threshold. At 26.6 percent, the core capital ratio remains solid. VZ Group's Board of Directors proposes to the Annual General Meeting to raise the dividend from 1.02 to 1.23 francs per share. This will increase the payout ratio from 40 to 42 percent. In the long term, VZ Group aims to raise this ratio to 50 percent.

## **Outlook**

«For the current year, we expect a similar development in demand», says Matthias Reinhart, Chairman of VZ Group's Executive Board. «If the markets remain stable, revenues and profits should again grow at a similar pace.»

## **Annual report**

The detailed annual report as well as an investor presentation can be downloaded from the investor relations section on VZ Group's website: [vzch.com](http://vzch.com)

## **Conference call**

Media representatives and analysts are invited to discuss VZ Group's results in one of today's teleconferences hosted by Matthias Reinhart (Chairman of the Executive Board) and Rafael Pfaffen (Chief Financial Officer). For details, please get in touch with Adriano Pavone or Petra Märk:

## **Contacts**

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## **Alternative performance measures**

To measure its performance, VZ Group uses key figures that are not defined under International Financial Reporting Standards (IFRS). These alternative performance measures are listed on page 172 of the Annual Report 2020.

## **VZ Group**

VZ is an independent Swiss financial service company, and VZ Holding Ltd's shares are listed on the SIX Swiss Exchange. Asset management, pension and estate planning for individuals as well as insurance and pension fund management for companies are VZ Group's core services. VZ Holding is headquartered in Zug, and VZ has 34 branch offices throughout Switzerland and Germany.

## **Forward-looking statements**

This press release contains forward-looking statements that involve known and unknown risks, uncertainties or other factors that may cause the actual results to be materially different from any future results, performance, or achievements expressed or implied by such statements. Against the

background of these uncertainties, readers should not rely on such forward-looking statements. The company assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

## Key figures

<b>Income statements</b> (CHF '000)	<i>2020</i>	<i>2019</i>
Operating revenues	328'702	301'718
Operating expenses	173'582	159'340
Operating profit (EBIT)	136'963	124'750
Net profit	117'452	102'305

<b>Balance sheets</b> (CHF '000)	<i>31.12.2020</i>	<i>31.12.2019</i>
Total assets	4'973'249	4'056'231
Equity	616'657	549'774
Net cash	501'576	432'380

<b>Equity key figures</b>	<i>31.12.2020</i>	<i>31.12. 2019</i>
Leverage ratio	12.4%	13.6%
Common equity tier 1 capital ratio (CET 1)	26.6%	27.7%
Total eligible capital ratio (T1 & T2)	26.6%	27.7%

<b>Funds under management</b> (CHF million)	<i>31.12.2020</i>	<i>31.12.2019</i>
Assets under management	31'459	27'627

<b>Employees</b>	<i>31.12.2020</i>	<i>31.12.2019</i>
Full-time equivalents (FTE)	1'035.7	944.8