



Press release

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## **VZ Group remains on its growth path**

**Zurich, 11 August 2017 – Compared to the first half-year of 2016, VZ Group increased its revenues by 12.3 percent. Operating costs rose by 12.8 percent, leaving the operating margin virtually unchanged. Net profit increased by 9.3 percent. CEO Matthias Reinhart expects that thanks to the increased number of clients, revenues and profit will continue to grow throughout the year.**

### **Revenues + 12.3 percent and net profit + 9.3 percent**

VZ Group saw its revenues rise to CHF 127.8 million (+12.3 percent) during the first half of 2017 in year-on-year terms. Operating costs increased at broadly the same pace to CHF 71.1 million (+12.8 percent), resulting in an operating margin similar to that in the first half of 2016. Net profit reached CHF 44.2 million (+9.3 percent). The difference reflects the higher depreciation resulting from investment in the expansion of VZ Group's services and in their digitalisation.

### **Solid balance sheet**

At CHF 2.3 billion, the balance sheet total has fallen slightly since the start of the year. The decline reflects more optimistic sentiment on capital markets. This encouraged clients to invest more, thereby reducing their cash holdings reported in the balance sheet. Even after the dividend distribution in the spring, VZ Group's equity capital remains constantly high.

### **Digitalisation**

The launch of the group's financial portal last summer is beginning to generate positive results. In the long term, VZ expects an increasing number of clients to bundle all of their financial matters and to organise them electronically. This will give them an overview of all their investments and payment flows, their insurance policies, mortgages, taxes and their retirement provisioning. The growing range of services benefits both sides: With every service they use through this platform, clients save fees and premiums, while VZ expands its business opportunities.

## **VZ Depository Bank in Germany**

The newly-founded VZ Depository Bank in Germany has received the approval of the Federal Financial Supervisory Authority as well as of the European Central Bank and is set to be launched. This will enable VZ Germany to begin transferring portfolio management clients from third-party banks to the in-house banking platform over the second half of the year. Meanwhile, the launch of its financial portal in Germany provides a good basis to attract new clients to the group's services.

## **Outlook**

«VZ Group's future growth will be driven by the steady broadening of its client base», says Matthias Reinhart, Chairman of VZ Group's Executive Board. The number of clients establishing a long-term relationship with VZ rose by around 2000 in the first six months to reach approximately 31,000. Reinhart is expecting slightly less momentum from capital markets during the second half of the year and does not exclude substantial volatility. Overall, he expects revenues and profits to continue to grow, thanks to the higher number of clients. «This should allow us to increase the dividend for the business year 2017.»

## **Half-year report**

The detailed half-year report as well as an investor presentation can be downloaded from the investor relations section on VZ Group's website: [www.vzch.com](http://www.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 Philipp Marti (Chief Financial Officer). For details please get in touch with Adriano Pavone or Petra Märk:

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## **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 Zurich, and VZ has 30 branch offices throughout Switzerland and Germany. At the end of June 2017, the group counted more than 900 employees.

**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 up-date forward-looking statements or to adapt them to future events or developments.

## Key figures

### Income statements (CHF '000)

	1H 2017	2H 2016	1H 2016
Operating revenues	127'756	122'107	113'758
Operating expenses	71'086	65'658	63'002
Operating profit (EBITDA)	56'670	56'449	50'756
Net profit <sup>1</sup>	44'164	43'700	40'424

<sup>1</sup> Including minority interests.

### Balance sheets (CHF '000)

	30.6.2017	31.12.2016	30.6.2016
Total assets	2'320'945	2'434'598	2'332'821
Equity <sup>1</sup>	420'379	420'056	383'644
Net cash <sup>2</sup>	378'849	389'595	333'476

<sup>1</sup> Including minority interests.

<sup>2</sup> Cash & cash equivalents, short-term investments, marketable securities, financial assets less current liabilities due to customers, long-term debts and due to banks.

### Equity key figures

	30.6.2017	31.12.2016	30.6.2016
Equity ratio <sup>1</sup>	18.1%	17.3%	16.5%
Common equity tier 1 capital ratio (CET 1)	26.7%	27.9%	26.5%
Total eligible capital ratio (T1 & T2)	26.7%	27.9%	26.5%

<sup>1</sup> Equity compared to the consolidated balance sheet total.

### Funds under management (CHF million)

	30.6.2017	31.12.2016	30.6.2016
Assets under Management	19'982	18'415	17'272

### Employees

	30.6.2017	31.12.2016	30.6.2016
Number of employees	915	892	830
Full-time equivalents	793.7	771.5	718.3