



Press release

Source: VZ Holding AG / SIX: VZN / ISIN: CH0528751586

VZ Group continues solid growth

Zug, 12 August 2020 – VZ Group increased its operating revenues by 7.4 percent compared to the first half of 2019. As expected, net profit rose disproportionately, namely by 15.8 percent. CEO Matthias Reinhart expects the growth to continue in the second half of the year. He also announces that the Group nominated an additional member to its Executive Board.

Profit grows disproportionately

Compared with the first half of 2019, operating revenues grew slightly less than expected, namely by 7.4 percent from CHF 148.8 to 159.8 million. Banking income however increased slightly, although the group had expected a slight decline. This increase is mainly due to the higher volatility on the stock markets. As expected, profit grew disproportionately by 15.8 percent from CHF 48.7 to 56.4 million, primarily due to the lower tax burden.

Higher balance sheet total

Since 1 January, the group's balance sheet total has risen from CHF 4.1 to 4.6 billion. The main reasons for this substantial growth are the additional inflow of clients and the Swiss National Bank's higher exemption threshold. The core capital ratio now stands at 24.7 percent and is therefore very solid.

Robust demand

Demand for both financial consulting and platform solutions has been robust. While the lockdown resulted in some of the consulting projects being shifted into the future, demand for platform solutions is less affected. In fact, VZ recorded more than 3000 new clients in net terms for the first time. This is directly reflected in net new money, which rose to CHF 1.64 billion from 1.3 billion in the first half of 2019.

Additional member of the Group Executive Board

The Board of Directors has decided to appoint Philipp Heer to the Executive Board of VZ Group as of 1 January 2021. He is responsible for the Bernese, Central and Southern regions of Switzerland, for corporate succession, estate planning, execution of wills and taxes, and now also for insurances for private individuals.

Outlook

«We expect growth to continue in the second half of the year, both in terms of consulting and platform services. While banking income is likely to continue to decline, we expect a management fees to rise slightly, depending on the development of the stock markets», says Matthias Reinhart, Chairman of VZ Group's Executive Board. «Overall, we expect slightly higher performance figures for the entire 2020 financial year than in the previous year, so that the dividend should be increased again.»

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: vzch.com/investors

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

Adriano Pavone

Head Media Communications

Phone +41 44 207 25 22

Mail adriano.pavone@vzch.com

Petra Märk

Head Investor Relations

Phone +41 44 207 26 32

Mail petra.maerk@vzch.com

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 25 of the half-year 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

Income statements (CHF '000)	<i>1H 2020</i>	<i>2H 2019</i>	<i>1H 2019</i>
Operating revenues	159'836	152'908	148'810
Operating expenses	85'176	79'821	79'519
Operating profit (EBIT)	65'837	64'365	60'385
Net profit	56'434	53'582	48'723

Balance sheets (CHF '000)	<i>30.6.2020</i>	<i>31.12.2019</i>	<i>30.6.2019</i>
Total assets	4'591'066	4'056'231	3'470'104
Equity	560'924	549'774	510'966
Net cash	384'752	432'380	371'417

Equity key figures	<i>30.6.2020</i>	<i>31.12.2019</i>	<i>30.6.2019</i>
Equity ratio	12,2%	13,6%	14,7%
Common equity tier 1 capital ratio (CET 1)	24,7%	27,7%	25,8%
Total eligible capital ratio (T1 & T2)	24,7%	27,7%	25,8%

Funds under management (CHF million)	<i>30.6.2020</i>	<i>31.12.2019</i>	<i>30.6.2019</i>
Assets under management	28'585	27'627	25'623

Employees	<i>30.6.2020</i>	<i>31.12.2019</i>	<i>30.6.2019</i>
Full-time equivalents (FTE)	985,1	944,8	924,2