



Press release

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VZ Group with a good 10 percent increase in revenues and profit

Zurich, 15 August 2018 – VZ Group increased its operating revenues by 10.6 per cent compared to the first half of 2017. Net profit increased by 10.3 percent. CEO Matthias Reinhart expects that revenues and profits in the 2018 financial year will be higher than in 2017 and that the dividend can be increased again. Furthermore, VZ Group announces a change in the Executive Board.

Over 10 percent higher revenues and profit

The headwind from the financial markets did not have a significant impact on our growth. Operating revenues rose by 10.6 per cent from 127.8 to 141.3 million Swiss francs compared with the same period last year. As expected, operating costs rose at practically the same rate as revenues, namely by 10.5 percent to 78.6 million Swiss francs. At 48.7 million Swiss francs, net profit was 10.3 percent higher.

Increased balance sheet total

Since the beginning of the year, the balance sheet total has grown by 9.9 percent to 2.97 billion Swiss francs. The increase is mainly due to the fact that customers are keeping large amounts of cash in their accounts. VZ Holding's equity also increased, even though dividends for 2017 were paid out in spring. As expected, both the equity ratio and the core capital ratio of 15.7 and 27.5 percent respectively remain above average in a sector comparison.

Reliable demand

In the first half of the year, many new clients sought advice from the VZ experts, and many opted for the management services VZ offers. VZ Group was able to win around 2000 new clients for its management services in the first half of the year; the medium-term target of 4000 per year therefore remains realistic. At the same time, VZ keeps encouraging the clients to use more than one service. This creates a win-win situation: with every financial service that clients obtain through VZ, they save fees and premiums, while VZ expands its revenue base. The success of this strategy can be tracked, for instance, in the assets under management: Overall, assets under management grew from 21.8 to 22.7 billion Swiss francs in the past six months, whereof new money accounts for 1.3 billion Swiss francs.

Change in the Executive Board

Peter Stocker, Managing Director Asset Management, leaves the management of VZ Group at his own request and concentrates on serving institutional clients. The Board of Directors has appointed Manuel Rüttsche as his successor. Rüttsche holds a Master in Finance from the London Business School and has been working for VZ Group since 2004. He manages the subsidiary VZ Quant Portfolio Services and is already responsible for the group's rule-based portfolio management. On 1 September 2018, he will take over Peter Stocker's responsibilities. Within the Executive Board, responsibility for rule-based and fundamental-based portfolio management will thus be united.

Outlook

«We expect the positive trend to continue in the second half of the year. Whether growth will be as strong or weaker than in the first half of the year also depends on the economic environment and the volatility of the financial markets», says Matthias Reinhart, Chairman of VZ Group's Executive Board. «Overall, we expect both revenues and profit to be higher in the 2018 financial year than in 2017, and that we will be able to increase the dividend again accordingly.»

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.

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:

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

Key figures

Income statements (CHF '000)

	1H 2018	2H 2017	1H 2017
Operating revenues	141'334	132'479	127'756
Operating expenses	78'554	78'108	71'086
Operating profit (EBITDA)	62'780	54'371	56'670
Net profit ¹	48'700	42'659	44'164

¹ Including minority interests.

Balance sheets (CHF '000)

	30.6.2018	31.12.2017	30.6.2017
Total assets	2'969'931	2'703'475	2'320'945
Equity ¹	467'452	459'470	420'379
Net cash ²	369'385	366'001	378'849

¹ Including minority interests.

² 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

	30.6.2018	31.12.2017	30.6.2017
Equity ratio ¹	15.7%	17.0%	18.1%
Common equity tier 1 capital ratio (CET 1)	27.5%	30.4%	29.9% ²
Total eligible capital ratio (T1 & T2)	27.5%	30.4%	29.9% ²

¹ Equity compared to the consolidated balance sheet total.

² VZ Group applies the international standard approach for credit risks (SA-BIZ) since 2017. The figures as per 30.6.2017 have been adjusted accordingly.

Funds under management (CHF million)

	30.6.2018	31.12.2017	30.6.2017
Assets under Management	22'653	21'775	19'982

Employees

	30.6.2018	31.12.2017	30.6.2017
Full-time equivalents	872.7	840.4	793.7