



VZ Holding Ltd
Beethovenstrasse 24
CH-8002 Zurich
Telephone: +41 44 207 27 27
Fax: +41 44 207 27 28

vermoegenszentrum.ch
vzfinanzportal.ch

VZ Group

1H 2013

Results and Outlook

Zurich, 15 August 2013



Forward-looking statements

This presentation 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.

- ▶ 1. Facts & figures
- 2. Financials
- 3. Outlook

Summary 1H 2013



Business development

- Continued growth in 1H13
 - despite challenging market environment
 - clients less reluctant
- Undiminished client demand and satisfying utilization of capacities
- Increase of consulting FTEs on track (mid-term target 2015: 120 FTEs)
- Annualized NNM per FTE at 18.7 million (target range: 17-20 million)
- Strong client demand for rule-based portfolio management concepts
- Pilot financial portal lounge successfully launched

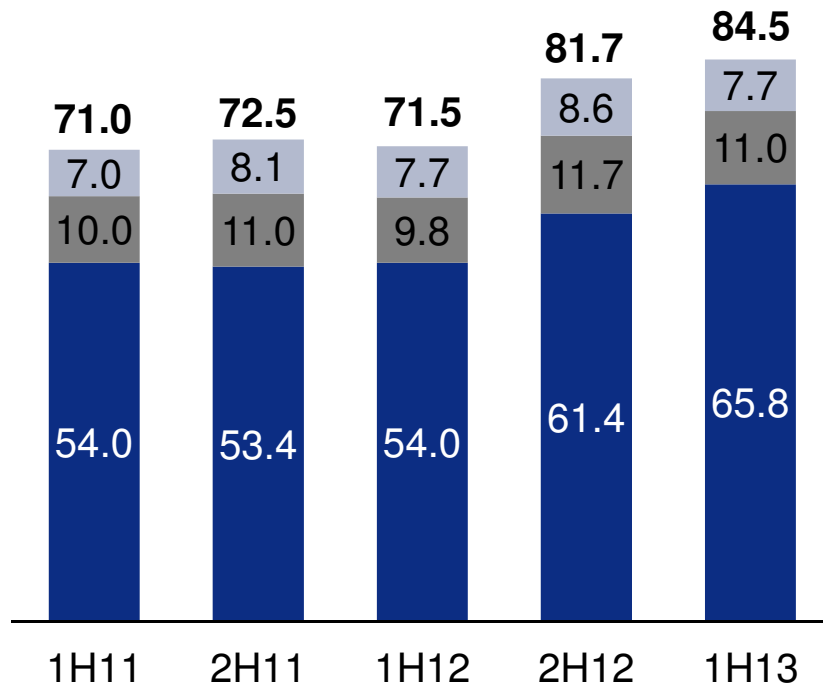
Financials

- Top line +18.2% to CHF 84.5 million yoy
 - management fees +21.7%
 - banking revenues +12.9%
 - consulting fees +0.1%
- Costs +13.9% to CHF 46.5 million yoy
 - personnel expenses +12.2%
 - other operating expenses +18.7%
- EBITDA margin: 44.9% (1H12: 42.8%)
- Bottom line +25.2% to CHF 29.8 million yoy
- Solid balance sheet
 - equity ratio: 20.9%
 - BIS Tier I & II: 27.1%
- Funds under management (30.6.2013)
 - AuM: CHF 11'002 million (30.6.2012: CHF 9'149 million)
 - insurance premium: CHF 284 million p.a. (30.6.2012: CHF 275 million)



Revenues: Sustained growth momentum

in CHF million

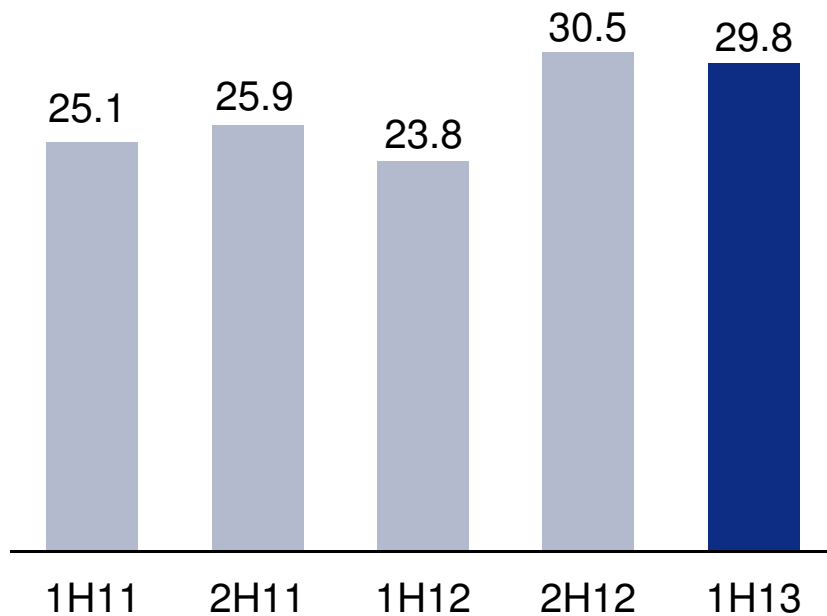


- Consulting fees and other revenues
- Banking revenues
- Management fees

- Management fees +21.7% yoy
 - AuM +20.3% yoy
 - portfolio management mandates +19.5%
- Banking revenues +12.9% yoy
 - increased number of clients
 - persistently low interest margin
- Consulting fees +0.1% yoy
 - client interactions free of charge on the increase
 - more frequent direct introduction to wealth management services
- 91% of total revenues generated in private client segment, 9% in corporate client segment

Net profit: margin normalised in 1H13

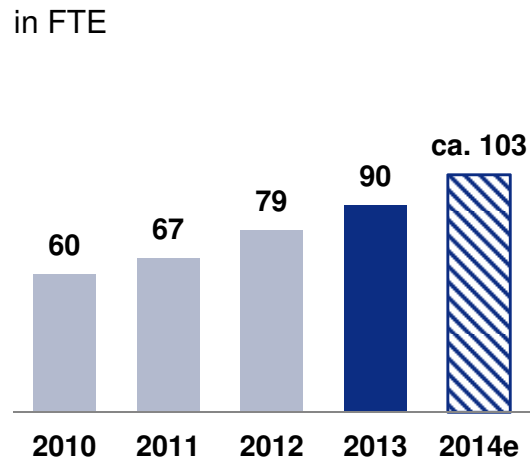
in CHF million



- Net profit +25.2% yoy
- Operating margin (EBITDA) at 44.9% vs 42.8% yoy
 - revenues +18.2%
 - operating expenses +13.9%
- Net profit margin at 35.3% vs 33.3% yoy (long-term target: 35%)

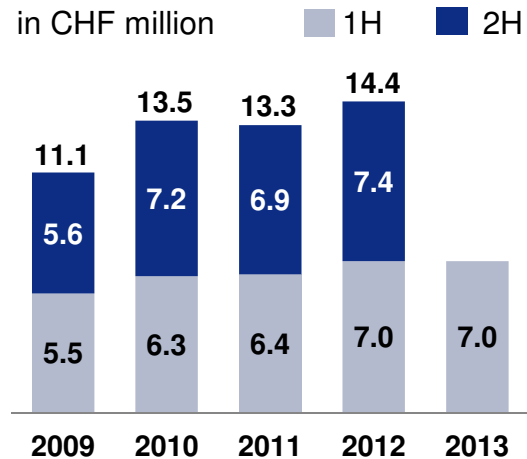
Financial Consulting: satisfying NNM inflow

Capacity growth



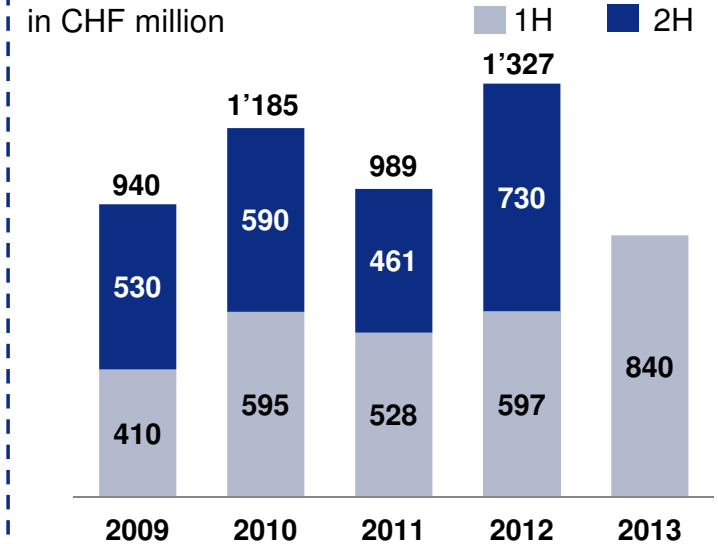
- Full-time equivalents (FTE) with client and budget responsibility (average per calendar year)
- Wealth managers not included

Consulting revenues

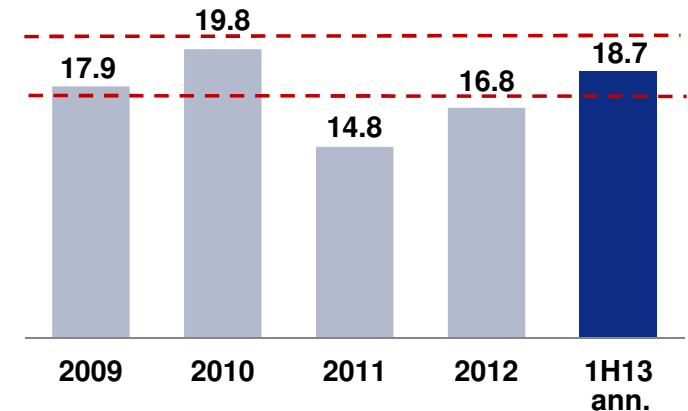


- Consulting projects enable introduction to wealth management services
- Initial meetings +4.0%

Net new money (NNM)



per FTE in CHF million



- - - target corridor 17-20 million per FTE



Wealth Management: continued AuM growth

in CHF million

	30.6.11	31.12.11	30.6.12	31.12.12	30.6.13	△ since 31.12.12	
AuM total	8'117	8'432	9'149	10'082	11'002	+920	+9.1%
- PM mandates	5'585	5'595	6'000	6'531	7'169	+638	+9.8%
<i>Share of total AuM</i>	68.8%	66.4%	65.6%	64.8%	65.2%		
- Others*	2'532	2'837	3'149	3'551	3'833	+282	+7.9%
<i>Share of total AuM</i>	31.2%	33.6%	34.4%	35.2%	34.8%		
NNM total (6 months)	528	461	597	730	840	+243	+40.7% (yoy)
Wealth management clients	13'734	14'785	15'787**	16'991	18'384	+1'393	+8.2%
VZ financial portal clients***	876	1'817	2'510	4'124	5'122	+998	+24.2%

* Incl. mortgages under management and portfolios under client management

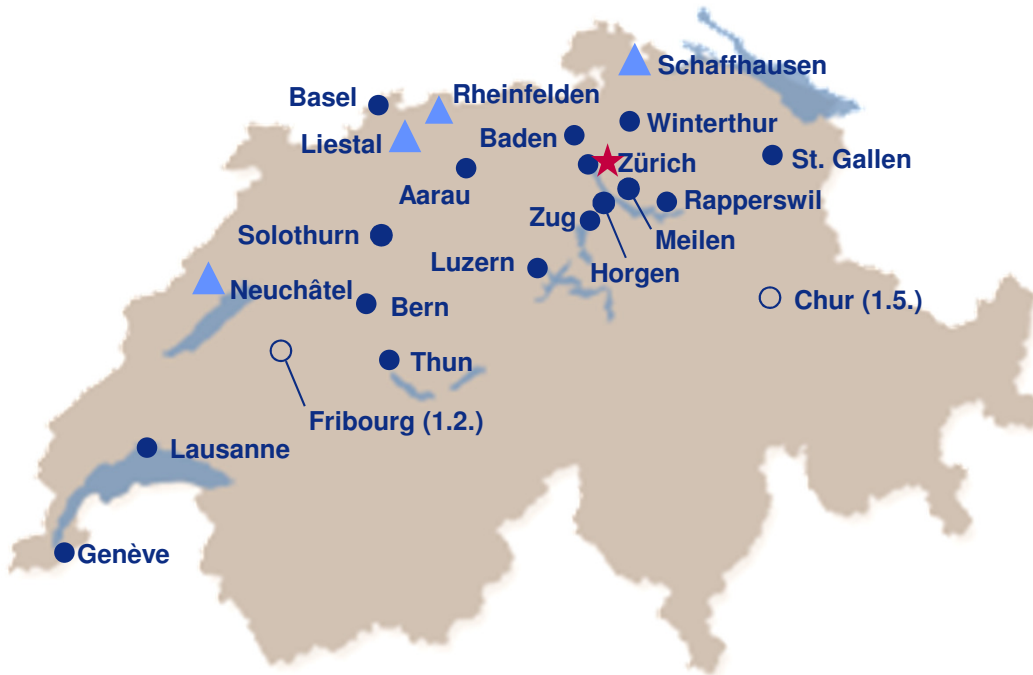
** Amended due to adjusted attribution

*** Double counts may occur (WM clients / VZ financial portal clients)

Branch offices



Switzerland



- branches
- ▲ satellites
- ★ VZ financial portal lounge (pilot in Zurich)
- branch offices opened in 2013

Germany



1. Facts & figures
- ▶ 2. Financials
3. Outlook



Income statements – unaudited (1)

in CHF million*

	1H 11		2H 11		1H 12		2H 12		1H 13	yoy 1H 13
Consulting fees	6.9	7.7	7.5	8.2	7.5	8.2	7.5	8.2	7.5	+0.1%
Management fees	53.9	53.5	54.0	61.4	54.0	61.4	65.8	61.4	65.8	+21.7%
Banking revenues	10.0	10.9	9.8	11.8	9.8	11.8	11.0	11.8	11.0	+12.9%
Other operating revenues	0.2	0.3	0.2	0.3	0.2	0.3	0.2	0.3	0.2	–
Total operating revenues	71.0	72.5	71.5	81.7	71.5	81.7	84.5	81.7	84.5	+18.2%
Personnel expenses	28.6	29.3	30.5	31.7	30.5	31.7	34.3	31.7	34.3	+12.2%
Other operating expenses	10.1	9.5	10.4	10.8	10.4	10.8	12.3	10.8	12.3	+18.7%
Total operating expenses	38.7	38.8	40.9	42.5	40.9	42.5	46.6	42.5	46.6	+13.9%
EBITDA	32.3	33.7	30.6	39.2	30.6	39.2	37.9	39.2	37.9	+24.0%

* numbers may differ slightly from the published income statements due to rounding differences



Income statements – unaudited (2)

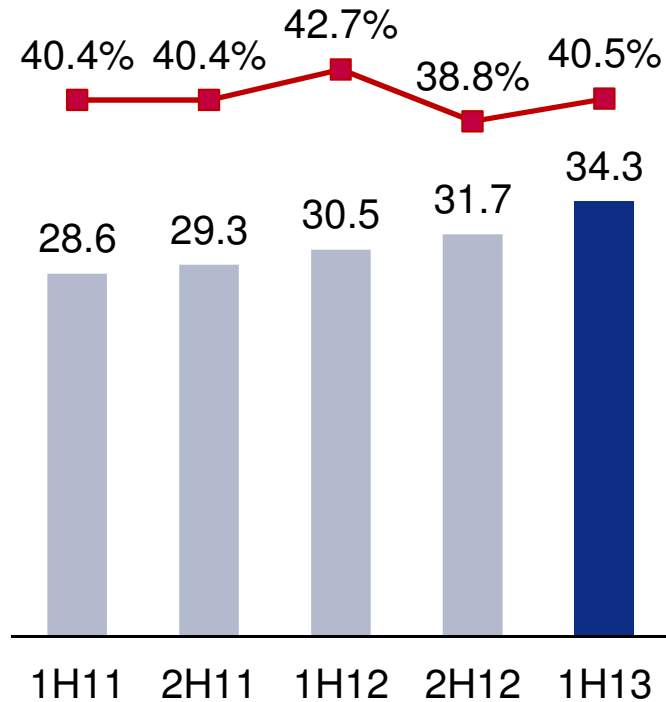
in CHF million*

	1H 11		2H 11		1H 12		2H 12		1H 13	yoy 1H 13
EBITDA	32.3	33.7	30.6	39.2	37.9	+24.0%				
Depreciation and amortisation	1.4	1.5	1.7	1.7	1.9	+15.3%				
EBIT	30.9	32.2	28.9	37.5	36.0	+24.5%				
Net finance income	-0.1	+0.1	+0.1	+0.3	+0.0	–				
Profit before income tax	30.8	32.3	29.0	37.8	36.0	+24.2%				
Income tax	5.7	6.4	5.2	7.3	6.2	+19.7%				
Net profit	25.1	25.9	23.8	30.5	29.8	25.2%				

* numbers may differ slightly from the published income statements due to rounding differences

Personnel expenses

in CHF million*



- Personnel expenses
- Personnel expense ratio (personnel expenses / revenues)

- +12.2% yoy

- Personnel development

	30.06.12	31.12.12	30.06.13
HC**	555	603	617
FTE**	490.0	529.8	547.1

- 2H12: +39.8 FTE
- 1H13: +17.3 FTE

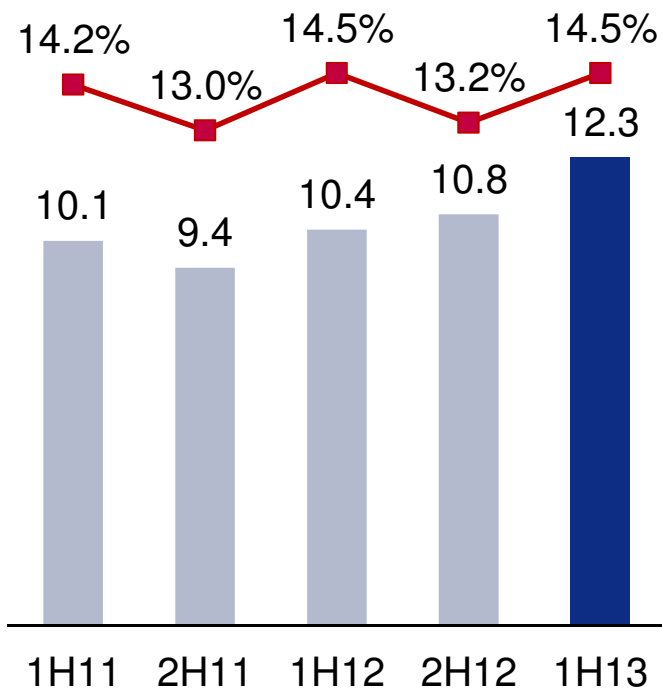
- Personnel expense ratio stable at around 40%

* numbers may differ slightly from the published income statements due to rounding differences

** HC: Headcount, FTE: Full-time equivalent

Other operating expenses

in CHF million*

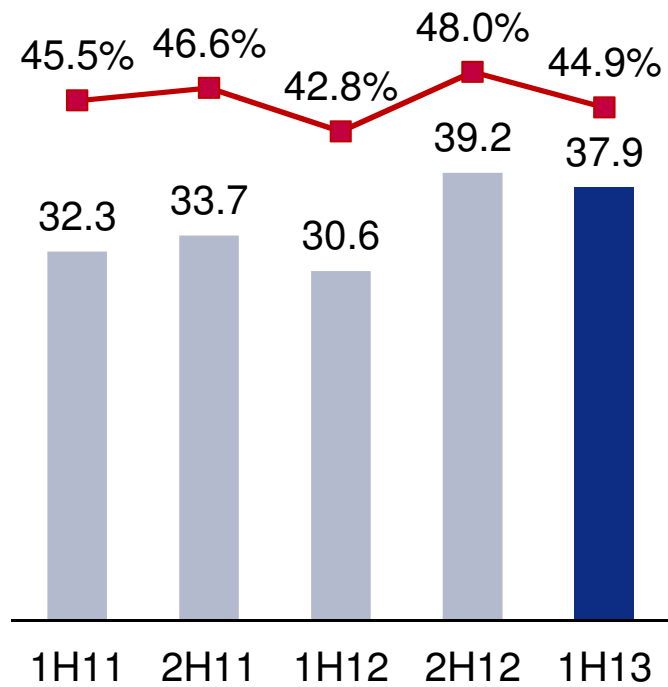


- +18.7% yoy
 - increased capacity
 - new branch offices opened in 2013
 - investments in online platform
- Other operating expense ratio stable between 13-15% with half-year cyclical pattern

- Other operating expenses
- Other operating expense ratio (other operating expenses / revenues)

EBITDA and margin

in CHF million*



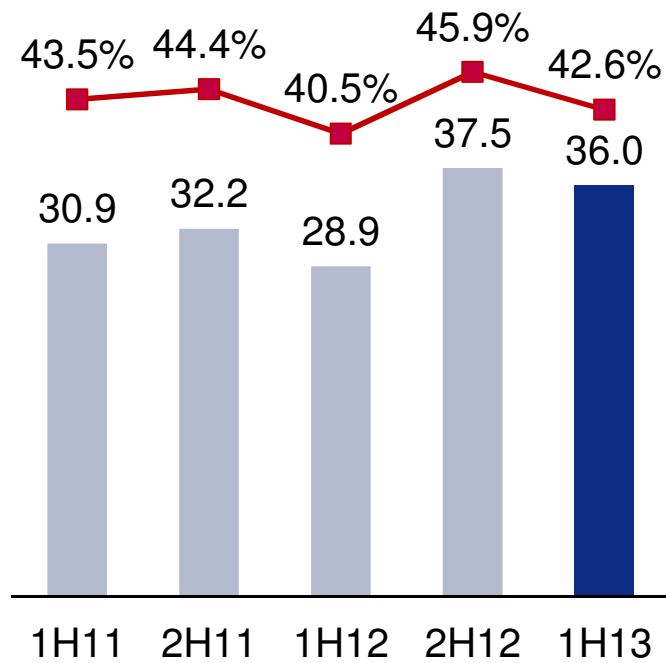
- EBITDA +24.0% yoy
- Margin in line with long-term expectation (45%)

■ EBITDA
 ■ EBITDA margin (EBITDA / revenues)

* numbers may differ slightly from the published income statements due to rounding differences

EBIT and margin

in CHF million*



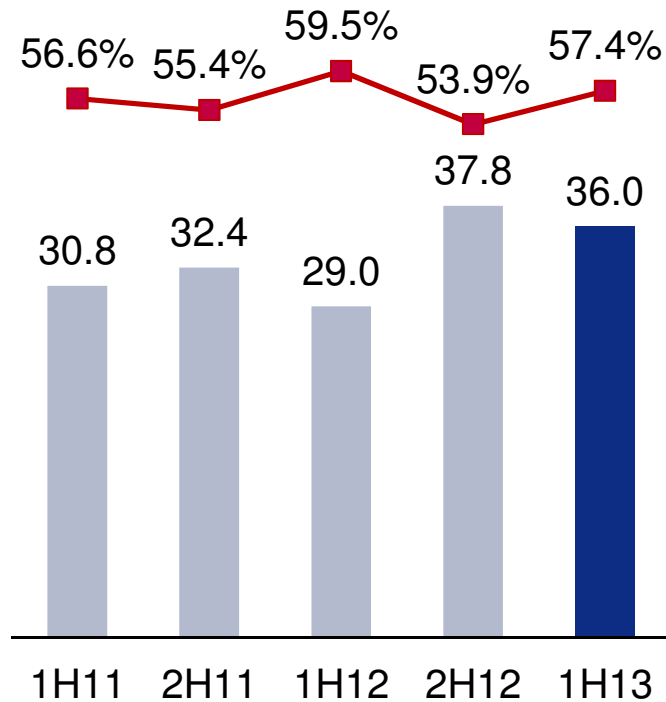
- EBIT +24.5%
- Margin in line with long-term expectation (43%)

■ EBIT
 ■ EBIT margin (EBIT / revenues)

* numbers may differ slightly from the published income statements due to rounding differences

Profit before income taxes and C/I ratio

in CHF million*



- Cost/income ratio according to financial industry standards (IFRS)
- Long-term target 56%

- Profit before income taxes
- cost/income ratio (expenses + depreciation and amortisation / revenues + net finance income)

* numbers may differ slightly from the published income statements due to rounding differences

Balance sheets

in CHF million*

	30.6.12**	31.12.12**	30.6.13
Cash & cash equivalents	235.8	233.2	268.0
Short-term investments	275.4	219.2	243.4
Swiss prime residential mortgages	381.1	401.7	449.7
CHF bonds, marketable securities	100.5	143.5	163.4
Subtotal financial investments	992.8	997.6	1'124.5
Property, equipment and intangibles	8.7	9.1	10.2
Other assets	38.2	31.7	39.8
Total assets	1'039.7	1'038.4	1'174.5
Customer deposits	812.2	752.6	836.1
Other liabilities	24.9	52.2	93.3
Total liabilities	837.1	804.8	929.4
Total equity	202.6	233.6	245.1

- Financial investments:
 - low risk profile
 - average time to maturity 1.6 years (unchanged)
- Net cash position of CHF 219m whereof CHF 164m vested with VZ Depository Bank

* numbers may differ slightly from the published balance sheets due to rounding differences

** restatement due to the retrospective application of the amended IAS 19 – Employee Benefits.

The impact on the income statements in this document does not exceed the existing rounding differences.



Equity & payout ratios

Payout ratios	2010	2011	2012	Equity ratios	30.06.12*	31.12.12*	30.06.13
in CHF million							
Net profit	49.3	51.0	54.3	Total equity (in CHF million)	202.6	233.6	245.1
Retained earnings	31.2	32.1	33.5	Equity ratio	19.5%	22.5%	20.9%
Dividend total	18.1	18.9	20.8	BIS Tier I	25.1%	29.3%	27.1%
<i>Dividend per share</i>	<i>2.30</i>	<i>2.40</i>	<i>2.65</i>	BIS Tier II	25.1%	29.3%	27.1%
Payout ratios	37%	38%	39%				

Treasury shares	30.06.12	31.12.12	30.06.13
Number (in '000)	162	153	107
Book value (in CHF million)	14.3	14.1	10.9

* restatement due to the retrospective application of the amended IAS 19 – Employee Benefits.
The impact on the income statements in this document does not exceed the existing rounding differences.

1. Facts & figures
2. Financials
- ▶ 3. Outlook



- Well positioned in current market environment
 - steady inflow of new clients
 - no off-shore client exposure
 - attractive new wealth management services
- Business development
 - increase front-end consulting capacities
 - evaluate new branch offices and financial portal lounges for 2014
 - broaden portfolio management services
 - prepare market entry of employee benefits all-in-one solution
 - Germany: Roll-out of financial portal in Q4 2013
- Financials:
 - sustain NNM inflow per consultant FTE within target corridor (17-20 million)
 - develop existing client pipeline
 - operating expenses FY 2013: approximately +12.5% yoy
 - operating revenues FY 2013: +14% to +16% yoy (subject to stable financial markets)