



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

2011

Results and Outlook

Zurich, 6 March 2012



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.

Agenda



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

Summary 2011



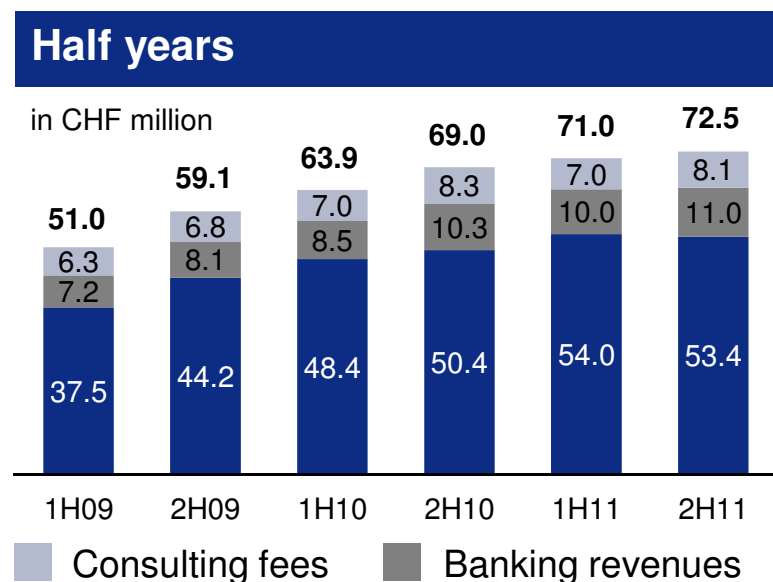
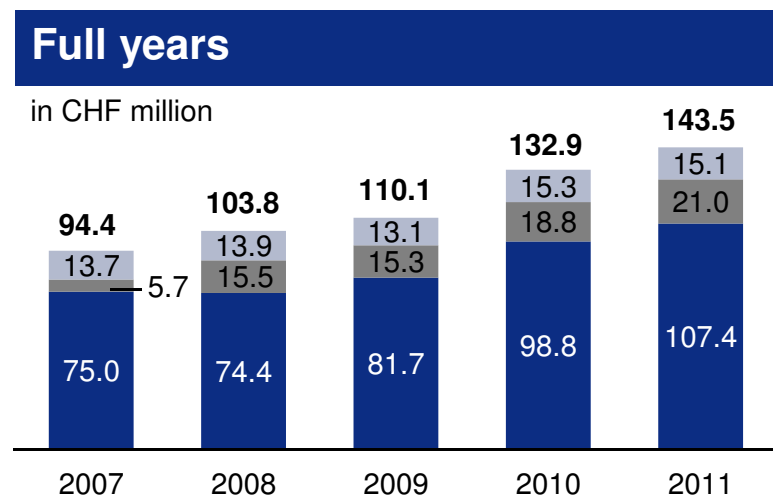
Milestones

- Growth slowed down due to difficult environment
 - increased insecurity caused by debt crisis
 - strong Swiss franc (especially per mid year)
 - volatile financial markets
- Capacity increase
 - consulting FTEs +11.7%
 - new branch offices
- NNM per consultant below long-term target corridor
- New initiatives
 - vzfinanzportal.ch
 - portfolio advisory services
- Funds under management (31.12.2011)
 - assets under management: CHF 8'432 million (31.12.2010: CHF 7'758 million)
 - insurance premium: CHF 276 million p.a. (31.12.2010: CHF 266 million)

Financials

- Top line +8.0% to CHF 143.5 million
 - management fees +8.7%
 - banking revenues +11.4%
 - consulting fees -1.4%
- EBITDA margin: 46.0%
- Costs on track as forecast
 - personnel expenses +12.3%
 - other operating expenses +11.1%
- Bottom line +3.4% to CHF 51.0 million
- Strong equity ratios
 - low risk profile
 - additional equity

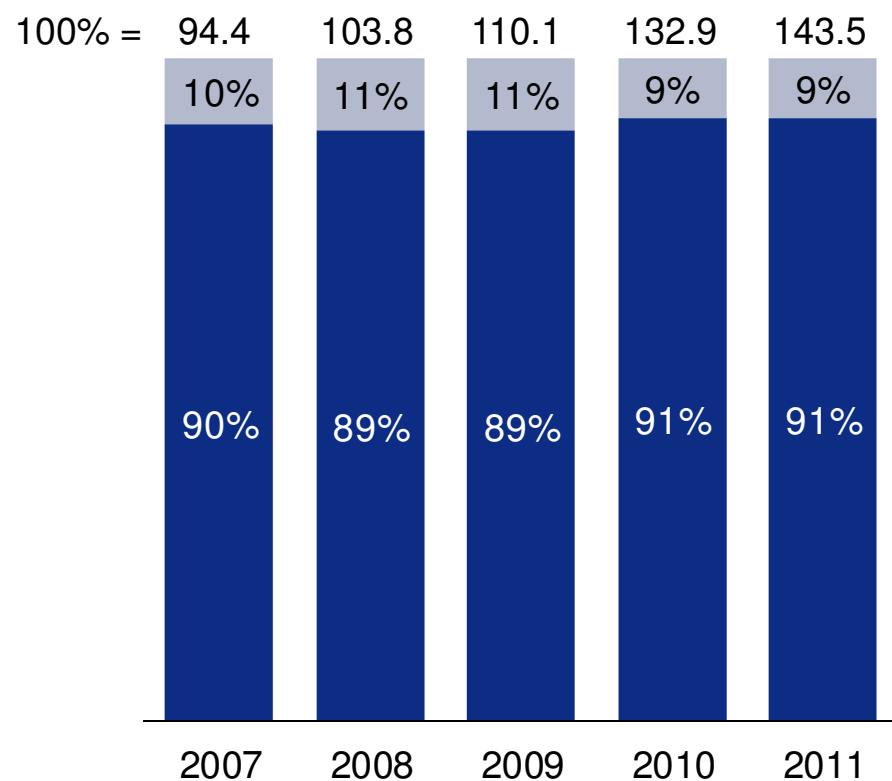
Revenues: growth slowed down in 2011



- Total revenues +8.0%
- Management fees +8.7%
 - AuM +11.9% (average)
 - lower share of discretionary PM-mandates
 - no performance fees
- Banking revenues +11.4%
 - more clients on banking platform
 - continuously low interest margin
- Consulting fees -1.4%
 - more client contacts
 - reluctant client behaviour
 - increased pipeline
- Reduced growth in 2H11
 - 1H11 +11.1% yoy
 - 2H11 +5.1% yoy
 - deferred effect of debt crisis and negative markets

Revenues: unchanged segment distribution

in CHF million



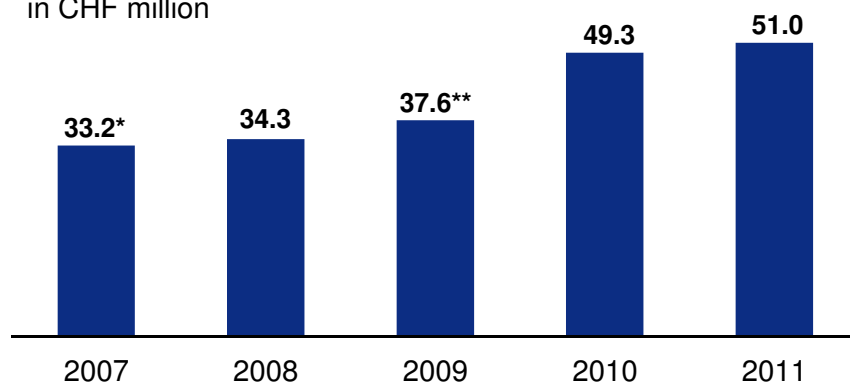
- Corporate client segment
- Private client segment

- Corporate client segment's share stable at 9%
 - private client segment +8.3%
 - corporate client segment +4.7%
- Banking revenues reported in private client segment

Net profit: affected by difficult environment

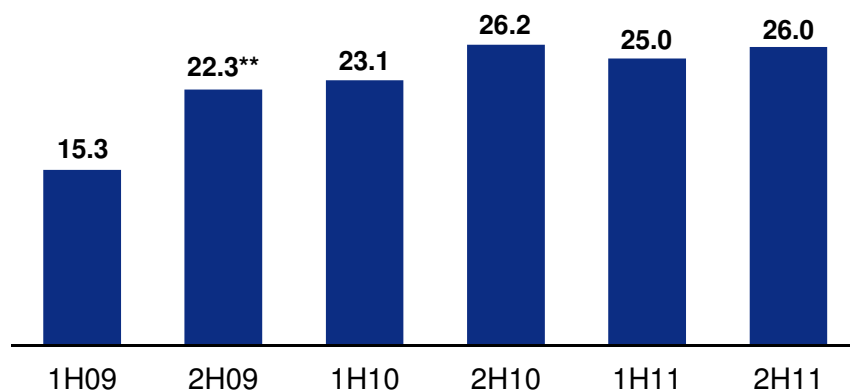
Full years

in CHF million



Half years

in CHF million



* adjusted for one-time costs (IPO and VZ Depository Bank)

** adjusted by revaluation of pension liabilities

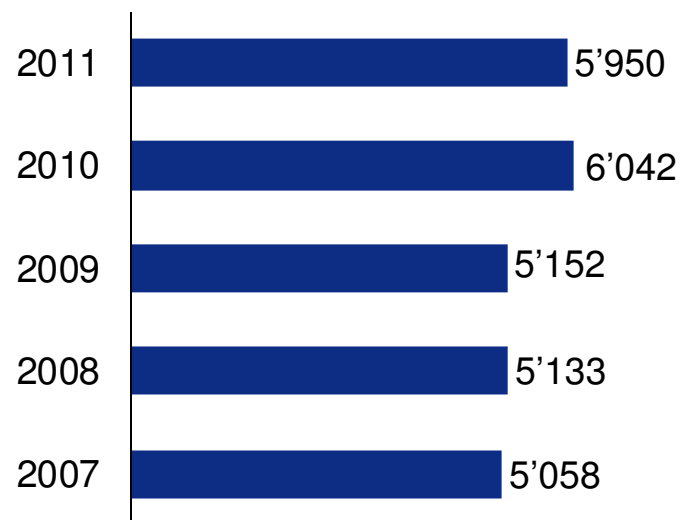
- Net profit +3.4%
- Operational margin (EBITDA) 46.0% vs. 48.0% in 2010
 - revenue growth rate 2011: +8.0%
 - operating expense growth rate 2011: +12.0%
- Net profit margin 35.6% vs. 37.1% in 2010

- Reduced growth in 2H11
 - 1H11 +8.4% yoy
 - 2H11 -1.0% yoy
 - deferred effect of debt crisis and negative markets

Private client segment: hesitant clients

Financial Consulting (FC)

of consulting projects



- Initial meetings +4.2%
- Consulting projects -1.5%
- Consulting fees -1.5%

Wealth Management (WM)

in CHF million

	31.12.07	31.12.08	31.12.09	31.12.10	31.12.11
AuM total	5'760	5'456	6'717	7'758	8'432
- PM mandates	4'153	3'751	4'752	5'413	5'595
- Others*	1'607	1'705	1'965	2'344	2'837
NNM total	891	590	940	1'185	989
Number of WM clients total	8'183	9'541	10'801	12'612	14'785

* Incl. mortgages under management and portfolios under client management



Private client segment: capacity growth on track

Capacity growth

Full-time equivalents (FTE) with client and budget responsibility (average)

	2009	2010	2011	2012e
Financial consulting	52.6	60.0	67	ca. 80
Wealth management	30.0	34.9	36	ca. 40

Financial consulting performance

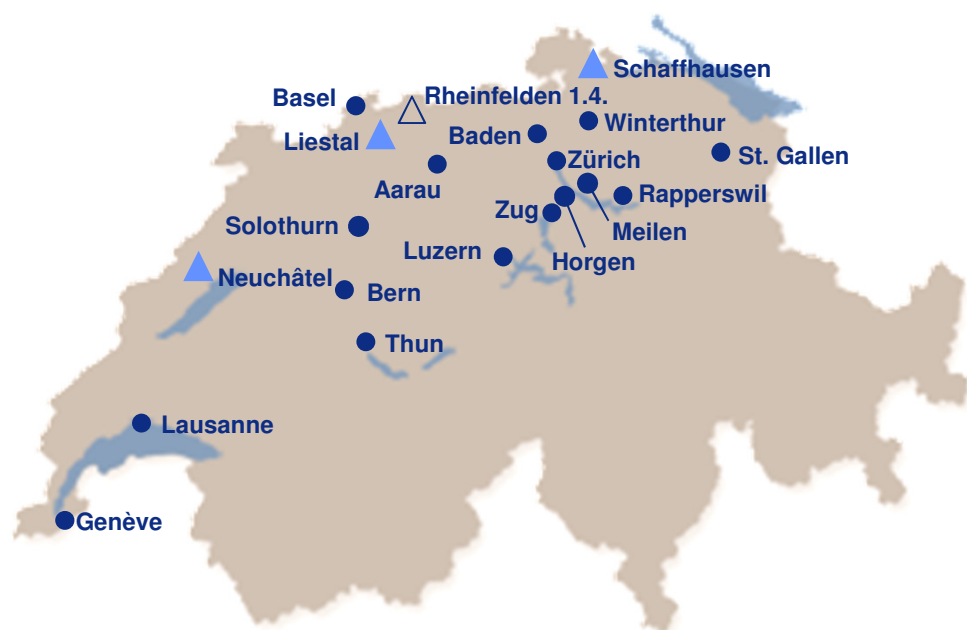
NNM per financial consultant (FTE)

	2008	2009	2010	2011
	13.5 mio.	17.9 mio.	19.8 mio.	14.8 mio.

▶ Long-term target corridor: 17-20 mio. per FTE

Branch office network

Switzerland



- branches
- ▲ satellites
- △ new satellite in 2012

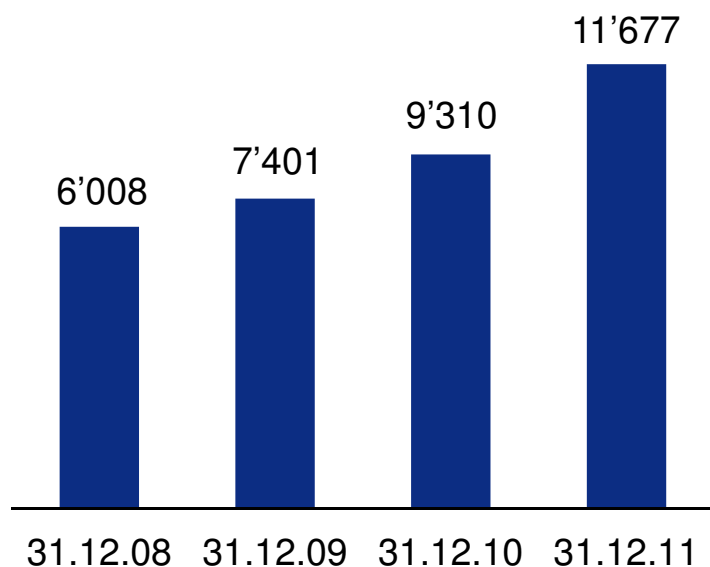
Germany





VZ Depository Bank: growing client base

Number of clients



- Number of clients +25.4%
- Overall banking revenues +11.4%
- Net interest margin remains low
- More than 85% of all portfolio management clients use VZ bank's custodian and transaction services
- Higher cash deposits within client portfolios
 - 31.12.2011: CHF 825 million
 - 31.12.2010: CHF 652 million
- Assets: low-risk profile, short time to maturity
 - 56% money market (2010: 47%)
 - 35% Swiss prime residential mortgages (2010: 41%)
 - 9% bonds (2010: 12%)
 - average time to maturity 1.2 years (2010: 1.2 years)


VZ Financial Portal



Über uns | Kontakt | Newsletter | DE FR [Anmelden](#)

VZ Finanzportal

Home | Kurse & Märkte | Säule 3a | Sparen mit ETF | Anlegen mit ETF | Vermögensverwaltung mit ETF | Wertpapierhandel | Hypotheken




Sparen mit ETF
So spart man heute

- Die intelligente Alternative zu Sparkonto, Sparversicherung und Fondssparplan
- Das VZ sucht für Sie die besten ETF
- Für den erfolgreichen Vermögensaufbau

Die Vorteile des VZ Finanzportals
> [Video abspielen](#)

[Jetzt profitieren](#)


Sparen | Anlegen | Säule 3a | Hypotheken



Anlegen mit ETF

- Sie wählen eine von vier Strategien
- Wir suchen für Sie die besten ETF
- Einfacher geht Geldanlagen nicht

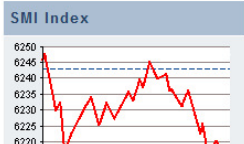
> [Mehr erfahren](#)



Die Säule 3a beim VZ: Günstig und intelligent

- Bis zu 60 Prozent tiefere Gebühren als klassische Lösungen in der Säule 3a
- Die Gebührenersparnis führt zu einer deutlichen Mehrrendite
- Transferieren Sie jetzt Ihre Säule 3a zum VZ und profitieren Sie ab sofort


> [Ich möchte Gebühren sparen](#)



SMI Index

Aktuell	+/-%	+/-% 2012
6'216.27	-0.43%	+4.72%


> [Kurse & Märkte](#)



Video zur Säule 3a beim VZ

Überzeugen Sie sich von den Vorteilen der Säule 3a beim VZ.


> [Video abspielen](#)



Sparen mit ETF

- Keine Gebühren auf Neugeldern
- Viel günstiger als Fondssparpläne
- So erreichen Sie Ihre Sparziele


> [Mehr erfahren](#)



Vermögensverwaltung

- Standardisierte Anlagelösung
- Für Kleinere und mittlere Vermögen
- Unabhängig und intelligent

> [Mehr erfahren](#)



VZ Online-Hypothek

- Das optimale Hypothekarmodell
- Günstige Zinssätze
- Hypothek online beantragen

> [Mehr erfahren](#)

- Financial portal for savings, investments and mortgages
- Cost-effective, high expertise, maximum transparency, easy to use
- Personal contact possible anytime

Agenda



1. Facts & figures

▶ 2. Financials

3. Outlook



Income statements (1)

in CHF million*

	2008	2009**	2010	2011	yoy
Consulting fees	13.3	12.5	14.8	14.6	-1.4%
Banking revenues	15.5	15.3	18.8	21.0	+11.4%
Management fees	74.4	81.7	98.8	107.4	+8.7%
Other operating revenues	0.6	0.6	0.5	0.5	–
Total operating revenues	103.8	110.1	132.9	143.5	+8.0%
Personnel expenses	43.0	46.2	51.6	57.9	+12.3%
Other operating expenses	16.5	16.2	17.6	19.6	+11.1%
Total operating expenses	59.5	62.4	69.2	77.5	+12.0%
EBITDA	44.3	47.7	63.7	66.0	+3.6%

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

** adjusted for the reduced personnel expenses due to a revaluation of pension liabilities



Income statements (2)

in CHF million*

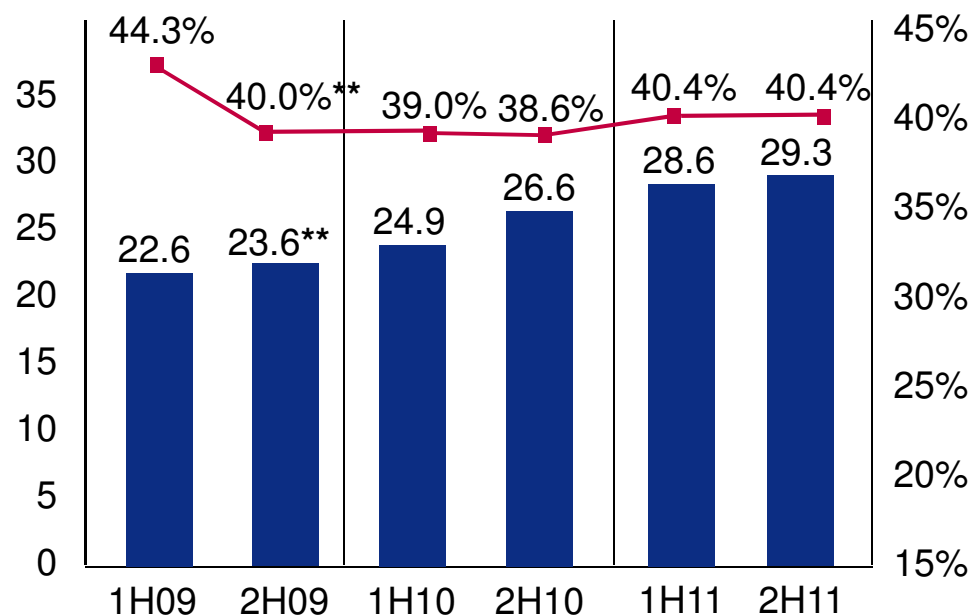
	2008	2009**	2010	2011	yoy
EBITDA	44.3	47.7	63.7	66.0	+3.6%
Depreciation and amortisation	2.3	2.3	2.3	2.9	+23.7%
EBIT	42.0	45.4	61.4	63.1	+2.8%
Net finance income	0.3	-0.1	-0.4	0.0	–
Profit before income tax	42.3	45.3	61.0	63.1	+3.5%
Income tax	8.0	8.6	11.7	12.1	+4.0%
Net profit	34.3	36.7	49.3	51.0	+3.4%

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

** adjusted for the reduced personnel expenses due to a revaluation of pension liabilities

Personnel expenses

in CHF million*



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

- +12.3%

- Personnel development

	31.12.09	31.12.10	31.12.11
HC	456	504	542
FTE	393.3	432.0	481.4

- 1H11: +25.5 FTE
2H11: +23.9 FTE

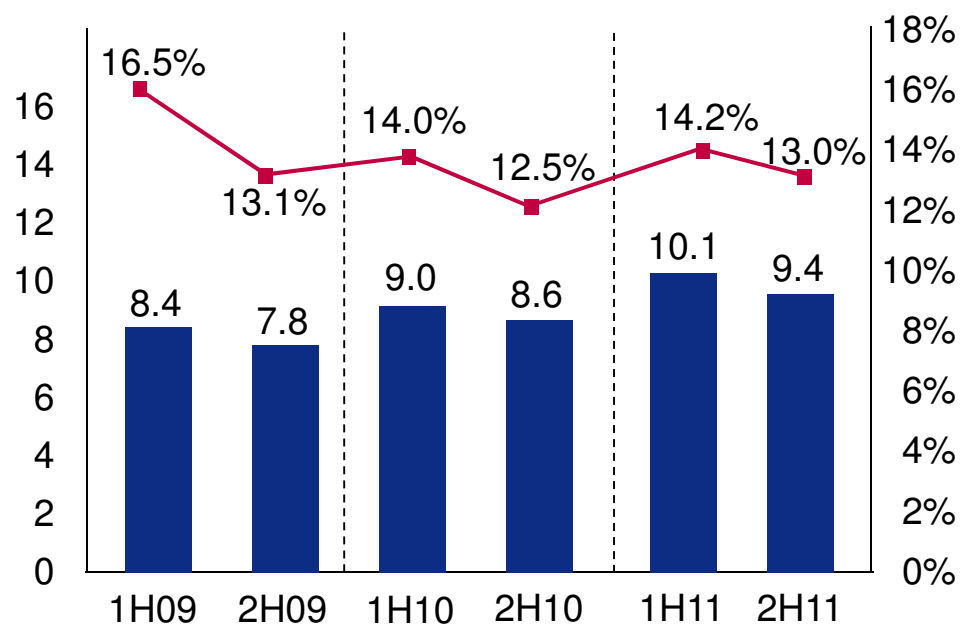
- Personnel expense ratio stable at around 40%

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

** adjusted for the reduced personnel expenses due to a revaluation of pension liabilities

Other operating expenses

in CHF million*



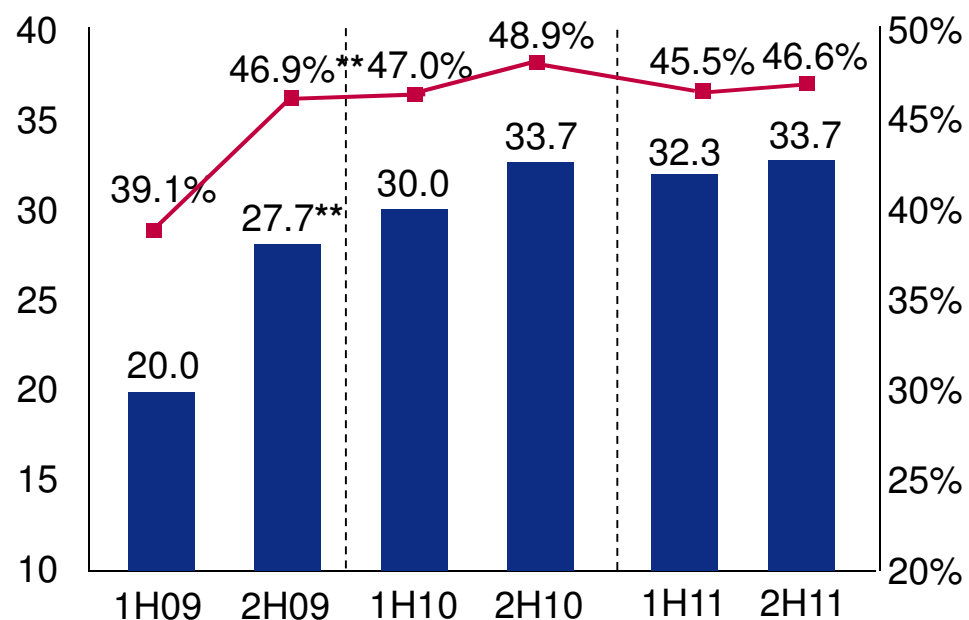
- +11.1%
 - Increased capacity
 - New branch offices
 - Additional online services
- Other operating expense ratio stable at around 13%

■ Other operating expenses
—■— Other operating expense ratio (other operating expenses / revenues)

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

EBITDA and margin

in CHF million*



■ EBITDA

—■— EBITDA margin (EBITDA / revenues)

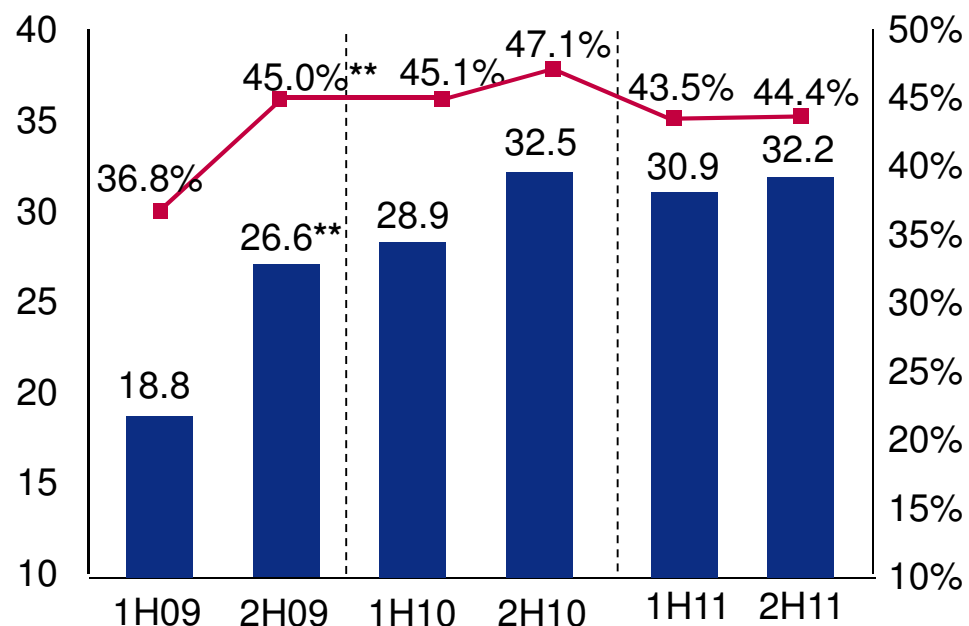
- EBITDA +3.6%
- EBITDA margin at 46.0%
- Margin in line with long-term expectation

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

** adjusted for the reduced personnel expenses due to a revaluation of pension liabilities

EBIT and margin

in CHF million*



■ EBIT

■ EBIT margin (EBIT / revenues)

- EBIT +2.8%
- EBIT margin at 44.0%
- Margin in line with long-term expectation

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

** adjusted for the reduced personnel expenses due to a revaluation of pension liabilities



Balance sheets

in CHF million*	31.12.10	31.12.11	
Cash & cash equivalents	257.8	361.2	<ul style="list-style-type: none">• Balance sheet total increased in 2011 due to higher cash deposits in client portfolios with VZ Depository Bank
Short-term investments	257.8	219.8	
Swiss prime residential mortgages	326.4	347.3	
CHF bonds, marketable securities	93.0	90.6	
Subtotal financial investments	801.8	1'018.9	<ul style="list-style-type: none">• No interest-bearing liabilities besides client money with VZ Depository Bank
Property, equipment and intangibles	7.2	8.4	<ul style="list-style-type: none">• Low risk profile
Other assets	31.3	31.2	
Total assets	840.3	1'058.5	<ul style="list-style-type: none">• Average time to maturity of financial investments 1.2 years as at 31.12.11
Customer deposits	654.4	835.6	<ul style="list-style-type: none">• Net cash position of CHF 183m whereof CHF 129m vested with VZ Depository Bank
Other liabilities (non interest-bearing)	18.2	22.2	
Total liabilities	672.6	857.8	
Total equity	167.7	200.7	

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



Equity & payout ratios

Payout ratios	2009	2010	2011	Equity ratios	31.12.09	31.12.10	31.12.11
in CHF million							
Net profit	37.6	49.3	51.0	Total equity (in CHF million)	133.3	167.7	200.7
Retained earnings	23.3	31.2	32.2	Equity ratio	15.2%	20.0%	19.0%
Dividend total	13.4	18.1	18.8 ^{1,2}	BIS Tier I	21.9%	25.4%	26.1%
<i>Dividend per share</i>	<i>1.70</i>	<i>2.30</i>	<i>2.40¹</i>	BIS Tier II	21.9%	25.4%	26.1%
Payout ratios	36%	37%	38%				

Treasury shares	31.12.09	31.12.10	31.12.11
Number (in '000)	130	147	152
Book value (in CHF million)	5.6	8.5	10.9

¹ Subject to the General Assembly's approval (13.4.2012)

² Subject to the number of treasury shares as per dividend payment date

Agenda



1. Facts & figures

2. Financials

▶ 3. Outlook

Outlook 2012



- Well positioned in current market environment
 - steady inflow of new clients
 - promising pipeline
 - no off-shore client exposure
- Increase front-end consulting capacities (target 2015: 120 FTE)
- Continued investments in branch network and online services
- Prepare VZ Depository Bank's market entry in Germany
- Relatively modest revenue growth in 1H12 due to the time lag characteristic for volume based fees
- Operating expenses: +10%