

**Consolidated revenue of €756.6 million**  
**Operating profit of €56.4 million**  
**Net profit - Group share of €30.8 million**  
**Dividend up 17.6% to 20 cents per share**

€m	2017	2016	Change
Consolidated revenue	<b>756.6</b>	<b>770.9</b>	-1.9%
<b>Operating profit</b>	<b>56.4</b>	<b>53.9</b>	4.7%
Financial result	-6.6	-2.5	-
Profit of equity accounted companies	8.9	9.3	-4.0%
<b>Profit before tax</b>	<b>58.7</b>	<b>60.7</b>	-3.3%
Consolidated net profit	43.7	45.9	-4.8%
<b>Net profit - Group share</b>	<b>30.8</b>	<b>31.4</b>	-2.1%
Minority interests	12.9	14.4	-10.6%

*The Board of Directors of VIEL & Cie met on 20 March 2018 to review and close the accounts for the 2017 financial year. These annual and consolidated accounts are presently being audited by the Company's statutory auditors and the full financial statements will be included in the Company's financial report.*

### Business overview

*The market environment for the Group's **IDB business** was generally stable in 2017, although there were significant differences among the geographic regions and asset classes. During the course of the year, the Group acquired or took interests in companies in its sector. The forex trading business for retail investors in Japan, Gaitame.com, was down in 2017. The Group's net profit was impacted by foreign exchange losses and an additional tax expense related to the US tax reform. The Group maintained its focus on a sound balance sheet with a strong capital position while keeping a low level of intangible assets and a strong net cash position.*

*In its **online trading business**, Bourse Direct, the French leader in online trading continued its growth path against a backdrop of low volatility in the markets. In 2017, 90% of the trading days experienced less than 1% variation. The number of executed trades exceeded 3.5 million, down from the volume in 2017. With over 127,000 client accounts at year-end and more than 16,000 new accounts on the books in 2017, Bourse Direct is the leader in the French online trading market in terms of trading volumes. It also received the award for highest overall client satisfaction and customer service for the fourth time.*

*The Group's **private banking business** (SwissLife Banque Privée) reported profit growth in 2017.*

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## **Revenue and results**

Consolidated revenue was €756.6m, down 1.9% on the previous year at variable exchange rates. **Group revenue was up 1.2% in constant currencies.**

The segment analysis of consolidated earnings is as follows:

€m	2017	2016
IDB business	722.0	736.9
Online trading	34.6	34.0
<b>Consolidated revenue</b>	<b>756.6</b>	<b>770.9</b>

Operating expenses were €704.9m in 2017, down 2.1% on the year in variable currencies. They consisted mainly of staff costs, charges for telecoms and financial information, and business and marketing expenses in the Group's operating subsidiaries. Staff costs fell 1.7% year on year in variable currencies. In constant currencies, operating expenses were up slightly by 1.1%. This tight rein on costs reflects the Group's cost reduction policy aimed at improving profitability.

Consolidated operating profit was €56.4m in 2017 against €53.9 in 2016, a rise of 4.7% at variable exchange rates and 7.1% in constant currencies.

### **VIEL & Cie reported profit before tax of €58.7m against €60.7m in 2016.**

The share of the operating profit of equity accounted companies amounted to €8.9m in 2017 (2016: €9.3m).

The net financial result was negative at -€6.6m in 2017 (2016: -€2.4m), mainly due to exchange rate losses during the period.

The consolidated tax expense recognised in 2017 was €15.0m compared with €14.9m in 2016; the 1.2% increase was due in part to the tax reform in the US (which negatively impacted deferred tax).

Consolidated net profit was €43.7m against €45.9m in 2016, a decline of 4.8% in variable currencies or 2.5% in constant currencies. Minority interests were 8.6% lower year-on-year at €12.9m (in constant currencies).

Group share of net profit was €30.8m in 2017, down 2.1% in variable currencies compared with €31.4m in 2016. In constant currencies this result was up slightly by 0.4%.

## **Balance sheet**

Consolidated equity was €454.7m against €466.7m in 2016, €350.2m of which was Group share after deduction of the gross value of directly held treasury shares totalling €18.4m, and recognition of a negative exchange difference of €22.3m due to the depreciation of the euro.

## **Dividend**

At the Annual General Meeting to be held on 14 June 2018, the Board of Directors will be seeking shareholder approval to pay a cash dividend of 20 euro cents per share, an increase of 17.6% compared with 2016.

## **Outlook**

In 2018, VIEL & Cie will maintain its focus on developing the business activities of its operating subsidiaries through external and organic growth. Compagnie Financière Tradition posted stable revenue in 2017 with improved operating margin in a challenging and fast-changing market environment, against a backdrop of advanced consolidation in the sector. In 2018, it will maintain its investments while keeping a tight rein on costs in order to strengthen its position as the number three global player in the industry. The Group's revenue showed a double-digit increase in January and February 2018 compared with the same period in 2017.

In an ultra-low interest rate environment which is putting pressure on results, Bourse Direct will redouble its efforts to recruit new customers in 2018, and will strive to continually enhance the quality of its investor service while maintaining the edge in its internet platform. It will continue to focus on improving its margin.

***VIEL & Cie comprises three core businesses in the financial sector: Compagnie Financière Tradition, an interdealer broker with a presence in 28 countries ranked as the number three global player in its sector, Bourse Direct, a major player in the online trading sector in France, and a 40% equity-accounted stake in SwissLife Banque Privée, present in the private banking sector in France.***

VIEL & Cie shares (codes: FR0000050049, VIL) are listed in Compartment B of Euronext. For more information on our Group, please visit our website at [www.viel.com](http://www.viel.com).

Paris, 21 March 2018

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