

First-half results 2017

Consolidated revenue: €399.6m
Operating profit up 14% to €34.4m
Net profit Group share up 10.5% to €18.9m

€m	First half 2017	First half 2016	Change 2016/2017*
Consolidated revenue	399.6	405.6	-1.5%
Operating profit	34.4	30.2	+14.0%
Profit before tax	34.3	34.2	+0.4%
Consolidated net profit	26.7	25.9	+3.3%
Net profit - Group share	18.9	17.1	+10.5%
Minority interests	7.9	8.8	-10.7%

*Based on data calculated in thousands of euros

Core business activities

Interdealer broking (IDB)

In line with the previous period, the market environment for the Group's interdealer broking (IDB) business was generally stable in the first half of 2017. However, once again we noted differences among the geographic regions and asset classes, highlighting the importance of a global and diverse product offering.

Against this backdrop, consolidated revenue from IDB business declined 0.6% at constant exchange rates to CHF 411.4m compared with CHF 425.2m in the first half of 2016.

Reported operating profit was CHF 37.2m compared with CHF 34.2 in the first half of 2016, a rise of 10.4% in constant currencies for an operating margin of 9.0%.

VIEL & Cie is active in all the major financial markets and operates in a number of currencies. Its results are therefore affected by movements in exchange rates used to translate into the consolidation currency.

Online trading

The market environment was more positive in the first half of 2017 than in 2016, although it slowed in the second quarter with the CAC 40 index losing 3.5% in June alone. Against this backdrop, Bourse Direct registered an 8.0% drop in business in terms of number of orders executed, with 1.9 million trades compared to 2.1 million in the same period last year. However, business was up by 2.4% in the second quarter compared with Q2 2016.

The Company maintained its momentum in recruiting new customers and had over 121,000 accounts on its books at 30 June 2017.

Revenue was down 0.7% to €17.5m compared with €17.6m in the first half of 2016, negatively impacted by rock-bottom interest rates, while brokerage income was ahead of the year-ago period.

Private banking and asset management

SwissLife Banque Privée, in which VIEL & Cie holds a 40% interest, reported a rise in net banking income to €27.0m in the first half of 2017, reflecting an improved market environment for a number of the Bank's products.

Consolidated results

The Group reported first-half consolidated revenue from its operating subsidiaries of €399.6m, against €405.6m in first-half 2016, a decline of 1.5% at current exchange rates. In constant currencies, consolidated revenue was down 0.6%.

Quarterly consolidated revenue by business segment at current exchange rates was as follows:

€m	2017			2016		
	Q1	Q2	Total	Q1	Q2	Total
IDB business	199,5	182,6	382,1	200,3	187,7	388,0
Online trading	9,1	8,4	17,5	8,9	8,7	17,6
Consolidated revenue	208,6	191,0	399,6	209,2	196,4	405,6

Consolidated operating profit rose 14.0% to €34.4m compared to €30.2m in the first half of 2016, mainly thanks to a tight rein on operating costs which were down 2.1%.

Financial income declined in the first half of the year, losing €4.6m against a loss of €1.1m in the same period a year ago. This decline was mainly due to negative results on exchange rates.

Consolidated net profit rose 3.3% to €26.7m against €25.9m in the first half of 2016, as the strong operating performance was offset by the financial loss.

Group share of net profit was up 10,5% to €18.9m in the first six months, compared with €17.1m in 2016.

This result brought *consolidated shareholders' equity* to €447.3m at 30 June 2017, €346.5m of which was the Group's share, net of the gross value of directly held treasury shares amounting to €18.7m.

The limited review of the half-year accounts has been conducted by the independent auditors and their report is currently being prepared.

Outlook

In the second half, the CFT Group will remain focused on external and organic growth opportunities in order to further enhance its product portfolio, against a backdrop of advanced consolidation in the industry around three global players, including Compagnie Financière Tradition.

Bourse Direct posted a sharp increase in profit in the first half of 2017, with accelerating growth in order volumes in the second quarter, reflecting its determined action to manage costs. Once again it demonstrated its ability to recruit a significant number of new customers.

It will pursue its growth strategy by continuing to enhance its product portfolio and improving the quality of its services, while maintaining extremely competitive prices. The Company will continue to offer free education resources to its customers as part of its comprehensive stock market trading services.

In the Group's private banking and asset management segment, SwissLife Banque Privée, which achieved revenue growth and improved results, will also pursue its development policy.

VIEL & Cie is an investment company comprising three core businesses in the financial sector: Compagnie Financière Tradition, an interdealer broker with a presence in 28 countries, Bourse Direct, a major player in the online trading sector in France, and a 40% 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.

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