

First-half results 2018

Consolidated revenue grew 2.8% (9.9% at constant exchange rates)

Operating profit up 4.3% to €35.9m

Net profit - Group share up 17.4% to €22.1m

€m	First half 2018	First half 2017	Change 2017/2018* at variable exchange rates	Change 2017/2018* at constant exchange rates
Consolidated revenue	410.8	399.6	+2.8%	+9.9%
Operating profit	35.9	34.4	+4.3%	+10.6%
Profit before tax	41.7	34.3	+21.6%	+29.3%
Consolidated net profit	31.2	26.7	+16.7%	+23.9%
Net profit - Group share	22.1	18.9	+17.4%	+24.2%
Minority interests	9.1	7.8	+15.1%	+23.2%

*Based on data calculated in thousands of euros

Core business developments

Interdealer broking (IDB)

Compagnie Financière Tradition's overall activity improved during the period, growing compared with the first half of 2017, and benefiting in particular from a positive market environment. Moreover, the interdealer broking business (IDB) benefited from the recruitment of specialised traders to reinforce the Group's presence in a number of regions and asset classes.

Against this backdrop, Compagnie Financière Tradition's adjusted consolidated revenue for the first six months reached CHF 502.7m compared with CHF 445.7m in the first half of 2017, a rise of 12.8% at current exchange rates, or 11.3% in constant currencies.

The Group's performance in the first half of 2018 helped generate a substantial increase in its direct contribution, up by nearly CHF 23.0m, impacted however by a rise in exceptional costs. Thus, adjusted operating profit before exceptional items was CHF 57.0m against CHF 43.4m in the first half of 2017, a rise of 31.4% at current exchange rates. Exceptional costs represented CHF 7.3m against CHF 1.8m during the previous period.

Consolidated net profit was CHF 33.9m compared with CHF 28.6m in the first half of 2017 with a Group share of CHF 31.8m against CHF 27.4m in 2017, an increase of 15.7% in current currencies and 13.1% at constant exchange rates.

** with proportionate consolidation method for joint ventures ("Adjusted")

Online trading

Bourse Direct, leader in the online trading sector in France, executed close to 1.7 million orders during the period, up 6.2% on the second half of 2017, against a chequered market backdrop with the CAC40 up 0.3%. The volume of orders booked during the period was down 12.4% compared with 2017. This drop results mainly from the buoyant activity in the second half in the aftermath of the French elections.

The sustained recruitment of new customers during the period resulted in close to 9,000 new accounts opened, an increase of 10.9% over the same period last year. This brought the number of registered accounts to close to 135,000 at 30 June 2018.

Revenue rose 1.3% to €17.7m against €17.4m in the first half of 2017 which was negatively impacted by very low interest rates, while broking income was also ahead of the year-ago period.

Private banking and asset management

SwissLife Banque Privée, in which Viel & Cie holds a 40% interest, posted an increase in net banking income, at €27.2m in the first half of 2018 against €27.0m in H1 2017, and in operating results.

Consolidated results

First-half consolidated revenue from operating subsidiaries was €410.8m compared with €399.6m in the equivalent period in 2017, a rise of 2.8% at current exchange rates, or 9.9% in constant currencies.

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

€m	2018			2017		
	Q1	Q2	Total	Q1	Q2	Total
IDB business	197.1	196.0	393.1	199.5	182.6	382.1
Online trading	9.3	8.4	17.7	9.1	8.4	17.5
Consolidated revenue	206.4	204.4	410.8	208.6	191.0	399.6

Consolidated operating profit rose 4.3% to €35.9m against €34.4m in the first half of 2017, mainly as a result of the increase in revenue and a tight rein on operating costs. At constant exchange rates, operating profit was up 10.6% on first-half 2017.

Financial income showed a loss of €1.3m in the first half of the year against a loss of €4.6m a year ago. This difference was mainly the result of an improvement in foreign exchange results in 2018.

Consolidated net profit rose 16.7% to €31.2m during the period against €26.7m in the first half of 2017.

Group share of net profit was up 17.4% to €22.1m in the first six months of 2018, compared with €18.9m in 2017, a rise of 24.2% at constant exchange rates.

This result brought consolidated shareholders' equity to €464.5m at 30 June 2018, €358.6m of which was the Group's share, net of the gross value of directly-held treasury shares amounting to €20.2m.

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

Outlook

VIEL & Cie will continue to support the development of its core businesses, in particular, the Compagnie Financière Tradition group, which will remain focused on organic and external 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 will pursue its growth strategy by continuing to enhance its product portfolio and the quality of its services, while maintaining extremely competitive prices. The company will continue to provide market and

financial insight to its customers as part of its educational approach, in particular via free training sessions throughout France.

VIEL & Cie is an investment company comprising three core businesses in the financial sector: Compagnie Financière Tradition, an interdealer broker with a presence in 29 countries, Bourse Direct, a major player in the online trading sector in France, and a 40% stake in SwissLife Banque Privée, operating 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.

The variations in income statement items at variable exchange rates are calculated based on average rates for the current year compared with average rates for the previous year, as part of currency conversions for the Group's consolidated subsidiaries. The variations in income statement items at constant exchange rates are calculated using the average conversion rates of year N-1 over the two comparison years.

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