

H1 2022 Results

Consolidated revenue up 12.7% to €494.2m
at current exchange rates (+7.4% at constant exchange rates)

Operating profit €65.0m
up 13.9% at current exchange rates
(including associates)

Profit before tax €73.2m
(+39.7% at current exchange rates, +34.8% at constant exchange rates)

Net profit of €59.7m (+44.1% at current exchange rates)

Group share of net profit €41.9m
(+48.6% at current rates)

€m	H1 2022	H1 2021	Variation* at variable currency	Variation* at constant currency
Revenue	494.2	438.4	12.7%	7.4%
Operating profit**	45.8	44.2	3.5%	-1.6%
Share of profits of equity accounted companies	19.2	12.8	50.0%	47.9%
Operating profit incl. associates	65.0	57.0	13.9%	9.5%
Financial result	8.2	-4.6	277.5%	277.7%
Profit before tax	73.2	52.4	39.7%	34.8%
Income tax	-13.5	-11.0	22.8%	18.0%
Net profit for the period	59.7	41.4	44.1%	39.3%
Group share	41.8	28.2	48.6%	43.8%
Minority interests	17.9	13.3	34.7%	29.7%

*Based on data calculated in thousands of euros. The variations in income statement items at current exchange rates are calculated as part of currency translations for the Group's consolidated subsidiaries based on average exchange rates for the period compared with average exchange rates for the previous period. The variations in income statement items at constant exchange rates are calculated using the average conversion rates of period N-1 over the two comparison periods.

***The operating margin was 9.3% against 10.1% in H1 2021. Operating expenses include a provision of €8.3m in connection with an outstanding transaction involving Russian securities. Excluding provisions, the operating margin was 10.9%, up on the previous period.0}*

Business review

A shift in central-bank monetary policy, both in relation to quantitative easing and interest rate hikes, led to an increase in interest rates during the first half of the year which benefited the Group's operations.

The sanctions imposed on Russia and Russian entities and individuals, and the retaliatory sanctions and other measures taken by Russia, generated increased volatility across the financial markets during the period. The build-up of these measures caused delays in the settlement and delivery chain for rouble-denominated securities.

Interdealer broking - Compagnie Financière Tradition

The Compagnie Financière Tradition Group reported consolidated revenue (IFRS) of CHF 483.9m, up 7.5% at constant exchange rates from CHF 452.0m in H1 2021.

The London office, the Group's largest operation, accounted for 29.4% of revenue during the period, with the Americas accounting for 28.7% and Asia 27.3%. Continental Europe represented 14.6% of the Group's consolidated revenue.

Reported operating profit was CHF 43.9m against CHF 43.8m in 2021, up slightly by 0.1% at constant exchange rates, for an operating margin of 9.1% against 9.7% in the previous period. Excluding the impact of Russia related costs, the operating margin was 10.9%.

Consolidated net profit was CHF 54.3m compared with CHF 39.1m in H1 2021, with a Group share of CHF 51.1m against CHF 35.5m in 2021, an increase of 46.4% at constant exchange rates.

Online trading - Bourse Direct

Trading activity at Bourse Direct remained strong in the first half, with more than 3.0 million orders executed during the period. At 30 June 2022, the Company had over 253,000 registered accounts, up 10.8% on the prior year's figure.

Bourse Direct published consolidated accounts following its acquisition of EXOE at the end of 2021.

Consolidated banking income was €25.9m in H1 2022, up 6.3% on H1 2021 following the integration of EXOE.

Consolidated operating profit in H1 2022 declined by 13.9% to €5.1m, against €6.0m in H1 2021, reflecting a decrease in trading volumes of retail customers during the period. Bourse Direct's consolidated net profit was €3.9m in H1 2022, down 8.8%.

Private banking and asset management – Swiss Life Banque Privée

At SwissLife Banque Privée, in which Viel & Cie holds a 40% interest, net banking income in H1 2022 was up 33.3% to €46.8m. Operating profit for the period was up 69.3%.

Consolidated results

In H1 2022, consolidated revenue from VIEL & Cie's operating subsidiaries was €494.2m against €438.4m in the same period last year, an increase of 12.7% at current exchange rates. At constant exchange rates, consolidated revenue grew 7.4% to €470.7m.

Operating profit was €45.8m, up 3.5% at current exchange rates. The operating margin was 9.3% against 10.1% in H1 2021. Operating expenses include a provision of €8.3m in connection with an unsettled transaction relating to Russian securities. Excluding provisions, the operating margin was 10.9%, an increase on the prior period.

Consolidated operating profit, including equity accounted companies grew 13.9% to €65.0m compared with €57.0m in H1 2021. At constant exchange rates, this result was up 9.5% compared with H1 2021.

The contribution of associates and joint ventures grew 50.0%.

The Group posted net financial income of €8.2m in H1 2022 against a net financial expense of €4.6m in H1 2021. This difference was mainly driven by a very positive foreign exchange result for the period. Net foreign exchange results due to currency fluctuations positively impacted the Group's financial result and represented a net gain of €15.4m, mainly due to an unrealised foreign exchange gain on the Russian rouble. This compares to a net foreign exchange loss of €0.4m in H1 2021.

Operating profit was up 34.8% to €73.2m at constant exchange rates.

Consolidated net profit increased by 44.1% to €59.7m in H1 2022 against €41.4m in H1 2021.

Group share of net profit increased by 48.6% to €41.9m in H1 2022 against €28.2m in 2021. At constant exchange rates, Group share of net profit grew 43.8%.

This result brought consolidated equity to €561.1m at 30 June 2022, €419.2m of which was the Group share, net of the gross value of directly-held treasury shares amounting to €24.1m.

The Board of Directors met on 8 September 2022 to review the first-half accounts. These condensed consolidated interim accounts are undergoing a limited review by the Company's independent auditors and will be included in the Company's interim financial report.

Outlook

In the Group's interdealer broking business, trading activity during the summer was up by around 15% on the same period last year. Compagnie Financière Tradition will pursue its growth strategy whilst maintaining its focus on cost discipline.

In the online trading business, activity declined during the summer. Bourse Direct aims to continue to offer its customers increasingly innovative services, on all mobile media, by adapting its offering to technological developments. Meanwhile, it will deliver the most competitive prices on the market and offer customers stock market expertise coupled with a range of educational services. The Company will also intensify the development of its Savings business.

VIEL & Cie comprises three core businesses in the financial sector: Compagnie Financière Tradition, with a presence in 30 countries, ranked third top global player in the IDB sector with over 2,400 employees worldwide, Bourse Direct, leader in the online trading sector in France, and a 40% equity accounted stake in SwissLife Banque, operating in the private banking sector in France.

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

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