

Media release, 29 August 2014

Aduno Group reports solid earnings

The Aduno Group, the Swiss specialist for cashless payments, personal loans and leasing, reported further growth during the first half of 2014. Consolidated sales reached CHF 223.2 million, while operating profit rose exponentially by 30.1 per cent to CHF 41.4 million. Owing to a prior-year effect, net profit amounted to CHF 36.2 million, which is a rise of 29.8 per cent. Good consumer sentiment and important new customers stimulated the cards business, while the new pricing model generated positive impulses in the credit business. In addition, the two new Aduno Holding AG bonds floated on the capital market offer a solid foundation for further growth.

Zurich – Due to the consistently positive economic climate, the Aduno Group once again improved all financial key figures on the good figures for the previous year. Both the Cards division with the Issuing and Acquiring business and the Consumer Finance division did better than in the previous year, with the Acquiring and personal loan business posting double-digit growth. Compared with the first half of 2013, sales rose 6.1 per cent from CHF 210.4 million to CHF 223.3 million. As there were no exceptional expenses, operating profit rose sharply by 29.8 per cent from CHF 31.8 million in the prior-year period to reach CHF 41.4 million. The operating margin strengthened accordingly from 15.1 per cent to 18.5 per cent. In the first six months of 2014, the Aduno Group increased the transaction volume for its Cards business by 9.0 per cent to CHF 7.4 billion, with the Issuing and Acquiring segments each contributing around 50 per cent of this volume. The number of cards issued rose by almost 50,000 to a total of 1.3 million.

Volume growth and milestones in the Cards division

Transaction volumes for Visa Card Services SA rose 5.2 per cent to around CHF 3.7 billion, with domestic transactions developing more strongly than those abroad. Aduno SA's Acquiring business did extremely well in the first six months of 2014. The volume rose by 13.1 per cent to CHF 3.7 billion.

The Cards division made good progress with its strategic innovation projects. The surprise bonus programme launched in March met our expectations and marked a milestone in the history of the Aduno Group. The launch of the technically complex programme went off without a hitch and a wide variety of companies were acquired as partners, thus guaranteeing broad sectoral coverage and an attractive mix of premiums for surprise customers. As the surprise partners are linked to the technical systems of the Aduno Group, customers receive premiums tailored to their individual preferences directly in the shop or when they make purchases online. This system allows the Aduno Group to exploit its competitive advantage founded on the combination of Issuing and Acquiring services as well as its expertise in the analysis of data in order to create added value for customers and merchants alike.

Mobile contactless payment by smartphone also promises added value for customers. The Aduno Group is convinced that mobile contactless payment will play an important role in cashless payment transactions in the future. With the launch of the Tapit app announced with telecommunications companies in the middle of the year, this service is now also available in Switzerland. Martin Huldi, Chief Executive Officer of the Aduno Group, says, *"We were at the forefront of mobile contactless payment from the very outset. We took part in the Tapit launch so Visa customers can use this app in future to order and then comfortably and safely use their mobile credit cards. We sincerely believe that a nationwide approach is needed to develop a cross-industry solution offered by the widest possible range of providers. Tapit is a first step in this direction."*

Consumer Finance division gains market share thanks to new price model

cashgate AG and Revi-Leasing und Finanz AG, the two units comprising the Corporate Finance division, were able to boost their new business during the first half of the year by 8.7 per cent to CHF 434 million. New personal loans rose by 10.1 per cent, while the leasing segment improved by 7.4 per cent. With this result, Consumer Finance substantially outperformed the overall stagnating market without compromising on its strict risk policy. This was due first and foremost to the differentiated price model that was introduced in 2013. With two fixed interest rates of 7.9 per cent and 11.9 per cent as well as transparent criteria for the granting of loans, the

model met with a warm welcome from borrowers and partner banks. The growth also endorses the multi-channel strategy, where customers can reach cashgate or Revi-Leasing und Finanz through the channel of their choice (cashgate branch, bank partner or online). cashgate's own branches and the online channel did particularly well in the reporting period. The cooperation with Banque Cantonale Neuchâteloise which will result in the opening of a new branch in Neuchâtel once again endorses the strategy of positioning cashgate as a partner to the banks.

Two bonds floated for CHF 400 million

Aduno Holding AG took advantage of the favourable conditions on the capital market and in July 2014 floated a 1.125 per cent bond for CHF 275 million maturing in 2021. At the same time it issued a new two-year floater for CHF 125 million. This double issue replaced the two-year floater for CHF 250 million maturing in the middle of the year and considerably boosted the previous issue volume.

Outlook for the second half of 2014

The Aduno Group expects the favourable economic environment to continue in the second half of the year, thereby meeting the conditions for further growth in the core business. For the year as a whole a moderate rise in profit is expected compared with the previous year.

The 2014 Half Year Report of the Aduno Group can be downloaded at <http://www.aduno-gruppe.ch/investor-relations>.

Aduno Group – the smart way to pay

The Aduno Group offers the entire range of products and services for cashless payment from a single source. By integrating card issuing activities (Viseca Card Services SA), card acceptance agreements and payment terminals (Aduno Payment Services), the Aduno Group is the only company in Switzerland to bring customers, merchants, partners and banks together in this unique manner. The personal loan and leasing business (cashgate AG and Revi-Leasing und Finanz AG) rounds off the product and service palette.

With innovative and secure payment solutions at around 50,000 points of sale, and over one million credit card clients, the Aduno Group is a leading company for cashless payments. In addition, the Aduno Group is a fair and transparent partner for personal loans and leasing for more than 70,000 clients. The Aduno Group is jointly owned by the largest Swiss retail banks (cantonal banks, Raiffeisen Group, Migros Bank, Bank Coop, regional banks as well as private and commercial banks).

Further information

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