

PARIS, 23 JULY 2015

## 2015 first half: robust 9% rise in net income

The Board of Directors approved the interim financial statements for the 2015 first half on 21 July 2015. The statutory auditors performed a limited review of the consolidated financial statements. The original French version of the interim financial report will be filed with the AMF (*Autorité des Marchés Financiers*), the French financial market authority, and made available to the public on the company's website on 31 July.

Commenting on these results, Paul Younès, UFF's Chief Executive Officer, stated: *"The solid first-half performance is consistent with our targets for the 2015 full year: positive revenue trends, the trust of our customers and project execution on track with the roadmap. While continuing to carefully monitoring short-term macroeconomic trends, we are preparing for UFF's future with confidence by building a new strategic plan to be presented in early 2016."*

### Sharp rise in financial results:

|   | 2014        | 2015         | Change<br>2015/2014 |
|---|-------------|--------------|---------------------|
| <b>NBI (€m)</b>   | <b>91.6</b> | <b>102.4</b> | <b>12%</b>          |
| - Commissions on investment inflows                           | 36.8        | 38.8         | 5%                  |
| - Commissions on assets under management                      | 54.3        | 62.6         | 15%                 |
| - Net interest and similar income                             | 0.5         | 1.0          | 100%                |
| <b>Operating profit (€m)</b>                                  | <b>16.9</b> | <b>23.0</b>  | <b>36%</b>          |
| <b>Consolidated net income attributable to the Group (€m)</b> | <b>13.9</b> | <b>15.2</b>  | <b>9%</b>           |
| <b>Assets under management - end of period (€bn)</b>          | <b>10.9</b> | <b>11.5</b>  | <b>6%</b>           |

- **Commercial activity of €734.6 million, up 32%** bolstered by performances of all asset classes: life insurance (+17%), REITs (+28%), securities (+19%), corporate (+84%). Finally, real estate registered record growth (+74%) reflecting mainly the contribution of the network acquired on 1 January 2014 inaugurating the successful diversification from its historic business.
- **Net inflows of €62 million marginally up 1%**, with an increase in redemptions (+8.5%). Assets under management amounted to €11.5 billion, up from €10.9 billion (+5.5%), bolstered by positive price trends.
- **Net banking income of €102.4 million, up 12%**. The 5% rise in commissions on investment inflows only partially reflects the trend for commercial activity due to a leadtime of several months between the recognition of real estate inflows and commissions recognized only once the deed of sale has been executed. Bolstered by the promising startup of the Myria AM asset management company created in October 2014, commissions on assets under management rose 15% year on year.
- **Operating profit of €23 million, up 36%** in response to positive trends for expenses which remain under control in an environment of strong commercial growth. For information, a trading

gain of €1.6 million was recorded in the 2014 first half. Excluding this impact, operating profit for the 2015 first half was up by more than 50%.

- **Net income of €15.2 million (+9%)** with a tax rate of 37% compared to 22% for the 2014 first-half which benefited from a tax exemption on the trading gain. The cost of risk was virtually nil for the period and the share of earnings in 33%-held Primonial Reim contributed €0.8 million.

#### **Proposal for an interim dividend of €0.85 per share**

In light of the results and the positive outlook, the Board of Directors decided to distribute an interim dividend of €0.85 per share with a payment date of 5 November 2015.

The consolidated balance sheet structure remains solid with cash (investments and liquid assets) of €110 million (compared to €115 million at 31/12/2014) managed with caution with 54% in money market funds (FCPs or *Fonds Communs de Placement*). In addition, all operating payables and receivables are short-term.

Consolidated shareholders' equity, before distribution of earnings, amounted to €99 million compared to €97 million at 31 December 2014

These items highlight the financial strength of UFF, which is well in compliance with regulatory requirements.

#### **Outlook**

Bolstered by strong business momentum, UFF looks ahead to the second half with confidence.

Areas of particular attention will include:

- Customer satisfaction based on a constantly updated offering but also a conviction driven investment approach made possible by the creation in 2014 of Myria Asset Management.
- Preparation for new regulatory challenges with in particular the subsidiary, CGP Entrepreneurs, with the goal of joining the forces of independent firms so as to provide them with a secure framework to pursue their activities.
- The continuing modernization of tools that was initiated with the launch of "Wealth Management Ambition 2015" ("*Ambition Patrimoine 2015*") plan.

In 2016, UFF will roll out a new strategic plan which is currently being developed.

#### **Information on the parent company**

Because of the operational integration of Group businesses, it is difficult to interpret figures of the company separately. Net income of the Union Financière de France Banque based on separate parent company financial statements for the 2015 first-half amounted to €13.5 million.

#### **Related party transactions**

Aviva France Group, parent company of Union Financière de France Banque, is considered as a "related party" The operational relations between companies of Union Financière de France Banque Group and Aviva France Group concern life insurance, the financial management of certain UCITS, investment activities and information technology services.

**UFF in brief**

*Set up in 1968, Union Financière de France Banque is a provider of wealth management services and products for individual and corporate clients. UFF's product range includes real estate, financial securities, and life assurance, as well as a wide range of products for companies (retirement savings plans, employee savings plans, medium term cash management, etc.).*

*With 1,470 employees that include nearly 1,160 financial advisors, Union Financière de France has an extensive network covering all of France.*

*On 30 June 2015 Union Financière de France had a customer base of 213,000 clients (190,000 individuals and 23,000 corporate clients).*

Union Financière de France Banque is listed on Euronext Paris (Segment B)  
Euroclear Code 3454  
ISIN Code FR0000034548

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