

Media release

## Aduno Group records an impressive performance in 2017

**The Aduno Group, Swiss specialist in cashless payments, reports gratifying results for the 2017 financial year. The healthy economic environment and the ongoing substitution of cash by card payments increased turnover in the card business. The personal credit and leasing business showed impressive growth. The equity base was strengthened once more to create a solid foundation for further growth.**

Zurich, 20 April 2018 – The Aduno Group achieved turnover in the 2017 financial year of CHF 459.6 million. Although this was a 3.9 per cent year-on-year decline, turnover in 2016 included substantial extraordinary income from the sale of Visa Europe Ltd. Excluding this special effect, turnover in the 2017 financial year was up 7.6 per cent year-on-year. The operating result for 2017 was also lower than 2016 at CHF 102.8 million, equally caused by the extraordinary income from the Visa sale. Excluding all special factors, the operating result rose slightly. Reported net profit of CHF 191.6 million was substantially above the previous year's figure of CHF 118.5 million.

Martin Huldi, Chief Executive Officer of the Aduno Group: *“The Aduno Group continued the robust volume growth of recent years. The number of issued cards rose by over 4 per cent and transaction volumes by almost 9 per cent. That is driving our turnover and has a favourable effect on income too. Equally the Consumer Finance business picked up speed again in the reporting year”.*

### Sharp growth in the Payment division

The Payment division was repositioned in 2017. Following the sale of the acquiring and terminal operation to SIX Payment Services AG, the Aduno Group's focus in its Payment division is now on the Issuing business. Furthermore, the Aduno Group acquired a majority 70 per cent stake in Contovista AG and thereby boosted its position in finance management and analytics.

In the year under review, the Payment division increased transaction turnover in the Issuing business by 8.9 per cent to CHF 9,027 million, surpassing the CHF 9 billion mark for the first time. With the ongoing substitution of cash by card payments, the average turnover per card increased significantly.

Commission income was significantly above the level in the previous year, which is a notable achievement given the renewed reduction in the interchange fee from 0.70 per cent to 0.44 per cent from 1 August 2017. The increase is mainly attributable to higher transaction volumes and, to a lesser extent, price adjustments.

The number of issued cards in 2017 rose again strongly by around 4.4 per cent to a total of 1.49 million. This was due both to the continued successful collaboration with banks, but also to a lower number of card cancellations compared to the previous year. The income from annual fees also rose again thanks to a higher number of cards held.

### New and unique offers

With the launch of the Debit Mastercard® and Mastercard® Flex, the Aduno Group is now tapping into the new business area of debit cards. The many features of these products – contactless payments, e-commerce and mobile payment functionality, acceptance around the world, security and full control of expenditure – meet the needs of customers excellently.

The success story of VisecaOne continued. This digital service gives customers overview and control over their payment cards via their smartphone and online. The VisecaOne app has already been downloaded more than 700,000 times and serves 250,000 active users per month. Expansion of Viseca Masterpass, the digital wallet for online purchases, was likewise successful. At present, more than 700,000 Viseca customers have registered for the Masterpass and can use it to make payments conveniently, quickly and securely in over 300,000 online shops worldwide.

### **Consumer Finance sees growth in new business**

The Consumer Finance division increased its new business by 14.8 per cent to CHF 943 million in 2017 and the total credit portfolio also increased by 7.0 per cent to CHF 1,339 million.

In personal credit, the growth in new volume was 6.5 per cent and the increase in the total credit portfolio was 5.1 per cent. This considerable level of growth was achieved both in indirect business and direct and branch business. In online business, cashgate launched an entirely digital credit agreement in 2017. By means of video identification and a qualified digital signature, customers can conclude their agreement easily in real time on a computer or mobile device.

New sales in leasing rose by 25.1 per cent after falling in the previous year. Overall volumes rose by 9.2 per cent compared to 2016. This was attributable among other things to the new leasing model with an attractive interest rate, to the stock vehicle financing for dealers introduced in the previous year and to collaboration with an innovative car manufacturer.

### **Equity base further strengthened**

Total assets amounted to CHF 2,212 million as at 31 December 2017, compared with CHF 2,292 million at the end of 2016. Equity was CHF 807 million compared with CHF 643 million at the end of 2016. At 36.5 per cent, the equity ratio is again significantly higher than in the previous year (28.0 per cent).

### **Staff**

The headcount at the Aduno Group fell back at year-end 2017 to 717 (full-time equivalent), which was related to the sale of the acquiring and terminal business.

### **Outlook**

The current economic backdrop and healthy prospects in this regard make the Aduno Group optimistic for the future. The conditions are right for a good 2018. This year too, the main strategic focus will continue to be placed on the digital transformation. Among other things, the Aduno Group will expand the digital service VisecaOne and will offer customers more analytics services. The new payment cards Debit Mastercard® and Mastercard® Flex will be launched by more banks during the course of the year. The Aduno Group is well positioned to benefit from trends in the sector, such as the shift from cash to credit cards, digital payment and digital services.

**The full online annual report 2017 is available at [reports.aduno-gruppe.ch](https://reports.aduno-gruppe.ch)**

**Aduno Group – the smart way to pay**

The Aduno Group offers products and services for cashless payment: from card issuing activities (Viseca Card Services SA) to personal loans and leasing (cashgate AG) to deposit guarantees (AdunoKautio AG and SmartCaution SA). As a leading company for private and business clients, the Aduno Group is a fair and transparent partner. The Aduno Group is wholly owned by the largest Swiss retail and cantonal banks (Raiffeisen Group, all the cantonal banks, Migros Bank, Bank Cler and a number of commercial and private banks).

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