

ONE

GLOBAL

FORCE

Compagnie Financière Tradition

FY2015 results presentation

Zurich

11 March 2016

Global Leaders In Interdealer Broking

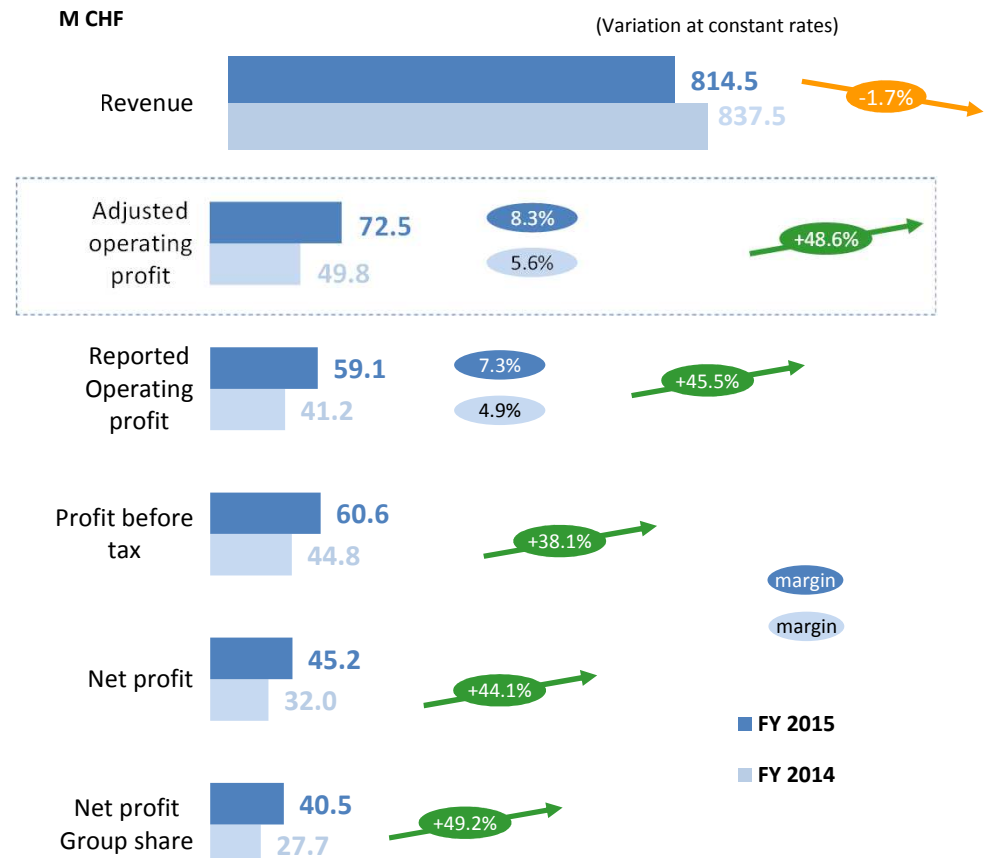
 **Tradition**

Group results benefit from maintained focus on cost management

Results overview

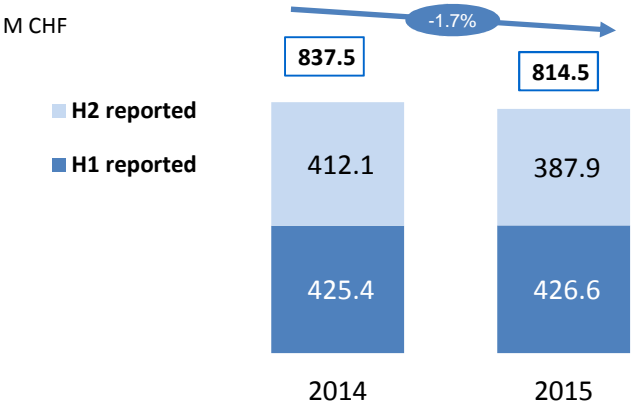
- Overall Group revenue stabilising
 - Different trend per region and asset classes
- Cost management now business as usual
- Sustained investments in distinctive technology having negative short term financial implications
 - IT costs rationalization initiated
- Good positioning of Tradition SEF through its electronic platform Trad-X
- Enhanced performance from Gaitame.com
- Strong balance sheet with total shareholders' equity of CHF 370m and net cash position of CHF 228m
- Dividend increase to CHF 3.50 in cash

FY 2015 Performance

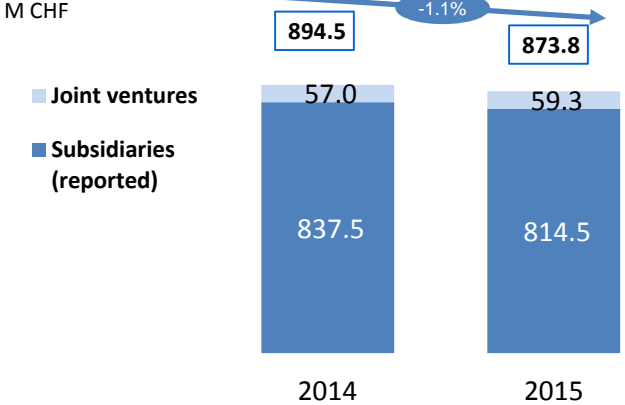


Revenue overview

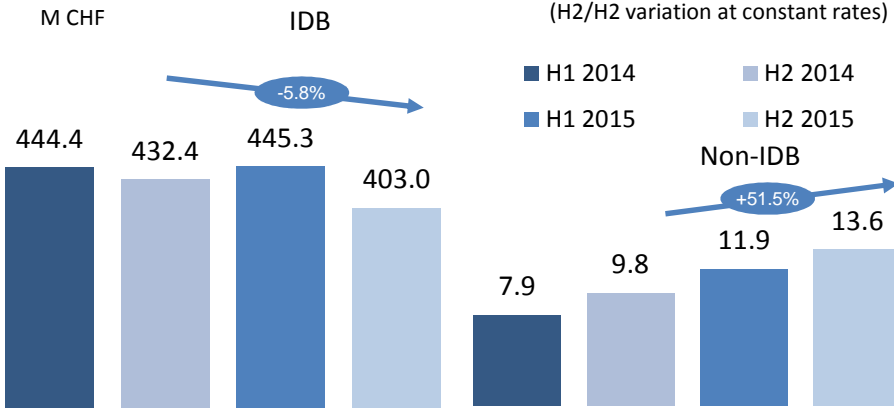
Group reported revenue



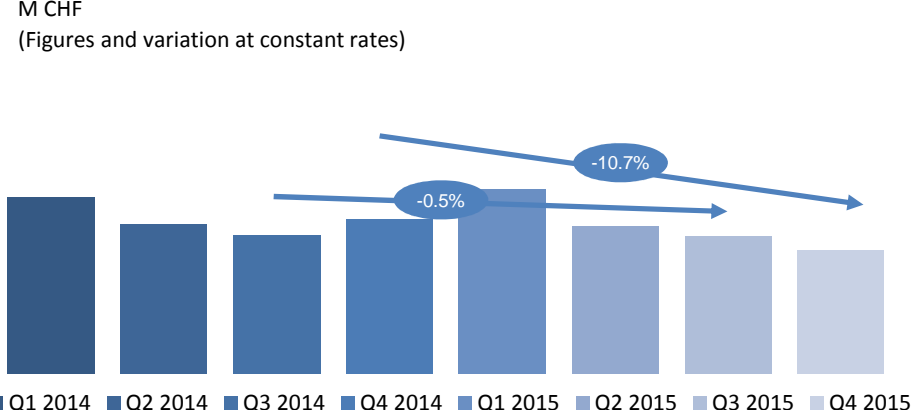
Group adjusted revenue



Adjusted revenue by business



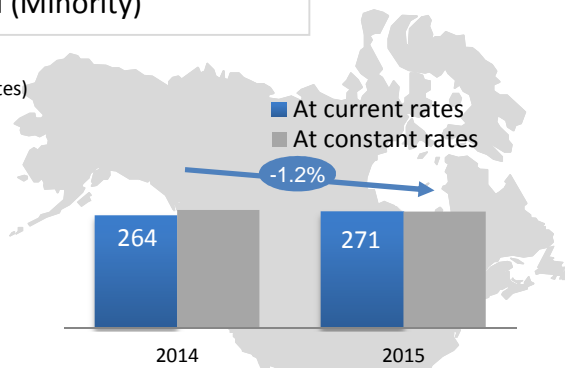
IDB Quarterly revenue trend



Adjusted revenue by region

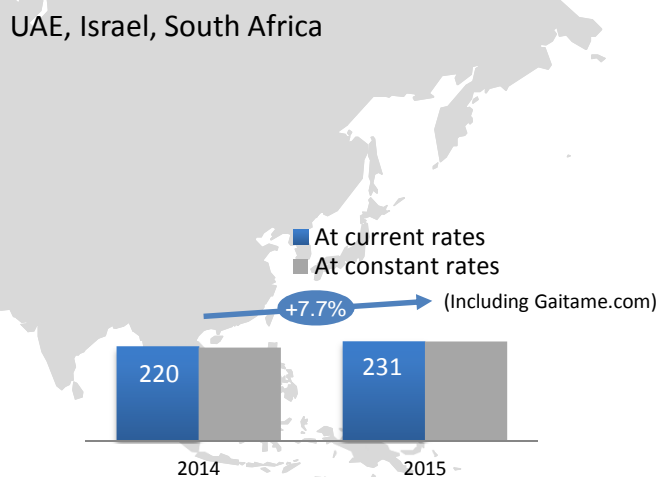
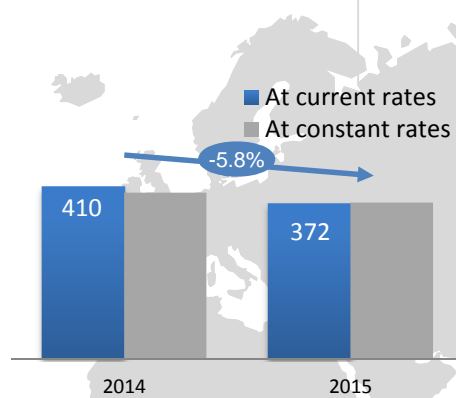
Americas:
USA, Argentina, Chile, Colombia, Mexico, Brazil (Minority)

Revenue in mCHF
(variation at constant rates)

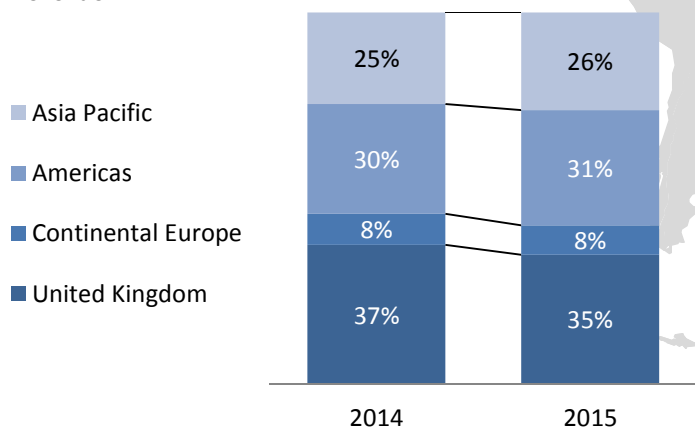


Europe:
UK, France, Belgium, Germany, Italy, Luxembourg, Russia, Spain (Minority), Switzerland

Middle East / Africa:
UAE, Israel, South Africa



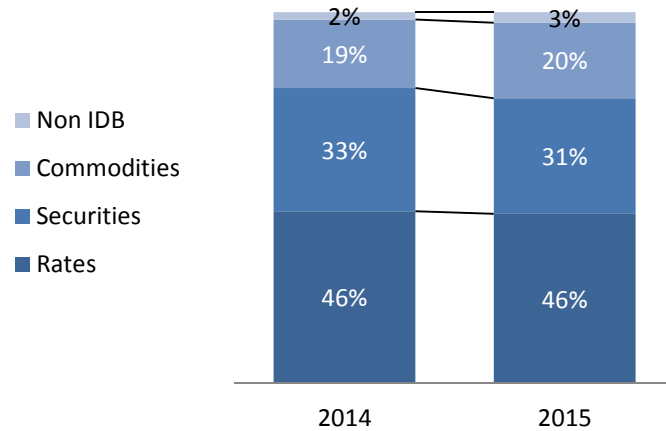
In % of consolidated adjusted revenue



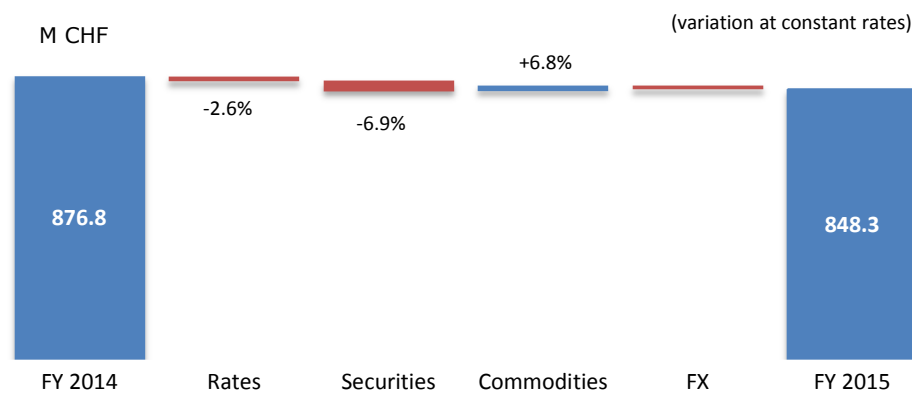
Asia-Pacific :
IDB: Japan, China Mainland, China Hong Kong, India, Malaysia, Singapore, South Korea, Australia, Philippines, Thailand, Indonesia
Non IDB : Gaitame.com forex trading for retail investors in Japan

Adjusted revenue by product

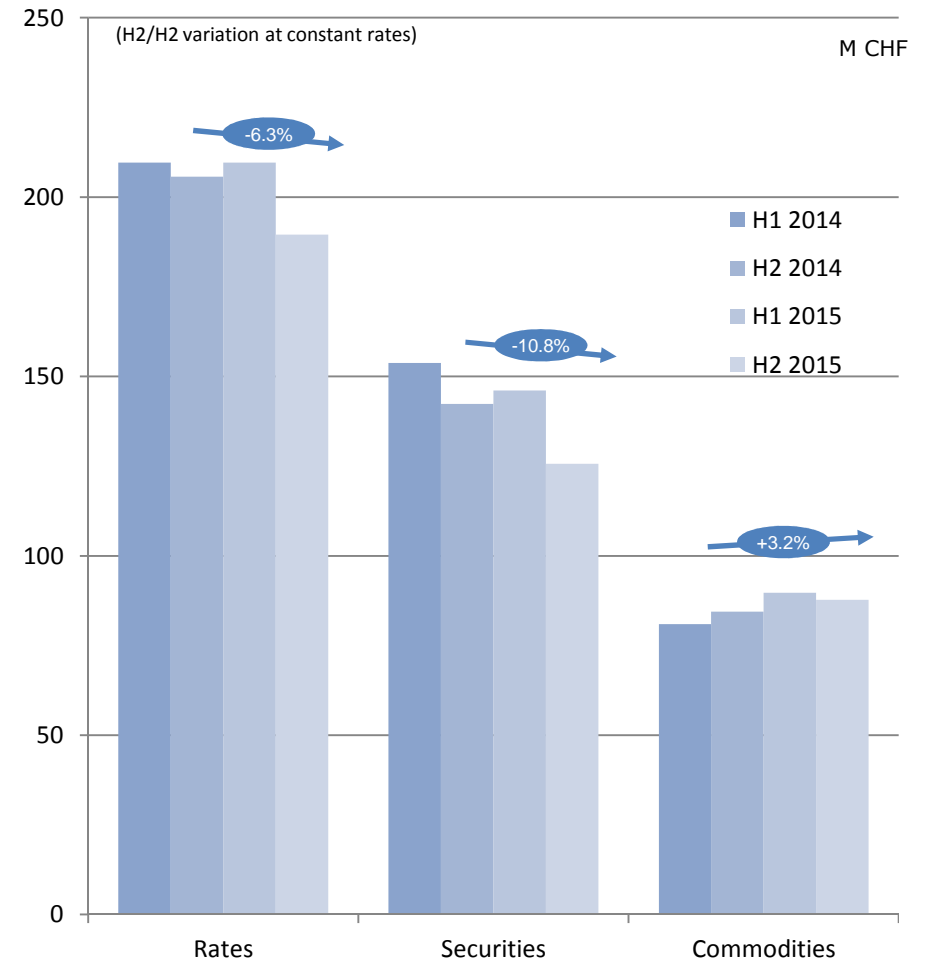
Adjusted revenue breakdown



IDB Revenue by product

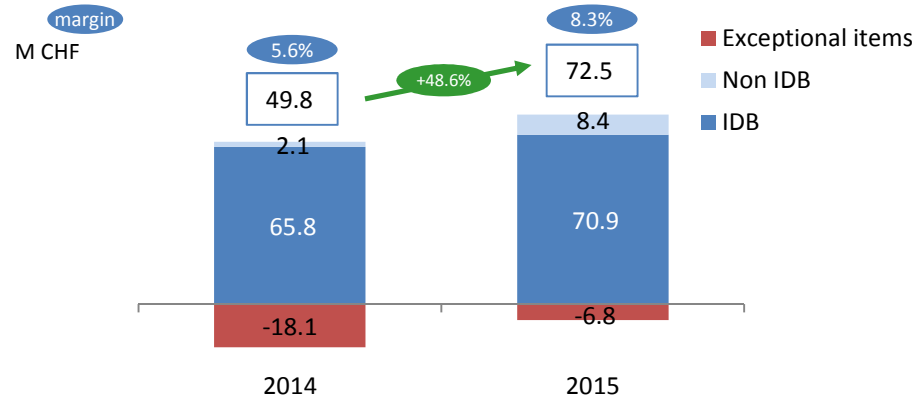


IDB Revenue trend by product

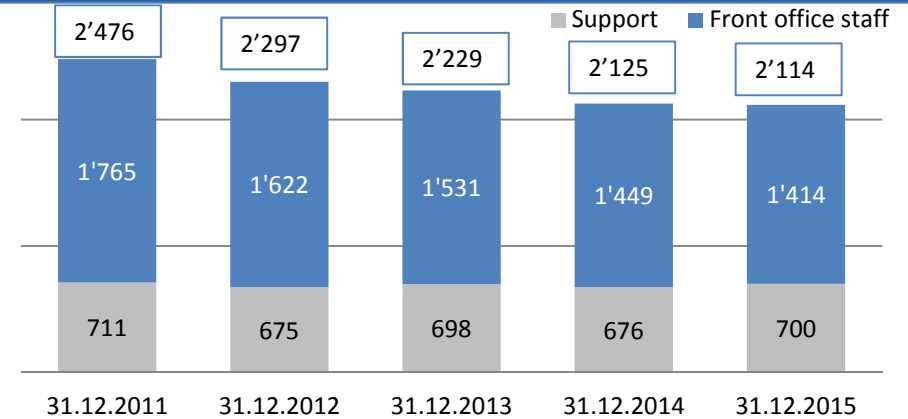


Adjusted operating margin increase to 8.3% from 5.6%

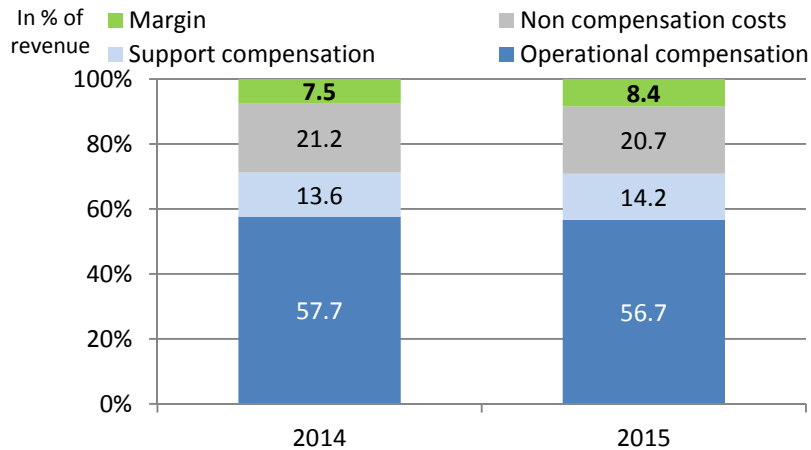
Adjusted operating profit



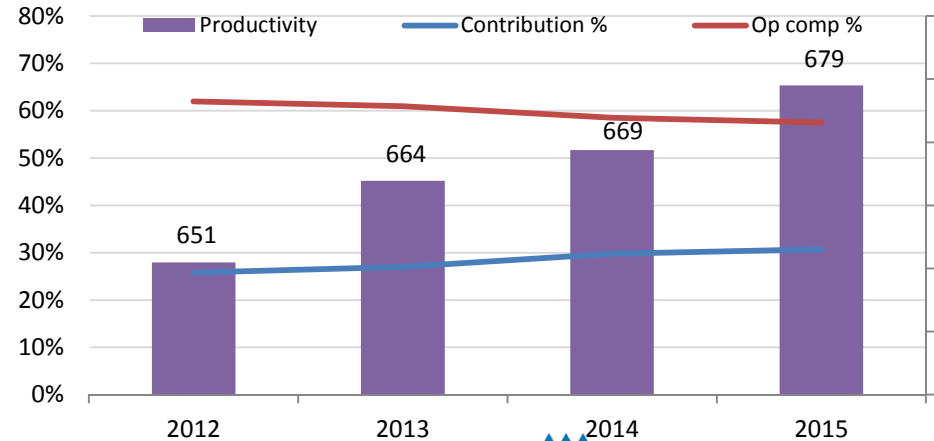
IDB Headcount trend



IDB underlying operating ratios



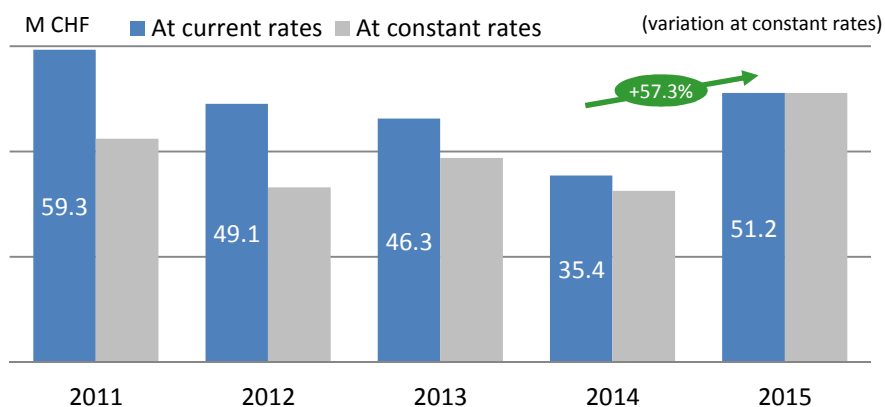
IDB – Other KPIs



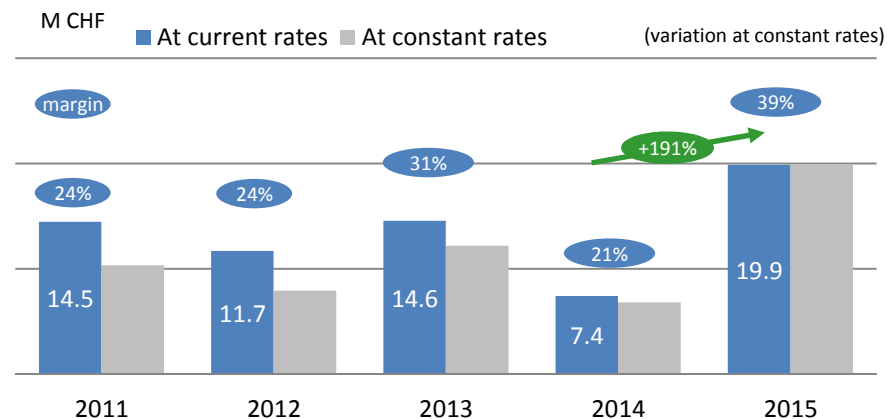
Enhanced performance from Gaitame.com



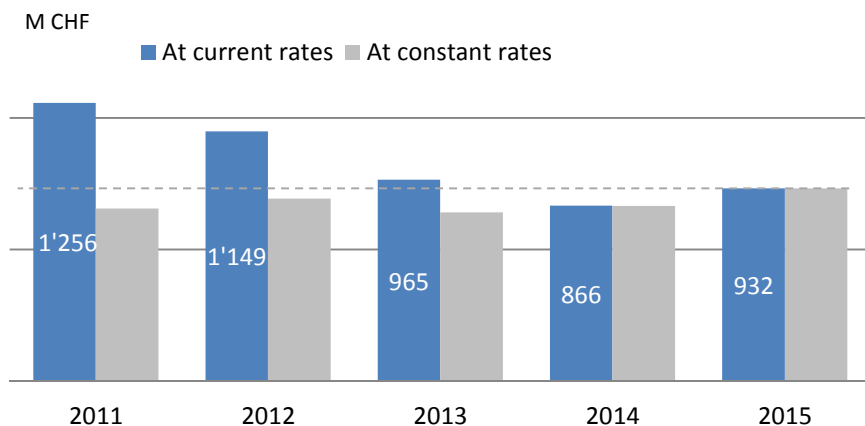
Revenue trend*



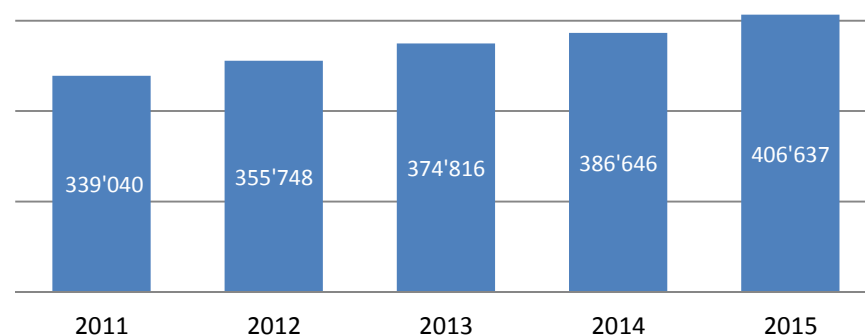
EBITDA trend*



Client deposits trend*



Number of clients trend*



* Figures presented at 100%. Group stake of 49.9% presented as an equity investment

Net profit – Group share up 49.2% to CHF 40.5m

Reported operating profit

M CHF	FY 2015	FY 2014	Var cst.	Var cur.
Underlying adjusted operating profit	79.3	67.9	+19.4%	+16.7%
Amortisation of intangibles	-	-0.5		
Net exceptional expenses	-6.8	-18.7		
Exceptional income	-	+1.1		
Adjusted operating profit	72.5	49.8	+48.6%	+45.4%
Equity method for joint ventures	-13.4	-8.6		
Operating profit as reported	59.1	41.2	+45.5%	+43.7%

Net profit – Group share

M CHF	FY 2015	FY 2014	Var cst.	Var cur.
Reported operating profit	59.1	41.2	+45.5%	+43.7%
Net financial result	-7.4	-5.0		
Share of profit of associates and joint ventures	8.9	8.6		
Profit before tax	60.6	44.8	+38.1%	+35.3%
Income tax	-15.4	-12.8	+23.1%	+19.9%
<i>Effective tax rate</i>	30%	35%		
Net profit for the period	45.2	32.0	+44.1%	+41.5%
Net profit - Group share	40.5	27.7	+49.2%	+46.0%

Net financial result

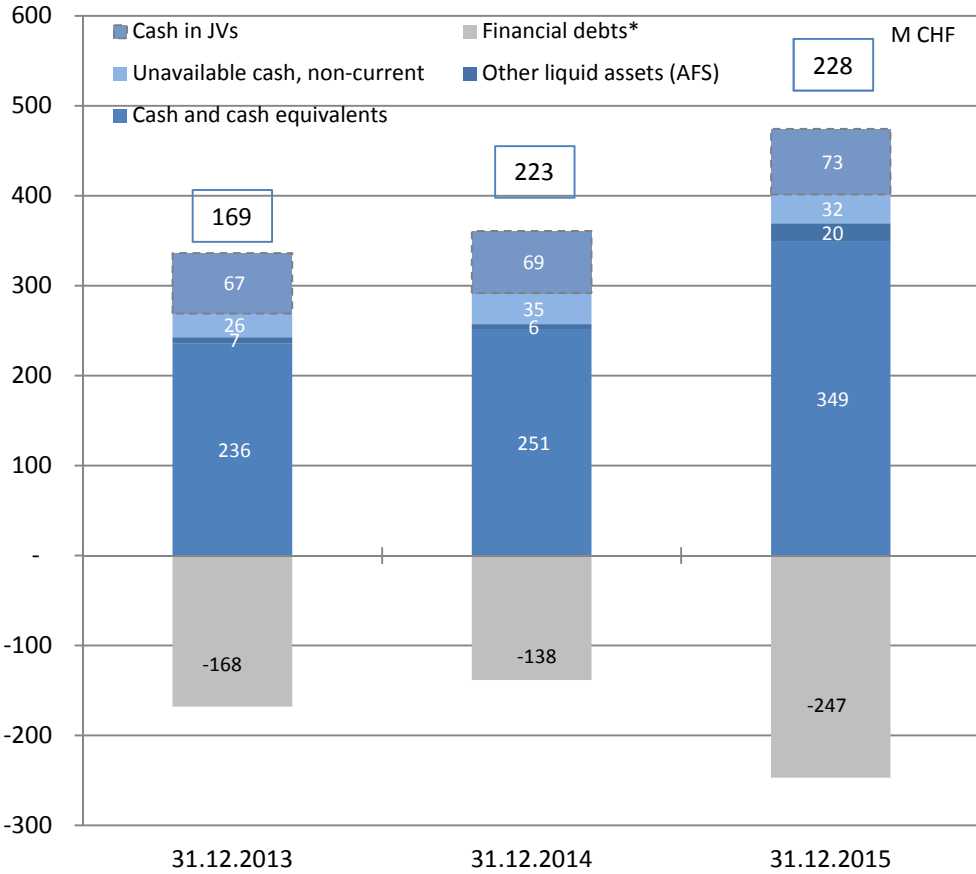
M CHF	FY 2015	FY 2014
Net interest expense	-6.9	-5.0
Net foreign exchange gains/(losses)	0.5	-0.4
Gains/(losses) on financial assets at fair value	-1.1	0.2
Other financial income	0.1	0.2
Net financial expense	-7.4	-5.0

Continued focus strong on balance sheet

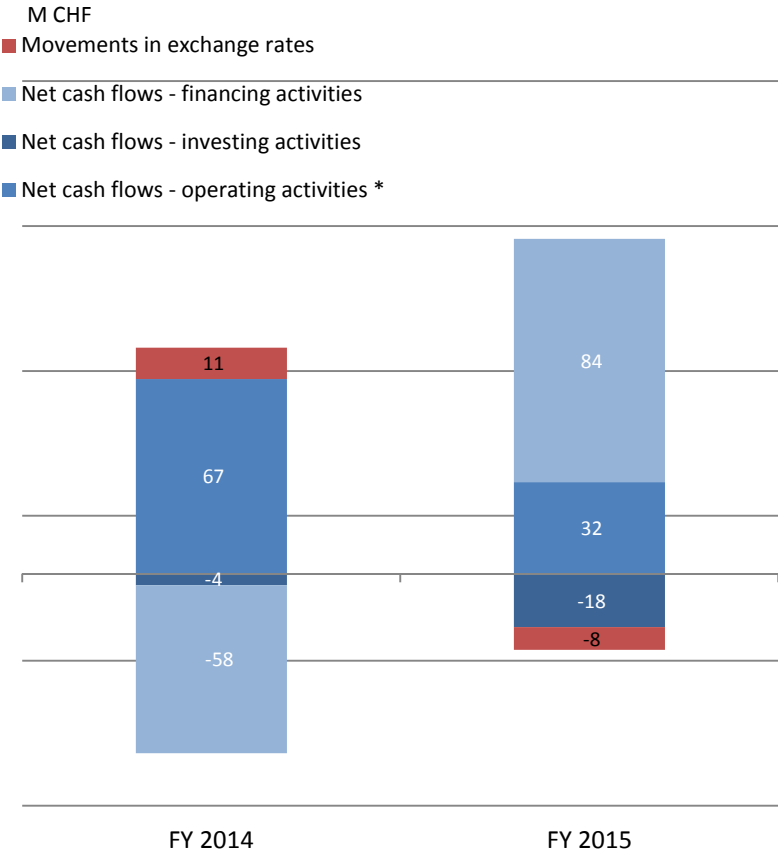
M CHF	Assets		M CHF	Equity and Liabilities	
	31.12.15	31.12.14		31.12.15	31.12.14
Property, Plant & Equipment	21.7	17.7	Capital	17.6	16.8
Intangible assets	47.4	48.0	Share premium	24.2	27.8
Investments in associates and joint ventures	115.0	118.3	Treasury shares	-21.5	-12.5
Available-for-sale financial assets (AFS)	7.1	16.2	Currency translation	-133.8	-116.7
Unavailable cash	32.1	34.7	Consolidated reserves	470.3	426.3
Other non-current assets	29.0	28.6	Equity – Group share	356.8	341.7
Non-current assets	252.3	263.5	Minority interests	13.2	12.4
Receivables related to MP activities	234.2	224.3	Equity – Total	370.0	354.1
Receivables related to AH activities	24.3	11.1	Non-current liabilities	155.6	145.3
Trade & other receivables	179.1	179.4	Short term financial debts	125.4	41.0
Financial assets at fair value and AFS	20.4	6.2	Payables related to MP activities	225.9	202.1
Cash & Cash equivalents	348.8	250.9	Payables related to AH activities	24.6	11.1
Other current assets	19.7	17.0	Trade & other payables	177.3	198.8
Current assets	826.5	688.9	Current liabilities	553.2	453.0
TOTAL ASSETS	1 078.8	952.4	TOTAL EQUITY AND LIABILITIES	1 078.8	952.4

Net cash position of CHF 228m¹⁾

Net cash position trend



Net adjusted cash flows trend*

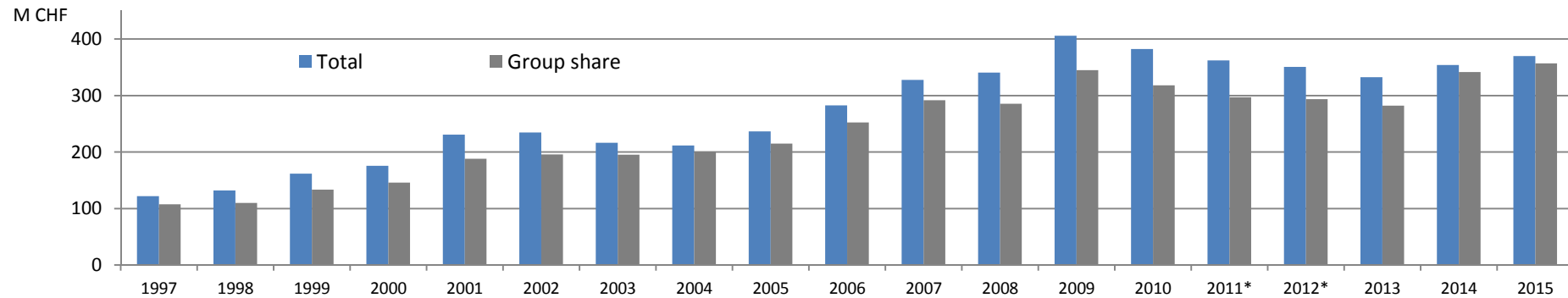


* Adjusted from variation in MP activities

1) Including Group share of cash at JVs accounted as equity investments

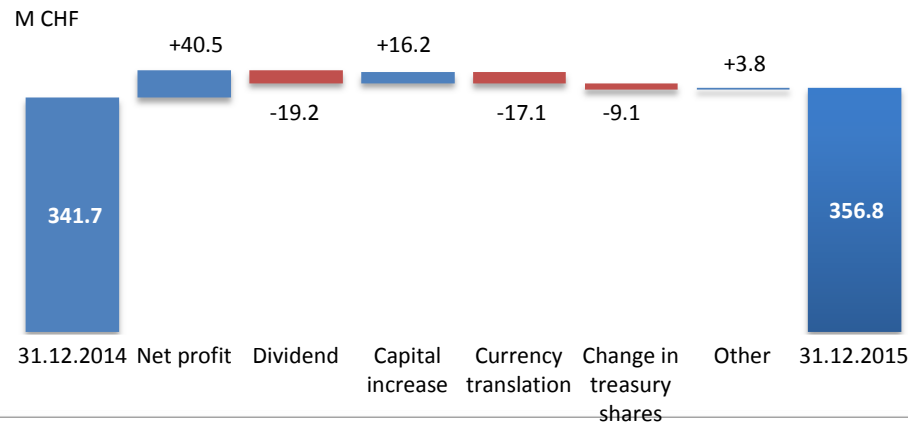
Shareholders' equity and capital structure

Shareholders' equity trend

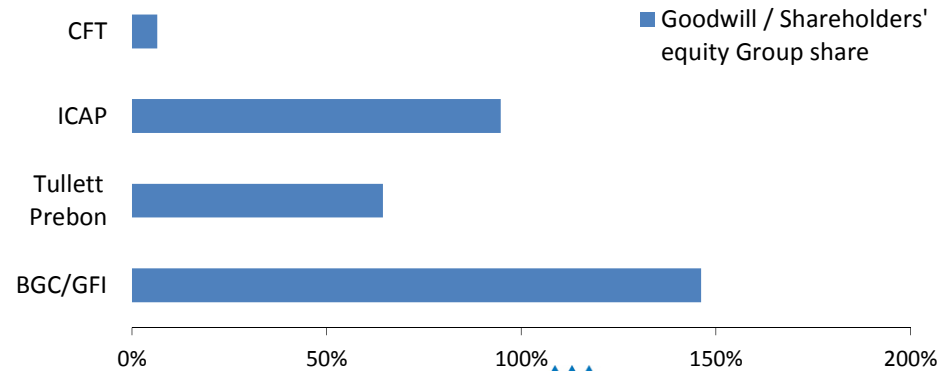


*Restated for IFRS 11 and IAS 19R

Shareholders' equity – Group share bridge



Capital structure comparison¹



Fundamentals remain essential to deliver the Group's strategy

One of the
Top 3
Global IDB

Built critical market share and a strong franchise in key market segments

Sound financial position

- Current market capitalization only slightly above the shareholders equity
- Low level of intangibles (especially compared to peers)
- Significant net cash position

- Focus on opportunities arising from external and organic growth
- Build a pipeline of niche brokers and new hires

Cost management

- Proved its ability to manage costs despite a strong organic growth culture and a decentralised organisation

- Transition from cost reduction to operational performance management
- Optimise IT organisation

Technological Innovation and partnerships

- Made an early choice to develop its own proprietary technology
- A pioneer in D2D IRS electronic trading with Trad-X
- Established partnerships with most of the key banks for a given product segment

- Replicate in Europe the SEF achievements (MiFID 2)
- Roll out IT capabilities throughout the organisation
- Better monetize data in proportion of transactional revenue