

ONE

GLOBAL

FORCE

Compagnie Financière Tradition

H1 2015 results presentation

Zurich

27 August 2015

Global Leaders In Interdealer Broking

 **Tradition**

Group results benefit from maintained focus cost management

Reported operating profit up close to 36% to CHF 35.9m

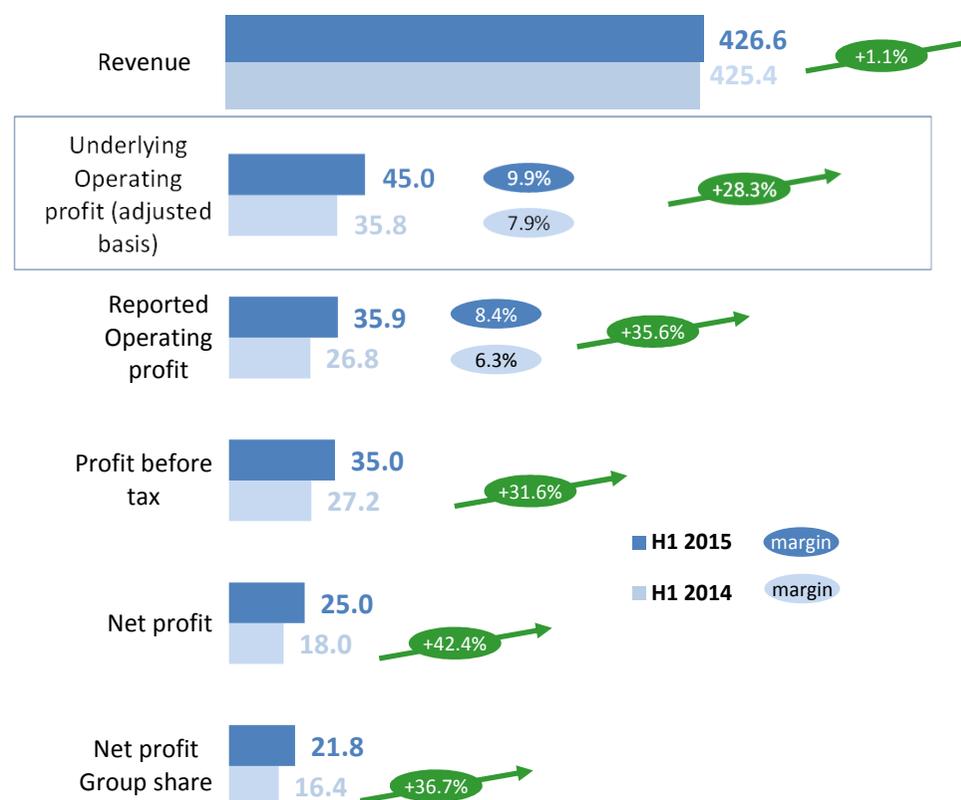
Results at a glance

- Overall Group revenue stabilised
 - Different trend per region and asset classes
- Improved operating profit benefiting from cost reduction measures
 - Cost management – business as usual
 - Focus on performance management
- Sustained investments in distinctive technology to adapt to tomorrow's business model
 - Having negative short term financial implications
 - Strong positioning of Tradition SEF through its electronic platform Trad-X
- New bond issuance in June to take advantage of attractive market conditions
 - CHF 130m, 5 years, 2% coupon

H1 2015 Performance

M CHF

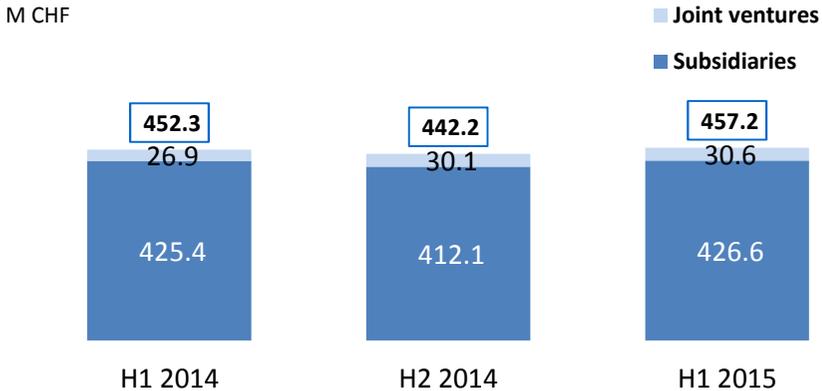
(Variation at constant rates)



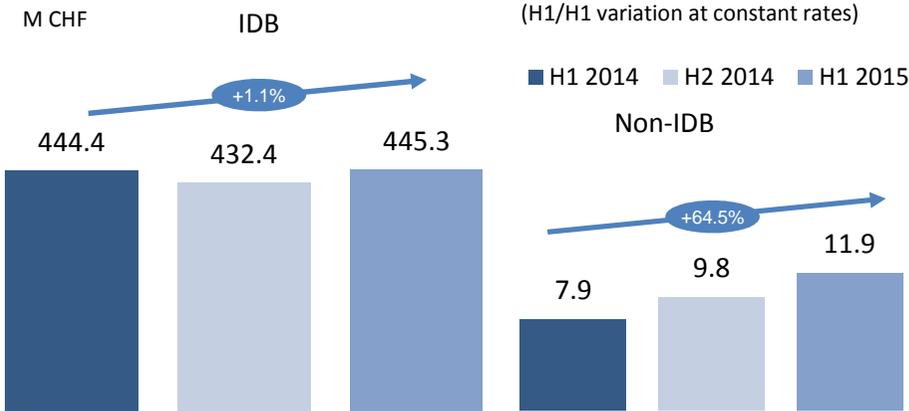
Revenue overview

Overall revenue stabilizing

Group half-year revenue

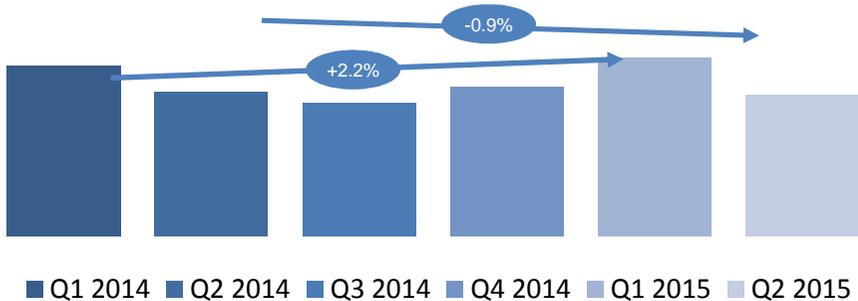


Half-year revenue by business



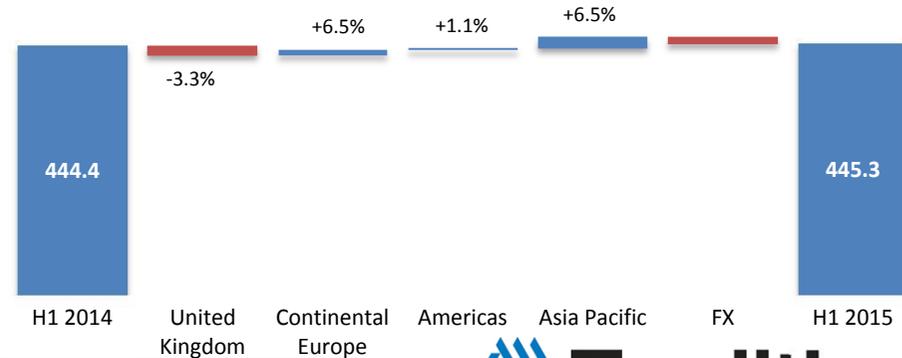
IDB quarterly revenue

(Figures and variation at constant rates)



IDB revenue by region

M CHF (Variation at constant rates)

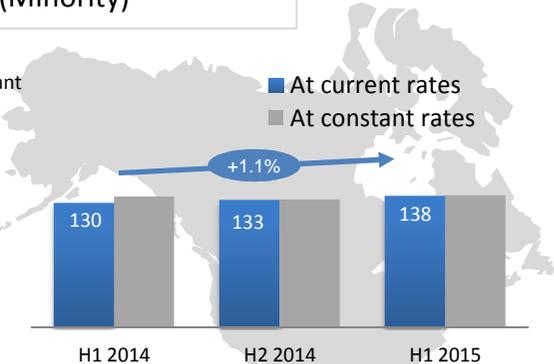


Revenue by region

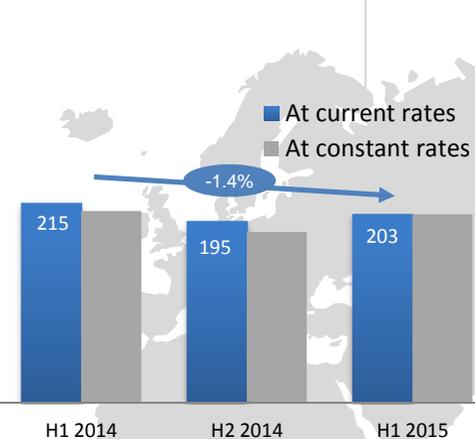
Strategic positioning in Asia-Pacific

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

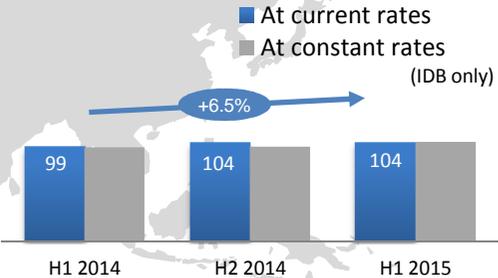
Revenue in mCHF
(H1/H1 variation at constant rates)



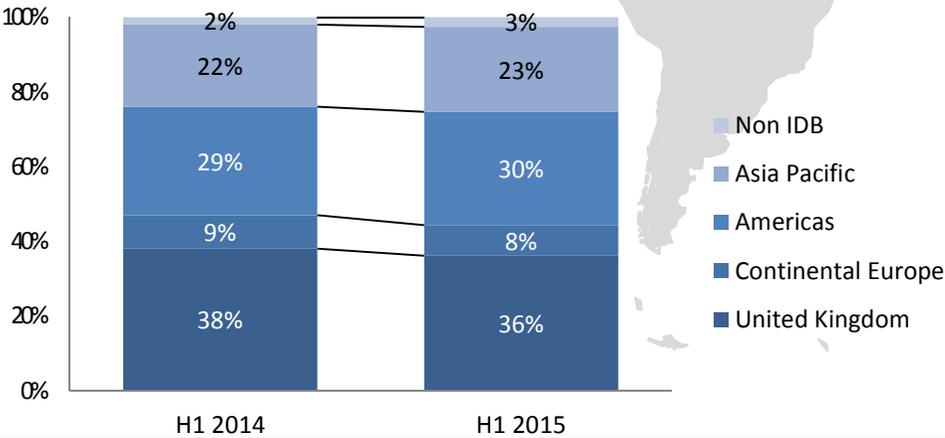
Europe:
UK, France, Belgium, Germany, Italy, Luxembourg, Russia, Spain (Minority), Switzerland



Middle East / Africa:
UAE, Israel, South Africa



In % of consolidated revenue

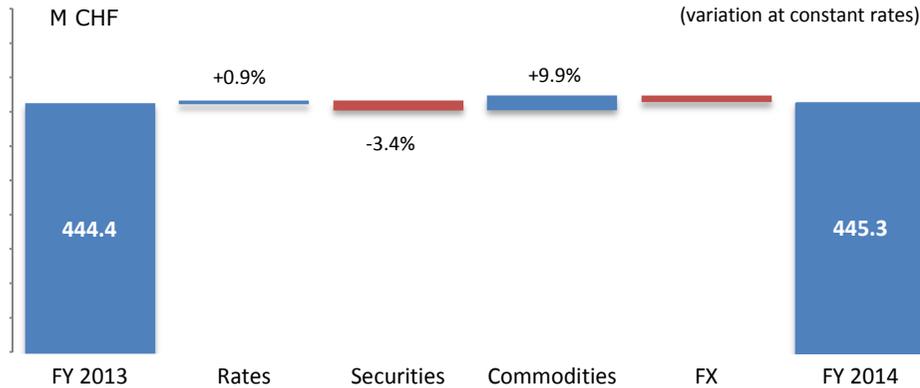


Asia-Pacific :
Japan, China Mainland, China Hong Kong, India, Malaysia, Singapore, South Korea, Australia, Philippines, Thailand, Indonesia

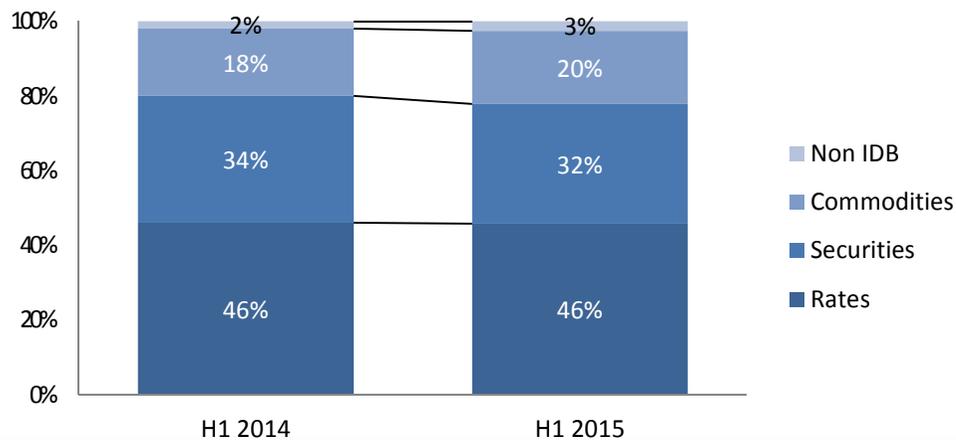
Revenue by product

Significant increase in commodities

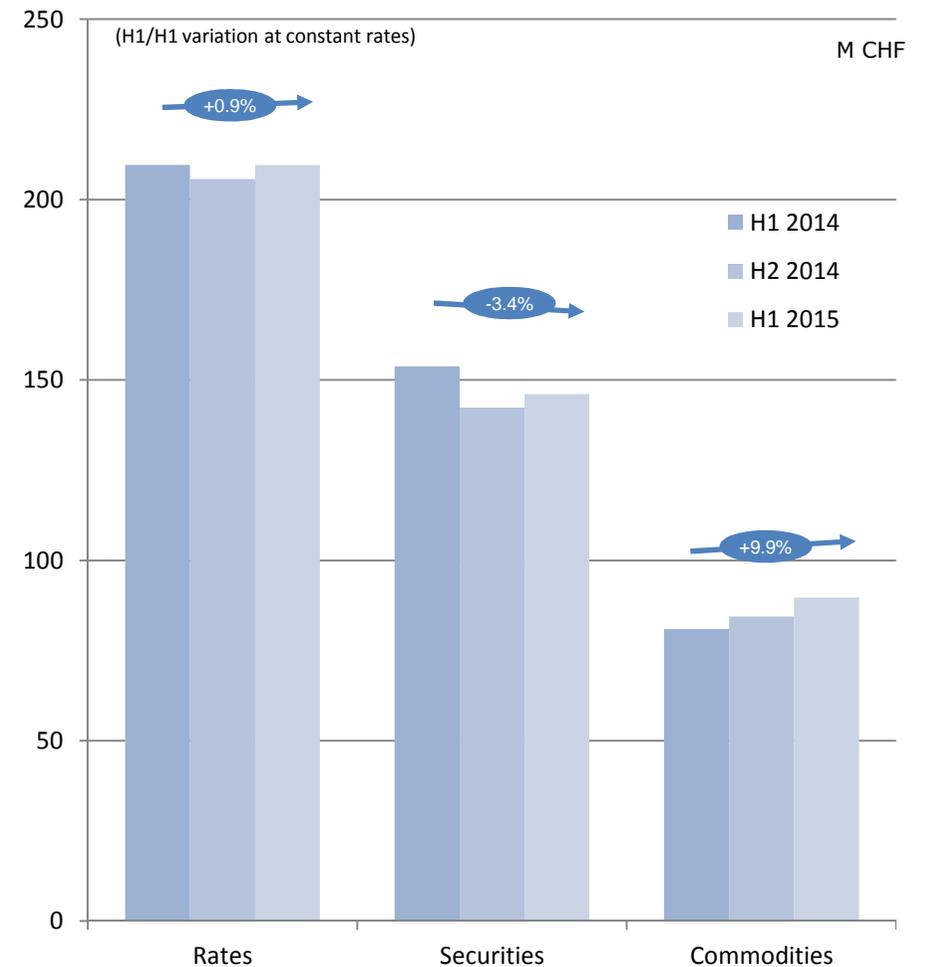
IDB revenue by product



Revenue breakdown



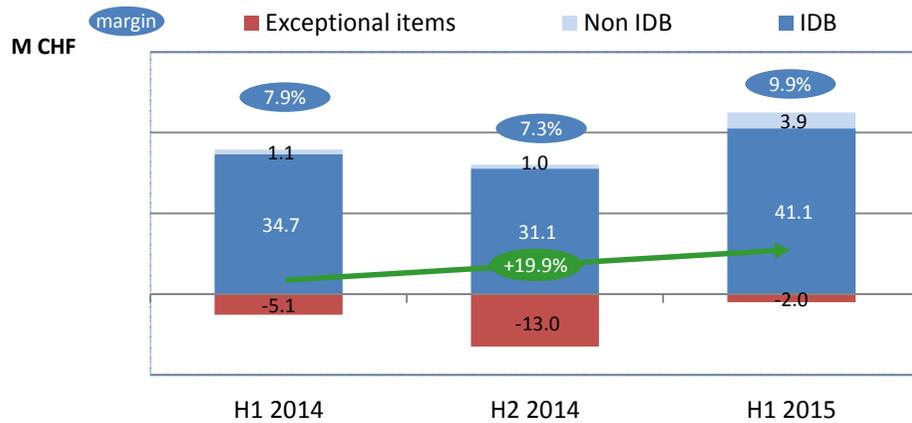
IDB Revenue trend



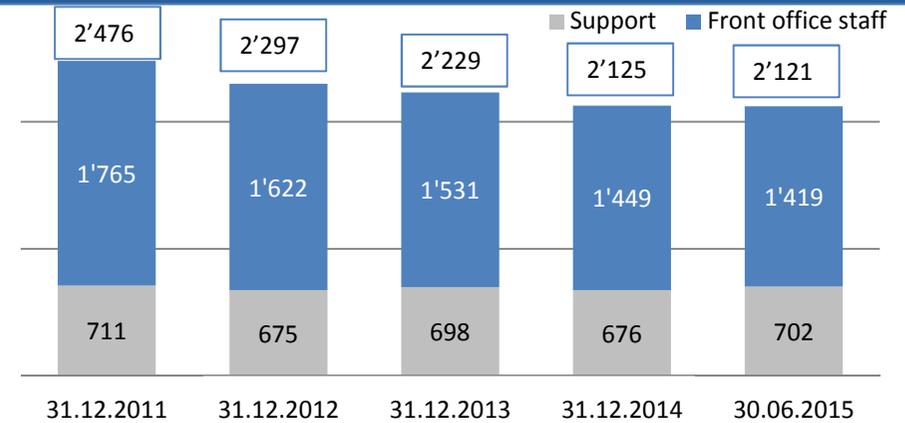
IDB underlying operating margin up to 9.2% from 7.8%

Focus on performance management

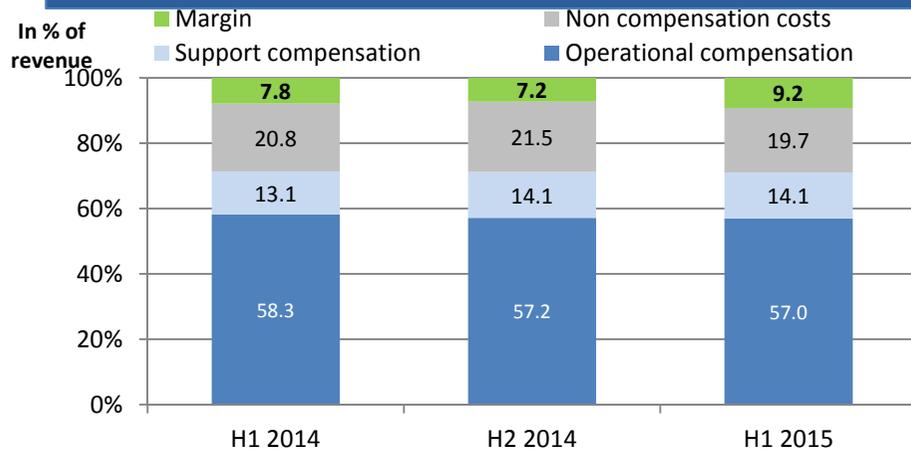
Underlying operating profit



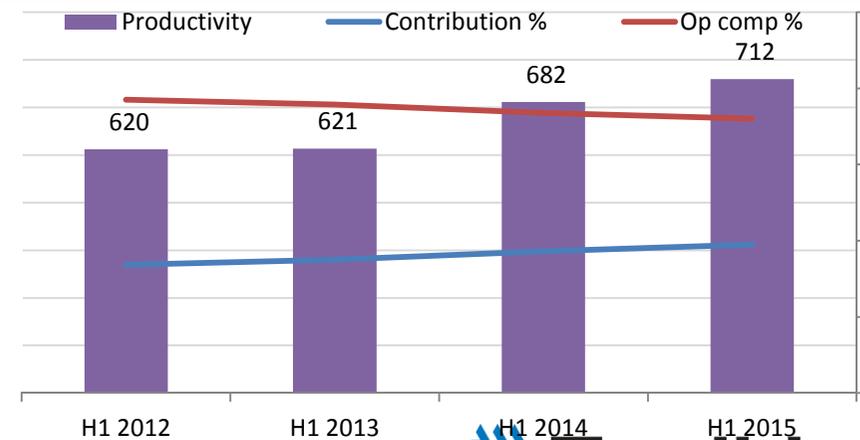
IDB Headcount trend



IDB underlying operating ratios



Other KPIs



Net profit – Group share of CHF 21.8m

Reduction in effective tax rate

Reported operating profit

M CHF	H1 2015	H1 2014	Var cst.	Var cur.
Underlying adjusted operating profit	45.0	35.8	+28.3%	+25.6%
Amortisation of intangibles	-	-0.5		
Net exceptional expenses	-2.0	-4.6		
Adjusted operating profit	43.0	30.7	+43.4%	+40.0%
Equity method for joint ventures	-7.1	-3.9		
Operating profit as reported	35.9	26.8	+35.6%	+33.6%

Net profit – Group share

M CHF	H1 2015	H1 2014	Var cst.	Var cur.
Reported operating profit	35.9	26.8	+35.6%	+33.6%
Net financial result	-5.2	-3.7		
Share of profit of associates and joint ventures	4.3	4.1		
Profit before tax	35.0	27.2	+31.6%	+28.7%
Income tax	-10.0	-9.2	+10.6%	+8.3%
<i>Effective tax rate</i>	33%	40%		
Net profit for the period	25.0	18.0	+42.4%	+39.2%
Net profit - Group share	21.8	16.4	+36.7%	+33.0%

Net financial result

M CHF	H1 2015	H1 2014
Net interest expense	-2.9	-2.5
Net foreign exchange losses	-3.7	-1.5
Gains on financial assets at fair value	1.3	-
Other financial income	0.1	0.3
Net financial expense	-5.2	-3.7

Balance sheet

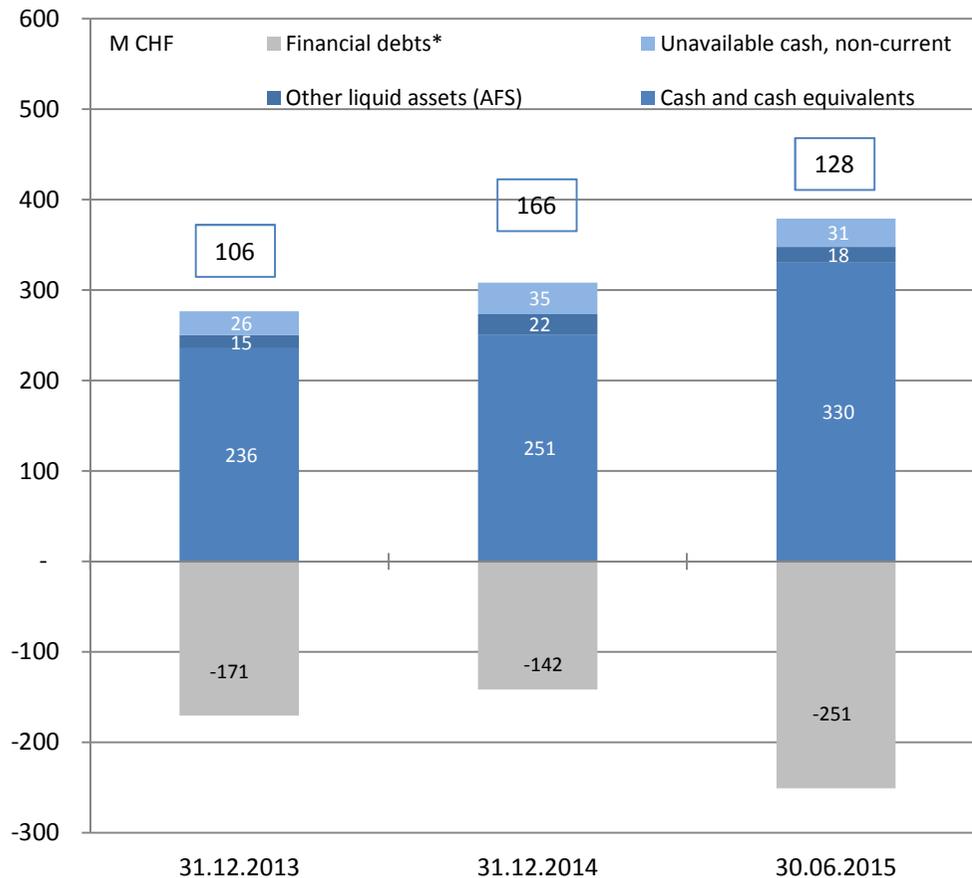
Consistent focus on sound balance sheet and capital position

M CHF	Assets		M CHF	Equity and Liabilities	
	30.06.15	31.12.14		30.06.15	31.12.14
Property, Plant & Equipment	14.6	17.7	Capital	17.5	16.8
Intangible assets	45.3	48.0	Share premium	23.9	27.8
Investments in associates and joint ventures	106.8	118.3	Treasury shares	-21.3	-12.5
Available-for-sale financial assets (AFS)	6.3	16.2	Currency translation	-148.0	-116.7
Unavailable cash	31.1	34.7	Consolidated reserves	445.2	426.3
Other non-current assets	27.7	28.6	Minority interests	11.9	12.4
Non-current assets	231.8	263.5	Equity	329.2	354.1
Receivables related to MP activities	395.2	224.3	Non-current liabilities	273.5	145.3
Receivables related to AH activities	18.6	11.1	Short term financial debts	135.8	41.0
Trade & other receivables	190.2	179.4	Payables related to MP activities	251.3	202.1
Financial assets at fair value and AFS	11.3	6.2	Payables related to AH activities	18.6	11.1
Cash & Cash equivalents	330.2	250.9	Trade & other payables	185.9	198.8
Other current assets	17.0	17.0	Current liabilities	591.6	453.0
Current assets	962.5	688.9	TOTAL EQUITY AND LIABILITIES	1 194.3	952.4
TOTAL ASSETS	1 194.3	952.4			

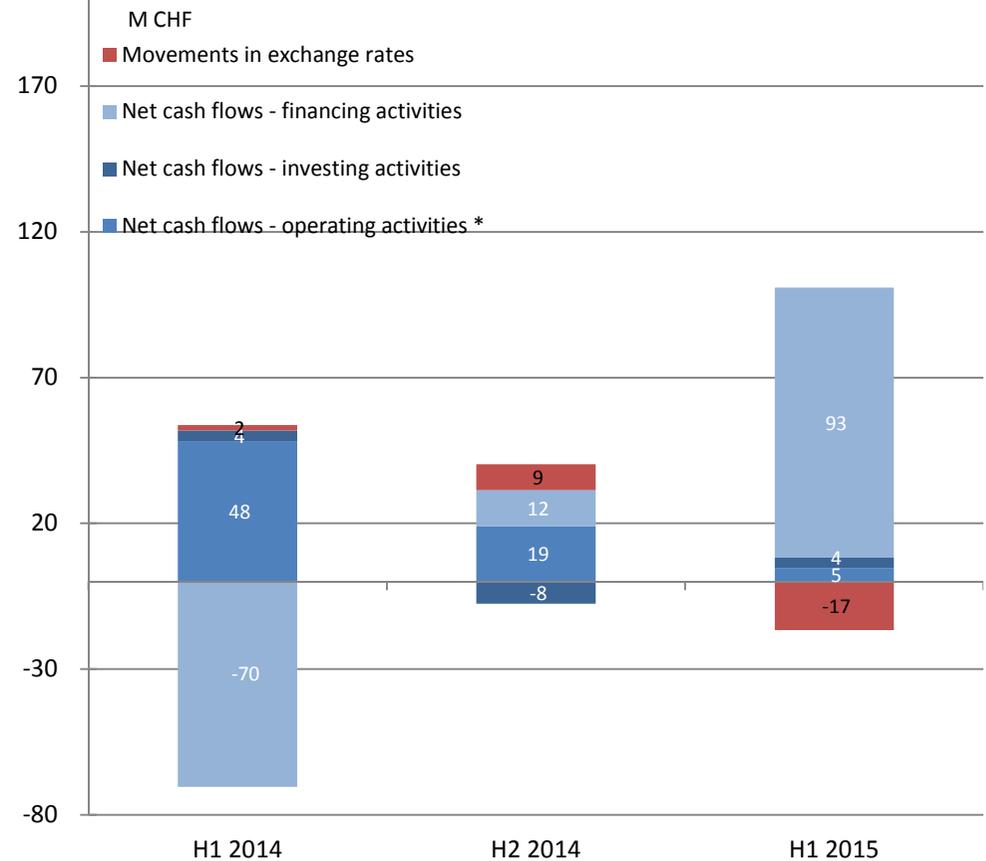
Net cash position

New bond issuance, taking advantage of attractive market conditions

Net cash position trend



Net adjusted cash flows trend*

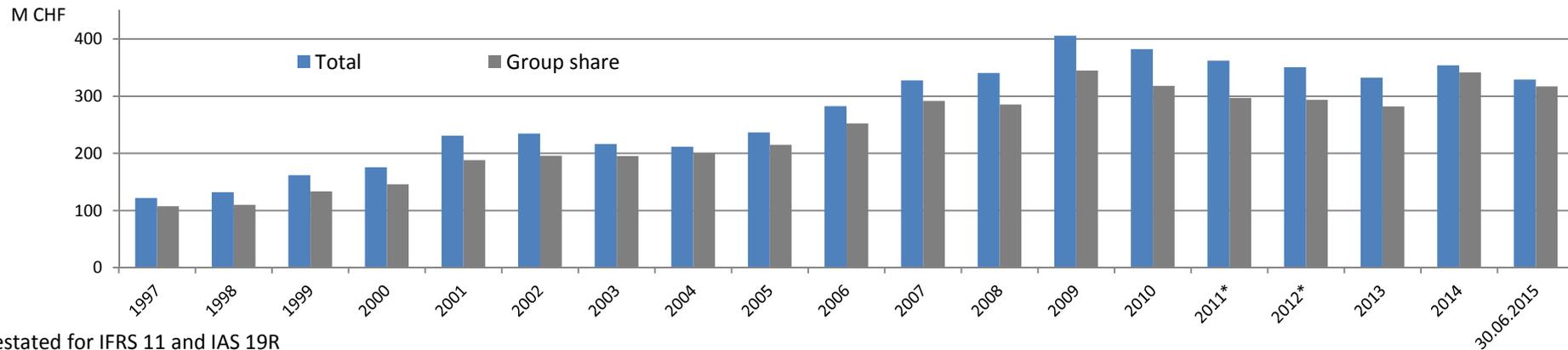


* Adjusted from variation in MP activities

Shareholders' equity and capital structure

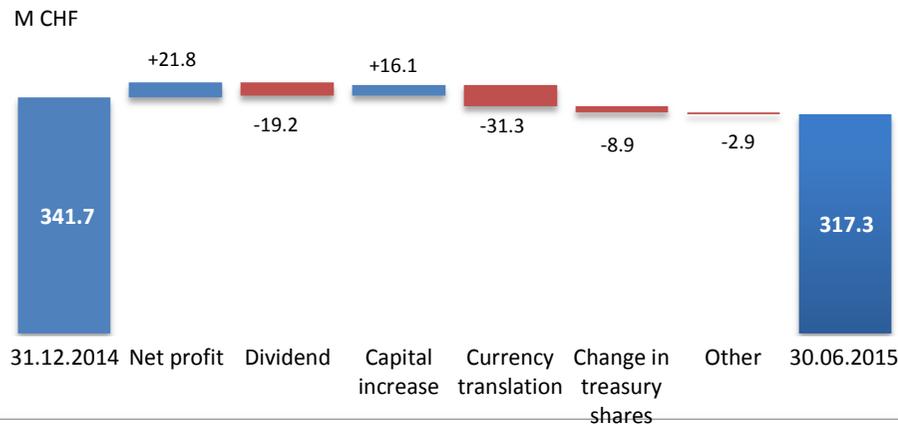
Significantly differentiates the Group from its competitors

Shareholders' equity trend

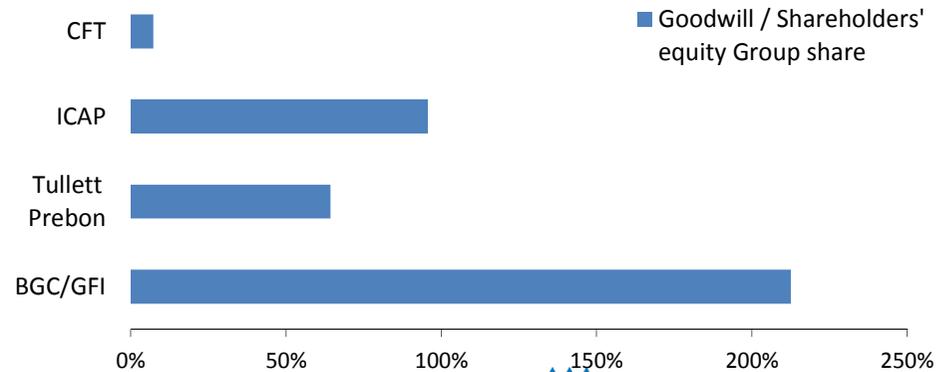


*Restated for IFRS 11 and IAS 19R

Shareholders' equity – Group share bridge



Capital structure comparison¹



Outlook

- First half adjusted revenue positive trend confirmed through year-to-date August
- Focus on operational performance management
- Optimise IT organisation and confirm roll out priorities
- Replicate in Europe the SEF achievements ahead of MiFID II implementation