



Compagnie Financière Tradition

Operating profit and margin up, benefiting from costs reduction measures**Net profit Group share of CHF 40.5m, up 49.2%****Dividend increase to CHF 3.50**

<i>CHF m</i>	2015	2014	Variation in constant currencies
Reported revenue	814.5	837.5	-1.7%
Operating profit	59.1	41.2	+45.5%
Operating margin	7.3%	4.9%	
Net profit Group share	40.5	27.7	+49.2%
Consolidated equity Group share	356.8	341.7	+7.8%
Adjusted* revenue	873.8	894.5	-1.1%
Adjusted* operating profit	72.5	49.8	+48.6%
Adjusted operating margin	8.3%	5.6%	

* with proportionate consolidation method for joint ventures ("Adjusted").

Overview

In 2015, the Group faced a stabilizing market environment. Activity levels were overall indeed more stable despite a noticeable decrease in the fourth quarter mostly resulting from a base effect in comparison with the equivalent period last year. There are still differences among the geographic regions while some markets, particularly in Europe, remained under pressure. Moreover, the prolonged low interest rates and a continued evolving market structure as a result of regulatory developments affected certain asset classes.

Against this backdrop, the Group posted consolidated revenue of CHF 814.5m compared with CHF 837.5m in 2014, a decrease of 1.7% in constant currencies.

During the year, the Group remained focused on cost management, this being now embedded in the day-to-day operations. Measures were implemented to reduce fixed costs and increase flexibility, while minimising reorganisation costs.

At the same time, the Group maintained its investments in technology, essential to respond to the new regulatory landscape, in particular as part of Tradition SEF activities, and especially through Trad-X, Tradition's market leading hybrid trading platform for interest rate swaps.

Reported operating profit for the year increased by 45.5% in constant currencies to CHF 59.1m compared with CHF 41.2m in 2014, benefiting from costs reduction measures.

The Group maintained its focus on a sound balance sheet with a strong capital position while keeping a low level of intangible assets and a strong net cash position.

Adjusted revenue and operating profit

The Group's adjusted consolidated revenue was CHF 873.8m compared with CHF 894.5m in 2014, a decrease of 1.1% at constant exchange rates. The adjusted revenue from interdealer broking business (IDB) was down 2.3% in constant currencies while the forex trading business for retail investors in Japan (Non-IDB) was up 57.3%.

The adjusted operating profit was CHF 72.5m, compared with CHF 49.8m in 2014, an increase of 48.6% in constant currencies. The adjusted operating margin improved to 8.3% of consolidated revenue against 5.6% in 2014.

The IDB adjusted operating profit was up 36.2% in constant currencies to CHF 64.1m for a margin of 7.6% compared with 5.4% in 2014.

In addition, the operating profit of Gaitame.com reached CHF 8.4m compared to CHF 2.1m in 2014, for an operating margin close to 33% against 12.1% in 2014.

Net profit

Consolidated net profit was CHF 45.2m compared with CHF 32.0m in 2014 with a Group share of CHF 40.5m against CHF 27.7m in 2014, an increase of 49.2% at constant exchange rates.

Balance sheet

At 31 December 2015, consolidated equity stood at CHF 370.0m of which CHF 356.8m was attributable to shareholders of the parent (31 December 2014: CHF 341.7m), net of treasury shares amounting to CHF 21.5m (31 December 2014: CHF 12.5m), representing a price-to-book ratio of 1.2.

Total adjusted cash, including financial assets at fair value, net of financial debt, was CHF 154.5m at 31 December 2015 against CHF 153.4m at 31 December 2014. At 31 December 2015, total adjusted cash reached CHF 227.5m, including our share of net cash held by joint ventures.

Dividend

At the Annual General Meeting to be held on 19 May 2016, the Board will be seeking shareholders' approval to pay a dividend of CHF 3.50 per share (yield close to 5.5%¹) compared to an amount of CHF 3.0 per share in the previous year.

Outlook

In a consolidating industry, the Group positions itself as one of the three global leaders of the IDB sector. With a sound balance sheet, the Group will focus on external and organic growth opportunities resulting, on one hand, from the evolving regulatory environment putting pressure on smaller players and on the other, the industry consolidation. Moreover, the Group will also continue its focus on cost management including the optimization of its investments in technology.

¹ At 10 March 2016: CHF 64.00 per share

ABOUT COMPAGNIE FINANCIERE TRADITION SA

Compagnie Financière Tradition SA is one of the world's largest interdealer brokers in over-the-counter financial and commodity related products. Represented in 28 countries, Compagnie Financière Tradition SA employs 2,200 people globally and provides broking services for a complete range of financial products (money market products, bonds, interest rate, currency and credit derivatives, equities, equity derivatives, interest rate futures and index futures) and non-financial products (energy and environmental products, and precious metals). Compagnie Financière Tradition SA (CFT) is listed on the SIX Swiss Exchange.

For more information, please visit www.tradition.com.

MEDIA CONTACTS

Patrick Combes, President
Compagnie Financière Tradition SA
+41 (0)21 343 52 22
actionnaire@tradition.ch

Jeremy Nieckowski
Voxia communication
+41 (0)22 591 22 65
jeremy.nieckowski@voxia.ch