**TFS** Tradition Financial Services

## NEWS RELEASE

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### TFS Energy, a Subsidiary of Compagnie Financière Tradition, Hosts a Weather Derivatives' Dutch Auction, Which Transfers In Excess of $70MM of Risk

**NEW YORK, October 26, 2005** – Tradition Financial Services (TFS), a leading over-the-counter brokerage firm, today announced its energy division, TFS Energy, LLC, completed a successful Dutch Auction on behalf of Centrica Energy, a subsidiary of Centrica PLC, the parent company of British Gas, the United Kingdom's leading household gas and electricity supplier. TFS Energy solicited offers for a "look back selective Asian Put option" for the period of October to December 2005 (A4 05), based on the average of the average daily temperature of the coldest 50 days of Q4 05. All put offers came directly through TFS Energy and had to be received by 15:00 BST, Thursday, September 22, 2005.

"TFS would like to thank Centrica Energy for placing approximately $70,200,000 of risk and for choosing us to manage a deal of this magnitude," stated Kendall Johnson, Global Manager of TFS Weather Derivatives. He continued, "The involved counter parties and the amount of risk the weather market was willing to bear are testaments to growth that this market is continuing to experience."

TFS's weather desks are located in Stamford, London, and Sydney.

#### Editor Notes on the Dutch Auction
Offers were accepted in minimum tick increments of 100,000 GBP and could be made for all or part of the total size of the option.

In the event there were multiple successful offers, all offers were filled until the entire tick/cap capacity for the structure was exhausted. All clearing offers then received the highest clearing price for their offer.

#### About TFS
Founded in 1985, TFS is a market leader in the brokering of financial and non-financial products.  With offices worldwide, the Company covers currency options, equity derivatives, freight, precious metals, energy and pulp & paper markets.  TFS Energy brokers a full spectrum of OTC energy and energy-related physical and derivative products (including electricity, natural gas, crude oil and refined products, coal, environmental products and weather derivatives) and exchange-traded futures and options. In *Energy Risk*'s annual broker polls, TFS has 46 number one rankings over the past decade in commodities such as fuel oil, natural gas, electricity, weather, jet fuel, gasoline and crude oil. In *Environmental Finance*'s 2004 market survey, TFS was voted as "The Best Broker of the Year in Weather Derivatives: North America, Europe and Asia". TFS is a subsidiary of Compagnie Financière Tradition (CFT), one of the world's top three brokers in financial and

commodity-related products with a presence in 18 countries and 2,000 employees. CFT is listed on the Swiss Exchange (Symbol: CFT). For further information, please visit www.tfsbrokers.com.

**About Centrica Energy**
Centrica Energy, a subsidiary of Centrica plc, sources the gas and electricity needed to supply UK residential and industrial customers of Centrica plc's British Gas through a team of specialists. Centrica Energy consists of upstream gas production, electricity generation and renewable asset operations, wholesale and certain industrial gas sales activities, and an energy procurement optimisation and scheduling unit. Centrica Energy was a very early participant in the weather derivatives market, having placed its first large weather derivative contract in 1999. Through its Accord Energy subsidiary it has been actively trading weather derivatives since 2000. Centrica Energy placed a pioneering large multi-year weather contract in 2002. It now hedges large volumes of weather risk each year, and weather risk management is firmly embedded into its corporate risk management practices. For further information, visit www.centrica.com

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