

2011 First Half Results



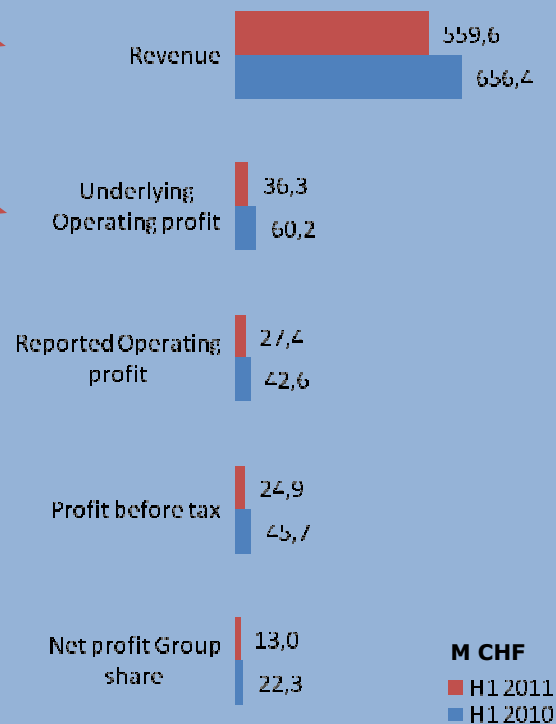
Compagnie Financière Tradition

Highlights

Performance

Revenue in constant currencies -2.7%

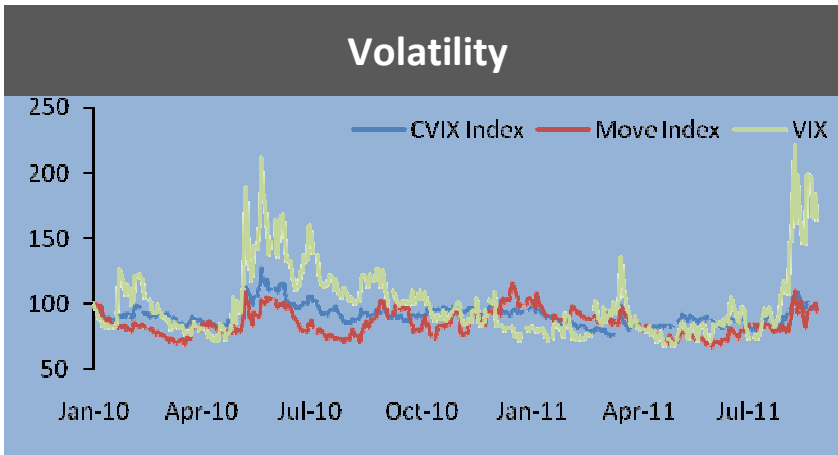
Underlying margin 6.5%



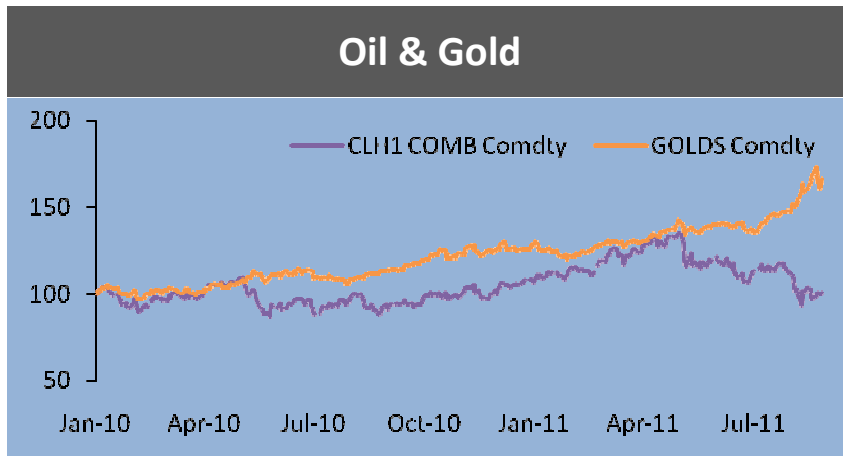
- First half affected by the strength of the Swiss franc and the performance of our Japanese retail business
- For the IDB business, strong underlying performance through the first quarter followed by a much quieter second quarter due to lower activity levels
 - An industry wide experience
- Strongest performances have come from all the main centres in Asia Pacific
- The Trad X electronic platform commenced trading in Euro swaps in London in the third week of May
 - Investment to customise the platform for more functionality and products continues
- Gaitame improved performance from year end lows following reorganisation and increased volatility on the Yen
 - Breakeven reached in Q2

Macro environment

Volatility



Oil & Gold



First quarter 2011

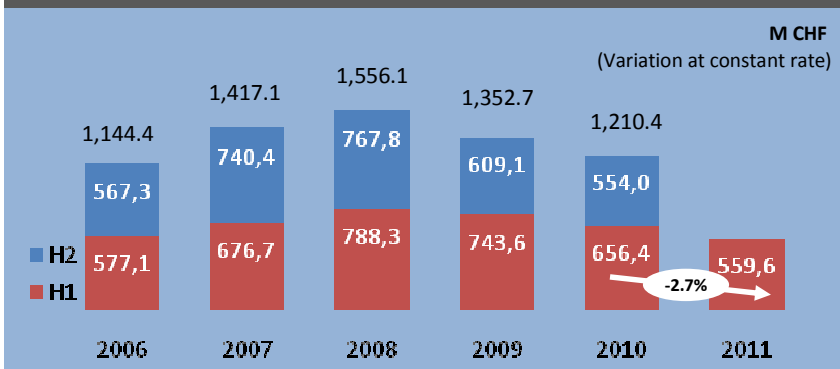
- Context marked by QE2 implementation in the United States and better than expected company results
- Spikes in volatility, geopolitical events in North Africa and the middle East taking center stage
- Inflation pressures rising with commodity prices
- Japan's tragedy
- March a long month

Second quarter 2011

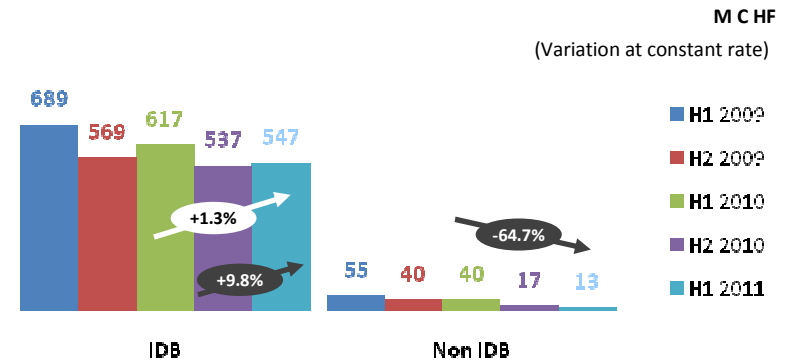
- Another round of de-risking, yet the need to hedge and reposition, due to uncertainties around
 - Sovereign debt issues in the Eurozone
 - Soft patches in the U.S. recovery and a potential technical US treasury default
- Low levels of volatility except in energy prices
- Tightened monetary policies in key emerging markets economies
- Delays in the stepping stones on the financial reforms on both sides of the Atlantic and persisting lacklustre banking sector
- April a very short month and an active second quarter in 2010

Group revenue

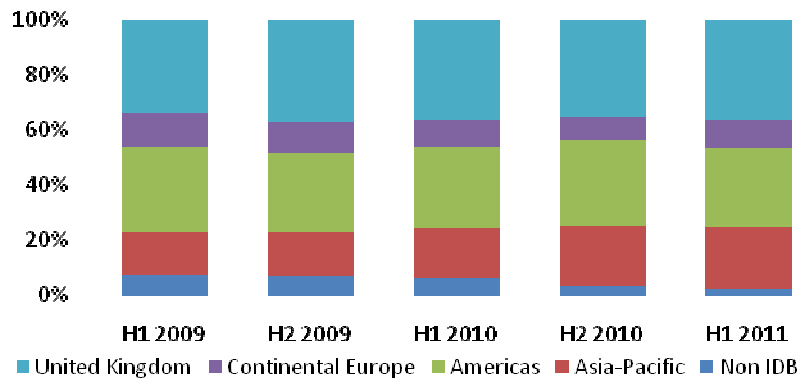
Half year / yearly revenue



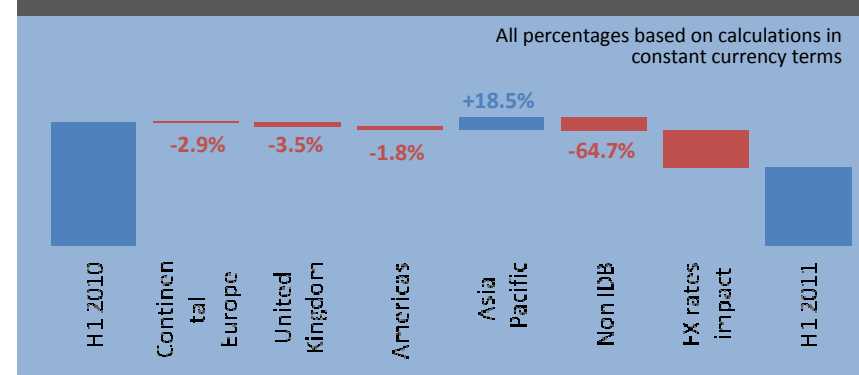
Half-yearly trend by business line



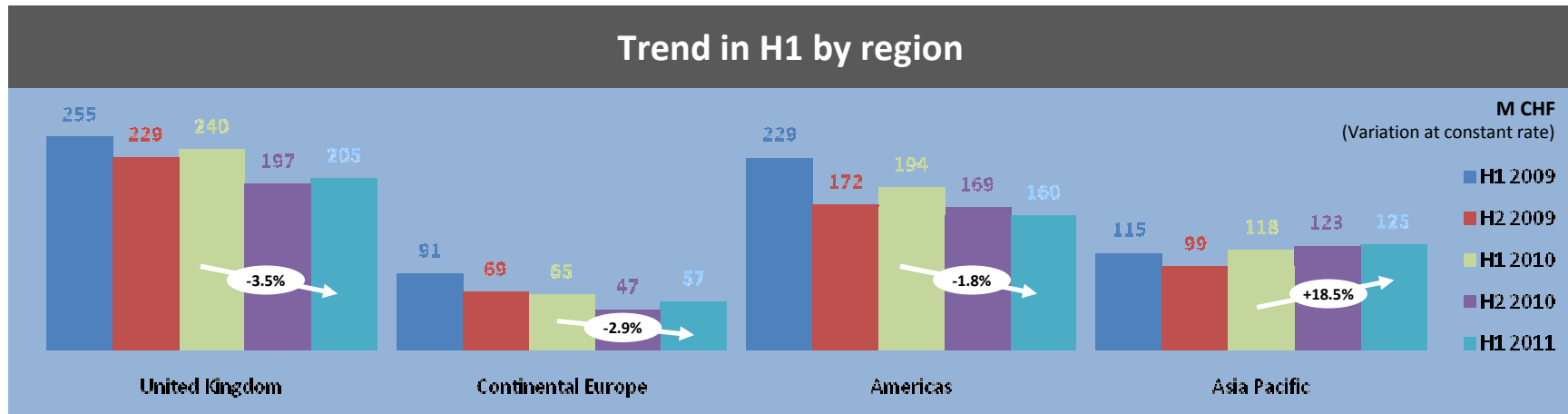
Revenue by region



Regional bridge



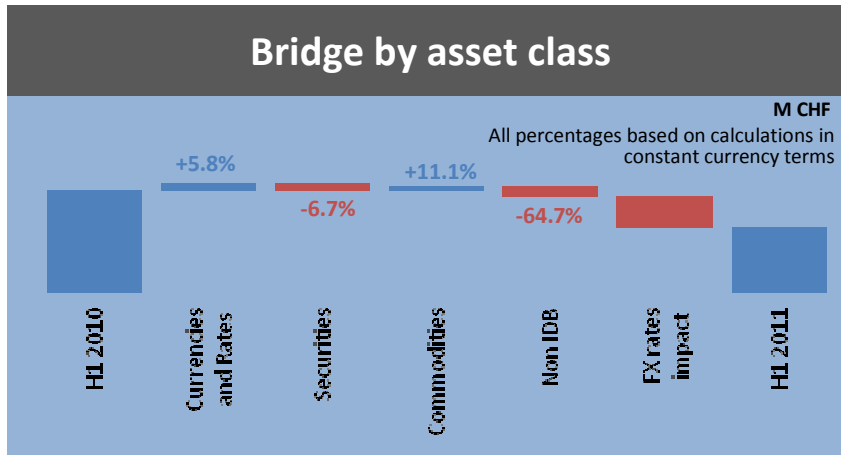
IDB regional revenue



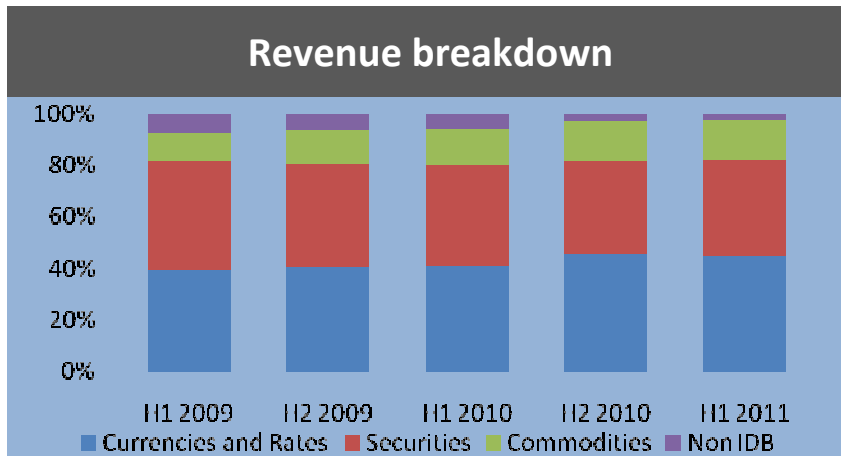
- UK
 - Landmark launch of Trad-X
 - Difficult markets in Equities
 - Growth in Commodities
- Continental Europe
 - Mixed market conditions for bonds
 - More positive developments in listed products
- Americas
 - Growth in Commodities
 - Difficult markets in Equities and CDS
- Asia-Pacific
 - Favorable economic conditions
 - Leveraging strong franchise and footprint
 - Investment in staff in H2 2010 and 2011

IDB product mix

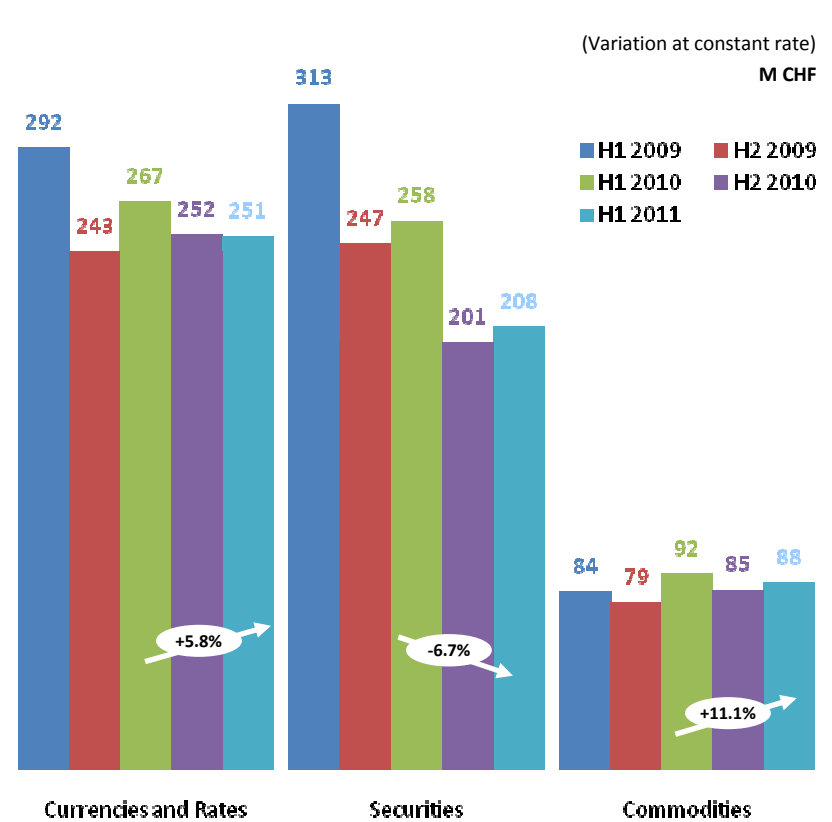
Bridge by asset class



Revenue breakdown



Trend in H1 - IDB products



Operating performance

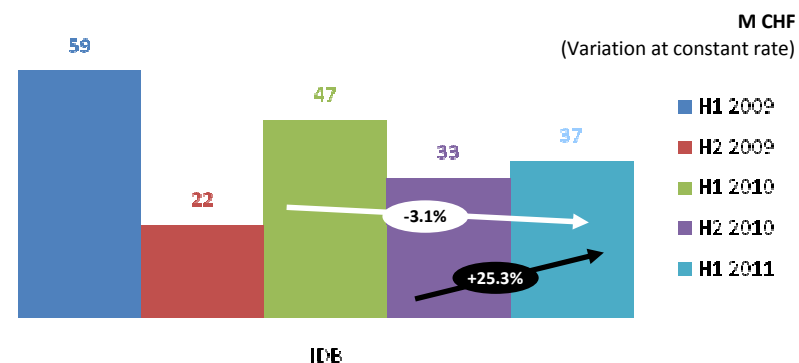
Group operating performance

M CHF	H1 2011	H1 2010	Variation constant	Variation current
Revenue	559.6	656.4	-2.7%	-14.8%
Net operating expenses	-532.2	-613.8	-1.4%	-13.3%
Reported operating profit	27.4	42.6	-20.3%	-35.7%
Reported operating margin	4.9%	6.5%		
Amort. and impairment of intangibles	7.9	10.5		
Exceptional expenses	6.4	7.1		
Exceptional income	-5.4	-		
Underlying operating profit	36.3	60.2	-25.9%	-39.7%
Underlying operating margin	6.5%	9.2%		

Underlying IDB operating ratios

In %	H1 2011	H1 2010
revenue	100.0	100.0
Compensation costs	74.8	73.1
Operational	61.8	61.2
Administrative	13.0	11.9
Operational: variable/ total compensation	44.2	44.5
Telecom & Market data	6.4	6.3
Travel / Business / Marketing	4.6	4.7
Rent and occupancy	2.5	2.5
Other net operating expenses	3.6	4.4
Amortisation/Depreciation and impairment losses	1.3	1.4
Underlying operating margin	6.8	7.6

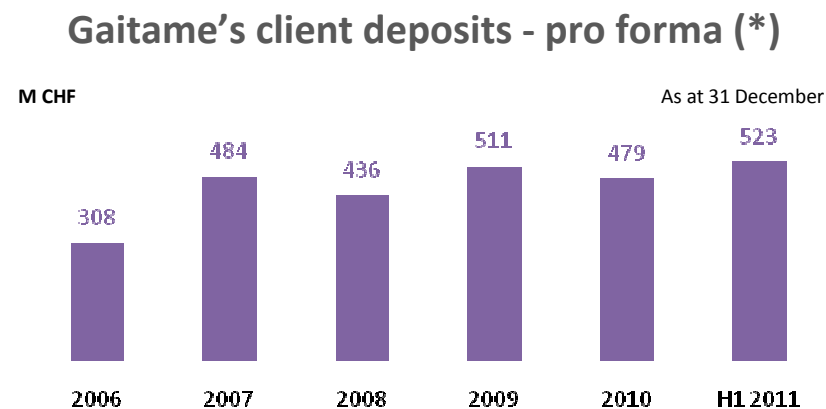
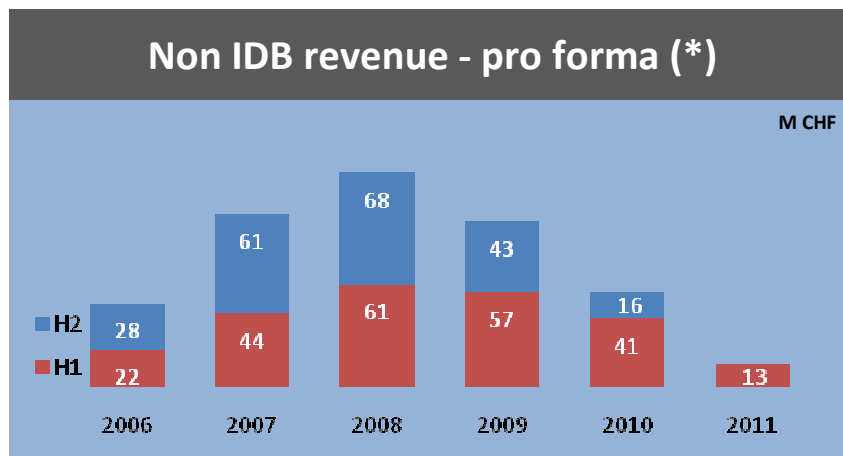
Half-yearly IDB business underlying op. profit



Other KPIs

Number of brokers	1 483
Brokers - Ytd variation (Hires/Terminations)	+7 (+136/-129)/+0.5%
Brokers annualised productivity (CHF)/Yoy variation in cst curr.	658 k / +3.9%
Support staff (of which other front office staff)	1 002 (190)
Number of Support staff - Ytd variation	-6 / -0.6%

Non IDB business – Gaitame performance



- Market ultimately transitioning to the 25:1 leverage limit for retail traders (Aug 1, 2011)
 - Expected medium term positive effects in terms of increased number of trades, higher customers' balances and reduced customer churn
- Gaitame's impact on the first half Group's operating profit amounted to a year on year decrease of CHF 13.7m
- Gaitame ahead of its recovery plan for 2011, both in terms of revenue and profitability
- Wide array of possible strategic options thanks to scale, balance sheet and Japanese market prospects

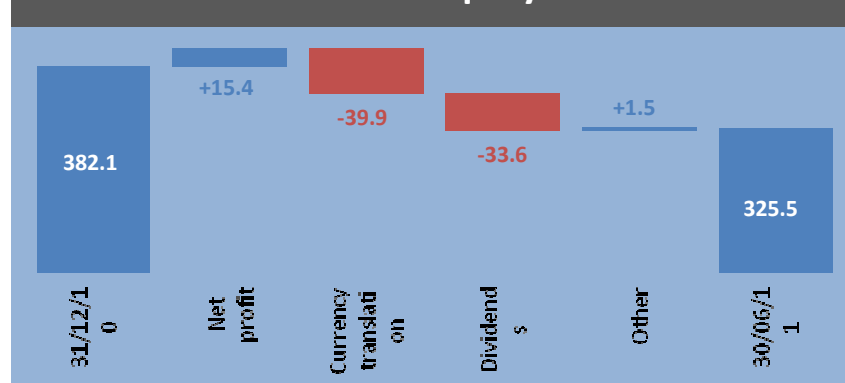
(*) At constant rate & controlling interest

Net profit and balance sheet

Net profit Group share

M CHF	H1 2011	H1 2010	Variation constant	Variation current
Reported operating profit	27.4	42.6	-20.3%	-35.7%
Net financial income	-1.7	2.5		
Share of profit of associates	-0.8	0.6		
Profit before tax	24.9	45.7	-36.1%	-45.5%
Income tax	-9.5	-17.0		
Net profit for the period	15.4	28.7	-35.4%	-46.2%
Group share	13.0	22.3	-29.8%	-41.6%

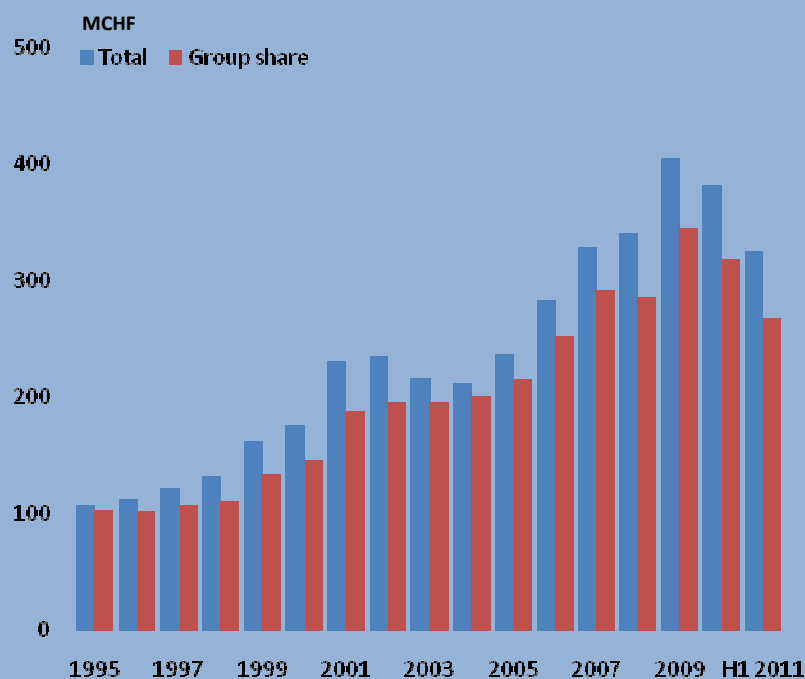
Total Equity



M CHF	Assets		M CHF	Liabilities	
	30.06.11	31.12.10		30.06.11	31.12.10
Tangible assets	28.8	36.0	Capital	15.4	15.4
Intangible assets	69.9	73.0	Share premium	53.1	53.1
Investments in associates	39.7	44.1	Treasury shares	-6.1	-5.8
Available-for-sale financial assets	8.7	7.5	Currency translation	-126.0	-92.3
Unavailable cash	29.5	33.2	Consolidated reserves	331.7	347.7
Other non-current assets	33.4	34.4	Minority interests	57.4	64.0
Non-current assets	210.0	228.2	Equity	325.5	382.1
Receivables related to MP activities	264.7	52.2	Non-current liabilities	32.5	38.2
Receivables related to AH activities	541.3	510.0			
Trade & other receivables	230.7	210.3	Short term financial debts	148.9	147.3
Financial assets at fair value	11.8	10.5	Payables related to MP activities	254.3	50.5
Cash & Cash equivalents	277.8	352.3	Payables related to HA activities	542.4	511.8
Other current assets	21.4	20.3	Trade & other payables	254.1	253.9
Current assets	1,347.7	1,155.6	Current liabilities	1,199.7	963.5
TOTAL ASSETS	1,557.7	1,383.8	TOTAL EQUITY AND LIABILITIES	1,557.7	1,383.8

Balance sheet

Shareholders' equity



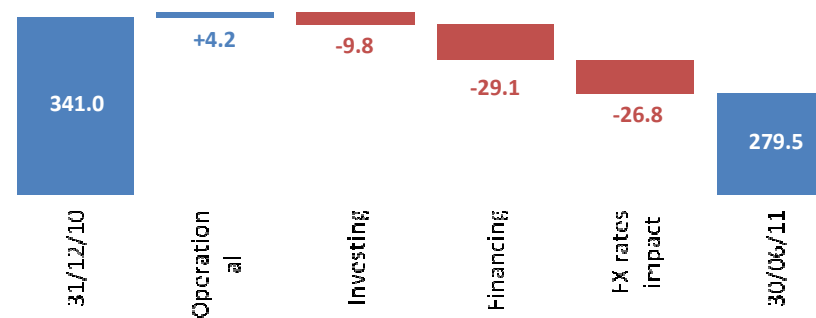
IFRS since 2004, Treasury shares deducted from shareholders equity since 2004

Cash and debt

MCHF	30.06.2011	31.12.2010
Cash & cash equivalents	277.8	352.3
Bank overdraft (*)	-3.1	-9.2
Adjustments from changes in AH & MP activities	4.8	-2.1
Adjusted gross cash for cash flow statement	279.5	341.0
Financial assets @ fair value	11.8	10.5
Financial debt (**)	-142.1	-137.0
Adjusted net cash	149.2	214.5

(*) Excluding bank overdraft linked to matched principal activities (**) Excluding bank overdraft

Adjusted gross cash



Regulatory developments – Moving slowly

- Unchanged themes, but G-20 broad commitments severely tested
 - Complex task to translate them into workable rules while preserving resilient markets
 - Much needed but challenging coordination, nationally and internationally
 - Trade off between financial system safety and economic growth and other risks of unintended consequences
- H1 marked by delays on both sides of the Atlantic, but many firms gearing up to comply with new direction

	EXECUTION	CLEARING AND REPORTING	CAPITAL REQUIREMENTS
United States	Dodd-Frank Act (DFA) Title VII Rule making deadline extended to 31 December	DFA Title VII Rule making deadline extended to 31 December	Basel III/DFA Titles I & VI Collins amendment part of section 171, Title I – final rule proposed in June 2011 / Implementation of Basel III: Notice of Proposed Rule making planned end 2011
Europe	MiFID 2 (*) EC legislative proposal expected October	EMIR (*) adoption expected October/November	Basel III/CRD IV (*) EC legislative proposal released in July
Positive steps	Broad definition of a trade execution platform IDBs should qualify as SEF/OTF (*) Expected calibration of pre-post trade transparency regimes	General benefits of CCP clearing : counterparty risk, operational efficiency Transparency to regulators through Trade Repositories Open and fair access to CCPs / User choice model	Better capitalised banking industry Theoretically phased implementation
Concerns/ Unknowns	New market structure rules that have little, if anything, to do with safety and soundness No clear definitions and timeline yet Consistency with other new legislations (in Europe) Financial transaction tax	CCPs not a panacea, new risks at stake Agreement on rules for clearing, clearing houses and trade repositories should come first Third countries recognition Costs for end users Scope (in Europe) extended or not to listed derivatives	Final recommendations on SIFIs(*) additional buffers International discrepancies Investors' expectations ahead of regulatory deadlines Ring fencing requirements

(*) EMIR = Proposal for a regulation on OTC derivatives, central counterparties and trade repositories; MiFID 2 = Review of the Markets in Financial Instruments Directive; CRD IV = further possible changes to the Capital Requirement Directive; SEF = Swap Execution Facility; OTF = Organised Trading Facility; SIFI=Systematically Important Financial Institutions

Trad-X – Successful launch

- March 15, 2011: Announcement of the launch of a hybrid trading platform initially available for Interest Rate Swaps
- May19: Effective launch, with significant volume and industry-wide recognition as of the start
 - 1900 orders in Euro interest swaps with a notional value of over €112bn transacted in the first two months
- 11 founder streaming participants among the leading banks, including:
 - BNP Paribas, Citi, Credit Suisse, Goldman Sachs, HSBC, Morgan Stanley, Nomura, Société Générale, Royal Bank of Scotland and UBS
 - Bank arrangements designed to enhance liquidity
- Proprietary technology, multi-asset class, rich and flexible functionalities
 - Trad-X enables fully electronic order entry, whilst leveraging the benefits of execution capability of Tradition's voice brokers
- MiFID-compliant, and is as much as possible designed to be compliant once new regulations are in force in Europe (MiFID 2) and in the United-States (Dodd-Frank Act)
 - Currently regulated as a Multilateral Trading Facility (MTF)
- Platform designed with the help of the trading community

Outlook

- Continue reorganisation of Gaitame
- Continue to build-out electronic broking model across products and geographies
- Sustain and leverage market leadership amongst IDBs in Asia-Pacific
- Maintain historical focus on sound balance sheet and capital position
- Continue to implement cost reduction programs in mature IDB businesses

2011 First Half Results



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