



Compagnie Financière Tradition

Growth of adjusted* revenue by 11.3% in constant currencies to CHF 502.7m

Increase of adjusted operating profit before exceptional items by 31.4% to CHF 57.0m

Net profit Group share up 15.7% to CHF 31.8m

<i>CHF m</i>	H1 2018	H1 2017	Variation in current currencies	Variation in constant currencies
Reported (IFRS)				
Revenue	459.8	411.4	+11.8%	+10.3%
Operating profit	41.5	37.2	+11.7%	+9.1%
Operating margin	9.0%	9.0%		
Net profit Group share	31.8	27.4	+15.7%	+13.1%
Adjusted*				
Revenue	502.7	445.7	+12.8%	+11.3%
Operating profit before exceptional items	57.0	43.4	+31.4%	+28.3%
Operating margin before exceptional items	11.3%	9.7%		

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

Overview

The Group's overall activity improved during the period, growing compared with the first half of 2017, benefiting in particular from a positive market environment. Moreover, the interdealer broking business (IDB) benefited from recruitment efforts of specialised brokers to reinforce the Group's presence in a number of regions and asset classes.

Against this backdrop, the Group's adjusted consolidated revenue for the first six months reached CHF 502.7m compared with CHF 445.7m in the first half of 2017, a rise of 12.8% at current exchange rates, or 11.3% in constant currencies. Adjusted revenue from IDB business rose 11.0% in constant currencies to CHF 485.5m while the forex trading business for retail investors in Japan, Gaitame.com, was up 21.4% to CHF 17.2m.

The Group's performance in the first half of 2018 helped generate a substantial increase in its direct contribution, up by nearly CHF 23m, however impacted by an increase in exceptional costs. Thus adjusted operating profit before exceptional items was CHF 57.0m against CHF 43.4m in the first half of 2017, a rise of 31.4% at current exchange rates and 28.3% in constant currencies, for an operating margin of 11.3% and 9.7% respectively. Exceptional costs represented CHF 7.3m against CHF 1.8m during the previous period.

Reported revenue and operating profit

The Group reported consolidated revenue (IFRS) of CHF 459.8m against CHF 411.4m in the first half of 2017, up 10.3% in constant currencies.

Reported operating profit for the period was up 11.7% in current currencies, or 9.1% in constant currencies, to CHF 41.5m compared with CHF 37.2m in the first half of 2017.

Net profit

The financial result represented a net expense of CHF 2.3m in the first half of 2018 against CHF 4.7m for the previous period. Net financial result mainly included interest expense on bank borrowings and bonds, net of interest income from the investment of short-term cash as well as net foreign exchange differences due to exchange rate fluctuations.

The share in the results of associates and joint ventures was CHF 6.5m against CHF 3.2m in the first half of 2017, a rise of 104.0% at current exchange rates and 102.7% in constant currencies, thanks to the Group's good performance in Mainland China and that of Gaitame.com.

Consolidated net profit was CHF 33.9m compared with CHF 28.6m in the first half of 2017 with a Group share of CHF 31.8m against CHF 27.4m in 2017, an increase of 15.7% in current currencies and 13.1% in constant currencies.

Balance sheet

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. Before deduction of treasury shares of CHF 30.6m, consolidated equity amounted to CHF 425.9m at 30 June 2018 with an adjusted cash of CHF 209.5m, including Group share of net cash held by joint ventures.

At 30 June 2018, consolidated equity stood at CHF 395.2m (31 December 2017: CHF 398.4m) of which CHF 378.7m was attributable to shareholders of the parent (31 December 2017: CHF 382.9m). Total adjusted cash, including financial assets at fair value, net of financial debt, was CHF 125.0m at 30 June 2018 against CHF 137.9m at 31 December 2017.

Outlook

In the second half, the Group will remain focused on external and organic growth opportunities in order to further enhance its product portfolio, against a backdrop of advanced consolidation in the industry around three global players, including Compagnie Financière Tradition.

Half year report

The 2018 half year report of Compagnie Financière Tradition SA is now available on the Company's website at <http://tradition.com/financials/reports.aspx>

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 29 countries, Compagnie Financière Tradition SA employs more than 2,225 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.

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