

For immediate release

FLOW TRADERS REPORTS FIRST QUARTER 2016 RESULTS

Amsterdam, the Netherlands, 4 May 2016 - Flow Traders N.V. (“Flow Traders”) (Euronext: FLOW) today announced its 1Q16 results. The results show a continuation of our structural growth path. For 1Q16, ETP Value Traded for Flow Traders reached €151 billion¹² (+12% quarter-on-quarter) with strong performances in both Europe and the Americas, the biggest and most competitive ETP market in the world. In Asia, the performance was more moderate in 1Q16 on a quarterly basis, although 4Q15 performance was influenced by a one-off benefit. Overall, Net Trading Income came in at €64.6 million, in line with 4Q15. This is also a reflection of a shift in volumes traded towards more liquid, blue chip ETPs, which are usually characterized by relative tight spreads. Going forward, our focus will continue to be on organic growth by increasing the volumes we trade and optimizing our revenue capture, while we aim to grow at a faster pace than the growth of the ETP Assets under Management.

Flow Traders 1Q16 Key Highlights

- On-Exchange Market ETP Value Traded grew to €4.3 trillion in 1Q16, a 14% increase quarter-on-quarter, triggered by increased trading activity in EMEA and the Americas, especially in January and February
- ETP Value Traded by Flow Traders increased from €135 billion in 4Q15 to €151 billion in 1Q16 (+12%)
- Net Trading Income (NTI) was €64.6 million in 1Q16, stable versus €64.5 million in 4Q15, with strong performances in EMEA (+19% quarter-on-quarter) and the Americas (+27% quarter-on-quarter)
- Revenue Capture was 4.3 bps in 1Q16 versus 4.8 bps in 4Q15
- The EBITDA Margin somewhat improved quarter-on-quarter from 48% to 50% in 1Q16, as a result of our tight cost control. EBITDA 1Q16 was €32.3 million
- Net Profit was €23.2 million in 1Q16, versus €29.8million in 4Q15. Main driver was the tax benefits recognized during 4Q15, compared to a more normal effective tax rate in 1Q16
- EPS 1Q16 is €0.50, taking into account a one-off write down on a non-core asset part of our infrastructure, impacting our EPS by €0.04 negatively this quarter. This write down will structurally reduce our operating expenses by €1.2 million annually going forward

Dennis Dijkstra, Co-CEO of Flow Traders commented: “In the first quarter of 2016, Flow Traders continued to execute on its long term growth strategy, especially in EMEA and the Americas. We reported a quarter-on-quarter stable Net Trading Income of €64.6 million. Operating expenses developed in line with expectations. On the cost side, we decided to write down part of our non-core infrastructure and cancel the sale process, which impacted our EPS by €0.04 in 1Q16, but will result in structural savings of €1.2 million annually going forward. Our goal for 2016 remains to continuously improve our business and increase the ETP Value we trade. We continue to do this by improving our pricing power, our infrastructure and our risk management framework, so we grow organically at a faster pace than the Assets under Management growth in the ETP space. We are also looking forward to the implementation of new regulation, like MiFID2, as it will bring greater transparency and a level playing field. This will help liquidity providers like us to improve our visibility and show our competitive strength.”

¹ All numbers presented in this press release are unaudited numbers. For definitions of non-IFRS financial measures used in this press release, please refer to the 1Q16 analyst presentation, which is available on www.flowtraders.com after the conference call, for further explanation.

² In this press release, all On-Exchange Market ETP Value Traded reported are based on a new method, which uses a more controllable source to ensure that we capture global ETP Value Traded for all three regions we operate in. Please refer to the 1Q16 analyst presentation, which is available on www.flowtraders.com after the conference call, for further explanation

Sjoerd Rietberg, Co-CEO of Flow Traders commented: “During 1Q16 the market experienced relatively more trading in the more liquid, plain vanilla ETPs with typically tighter spreads. Despite the lower market activity in February and March, our 1Q16 ETP Value Traded developed to our satisfaction in EMEA and the Americas with quarter-on-quarter growth of 19% and 27%, respectively. The performance in APAC lagged, as the shift in ETP Value Traded towards more liquid products was felt particularly in that region. For APAC, this impacted both our Revenue Capture and Net Trading Income, despite the growth in ETP Value Traded. Our overall Revenue Capture came in at 4.3 basis points in 1Q16 versus 4.8 basis points in 4Q15, which is a reflection of the market developments described earlier. Overall, in 1Q16, we generated a stable Net Trading Income, driven by a growth of 12% in our ETP Value Traded quarter-on-quarter. We believe this was a good performance in a somewhat challenging market in 1Q16.”

Historical NTI performance Flow Traders per quarter over the last 2 years

NTI (€ million)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16
Europe	23.0	17.2	28.0	45.5	51.2	45.6	52.3	33.4	39.9
Americas	9.6	4.9	6.1	14.1	12.9	8.1	17.4	12.6	16.0
Asia	4.0	2.8	4.0	13.6	12.9	16.8	23.0	18.5	8.7
Consolidated	36.6	24.9	38.1	73.2	76.9	70.5	92.8	64.5	64.6

As a result of the long term growth focus, Flow Traders’ NTI has grown substantially since 2014. The table above shows the NTI performance over the last two years. These results underline our long term structural growth with on top of that the increase of our NTI in periods of higher volatility since the beginning of 2014.

Consolidated quarterly results Flow Traders

€million, unless otherwise stated	1Q16	4Q15	Change
ETP Value Traded (€bn)	151	135	(+12%)
Net Trading Income	65	65	-
Adjusted EBITDA	32	31	+3.5%
Adjusted EBITDA Margin	50%	48%	+2%
Adjusted Net Profit	23	30	(-22%)
Adjusted EPS	0.50	0.64	(-22%)

In 1Q16 our ETP Value Traded rose 12% versus 4Q15 to €151 billion, mainly driven by our trading in EMEA and the Americas. Operational expenses developed in line with our expectations, resulting in an EBITDA Margin of 50% in 1Q16 versus 48% in 4Q15, mainly driven by additional year-end expenses in 4Q15. Net Profit was €23.2 million in 1Q16, or EPS €0.50. Main drivers were the tax benefits recognized during 4Q15, compared to a more normal expected effective tax rate in 1Q16 and the one-off tangible asset write off, impacting EPS negatively by €0.04. Overall headcount increased from 268 FTE at year-end 2015 to 288 FTE end 1Q16, to support our global leading role as an electronic ETP-focused liquidity provider.

EMEA (Europe)

€million, unless otherwise stated	1Q16	4Q15	Change
Net Trading Income	40	33	(+21%)
ETP Value Traded (€bn)	96	85	(+13%)

In EMEA the on-exchange ETP Market Value Traded was €261 billion in 1Q16 versus €220 billion in 4Q15 (+19%). Net Trading Income rose to €39.9 million, an increase of 21%, triggered by higher Revenue Capture and higher ETP Value Traded. Flow Traders' on-exchange market share remained just below 20%.

Americas

€million, unless otherwise stated	1Q16	4Q15	Change
Net Trading Income	16	13	(+27%)
ETP Value Traded (€bn)	46	41	(+12%)

In the Americas the on-exchange ETP Market Value Traded came in at €3,514 billion in 1Q16, compared to €2,970 billion in 4Q15 (+18%). ETP Value Traded by Flow Traders increased from €41 billion in 4Q15 to €46 billion in 1Q16 (+12%). Revenue Capture rose to 3.5 bps in 1Q16, up from 3.1 bps in 4Q15. This resulted in a Net Trading Income of €16 million, a 27% improvement quarter-on-quarter from €12.6 million. As mentioned in previous presentations, Flow Traders is on track to start trading directly with institutional counterparties in the US market in 2016.

APAC (Asia)

€million, unless otherwise stated	1Q16	4Q15	Change
Net Trading Income	9	19	(-53%)
ETP Value Traded (€bn)	9	9	(+2%)

In APAC, the on-exchange ETP Market Value Traded reached €522 billion, down 8% quarter-on-quarter versus €565 billion in 4Q15. ETP Value Traded by Flow Traders increased from €8.9 billion in 4Q15 to €9.1 billion in 1Q16 (+2%). Revenue Capture came in at 9.6 bps in 1Q16, a decrease versus 4Q15, which contained a one-off late benefit.

Other

Flow Traders has decided to write down part of its non-core infrastructure and cancel the sale process, which impacted our EPS by €0.04 in 1Q16, but will result in structural savings of €1.2 million annually going forward.

Current Trading and Outlook

Going forward, our focus will continue to be on Flow Traders' organic growth by increasing the volumes we trade and optimizing our revenue capture. We aim to do so by improving our pricing power, our infrastructure and our risk management framework, so we grow organically at a faster pace than the Assets under Management growth in the ETP space.

Financial Calendar 2016

19 May	AGM Flow Traders
23 May	Ex-dividend date (pending AGM approval)
24 May	Record date dividend
26 May	Payment date dividend
15 July	Start Silent Period
12 August	2H16 results
19 October	Start Silent Period
09 November	3Q16 results

Analyst Conference Call and Webcast

The analyst conference call on the results will be held at 10:00 am CET on Wednesday 4 May 2016. The presentation will also be accessible via www.flowtraders.com, where the presentation can be downloaded and the conference call can be followed via a listen-only audio webcast. A replay of the conference call will be available on the company website for at least 90 days.

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Regulatory Disclosures

We have amended and renamed our Personal Transaction Policy. Please revert to our website for the latest version of the policy. (<http://www.flowtraders.com/about-us/our-corporate-governance>)

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