

**FLOW TRADERS CONTINUES TO GROW ITS MARKET FOOTPRINT AND TO ROLL OUT STRUCTURAL GROWTH STRATEGY**

Amsterdam, the Netherlands, 24 October 2017, 07:30 hrs Amsterdam Time - Flow Traders N.V. (Euronext: FLOW) today announced its 3Q17 results (unaudited), stating that:

- Flow Traders' global market share reached over 4% in 3Q17, its highest level ever, while market activity declined further
- Flow Traders' ETP Value Traded year-to-date shows strong growth Y-o-Y (+16%) versus a declining market ETP Value Traded (-12%) over the same period
- Flow Traders' 3Q17 NTI of € 31.7m is a result of tightening spreads and further decrease in market volatility
- Flow Traders expects the declining trend in cost growth to continue in 4Q17 towards the lower end of the guided 15-20% cost growth target range for full year 2017
- Growth initiatives are underway and developing as planned in all regions
- 3Q17 EBITDA margin was 24% as a result of the operating leverage of our business model and very slow market conditions
- Flow Traders is on schedule to meet all regulatory requirements under MiFID2
- Flow Traders intends to increase the pay-out ratio to at least 75% of its net earnings over 2017, pending shareholder approval

**Overview Consolidated Quarterly and Year-to-date Results Flow Traders**

€million, unless otherwise stated	3Q17	2Q17	Change	YTD17	YTD16	Change
<b>Net Trading Income</b>	<b>31.7</b>	<b>46.7</b>	<b>(32%)</b>	<b>126.7</b>	<b>181.3</b>	<b>(30%)</b>
<i>EMEA (Europe)</i>	21.4	35.0	(39%)	87.1	113.1	(23%)
<i>Americas</i>	6.9	8.3	(16%)	28.3	50.5	(44%)
<i>APAC (Asia)</i>	3.4	3.4	0%	11.3	17.7	(36%)
<b>EBITDA</b>	<b>7.6</b>	<b>17.0</b>	<b>(55%)</b>	<b>42.8</b>	<b>85.6</b>	<b>(50%)</b>
<b>Net Profit</b>	<b>5.6</b>	<b>12.5</b>	<b>(55%)</b>	<b>31.6</b>	<b>66.9</b>	<b>(53%)</b>
<b>EBITDA Margin</b>	<b>24%</b>	<b>36%</b>		<b>34%</b>	<b>47%</b>	
<b>EPS (EUR)</b>	<b>0.12</b>	<b>0.27</b>		<b>0.68</b>	<b>1.44</b>	
<b>Flow Traders ETP Value Traded (€bn)</b>	<b>162.3</b>	<b>184.7</b>	<b>(12%)</b>	<b>521.8</b>	<b>450.7</b>	<b>+16%</b>
<i>EMEA (Europe)</i>	96.1	112.4	(14%)	314.7	289.7	+9%
<i>Americas</i>	60.3	66.5	(9%)	190.0	135.7	+40%
<i>APAC (Asia)</i>	5.8	5.8	0%	17.1	25.4	(33%)
<b>Market ETP Value Traded (€bn)</b>	<b>4,154</b>	<b>4,841</b>	<b>(14%)</b>	<b>13,893</b>	<b>15,823</b>	<b>(12%)</b>
<i>EMEA (Europe)</i>	194	226	(14%)	654	723	(10%)
<i>Americas</i>	3,527	4,137	(15%)	11,919	13,693	(13%)
<i>APAC (Asia)</i>	433	477	(9%)	1,320	1,407	(6%)

## Management Board Statements

Co-CEO Sjoerd Rietberg stated: “Market activity continued to deteriorate in 3Q17 to levels that can be characterized as unusually slow, impacting markets and market participants. Flow Traders remained focused on improving its efficiency and setup, which resulted in further increase in market share. Performance was encouraging across all regions from an operational perspective. In the US, Institutional Trading progressed well, as the number of counterparties we are connected to increased further and we grew the ETP Value Traded OTC. In Asia, technological developments progressed in line with expectations. In Europe, we keep growing our market share step by step, as we continuously focus on improvement of our infrastructure. On our FX initiative, we are well on track there and expect to be able to report the first tangible results later this year.”

Co-CEO Dennis Dijkstra added: “As we highlighted during the 1H17 results, Flow Traders continued to execute on its long-term growth strategy. We aligned our organisation further to adapt to the changing environment, as we further improved our technological setup in the different regions and completed the re-location of the US offices in 3Q17. The license application for the Hong Kong office is accepted and is currently being reviewed. We expect to open the Hong Kong office before year end in order to commence trading immediately once the licensing process is completed. In terms of regulation, MiFID 2 preparations are well underway while we expect more transparency to arise in ETP flows. Overseeing all developments, Flow Traders keeps growing its global presence, while balancing all of its stakeholders’ interests”.

CFO Marcel Jongmans commented: “We further executed our strategy in 3Q17 and we brought the development of the fixed cost growth year-to-date well within the cost growth target range for 2017 of 15-20%. That trend will continue and our cost growth is expected to reach the lower end of this target range for the year. The combination of unusually slow market conditions with Flow Traders’ operating leverage led to a decrease in margins year-on-year, as expected. Net Profit amounted to €5.6m in 3Q17, partially helped by the release of a one-off benefit in the tax line as we accrued too much Corporate Income Tax in the past. This leads to a Net Profit year-to-date of €31.6m, which translates into an EPS of € 0.68 so far in 2017. Based on our healthy and unleveraged balance sheet, our strong cash flows and the current market circumstances, Flow Traders intends to increase its pay-out ratio for 2017 to at least 75% of its Net Profit. As our operations run efficiently and our capital streams have been further optimized, we see room to increase returns to our shareholders, without harming our growth ambitions while remaining well-positioned when markets become more active again. We do not change our dividend policy, but this does show the flexibility of Flow Traders’ business model given changing market circumstances”.

## Current Trading and Outlook

In line with market expectations, Global ETP Assets under Management continued to grow, a trend that is expected to continue in the fourth quarter of 2017 and the years beyond. The secular trends in assets under management from active to passive remains ongoing and strongly drives ETP growth across all asset classes. Regulation, notably MiFID II, is expected to bring more transparency, which in turn is expected to benefit the ETP market as such as well. We will continue to grow organically by increasing our coverage within the ETP space, whilst pursuing our goal to grow our NTI structurally and to outperform the growth in the Market ETP Value Traded. As part of our organic growth strategy we are well underway to open a new office in Hong Kong and have completed the re-location of our office in New York in 3Q17. Besides that, Flow Traders seeks to further grow its NTI through diversifying the product portfolio it trades, including by way of expanding into FX liquidity providing.

**Preliminary Financial Calendar 4QH 2017 / 1H 2018**

09 January 2018	Start Silent Period ahead of FY17 results
09 February 2018	Release FY17 results
02 March 2018	Release 2017 Annual Report
03 April 2018	Start Silent Period ahead of 1Q18 trading update
24 April 2018	Release 1Q18 trading update
26 April 2018	AGM Flow Traders
30 April 2018	Proposed Ex-dividend date final dividend FY17 (pending AGM approval)
02 May 2018	Proposed Record date final dividend FY17 (pending AGM approval)
04 May 2018	Proposed Payment date final dividend FY17 (pending AGM approval)
29 June 2018	Start Silent Period ahead of 1H18 results
27 July 2018	Release 1H18 Results

As of 2018, Flow Traders will move to interim reporting. This means that Flow Traders will release a trading update in the first and third quarters of each financial year going forward, while Half Year and Full Year results releases will remain similar to current reporting. The company remains committed to the highest level of disclosure and engagement with its stakeholders.

**Analyst Conference Call and Webcast**

The analyst conference call on the results will be held at 10:00 am Amsterdam Time on Tuesday 24 October 2017. The presentation will also be accessible via [www.flowtraders.com/investors](http://www.flowtraders.com/investors), where the presentation can be downloaded and the conference call can be followed as a listen-only audio webcast. A replay of the conference call will be available on the company website for at least 90 days.

**Contact Details**

Flow Traders N.V.  
 Serge Enneman / Manager Investor Relations  
 Phone: +31 20 7996799  
 Email: [Investor.relations@flowtraders.com](mailto:Investor.relations@flowtraders.com)

**Consolidated P&L, simplified**

<b>Consolidated (in €m)</b>	<b>3Q17</b>	<b>2Q17</b>	<b>Change</b>	<b>YTD 2017</b>	<b>YTD 2016</b>	<b>Change</b>
<b>Net Trading Income</b>	<b>31.7</b>	<b>46.7</b>	<b>(32%)</b>	<b>126.7</b>	<b>181.3</b>	<b>(30%)</b>
Employee expenses (fixed)	8.1	7.6	6%	23.4	19.1	22%
Technology expenses	9.2	9.5	(3%)	28.0	25.4	10%
Other expenses	3.6	3.9	(10%)	11.3	8.5	33%
<b>Fixed operational expenses</b>	<b>20.8</b>	<b>21.1</b>	<b>(1%)</b>	<b>62.7</b>	<b>53.0</b>	<b>18%</b>
Employee expenses (var)	3.3	8.6	(62%)	21.2	42.7	(50%)
<b>Total Operating Expenses</b>	<b>24.1</b>	<b>29.7</b>	<b>(19%)</b>	<b>83.8</b>	<b>95.7</b>	<b>(12%)</b>
<b>EBITDA</b>	<b>7.6</b>	<b>17.0</b>	<b>(55%)</b>	<b>42.8</b>	<b>85.6</b>	<b>(50%)</b>
Depreciation/Amortisation	1.8	1.7		5.2	4.7	
Write offs, tangible assets	0.0	0.0		0.0	2.7	
Results subsidiaries	0.0	0.0		0.0	0.0	
<b>Profit Before Tax</b>	<b>5.8</b>	<b>15.3</b>	<b>(62%)</b>	<b>37.6</b>	<b>78.2</b>	<b>(52%)</b>
Tax	0.3	2.8		6.0	11.3	
<b>Net Profit</b>	<b>5.6</b>	<b>12.5</b>	<b>(55%)</b>	<b>31.6</b>	<b>66.9</b>	<b>(53%)</b>
EPS (in €)	0.12	0.27		0.68	1.44	
EBITDA margins (%)	24%	36%		34%	47%	

**Development of Regulatory Capital until end 3Q 2017**

	<b>30 Sept 2017</b>	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>	<b>30 Jun 2016</b>	<b>31 Dec 2015</b>	<b>30 Jun 2015</b>	<b>31 Dec 2014</b>
<b>Total Trading Capital</b>	262.0	273.0	343.0	298.9	338.8	280.3	204.3
<b>Regulatory Capital</b>	247.0	258.0	270.1	252.2	246.6	202.2	142.8
<b>Regulatory Required Capital</b>	116.4	157.8	168.2	136.7	94.0	123.5	84.3

**Important legal information**

This press release is prepared by Flow Traders N.V. and is for information purposes only. It is not a recommendation to engage in investment activities and you must not rely on the content of this document when making any investment decisions. The information in this document does not constitute legal, tax, or investment advice and is not to be regarded as investor marketing or marketing of any security or financial instrument, or as an offer to buy or sell, or as a solicitation of any offer to buy or sell, securities or financial instruments.

The information and materials contained in this press release are provided 'as is' and Flow Traders N.V. or any of its affiliates ("Flow Traders") do not warrant the accuracy, adequacy or completeness of the information and materials and expressly disclaim liability for any errors or omissions. This press release is not intended to be, and shall not constitute in any way a binding or legal agreement, or impose any legal obligation on Flow Traders. All intellectual property rights, including trademarks, are those of their respective owners. All rights reserved. All proprietary rights and interest in or connected with this publication shall vest in Flow Traders. No part of it may be redistributed or reproduced without the prior written permission of Flow Traders.

This press release may include forward-looking statements, which are based on Flow Traders' current expectations and projections about future events, and are not guarantees of future performance. Forward looking statements are statements that are not historical facts, including statements about our beliefs and expectations. Words such as "may", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "project", "believe", "could", "hope", "seek", "plan", "foresee", "aim", "objective", "potential", "goal" "strategy", "target", "continue" and similar expressions or their negatives are used to identify these forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of Flow Traders. Such factors may cause actual results, performance or developments to differ materially from those expressed or implied by such forward-looking statements. Accordingly, no undue reliance should be placed on any forward-looking statements. Forward-looking statements speak only as at the date at which they are made. Flow Traders expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this press release to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law.

Financial objectives are internal objectives of Flow Traders to measure its operational performance and should not be read as indicating that Flow Traders is targeting such metrics for any particular fiscal year. Flow Traders' ability to achieve these financial objectives is inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Flow Traders' control, and upon assumptions with respect to future business decisions that are subject to change. As a result, Flow Traders' actual results may vary from these financial objectives, and those variations may be material.

Efficiencies are net, before tax and on a run-rate basis, i.e. taking into account the full-year impact of any measure to be undertaken before the end of the period mentioned. The expected operating efficiencies and cost savings were prepared on the basis of a number of assumptions, projections and estimates, many of which depend on factors that are beyond Flow Traders' control. These assumptions, projections and estimates are inherently subject to significant uncertainties and actual results may differ, perhaps materially, from those projected. Flow Traders cannot provide any assurance that these assumptions are correct and that these projections and estimates will reflect Flow Traders' actual results of operations.

By accepting this document you agree to the terms set out above. If you do not agree with the terms set out above please notify [legal.amsterdam@nl.flowtraders.com](mailto:legal.amsterdam@nl.flowtraders.com) immediately and delete or destroy this document.

**Market Abuse Regulation**

This press release contains information within the meaning of Article 7(1) of the EU Market Abuse Regulation.