

For immediate release

**FLOW TRADERS REPORTS STRONG 2015 RESULTS**

**Amsterdam, the Netherlands, 24 February 2016 - Flow Traders N.V. today announced strong results for 2015, as it successfully capitalized on higher volatility and increased trading volumes in the market compared to 2014. In the year in which Flow Traders successfully debuted on Euronext Amsterdam, Net Trading Income grew by 76 percent, while ETP Market Value Traded grew by 23 percent, compared to 2014. This reflects the strategy of Flow Traders of growing the business incrementally while maintaining the desired low risk profile, controlling costs, and securing the right talent. In 4Q15 we realised a solid result despite meaningfully lower trading volumes and volatility compared to 3Q15.**

**4Q15 Key Highlights<sup>1</sup>**

- ETP Market Inflow in 4Q15 was €109 billion versus €76 billion in 3Q15 (+43%). This was the highest registered quarterly capital inflow in 2015, with most inflow in Developed Markets Equity (source: BlackRock).
- ETP Market Value Traded fell from €3,993 billion to €3,423 billion (-14%, source WFE, LSE). In line with market developments, ETP Value Traded by Flow Traders came in at €144 billion in 4Q15 versus €171 billion in 3Q15 (-16%)
- Net Trading Income 4Q15 was €64.5 million versus €92.8 million in 3Q15 (-30%)
- Adjusted<sup>2</sup> EBITDA Margin came in at 48% in 4Q15 versus 52% in 3Q15
- Adjusted Net Profit came in at €29.8 million in 4Q15 versus €37.9 million in 3Q15, following a decrease in Net Trading Income. The impact was dampened by a lower effective tax rate than anticipated

**Full Year 2015 Key Highlights**

- Total ETP Market Value Traded grew from €9.95 trillion in 2014 to €14.30 trillion in 2015 (+44%)
- Total ETP Value Traded by Flow Traders increased from €527 billion in 2014 to €645 billion in 2015 (+23%)
- Net Trading Income increased from €172.7 million in 2014 to €304.7 million in 2015 (+76%)
- Revenue Capture 2015 came in at 4.7 bps versus 3.3 bps in 2014 (+44%), positively impacted by some periods of higher volatility during the year
- Flow Traders was trading at over 95 markets and provided liquidity in over 3,000 ETPs end 2015
- Adjusted EBITDA Margin increased to 51.5% in 2015 from 48.7% in 2014 due to further efficiency improvements, a predictable cost base and leveraging of our existing operations and infrastructure
- Adjusted Net Profit increased by 89% from €68.1 million in 2014 to €128.4 million in 2015 (Net Profit of €97.3 million adjusted for one off IPO expenses)
- Capital base further improved in 2015, with sufficient headroom above our required regulatory capital mainly as a result of our highly cash-flow generative business
- Dividend proposal will be €1.50 total dividend per share for 2015. Interim dividend paid was €0.50, final dividend proposal will be €1.00
- Headcount increased from 211 FTEs at year-end 2014 to 268 FTEs at year-end 2015

<sup>1</sup> All numbers presented in this press release are unaudited numbers. For definitions of non-IFRS financial measures used in this press release, refer to the IPO prospectus dated 30 June 2015, which is available on [www.flowtraders.com](http://www.flowtraders.com). The Annual Report over the year ended 2015 will be published on 18 March 2016.

<sup>2</sup> Adjusted Earnings are earnings (NTI, Net Profit, EBITDA, etc.) adjusted for one-off expenses related to the IPO and SARs expenses

**Dennis Dijkstra, Co-CEO of Flow Traders commented:** “2015 was a very successful and important year for Flow Traders; in markets with certain periods of higher volatility and higher volumes, our Net Trading Income over the full year increased by 76% (€305 million in 2015 versus €173 million in 2014) and Adjusted Net Profit increased by 89% (€128 million in 2015 versus €68 million in 2014). The company’s listing on Euronext Amsterdam was a key public event for the company. It reflects our ambitions going forward and increases our visibility with institutional counterparties, regulators, investors, and prospective employees. Our goal for 2016 remains to continuously improve our business, improve our pricing power and grow organically.”

**Sjoerd Rietberg, Co-CEO of Flow Traders commented:** “As expected, the 4Q15 figures showed a decrease compared to 3Q15, reflecting the lower ETP values traded overall in the global market, a result of limited volatility. Driven by lower volumes traded and limited spikes in volatility, our Revenue Capture decreased to 4.5 basis points in 4Q15 from 5.4 basis points in 3Q15. Nevertheless, overall in 2015, our ETP Value Traded grew 23% year-on-year, while our Net Trading Income grew by 76%. This boost in results was predominantly a result of improvements in our pricing knowledge and in our trading systems as well as periods of higher volatility in the markets and a continuing trend of strong inflows on the ETP market. The global ETP markets noted record inflows of €319 billion in 2015 compared to €245 billion in 2014 (+30% YoY). This confirms the momentum in the ETP space and confirms our strategy going forward.”

**Quarterly and FY Results**

€million, unless otherwise stated	<b>4Q15</b>	<b>3Q15</b>	%Change	<b>2015</b>	<b>2014</b>	%Change
Net Trading Income	65	93	(30%)	305	173	76%
ETP Value Traded (€bn)	144	171	(16%)	645	527	22%
Adjusted EBITDA	31	48	(35%)	157	84	87%
Adjusted EBITDA Margin	48%	52%		51%	49%	
Adjusted Net Profit	30	38	(21%)	128	68	89%
Adjusted EPS	0.64	0.81	(21%)	2.76	1.46	89%

In 4Q15 markets were not as active as we had seen in the previous quarters. Adjusted EBITDA Margin decreased to 48% over 4Q15 compared to 52% over 3Q15, driven mainly by lower Net Trading Income and an increase in other employee costs due to recruitment costs and an increase in FTEs from 252 to 268 globally. Overall, Adjusted EBITDA Margin came in at 51% in 2015.

*Europe*

€million, unless otherwise stated	<b>4Q15</b>	<b>3Q15</b>	%Change	<b>2015</b>	<b>2014</b>	%Change
Net Trading Income	33.4	52.3	(36%)	182.5	113.7	61%
ETP Value Traded (€bn)	91	104	(13%)	390	270	45%

In Europe the ETP Market Value Traded decreased from €238 billion in 3Q15 to €216 billion in 4Q15 (-9%), which was mainly driven by periods of lower volatility and lower volumes. Although Flow Traders’ ETP Value Traded decreased from €104 billion in 3Q15 to €91 billion, overall Value Traded by Flow Traders rose 45% in 2015, year on year.

*Americas*

€million, unless otherwise stated	<b>4Q15</b>	<b>3Q15</b>	%Change	<b>2015</b>	<b>2014</b>	%Change
Net Trading Income	12.6	17.4	(28%)	51.0	34.7	47%
ETP Value Traded (€bn)	44	47	(8%)	198	223	(11%)

In the Americas the ETP Market Value Traded came in at €2.98 trillion in 4Q15, compared to €3.33 trillion in 3Q15 (-11%), following lower volatility and a more reserved stance from investors towards year end. ETP Value Traded by Flow Traders decreased by 8%, as a result of the improvements of our pricing models in combination with changes in IT-products.

*Asia*

€million, unless otherwise stated	<b>4Q15</b>	<b>3Q15</b>	%Change	<b>2015</b>	<b>2014</b>	%Change
Net Trading Income	18.5	23.0	(20%)	71.3	24.3	193%
ETP Value Traded (€bn)	10	20	(50%)	58	34	69%

Due to the market circumstances in China, leading to relative high volumes in 3Q15, the ETP Market Value Traded decreased from €422 billion in 3Q15 to €225 billion in 4Q15. ETP Value Traded by Flow Traders also decreased from €20 billion in 3Q15 to €10 billion in 4Q15. However, due to late benefits following the market turmoil in China, our Revenue Capture increased from 11.5bps in 3Q15 to 18.3 bps in 4Q15.

**Other**

The proposed sale of a non-core part of our communications infrastructure did not materialize in the fourth quarter. Management is currently investigating other options. No material financial impact is expected.

**Current Trading and Outlook**

So far trading at the beginning of 2016 has been solid and showed to date some improvements of results versus 4Q15. Flow Traders reiterates that it expects for the medium to long term to continue to grow organically and at a faster pace than the global ETP AuM. Flow Traders will continue to focus on increasing traded volumes and improving Revenue Capture. This will be done by continuously improving our pricing, our technological infrastructure and our risk management systems while at the same time continuing to strengthen our team.

**Financial Calendar**

18 March	Publication Annual Report 2015
4 May	1Q16 results
19 May	AGM Flow Traders
23 May	Ex-dividend date

**Analyst Conference Call and Webcast**

There will be an analyst conference call on the results at 10:00 am CET on Wednesday 24 February 2015. The presentation will also be accessible live via audio webcast at [www.flowtraders.com](http://www.flowtraders.com). A replay of the conference call will be available on the company website for at least 90 days.

**Home Member State**

Flow Traders N.V.'s home Member State is the Netherlands.

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