FLOW TRADERS

Mr. **Dankers**: Good morning, ladies and gentlemen. On behalf of the Flow Traders team, I would like to thank you for joining us today. Our co-CEOs Dennis Dijkstra and Sjoerd Rietberg will present our Q2 2016 results. After that, we have some time dedicated to answer your questions.

Before we begin please note that this presentation may contain forward-looking statements, which are based on Flow Traders' current expectations and projections. We also might use non-IFRS recognised metrics, like net trading income, revenue capture, EBITDA and adjusted EBITDA to describe the performance of the company. We also note that the figures comprised in this presentation have not been audited.

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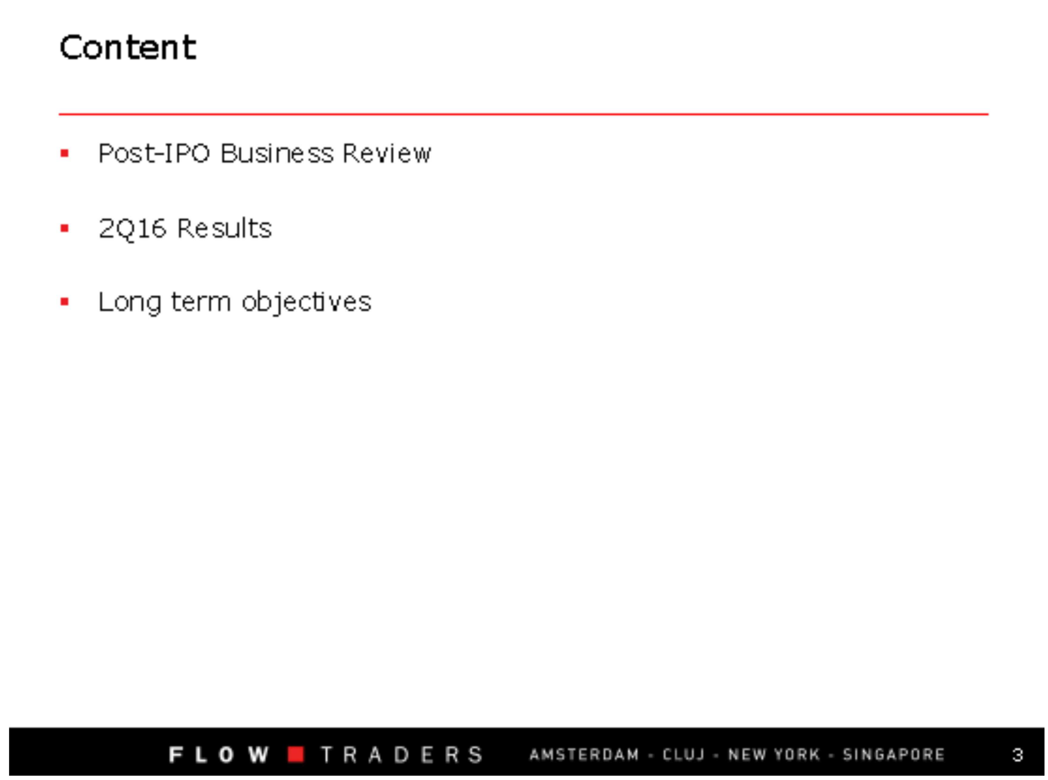
Given that we completed our first year as a listed entity in July 2016, we will begin today by providing an overview of the business and the markets we operate in. We will come back to the 2016 quarter results in more detail.



I would now like to hand over to Dennis.

FLOW TRADERS

1 Post-IPO Business Review

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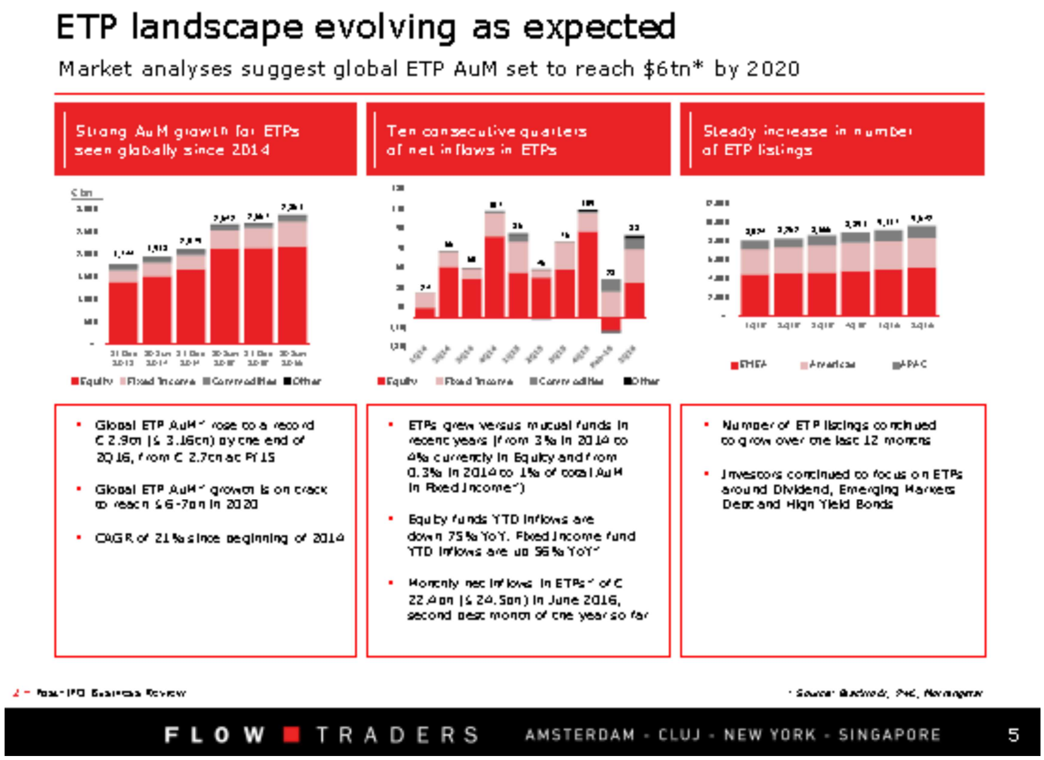
Mr. **Dijkstra**: Thank you, Joost, and good morning to everybody that has joined us today. I am sure by now you have reviewed our results and we will discuss them in due course. Let's first take a moment to look at some of the broader trends in our market.



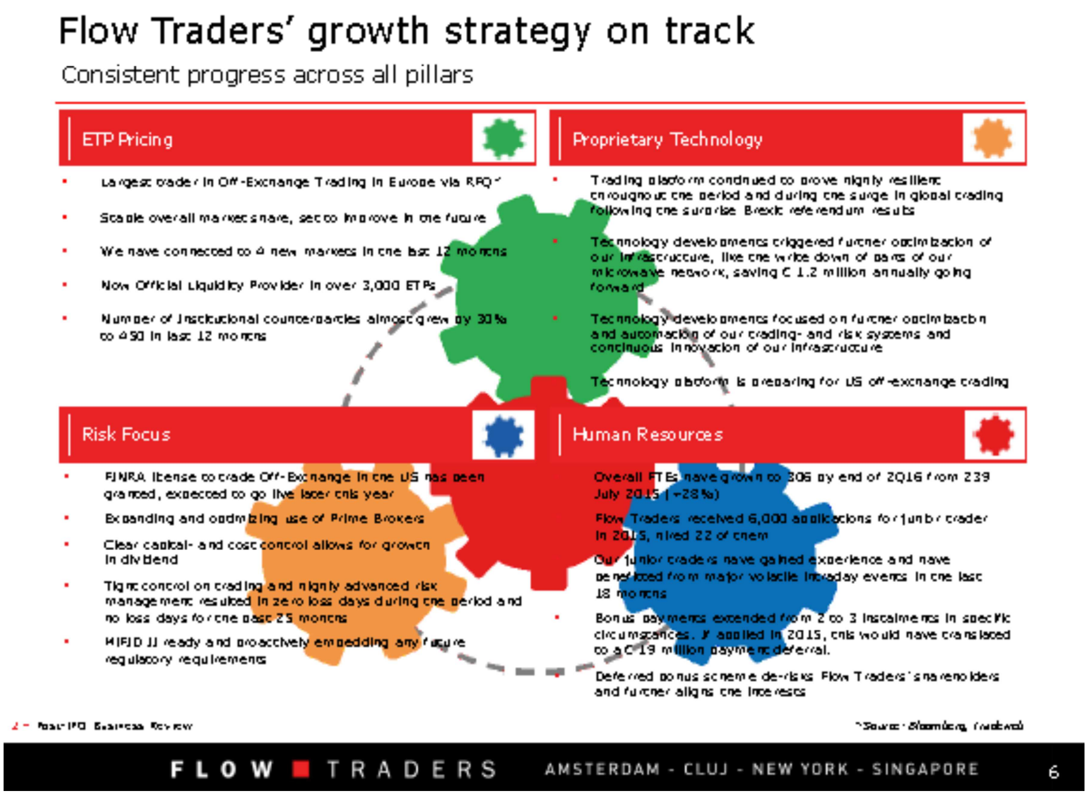
As you can see on this slide, the overall ETP market is growing as we expected, with global ETP AuM rising to a record EUR 3.2 trillion by the end of the second quarter of 2016. This is despite the recent macro-economic developments such as Brexit, the Fed rate decision and the Japan elections, all of which had a negative impact on the risk appetite of investors.

But the overall market, as measures by ETP AuM still grew and looks set to reach US$ 6 trillion by the end of 2020, according to amongst others Morning Star Blackrock and PwC.

Since 2014 we have witnessed ten consecutive quarters of inflow in ETPs and obviously, given the current risk-adverse sentiment we have seen growth in fixed-income products compared to equity products.

ETPs across all asset classes continued to gain market share versus actively managed funds and the number of listings also continued to grow across all regions, which provides us with further confidence in implementing our strategy growth initiatives across the business.

As the ETP value traded is important for our business, we are happy to state that we saw an increase in the ETP value traded over the first six months of 2016 of 11%, compared to the same period in 2015, further highlighting the increase of the total market.



Here, we have highlighted the progress we have made so far across a number of key areas of our business, namely pricing, technology, risk management and our human capital or HR.

To begin with pricing, we are the number one market maker in Europe in off-exchange ETP trading via RFQ. Our on-exchange market shares shave been stable, although we expect this to grow as time goes on, given we have added new markets over the past twelve months. We will continue to expand in every region.

In the last twelve months we have also seen growth of over 30% in the number of institutional counterparties we trade with, reflecting our wider reach and progress towards being the global ETP liquidity provider of choice for investors.

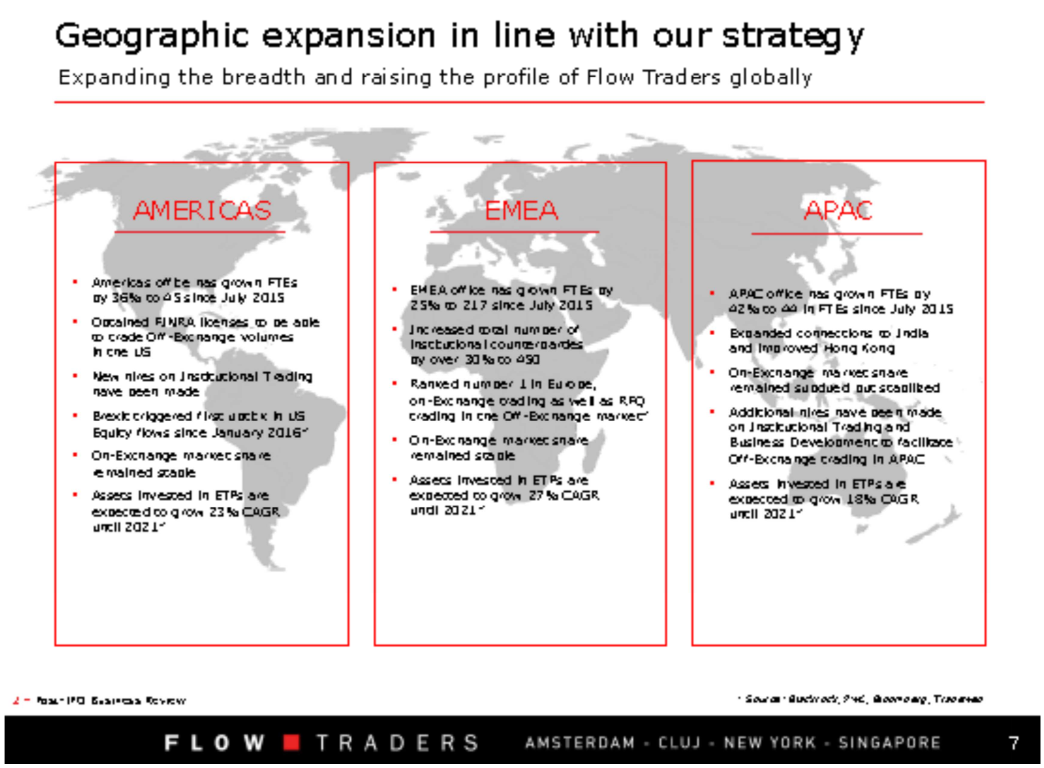
On the technology front we continue to enhance our training platforms and launched multiple new software releases that have further improved our performance. The robustness of our systems was demonstrated in their ability to operate without any glitches during periods of heightened volatility, such as the day of the Brexit referendum outcome. Our focus on risk remains a priority and key competency.

We have worked tirelessly to ensure compliance with the new regulations and overall remain very satisfied with the risk framework we have in place. With the grant of the FINRA-licence in the US we expect to begin off-exchange trading activity in the US soon. At the same time, we have increased our prime broker network globally. Our balanced approach to capital and cost control supports our profitability and we are pleased to report that we have not had any loss days in the first half of 2016.

Finally, moving on to HR, our greatest asset. We have increased the number of full-time employees in the last twelve months by almost 30%. There is a significant competition on the jobs on offer but we were able to recruit the crème de la crème of highly talented junior traders and technology employees.

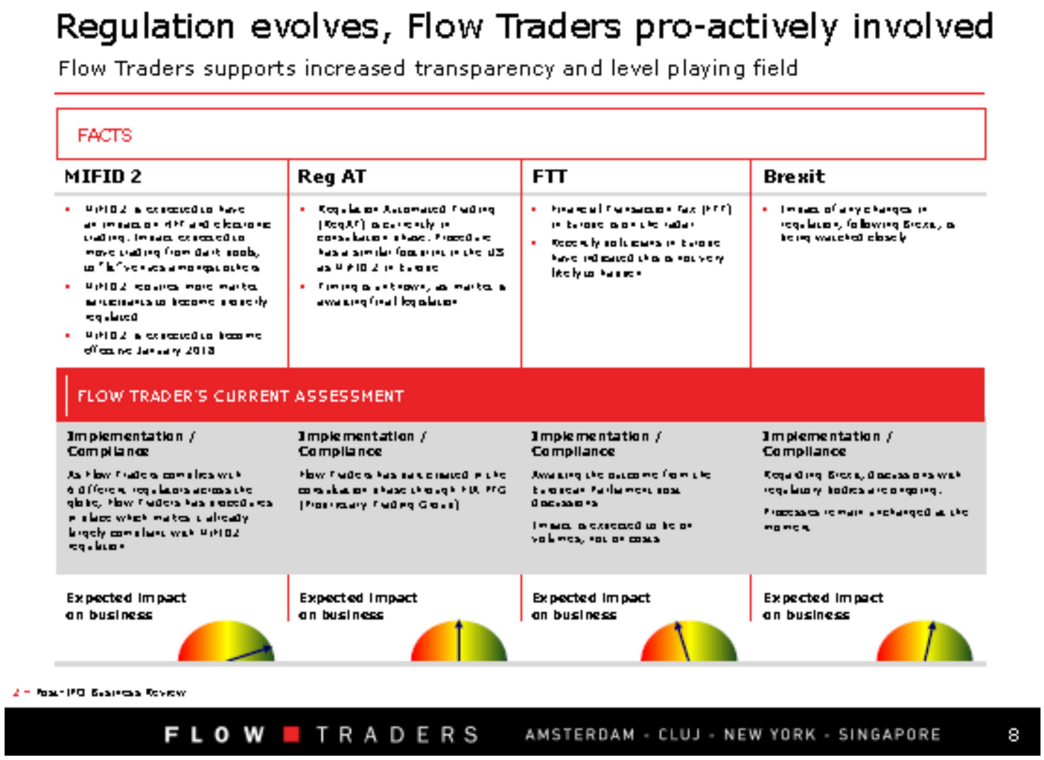
Following the approval of the AGM, we have updated our remuneration policy by extending our bonus payments over three instalments above a certain threshold. If this structure would have been in place in 2015, it would have translated into a EUR 90 million payment deferral for an additional year, further aligning the interest of the employees and our shareholders.

Overall, we are pleased with the progress we have made across our four key pillars of our business since the IPO and the cumulative impact of this is evidenced in our operational performance and our desire to excel throughout the organisation.



Moving on, I would like to highlight the progress made by Flow Traders on a regional level. As mentioned earlier, we have grown in all regions over the course of the last twelve months and have increased the number of FTEs, products traded, of venues we are connected to and of counterparties that want to trade with us across the board.

Given the highly favourable secular trends expected from the ETP market discussed earlier, we remain focused on growing our trader base and products coverage in all regions without compromising our expertise and specialist know-how. Altogether, we experienced strong growth globally and remain the critical component of this high growth ETP industry.



Before we look more closely at the second quarter results, just a few remarks on regulation, which, as all of you know, is an extremely important topic for us. Therefore, it remains and will continue to remain a significant point of attention.

We are strong proponents of advocating for a level playing field and more transparency on the financial markets. We have been proactively involved in regulatory discussions around MiFID 2, Reg AT, Financial transaction taxes, and the possible impact of Brexit on the capital market activities. We are a regulated liquidity provider across the globe and as such, we are almost fully compliant with MiFID 2, which is expected to go live early 2018.

On the other key regulatory topics, as shown on slide 8, we are in discussions with the main stakeholders. For example, on Reg AT we have participated in the consultation phase via the FIA PTG Group, whilst on FTT we have followed the discussions very, very closely. Finally, we continue to monitor the Brexit situation but given the fact we do not have an office in London we do not expect any significant impact in the near to medium term, since we are located on the European continent and at least have benefits of future regulatory certainties there.

In summary, the last twelve months since our IPO, have presented numerous challenges driven by macro events, which have led to a weaker market than the preceding couple of years. But the long-term trends and dynamics are very favourable and we remain committed to building a sustainably profitable business that aims to maximise returns to all of its stakeholders.

2 2Q16 Results Overview

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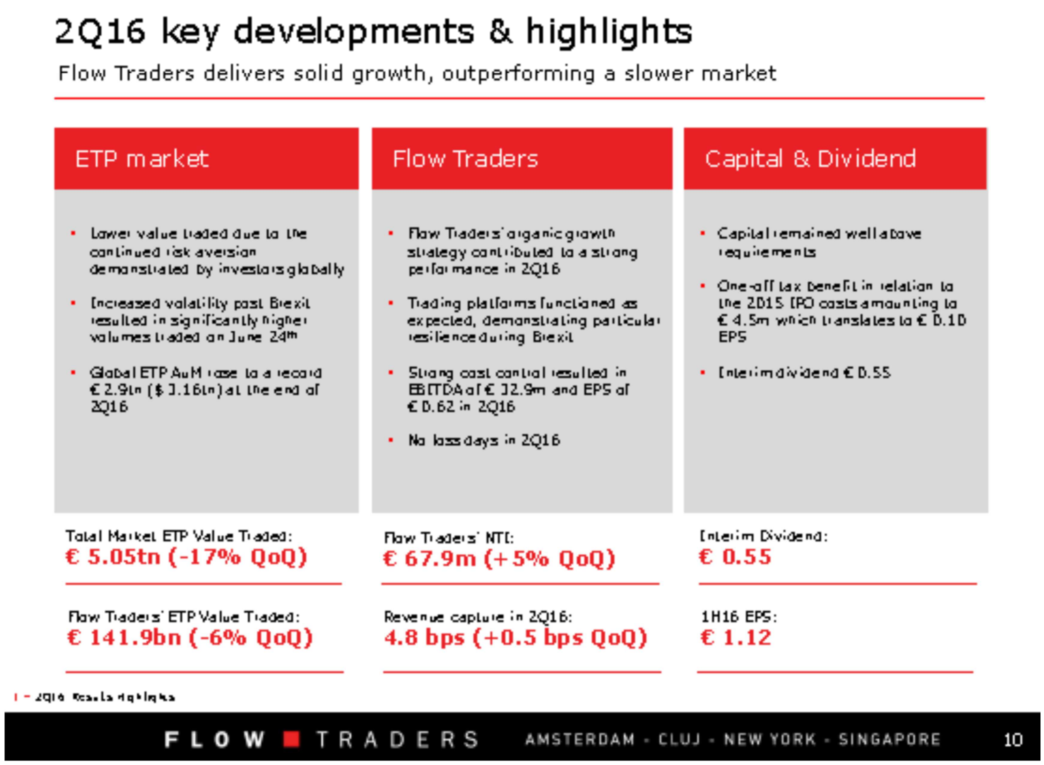
With that, let's move on to review the second quarter results of 2016 in a bit more detail.



The second quarter was a period dominated by uncertainty in the capital markets. Within that context, we were pleased to report solid results and significantly outperformed the market. The majority of the quarter saw investors' appetite for risk diminish and naturally impacting volumes.

The Brexit referendum created considerable volatility in the markets and provided opportunities for Flow Traders to benefit from the elevated trading and wider spreads. Critically at special days such as June 24, it is imperative that all our technology infrastructure stands up to the rigours of such events. We were extremely pleased to see the work we have done to make our systems more resilient.

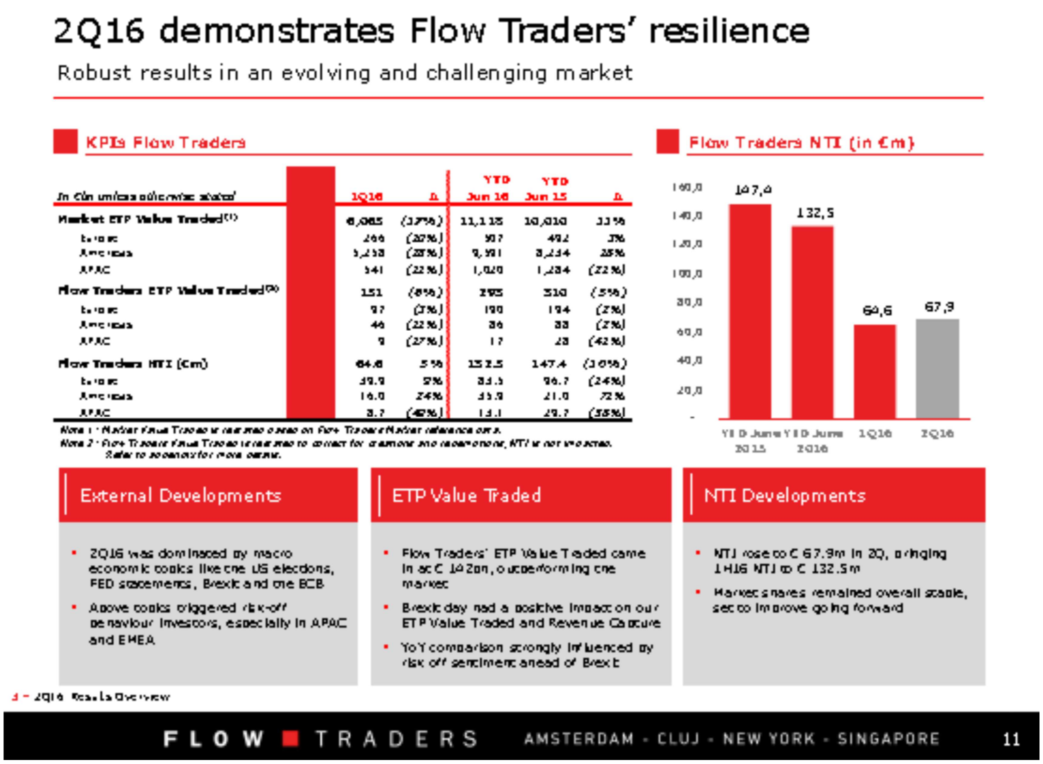
During the second quarter, our net trading income increased by 5% quarter-over-quarter while our revenue capture increased by 0.5 basis points. In addition to this, we continue to remain vigilant on our cost base and ensure an efficient operational set up. With regards to the capital position we remain comfortably above all regulatory and prime broker requirements.

Given this performance and our commitment to returning value to shareholders, we will be issuing an interim dividend of EUR 0.55, which is in line with our dividend policy stating that we will return to our shareholders a dividend of at least 50% of our net earnings.

I will now hand over to Sjoerd, who will dive deeper into the second quarter results.

Mr. **Rietberg**: Thank you Dennis. We are now going to look more in detail at how we performed this quarter and this first half year.

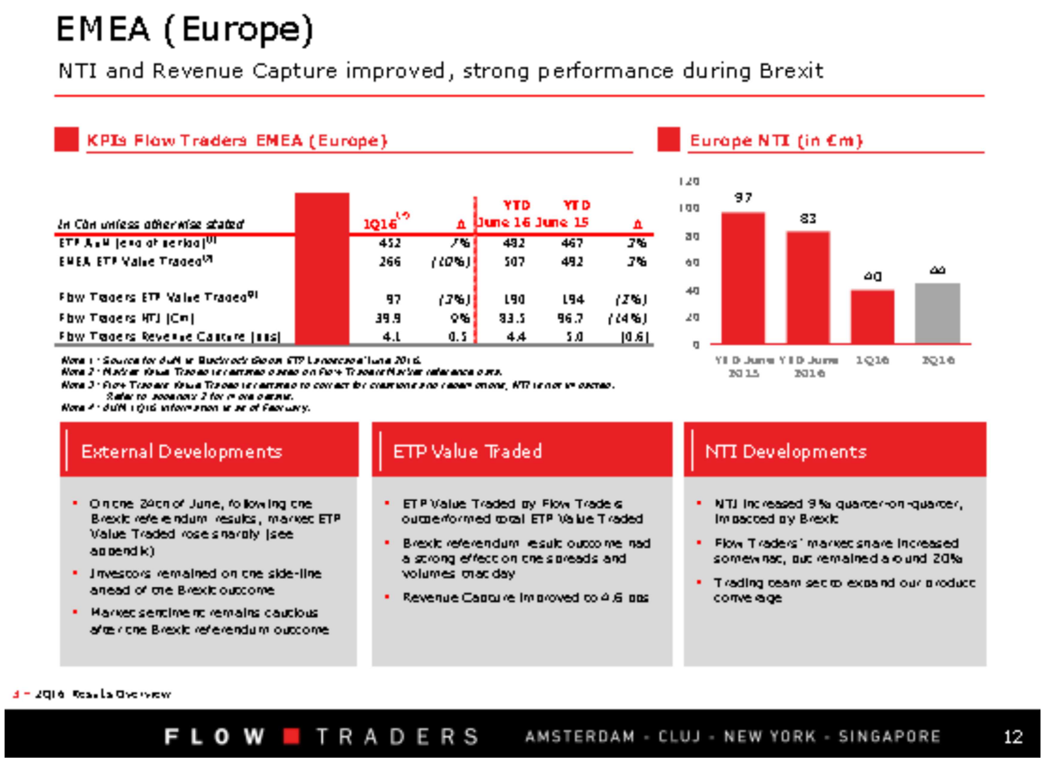
To reiterate what Dennis has already mentioned I would also like to stress that the second quarter was a strong quarter for Flow Traders, despite the challenging slower environments we witnessed for the majority of the reporting period.



To put our performance of the market into context, the ETP value traded for the entire markets decreased by 17% quarter-on-quarter in the second quarter of 2016, compared to 6% quarter-on-quarter decline in ETP value traded for Flow Traders as a whole. Naturally, in a quarter like this, the growth in NTI compared to the first quarter of the year was largely aided by the market activity and the volatility following the referendum outcome of the Brexit and compensated for the lack of market activity beforehand.

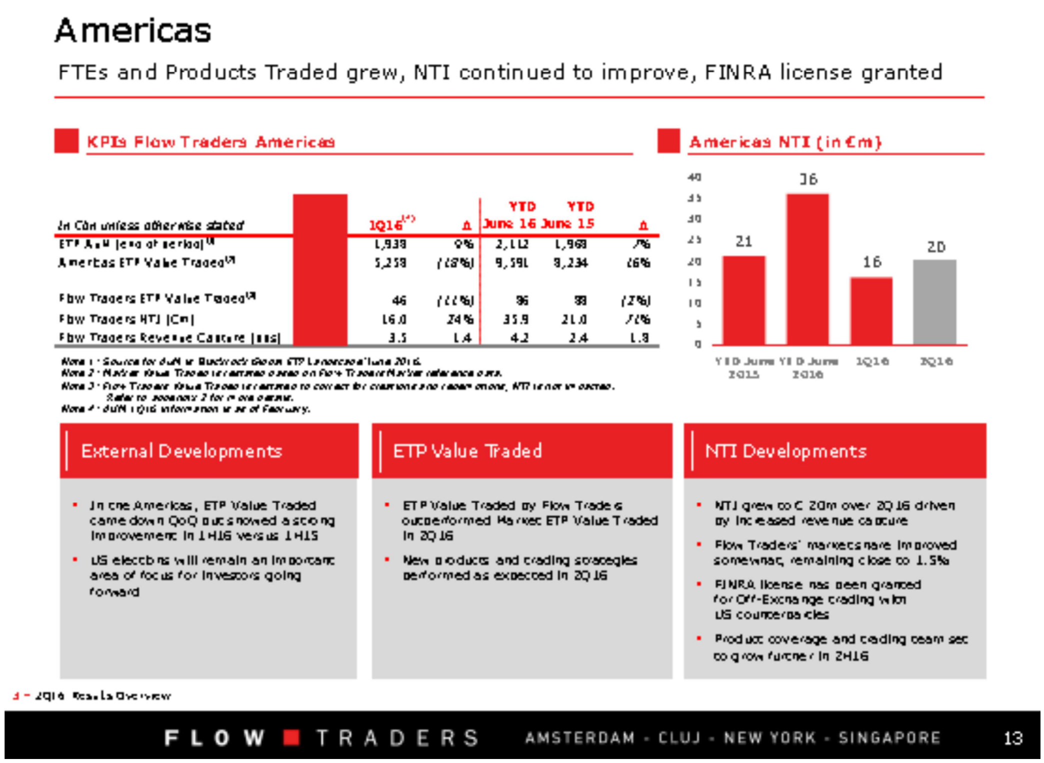
We also posted a strong performance in the Americas, following our product extension started in the second half of 2015, which is now starting to bear fruit. Our overall market share remains stable, as improving market shares in the EMEA and the Americas were offset by the difficult market conditions we faced in Asia where investments and market activities remained concentrated in highly liquid products.

Let's now look at the individual dynamics across each of the three regions in relation to our results.



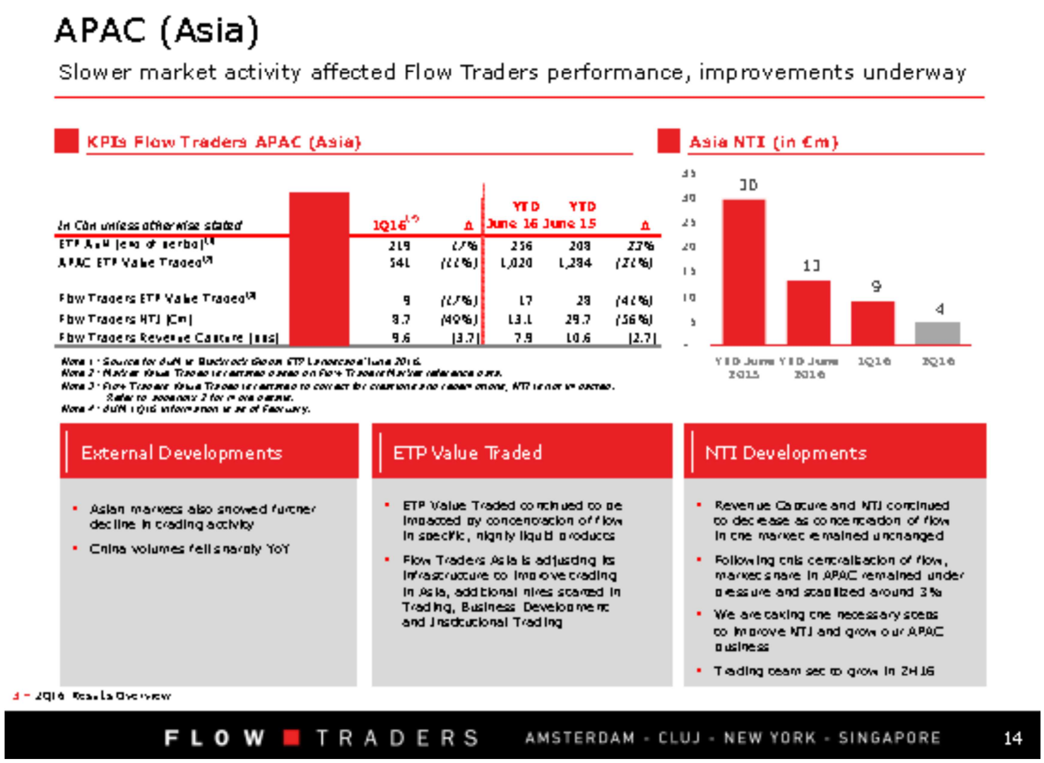
To begin with, in EMEA our NTI and revenue capture improved in the second quarter, relative to the first quarter, despite a decrease in the overall ETP traded volumes. You have already heard, this was effectively driven by the change in investor behaviour on either side of the Brexit referendum.

Comparing to our performance in the corresponding period of 2015, our NTI decreased by 14% year-on-year while ETP value traded was down by 2% year-on-year. Market share improved slightly quarter-on-quarter, although it remains around the 20% level and importantly, we also remain the leading liquidity provider in ETPs in Europe, both on- and off-exchange according to external market data sources.



We continue to grow in the Americas as well. We increased the number of full-time employees and products traded, all of which resulted in a 71% NTI growth year-on-year. The US markets were also impacted by the macro factors discussed and also saw a decrease in ETP value traded, though in a smaller measure than the overall market ETP value traded. However, our NTI in the region grew to EUR 20 million, up 20% quarter-on-quarter.

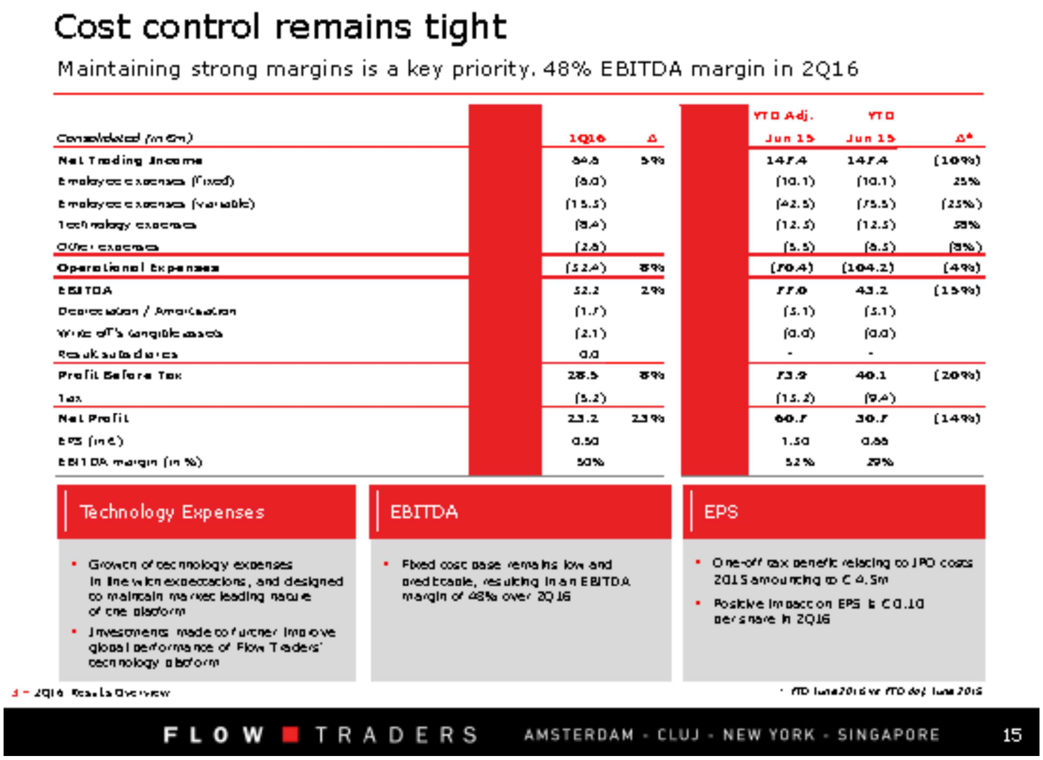
Our market share in the Americas increased slightly but it remained close to 1.5%. We now look forward to implementing our institutional trading department on the back of the FINRA membership, which will enable us to trade off-exchange with US institutional counterparties. Given these developments, we expect to grow our products' coverage as well as the team during the second half of this year.



Finally, turning to the APAC region. Here, we have faced a difficult operating environment throughout 2016, particularly compared to 2015. Overall, volumes remained relatively low. There was a decline in trading activity and investors seemed very risk adverse given the macro themes discussed. These dynamics impacted our revenue capture, which decreased by 2.7 basis points year-on-year as well as impacted our ETP value traded and NTI, both of which were down by 41% and 56% respectively.

Given the fragmented markets and the ongoing concentration of flows specifically in highly liquid products, Flow Traders' performance remains subdued. Our investments in products coverage, infrastructural changes, venue connections, and our team are all in progress but it will take some time to materialise.

Now, I would like to hand over to Dennis, who will provide a quick financial update.



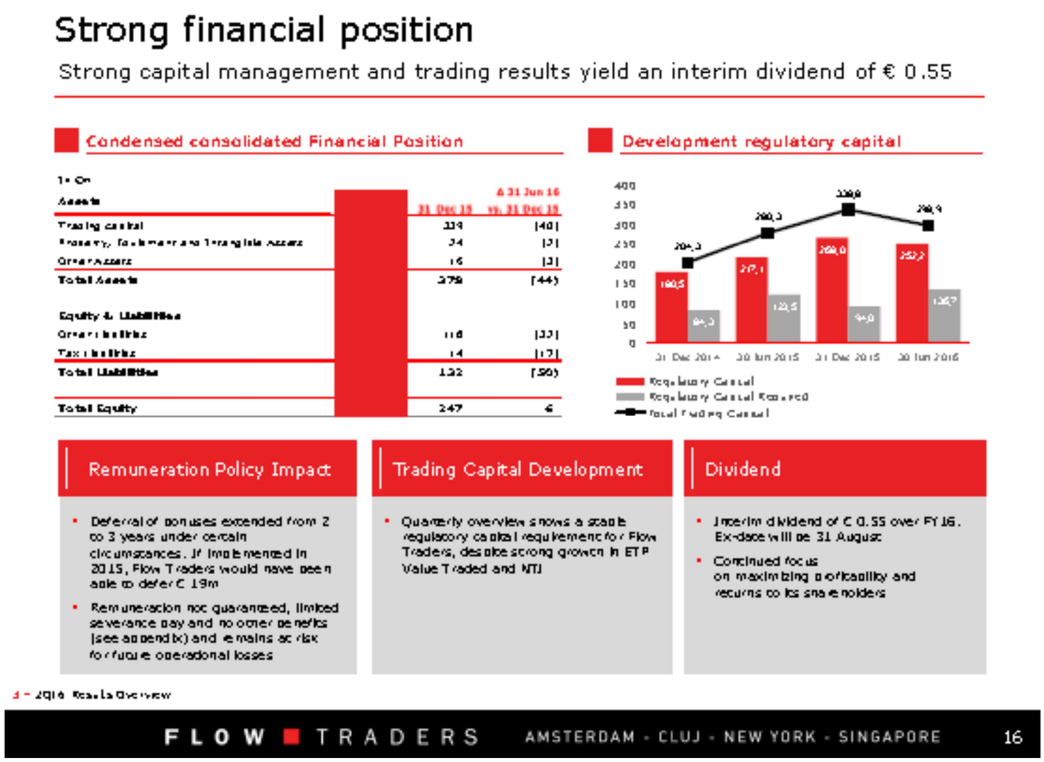
Mr. **Dijkstra**: Thanks Sjoerd.

We are now going to look at our simple and straight forward Profit & Loss. Although I will not spend too much time on this, I would like to highlight how our costs developed in line with our expectations and have led to an EBITDA margin of 48% versus 50% in the first quarter of 2016.

Subsequently to our strong growth in FTEs in all regions, we see an increase of our employees in line with our expectations and targets. We continue to invest in technology, mainly in solutions aimed at improving latency and efficiency of our trading and risk management systems and is also partly driven by the increase of our global coverage in both products, venues, and the use of market data.

Going forward, we expect the technology costs to develop at the same pace as they have done historically.

The tax line includes a one-off benefit of EUR 4.5 million, as certain costs incurred in 2015 were initially considered non-deductible for tax purposes but have been approved by the local tax authorities to be deductible, impacting the effective tax rate over the first six months of 2016. Without this tax benefit, the effective tax rate would have been around 20%.



Let's move to a couple of points I want to highlight regarding our strong financial position.

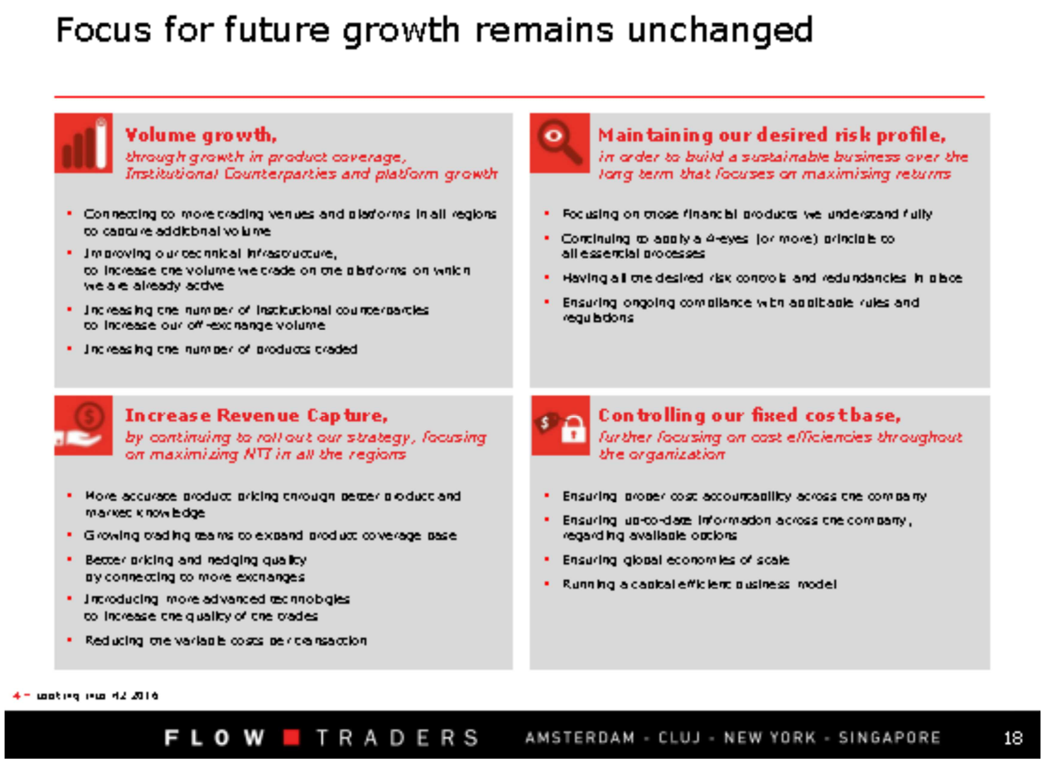
Firstly, the regulatory capital requirements and our regulatory capital available moved along similar historic levels and we continue to be comfortably above the regulatory and prime broker requirements, although our regulatory capital is slightly impacted by the Brexit and the subsequent strong increase in trading activities globally at the end of the quarter. Trading capital decreased in the first six months due to bonus and dividend payments.

Secondly, the current remuneration policy in place is expected to have a positive impact on the total capital going forward, as the extended bonus deferrals would have added EUR 19 million to total trading capital already this year if we had applied this change on the bonus pool for the financial year 2015.

With this, we move on to the last slide of the presentation, which reiterates our long-term business principles.

Please note that in line with what we have done in the past, we do not share any information about current trading, nor do we provide an outlook on our earnings.

Sjoerd?



Mr. **Rietberg**: Thanks, Dennis. Looking at the post-IPO review, the second quarter results and at the financial position of Flow Traders, our focus for future growth remains unchanged. We will continue to maximise our net trading income and growth in the medium to long term, aiming to grow at a faster pace than the global assets under management in the ETP space. We believe we will be able to realise that by focusing on growing our volumes by connecting to more trading venues, improving our technological infrastructure, increasing the number of our counterparties, and the number of products traded.

We will focus on increasing our revenue capture, thus maximising net trading and income by expanding product knowledge, expanding technology knowledge, expanding hedging capabilities, and reducing variable costs. Of course, we will focus on controlling our costs by ensuring proper cost accountability, up to date information across the company globally, and realising economies of scale while running an efficient and capital-efficient business model within our desired risk profile.

This concludes our presentation. We would like to open the floor to questions.

3 Questions

- **Arnaud Giblat – Exane BNP Paribas**

Good morning, just three questions from me, please. First, I was wondering if you could expand a bit on revenue capture. Q1 was affected by a negative mix shift towards higher liquidity products, which are all marginal. I am wondering if that shift reversed out in Q2 a net result in a better revenue capture or if there is anything else going on there. Could you expand a bit on the US, because we noticed quite a substantial pick-up there? Perhaps also in Asia, where we saw the contrary.

Secondly, market share over the quarter: clearly, the volumes declined at a lower pace than the broader market Is it the case that you are taking market share, is that the case that the connections you have added are delivering results? If you could expand a bit there it would be great.

Finally, on the head count additions you have made over the half, could you perhaps give us an indication of how these headcounts are spread? Is it with the proportion of traders added similar to the one you have in your current business?

Mr. **Rietberg**: I will take up the first two questions and Dennis will pick up the last one. To comment on your question with regards to revenue capture in the different regions: in Europe we have been able to increase our revenue capture a little bit compared to the first quarter. I went up with roughly 0.5 basis points. In the US it indeed increased quite a lot and in Asia we saw a drop. To be able to answer your question we have to look at both the market and our own activities. So, if we take a look at the market place we see that in Asia the concentration is even stronger than in the first quarter in these top-ten products, both in terms of volume traded as well as the potential profit we see in these products. In Asia, we have seen even that roughly 70% of the value traded is concentrated in the top ten products in the region, while the spreads have further contracted there a bit. In Europe and the US markets this is not the case. In effect, we saw even a bit less concentration compared to the first quarter but also there, in Europe we were able to benefit to a certain extent from the Brexit event when there was quite some market volatility and thus a wider spreads in the market. Hence, the relative small impact but a small uptick as well in the revenue capture. In the Americas, indeed we benefitted especially from the fact that the market remained relatively stable. We especially changed our product mix in which we were active. As already mentioned, we started some investments last year both in terms of time of effort, especially in providing liquidity in a broader set of products. This is also what we have done and this has resulted in more market activity in products where we can re-optimise our revenue capture in the market.

This more or less also answers your second question in terms of market share. As we mentioned before in other conversations and calls is that market share in itself is not something we pursue. We strongly believe in capturing profit share, so where is the potential profit in the market? This is something we have always done and will continue to do, in all regions but of course, at some point in time this will also result in increased market shares due to the fact that we are able to capture a bigger part of the pie in those products in which we are already active. So, given the relative small shifts in market activity we were able to increase our market shares in some regions this quarter.

Mr. **Dijkstra**: Let me get back to your question about the headcount and growth. As you can see on slide 7, we have a balanced growth of our headcount across all offices but the majority of the growth comes from the Americas and APAC, where we have grown 36% and 42% respectively in the last twelve months. But also in the Amsterdam office, where we have centralised functions, we have grown by 25%. So first of all, balanced growth across all regions but also balanced growth across all departments. So, we remain very actively searching for trading talent. The same goes for technology and other supporting staff, including risk. So, we want to grow as our headcount is represented today across our three key competencies being pricing trading, technology, and working staff.

Does that answer your questions?

Arnaud Giblat – Exane BNP Paribas: It does, thank you. Could I have a quick follow-up on the revenue capture? I am wondering longer term or perhaps if you could give us a bit more insight in terms of pricing in the market, whether smart beta products trend to attract a better revenue capture. Clearly, that is a fast-growing area of ETF. I am just wondering what spreads look like there.

Mr. **Rietberg**: It is always hard to predict something in terms of spreads, so I will not do that. At the same time, I can give you some insight. In these kinds of products we indeed see a lot of inflow and a lot of market activity. The spreads tend to be a little bit wider, especially due to the fact that these products by definition do not know exact underlying effective hedging possibilities. There is of course some natural reason why the spreads are a bit wider, so why the revenue capture could be a bit higher as well but at the same time more market participants are active in these products. We have been active already for years in products like this and our aim has always been and will remain to provide liquidity in all kinds of different ETPs. So, we are active in this place. We are providing liquidity and given the fact that we have this global coverage we can do this in a very effective way. But we do see indeed that the spreads and thus as well the revenue capture eventually for us can be a bit higher in these kinds of products. But of course, it is really hard to estimate what part of the pie will be invested in these kinds of products although indeed it is undoubtedly a growing part.

Arnaud Giblat – Exane BNP Paribas: Great. Thank you very much.

- **Martin Price – Crédit Suisse**

Good morning, just a couple of questions from me, please. First, there has been some pressure for suggesting that a few traders based in Singapore may have left with the idea to setting up their own business. Could you perhaps comment on those reports, please?

Secondly, could you provide an update on trading volumes in Q3? Clearly, it is quite early days and things can change very quickly, but it certainly looks like broader capital markets volumes, including ETP turnover, is falling quite materially over sequentially and versus prior year levels. Any colour you could provide on that would be great.

Mr. **Dijkstra**: Let's answer the question about some people leaving the company. As you can see, we have been growing the company on a net basis over the last couple of years. We have been hiring and people are leaving the company. That is almost on a continuous basis. The reports we have read are probably the same, that some of the senior people that left the company over one year ago are apparently setting up a new trading firm. I do not know what their exact plans are but we are already competing in a very competitive global market, so we do not fear any competitors. The barriers to entry and to be an effective competitor are already very high and it does not bring a couple of traders to make us very scared. In addition, we have very strict non-compete confidentiality and non-poach agreements in every employment agreement with our employees, so I am probably reiterating my initial comment, that we are completely fine with people that are leaving the company even if they are senior staff.

Mr. **Rietberg**: Then coming back to your question regarding the current trading. In July -- the exchanges will release the numbers there – the market activity was roughly back at the levels we have seen pre the Brexit referendum, so it is a relative inactive market at the moment. Although, if you take a look at the longer term, we still see that this market is really attractive. This ETP market space in itself is still expected to grow to the US$ 6 trillion that Dennis already mentioned and which is coming out of the different research reports from PwC, Morningstar and alike. Also compared to roughly one year ago, we have seen market activity in the ETP space grow by over 10%. So, the market on the longer term is still growing and this is also where we feel that we are very well positioned to benefit from this long-term prospect but the current trading activity is at a relatively low level indeed.

Martin Price – Crédit Suisse: That is very helpful. Thank you.

- **Joost de Rijk – Kempen & Co**

Good morning, just two questions left from my side. First, could you give a bit of colour on the revenue capture in the quarter and specifically how a day an event like Brexit compares in revenue capture to the rest of the quarter.

My second question is on the margin development. As from NTI downwards to EPS it seems to be a bit under pressure by fixed personnel expenses rising, technology expenses rising somewhat and also your taxes, when corrected for this one-off seem to be on the higher end. If you could comment on that I would be very thankful.

Mr. **Rietberg**: First of all, on a day like Brexit market activity was at higher levels. We see that market volumes in Europe went up with roughly a factor 3, so roughly EUR 10 billion of ETP value traded on that day. On these kinds of trading days you see that the spreads by which liquidity is provided on screen will increase, though I have to add that on this Brexit day we saw especially a long market activity in a European opening. This is also one of the comments that popped up this morning. In the Asian market we saw some down ticks in the

Nikkei. The Chinese markets did not react that fiercely. But the big reactions were especially in the European markets in the morning. On that day we saw that most market activity took place between 09H00 European time until roughly 12H00 – 13H00, lunchtime Europe and effective markets opened at the low roughly and then started to rebound already during that day. You can imagine that on such a day these spreads are initially in the opening relatively wide, so the revenue capture possibilities for us are relatively positive because there is a lot of volume and there is a lot of revenue to be captures, but during the day the markets already rebounded and returned to normal very quickly. I think most liquidity that was provided during the day was provided by multi liquidity providers. It was done in such a way that the markets were not behaving in an apparent way. Everything was operating normally but of course with some wider spreads. So, it was really a very hectic day for us in that sense and in fact, all our systems and our whole operation was running as normal but given the fact that especially in the morning we saw a lot of possibility to trade and capture extra revenue it was indeed an interesting day.

Mr. **Dijkstra**: And then a follow-on on your questions about the EBITDA and the EBITDA margin development: as you are aware we have a very tight, low and predictable cost base. For presentational purposes we include our variable expenses as part of our operational expenses but when calculating our variable compensation you have to take into account the depreciation and write-offs of our tangible fixed assets. If you compare the second quarter to the first, you will see that a percentage of the variable compensation as part of the operational expenses is a bit lower, thereby impacting the EBITDA-margin because we take into account the write-offs of our tangibles, including the one-off write-off of our infrastructure when calculating the bonuses. That in fact was about 2%. All in all, where we expect our low and predictable cost base to progress as it has done in the past, so by adding employees, making some technology investments but also retaining our remuneration policy. As you are aware our remuneration policy is that you have a low fixed salary cost base and our employees participate in variable compensation pool based on operational results.

Does that answer your questions, Joost?

Joost de Rijk – Kempen & Co: Just a quick follow-up on specifically the fixed personnel expenses, which I think are up 10% versus Q1. Is that a structural change or just quarter-specific?

Mr. **Dijkstra**: I think it is probably quarter-specific. Overall, the last year we have grown our headcount by about 25%, so that is what I expect going forward, probably a bit lower.

Joost de Rijk – Kempen & Co: Thank you!

- **Anil Sharma – Morgan Stanley**

Good morning, just a quick question. In terms of the changes that you have made in Asia, should we be thinking about this is going to benefit you in Q4 or is it longer dated than that? Is your expectation that the changes will improve your market share or do you think it is going to increase your revenue capture?

And then again, to follow up on the revenue capture point, clearly, you are saying Brexit has spreads widened and that has been positive. So, how should we be thinking about revenue capture now in Q3 or even longer term? How much impact does this Brexit basically have on those spreads and the revenue capture? Is it like 5% lower now or 10%? How should we be thinking about it?

Mr. **Rietberg**: The changes or in fact the improvements we are working on in our Asian Pacific region – Singapore – comprise different attention points. In fact, these are attention points we always have with all the different trading offices we have. We are strengthening our team and increasing our knowledge but especially we are investing in our technological infrastructure, in our expanding our product coverage over there. Your question was whether it will impact our revenue capture or our market share. Hopefully, the answer is twofold. We of course expect that these improvements will start to pay off in the foreseeable future. It is always hard to give an exact date because a lot of time and resource is invested to get this done but it will hopefully impact both revenue capture and market share because eventually, we are not striving – again – to increase our market share or to just optimise revenue capture. We want to increase our net trading income over there. So, we are taking the right measures and the right actions to improve. We also know what to look at and we know where to invest in.

Your second question was regarding our revenue capture. What was your question exactly?

Anil Sharma – Morgan Stanley: You said that Q2 was boosted by Brexit in terms of revenue capture, so going forward, if the revenue capture even now in July is at 5% or 10% lower, how should we be thinking about the quantum of impact that the referendum has had?

Mr. **Rietberg**: I hope you understand I cannot quantify the revenue capture currently but what you see is what I already mentioned and that is that the market activity is relatively low in terms of volume traded. We have also seen a fixed index just to use some kind of measure in the month of July, an average of around 13 to 13.5 points, which is historically relatively low. So, you have some kind of insight of what in July roughly the profit potential was in the ETP space.

Anil Sharma – Morgan Stanley: Thank you.

- **Ron Heijdenrijk – ABN AMRO**

Good morning. Quick two questions on revenue capture again. I am sorry to linger on this but I have pretty much the same question as the previous questions. It is on the Brexit. Rather than asking about Q3 revenue capture could you maybe specify or give some colour on what revenue capture would be excluding that June 24 day?

Secondly, on Asia. The revenue capture obviously dropped down quite dramatically. Having said that, it is now more in line with where it is in Europe and in America. If I am reading your press release correctly, are you saying that this is the new norm or are you thinking that you can go back to 9 or 10 basis points?

Mr. **Rietberg**: Thank you for your questions, Ron. A quick one on the revenue capture in Brexit: what would it have been excluding Brexit. To be honest, I do not have the numbers here and also from that perspective, we do not want to release the exact results for the Brexit day. So I cannot answer that question.

With regards to the Asian Pacific region revenue capture developments, we have seen that also there the markets have been relatively quiet. Revenue capture has been impacted by a further concentration in these highly liquid products. So, what you will see is that the potential of the market also has dropped due to this concentration. It is of course hard for us to predict how markets will evolve. You can imagine that if markets would be volatile again, as we have seen last year in July with the Chinese markets, that this will impact in a positive sense the revenue capture again and also the potential profit for us there. It is hard for us to predict how the Asian markets will develop and if they will develop towards a more US or European revenue capture level. I know that the markets are still a lot more fragmented. There is a lot of different regulation and there are also a lot of macro-economics taking place, but again I want to reiterate that our focus in itself is still not on just revenue capture. Eventually, revenue capture multiplied by the volume we trade defines our NTI. Eventually, our goal is to optimise our net trading income in all regions. We can do this also by increasing the volume traded in these highly concentrated products. As already mentioned, we are investing to also further improve or optimise our NTI, also based on technological improvements for example.

Ron Heijdenrijk – ABN AMRO: Thank you.

- **Arnaud Giblat – Exane BNP Paribas**

Just a follow-on on revenue capture in Europe again. Sorry about that! Can you just confirm for us that the widening of spreads due to Brexit was only on 24th June and thereafter spreads pretty came back to normal levels?

Mr. **Rietberg**: I think I can more or less confirm indeed what you mentioned because we have seen that the markets really returned quickly to the levels we see pre-Brexit, both in terms of volatility as well as in terms of spreads. So effectively, also if you take a look at the volatility you see that the levels reached the levels from two weeks before the Brexit referendum within a few days after the referendum.

Arnaud Giblat – Exane BNP Paribas: Thank you.

- **Ron Heijdenrijk – ABN AMRO**

Sorry to linger again on this but given that the markets returned to normal, is there any reason why in Europe the revenue capture outside of that June 24 day, so the normal revenue capture, would have been significantly higher than in Q1?

Mr. **Rietberg**: So your question is if there is any reason if it would have been significantly higher than in Q1.

Ron Heijdenrijk – ABN AMRO: That is correct, yes.

Mr. **Rietberg**: Also coming back to the market activity, market volatility, is that there have been not a lot of events besides the Brexit that have driven market activity and also market volatility in the first half year. So given that, it makes sense or it is at least reasonable to assume that it makes sense that indeed the spreads have compressed a bit during the second quarter. Besides the Brexit event there has been a lot of stimuli to increase this revenue capture. The spreads have been relatively stable until the Brexit event and then it came back again relatively quickly to the levels we saw before.

Does that answer your question?

Ron Heijdenrijk – ABN AMRO: Yes, so if I understand correctly, in Q1 there was a 4.2 basis points spread and it is fair to assume that this 4.2 basis points or maybe even slightly lower than that because of margin pressure would have been the Q2 revenue capture, apart from the Brexit day.

Mr. **Rietberg**: It is something you could assume.

Ron Heijdenrijk – ABN AMRO: Okay. Thank you very much for your help. That is very clear.

- **Joost de Rijk – Kempen & Co**

Hi, one follow-up question that is not on revenue capture. Hearing your comments on the Q3 having returned to the level of Q2 before Brexit, is there anything you would be able to do in your Opex-base to defend your margins if the NTI were to drop because you are seeing a quarter of low activity without a Brexit event?

Mr. **Dijkstra**: The biggest part of our cost base is employee-related, so we run a low and predictable cost base anyway. So, there is a natural cushion by having a global remuneration policy in place where a big part of the compensation for employees is based on the operational results. So, any lower NTI will have a direct reflection on the biggest chunk of our costs. Anyway, that is also the reason why we have our remuneration policy in place as it is. It will also protect stakeholders, including shareholders, from lower activities if that happens.

Does that answer your question?

Joost de Rijk – Kempen & Co: So, it is safe to assume that that is where the cushion is and that there is very little you can do in fixed personnel expenses and technology expenses.

Mr. **Dijkstra**: Yes, we run this low and predictable cost base of about EUR 70 million, which buys us the headcount of 300 employees in our global infrastructure, which is a fixed out-of-pocket cost base. The other chunk of our operational expenses is variable. The EUR 70 million is pretty fixed.

Joost de Rijk – Kempen & Co: Thank you.

Mr. **Rietberg**: As there are no more questions, thank you to all of you who have dialled in today. We look forward to speaking to you again in the near future. I would like to wish you all a very pleasant day.

Thank you, operator!

End of call

4 Appendix

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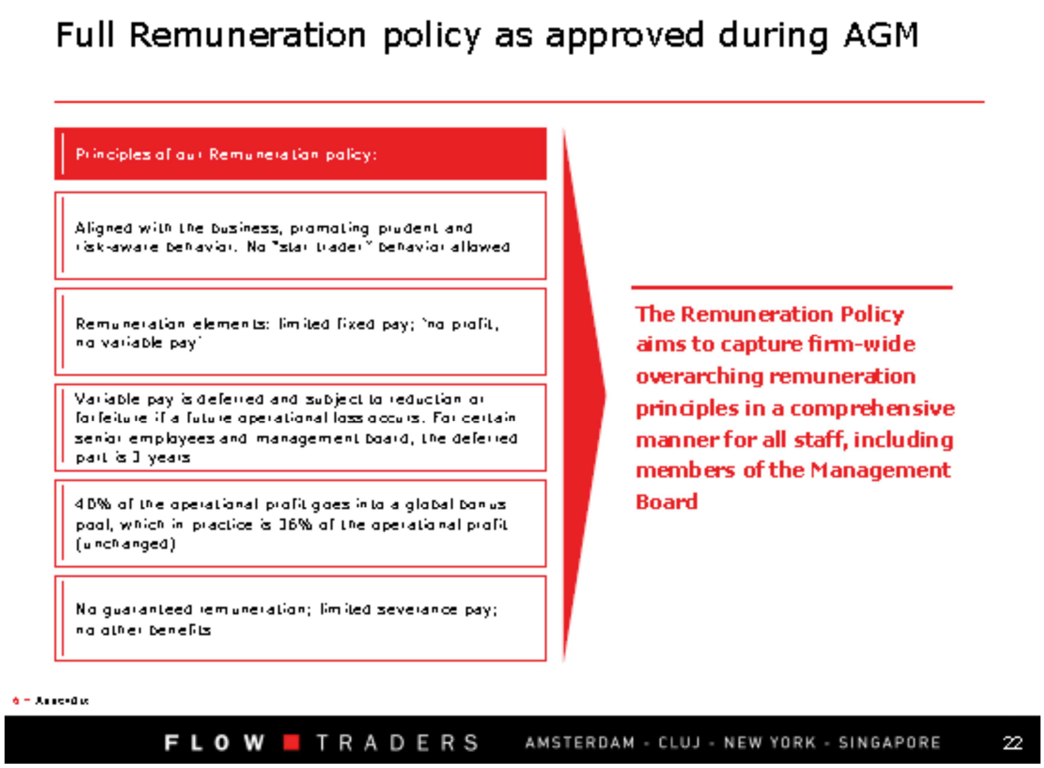
Monthly markets update as published

ETP Market Update June

	24-Jun	2016 June	May	Apr	Mar	Feb	Jan	2015 Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan
On & Off Exchange Value Traded – Consolidated ($bn)	192.8	1,973	1,509	1,573	1,830	1,959	2,286	2,009	1,555	1,753	1,940	2,211	1,833	1,838	1,448	1,615	1,863	1,371	1,876
EMEA ($bn)	10.5	102	65	73	60	92	92	84	71	71	74	88	81	84	71	82	93	75	88
Americas ($bn)	171.1	1,706	1,302	1,325	1,530	1,702	2,023	1,728	1,263	1,519	1,670	1,913	1,453	1,379	1,168	1,307	1,554	1,194	1,632
APAC ($bn)	11.2	164	141	174	205	165	171	197	221	164	196	210	280	375	209	226	216	102	155
Off Exchange reported Market Value Traded – EMEA ($bn)		42	27	30	35	34	34	33	30	28	27	33	30	25	25	31	35	28	30
Off Exchange reported Market Value Traded – Americas ($bn)		593	465	464	535	553	656	603	434	504	565	613	489	475	400	442	530	379	505
Assets under Management – Total		2,850	2,818	2,716	n/a	2,609	2,600	2,667	2,821	2,698	2,497	2,543	2,716	2,643	2,733	2,648	2,560	2,611	2,460
EMEA		482	480	471	n/a	452	446	460	491	475	453	466	485	467	480	473	478	465	462
Americas		2,112	2,081	2,017	n/a	1,938	1,943	1,987	2,105	2,004	1,845	1,876	2,018	1,968	2,029	1,972	1,895	1,935	1,819
APAC		256	257	237	n/a	219	211	219	225	219	199	200	213	208	212	202	187	189	179
# of ETP listings - Total		9,543	9,431	9,311	9,117	9,085	8,905	8,881	8,798	8,701	8,556	8,494	8,400	8,363	8,183	8,113	8,034	7,951	7,813
EMEA		5,131	5,087	5,053	4,919	4,910	4,772	4,780	4,752	4,707	4,612	4,596	4,576	4,559	4,533	4,480	4,434	4,395	4,331
Americas		3,166	3,113	3,089	3,033	3,014	2,982	2,957	2,932	2,911	2,876	2,839	2,798	2,714	2,700	2,688	2,689	2,647	2,602
APAC		1,245	1,211	1,179	1,165	1,161	1,151	1,144	1,114	1,083	1,068	1,059	1,026	989	949	944	921	909	880
# of new ETP products - Total		136	113	96	100	75	56	96	145	133	99	96	98	107	105	93	110	130	77
EMEA		46	46	35	55	39	23	27	94	69	44	26	37	35	36	44	47	65	33
Americas		37	29	40	35	26	23	29	21	30	44	36	41	34	37	27	34	44	32
APAC		43	38	21	12	10	10	40	30	24	11	34	20	38	32	21	29	24	12

Note: Data is source by Blackrock Global ETP Landscape and we do not have control over this data
* Source: Flow Traders analysis and Blackrock Global ETP Landscape

6 – Appendix


Full Remuneration policy as approved during AGM
Principles of our Remuneration policy:
Aligned with the business, promoting prudent and risk-aware behavior. No "star trader" behavior allowed
Remuneration elements: limited fixed pay; 'no profit, no variable pay'
Variable pay is deferred and subject to reduction or forfeiture if a future operational loss occurs. For certain senior employees and management board, the deferred part is 3 years
40% of the operational profit goes into a global bonus pool, which in practice is 36% of the operational profit (unchanged)
No guaranteed remuneration; limited severance pay; no other benefits
The Remuneration Policy aims to capture firm-wide overarching remuneration principles in a comprehensive manner for all staff, including members of the Management Board
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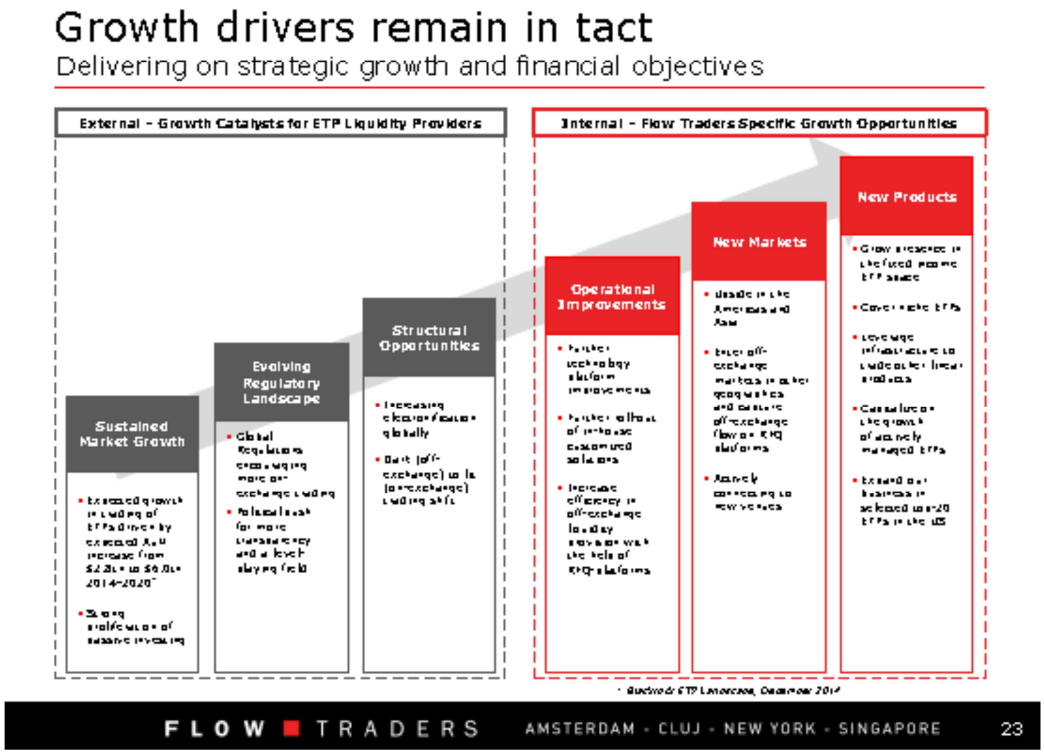
Growth drivers remain in tact
Delivering on strategic growth and financial objectives
External – Growth Catalysts for ETP Liquidity Providers
Internal – Flow Traders Specific Growth Opportunities
Sustained Market Growth
Evolving Regulatory Landscape
Structural Opportunities
Operational Improvements
New Markets
New Products
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Thank you

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