

MAREX SPECTRON REPORTS \$22.7M OPERATING PROFIT FOR 2015

IN A TOUGH YEAR FOR COMMODITIES, MAREX SPECTRON POSTS RECORD PROFIT

LONDON, 25 May 2016 – Marex Spectron Group Ltd ('Marex Spectron'), the global commodities broker, has posted a record Operating Profit of \$23 million for the year ended 31 December 2015, up from \$15 million in 2014. "Ebitda" increased to \$31 million from \$25 million in 2014.

Gross revenues were \$348 million, compared with \$368 million in 2014. Costs were reduced by \$29 million to \$325 million from \$354 million in 2014. Shareholders' equity grew to \$374 million, up from \$358 million in 2014.

Highlights for the year included:

- Further strengthening the firm's financial position having successfully implemented a multi-year cost rationalization programme focused on underperforming businesses, desks and offices.
 - These actions have improved operating profit by \$32 million since 2013, with cost reduction of \$42 million offsetting \$10 million of revenue decline associated with the exited businesses.
- In what was a challenging environment for commodity broking, Marex Spectron continued to enhance its market leading position.
 - In Energy, the firm maintained revenue year on year (despite currency headwinds) and increased operating profit, with many of its desks enjoying a record year. In 2015 the firm executed over 1.1 million customer orders for 1,429 clients in 638 products. Market shares across the energy business range from high teens to low thirties on the more mature desks.
 - In Metals, Marex Spectron strengthened its position as the number 1 ranked liquidity provider on the LME. The firm closed the year with around 23% of the Ring volume and 22% of the electronic Select volumes.
 - In Agriculturals, the firm further grew revenues and operating profit. It is the number 1 executor of options in soft commodities (cocoa, coffee and sugar) with global share of around 25%.
- ProTrader, a specialist division that provides independent traders with technology and infrastructure services, rationalised its cost and pricing structure, as well as added to its product set and attracted new teams.
- Our Financial Futures and Options business performed credibly in very challenging markets.
- Specialist Metals functionality has been intergrated into Neon, our industry leading Direct Market Access (DMA) technology platform, increasing its attractiveness to our clearing clients. Neon now has almost 300 users placing orders directly into the market. A further 900 users at 240 separate clients are directing their exchange traded electronic order flow via the firm using third party vendor-provided platforms.
- There was continued investment in Nanolytics, a proprietary algorithmic system that assesses several billion publically available data points each day. Nanolytics analyses contracts in 39 different commodity markets, separating out the effect of HFT trades, to determine the

underlying supply and demand balances, which is a valuable guide to future price movements.

- Marex Spectron has continued to develop its global franchise. In the US a multi-year program has been underway, raising the level of profitability through increased team productivity and cost discipline. Hong Kong has performed well for a number of years and Singapore is now profitable.
- Liquidity and capital strengthened in 2015, with a year-end regulatory capital surplus of \$113 million versus \$76 million in 2014.

Ian Lowitt, Chief Executive Officer of Marex Spectron commented: “To produce record profits in a particularly challenging year for commodities is an exceptional result. This is largely due to the successful streamlining of the business over the past three years, having exited unprofitable activities and improving our core businesses, and in doing so we have solidified and advanced our market position globally. Our ability to support clients across such a broad range of products, from Energy, Metals, and Agricultural - the core of our business - to Financial Futures and Options, and market access through ProTrader, makes us distinctive and has given us strong foundations for further growth.”

“We are planning exciting new investments. Our intention is to expand in the areas where we enjoy competitive advantage and we see significant opportunities as banks and other participants retreat from the commodity space. Our focus is on winning market share through supporting clients with our intellectual capital, data, market leading technology, and providing superior execution and advice.”

“Although market conditions remain challenging we are pleased with our start to the year.”

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About Marex Spectron Group Limited

Marex Spectron is a leading commodities brokerage headquartered in London but with an international network covering Asia and North America, with significant market shares in many major Agricultural, Metal and Energy products.

We offer electronic and voice broking services, with state of the art networks to facilitate complex trading strategies. We offer insight and know-how, based on decades of experience, a vast market data set and the latest analytic tools.

We have a broad range of clients including commodity producers and consumers, banks, hedge funds, asset managers, brokers, commodity trading advisors and professional traders.

We are members of the London Metal Exchange (LME; where we are a Ring Dealer), the CME Group exchanges, ICE Group exchanges and many others.

We are regulated in the UK by the FCA, in the US by the NFA and CFTC, in Hong Kong by the SFC, and in Singapore by the MAS.