



MEDIA RELEASE

CMC Markets continues to strengthen as EBITDA increases by 260%

CMC Markets Australia New Zealand delivers 36% increase in turnover YoY

SYDNEY, April 29, 2014: CMC Markets financial performance continues to strengthen under the renewed leadership of Peter Cruddas, CEO with the Group announcing a strong trading update for the twelve months ending 31st March 2014.

Financial performance

In the twelve month period, the Group has seen a 260% improvement in adjusted EBITDA (earnings before interest, taxes, depreciation, amortisation and bonus costs) to £51.5 million. Its EBITDA margin has remained at the same level as seen in the half-year results at over 40%.

The balance sheet is strengthening even further. Own cash reached £115 million, with minimal debt and a capital adequacy ratio of 233 per cent.

The Group has completed its first full financial year under the new management structure. Since Peter Cruddas took over as Group CEO in January 2013, he has been refocusing the business on client service, and building on a strong trading platform. This strategy has strengthened the Group's financial performance, reinforcing CMC Markets' appeal to high value active traders.

Australian New Zealand region performance

Locally, the Australia New Zealand office delivered a 36% increase in turnover year-on-year, under the leadership of Matthew Lewis, head of CMC Markets ANZ.

Lewis has made his mark on the business over the decade he has worked at CMC Markets, most recently he was responsible for bringing the business operations team and dealing desk back from Singapore, to run alongside the Group's Australian stock broking business in Sydney. The move was a major success and has created important synergies across the business.

This is one of the most important times in the Australian New Zealand business' history", says Lewis. "I'm currently focussed on our ambitious strategy to grow active trader market share and regain the number one position in the market while making significant progress harnessing key markets in Asia."

As Lewis looks forward to the new financial year, he notes that the Australia New Zealand office performance and the growing switch to CMC Markets that many local traders are making.

“We saw the highest number of new account openings in Q4,” said Lewis “ANZ Q4 volumes were the highest of the year, with March a standout month with ANZ enjoying a 58% increase in turnover from the corresponding quarter the previous year and a 17% increase on Q3 performance,” he added.

CMC Markets Group performance

Commenting on the Group performance, Peter Cruddas, Chief Executive, said: “These are an incredible set of results for the full year. What is pleasing about these results is that they have come on the back of an improved service to clients, including the global release of our Next Generation platform which provides automated trade execution with some of the most competitive trading spreads in the industry today.

“The team has responded well to the major management changes I have implemented, which have resulted in clearer reporting lines and improved transparency throughout the business. I would like to thank them and the rest of the team for their support and hard work. Now we are all aligned from the top down and the culture is to deliver the best possible service to clients. The team are dedicated, focused and excited about the future and quite frankly so am I.

“Client response to the improved platform and client service has been positive and I would like to take this opportunity to thank clients for their continued support.

“I started this company 25 years ago and we will be celebrating later in the year but I have to say in all my time with the company, this feels like the best yet.”

Ends.

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About CMC Markets

CMC Markets is a pioneer of CFD trading in Australia and a world leading CFD provider. A leading independent financial services provider, CMC Markets offers a range of investment products and investment tools including shares, options, listed managed investments, warrants, interest rate securities and Contracts for Difference (CFDs). Through our partnerships we can also provide access to managed funds and margin lending execution. In 2007 CMC Markets launched its broking service with the acquisition of Andrew West Stockbroking and CMC Markets Stockbroking is now one of the only non-bank aligned, online stockbrokers in Australia. With offices in London, Paris, Milan, Madrid, Frankfurt, Oslo, Stockholm, Toronto, Sydney, Auckland, and Singapore, CMC Markets represents clients in almost 100 countries. The company was founded in 1989 and is regulated by ASIC in Australia. CMC Markets Stockbroking is a participant of the ASX Group.