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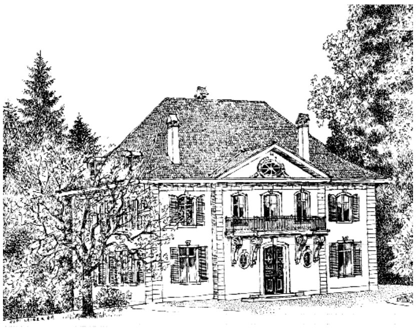

PRESS RELEASE (No 119)

(Free translation)

Bondpartners SA, Lausanne: half-year operating profit rose and trading proceeds increased compared to previous accounting period, despite negative impact of currency fluctuations and moody performances of stock exchanges.

- ***Higher net result***
- ***Increase of balance sheet***
- ***Robust capital base***

BPL realized an accounting net gain of CHF 0,5m for the first six months of the year under review, compared to a loss of 1,8m at the end of June 2015. The strengthening of the Swiss franc as well as the heightened market volatility continued to weight on results from securities portfolios and foreign currencies, while those from trading operations, in the strict sense, improved by 14%. Shareholders equity remained stable and exceeded CHF 80 million (+2%).

The first half of 2016 was characterized by lower trading volumes, but accompanied again by significantly higher operating margins, while liquidity shortage, which has been affecting bond markets, continued and unpredictability persisted whether for debentures, shares or currencies.
Global economic growth is experiencing difficulties and the Brexit consequences are not yet fully known, aggravating the concerns of operators and exacerbating the wild swings of financial markets. On the geopolitical level also, the situation was made even more complex by intensification of terrorist attacks, refugee crisis and by the extent of European unease.

(NB. Comparative figures June 2016/June 2015)
The parent company registered a net accounting profit of CHF 0.46 million (vs a loss of CHF 1.81m for the first 6 months of 2015).

Still when compared with the first half of 2015, the statutory balance sheet total has increased by 14% to CHF 156.3 million, mainly due to the surge of pending/overlapping transactions at the end of June.

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The balance sheet was composed by 94% of current assets (stable figure compared with previous periods), namely cash and due from banks (CHF 71.63 million +19%), due from customers and non-banks (CHF 24.77 million +87%) and investment/trading portfolios except own shares (CHF 50 million -7%). Total liabilities amounted to CHF 74.31 million (+33%). Total commitments, irrespective of their maturity, are covered twice by the current assets.

With regard to individual shareholders' equity, its total came to CHF 80 million (+1.7%) and represents 51% of the total balance sheet after deduction of the reserve for own shares. Thereupon, the reserve for general banking risks reached CHF 41.34 million (+0.2%) and other reserves amounted to CHF 36.55 million (unchanged). Open reserves and capital per share (considering entire capital) totalled therefore CHF 1.455.-.

The capital adequacy of basic individual shareholders' equity (solvability ratio/CET1) reached 49.78%, a higher percentage compared to previous figures. Required capital is covered more than 6 times by eligible capital.

In terms of profit and loss accounts, global gross income from interest differential business posted CHF 1.2 million (-3%) and income from commission business came to CHF 0.78 million (-28%). Income on securities transactions (dealing CHF +3.2 million) including own-account equities evaluations (CHF -0.67 million) declined 31% to CHF 2.54 million, while foreign exchange result showed a less pronounced negative result of CHF -0.25 million (vs a loss of CHF -4.2m for the first half of 2015). Finally, operating expenses remained under control at CHF 3.37 million (+1.2%).

When the first quarter 2016 was strongly dominated by worries regarding the economic developments in the USA and China, the second quarter was highly influenced by the debates and the outcome of the referendum on British membership in the EU (Brexit). These two main events, among others, have added significantly to market instability, causing severe setbacks in January and June which mostly pushed main indices (with the notable exception of Dow Jones and Footsie) to levels largely weaker compared to their closing 2015, amid an environment of persistently low interest rates and yields, along with a continuous divergence of central bank policies, although the FED has delayed its second monetary tightening decision.

The recrudescence of market volatility and increase of geopolitical precariousness make difficult any trend forecasting for the rest of the financial year. Nevertheless the current turbulences and uncertainties should enhance transactional activities which are the core business of Bondpartners and improve margins, while significant equity capital base continues to show a great resilience and demonstrates the solidity of BPL.

About Bondpartners: BPL is a Swiss financial company founded in 1972 in Lausanne, whose business hinges on three main axes: the inter-professional dealing of securities, the market making and market keeping, and the execution of orders issued by independent managers. It is authorized and supervised by the Swiss Financial Market Supervisory Authority (FINMA) as a dealer in securities.

Nota Bene: for detailed figures, please refer to French text (cf "Communiqué de presse No 119" and half year figures, also published in this website).

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