Financial and operating review

"The Group delivered a strong performance in 2024, with record revenues and profits alongside disciplined cost management, strong cash generation, and a fourth £30m buyback announced."

Revenue

£2,253m

Cash conversion[4]

144%

Fourth buyback

£30m

All percentage movements quoted in the analysis of financial results that follow are in reported currency, unless otherwise stated.

Introduction

The Group had a record 2024, achieving a 3% increase in full year revenue to £2,253m (+5% in constant currency). This strong performance was driven across all divisions trading well and complemented by tight cost control.

Liquidnet reported a record 12% increase in revenue (+15% in constant currency), capitalising on improved equity markets and delivering significant market share gains. Equities, the largest part of the division, increased revenue by 15%. This strong revenue performance combined with a 14% reduction in management and support costs (excluding depreciation and amortisation), have significantly enhanced the operational leverage of Liquidnet, resulting in a record adjusted EBIT[1] of £53m and 15.0% margin, compared to £10m and 3.2% in 2023.

Parameta Solutions reported a 5% revenue growth (+8% in constant currency), as it continues to expand its product offerings and broaden its client base, through the strength of its distribution network.

Global Broking, which contributed 57% of the Group's revenue in 2024, delivered revenue growth of 1% (+4% in constant currency), with a stronger revenue performance in the second half of the year, as the division benefited from greater market volatility. Energy & Commodities delivered 1% revenue growth (+2% in constant currency), consolidating on the strong prior year that saw double digit growth across Oil, Power and Gas, compared with 2022.

Our focus on continued cost discipline, enhanced broker productivity (average revenue per broker +9% in constant currency) and Liquidnet's turnaround, led to an increase in the Group's adjusted EBIT to £324m and an improved margin of 14.4% (2023[2]: £299m and 13.6%).

The Group incurred significant items of £91m pre-tax (2023: £180m), of which around 60% were non-cash (2023: 85%). Consequently, the Group's reported EBIT grew 89% to £236m (2023[2]: £125m).

We are managing our capital dynamically. The Group reduced gross debt by c.£80m in the year resulting in an improved leverage ratio[3] of 1.6x, compared with 1.9x in 2023. We delivered strong cash generation, with a cash conversion ratio[4] of 144% (2023: 124%). A three-year programme launched in 2024 to release at least £50m of surplus cash through legal entity consolidations, and a further £50m in annualised cost savings through operational efficiencies, is progressing well. In 2024, we started to realise benefits from these initiatives to moderate inflationary pressures. In the past 12 months, the unrestricted cash[5] has increased by c.£70m, which is after the majority of two £30m buybacks, an increase in the total dividend and operational efficiencies programme investment. We have announced a further share buyback programme of £30m, our fourth in 18 months, demonstrating our commitment to return surplus capital to shareholders. Finally, in line with our dividend policy, the Board is proposing a final dividend of 11.3 pence per share representing a full year 2024 dividend of 16.1 pence per share, up 9%.

Robin Stewart
Executive Director and Chief Financial Officer
11 March 2025

1 For more detail on Alternative Performance Measures, refer to the Appendix on page 216.
2 2023 adjusted EBIT restated to £299m from £300m to reflect reclassification of FX gains on non-GBP borrowing and related derivatives to net finance expense. Reported EBIT restated to £125m from £128m
3 Total debt (excluding finance lease liabilities) divided by 12 months adjusted EBITDA as defined by our Rating Agency.
4 Defined as: Free cash flow divided by adjusted earnings attributable to the equity holders of the parent. For more detail on Alternative Performance Measures, refer to the Appendix on page 216.
5 Unrestricted cash includes cash required for working capital purposes, and cash in excess of that required for regulated capital and liquidity requirements, show capital/settlement cash and collateral.

Key financial and performance metrics

	2024 £m	2023 reported currency restated[3] £m	2023 constant currency restated[3] £m	Reported currency change	Constant currency change
Revenue	**2,253**	2,191	2,142	3%	5%
Reported					
– EBIT	**236**	125	123	89%	92%
– EBIT margin	**10.5%**	5.7%	5.7%	+4.8%pts	+4.8%pts
Adjusted[1]					
– Contribution	**867**	848	829	2%	5%
– Contribution margin	**38.5%**	38.7%	38.7%	(0.2)%pts	(0.2)%pts
– EBITDA	**398**	372	359	7%	11%
– EBIT	**324**	299	289	8%	12%
– EBIT margin	**14.4%**	13.6%	13.5%	+0.8%pts	+0.9%pts
Average					
– Broker headcount	**2,542**	2,556	2,556	(1%)	(1%)
– Revenue per broker[2] (£'000)	**732**	716	669	2%	9%
– Contribution per broker[2] (£'000)	**265**	268	250	(1%)	6%
Period end					
– Broker headcount	**2,572**	2,523	2,523	2%	2%
– Total headcount	**5,270**	5,179	5,179	2%	2%

1 'Adjusted' is one of the alternative performance measures ('APM') which is useful to enhance the understanding of business performance. Refer to the Income statement section below for details.
2 Revenue per broker and contribution per broker are calculated as external revenue and contribution of Global Broking, Energy & Commodities and Liquidnet (excluding the acquired Liquidnet platform) divided by the average broker headcount for the year.
3 2023 reported EBIT restated to £125m from £128m to reflect reclassification of FX gains on non-GBP borrowing and related derivatives to net finance expense (adjusted EBIT restated to £299m from £300m).

Income statement

While not a substitute for reported IFRS, management believe adjusted figures provide relevant information to better understand the underlying business performance. These adjusted measures, and other alternative performance measures ('APMs'), are also used by management for planning purposes and to measure the Group's performance.

2024	Adjusted £m	Significant items £m	Reported £m
Revenue	**2,253**	–	**2,253**
Employment, compensation and benefits	(1,396)	(8)	(1,404)
General and administrative expenses	(467)	(35)	(502)
Depreciation and impairment of PPE and ROUA	(42)	(6)	(48)
Amortisation and impairment of intangible assets	(32)	(42)	(74)
Operating expenses	**(1,937)**	**(91)**	**(2,028)**
Other operating income	**10**	**–**	**10**
– FX	(5)	–	(5)
– Other items	3	3	6
Other gains/(losses)	**(2)**	**3**	**1**
EBIT	**324**	**(88)**	**236**
Net finance expense	(21)	(1)	(22)
Profit before tax	**303**	**(89)**	**214**
Tax	(80)	17	(63)
Share of net profit of associates and joint ventures	21	(2)	19
Non-controlling interests	(3)	–	(3)
Earnings	**241**	**(74)**	**167**
Basic average number of shares (millions)	756.9	–	756.9
Basic EPS (pence per share)	31.8	–	22.1
Diluted average number of shares (millions)	785.7	–	785.7
Diluted EPS (pence per share)	30.7	–	21.3

2023 restated	Adjusted restated £m	Significant items[1] £m	Reported restated[2] £m
Revenue	**2,191**	–	**2,191**
Employment, compensation and benefits	(1,354)	(6)	(1,360)
General and administrative expenses	(469)	(38)	(507)
Depreciation and impairment of PPE and ROUA	(45)	(11)	(56)
Amortisation and impairment of intangible assets	(28)	(130)	(158)
Operating expenses	**(1,896)**	**(185)**	**(2,081)**
Other operating income	**14**	**8**	**22**
– FX	(11)	3	(8)
– Other items	1	–	1
Other gains/(losses)	**(10)**	**3**	**(7)**
EBIT	**299**	**(174)**	**125**
Net finance expense	(28)	(1)	(29)
Profit before tax	**271**	**(175)**	**96**
Tax	(67)	27	(40)
Share of net profit of associates and joint ventures	25	(5)	20
Non-controlling interests	(2)	–	(2)
Earnings	**227**	**(153)**	**74**
Basic average number of shares (millions)	777.7	–	777.7
Basic EPS (pence per share)	29.2	–	9.5
Diluted average number of shares (millions)	794.2	–	794.2
Diluted EPS (pence per share)	28.6	–	9.3

1 Significant items are categorised, as per details in the Significant items section.
2 Prior year numbers have been restated to reflect net £4m FX loss in reported currency, from General and administrative expenses to net finance expense on retranslation of non-GBP cash and operating assets and liabilities (£3m gains Reported, £1m gains Adjusted and £2m gains in Significant items) and to Other gains/(losses) on fair value gains/(losses) of assets and liabilities (£7m losses Reported, £10m losses Adjusted and £3m gains in significant items). Reported EBIT decreased by £3m (£1m losses in Adjusted and £2m losses in Significant items).

All percentage movements quoted in the analysis of financial results that follow are in constant currency, unless otherwise stated. Constant currency refers to prior year comparatives being retranslated at current year foreign exchange rates to support comparison on an underlying basis.

Revenue by division

Total Group revenue in 2024 reached £2,253m, a 5% increase over the prior year (+3% in reported currency). Global Broking revenue rose by 4% (+1% rise in reported currency), after a slow first quarter, as the division regained momentum following persistent geopolitical uncertainties, leading to an increase in trading volumes across all regions, particularly benefiting the Rates, FX and Money Markets businesses. Energy & Commodities revenue increased by 2%, driven by continued demand for energy sources in Oil, Power and Gas. Liquidnet's revenue grew significantly by 15% as it benefited from the recovery in equity markets, increased volatility from global elections and growth in market share. Parameta Solutions revenue increased by 8%, benefiting from increased demand for over-the-counter data, the expansion of its product offerings, diversification of its client base and higher client retention rates.

By business division	2024 £m	2023 (reported currency) £m	2023 (constant currency) £m	Reported currency change	Constant currency change
Rates	574	566	551	1%	4%
FX & Money Markets	318	312	306	2%	4%
Equities	241	237	233	2%	3%
Credit	117	121	118	(3)%	(1)%
Inter-division revenue[1]	24	22	22	9%	9%
Global Broking	**1,274**	**1,258**	**1,230**	**1%**	**4%**
Energy & Commodities	458	455	447	1%	2%
Inter-division revenue[1]	3	3	3	0%	0%
Energy & Commodities	**461**	**458**	**450**	**1%**	**2%**
Liquidnet	**354**	**315**	**308**	**12%**	**15%**
Data & Analytics	191	185	179	3%	7%
Inter-division revenue[1]	7	4	4	75%	75%
Parameta Solutions	**198**	**189**	**183**	**5%**	**8%**
Inter-division eliminations[1]	(34)	(29)	(29)	17%	17%
Total revenue	**2,253**	**2,191**	**2,142**	**3%**	**5%**

1 Inter-division revenue has been recognised in Global Broking, Energy & Commodities and Parameta Solutions to reflect the value of proprietary data provided to Parameta Solutions and services it supplies to the other divisions. The inter-division revenue and inter-division costs are eliminated upon the consolidation of the Group's financial results.

Operating expenses

The table below sets out operating expenses, divided principally between front office costs and management and support costs. Front office costs tend to have a large variable component directly linked to the output of our brokers. The largest element of this is broker compensation and other front office costs, which include travel and entertainment, telecommunications and information services, clearing and settlement fees as well as other direct costs. The remaining cost base represents the management and support costs of the Group.

	2024 £m	2023 (reported currency) restated[2] £m	2023 (constant currency) restated[2] £m	Reported currency change	Constant currency change
Front office costs					
– Global Broking	781	762	745	2%	5%
– Energy & Commodities	319	304	298	5%	7%
– Liquidnet	218	207	202	5%	8%
– Parameta Solutions	72	71	69	1%	4%
Total front office costs[1]	**1,390**	**1,344**	**1,314**	**3%**	**6%**
Management and support costs					
– Employment costs	333	319	314	4%	6%
– Technology and related costs	90	93	92	(3)%	(2)%
– Premises and related costs	27	29	29	(7)%	(7)%
– Depreciation and amortisation	74	73	70	1%	5%
– Other administrative costs	23	38	38	(40)%	(40)%
Total management and support costs	**547**	**552**	**543**	**(1)%**	**1%**
Significant items	91	185	183	(51)%	(50)%
Total operating expenses	**2,028**	**2,081**	**2,040**	**(3)%**	**(1)%**

1 Includes all front office costs, including broker compensation, sales commission, travel and entertainment, telecommunications, information services, clearing and settlement fees as well as other direct costs.
2 Prior year numbers have been restated to reflect net £4m FX loss in reported currency, from Other administrative costs to net finance expense on retranslation of non-GBP cash and operating assets and liabilities (£3m gains Reported, £1m gains Adjusted and £2m gains in Significant items) and to Other gains/(losses) on fair value gains/(losses) of assets and liabilities (£7m losses Reported, £10m losses Adjusted and £3m gains in significant items).

Total front office costs increased by 6% to £1,390m (+3% on a reported currency) compared with 2023, in line with the increase in revenue. Total management and support costs of £547m were flat despite inflationary pressures, reflecting our commitment to cost control.

Total operating expenses decreased by 1% to £2,028m (-3% in reported currency) driven by the reduction in significant items costs, which was offset by the increase in front office costs.

The Group continues to focus on cost management to drive sustained value creation through operational efficiency. The change initiatives announced in August 2024 and focusing on technology and data, target operating model, procurement and vendor management, and real estate optimisation will deliver annual run-rate cost savings of £50m by 2027. These savings will help us moderate the impact of inflationary pressure over the period. We are on track to deliver the efficiency initiatives, targeting actions that will achieve more than half of the annualised cost savings by 2026.

FX gains/(losses) are reported separately from the total operating expenses, to better reflect the underlying nature of these costs. Refer to the income statement section for details.

Capital and liquidity management

Capital management

The Group is committed to releasing cash for further capital returns, debt reduction, and ongoing business investment, including targeted M&A, where appropriate.

We launched a third £30m buyback programme in August, which was completed in January 2025. We are announcing another £30m buyback programme, bringing the total share buybacks to £120m since the first announcement of the programme in August 2023.

Our focus on strategic financial management has led to a £70m increase in unrestricted cash in 2024, which is after the majority of two £30m share buybacks, an increase in the final dividend and investment into the operational efficiencies programme. The Group debt and other financing obligations also reduced by c.£100m over the past 18 months. This helped lower our net finance costs and improved our investment grade headroom.

The gross debt to EBITDA leverage ratio is now 1.6x, lower than the 1.9x reported in our full year 2023 results.

Liquidity management

The Group successfully extended the £350m syndicated Revolving Credit Facility ('RCF') to May 2027. Additionally, in March 2024, the Yen RCF, with a Japanese strategic partner, increased from ¥10bn to ¥20bn and extended to August 2026, enhancing our liquidity management and financial flexibility.

Significant items

Significant items distort comparisons due to their size, nature or frequency and are therefore excluded from adjusted performance measures in order to provide better understanding, comparability and predictability of the underlying trends of the business, to arrive at adjusted operating and profit measures.

Significant items are categorised as below:

Restructuring and related costs

Restructuring and related costs arise from initiatives to reduce the ongoing cost base and improve efficiency to enable the delivery of our strategic priorities. These initiatives are significant in size and nature to warrant exclusion from adjusted measures. Costs for other smaller scale restructuring are retained within both reported and adjusted results.

Disposals, acquisitions and investments in new businesses

Costs and any income related to disposals, acquisitions and investments in new business are transaction dependent and can vary significantly year-on-year, depending on the size and complexity of each transaction. Amortisation of purchased and developed software is contained in both the reported and adjusted results as these are considered to be core to supporting the operations of the business.

Impairment

The Group conducts its goodwill, intangible asset and investments in associates and joint ventures impairment test annually in September, or more frequently if indicators of impairment exist. Impairment assessments are performed by comparing the carrying amount of assets or cash generating units ('CGUs'), with its recoverable amount. Judgement is involved in estimating the future cash flows and the rates used to discount these cash flows.

Legal and regulatory matters

Costs, and recoveries, related to certain legal and regulatory cases are treated as significant items due to their size and nature. Management considers these cases separately due to the judgements and estimation involved, the costs and recoveries of which could vary significantly year-on-year.

The table below shows the significant items in 2024 versus 2023, of which around 60% of the total 2024 costs are non-cash (2023: 85%).

	2024 £m	2023 £m
Restructuring and related costs		
– Property rationalisation[1]	4	15
– Liquidnet integration	–	9
– Group cost saving programme[2]	10	2
Subtotal	**14**	**26**
Disposals, acquisitions and investment in new business		
– Amortisation of intangible assets arising on consolidation	42	44
– Liquidnet acquisition related	–	10
– Strategic project costs[3]	20	–
– Deferred consideration	–	(3)
Subtotal	**62**	**51**
Legal and regulatory matters – subtotal[4]	**8**	**11**
Impairment of goodwill and intangible assets		
– Liquidnet impairment of goodwill	–	47
– Liquidnet impairment of customer relationship	–	39
Subtotal	**–**	**86**
Other Significant Item		
– Auditor transition fees[5]	4	–
Subtotal	**4**	**–**
Total pre-financing cost	**88**	**174**
– Interest on VLN's & amortisation of discount on deferred consideration and GIP provision	1	1
Total post-financing cost	**89**	**175**
– Associate impairment	2	5
Total post-financing cost and impairment	**91**	**180**
– Tax relief	(17)	(27)
Reported earnings	**74**	**153**

1 Includes costs to rationalise our US property footprint.
2 Includes costs on the operational efficiencies programme launched in 2024.
3 Project costs in relation to assessment of Parameta Solutions strategic options.
4 Includes costs related to significant legal proceedings and regulatory matters.
5 Reflects external auditor transition related costs.

Net finance expense

The adjusted net finance expense of £21m (reported £22m) is £7m lower compared with 2023 due to an increase in interest income, leveraging a favourable interest rate environment.

Tax

The effective rate of tax on adjusted earnings is 26.4% (2023: 24.7%). This is lower than our guidance due to one-off credits on finalisation of the tax position for earlier years. The effective rate of tax on reported earnings is 29.4% (2023: 41.7%).

Basic EPS

The average number of shares used for the 2024 basic EPS calculation is 756.9m (2023: 777.7). This is based on:

> 788.7m shares in issue as at 31 December 2023;
> Plus 5.0m of time-apportioned issuance of new shares;
> Less 9.6m held by the Group's Employee Benefit Trust ('EBT') comprised of 9.5m shares at 31 December 2023, and the time-apportioned movements of 0.1m during 2024;
> Less 27.2m of treasury shares acquired through the share buyback programme comprised of 16.6m at 31 December 2023, and the time-apportioned movements of 10.6m during 2024.

The Group's EBT has waived its rights to dividends.

The reported basic EPS for 2024 was 22.1 pence (2023: 9.5 pence) and adjusted basic EPS for 2024 was 31.8 pence (2023: 29.2 pence).

Dividend

The Board is recommending a final dividend for 2024 of 11.3 pence. Together with the interim dividend of 4.8 pence, this results in a total dividend for the year of 16.1 pence, an increase of 9% from the previous year. This recommendation aligns with the Group's dividend policy, which targets a dividend cover of approximately 2x on adjusted post-tax earnings. The final dividend will be paid on 23 May 2025 to shareholders on the register at close of business on 11 April 2025. The ex-dividend date will be 10 April 2025.

The Company offers a Dividend Reinvestment Plan ('DRIP'), where dividends can be reinvested in further TP ICAP Group plc shares. The DRIP election cut-off date will be 1 May 2025.

Guidance for 2025

Our guidance for 2025 is as follows:

> The Group is comfortable with the current market expectations for adjusted EBIT, subject to FX movements, as we expect cost savings from the operational efficiency program to moderate the impact of inflation;
> Group net finance expense in the range of £30m to £35m, as we expect to refinance our bond that matures in 2026;
> Group effective tax rate on adjusted earnings to return to normalised level of c.28%;
> Significant items are expected to be c.£115m before tax and excluding potential income and costs associated with legal and regulatory matters. This will be driven by the costs of delivering operational efficiencies and costs relating to the strategic options being pursued for Parameta Solutions;
> Dividend cover of c.2x adjusted post-tax earnings.

Parameta Solutions medium-term outlook

> Should we proceed with the listing of Parameta Solutions, our intention would be to return most of the proceeds to our shareholders;
> We do not anticipate any impact on the Group's dividend policy, in the event Parameta Solutions is listed;
> Revenue growth rates expected to rise low to mid teens[1] by 2027;
> Adjusted EBITDA[2] margin expected to reduce temporarily to mid-30s in 2025-26, following incremental investment in the business, and then rise to around 40% by 2027.

Substantial medium-term cash generation

> Over the medium-term, we expect to generate substantial cash organically, in addition to previously announced £50m through legal entity consolidation;
> We will achieve this by focusing on productivity, contribution, and balance sheet optimisation;
> We expect to provide an update on surplus cash generation at the Interim Results in August.

1 In constant currency.
2 In the event that we proceed with the listing of Parameta Solutions, adjusted EBITDA would exclude share-based payments and significant items, but would also include incremental costs of being a listed business. Accordingly, on a proforma basis, Parameta Solutions' 2024 margin would be around 2 percentage points lower than that reported for 2024.

Performance by primary operating segment (divisional basis)

The Group presents below the results of its business by primary operating segment with a focus on revenue and APMs used to measure and assess performance.

2024	GB[1] £m	E&C[1] £m	LN £m	PS[1] £m	Corp/Elim £m	Total £m
Revenue:						
– External	1,250	458	354	191	–	2,253
– Inter-division[1]	24	3	–	7	(34)	–
	1,274	**461**	**354**	**198**	**(34)**	**2,253**
Total front office costs:						
– External	(781)	(319)	(218)	(72)	–	(1,390)
– Inter-division[1]	(7)	–	–	(27)	34	–
	(788)	**(319)**	**(218)**	**(99)**	**34**	**(1,390)**
– Other gains/(losses)	4	–	–	–	–	4
Contribution	**490**	**142**	**136**	**99**	–	**867**
Contribution margin	*38.5%*	*30.8%*	*38.4%*	*50.0%*	n/a	*38.5%*
Net management and support costs:						
– Management and support costs	(253)	(76)	(75)	(13)	(56)	(473)
– Other gains/(losses)	–	–	–	–	(6)	(6)
– Other operating income	2	–	–	–	8	10
Adjusted EBITDA	**239**	**66**	**61**	**86**	**(54)**	**398**
Adjusted EBITDA margin	*18.8%*	*14.3%*	*17.2%*	*43.4%*	*n/a*	*17.7%*
– Depreciation and amortisation	(34)	(10)	(8)	(3)	(19)	(74)
Adjusted EBIT	**205**	**56**	**53**	**83**	**(73)**	**324**
Adjusted EBIT margin	*16.1%*	*12.1%*	*15.0%*	*41.9%*	*n/a*	*14.4%*
Average broker headcount	1,802	602	138	–	–	2,542
Average sales headcount	–	–	110	–	–	110
Revenue per broker (£'000)[4]	707	766	1,137	–	–	732
Contribution per broker (£'000)[4]	272	236	290	–	–	265

2023 (constant currency)	GB[1] £m	E&C[1] £m	LN £m	PS[1] £m	Corp/Elim £m	Total £m
Revenue:						
– External	1,208	447	308	179	–	2,142
– Inter-division[1]	22	3	–	4	(29)	–
	1,230	**450**	**308**	**183**	**(29)**	**2,142**
Total front office costs:						
– External[2]	(745)	(298)	(202)	(69)	–	(1,314)
– Inter-division[1]	(4)	–	–	(25)	29	–
	(749)	**(298)**	**(202)**	**(94)**	**29**	**(1,314)**
– Other gains/(losses)[2]	1	–	–	–	–	**1**
Contribution	**482**	**152**	**106**	**89**	**–**	**829**
Contribution margin	*39.2%*	*33.8%*	*34.4%*	*48.6%*	*n/a*	*38.7%*
Net management and support costs:						
– Management and support costs[3]	(254)	(74)	(85)	(11)	(50)	(473)
– Other gains/(losses)[3]	1	–	–	(1)	(10)	(11)
– Other operating income	3	1	–	–	10	14
Adjusted EBITDA	**232**	**79**	**21**	**77**	**(50)**	**359**
Adjusted EBITDA margin	*18.9%*	*17.6%*	*6.8%*	*42.1%*	*n/a*	*16.8%*
– Depreciation and amortisation	(30)	(8)	(12)	(2)	(18)	(70)
Adjusted EBIT[5]	**202**	**71**	**9**	**75**	**(68)**	**289**
Adjusted EBIT margin	*16.4%*	*15.8%*	*2.9%*	*41.0%*	*n/a*	*13.5%*
Average broker headcount	1,815	599	142	–	–	2,556
Average sales headcount	–	–	107	–	–	107
Revenue per broker (£'000)[4]	678	749	1,009	–	–	669
Contribution per broker (£'000)[4]	266	252	244	–	–	250

Strategic report

Performance by primary operating segment (divisional basis) continued

2023 (reported currency, restated)	GB[1] £m	E&C[1] £m	LN £m	PS[1] £m	Corp/ Elim £m	Total £m
Revenue:						
– External	1,236	455	315	185	–	2,191
– Inter-division[1]	22	3	–	4	(29)	–
	1,258	**458**	**315**	**189**	**(29)**	**2,191**
Total front office costs:						
– External[2]	(762)	(304)	(207)	(71)	–	(1,344)
– Inter-division[1]	(4)	–	–	(25)	29	–
	(766)	**(304)**	**(207)**	**(96)**	**29**	**(1,344)**
– Other gains/(losses)[2]	1	–	–	–	–	1
Contribution	**493**	**154**	**108**	**93**	–	**848**
Contribution margin	*39.2%*	*33.6%*	*34.3%*	*49.2%*	*n/a*	*38.7%*
Net management and support costs:						
– Management and support costs[3]	(259)	(75)	(87)	(14)	(44)	(479)
– Other gains/(losses)[3]	–	–	–	–	(11)	(11)
– Other operating income	3	1	–	–	10	14
Adjusted EBITDA	**237**	**80**	**21**	**79**	**(45)**	**372**
Adjusted EBITDA margin	*18.8%*	*17.5%*	*6.7%*	*41.8%*	*n/a*	*17.0%*
– Depreciation and amortisation	(31)	(9)	(11)	(2)	(20)	(73)
Adjusted EBIT[3]	**206**	**71**	**10**	**77**	**(65)**	**299**
Adjusted EBIT margin	*16.4%*	*15.5%*	*3.2%*	*40.7%*	*n/a*	*13.6%*
Average broker headcount	1,815	599	142	–	–	2,556
Average sales headcount	–	–	107	–	–	107
Revenue per broker (£'000)[4]	681	759	972	–	–	716
Contribution per broker (£'000)[4]	272	257	262	–	–	268

GB = Global Broking; E&C = Energy & Commodities; LN = Liquidnet; PS = Parameta Solutions, Corp/Elim = Corporate Centre, eliminations and other unallocated costs.

1 Inter-division charges have been made by Global Broking and Energy & Commodities to reflect the value of proprietary data provided to the Parameta Solutions division. The Global Broking inter-division revenue and Parameta Solutions inter-division costs are eliminated upon the consolidation of the Group's financial results.
2 Prior year reported numbers have been restated to reflect £1m reclassification of fair value gains on trading derivatives from external costs to Other gains/(losses) in front office costs.
3 Prior year numbers have been restated to reflect net £4m FX loss in reported currency, from Management and support costs to net finance expense on retranslation of non-GBP cash and operating assets and liabilities (£3m gains Reported, £1m gains Adjusted and £2m gains in Significant items) and to Other gains/(losses) on fair value gains/(losses) of assets and liabilities (£7m losses Reported, £10m losses Adjusted and £3m gains in significant items). Reported EBIT decreased by £3m (£1m losses in Adjusted and £2m losses in Significant items).
4 Revenue per broker and contribution per broker are calculated as external revenue and contribution of Global Broking, Energy & Commodities and Liquidnet (excluding the acquired Liquidnet platform) divided by the average brokers for the year. The Group revenue and contribution per broker excludes revenue and contribution from Parameta Solutions and Liquidnet Division.

Global Broking

Global Broking's revenue of £1,274m, which represents 57% of total Group revenue, and increased by 4% in constant currency (+1% in reported currency). Market volatility picked up in the second half of the year, driven by geopolitical and economic factors, notably the US election, and high levels of government indebtedness, which supported trading activity in Rates, FX and Money Markets.

Rates revenue of £574m, representing 45% of Global Broking and 25% of Group, saw continued growth in Asia and Europe, while the Americas maintained strong results against an exceptional prior period. FX & Money Markets revenue increased by 4% driven by strong growth in Asia and Europe. Credit revenue decreased by 1%. Equities revenue increased by 3% against the prior year, aligning to improved market conditions.

Front office costs, most of which are variable with revenue were 5% higher (+3% in reported currency). Consequently, the contribution margin dropped marginally to 38.5% from 39.2%.

The division maintained its market-leading position. Revenue per broker increased by 4%, as we continue to focus on broker productivity.

Management and support costs, including depreciation and amortisation and net of other operating income, increased by 2% to £285m, driven by increased investment in the deployment of our electronic platform, Fusion.

Adjusted EBIT was £205m, with a margin of 16.1%, 0.3%pts lower than the prior period (2023: £202m and 16.4% in constant currency, £206m and 16.4% in reported currency), as the division continues to invest in transforming the business through technology.

Energy & Commodities

Energy & Commodities revenue increased to £461m, accounting for 20% of total Group revenue. A 2% rise over the prior period (+1% in reported currency) was driven by gains across its major asset classes, Oil, Power, and Gas fuelled by ongoing geopolitical uncertainty. Oil demand decreased, especially in China, while supply remained relatively high, keeping prices within a narrow range. Gas prices were stable in 2024, with demand driven by Asia. The Power sector was supported by a rebound in electricity demand. The Asia and Europe regions saw a significant increase (12% and 6% respectively) in revenues compared to the prior year, while the Americas faced challenging market opportunities in a highly competitive environment, resulting in a 7% decrease.

Front office costs increased by 7% to £319m, driven by continued competition for broker talent amid high levels of activity in the sector, leading to a decrease in the contribution margin to 30.8% from 33.8% in the prior year.

Revenue per broker increased by 2% compared to the prior year.

Management and support costs, including depreciation and amortisation and net of other operating income, increased by 6% to £86m, driven by investment in the deployment of our electronic platform, Fusion. As a result, the adjusted EBIT fell by 20% to £56m, achieving a margin of 12.1% (2023: £71m and 15.8% in constant currency, £71m and 15.5% in reported currency).

Liquidnet[1]

Liquidnet's revenue increased significantly to £354m, and now represents 16% of total Group revenue. Revenue was 15% higher (+12% in reported currency), driven by strong momentum in the core equities franchise as well as favourable volatile market conditions in the Relative Value business. Institutional block market activity benefited from increased activity arising from falling inflation and the expectation of interest rate cuts.

Equity market conditions improved significantly compared to the prior year as inflation subsided, global elections increased volatility levels and clients reallocated to equities. As a result, institutional activity increased compared to the prior year. The global commission wallet increased by 11% year-on-year while total revenue for Liquidnet Equities grew 18%, outperforming the market. Revenues in block trading further increased by 23% underpinned by significant block market share gains. In the US, ATS block market share increased by 4%, to 28% and in EMEA, the LIS market share increased by 4% to 40%, compared with 2023. Block market volumes also rose across all regions. In the US, block market volumes by the top five Agency Alternative Trading System ('ATS') venues were up 28% compared with 2023. In EMEA, the Large in Scale transactions ('LIS') volumes were up 28% in 2024. In Australia, the Block Market was up 23%.

The Relative Value businesses continued to benefit from the interest rate and political environments, reporting strong 25% growth.

Front office costs of £218m were 8% higher than prior period, aligning with the revenue growth. The contribution margin for Liquidnet improved to 38.4% from 34.4%.

Management and support costs, including depreciation and amortisation, net of other operating income, totalled £83m for the year, which was 14% lower than the prior year, driven by the outcome of targeted cost reduction initiatives and tight cost management over the last three years.

This enhanced operational leverage resulted in the adjusted EBIT and margin increasing more than fivefold to £53m and 15.0%, (2023: £9m and 2.9% in constant currency, £10m and 3.2% in reported currency).

1 The Liquidnet division comprises of the Liquidnet platform, COEX Partners, ICAP Relative Value and MidCap Partners businesses.

Parameta Solutions

Parameta Solution's revenue of £198m, constituting 9% of total Group revenue, increased by 8% compared with the prior year (+5% in reported currency). This growth was driven by both indicative pricing data and innovative offerings, benefiting from the substantial demand for financial markets data. Subscription-based recurring revenue as a percentage of total revenue was 97% (up from 96% in the prior year), with Annual Recurring Revenue (ARR) growing by 9% year-on-year. This demonstrates our ability to retain, upsell, and grow our revenue from the existing client base. Growth was particularly strong across EMEA, with increased revenue from both buyside and sellside clients.

We continued to expand our indicative pricing data service with 20 new product launches. This includes the first environmental offerings in Energy & Commodities, where we have introduced Guarantees of Origin and US Carbon Pricing.

Contribution margin increased to 50.0%, up +1.4%pts (+0.8%pts in reported currency) primarily driven by increased revenues.

Management and support costs, including depreciation and amortisation, net of other operating income increased by £2m to £16m. As part of establishing Parameta Solutions as an increasingly independent entity, the increase in costs are essential to enhance independent governance and drive the performance and efficiency of operations.

The adjusted EBITDA was £86m, with a margin of 43.4%, an increase of 1.3%pts from the prior year.

Adjusted EBIT was £83m, with a margin of 41.9%, 0.9%pts higher than the prior year (2023: £75m, and 41.0% in constant currency, £77m and 40.7% in reported currency).

Cash flow

The table below shows the changes in cash and debt for the years ending 31 December 2024 and 31 December 2023.

£m	2024 £m	2023 Restated[1] £m
EBIT reported	**236**	**125**
Depreciation, amortisation and other non-cash items	152	229
Disposal of property, plant and equipment	–	–
Movement in working capital		
– changes in net Matched Principal balances	46	(20)
– change in net stock lending balances	(38)	(4)
– change in other working capital balances	71	108
Income taxes paid		
– periodic tax paid	(52)	(57)
– accelerated tax paid	–	(32)
Net interest and loan facility fees paid	(23)	(33)
Capital expenditure	(64)	(55)
Dividends received from associates and joint ventures	20	22
Dividends paid to non-controlling interests	(2)	(2)
Free cash flow[2]	**346**	**281**
Receipt UK pension surplus, net of pension tax payment	–	30
Sale/(purchase) of financial assets	24	(19)
Net other investing activities	1	8
Deferred consideration paid on prior year acquisitions	(50)	(1)
Dividend paid to TP ICAP shareholders	(113)	(99)
Share buyback	(48)	(29)
Net borrowings	(76)	39
Payment of lease liabilities	(27)	(29)
Other financing activities	(11)	(10)
Total other investing and financing activities	**(300)**	**(110)**
Change in cash	**46**	**171**
Foreign exchange movements	1	(40)
Cash at the beginning of the year	1,019	888
Cash at the end of the year	**1,066**	**1,019**

1 2023 reported EBIT restated to £125m from £128m to reflect reclassification of FX gains on non-GBP borrowing and related derivatives to net finance expense.
2 For more information on APMs see page 216.

The Group's net cash balance of £1,066m, increased by £47m in the year.

Free cash flow is presented to show a more sustainable view of cash generation and to better understand the conversion of adjusted earnings into cash. This measure reflects the cash and working capital efficiency of the Group's operations, and aligns tax with underlying items and interest received with the operations of the Group.

We delivered strong cash generation with a free cash flow of £346m representing a 144% conversion of adjusted attributable earnings into cash (2023: 124%). This includes a temporary cash inflow of £46m from Matched Principal trade settlement balances, offset by temporary outflow of £38m from increase in stock lending balance. Other working capital inflow of £71m (2023: £108m) is driven by higher payables and other accruals resulting from increased trading activity. Tax payments are lower than the prior year, which included £32m of accelerated payments.

Total other investing and financing activities includes a £50m payment of Liquidnet deferred consideration, £48m outflow from the share buyback programmes announced in March 2024 and August 2024, £113m outflow from increased dividends paid in 2024 (2023: £99m), £76m outflow from repayment of the remaining £37m of 2024 Sterling Notes and £39m Liquidnet Vendor Loan Notes and £24m inflow arising mainly from maturity of UK Gilts, no longer required to support trade settlement following legal entity rationalisation.

Debt finance

The composition of the Group's outstanding debt is summarised below.

	At 31 December 2024 £m	At 31 December 2023 £m
5.25% £247m Sterling Notes January 2024[1]	–	37
5.25% £250m Sterling Notes May 2026[1]	251	250
2.625% £250m Sterling Notes November 2028[1]	249	249
7.875% £250m Sterling Notes April 2030[1]	251	251
Subtotal	**751**	**787**
Revolving credit facility drawn – Totan	–	–
Revolving credit facility drawn – banks	–	–
3.2% Liquidnet Vendor Loan Notes	–	40
Overdrafts	2	10
Debt (used as part of net (funds)/debt)	**753**	**837**
Lease liabilities	221	251
Total debt	**974**	**1,088**

1 Sterling Notes are reported at their par value net of discount and unamortised issue costs and including interest accrued at the reporting date.

The Group's total debt, excluding lease liabilities, reduced to £753m from £837m as at 31 December 2024. This resulted mainly from the repayment of the remaining £37m of the 2024 Sterling Notes and the Liquidnet Vendor Loan Notes.

The Group's £350m main bank revolving credit facility, maturing in May 2027, and the ¥20bn Totan facility, maturing in August 2026, were both undrawn as at the year end.

Exchange rates

The income statements and balance sheets of the Group's businesses whose functional currencies are not GBP are translated into GBP at average and period end exchange rates respectively. The most significant currencies for the Group are the USD and the Euro. The financial statements for 2024 were prepared using the average and period end exchange rates listed below.

In 2024, foreign exchange translation negatively impacted the Group's P&L. The average exchange rates for GBP against USD and EUR were higher than 2023, adversely affecting the Group's trading performance, with around 60% of Group revenue and 40% of costs in USD. The overall strengthening of GBP, against currencies in which the Group operates, over the 12 month period resulted in a total £6m loss in the P&L (2023: £11m loss) from the retranslation of non-GBP cash, borrowings and related derivatives and operating assets and liabilities. The FX loss on retranslation of non-GBP borrowings and related derivatives amounting to £1m in 2024 (2023: £3m gain) is reflected in net finance expense, to better reflect the nature of these costs.

Average	2024	2023
US Dollar	**$1.28**	$1.24
Euro	**€1.18**	€1.15

Period end	2024	2023
US Dollar	**$1.25**	$1.27
Euro	**€1.21**	€1.15

Regulatory capital

The Group's regulated broking entities are obliged to meet the prudential regulatory requirements imposed by the local regulator of the jurisdiction in which they operate. The Group maintains an appropriate excess of financial resources in such regulated entities to support capital, liquidity and credit needs.

The FCA is the lead regulator of the Group's UK businesses, for which the capital adequacy requirements under the Investment Firms Prudential Regime ('IFPR') apply. This sub-group maintains an appropriate excess of financial resources.

Climate change considerations

We are committed to the ongoing assessment and management of climate risks and opportunities. As part of this work, we incorporate climate change considerations into our financial planning processes to monitor the impacts of climate-related issues on our financial performance and position. In 2023, we completed a detailed qualitative, and quantitative, climate scenario analysis to deepen our understanding of how climate-related issues could affect the Group and its finances. The analysis was reviewed for appropriateness in 2024 and concludes that the Group is not expected to be materially impacted financially by climate change over the timeframes and climate scenarios considered. We will keep this analysis under review in line with regulatory and stakeholder expectations.