GLOBAL BROKERAGE INC

May 15, 2017

Global Brokerage, Inc. Announces First Quarter 2017 Results

First Quarter 2017 Highlights:

- U.S. GAAP net revenues from continuing operations of $45.9 million
- U.S. GAAP net loss attributable to Global Brokerage, Inc. from continuing operations of $24.5 million or $3.99 per diluted share. U.S. GAAP net loss from continuing operations includes a $23.9 million goodwill impairment charge.
- U.S. GAAP net revenues from discontinued operations of $13.7 million
- U.S. GAAP net loss attributable to Global Brokerage, Inc. from discontinued operations of $5.4 million or $0.88 per diluted share
- Adjusted EBITDA from continuing and discontinued operations of $5.6 million

NEW YORK, May 15, 2017 (GLOBE NEWSWIRE) -- Global Brokerage, Inc. (NASDAQ:GLBR), today announced for the quarter ended March 31, 2017, U.S. GAAP trading revenue from continuing operations of $45.1 million, compared to $58.9 million for the quarter ended March 31, 2016. U.S. GAAP net loss attributable to Global Brokerage, Inc. from continuing operations was $24.5 million (U.S. GAAP net income from continuing operations includes a $23.9 million goodwill impairment charge) for the quarter ended March 31, 2017, or $3.99 per diluted share, compared to U.S. GAAP net income attributable to Global Brokerage, Inc. from continuing operations of $61.9 million (including a $110.8 million gain on derivative liabilities), or $11.05 per diluted share, for the quarter ended March 31, 2016.

The net gain/loss on derivative liabilities consists of non-cash changes in the value of embedded derivatives associated with the Leucadia Letter and Credit Agreements (as described further below). The Letter Agreement is a component of the financing package provided by Leucadia National Corp. ("Leucadia"). On January 15, 2015, FXCM Group, LLC ("FXCM Group") customers suffered negative equity balances due to the unprecedented move in the Swiss Franc after the Swiss National Bank ("SNB") discontinued its peg of the Swiss Franc to the Euro. On January 16, 2015, FXCM Group entered into a financing agreement with Leucadia that permitted FXCM Group's regulated subsidiaries to meet their regulatory capital requirements and continue normal operations after significant losses were incurred resulting from the events of January 15, 2015.

On September 1, 2016 we completed the restructuring of the financing arrangements with Leucadia (the "Leucadia Restructuring Transaction"). We amended the terms of the Amended and Restated Credit Agreement (the "Credit Agreement") and replaced the Amended and Restated Letter Agreement (the "Letter Agreement") with a new Limited Liability Company Agreement.

The Company sold its United States domiciled accounts in February 2017 and withdrew from registration in the United States. Results for the United States operations have been reclassified to discontinued operations for both the current and prior year.

U.S. GAAP trading revenue from discontinued operations for the quarter ended March 31, 2017 was $12.6 million, compared to $17.2 million for the quarter ended March 31, 2016. U.S. GAAP net loss attributable to Global Brokerage, Inc. from discontinued operations was $5.4 million for the quarter ended March 31, 2017, or $0.88 per diluted share, compared to U.S. GAAP net loss attributable to Global Brokerage, Inc. from discontinued operations of $12.2 million, or $2.17 per diluted share, for the quarter ended March 31, 2016.

Adjusted EBITDA from continuing and discontinued operations for the quarter ended March 31, 2017 was $5.6 million, compared to $10.3 million for the quarter ended March 31, 2016.

Adjusted EBITDA is a Non-GAAP financial measure. This measure does not represent and should not be considered as a substitute for net income, net income attributable to Global Brokerage, Inc. or net income per Class A share or as a substitute for cash flow from operating activities, each as determined in accordance with U.S. GAAP, and our calculations of these measures may not be comparable to similarly entitled measures reported by other companies. See "Non-GAAP Financial Measures" beginning on A-3 of this release for additional information regarding these Non-GAAP financial measures and for reconciliations of such measures to the most directly comparable measures calculated in accordance with U.S. GAAP.

On May 2, 2017, the Nasdaq Stock Market notified us that, for the prior 30 consecutive business days, the market value of our publicly held shares does not meet the requirement for continued listing under the Nasdaq Global Select Market listing rules which could lead to our eventual delisting from the Nasdaq Global Select Market, by October 30, 2017 if not rectified.

This could lead to an event of default under the terms of our debt arrangements and accordingly we believe that the potential delisting raises substantial doubt about our ability to continue as a going concern. We are working with financial and legal advisers to explore refinancing alternatives.

Selected Customer Trading Metrics from Continuing Operations

	Three Months Ended March 31,	
	2017	2016
Tradeable accounts	109,080	112,708
Active accounts	130,832	132,734
Daily average trades	427,436	557,270
Daily average trades per active account	3.3	4.2
Total trading volume[1] (billions)	$ 679	$ 917
Trading revenue per million traded[1]	$ 66	$ 64
Average customer trading volume per day[1] (billions)	$ 10.6	$ 14.3
Trading days	64	64

More information, including historical results for each of the above metrics, can be found on the investor relations page of Global Brokerage, Inc.'s website **ir.globalbrokerage.info**.

This operating data is preliminary and subject to revision and should not be taken as an indication of the financial performance of Global Brokerage, Inc. Global Brokerage, Inc. undertakes no obligation to publicly update or review previously reported operating data. Any updates to previously reported operating data will be reflected in the historical operating data that can be found on the Investor Relations page of the Company's corporate website **ir.globalbrokerage.info**.

Disclosure Regarding Forward-Looking Statements

In addition to historical information, this earnings release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and/or the Private Securities Litigation Reform Act of 1995, which reflect Global Brokerage's current views with respect to, among other things, its operations and financial performance in the future. These forward-looking statements are not historical facts and are based on current expectations, estimates and projections about Global Brokerage's industry, business plans, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, readers are cautioned that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict including, without limitation, risks associated with Global Brokerage's strategy to focus on its operations outside the United States, risks associated with the events that took place in the currency markets on January 15, 2015 and their impact on Global Brokerage's capital structure, risks associated with Global Brokerage's ability to recover all or a portion of any capital losses, risks relating to the ability of Global Brokerage to satisfy the terms and conditions of or make payments pursuant to the terms of the finance agreements with Leucadia, as well as risks associated with Global Brokerage's obligations under its other financing agreements, risks related to Global Brokerage's dependence on FX market makers, market conditions, risks associated with the outcome of any potential litigation or regulatory inquiries to which Global Brokerage may become subject, risks associated with potential reputational damage to Global Brokerage resulting from its sale of US customer accounts, and those other risks described under "Risk Factors" in Global Brokerage's Annual Report on Form 10-K, Global Brokerage's latest Quarterly Report on Form 10-Q, and other reports or documents Global Brokerage files with, or furnishes to, the SEC from time to time, which are accessible on the SEC website at sec.gov. This information should also be read in conjunction with Global Brokerage's Consolidated Financial Statements and the Notes thereto contained in Global Brokerage's Annual Report on Form 10-K, Global Brokerage's latest Quarterly Report on Form 10-Q, and in other reports or documents that Global Brokerage files with, or furnishes to, the SEC from time to time, which are accessible on the SEC website at sec.gov.

About Global Brokerage, Inc.

Global Brokerage, Inc. (NASDAQ:GLBR) is a holding company with an indirect effective 37.3% ownership of FXCM Group LLC ("FXCM Group") through its equity interest in Global Brokerage Holdings LLC with an economic interest in FXCM Group of up to 33.5% depending on the amount of cash cumulatively distributed by FXCM Group pursuant to the distribution provisions of the Amended and Restated Limited Liability Company Agreement of FXCM Group, LLC.

ANNEX I

Global Brokerage, Inc.
Condensed Consolidated Statements of Operations
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016
Revenues		
Trading revenue	$ 45,145	$ 58,874
Interest income	386	335
Brokerage interest expense	(217)	(198)
Net interest revenue	169	137
Other income	550	1,383
Total net revenues	45,864	60,394
Operating Expenses		
Compensation and benefits	13,321	19,605
Referring broker fees	7,361	9,750
Advertising and marketing	3,643	3,530
Communication and technology	5,974	7,235
Trading costs, prime brokerage and clearing fees	661	641
General and administrative	9,966	11,708
Depreciation and amortization	5,218	6,297
Goodwill impairment loss	23,917	-
Total operating expenses	70,061	58,766
Operating (loss) income	(24,197)	1,628
Other Expense (Income)		
Loss (gain) on derivative liabilities — Letter & Credit Agreement	550	(110,831)
Loss on equity method investments, net	-	189
Interest on borrowings	14,361	20,553
(Loss) income from continuing operations before income taxes	(39,108)	91,717
Income tax (benefit) provision	(83)	567
(Loss) income from continuing operations	(39,025)	91,150
Loss from discontinued operations, net of tax	(27,699)	(31,974)
Net (loss) income	(66,724)	59,176
Net (loss) income attributable to non-controlling interest in Global Brokerage Holdings, LLC	(10,184)	23,452
Net loss attributable to redeemable non-controlling interest in FXCM Group, LLC	(16,771)	-
Net loss attributable to other non-controlling interests	(9,841)	(14,011)
Net (loss) income attributable to Global Brokerage, Inc.	$ (29,928)	$ 49,735
(Loss) income from continuing operations attributable to Global Brokerage, Inc.	$ (24,524)	$ 61,887
Loss from discontinued operations attributable to Global Brokerage, Inc.	(5,404)	(12,152)
Net (loss) income attributable to Global Brokerage, Inc.	$ (29,928)	$ 49,735

Weighted average shares of Class A common stock outstanding - Basic and Diluted	6,143	5,603
Net (loss) income per share attributable to stockholders of Class A common stock of Global Brokerage, Inc. - Basic and Diluted		
Continuing operations	$ (3.99)	$ 11.05
Discontinued operations	(0.88)	(2.17)
Net (loss) income attributable to Global Brokerage, Inc.	$ (4.87)	$ 8.88

Global Brokerage, Inc.
Condensed Consolidated Statements of Financial Condition
As of March 31, 2017 and December 31, 2016
(Amounts in thousands except share data)
(Unaudited)

	March 31, 2017	December 31, 2016
Assets		
Current assets		
Cash and cash equivalents	$ 144,100	$ 200,914
Cash and cash equivalents, held for customers	380,250	428,542
Due from brokers	1,716	3,363
Accounts receivable, net	6,469	5,236
Tax receivable	353	199
Assets held for sale	64,607	330,497
Total current assets	597,495	968,751
Deferred tax asset	429	330
Office, communication and computer equipment, net	31,743	32,815
Goodwill	-	23,479
Other intangible assets, net	3,583	6,285
Other assets	10,300	7,364
Total assets	$ 643,550	$ 1,039,024
Liabilities, Redeemable Non-Controlling Interest and Stockholders' Deficit		
Current liabilities		
Customer account liabilities	$ 380,250	$ 428,542
Accounts payable and accrued expenses	39,223	55,491
Due to brokers	2,327	1,471
Credit Agreement — Related Party	121,120	-
Other liabilities	1,645	2,629
Liabilities held for sale	2,984	235,719
Total current liabilities	547,549	723,852
Deferred tax liability	283	215
Senior convertible notes	163,283	161,425
Credit Agreement — Related Party	-	150,516
Other liabilities	6,562	7,319
Total liabilities	717,677	1,043,327
Redeemable non-controlling interest	30,313	46,364
Stockholders' Deficit		
Class A common stock, par value $0.01 per share; 3,000,000,000 shares authorized, 6,143,297 shares issued and outstanding as of March 31, 2017 and December 31, 2016	61	61
Class B common stock, par value $0.01 per share; 1,000,000 shares authorized, 8 issued and outstanding as of March 31, 2017 and December 31, 2016	1	1
Additional paid-in capital	390,054	389,917
Accumulated deficit	(490,835)	(460,907)
Accumulated other comprehensive loss	(1,573)	(2,312)
Total stockholders' deficit, Global Brokerage, Inc.	(102,292)	(73,240)

Non-controlling interests	(2,148)	22,573
Total stockholders' deficit	(104,440)	(50,667)
Total liabilities, redeemable non-controlling interest and stockholders' deficit	$ 643,550	$ 1,039,024

NON-GAAP FINANCIAL MEASURES

In addition to financial results reported in accordance with U.S. GAAP, we have provided Adjusted EBITDA, a Non- GAAP financial measure. We believe this Non-GAAP measure, when presented in conjunction with the comparable U.S. GAAP measure, is useful to investors in better understanding our current financial performance as seen through the eyes of management and facilitates comparisons of our historical operating trends across several periods. We believe that investors use Adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies in our industry that present similar measures, although the methods used by other companies in calculating Adjusted EBITDA may differ from our method, even if similar terms are used to identify such measure.

Adjusted EBITDA provides us with an understanding of the results from the primary operations of our business by excluding the effects of certain gains, losses or other charges that do not reflect the normal earnings of our core operations or that may not be indicative of our future outlook and prospects. Internally, Adjusted EBITDA is used by management for various purposes, including to evaluate our operating performance and operational strategies, as a basis for strategic planning and forecasting, and for compensation purposes.

Adjusted EBITDA does not represent and should not be considered as a substitute for net income or net income attributable to Global Brokerage, Inc., each as determined in accordance with U.S. GAAP. Adjusted EBITDA reflects the following adjustments to net income:

1. *Compensation Expense/Lucid Minority Interest.* Our reported U.S. GAAP results reflect the portion of the 49.9% of Lucid earnings allocated among the non-controlling members of Lucid based on services provided as a component of compensation expense under *Allocation of income to Lucid members for services provided* within discontinued operations*.* Adjustments have been made to eliminate this allocation of Lucid's earnings attributable to non-controlling members. We believe that this adjustment provides a more meaningful view of the Company's operating expenses and the Company's economic arrangement with Lucid's non-controlling members. This adjustment has no impact on net income from continuing operations as reported by the Company.

2. *Regulatory and Legal Costs.* Adjustments have been made to eliminate certain costs or recoveries (including client reimbursements, regulatory fines and settlements from lawsuits) associated with certain regulatory and legal matters. Given the nature of these expenses, they are not viewed by management as expenses incurred in the ordinary course of business and we believe it is useful to show the effects of eliminating these expenses.

3. *SNB Costs.* Adjustments have been made to eliminate certain costs/income (including the net losses associated with client debit balances, gains/losses on the derivative liabilities related to the Letter and Credit Agreements with Leucadia, costs related to the implementation of a Stockholder Rights Plan, costs related to the Leucadia Restructuring Transaction, professional costs, adjustments to the Company's tax receivable agreement contingent liability and insurance recoveries) associated with the January 15, 2015 SNB event. Given the nature of these expenses, they are not viewed by management as expenses incurred in the ordinary course of business and we believe it is useful to show the effects of eliminating these expenses.

4. *Cybersecurity Incident.* Adjustments have been made to eliminate certain costs/income related to investigative and other professional services, costs of communications with customers, remediation activities associated with the incident and insurance recoveries. Given the nature of these expenses, we believe it is useful to show the effects of eliminating these expenses.

5. *Discontinued Operations.* Adjustments have been made to eliminate the impact of certain expenses/income associated with discontinued operations, including severance, restructuring costs, gains or losses on classification as held for sale assets, gains or losses from completed asset sales and a gain related to the disposition of an equity method investment. Given the nature of these items, they are not viewed by management as activity in the ordinary course of business and we believe it is useful to show the effect of eliminating these items.

6. *Goodwill Impairment*. An adjustment has been made to eliminate a charge to write-off the goodwill of the Company. Given the atypical nature of this expense for us, we believe it is useful to show the effect of eliminating this expense.

(Unaudited)

Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA

Three Months Ended March 31,

	2017			**2016**		
	Continuing Ops	**Disc Ops**	**Combined**	**Continuing Ops**	**Disc Ops**	**Combined**
Net (loss) income	**$ (39,025)**	**$ (27,699)**	**$ (66,724)**	**$ 91,150**	**$ (31,974)**	**$ 59,176**
Adjustments:						
Net Revenues[1]	-	-	-	44	-	44
Allocation of net income to Lucid members for services provided[2]	-	774	774	-	1,201	1,201
General and administrative[3]	1,107	5,364	6,471	1,117	369	1,486
Compensation & Benefits[4]	-	4,385	4,385	-	-	-
Depreciation and amortization	5,218	700	5,918	6,297	947	7,244
Loss on classification as held for sale	-	20,440	20,440	-	31,511	31,511
Goodwill impairment	23,917	-	23,917	-	-	-
Loss (gain) on derivative liabilities - Letter & Credit Agreement	550	-	550	(110,831)	-	(110,831)
Interest on borrowings	14,361	-	14,361	20,553	-	20,553
Income tax (benefit) provision	(83)	(7)	(90)	567	15	582
Gain on completed dispositions	-	(4,414)	(4,414)	-	(679)	(679)
Total adjustments	**45,070**	**27,242**	**72,312**	**(82,253)**	**33,364**	**(48,889)**
Adjusted EBITDA	**$ 6,045**	**$ (457)**	**$ 5,588**	**$ 8,897**	**$ 1,390**	**$ 10,287**

(1) Represents a $0.1 million charge in Q1 2016 for tax receivable agreement payments.

(2) Represents the elimination of the 49.9% of Lucid's earnings allocated among the non-controlling interests recorded as compensation for U.S. GAAP purposes included in discontinued operations.

(3) For the three months ended March 31, 2017, represents $0.9 million of professional fees primarily related to shareholder litigation, partially offset by $0.4 million of insurance recoveries to reimburse for costs related to the January 15, 2015 SNB event, and a $0.6 million reserve related to pre-August 2010 trade execution practices, recorded in continuing operations; and $1.1 million of professional fees, primarily related to the regulatory settlement, $4.0 million of restructuring costs related to a marketing agreement due to the Company ceasing operations in the United States, and a $0.3 million reserve for potential regulatory fines related to the events of January 15, 2015, recorded in discontinued operations. For the three months ended March 31, 2016, represents $1.1 million of professional fees related to the Leucadia debt restructuring and the Stockholders Rights Plan, recorded in continuing operations, and $0.4 million of professional fees related to the January 15, 2015 SNB event, recorded in discontinued operations.

(4) Represents $4.4 million of employee severance expense related to the restructuring plan as a result of the withdrawal from business in the United States.

Schedule of Cash and Cash Equivalents and Due to/from Brokers

(Unaudited)	**March 31, 2017**			**December 31, 2016**		
	Continuing Ops	**Disc Ops**	**Combined**	**Continuing Ops**	**Disc Ops**	**Combined**
Cash & Cash Equivalents	$ 144,100	$ 10,773	$ 154,873	$ 200,914	$ 9,378	$ 210,292
Due From Brokers	1,716	5,832	7,548	3,363	14,090	17,453
Due to Brokers	(2,327)	(54)	(2,381)	(1,471)	(45)	(1,516)
Operating Cash	**$ 143,489**	**$ 16,551**	**$ 160,040**	**$ 202,806**	**$ 23,423**	**$ 226,229**

Investor Relations
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