

Results for the first nine months of 2009

Swissquote posts higher net profit and record inflow of new funds

In the first nine months of 2009, Swissquote increased net profit by 11.9 percent year-on-year to CHF 26.9 million, corresponding to a profit margin of 36.0 percent. The inflow of new funds in the third quarter of 2009 reached a new high of CHF 517.7 million. Growth in new money in the first nine months amounted to CHF 1.0 billion, 8.3 percent up on the year-back period. In the last 12 months, the number of clients rose by 26,431 (23.9 percent) to 136,984. In terms of new funds Swissquote had thus already met its full-year targets (at least CHF 1 bn in new money) after just nine months, and in terms of new clients is in line with the expected growth rate (25,000 new clients per year). For the fourth quarter of 2009 Swissquote is expecting to post figures in the region of the third quarter results.

Revenue trends varied

Earnings for the first nine months were very encouraging in two of three segments. Commission business, which is still Swissquote's key segment, saw 5.7 percent growth in revenues to CHF 53.8 million (CHF 50.9 million). Revenues from trading operations, in particular in the eForex sector, were increased by as much as 93.5 percent year-on-year to CHF 13.4 million (CHF 6.9 million). What is more, in the 3rd quarter of 2009, both segments achieved the highest earnings since Swissquote Bank was founded. The only disappointing news on the earnings front came, as in the preceding quarters, from the interest business segment: revenues fell 69.3 percent to CHF 7.5 million (CHF 24.3 million). While the situation on the financial markets and in the real economy has eased over the past few weeks and months, the interest rate market has not yet begun normalizing. That said, the interest rate market appears to have bottomed out and Swissquote expects interest earnings to return to growth in the 4th quarter. Swissquote recorded a 9.1 percent decrease in overall revenues to CHF 74.7 million (CHF 82.2 million).

Stable earnings

In comparison with the year-back period, operating expenditure increased by CHF 2.3 million or 5.9 percent to CHF 42.2 million (39.8 million). While personnel expenses fell by CHF 0.2 million and marketing expenses were down by CHF 0.7 million, other operating expenditure rose by CHF 3.2 million mainly as a result of higher direct costs in the eForex business. In the first nine months of 2009, the lower revenues and higher expenditure resulted in an operating profit of CHF 32.6 million (CHF 42.4 million) and a net profit of CHF 26.9 million (CHF 24.1 million). Margins stood at 43.6 percent (51.6 percent) for operating profit and 36.0 percent (29.3 percent) for net profit. The opposing year-on-year trends in operating and net profit can be explained on the one hand by the necessary write-off of a Lehman Brothers bond (CHF 9.3 million) in the 3rd quarter of 2008 and, on the other, by the proceeds realized on this fully written-off bond (CHF 1.1 million) in the 3rd quarter of 2009.

Annual new money targets reached, new clients growing according to plan

The ambitious growth targets set at the beginning of 2009 of at least CHF 1 bn in inflows of new money and 25,000 new clients had already been met at the end of the third quarter in the case of new money. Thanks to the gratifying development of the financial markets and the inflow of new money, client assets also saw a massive increase in the third quarter of 2009, up 22.9 percent to CHF 6.4 billion. Trading clients account for 21,868 (+20.1 percent) and savings clients 4,563 (+256.9 percent) of the total year-on-year increase of 26,431 new clients. The total of 6,339 savings clients have assets of CHF 188.1 million.

Targeted expansion of services

In response to the strong eForex business witnessed over the past few months, Swissquote developed a completely new interface for its eForex platform. It was developed in Java to guarantee a high degree of compatibility and an exceptional performance in terms of data transfer speed. The highly popular Analysis Tool was integrated into the graphics.

For iPhone users the Swissquote app remains the most used and downloaded iPhone financial app in Switzerland (ahead of Bloomberg). New features offered by Version 3 are direct bank account access and the option to trade online on iPhone.



Swissquote to launch investment magazine

In addition to the expanded range of services on the Swissquote Internet platform, Swissquote will be offering clients and other interested persons a new information tool scheduled for launch at the start of next year. The 'Swissquote ePrivate Banking Magazine' will deal mainly with investment questions of a broader and longer-term relevance, not only providing readers with tangible benefits but also conveying suggestions and ideas for their personal investment strategies. Containing approximately 90 pages, the magazine will appear every two months. Of the initial print run of 60,000 copies, 50,000 will go to clients and potential new clients and 10,000 will be on sale at kiosks. An electronic version of the magazine will also be available on the website for all Swissquote trading clients.

The complete **Financial Report for the first nine months of 2009** can be found at:

<http://www.swissquote.ch> – THE COMPANY/Investor Relations/Reporting

Swissquote – Swiss leader in online trading

Swissquote has 232 employees in Gland (Vaud) and Zurich. Swissquote is the Swiss leader in online trading. In addition to low-cost stock market access for private clients and portfolio managers, Swissquote also offers an eForex trading platform and a very attractive saving account. Swissquote Group Holding AG shares (SQN) are quoted on the SIX Swiss Exchange.

For further information

Marc Bürki, CEO Swissquote Bank Ltd., Chemin de la Crétaux 33, CH-1196 Gland

Tel. +41 22 999 98 50, fax +41 22 999 94 54, mobile +41 79 413 41 45

marc.burki@swissquote.ch

Nadja Keller, Assistant to CEO

Telefon +41 22 999 98 10, Fax +41 22 999 94 54

nadja.keller@swissquote.ch

Agenda 2010

19.02.2010 Presentation of 2009 results in Zurich (SIX Swiss Exchange)

29.04.2010 Figures for the 1st quarter of 2010

30.04.2010 Annual General Meeting in Zurich

Key figures for the first nine months of 2009

CHF'000	Comparison with Previous Year				Comparison with Previous Quarter			
	9M-2009	9M-2008	Change	Change [%]	Q3-2009	Q2-2009	Change	Change [%]
Net Fee & Commission Income	53'828.4	50'925.5	2'902.9	5.7%	20'021.1	18'322.8	1'698.3	9.3%
Interest Income, net	7'475.0	24'333.2	(16'858.2)	-69.3%	1'861.1	2'280.6	(419.5)	-18.4%
Trading Results	13'433.5	6'941.2	6'492.3	93.5%	4'506.8	4'405.9	100.9	2.3%
Total Net Revenues	74'736.9	82'199.9	(7'463.0)	-9.1%	26'389.0	25'009.3	1'379.7	5.5%
Payroll & Related Expenses	(18'369.8)	(18'551.6)	181.8	-1.0%	(6'225.2)	(6'080.6)	(144.6)	2.4%
Other Operating Expenses (incl. Depr. & Provision)	(17'784.5)	(14'555.4)	(3'229.1)	22.2%	(5'919.3)	(6'176.8)	257.5	-4.2%
Marketing Expenses	(6'012.0)	(6'718.1)	706.1	-10.5%	(2'017.8)	(2'012.3)	(5.5)	0.3%
Total Expenses	(42'166.3)	(39'825.1)	(2'341.2)	5.9%	(14'162.3)	(14'269.7)	107.4	-0.8%
Operating Profit	32'570.6	42'374.8	(9'804.2)	-23.1%	12'226.7	10'739.6	1'487.1	13.8%
Impairment and provision on Investment securities	1'141.6	(9'346.6)	10'488.2	112.2%	1'141.6	-	1'141.6	-
Income Taxes	(6'788.2)	(8'967.8)	2'179.6	-24.3%	(2'377.4)	(2'271.6)	(105.8)	4.7%
Net Profit	26'924.0	24'060.4	2'863.6	11.9%	10'990.9	8'468.0	2'522.9	29.8%
Operating Profit Margin	43.6%	51.6%			46.3%	42.9%		
Net Profit Margin	36.0%	29.3%			41.6%	33.9%		
	30.09.2009	30.09.2008	Change	Change [%]	30.09.2009	30.06.2009	Change	Change [%]
Total number of Trading Clients [units]	130'645	108'777	21'868	20.1%	130'645	126'949	3'696	2.9%
Total number of Saving Clients [units]	6'339	1'776	4'563	256.9%	6'339	4'885	1'454	29.8%
Total Number of Clients	136'984	110'553	26'431	23.9%	136'984	131'834	5'150	3.9%
Assets under Custody [CHF m]	6'378.0	5'198.6	1'179.4	22.7%	6'378.0	5'485.0	893.0	16.3%
Total Net New Monies [CHF m]	1'046.0	965.8	80.2	8.3%	517.7	240.3	277.4	115.4%
Total Headcounts	232	232	-	0.0%	232	227	5	2.2%
Total Balance Sheet [CHF m]	1'814.0	1'375.1	438.9	31.9%	1'814.0	1'647.3	166.7	10.1%
Total Equity [CHF m]	165.5	130.7	34.8	26.6%	165.5	152.4	13.1	8.6%
Equity Surplus [CHF m]	114.7	75.6	39.1	51.7%	114.7	100.6	14.1	14.0%