

Results for the first nine months of 2007

## **Swissquote again revises growth targets upwards**

**Swissquote has produced a set of impressive results for the first nine months of 2007. Compared to the same period last year, revenues were up 53.8 percent to CHF 82.5 million, the operating result surged by 85.8 percent to CHF 44.9 million and net profit advanced by 40.8 percent to CHF 35.9 million. Client numbers rose by 40.1 percent to 84,104 and client assets grew by 47.1 percent to CHF 5.8 billion. For the year as a whole, Swissquote has revised its growth targets upwards to a total of 90,000 clients and net inflows of new monies of CHF 1.1 billion.**

### **Robust growth in client numbers**

Client numbers continue to grow strongly: the third quarter of 2007 alone saw an increase of 7,724, or 10.1 percent; year-on-year, client numbers rose by 24,073, or 40.1 percent. Accordingly, instead of the targeted five to six percent, year-to-date quarterly growth has averaged nine to ten percent. Marc Bürki, CEO of Swissquote, commented: "Both with regard to client numbers and to new funds we notice that confidence in the quality of our services and the strength of our bank has improved substantially in the past year. Buoyed by the expansion in marketing activities, this has resulted in exceptionally strong growth in the current year in particular. It is gratifying to note that despite higher marketing costs, acquisition costs per client have decreased from CHF 439 to CHF 339." In the first nine months of the year, new funds totaled CHF 920 million, which represents an increase of 28.5 percent year-on-year.

### **Revenues approach CHF 100 million mark**

At CHF 27.9 million, revenues for Q3 2007 were slightly higher than in the two preceding quarters; year-on-year, they increased from CHF 53.6 million to CHF 82.5 million. Given this trend, Swissquote expects revenues to break through the CHF 100 million mark for the first time by the end of 2007. In contrast to revenues, which increased by 53.8 percent, operating costs (including marketing costs and depreciation) rose by just 27.5 percent to CHF 37.5 million. As a result, operating profit soared by 85.8 percent to CHF 44.9 million, resulting in an operating margin of 54.5 percent (previous year: 45.1 percent). After deducting taxes of CHF 9.0 million, net profit came to CHF 35.9 million, representing an increase of 40.8 percent. The net profit margin was 43.6 percent (previous year: 47.6 percent).

**Expansion of services**

In Q3 the mobile applications product range (for cell phones and PDAs) was expanded to provide news as well. The structured products offering on the Swissquote platform was completely redesigned and upgraded to include more powerful search engines and supplementary information. In addition, the Milan exchange was the 17th stock exchange to go live for online trading. In the third quarter, Swissquote also moved its headquarters in French-speaking Switzerland into its own building in Gland; the new premises are customized to Swissquote's specific requirements. Furthermore, in the fourth quarter, Swissquote plans to move its headquarters in German-speaking Switzerland from the Glattzentrum to Schützengasse in the center of Zurich.

**Financial report for Q3 2007**

The complete financial report for Q3 2007 is available on:

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

**Swissquote – Swiss leader in online trading**

*Swissquote has 197 employees in Gland (VD) and Zurich. Swissquote is the Swiss leader in online trading. In addition to low-cost stock market access and a trading platform for portfolio managers, Swissquote also offers a wide range of financial and online wealth management tools. Swissquote Group Holding AG shares (SQN) are quoted on the SWX.*

**For further information**

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**Calendar of events in 2008**

08.02.2008	Presentation of the 2007 results in Zurich (SWX)
24.04.2008	1 <sup>st</sup> Quarter 2008 results
25.04.2008	Annual General Meeting in Zurich

**Key figures first nine months 2007**

CHF'000	Comparison with Previous Year				Comparison with Previous Quarter			
	9m-2007	9m-2006	Change	Change [%]	Q3-2007	Q2-2007	Change	Change [%]
Net Fee & Commission Income	54'942.2	38'236.8	16'705.4	43.7%	17'364.7	18'612.3	(1'247.6)	-6.7%
Interest Spread	19'172.5	8'646.8	10'525.7	121.7%	7'732.8	6'144.1	1'588.7	25.9%
Trading Results	6'291.9	4'065.0	2'226.9	54.8%	2'136.9	2'153.6	(16.7)	-0.8%
Other Income	2'049.1	2'664.2	(615.1)	-23.1%	701.1	606.0	95.1	15.7%
<b>Total Net Revenues</b>	<b>82'455.7</b>	<b>53'612.8</b>	<b>28'842.9</b>	<b>53.8%</b>	<b>27'935.5</b>	<b>27'516.0</b>	<b>419.5</b>	<b>1.5%</b>
Operating Expenses	(28'047.2)	(22'144.8)	(5'902.4)	26.7%	(9'611.9)	(9'353.4)	(258.5)	2.8%
Marketing Expenses	(6'787.4)	(4'815.8)	(1'971.6)	40.9%	(2'955.7)	(1'973.5)	(982.2)	49.8%
Depreciation	(2'683.8)	(2'461.5)	(222.3)	9.0%	(1'032.0)	(863.7)	(168.3)	19.5%
<b>Total Expenses &amp; Depreciation</b>	<b>(37'518.4)</b>	<b>(29'422.1)</b>	<b>(8'096.3)</b>	<b>27.5%</b>	<b>(13'599.6)</b>	<b>(12'190.6)</b>	<b>(1'409.0)</b>	<b>11.6%</b>
<b>Operating Profit</b>	<b>44'937.3</b>	<b>24'190.7</b>	<b>20'746.6</b>	<b>85.8%</b>	<b>14'335.9</b>	<b>15'325.4</b>	<b>(989.5)</b>	<b>-6.5%</b>
Taxes	(8'987.4)	1'350.0	(10'337.4)	765.7%	(2'867.1)	(3'067.1)	200.0	-6.5%
<b>Net Profit</b>	<b>35'949.9</b>	<b>25'540.7</b>	<b>10'409.2</b>	<b>40.8%</b>	<b>11'468.8</b>	<b>12'258.3</b>	<b>(789.5)</b>	<b>-6.4%</b>
Operating Profit Margin	54.5%	45.1%			51.3%	55.7%		
Net Profit Margin	43.6%	47.6%			41.1%	44.5%		
	<b>30.09.2007</b>	<b>30.09.2006</b>	Change	Change [%]	<b>30.09.2007</b>	<b>30.06.2007</b>	Change	Change [%]
Number of Clients	84'104	60'031	24'073	40.1%	84'104	76'380	7'724	10.1%
Increase of Clients in Period	20'037	10'974	9'063	82.6%	7'724	6'348	1'376	21.7%
Increase in %	31.3%	22.4%			10.1%	9.1%		
Assets under Custody	5'774	3'924	1'850	47.1%	5'774	5'649	125	2.2%
Change [in Million CHF]	1'282	928			125	594		
Increase in %	28.5%	31.0%			2.2%	11.8%		
Net New Monies in Period [in Million CHF]	919.6	715.9	203.7	28.5%	303.0	270.9	32.1	11.8%
Equity [in Million CHF]	118.4	82.3	36.1	43.9%	118.4	108.9	9.5	8.7%