

Results for the first nine months of 2011

Swissquote sees continuing growth

Despite the challenging environment over the past few months, Swissquote can again present a set of impressive growth figures for the first nine months of 2011. Revenues were up by 38.5 percent year-on-year to CHF 100.2 million, net profit by 33.9 percent to CHF 26.3 million, and the number of accounts by 13.8 percent to 184,443. Swissquote is reiterating its full-year growth forecasts announced in July.

All revenue segments contributing to growth

All three revenue segments contributed to the strong increase in total revenues to CHF 100.2 million (CHF 72.4 million). In the 3rd quarter of 2011, **net fee and commission income** returned to substantial quarter-on-quarter growth thanks to an upturn in trading activity on the part of clients from 11.1 to 16.5 transactions per client/year. For the first nine months of 2011 this led to a year-on-year rise of 7.4 percent to CHF 50.2 million (CHF 46.8 million). **Interest business** remained difficult given the currency situation and the cautious investment policy pursued by Swissquote. Consequently, in spite of an adjustment to interest rates on saving accounts (1.125 to 0.75 percent), interest income was down 4.0 percent in the 3rd quarter of 2011. However, total interest income for the first nine months of 2011 grew by 34.1 percent to CHF 11.6 million (CHF 8.7 million). The above-average growth in **trading operations** (eForex) is attributable in particular to ACM, which was acquired in fall 2010 and has been fully merged with Swissquote Bank. Revenues expanded by 126.4 percent to CHF 38.4 million (CHF 16.9 million) despite the fact that trading income realized in USD is presently under heavy pressure from the strong CHF. The eForex trading volume came to CHF 313.6 billion in the first nine months.

Profits developing very consistently

Resulting from revenues of CHF 100.2 million and operating expenses of CHF 66.6 million, the **operating profit** of CHF 33.7 million (CHF 24.6 million) was 36.7 percent higher than the previous year's figure. The 39.4 percent rise in operating expenses is due primarily to the 48.7 percent increase in personnel expenses (ACM acquisition). **Net profit** was up 33.9 percent to CHF 26.3 million (CHF 19.6 million). In the first nine months, the operating profit margin stood at 33.6 percent (34.0 percent) and the net profit margin at 26.2 percent (27.1 percent). The balance sheet total increased by 13.9 percent to CHF 2.604 billion and total equity by 19.1 percent to CHF 224.1 million. The core capital ratio (tier 1) stood at 22.35 percent.

Stable growth in number of accounts and volume of assets under custody in 3rd quarter

Compared with the corresponding year-back period, the total number of **accounts** rose by 13.8 percent to 184,443 in the first nine months of 2011. The breakdown is 156,196 trading accounts (+7.1 percent), 17,167 saving accounts (+28.6 percent), 10,464 eForex accounts (+293.1 percent), and 616 ePrivate Banking accounts (+336.9 percent). In contrast with a somewhat weaker 2nd quarter, growth in the number of accounts again stabilized at the desired level in the 3rd quarter of 2011, up by 4,745. Year-on-year, **assets under custody** were 1.6 percent lower at CHF 7.280 billion (CHF 7.397 billion). The decrease reflects the market-related decline in the value of the portfolios last year. As at 30 September, assets of CHF 6.658 billion were held in trading accounts, CHF 470.0 million in saving accounts, CHF 130.4 million in eForex accounts, and CHF 21.5 million in ePrivate Banking accounts. On a year-on-year comparison, **net new monies** were 26.9 percent lower at CHF 799.3 million (CHF 1.1 billion). The weak 2nd quarter (CHF 94.0 Mio.) was responsible for this decline, while net new monies in the 3rd quarter came to CHF 412.0 million. The level of net new monies of at least CHF 1 billion expected for the year as a whole should therefore be reached.

The complete **financial report for the first nine months of 2011** is available on:

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

Swissquote - Banking.Self-made.

As a leading provider of online financial services, Swissquote offers innovative solutions and analysis tools to meet the wide range of demands and needs of its clients. As well as various online trading services, the user-friendly platform also provides solutions for eForex, ePrivate Banking, eMortgage and flexible saving accounts. In addition to a low-cost service for private clients, Swissquote also offers specialized services for independent asset managers and corporate clients.

Swissquote is quoted on the SIX Swiss Exchange (SQN) and holds a banking license. The company is subject to supervision by the Swiss Federal Financial Market Supervisory Authority (FINMA) and is a member of the Swiss Bankers Association.

For further information

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Agenda 2012

24.02.2012 Presentation of 2011 results in Zurich (SIX Swiss Exchange)

07.05.2012 Figures for the 1st quarter of 2012 (conference call)

08.05.2012 Annual General Meeting in Zurich

Key figures first nine months of 2011

CHF'000	Comparison with Previous Year				Comparison with Previous Quarter			
	9m-2011	9m-2010	Change	Change [%]	Q3-2011	Q2-2011	Change	Change [%]
Net Fee & Commission Income	50'227.3	46'764.8	3'462.5	7.4%	16'964.0	14'353.3	2'610.7	18.2%
Interest Income, net	11'640.9	8'678.2	2'962.7	34.1%	3'800.2	3'958.6	(158.4)	-4.0%
Trading Results	38'370.6	16'945.3	21'425.3	126.4%	12'005.2	12'694.1	(688.9)	-5.4%
Total Net Revenues	100'238.8	72'388.3	27'850.5	38.5%	32'769.4	31'006.0	1'763.4	5.7%
Payroll & Related Expenses	(29'638.3)	(19'936.8)	(9'701.5)	48.7%	(9'921.0)	(9'688.5)	(232.5)	2.4%
Other Operating Expenses (incl. Depr. & Provision)	(25'725.0)	(19'782.3)	(5'942.7)	30.0%	(8'565.5)	(8'271.2)	(294.3)	3.6%
Marketing Expenses	(11'209.4)	(8'044.7)	(3'164.7)	39.3%	(3'740.3)	(3'547.3)	(193.0)	5.4%
Total Expenses	(66'572.7)	(47'763.8)	(18'808.9)	39.4%	(22'226.8)	(21'507.0)	(719.8)	3.3%
Operating Profit	33'666.1	24'624.5	9'041.6	36.7%	10'542.6	9'499.0	1'043.6	11.0%
Income Taxes	(7'366.5)	(5'018.4)	(2'348.1)	46.8%	(2'057.2)	(2'339.7)	282.5	-12.1%
Others, net of tax ¹⁾	-	34.3	(34.3)	-	-	-	-	-
Net Profit	26'299.6	19'640.4	6'659.2	33.9%	8'485.4	7'159.3	1'326.1	18.5%
Operating Profit Margin	33.6%	34.0%			32.2%	30.6%		
Net Profit Margin	26.2%	27.1%			25.9%	23.1%		
Weighted average number of ordinary shares	14'400'216	14'097'579	302'637	2.1%	14'487'801	14'435'893	51'908	0.4%
Earning per share	1.83	1.39	0.43	31.1%	0.59	0.50	0.09	18.1%
	30.09.2011	30.09.2010	Change	Change [%]	30.09.2011	30.06.2011	Change	Change [%]
Trading Accounts [units]	156'196	145'899	10'297	7.1%	156'196	152'987	3'209	2.1%
Saving Accounts [units]	17'167	13'345	3'822	28.6%	17'167	16'258	909	5.6%
eForex Accounts [units]	10'464	2'662	7'802	293.1%	10'464	9'899	565	5.7%
ePrivate Banking Accounts [units]	616	141	475	336.9%	616	554	62	11.2%
Total Number of Accounts	184'443	162'047	22'396	13.8%	184'443	179'698	4'745	2.6%
Trading Assets [CHF m]	6'658.0	6'926.7	(268.7)	-3.9%	6'658.0	7'118.0	(460.0)	-6.5%
Saving Assets [CHF m]	470.0	433.8	36.2	8.3%	470.0	451.6	18.4	4.1%
eForex Assets [CHF m]	130.4	25.4	105.0	413.4%	130.4	128.0	2.4	1.9%
ePrivate Banking Assets [CHF m]	21.5	11.5	10.0	87.0%	21.5	22.7	(1.2)	-5.3%
Total Assets under Custody [CHF m]	7'279.9	7'397.4	(117.5)	-1.6%	7'279.9	7'720.3	(440.4)	-5.7%
Total Net New Monies [CHF m]	799.3	1'093.4	(294.1)	-26.9%	412.0	94.0	318.0	338.3%
eForex Volume [CHF bn]	313.6	89.0	224.6	252.4%	109.6	102.1	7.5	7.3%
Total Balance Sheet [CHF m]	2'603.5	2'285.5	318.0	13.9%	2'603.5	2'516.1	87.4	3.5%
Total Equity [CHF m]	224.1	188.1	36.0	19.1%	224.1	218.7	5.4	2.4%
Equity Surplus [CHF m]	129.2	118.8	10.4	8.8%	129.2	125.4	3.8	3.0%
Total Headcounts	355	270	85	31.5%	355	352	3	0.9%

1) Others consist of: Acquisition costs [fees impairment restructuring]