

Results for the first nine months of 2008

Swissquote:**Stable and high revenues with strong growth despite financial crisis**

In spite of the ongoing financial crisis and summer months without clear stock market trends, Swissquote has been able to increase client numbers in the first nine months of 2008 by 31,4 percent to 110,553. With a growth of CHF 965.8 million, client assets registered a new record. Revenues remained stable and at a high level (CHF 82.2 million). Net profit reached CHF 24.1 million despite the already announced depreciation of a Lehman Brothers bond. For the current year as a whole, Swissquote is maintaining its growth objectives: increase of its client base in the trading segment to 115,000, and net inflow of new monies of CHF 1.2 billion.

Profitable 3rd quarter despite value readjustment

As announced on 19 September 2008, Swissquote has been compelled to depreciate its Lehman Brothers bond – the United States's fourth biggest investment bank, forced to seek protection under Chapter 11 of the American bankruptcy code – to the tune of EUR 10 million (gross). The CHF 9.3 million in amortisation costs (net, after taxes) have tempered the 3rd quarter results, which nevertheless register a net profit of CHF 1.8 million.

No other risk exposure positions

Swissquote does not hold other risk exposure positions, nor does it engage in dealings as principal, and therefore is only indirectly affected by the global financial crisis. The Lehman Brothers bond was taken only to cover third-party transactions. Even after this unfortunate depreciation, Swissquote maintains a strong capital base with a Basel II ratio of 19 % and an equity surplus of CHF 75.6 million. Equity amounts to CHF 130.7 million.

Stable and high-level revenues

Revenues reached the same level – CHF 82.2 million – as during the first nine months of last year (CHF 82.5 million). The non-commission revenue part (interests and trading business) reached CHF 31.3 million, or 38 percent of total revenues. With a daily turnover of USD 200 million, the eForex segment registered above-average growth during the 3rd quarter. Compared to the previous quarter, its contribution to the trading business doubled (CHF 1.1 million). Compared to the same period last year, operating expenses have increased by 6.1 percent to CHF 39.8 million (CHF 37.5 million), resulting in an operating profit of CHF 42.4 million (CHF 44.9 million). Net profit affected by the exceptional amorti-



sation of CHF 9.3 million reached CHF 24.1 million in the first nine months (CHF 35.9 million), 33.1 percent less than the same period of the previous year.

New records for monies inflow and client numbers

The inflow of new monies reached CHF 965.8 million (CHF 919.6 million) during the first nine months, which is 5.0 percent above the previous year's figure. All in all, and as a result of the financial crisis, customer assets have decreased compared with the same period last year from CHF 5.8 billion to CHF 5.2 billion.

Since the launch of the "Dynamic Savings Account" in May of this year, Swissquote is making a distinction between trading and savings customers. The number of trading clients increased by 24,673 (29.3 percent) to 108,777. By the end of September, the number of savings account clients reached 1,776, with assets of CHF 39 million. As a whole, Swissquote increased its client base by 31.4 percent to 110,553.

Stronger presence at the Zurich location

Swissquote is consolidating its presence in the Zurich region. After having moved from Glattzentrum to the city centre and inaugurated the new Swissquote Lounge at Schützengasse 22-24, Swissquote opened its logistics centre in Zurich-Seebach, where a staff of 14 is now working. Following the strong growth of the institutional clients' segment, Swissquote moved part of the trading floor from Gland to Zurich. In all, Swissquote now has 72 people working at its Zurich locations.

The complete **financial report for the 3rd quarter of 2008** can be viewed at:

<http://www.swissquote.ch> – THE COMPANY /investors relations/reporting

Swissquote – Switzerland's leading online broker

Swissquote has 232 employees in Gland (VD) and Zurich. Swissquote is Switzerland's leading online broker. 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. The shares of Swissquote Group Holding AG (SQN) are listed on the SWX.

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Calendar of events in 2009

13.02.2009	Presentation of the 2008 results in Zurich (SWX)
29.04.2009	1 st quarter 2008 results
30.04.2009	Annual General Meeting in Zurich

Key figures, first nine months of 2008

CHF'000	Comparison with Previous Year				Comparison with Previous Quarter			
	9m-2008	9m-2007	Change	Change [%]	Q3-2008	Q2-2008	Change	Change [%]
Net Fee & Commission Income	50'925.5	56'991.3	(6'065.8)	-10.6%	16'284.9	16'359.9	(75.0)	-0.5%
Interest Income, net	24'333.2	19'172.5	5'160.7	26.9%	8'693.0	8'214.1	478.9	5.8%
Trading Results	6'941.2	6'291.9	649.3	10.3%	2'622.5	2'428.5	194.0	8.0%
Total Net Revenues	82'199.9	82'455.7	(255.8)	-0.3%	27'600.4	27'002.5	597.9	2.2%
Payroll & Related Expenses	(18'551.6)	(18'382.9)	(168.7)	0.9%	(6'086.9)	(6'325.1)	238.2	-3.8%
Other Operating Expenses (incl. Depr. & Provision)	(14'555.4)	(12'348.1)	(2'207.3)	17.9%	(5'255.1)	(4'812.2)	(442.9)	9.2%
Marketing Expenses	(6'718.1)	(6'787.4)	69.3	-1.0%	(2'215.0)	(2'184.1)	(30.9)	1.4%
Total Expenses	(39'825.1)	(37'518.4)	(2'306.7)	6.1%	(13'557.0)	(13'321.4)	(235.6)	1.8%
Operating Profit	42'374.8	44'937.3	(2'562.5)	-5.7%	14'043.4	13'681.1	362.3	2.6%
Write down on investment securities, net of tax	(9'346.6)	-			(9'346.6)	-		
Income Taxes	(8'967.8)	(8'987.4)	19.6	-0.2%	(2'919.6)	(2'909.0)	(10.6)	0.4%
Net Profit	24'060.4	35'949.9	(11'889.5)	-33.1%	1'777.2	10'772.1	(8'994.9)	-83.5%
Operating Profit Margin	51.6%	54.5%			50.9%	50.7%		
Net Profit Margin	29.3%	43.6%			6.4%	39.9%		
	30.09.2008	30.09.2007	Change	Change [%]	30.09.2008	30.06.2008	Change	Change [%]
Total number of Trading Clients [units]	108'777	84'104	24'673	29.3%	108'777	103'476	5'301	5.1%
Total number of Saving Clients [units]	1'776	-	1'776	-	1'776	771	1'005	130.4%
Total Number of Clients	110'553	84'104	26'449	31.4%	110'553	104'247	6'306	6.0%
Assets under Custody [CHF m]	5'198.6	5'774.0	(575.4)	-10.0%	5'198.6	5'508.0	(309.4)	-5.6%
Total Net New Monies [CHF m]	965.8	919.6	46.2	5.0%	226.5	324.9	(98.4)	-30.3%
Total Headcounts	232	197	35	17.8%	232	233	(1)	-0.4%
Total Balance Sheet [CHF m]	1'375.1	1'354.4	20.7	1.5%	1'375.1	1'352.9	22.2	1.6%
Total Equity [CHF m]	130.7	118.4	12.3	10.4%	130.7	136.3	-5.6	-4.1%
Equity Surplus [CHF m]	75.6	62.9	12.7	20.2%	75.6	83.3	(7.7)	-9.2%