

Results for the 1<sup>st</sup> quarter of 2007

## **Swissquote reports record results for Q1 2007**

**Swissquote in the first quarter of 2007 outstripped by a large margin its best quarterly result achieved so far (in the fourth quarter of 2006). Compared with an equally excellent first quarter of 2006, revenue rose by 41.5 percent to CHF 27.0 million, and operating profit was up by 64.0 percent to CHF 15.3 million. Net income reached CHF 12.2 million and, despite a first-time tax charge, was 23.3 percent ahead of the first quarter of 2006. The number of customers rose 31.7 percent year-on-year to more than 70,000 clients, and customer assets increased by 37.7 percent.**

### **Funds under management above CHF 5 billion**

With inflows of new funds totaling CHF 345.7 million, or around CHF 5 million per trading day, Swissquote's funds under custody reached CHF 5.1 billion in the first quarter 2007, breaching the CHF 5 billion level for the first time. This represents an increase of 37.7 percent compared with the first quarter of 2006. The number of clients rose by 5,965 in the first quarter of 2007 to reach 70,032; this represents a year-on-year increase of 31.7 percent. The trend towards an above-average rate of growth in the acquired number of high net worth individuals was also detectable in the first quarter. The leap in the number of customers and the favorable stock market environment led to a rise in revenue of CHF 7.9 million to CHF 27.0 million.

### **Record net income despite first-time tax charges**

Compared with the 41.5 percent increase in revenue, operating expenses, including marketing costs as well as amortization and depreciation, rose by only 20.0 percent to CHF 11.7 million. This boosted operating earnings by 64.0 percent to reach CHF 15.3 million. The operating margin rose to 56.6 percent. "The fact that for the first time we had a tax charge of CHF 3.1 million demonstrates that Swissquote has definitely concluded its start-up phase in 2007," said Marc Bürki, CEO of Swissquote". Despite the significant burden of the tax charge, however, Swissquote generated net profit in the first quarter 2007 of CHF 12.2 million, which are significantly above those of the previous year (CHF 9.9 million) as well as those of the best quarter so far (CHF 11.0 million). The net profit margin was 45.3 percent.

**Ambitious growth targets unchanged for 2007**

Fully electronic trading was activated for the Eurex exchange on April 23. In coming months, Swissquote will launch new services including, among other things, new tools for online wealth management. Due to the strong results in the first quarter, Swissquote is maintaining its ambitious objectives for 2007: 80,000 customers and fresh fund inflows of at least CHF 1 billion.

**Payout to shareholders and stock split**

Shareholders of Swissquote Group Holding AG will decide at today's Shareholders' General Meeting concerning the Board of Directors' proposal for a distribution to shareholders in the form of a capital reduction of CHF 3.00 per share and a dividend of CHF 2.00 per share. A resolution will also be taken to improve the liquidity of Swissquote shares through a stock split on a 1:10 ratio. A further resolution will concern the election of a replacement for Board member Otto E. Nägeli, by new board member Martin M. Naville.

**Financial report for the first quarter of 2007**

The complete financial report for the first quarter of 2007 can be viewed at:  
<http://www.swissquote.ch> – THE COMPANY/Investor Relations/Reporting

**Swissquote – Swiss leader in online trading**

*Swissquote has 176 employees in Gland (Vaud) and Wallisellen (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**

Marc Bürki, CEO Swissquote Bank, Route des Avouillons 16, CH-1196 Gland  
Phone +41 22 999 98 50, fax +41 22 999 94 54, mobile +41 79 413 41 45  
[marc.burki@swissquote.ch](mailto:marc.burki@swissquote.ch)

**Calendar of events in 2007**

27.07.2007 Publication of H1 2007 figures in Zurich (SWX)  
26.10.2007 Publication of figures for the first nine months of 2007 (via conference call)

**Key figures 1<sup>st</sup> Quarter of 2007**

CHF'000	Comparison with Previous Year				Comparison with Previous Quarter			
	Q1-2007	Q1-2006	Change	Change [%]	Q1-2007	Q4-2006	Change	Change [%]
Net Fee & Commission Income	18'965.2	14'509.7	4'455.5	30.7%	18'965.2	13'875.5	5'089.7	36.7%
Interest Spread	5'295.6	2'018.5	3'277.1	162.4%	5'295.6	4'109.4	1'186.2	28.9%
Trading Results	2'001.4	1'710.3	291.1	17.0%	2'001.4	2'115.3	(113.9)	-5.4%
Other Income	742.0	849.6	(107.6)	-12.7%	742.0	1'034.3	(292.3)	-28.3%
<b>Total Net Revenues</b>	<b>27'004.2</b>	<b>19'088.1</b>	7'916.1	41.5%	<b>27'004.2</b>	<b>21'134.5</b>	5'869.7	27.8%
Operating Expenses	(9'081.9)	(7'407.7)	(1'674.2)	22.6%	(9'081.9)	(7'718.4)	(1'363.5)	17.7%
Marketing Expenses	(1'858.2)	(1'542.2)	(316.0)	20.5%	(1'858.2)	(1'959.3)	101.1	-5.2%
Depreciation	(788.1)	(822.2)	34.1	-4.1%	(788.1)	(854.7)	66.6	-7.8%
<b>Total Expenses &amp; Depreciation</b>	<b>(11'728.2)</b>	<b>(9'772.1)</b>	(1'956.1)	20.0%	<b>(11'728.2)</b>	<b>(10'532.4)</b>	(1'195.8)	11.4%
<b>Operating Profit</b>	<b>15'276.0</b>	<b>9'316.0</b>	5'960.0	64.0%	<b>15'276.0</b>	<b>10'602.1</b>	4'673.9	44.1%
Taxes <sup>(*)</sup>	(3'053.2)	600.0	(3'653.2)	608.9%	(3'053.2)	386.0	(3'439.2)	891.0%
<b>Net Profit</b>	<b>12'222.8</b>	<b>9'916.0</b>	2'306.8	23.3%	<b>12'222.8</b>	<b>10'988.1</b>	1'234.7	11.2%
Operating Profit Margin	56.6%	48.8%			56.6%	50.2%		
Net Profit Margin	45.3%	51.9%			45.3%	52.0%		
	<b>31.03.2007</b>	<b>31.03.2006</b>	Change	Change [%]	<b>31.03.2007</b>	<b>31.12.2006</b>	Change	Change [%]
Number of Clients	70'032	53'178	16'854	31.7%	70'032	64'067	5'965	9.3%
Increase of Clients in Period	5'965	4'121	1'844	44.7%	5'965	4'036	1'929	47.8%
Increase in %	9.3%	8.4%			9.3%	6.7%		
Assets under Custody <sup>1</sup>	5'055	3'671	1'384	37.7%	5'055	4'492	563	12.5%
Change [in Million CHF]	563	685			563	568		
Increase in %	12.5%	22.9%			12.5%	14.5%		
Net New Monies in Period [in Million CHF]	345.7	260.0	85.7	33.0%	345.7	245.0	100.7	41.1%
Equity [in Million CHF]	105.9	70.5	35.4	50.2%	105.9	93.5	12.4	13.3%
<u>Notes</u>								
(*) In Q4-2006, net of CHF 3m reversal of Goodwill								