

*Trading. Self-made.*



## Results for the first nine months of 2010

5<sup>th</sup> November 2010



# Agenda

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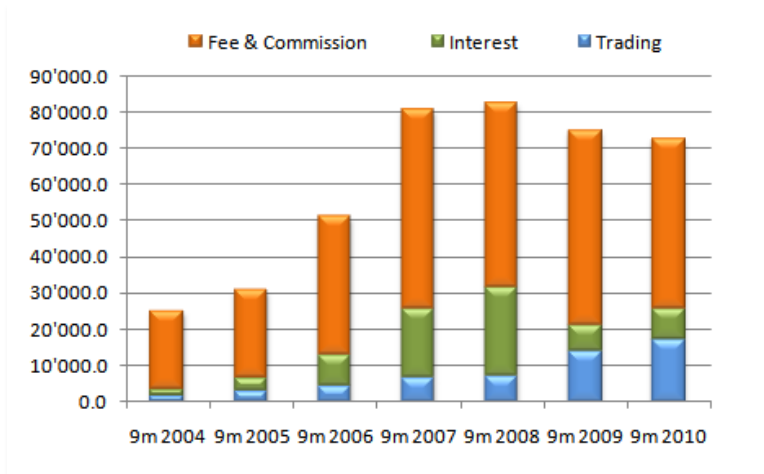
- Growth and Key Figures
- Client Groups
- Balance Sheet
- YTD Q3-2010 Key Figures



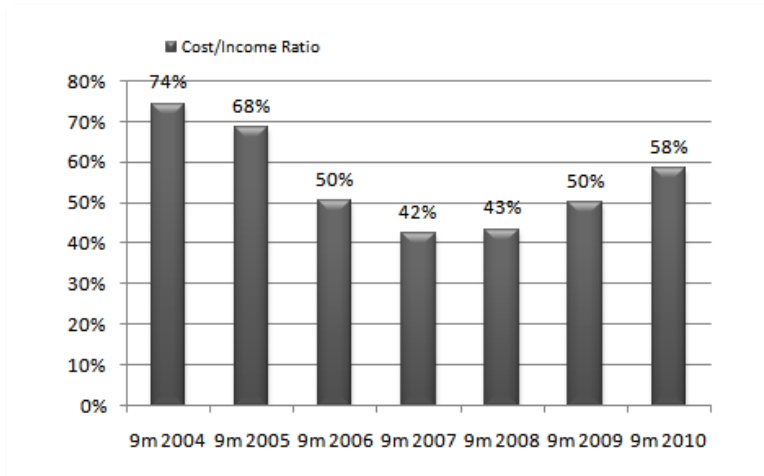
## Growth & Key Figures

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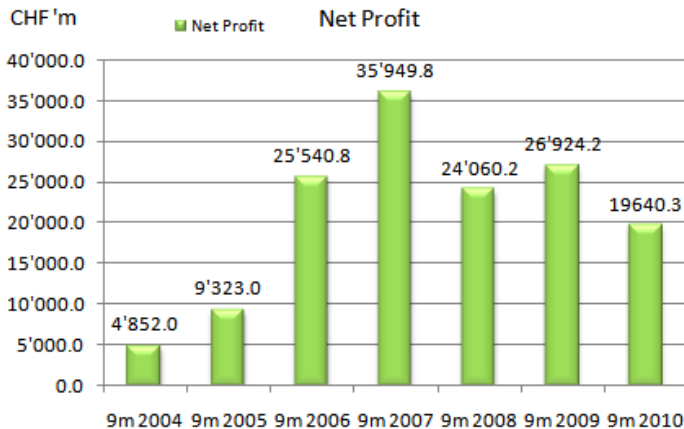
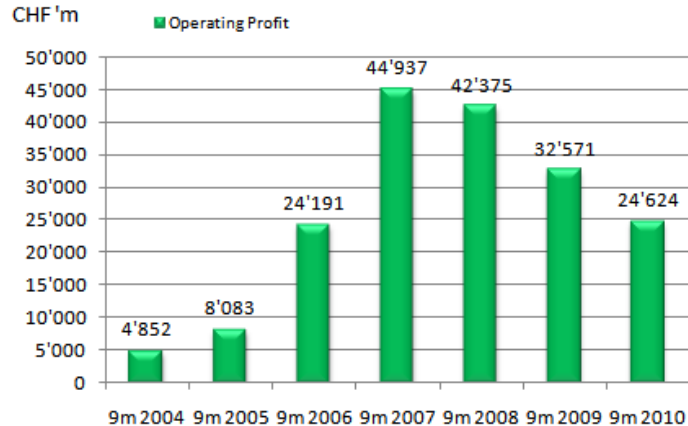
# Revenues & Profitability



- Revenues down 3.1%
- Improvement in Interest (+16.1%) and Trading revenues (+26.1%)
- YTD Q3-2009: CHF 72.4m
- Q3-2010: CHF 22.8m
- Cost/Income Ratio on the increase but still under 60%.

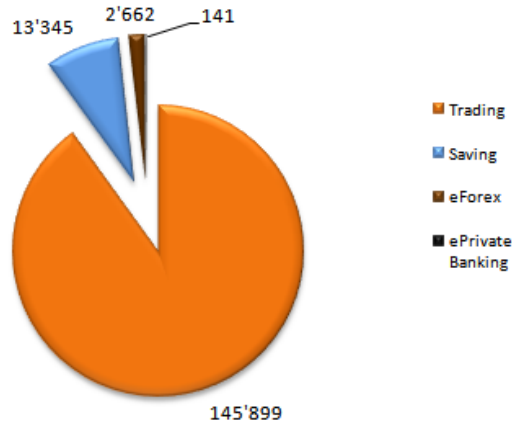


# Operating and Net Profit

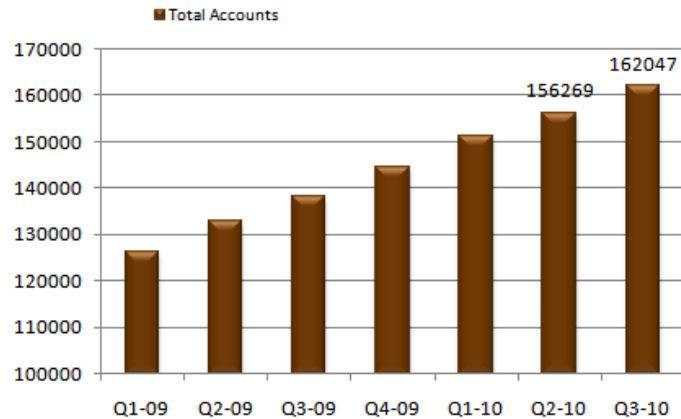


- Slowdown in profits compared to last year
- Solid Operating profit in the first 9 months ( 24.6 m / 33.7% margin)
- Net profit of 19.6 m in the 9 first months ( 27.1% margin)

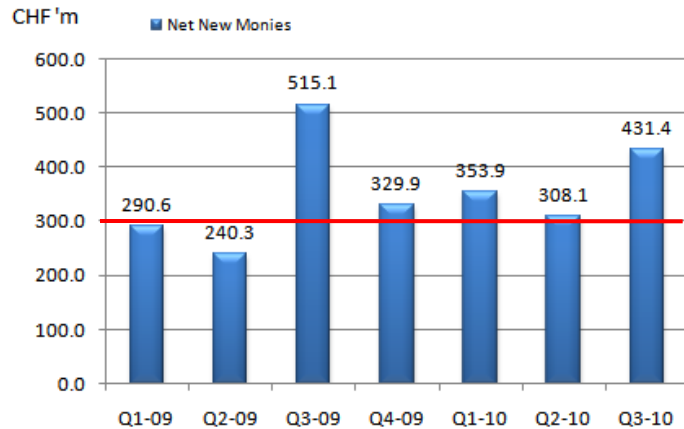
# Clients and Segments



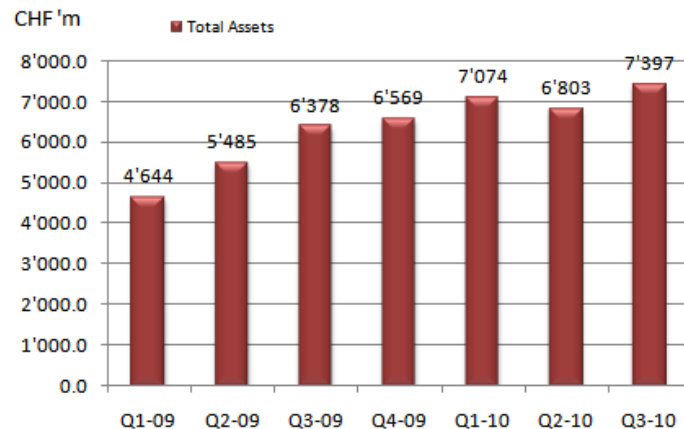
- 5'778 new accounts in Q3
- Strong growth of Saving and eForex Clients
- 141 ePrivate Banking clients in the first months since launch
- Aggregate of 162'000 accounts



# Record inflow of new funds



- Record inflow of funds of 1.1 billion in the 9 first months
- Asset under custody of 7.4 billion





## Client Groups

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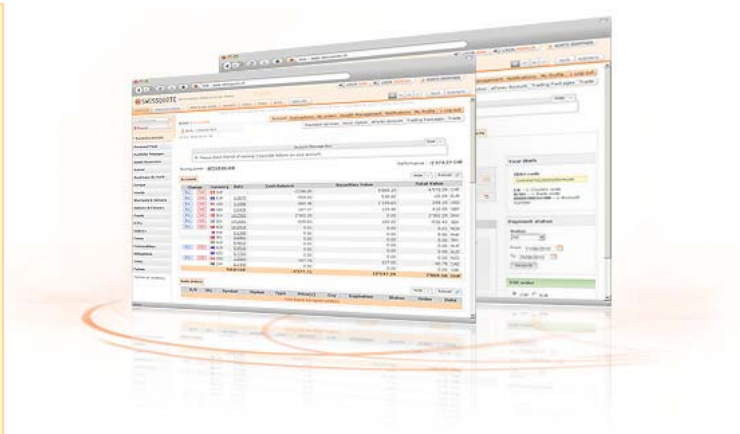
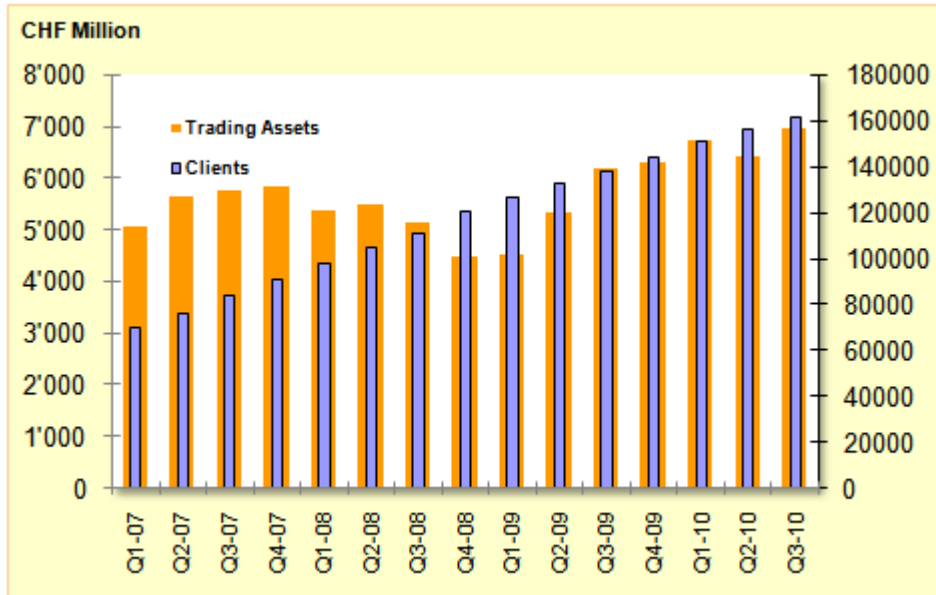


# Client Groups

CHF'000	Trading		Saving		eForex		Total	
Net Fee & Commission Income	46'764.8	-13.1%					46'764.8	-13.1%
Net Interest Income	5'610.6	-16.8%	3'067.6	+318.9%			8'678.2	+16.1%
Trading Results	7'891.8	-6.0%			9'053.5	+79.6%	16'945.3	+26.1%
Total	60'267.2	-11.6%	3'067.6	+318.9%	9'053.5	+79.6%	72'388.3	-3.1%

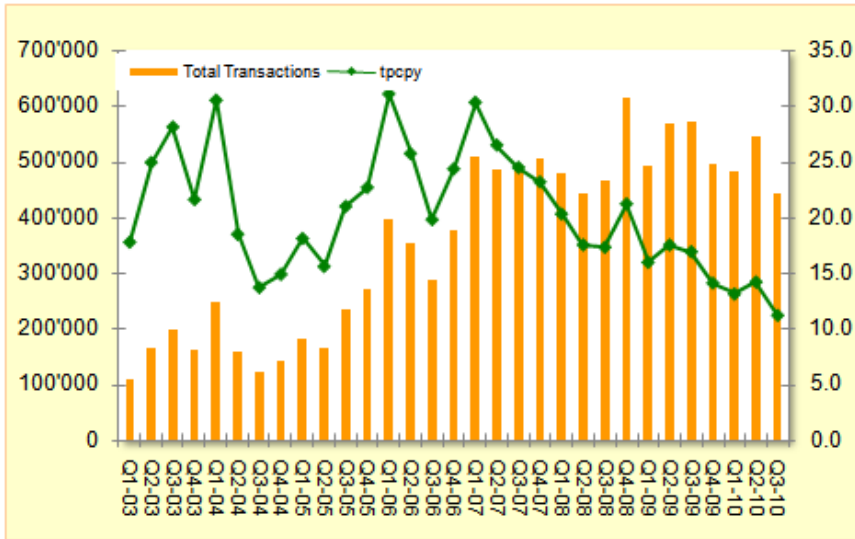
- Revenues of Trading Clients still most important revenue segment
- Strong growth of the new client groups. 16.7% of revenues achieved in these groups.
- ePrivate banking will be presented as 4th client group in Q4-2010.

# Trading Clients - Growth

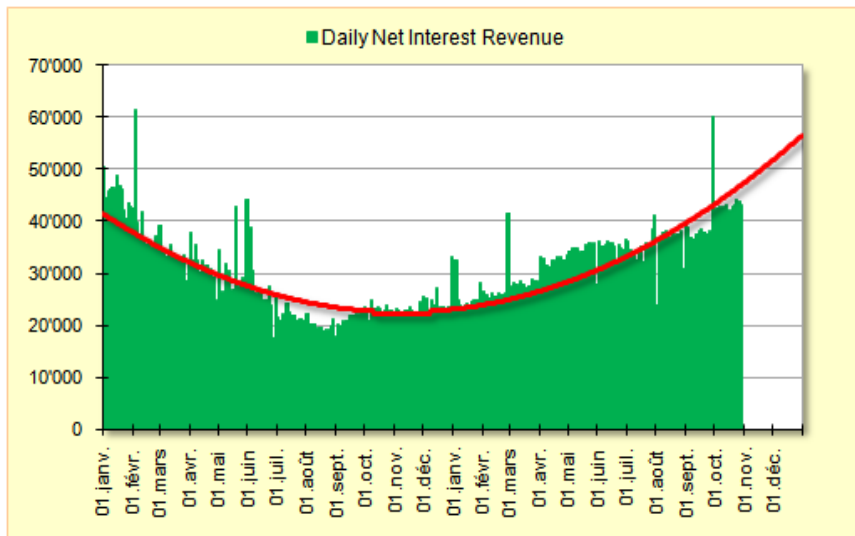


- Over 145'000 Trading accounts ( + 2.9%)
- Assets under custody : 7.0 billion

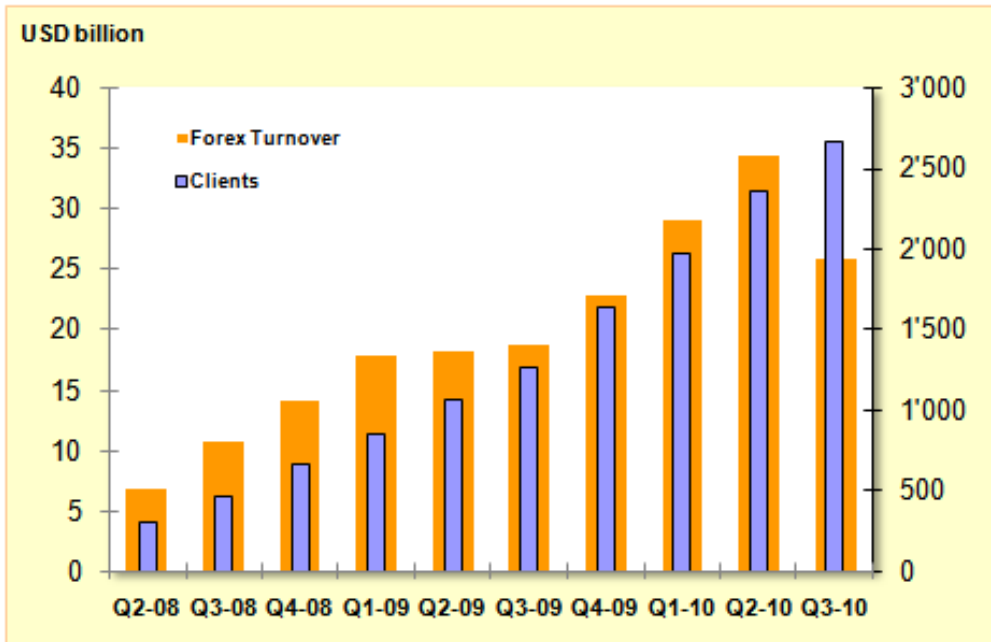
# Trading Clients - Transactions und Interest Revenues



- Lowest transaction rate per client per year since 2003
- Interest revenues are recovering
- CHF 40'000 per day means interest revenues have doubled in the last 12 months



# eForex Clients – Growth and Volumes



- Over 2'662 active clients
- USD 89 billion volume in the first 9 months

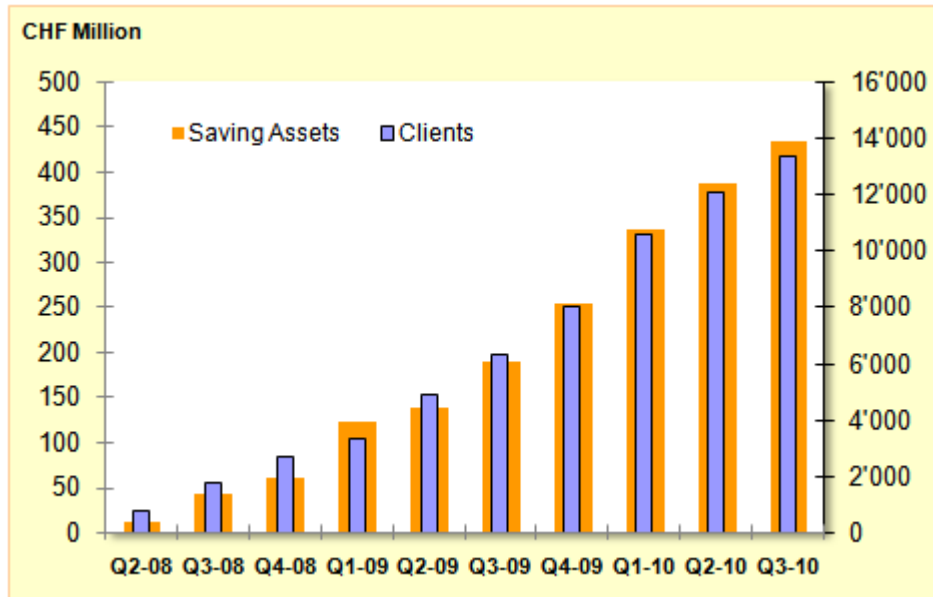
# ACM „Advanced Currency Markets“

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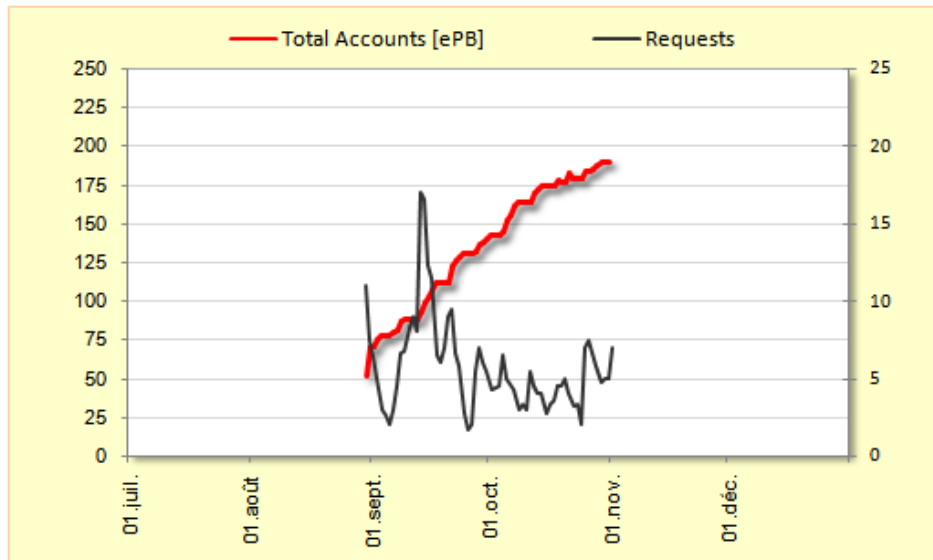
- Acquisition of ACM on 26 October 2010
- Acquisition welcomed by clients and partners
- 27 million revenues in the 9 first months. Transaction volumes of USD 300 billion
- Merger / integration to be completed by the end of Q2-2011 at the latest
- Aggregate volume ( SQ / ACM) of 520 billion in 2010
- Strong development with institutional clients
- ACM Platform und services will continue being provided under the ACM brand
- ACM/Swissquote business locations in Geneva, Zürich (Bahnhofstrasse 64) and Dubai will be maintained

# Saving clients – Growth and Total Assets



- 13'345 clients at 30<sup>th</sup> September 2010
- 433.8 million assets (average of 32'500 per client)
- Over 3 million revenues in the first 9 months
- Target asset margin of 0.5% overachieved

# ePrivate Banking



- ePrivate Banking launched as planned
- Innovative asset management tool with electronic investment manager
- Attractive pricing  
Management fee : 0.5% - Trading fee : 0.1% ( min 9, max 99)
- 200 clients on 1<sup>st</sup> November 2010
- Average 80'000 assets per client



## Swissquote Lounge in Bern

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- New Lounge at Schauplatzgasse 9
- More than 100 meetings with clients and projects per week
- Same concept as Zurich (stock exchange quotes, account openings, financial press news stand. Internet access, professional advice)



## Balance Sheet

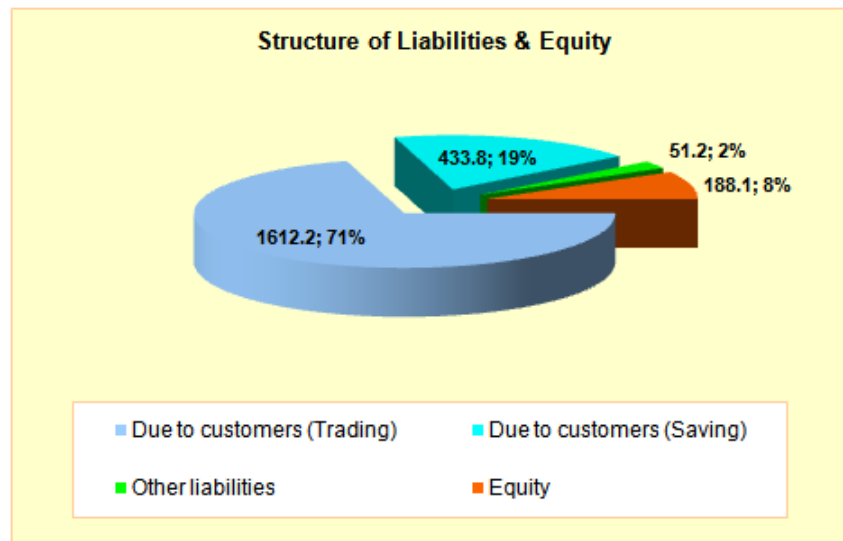
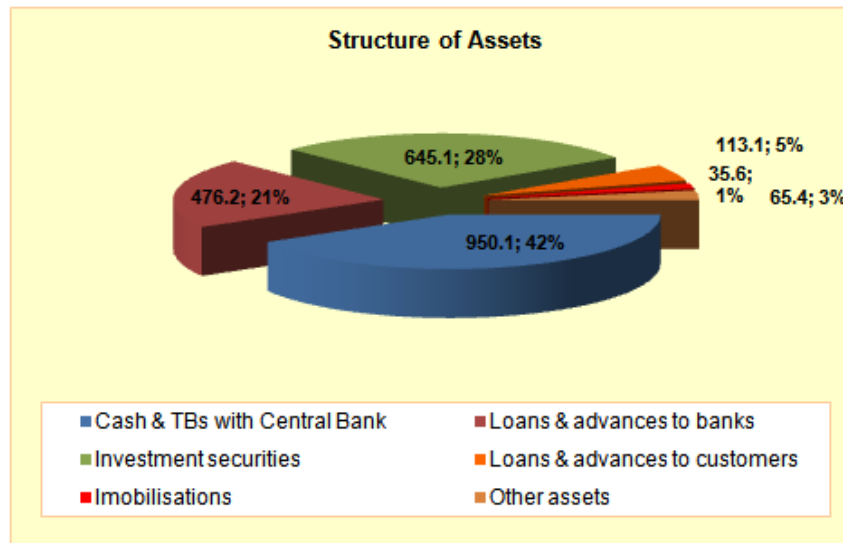
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# Balance Sheet 30<sup>th</sup> September 2010

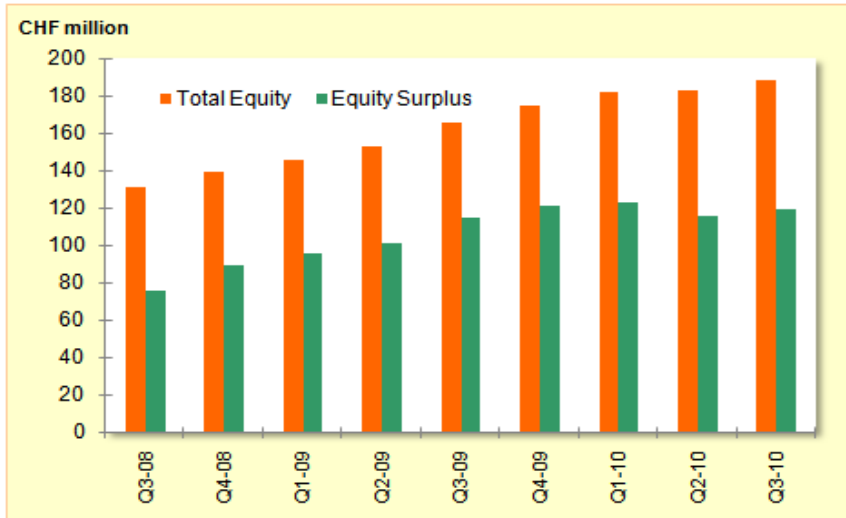
	CHF m			Structure in %	
	30.09.2010	30.09.2009	Chg	30.09.2010	30.09.2009
<b>Assets</b>					
Cash & TBs with Central Bank	950.1	761.6	188.5	41.6%	42.0%
Loans & advances to banks	476.2	591.3	-115.1	20.8%	32.6%
Investment securities	645.1	299.9	345.2	28.2%	16.5%
Loans & advances to customers	113.1	88.8	24.3	4.9%	4.9%
Immobilisations	35.6	31.5	4.1	1.6%	1.7%
Other assets	65.4	40.9	24.5	2.9%	2.3%
<b>Total</b>	<b>2'285.5</b>	<b>1'814.0</b>	<b>471.5</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Liabilites &amp; Equity</b>					
Due to customers :					
Trading accounts	1'612.2	1'420.4	191.8	70.5%	78.3%
Saving accounts	433.8	187.1	246.7	19.0%	10.3%
Other liabilities	51.2	41.0	10.2	2.2%	2.3%
Equity	188.3	165.5	22.8	8.2%	9.1%
<b>Total</b>	<b>2'285.5</b>	<b>1'814.0</b>	<b>471.5</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Equity surplus</b>	<b>118.9</b>	<b>114.7</b>	<b>4.2</b>	<b>5.2%</b>	<b>6.3%</b>
<b>Tier 1 ratio</b>	<b>22.4%</b>	<b>26.1%</b>	<b>-3.7%</b>		
<b>Risk Weighted Assets</b>	<b>69.4</b>	<b>50.8</b>			

# Balance Sheet Structure at 30<sup>th</sup> September 2010

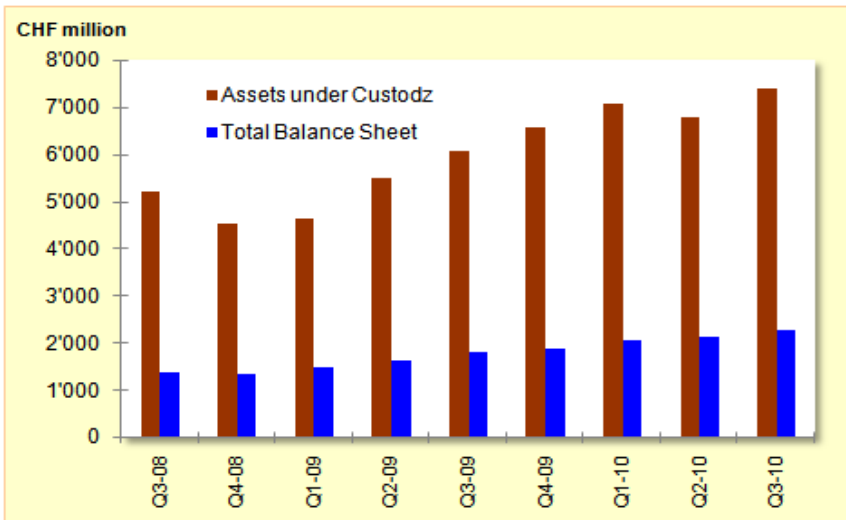
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# Trends



- Strong growth
- Excess capital of 118.8 m (pre ACM acquisition)
- Tier1 Ratio: 22.4%





## Key Figures for the first nine months of 2010

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## Key Figures

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	9m 2010	9m 2009	
Revenues	72.4m	-2.3m	-3.1%
Operating profit	24.6m	-7.9m	-24.4%
Net profit	19.6m	-7.2m	-27.1%
Client accounts	162'047	+23'792	+17.2%
Assets under Custody	7'397m	+1'019m	+16.0%
Equity	188.1m	+22.6m	+13.7%

# Key Figures

CHF'000	Comparison with Previous Year				Comparison with Previous Quarter			
	9m-2010	9m-2009	Change	Change [%]	Q3-2010	Q2-2010	Change	Change [%]
Net Fee & Commission Income	46'764.8	53'828.4	(7'063.6)	-13.1%	14'240.3	16'623.3	(2'383.0)	-14.3%
Interest Income, net	8'678.2	7'475.0	1'203.2	16.1%	3'331.5	3'038.9	292.6	9.6%
Trading Results	16'945.3	13'433.5	3'511.8	26.1%	5'258.4	6'493.6	(1'235.2)	-19.0%
<b>Total Net Revenues</b>	<b>72'388.3</b>	<b>74'736.9</b>	<b>(2'348.6)</b>	<b>-3.1%</b>	<b>22'830.2</b>	<b>26'155.8</b>	<b>(3'325.6)</b>	<b>-12.7%</b>
Payroll & Related Expenses	(19'936.8)	(18'369.8)	(1'567.0)	8.5%	(7'087.0)	(6'549.3)	(537.7)	8.2%
Other Operating Expenses (incl. Depr. & Provision)	(19'782.3)	(17'784.5)	(1'997.8)	11.2%	(6'389.8)	(6'795.6)	405.8	-6.0%
Marketing Expenses	(8'044.7)	(6'012.0)	(2'032.7)	33.8%	(2'231.8)	(2'758.3)	526.5	-19.1%
<b>Total Expenses</b>	<b>(47'763.8)</b>	<b>(42'166.3)</b>	<b>(5'597.5)</b>	<b>13.3%</b>	<b>(15'708.6)</b>	<b>(16'103.2)</b>	<b>394.6</b>	<b>-2.5%</b>
<b>Operating Profit</b>	<b>24'624.5</b>	<b>32'570.6</b>	<b>(7'946.1)</b>	<b>-24.4%</b>	<b>7'121.6</b>	<b>10'052.6</b>	<b>(2'931.0)</b>	<b>-29.2%</b>
Income Taxes	(5'018.4)	(6'788.2)	1'769.8	-26.1%	(1'192.5)	(2'170.5)	978.0	-45.1%
Others, net of tax <sup>1)</sup>	34.3	1'141.6	(1'107.3)	-97.0%	-	34.3	(34.3)	-
<b>Net Profit</b>	<b>19'640.4</b>	<b>26'924.0</b>	<b>(7'283.6)</b>	<b>-27.1%</b>	<b>5'929.1</b>	<b>7'916.4</b>	<b>(1'987.3)</b>	<b>-25.1%</b>
Operating Profit Margin	34.0%	43.6%			31.2%	38.4%		
Net Profit Margin	27.1%	36.0%			26.0%	30.3%		
	30.09.2010	30.09.2009	Change	Change [%]	30.09.2010	30.06.2010	Change	Change [%]
Trading Accounts [units]	145'899	130'645	15'254	11.7%	145'899	141'790	4'109	2.9%
Saving Accounts [units]	13'345	6'339	7'006	110.5%	13'345	12'122	1'223	10.1%
eForex Accounts (Swissquote) [units]	2'662	1'271	1'391	109.4%	2'662	2'357	305	12.9%
ePrivate Banking Accounts [units]	141	-	141	-	141	-	141	-
<b>Total Number of Accounts/Clients</b>	<b>162'047</b>	<b>138'255</b>	<b>23'792</b>	<b>17.2%</b>	<b>162'047</b>	<b>156'269</b>	<b>5'778</b>	<b>3.7%</b>
Trading & eForex Assets [CHF m]	6'952.1	6'189.9	762.2	12.3%	6'952.1	6'417.0	535.1	8.3%
Saving Assets [CHF m]	433.8	188.1	245.7	130.6%	433.8	386.1	47.7	12.4%
ePrivate Banking Assets [CHF m]	11.5	-	11.5	-	11.5	-	11.5	-
<b>Total Assets under Custody [CHF m]</b>	<b>7'397.4</b>	<b>6'378.0</b>	<b>1'019.4</b>	<b>16.0%</b>	<b>7'397.4</b>	<b>6'803.1</b>	<b>594.3</b>	<b>8.7%</b>
Total Net New Monies [CHF m]	1'093.4	1'046.0	47.4	4.5%	431.4	308.1	123.3	40.0%
eForex Volume (Swissquote) [USD bn]	89.0	54.4	34.6	63.6%	25.8	34.3	(8.5)	-24.8%
Total Balance Sheet [CHF m]	2'285.5	1'814.0	471.5	26.0%	2'285.5	2'141.3	144.2	6.7%
Total Equity [CHF m]	188.1	165.5	22.6	13.7%	188.1	183.1	5.0	2.7%
Equity Surplus [CHF m]	118.8	114.7	4.1	3.6%	118.8	115.2	3.6	3.1%
Total Headcounts	270	232	38	16.4%	270	260	10	3.8%

1) Others consist of: Provision on Investment Securities (nil in 2010 and 1'141.6 in 2009); Tradejet Integration costs (-743.0 in 2010, nil in 2009); Gain on Tradejet acquisition (777.0 in 2010, nil in 2009)