Swissquote Group on target in the third quarter

Swissquote Group’s figures in the third quarter of 2001 are on target: at CHF 9.3 million, revenues are down CHF 11.3 million year-on-year, but still within range of the CHF 13 million revenues anticipated for 2001. In the first nine months of 2001, 60 percent of revenues were generated by Online Financial Services (Swissquote Bank, Swissquote financial portal) and 40 percent by Web Intelligence (Marvel Communications). The CHF 14.1 million net loss sustained over the nine-month period is in line with the CHF 18 million projected for the full year. Two-thirds of the loss are due to one-off costs (initial outlays for Swissquote Bank and expenditure for activities in France) and one-third to operating expenses. The unsatisfactory operating result, a direct reflection of jittery financial markets, has to be set against Swissquote Group’s solid financial base: the consolidated balance sheet as per 30 September 2001 shows equity of CHF 57.2 million and net liquidity of CHF 56.4 million.

Swissquote Bank: Best Online Broker in Switzerland

The business journal CASH published the results of its second large-scale online broker test in October. The services of seven Swiss-based online brokers were assessed in terms of investment universe, simplicity, speed, transparency, handling and costs. Gaining the highest score, Swissquote Bank defended the number one position secured in the first test conducted in April 2000.

The third quarter of 2001 saw Swissquote Bank move ahead with its plans to expand services. Clients now enjoy access to the US exchanges NYSE, NASDAQ and AMEX, besides SWX and Virtx. And what’s more, most Credit Suisse, Lombard Odier, Pictet, Swissca, UBS and Vontobel funds admitted for sale in Switzerland can be bought online or by phone at very favourable CHF, USD and EUR prices.

By the close of September two-thirds of Swissquote Trade’s brokerage activities had been transferred to Swissquote Bank. When Swissquote Trade halts operations at the end of November, the brokerage business will be handled exclusively via the Swissquote Bank platform. Up to end-August online trading was depressed by the mood of uncertainty weighing heavily on private investors in particular, but from early September the number of transactions and new clients rose visibly.

New Customers for Marvel

In the face of strong competition, Marvel Communications succeeded in acquiring a number of important clients in the third quarter. Marvel has won contracts to develop and manage the websites of SMP (Association of Swiss Milk Producers), Iomega Europe and Epona. In the third quarter, revenues were up slightly on the first two quarters.
Carefully optimistic forecast

In light of the third quarter figures, Swissquote is confident that the full-year forecasts announced mid-year (revenues: CHF 13 million; net loss: CHF 18 million) will be met. The personnel restructuring measures taken at Marvel are already impacting on costs in the fourth quarter, and the decision to exit the French market will be reflected in next year’s figures. Swissquote is convinced that its two areas of activity - Online Financial Services and Web Intelligence - are in line to benefit directly from the economic upswing predicted for next year.

The full text of the quarterly report can be downloaded from
http://group.swissquote.com/e/home_reporting_e.html

Swissquote – The Swiss Leader in Online Banking
Swissquote Group is a leader of online financial services (financial information and Internet Banking) and as a supplier of Internet services in Switzerland. The Group employs 160 people between its headquarters in Gland (VD) and its subsidiary in Schwerzenbach (ZH). Swissquote (SQN) is listed on the SWX New Market.

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