

Results for the 1st quarter of 2013

Swissquote increases operating revenues

The investor uncertainty and reticence very much in evidence in 2012 was less visible in the 1st quarter of 2013. Swissquote reported an increase in operating revenues both year-on-year (+1.9 percent) and compared with the previous quarter (+9.1 percent). The number of accounts also grew further (+1.4 percent) and assets under custody crossed the CHF 9 billion mark for the first time. For 2013 Swissquote is expecting to see renewed revenue growth, a 5 to 10 percent increase in the number of clients, as well as net new monies in the order of CHF 1 billion.

New: operating revenues and total net revenues

In preparation for the IFRS 9 reporting standards, Swissquote is changing the presentation of the revenue development with effect from the 1st quarter of 2013. Operating revenues are made up of net fee and commission income, net interest income and trading results. Previously, trading results were reported together with the unrealised fair value (unrealised performance of part of the Swissquote bond portfolio compared with the previous quarter) as trading results and other results.

In the 1st quarter of 2013, **operating revenues** were up by 1.9 percent year-on-year to CHF 28.7 million (CHF 28.2 million). **Net fee and commission income** rose by 3.9 percent to CHF 14.7 million (CHF 14.1 million) thanks to a further increase in trading activity to 13.0 transactions per client/year (9.8 transactions in the 4th quarter of 2012). **Net interest income** remained largely stable despite the currency situation and Swissquote's cautious investment strategy (almost 60 percent of the balance sheet total is held as deposits with the Swiss National Bank); at CHF 3.9 million (CHF 4.2 million), it was moderately below the previous year's level. **Trading results** increased by 3.1 percent to CHF 10.1 million (CHF 9.8 million) owing to improved margins on a comparable trading volume of CHF 66.5 billion (CHF 67.2 billion).

Total net revenues were 2.8 percent lower year-on-year at CHF 28.4 million (CHF 29.2 million) due to the negative unrealised fair value of CHF -0.3 million (CHF +1.0 million).

Earnings situation still solid

At CHF 21.6 million (CHF 21.3 million), **operating expenses** were just 1.4 percent higher than in the first quarter of the previous year. **Pre-tax profit** decreased by 13.9 percent to CHF 6.8 million (CHF 7.9 million) as a consequence of the slight rise in operating expenses and the negative unrealised fair value impact on total net revenues. **Net profit** also declined correspondingly by 12.2 percent to CHF 5.5 million (CHF 6.3 million). The pre-tax profit margin was 24.0 percent (27.1 percent), and the net profit margin stood at 19.5 percent (21.6 percent). **Earnings per share** amounted to CHF 0.38 (CHF 0.44). The **balance sheet total** grew by 2.8 percent to CHF 2.792 billion (CHF 2.715 billion), and **total equity** was 3.0 percent higher at CHF 245.3 million (CHF 238.2 million). The **core capital ratio** was at 25.4 percent (21.5 percent).

Assets under custody over CHF 9 billion for first time

The number of clients increased steadily in the 1st quarter of 2013 as well. The total number of **accounts** rose by 1.4 percent year-on-year to 203,005. The breakdown is 160,978 trading accounts (+0.9 percent), 30,153 saving accounts (+4.6 percent), 11,067 eForex accounts (+0.4 percent), and 807 ePrivate Banking accounts (+17.8 percent). Compared with the previous year, **assets under custody** increased by 7.4 percent to CHF 9.108 billion (CHF 8.478 billion). At the end of the 1st quarter of 2013, assets of CHF 8.259 billion were held in trading accounts, CHF 694.9 million in saving accounts, CHF 127.9 million in eForex accounts, and CHF 25.8 million in ePrivate Banking accounts. **Net new monies** decreased by 55.1 percent to CHF 240.8 million (CHF 536.6 million).

Swissquote expands services in Dubai

As part of its expansion strategy, Swissquote is offering a new service for *expatriates* at its Dubai office. The Swissquote *expat account* is aimed at members of the *expat community* living in the United Arab Emirates who are interested in saving, trading and other investment products. Swissquote is also offering easy and efficient access to a Swiss bank account with a multi-asset trading system.

The complete **financial report for the 1st quarter of 2013** 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 2013

07.05.2013 Annual General Meeting in Zurich

26.07.2013 Figures for the first half of 2013 (presentation at the SIX Swiss Exchange in Zurich)

05.11.2013 Figures for the first nine months of 2013 (conference call)

CHF'000	Comparison with Previous Year				Comparison with Previous Quarter			
	Q1-2013	Proforma Q1-2012*	Change	Change [%]	Q1-2013	Proforma Q4-2012*	Change	Change [%]
Net Fee & Commission Income	14'689.5	14'132.0	557.5	3.9%	14'689.5	12'968.1	1'721.4	13.3%
Interest Income, net	3'917.9	4'243.5	(325.6)	-7.7%	3'917.9	3'975.0	(57.1)	-1.4%
Trading Results	10'104.4	9'800.9	303.5	3.1%	10'104.4	9'379.2	725.2	7.7%
Total Operating Revenues	28'711.8	28'176.4	535.4	1.9%	28'711.8	26'322.3	2'389.5	9.1%
Unrealised Fair value	(323.1)	1'016.4	(1'339.5)	131.8%	(323.1)	(142.0)	(181.1)	127.5%
Total Net Revenues	28'388.7	29'192.8	(804.1)	-2.8%	28'388.7	26'180.3	2'208.4	8.4%
Payroll & Related Expenses	(9'652.6)	(9'939.0)	286.4	-2.9%	(9'652.6)	(8'946.2)	(706.4)	7.9%
Other Operating Expenses (incl. Depr. & Provision)	(8'521.0)	(8'234.9)	(286.1)	3.5%	(8'521.0)	(8'382.9)	(138.1)	1.6%
Marketing Expenses	(3'406.4)	(3'111.1)	(295.3)	9.5%	(3'406.4)	(3'547.1)	140.7	-4.0%
Total Expenses	(21'580.0)	(21'285.0)	(295.0)	1.4%	(21'580.0)	(20'876.2)	(703.8)	3.4%
Pre-tax Profit	6'808.7	7'907.8	(1'099.1)	-13.9%	6'808.7	5'304.1	1'504.6	28.4%
Income Taxes	(1'275.8)	(1'606.5)	330.7	-20.6%	(1'275.8)	(927.9)	(347.9)	37.5%
Net Profit	5'532.9	6'301.3	(768.4)	-12.2%	5'532.9	4'376.2	1'156.7	26.4%
Pre-tax Profit Margin	24.0%	27.1%			24.0%	20.3%		
Net Profit Margin	19.5%	21.6%			19.5%	16.7%		
Weighted average number of ordinary shares	14'449'264	14'461'990	(12'726)	-0.1%	14'449'264	14'463'461	(14'197)	-0.1%
Earning per share	0.38	0.44	(0.06)	-13.0%	0.37	0.30	0.07	24.9%
	31.03.2013	31.03.2012	Change	Change [%]	31.03.2013	31.12.2012	Change	Change [%]
Trading Accounts [units]	160'978	159'592	1'386	0.9%	160'978	159'942	1'036	0.6%
Saving Accounts [units]	30'153	28'840	1'313	4.6%	30'153	30'002	151	0.5%
eForex Accounts [units]	11'067	11'023	44	0.4%	11'067	10'870	197	1.8%
ePrivate Banking Accounts [units]	807	685	122	17.8%	807	768	39	5.1%
Total Number of Accounts	203'005	200'140	2'865	1.4%	203'005	201'582	1'423	0.7%
Trading Assets [CHF m]	8'259.2	7'597.3	661.9	8.7%	8'259.2	7'740.0	519.2	6.7%
Saving Assets [CHF m]	694.9	737.4	(42.5)	-5.8%	694.9	695.1	(0.2)	0.0%
eForex Assets [CHF m]	127.9	121.1	6.8	5.6%	127.9	123.4	4.5	3.6%
ePrivate Banking Assets [CHF m]	25.8	22.6	3.2	14.2%	25.8	22.6	3.2	14.2%
Total Assets under Custody [CHF m]	9'107.8	8'478.4	629.4	7.4%	9'107.8	8'581.1	526.7	6.1%
Total Net New Monies [CHF m]	240.8	536.6	(295.8)	-55.1%	240.8	32.7	208.1	636.4%
eForex Volume [CHF bn]	66.5	67.2	(0.7)	-1.0%	66.5	74.7	(8.2)	-11.0%
Total Equity [CHF m]*	245.3	238.2	7.1	3.0%	245.3	242.6	2.7	1.1%
Common Equity Tier 1 ratio (%)**	25.4%	21.5%	3.9%	18.1%	25.4%	23.2%	2.2%	9.5%
Total Headcounts - FTE	389	358	31	8.7%	389	368	21	5.7%

* Due to revised IAS19 standard, comparative figures reported in our Q1-2013 Financial Report may differ from proforma figures disclosed here above (see note 9 of our Q1-2013 Financial Report).

** At 1st January 2013, Basel III Framework was implemented (Comparative figures in accordance with Basel II).