



Swissquote

Internet banking/Fintech / Switzerland

Update

09/08/2021

Change in EPS

2021 : CHF 12.0 vs 11.2	+6.61%
2022 : CHF 12.6 vs 11.0	+14.9%

Following Swissquote's H1 21 earnings release, we have raised our EPS for the coming years. We have only slightly modified our numbers for 2021 as these had already been updated in June following Swissquote's positive profit warning. Going into 2022 and 2023, the increase is much higher as we are confident Swissquote will manage to keep decent growth despite an exceptional current year. Management is confident both the top-line and pre-tax profit will grow in 2022 driven by crypto-currencies trading (thanks to volatility and the institutionalisation of that asset class) as well as the buoyant ongoing opening in new accounts.



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This research has been commissioned and paid for by the company and is deemed to constitute an acceptable minor non-monetary benefit as defined in MiFID II

Buy Upside : 41.1%

Target Price (6 months)	CHF 213
Share Price	CHF 151
Market Cap. CHFM	2,312
Price Momentum	STRONG
Extremes 12Months	69.7 ▶ 162
Bloomberg	SQN SW Equity
Reuters	SQN.S

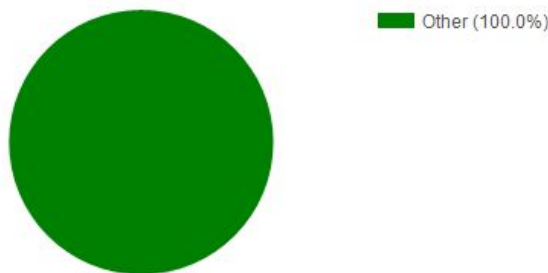

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PERF	1w	1m	3m	12m
Swissquote Group Holding	4.87%	3.01%	12.9%	84.3%
Other financials	1.74%	2.52%	11.1%	31.6%
SXXR Index	1.81%	2.37%	7.17%	32.4%

Last updated: 09/08/2021	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	11.6	12.6	12.0	11.3
Dividend yield (%)	2.12	2.38	2.51	2.65
EV/EBITDA(R) (x)	7.02	8.59	7.79	7.01
Adjusted EPS (CHF)	6.13	12.0	12.6	13.3
Growth in EPS (%)	112	95.4	5.28	5.57
Dividend (CHF)	1.50	3.59	3.78	3.99
Sales (CHFM)	317	465	489	514
Pretax Results margin (%)	33.4	28.2	30.7	33.4
Attributable net profit (CHFM)	91.2	178	188	198
ROE (after tax) (%)	22.4	39.5	36.5	32.1
Gearing (%)	-25.1	-30.8	-38.3	-46.8

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Sales by Geography



Consolidated P&L Accounts

		12/20A	12/21E	12/22E
Sales	CHFM	317	465	489
Change in sales	%	36.6	46.5	5.13
Change in staff costs	%	24.7	27.2	5.00
EBITDA	CHFM	135	242	254
EBITDA(R) margin	%	42.8	52.2	52.2
Depreciation	CHFM	-29.0	-32.0	-33.6
Underlying operating profit	CHFM	106	210	221
Operating profit (EBIT)	CHFM	106	210	221
Net financial expense	CHFM	0.00	0.00	0.00
of which related to pensions	CHFM		-0.82	-0.71
Exceptional items & other	CHFM			
Corporate tax	CHFM	-14.6	-31.5	-33.1
Equity associates	CHFM			
Minority interests	CHFM			
Adjusted attributable net profit	CHFM	91.2	178	188
NOPAT	CHFM	74.1	147	155

Cashflow Statement

		12/20A	12/21E	12/22E
EBITDA	CHFM	135	242	254
Change in WCR	CHFM	0.00	0.00	0.00
Actual div. received from equity holdi...	CHFM	0.00	0.00	0.00
Paid taxes	CHFM	-14.6	-31.5	-33.1
Exceptional items	CHFM			
Other operating cash flows	CHFM	41.0	-97.9	-32.5
Total operating cash flows	CHFM	161	112	189
Capital expenditure	CHFM	-30.7	-39.0	-41.0
Total investment flows	CHFM	-30.7	-39.0	-41.0
Net interest expense	CHFM	0.00	0.00	0.00
Dividends (parent company)	CHFM	-14.9	-22.3	-53.5
Dividends to minorities interests	CHFM	0.00	0.00	0.00
New shareholders' equity	CHFM	0.00	0.00	0.00
Total financial flows	CHFM	-14.9	-21.5	-52.8
Change in cash position	CHFM	116	51.8	95.0
Free cash flow (pre div.)	CHFM	131	73.3	148

Per Share Data

		12/20A	12/21E	12/22E
No. of shares net of treas. stock (year...	Mio	14.9	14.9	14.9
Number of diluted shares (average)	Mio	14.9	14.9	14.9
Benchmark EPS	CHF	6.13	12.0	12.6
Restated NAV per share	CHF			
Net dividend per share	CHF	1.50	3.59	3.78

Valuation Summary

Benchmarks	Value	Weight	Largest comparables
DCF	CHF 225	35%	● Euronext NV
NAV/SOTP per share	CHF 184	20%	■ London Stock Exch...
EV/Ebitda	CHF 225	20%	● Deutsche Boerse
P/E	CHF 278	10%	■ Amundi
Dividend Yield	CHF 192	10%	■ DWS
P/Book	CHF 103	5%	■ Julius Baer
TARGET PRICE	CHF 213	100%	

NAV/SOTP Calculation

Balance Sheet

		12/20A	12/21E	12/22E
Goodwill	CHFM	45.5	46.4	47.3
Total intangible	CHFM	115	118	120
Tangible fixed assets	CHFM	71.0	72.4	73.9
Financial fixed assets	CHFM			
WCR	CHFM	0.00	0.00	0.00
Other assets	CHFM	47.6	48.6	49.5
Total assets (net of short term liab.)	CHFM	7,314	7,417	7,566
Ordinary shareholders' equity	CHFM	440	463	564
Quasi Equity & Preferred	CHFM			
Minority interests	CHFM			
Provisions for pensions	CHFM	8.00	1.00	1.19
Other provisions for risks and liabilities	CHFM			
Total provisions for risks and liabilities	CHFM	8.00	1.00	1.19
Tax liabilities	CHFM	8.40	8.57	8.74
Other liabilities	CHFM	6,974	7,113	7,255
Net debt (cash)	CHFM	-117	-168	-263
Total liab. and shareholders' equity	CHFM	7,314	7,417	7,566

Capital Employed

		12/20A	12/21E	12/22E
Capital employed after depreciation	CHFM	307	269	275

Profits & Risks Ratios

		12/20A	12/21E	12/22E
ROE (after tax)	%	22.4	39.5	36.5
ROCE	%	24.4	54.9	56.7
Gearing (at book value)	%	-25.1	-30.8	-38.3
Adj. Net debt/EBITDA(R)	x	-0.81	-0.66	-1.00
Interest cover (x)	x	354	-404	-542

Valuation Ratios

		12/20A	12/21E	12/22E
Reference P/E (benchmark)	x	11.6	12.6	12.0
Free cash flow yield	%	12.4	3.27	6.58
P/Book	x	2.40	4.85	3.98
Dividend yield	%	2.12	2.38	2.51

EV Calculation

		12/20A	12/21E	12/22E
Market cap	CHFM	1,055	2,244	2,244
+ Provisions	CHFM	8.00	1.00	1.19
+ Unrecognised actuarial losses/(gains)	CHFM	0.00	0.00	0.00
+ Net debt at year end	CHFM	-117	-168	-263
+ Leases debt equivalent	CHFM	7.00	7.00	7.00
- Financial fixed assets (fair value)	CHFM			
+ Minority interests (fair value)	CHFM			
= EV	CHFM	953	2,084	1,989
EV/EBITDA(R)	x	7.02	8.59	7.79
EV/Sales	x	3.00	4.48	4.07

Analyst : Farhad Moshiri, Changes to Forecasts : 09/08/2021.