

DAB bank reports solid quarterly profit of €6.43 million

Net interest income hits record level / Administrative expenses nearly 10% lower than the year-ago quarter / 12,500 net new securities accounts in the B2C segment

Munich, April 28, 2009. The DAB bank Group (Munich) generated a solid pretax profit of €6.43 million in the first quarter of 2009. In the first quarter of the previous year, when the market environment was much healthier, the direct bank had posted a record pretax profit of €13.49 million.

DAB bank increased its net interest income substantially, by 27.3%, over the year-ago period to reach a new all-time-high of €17.09 million (Q1 2008: €13.42 million). At €18.63 million, the net commission income generated in the first quarter of 2009 was 35.8% less than the corresponding year-ago figure (Q1 2008: €29.00 million). This increase was caused mainly by the lower number of trades executed for customers of DAB bank, in a development that mirrored the trend of the overall market. In the B2C segment, DAB bank's customers who are individual investors executed 30.6% fewer trades in the first quarter of 2009, as compared with the first quarter of 2008. On a Groupwide basis, including FondsServiceBank, DAB bank executed 1,536,509 trades for its customers in the first quarter, indicative of a 35.5% decrease from the first quarter of 2008. On the other hand, DAB bank managed to lower its administrative expenses substantially, by 9.5%, from €33.68 million in the first quarter of 2008 to €30.50 million in the first quarter of 2009.

"We can be proud of our results in the first quarter. The fact that we earned a pretax profit of more than €6 million in spite of the considerable restraint practiced by investors in the first quarter shows that the business model of DAB bank is robust and that we can operate on a profitable basis even under extremely weak market conditions," said Alexander von Uslar of the DAB bank Management Board.

DAB bank registered a net increase in the number of securities accounts carried for individual investors in its B2C segment. At March 31, DAB bank administered a total of 515,907 B2C securities accounts, that being almost 12,500 more than at the end of 2008. As a result of further planned closures of securities accounts at FondsServiceBank, the Groupwide total number of securities accounts was nearly unchanged at 1,088,481 (Q4 2008: 1,091,013).

The volume of customer assets held up well compared to the level at the end of 2008. Although the leading stock market indexes fell further in the first quarter, with the DAX losing about 16%, the volume of customer assets held in the securities accounts and cash deposits of DAB bank at March 31, 2009 fell only 2.6% from their level at year-end 2008, to €22.55 billion.

Key indicators and operating results of DAB bank AG in the first quarter of 2009, according to IFRS:

Key indicators		Q1/2009	Q4/2008	Q1/2008
Securities accounts	No.	1,088,481	1,091,013	1,107,685
Trades executed	No.	1,536,509	2,821,754	2,381,226
Trades per securities account (annualized)	No.	5.66	10.36	8.63
Customer assets under administration	€ bn	22.55	23.16	29.48
thereof in investment funds	€ bn	12.18	12.34	15.92
Operating results		Q1/2009	Q4/2008	Q1/2008
Net financial income*	k€	17,536	15,768	15,453
Net commission income	k€	18,631	29,210	28,997
Administrative expenses	k€	30,493	34,097	33,679
Pretax profit	k€	6,426	10,006	13,487
Net profit for the quarter	k€	4,488	7,477	9,285
Cost-income ratio	in %	82.6	77.3	71.4
Earnings per share	€	0.06	0.10	0.12

Net financial income = Net interest income before credit risk provisions + Trading profit/loss + Profit/loss from investments.