

06.05.2004

**Swissquote: Strong first quarter with 3 million net profit**

Swissquote, the leading provider of online trading services in Switzerland, generated a net profit of CHF 3.0 million in the 1st quarter of 2004 on revenues of CHF 10.7 million (CHF 2.7 million up on the preceding quarter). The number of customers increased by 2 623 to 33 549 and customer assets under custody rose by CHF 264 million to more than CHF 1.8 billion in the same period. Inflows of new money amounted to CHF 161 million for the 1st quarter.

**Best quarterly result**

With a net result of CHF 3.0 million and a net profit margin of 28 percent, Swissquote has achieved its best quarterly result to date. Swissquote Bank CEO Marc Bürki sums it up: "This success was driven by our strong continuous growth and the positive mood on the markets in the first three months of the year."

The 13.6 percent increase in operating costs to CHF 6.9 million is attributable to revenue growth as well as to investments in expanding the organisation, doubling production capacity and step-ping up marketing activities. Average revenues per customer rose to CHF 332 (+24.6 percent); expenditure per customer came to CHF 214 (+5,6 percent). Equity capital increased quarter-on-quarter by CHF 3.4 million to CHF 46.3 million.

A comparison of the 1st quarter of 2004 with the corresponding year-earlier quarter shows the following increases: Revenues +126.3%, EBITDA +860.2%, net profit +404.3%, operating costs +31.7%, customers +29.6%, customer assets under custody +101.3%.

**New, innovative services**

Two attractive features were added to the redesigned Swissquote platform during the 1st quarter. One is an option allowing customers to trade any of Bank Vontobel's SWX-listed derivative products off-exchange. Second, Swissquote now also offers a link with EUWAX, the Stuttgart Exchange's trading platform for securitised derivatives. Under an agreement reached with the Swiss Post to make the customer identification process much easier, post offices throughout Switzerland are authorised to verify the identity of new customers wishing to open an account with Swissquote.

**Outlook**

Swissquote can confirm February's full-year forecast of over 30% organic growth in its customer base to around 40 000 and an inflow of new money of approx. CHF 750 million. The 2nd quarter of 2004 may see lower revenues than the 1st quarter as a result of market fluctuations and fewer exchange trading days.

**Quarterly reporting to be continued**

Although Swissquote switched to the main SWX segment, on 1st April 2004, where issuers are not required to report quarterly, the company wishes to continue publishing quarterly reports, so underscoring its commitment to a reporting policy hallmarked by transparency and best practice.

Key Figures Q1 to Q4 2003										
2003-Q2	% chge	2003-Q3	% chge	2003-Q4	% chge	2004-Q1	All Amounts in CHF '000	2004	% chge	2003
7'234	22.3%	8'849	-9.8%	7'983	34.1%	10'706	Net Revenues	10'706	126.3%	4'731
(5'676)	5.1%	(5'963)	1.7%	(6'065)	13.6%	(6'890)	Operating Expenses	(6'890)	31.7%	(5'233)
1'558	85.3%	2'886	-33.5%	1'918	99.0%	3'816	EBITDA	3'816	860.2%	(502)
-		2'180		-		-	Extraordinary	-		-
686	536.5%	4'367	-75.6%	1'067	182.7%	3'016	Net Profit / (Loss) 1	3'016	404.3%	(991)
							<b>Amounts at End of Period</b>			
27'374	5.9%	28'982	6.7%	30'926	8.5%	33'549	Number of Accounts	33'549	29.6%	25'895
1'120	19.7%	1'341	16.3%	1'560	16.9%	1'824	Assets under Custody 2	1'824	101.3%	906
7'342		-		-		-	Minority Interest	-		7'270

<b>35'254</b>	17.3%	<b>41'351</b>	3.7%	<b>42'897</b>	7.8%	<b>46'256</b>	Equity	<b>46'256</b>	34.6%	<b>34'353</b>
---------------	-------	---------------	------	---------------	------	---------------	--------	---------------	-------	---------------

<sup>1</sup> Net Profit / (Loss) includes amortisation, depreciation, taxes and minority interests.

<sup>2</sup> Assets under Custody consist of cash and securities deposited by the customers.

#### Financial report for the 1st quarter of 2004

The complete financial report for the 1st quarter of 2004 is available at:

<http://www.swissquote.ch> - THE COMPANY/Investor Relations/Reporting

#### Swissquote Swiss leader in online trading

Swissquote has 112 employees in Gland (Vaud) and Schwerzenbach (Zurich). It is the leading provider of online trading services. In addition to low-cost stock market access and a special trading tool for portfolio managers, Swissquote Bank also offers a wide range of online financial information tools. Swissquote Group Holding AG shares (SQN) are quoted on the SWX.

#### For further information

Marc Bürki, CEO Swissquote Bank, Route des Avouillons 16, CH-1196 Gland

Phone +41 22 999 98 50, fax +41 22 999 94 54, mobile +41 79 413 41 45

[marc.burki@swissquote.ch](mailto:marc.burki@swissquote.ch)