

Results for the 1st quarter of 2005

Swissquote turns in solid performance in Q1 2005

Swissquote posted a net profit of CHF 2.5 million on revenues of CHF 10.1 million in the 1st quarter of 2005. This is the company's second best quarterly result. The 1st quarter marked a 5.1 percent increase in the number of clients to 41,541 and a CHF 124 million net inflow of new money. For the current financial year overall, Swissquote continues to target around 25% growth in its client base and the volume of client assets under custody.

Client growth makes up for weaker market environment

Compared with the 1st quarter of 2004, when a very good stock market helped Swissquote post its best result to date, revenues and profit were somewhat lower in the lacklustre climate witnessed in the 1st quarter of 2005. The falloff in trading activity in the 1st quarter of 2005 (above all in the retail segment) led to a year-on-year decline in average earnings per client of 23.7 percent. This decrease was, however, almost completely made good by the 23.8 percent increase in the number of clients. EBITDA totalled CHF 3.0 million in the 1st quarter of 2005, corresponding to an EBITDA margin of 29.3 percent. Operating profit (without non-recurring revenues and activated tax loss carry forwards) came to CHF 2.3 million and net profit CHF 2.5 million, translating into a net profit margin of 24.9 percent. The number of clients grew by 2,010 quarter-on-quarter to 41,541 in the first three months of 2005. Client assets under custody increased by 11.3 percent to CHF 2.244 billion, and the net inflow of new money ran to CHF 124 million, or CHF 2 million a day.

Revenues and profit were significantly higher than in the preceding three quarters.

First step towards comprehensive online wealth management successfully launched

The 1st quarter of 2005 saw the successful rollout of the 'Value at Risk' personal asset management tool provided free of charge to every Swissquote accountholder. Swissquote CEO Marc Bürki sums it up: "This is an initial step in the direction of a comprehensive online wealth management service that will be of major significance going forward, in particular for high net worth private clients." The positive effects of this addition to our offering were confirmed by an increase in the number of new clients with assets in excess of CHF 200,000 in the quarter under review.

For the year as a whole, Swissquote continues to project approximately 25% growth in its client base and the volume of client assets under custody.



IFRS 2

Swissquote is among the first companies to fulfil the new IFRS 2 accounting rules that came into force on 1 January 2005. Last years figures have been restated to show comparables.

The cost of staff options had only a marginal impact on profit: Additional costs amounted to CHF 178 thousand for 2004 and CHF 53 thousand for the first quarter of 2005.

Financial report for the 1st quarter of 2005

The complete financial report for the 1st quarter of 2005 is available on:

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

Swissquote – Swiss leader in online trading

Swissquote has 118 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 also offers a wide range of online financial information tools. Swissquote Group Holding AG shares (SQN) are quoted on the SWX.

For further information

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Calendar of events in 2005

26.07.05 Publication of H1 2005 figures (presentation in Zurich)

25.10.05 Publication of Q3 2005 figures (with conference call)

Key Figures : 1st quarter 2005

2004-Q2 ²	% chge	2004-Q3 ²	% chge	2004-Q4 ²		2005-Q1	All Amounts in CHF'000	2005-Q1	2004-Q1 ²	
8'858	-24.6%	6'679	20.2%	8'030	25.9%	10'108	Net Revenues	10'108	-5.6%	10'706
(6'671)	-9.6%	(6'033)	6.9%	(6'451)	10.8%	(7'149)	Operating Expenses	(7'149)	3.3%	(6'920)
2'187	-70.5%	646	144.4%	1'579	87.4%	2'959	EBITDA	2'959	-21.8%	3'786
1'537	-99.6%	6		908	153.0%	2'297	Operating Profit ¹	2'297	-27.9%	3'186
-		-		420		-	Extraordinary	-		-
1'537	-99.6%	6		1'328	89.5%	2'517	Net Profit ¹	2'517	-21.0%	3'186
							Amounts at End of Period			
35'323	4.8%	37'009	6.8%	39'531	5.1%	41'541	Number of Accounts	41'541	23.8%	33'549
1'847	2.7%	1'896	6.4%	2'017	11.3%	2'244	Assets under Custody ³	2'244	23.0%	1'824
48'242	-0.2%	48'154	4.0%	50'086	5.3%	52'757	Equity	52'757	13.6%	46'456

Notes

¹ Operating Profit excludes extraordinary items and taxes / Net Profit includes extraordinary items and taxes

² 2004 figures are restated in order to reflect IFRS 2 that came into force on 1 January 2005

³ Assets under Custody consist of cash and securities deposited by the customers [in Million CHF]