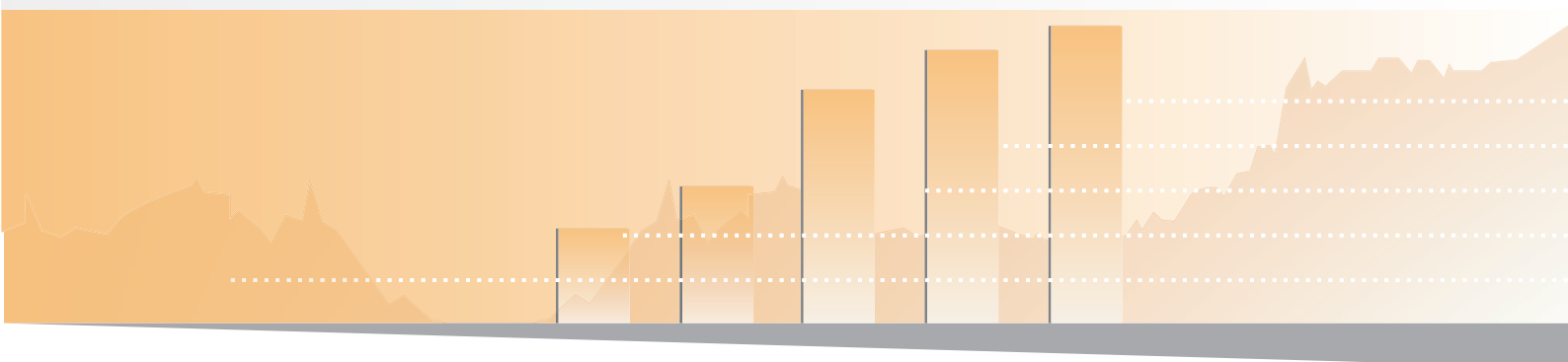




Financial Report

Q1-2008



SWISSQUOTE

SWITZERLAND'S LEADING ONLINE BROKER

CONSOLIDATED INTERIM BALANCE SHEET

		31 March		31 December
	Notes	2008	2007	2007
ASSETS				
Cash and balances with central bank		26,235,100	30,726,374	36,912,408
Loans and advances to banks		1,156,768,942	971,566,799	1,066,267,114
Derivatives financial instruments		17,818,200	9,461,858	10,255,578
Loans and advances to customers		77,179,341	66,436,384	93,497,349
Investment securities		66,921,766	76,293,637	72,329,374
Information technology systems	3	9,475,477	6,082,886	8,975,173
Property, plant and equipment	4	19,952,550	12,149,607	19,705,973
Other assets		6,889,729	6,758,077	3,084,782
Deferred tax assets		-	4,009,215	-
Total assets		1,381,241,105	1,183,484,837	1,311,027,751
LIABILITIES AND EQUITY				
Liabilities				
Deposits from banks		3,198,349	5,056,730	2,646,844
Derivatives financial instruments		17,818,200	9,461,858	10,255,578
Due to customers		1,200,731,152	1,045,229,986	1,143,557,832
Other liabilities		15,426,141	17,203,820	21,981,123
Current income tax liabilities		6,690,892	-	3,788,670
Provisions		1,187,029	652,628	1,176,970
Deferred tax liabilities		848,397	-	1,056,053
Total liabilities		1,245,900,160	1,077,605,022	1,184,463,070
Equity				
Ordinary shares	5	7,319,185	11,710,696	7,319,185
Share premium		35,147,078	33,954,513	34,812,043
Share option reserve		941,882	409,735	742,379
Other reserve		(5,738,655)	(133,604)	(4,161,948)
Treasury shares	6	(15,494,461)	(9,052,864)	(13,798,287)
Retained earnings		113,165,916	68,991,339	101,651,309
Total equity		135,340,945	105,879,815	126,564,681
Total liabilities and equity		1,381,241,105	1,183,484,837	1,311,027,751

The notes on pages 6 to 9 form an integral part of this condensed interim financial information

CONSOLIDATED INTERIM STATEMENT OF OPERATIONS

	Notes	3 months ended 31 March	
		2008	2007
Fee and commission income		20,276,007	22,618,888
Fee and commission expense		(1,995,274)	(2,911,711)
Net fee and commission income		18,280,733	19,707,177
Interest income		9,826,104	7,105,487
Interest expense		(2,399,975)	(1,809,841)
Net interest income		7,426,129	5,295,646
Net trading income		1,890,146	2,001,424
Operating income		27,597,008	27,004,247
Operating expenses	1	(12,946,713)	(11,728,133)
Operating profit		14,650,295	15,276,114
Income tax expense, net		(3,139,278)	(3,053,220)
Net profit		11,511,017	12,222,894
<i>Earning per share</i>	2	0.81	0.86
<i>Diluted earning per share</i>	2	0.80	0.85

The notes on pages 6 to 9 form an integral part of this condensed interim financial information

All amounts in Swiss Francs

CONSOLIDATED INTERIM CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium	Share Option reserve	Other reserve	Treasury shares	Retained earnings	Total
Balance at 1 January 2007	11,668,648	33,780,293	330,685	(22,093)	(9,011,338)	56,738,016	93,484,211
Net change in investment securities, net of tax	-	-	-	(111,511)	-	-	(111,511)
Net profit of the period	-	-	-	-	-	12,222,894	12,222,894
Total recognised income for the period	-	-	-	(111,511)	-	12,222,894	12,111,383
Capital increase resulting from the exercise of options	42,048	174,220	-	-	-	-	216,268
Dividend	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-
Employee stock option plan:							
Value of services provided	-	-	109,479	-	-	-	109,479
Reclassification of value of services provided for stock options exercised, lapsed or expired in the period	-	-	(30,429)	-	-	30,429	-
Purchase of treasury shares	-	-	-	-	(41,526)	-	(41,526)
Sale of treasury shares	-	-	-	-	-	-	-
Balance at 31 March 2007	11,710,696	33,954,513	409,735	(133,604)	(9,052,864)	68,991,339	105,879,815
Balance at 1 January 2008	7,319,185	34,812,043	742,379	(4,161,948)	(13,798,287)	101,651,309	126,564,681
Net change in investment securities, net of tax	-	-	-	(1,576,707)	-	-	(1,576,707)
Net profit of the period	-	-	-	-	-	11,511,017	11,511,017
Total recognised income for the period	-	-	-	(1,576,707)	-	11,511,017	9,934,310
Capital increase resulting from the exercise of options	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-
Employee stock option plan:							
Value of services provided	-	-	203,093	-	-	-	203,093
Reclassification of value of services provided for stock options exercised, lapsed or expired in the period	-	-	(3,590)	-	-	3,590	-
Purchase of treasury shares	-	-	-	-	(4,166,082)	-	(4,166,082)
Sale of treasury shares	-	335,035	-	-	2,469,908	-	2,804,943
Balance at 31 March 2008	7,319,185	35,147,078	941,882	(5,738,655)	(15,494,461)	113,165,916	135,340,945

The notes on pages 6 to 9 form an integral part of this condensed interim financial information

CONSOLIDATED INTERIM CASH FLOW STATEMENT

	Notes	3 months ended 31 March	
		2008	2007
Cash flow from / (used in) operating activities			
Fees and commission receipts		20,285,928	21,427,590
Fees and commission paid		(3,254,992)	(3,211,804)
Interest receipts		8,410,203	6,223,290
Interest paid		(513,163)	(114,540)
Net trading income		1,890,146	2,001,424
Cash payments to employees and suppliers		(13,856,688)	(13,417,671)
Cash flow from operating profit before changes in operating assets and liabilities		12,961,434	12,908,289
Net (increase) / decrease in operating assets and net increase / (decrease) in operating liabilities			
Loans and advances to customers		16,318,008	(2,522,641)
Deposits from banks		-	-
Other assets		-	-
Due to customers		57,173,320	134,824,786
Other liabilities		(3,812,974)	(211,811)
Net cash from operating activities		82,639,788	144,998,623
Cash flow from / (used in) investing activities			
Purchase of property, plant and equipment and Information technology systems	3/4	(1,919,535)	(1,018,483)
Purchase of new office	4	(86,099)	(3,655,093)
Redemption of investment securities		-	249,695
Purchase of investment securities		-	2,297,627
Net cash used in investing activities		(2,005,634)	(2,126,254)
Cash flow from / (used in) financing activities			
Net proceeds of issue of ordinary shares		-	216,268
Purchase of treasury shares		(4,166,082)	(41,526)
Sale of treasury shares		2,804,943	-
Net cash from / (used in) financing activities		(1,361,139)	174,742
INCREASE IN CASH AND CASH EQUIVALENTS		79,273,015	143,047,111
Movements in cash and cash equivalents			
Balance at beginning of year		1,100,532,678	816,095,056
Increase		79,273,015	143,047,111
Balance at 31 March		1,179,805,693	959,142,167
Cash and cash equivalents			
Cash and balances with central banks		26,235,100	30,726,374
Loans and advances to other banks (less than 3 months)		1,156,768,942	933,472,523
Deposits from other banks		(3,198,349)	(5,056,730)
Total at 31 March		1,179,805,693	959,142,167

The notes on pages 6 to 9 form an integral part of this condensed interim financial information

I ACCOUNTING POLICIES & GENERAL INFORMATION

The Consolidated Interim Financial Statements are prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the Interim Financial Statements are consistent with those used in the Annual Financial Statements. Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be appropriate to anticipate or defer such costs at the end of the financial year.

The Consolidated Interim Financial Statements should be read in conjunction with the 2007 Annual Consolidated Financial Statements.

Pledged assets that were disclosed in a single caption in the face of the Consolidated Balance sheet at 31 March 2007 are now split and included in Loans and advances to banks and Investment securities.

II NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Operating expenses

	3 months ended 31 March	
	2008	2007
Payroll & related expenses	6,139,647	5,917,522
Other operating expenses	3,129,305	3,164,385
Marketing expenses	2,319,008	1,858,171
Provisions	100,000	60,000
Depreciation	1,258,753	728,055
Total	12,946,713	11,728,133

2. Earning per share

a) Basic

	3 months ended 31 March	
	2008	2007
Net Profit	11,511,017	12,222,894
Weighted average number of ordinary shares in issue	14,246,274	14,245,665
Basic earning per share	0.81	0.86

b) Diluted

	3 months ended 31 March	
	2008	2007
Net Profit	11,511,017	12,222,894
Weighted average number of ordinary shares in issue	14,246,274	14,245,665
Adjustments for share options	145,382	155,270
Weighted average number of ordinary shares for diluted earnings per share options	14,391,656	14,400,935
Diluted earning per share	0.80	0.85

II NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. Information technology systems

	Software Third Party Licences	Proprietary Software	Hardware & Telecom Systems	Total
3 months ended 31 March 2007				
Opening net book amount	913,849	3,343,680	1,459,638	5,717,167
Addition	167,468	420,848	411,854	1,000,170
Amortisation / depreciation	(120,076)	(314,657)	(199,718)	(634,451)
Closing net book amount	961,241	3,449,871	1,671,774	6,082,886
3 months ended 31 March 2008				
Opening net book amount	1,411,522	4,328,126	3,235,525	8,975,173
Addition	143,619	662,633	711,525	1,517,777
Amortisation / depreciation	(215,733)	(409,937)	(391,803)	(1,017,473)
Closing net book amount	1,339,408	4,580,822	3,555,247	9,475,477

Additions to Information technology systems include an amount of CHF 615,616 (2007: CHF 380,000) representing own costs capitalised in connection with the development of the systems of the Bank.

4. Property, plant and equipment

	Land & Building	Leasehold Improvements	Equipments	Total
3 months ended 31 March 2007				
Opening net book amount	7,867,277	453,029	249,499	8,569,805
Addition	3,655,093	-	18,313	3,673,406
Amortisation / depreciation	-	(26,125)	(67,479)	(93,604)
Closing net book amount	11,522,370	426,904	200,333	12,149,607
3 months ended 31 March 2008				
Opening net book amount	17,381,490	499,253	1,825,230	19,705,973
Addition	86,099	184,748	217,010	487,857
Amortisation / depreciation	(134,211)	(36,823)	(70,246)	(241,280)
Closing net book amount	17,333,378	647,178	1,971,994	19,952,550

The total cost of the property includes an aggregate CHF 24,063 of own costs capitalised (2007: CHF 53,293).

II NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5. Ordinary shares

a) Numbers of Shares in 2007

	1 January	Exercise	Lapsed	31 March
Issued shares				
Ordinary share capital				
Number of shares	1,458,581	5,256	-	1,463,837
Nominal value per share (CHF)	8.00	8.00	-	8.00
Total nominal value (CHF)	11,668,648	42,048	-	11,710,696
Unissued shares				
Conditional capital				
Number of conditional shares	26,362	(5,256)	-	21,106
Nominal value per share (CHF)	8.00	8.00	-	8.00
Total nominal value (CHF)	210,896	(42,048)	-	168,848
Authorised capital				
Amount authorised (CHF)	1,600,000	-	-	1,600,000
Nominal value per share (CHF)	8.00	-	-	8.00
Number of authorised shares	200,000	-	-	200,000

b) Numbers of Shares in 2008

	1 January	Exercise	Lapsed	31 March
Issued shares				
Ordinary share capital				
Number of shares	14,638,370	-	-	14,638,370
Nominal value per share (CHF)	0.50	-	-	0.50
Total nominal value (CHF)	7,319,185	-	-	7,319,185
Unissued shares				
Conditional capital				
Number of conditional shares	211,060	-	-	211,060
Nominal value per share (CHF)	0.50	-	-	0.50
Total nominal value (CHF)	105,530	-	-	105,530
Authorised capital				
Amount authorised (CHF)	1,000,000	-	(1,000,000)	-
Nominal value per share (CHF)	0.50	-	0.50	-
Number of authorised shares	2,000,000	-	(2,000,000)	-

At the Shareholders Meeting to be held on 25 April 2008, the shareholders will inter alia be proposed:

- a dividend of CHF 0.40 per share ;
- a capital reduction in the form of a CHF 0.30 per share reduction of the nominal value ; and
- the replacement of the CHF 1m authorised capital that lapsed on 20 March 2008 by a new authorised capital of CHF 2m.

II NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

6. Treasury shares

The Company owned 405,277 treasury shares at 31 March 2008 for a total cost of CHF 15,494,461 (average cost: CHF 38.23). During 2008, the Company acquired 26,362 shares net resulting from:

- the acquisition of 81,993 shares at a unit price ranging from CHF 49.40 to CHF 55.96 (average cost of CHF 50.81 per share);
- the disposal of 55,631 shares at unit prices ranging from CHF 14.72 to CHF 54.79 (average per share of CHF 50.42); and further 1,230 treasury shares were used for the coverage of options exercised by optionneers in 2008.

7. Stock options

Grants of stock options in the period 1 January to 31 March:

- 2007: None
- 2008: None

Report on the Review of the
condensed consolidated interim financial statements
to the Board of Directors of
Swissquote Group Holding Ltd
Gland

Introduction

We have reviewed the condensed consolidated interim financial statements (balance sheet, statement of operations, statement of changes in shareholders' equity, cash flow statement and notes) set out on pages 1 to 9 of Swissquote Group Holding Ltd for the period ended 31 March 2008. The Board of Directors is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Swiss Auditing Standard 910 and International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swiss Auditing Standards and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers SA



Philippe Bochud



Nicolas Colledge

Geneva, 22 April 2008