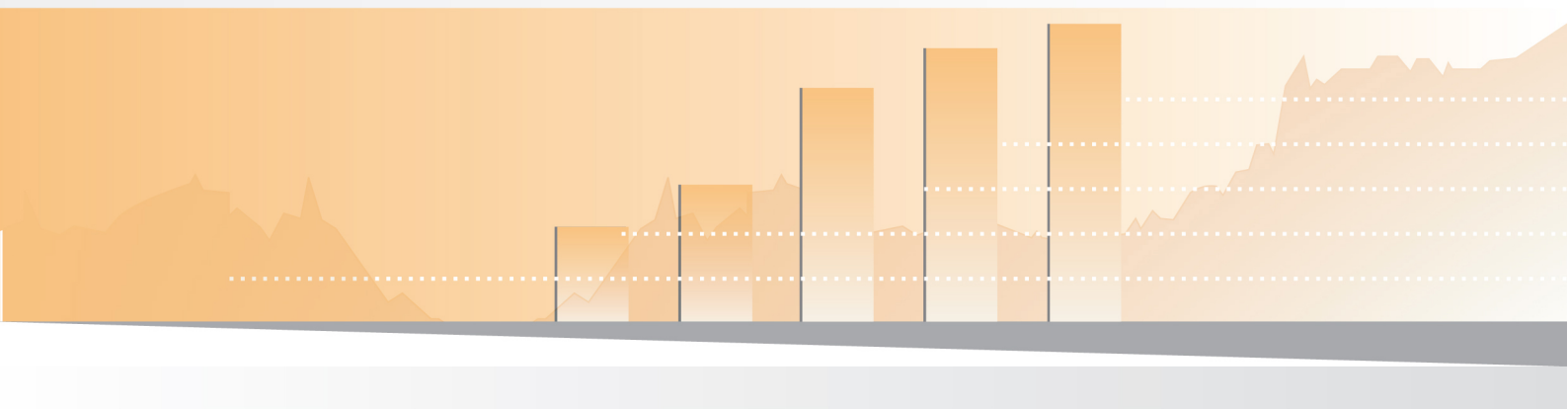


Financial Report

Q1-2010



CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITIONS

		31 March		31 December
	Notes	2010	2009	2009
ASSETS				
Cash and balances with central bank		12,219,564	641,056,718	238,968,193
Treasury bills and other eligible bills		772,831,557	-	599,997,000
Loans and advances to banks		586,215,919	491,569,629	506,866,109
Derivative financial instruments		20,866,020	22,573,784	16,242,966
Trading assets		712,221	173,921	595,067
Loans and advances to customers		100,708,756	70,090,168	91,759,737
Investment securities	3	500,555,561	235,126,204	388,438,603
Information technology systems	4	12,756,638	11,163,066	11,398,937
Property, plant and equipment	5	19,594,769	20,412,108	19,831,613
Other assets		27,487,863	9,196,225	11,351,231
Total assets		2,053,948,868	1,501,361,823	1,885,449,456
LIABILITIES AND EQUITY				
Liabilities				
Deposits from banks		878,928	847,640	749,833
Derivative financial instruments		20,240,504	22,573,784	16,005,733
Due to customers		1,834,503,176	1,312,874,146	1,674,796,545
Other liabilities		12,915,778	11,097,958	12,714,615
Current income tax liabilities		396,035	2,573,781	4,205,345
Provisions		1,443,749	4,982,749	1,343,749
Deferred tax liabilities		1,761,710	1,215,962	1,393,283
Total liabilities		1,872,139,880	1,356,166,020	1,711,209,103
Equity				
Ordinary shares	6	2,927,674	2,927,674	2,927,674
Share premium		38,251,251	36,245,157	38,314,296
Share option reserve		2,227,034	1,695,021	2,042,605
Other reserve		(718,215)	(6,623,788)	(1,306,820)
Treasury shares	7	(25,530,486)	(25,486,324)	(26,518,573)
Retained earnings		164,651,730	136,438,063	158,781,171
Total equity		181,808,988	145,195,803	174,240,353
Total liabilities and equity		2,053,948,868	1,501,361,823	1,885,449,456

The notes on pages 6 to 12 form an integral part of this condensed interim financial information

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Notes	3 months ended 31 March	
		2010	2009
Fee and commission income		17,890,766	17,256,251
Fee and commission expense		(1,989,655)	(1,771,627)
Net fee and commission income		15,901,111	15,484,624
Interest income		3,884,436	4,070,296
Interest expense		(1,576,671)	(736,944)
Net interest income		2,307,765	3,333,352
Net trading income		5,174,109	3,486,413
Gain less losses from investment securities		19,170	1,034,328
Operating income		23,402,155	23,338,717
Operating expenses	1	(15,951,944)	(13,734,270)
Operating profit		7,450,211	9,604,447
Income tax expense		(1,655,408)	(2,139,226)
Net profit		5,794,803	7,465,221
<i>Earning per share</i>	<i>2</i>	<i>0.41</i>	<i>0.53</i>
<i>Diluted earning per share</i>	<i>2</i>	<i>0.41</i>	<i>0.53</i>

The notes on pages 6 to 12 form an integral part of this condensed interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	3 months ended 31 March	
	2010	2009
Net profit for the period	5,794,803	7,465,221
Other comprehensive income:		
Gains / (losses) recognised directly in equity		
Available-for-sale financial assets	731,494	(1,276,363)
Income tax relating to components of other comprehensive income (AFS assets)	(163,636)	282,347
Hedge reserve	26,724	-
Income tax relating to components of other comprehensive income (Hedge reserve)	(5,977)	-
Other comprehensive income for the period, net of tax	588,605	(994,016)
Total comprehensive income for the period	6,383,408	6,471,205

The notes on pages 6 to 12 form an integral part of this condensed interim financial information

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium	Share Option reserve	Other reserve	Treasury shares	Retained earnings	Total
Balance at 1 January 2010	2,927,674	38,314,296	2,042,605	(1,306,820)	(26,518,573)	158,781,171	174,240,353
Net profit of the period	-	-	-	-	-	5,794,803	5,794,803
Other comprehensive income for the period	-	-	-	588,605	-	-	588,605
Total comprehensive income for the period	-	-	-	588,605	-	5,794,803	6,383,408
Employee stock option plan: Value of services provided	-	-	260,185	-	-	-	260,185
Reclassification of value of services provided for stock options exercised, lapsed or expired in the period	-	-	(75,756)	-	-	75,756	-
Purchase of treasury shares	-	-	-	-	(116,080)	-	(116,080)
Sale of treasury shares	-	(63,045)	-	-	1,104,167	-	1,041,122
Balance at 31 March 2010	2,927,674	38,251,251	2,227,034	(718,215)	(25,530,486)	164,651,730	181,808,988
Balance at 1 January 2009	2,927,674	35,946,443	1,485,992	(5,629,772)	(24,548,517)	128,948,338	139,130,158
Net profit for the period	-	-	-	-	-	7,465,221	7,465,221
Other comprehensive income for the period	-	-	-	(994,016)	-	-	(994,016)
Total comprehensive income for the period	-	-	-	(994,016)	-	7,465,221	6,471,205
Employee stock option plan: Value of services provided	-	-	233,533	-	-	-	233,533
Reclassification of value of services provided for stock options exercised, lapsed or expired in the period	-	-	(24,504)	-	-	24,504	-
Purchase of treasury shares	-	-	-	-	(1,764,799)	-	(1,764,799)
Sale of treasury shares	-	298,714	-	-	826,992	-	1,125,706
Balance at 31 March 2009	2,927,674	36,245,157	1,695,021	(6,623,788)	(25,486,324)	136,438,063	145,195,803

The notes on pages 6 to 12 form an integral part of this condensed interim financial information

All amounts in Swiss Francs

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

	Notes	3 months ended 31 March	
		2010	2009
Cash flow from / (used in) operating activities			
Fees and commission receipts		17,058,311	16,565,491
Fees and commission paid		(2,304,291)	(2,012,697)
Interest receipts		827,484	3,929,034
Interest paid		(1,055,943)	(415,107)
Purchase of trading assets		(117,154)	(179,794)
Net trading income		4,804,996	4,520,741
Cash payments to employees and suppliers		(15,308,410)	(19,237,819)
Cash flow from operating profit before changes in operating assets and liabilities		3,904,993	3,169,849
Net (increase) / decrease in operating assets and net increase / (decrease) in operating liabilities			
Loans and advances to customers		(8,949,019)	1,612,994
Loans and advances to banks		(66,704,959)	-
Due to customers		159,706,631	146,516,408
Other liabilities		(5,892,109)	(5,511,254)
Net cash from operating activities		82,065,537	145,787,997
Cash flow from / (used in) investing activities			
Purchase of property, plant and equipment and Information technology systems	4/5	(2,842,219)	(1,809,502)
Proceeds from sale of investment securities		39,089,097	37,918,929
Purchase of investment securities		(160,635,773)	(106,063,967)
Net cash used in investing activities		(124,388,895)	(69,954,540)
Cash flow from / (used in) financing activities			
Purchase of treasury shares		(116,080)	(1,764,799)
Sale of treasury shares		1,041,122	1,125,706
Net cash used in financing activities		925,042	(639,093)
Increase in cash and cash equivalents		(41,398,316)	75,194,364
Movements in cash and cash equivalents			
Balance at beginning of year		1,344,671,380	1,056,184,343
Increase / (Decrease)		(41,398,316)	75,194,364
Balance at 31 March		1,303,273,064	1,131,378,707

The notes on pages 6 to 12 form an integral part of this condensed interim financial information

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCOUNTING POLICIES AND REPORTABLE SEGMENTS

1.1 Accounting policies and presentation matters

The Condensed 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 2009 Annual Consolidated Financial Statements.

At the Shareholder's General Meeting on 30 April 2010, the Board of Directors will propose to the Shareholders to approve a dividend of CHF 0.60 per share. The corresponding maximum amount of CHF 8'783'022 is included in retained earnings for as long as the Shareholders have not formally resolved on the proposed dividend.

1.2 Reportable segments

The analysis of reportable segments for the 3 months period ending 31 March 2010 and 2009 are as follows:

In CHFm	Q1 2010		Q1 2009	
	TOTAL		TOTAL	
Net Revenues - Private Clients	18.6		19.5	
Direct Operating Costs - Private Clients	(1.6)		(1.7)	
Direct Marketing Costs - Private Clients	(1.6)		(1.1)	
Direct Contribution margin - Private Clients	15.4	15.4	16.7	16.7
Net Revenues - B2B Clients	4.8		3.8	
Direct Operating Costs - B2B Clients	(0.9)		(1.0)	
Direct Marketing Costs - B2B Clients	(0.2)		(0.1)	
Direct Contribution margin - B2B Clients	3.7	19.1	2.7	19.4
Operating Cost - Technology	(3.5)		(2.9)	
Operating Cost - Operations	(5.0)		(4.1)	
Operating Cost - Marketing	(1.2)		(0.8)	
Operating Cost - G&A	(1.9)		(2.0)	
Operating Cost - Writedown	-		-	
Total Platform and Infrastructure Operations Costs	(11.6)		(9.8)	
Impairment and provisions on investment securities	-		-	
EBT		7.5		9.6
Taxes		(1.7)		(2.1)
Net profit		5.8		7.5
	31 March 2010		31 March 2009	
Assets - Private Clients	1,621.9		1,202.8	
Liabilities - Private Clients	(1,573.4)		(1,125.2)	
Assets - B2B Clients	383.5		262.3	
Liabilities - B2B Clients	(286.8)		(214.6)	
Assets - Platform and Infrastructure	48.5		36.2	
Liabilities - Platform and Infrastructure	(11.9)		(16.3)	
Net Balance - Equity	181.8		145.2	

The Bank does not have any client representing more than 10% of its revenues.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Operating expenses

	3 months ended 31 March	
	2010	2009
Payroll & related expenses	6,300,436	6,064,038
Other operating expenses	4,775,564	4,085,289
Marketing expenses	3,054,582	1,981,945
Provisions	100,000	50,000
Depreciation and amortisation	1,721,362	1,552,998
Total	15,951,944	13,734,270

2. Earning per share

a) Basic

	3 months ended 31 March	
	2010	2009
Net Profit	5,794,803	7,465,221
Weighted average number of ordinary shares in issue	14,083,173	14,011,418
Basic earning per share	0.41	0.53

b) Diluted

	3 months ended 31 March	
	2010	2009
Net Profit	5,794,803	7,465,221
Weighted average number of ordinary shares in issue	14,083,173	14,011,418
Adjustments for share options	45,590	78,279
Weighted average number of ordinary shares for diluted earnings per share options	14,128,763	14,089,697
Diluted earning per share	0.41	0.53

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. Investment Securities

Investment securities consist exclusively of listed bonds.

	3 months ended 31 March	
	2010	2009
Securities available-for-sale		
Debt securities - at fair value:		
- Listed	106,220,023	50,202,462
Total securities available-for-sale	106,220,023	50,202,462
Securities held-to-maturity		
Debt securities - at amortised cost:		
- Listed	394,335,538	184,923,742
Allowance for impairment	-	-
Total securities held-to-maturity	394,335,538	184,923,742
Total Investment securities	500,555,561	235,126,204
Current	49,382,659	-
Non-current	451,172,902	235,126,204

	Available-for-sale	Held-to-maturity	Total
At 1 January 2010	86,184,300	302,254,303	388,438,603
Exchange difference on monetary assets	(2,081,538)	(7,150,627)	(9,232,165)
Additions	40,835,966	119,799,807	160,635,773
Premium / (Discount)	(290,129)	(567,945)	(858,074)
Disposals (sale and redemption)	(19,089,097)	(20,000,000)	(39,089,097)
Gains / (losses) from changes in fair value	660,521	-	660,521
At 31 March 2010	106,220,023	394,335,538	500,555,561

	Available-for-sale	Held-to-maturity	Total
At 1 January 2009	77,666,125	88,281,275	165,947,400
Exchange difference on monetary assets	1,488,304	813,755	2,302,059
Additions	9,244,135	96,819,832	106,063,967
Premium / (Discount)	(810)	8,880	8,070
Disposals (sale and redemption)	(36,918,929)	(1,000,000)	(37,918,929)
Gains / (losses) from changes in fair value	(1,276,363)	-	(1,276,363)
At 31 March 2009	50,202,462	184,923,742	235,126,204

All amounts in Swiss Francs

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4. Information technology systems

	Software Third Party Licences	Proprietary Software	Hardware & Telecom Systems	Total
3 months ended 31 March 2010				
Opening net book amount	1,481,824	7,273,665	2,643,448	11,398,937
Addition	531,458	1,650,226	608,314	2,789,998
Amortisation / depreciation	(233,059)	(689,664)	(509,574)	(1,432,297)
Closing net book amount	1,780,223	8,234,227	2,742,188	12,756,638
3 months ended 31 March 2009				
Opening net book amount	1,337,656	6,042,320	3,750,095	11,130,071
Addition	146,797	921,242	245,640	1,313,679
Amortisation / depreciation	(202,824)	(551,910)	(525,950)	(1,280,684)
Closing net book amount	1,281,629	6,411,652	3,469,785	11,163,066

Additions to Information technology systems include an amount of CHF 1,421,326 (2009: CHF 822,668) representing own costs capitalised in connection with the development of the systems of the Bank.

5. Property, plant and equipment

	Land & Building	Leasehold Improvements	Equipments	Total
3 months ended 31 March 2010				
Opening net book amount	16,659,549	1,360,539	1,811,525	19,831,613
Addition	20,409	13,276	18,536	52,221
Amortisation / depreciation	(137,595)	(80,383)	(71,087)	(289,065)
Closing net book amount	16,542,363	1,293,432	1,758,974	19,594,769
3 months ended 31 March 2009				
Opening net book amount	17,106,884	1,040,448	2,041,267	20,188,599
Addition	19,087	454,320	22,417	495,824
Amortisation / depreciation	(136,968)	(53,524)	(81,823)	(272,315)
Closing net book amount	16,989,003	1,441,244	1,981,861	20,412,108

The total cost of the property includes an aggregate CHF 24,553 of own costs capitalised (2009: CHF 53,193).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

6. Ordinary shares

a) Numbers of Shares in 2010

	1 January	Stock options		31 March
		Exercised	Lapsed	
Issued shares				
Ordinary share capital				
Number of shares	14,638,370	-	-	14,638,370
Nominal value per share (CHF)	0.20	-	-	0.20
Total nominal value (CHF)	2,927,674	-	-	2,927,674
Unissued shares				
Conditional capital				
Number of conditional shares	211,060	-	-	211,060
Nominal value per share (CHF)	0.20	-	-	0.20
Total nominal value (CHF)	42,212	-	-	42,212
Authorised capital				
Amount authorised (CHF)	800,000	-	-	800,000
Nominal value per share (CHF)	0.20	-	-	0.20
Number of authorised shares	4,000,000	-	-	4,000,000

b) Numbers of Shares in 2009

	1 January	Stock options		31 March
		Exercised	Lapsed	
Issued shares				
Ordinary share capital				
Number of shares	14,638,370	-	-	14,638,370
Nominal value per share (CHF)	0.20	-	-	0.20
Total nominal value (CHF)	2,927,674	-	-	2,927,674
Unissued shares				
Conditional capital				
Number of conditional shares	211,060	-	-	211,060
Nominal value per share (CHF)	0.20	-	-	0.20
Total nominal value (CHF)	42,212	-	-	42,212
Authorised capital				
Amount authorised (CHF)	800,000	-	-	800,000
Nominal value per share (CHF)	0.20	-	-	0.20
Number of authorised shares	4,000,000	-	-	4,000,000

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. Treasury shares

	2010	2009
Beginning of the year (shares)	583,692	623,503
Acquisition - shares	2,203	43,161
unit price ranging from CHF	48.94 to 54.80	36.03 to 44.50
average price in CHF	52.69	40.89
Disposal - shares	-	(20,001)
unit price ranging from CHF	-	39.55 to 41.97
average price in CHF	-	41.97
Remittance to optionees - shares	(59,192)	(16,261)
unit price ranging from CHF	17.00 to 47.00	11.39 to 34.00
average price in CHF	17.59	17.61
End of the period - 31 March (shares)	526,703	630,402
Total cost in CHF	25,530,486	25,486,324
Average cost per share in CHF	48.47	40.43
% of the issued shares	3.60%	4.31%

The Treasury shares are primarily acquired for the purpose of covering the employees stock option plans.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8. Miscellaneous financial information

Pension obligations - The Group (a) uses the so called "corridor approach" (IAS 19) and (b) examines the impact of possible discrepancies between long-term actuarial assumptions used in the actuarial calculations at the end of the previous calendar year and actual short term data applicable at the date of interim reporting, in order to determine the requirement for the recording of actuarial gains and losses in condensed consolidated interim financial statements as a result of pension obligations. No actuarial adjustment to the financial cost of the pension plan (consisting in the contribution payable by the Group to the Fund in accordance with its statutory rules) was required at 31 March 2010, nor in the former quarters.

Tier One ratio (Basel II ratio) - At 31 March 2010, the Group had a pre-dividend Tier One ratio (Basel II ratio) of 24.71%. (31 March 2009: 23.25%; 31 December 2009 : 26.1%).

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 accompanying condensed consolidated interim financial statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity, statement of cash flows and notes) set out on pages 1 to 12 of Swissquote Group Holding Ltd for the period ended 31 March 2010. 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, 28 April 2010