

Interim Report

30 JUNE 2000

Gland, 15 August 2000

Dear Swissquote Group Shareholders

This is our first interim report to you since our listing on the SWX New Market on 29 May 2000 and we would like to welcome you on the occasion of the publishing of our first half-year results of the financial year 2000.

We are pleased to report the following key figures:

	6 months ended 30 June	
	2000 CHF'000	1999 CHF'000
Revenues		
Online Financial Services	4,193	1,420
Web Intelligence Services	2,825	1,035
Total	7,018	2,455
Net profit/ (loss)	(24.7)	257.2
At 30 June		
Number of employees	90	34
Number of Online trading customers	6,134	-

Overall revenues increased 185 % over the prior half-year. Both segments of operations contributed to this growth (Online Financial Services + 195%; Web Intelligence Services + 173%), demonstrating our increasing penetration of our respective target markets.

Swissquote had 6,134 Online trading customers at 30 June 2000, representing a gain of 2,505 new customers in the second quarter. The Online trading revenues for the first half of 2000 amount to CHF 2.6 mio, despite weak trading volume at the SWX in the second quarter. The Swissquote Platform added significant new functionalities such as the "Runner", the "Charting Analysis Tool" and the "Advanced Trading Mask" and has strengthened its position as the leading Online financial information and trading platform in Switzerland.

In the second quarter of 2000, Marvel Communications Ltd, the Swissquote Group Company specialised in Web Intelligence, focused on the acquisition of large target clients that materialised in two major wins: The Zurich Group and the WWF International. Significant resources have been allocated to the development of our mIntegrate publishing software. mIntegrate will be presented to the market in September at Orbit, the largest software and internet fair in Switzerland.

The first half 2000 net result is about breakeven and compares favourably with the budgeted loss of CHF 0.6 mio. These impressive performances were achieved during the preparation of the IPO that mobilised significant resources of management and staff.

The CHF 71.4 mio net proceeds of the IPO will be used to increase the Group's leadership position in its core markets, develop new product and service ranges and expand geographically to France.

The IPO was also the occasion to reinforce the board with the joining of Dr Tito Tettamanti who brings with him extensive experience in international finance and mergers and acquisitions, two key areas for the development of the Group.

The Group is planning significant marketing investments in the second half of the year which are geared to accelerate the growth of our Online trading customer base.

The most significant new developments in Online Financial Services are the creation of the Group's Internet Bank and the replication of the Swissquote concept in France. The application for the banking licence was filed to the Swiss Federal Banking Commission on 30 June 2000. The development of the Group's Online operations in France are making good progress with the signing of cooperation agreements with Real-Media France in the field of advertising and Agence France-Presse (AFP) in the fields of news.

In addition to the launch of its mIntegrate software, the Web Intelligence Services are expanding to Zurich and France.

In parallel to these developments, the Group is exploring partnership opportunities with selected partners which will accelerate the overall growth, presence and strength of the Group.

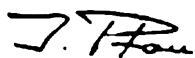
The Swissquote/Zurich project announced early in July to build a Personal Finance & Risk Platform is illustrative of the type of partnership sought and of the synergies between the Online Financial and Web Intelligence Services. The Portal is developed by Marvel Communications Ltd and represents in the first phase CHF 1 mio revenues. The mIntegrate publishing system will be used to maintain the Portal. For Swissquote, this joint platform will be an additional traffic generator and distribution channel for the Group's Online Financial Services, granting an access to a potential of 1.3 mio Zurich customers in Switzerland.

The IPO has enabled the Group to gain visibility in the labour market. The quality of the working environment, the career prospects offered and attractive benefits including a stock option plan have profiled Swissquote Group as a prime choice employer for talented and skilled professionals. Building on the Group's competence means investing in people and the Group is committed to this investment. Recruitment is running at high rates.

In summary, the Board and management are confident in the prospects of the Group.

Sincerely,

On behalf of the Board of Directors



J. Pfau, Chairman

Gland, 15. August 2000

Sehr geehrte Swissquote Group Aktionäre

Wir freuen uns, Ihnen den ersten Zwischenbericht seit unserem Börsengang an den SWX New Market am 29. Mai 2000 vorlegen zu dürfen, und möchten Sie zum Anlass der Veröffentlichung unserer Resultate für das erste Halbjahr 2000 begrüßen.

Nachfolgend finden Sie die wichtigsten Kennzahlen im Überblick:

	Halbjahr per 30. Juni	
	2000 CHF'000	1999 CHF'000
Umsatz		
Online Financial Services	4,193	1,420
Web Intelligence Services	2,825	1,035
Total	7,018	2,455
Nettoergebnis	(24.7)	257.2
Per 30. Juni		
Anzahl Mitarbeiter	90	34
Anzahl Online Trading-Kunden	6,134	-

Der konsolidierte Umsatz ist im Vergleich zur ersten Hälfte des Vorjahres um 185% gestiegen.

Das erfreuliche Ergebnis, zu dem beide Geschäftsbereiche beigetragen haben (Online Financial Services + 195%; Web Intelligence Services + 173%), ist ein deutlicher Beweis für unsere zunehmende Durchdringung dieser Zielmärkte.

Swissquote zählte am 30. Juni 2000 6,134 Online Trading-Kunden, was einem Zuwachs von 2,505 Neukunden im zweiten Quartal entspricht. Der Online Trading-Umsatz im ersten Halbjahr 2000 betrug CHF 2.6 Mio trotz schwachen Handelsvolumens an der SWX im zweiten Quartal. Die Swissquote Plattform wurde durch bedeutende neue Funktionen wie der „Runner“, das „Chart Analysis Tool“ und die „Advanced Trading Mask“ ergänzt. Außerdem gelang es Swissquote, seine Position als führender Online-Finanzinformationsanbieter und Handelsplattform in der Schweiz zu stärken.

Der Schwerpunkt der Marvel Communications AG, die auf dem Gebiet Web Intelligence spezialisierte Tochtergesellschaft der Swissquote Group, lag im Zweiten Quartal auf der Erwerbung neuer Grosskunden: die Zürich-Gruppe und der WWF International vergrössern jetzt den Marvel Kundenkreis. Bedeutende Mittel wurden ferner zur Entwicklung unserer mIntegrate Publishing Software eingesetzt. mIntegrate wird dem Publikum im September auf der Orbit, der grössten Software und Internet Messe der Schweiz, vorgestellt.

Das Nettoergebnis für das erste Halbjahr 2000 liegt nahe am Breakeven und fällt besser aus als der budgetierten Nettoverlust von CHF 0.6 Mio: Diese beachtliche Performance wurden während der Vorbereitung des Börsenganges, die erhebliche Ressourcen auf den verschiedenen Führungs- und Mitarbeiterebenen in Anspruch nahm, erzielt.

Der Nettogeldzufluss aus dem Börsengang von CHF 71.4 Mio. wird zur Festigung der Führungsposition der Gruppe auf ihren Kernmärkten, zur Entwicklung neuer Produkt- und Dienstleistungsangebote sowie zur Expansion der Geschäftstätigkeit nach Frankreich eingesetzt. Der Börsengang bot gleichzeitig auch Gelegenheit, den Verwaltungsrat mit dem Eintritt von Dr. Tito Tettamanti zu stärken. Dr. Tettamanti bringt eine langjährige Erfahrung im internationalen Finanzwesen sowie in Fusionen und Akquisitionen, zwei Schlüsselbereiche für die Entwicklung der Gruppe , in das Führungsgremium mit.

Die Gruppe plant für das zweite Halbjahr 2000 erhebliche Marketing-Investitionen mit dem Ziel das Wachstum unserer Online Trading-Kundenbasis zu beschleunigen.

Zu den bedeutendsten neuen Entwicklungen im Bereich der Online-Finanzdienste zählen die Schaffung der Internet-Bank der Gruppe und die Ausdehnung des Swissquote-Konzepts auf Frankreich. Das Gesuch um eine Banklizenz wurde am 30. Juni 2000 bei der Eidgenössischen Bankenkommission eingereicht. Die Entwicklung der Online-Geschäftstätigkeit der Gruppe in Frankreich schreitet durch den Abschluss von Kooperationsvereinbarungen mit Real-Media France im Werbebereich und mit Agence France-Presse AFP im Nachrichtenbereich voran.

Neben der Einführung seiner mIntegrate Software, wird der Geschäftsbereich Web Intelligence Services, nach Zürich und Frankreich expandiert.

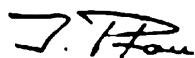
Parallel zu diesen Entwicklungen erforscht die Gruppe die Möglichkeiten, durch Partnerschaften mit ausgewählten Unternehmen das Gesamt wachstum zu beschleunigen und die Marktanteile auf den verschiedenen Geschäftsfeldern auszubauen. Das Anfang Juli angekündigte Swissquote/Zürich-Projekt für den Aufbau eines Personal Finance & Risk Platform gibt Aufschluss über die Art von Partnerschaft, die gesucht wird und über die zwischen den Online-Financial Services und den Web Intelligence-Diensten bestehenden Synergien. Das Portal wird von der Marvel Communications AG entwickelt und generiert in der ersten Phase einen Umsatz von CHF 1 Mio. Betrieben wird das Portal über das mIntegrate Publishing-System. Für Swissquote bedeutet diese gemeinsame Plattform einen erhöhten Webverkehr und einen zusätzlichen Vertriebskanal für die Online-Finanzdienste der Gruppe, welche in der Schweiz den Zugang zu 1.3 Mio. potentiellen Zürich Kunden ermöglichen.

Der Börsengang erlaubte der Gruppe, sich am Arbeitsmarkt stärker zu profilieren. Die Qualität des Arbeitsumfelds, die Karriereaussichten und die attraktiven Anstellungsbedingungen, einschliesslich eines Stock Option-Plans, machen die Swissquote Group zu einer bevorzugten Arbeitgeberin für talentiertes und gut ausgebildetes Fachpersonal. Investieren in Mitarbeiterressourcen ist die Voraussetzung für den Ausbau des Know-Hows der Swissquote Group. Diese Investition bildet daher einen Kernpunkt der Swissquote Unternehmensstrategie, und die Rekrutierung von Mitarbeitern läuft auf Hochtouren.

Zusammenfassend sehen der Verwaltungsrat und die Geschäftsführung der Zukunft der Gruppe mit Zuversicht entgegen.

Mit freundlichen Grüßen.

Im Namen des Verwaltungsrates



J. Pfau, Verwaltungsratspräsident

Consolidated Interim Balance Sheet

All amounts in Swiss Francs

	Notes	30 June		31 December
		2000	1999	1999
ASSETS				
Current assets				
Cash and banks		73,050,704	50,398	2,261,841
Receivables and prepayments		2,095,935	947,991	919,214
Work in progress		400,000	200,000	520,000
		75,546,639	1,198,389	3,701,055
Non-current assets				
Property, plant and equipment	5	1,691,750	348,424	1,013,801
Deferred tax asset, net		678,742	175,869	244,514
		2,370,492	524,293	1,258,315
Total assets		77,917,131	1,722,682	4,959,370
LIABILITIES AND EQUITY				
Current liabilities				
Overdraft		-	241,712	-
Trade and other payables		3,274,224	791,134	1,099,632
Deferred revenues		449,317	562,212	760,000
		3,723,541	1,595,058	1,859,632
Non-current liabilities				
Convertible debt	6	-	-	1,687,827
Total liabilities		3,723,541	1,595,058	3,547,459
Equity				
Ordinary shares	2 & 7	13,500,000	300,500	2,276,370
Share premium and other reserves	2	61,867,841	-	321,834
Accumulated losses	2	(1,174,251)	(172,876)	(1,186,293)
Total equity		74,193,590	127,624	1,411,911
Total liabilities and equity		77,917,131	1,722,682	4,959,370

Consolidated Interim Statement of Operations

All amounts in Swiss Francs

	Notes	6 months ended 30 June	
		2000	1999
Operating revenues	3	7,018,242	2,455,407
Operating expenses			
Payroll and related expenses		4,004,661	985,694
Production expenses		1,220,600	602,548
Marketing expenses		537,417	90,822
Administration expenses		577,424	127,794
Other operating expenses		543,057	264,036
Operating profit before depreciation		135,083	384,513
Depreciation	5	(300,120)	(86,804)
Profit/(loss) from operating activities	3	(165,037)	297,709
Financial income (costs), net		93,353	(9,015)
Profit/(loss) before tax		(71,684)	288,694
Income tax (charge)/credit, net		47,000	(31,450)
Net profit/ (loss)		(24,684)	257,244
<i>Earnings/(loss) per share: Basic</i>	4	(0.05)	8.56

Consolidated Interim Condensed Cash Flow Statement

All amounts in Swiss Francs

	6 months ended 30 June	
	2000	1999
Net cash provided by operating activities	378,447	18,357
Investing activities		
Purchase of property plant and equipment	5	(978,070)
Financing activities		
Net proceeds from IPO and related preliminary capital increases	71,388,486	-
Increase / (decrease) in cash and cash equivalents	<hr/> 70,788,863	<hr/> (221,618)
Movements in cash and cash equivalents		
At 1 January	2,261,841	30,304
Increase /(decrease)	70,788,863	(221,618)
At 30 June	<hr/> 73,050,704	<hr/> (191,314)
Cash and cash equivalents		
Cash and banks	73,050,704	50,398
Overdraft	-	(241,712)
Total	<hr/> 73,050,704	<hr/> (191,314)

Notes to Consolidated Interim Financial Statements

All amounts in Swiss Francs

1/ ACCOUNTING POLICIES

These consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the interim consolidated financial statements are considered with those used in the annual financial statements for the years ended 31 December 1999 and 1998.

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

These consolidated interim financial statements should be read in conjunction with the 1999 annual consolidated financial statements.

2/ STATEMENT OF CHANGES IN EQUITY

	Capital	Share Premium & Other Reserves	Accumulated Losses	Total
At 1 January 1999	300,500	-	(430,120)	(129,620)
Net profit			257,244	257,244
At 30 June 1999	300,500	-	(172,876)	127,624
At 1 January 2000	2,276,370	321,834	(1,186,293)	1,411,911
Impact of conversion of convertible loans:				
Ordinary shares	136,580			136,580
Share premium		1,863,420		1,863,420
Reversal of fair valuing impact		(273,197)	36,726	(236,471)
IPO and related preliminary capital increases, net of IPO costs and deferred taxes	11,087,050	59,955,784		71,042,834
Net loss			(24,684)	(24,684)
At 30 June 2000	13,500,000	61,867,841	(1,174,251)	74,193,590

Notes to Consolidated Interim Financial Statements

All amounts in Swiss Francs

3/ SEGMENT INFORMATION

	Web Intelligence	Online Financial Services	Total
6 months ended 30 June 1999			
Revenues	1,035,020	1,420,387	2,455,407
Segment result	403,739	470,766	874,505
Unallocated costs			(576,796)
Profit from operating activities			297,709
6 months ended 30 June 2000			
Revenues	2,824,851	4,193,391	7,018,242
Segment result	460,237	406,458	866,695
Unallocated costs			(1,031,732)
Loss from operating activities			(165,037)

4/ EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit /(loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share are not presented as this would result into an anti-dilution.

Notes to Consolidated Interim Financial Statements

All amounts in Swiss Francs

5/ PROPERTY, PLANT AND EQUIPMENT AND CAPITAL EXPENDITURE AND COMMITMENTS

	IT Systems	Others	Total
PROPERTY, PLANT AND EQUIPMENT			
6 months ended 30 June 1999			
Opening net book amount (1.1.1999)	156,097	30,117	186,214
Additions	208,571	31,404	239,975
Depreciation	(81,743)	(5,061)	(86,804)
Closing net book amount (30.6.1999)	282,925	56,460	339,385
6 months ended 30 June 2000			
Opening net book amount (1.1.2000)	747,840	265,961	1,013,801
Additions	839,017	139,053	978,070
Depreciation	(264,588)	(35,532)	(300,120)
Closing net book amount (30.6.2000)	1,322,269	369,482	1,691,751
CAPITAL COMMITMENTS			
At 30 June 1999			50,000
At 30 June 2000			500,000

6/ BORROWINGS

	6 months ended 30 June	
	2000	1999
Fair value of Convertible loans at 1 January	1,687,827	None
Interest paid	(15,000)	
Interest accrued	50,000	
Effect of conversion on equity (excl. impact of deferred taxes)	277,173	
	2,000,000	
Conversion during March 2000 into:		
Ordinary share capital	(136,580)	
Share premium (excl. share issue costs)	(1,863,420)	
At 30 June	-	

Notes to Consolidated Interim Financial Statements

All amounts in Swiss Francs

7/ SHARE CAPITAL

Swissquote Group Holding Ltd, the Group holding company, is listed on the SWX New Market since 29 May 2000. The changes in the share capital since 1 January 2000 are presented in the following table:

	Ordinary Shares Issued	Conditional share capital		Authorized Share Capital	Total Shares Issued and Unissued
		For Convertible Loans	For Stock Option Plan		
(Registered Shares of CHF 10 nominal each)					
At 1 January 2000	227,637	13,658	45,527 (a)	-	286,822
Conversion of convertible loans	13,658	(13,658)			-
Increase resulting from the IPO and related preliminary capital increases	1,108,705 (c)			50,000	1,158,705
Net increase of number of shares available for the Stock Option Plan			74,473 (b/c/d)		74,473
At June 2000	1,350,000	-	120,000 (d)	50,000 (e)	1,520,000
<i>Shares underlying the options granted to employees at 30 June 2000</i>			47,632 (b/d)		
<i>Shares available at 30 June 2000 for future grants</i>			72,368 (d)		

(a) At 1 January 2000, the options granted to employees in the context of the Stock Option Plan were covered by an authorised capital of 45,527 shares. One options granted the right to acquire one share at an exercise price of CHF 70.

(b) The terms of exercise of the options were adapted in order to account for the dilution of the optionees resulting from preliminary capital increases (see c below). The options granted prior to IPO now grant the right to acquire four shares at an exercise price of CHF 100 per option. At IPO a total of 114,820 shares were acquired by employees corresponding to 28,705 options that were then exercisable. A further 11,908 options representing 47,632 shares are exercisable within two years from the date of the IPO.

(c) The IPO and related preliminary capital increases consist of a preliminary increase of 723,885 new shares, 114,820 new shares

acquired by the employees through the exercise of their options and 270,000 new shares placed in the public at the IPO. These increases are based on resolutions of the general meeting of shareholders of Swissquote Group Holding Ltd on 23 may 2000.

(d) On the same date, the general meeting of shareholders resolved to create a conditional capital of CHF 1,200,000 to be utilized to cover outstanding and future options granted to employees under the existing Stock Option Plan.

(e) On the same date, the general meeting of shareholders resolved to create an authorised share capital of CHF 500,000. In the context of the IPO, Swissquote Group Holding Ltd granted an over-allotment option to the Lead Manager exercisable until 30 June 2000 in order to offer up to an additional 50,000 shares at the Offering price on behalf of Swissquote Group Holding Ltd. The option granted lapsed without being exercised.



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