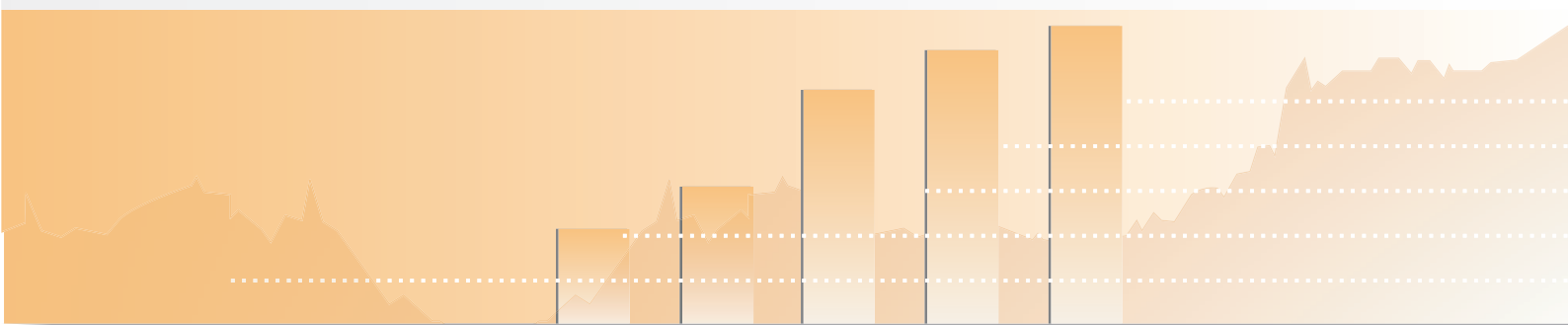




Financial Report

Q2-2009



SWISSQUOTE

SWITZERLAND'S LEADING ONLINE BROKER

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITIONS (*1)

		30 June		31 December
	Notes	2009	2008	2008
ASSETS				
Cash and balances with central bank		61,320,554	18,481,876	293,175,551
Treasury bills and other eligible bills		667,997,996	-	-
Loans and advances to banks		496,400,454	1,121,148,073	765,749,630
Derivatives financial instruments		17,575,108	16,754,209	12,125,144
Trading assets		12,832,721	-	-
Loans and advances to customers		84,903,398	89,341,476	71,703,162
Investment securities	3	267,588,797	69,447,472	165,947,400
Information technology systems	4	11,652,340	10,340,122	11,130,071
Property, plant and equipment	5	20,314,958	20,274,473	20,188,599
Other assets		6,708,379	7,126,250	6,119,952
Total assets		1,647,294,705	1,352,913,951	1,346,139,509
LIABILITIES AND EQUITY				
Liabilities				
Deposits from banks		566,481	794,172	2,340,838
Derivatives financial instruments		17,575,108	16,754,209	12,125,144
Due to customers		1,451,820,506	1,167,985,534	1,166,357,738
Other liabilities		12,756,395	19,151,206	16,726,975
Current income tax liabilities		5,608,744	9,668,452	3,205,840
Provisions		5,109,522	1,214,403	4,884,057
Deferred tax liabilities		1,443,142	1,022,608	1,368,759
Total liabilities		1,494,879,898	1,216,590,584	1,207,009,351
Equity				
Ordinary shares	6	2,927,674	2,927,674	2,927,674
Share premium		36,964,915	35,367,134	35,946,443
Share option reserve		1,766,869	1,114,822	1,485,992
Other reserve		(3,111,904)	(4,877,769)	(5,629,772)
Treasury shares	7	(25,604,888)	(16,491,950)	(24,548,517)
Retained earnings		139,472,141	118,283,456	128,948,338
Total equity		152,414,807	136,323,367	139,130,158
Total liabilities and equity		1,647,294,705	1,352,913,951	1,346,139,509

(*1) Prior to the adoption of new IAS 1 revised on 1 January 2009, this statement was called Balance Sheet

The notes on pages 9 to 14 form an integral part of this condensed interim financial information

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT (*1)

	Notes	Quarter ended 30 June		6 months ended 30 June	
		2009	2008	2009	2008
Fee and commission income		20,561,669	18,071,219	37,817,920	38,347,226
Fee and commission expense		(2,238,908)	(1,711,292)	(4,010,535)	(3,706,566)
Net fee and commission income		18,322,761	16,359,927	33,807,385	34,640,660
Interest income		3,233,400	10,259,423	7,303,696	20,085,527
Interest expense		(952,820)	(2,045,326)	(1,689,764)	(4,445,301)
Net interest income		2,280,580	8,214,097	5,613,932	15,640,226
Net trading income		3,798,223	2,428,516	7,284,636	4,318,662
Gain less losses from investments securities		607,731	-	1,642,059	-
Operating income		25,009,295	27,002,540	48,348,012	54,599,548
Operating expenses	1	(14,269,748)	(13,321,443)	(28,004,018)	(26,268,156)
Operating profit		10,739,547	13,681,097	20,343,994	28,331,392
Income tax expense		(2,271,612)	(2,908,957)	(4,410,838)	(6,048,235)
Net profit		8,467,935	10,772,140	15,933,156	22,283,157
<i>Earning per share</i>	2	0.60	0.76	1.14	1.56
<i>Diluted earning per share</i>	2	0.60	0.75	1.13	1.55

(*1) Prior to the adoption of new IAS 1 revised on 1 January 2009, this statement was called Statement of Operations

The notes on pages 9 to 14 form an integral part of this condensed interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (*1)

Notes	Quarter ended 30 June		6 months ended 30 June	
	2009	2008	2009	2008
Net profit for the period	8,467,935	10,772,140	15,933,156	22,283,157
Other comprehensive income:				
Gains / losses recognised directly in equity				
Available-for-sale financial assets	4,502,417	1,103,700	3,226,054	(917,719)
Income tax relating to components of other comprehensive income (AFS assets)	(990,533)	(242,814)	(708,186)	201,898
Other comprehensive income for the period, net of tax	3,511,884	860,886	2,517,868	(715,821)
Total comprehensive income for the period	11,979,819	11,633,026	18,451,024	21,567,336

CONDENSED CONSOLIDATED INTERIM CHANGES IN SHAREHOLDERS' EQUITY (*1)

	Share capital	Share premium	Share Option reserve	Other reserve	Treasury shares	Retained earnings	Total
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 of the period	-	-	-	-	-	15,933,156	15,933,156
Other comprehensive income of the period	-	-	-	2,517,868	-	-	2,517,868
Total comprehensive income for the period	-	-	-	2,517,868	-	15,933,156	18,451,024
Dividend	-	-	-	-	-	(5,607,376)	(5,607,376)
Employee stock option plan:							
Value of services provided	-	-	478,900	-	-	-	478,900
Reclassification of value of services provided for stock options exercised, lapsed or expired in the period	-	-	(198,023)	-	-	198,023	-
Purchase of treasury shares	-	-	-	-	(1,961,945)	-	(1,961,945)
Sale of treasury shares	-	1,018,472	-	-	905,574	-	1,924,046
Balance at 30 June 2009	2,927,674	36,964,915	1,766,869	(3,111,904)	(25,604,888)	139,472,141	152,414,807
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 profit of the period	-	-	-	-	-	22,283,157	22,283,157
Other comprehensive income of the period	-	-	-	(715,821)	-	-	(715,821)
Total comprehensive income for the period	-	-	-	(715,821)	-	22,283,157	21,567,336
Dividend	-	-	-	-	-	(5,691,562)	(5,691,562)
Capital reduction	(4,391,511)	126,043	-	-	-	-	(4,265,468)
Employee stock option plan:							
Value of services provided	-	-	412,995	-	-	-	412,995
Reclassification of value of services provided for stock options exercised, lapsed or expired in the period	-	-	(40,552)	-	-	40,552	-
Purchase of treasury shares	-	-	-	-	(5,176,546)	-	(5,176,546)
Sale of treasury shares	-	429,048	-	-	2,482,883	-	2,911,931
Balance at 30 June 2008	2,927,674	35,367,134	1,114,822	(4,877,769)	(16,491,950)	118,283,456	136,323,367

(*1) The adoption of new IAS 1 revised on 1 January 2009 requires the Company to prepare a new statement called Statement of Comprehensive Income. The information disclose in this statement was formerly included in the Statement of Changes in Shareholders' Equity

The notes on pages 9 to 14 form an integral part of this condensed interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

	Notes	6 months ended 30 June	
		2009	2008
Cash flow from / (used in) operating activities			
Fees and commission receipts		37,171,260	37,905,088
Fees and commission paid		(4,128,530)	(5,086,710)
Interest receipts		7,953,454	17,668,274
Interest paid		(1,757,716)	(4,353,638)
Purchase of trading assets		(12,832,721)	-
Net trading income		8,926,695	4,318,662
Cash payments to employees and suppliers		(29,873,264)	(25,294,660)
Cash flow from operating profit before changes in operating assets and liabilities		5,459,178	25,157,016
Net (increase) / decrease in operating assets and net increase / (decrease) in operating liabilities			
Loans and advances to customers		(13,200,236)	4,155,873
Due to customers		285,462,768	24,427,702
Other liabilities		(3,819,249)	(3,056,686)
Net cash from operating activities		273,902,461	50,683,905
Cash flow from / (used in) investing activities			
Purchase of property, plant and equipment and information technology systems	4/5	(3,826,500)	(4,550,672)
Purchase of treasury bills		(667,997,996)	-
Redemption of investment securities		64,187,636	-
Purchase of investment securities		(160,050,142)	-
Net cash used in investing activities		(767,687,002)	(4,550,672)
Cash flow from / (used in) financing activities			
Net proceeds from capital reduction		-	126,043
Purchase of treasury shares		(1,961,945)	(5,176,546)
Sale of treasury shares		1,924,046	2,911,931
Dividend		(5,607,376)	(5,691,562)
Net cash from / (used in) financing activities		(5,645,275)	(7,830,134)
INCREASE IN CASH AND CASH EQUIVALENTS		(499,429,816)	38,303,099
Movements in cash and cash equivalents			
Balance at beginning of year		1,056,184,343	1,100,532,678
Increase / (decrease)		(499,429,816)	38,303,099
Balance at 30 June		556,754,527	1,138,835,777
Cash and cash equivalents			
Cash and balances with central banks		61,320,554	18,481,876
Loans and advances to other banks (less than 3 months)		496,000,454	1,121,148,073
Deposits from other banks		(566,481)	(794,172)
Total at 30 June		556,754,527	1,138,835,777

The notes on pages 9 to 14 form an integral part of this condensed interim financial information

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCOUNTING POLICIES, SCOPE OF OPERATIONS 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 2008 Annual Consolidated Financial Statements.

The following accounting standards adopted on 1 January 2009 resulted into material presentation and disclosure changes as stated below:

- Under New IAS 1 Revised:
 - the Balance Sheet is now called Statement of Financial Positions;
 - the Statement of Operation is now named Income Statement;
 - a new statement is added: the Statement of Comprehensive Income. The information in this statement was formerly included in the Changes in Shareholders' Equity. Information that has not been moved to the Statement of Comprehensive Income remains in the Changes in Shareholders' Equity.
- Under IFRS 8, the Group is required to provide a deeper insight into its operations by providing segment reporting which is provided in Sections 1.2 and 1.3.

Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Management determines the classification of its investments at initial recognition.

- Financial assets at fair value through profit or loss
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Trading assets are such assets that the Group acquires principally for the purpose of selling them in the near future or holds as part of a portfolio that is managed together for short-term profits or position taking. All changes in fair value are recognised as part of Net trading income in the Income Statement.

In connection with the launch of the Swissquote Quant Swiss Equities CHF A investment fund the Group is taking trading position in this fund.

- Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable.
- Held-to-maturity
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity assets, the entire category would be reclassified as available-for-sale.
- Available-for-sale
Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Regular-way purchases and sales of financial assets at fair value through profit or loss, held to maturity and available for sale are recognised on trade-date – the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when they are extinguished – that is, when the obligation is discharged, cancelled or expires.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCOUNTING POLICIES, SCOPE OF OPERATIONS AND REPORTABLE SEGMENTS

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are included in the income statement in the period in which they arise. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in equity, until the financial asset is derecognised or impaired at which time the cumulative gain or loss previously recognised in equity should be recognised in profit or loss. However, interest calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the entity's right to receive payment is established.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Interest earned whilst holding investment securities is reported as interest income. Dividends receivable are included separately in dividend income when a dividend is declared.

1.2 Scope of operations

The current scope of operations is the result of an historic development which key milestones are summarised as follows:

- Until 1996, service Company active in the development of banking software in the field of portfolio valuation and web design;
- 1996 : Creation of the financial information web site: www.swissquote.ch;
- 1999 : Addition of Introducing brokerage operations in cooperation with a third party bank;
- 2000 : Listing of the Company at the SIX (previously SWX);
- 2001 : Grant of a banking license by the FINMA previously named Swiss Federal Banking Commission and operation of a bank with focus on online brokerage services on the Swiss Stock Exchange and on private (retail) clients;
- 2001 as of today: Broaden the scope of markets offered online to the clients of the Company as well as the functionalities / tools of the web site and other media platform;
- 2002-2003 : Consolidation of the online brokerage market in Switzerland. In this context the Company acquired the operations of several competitors, one of which had started a special service directed towards independent asset managers and financial advisors. Stop providing web design services;
- 2007 : Grant of the authorisation by the FINMA to carry out the Swiss regulated Custodian Bank function for Swiss Regulated Investment Funds as well as the authorisation to carry out quantitative asset management services;
- April 2008 : launch of eforex platform;
- May 2008 : launch of dynamic saving accounts;
- January 2009 : launch of the Swissquote Quant Swiss Equities CHF A (ISIN : CH0044736921) investment fund (Swiss Regulated investment fund) for which Swissquote provides quantitative asset management services and Custodian Bank function.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCOUNTING POLICIES, SCOPE OF OPERATIONS AND REPORTABLE SEGMENTS

As of June 30, 2009 the Group's operations consist of:

- Operating the Swissquote online bank and the www.swissquote.ch online financial web portal.
- Providing primarily online stock brokerage services and custody services to:
 - Self-directed private investors by mean of tools to route the orders to stock exchanges via the Internet against brokerage fees, as well as tools to assist them in their decision making;
 - Independent Asset Managers by mean of tools that allow to process grouped orders on behalf of their clients, and to allow such clients to have a real time read access to their account, and to institutional investors.
- Offering current accounts and saving accounts to its customers;
- Providing its clients with margin facilities, fiduciary placement and payment services;
- Managing the funds deposited by customers and its own funds by investing these funds in high-quality assets (mainly in the inter-bank market and in margin loans to clients) while seeking to earn above average interest margins and maintaining sufficient liquidity to meet customers potential withdrawals which could occur;
- Providing quantitative asset management services to the Swissquote Quant Funds;
- Selling advertising space and providing financial information against subscription on www.swissquote.ch.

The Group does not carry out other banking activities. In particular it does not:

- provide commercial lending, mortgages, retail borrowings, credit related commitments such as guarantees and standby letters of credit;
- provide trustee, corporate administration, investment management and / or advisory services to third parties;
- trade financial assets and traded over the counter instruments including derivatives, where it takes positions to profit from short-term market movements in equity, interest rates and commodity prices; with the exception of spot currency positions, temporary technical nostro positions and bonds.

1.3 Reportable segments

Sound management requires that relevant financial information is prepared in order for decision makers to define strategies and focus actions towards exploiting opportunities and/or countering adverse trends.

Relevant financial information generally requires that business complexity be broken down in various segments. Disclosure of relevant segmental information enables users of financial statements to evaluate the nature and the financial effects of the business activities in which the Company is engaged and in the economic environment in which it operates.

IFRS 8 requires an entity to identify its operating segments and based thereon to determine its reportable segments, that may comprise one operating segment or an aggregation of operating segments, that meet certain quantitative thresholds set out in the standard. Operating segment is defined in IFRS 8 as a component of an entity that (1) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (2) whose operating results are regularly reviewed to make decisions about resources to be allocated and assess its performance, and (3) for which discrete financial information is available.

The management information system of the Company is designed and is constantly amended in order to reflect the development of the business model of the Company and hence to support the strategic and operating processes. The main milestones of the Company development show that the current scope of the Company operations has its origin in the www.swissquote.ch finance portal and its subsequent developments. For many years, the Company only had one reportable segment: providing of online brokerage services to self-directed private retail customers and hence only one reportable segment.

With the development of the Business to Business client groups (mainly consisting of Asset Managers and their clients, and corporations and institutional investors such as investment funds), the Company needed to design specific areas of the organisation (especially with respect to the front office) that had a focus on self directed private retail customers and other areas which were exclusively dedicated to Business to Business clients. Whereas the acquisition process of each segment of clients varies substantially, both segments substantially use the same infrastructure (information platform and back and middle office systems and organisation as well as the same premises, general services and branding activities). Beyond the consolidated results, performance measurement and trend recognition in the Company are based on direct costing for revenues and related variable and direct fixed costs. Indirect fixed costs which represent the largest portion of the operating costs are analysed in major cost centers. This approach is considered best by the Company in order to achieve transparency and accountability.

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCOUNTING POLICIES, SCOPE OF OPERATIONS AND REPORTABLE SEGMENTS

With due care to the above explanations, the Company has 3 reportable segments:

- Private Clients;
- Business to Business Clients;
- Platform and Infrastructure Operations, which are analysed in four operating segments: Technology, Operations, Marketing and G&A.

Technology, Operations, Marketing and G&A, are individually operating segments but do not qualify as reporting segments and thus have been aggregated in the reporting segment «Platform and Infrastructure Operations».

Private Clients segment and Business to Business Clients segment offer a unique product of online services but related to two different groups of clients.

The major part of the revenues and assets of Swissquote are respectively earned and based in Switzerland.

The Private Clients and Business to Business Clients segments are analysed based on revenues and direct contribution margin whereas Platform and Infrastructure Operations are analysed based on cost centers. Due to its organisation and legal structure, none of the reportable segments cross charges costs or revenues to the others. There is no difference between the accounting data and the management accounts.

Based thereon, the analysis of reportable segments for the 6 months period ending 30 June, 2008 and 2009 are as follows:

In CHFm	Q2 2009	TOTAL	Q2 2008	TOTAL
Net Revenues - Private Clients	40.9		45.1	
Direct Operating Costs - Private Clients	(3.0)		(2.9)	
Direct Marketing Costs - Private Clients	(2.1)		(2.1)	
Direct Contribution margin - Private Clients	35.8	35.8	40.1	40.1
Net Revenues - B2B Clients	7.4		9.5	
Direct Operating Costs - B2B Clients	(1.7)		(1.8)	
Direct Marketing Costs - B2B Clients	(0.2)		(1.4)	
Direct Contribution margin - B2B Clients	5.5	41.3	6.3	46.4
Operating Cost - Technology	(6.3)		(5.2)	
Operating Cost - Operations	(9.1)		(7.7)	
Operating Cost - Marketing	(1.6)		(1.0)	
Operating Cost - G&A	(4.0)		(4.2)	
Total Platform and Infrastructure Operations Costs	(21.0)		(18.1)	
EBT		20.3		28.3
Taxes		(4.4)		(6.0)
Net profit		15.9		22.3

	30 June 2009	30 June 2008
Assets - Private Clients	1,321.4	1,106.3
Liabilities - Private Clients	(1,238.2)	(1,006.4)
Assets - B2B Clients	291.0	212.7
Liabilities - B2B Clients	(234.8)	(183.3)
Assets - Platform and Infrastructure	34.9	33.9
Liabilities - Platform and Infrastructure	(21.9)	(26.9)
Net Balance - Equity	152.4	136.3

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

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Operating expenses

	6 months ended 30 June	
	2009	2008
Payroll & related expenses	12,144,591	12,464,703
Other operating expenses	8,537,296	6,483,072
Marketing expenses	3,994,259	4,503,158
Provisions	150,000	200,000
Depreciation	3,177,872	2,617,223
Total	28,004,018	26,268,156

2. Earning per share

a) Basic

	Quarter ended 30 June		6 months ended 30 June	
	2009	2008	2009	2008
Net Profit	8,467,935	10,772,140	15,933,156	22,283,157
Weighted average number of ordinary shares in issue	14,022,073	14,225,660	14,025,523	14,238,841
Basic earning per share	0.60	0.76	1.14	1.56

b) Diluted

	Quarter ended 30 June		6 months ended 30 June	
	2009	2008	2009	2008
Net Profit	8,467,935	10,772,140	15,933,156	22,283,157
Weighted average number of ordinary shares in issue	14,022,073	14,225,660	14,025,523	14,238,841
Adjustments for share options	90,786	133,962	77,538	138,291
Weighted average number of ordinary shares for diluted earnings per share options	14,112,859	14,359,622	14,103,061	14,377,132
Diluted earning per share	0.60	0.75	1.13	1.55

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. Investment Securities

Investment securities consist exclusively of listed bonds.

	6 months ended 30 June	
	2009	2008
Securities available-for-sale		
Debt securities - at fair value:		
- Listed	45,664,446	69,447,472
Total securities available-for-sale	45,664,446	69,447,472
Securities held-to-maturity		
Debt securities - at amortised cost:		
- Listed	221,924,351	-
Allowance for impairment	-	-
Total securities held-to-maturity	221,924,351	-
Total Investment securities	267,588,797	69,447,472
Current	-	-
Non-current	267,588,797	69,447,472

	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	1,917,830	148,526	2,066,356
Additions	22,206,062	137,844,080	160,050,142
Premium / (Discount)	55	(121,305)	(121,250)
Disposals (sale and redemption)	(59,959,411)	(4,228,225)	(64,187,636)
Gains / (losses) from changes in fair value	3,833,785	-	3,833,785
At 30 June 2009	45,664,446	221,924,351	267,588,797

	Available-for-sale	Held-to-maturity	Total
At 1 January 2008	72,329,374	-	72,329,374
Exchange difference on monetary assets	(1,964,183)	-	(1,964,183)
Additions	-	-	-
Premium / (Discount)	-	-	-
Disposals (sale and redemption)	-	-	-
Gains / (losses) from changes in fair value	(917,719)	-	(917,719)
At 30 June 2008	69,447,472	-	69,447,472

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4. Information technology systems

	Software Third Party Licences	Proprietary Software	Hardware & Telecom Systems	Total
6 months ended 30 June 2009				
Opening net book amount	1,337,656	6,042,320	3,750,095	11,130,071
Addition	685,774	1,779,068	668,079	3,132,921
Amortisation / depreciation	(397,327)	(1,155,992)	(1,057,333)	(2,610,652)
Closing net book amount	1,626,103	6,665,396	3,360,841	11,652,340
6 months ended 30 June 2008				
Opening net book amount	1,411,522	4,328,126	3,235,525	8,975,173
Addition	289,617	1,659,797	1,540,696	3,490,110
Amortisation / depreciation	(432,064)	(847,070)	(846,027)	(2,125,161)
Closing net book amount	1,269,075	5,140,853	3,930,194	10,340,122

Additions to Information technology systems include an amount of CHF 1,598,725 (2008: CHF 1,403,814) 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
6 months ended 30 June 2009				
Opening net book amount	17,106,884	1,040,448	2,041,267	20,188,599
Addition	59,303	594,796	39,480	693,579
Amortisation / depreciation	(274,083)	(129,806)	(163,331)	(567,220)
Closing net book amount	16,892,104	1,505,438	1,917,416	20,314,958
6 months ended 30 June 2008				
Opening net book amount	17,381,490	499,253	1,825,230	19,705,973
Addition	162,912	425,356	472,293	1,060,561
Amortisation / depreciation	(269,116)	(74,263)	(148,682)	(492,061)
Closing net book amount	17,275,286	850,346	2,148,841	20,274,473

The total cost of the property includes an aggregate CHF 97,969 of own costs capitalised (2008: CHF 75,367).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

6. Ordinary shares

a) Numbers of Shares in 2009

	1 January	Stock options		30 June
		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 2008

	1 January	Exercise	Capital reduction	Stock options		Addition	30 June
				Exercise	Lapsed		
Issued shares							
Ordinary share capital							
Number of shares	14,638,370	-	-	-	-	-	14,638,370
Nominal value per share (CHF)	0.50	-	(0.30)	-	-	-	0.20
Total nominal value (CHF)	7,319,185	-	(4,391,511)	-	-	-	2,927,674
Unissued shares							
Conditional capital							
Number of conditional shares	211,060	-	-	-	-	-	211,060
Nominal value per share (CHF)	0.50	-	(0.30)	-	-	-	0.20
Total nominal value (CHF)	105,530	-	(63,318)	-	-	-	42,212
Authorised capital							
Amount authorised (CHF)	1,000,000	-	-	-	(1,000,000)	800,000	800,000
Nominal value per share (CHF)	0.50	-	-	-	0.50	0.20	0.20
Number of authorised shares	2,000,000	-	-	-	(2,000,000)	4,000,000	4,000,000

At the Annual Shareholders Meeting held on 30 April 2009, the shareholders have inter alia resolved a dividend of CHF 0.40 per share (CHF 5'607'376).

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. Treasury shares

	2009	2008
Beginning of the year (shares)	623,503	378,915
Acquisition - shares	47,211	102,200
unit price ranging from CHF	36.03 to 57.75	47.03 to 55.96
average price in CHF	41.33	50.65
Disposal - shares	(20,006)	(54,401)
unit price ranging from CHF	39.55 to 44.69	44.80 to 54.79
average price in CHF	41.97	51.23
Remittance to optionees - shares	(48,516)	(6,570)
unit price ranging from CHF	11.39 to 34.00	11.39 to 34.00
average price in CHF	22.35	19.04
End of the period - 30 June (shares)	602,192	420,144
Total cost in CHF	25,604,888	16,491,950
Average cost per share in CHF	42.52	39.25
% of the issued shares	4.11%	2.87%

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

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8. Stock options

The movement in units of options granted, exercised and lapsed is the following:

	Allocation					Total	Conditionnal shares available for exercise
	6th	7th	8th	9th	10th		
Balance at 1 January 2008	7,250	168,110	70,828	115,550	-	361,738	211,060
Grants	-	-	-	-	-	-	-
Exercised	-	-	-	-	-	-	-
Covered by:							
the issue of new shares	-	-	-	-	-	-	-
treasury shares	(1,550)	(3,720)	(1,300)	-	-	(6,570)	-
Lapsed	-	(340)	(1,100)	(1,900)	-	(3,340)	-
Balance at 30 June 2008	5,700	164,050	68,428	113,650	-	351,828	211,060
Balance at 1 January 2009	5,700	130,800	64,028	106,290	145,480	452,298	211,060
Grants	-	-	-	-	-	-	-
Exercised	-	-	-	-	-	-	-
Covered by:							
the issue of new shares	-	-	-	-	-	-	-
treasury shares	(5,700)	(25,662)	(17,154)	-	-	(48,516)	-
Lapsed	-	-	(200)	(2,390)	(2,700)	(5,290)	-
Balance at 30 June 2009	-	105,138	46,674	103,900	142,780	398,492	211,060
Less options outstanding						(398,492)	
Shortfall						(187,432)	(187,432)
Number of treasury shares available at 30 June 2009							602,192
Balance shares available for future grants							414,760

Options granted are exercisable in 3 equal tranches that each has a maximum duration of exercise of two years. The exercise of the first tranche starts one year after the date of grant, the second tranche two years and the third three years after the date of grant. For the determination of the fair value of the options, the Company assumes that options will be exercised in average one year after the date they respectively become exercisable. Further the calculation assumes that 10% of the options will lapse in the vesting period.

9. Miscellaneous financial information

Pension obligations - The Company (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 Company to the Fund in accordance with its statutory rules) was required at 31 March 2009, nor in the former quarters.

Tier One ratio (Basel II ratio) - At 30 June 2009, the Company had a Tier One ratio (Basel II ratio) of 23.53%. (30 June 2008 : 20.55%; 31 December 2008 : 22.44%).

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 14 of Swissquote Group Holding Ltd for the period ended 30 June 2009. 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 July 2009