

Swissquote increases revenues in core online financial services business

In the first six months of 2002, Swissquote Group posted revenues of CHF 6.2 million, virtually unchanged from the level in the previous year. In its core business, online financial services, Swissquote succeeded in increasing revenues by 22 percent to CHF 4.7 million over the same period last year (CHF 3.8 million). With the sale of Marvel Communications AG as of 1 July, Swissquote Group completed the restructuring announced on 22 February on schedule.

Structuring completed

The main elements of the restructuring included consistent refocusing on online financial services (online banking services and financial portal), developing new services and products in this field, the sale of its subsidiary Marvel Communications AG, centralising all activities at the head office in Gland (with the exception of customer service), streamlining the organisation and cutting 60 jobs. This process has now been concluded, leaving Swissquote Group clearly focused and with a lower cost basis. Revenues from online financial services rose by 22 percent to CHF 4.7 million compared to the same period in the previous year. Revenues from web intelligence (Marvel) declined by 45 percent to CHF 1.5 million in this period. After the restructuring, recurring costs have decreased from CHF 13.4 million to CHF 9.3 million.

Swissquote Bank increases revenues by 61 percent

Despite the negative environment of weakening and uncertain financial markets, Swissquote Bank's online financial services improved revenues by 61 percent to CHF 3.9 million (CHF 2.4 million). Moreover, in the second quarter the online bank increased the number of clients by 10 percent to 11,568. Swissquote Bank and Redsaf Bank, which is ceasing operations in the second half of 2002, recently agreed on an exclusive transfer arrangement for all existing customers of Redsaf Bank. The arrangement ensures Redsaf customers the uninterrupted continuation of trading activity and the automatic transfer of custody and cash accounts to Swissquote Bank free of charge. Swissquote Bank is taking advantage of the ongoing consolidation process in online banking to expand its market position.

Financial portal: launch of new measures to enhance revenues

In the second quarter of 2002, the popularity of Swissquote's services among capital market participants was confirmed by five million page views a day - a new record - on www.swissquote.ch, Swissquote's financial platform. Swissquote plans to expand its financial portal and has split the content of its financial portal into a free service and a chargeable service. The free service is available at www.swissquote.ch and the new chargeable service at www.swissquote.ch/premium. Swissquote's decision to restructure its portal is in line with current trends in the Internet information industry and will offset the decline in advertising revenues. In the first six months of 2002, advertising revenues fell by 46 percent to CHF 0.8 million (CHF 1.4 million). The proceeds from the new Premium service will be used for the continuous expansion of the portal.

Firmly established in the market

Two years after going public, the success of Swissquote Group's bank services and financial portal has made it the leading provider of online financial services in Switzerland. Swissquote Bank is the clear No. 2 in online trading and, with a market share of 20 percent, the leading independent provider in Switzerland. Despite all the market adversity, and in marked contrast to a number of other challenging projects, Swissquote Group has established a firm foothold in the

market. Today, Swissquote Group is a strong company well equipped for future growth. As of 30 June 2002, the company had equity capital of CHF 49.6 million and cash and cash equivalents of CHF 45.0 million.

(All amounts in CHF 1'000)	6 months period ending June 2002				6 months period ending June 2001		
	Continued operations	Discontinued operations	Restructuring	Total	Continued operations	Discontinued operations	Total
Net revenues	4,654	1,531	-	6,185	3,815	2,471	6,286
Operating expenses	(9,309)	(3,100)	-	(12,409)	(13,396)	(4,984)	(18,380)
Restructuring	-	-	(4,500)	(4,500)	-	-	-
EBITDA	(4,655)	(1,569)	(4,500)	(10,724)	(9,581)	(2,513)	(12,094)
Depreciation and amortisation	(1,325)	(125)	-	(1,450)	(704)	(125)	(829)
Restructuring	-	-	(3,000)	(3,000)	-	-	-
Provision	-	(150)	-	(150)	-	-	-
EBIT	(5,980)	(1,844)	(7,500)	(15,324)	(10,285)	(2,638)	(12,923)
Financial income, taxation and minority interest	2,394	-	1,862	4,256	3,832	-	3,832
Net loss	(3,586)	(1,844)	(5,638)	(11,068)	(6,453)	(2,638)	(9,091)

(All amounts in 1'000)	2002			2001		
	Trimestre 1	Trimestre 2	Semestre 1	Trimestre 1	Trimestre 2	Semestre 1
Net revenues (continued operations)						
Banking	2,092	1,811	3,903	1,262	1,153	2,415
Platform (advertising)	396	355	751	577	823	1,400
Total	2,488	2,166	4,654	1,839	1,976	3,815

Swissquote - online financial services at its best.

Swissquote Group is a leading provider of Online Financial Services (online banking services and Internet financial portal). Swissquote is listed on the SWX New Market (SQN).

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