



Press Release

Stockholm, 23 October 2003

NeoNet – Positive Operating Earnings for Third Quarter 2003

NeoNet's transaction revenues for the period 1 January - 30 September 2003 were SEK 105.4 m (SEK 142.7 m) while net sales amounted to SEK 109.3 m (SEK 148.0 m). The operating earnings before depreciation and net financial items were SEK -10.4 m (SEK 1.2 m). For the third quarter the operating earnings before depreciation and net financial items were positive and amounted to SEK 1.4 m (SEK -6.5 m).

The improvement in earnings is attributable to decreased personnel and other operating expenses, decreased transaction-related expenses and increased turn-over. The transaction margin was 66%, an improvement during the year. The transaction revenues the third quarter were SEK 37.5 m (SEK 35.6 m).

"I am pleased to announce positive operating earnings for NeoNet for the third quarter," said Staffan Persson, acting CEO. "Our transaction revenues improve as a result of increasing turnover on the world's exchanges. If this positive trend can be sustained it will be reflected to an even greater extent in NeoNet's results in the future."

"The improved result for the period is indicative of the potential of NeoNet's business model," Staffan Persson continues. "Institutional managers are increasingly facing efforts by their clients to reduce the costs of equity transaction execution as part of their aim of reducing administrative costs. Efficient direct access to many marketplaces simultaneously is becoming increasingly important and this is precisely what NeoNet's offering provides."

See attached interim report.

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Since inception in 1996 NeoNet has focused on efficient and neutral agency brokerage. NeoNet provides the institutional investor industry with execution services offering a single point of access to leading equity marketplaces worldwide. Clients can execute orders using electronic direct market access or through NeoNet's international trading desk. NeoNet has offices in New York, London, Frankfurt and Stockholm, is listed on the Stockholm Stock Exchange (ticker NEO), and has clients in 14 countries globally.

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NeoNet's Interim Report 1 January – 30 September 2003

Nine months in summary

- Transaction revenues accounted for SEK 105.4 m (SEK 142.7 m) while net sales amounted to SEK 109.3 m (SEK 148.0 m).
- The operating earnings before depreciation and net financial items were SEK -10.4 m (SEK 1.2 m). The pre-tax losses amounted to SEK -32.3 m (SEK -22.8 m). The loss after tax was SEK -32.6 m (SEK -23.1 m).
- The earnings per share for the quarter were negative at SEK -0.75 (SEK -0.54).
- The transaction-related expenses were reduced, which resulted in a gradual improvement of the margin.
- Personnel and other operating expenses have so far been cut to approximately SEK 105 m annually.
- Investments were reduced to SEK 19.8 m (SEK 29.6 m).
- The consolidated shareholders' equity at the end of the period amounted to SEK 194.3 m (SEK 228.1 m as of 31 December 2002) and the assets/equity ratio was 62% (67%). The Group's cash in hand, adjusted for items relating to the settlement of client equity transactions, amounted to SEK 120.5 m (SEK 164.5 m at the beginning of the year).
- In June, NeoNet opened a sales office in Frankfurt.
- Trading on the New York Stock Exchange has been offered via the trading desk since June.
- The acquisition of Lexit Financial Group, Inc., U.S., is expected to be completed in the fourth quarter. Lexit will provide NeoNet with electronic access for trading on the U.S. exchanges and will also substantially increase the company's client base.

The Quarter in Summary

- Transaction revenues accounted for SEK 37.5 m (SEK 35.6 m) while net sales amounted to SEK 38.7 m (SEK 37.2 m).
- The operating earnings before depreciation and net financial items improved to SEK 1.4 m (SEK -6.5 m). The pre-tax losses amounted to SEK -5.9 m (SEK -14.7 m). The loss after tax was SEK -5.8 m (SEK -14.1 m).
- The earnings per share for the quarter were negative at SEK -0.13 (SEK -0.34).
- The transaction margin was 66%, an improvement during the year.
- Personnel and other operating expenses were reduced by SEK 4.6 m to SEK 25.0 m (SEK 29.6 m).

Events after the end of the period

- Both the U.K. and the U.S. regulatory authorities have approved the acquisition of Lexit.
- NeoNet's CEO, Torvald Bohlin, resigned his post on October 6th. Chairman of the Board, Staffan Persson, has been appointed as acting CEO during the process of finding a replacement and has left his assignment as Chairman. The new Chairman as of October 10th is Hans Karlsson, a member of NeoNet's Board since 1996.

CEO's statement

"NeoNet is able to report positive operating earnings for the third quarter 2003. These operating earnings are a result of two successfully implemented improvements in the business. The programme of measures to reduce personnel and other operating expenses that has been implemented in 2003 is the single most important factor.

A second contributory factor can be seen in our improved transaction margin, which is 66%, compared with 57% for the same period a year ago. The transaction margin – defined at the end of this report – is an important measure of our earning potential, and in the year to date NeoNet has continually raised its transaction margin in each quarter.

The growing margin is an indication of the favourable outcome of the measures systematically taken over the past twelve months in the various marketplaces where NeoNet offers trading. These measures primarily concern cost reductions in our settlement process.

As far as NeoNet's transaction revenues are concerned, we can see an increase in the third quarter 2003 compared with the same period last year. The 5% increase is a result of increasing turnover on the world's exchanges. If this positive trend can be sustained it will be reflected to an even greater extent in NeoNet's results in the future.

NeoNet's business model provides cost-efficient equity trading with direct and parallel access to the major exchanges. Our offering is made even more pure and simple by the fact that NeoNet trades only on behalf of its clients and does not conduct any proprietary equity trading. The model makes us a leading player among the independent agency brokers that provide direct market access (DMA). In our case, this offering is supplemented with efficient trading via our own trading desk.

The improved result for the period is indicative of the potential of NeoNet's business model. The business model is even more timely in view of the demands faced by our clients. Institutional managers are increasingly facing efforts by their clients to reduce the costs of equity execution as part of their aim of reducing administrative costs. This is precisely what NeoNet's offering provides.

NeoNet's offering to clients is further strengthened by the acquisition of Lexit. The acquisition is an important step in NeoNet's strategy of creating a world-leading independent player within efficient equities trading for the institutional market. The acquisition also gives us a larger client base for continued international expansion.

The process of concluding the acquisition of Lexit has continued during the period. Lexit's shareholders have received the formal takeover offer. Both the U.K. and the U.S. regulatory authorities have approved the deal and in this respect only certain formalities associated with the conclusion of the deal remain. The acquisition is expected to be completed in the fourth quarter.

Efficient direct access to many marketplaces simultaneously is becoming increasingly important. For institutional managers this is an important way to reduce costs. We are also seeing ever more appreciation for the purity of our business model. NeoNet has what its customer need and the opportunities we offer are being discovered by more and more clients."

THE GROUP

Operations

The inflow of new clients has continued to be strong, both in Europe and the U.S. NeoNet currently has clients in 14 countries.

The agreement between Lexit Financial Group, Inc., U.S., and NeoNet enables NeoNet to achieve its goals earlier presented to the market. Lexit operates an electronic stock trading business primarily for European clients on the U.S. exchanges involving significant volumes.

The acquisition has been approved by the British regulatory authority FSA and the company is waiting for confirmation from the U.S. NASD. Initially, Lexit is expected to provide an annual increase in earnings of SEK 5 – 8 m after cost synergies, goodwill amortization and interest costs. The combined operations will have over 180 institutional clients in 16 countries as well as considerable growth potential. The acquisition, pending approval by 98% of Lexit shareholders, is expected to be completed during the fourth quarter.

The New York Stock Exchange and the two remaining large European exchanges, the Swiss Virt-X and the Madrid Exchange, are expected to be connected electronically to NeoNet's trading system in the first half of 2004.

Trading value, revenues and earnings

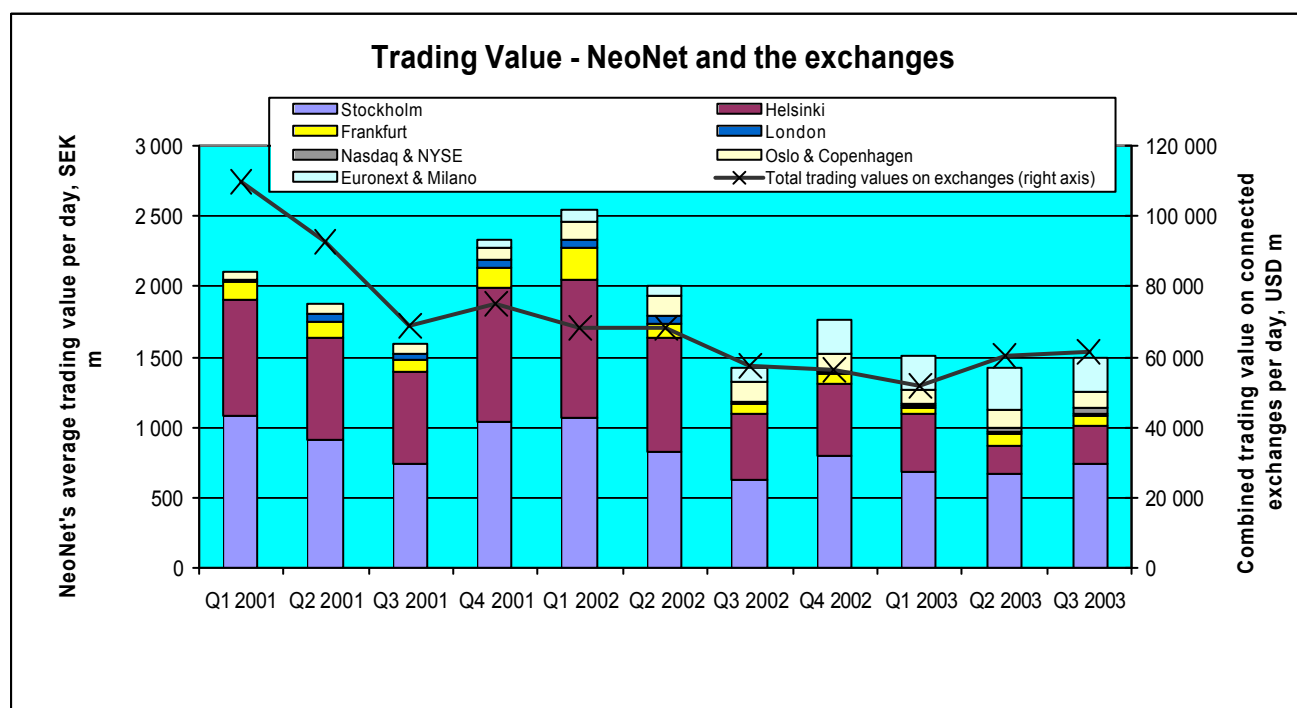
The average daily trading value for the third quarter was SEK 1,498 m, an increase of 5% compared to SEK 1,416 m for the same period last year, while the exchanges reported average increases in turnover of 7%.

On the exchanges that are the most important, namely Stockholm and Helsinki, the daily trading value for NeoNet increased by 2% and fell by 40% respectively, compared to the third quarter last year. At the same time, these exchanges reported an increase in trading of 40% and a decrease of 0.5 % respectively. The low trading values can largely be explained by a decrease in trading on European exchanges among U.S. clients.

Trading on the Milan Exchange and Nasdaq, which were connected in the second half of 2002, progressed well, with an increase in trading value of 37% from the second to third quarters.

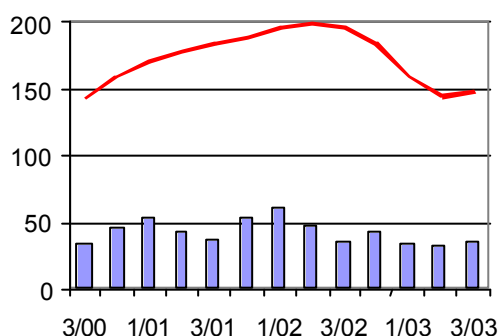
The Group's transaction revenues during the period amounted to SEK 105.4 m compared to SEK 142.7 m for the same period last year, which is a reduction of 26%. The reduction is directly related to the lower trading value while the average price level is marginally higher.

The transaction revenues were SEK 37.5 m the third quarter, an increase of 5% compared to the same quarter last year (SEK 35.6 m).



Transaction Revenues by Exchange (SEK m) and share of total revenues (%)

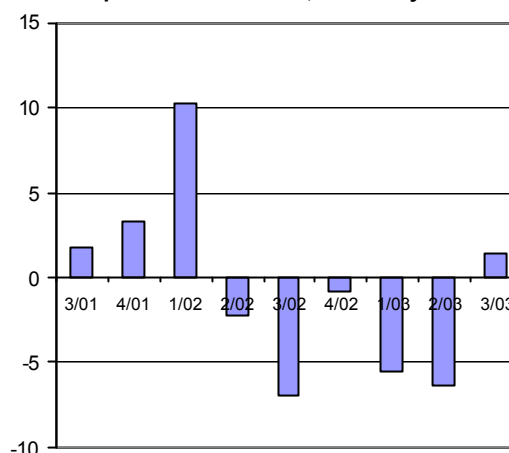
| | Jan.-Sept. 2003 | | Jan.-Sept. 2002 | |
|-------------------|-----------------|-------------|-----------------|-------------|
| Stockholm | 49.7 | 47% | 63.0 | 44% |
| Helsinki | 17.3 | 16% | 42.3 | 30% |
| Copenhagen & Oslo | 7.9 | 8% | 8.3 | 6% |
| Frankfurt | 6.0 | 6% | 12.0 | 8% |
| London | 2.4 | 2% | 8.2 | 6% |
| Euronext & Milan | 17.9 | 17% | 8.9 | 6% |
| Nasdaq & NYSE | 4.2 | 4% | - | - |
| Total | 105.4 | 100% | 142.7 | 100% |

Total Transaction Revenues, Quarterly and Rolling Four Quarters, SEK m


The operating earnings for the quarter before depreciation and net financial items improved to SEK 1.4 m compared to SEK -6.5 m for the previous quarter and SEK -7.0 m for the third quarter of last year.

The improvement in earnings is attributable to increased trading values resulting from the somewhat improved market trends. The transaction margin for the third quarter improved in comparison with the past four quarters and was 66%. This is the result of measures to achieve a more cost-efficient settlement process. Personnel and other operating expenses are SEK 19 m lower on an annual basis than the levels at the end of the third quarter last year.

Personnel and other operating expenses have so far been cut to approximately SEK 105 m annually.

Earnings before Net Financial Items, Depreciation and Tax, Quarterly SEK m

Income Statement in Summary

| SEK m | July-Sep. 2003 | April-Jun. 2003 | Jan.-Mar. 2003 | Oct.-Dec. 2002 | July-Sept. 2002 |
|--|----------------|-----------------|----------------|----------------|-----------------|
| Transaction revenues | 37.5 | 32.7 | 35.2 | 42.0 | 35.6 |
| Other operating earnings | 1.2 | 1.3 | 1.4 | 1.7 | 1.6 |
| Transaction costs | -12.3 | -12.3 | -14.4 | -17.5 | -14.6 |
| <i>Transaction margin¹</i> | 66% | 62% | 58% | 56% | 57% |
| Personnel expenses | -11.4 | -13.4 | -13.4 | -13.2 | -12.3 |
| Other operating expenses: ² | -13.6 | -14.8 | -14.3 | -13.9 | -17.3 |
| Operating earnings/losses before depreciation (EBITDA) | 1.4 | -6.5 | -5.5 | -0.9 | -7.0 |
| <i>Operating margin</i> | 4% | -20% | -16% | -2% | -20% |
| Depreciation | -6.6 | -6.5 | -7.0 | -8.7 | -7.9 |
| Net financial items | -0.7 | -0.4 | -0.5 | 0.7 | 0.2 |
| Pre-tax earnings/losses | -5.9 | -13.4 | -13.0 | -8.9 | -14.7 |

The Group reported a pre-tax loss for the quarter of SEK -5.9 m compared to SEK -13.4 m for the previous quarter and SEK -14.7 m for the third quarter last year.

The earnings per share for the quarter were negative at SEK -0.13 (SEK -0.34).

The number of employees at the end of the period was 71 (78 at the beginning of the year).

Clients

The number of clients increased during the period, primarily in Europe.

20% of the clients accounted for 83% of the transaction revenues for the period. No single client accounted for more than 9% of the revenues.

¹ See Definitions, key financial ratios.

² Other operating costs and expenses, excluding settlement costs and variable sales commission.

**Distribution of Transaction Revenues by Client Location.
SEK m**

| | Jan.-Sept. 2003 | | Jan.-Sept. 2002 | |
|----------------|-----------------|------|-----------------|------|
| Sweden | 61.9 | 59% | 71.3 | 50% |
| Rest of Europe | 18.3 | 17% | 27.9 | 20% |
| U.S. | 25.2 | 24% | 43.5 | 30% |
| Total | 105.4 | 100% | 142.7 | 100% |

Investments

Investments decreased to SEK 19.8 m (SEK 29.6 m). Of this amount, SEK 18.1 m (SEK 23.3 m) was used to enhance NeoNet's electronic trading system. The investments correspond to 19% (21%) of the transaction revenues. Fixed assets include development projects in progress, primarily in respect of the new system platform, at SEK 33.0 m. According to the accounting principles applied by the company, depreciation according to plan will commence when the system is put into operation, which for the new system is expected to be during the first half of 2004.

Liquidity and financial position

The Group had current liquid assets as of 30 September of SEK 120.5 m (SEK 164.5 m at the beginning of the year). Of this amount, SEK 8.9 m consisted of a net claim (compared to a net debt of SEK 37.0 m at the beginning of the year) in settlement positions, temporary settlement loans and deposits with clearing houses. The liquid assets reported in the balance sheet amounted to SEK 101.7 m as of 30 September, compared to SEK 201.5 m at the beginning of the year. Fluctuations in the liquid assets reported in the balance sheet are normal for this kind of business.

The Group has no interest-bearing liabilities other than intra-day settlement loans which are raised from day to day to cover delays in clients' payments or deliveries of securities. The duration of such loans is from the settlement day until settlement of the underlying transaction has taken place – normally less than three days.

The consolidated shareholders' equity amounted to SEK 194.4 m at the end of the period (SEK 228.1 m at the beginning of the year). The capital adequacy ratio amounted to 90% (92%). The consolidated equity/assets ratio was 62% (59%) and the equity per share amounted to SEK 4.45 (SEK 5.22).

In June 2002 the subsidiary NeoNet Securities AB joined other exchange members in taking legal action against the Stockholm Stock Exchange in a dispute over repayment of value added tax. NeoNet's share of the total claim amounts to a nominal amount of SEK 4.3 m. This amount has not been entered as an asset in the balance sheet.

The Group has a disputed claim of a nominal amount of SEK 9.9 m (EUR 1.1 m). In September 2003, a suit was filed in the matter with the Stockholm District Court. At present no accounting provisions are deemed necessary.

Financial objectives

The long-term financial goals are to be able to report annual revenue growth of at least 50% and in the long term, earnings before depreciation and net financial items of at least 25% of transaction revenues.

Outlook

The market volumes for stock trading have fallen sharply over a three-year period, and despite signs of a brighter outlook in the market, there is uncertainty about future trends, even in the short term.

Based on NeoNet's earlier development, NeoNet believes that the long-term financial objectives are entirely realistic and can be achieved in a market that is demonstrating a positive trend. The acquisition of Lexit will also help NeoNet reach its financial goals.

PARENT COMPANY

The parent company, which is not an operating company, carries out group-wide functions such as group management, financial management, business development, investor relations and communication.

The parent company reported earnings before appropriations and tax for the period of SEK 0.5 m (SEK 0.8 m).

Equity in the parent company amounted to SEK 240.4 m (SEK 238.9 m) at the end of the period. The liquid assets as of 30 September amounted to SEK 0.5 m compared to SEK 2.9 m at the beginning of the year.

An extraordinary general meeting in July mandated the Board to resolve to increase the company's share capital during the period leading up to the next AGM by a maximum of SEK 500,000 through the issue of up to 10,000,000 new shares. The issue will be implemented with a provision concerning subscription in kind as part of the implementation of the company's acquisition of stock and warrants in Lexit Financial Group, Inc.

The purchase price for Lexit comprises a combination of a cash payment and newly issued shares, and is expected to amount to a maximum of USD 1.6 m in cash and a maximum of 8.2 million new shares. The sum will be adjusted somewhat depending on Lexit's reported results for the period 1 April 2003 up to and including 31 August 2003.

In August, NeoNet bought currency futures to guarantee the cash payment in USD for Lexit. Unlike other hedging, the change in value of this forward contract (SEK -1.4 m) has not been deducted from the earnings as it will be part of the acquisition value.

The CEO Torvald Bohlin resigned his position on October 6th. Chairman of the Board, Staffan Persson has been appointed as acting CEO during the process of finding a replacement and has left his assignment as Chairman. The new Chairman as of October 10th is Hans Karlsson, a member of NeoNet's Board since 1996.

The negotiations regarding the compensation of the resigned CEO and the acting CEO are currently under discussion.

Consolidated Income Statement*

| | 3 month July-Sept. | 3 month July-Sept. | 9 month Jan.-Sept. | 9 month Jan.-Sept. | 12 month Oct.-Sept. | 12 month Oct.-Sept. | 12 month Jan.-Dec. |
|---|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|-----------------------|
| SEK m | 2003 | 2002 | 2003 | 2002 | 2003 | 2002 | 2002 |
| Transaction revenues | 37.5 | 35.6 | 105.4 | 142.7 | 147.4 | 195.9 | 184.7 |
| Commission costs | -7.0 | -6.2 | -21.1 | -20.4 | -28.4 | -27.6 | -27.6 |
| Interest income | 0.7 | 1.4 | 2.6 | 5.9 | 4.9 | 8.3 | 8.1 |
| Interest expenses | -1.0 | -1.7 | -3.3 | -5.7 | -4.8 | -7.4 | -7.2 |
| Net earnings from financial transactions | -0.4 | 0.5 | -1.0 | -3.1 | -1.1 | -4.7 | -3.2 |
| Other operating revenues | 1.2 | 1.6 | 3.9 | 5.3 | 5.7 | 7.1 | 7.0 |
| Total operating revenues and costs, net | 31.0 | 31.2 | 86.5 | 124.7 | 123.7 | 171.6 | 161.8 |
| Other operating costs and expenses | -18.9 | -25.7 | -60.5 | -85.9 | -84.5 | -115.8 | -109.9 |
| Personnel expenses | -11.4 | -12.3 | -38.1 | -40.5 | -51.4 | -55.1 | -53.8 |
| Depreciation | -6.6 | -7.9 | -20.2 | -21.1 | -28.9 | -27.5 | -29.8 |
| Total operating expenses | -36.9 | -45.9 | -118.8 | -147.5 | -164.8 | -198.4 | -193.5 |
| Operating earnings/losses | -5.9 | -14.7 | -32.3 | -22.8 | -41.1 | -26.8 | -31.7 |
| Tax | 0.1 | 0.6 | -0.3 | -0.3 | -0.3 | 4.2 | -0.3 |
| Losses for the period | -5.8 | -14.1 | -32.6 | -23.1 | -41.4 | -22.6 | -32.0 |
| Earnings per share, SEK | -0.13 | -0.34 | -0.75 | -0.54 | -0.95 | -0.52 | -0.73 |
| Earnings per share after full dilution, SEK | -0.13 | -0.34 | -0.75 | -0.54 | -0.95 | -0.52 | -0.73 |
| Number of shares, 000 | 43,665 | 43,655 | 43,665 | 43,655 | 43,665 | 43,655 | 43,665 |
| Average number of shares, 000 | 43,665 | 43,655 | 43,665 | 43,237 | 43,664 | 43,090 | 43,344 |
| Average number of shares after full dilution, 000 | 43,665 | 44,816 | 43,665 | 43,457 | 43,664 | 43,555 | 44,656 |

Consolidated Balance Sheet

| SEK m | 30 Sept. 03 | 30 Sept. 02 | 31 Dec. 02 |
|--------------------------------------|----------------|----------------|---------------|
| ASSETS | | | |
| Cash and lending to credit instit. | 101.7 | 141.2 | 201.5 |
| Intangible fixed assets | 62.0 | 59.2 | 58.3 |
| Goodwill | 0.5 | 0.7 | 0.6 |
| Tangible fixed assets | 11.7 | 16.2 | 15.7 |
| Contract settlement receivables, net | 83.7 | 80.2 | 69.0 |
| Other assets | 46.9 | 47.3 | 32.3 |
| Pre-paid expenses and accrued income | 6.3 | 7.9 | 7.1 |
| Total assets | 312.8 | 352.7 | 384.5 |

LIABILITIES, PROVISIONS AND SHAREHOLDERS' EQUITY

| | | | |
|---|--------------|--------------|--------------|
| Liabilities to credit institutions | 51.5 | 38.1 | 35.8 |
| Securities loans | 45.4 | 48.9 | 87.8 |
| Other liabilities | 7.5 | 9.1 | 16.3 |
| Accrued expenses and deferred income | 12.4 | 15.4 | 15.2 |
| Subordinated debt | - | 0.1 | - |
| Provisions | 1.7 | 3.5 | 1.3 |
| Shareholders' equity | | | |
| Shareholders' equity | 2.2 | 2.2 | 2.2 |
| Restricted reserves | 238.4 | 247.5 | 241.5 |
| Earnings/losses carried forward | -13.7 | 11.0 | 16.4 |
| Losses for the period | -32.6 | -23.1 | -32.0 |
| Total liabilities, provisions and shareholders' equity | 312.8 | 352.7 | 384.5 |

Memorandum items

| | | | |
|---|------|-------|-------|
| Blocked funds, credit institutions | 76.8 | 110.1 | 133.3 |
| Blocked funds, clearing houses (other assets) | 22.1 | 23.4 | 15.8 |
| Floating charge | 15.0 | 16.0 | 15.0 |
| Shares in subsidiaries | - | 23.4 | - |

Consolidated Cash-Flow Statement

| SEK m | Jan. Sept. 2003 | Jan.- Sept. 2002 | Jan.- Dec. 2002 |
|--|-----------------------|------------------------|-----------------------|
| Cash flow from ongoing operations excluding settlement of executed equity transactions | -21.1 | -22.7 | 5.6 |
| Cash flow from ongoing operations attributable to settlement of executed equity transactions** | -56.8 | -405.5 | -365.5 |
| Cash flow from investment activity | -19.8 | -29.6 | -36.9 |
| Cash flow from financing activity | -1.1 | 4.7 | 4.1 |
| Cash flow for the period | -98.8 | -453.1 | -392.7 |
| Liquid assets at beginning of year | 201.5 | 597.4 | 597.4 |
| Liquid assets, translation difference | -1.0 | -3.1 | -3.2 |
| Liquid assets at end of period | 101.7 | 141.2 | 201.5 |

* The income statement is drawn up according to Swedish legislation governing financial statements for credit institutions and securities corporations.

**Cash flow attributable to settlement of equity transactions executed on behalf of clients varies considerably from day to day because of delays in clients' delivery of or payment for securities.

Change in Consolidated Shareholders' Equity

| SEK m | Jan.- Sept. 2003 | Jan.- Sept. 2002 | Jan.- Dec. 2002 |
|--|------------------------|------------------------|-----------------------|
| Shareholders' equity, opening balance | 228.1 | 255.6 | 255.6 |
| New issue of shares in connection with utilization of warrants | | 8.0 | 8.1 |
| Premium warrants | | 1.1 | 0.2 |
| Translation difference | | -3.1 | -3.8 |
| Reduction in restricted equity | -1.2 | -0.9 | |
| Losses for the period | -32.6 | -23.1 | -32.0 |
| Shareholders' equity, closing balance | 194.3 | 237.6 | 228.1 |

The restricted equity was SEK 240.6 m (SEK 249.7 m) at the end of the period. The non-restricted equity was SEK -46.3 m (SEK -12.1m).
The accumulated translation difference as of 30 Sept. 2003 was SEK -2.8 m (SEK -1.0 m).

Consolidated key figures

| SEK m | Jan.-Sept. 2003 | Jan.-Sept. 2002 | Jan.-Dec. 2002 |
|---|--------------------|--------------------|-------------------|
| Earnings/losses in summary | | | |
| Operating earnings/losses before net financial items and depreciation | -10.5 | 1.2 | 0.4 |
| Operating earnings/losses before net financial items | -30.6 | -19.9 | -29.4 |
| Margins | | | |
| Transaction margin | 62% | 62% | 62% |
| Operating margin | Neg. | 1% | 0% |
| Net margin | Neg. | Neg. | Neg. |
| Profit margin | Neg. | Neg. | Neg. |
| Yield | | | |
| Average capital employed | 194,4 | 448,4 | 427,2 |
| Return on shareholders' equity | Neg. | Neg. | Neg. |
| Return on capital employed | Neg. | Neg. | Neg. |
| Operational key figures | | | |
| Average no. of trading days on connected exchanges | 189 | 188 | 252 |
| Average daily trading value | 1 391 | 1 969 | 1 918 |
| Financial position | | | |
| Equity/assets ratio | 62% | 67% | 59% |
| Interest cover | Neg. | Neg. | Neg. |
| Debt/equity ratio | 0.5 | 0.4 | 0.5 |
| Capital adequacy ratio | 90% | 112% | 92% |
| Share data | | | |
| No. of shares, 000 | 43,665 | 43,655 | 43,665 |
| Average no. of shares, 000 | 43,665 | 43,237 | 43,344 |
| Earnings per share, SEK | -0.75 | -0.54 | -0.73 |
| Equity per share, SEK | 4.45 | 5.44 | 5.22 |
| No. of shares after full dilution, 000 | 43,665 | 43,655 | 43,665 |
| Average no. of shares after full dilution, 000 | 43,665 | 43,457 | 43,656 |
| Earnings per share after full dilution, SEK | -0.75 | -0.54 | -0.73 |
| Equity per share after full dilution, SEK | 4.45 | 5.65 | 5.22 |

| | Jan.-Sept. 2003 | Jan.-Sept. 2002 | Jan.-Dec. 2002 |
|-----------------------------------|--------------------|--------------------|-------------------|
| No. of employees at end of period | 71 | 78 | 78 |
| Average no. of employees | 76 | 79 | 79 |

Definitions, key financial ratios
Transaction margin

Transaction revenues excluding billed-through services, less transaction costs (i.e. variable exchange and clearing costs and sales commission), as a percentage of transaction revenues excluding billed-through services.

Operating margin

Operating earnings before net financial items (*) and depreciation as a percentage of transaction revenues.

Net margin

Operating earnings before net financial items (*) and tax as a percentage of transaction revenues.

Profit margin

Earnings after tax as a percentage of transaction revenues.

Average capital employed

Average total assets less average interest-free liabilities including deferred tax liability.

Return on equity

Net earnings for the period as a percentage of the average shareholders' equity for the period.

Return on capital employed

Earnings for the year after net financial items plus interest costs in relation to the average capital employed.

Equity/assets ratio

Closing shareholders' equity as a percentage of the closing balance of total assets.

Interest cover

Operating earnings for the period plus interest costs, divided by interest costs.

Debt/equity ratio

Closing balance of interest-bearing provisions and liabilities in relation to the closing balance of shareholders' equity.

Capital adequacy ratio

Total capital base divided by the total risk-weighted amount of capital requirements for credit and market risk (Swedish Financial Supervisory Authority stipulation FFFS 2000:6).

Earnings per share

Earnings after tax in relation to the average number of shares for the period.

Equity per share

The closing balance of shareholders' equity in relation to the number of shares at the end of the period.

Equity per share after full dilution

Closing shareholders' equity plus the upcoming issue of shares in relation to the number of shares after the issue of shares.

* Net financial items include realized and unrealized exchange rate differences on funds tied up in foreign currencies.

Accounting principles

The consolidated accounts have been prepared in accordance with Swedish legislation governing the annual reports of credit institutions and securities corporations (ÅRKL) and the Swedish Financial Supervisory Authority's stipulation FFFS 2002:22, applicable because the parent company is a financial holding company.

This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR20 on interim reports. The new recommendations issued by the Financial Accounting Standards Council that went into effect on 1 January 2003 have not had any impact on NeoNet's income statement and balance sheet.

All other accounting principles are the same as those applied in the preparation of the most recent annual report.

Stockholm, 23 October 2003

NeoNet AB (publ)

Staffan Persson
CEO (acting)

Auditors' review report

(Translation of the Swedish original)

We have carried out a review of this interim report in accordance with the recommendation issued by FAR (the institute for the accountancy profession in Sweden). A review is significantly limited in comparison with an audit.

Nothing has come to our attention which would cause us to believe that the interim report does not meet the requirement of the Swedish Securities Exchange and Annual Accounts Acts.

Stockholm, 23 October, 2003

Öhrling PricewaterhouseCoopers AB

Per-Ove Zetterlund

Authorised Public Accountant

Additional information is available from:

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www.neonet.biz

Parent company's corporate registration number
556530-1263

Future financial reports

Year-end report 2003, 12 February 2004 (changed date).

Interim report Q1 2004, 6 May 2004