



Press Release

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Increased Market Shares and Improved Earnings for Third Quarter

NeoNet's third quarter interim report 2005 shows increased market shares and continued improvements in earnings.

The operating revenues increased by 37 percent and amounted to SEK 62.6 m (SEK 45.5 m) for the third quarter and SEK 179.3 m (SEK 155.2 m) for the first nine months of 2005.

The operating earnings before depreciation and net financial items, EBITDA, improved and amounted to SEK 10.5 m (SEK 5.9 m) for the third quarter and SEK 31.3 m (SEK 18.9 m) for the first nine months. Underlying cash flow improved and amounted to SEK 5.3 m (SEK 2.8 m) for the third quarter and SEK 17.6 m (SEK 6.2 m) for the first nine months.

The earnings after tax amounted to SEK 24.1 m (SEK -3.9 m) for the third quarter and SEK 28.3 m (SEK -9.8 m) for the first nine months of 2005. Of this amount, SEK 22.6 m consists of the one-off effect of a reported deferred tax asset relating to tax-loss carry-forwards.

"NeoNet's stable growth in revenues and earnings are factors indicating that we will post good earnings – factors supported by increased activity among existing clients, the inflow of new clients and an enhanced product offering," said Simon Nathanson, CEO of NeoNet. "That is why we post the one-off effect of deferred tax assets relating to tax-loss carry-forwards."

"Our continued improvements in earnings are mainly a result of intensified activity among our clients. The increase in trading volumes through NeoNet is greater than the general growth on the world's exchanges. As a consequence, our market shares on several European exchanges have increased," concluded Simon Nathanson.

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