



Full-Year 2021 Financial Results

**SIX Reports Successful 2021 Performance
Despite Challenging Global Situation**

9 March 2022



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Business Performance & Highlights 2021

Jos Dijsselhof, CEO

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Financial Results 2021

Daniel Schmucki, CFO

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Outlook

Jos Dijsselhof, CEO

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Business Performance & Highlights 2021

2021 Business Highlights & Performance – Successful Execution of Our Ambitious Growth Strategy

 Company-wide	 Exchanges	 Securities Services	 Financial Information	 Banking Services
<ul style="list-style-type: none"> ➤ Completed organizational integration of BME, progressed on its technical integration ➤ Improved financial flexibility by additional bond issuances, including first digital bond ➤ Successfully executed on company-wide efficiency program, further increasing the company's productivity 	<ul style="list-style-type: none"> ➤ Five IPOs in Switzerland, including the first SPAC ➤ Three IPOs in Spain, 16 new listings in BME Growth segment ➤ Launched new SME market segment Sparks ➤ Received regulatory approval for SDX ➤ Achieved record-year for products with crypto currencies as underlying 	<ul style="list-style-type: none"> ➤ Record volumes recorded on Swiss repo market ➤ Further expanded global reach in the custody business with new legal entities in Singapore and the US ➤ Established new client relationships with Greek and Italian central securities depository (CSD) ➤ Signed acquisition of European trade repository Regis-TR 	<ul style="list-style-type: none"> ➤ Launch of new indices (such as ESG indices) in Switzerland and abroad ➤ Expanding ESG and alternative data offerings ➤ Acquisition of ESG data provider Orenda as well as index and ETF data specialist Ultumus ➤ Continued growth in tax and regulatory product segments 	<ul style="list-style-type: none"> ➤ Further developed open banking platform bLink, by also venturing further into API-based business models ➤ Continued growth of eBill platform, reaching over 50 million transactions in 2021 (+27% YoY) ➤ Continued growth in cashless payments, registering over 1 billion debit card transactions in 2021 (+11% YoY)

Summary of Full-Year 2021 Financial Results

Operating Income

1'498.3 mCHF / YoY +8.9%¹

Pro forma 1'515.8 mCHF / YoY -1.2%²



Year-on-year **increase of Operating Income of 8.9%** was mainly due to the full-year contribution of the Spanish units acquired in June 2020¹. Despite a normalization of market volatility compared to the record levels in 2020, SIX was able to almost match previous year's operating income on a like-for-like basis² due to successful execution of various growth initiatives.

EBITDA

421.7 mCHF / YoY +14.8%¹

Pro forma 450.2 mCHF / YoY -6.3%²



EBITDA totaled 421.7 mCHF in 2021. Besides the full-year contribution of the Spanish units, first synergy realizations from the BME acquisition as well as the diligent execution of the ongoing efficiency program helped to almost match the 2020 result which had been boosted by extraordinary effects, such as record-high market volatility and non-EU Equivalence.

Group Net Profit

73.5 mCHF / YoY -83.2%

Adjusted 174.7 mCHF / YoY +37.3%³



Despite the improved operating result, the **Group Net Profit in 2021 decreased** compared to the previous year. This effect is due to an M&A-related impairment of Worldline in 2021 as well as extraordinary net financial income in 2020 also related to the Worldline stake of SIX. Without Worldline-related effects, Group Net Profit rose 37.3% compared to the previous year.

2022-2024 Financial Outlook

> 4% Growth p.a.



For the 2022-2024 horizon, SIX aims to increase its revenues by more than 4% annually, mainly by **realizing further revenue synergies** from the BME acquisition and **introducing new products and services** along the entire value chain. Together with realizing cost synergies and an already launched cost optimization program, the **Group's profitability will also be increased gradually**.

(1) Reported SIX financial results in the comparison year 2020 include BME results since closing in June 2020 only.

(2) Include pro forma BME figures for the entire year 2020 in order to create a like-for-like basis for year-on-year comparison.

(3) Adjusted for effects from the participation in Worldline SA.

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Financial Results 2021

SIX Grows and Increases Its Profitability Thanks to the Successful Integration of BME

	FY 2021 (mCHF)	FY 2020 (mCHF)	Δ (%)
Total Operating Income	1'498.3	1'375.9	+8.9%
		1'515.8 ¹	-1.2%
Total Operating Expenses	-1'076.6	-1'008.6	+6.7%
		-1'065.7 ¹	+1.0%
EBITDA	421.7	367.3	+14.8%
		450.2 ¹	-6.3%

Workforce:

3'685
FTE

S&P Group Rating:

A
(stable)

Net Debt/EBITDA:

1.57



Total Operating Income increased by 8.9%, mainly due to the full-year contribution from BME in 2021. Despite market volatility normalized compared to the record values in 2020, SIX was able to almost match previous year's operating income on a like-for-like basis due to the successful execution of several growth initiatives.

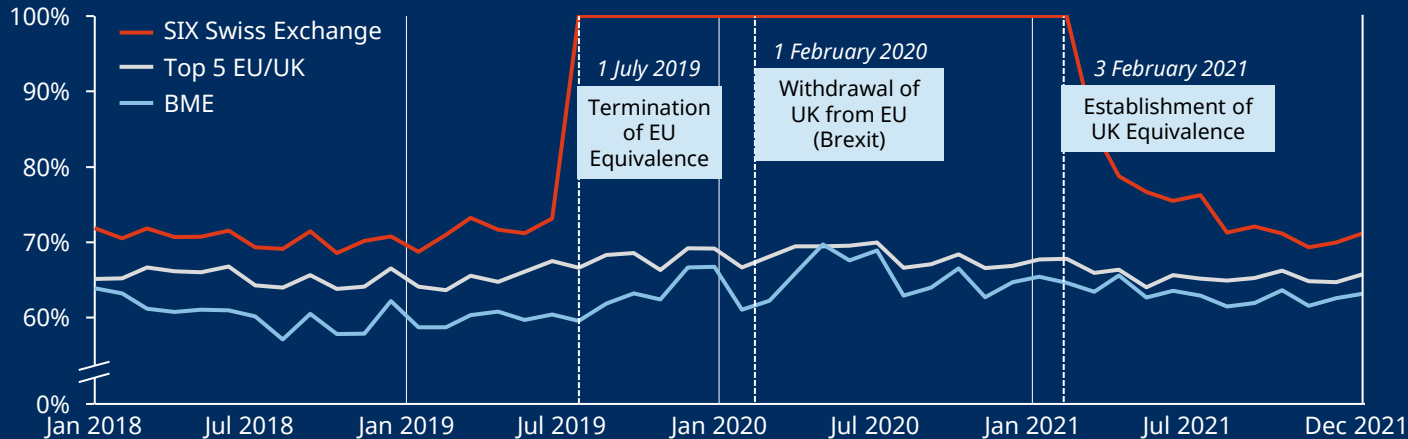
The full-year inclusion of the Spanish units also led to an increase in **Total Operating Expenses**. First synergy realizations from the BME acquisition as well as the diligent execution of the on-going efficiency program CIP (Continuous Improvement Program) led to a limited cost increase of only 6.7% compared to 2020.

As a result, **EBITDA** increased by 14.8% to 421.7 mCHF, resulting in an EBITDA margin of 28% (+1pp vs. 2020).

(1) Include pro forma BME figures for the entire year 2020 in order to create a like-for-like basis for year-on-year comparison.

Market Share for Swiss Equities on SIX Swiss Exchange Returned to Competitive Levels in 2021 But Remains Above Market Share of Top 5 European Peer Exchanges

Market share (in %) of Swiss and of Spanish equities and top 5 EU/UK peer exchanges¹ (monthly averages)



Q4 2021 Average	Market Share
SIX	70.2%
BME	62.5%
Top 5 EU/UK	65.1%

- In February 2021, **Switzerland and UK restored stock exchange equivalence**, ending the period where Swiss equities were exclusively traded in Switzerland. As expected, the market share of Swiss equities of SIX Swiss Exchange decreased in the following months from 100% to about 70% in December 2021.
- The market share of SIX at year-end remains **well above the average of the top 5 EU/UK peer exchanges**.
- By operating the most liquid and most resilient order books for Swiss shares, **SIX strives to maintain its higher market share relative to its European peers**.

Non-operating Result Substantially Impacted by One-Off Effects Related to Participation in Worldline

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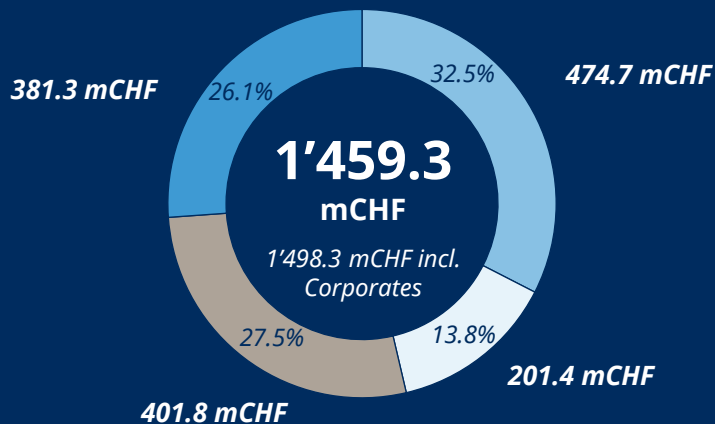
- 1 The **share of profit of associates** was impacted by an impairment resulting from the announced sale of Worldline's Terminals, Solutions & Services ("TSS") business. In contrast, 2020 **net financial results** had been positively affected by the partial sale of Worldline shares held by SIX.
- 2 As a result of the extraordinary effects mentioned above, **Group net profit** decreased compared to the previous year despite an increase in operating result. **Adjusted** for Worldline-related effects, **Group net profit** rose 37.3% compared to the previous year.
- 3 For 2021, the Board of Directors recommends that the Annual General Meeting approves an **ordinary dividend per share** of CHF 4.75, representing a 53% **pay-out ratio**² (PY 65%).

- (1) 2020 SIX financial results include BME results since closing in June. Any results of BME prior to the acquisition are not considered.
- (2) According to the dividend policy, the distribution is based on the reported Group net profit without effects from the participation in Worldline.
- (3) Adjusted for effects from the participation in Worldline.

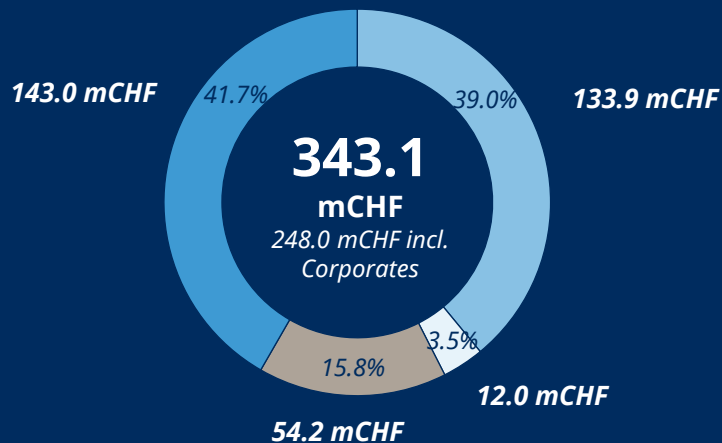
in mCHF	FY 2021	FY 2020 ¹	Δ
Total operating income	1'498.3	1'375.9	+8.9%
Total operating expenses	-1'076.6	-1'008.6	+6.7%
EBITDA	421.7	367.3	+14.8%
Depreciation & amortization	-173.6	-141.9	+22.4%
Operating Profit	248.0	225.4	+10.0%
Share of profit of associates	-102.1	15.7	n/a
Net financial result	1.3	273.8	n/a
EBIT	147.2	515.0	-71.4%
Net interest and tax expenses	-73.7	-76.7	-3.9%
Group net profit	73.5	438.2	-83.2%
Adjusted Group net profit³	174.7	127.3	+37.3%
Dividend paid per share (CHF)	4.75	4.30	+10.5%

Total Operating Income and Profit Contribution by Business Unit (excl. Corporates)

Total Operating Income¹



Business Unit Profit¹



■ Exchanges ■ Securities Services ■ Banking Services ■ Financial Information

(1) Corporates not included.

Exchanges

- After record-high market volatility in 2020, **volatility settled on a historically still elevated but lower level** in 2021, resulting in a year-on-year decrease of trading volumes on the exchanges in Switzerland and Spain.
- Five companies were newly listed at the **SIX Swiss Exchange** in 2021, including the first SPAC. SIX also launched Sparks, a new market segment targeting SMEs.
- At BME, the **Spanish Stock Exchanges**, three IPOs were recorded. The BME Growth segment attracted new 16 companies in 2021.
- **In September, SIX Digital Exchange (SDX)** received its **regulatory approval** by FINMA. In November, SDX went live by issuing the first **digital bond** in a fully regulated environment.
- The **mutual recognition of equivalence** of market regulation between the UK and Switzerland led to a decrease in market share of the SIX Swiss Exchange in Swiss equities from 100% in 2020 to 70% in Q4 2021.

Financial Figures (in mCHF)	FY 2021	FY 2020	Δ 2020
Total operating income	381.3	356.4	7%
Total operating expenses	-228.0	-183.5	24%
Depreciation, amortization & impairm.	-10.3	-6.4	61%
Business unit profit	143.0	166.6	-14%
Business unit profit margin	37.5%	46.7%	-9pp

Business Figures	FY 2021	FY 2020	Δ 2020
Swiss stock exchange trading turnover (bnCHF)	1'281.6	1'752.4	-27%
Spanish stock exchange trading turnover Equities only (bnEUR)	379.5	429.7	-12%
Market share CH (average Q4)	70.2%	100%	-30pp
Market share ES (average Q4)	62.5%	64.3%	-2pp

Securities Services

Financial Figures (in mCHF)	FY 2021	FY 2020	Δ 2020
Total operating income	474.7	406.0	17%
Total operating expenses	-334.4	-289.1	16%
Depreciation, amortization & impairm.	-6.5	-8.2	-20%
Business unit profit	133.9	108.7	23%
Business unit profit margin	28.2%	26.8%	1pp

Business Figures	FY 2021	FY 2020	Δ 2020
CH Deposit volume (avg.; bnCHF)	4'079.7	3'522.9	16%
ES Deposit volume (avg.; bnEUR)	2'494.2	2'300.2	8%

- **High index levels** and the continued, elevated level of trading volatility **positively impacted** the results of Securities Services.
- SIX expanded its **international custody** business by establishing new legal entities in **Singapore** and the **US**.
- SIX was appointed **global custody solution provider** by Athens Stock Exchange, further increasing custody volumes.
- BME entered a **new settlement connection** with Italian Central Securities Depository (CSD).
- Record volumes of outstanding trades on the Swiss repo market resulted in a **robust SARON**, the replacement of the previously used LIBOR.
- In September, SIX signed the agreement to fully acquire the European trade repository **Regis-TR**.

Banking Services

- **ATM transactions** stabilized on a **lower level** than before the pandemic. SIX is launching new services aimed to **reduce operating cost of ATMs** for its customers.
- **Debit card transactions recovered** from COVID-19-induced reductions, surpassing 1 billion transactions in 2021 and outweighing the negative effect of the pandemic on cash use.
- **Interbank payments increased** in 2021 in Swiss Interbank Clearing, European Interbank Clearing and at the European Correspondence Bank SECB.
- In 2021, more than **50 million transactions** were made via **eBill**. By the end of the year, more than 2.4 million users had paid bills via the service.
- **bLink** further ventures into API-based business models for banks. As a result, St. Galler Kantonalbank and Zürcher Kantonalbank activated the OpenWealth APIs via bLink.

Financial Figures (in mCHF)	FY 2021	FY 2020	Δ 2020
Total operating income	201.4	186.0	8%
Total operating expenses	-177.9	-172.5	3%
Depreciation, amortization & impairm.	-11.5	-17.5	-34%
Business unit profit	12.0	-4.0	n/a
Business unit profit margin	6.0%	-2.1%	8pp

Business Figures	FY 2021	FY 2020	Δ 2020
Number of cards (avg.; '000)	10'626	10'602	0%
SIC transactions ('000)	893'533	728'330	23%
eBill transactions (million)	50.7	39.8	27%

Financial Information

Financial Figures (in mCHF)	FY 2021	FY 2020	Δ 2020
Total operating income	401.8	382.9	5%
Total operating expenses	-335.7	-319.4	5%
Depreciation, amortization & impairm.	-11.9	-10.3	16%
Business unit profit	54.2	53.3	2%
Business unit profit margin	13.5%	13.9%	0pp

- Main growth driver was the **core business** with reference data, pricing data and corporate actions which accounts for the largest share of the financial information business at SIX.
- SIX launched several **new indices in 2021, including ESG indices** in Switzerland, Spain and the Nordics.
- SIX made **two strategic acquisitions** in 2021: A majority stake in ESG and alternative Data specialist **Orenda**; acquisition of **Ultumus**, which specializes in international index and ETF data.
- Regulatory Services expanded its offering to **ESG regulatory data**, thereby strengthening SIX position as one of the leaders in the tax and regulatory space.

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Outlook

Financial Outlook 2022-2024



For the 2022-2024 horizon, SIX aims to **increase its revenues** by >4% p.a. while also making **efficiency gains and cost reductions**. The resulting **increase in profitability** will further **improve the financial flexibility of SIX**, ensuring sufficient financing for continuing investments to **further strengthen the competitiveness of the Swiss and Spanish financial centers** and expand our global footprint.

Revenue increase by > 4% p.a.

For the next 3 years, SIX aims to increase its revenues by more than 4% annually, mainly by **realizing further revenue synergies** from the BME acquisition and **introducing a series of new products and services** along the entire value chain.

Further focus points include:

- Implementing an ESG strategy to facilitate sustainable finance
- Expanding global footprint
- Seizing inorganic growth opportunities in all business segments
- Exploring further emerging industry trends

**Profitability
increase**

**Further improved
financial flexibility &
investment strength**

Efficiency gains and cost reductions

SIX launched an **ambitious cost saving program** that aims to significantly optimize operating costs until 2024. This is running alongside the ongoing **Continuous Improvement Program**.

Thereby, a special focus is put on:

- Driving continuous efficiency increase through automation and robotics
- Realizing cost synergies from various acquisitions, especially BME
- Optimizing global distribution of resources and further leverage international locations

Thank You for Your Attention!

We are looking forward to answering your questions.

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