



Media Release

28 August 2013

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SIX achieves strong operating profit in the first half of 2013

- **Operating income rises 4.3% in the first half of 2013. All business areas contributed to this growth, particularly the international business of Payment Services**
- **Earnings before interest and tax (EBIT) amount to CHF 116.6 million (-67.5%). Adjusted by the gain on disposal of the Eurex investment in 2012, EBIT increases 25.2% or CHF 23.5 million compared to the previous year. All business areas have improved their results**
- **Group net profit stands at CHF 93.1 million (-72.3%). Adjusted by the gain on disposal of Eurex, Group net profit improved by 31.9% or CHF 22.5 million in comparison with the previous year**
- **SIX is reporting in accordance with the International Financial Reporting Standards (IFRS) for the first time. The previous year's figures have been adjusted accordingly for the purposes of comparison**

«SIX achieved a strong operating profit in the first half of 2013, » says Urs Rügsegger, Group CEO SIX. «This is partly due to an increase in revenues in all business areas, particularly international transactions in Payment Services, and the cost-cutting measures introduced in the previous year. »

SIX markedly improved its operating profit in the first half of 2013. With the higher level of activity on the financial markets and expansion of the international business in Payment Services, operating income rose by 4.3% to CHF 746.7 million in the first half of the year. Despite the growth, operating expenses fell 2.2% to CHF 642.4 million as a result of the systematic optimization of the cost structure over the past twelve months. Consequently, the operating profit climbed a considerable 76.0% to CHF 104.4 million.

The net financial result amounts to CHF 0.3 million, compared with CHF 284.4 million in the previous year. This is primarily attributable to the sale of Eurex in 2012. The gain on the disposal of Eurex amounts to CHF 266.0 million, of which CHF 95.4 million is due to an IFRS transition adjustment.

Earnings before interest and tax (EBIT) total CHF 116.6 million. Adjusted by the gain of CHF 266.0 million from the sale of Eurex in the previous year, EBIT rises by 25.2% or CHF 23.5 million. The adjusted EBIT margin increases from 13.0% to 15.6%.

The Group net profit is CHF 93.1 million (CHF 336.6 million in the previous year), which represents a decline of CHF 243.5 million. Adjusted by the gain on the disposal of Eurex, the increase in the Group net profit in the first half of 2013 was a pleasing CHF 22.5 million, or 31.9%.

From BAG-FINMA to IFRS

With the application of IFRS, SIX highlights the international focus of its business model. Another object is to increase transparency and comparability of the financial reporting.

As part of the transition to IFRS, the previous year's figures were adjusted for the purposes of comparison. As a result, the Group net profit for the first half of 2012 has changed by CHF 85.7 million, from CHF 250.9 million under BAG-FINMA to CHF 336.6 million under IFRS.

Transition Group net profit 2012 (in CHF m)		Jan - Jun 2012
Group net profit according to BAG-FINMA	Adjustments	250.9
Gain on disposal of Eurex investment	Net financial result	95.4
Measurement of equity instruments	Net financial result	-7.2
First-time adoption of IAS 19 revised	Personnel expenses	-5.7
Amortization of goodwill	Depreciation, amortization and impairment	3.3
Other IFRS adjustments	Various	-0.1
Group net profit according to IFRS		336.6

The main impact of the IFRS conversion is due to the different treatment of the currency translation adjustment in equity associated to the investment in Eurex previously considered as part of the gain of disposal. Thus, the gain on disposal of the investment in Eurex increased by CHF 95.4 million. Furthermore, the reclassification of equity instruments previously measured at fair value directly through equity negatively impacted the net financial result by CHF 7.2 million. As a result of the adoption of IAS 19 revised, personnel expenses have risen by CHF 5.7 million. Since goodwill is not amortized under IFRS, the respective amortization had to be reversed, which reduced the depreciation and amortization expenses by CHF 3.3 million.

Performance of the business areas

In the **Swiss Exchange** business area, a slightly higher level of trading activity compared with the same period of the previous year led to a 6.4% increase in the number of stock exchange transactions to 17.8 million. Together with the higher prices, this resulted in a 12.4% rise in stock exchange trading volume of CHF 540.0 billion. At 68.0%, the average market share in trading with Swiss blue chip stock is slightly above the previous year's level (67.5%). Operating income rose by 1.3% to CHF 101.1 million, while EBIT increased by 17.8% to CHF 49.1 million.

The higher trading volume had a positive effect on the **Securities Services** business area. Due to the higher volumes on international stock exchanges, cross-border settlement transactions increased by 15.6% to 5.1 million. In terms of clearing services, the number of transactions rose by 8.1 million in the first half of the year to 55.8 million. Thanks to rising share prices, the deposit volume was 8.7% higher than the previous year's value, at CHF 2,788 billion. Operating income rose by 3.7% to CHF 129.3 million, while EBIT increased by 2.2% to CHF 16.9 million.

In the **Financial Information** business area, the higher revenues are primarily attributable to the reference data business in Switzerland. Overall, operating income increased by 1.0% to CHF 192.1 million. Profitability improved considerably: following the negative EBIT of CHF 3.5 million in the



same period last year, Financial Information achieved a balanced result in the first half of 2013. This includes an impairment charge in the amount of CHF 9.6 million as part of the project to renew the IT platform, which was stopped at the end of May 2013.

The **Payment Services** business area is benefiting from the growth strategy in the international acquiring business and the high volume of terminal sales. In acquiring, payments processed via SIX totaled CHF 23.2 billion, or an increase of 6.5% compared to the previous year. In the processing business, the number of debit and credit card transactions increased by 9.1% to 1.6 billion in the first six months of the year. Operating income rose by 7.0% to CHF 326.2 million and EBIT climbed 84.9% to CHF 46.4 million.

Segment information (in CHF m)	01.01.- 30.06.2013	01.01.- 30.06.2012	Dev.	Dev. %
Operating income				
Swiss Exchange	101.1	99.8	1.3	1.3
Securities Services	129.3	124.7	4.7	3.7
Financial Information	192.1	190.1	2.0	1.0
Payment Services	326.2	305.0	21.2	7.0
Corporate and elimination	-1.9	-3.6	1.7	46.8
Total operating income	746.7	715.9	30.8	4.3
Earnings before interest and tax (EBIT)				
Swiss Exchange	49.1	41.7	7.4	17.8
Securities Services	16.9	16.5	0.4	2.2
Financial Information	0.0	-3.5	3.5	98.8
Payment Services	46.4	25.1	21.3	84.9
Corporate	4.3	279.4	-275.1	-98.5
Total EBIT	116.6	359.1	-242.5	-67.5

Outlook

Looking ahead, SIX is anticipating growth in all business areas in financial year 2013, particularly in Payment Services. Group operating profit, adjusted by the gain on the sale of Eurex, will be considerably higher than in the previous year.



Key figures SIX (in CHF m)	2013	2012	Dev. %
Income statement	Jan - June	Jan - June	
Total operating income	746.7	715.9	4.3
Total operating expenses	-642.4	-656.6	2.2
Operating profit	104.4	59.3	76.0
Share of profit of an associate	11.9	15.4	-22.6
Net financial result	0.3	284.4	-99.9
Earnings before interest and tax (EBIT)	116.6	359.1	-67.5
Earnings before interest and tax (EBIT) w/o sale of Eurex	116.6	93.1	25.2
Group net profit	93.1	336.6	-72.3
Balance sheet	30 June	31 December	
Total Assets	8,366.5	7,943.5	5.3
Total liabilities	6,287.8	5,665.3	11.0
Total equity	2,078.7	2,278.2	-8.8
Cash flows	Jan - June	Jan - June	
Cash flow from operating activities	771.7	1,223.9	-36.9
Cash flow from investing activities	-196.6	345.6	-156.9
Cash flow from financing activities	-291.9	-95.9	204.4
Workforce (in full-time equivalents)	30 June	31 December	
Swiss Exchange	242.5	237.9	1.9
Securities Services	420.4	438.3	-4.1
Financial Information	1,186.9	1,208.9	-1.8
Payment Services	970.7	975.3	-0.5
Corporate	674.5	693.7	-2.8
Total SIX	3,495.1	3,554.0	-1.7
Key ratios	Jan - June	Jan - June	
Earnings per share (in CHF)	4.81	17.76	-72.9
EBIT margin (in %)	15.61	50.16	-68.9
EBIT margin (in %) w/o sale of Eurex	15.61	13.01	20.0
Return on equity (in %, average ¹)	8.5	32.3	-73.5
Equity ratio (in %, average ¹)	82.0	81.8	0.3

¹ Average balance sheet items in the reporting period

The **Interim Report as of 30 June 2013** is available in English at www.six-group.com/interim-report

Conference call

Dr. Stefan Mäder, Group CFO SIX, will be available to answer any questions on the half-year report in a conference call on 28 August 2013 at 10.00 hrs CEDT.

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SIX

SIX operates the infrastructure underpinning the Swiss financial sector and offers a comprehensive range of services around the world in the fields of securities trading and settlement, financial information and payment transactions. The company is owned by its users (around 150 banks with a wide range of focuses and differing sizes).

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