

Interim Report 2010

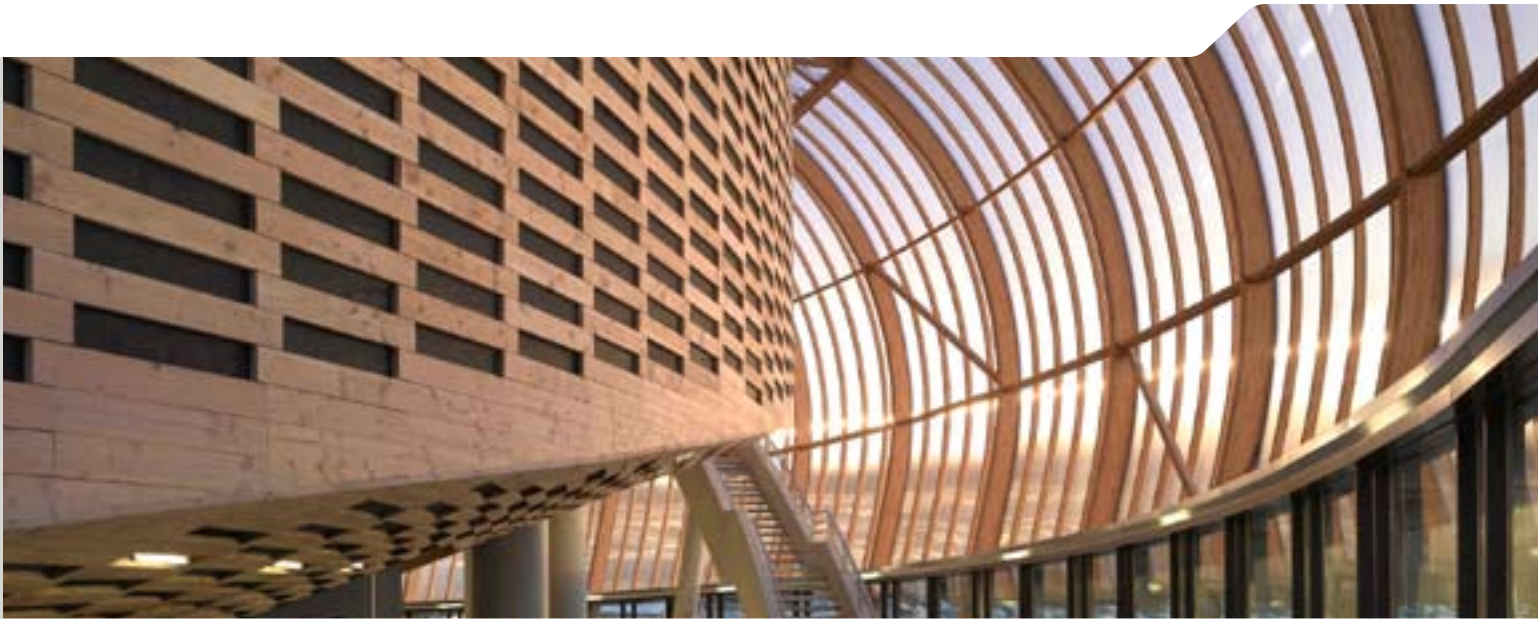


Table of contents

4	Key figures
5	Group balance sheet
7	Group income statement
8	Group equity statement

SIX Group Interim Report 2010

The unaudited consolidated interim report 2010 of SIX Group is prepared in accordance with the directives of the Swiss Financial Market Supervisory Authority (FINMA), in particular the provisions governing financial statement reporting for Swiss Banks, Stock Exchanges and other Financial Institutions (Bank Accounting Guidelines, BAG-FINMA).

There were no major changes in the scope of consolidation compared to December 31, 2009.

SIX Group's business showed an improvement year-on-year in the first half of 2010, especially at the international level. Operating income rose by CHF 42.4 million or 7% to CHF 649 million, while Group net income majority shareholders fell by CHF 16.6 million or roughly 13% to CHF 107.9 million. The euro's weakening versus the Swiss franc had a negative impact on both operating income and Group net income.

Net interest income fell by 41.7% from CHF 5.6 million to CHF 3.3 million due to the low level of interest rates.

Net commission and other services income increased by an impressive 8.8% to CHF 555.8 million (prior year: CHF 510.7 million). This rise was caused by the inclusion of SIX Card Solutions Austria transactions for the first time and by the additional operating income resulting from the takeover of Cetrel's acquiring portfolio. At the same time, securities trading operations and downstream securities services were buoyed in the first six months of 2010 by high volatility on the markets. SIX Swiss Exchange's turnover was 11.9% higher year-on-year, Eurex's a full 20.0%. This result from commissions and services is all the more pleasing in view of the fact that all business fields face tough competition, with some granting substantial price discounts.

Net trading income fell by CHF 11.8 million to CHF 1.2 million due to valuation losses of CHF 11.1 million on non-strategic investments.

Net other income rose by 14.9% to CHF 88.8 million in the first half of 2010 (prior year: CHF 77.3 million).

On the cost side, operating expenses increased by 11.4% compared to prior year and amounts to CHF 440.7 million. As the workforce grew by 189 full-time equivalents, personnel expenses were up 11.3% at CHF 297.8 million (prior year: CHF 267.6 million). Around two thirds of this increase are attributable to the staff of Cetrel and SIX Card Solutions Austria, who were not included in prior year figures. Other operating expenses were 11.8% higher at CHF 142.9 million, mainly due to acquisitions but also as a consequence of the international development of the cards business and other strategic projects.

As a result of the operating business, the gross income of CHF 208.3 million was only 1.4% below the prior year amount.

Depreciation and valuation adjustments rose by CHF 10.1 million or 18.9% to CHF 63.7 million. Depreciations were CHF 13.0 million higher due to an increase in fixed assets and intangible assets as a result of acquisitions, while the net expense due to valuation adjustments, provision and losses fell by CHF 2.9 million.

Group net income after minority interests amounted to CHF 107.9 million in the first half of 2010 and was thus 13.3% below the prior year figure in the amount of CHF 124.5 million.

Group key figures

in CHF 1,000		01.01.–30.06.2010	01.01.–30.06.2009 (restated*)
Operating income		649,006	606,603
Net interest income		3,263	5,594
Net commission and other services business income		555,769	510,724
Group net income majority shareholders		107,871	124,461

in CHF 1,000		30.06.2010	31.12.2009
Total assets		6,078,001	5,954,034
Full-time employees		3,789	3,600

Ratios			
Return on equity ¹	(in %)	12.1	15.3
Equity ratio	(in %)	30.5	33.3
Operating income per full-time employees on average (01.01.–30.06.)	(in CHF 1,000)	173.2	174.3

* Restated: Several prior year figures have been adjusted due to improved allocation of income and expenses.

¹ Equity = average of 01.01. and 30.06.

Group balance sheet I/II

in CHF 1,000	30.06.2010	31.12.2009
Assets		
Liquid funds	797,524	842,708
Due from banks	475,904	358,571
Securities and precious metals trading portfolio	415,483	400,199
Non-consolidated participations	598,349	579,264
Fixed assets	413,776	423,852
Intangible assets	64,494	72,031
Accrued income and prepaid expenses	76,867	38,066
Other assets	3,235,605	3,239,343
Total assets	6,078,001	5,954,034

Group balance sheet II/II

in CHF 1,000	30.06.2010	31.12.2009
Liabilities and equity		
Due to banks	101,584	21,753
Other due to clients	1,941	3,479
Accrued expenses and deferred income	300,756	260,750
Other liabilities	3,700,698	3,736,001
Value adjustments and provisions	122,081	127,516
Total liabilities	4,227,060	4,149,500
Share capital	19,522	19,522
Capital reserves	767,859	765,214
Treasury shares	-23,348	-23,348
Retained earnings	981,619	851,414
Foreign exchange translation differences	-46,268	-70,982
Group net income majority shareholders	107,871	215,125
Equity majority shareholders	1,807,253	1,756,945
Minority interest in equity	41,171	42,425
Minority interest in profit	2,516	5,165
Equity minority shareholders	43,688	47,590
Total equity	1,850,941	1,804,535
Total liabilities and equity	6,078,001	5,954,034

Group income statement

in CHF 1,000	01.01.–30.06.2010	01.01.–30.06.2009 (restated*)
Interest income	3,833	8,028
Interest expenses	–569	–2,434
Net interest income	3,263	5,594
Commission income	517,963	462,531
Commission expenses	–168,776	–162,336
Income from other services business	233,030	238,989
Expenses for other services business	–26,449	–28,461
Net commission and other services business income	555,769	510,724
Net trading income	1,171	12,972
Income from non-consolidated participations	22,113	20,503
Other ordinary income	67,282	57,777
Other ordinary expenses	–592	–967
Net other income	88,803	77,312
Operating income	649,006	606,603
Personnel expenses	–297,761	–267,606
Other operating expenses	–142,935	–127,821
Operating expenses	–440,696	–395,427
Gross income	208,310	211,176
Depreciation and write-offs	–64,808	–51,837
Valuation adjustments, provisions and losses	1,132	–1,734
Operating profit (sub-total)	144,634	157,605
Extraordinary income	154	52
Extraordinary expenses	–422	–586
Taxes	–33,979	–29,834
Group net income	110,387	127,237
Minority interest in profit	–2,516	–2,776
Group net income majority shareholders	107,871	124,461

* Restated: Several prior year figures have been adjusted due to improved allocation of income and expenses.

Group equity statement

in CHF 1,000	Share capital	Capital reserves	Treasury shares	Retained earnings	Translation differences	Total	Minority interest	Total
1 January 2010	19,522	765,214	-23,348	1,066,539	-70,982	1,756,945	47,590	1,804,535
Capital increases (+)/ reductions (-)	-	-	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-	-	-
Purchases of own equities	-	-	-	-	-	-	-	-
Dividend payments	-	2,644	-	-84,920	-	-82,276	-1,343	-83,619
Translation differences	-	-	-	-	24,714	24,714	-5,076	19,638
Net actuarial gains and losses	-	-	-	-	-	-	-	-
Group net income				107,871		107,871	2,516	110,387
30 June 2010	19,522	767,859	-23,348	1,089,489	-46,268	1,807,253	43,688	1,850,941