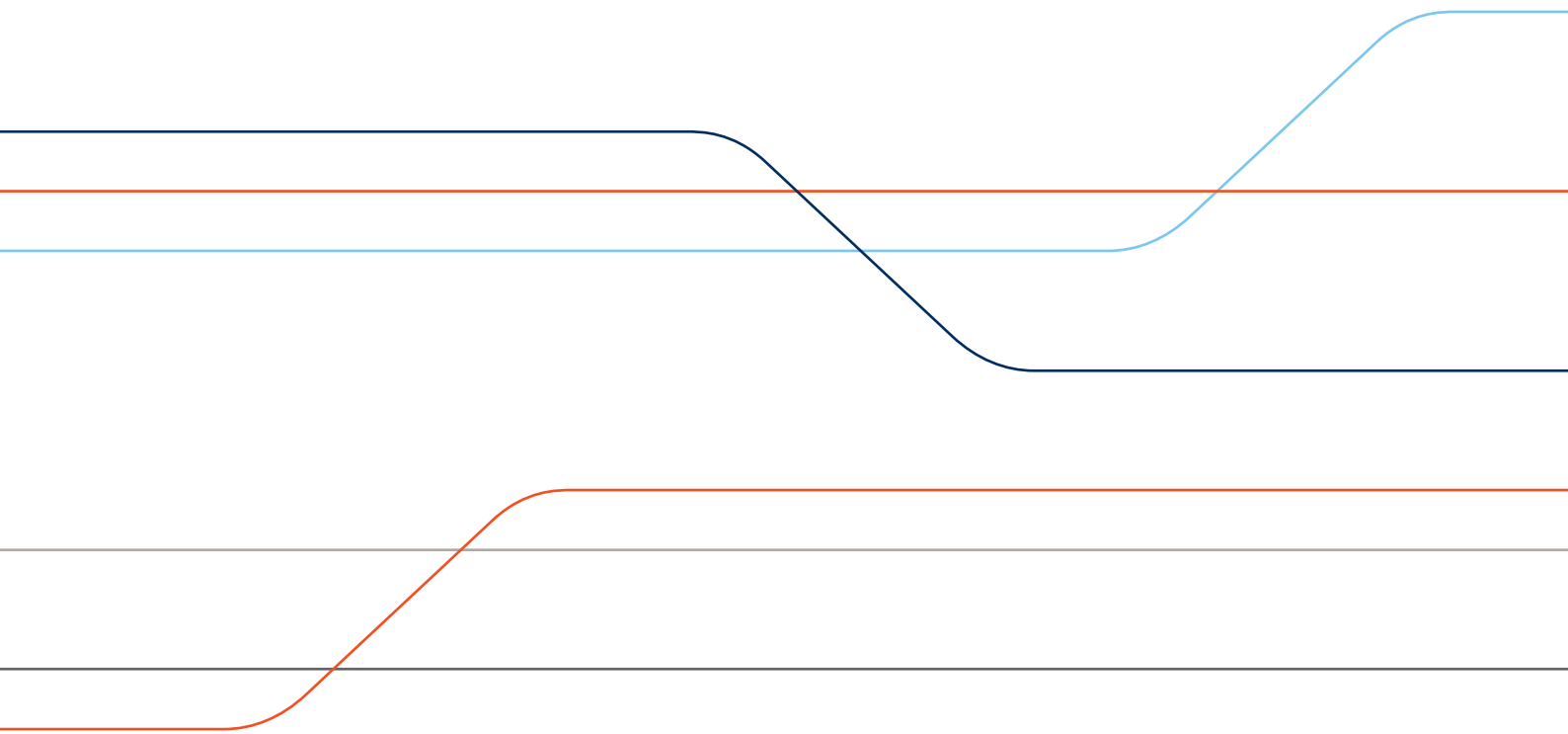




# Interim Condensed Consolidated Financial Statements 2017

30 June



# Key figures

CHF million	For the six months ended 30 June		For the six months ended 30 June	
	2017	2016	2017	adjusted <sup>1</sup> 2016
Total operating income	929.7	913.3	929.7	887.3
Total operating expenses	-769.3	-746.9	-769.3	-746.9
Operating profit	160.4	166.4	160.4	140.4
Share of profit of associates	-5.4	1.5	-5.4	1.5
Net financial result	9.1	5.0	9.1	1.1
Earnings before interest and tax (EBIT)	164.0	172.9	164.0	143.0
Group net profit	124.5	134.9	124.5	105.0

Ratios	For the six months ended 30 June		For the six months ended 30 June	
	2017	2016	2017	adjusted <sup>1</sup> 2016
EBIT margin (in %)	17.6	18.9	17.6	16.1
Cost/income ratio (in %)	83.2	81.7	83.2	84.0
Return on equity (in %, average) <sup>2,3</sup>	8.4	28.5	8.4	9.5
Equity ratio (in %, average) <sup>2,4</sup>	77.6	77.3	n/a	n/a

CHF million	30/06/2017	31/12/2016
Total assets	9,918.2	10,279.5
Total liabilities	7,333.5	7,725.1
Total equity	2,584.7	2,554.4

Workforce (full-time equivalents)	30/06/2017	30/06/2016
Total SIX	3,720.5	3,821.7

<sup>1</sup> There are no special effects in 2017.

The special effects in 2016 totaled CHF 29.9 million and were included in the following positions:

– Total operating income: gain from the sale of a property (CHF 26.0 million)

– Net financial result: gain from the sale of the companies belonging to the SIX Payment Services (Luxembourg) sub-group (CHF 3.9 million).

<sup>2</sup> With effect from 2017, these ratios are calculated based on the average balance sheet items and net profit of the previous 12 months. Prior-year ratios have been adjusted to match the current year's calculation.

<sup>3</sup> The return on equity has been adjusted by the impact of the following special effects:

– 2017: gain from the sale of SIX SAG Ltd (CHF 5.4 million), impact of the reorganization in France (CHF -34.4 million), IAS 19 impact of the changes to the Swiss pension plan (CHF 26.8 million)

– 2016: gain from the sale of a property (CHF 26.0 million), gain from the sale of the companies belonging to the SIX Payment Services (Luxembourg) Ltd sub-group (CHF 3.9 million), impact from the sale of the shares in STOXX Ltd and Indexium Ltd (net gain: CHF 464.3 million and extraordinary dividend: CHF -387.7 million).

Return on equity = Profit previous 12 months/average equity previous 12 months

Return on equity: Profit (2017: CHF 210.6 million; 2016: CHF 720.8 million)/average equity (2017: CHF 2,521.2 million; 2016: CHF 2,531.1 million).

Return on equity adjusted: Profit (2017: CHF 212.9 million; 2016: CHF 226.6 million)/average equity (2017: CHF 2,521.2 million; 2016: CHF 2,389.5 million).

<sup>4</sup> Equity ratio = Average equity previous 12 months/(average adjusted liabilities previous 12 months + average equity previous 12 months)

Average equity (2017: CHF 2,521.2 million; 2016: CHF 2,531.1 million); average adjusted liabilities (2017: CHF 727.6 million; 2016: CHF 743.9 million) equal average liabilities (2017: CHF 7,832.3 million; 2016: CHF 7,378.6 million) less average payables from clearing & settlement (2017: CHF 6,994.3 million; 2016: CHF 6,487.8 million) less average negative replacement values from clearing & settlement (2017: CHF 110.5 million; 2016: CHF 146.9 million).

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# Mid-year report of SIX as at 30 June 2017

## SIX achieves strong results in the first half of 2017

- SIX posts operating income of CHF 929.7 million for the first half of 2017. Adjusted for special effects in the first half of 2016 (CHF 29.9 million), operating income is up by 4.8%.
- Earnings before interest and tax (EBIT) adjusted for special effects rose by 14.7% to CHF 164.0 million.
- Group net profit was CHF 124.5 million. Adjusted for the previous year's special effects, this equates to an increase of 18.5%.
- Successful opening of the Swiss Finance Museum.

SIX can look back on a strong first half in 2017 which reflects its successful strategy. On the one hand, this success is due to the consistent focus on the core business and the development of new central infrastructure services for the Swiss financial center overall. On the other hand, SIX continues to benefit from its broadly diversified business model and strict cost discipline in implementing this strategy.

## Performance of the business areas

Operating income in the **Swiss Exchange** business area rose by 5.7% to CHF 101.0 million. At the same time, EBIT increased by 4.2% to CHF 35.7 million. The increase in operating income is attributable to the increased volatility in the global markets. The number of stock exchange trades climbed by 2.1% compared with the previous year, while trading turnover went up by 5.1%. At 67.0%, the average market share in trading with Swiss blue chip stock is up on the previous year's level (64.2%). The SIX Swiss Exchange At Midpoint (SwissAtMid) service was launched successfully. The trading volume is rising steadily and more than half of participants have indicated to SIX they are considering using the service.

Once again, the **Securities Services** business area achieved the strongest growth of all the business areas in the first half of 2017. Operating income was CHF 189.1 million, which represents an increase of 9.6% compared with operating income in 2016 adjusted for special effects. This growth is largely due

to the international securities custody business, which posted both greater deposit volumes and higher interest income. With the launch of the new Tax Reclaim Service as part of a globally innovative overall solution for banks and investors, SIX Securities Services was able to realize market-wide economies of scale and significant cost savings in the banks' operational business field.

The **Financial Information** business area posted a decline in operating income of 2.7% to CHF 196.0 million due to currency effects and client portfolio reallocations. However, EBIT grew by 6.4% to CHF 26.5 million, primarily due to rigorous cost discipline and a reorganization in France, as well as higher financial income. For the first time, SIX Financial Information won the "Best Overall Data/Service Provider" award at the Inside Market Data and Inside Reference Data Awards run by WatersTechnology, and also won the "Most Innovative Regulatory Solution" category. For the eighth successive time, SIX was named "Best Corporate Actions Provider".

The **Payment Services** business area boosted operating income by 6.8% to CHF 452.8 million. Net operating income (operating income corrected for interchange) benefited from higher transaction volumes and rose by 2.6% to CHF 304.2 million. EBIT (adjusted for special effects) fell by 7.9% to CHF 38.8 million, mainly because of the participation in Twint AG and the associated costs. At the same time, Twint can look back on a successful launch in April 2017. To date, Twint has recorded more than 600,000 downloads, in excess of 375,000 registered users and more than 270,000 transactions per month.

# Interim consolidated income statement

CHF million	Notes*	For the six months ended 30 June	
		2017	2016
Commission revenues		362.5	334.0
Transaction revenues		202.2	198.7
Service revenues		313.5	311.1
Net interest income from banking business		12.3	6.9
Other operating income		39.2	62.5
<b>Total operating income</b>		<b>929.7</b>	<b>913.3</b>
Personnel expenses		-299.7	-309.7
Other operating expenses		-434.4	-397.7
Depreciation, amortization and impairment		-35.2	-39.6
<b>Total operating expenses</b>		<b>-769.3</b>	<b>-746.9</b>
<b>Operating profit</b>		<b>160.4</b>	<b>166.4</b>
Share of profit of associates		-5.4	1.5
Financial income		16.2	33.0
Financial expenses		-7.1	-28.0
<b>Earnings before interest and tax (EBIT)</b>		<b>164.0</b>	<b>172.9</b>
Interest income		1.9	2.3
Interest expenses		-3.4	-3.6
<b>Earnings before tax (EBT)</b>		<b>162.5</b>	<b>171.5</b>
Income tax expenses	6	-38.0	-36.7
<b>Group net profit</b>		<b>124.5</b>	<b>134.9</b>
<i>of which attributable to shareholders of SIX Group Ltd</i>		<i>123.9</i>	<i>134.8</i>
<i>of which attributable to non-controlling interests</i>		<i>0.5</i>	<i>0.1</i>
<b>Earnings per share (CHF)</b>			
Basic profit for the period attributable to shareholders of SIX Group Ltd		6.55	7.13
Diluted profit for the period attributable to shareholders of SIX Group Ltd		6.55	7.13

\* The accompanying notes are an integral part of the interim consolidated financial statements.

# Interim consolidated statement of comprehensive income

CHF million	For the six months ended 30 June	
	2017	2016
<b>Group net profit</b>	<b>124.5</b>	<b>134.9</b>
Change in actuarial gains/(losses) on defined benefit plans recognized in the reporting period	52.7	-107.0
Income taxes on changes in actuarial gains/(losses) on defined benefit plans	-11.4	23.0
<b>Change in actuarial gains/(losses) on defined benefit plans, net of tax</b>	<b>41.4</b>	<b>-84.0</b>
Change in fair value of equity instruments measured through other comprehensive income	2.8	35.9
Income taxes on change in fair value of equity instruments measured through other comprehensive income	-0.6	-7.7
<b>Change in fair value of equity instruments measured through other comprehensive income, net of tax</b>	<b>2.2</b>	<b>28.2</b>
Change in fair value of fair value hedges measured through other comprehensive income	-	-0.8
Income taxes on change in fair value of fair value hedges measured through other comprehensive income	-	0.2
<b>Change in fair value of fair value hedges measured through other comprehensive income, net of tax</b>	<b>-</b>	<b>-0.6</b>
<b>Total items that will not be reclassified to profit or loss</b>	<b>43.6</b>	<b>-56.4</b>
Translation adjustment recognized in the reporting period <sup>1</sup>	0.6	0.4
Accumulated translation adjustments reclassified to the income statement	-	-0.2
<b>Currency translation adjustment</b>	<b>0.6</b>	<b>0.2</b>
<b>Share of other comprehensive income of associates<sup>1</sup></b>	<b>0.4</b>	<b>0.1</b>
<b>Total items that are or may subsequently be reclassified to profit or loss</b>	<b>0.9</b>	<b>0.3</b>
<b>Total other comprehensive income, net of tax</b>	<b>44.5</b>	<b>-56.2</b>
<b>Total comprehensive income for the period</b>	<b>169.0</b>	<b>78.7</b>
<i>of which attributable to shareholders of SIX Group Ltd</i>	<i>168.5</i>	<i>78.6</i>
<i>of which attributable to non-controlling interests</i>	<i>0.5</i>	<i>0.1</i>

<sup>1</sup> The position "Share of other comprehensive income of associates" is presented separately, in accordance with the amendment to IAS 1. The prior year's presentation has been adjusted accordingly.

The accompanying notes are an integral part of the interim consolidated financial statements.

# Interim consolidated balance sheet

CHF million	Notes*	30/06/2017	31/12/2016
<b>Assets</b>			
Cash and cash equivalents	7	4,848.6	4,921.2
Trade and other receivables	8	198.5	213.6
Receivables from clearing & settlement	9	2,753.4	3,326.4
Financial assets	10	821.2	688.2
Inventories		16.2	12.0
Current income tax receivables		22.5	13.4
Other current assets		226.3	112.8
Disposal groups and assets held for sale	13	291.1	317.9
<b>Current assets</b>		<b>9,177.7</b>	<b>9,605.4</b>
Property, plant and equipment	11	267.2	255.2
Intangible assets	12	170.2	167.3
Investments in associates		34.9	40.8
Financial assets	10	223.9	184.7
Other non-current assets		36.6	9.3
Deferred tax assets		7.7	16.9
<b>Non-current assets</b>		<b>740.5</b>	<b>674.1</b>
<b>Total assets</b>		<b>9,918.2</b>	<b>10,279.5</b>
<b>Liabilities</b>			
Bank overdrafts	10	16.6	0.1
Trade and other payables	10	114.0	190.4
Payables from clearing & settlement	9	6,616.7	6,986.0
Financial liabilities	10	112.4	56.7
Provisions	14	29.9	29.5
Current income tax payables		22.1	31.2
Other current liabilities		281.0	217.0
Liabilities directly associated with disposal groups held for sale	13	41.0	83.6
<b>Current liabilities</b>		<b>7,233.7</b>	<b>7,594.6</b>
Provisions	14	33.0	38.5
Other non-current liabilities		21.3	52.1
Deferred tax liabilities		45.6	39.8
<b>Non-current liabilities</b>		<b>99.8</b>	<b>130.4</b>
<b>Total liabilities</b>		<b>7,333.5</b>	<b>7,725.1</b>
<b>Equity</b>			
Share capital		19.5	19.5
Capital reserves		234.1	234.1
Other reserves		-50.7	-51.7
Retained earnings		2,372.3	2,342.8
<b>Shareholders' equity</b>		<b>2,575.2</b>	<b>2,544.8</b>
Non-controlling interests		9.5	9.7
<b>Total equity</b>		<b>2,584.7</b>	<b>2,554.4</b>
<b>Total liabilities and equity</b>		<b>9,918.2</b>	<b>10,279.5</b>

\*The accompanying notes are an integral part of the interim consolidated financial statements.

# Interim consolidated statement of changes in equity

CHF million	Share capital	Capital reserves	Other reserves
<b>Balance at 1 January 2017</b>	<b>19.5</b>	<b>234.1</b>	<b>-51.7</b>
Group net profit			
Total other comprehensive income			1.0
<b>Total comprehensive income for the year</b>			<b>1.0</b>
Dividends paid			
<b>Distributions</b>			
<b>Balance at 30 June 2017</b>	<b>19.5</b>	<b>234.1</b>	<b>-50.7</b>

CHF million	Share capital	Capital reserves	Other reserves
<b>Balance at 1 January 2016</b>	<b>19.5</b>	<b>234.1</b>	<b>-47.7</b>
Group net profit			
Total other comprehensive income			0.3
<b>Total comprehensive income for the year</b>			<b>0.3</b>
Dividends paid			
<b>Distributions</b>			
Acquisition of non-controlling interests			
<b>Changes in ownership interests in subsidiaries</b>			
<b>Balance at 30 June 2016</b>	<b>19.5</b>	<b>234.1</b>	<b>-47.4</b>

The accompanying notes are an integral part of the interim consolidated financial statements.



Other reserves		Retained earnings	Total	Non-controlling interests	Total equity
Treasury shares	Translation reserves				
-23.3	-28.3	<b>2,342.8</b>	<b>2,544.8</b>	<b>9.7</b>	<b>2,554.4</b>
		123.9	123.9	0.5	124.5
	1.0	43.6	44.5	-0.0	44.5
	1.0	<b>167.5</b>	<b>168.5</b>	<b>0.5</b>	<b>169.0</b>
		-138.1	-138.1	-0.6	-138.7
		<b>-138.1</b>	<b>-138.1</b>	<b>-0.6</b>	<b>-138.7</b>
-23.3	-27.4	<b>2,372.3</b>	<b>2,575.2</b>	<b>9.5</b>	<b>2,584.7</b>

Other reserves		Retained earnings	Total	Non-controlling interests	Total equity
Treasury shares	Translation reserves				
-23.3	-24.3	<b>2,229.8</b>	<b>2,435.7</b>	<b>9.5</b>	<b>2,445.3</b>
		134.8	134.8	0.1	134.9
	0.3	-56.4	-56.2	0.0	-56.2
	0.3	<b>78.4</b>	<b>78.6</b>	<b>0.1</b>	<b>78.7</b>
		-156.0	-156.0	-0.6	-156.7
		<b>-156.0</b>	<b>-156.0</b>	<b>-0.6</b>	<b>-156.7</b>
		-0.6	-0.6	0.0	-0.6
		<b>-0.6</b>	<b>-0.6</b>	<b>0.0</b>	<b>-0.6</b>
-23.3	-24.1	<b>2,151.5</b>	<b>2,357.7</b>	<b>9.0</b>	<b>2,366.7</b>

# Interim consolidated statement of cash flows

CHF million	Notes*	For the six months ended 30 June	
		2017	2016
Group net profit (incl. non-controlling interests)		124.5	134.9
Adjustments for:			
Depreciation, amortization and impairment		35.2	39.6
Increase/(decrease) in provisions		-8.8	-0.4
Increase/(decrease) in pension fund assets and liabilities		7.6	9.9
Share of profit of associates		5.4	-1.5
Net financial result		-18.6	-21.8
(Gain)/loss on sale of property, plant, equipment and intangible assets	11, 12	0.8	-25.5
Income tax expense	6	38.0	36.7
Changes in:			
Inventories		-4.1	-4.8
Trade and other receivables		32.9	-18.8
Trade and other payables		-87.3	4.2
Receivables from clearing & settlement		587.5	-1,655.6
Payables from clearing & settlement		-383.6	3,746.1
Current financial assets		-109.3	-684.9
Current financial liabilities		1.5	121.7
Other current assets		-112.1	-70.5
Other current liabilities		44.8	61.3
Interest paid		-3.6	-3.6
Interest received		1.9	2.2
Income tax (paid)/received		-51.8	-86.8
<b>Net cash flow from/(used in) operating activities</b>		<b>100.7</b>	<b>1,582.2</b>
Disposal of subsidiaries and associates (net of cash disposed)		-	-2.3
Purchase of property, plant, equipment and intangible assets		-47.4	-34.6
Sale proceeds from property, plant, equipment and intangible assets		0.4	31.0
Investments in non-current financial assets		-4.6	-4.7
Divestments of non-current financial assets		0.4	-
Investments in other non-current assets		-0.1	-0.1
Divestments of other non-current assets		0.0	0.1
Dividends received		6.9	7.0
<b>Net cash flow from/(used in) investing activities</b>		<b>-44.5</b>	<b>-3.7</b>
Net change in other non-current liabilities		0.2	-
Acquisition of non-controlling interests		-	-0.6
Dividends paid to shareholders of the parent company	15	-138.1	-156.0
Dividends paid to non-controlling interests		-0.6	-0.6
<b>Net cash flow from/(used in) financing activities</b>		<b>-138.5</b>	<b>-157.3</b>
Net impact of foreign exchange rate differences on cash		8.7	11.9
<b>Net change in cash and cash equivalents</b>		<b>-73.6</b>	<b>1,433.1</b>
<b>Balances of cash and cash equivalents</b>			
Cash and cash equivalents at 1 January	7	4,906.2	4,213.4
Cash and cash equivalents at 30 June	7	4,832.7	5,646.5

\*The accompanying notes are an integral part of the interim consolidated financial statements.

# Notes to the interim consolidated financial statements

## 1. General information

SIX provides a comprehensive range of services in the areas of securities trading and post-trading, financial information processing and cashless payment transactions.

SIX Group Ltd is an unlisted public limited company domiciled in Switzerland with its registered office in Zurich, at Hardturmstrasse 201. The company is owned by 127 national and international financial institutions.

The interim condensed consolidated financial statements of SIX as at and for the six months ended 30 June 2017 comprise SIX Group Ltd (the "Company"), which is the parent company, and its subsidiaries as well as SIX's interests in associates (together referred as the "Group" or "SIX").

## 2. Basis of preparation and changes to the Group's accounting policies

### Basis of preparation

The unaudited interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all the information required for full annual consolidated financial statements. Accordingly, these interim financial statements of the Group are regarded as condensed and should therefore be read in conjunction with the consolidated annual financial statements as at 31 December 2016. Selected explanatory notes are included to explain events and transactions that are significant to understanding the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2016.

### Foreign currency translation

The main exchange rates at the closing dates were the following:

Currency	30/06/2017	31/12/2016
EUR	1.0945	1.0741
GBP	1.2455	1.2525
USD	0.9578	1.0202
SEK	11.3068	11.2068

The main average exchange rates were the following:

Currency	For the six months ended 30 June	
	2017	2016
EUR	1.0768	1.0961
GBP	1.2518	1.4083
USD	0.9948	0.9826
SEK	11.2207	11.7840

### Changes to the Group's accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2016, except for the following amendments:

### New standards, interpretations and amendments adopted by the Group

New amendments adopted with effect from 1 January 2017:

- Recognition of Deferred Tax Assets (Amendments to IAS 12 Income taxes)
- Disclosure Initiative (Amendments to IAS 7)
- Annual Improvements to IFRSs 2014 - 2016 Cycle

The adoption of the amendments has no impact on the interim condensed consolidated financial statements of the Group as at 30 June 2017.

### New IFRS standards and amendments that have been issued but not yet applied

The following new and/or revised standards and interpretations have been issued, but are not yet effective. They have not been applied early in these interim condensed consolidated financial statements.

Standard/interpretation	Effective date	Date planned for adoption by SIX
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Date to be determined by the IASB	To be determined by SIX
IFRS 15 Revenue from Contracts with Customers, including the clarifications to IFRS 15 issued in April 2016	Annual periods beginning on or after 1 January 2018	Financial year 2018 <sup>2</sup>
IFRS 9 Financial Instruments	Annual periods beginning on or after 1 January 2018	Financial year 2018 <sup>3</sup>
Classification and Measurement of Share-based Payment Transactions: Amendment to IFRS 2	Annual periods beginning on or after 1 January 2018	Financial year 2018 <sup>4</sup>
Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendment to IFRS 4)	Annual periods beginning on or after 1 January 2018	Financial year 2018 <sup>4</sup>
Transfers of Investment Property (Amendment to IAS 40)	Annual periods beginning on or after 1 January 2018	Financial year 2018 <sup>4</sup>
IFRIC 22 Foreign Currency Transactions and Advance Consideration	Annual periods beginning on or after 1 January 2018	Financial year 2018 <sup>1</sup>
IFRS 16 Leases	Annual periods beginning on or after 1 January 2019	Financial year 2019 <sup>1</sup>
IFRIC 23 Uncertainty over Income Tax Treatments	Annual periods beginning on or after 1 January 2019	Financial year 2019 <sup>1</sup>
IFRS 17 Insurance Contracts	Annual periods beginning on or after 1 January 2021	Financial year 2021 <sup>4</sup>

<sup>1</sup> The impact on the consolidated financial statements of SIX is currently being assessed.

<sup>2</sup> SIX is currently preparing the adoption of IFRS 15. The majority of the revenues generated by SIX are either transaction-based or relate to services that are provided over a specific period. Therefore, it is expected that the adoption of IFRS 15 will not have a significant impact on the revenues of SIX.

<sup>3</sup> SIX has already adopted the requirements of IFRS 9 (version 2013) regarding classification and measurement and hedge accounting, which were determined in phase 1 and phase 3 of the standard-setting process. SIX is currently preparing the adoption of the other elements of IFRS 9, which include in particular the new impairment requirements. The impact of the other elements of IFRS 9 on the consolidated financial statements of SIX is expected to be minor.

<sup>4</sup> The adoption of the amendment is not expected to have any significant impact on the consolidated financial statements of SIX.

## 3. Significant accounting judgments, estimates and assumptions

The application of some accounting policies requires the use of assumptions, estimates and judgments that may affect the reported assets and liabilities, income and expenses, and also the disclosure of contingent assets and liabilities in the reporting period. The assumptions and estimates are continually reviewed and are based upon historical experience and other factors, including anticipated developments arising

from probable future events. Actual results may differ from these assumptions and estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2016.

## 4. Changes in the composition of the Group

### Changes in the composition of the Group during 2017

#### SIX Structured Products Exchange Ltd

In the first half of 2017, SIX Structured Products Exchange Ltd was merged with SIX Swiss Exchange Ltd. The merger had no impact on the Group's consolidated figures as at 30 June 2017.

#### SIX Systems Ltd

In the first half of 2017, SIX Systems Ltd was merged with SIX Securities Services Ltd. The merger had no

impact on the Group's consolidated figures as at 30 June 2017.

#### Rolotec Ltd

In the first half of 2017, Rolotec Ltd was merged with SIX Financial Information Ltd. The merger had no impact on the Group's consolidated figures as at 30 June 2017.

## 5. Segment information

The operating segments of SIX are determined based on the management approach. Accordingly, external segment reporting reflects the internal organizational and management structure as well as the internal financial reporting to the chief operating decision maker (CODM). For the purpose of internal reporting, SIX is broken down into five reportable segments and "Corporate". IT-related functions are part of the Global IT segment. Business activities that support the Group

as a whole do not qualify as reportable operating segments under IFRS 8. They include the activities of the management company, corporate communications, strategic development, human resources, finance & risk, legal & compliance and logistics. These activities are grouped together under Corporate. The reportable segments and Corporate offer the following products and services:

Segment	Products and services
Swiss Exchange	<ul style="list-style-type: none"> <li>– Cash and securitized derivatives market for trading in equities, bonds, structured products and warrants, exchange-traded products (ETPs) and funds</li> <li>– Admission of securities</li> <li>– Distribution of raw market data and index products</li> </ul>
Securities Services	<ul style="list-style-type: none"> <li>– Clearing house and central counterparty</li> <li>– Securities financing solutions</li> <li>– Custody, settlement and administration services</li> <li>– Share register services</li> <li>– Electronic transactions between land registries, notaries and banks</li> <li>– Interbank clearing and e-bill payments</li> </ul>
Financial Information	<ul style="list-style-type: none"> <li>– Procurement, processing and distribution of reference data and market information</li> </ul>
Payment Services	<ul style="list-style-type: none"> <li>– Card acceptance and merchant services</li> <li>– Card issuing and services for card issuers and acquirers</li> </ul>
Global IT	<ul style="list-style-type: none"> <li>– IT-related functions including IT infrastructure, software development and IT operations</li> </ul>
Corporate	<ul style="list-style-type: none"> <li>– Corporate services such as communication, strategic development, human resources, finance &amp; risk, legal &amp; compliance and logistics</li> </ul>

The internal reporting is based on the measurement methods used for the IFRS consolidated financial statements.

Performance is measured based on segment earnings before interest and tax (EBIT) as included in the inter-

nal management reports, which are reviewed regularly by the CODM. Segment EBIT is used to measure performance, as management believes that such information is the most relevant for evaluating the results of the segments. Transactions between the segments are based on market prices.

For the six months ended 30 June 2017

CHF million	Swiss Exchange	Securities Services	Financial Information	Payment Services	Global IT	Corporate	Total segments	Elimination	Total SIX
Revenues from external customers	99.5	185.6	189.9	450.2	2.4	2.1	929.7	–	929.7
Inter-segment revenues	1.5	3.5	6.1	2.6	209.5	112.0	335.2	–335.2	–
<b>Total operating income</b>	<b>101.0</b>	<b>189.1</b>	<b>196.0</b>	<b>452.8</b>	<b>211.9</b>	<b>114.1</b>	<b>1,264.9</b>	<b>–335.2</b>	<b>929.7</b>
<b>Total operating expenses</b>	<b>–65.7</b>	<b>–156.6</b>	<b>–171.8</b>	<b>–405.6</b>	<b>–207.4</b>	<b>–97.5</b>	<b>–1,104.5</b>	<b>335.2</b>	<b>–769.3</b>
Share of profit of associates	0.4	–	–	–7.2	–	1.4	–5.4	–	–5.4
Financial income	0.1	0.2	3.7	0.5	0.1	11.6	16.2	–	16.2
Financial expenses	–0.0	–0.1	–1.4	–1.7	–0.1	–3.8	–7.1	–	–7.1
<b>Earnings before interest and tax (EBIT)</b>	<b>35.7</b>	<b>32.7</b>	<b>26.5</b>	<b>38.8</b>	<b>4.5</b>	<b>25.8</b>	<b>164.0</b>	<b>–</b>	<b>164.0</b>
Interest income									1.9
Interest expenses									–3.4
<b>Earnings before tax (EBT)</b>									<b>162.5</b>
Income tax expenses									–38.0
<b>Group net profit</b>									<b>124.5</b>

For the six months ended 30 June 2016

CHF million	Swiss Exchange	Securities Services	Financial Information	Payment Services	Global IT	Corporate	Total segments	Elimination	Total SIX
Revenues from external customers	93.5	194.9	196.6	421.9	2.4	3.9	913.3	–	913.3
Inter-segment revenues	2.0	3.6	4.9	2.2	196.5	100.6	309.7	–309.7	–
<b>Total operating income</b>	<b>95.5</b>	<b>198.5</b>	<b>201.5</b>	<b>424.1</b>	<b>198.9</b>	<b>104.5</b>	<b>1,223.0</b>	<b>–309.7</b>	<b>913.3</b>
<b>Total operating expenses</b>	<b>–61.3</b>	<b>–151.9</b>	<b>–175.8</b>	<b>–380.5</b>	<b>–194.9</b>	<b>–92.2</b>	<b>–1,056.6</b>	<b>309.7</b>	<b>–746.9</b>
Share of profit of associates	–	–	–	–	–	1.5	1.5	–	1.5
Financial income	0.1	0.2	0.7	5.6	0.1	26.3	33.0	–	33.0
Financial expenses	–0.1	–0.2	–1.4	–3.1	–0.1	–23.1	–28.0	–	–28.0
<b>Earnings before interest and tax (EBIT)</b>	<b>34.3</b>	<b>46.6</b>	<b>24.9</b>	<b>46.0</b>	<b>4.0</b>	<b>17.0</b>	<b>172.9</b>	<b>–</b>	<b>172.9</b>
Interest income									2.3
Interest expenses									–3.6
<b>Earnings before tax (EBT)</b>									<b>171.5</b>
Income tax expenses									–36.7
<b>Group net profit</b>									<b>134.9</b>

The operating income of the Securities Services operating segment for the six months ended 30 June 2016 includes the gain of CHF 26.0 million from the sale of a property.

In February 2016, SIX sold the business of the SIX Payment Services (Luxembourg) sub-group. The gain from the transaction was CHF 3.9 million, and this is included in the financial income of the Payment Services operating segment for the six months ended 30 June 2016.

## 6. Income taxes

As at 30 June 2017, total income tax expenses were CHF 38.0 million, which resulted in an effective tax rate of 23.4%, compared with income tax expenses of CHF 36.7 million and an effective tax rate of 21.4% in the previous year. The increase in the effective tax rate

is mainly due to the increase in deferred tax assets not recognized on tax losses of the current period and to the decrease in deferred tax assets recognized on tax losses of prior years.

## 7. Cash and cash equivalents

CHF million	30/06/2017	31/12/2016
Cash at bank and on hand	4,846.3	4,817.8
Short-term bank deposits	2.3	103.5
<b>Cash and cash equivalents</b>	<b>4,848.6</b>	<b>4,921.2</b>

Cash at bank includes giro balances with the Swiss National Bank (SNB) of CHF 3,477.5 million (31 December 2016: CHF 3,571.5 million) and giro balances with

clearing houses approved by the SNB of CHF 666.7 million (31 December 2016: CHF 585.2 million).

Cash and cash equivalents includes the following items for the purpose of the statement of cash flows:

CHF million	Notes	30/06/2017	31/12/2016
Cash and cash equivalents		4,848.6	4,921.2
Bank overdrafts		-16.6	-0.1
Cash and cash equivalents included in disposal groups and assets held for sale	13	0.7	9.7
Bank overdrafts included in liabilities associated with disposal groups held for sale	13	-	-24.6
<b>Cash and cash equivalents in the statement of cash flows</b>		<b>4,832.7</b>	<b>4,906.2</b>

## 8. Trade and other receivables

CHF million	30/06/2017	31/12/2016
Trade and other receivables, gross	203.1	218.3
Individual allowances	-4.6	-4.7
Collective allowances	-0.1	-
<b>Total trade and other receivables, net</b>	<b>198.5</b>	<b>213.6</b>

## 9. Receivables and payables from clearing & settlement

CHF million	30/06/2017	31/12/2016
Receivables from clearing & settlement	675.2	743.2
Receivables from reverse repurchase agreements	1,594.3	1,550.1
Fed funds placements	–	122.4
<b>Total receivables from clearing &amp; settlement – Securities Services</b>	<b>2,269.5</b>	<b>2,415.8</b>
<b>Total receivables from clearing &amp; settlement – Payment Services</b>	<b>483.9</b>	<b>910.6</b>
<b>Total receivables from clearing &amp; settlement</b>	<b>2,753.4</b>	<b>3,326.4</b>
Payables from clearing & settlement	2,201.4	2,293.7
Payables from settled suspense	391.3	180.6
Collateral	3,488.4	3,555.9
<b>Total payables from clearing &amp; settlement – Securities Services</b>	<b>6,081.1</b>	<b>6,030.3</b>
<b>Total payables from clearing &amp; settlement – Payment Services</b>	<b>535.6</b>	<b>955.8</b>
<b>Total payables from clearing &amp; settlement</b>	<b>6,616.7</b>	<b>6,986.0</b>

### Receivables and payables from clearing & settlement – Securities Services

Receivables and payables from clearing & settlement in the Securities Services business area result from SIX x-clear Ltd and SIX SIS Ltd acting as a central counterparty (CCP) or central securities depository (CSD) for securities trading. The CCP steps into the contracts as intermediary and represents the buyer to each seller and the seller to each buyer. To fulfill the contract, SIX SIS Ltd must settle cash and securities from one trading party to another.

### Receivables and payables from clearing & settlement – Payment Services

Receivables from clearing & settlement include receivables due from card schemes and issuers of debit and credit cards. Payables from clearing & settlement include payables due to merchants, ATM providers and card schemes.



## 10. Financial instruments

### Movements of financial assets

The following table shows the movements of financial assets per category:

CHF million	Financial assets measured at FVtPL	Financial assets measured at FVtOCI	Financial assets at amortized cost	2017
<b>Carrying amount at 1 January</b>	<b>602.9</b>	<b>16.5</b>	<b>253.5</b>	<b>872.9</b>
Additions	144.8	–	47.4	192.1
Change in value recognized in profit and loss	7.1	–	–2.4	4.7
Change in forward contracts from clearing & settlement	52.8	–	–	52.8
Change in value recognized in other comprehensive income	–	2.8	–	2.8
Disposals/matured financial assets	–39.4	–	–39.2	–78.6
Reclassified as disposal groups and assets held for sale	–	–	–0.3	–0.3
Translation adjustments	–0.1	–	–1.3	–1.4
<b>Carrying amount at 30 June</b>	<b>768.1</b>	<b>19.3</b>	<b>257.7</b>	<b>1,045.1</b>
<i>of which current</i>	<i>742.8</i>	<i>–</i>	<i>78.4</i>	<i>821.2</i>
<i>of which non-current</i>	<i>25.3</i>	<i>19.3</i>	<i>179.3</i>	<i>223.9</i>

CHF million	Financial assets measured at FVtPL	Financial assets measured at FVtOCI	Financial assets at amortized cost	2016
<b>Carrying amount at 1 January</b>	<b>562.7</b>	<b>94.7</b>	<b>252.1</b>	<b>909.4</b>
Additions	172.2	14.8	130.2	317.2
Change in value recognized in profit and loss	0.3	–	3.7	3.9
Change in forward contracts from clearing & settlement	–9.0	–	–	–9.0
Change in value recognized in other comprehensive income	–	37.9	–	37.9
Disposals/matured financial assets	–123.0	–130.9	–119.1	–373.1
Reclassified as disposal groups and assets held for sale	–	–	–13.9	–13.9
Translation adjustments	–0.2	–	0.6	0.3
<b>Carrying amount at 31 December</b>	<b>602.9</b>	<b>16.5</b>	<b>253.5</b>	<b>872.9</b>
<i>of which current</i>	<i>601.1</i>	<i>–</i>	<i>87.1</i>	<i>688.2</i>
<i>of which non-current</i>	<i>1.8</i>	<i>16.5</i>	<i>166.4</i>	<i>184.7</i>

During the first half year 2017, financial assets measured at FVtPL increased by CHF 165.2 million, which was mainly related to the settlement business. Due to increased clearing volumes and as a result of late settlements, financial assets from settlement business increased from CHF 101.0 million as at 31 December 2016 to CHF 199.1 million as at 30 June 2017. Additionally, the fair value of forward contracts from open clearing & settlement transactions increased by CHF 52.8 million.

A net loss of CHF 1.1 million (31 December 2016: net loss of CHF 1.7 million) was recognized upon derecognition of financial assets at amortized cost.

### Fair value of financial instruments

The table below shows the estimated fair values of financial instruments, including those accounted for at amortized cost, together with the carrying amounts

shown in the interim consolidated balance sheet. The fair values are based on the valuation methods and assumptions explained below.

CHF million	30/06/2017			31/12/2016		
	Carrying amount	Fair value	Deviation	Carrying amount	Fair value	Deviation
<b>Assets</b>						
Equity instruments at FVtPL	37.2	37.2	–	34.0	34.0	–
Equity instruments at FVtOCI <sup>1</sup>	19.3	19.3	–	16.5	16.5	–
Units in investment funds at FVtPL <sup>2</sup>	419.3	419.3	–	409.0	409.0	–
Financial instruments from settlement business <sup>3</sup>	199.1	199.1	–	101.0	101.0	–
Derivative financial instruments at FVtPL	109.3	109.3	–	55.6	55.6	–
Other instruments at FVtPL	3.1	3.1	–	3.2	3.2	–
<b>Financial assets at fair value</b>	<b>787.4</b>	<b>787.4</b>	<b>–</b>	<b>619.4</b>	<b>619.4</b>	<b>–</b>
Cash and cash equivalents	4,848.6	4,848.6	–	4,921.2	4,921.2	–
Trade and other receivables	198.5	198.5	–	213.6	213.6	–
Receivables from clearing & settlement	2,753.4	2,753.4	–	3,326.4	3,326.4	–
Debt instruments <sup>4</sup>	243.2	245.2	2.0	240.2	242.5	2.3
Others	14.5	14.5	–	13.3	13.3	–
<b>Financial assets at amortized cost</b>	<b>8,058.2</b>	<b>8,060.1</b>	<b>2.0</b>	<b>8,714.6</b>	<b>8,716.9</b>	<b>2.3</b>
<b>Total financial assets</b>	<b>8,845.6</b>	<b>8,847.5</b>	<b>2.0</b>	<b>9,334.0</b>	<b>9,336.3</b>	<b>2.3</b>
<i>of which current</i>	<i>8,621.7</i>			<i>9,149.3</i>		
<i>of which non-current</i>	<i>223.9</i>			<i>184.7</i>		
<b>Liabilities</b>						
Derivative financial instruments at FVtPL	112.4	112.4	–	56.7	56.7	–
<b>Financial liabilities at fair value</b>	<b>112.4</b>	<b>112.4</b>	<b>–</b>	<b>56.7</b>	<b>56.7</b>	<b>–</b>
Bank overdrafts	16.6	16.6	–	0.1	0.1	–
Trade and other payables	114.0	114.0	–	190.4	190.4	–
Payables from clearing & settlement	6,616.7	6,616.7	–	6,986.0	6,986.0	–
<b>Financial liabilities at amortized cost</b>	<b>6,747.3</b>	<b>6,747.3</b>	<b>–</b>	<b>7,176.5</b>	<b>7,176.5</b>	<b>–</b>
<b>Total financial liabilities</b>	<b>6,859.6</b>	<b>6,859.6</b>	<b>–</b>	<b>7,233.3</b>	<b>7,233.3</b>	<b>–</b>
<i>of which current</i>	<i>6,859.6</i>			<i>7,233.3</i>		
<i>of which non-current</i>	<i>–</i>			<i>–</i>		

<sup>1</sup> The position includes Visa Inc. equity instruments classified as FVtOCI.

<sup>2</sup> SIX holds certain investments in equity funds, fixed income funds, money market funds, real estate funds and funds of hedge funds denominated in foreign currencies, with the aim of diversifying its investments and taking advantage of foreign markets' performance.

<sup>3</sup> These financial instruments represent quoted equity instruments that SIX acquires as a result of failure by a counterparty to deliver its side of a transaction.

<sup>4</sup> Debt instruments mainly include government and corporate bonds as well as European medium term notes (EMTNs) denominated in CHF, EUR, USD and NOK. According to the internal investment strategy, the requirements regarding counterparty creditworthiness are based on a minimum rating of A- (Standard & Poor's) or A3 (Moody's).

### Valuation methods for financial instruments

The table below analyzes recurring fair value measurements for financial assets and liabilities. These fair value measurements are assigned to the different levels of the fair value hierarchy. These levels are defined as follows:

- Level 1: The fair value of listed financial instruments with a price established in an active market is determined on the basis of current quoted market prices.
- Level 2: Valuation methods are used to determine the fair value of financial instruments if no direct market prices are available. The underlying assumptions are based on observable market data, either directly or indirectly, as at the reporting date.
- Level 3: If neither current market prices nor valuation methods based on observable market data can be drawn on for the purpose of determining fair value, then valuation methods are based on unobservable market data. Those inputs reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

The following methods and assumptions were used to estimate the fair values:

- For cash and cash equivalents including bank overdrafts, trade and other receivables, receivables and payables from clearing & settlement, trade and other payables, and short-term loans and borrowings, it is assumed that the carrying amount corresponds to their fair value.
- The fair value of quoted equity and debt instruments (e.g. bonds) and of units in investment funds is determined by reference to published price quotations at the reporting date. The valuation of financial assets from settlement business held at fair value through profit or loss is performed with reference to quoted prices from the markets to which they relate. Such financial assets therefore fall under level 1 of the fair value hierarchy.
- If there is no observable market data for the share price of an equity instrument, the share price is derived from the proportionate net asset value of the entity not traded in an active market. Such equity investments are categorized within level 3 of the fair value hierarchy. If the net asset value were to increase, the price per share would increase proportionally.
- For equity instruments that are limited in transferability until conversion into tradable equity securities, the fair value is measured based on the current quoted market price of the tradable equity securities adjusted by a variable discount percentage considering the timing and risks until conversion. These equity instruments are assigned to level 3 of

the fair value hierarchy. An increase or decrease of 10% in the quoted market price of the tradable securities would lead to an increase or decrease of approximately 10% in the fair value of the financial asset.

- Foreign exchange swaps and forwards are not traded publicly. The inputs into the calculation include foreign exchange spot rates, interest rates and foreign exchange volatility. In general, these inputs are readily observable in the markets or provided by consensus data providers. Thus, foreign exchange swaps, forwards and other foreign exchange derivatives are categorized as level 2 instruments.
- For forward contracts from the clearing and settlement business as CCP, the fair value is determined as the difference between the fair value of the underlying instrument at the trade date and its fair value at the reporting date. With the exception of forward contracts from the clearing and settlement of options, all other forward contracts from clearing and settlement are assigned to level 2 of the fair value hierarchy, as the inputs used are readily available in the market.
- For forward contracts from the clearing and settlement of options, the fair value is determined based on the Black-Scholes formula. The inputs into the calculation include share price, strike price, risk-free interest rate and historical volatility. With the exception of historical volatility, the inputs are readily observable in the market. Historical volatility therefore represents a level 3 input, as it does not reflect market participants' expectations. As such, forward contracts from the clearing and settlement of options are assigned to level 3 of the fair value hierarchy.
- For deferred payment components either the effective interest or the discounted cash flow method is applied. Deferred payment components that are measured based on the effective interest method are assigned to level 2 of the fair value hierarchy, as the inputs are based on observable market data. Deferred payment components that are measured based on the discounted cash flow model are assigned to level 3 of the fair value hierarchy, as the inputs used to estimate the future cash flows are not readily available in the market.

The following table shows the fair values of the financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value.

## Financial instruments in the fair value hierarchy

CHF million	Listed market prices	Valuation methods based on market data	Valuation methods not based on market data	30/06/2017
	Level 1	Level 2	Level 3	
Equity instruments at FVtPL	34.6	–	2.6	37.2
Equity instruments at FVtOCI	–	–	19.3	19.3
Units in investment funds at FVtPL	406.4	12.9	–	419.3
Financial instruments from settlement business	199.1	–	–	199.1
Derivative financial instruments at FVtPL	–	99.0	10.4	109.3
Other instruments at FVtPL	–	–	3.1	3.1
<b>Financial assets at fair value</b>	<b>640.1</b>	<b>111.9</b>	<b>35.4</b>	<b>787.4</b>
Debt instruments	245.2	–	–	245.2
<b>Financial assets for which fair values are disclosed</b>	<b>245.2</b>	<b>–</b>	<b>–</b>	<b>245.2</b>
Derivative financial instruments	–	102.0	10.4	112.4
<b>Financial liabilities at fair value</b>	<b>–</b>	<b>102.0</b>	<b>10.4</b>	<b>112.4</b>

CHF million	Listed market prices	Valuation methods based on market data	Valuation methods not based on market data	31/12/2016
	Level 1	Level 2	Level 3	
Equity instruments at FVtPL	31.6	–	2.4	34.0
Equity instruments at FVtOCI	–	–	16.5	16.5
Units in investment funds at FVtPL	386.0	23.0	–	409.0
Financial instruments from settlement business	101.0	–	–	101.0
Derivative financial instruments at FVtPL	–	36.9	18.7	55.6
Other instruments at FVtPL	–	–	3.2	3.2
<b>Financial assets at fair value<sup>1</sup></b>	<b>518.7</b>	<b>60.0</b>	<b>40.7</b>	<b>619.4</b>
Debt instruments	242.5	–	–	242.5
<b>Financial assets for which fair values are disclosed<sup>1</sup></b>	<b>242.5</b>	<b>–</b>	<b>–</b>	<b>242.5</b>
Derivative financial instruments	–	38.0	18.7	56.7
<b>Financial liabilities at fair value</b>	<b>–</b>	<b>38.0</b>	<b>18.7</b>	<b>56.7</b>

<sup>1</sup> Prior-year disclosure has been adjusted to match the current year's presentation.

### Transfer between levels

SIX recognizes transfers between the levels of the fair value hierarchy at the date of the event or change in circumstances that caused the transfer. During the six-month period ended 30 June 2017, there was a transfer of an investment fund from level 2 to level 1 in

the amount of CHF 14.7 million. The transfer was caused by increased trading frequency on the part of the investment fund. The market of the investment fund now meets the definition of an active market. There were no transfers into or out of level 3.

### Movements in level 3 instruments

The following table shows the movements in level 3 financial assets:

CHF million	30/06/2017	31/12/2016
<b>Carrying amount at the beginning of the year</b>	<b>40.7</b>	<b>119.6</b>
Additions	–	17.9
Disposals	–	–130.9
Change in forward contracts from clearing & settlement	–8.4	–4.1
Gains recognized in the income statement	0.2	0.4
Gains recognized in other comprehensive income	2.8	37.9
<b>Carrying amount at closing</b>	<b>35.4</b>	<b>40.7</b>
<b>Income on holdings at closing</b>		
Unrealized gains recognized in other comprehensive income	2.8	1.7

The fair value relating to the Visa Inc. equity instruments increased by CHF 2.8 million. The gain was recognized in other comprehensive income. In 2016, gains recognized in other comprehensive income of CHF 37.9 million consisted of fair value changes relating to the Visa Europe Ltd and Visa Inc. equity instruments.

As at 30 June 2017, SIX had CHF 10.4 million (31 December 2016: CHF 18.7 million) of outstanding forward contracts from clearing and settlement activities in its

capacity as a central counterparty in derivative trading of options in the course of fulfilling its task of matching buy and sell orders. As such, the positive fair values of the outstanding option contracts equal the negative fair values. Accordingly, the decrease in the fair value of the option contracts from clearing and settlement in derivative trading of CHF 8.4 million (31 December 2016: decrease of CHF 4.1 million) impacted neither profit or loss nor total comprehensive income.

## 11. Property, plant and equipment

During the six months ended 30 June 2017, the additions to property, plant and equipment totaled CHF 32.3 million (30 June 2016: CHF 17.5 million). Investments in property, plant and equipment primarily related to midrange and mainframe servers, payment terminals, leasehold improvements and the expansion of technical installations.

SIX disposed of items of property, plant and equipment with a net book value of CHF 1.2 million during the six months ended 30 June 2017 (30 June 2016: CHF 1.1 million), resulting in a net loss on disposals of CHF 0.8 million (30 June 2016: net loss: CHF 0.4 million), which has been included in other operating expenses in the interim consolidated income statement.

## 12. Intangible assets

### Goodwill

Goodwill is subject to an annual impairment test, which is conducted in the fourth quarter of each year or whenever events or a change of circumstances indicate a possible impairment. During the six months ended 30 June 2017, there was no indication requiring an assessment of the recoverable amount of goodwill.

satisfy the recognition criteria for internally generated intangible assets. Capitalized expenditure on development projects as intangible assets in the first six months of 2017 were CHF 14.9 million (30 June 2016: CHF 14.7 million).

### Software and other intangible assets

Consistent with last year, expenses for certain development activities have been capitalized, as they

Investments in intangible assets consisted of the development of technical adjustments to platforms, such as new functionalities, increased capacity and adjustments for requirements on regulated markets.

### 13. Disposal groups and assets held for sale

Disposal groups and assets held for sale comprised the following assets, liabilities and cumulative expenses recognized in other comprehensive income:

CHF million	Commercial issuing business of SIX Payment Services (Austria) GmbH	
	30/06/2017	31/12/2016
Cash and cash equivalents	0.7	9.7
Trade and other receivables	269.5	280.2
Receivables from clearing & settlement	0.2	7.7
Other current assets	0.6	0.8
Property, plant and equipment	0.3	0.1
Intangible assets	5.4	5.3
Non-current financial assets	14.2	13.9
Deferred tax assets	0.2	0.2
<b>Disposal groups and assets held for sale</b>	<b>291.1</b>	<b>317.9</b>
Bank overdrafts	–	24.6
Trade and other payables	26.7	33.8
Payables from clearing & settlement	2.6	10.0
Current income tax payables	1.4	–
Other current liabilities	7.2	12.2
Non-current provisions	1.8	1.8
Other non-current liabilities	0.5	0.5
Deferred tax liabilities	0.9	0.8
<b>Liabilities directly associated with disposal groups held for sale</b>	<b>41.0</b>	<b>83.6</b>

Disposal groups and assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. SIX has not recognized any impairment with respect to any disposal groups or assets held for sale.

#### Disposal groups

##### Commercial issuing business of SIX Payment Services (Austria) GmbH

During the fourth quarter of 2016, management committed to a plan to sell the commercial issuing business of SIX Payment Services (Austria) GmbH. The transaction agreement was signed in February 2017. The closing is expected to take place in the second half of 2017. The commercial issuing business of SIX Payment Services (Austria) GmbH is part of the Payment Services operating segment.

## 14. Provisions (current and non-current)

In 2016, the Group recognized a provision for restructuring related to the Financial Information business in France. As at 30 June 2017, the provision

for restructuring was CHF 27.9 million (31 December 2016: CHF 35.6 million). The decrease mainly related to usage of the provision in the first half of 2017.

## 15. Dividends proposed and paid

On 19 May 2017, the Annual General Meeting approved the distribution of a dividend of CHF 7.30 (2016: CHF 8.25) per registered share. The total amount distributed to holders of outstanding shares

was CHF 138.1 million (2016: CHF 156.0 million), and this has been recorded against retained earnings as in the prior year.

## 16. Related party disclosures

SIX defines related parties as:

- shareholders that have significant influence by delegating a member into the Board of Directors of SIX or have control over the activities of SIX
- associated companies that are significantly influenced by SIX
- post-employment benefit plans for the benefit of SIX employees
- key management personnel, close family members of key management personnel
- entities that are directly or indirectly controlled or jointly controlled by key management personnel or their close family members

127 banks hold shares in SIX, but no bank holds more than 20% of the Group's total equity. The shares are widely distributed, i.e. no single owner or bank category has an absolute majority. All shareholders are bound by a shareholders' agreement.

Transactions with related parties and companies are made at terms equivalent to those that prevail in arm's-length transactions. Receivables from clearing & settlement due from related parties in the amount of CHF 25.6 million are collateralized (31 December 2016: CHF 23.0 million).

No impairment allowances of receivables relating to amounts owed by related parties were recorded as at 30 June 2017 or 31 December 2016.

Transactions and outstanding balances with related parties of SIX, as stated in the following tables, are included in the Group's consolidated balance sheet and statement of comprehensive income as at and for the six months ended 30 June 2017, and for the respective prior-year period.

For the six months ended 30 June 2017

CHF million	Qualifying shareholders	Associates	Post- employment benefit plans	Total
<b>Income statement</b>				
Commission revenues	47.7	0.0	–	47.7
Transaction revenues	69.7	0.0	–	69.7
Service revenues	43.7	0.1	–	43.8
Net interest income from banking business	7.0	–	–	7.0
Other operating income	4.5	–	–	4.5
Contributions	–	–	–24.6	–24.6

30/06/2017

CHF million	Qualifying shareholders	Associates	Post- employment benefit plans	Total
<b>Balance sheet</b>				
Cash and cash equivalents	253.3	666.7	–	920.1
Trade receivables/receivables from clearing & settlement	52.3	0.0	–	52.3
Deferred income	0.2	–	–	0.2
Trade payables/payables from clearing & settlement	1,942.3	–	5.6	1,948.0

For the six months ended 30 June 2016

CHF million	Qualifying shareholders	Associates	Post- employment benefit plans	Total
<b>Income statement</b>				
Commission revenues	42.4	0.0	–	42.4
Transaction revenues	65.6	0.0	–	65.6
Service revenues	42.5	0.2	–	42.7
Net interest income from banking business	3.9	–	–	3.9
Other operating income	2.8	0.0	–	2.8
Contributions	–	–	–18.2	–18.2

31/12/2016

CHF million	Qualifying shareholders	Associates	Post- employment benefit plans	Total
<b>Balance sheet</b>				
Cash and cash equivalents	354.2	585.2	–	939.3
Trade receivables/receivables from clearing & settlement	47.7	0.0	–	47.7
Deferred income	0.0	–	–	0.0
Trade payables/payables from clearing & settlement	2,054.5	–	0.1	2,054.6



## 17. Events after the balance sheet date

On 26 July 2017, SIX announced the acquisition of Frankfurt-based girocard network operations business of VÖB-ZVD Processing GmbH, a subsidiary of Deutsche Postbank AG. The aim is to complete the acquisition in the third quarter of 2017.

On 10 August 2017, SIX acquired the terminal and acquiring business of Aduno Group. The acquired business is allocated to the Payment Services operating segment. At the date of approval for issue of these interim condensed consolidated financial statements, the initial accounting for the business combination has

not been completed and as such certain disclosures in respect of the acquisition cannot be made, including: the fair value and major classes of identifiable assets acquired and liabilities assumed; the goodwill arising on the business combination; and the qualitative factors contributing to the recognition of goodwill.

As at 28 August 2017, the date of approval for issue of the interim condensed consolidated financial statements, the Group had undergone no other subsequent events warranting a modification of the value of the assets and liabilities or an additional disclosure.





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