

Media Release

15 March 2011

SIX Group Ltd
Selnaustrasse 30
P.O. Box 1758
CH-8021 Zurich
www.six-group.com

Media Relations:
T +41 58 399 2675
F +41 58 499 2710
pressoffice@six-group.com

Continued international growth

SIX Group continued to expand its international business in 2010, performing well in highly competitive markets. However, the Group's positive operating result was somewhat clouded by the euro's sharp decline against the Swiss franc and lower average interest rates. Customers were able to benefit from substantial price reductions throughout the year. Operating income was broadly in line with the prior-year figure at CHF 1,220.5 million; calculated in local currencies, this would actually correspond to a 6% increase. Group net income fell to CHF 173.6 million, a year-on-year decline of 21.2%. This was largely due to significantly lower income from financial investments and a value adjustment on assets of Eurex subsidiary ISE (International Securities Exchange).

To maintain its long-term competitive edge, SIX Group's future strategy is focused on firstly increasing transaction volumes by tapping into new markets and secondly, introducing new services. This will enable the Group to benefit from further economies of scale, which are of key importance in the infrastructure business. On the other hand, SIX Group must continue to make productivity gains if it is to compete on an international level and strengthen its excellent market position.

Urs Rügsegger, CEO of SIX Group: "The solid operating result posted in 2010 is largely a result of the Group's strong performance in the Securities Trading business field, the expansion of its international card business, and the active cost discipline employed throughout the year. In addition, it also granted its participants significant price reductions, totaling some CHF 17.1 million."

In 2010 SIX Group benefitted considerably from improved global economic conditions, the high stock market volatility in the first half of the year and stable levels of consumer spending in Switzerland. However, the further value adjustments made to the assets of the US Eurex subsidiary ISE, the significantly lower income generated from non-strategic investments and the euro's considerable slide against the Swiss franc had a negative impact on the Group's result.

Solid operating business

Net interest income declined from CHF 8.1 million to CHF 4.3 million on the back of lower average interest rates, while net commission and other services business income rose by 4.3% year-on-year, from CHF 1,057 million to CHF 1,102 million. Driven by international growth, the strongest increase was posted by the Payment Transactions business field. The Securities Trading business field also performed well despite price reductions and a loss of market share in the Swiss blue-chip trading segment. SIX Group's Financial Information business field saw revenue fall on the back of the euro's significant decline. Net trading income dropped by 84.1%, or CHF 32.1 million, to CHF 6.1 million; this came about largely because of valuation losses and lower income from financial investments resulting from the poorer year-on-year stock market performance in 2010.

Income from non-consolidated participations came to CHF -18.0 million (previous year: CHF -20.5 million). The future prospects of US Eurex subsidiary ISE took a further knock in 2010 as another value adjustment was made following the one in 2009. Given SIX Group's 15% share in Eurex's profits, this meant a CHF 53.5 million write-down on ISE's assets (2009: CHF 45.4 million). By contrast, income from non-consolidated participations rose by CHF 19.4 million. In 2010 operating income rose to CHF 1,220.5 million (+0.8% year-on-year).

During the year under review, operating expenses rose by 5.4% to CHF 874.7 million, while personnel expenses rose by 5.2% to CHF 579.6 million, primarily due to the expansion of the Group's international business. By the end of 2010, headcount had increased year-on-year to 3,781.4 full-time equivalents, a rise of 74.3, or 2%, from the 2009 figure of 3,707.1. The internationalization of the card business and increased project volumes led to other operating expenses rising to CHF 295.1 million (+5.8%). Gross income amounted to CHF 345.8 million, CHF 35.5 million, or 9.3%, below the prior-year value.

Depreciation and value adjustments rose by 5.8% to CHF 128.9 million as a result of the increased level of fixed and intangible assets from acquisitions. Taxes were 2.1% lower in 2010 than 2009 at CHF 42.9 million. Group net income before minority interests came to CHF 173.6 million, a year-on-year decline of 21.2%.

Proposals to the General Meeting

The Board of Directors proposes to the General Meeting the payment of an unchanged dividend of CHF 4.35 per share.

International growth

SIX Group continued to expand its international business in 2010. As a result, international business rose by 6.3% to CHF 364.7 million, or around 30% of operating income. This growth was driven primarily by the card business and the related increase in activities at CETREL in Luxembourg as well as the ongoing takeover of PayLife Bank's card transaction business in Austria. Thanks to the Austrian market, the total number of card transactions processed by SIX Group rose by around 24%. In the clearing business, regulatory interventions in a number of countries are delaying the opening of markets for clearing organizations and thus access to new trading platforms; this is hampering SIX Securities Services in meeting its target of rapidly increasing the volume of clearing transactions. It succeeded in attracting numerous exchanges and clients to its clearing business in 2010. SIX Securities Services was operating in 61 markets across the globe by the end of the year, six more than in 2009.

New services

The year under review saw the launch of a number of innovative services. In December, a pilot phase began for "Terravis", the new electronic real estate portal developed by SIX Group as part of the Federal Department of Justice's eGris project. In April 2010 SIX Telekurs took over the evaluated pricing business of CSV, Incorporated in the USA, expanding its range of independent, transparent and well documented valuations for fixed income securities and instruments that are difficult to value or are traded over the counter. Equally impressive was the increase in volume of COSI products (Collateral Secured Instruments), which were launched in autumn 2009. By the end of 2010, there were 779 such securities with a total collateral volume of CHF 1.8 billion. November 2010 saw the launch of Exchange Traded Products (ETPs), a type of collateralized debt security mainly comprising commodity-related securities that complements SIX Swiss Exchange's existing segments.

Development of the business fields

SIX Swiss Exchange's average market share in the Swiss blue-chip segment declined from 84.9% in 2009 to 70.6% in 2010 on the back of the increased volumes gained by individual Multilateral Trading Facilities (MTFs); this is a reflection of the general level of competition faced by the established European exchanges. Revenue in the **Securities Trading** business field came to

CHF 216.9 million, down just 2.1% from the 2009 level of CHF 221.5 million, with price reductions accounting for a drop of CHF 10.9 million. The stock exchange trading turnover posted by SIX Swiss Exchange and Scoach Switzerland rose to CHF 1,191.0 billion, an increase of 5.3% from 2009 (CHF 1,131.3 billion). The SMI closed 2010 at 6,436.0 points (down 1.7% year-on-year) and the SPI, which contains most of the companies listed on SIX Swiss Exchange, at 5,790.6 points (+2.9%). On-exchange trade turnover was 0.6% higher than in 2009 at 35.0 million transactions. This growth in trade turnover and the stability of transaction volumes were driven by SIX Swiss Exchange's client-oriented stock exchange services and attractive pricing structure as well as the high level of volatility in the first half of the year and the increase in algorithmic trading. In 2010 SIX Swiss Exchange attracted eleven new participants, a record figure that largely comprised international companies, and four new company listings (2009: 5).

In the **Securities Services** business field, revenue rose from CHF 230.0 million in the previous year to CHF 244.5 million in 2010. The growth in clearing transactions continued, with an increase of 24.9% from CHF 33.4 million in 2009 to CHF 41.7 million in the year under review. Although the number of cross-border settlement transactions increased by 16.7% to CHF 5.8 million, the total quantity of settlement transactions decreased from 28.8 million to 23.4 million. The main reason for this was the rise in client netting activities, where several small transactions are bundled into a single large transaction. The influx of new customer funds amounted to CHF 64.6 billion, 15.9% more than in 2009. The volumes held in client custody accounts fell slightly due to declining euro and dollar rates and the flat stock market performance of Swiss securities from CHF 2,860 billion in 2009 to CHF 2,847 billion in the year under review.

In the **Financial Information** business field, revenue was down for the year at CHF 394.1 million, a drop of 5.2% from the prior-year figure of CHF 415.8 million. Reasons for this decline included unfavorable euro, Swedish krona, British pound and US dollar exchange rates against the Swiss franc and, to a lesser extent, the loss of revenue from the French company, La Cote Bleue, which was sold in 2009. While revenue rose in the market data area during 2010, it declined in display services and remained steady in the areas of securities data and special solutions. Factoring out the impact of exchange-rate movements, SIX Telekurs posted revenue in line with that of the previous year. The number of financial instruments covered by SIX Telekurs rose by 21.6% to 6.8 million during the year under review.

In the **Payment Transactions** business field, the year under review saw an increase in transaction volume of 23.9%, with revenue rising by 8.4% to CHF 667.7 million. On the one hand, market growth was not as strong as in previous years, but on the other, the economic recovery rejuvenated consumer spending.

SIX Group's revenue in the acquiring business increased from CHF 315.7 million in 2009 to CHF 325.6 million in 2010. The number of debit card transactions in Switzerland rose by 7.5% to 254.9 million.

In 2010 SIX Group continued the dynamic expansion of its processing business, a strategy which is based on growth abroad. Revenue in 2010 amounted to CHF 342.1 million, CHF 41.9 million or 13.9% more than in 2009. The number of processed transactions rose from 1,906.7 million to 2,362.5 million. SIX Interbank Clearing's SIC and euroSIC payment systems saw an overall increase of 3.5% (13.6 million) in the number of transactions, with 399.7 million transactions being recorded during the year under review. Transaction revenue amounted to CHF 55.8 trillion. In terms of SEPA transfers, the euroSIC system posted strong growth; the number of transactions rose by over 40% to 1.52 million, the value of which was more than EUR 13.0 billion, 37.6% higher than in 2009.

Outlook

SIX Group expects favorable economic conditions in 2011 despite the Swiss franc's continued strength against the euro. Unchanged low interest rates and calmer financial markets will allow the Group to further expand its activities in the area of securities trading, clearing and settlement. The development of international activities will focus on expanding the international clearing and settlement businesses at SIX Securities Services and the continued expansion of the European service platforms in the Payment Transactions business field. Overall, SIX Group expects a moderate growth in revenue for 2011, with higher Group net income than in 2009.

Information

Media Relations SIX Group, phone +41 58 399 2675, pressoffice@six-group.com

SIX Group

SIX Group operates Switzerland's financial market infrastructure and offers on a global scale comprehensive services in the areas of securities trading, clearing and settlement, as well as financial information and payment transactions. The company is owned by its users (160 banks of differing size and orientation) and, with its workforce of approximately 3,800 employees and presence in 23 countries, generates annual revenues of 1.2 billion Swiss francs.

www.six-group.com

Key figures SIX Group (in CHF 1,000)	2010	2009 *	Dev. %
Operating income	1,220,492	1,211,321	0.8
Net interest income	4,346	8,103	-46.4
Net commission and other services business income	1,102,153	1,056,686	4.3
Group net income	173,588	220,289	-21.2
Total assets	5,147,492	5,954,034	-13.5
Workforce in full-time equivalents on 31.12.	3,781.4	3,707.1	2.0
Return on equity ¹ (in %)	9.6	12.8	-25.0
Equity ratio (in %)	35.0	30.3	15.6
Operating income per employee ² (on a full-time equivalent basis)	326.0	342.8	-4.9

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

¹ Equity = average equity between 31.12.2009 and 31.12.2010

² Calculated on number of employees based on the average number of full-time equivalents between 1.1. and 31.12.

Key figures of the business fields	2010	2009	Dev. %
Securities trading			
Revenue ¹ (in CHF m)	216.9	221.5	-2.1
Stock exchange trading turnover ³ (in CHF bn)	1,191.0	1,131.3	5.3
Number of transactions ³ (in m)	35.0	34.8	0.6
Workforce ²	249.1	258.0	-3.4
Securities services			
Revenue ¹ (in CHF m)	244.5	230.0	6.3
Number of settlement transactions (in 1,000)	23,396.9	28,842.3	-18.9
Number of clearing transactions (in 1,000)	41,680.0	33,370.7	24.9
Workforce ²	459.9	411.6	11.7
Financial information			
Revenue ¹ (in CHF m)	394.1	415.8	-5.2
Number of financial instruments (in m)	6.8	5.6	21.6
Number of price telegrams per year (output, in bn)	630.0	383.0	64.5
Workforce ²	1,289.0	1,303.5	-1.1
Payment transactions			
Revenue ¹ (in CHF m)	667.7	616.0	8.4
Credit card turnover (in CHF 1,000)	12,701.8	11,882.0	6.9
Number of transactions in card business (in m)	1,916.6	1,477.2	29.7
Number of payment transactions (in m)	445.9	429.5	3.8
Workforce ²	1,087.8	1,036.8	4.9

¹ Revenue according to the internal management information system

² Full-time equivalents on 31.12.

³ SIX Swiss Exchange and Scoach Schweiz AG

Balance sheet (in CHF m)	31.12.2010	31.12.2009	Dev.	Dev. %
Due from banks	364.9	358.6	6.4	1.8
Non-consolidated participations	504.1	579.3	-75.1	-13.0
Fixed assets	428.3	423.9	4.4	1.0
Other assets	3'850.2	4'592.3	-742.2	-16.2
Assets	5'147.5	5'954.0	-806.5	-13.5
Due to banks	17.1	21.8	-4.6	-21.2
Accrued expenses and deferred income	193.4	260.7	-67.4	-25.8
Other liabilities	3'133.5	3'867.0	-733.5	-19.0
Liabilities	3'344.0	4'149.5	-805.5	-19.4
Capital and reserves	1'589.9	1'541.8	48.1	3.1
Group net income majority shareholders	169.9	215.1	-45.2	-21.0
Equity minority shareholders	43.7	47.6	-3.9	-8.2
Equity	1'803.5	1'804.5	-1.1	-0.1
Liabilities and equity	5'147.5	5'954.0	-806.5	-13.5

Income statement (in CHF m)	2010	2009 *	Dev.	Dev. %
Net interest income	4.3	8.1	-3.8	-46.4
Net commission and other services business income	1,102.2	1,056.7	45.5	4.3
Net trading income	6.1	38.1	-32.1	-84.1
Net other income	107.9	108.4	-0.5	-0.5
Operating income	1,220.5	1,211.3	9.2	0.8
Personnel expenses	-579.6	-551.1	-28.4	5.2
Other operating expenses	-295.1	-278.8	-16.3	5.8
Operating expenses	-874.7	-830.0	-44.7	5.4
Gross income	345.8	381.4	-35.5	-9.3
Depreciation, value adjustments, provisions, losses	-128.9	-121.8	-7.1	5.8
Operating profit (sub-total)	216.9	259.5	-42.6	-16.4
Taxes, extraordinary income and expenses	-43.3	-39.3	-4.1	10.4
Group net income	173.6	220.3	-46.7	-21.2
Minority interest in profit	-3.7	-5.2	1.5	-28.8
Group net income majority shareholders	169.9	215.1	-45.2	-21.0

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