



Investing for a better life

**AEVIS VICTORIA SA Half-year Report 2016
Abstract**

Consolidated Income Statement

| (In thousands of CHF) | HY 2016 | HY 2015 Restated |
|---|----------------|---------------------|
| Revenue from operations | 289'086 | 286'384 |
| Other revenue | 4'402 | 3'522 |
| External services | (37'420) | (35'003) |
| Net revenue | 256'068 | 254'903 |
| Production expenses | (57'081) | (57'152) |
| Personnel expenses | (114'970) | (118'672) |
| Other operating expenses | (35'651) | (39'162) |
| EBITDAR | 48'366 | 39'917 |
| Rental expenses | (6'191) | (6'930) |
| EBITDA | 42'175 | 32'987 |
| Depreciation on tangible assets | (19'333) | (18'019) |
| Amortisation on intangible assets | (2'260) | (1'975) |
| EBIT | 20'582 | 12'993 |
| Financial result | (12'005) | (11'122) |
| Share of profit / (loss) of associates | (325) | 39 |
| Ordinary result | 8'252 | 1'910 |
| Extraordinary result | (27) | (75) |
| Profit before taxes | 8'225 | 1'835 |
| Income taxes | (3'682) | (1'849) |
| Profit/(loss) for the period before minority interests | 4'543 | (14) |
| Minority interests | (347) | 85 |
| Profit for the period | 4'196 | 71 |
| Weighted average number of outstanding shares | 14'998'240 | 14'256'059 |
| Earnings per share (in CHF) | 0.28 | 0.00 |
| Potential dilutive effect of share-based payment plans | (0.01) | (0.00) |
| Diluted earnings per share (in CHF) | 0.27 | 0.00 |

Consolidated Balance Sheet

| (In thousands of CHF) | 30.06.2016 | 31.12.2015 Restated |
|--|------------------|------------------------|
| Assets | | |
| Cash and cash equivalents | 8'177 | 13'068 |
| Trade receivables | 116'734 | 113'150 |
| Other receivables | 36'033 | 49'848 |
| Inventories | 16'792 | 17'514 |
| Accrued income and prepaid expenses | 30'835 | 23'308 |
| Total current assets | 208'571 | 216'888 |
| Fixed assets | 1'137'934 | 1'126'161 |
| Intangible assets | 25'245 | 25'491 |
| Financial assets | 45'931 | 19'450 |
| Total non-current assets | 1'209'110 | 1'171'102 |
| Total assets | 1'417'681 | 1'387'990 |
| Liabilities and equity | | |
| Trade payables | 74'334 | 88'972 |
| Other current liabilities | 26'967 | 20'243 |
| Short-term financial liabilities | 95'113 | 100'197 |
| Other short-term borrowings | 800 | 800 |
| Accrued expenses and deferred income | 50'468 | 47'181 |
| Short-term provisions | 482 | 482 |
| Total current liabilities | 248'164 | 257'875 |
| Long-term financial liabilities | 742'155 | 703'621 |
| Other long-term borrowings | 16'991 | 16'755 |
| Other non-current liabilities | 13'666 | 14'412 |
| Long-term provisions | 91'801 | 92'844 |
| Total non-current liabilities | 864'613 | 827'632 |
| Total liabilities | 1'112'777 | 1'085'507 |
| Equity | | |
| Share capital | 75'176 | 75'176 |
| Capital reserves | 251'418 | 251'075 |
| Treasury shares | (3'538) | (1'075) |
| Offset goodwill | (45'548) | (45'548) |
| Currency translation differences | (992) | (990) |
| Retained earnings | 28'217 | 24'021 |
| Shareholder's equity excl. minority interests | 304'733 | 302'659 |
| Minority interests | 171 | (176) |
| Shareholders' equity incl. minority interests | 304'904 | 302'483 |
| Total liabilities and equity | 1'417'681 | 1'387'990 |

Consolidated Cash Flow Statement

| (In thousands of CHF) | HY 2016 | HY 2015 |
|--|-----------------|-----------------|
| Profit for the period | 4'196 | 71 |
| Minority interests | 347 | (85) |
| Changes in provisions (incl. deferred taxes) | (1'043) | (712) |
| Depreciation and amortisation | 21'593 | 19'994 |
| (Gain)/loss from sale of fixed assets | 16 | (154) |
| (Gain)/loss from sale of subsidiaries | (4) | - |
| Share of (profit)/loss from associates | 325 | (39) |
| Dividends received from associates | 252 | - |
| Share-based payments | 265 | 174 |
| Change in contribution reserve and other non-cash items | (189) | (1'077) |
| Cash flow from operating activities before changes in working capital | 25'758 | 18'172 |
| Change in trade receivables | (3'584) | (16'221) |
| Change in inventories | 722 | (600) |
| Change in other receivables and prepaid expenses | 2'151 | (14'150) |
| Change in trade payables | (14'639) | 10'829 |
| Change in other liabilities and accrued expenses | 18'566 | 12'022 |
| Cash flow from operating activities | 28'974 | 10'052 |
| Purchase of fixed assets | (25'018) | (49'059) |
| Proceeds from disposal of fixed assets | 27 | 392 |
| Purchase of intangible assets | (2'012) | (1'415) |
| Acquisition of subsidiaries, net of cash acquired | (2'300) | (13'526) |
| Divestment of subsidiaries, net of cash disposed | 3 | - |
| Investments in financial assets and loans to associates | (22'084) | (174) |
| Divestments of financial assets and loans to associates | 25 | 759 |
| Cash flow from investing activities | (51'359) | (63'023) |
| Proceeds from issuance of bond | 150'000 | - |
| Sale/(purchase) of treasury shares | (9'386) | (47) |
| Change in minority interests | - | (10'311) |
| Change in short-term financial liabilities | (5'087) | 25'715 |
| Change in long-term financial liabilities | (118'069) | 13'005 |
| Change in other long-term liabilities and borrowings | 34 | (1'256) |
| Cash flow from financing activities | 17'492 | 27'106 |
| Currency translation effect on cash and cash equivalents | 2 | (87) |
| Change in cash and cash equivalents | (4'891) | (25'952) |
| Cash and cash equivalents at beginning of the period | 13'068 | 48'574 |
| Cash and cash equivalents at the end of the period | 8'177 | 22'622 |

Notes to the Consolidated Financial Statements

1. Seasonality effect

As a result of higher activity levels in the Hospitality segment during the second half year, the Hospitality segment could generate higher revenues and margins than in the first half year. This seasonality effect has an impact on the revenues and operating result of the Group. For the other segments, the seasonality effect is more equally spread over the entire year.

2. Segment information

| HY 2016 (In thousands of CHF) | HOSPITALS | HOSPITALITY | REAL ESTATE | OTHERS | CORPORATE | ELIMINATIONS | TOTAL |
|----------------------------------|----------------|---------------|---------------|----------------|----------------|-----------------|----------------|
| Net revenue | 222'204 | 26'649 | 1'731 | 5'480 | 4 | - | 256'068 |
| Net revenue Interco | 6 | 21 | 23'884 | 120 | 128 | (24'160) | - |
| Net revenue | 222'210 | 26'670 | 25'615 | 5'600 | 132 | (24'160) | 256'068 |
| Production expenses | (52'018) | (4'252) | - | (847) | - | 36 | (57'081) |
| Personnel expenses | (92'663) | (14'928) | (152) | (5'040) | (2'187) | - | (114'970) |
| Other operating expenses | (27'202) | (4'513) | (1'615) | (1'633) | (928) | 240 | (35'651) |
| EBITDAR | 50'327 | 2'977 | 23'848 | (1'920) | (2'983) | (23'884) | 48'366 |
| <i>EBITDAR margin</i> | <i>22.6%</i> | <i>11.2%</i> | <i>93.1%</i> | - | - | - | <i>18.9%</i> |

| HY 2015 (Restated) (In thousands of CHF) | HOSPITALS | HOSPITALITY | REAL ESTATE | OTHERS | CORPORATE | ELIMINATIONS | TOTAL |
|---|----------------|---------------|---------------|----------------|----------------|-----------------|----------------|
| Net revenue | 213'723 | 32'595 | 1'264 | 7'528 | (206) | - | 254'903 |
| Net revenue Interco | - | 4 | 17'380 | - | 102 | (17'486) | - |
| Net revenue | 213'723 | 32'599 | 18'644 | 7'528 | (104) | (17'486) | 254'903 |
| Production expenses | (51'032) | (5'117) | (2) | (1'172) | 170 | - | (57'152) |
| Personnel expenses | (93'357) | (18'519) | (114) | (5'429) | (1'253) | - | (118'672) |
| Other operating expenses | (28'771) | (6'367) | (1'756) | (1'964) | (48) | (256) | (39'162) |
| EBITDAR | 40'563 | 2'596 | 16'772 | (1'037) | (1'235) | (17'742) | 39'917 |
| <i>EBITDAR margin</i> | <i>19.0%</i> | <i>8.0%</i> | <i>90.0%</i> | - | - | - | <i>15.7%</i> |

3. Subsequent events

On July 3, 2016, Swiss Medical Network and KPT concluded a new tariff agreement and found an equitable compromise for services provided in 2015. The latter has a negative impact of CHF 1.2 million on the P&L.