



*Investing for a better life*

**AEVIS VICTORIA Half-Year Report 2015**

## AEVIS VICTORIA SA – Investing for a better life

AEVIS VICTORIA SA invests in services to people, healthcare, life sciences, hotels and lifestyle. AEVIS's main shareholdings are Genolier Swiss Medical Network, the second largest group of private clinics in Switzerland, Victoria-Jungfrau Collection AG, a luxury hotel group managing four palace hotels in Switzerland, Swiss Healthcare Properties AG, a company specialised in healthcare real estate and NESCEMS SA, a brand dedicated to better aging. AEVIS is also active in the ambulance business with Ambulances Services Odier SA. AEVIS is listed on the Swiss Reporting Standard of the SIX Swiss Exchange (AEVS.SW).

[www.aevis.com](http://www.aevis.com)

### Highlights

- Turnover increased by 8.2% to CHF 291.0 million
- One new clinic acquired in 2015
- Merger with Victoria-Jungfrau Collection AG and increase of the participation in the luxury hotel group to 100%
- Capital increase of CHF 3'194'560 (638'912 shares) and name change to AEVIS VICTORIA SA

### Key Figures

(In thousands of CHF unless otherwise stated)	HY2015	HY2014 Restated*	FY2014 Restated*
Revenue	290'968	268'869	542'372
EBITDA	32'987	36'110	65'039
<b>EBITDA margin</b>	<b>11.3%</b>	<b>13.4%</b>	<b>12.0%</b>
Depreciation and amortisation	(19'994)	(21'552)	(37'312)
EBIT	12'993	14'558	27'727
<b>EBIT margin</b>	<b>4.5%</b>	<b>5.4%</b>	<b>5.1%</b>
Financial result	(11'122)	(10'414)	(20'502)
Profit for the period	71	2'808	5'754
Market price per share at end of period	46.40	33.50	45.00
Number of outstanding shares	15'029'954	14'211'905	14'390'416
Market capitalisation	697'390	476'099	647'569

\*Adoption of Swiss GAAP FER 31. See note 2 of the consolidated financial statements for further information.

## Profile of the Group



### Genolier Swiss Medical Network – 2nd largest network of private clinics in Switzerland

Genolier Swiss Medical Network SA (GSMN), founded in 2002, is the 2nd largest network of private clinics in Switzerland, present in the three main linguistic regions. GSMN's growth strategy focuses on the creation of a national network through the acquisition of clinics and the restructuring of their operations. GSMN's main objective is to offer first class hospital care to Swiss and foreign patients. Its distinctive features include high quality services, an excellent medical and hotel infrastructure and a pleasant environment. Equipped with the latest medical technologies, GSMN stands for reliability, competence and well-being. GSMN today operates 15 private clinics in Switzerland, with around 1'250 admitting physicians and 2'750 employees. GSMN is also affiliated to Pyramide am See, which manages 2 clinics in the canton of Zurich. The medical competences of the GSMN clinics are recognised beyond the Swiss borders with, for example, the first Breast Centre of a group of private clinics to be certified in French speaking Switzerland, a pain clinic in Basel, expertise and high-tech oncology equipment and recognised maternity wards. GSMN is a 100% subsidiary of AEVIS VICTORIA.  
[www.gsmn.ch](http://www.gsmn.ch)

### Swiss Healthcare Properties AG – A healthcare dedicated property portfolio in Switzerland

Swiss Healthcare Properties AG (SHP), founded in 1997, is a unique healthcare real estate company in Switzerland. The portfolio of SHP, with a market value of CHF 740.7 million and a rental surface of 126'000 sqm as per 30.06.2015, consists of 29 quality entities situated in premium locations. All properties are fully let, mainly to the various GSMN clinics, and have been bought or constructed in the context of the development of the group. SHP's properties present a development potential of approximately 15'000 to 20'000 rentable sqm. SHP has a buy/build & hold strategy with a long-term perspective of ongoing renovation and maintenance programs. The real estate company is committed over the long-term to the clinic's operations growth but also aims to realise healthcare-related real estate acquisitions with reliable operators outside the GSMN network. SHP is a 100% subsidiary of AEVIS VICTORIA.  
[www.shp.net](http://www.shp.net)



### Victoria-Jungfrau Collection – A Swiss luxury hotels group

The Victoria-Jungfrau Collection (VJC) comprises four leading five-star hotels situated in the most sought-after locations in Switzerland: Victoria-Jungfrau Grand Hotel & Spa in Interlaken, Palace Luzern, Eden au Lac in Zurich and Bellevue Palace in Bern. The four hotels are individually managed but all share a commitment to personal hospitality and top-quality service. The historic establishments with Swiss tradition offer luxurious accommodation, gourmet cuisine, wellness and contemporary infrastructure to their guests. The Victoria-Jungfrau Collection yearly counts around 160'000 overnight bookings. VJC is a 100% subsidiary of AEVIS VICTORIA.

**[www.vjc.ch](http://www.vjc.ch)**



### Nescens SA - Swiss Anti-Aging Science – Adding Life to LifeTM

Nescens is the result of a unique blend of medical and scientific expertise, born out of the vision of Professor Jacques Proust, a pioneer in the field of the biology of aging who created the Centre for the Prevention of Aging at Clinique de Genolier. Nescens is the first brand that developed a general and personalized medical accompaniment for successful aging. In its Preventive Medicine Centres, Medical Spas and Clinics, Nescens offers medical check-ups, better-aging therapeutic programmes, plastic surgery and beauty treatments or also anti-aging enhancing cosmeceuticals. In this way, Nescens supports the prevention, reduction or slowing down of the effects of aging. Nescens also created a centre of excellence in regenerative medicine in the form of Nescens Swiss Stem Cell Science. Its main activity is to promote, manage and organise the collection, treatment, cryopreservation and autologous use of stem cells for therapies or aesthetic enhancements and also to participate in international scientific research programmes. AEVIS VICTORIA owns 36.2% of Nescens SA and 84% of Laboratoires Genolier SA, the company developing high-end cosmeceuticals. AEVIS owns 70% of Nescens Swiss Stem Cell Science SA and 100% of Clinique Nescens Paris Spontini, its first clinic entirely dedicated to plastic surgery.

**[www.nescens.com](http://www.nescens.com)**



**Ambulances Services Odier SA – Leading private ambulance company in Geneva**

Ambulances Services Odier SA is an ambulance company specialised in the transportation of patients and injured. With 20 ambulances and around 80 employees and a market share of approximately 40%, Ambulances Services Odier SA is the most important private player in the canton of Geneva. The company is specialised in repatriations, urgent patient transports, hospital transfers and organ and blood transportation. AEVIS VICTORIA owns 93.4% of Ambulances Services Odier SA.

**[www.asgge.ch](http://www.asgge.ch)**



**Les Hauts de Genolier SA – Premier hotel services in a medical environment**

Les Hauts de Genolier is a unique concept in Switzerland, an alliance between premier hotel services and medical care supplied by Clinique de Genolier. The facility is designed for residents of all ages who wish to remain independent while benefitting from tailor-made services, during long or short-term stays and within a secure medical environment. Les Hauts de Genolier counts 63 spacious suites with balcony, offering a magnificent view over Lake Geneva and Mont- Blanc. AEVIS VICTORIA owns 100% of Les Hauts de Genolier SA.

**[www.hdg.ch](http://www.hdg.ch)**

## Share and bond information

### Number of shares

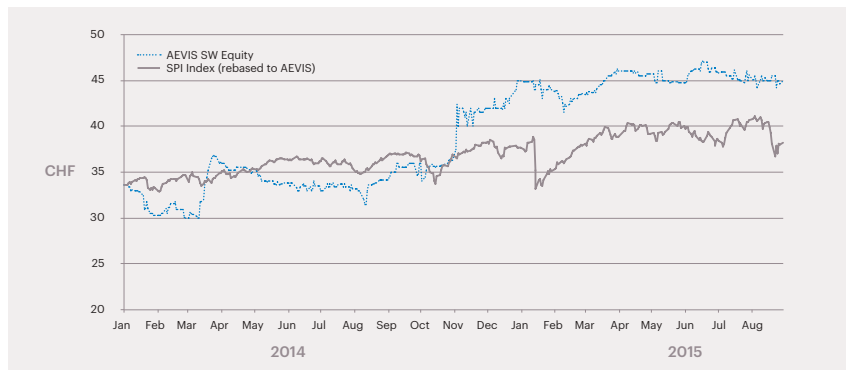
	30.06.2015	31.12.2014
Share capital (in CHF)	75'176'035	71'981'475
Number of registered shares issued*	15'035'207	14'396'295
Nominal value per registered share (in CHF)	5	5
Number of treasury shares	5'253	5'879
<b>Number of registered shares outstanding</b>	<b>15'029'954</b>	<b>14'390'416</b>

\*The issuing of 638'912 new registered shares in relation with the merger by absorption of Victoria-Jungfrau Collection AG has been approved by the Annual General Meeting of June 29, 2015 and published in the Commercial Register on July 3, 2015.

### Data per share

(in CHF unless otherwise stated)	30.06.2015	31.12.2014
High	47.25	45.00
Low	34.35	30.00
End price	46.40	45.00
Average volume per day (in units)	2'204	4'324
<b>Market capitalisation</b>	<b>697'389'866</b>	<b>647'568'720</b>

### Share price performance



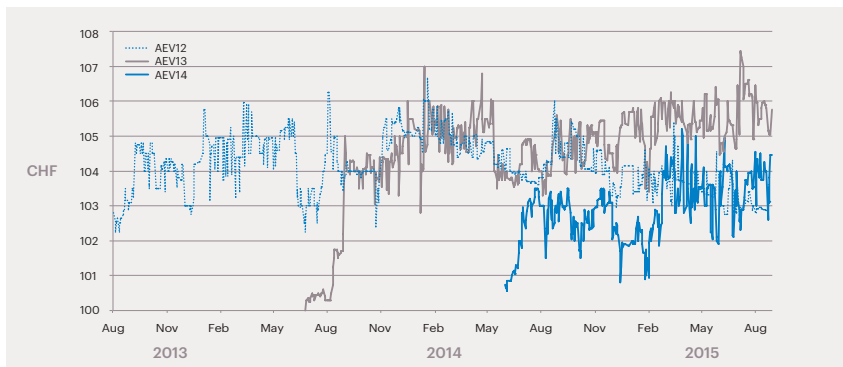
The registered shares of AEVIS VICTORIA SA are traded on the Swiss Reporting Standard of SIX Swiss Exchange.

Valor symbol:	AEVS	Bloomberg:	AEVS SW Equity
Valor no.:	1248819	Reuters:	AEVS.S.
ISIN:	CH0012488190		

## AEVIS VICTORIA SA Bonds

AEVIS VICTORIA SA has currently issued three fixed rate bonds.

	AEV12	AEV13	AEV14
Bond type	Fixed rate	Fixed rate	Fixed rate
Nominal amount	CHF 80.0 million	CHF 100.0 million	CHF 145.0 million
Securities number	CH0187896698	CH0214926096	CH0240109592
Interest rate	4.25%	3.50%	2.75%
Term	03.08.2012 to 03.08.2016	02.07.2013 to 02.07.2018	04.06.2014 to 04.06.2019
Maturity	03.08.2016 at par value	02.07.2018 at par value	04.06.2019 at par value



## Major shareholders

The following shareholders held more than 3% on 30 June 2015:

Group A. Hubert / M. Reybier / M.R.S.I. Medical Research, Services and Investments SA	78.03%
Kuwait Investment Office	3.55%
<b>Total shareholders (30 June 2015)</b>	<b>2'886</b>

## Financial reporting

November 2015	Publication of 3Q 2015 turnover
March 2016	Publication of the 2015 turnover
29 April 2016	Publication of the 2015 Annual Results
May 2016	Publication of 1Q 2016 turnover
14 June 2016	Ordinary general shareholders meeting for the year 2015
30 September 2016	Publication of the 2016 half-year results
November 2016	Publication of 3Q 2016 turnover

## Share Register

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 Share Register Administration  
 Baslerstrasse 100 / P.O. Box  
 CH-4601 Olten  
 Tel +41 58 399 61 00  
[share.register@six-securities-services.com](mailto:share.register@six-securities-services.com)

## Dear Shareholder,

AEVIS VICTORIA SA (AEVIS) further sharpened its profile and increased its level of specialisation in the reporting period. Most importantly, AEVIS successfully completed the build-up of its third pillar of activities with the 100% integration of the luxury hotel business and the associated name change. Both general assemblies of AEVIS Holding SA and Victoria-Jungfrau Collection AG (VJC) approved the merger through the absorption of Victoria-Jungfrau Collection AG by AEVIS to create AEVIS VICTORIA SA on 29 June 2015. In return for their VJC shares, the shareholders received newly issued AEVIS shares at an exchange ratio of eight AEVIS shares for one VJC share. The new AEVIS shares are entitled to dividends for the full fiscal year, as the transaction entered into force retroactively as of 1 January 2015.

In the first half-year 2015, AEVIS realised total revenues of CHF 291.0 million, up by 8.2% from the previous year. EBITDA declined slightly to CHF 33.0 million (2014: CHF 36.1 million) or 11.3% (2014: 13.4%) of revenues due to lower reimbursement tariffs at GSMN, fewer foreign patients and the negative impact of the consolidation of the hotel subsidiary as of Q1 2015, the three first months of the year traditionally being the least performing in the hotel sector (in 2014, the hotel business was consolidated as of the second quarter). Financial expenses of more than CHF 11 million following substantial investments, acquisitions and the issuance of three bonds in the recent past further impacted results. As a consequence, a net profit for the period under review of CHF 0.07 million was achieved compared to CHF 2.80 million a year ago.

AEVIS continues to strive for operational excellence. It is our goal to satisfy our patients and clients as much as possible and deliver a superior price-performance ratio. We therefore continue to invest in our people with dedicated training and quality programs, such as the newly launched Genolier Academy. These offerings will help transform AEVIS and its subsidiaries into a preferred employer in its areas of activity.

### Consolidation of Genolier Swiss Medical Network advanced

Genolier Swiss Medical Network (GSMN) continued its development with the integration of Clinique Montbrillant in La Chaux-de-Fonds. The clinic is specialised in orthopaedics, ophthalmology, gynaecology and general surgery, and realises a turnover of around CHF 15 million per year. Clinique Montbrillant was formally integrated into GSMN Neuchatel SA, allowing it to offer medical services together with Hôpital de la Providence, which was successfully repositioned in the last few months, to the entire canton of Neuchatel.

Surging business with Swiss patients resulted in total revenues for the 15 clinics and the residence Les Hauts de Genolier of CHF 217.0 million in the reporting period, 2.3% above the previous year. Anticipated TARMED (the ambulatory tariff structure) price reductions of 8.5% for 2015 had a negative impact on the reimbursements in the amount of CHF 1.7 million. In addition, DRG system changes together with reduced base rates in the combined amount of CHF 0.8 million further impacted profitability. The number of foreign patients decreased, mainly due to sanctions against Russia and intensified competition in the field of medical tourism, and led to a loss of sales in the amount of CHF 7 million. To counteract these developments, GSMN will initiate additional measures to increase



efficiency and cost-effectiveness. On the other hand, these new tariffs will have an even more substantial effect on poorly managed private clinics and many public hospitals with substandard competitiveness. As a result, consolidation in the industry could intensify even more and open up further expansion opportunities for GSMN. The pipeline currently looks promising, and it is expected that GSMN will continue to expand its unique network of medical excellence in the months to come.

GSMN progressed in terms of quality and further invested in its infrastructure. Renovation work has been completed at Privatklinik Lindberg in Winterthur, which is now a state-of-the-art private clinic after investments of more than CHF 11 million. To offer patients the best possible treatment, the maternity units of Privatklinik Lindberg and Privatklinik Bethanien have been merged and concentrated at the Zurich location. The same bundling of core competencies has been carried out with the maternity units of Privatklinik Obach and Privatklinik Villa im Park, which are now centralised in Rothrist.

In order to manage the ongoing regulatory challenges and unequal treatment of contracted clinics, internal and organisational adaptations have been put in place. All contracted clinics of GSMN, focusing on clients with supplementary insurance, have been bundled into a new entity called GSMN Suisse SA. At the same time, the clinics in canton Ticino are now combined in a subsidiary named GSMN Ticino SA. The reinforced organisational structure combined with high quality and up-to-date infrastructure and equipment put GSMN in an ideal position to meet the challenges of a changing healthcare market in Switzerland.

#### Swiss Healthcare Properties grows rental income

During the first six months of 2015, SHP acquired the building and construction project of CIC Clinic in Clarens (near Montreux), a leading operator of outpatient surgery. SHP generated a rental income of CHF 18.5 million, up by 16.7% compared to the same period last year. The real estate portfolio of SHP consisted of 29 properties on 14 sites, representing a total rentable surface of 126'195 m<sup>2</sup>. The current portfolio has a further development potential of approximately 15'000 to 20'000 rentable m<sup>2</sup>, up to 35'000 m<sup>2</sup> with new zoning plans. All properties were fully let (no vacancies). The portfolio reached a market value of CHF 740.7 million at the end of June 2015, as estimated by Wüest & Partner, compared to CHF 684 million six months ago. Internal reorganisations were carried out to rationalise administrative and technical operations as well as intensify the collaboration with Patrimonium Healthcare Property Advisors.

Capital expenditures for acquisitions will decrease substantially in the coming quarters. Nevertheless, the anticipated development of GSMN's clinic activities implies a need for additional surfaces on various sites in the coming years. Various actions are being carried out to meet this need, seeking to increase the ground area ratio, changing area plans, or searching for buildings near current clinics. Overall, healthcare-related real estate remains more resilient to market challenges such as tighter credit-granting rules or immigration uncertainties, as witnessed in the residential and office real estate market in Switzerland.

### Victoria-Jungfrau Collection attracts more guests

The first quarter is usually the most challenging period for city hotels in Switzerland. 2015 was no exception, and the tourism industry was further impacted by the Swiss National Bank and its decision to float the exchange rate against the Euro. Since April, however, results have been constantly improving and the summer months were clearly above average. The crises in Russia and the devaluation of the Ruble led to a decline in the number of Russian clients. However, VJC was able to offset the impact and compensate with customers from China, USA and the Middle East, each growing at a solid rate of more than 20% compared to a year earlier.

In total, VJC achieved a turnover of CHF 32.9 million in the first half-year 2015, down 3.5% from the previous year. The number of guests increased by 2% to 75'415, mainly due to a positive development in business groups and leisure groups, while the number of overnight stays dropped by 1.2% to 45'265 and the average room rate declined by 2.8% to CHF 345. VJC was able to regain ground in the summer months as business expanded at an above-average rate. As a consequence, results at the end of July 2015 were already above the previous year, highlighted by a turnover of CHF 40.5 million, a total of 93'794 guests and an average room rate of CHF 359.

The management team will continue to exploit synergies in IT, sales and marketing, procurement and human resources. Furthermore, the gastronomy offer will be upgraded and help to reposition the hotels. For example, the Restaurant La Terrasse at the Victoria-Jungfrau Grand Hotel & Spa in Interlaken will undergo an extensive renovation and get a completely new concept to unlock the future. Similar projects are foreseen in our other hotels.

### Mid-term outlook

In the current business year 2015, AEVIS expects to realise a turnover of approximately CHF 600 million, based on an unchanged portfolio consolidated over a 12-month period. Despite the seasonal impacts on AEVIS' profitability level during the first half-year 2015, AEVIS continues to target an EBITDA margin of more than 20% in the mid-term, based on optimised processes and higher utilisation of its infrastructure. This will imply a free cash flow margin of around 10%, on which a payout ratio of 30% will be applied.

Christian Wenger  
Chairman of the Board

Antoine Hubert  
Delegate of the Board

**Consolidated financial statements  
of AEVIS VICTORIA SA**

## Consolidated Income Statement

(In thousands of CHF)	Note	1st half 2015	1st half 2014 Restated
Total revenue		290'968	268'869
External services		(32'557)	(29'970)
<b>Net revenue</b>	4	<b>258'411</b>	<b>238'899</b>
Total operating expenses		(225'424)	(202'789)
<b>EBITDA (Earnings before interest, taxes, depreciation and amortisation)</b>		<b>32'987</b>	<b>36'110</b>
Depreciation and amortisation		(19'994)	(21'552)
<b>Profit from operating activities</b>		<b>12'993</b>	<b>14'558</b>
Financial result		(11'122)	(10'414)
Share of profit / (loss) of equity accounted investees		39	114
<b>Ordinary result</b>		<b>1'910</b>	<b>4'258</b>
Extraordinary result	5	(75)	-
<b>Profit before taxes</b>		<b>1'835</b>	<b>4'258</b>
Income taxes		(1'849)	(1'555)
<b>Profit/(loss) for the period before minority interests</b>		<b>(14)</b>	<b>2'703</b>
Minority interests		85	105
<b>Profit for the period</b>		<b>71</b>	<b>2'808</b>
Weighted average number of outstanding shares		14'256'059	14'259'155
<b>Earnings per share (in CHF)</b>		<b>0.00</b>	<b>0.20</b>
Potential dilutive effect of share-based payment plans		0.00	(0.01)
<b>Diluted earnings per share (in CHF)</b>		<b>0.00</b>	<b>0.19</b>

## Consolidated Balance Sheet

(In thousands of CHF)	30.06.2015	31.12.2014 Restated
<b>Assets</b>		
Total current assets	236'618	227'274
Total non-current assets	1'127'054	1'061'330
<b>Total assets</b>	<b>1'363'672</b>	<b>1'288'604</b>
<b>Liabilities and equity</b>		
Total current liabilities	309'076	259'952
Total non-current liabilities	747'039	709'450
<b>Total liabilities</b>	<b>1'056'115</b>	<b>969'402</b>
<b>Equity</b>		
Equity before minority interests	307'795	270'456
<b>Total equity including minority interests</b>	<b>307'557</b>	<b>319'202</b>
<b>Total liabilities and equity</b>	<b>1'363'672</b>	<b>1'288'604</b>

## Consolidated Statement of Changes in Equity

(In thousands of CHF)	Share capital	Share premium	Treasury shares	Offset goodwill	Currency translation differences	Retained earnings / (accumulated deficit)	Total before minority interests	Minority interests	Total equity
<b>Balance at 1 January 2014 (before restatement)</b>	<b>71'699</b>	<b>239'591</b>	<b>(344)</b>	<b>(85'899)</b>	<b>10</b>	<b>5'171</b>	<b>230'228</b>	<b>2'691</b>	<b>232'919</b>
Changes in accounting principles	-	378	-	-	-	(378)	-	-	-
<b>Balance at 1 January 2014 (restated)</b>	<b>71'699</b>	<b>239'969</b>	<b>(344)</b>	<b>(85'899)</b>	<b>10</b>	<b>4'793</b>	<b>230'228</b>	<b>2'691</b>	<b>232'919</b>
Profit for the period (restated)	-	-	-	-	-	2'808	2'808	(105)	2'703
Capital contribution distribution	-	(7'826)	-	-	-	-	(7'826)	-	(7'826)
Acquisition of subsidiaries	-	-	-	49'289	-	-	49'289	45'855	95'144
Purchase of minority interests	-	-	-	-	-	(79)	(79)	(65)	(144)
Purchase of treasury shares	-	-	(7'134)	-	-	-	(7'134)	-	(7'134)
Sale of treasury shares	-	(85)	3'155	-	-	-	3'070	-	3'070
Share-based payments (restated)	-	189	-	-	-	-	189	-	189
Currency translation differences	-	-	-	-	10	-	10	-	10
<b>Balance at 30 June 2014 (restated)</b>	<b>71'699</b>	<b>232'247</b>	<b>(4'323)</b>	<b>(36'610)</b>	<b>20</b>	<b>7'522</b>	<b>270'555</b>	<b>48'376</b>	<b>318'931</b>
<b>Balance at 1 January 2015 (restated)</b>	<b>71'981</b>	<b>232'991</b>	<b>(248)</b>	<b>(44'626)</b>	<b>(151)</b>	<b>10'509</b>	<b>270'456</b>	<b>48'746</b>	<b>319'202</b>
Profit for the period	-	-	-	-	-	71	71	(85)	(14)
Capital increase	3'195	(2)	-	-	-	-	3'193	-	3'193
Acquisition of subsidiaries	-	-	-	(211)	-	-	(211)	(162)	(373)
Purchase of minority interests	-	25'493	-	-	-	9'739	35'232	(48'737)	(13'505)
Purchase of treasury shares	-	-	(18'095)	-	-	-	(18'095)	-	(18'095)
Sale of treasury shares	-	(85)	18'132	-	-	-	18'047	-	18'047
Share-based payments	-	174	-	-	-	-	174	-	174
Currency translation differences	-	-	-	-	(1'072)	-	(1'072)	-	(1'072)
<b>Balance at 30 June 2015</b>	<b>75'176</b>	<b>258'571</b>	<b>(211)</b>	<b>(44'837)</b>	<b>(1'223)</b>	<b>20'319</b>	<b>307'795</b>	<b>(238)</b>	<b>307'557</b>

## Consolidated Cash Flow Statement

(In thousands of CHF)	1st half 2015	1st half 2014 Restated
<b>Profit for the period</b>	<b>71</b>	<b>2'808</b>
<b>Cash flow from operating activities before changes in working capital</b>	<b>18'172</b>	<b>23'314</b>
<b>Cash flow from operating activities</b>	<b>10'052</b>	<b>6'551</b>
<b>Cash flow used in investing activities</b>	<b>(63'023)</b>	<b>(74'297)</b>
<b>Cash flow from financing activities</b>	<b>27'106</b>	<b>81'392</b>
Currency translation effect on cash and cash equivalents	(87)	(16)
<b>Change in cash and cash equivalents</b>	<b>(25'952)</b>	<b>13'630</b>
Cash and cash equivalents at beginning of the period	48'574	29'065
<b>Cash and cash equivalents at the end of the period</b>	<b>22'622</b>	<b>42'695</b>

# Notes to the consolidated Financial Statement

## 1. General information

AEVIS VICTORIA SA (hereafter “The Company”) has its registered offices at rue Georges-Jordil 4, 1700 Fribourg, Switzerland. The Company’s purpose consists of holding interests in financial, commercial and industrial enterprises in Switzerland and abroad, in areas such as medical treatment, healthcare and hotels.

## 2. Basis of preparation and accounting policies

These condensed consolidated financial statements cover the unaudited interim results for the six months ended 30 June 2015. They have been prepared in accordance with Swiss GAAP FER. The consolidated interim financial statements for 2015 have been prepared in accordance with FER 31 “Supplementary recommendation for listed companies”.

The consolidated financial statements were authorised for issue by the Board of Directors on 28 September 2015 and include the Company, its subsidiaries and its interests in associates (together “The Group”).

The first-time adoption of Swiss GAAP FER 31 impacts the following areas of corporate accounting of the Group:

### Share-based payments

According to Swiss GAAP FER 31, share-based compensation is valued at present value when granted and is recognized over the vesting period as personnel expenses and as equity (for instruments with equity compensation) or liabilities (for instruments with cash compensation).

The implementation of Swiss GAAP FER 31 resulted in a restatement of the financial statements of 2014. The following adjustments were made to the income statement for the first six months of 2014:

(In thousands of CHF)	1st half 2014
Profit for the period before adjustment	2'997
Share-based payments (personnel expenses)	(189)
<b>Profit for the period after adjustment</b>	<b>2'808</b>

### Other adjustments for Swiss GAAP FER 31

No other additional provisions of Swiss GAAP FER 31 have an influence on the consolidated balance sheet and income statement of the Group. However, in order to comply with Swiss GAAP FER 31, additional disclosures have been included in the consolidated financial statements and the notes to the consolidated financial statements.



### Other changes in the accounting policies

As from 2015, the Group uses the proportional consolidation method instead of the equity method to include joint venture companies in the scope of consolidation.

Except for the above mentioned changes, the Group has applied the same accounting policies as described in the 2014 Annual Report.

### 3. Changes in scope of consolidation

The following changes to the scope of consolidation took place in the first half of 2015:

Entity	Event / Date	Capital share 30.06.2015	Capital share 31.12.2014
Ambulances Odier SA	Acquired on 13.01.2015	100.00%	-
GSMN Zürich AG	Increase in participation on 18.02.2015	100.00%	80.00%
Montbrillant SA	Acquired on 30.03.2015	100.00%	-
Victoria-Jungfrau Collection AG	Increase in participation on 29.06.2015	100.00%	71.17%

Victoria-Jungfrau Collection AG is a holding company with several subsidiaries. All group companies are listed in note 7.

### 4. Segment information

(In thousands of CHF)	1st half 2015	1st half 2014
Private clinics	217'015	212'168
Hotels*	32'595	20'635
Real estate	18'996	16'027
Other	7'834	5'643
Corporate	102	93
<b>Net revenue of the segments</b>	<b>276'542</b>	<b>254'566</b>
Inter-segment transactions	(18'131)	(15'667)
<b>Net consolidated revenue of the Group</b>	<b>258'411</b>	<b>238'899</b>

\*The hotels segment was included in the scope of consolidation on April 1, 2014. Therefore only three months were included in the 2014 figures.

Because of competitive disadvantages compared to non-listed and larger competitors as well as other stakeholders, the Group decided to only disclose the net revenue by segment.

### 5. Extraordinary result

The extraordinary result of CHF 0.1 million (2014: nil) is related to the legal case of 2010.

## 6. Subsequent events

On September 1, 2015, Swiss Healthcare Properties SA sold a building in Clarens (canton Vaud).

## 7. List of group companies

Segment / Company name	Location	Activity		In % on group level	
				30.06.2015	31.12.2014
<b>Corporate</b>					
AEVIS VICTORIA SA (formerly AEVIS Holding SA) <sup>1</sup>	Fribourg	Holding company	a)	100.0	100.0
Victoria-Jungfrau Collection AG (merged) <sup>1</sup>	Interlaken	Holding company	a)	100.0	71.2
<b>Private clinics</b>					
Genolier Swiss Medical Network SA	Genolier	Holding company	a)	100.0	100.0
GSMN Suisse SA (formerly GSMN Vaud SA) <sup>2</sup>	Genolier	Clinics	a)	100.0	100.0
GSMN Zürich AG <sup>2</sup>	Zürich	Clinics	a)	100.0	80.0
GSMN Ticino SA (formerly Salus Medica Clinic SA) <sup>3</sup>	Sorengo	Clinics	a)	100.0	100.0
Ars Medica Clinic SA (merged) <sup>3</sup>	Gravesano	Clinic	a)	100.0	100.0
GSMN Neuchâtel SA	Neuchâtel	Clinics	a)	100.0	100.0
Montbrillant SA (merged) <sup>4</sup>	La Chaux-de-Fonds	Clinic	a)	100.0	0.0
Centre Médico-Chirurgical des Eaux-Vives SA	Geneva	Day clinic	a)	100.0	100.0
Clinique Générale – Ste-Anne SA	Fribourg	Clinic	a)	100.0	100.0
Clinique Médico-Chirurgicale de Valère SA	Sion	Clinic	a)	92.3	92.3
Genolier Swiss Visio Network SA	Genolier	Ophthalmology	a)	80.0	80.0
IRJB Institut de Radiologie du Jura Bernois SA	Saint-Imier	Radiology institute	a)	51.0	51.0
IRP Institut de Radiologie Providence SA	Neuchâtel	Radiology institute	a)	51.0	51.0
Klinik Pyramide am See AG	Zurich	Clinic	c)	20.0	20.0
Klinik Villa im Park AG	Rothrist	Clinic	a)	100.0	100.0
Les Hauts de Genolier SA <sup>5</sup>	Genolier	Patient hotel	a)	100.0	100.0
Privatklinik Obach AG	Solothurn	Clinic	a)	100.0	100.0
Schmerzklinik Basel AG	Basel	Clinic	a)	100.0	100.0
<b>Hotels</b>					
Victoria-Jungfrau Collection AG (formerly SHI Swiss Hotels Investments S.A.)	Interlaken	Hotel investments	a)	100.0	100.0
Grand Hotel Victoria-Jungfrau AG	Interlaken	Hotel	a)	100.0	71.2
Hotel Bellevue Palace AG	Bern	Hotel	a)	100.0	71.2
Hotel Eden au Lac AG	Zurich	Hotel	a)	100.0	71.2
Palace Hotel Luzern AG	Luzern	Hotel	a)	100.0	71.2
VJC-Management AG	Interlaken	Management	a)	100.0	71.2

Segment / Company name	Location	Activity	In % on group level		
			30.06.2015	31.12.2014	
<b>Real estate</b>					
Park Résidence AG	Interlaken	Real estate	a)	100.0	71.2
Patrimonium Healthcare Property Advisors AG	Baar	Real estate management	b)	50.0	50.0
Swiss Healthcare Properties AG	Fribourg	Healthcare real estate	a)	100.0	100.0
Swiss Hospitality Properties AG	Interlaken	Real estate	a)	100.0	100.0
<b>Others</b>					
Ambulances Services Odier SA (formerly AS Ambulances Services SA) <sup>6</sup>	Geneva	Ambulance services	a)	93.4	93.4
Ambulances Odier SA (merged) <sup>6</sup>	Geneva	Ambulance services	a)	93.4	0.0
Laboratoires Genolier SA	Genolier	Cosmetics	a)	84.0	84.0
NESCENS SA	Genolier	Better-aging	c)	36.2	36.2
Société Clinique Spontini SAS	Paris	Aesthetic clinic in France	a)	100.0	100.0
Swiss Stem Cell Science SA	Fribourg	Stem Cells	a)	70.0	70.0
Academy & Finance SA	Geneva	Organisation of seminars	c)	22.5	22.5
Agefi Com SA	Geneva	Publishing (dormant)	c)	49.0	49.0
AGEFI, Société de l'Agence Economique et Financière SA	Lausanne	Publishing	c)	49.0	49.0
Publications Financières LSI SA	Geneva	Publishing (dormant)	a)	100.0	100.0

- a) Fully consolidated  
b) Proportional method  
c) Equity method

<sup>1)</sup> Victoria-Jungfrau Collection AG was merged in June 2015 into AEVIS Holding SA which was then renamed to AEVIS VICTORIA SA with retroactive effect from 01.01.2015.

<sup>2)</sup> GSMN Zürich AG was merged in March 2015 into GSMN Vaud SA which was then renamed to GSMN Suisse SA with retroactive effect from 30.09.2014.

<sup>3)</sup> Ars Medica Clinic SA was merged in June 2015 into Salus Medica Clinic SA which was then renamed to GSMN Ticino SA with retroactive effect from 01.01.2015.

<sup>4)</sup> Montbrillant SA was merged in June 2015 into GSMN Neuchâtel SA with retroactive effect from 01.01.2015.

<sup>5)</sup> The patient hotel Les Hauts de Genolier SA has been reported under the segment "Other healthcare and wellness activities" in the former segment information and was reclassified to the "Clinics" segment in the new segment information under Swiss GAAP FER 31. The previous year figures are presented accordingly.

<sup>6)</sup> Ambulances Odier SA was merged in June 2015 into AS Ambulances Services SA which was then renamed to Ambulances Services Odier SA with retroactive effect from 01.01.2015.

