

Investing for a better life



Investing for a better life

**CHF
337M**
TOTAL REVENUE
INCREASED

14.5%
EBITDA
MARGIN

AEVIS VICTORIA SA invests in services to people, healthcare, hospitality, life sciences and lifestyle. AEVIS VICTORIA's main shareholdings are Swiss Medical Network SA, the second largest group of private hospitals in Switzerland, Victoria-Jungfrau Collection AG, a luxury hotel group managing five luxury hotels in Switzerland, a healthcare and hospitality real estate division, Medgate, the leading telemedicine provider in Switzerland, and NESSENS SA, a brand dedicated to better aging. AEVIS is listed on the Swiss Reporting Standard of the SIX Swiss Exchange (AEVS.SW).

www.aevis.com

**CHF
1.1BN**
MARKET VALUE
REAL ESTATE
PORTFOLIO

**CHF
12.2M**
PROFIT
STRONGLY UP

Key Figures

(In thousands of CHF
unless otherwise stated)

	HY 2017	HY 2016	FY 2016
Total revenue	336'627	293'488	592'595
Net revenue	295'245	256'068	517'106
EBITDAR*	50'197	48'366	87'141
EBITDAR margin	17.0%	18.9%	16.9%
EBITDA	42'944	42'175	74'605
EBITDA margin	14.5%	16.5%	14.4%
EBIT	18'936	20'582	31'448
EBIT margin	6.4%	8.0%	6.1%
Profit for the period	12'155	4'543	2'692
Market price per share at end of period (in CHF)	61.00	44.50	64.00
Number of outstanding shares	15'381'588	14'951'369	15'016'768
Market capitalisation	938'277	665'336	961'073

*Earnings before interest, taxes, depreciation, amortisation and rental expenses

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Share and bond information

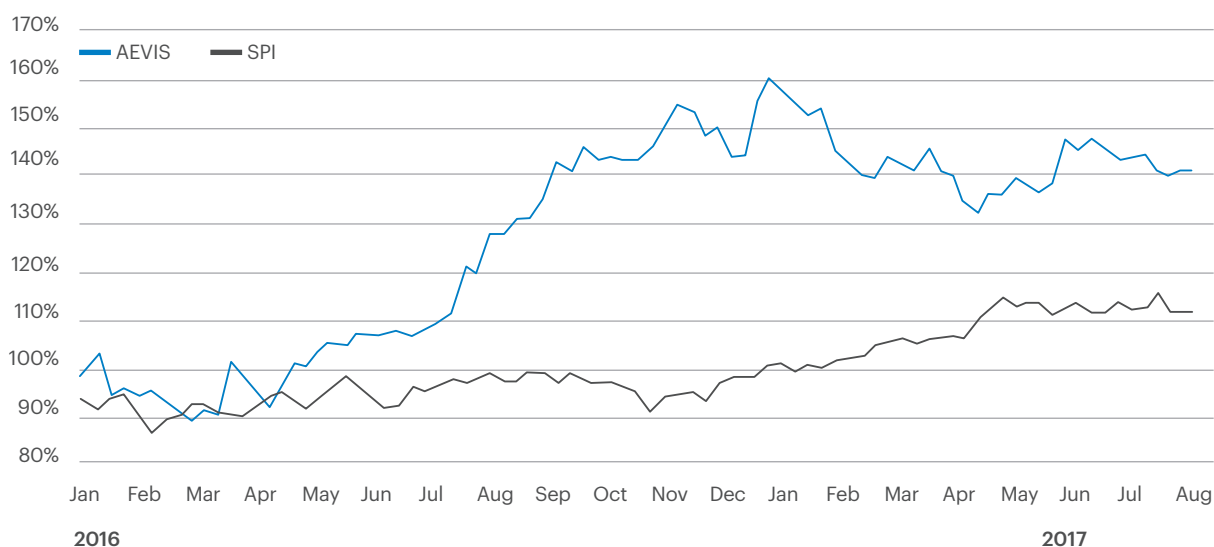
Number of shares

	30.06.2017	31.12.2016
Share capital (in CHF)	77'491'035	75'662'035
Number of registered shares issued	15'498'207	15'132'407
Nominal value per registered share (in CHF)	5	5
Number of treasury shares	116'619	115'639
Number of registered shares outstanding	15'381'588	15'016'768

Data per share

	30.06.2017	31.12.2016
High (in CHF)	66.40	64.40
Low (in CHF)	54.00	37.50
End price (in CHF)	61.00	64.00
Average volume per day (in units)	1'255	1'692
Market capitalisation (in CHF)	938'276'868	961'073'152

Share price performance



The registered shares of AEVIS VICTORIA SA are traded on the Swiss Reporting Standard of SIX Swiss Exchange and are part of the Swiss Performance Index SPI, the SXI Life Sciences Index (SLIFE) and the SXI Bio+Medtech Index (SBIOM).

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

AEVIS VICTORIA SA Bonds

AEVIS VICTORIA SA has issued four fixed rate bonds shown in the table below.

	AEV13	AEV14	AEV16	AEV161
Bond type	Fixed rate	Fixed rate	Fixed rate	Fixed rate
Nominal amount	CHF 100.0 million	CHF 145.0 million	CHF 150.0 million	CHF 145.0 million
Securities number	CH0214926096	CH0240109592	CH0325429162	CH0337829276
Interest rate	3.50%	2.75%	2.50%	2.00%
Term	02.07.2013 to 02.07.2018	04.06.2014 to 04.06.2019	07.06.2016 to 07.06.2021	19.10.2016 to 19.10.2022
Maturity	02.07.2018 at par value	04.06.2019 at par value	07.06.2021 at par value	19.10.2022 at par value

Major shareholders

The following shareholders held more than 3% on 30 June 2017.

Group Hubert/Reybier/M.R.S.I. Medical Research, Services and Investments SA	78.02%
Kuwait Investment Office as agent for the Government of the State of Kuwait	3.44%
Total shareholders (30 June 2017)	1'708

Financial reporting

November 2017	Publication of 3Q 2017 Revenue
March 2018	Publication of 2017 Revenue
29 March 2018	Publication of the 2017 Annual Results
May 2018	Publication of 1Q 2018 Revenue
24 May 2018	Ordinary general shareholders meeting for the year 2017
14 September 2018	Publication of the 2018 Half-Year Results
November 2018	Publication of 3Q 2018 Revenue

Share register

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Net profit more than doubled



Dear Shareholder,

As an investment company, AEVIS VICTORIA SA (AEVIS VICTORIA) realises income in two ways – through the operational activities of its fully consolidated subsidiaries and through gains or dividends on investments in unconsolidated companies. In the first half of 2017, revenues from operations increased by 14.7% from CHF 293.5 million to CHF 336.6 million, mainly due to the integration of Clinique Générale-Beaulieu in Geneva into Swiss Medical Network in late 2016. During the reporting period, AEVIS VICTORIA proceeded with two divestments, which resulted in a financial gain on investments of CHF 11.7 million. The 11.9% stake in LifeWatch AG was sold to Biotelemetry and a minority shareholding in Linde Holding Biel/Bienne AG was sold to the Hirslanden Group. A net profit of CHF 12.2 million was achieved for the period, in comparison to a net profit of CHF 4.5 million in the first half of 2016. The surge in profitability is expected to be sustained and will allow the company to propose an increased distribution to its shareholders at next year's Annual General Meeting.

Swiss Medical Network: record revenues after integration of Clinique Générale-Beaulieu

Total revenues of Swiss Medical Network reached CHF 301.7 million, up from CHF 259.2 million in the previous year, representing a growth of 16.4%. The increase was mainly due to the integration of Clinique Générale-Beaulieu in Geneva during the last quarter of 2016. Net revenues, excluding medical fees, grew by 17.4% from CHF 222.2 million last year to CHF 260.8 million in the reporting period. The hospital segment generated an EBITDAR of CHF 54.4 million, a plus of 8.1% compared to the CHF 50.3 million achieved in the first half of 2016. The cash flow from operating activities of Swiss Medical Network nearly doubled from CHF 8.9 million to CHF 17.5 million.

AEVIS VICTORIA realised a financial gain on investments of CHF 11.7 million

Swiss Medical Network continues to work closely with various stakeholders in the Swiss healthcare system in order to improve processes, create new, innovative insurance models and drive change in the regulations, in the best interest of the patients. The Group was actively involved in the discussions regarding the revision of the TARMED System and contributed to it with a study realised in collaboration with PricewaterhouseCoopers. The study detailed the possible effects on the system of a shift from inpatient to more outpatient treatments. Swiss Medical Network continues to work on the establishment of strategic alliances with the public system in various cantons in order to further improve the positioning of the respective hospitals. The new TARMED regime will put further pressure on the system as a whole and we expect it to lead to a new round of consolidation. As the second largest network of private hospitals in Switzerland, Swiss Medical Network is certain to profit from this trend, especially in outpatient surgery.

Victoria-Jungfrau Collection: margin improvement

The Victoria-Jungfrau Collection hotels performed well during the reporting period despite numerous challenges affecting the tourism industry in Switzerland. Net revenues for the five hotels (4 fully consolidated; management fees for the Palace in Lucerne) reached CHF 28.8 million, 7.9% more than in the previous year, based on a well-diversified customer portfolio and the addition of the Crans-Ambassador to the portfolio in December 2016. Additional customers came from the United States and China, while the number of guests coming from the Middle East and Switzerland remained nearly unchanged. Fewer arrivals were noted from Great Britain, Japan and Thailand. In total, the number of overnight stays remained at the previous year's level. The gross operating profit surged significantly as the Average Room Rate increased by 5.0% from CHF 340 to CHF 357. EBITDAR reached CHF 3.3 million, corresponding to an EBITDAR margin of 11.3%, compared to CHF 3.0 million and 11.2% a year ago. The first half-year is historically the weaker semester for Victoria-Jungfrau Collection due to seasonality.

New rooms at the Victoria-Jungfrau Grand Hotel & Spa in Interlaken and the Bellevue Palace in Berne contributed to the higher room rates. An additional 42 renovated rooms, all of them with contemporary features, will be made available in Interlaken by the end of the year. Renovation plans for the Eden au Lac have been finalised. The hotel will close in late 2017 for a radical makeover by world-class designer Philippe Starck and re-open in 2018. The fully modernised lakefront hotel will be a new product for Zurich and offer state-of-the-art city restaurant and hotel experiences. The Palace in Lucerne will also close for a major renovation lasting until 2019. Nevertheless, a management fee will remain applicable during this phase. The Crans-Ambassador will be repositioned to exploit market opportunities in the well-known resort of Crans-Montana. The team is being built-up and a new manager has been hired since April to lead the hotel through the coming winter season.

Healthcare and Hospitality Properties: substantial investments

In the real estate segment, net income amounted to CHF 29.3 million (HY 2016: CHF 25.6 million), to which Swiss hospital-related real estate (mainly the hospital buildings used by Swiss Medical Network) contributed CHF 25.5 million and Swiss Hospitality Properties (the hotel buildings owned by the Group) contributed CHF 3.8 million. EBITDAR increased to CHF 24.8 million, corresponding to an EBITDAR margin of 84.7%, compared to CHF 23.8 million in the previous year. The market value of the 44 properties with a rental surface of 193'880 sqm reached CHF 1.15 billion (based on a Wüest Partner appraisal at the end of December 2016). All properties were fully let at the end of the reporting period. The loan to value remains very low at 34.9% and the average interest on mortgages was 1.72% at the end of June 2017.

In order to meet the expected future demand and maintain the high standard of the properties, development projects on various sites are being conducted or evaluated. The construction of an additional building in Rothrist for Privatklinik Villa im Park started in April 2017. The new building will increase the rental floor space by 2'300 sqm and offer 28 rooms and 3 operating theatres, as well as an underground parking with 90 places. In Zurich, on a plot of 4'623 sqm adjacent to Privatklinik Bethanien, old buildings will be replaced by a new structure, adding approximately 7'000 sqm to the hospital. Municipality approval was received for a zoning change in Genolier (an additional 15'000 sqm) while progress was made with the commune and the State of Ticino regarding a new land use plan, enabling the expansion of Clinica Ars Medica in Gravesano. In Lindberg, the possibility to start building an additional 11'000 sqm is nearing finalisation.

Substantial funds
available for further
expansion projects
and acquisitions

Other participations

AEVIS VICTORIA SA invests in various other activities along the value chain of its main divisions. Although these ventures account for a small portion of total revenues, they reflect the Group's vision of becoming an integrated healthcare provider with holdings in various complementary fields. In the first six months of 2017, revenues of CHF 5.2 million (HY 2016: CHF 5.6 million) resulted in this incubator segment (without Medgate, which is not consolidated). Despite the sale of LifeWatch, AEVIS VICTORIA believes that telemedicine and eHealth solutions will shape the future of medicine and that investments in leading companies in this field usefully complement its portfolio of solutions for a better life. AEVIS VICTORIA therefore works closely together with Medgate, the leading provider of integrated outpatient healthcare in Switzerland, to develop new innovative solutions both for the Swiss market and internationally.

Investment gain from sale of LifeWatch AG shares

AEVIS VICTORIA launched a public takeover bid for all publicly held registered shares of LifeWatch AG (LifeWatch) in early 2017. On 9 April 2017, BioTelemetry communicated a competing offer for LifeWatch that was subsequently revised. The improved offer of BioTelemetry gave shareholders of LifeWatch the option of receiving either CHF 10.00 in cash and 0.1617 shares of BioTelemetry stock or CHF 8.00 in cash and 0.2350 shares of BioTelemetry stock. As a consequence, AEVIS VICTORIA decided not to increase its offer price but to tender all its 2'207'089 owned shares of LifeWatch to the revised public offer of BioTelemetry. The sale of 11.9% of LifeWatch to BioTelemetry generated a financial profit of CHF 10.0 million and AEVIS VICTORIA retained a 1.6% shareholding in US-based Biotelemetry (BEAT).

AEVIS VICTORIA is convinced that LifeWatch will benefit from the support of a reference shareholder like Biotelemetry with a strong presence in the health sector. The American and European telemedicine markets present a strong potential, due in part to changes in demographics and the public health sector. AEVIS VICTORIA therefore kept its position in Biotelemetry to profit from expected value creation potential. Since the start of the second semester, the position has gained approximately CHF 2.8 million in value.

Profit on sale of minority shareholding in Linde Holding Biel/Bienne AG

In May 2017 AEVIS VICTORIA, through its subsidiary Swiss Medial Network, submitted an acquisition offer in cash or shares to all shareholders of Linde Holding Biel/Bienne AG, owner of Clinique des Tilleuls in Bienne. The Hirslanden Group launched a counteroffer and the subsequent bidding process ended with the decision of a majority of Linde Holding's shareholders to accept Hirslanden's offer. As a consequence, Swiss Medical Network sold its entire minority stake in Linde Holding Biel/Bienne AG to Hirslanden, resulting in a financial profit of CHF 1.6 million.

Considerable funds for continued growth

AEVIS VICTORIA has substantial funds available for further expansion projects and acquisitions. On top of a CHF 120 million credit line, the Annual General Meeting on 13 June 2017 approved the extension and increase of the authorised capital. The Board is thus authorised to increase the share capital by a nominal value of maximum CHF 37.8 million until 12 June 2019. This will allow AEVIS VICTORIA to make targeted acquisitions in the quarters ahead and support its existing portfolio companies. Each of the three main subsidiaries is well positioned and financially able to be an active participant in the expected future consolidation waves.

In general, the investment strategy of AEVIS VICTORIA is based on the acquisition of participations in private and public companies with promising strategies or products that are in line with its "services to people" investment focus. AEVIS VICTORIA therefore takes an active investment approach for each participation and always tries to build up participations around comprehensive industry platforms, networks and knowhow. It is closely involved in the development of its participations on an operational, strategic and financial level. Having a long-term investment horizon, AEVIS VICTORIA pursues an indirect exit strategy by combining its participations with larger strategic market players.

Outlook

AEVIS VICTORIA will pursue its optimisation, acquisition and collaboration strategy in its expertise areas. Several projects are currently being evaluated. Based on an unchanged portfolio, AEVIS VICTORIA expects to realise a total revenue of more than CHF 700 million and an EBITDAR of more than CHF 100 million in 2017.

Fribourg, 15 September 2017

Christian Wenger
Chairman of the Board

Antoine Hubert
Delegate of the Board

Swiss Medical Network – Half-Year 2017

The network's growth path continued after the successful integration of Clinique Générale-Beaulieu in Geneva. Total net revenue surged by 17.4% to CHF 260.8 million in the reporting period compared to CHF 222.2 million in the previous year.

AARGAU

- I Privatklinik Villa im Park

BASEL

- I Schmerzlinik Basel

FRIBOURG

- I Clinique Générale

GENEVA

- I Clinique Générale-Beaulieu
- I Centre Médical des Eaux-Vives

NEUCHÂTEL

- I Clinique Montbrillant
- I Hôpital de la Providence

SOLOTHURN

- I Privatklinik Obach

TICINO

- I Clinica Sant'Anna
- I Clinica Ars Medica

VALAIS

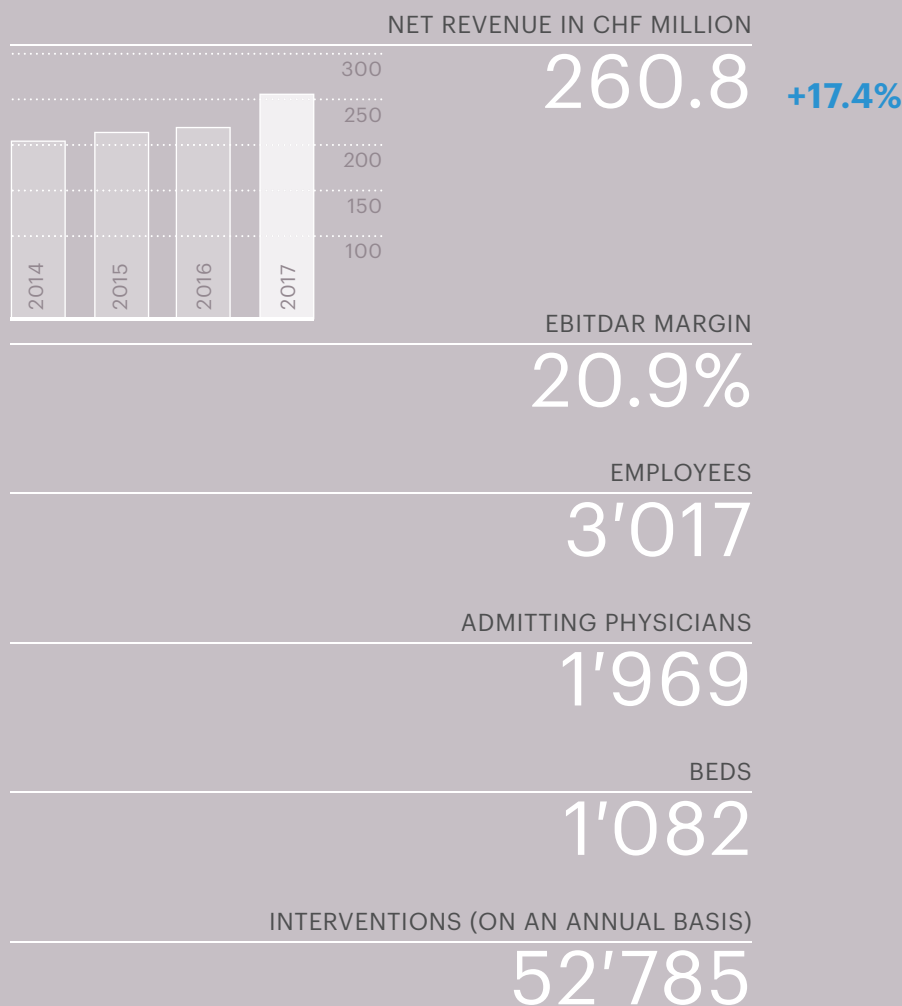
- I Clinique de Valère

VAUD

- I Clinique de Genolier
- I Clinique de Montchoisi
- I Clinique Valmont

ZURICH

- I Privatklinik Bethanien
- I Privatklinik Lindberg
- I Pyramide am See



Swiss Medical Network – Profile

Swiss Medical Network, founded in 2002, is one of Switzerland's leading private hospitals groups. Its hospitals, which are located in all three of the country's main language regions, provide first-class hospital treatment, care and assistance to patients from Switzerland and abroad.

All Swiss Medical Network hospitals are renowned for the quality of their services, their excellent medical facilities, their top-notch hotellerie and their pleasant ambience. With their state-of-the-art medical technology and their comprehensive specialist expertise, the hospitals of Swiss Medical Network offer reliable medical care of the very highest calibre which puts the patient's comfort and well-being firmly centre stage.

Swiss Medical Network continues to develop and expand its Swiss-wide network by acquiring and restructuring further hospital facilities. The network currently extends to 16 private institutions and one affiliated hospital in Switzerland, which count 1'969 doctors and employ 3'017 other personnel. Swiss Medical Network is linked with Klinik Pyramide am See AG, which operates a hospital in the canton of Zürich.

The medical competences of the Swiss Medical Network hospitals are recognised beyond the Swiss borders with, for example, the first Breast Centre of a group of private hospitals to be certified in French speaking Switzerland, a pain clinic in Basel, expertise and high-tech oncology equipment and recognised maternity wards.

Swiss Medical Network SA is a fully-owned subsidiary of AEVIS VICTORIA.

www.swissmedical.net

Victoria-Jungfrau Collection – Half-Year 2017

Net revenue of the fully consolidated hotels reached CHF 28.8 million, based on a well-diversified customer portfolio that once again proved advantageous in times where travel destinations change quickly.

ZÜRICH

| Eden au Lac

LUCERNE

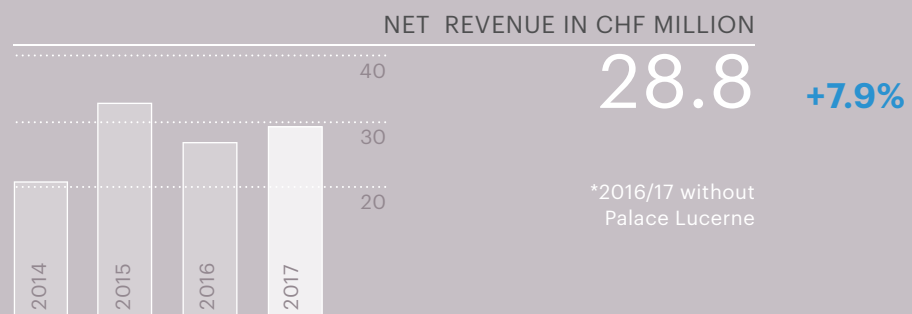
| Palace Luzern

BERNE

| Victoria-Jungfrau
Grand Hotel & SPA
| Bellvue Palace

VALAIS

| Crans Ambassador



EBITDAR MARGIN

11.3%

EMPLOYEES

605

OVERNIGHT STAYS

76'127

ROOMS

579

Ø ROOM RATE

357

Victoria-Jungfrau Collection – Profile

The Victoria-Jungfrau Collection is a small but exclusive hotel group with a unique portfolio of luxury five-star hotels of long standing. The Victoria-Jungfrau Grand Hotel & Spa in Interlaken and the Palace Luzern on the shores of Lake Lucerne were joined as members of the Victoria-Jungfrau Collection by the Eden au Lac in Zurich in November 2005 and the renowned Bellevue Palace in Bern in January 2007. The latest hotel to have joined the Collection is the Crans Ambassador Hotel in Crans-Montana.

All hotels are individually managed but 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 170'000 overnight bookings.

AEVIS VICTORIA owns 100% of the Interlaken based luxury hotel group.

www.vjc.ch

Real Estate Segment – Half-Year 2017

The healthcare- and hotel-related real estate portfolio consists of 44 properties on 17 sites. The rental income generated mostly corresponds to inter-company payments with AEVIS VICTORIA's hospital and hospitality segments.

AARGAU

| Privatklinik Villa im Park

BERNE

| Hotel Victoria-Jungfrau

FRIBOURG

| Clinique Générale

GENEVA

| Clinique Générale-
Beaulieu

NEUCHÂTEL

| Clinique Montbrillant

SOLOTHURN

| Privatklinik Obach

TICINO

| Clinica Sant'Anna
| Clinica Ars Medica

VALAIS

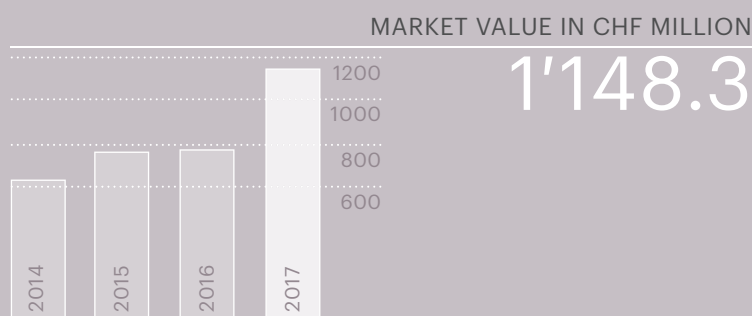
| Clinique de Valère
| Hangar SHP (Air-Glaciers)

VAUD

| Clinique de Genolier
| Clinique de Montchoisi
| Clinique Valmont
| Chocolatière 21

ZURICH

| Privatklinik Bethanien
| Privatklinik Lindberg
| Hotel Eden au Lac



NET REVENUE IN CHF MILLION

29.3 +14.5%

EBITDAR MARGIN

84.7%

PROPERTIES

44

LOCATIONS

17

RENTAL SURFACE SQM

193'880

Swiss Healthcare Properties and Swiss Hospitality Properties

Swiss Healthcare Properties AG (SHP I), founded in 1997, is a unique healthcare-related real estate company in Switzerland. The portfolio of SHP I, with a market value of CHF 779.4 million and a rental surface of 133'318 sqm consists of 33 quality entities situated in premium locations. All properties are fully let, mainly to the various Swiss Medical Network hospitals, and have been bought or constructed in the context of the development of the group. SHP I's properties present a development potential of 35'000 sqm. SHP I 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 hospital's operations growth but also aims to realise healthcare-related real estate acquisitions with reliable operators outside the Swiss Medical Network. SHP I is a 100% subsidiary of AEVIS VICTORIA.

Générale-Beaulieu Immobilière SA owns the hospital premises of Clinique-Générale-Beaulieu as well as several other buildings surrounding the hospital. The three properties represent a rental surface of 18'990 sqm and a market value of CHF 190.8 million.

Swiss Hospitality Properties (SHP II) in Interlaken AG owns the buildings of the hotels Eden au Lac in Zurich and Victoria-Jungfrau Grand Hotel & Spa in Interlaken, as well as six smaller annex properties in Interlaken. The 8 properties represent a rental surface of 41'572 sqm and a market value of CHF 178.1 million. SHP II is a 100% subsidiary of AEVIS VICTORIA.

www.shp.net



Consolidated Financial Statements of AEVIS VICTORIA SA



Consolidated Income Statement

(In thousands of CHF)	NOTES	HY 2017	HY 2016
Revenue from operations		331'122	289'086
Other revenue		5'505	4'402
Total revenue		336'627	293'488
External services		(41'382)	(37'420)
Net revenue		295'245	256'068
Production expenses		(66'864)	(57'081)
Personnel expenses		(135'241)	(114'970)
Other operating expenses		(42'943)	(35'651)
EBITDAR (Earnings before interest, taxes, depreciation, amortisation and rental expenses)		50'197	48'366
Rental expenses		(7'253)	(6'191)
EBITDA		42'944	42'175
Depreciation on tangible assets		(20'909)	(19'333)
Amortisation on intangible assets		(3'099)	(2'260)
EBIT		18'936	20'582
Financial result	6	(1'740)	(12'005)
Share of profit / (loss) of associates		(776)	(325)
Ordinary result		16'420	8'252
Extraordinary result		-	(27)
Profit before taxes		16'420	8'225
Income taxes		(4'265)	(3'682)
Profit for the period		12'155	4'543
- Thereof attributable to shareholders of AEVIS VICTORIA SA		10'075	4'196
- Thereof attributable to minority interests		2'080	347
Non-diluted earnings per share (in CHF)	7	0.67	0.28
Diluted earnings per share (in CHF)	7	0.64	0.27

Consolidated Balance Sheet

(In thousands of CHF)	30.06.2017	31.12.2016
Assets		
Cash and cash equivalents	9'001	15'207
Marketable securities	2	9'829
Trade receivables	106'272	113'381
Other receivables	61'677	40'147
Inventories	19'457	19'201
Accrued income and prepaid expenses	35'557	35'108
Total current assets	231'966	232'873
Fixed assets	1'387'009	1'377'935
Intangible assets	38'019	40'249
Financial assets	67'663	68'704
Total non-current assets	1'492'691	1'486'888
Total assets	1'724'657	1'719'761
Liabilities and equity		
Trade payables	81'502	92'371
Other current liabilities	24'095	19'398
Short-term financial liabilities	18'087	23'172
Other short-term borrowings	800	800
Accrued expenses and deferred income	48'527	43'662
Short-term provisions	282	282
Total current liabilities	173'293	179'685
Long-term financial liabilities	988'955	993'125
Other long-term borrowings	16'340	16'270
Other non-current liabilities	11'173	13'919
Long-term provisions	133'573	135'262
Total non-current liabilities	1'150'041	1'158'576
Total liabilities	1'323'334	1'338'261
Equity		
Share capital	77'491	75'662
Capital reserves	254'735	245'945
Treasury shares	(5'829)	(5'630)
Offset goodwill	(30'456)	(30'370)
Currency translation differences	(971)	(1'077)
Retained earnings	36'531	26'198
Shareholders' equity excl. minority interests	331'501	310'728
Minority interests	69'822	70'772
Shareholders' equity incl. minority interests	401'323	381'500
Total liabilities and equity	1'724'657	1'719'761

Consolidated Statement of Changes in Equity

(In thousands of CHF)	Share Capital	Capital Reserves	Treasury Shares	Offset Goodwill	Currency Translation Differences	Retained Earnings	Total Excl. Minority Interests	Minority Interests	Total Incl. Minority Interests
Balance at 1 January 2016	75'176	251'075	(1'075)	(45'548)	(990)	24'021	302'659	(176)	302'483
Changes in accounting principles	-	-	-	(1'932)	-	-	(1'932)	-	(1'932)
Balance at 1 January 2016 (restated)	75'176	251'075	(1'075)	(47'480)	(990)	24'021	300'727	(176)	300'551
Profit for the period	-	-	-	-	-	4'196	4'196	347	4'543
Purchase of treasury shares	-	-	(13'611)	-	-	-	(13'611)	-	(13'611)
Sale of treasury shares	-	78	11'148	-	-	-	11'226	-	11'226
Share-based payments	-	265	-	-	-	-	265	-	265
Currency translation differences	-	-	-	-	(2)	-	(2)	-	(2)
Balance at 30 June 2016 (restated)	75'176	251'418	(3'538)	(47'480)	(992)	28'217	302'801	171	302'972
Balance at 1 January 2017	75'662	245'945	(5'630)	(30'370)	(1'077)	26'198	310'728	70'772	381'500
Profit for the period	-	-	-	-	-	10'075	10'075	2'080	12'155
Dividend payments	-	-	-	-	-	-	-	(147)	(147)
Capital increase	1'829	8'391	-	-	-	-	10'220	-	10'220
Acquisition of subsidiaries	-	-	-	(86)	-	-	(86)	-	(86)
Purchase of minority interests	-	-	-	-	-	258	258	(2'883)	(2'625)
Purchase of treasury shares	-	-	(1'403)	-	-	-	(1'403)	-	(1'403)
Sale of treasury shares	-	147	1'204	-	-	-	1'351	-	1'351
Share-based payments	-	252	-	-	-	-	252	-	252
Currency translation differences	-	-	-	-	106	-	106	-	106
Balance at 30 June 2017	77'491	254'735	(5'829)	(30'456)	(971)	36'531	331'501	69'822	401'323

Consolidated Cash Flow Statement

(In thousands of CHF)	HY 2017	HY 2016
Profit for the period	12'155	4'543
Changes in provisions (incl. deferred taxes)	(1'696)	(1'043)
Depreciation and amortisation	24'008	21'593
(Gain)/loss from sale of fixed assets	19	16
(Gain)/loss from sale of subsidiaries	-	(4)
(Gain)/loss from sale of financial assets and marketable securities	(11'651)	-
Share of (profit)/loss from associates	776	325
Dividends received from associates	-	252
Share-based payments	252	265
Change in contribution reserve and other non-cash items	(177)	(189)
Cash flow from operating activities before changes in working capital	23'686	25'758
Change in trade receivables	7'109	(3'584)
Change in inventories	(542)	722
Change in other receivables and prepaid expenses	(21'954)	2'151
Change in trade payables	(10'876)	(14'639)
Change in other liabilities and accrued expenses	10'043	18'566
Cash flow from operating activities	7'466	28'974
Purchase of fixed assets	(21'980)	(25'018)
Proceeds from disposal of fixed assets	66	27
Purchase of intangible assets	(2'206)	(2'012)
Acquisition of subsidiaries, net of cash acquired	(79)	(2'300)
Divestment of subsidiaries, net of cash disposed	-	3
Investments in financial assets and marketable securities	(9'224)	(22'084)
Divestments of financial assets and marketable securities	30'092	25
Cash flow from investing activities	(3'331)	(51'359)
Dividends paid to minority interests	(147)	-
Proceeds from issuance of share capital, net of costs	10'220	-
Proceeds from issuance of bond	-	150'000
Sale/(purchase) of treasury shares	(53)	(9'386)
Change in minority interests	(2'625)	-
Change in short-term financial liabilities	(5'097)	(5'087)
Change in long-term financial liabilities	(10'509)	(118'069)
Change in other long-term liabilities and borrowings	(2'133)	34
Cash flow from financing activities	(10'344)	17'492
Currency translation effect on cash and cash equivalents	3	2
Change in cash and cash equivalents	(6'206)	(4'891)
Cash and cash equivalents at beginning of the period	15'207	13'068
Cash and cash equivalents at the end of the period	9'001	8'177

Notes to the Consolidated Financial Statements

1. General information

AEVIS VICTORIA SA (hereafter “The Company”) has its registered offices at 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

Accounting principles

These consolidated financial statements cover the unaudited interim results for the six months ended 30 June 2017. They have been prepared in accordance with Swiss GAAP FER 31 “Supplementary recommendation for listed companies”. They comply with the Swiss law and with the listing rules of the SIX Swiss Exchange.

The Swiss GAAP FER apply to all companies included in the scope of consolidation. As the consolidated interim financial statements do not include all the information contained in the consolidated annual financial statements, they should be read in conjunction with the consolidated financial statements for the year ended 31 December 2016.

The consolidated interim financial statements were authorised for issue by the Board of Directors on 14 September 2017.

Consolidation

The consolidated interim financial statements are those of the Company and all subsidiaries in which the company holds either directly or indirectly more than 50% of the voting rights (together “The Group”). These entities are fully consolidated. Joint ventures in which the Company has a direct or indirect interest of 50% or for which the Company exercises joint control are included in the consolidated financial statements by applying the proportional consolidation method. Associates are those entities in which the Group has significant influence, but no control (between 20% and 50% of voting rights). Associates are included in the consolidated financial statements by applying the equity method.

The assets and liabilities of fully consolidated and associated companies included in the consolidation for the first time are valued at current values which do include a purchase price allocation. The goodwill arising from this revaluation is offset against equity.

The clarification of the goodwill accounting in the Annual Report of 2016 resulted in a restatement of the interim consolidated statement of changes in equity of 2016 (CHF 1.9 million).

The Group has applied the same accounting policies as described in the 2016 Annual Report.

3. Changes in scope of consolidation

The following changes to the scope of consolidation took place in the first half of 2017:

ENTITY	EVENT / DATE	CAPITAL SHARE 30.06.2017	CAPITAL SHARE 31.12.2016
GENERALE BEAULIEU HOLDING SA	Increase in participation during 2017	69.39%	67.99%
Swiss Stem Cell Science SA	Increase in participation on 10.03.2017	100.00%	70.00%

GENERALE BEAULIEU HOLDING SA is a holding company with several subsidiaries. All group companies are listed in note 9.

4. 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 results of the Group. For the other segments, the seasonality effect is more equally spread over the entire year.

5. Segment information

The Group consists of the reported segments in the tables below. The decision makers measure the performance of the segments using the key figure EBITDAR (Earnings before interest, taxes, depreciation, amortisation and rent). Thus, the financial information for each segment is shown up to EBITDAR. For reconciliation purposes between the consolidated financial statements and the segment information, the key figure EBITDAR is also disclosed in the consolidated income statement of the Group.

HY 2017 (In thousands of CHF)	HOSPITALS	HOSPITA- LITY	REAL ESTATE	OTHERS	CORPO- RATE	ELIMINA- TIONS	TOTAL
Net revenue 3rd	259'216	28'498	2'560	4'971	-	-	295'245
Net revenue IC	1'583	279	26'770	216	110	(28'958)	-
Net revenue	260'799	28'777	29'330	5'187	110	(28'958)	295'245
Production expenses	(61'592)	(4'504)	-	(849)	-	81	(66'864)
Personnel expenses	(111'233)	(16'332)	(215)	(4'428)	(3'033)	-	(135'241)
Other operating expenses	(33'586)	(4'676)	(4'271)	(1'314)	(1'204)	2'108	(42'943)
EBITDAR*	54'388	3'266	24'844	(1'404)	(4'127)	(26'769)	50'197
<i>EBITDAR margin</i>	<i>20.9%</i>	<i>11.3%</i>	<i>84.7%</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>17.0%</i>

HY 2016 (In thousands of CHF)	HOSPITALS	HOSPITA- LITY	REAL ESTATE	OTHERS	CORPO- RATE	ELIMINA- TIONS	TOTAL
Net revenue 3rd	222'204	26'649	1'731	5'480	4	-	256'068
Net revenue IC	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>-</i>	<i>-</i>	<i>-</i>	<i>18.9%</i>

* Earnings before interest, taxes, depreciation, amortisation and rent

6. Financial result

(In thousands of CHF)	HY 2017	HY 2016
Interest income	32	62
Gain on sale of financial assets and marketable securities	11'700	-
Other financial income	102	88
Total financial income	11'834	150
Interest expenses	(12'839)	(11'677)
Loss on sale of marketable securities	(49)	-
Other financial expenses	(686)	(478)
Total financial expenses	(13'574)	(12'155)
Financial result	(1'740)	(12'005)

The change compared to prior year mainly results from the gain on sale of investments in unconsolidated companies (LifeWatch AG, Zug and Linde Holding Biel/ Bienne AG, Biel)

7. Earnings per share

For the calculation of earnings per share, the number of shares has been reduced by the weighted average number of shares held by the Group.

	HY 2017	HY 2016
Net profit attributable to AEVIS VICTORIA SA shareholders (in thousands of CHF)	10'075	4'196
Weighted average number of shares outstanding	15'147'285	14'998'240
Non-diluted earnings per share (in CHF)	0.67	0.28
Net profit attributable to AEVIS VICTORIA SA shareholders (in thousands of CHF)	10'075	4'196
Weighted average number of shares outstanding	15'147'285	14'998'240
Adjustment for assumed exercise of share-based payments	510'000	698'000
Weighted average potential number of shares outstanding	15'657'285	15'696'240
Diluted earnings per share (in CHF)	0.64	0.27

8. Subsequent events

There are no subsequent events between the balance sheet date and the authorisation for issue by the Board of Directors.

9. List of Group companies

SEGMENT / COMPANY NAME	LOCATION	ACTIVITY	IN % ON GROUP LEVEL		
				30.06.2017	31.12.2016
Corporate					
AEVIS VICTORIA SA	Fribourg	Holding company	a)	100.0%	100.0%
Hospitals					
Swiss Medical Network SA	Genolier	Holding company	a)	100.0%	100.0%
GENERALE BEAULIEU HOLDING SA	Geneva	Holding company	a)	69.4%	68.0%
Centre Médico-Chirurgical des Eaux-Vives SA	Geneva	Day clinic	a)	100.0%	100.0%
CLINIQUE GENERALE-BEAULIEU SA	Geneva	Hospital	a)	69.4%	68.0%
Clinique Générale - Ste-Anne SA	Fribourg	Hospital	a)	100.0%	100.0%
Clinique médico-chirurgicale de Valère SA	Sion	Hospital	a)	94.7%	94.7%
Genolier Swiss Visio Network SA	Genolier	Ophthalmology	a)	80.0%	80.0%
GRGB Santé SA	Geneva	Hospital	b)	34.7%	34.0%
GSMN Neuchâtel SA	Neuchâtel	Hospitals	a)	100.0%	100.0%
GSMN Suisse SA ⁽¹⁾	Genolier	Hospitals	a)	100.0%	100.0%
GSMN Ticino SA	Sorengo	Hospitals	a)	100.0%	100.0%
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	Hospital	c)	20.0%	20.0%
Klinik Villa im Park AG	Rothrist	Hospital	a)	100.0%	100.0%
Nescens Genolier SA	Genolier	Patient hotel	a)	100.0%	100.0%
Privatklinik Obach AG	Solothurn	Hospital	a)	100.0%	100.0%
Schmerzklinik Basel AG	Basel	Hospital	a)	100.0%	100.0%
Hospitality					
Victoria-Jungfrau Collection AG	Interlaken	Holding company	a)	100.0%	100.0%
CACM hôtels SA	Sion	Hotel	a)	100.0%	100.0%
Grand Hotel Victoria-Jungfrau AG	Interlaken	Hotel	a)	100.0%	100.0%
Hotel Bellevue Palace AG	Bern	Hotel	a)	100.0%	100.0%
Hotel Eden au Lac AG	Zurich	Hotel	a)	100.0%	100.0%
VJC-Management AG	Interlaken	Management	a)	100.0%	100.0%
Real estate					
GENERALE-BEAULIEU IMMOBILIERE SA	Geneva	Healthcare real estate	a)	69.4%	68.0%
Patrimonium Healthcare Property Advisors AG	Baar	Real estate management	b)	50.0%	50.0%
Swiss Healthcare Properties SA	Fribourg	Healthcare real estate	a)	100.0%	100.0%
Swiss Hospitality Properties AG ⁽²⁾	Interlaken	Hospitality real estate	a)	100.0%	100.0%
Prolival SA (merged) ⁽²⁾	Vouvry	Real estate	a)	-	-

¹⁾ GSMN Suisse SA does mainly operate in the Hospitals segment. Additionally, the company does also provide services for the entire group which are disclosed under the Corporate segment in the Segment information (see note 5).

²⁾ Prolival SA was merged in March 2017 into Swiss Hospitality Properties AG with retroactive effect from 31.12.2016.

SEGMENT / COMPANY NAME	LOCATION	ACTIVITY	IN % ON GROUP LEVEL		
				30.06.2017	31.12.2016
Telemedicine					
Medgate Holding AG	Zug	Holding company	c)	40.00%	40.00%
Medgate Integrated Care Holding AG	Zug	Holding company	c)	40.00%	40.00%
Medgate AG	Basel	Telemedicine	c)	24.00%	24.00%
Health Professional Sourcing GmbH	Lörrach (DE)	Telemedicine	c)	24.00%	24.00%
Medgate Asia-Pacific AG	Zug	Telemedicine	c)	40.00%	40.00%
Medgate Health Centers AG	Basel	Health centers	c)	40.00%	40.00%
Medgate International AG	Zug	Telemedicine	c)	40.00%	40.00%
Medgate Technologies AG	Zug	IT service company	c)	24.00%	24.00%
Others					
Healthcare incubator					
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 (FR)	Aesthetic clinic	a)	100.0%	100.0%
Swiss Ambulance Rescue Genève SA	Geneva	Ambulance services	a)	93.4%	93.4%
Swiss Stem Cell Science SA	Fribourg	Stem Cells	a)	100.0%	70.0%
Non-core participations					
Academy & Finance SA	Geneva	Organisation of seminars	c)	22.5%	22.5%
Agefi Com SA	Geneva	Publishing	c)	49.0%	49.0%
Publications de l'économie et de la finance AEF 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

