



half-yearly
REPORT 2012

4	Letter to the shareholders
8	Consolidated financial statements
14	Group profile





letter to
the **SHAREHOLDERS**

Letter to shareholders

Dear Shareholder,

By adopting the name AEVIS Holding SA, the Ordinary General Meeting of 6 June 2012 confirmed the Board of Director's repositioning strategy and signalled the start of our Group's reorganisation process. The year 2012 represents the beginning of a new period of growth and diversification in our area of specialty, life. AEVIS Holding intends to become a reference for responsible investment, focusing on long-term holdings in companies that put people first. Every investment made by AEVIS has and will be chosen for its capacity to make a sustainable improvement in our quality of life.

Genolier Swiss Medical Network, the Group's main shareholding representing the largest part of the scope of consolidation as of 30 June 2012, saw significant growth with four major acquisitions during the first half-year. The Sant'Anna and Ars Medica clinics in Lugano, Privatlinik Obach in Solothurn and Privatlinik Lindberg in Winterthur were integrated into the group and are primarily responsible for the increase in revenue (+61% to CHF 161.8 million) and EBITDA (+39% to CHF 15.4 million). These acquisitions have provided the network of clinics with a national dimension and have made it possible to increase the EBITDA per share by 22% to CHF 2.17. Privatlinik Lindberg, acquired in May and consolidated as of 1 June 2012, still has an adverse impact on the net profit but will recover its financial balance in 2013 through a complete repositioning of the establishment.

(in thousands of CHF)	Sales to third parties		EBITDA		Fixed assets	
	Six months ended 30.06.2012	Six months ended 30.06.2011	Six months ended 30.06.2012	Six months ended 30.06.2011	30.06.2012	31.12.2011
Unchanged portfolio	101'693	100'260	11'639	13'470	93'724	93'996
Clinics acquired during the period	59'650	–	7'139	–	89'552	–
Total operations	161'343	100'260	18'778	13'470	183'276	93'996
Corporate	460	416	(3'418)	(2'422)	1'496	1'584
Total Group	161'803	100'676	15'360	11'048	184'772	95'580

With the capital increase agreed to at the Extraordinary Meeting of 2 July 2012 and the integration of Swiss Healthcare Properties AG as a 100% subsidiary of AEVIS, our Group laid the essential bases for its further development and long-term sustainability, increasing both its size and its capital base. The effects of this acquisition, occurring after the closure of the first half-year, will not be reflected in the half-yearly figures but will be clearly integrated in our Annual Report 2012. Medical real estate is, in our view, a unique specialty and will offer numerous opportunities during the application of the new hospital financing systems. The portfolio of Swiss Healthcare Properties AG, with a current market value of CHF 406.5 million, consists of 18 quality entities situated at premium locations. With this acquisition, our Group should attain an EBITDA of approximately CHF 50 million in 2012.

The Nescens brand, the fruit of a partnership with CSPV-Centre Suisse de Prévention du Vieillissement SA (Swiss Centre for the Prevention of Aging), in which our Group has a 33% stake, and La Réserve, is positioning itself as the leading global anti-aging specialist. Check-up centres, cosmeceuticals, spas, clinics and an entire range of products and services associated with the concept “live better and longer” will be developed by the brand's various partners. Clinique Spontini SAS, a 100% subsidiary of AEVIS, will soon be running a clinic in Paris under the Nescens brand that will be the Group's first clinic dedicated entirely to aesthetic surgery. The first Nescens Check-up Centres will soon be opening in GSMN's Sant'Anna and Genolier clinics, while La Réserve in Geneva will soon host the brand's first spa. AEVIS believes in the very substantial growth potential of this market segment, both in Switzerland and abroad, and Nescens is ideally positioned as the pioneering brand in this sector.

During the last General Meeting, AEVIS Holding rescaled and adapted its Board of Directors for the optimal management of its holdings and relations with its shareholders. Each of its subsidiaries is regulated by a Corporate Governance adapted to its activities and will remain totally autonomous, with a customised Board of Directors and management. AEVIS Holding wants the management of its facilities to be focused on the long term, with steady growth in turnover and profitability, allowing regular investments that will guarantee its sustainability.

As the scope of consolidation has evolved considerably with the latest developments, we have produced a complementary publication containing figures and additional information aimed at our shareholders and investors. This brochure is being sent to you as an annex to the half-yearly report and is available on our website www.aevis.com. On behalf of the Board of Directors and the nearly 3'000 doctors, collaborators and employees of the Group, we wish to thank you for the trust you have placed in us.

Christian Wenger
Chairman of the Board

Antoine Hubert
Delegate of the Board





consolidated
FINANCIAL STATEMENTS

Condensed Consolidated Balance Sheet

(in thousands of CHF)

	30.06.2012 unaudited	31.12.2011 audited
Assets		
Total non-current assets	200'017	100'855
Total current assets	113'553	76'028
Total assets	313'570	176'883
Equity		
Total equity	41'290	33'847
Liabilities		
Total non-current liabilities	74'888	39'526
Total current liabilities	197'392	103'510
Total liabilities	272'280	143'036
Total equity and liabilities	313'570	176'883

Condensed Consolidated Income Statement

(unaudited – in thousands of CHF)	Notes	Six months ended 30.06.2012	Six months ended 30.06.2011
Total revenue		161'803	100'676
Medical services		(18'513)	(5'943)
Net revenue		143'290	94'733
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Total operating expenses	Note 3	(127'930)	(83'685)
EBITDA (Earnings before interest, taxes, depreciation and amortisation)		15'360	11'048
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Depreciation and amortisation		(9'923)	(7'626)
Profit from operating activities		5'437	3'422
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Financial result		(1'754)	(1'205)
Share of loss of equity accounted investees		(2'057)	–
Ordinary result		1'626	2'217
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Extraordinary result	Note 4	(745)	(564)
Earnings before taxes		881	1'653
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Income taxes		(22)	(227)
Profit for the period		859	1'426

Notes to the consolidated interim financial statements

1 General information

AEVIS Holding SA (hereafter «The Company») has its registered and principal 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 and healthcare. These unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2012 were authorised for issue by the Board of Directors on 27 September 2012 and comprise the Company, its subsidiaries and its interests in associates (together, the Group).

2 Basis of preparation and accounting policies

These condensed consolidated interim financial statements of the Group for the six months ended 30 June 2012 have been prepared in accordance with Swiss GAAP FER 12, Interim Reporting. The same accounting policies as described in the Group's 2011 annual report have been applied.

3 Operating expenses

Operating expenses include rental expenses as follows:

(in thousands of CHF)	Six months ended 30.06.2012	Six months ended 30.06.2011
Related parties rental expenses *	6'181	6'126
Third parties rental expenses	2'621	2'340
Other non-real estate rental expenses	1'227	566
Total rental expenses	10'029	9'032

* Swiss Healthcare Properties AG will be part of the Group as of 1 July 2012 (see note subsequent events). Therefore related parties rental expenses will be considered as intercompany transactions and eliminated in the consolidation process from 1 July 2012 onwards.

4 Extraordinary result

As a consequence of the acquisition of the remaining 51% of Klinik Lindberg AG, the Group reorganised operational activities of the Clinic and incurred costs amounting to CHF 0.6 million. The Group received additional invoices related to the extraordinary events of 2010 for an amount of CHF 0.1 million (2011: CHF 0.3 million). In 2011, the Company incurred expenses amounting to CHF 0.2 million in order to fulfil the requirements of the Swiss Financial Market Supervisory Authority (FINMA), relating to the M.R.S.I. Medical Research, Services & Investments S.A. public takeover offer.

5 Scope of consolidation

In January 2012, the Group acquired 100% of Privatklinik Obach AG in Solothurn and on 29 February 2012 the Group finalised the acquisitions of Ars Medica Clinic SA and Salus Medica Clinic SA, both located in Canton Ticino. On 25 May 2012, the Company acquired the remaining 51% of Klinik Lindberg AG, in Winterthur. The Company also set up in February 2012 the subsidiary Clinique Spontini SAS in Paris, which took over business activities and assets

of Clinique Esthétique Spontini. Work is currently in progress on upgrading this clinic and no operational activity has been reported as at 30.06.2012. The changes in the scope of consolidation during the first six months of 2012 are listed in the table below:

	30.06.2012	31.12.2011
Privatklinik Obach AG, Solothurn – fully consolidated since 01.01.2012	100%	–
Ars Medica Clinic SA, Gravesano – fully consolidated since 01.01.2012	100%	–
Salus Medica Clinic SA, Sorengo – fully consolidated since 01.01.2012	100%	–
Klinik Lindberg AG, Winterthur – fully consolidated since 01.06.2012	100%	49%
Clinique Spontini SAS, Paris France – fully consolidated since 21.02.2012	100%	–

6. Main balance sheet developments

The increases in balance sheet positions, compared to the statements as at 31.12.2011, are mainly due to the changes in the scope of consolidation (see note 5). In order to finance the aforementioned acquisitions, the Group set up bank facilities in 2012 of CHF 47.5 million, maturing within six months to five years. For some acquisitions, deferred instalments amounting to CHF 14.2 million will be paid within one month to two years.

7 Subsequent events

- The Extraordinary General Meeting of 2 July 2012 approved the share capital increase by CHF 28'000'000 (5'600'000 shares) with a contribution in kind of all outstanding shares of Swiss Healthcare Properties AG, a real estate company focusing on medical real estate. The share capital of AEVIS Holding SA today amounts to CHF 63'392'395 with 12'678'479 shares outstanding. The General Meeting also approved the election of Christian Wenger as new member of the Board of Directors. As of this date, the Board is composed of Christian Wenger, Chairman, Raymond Loretan, Vice-Chairman, Antoine Hubert, Delegate of the Board, Cédric A. George, Antoine Kohler and Michel Reybier, members of the Board.
- On 5 July 2012, AEVIS Holding SA announced that it had received a 'BB-' company rating with a stable outlook by Euler Hermes Rating GmbH, a member of the Allianz Group.
- On 10 July 2012, Swiss Healthcare Properties AG, a 100% subsidiary of AEVIS Holding SA, acquired three properties and an underground parking of Privatklinik Lindberg in Winterthur.
- On 12 July 2012, AEVIS Holding SA successfully completed a bond issue of CHF 80 million. The Coupon has been fixed at 4.25%, the term at 4 years. The bond is traded on SIX Swiss Exchange under AEV12.
- On 18 September 2012, AEVIS Holding SA announced the acquisition of a majority stake (80%) in AS Ambulances Services SA in Geneva. This leading private ambulance company in Geneva employs 80 persons and achieved a turnover of more than CHF 8 million a year.
- On 20 September 2012, Genolier Swiss Medical Network SA, a 100% subsidiary of AEVIS Holding SA, executed the cross participation signed with Dr Cédric A. George. GSMN thus acquired a participation of 20% in Pyramide am See AG, in exchange for a corresponding participation of 20% in GSMN Zurich AG. Pyramide am See manages two clinics in the canton of Zurich: Klinik Pyramide am See for private patients and Klinik Pyramide Schwerzenbach for semi-private patients.





group

PROFILE

GROUP PROFILE

AEVIS Holding SA – Investing for a better life

AEVIS Holding SA invests in the healthcare sector, in life sciences and in services to people. The participations of AEVIS include Genolier Swiss Medical Network (www.gsmn.ch), the 2nd largest group of private clinics in Switzerland, Swiss Healthcare Properties AG (www.shp.net), a real estate company focusing on medical real estate in Switzerland, Nescens SA, a brand dedicated to better aging (www.nescens.com) and Les Hauts de Genolier SA (www.leshautsdegenolier.ch), a company managing assisted living residences. AEVIS Holding's development is focused on supporting and complementary services along the value chain of its strategic focus. The Group plans to gradually develop new operational or infrastructural businesses, amongst others in the field of ambulatory centers, radiology or dental medicine. AEVIS Holding SA is listed on the Domestic Standard of the SIX Swiss Exchange (AEVS).

Participations of AEVIS Holding SA

Genolier Swiss Medical Network SA – 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 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. The distinctive features of GSMN include its high quality services, its brand value, a pleasant working environment and an experienced management team with an entrepreneurial approach. GSMN operates 10 private establishments in Switzerland (Clinique de Genolier, Clinique de Montchoisi, Clinique Valmont, Clinique Générale, Centre médical des Eaux-Vives, Clinica Ars Medica, Clinica Sant'Anna, Privatklinik Bethanien, Privatklinik Lindberg and Privatklinik Obach), with around 1'000 admitting physicians and 2'000 employees. GSMN is also affiliated to Pyramide am See, which manages 2 clinics in the canton of Zurich (Klinik Pyramide am See and Klinik Pyramide Schwerzenbach). The health insurance law revision and the new hospital financing will accelerate the consolidation of the healthcare sector in Switzerland, and GSMN wants to be a part of this mutation by offering a reliable private alternative to the public healthcare system. GSMN is a 100% subsidiary of AEVIS Holding (www.gsmn.ch).

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

Swiss Healthcare Properties AG (SHP), founded in 1997, is a real estate company focusing on medical real estate in Switzerland. SHP owns 18 Swiss health care properties, representing a total rental surface of 86'615 m². Almost all properties are rented to the various GSMN clinics and have been bought or constructed in the context of the development of the group. SHP is committed over the long-term to the clinic's operations growth. SHP's properties are fully let and present a development potential of 10'000 to 15'000 m². SHP is a 100% subsidiary of AEVIS Holding (www.shp.net).

Clinique Spontini SAS – First clinic of the Group entirely dedicated to plastic surgery

Clinique Nescens Paris Spontini, located in the 16th district of Paris, is exclusively dedicated to plastic and cosmetic surgery and medicine. Managed under the better-aging brand Nescens and benefiting from the experience of Genolier Swiss Medical Network, Clinique Nescens Paris Spontini will be positioned as a European benchmark for plastic and cosmetic surgery. Clinique Nescens Paris Spontini is undergoing an extended upgrading of its 24 rooms and reception areas and will offer its patients top quality hotel infrastructures and services. The medical platform will comprise 4 operating theatres, a room for minor surgery and an entire floor dedicated to cosmetic medicine. A team of 20 internationally renowned cosmetic surgeons and physicians will be on hand to welcome the first patients early 2013. Clinique Spontini SAS is a 100% subsidiary of AEVIS Holding.

NESCENS SA and CSPV – Centre Suisse de Prévention du Vieillissement SA – Better aging services and anti-aging products

Nescens, the result of Clinique de Genolier's Center for the Prevention of Aging, is the first brand that brings a comprehensive and evidence-based answer to prolong healthy life: from diagnosis to treatments, through products and services. NESCENS SA develops Nescens preventive medical check-up centers and Nescens better aging medspa programs. The first Nescens preventive medical check-up centers are located within the premises of Clinique de Genolier and Clinica Sant'Anna. Nescens better aging medspa programs are available at La Réserve Hotel & Spa Geneva. AEVIS Holding owns 33% in NESCENS SA (www.nescens.com).

CSPV – Centre Suisse de Prévention du Vieillissement SA develops high-end cosmetic products under the Laboratoires Genolier trade name. In particular, it commercializes Nescens, a line of highly efficient anti-aging cosmeceuticals entirely formulated by Prof. Jacques Proust, a pioneer in the field of biology of aging. AEVIS Holding owns 33.3% in CSPV – Centre Suisse de Prévention du Vieillissement SA.

Les Hauts de Genolier – 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 age 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 Holding owns 100% of Les Hauts de Genolier SA (www.leshautsdegenolier.ch).

Other participations – Publishing sector

AEVIS Holding SA holds 49% in AGEFI, Société de l'agence économique et financière SA and AGEFI.com, two companies active in the publishing sector. AGEFI is one of the leading economic newspapers in the French speaking part of Switzerland. AEVIS Holding SA holds 22.5% in Academy & Finance SA, active in the organisation of seminars and conferences, and 100% of Publications Financières LSI SA (dormant company).

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