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Implenia | Half-year report 2013



Implenia[®]

Half-year report 2013
(preprint)

Implenia develops and builds the Switzerland of tomorrow

Implenia is Switzerland's leading construction and construction services company. With its integrated business model and comprehensive portfolio of products and services, Implenia can manage a building project through its entire lifecycle and deliver work that is economical, integrated and customer-centric. The focus is on striking a sustainable balance between financial success and social and environmental responsibility.

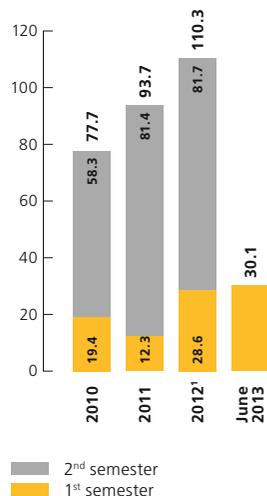
Formed in 2006 from the merger between Zschokke and Batigroup, Implenia can look back on around 150 years of history in the construction industry. Experience, know-how, size and financial strength allow the company to offer its services throughout Switzerland and, in selected disciplines, internationally. All of the Group's collected capabilities and capacities can be made available for challenging real estate and infrastructure projects. Backed by Technical Support and the centralised Group functions provided by the Corporate Center, Implenia brings together the know-how of the following operational Business Units:

- Implenia Modernisation & Development is a one-stop shop that brings together the Group's entire expertise in the area of modernisation and real estate project development, from the initial idea to the completed construction project.
- Implenia Buildings offers its customers integrated services ranging from planning and coordination to the construction of complex buildings.
- Implenia Tunnelling & Civil Engineering brings together the Group's collective power, expertise and experience in underground construction, bridge building, power stations, foundation engineering and infrastructure renewal.
- Implenia Construction German-speaking Switzerland and Implenia Construction French-speaking Switzerland are the face of Implenia for local customers when it comes to road construction, civil engineering and regional building construction.
- Implenia Norge provides services for complex infrastructure projects in Norway and other Scandinavian markets.

Implenia is Switzerland's market leader in the buildings and civil engineering sectors as well as in road construction and civil works. With its head office in Dietlikon near Zurich, Implenia has approximately 100 branches throughout Switzerland, as well as representative offices in Austria, Germany, Bahrain, Ivory Coast, France, Italy, Liechtenstein, Mali, Norway, Sweden and the United Arab Emirates. The Group currently employs more than 6,700 people and in 2012 generated revenue of around CHF 2.7 billion. Implenia is listed on the SIX Swiss Exchange (IMPN, CH0023868554). For more information, please visit www.implenia.com.

Operating income

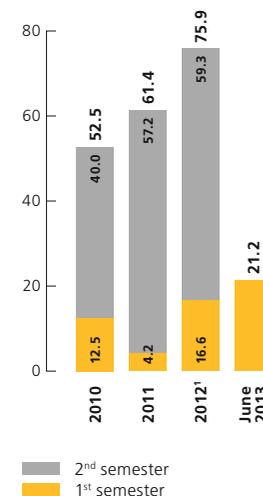
(in CHF million)



¹ Restated; see page 51, note 2.1

Consolidated profit

(in CHF million)



¹ Restated; see page 51, note 2.1

Consolidated key figures

	1.1. – 30.6.2013	1.1. – 30.6.2012 ¹	Δ
	CHF 1,000	CHF 1,000	
Consolidated revenue	1,408,500	1,219,524	15.5%
EBIT divisions	26,715	26,813	(0.4%)
Miscellaneous/Holding	3,374	1,832	84.2%
Operating income	30,089	28,645	5.0%
Consolidated profit	21,201	16,597	27.7%
EBITDA	51,626	47,896	7.8%
Free cash flow	(58,456)	(29,846)	(95.9%)
Production output	1,505,816	1,316,959	14.3%
Order book	3,242,054	3,283,122	(1.3%)
Headcount (full time equivalents)	6,753	6,322	6.8%
Net cash position	227,224	155,291	46.3%
Equity	559,627	444,817	25.8%

¹ Restated; see page 51, note 2.1

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Dear Shareholders,

Implenia can report a successful first half of 2013. The Group posted good or very good results in virtually all areas of business. Tunnelling & Civil Engineering made a negative contribution to results. At the start of February we launched the “Daring to Shape our Future” project and laid the foundation to achieve our medium-term goals. Based on the high level of orders, we are confident about the 2013 financial year as a whole.

Implenia has been operating with a new organisational structure since the beginning of February 2013. Presentation of this year’s interim results has been adapted to the new structure. Meanwhile, restatements have been carried out to accord with IAS 19 and IFRS 11.

The Group performed successfully in the first six months of 2013. With a revenue of CHF 1,408 million (+15.5%) Implenia was able to match last year’s very good results in terms of EBIT divisions, which stood at CHF 26.7 million (–0.4%), and operating income, which stood at CHF 30.1 million (+5.0%) after adjustment (IFRS 11 und IAS 19). This was despite the difficult weather conditions caused by a wet spring and the negative impact of Tunnelling & Civil Engineering. Implenia saw a significant improvement in consolidated profit, which increased by 27.7% year-on-year to CHF 21.2 million. At the end of June, the order book matched the previous year’s high level at CHF 3.242 billion.

Project development with strong performance

The Modernisation & Development Business Unit had a successful six months, especially in Project Development. This area achieved a very good result, increasing its EBIT by almost half to CHF 13.7 million. During the period under review Implenia invested further in developing the growth business of Modernisation and moved closer to break-even.

Successful new model for Buildings

Implenia Buildings can report a very good first half-year. The Business Unit saw a significant increase in revenue and EBIT. The new integrated business model, offering planning, general contracting and execution services for complex buildings from a single source, established itself in the market and met with broad approval from customers.

Tunnelling & Civil Engineering burdens results

The Tunnelling & Civil Engineering Business Unit saw a decline in both output and EBIT. This was due to three factors. Firstly, as expected, sales volume and EBIT were hit by the ending of several major infrastructure projects in Switzerland. Secondly, Implenia recorded project-related losses in the Middle East relating to its microtunnelling venture in Muharraq. Once the project is finished, we will not be putting any further capacities into the Middle East region. Thirdly, during the period under review we invested further in the acquisition of new infrastructure contracts in European countries neighbouring Switzerland. Implenia is currently involved in various tender processes in Germany, Austria and France. We are confident that this acquisition activity will soon bear its first fruits.

Norwegian success story

The Norge Business Unit is performing strongly, recording further good growth in the first half of 2013 and winning several major orders. The structures required to execute these orders were developed and headcount increased. With a new branch in Sweden we have created the conditions to move into other markets in Scandinavia in the future.

Good performance in Switzerland

Regional business in Switzerland includes roads and civil works as well as regional building construction. Performance was robust with slightly higher revenue. The improvement in the earnings situation seen in the equivalent period last year has proved enduring. In future we want to keep optimising our processes and move into the “white spot“- areas of the Swiss market that we do not already occupy.

Cash flow under control – further growth in total assets

The rise in Group revenue led to an increase in net working capital or invested capital respectively. In the first half year, therefore, cash outflow increased from CHF 30 million to almost CHF 59 million. However, Implenias net cash position rose by a good 46.3% to CHF 227.2 million. Finally, despite the IAS 19 deduction, shareholders' equity went up by around CHF 10 million compared to the level as at 31 December 2012, reaching CHF 559.6 million net as at 30 June 2013. This gives an equity ratio of 25.5%, which is good by industry comparison.

New organisational structure as basis for future success

Since the start of February we have been operating within a new organisational structure: Implenias now has three Sectors that concentrate on complex projects for national and international customers, and Regional Units that represent Implenias in specific geographical areas. This structure allows us to focus better on our markets and our customers. The market has responded positively to the change. We firmly believe that with the new organisation in place we have set the course for the further successful growth of our Group.

Zero-tolerance for infringements of competition law

The Competition Commission is currently investigating two alleged cases of restraint of trade agreements in the Cantons Grisons and St. Gallen. Implenias is cooperating fully with the competition authorities to clarify the facts of the matter. Implenias is clearly committed to free and unfettered competition. We have a zero-tolerance policy towards infringements of competition law. This principle is set out in our internal Code of Conduct and forms part of all employees' annual training.

Excellent orders situation

The value of the Group's orders on hand is equivalent to more than a year's revenue, ensuring good visibility for the months to come. Thanks to the profitability and the better risk structure of the projects concerned, we have also been able to improve the quality of our order book. This is especially due to the larger proportion of orders we have been able to generate internally.

Outlook

We are looking forward to the second half of 2013 with confidence. For the financial year as a whole we are optimistic about beating the record results achieved in 2012. Thus, we are on course to reach our medium-term EBIT target of CHF 140–150 million.

Thank you

We are proud that Implenias has been able to post such good interim results in a year marked by so much change. This success was of course only possible thanks to the great commitment of all our employees. We would like to thank them all on behalf of the Board of Directors and the Executive Committee. Thanks also to our customers for their loyalty, and to you, our valued shareholders, for the trust you have placed in us.



Markus Dennler
Chairman of the Board of Directors



Anton Affentranger
CEO

Key projects

Neuring, Gossau An industrial wasteland in Gossau, Canton St. Gallen, is being turned into a top quality residential area: Implenia is building a residential development directly by the village stream, including both owner-occupied and rental apartments. Construction will start in two stages in autumn 2013 and summer 2014. The attractive apartments, built to Minergie standards, will be ready for their approximately 200 new occupants in spring 2015 and 2016. (Picture)

Renovation on Zurlindenstrasse, Zurich

Right in the middle of Zurich's Kreis 3 district, Implenia is modernising the property at Zurlindenstrasse 111 on behalf of CSA Real Estate Switzerland, an investment Group belonging to Credit Suisse Investment Foundation. The contract includes demolition work, a partial replacement new-build, renovation and conversion work and the addition of a first and second attic storey. Following plans drawn up by the A2017 firm of architects, the former office and telecommunications premises will be converted into loft apartments – in an order worth around CHF 10.5 million.

West Pole, Crissier In the Crissier district in the west of Lausanne, close to the campus of the École Polytechnique Fédérale de Lausanne (EPFL), Implenia is developing the West Pole project. Around 7,700 square metres of office/manufacturing space and 8,900 square metres of showroom sales space is being created between 2015 and the end of 2016/early 2017. West Pole is designed by architectural practice Richter Dahl Rocha & Associés, Lausanne.

**Modernisation & Development Business Unit**

Modernisation & Development achieves a very good result in project development and continues to perform successfully. Implenia has further invested in its Modernisation business.

The Modernisation & Development Business Unit had a very good first half-year, increasing EBIT by 53.6% to CHF 13.7 million. The Project Development section performs very successfully, generating an excellent result with a substantial increase in EBIT from CHF 10.6 million to CHF 14.3 million (+35.6%). Implenia completed several projects during the period under review and sold them to property investors, including the 2000 Watt Society project "roy" in Winterthur. Current projects, like the conversion of City Halle in Winterthur into the new ZHAW library, are proceeding on schedule.

Key figures Modernisation

	1.1.–30.6.2013	1.1.–30.6.2012 ¹	Δ	1.1.–31.12.2012 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	28,808	46,893	(38.6%)	93,410
EBIT	(603)	(1,633)	63.1%	(3,427)
Order book	42,082	53,421	(21.2%)	39,330
Headcount (FTE)	258	267	(3.4%)	289

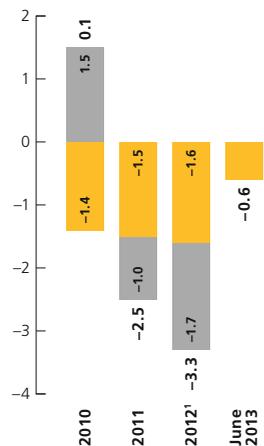
Key figures Development

	1.1.–30.6.2013	1.1.–30.6.2012 ¹	Δ	1.1.–31.12.2012 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
EBIT	14,333	10,573	35.6%	31,576
Headcount (FTE)	53	48	10.4%	53

¹ Restated; see page 51, note 2.1

EBIT Modernisation

(in CHF million)

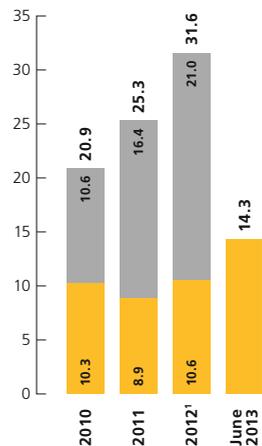


■ 2nd semester
■ 1st semester

1 Restated; see page 51, note 2.1

EBIT real estate (Project Development)

(in CHF million)



■ 2nd semester
■ 1st semester

1 Restated; see page 51, note 2.1

Modernisation on course for profit

The Modernisation business is still being developed and with an EBIT of CHF –0.6 million it is on course for profit. At the same time as building up the operational business, Modernisation & Development has continued adapting its organisational structure to market needs. For example, Implenia has merged logistics for the Modernisation units in Zurich and started creating integrated organisations in the Aarau/Mittelland and Basel/Northwest Switzerland regions. In Project Development it merged its units “Zurich” and “Industriearale” in Winterthur.

More optimistic outlook

Prospects for the second half of 2013 remain good. Modernisation & Development’s results for the year as a whole should be significantly better than previous year’s level.

Highlights Modernisation & Development

- Successful: very good results in Project Development
- Well on the way: Modernisation on course for profit
- Confident: good prospects for second half of the year

Key projects

Centre Intergénérationnel, Geneva

In western Switzerland Implenia is acting as general contractor on the construction of the Centre Intergénérationnel (an intergenerational community centre), due for completion at the end of 2015. The client is Geneva's Bureau Central d'Aide Sociale. Designed by architects Devan-théry & Lamunière, the complex consists of several buildings, including a retirement and care home for 144 people, a crèche for 60 children, a lobby for the "Clair Bois" foundation, student accommodation and rental apartments, a multi-purpose hall, a cafe and a restaurant. The buildings are linked by a shared village square that serves as a place for young and old to meet. This innovative project is worth CHF 57.4 million. (Picture)

Porta Ticino, Coldrerio Implenia has won a contract to build two motorway service/filling stations in Canton Ticino. Following construction work in the first half of 2013, the south-north service station was opened in July, while the north-south service station remains to be built.

Business Centre, Landquart After an intensive development and planning phase led by Implenia, construction began this summer on a new business centre near Landquart railway station. The modern, sustainably designed seven-storey building in the form of a cube is destined to become a local landmark. CHF 33 million is being invested in the project, which will be built by Implenia as total contractor by the end of 2015.



Buildings Business Unit

Buildings performs well in the first half-year, with a significant increase in revenue and EBIT. The new integrated model has been successfully positioned in the market.

The Buildings Business Unit, which brings together Implenia's capabilities in planning, general contracting and execution, impresses with a very good first half-year. Revenue rose by 22.0% to CHF 806.4 million. EBIT improved disproportionately, by 52.4% to CHF 10.4 million. During the first six months of 2013, solid demand in residential construction helped to drive growth.

Positive response to integrated approach

By merging the previously separate areas of General Contracting and Industrial Building Construction/Execution, Implenia can now position itself as a preferred partner for complex building construction. The new integrated business model, offering planning, general contracting and execution services from a single source, has been welcomed by the market and has met with broad approval from customers.

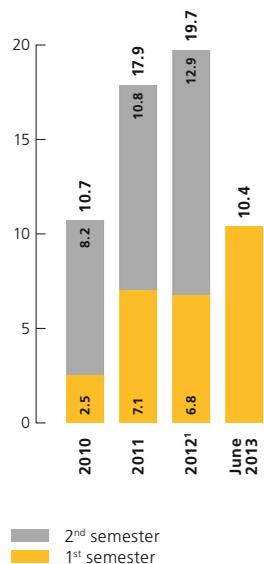
Key figures Buildings

	1.1.–30.6.2013	1.1.–30.6.2012 ¹	Δ	1.1.–31.12.2012 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	806,387	661,118	22.0%	1,408,230
EBIT	10,374	6,808	52.4%	19,702
Production output	817,150	665,493	22.8%	1,421,592
Order book	2,025,663	1,833,446	10.5%	1,832,452
Headcount (FTE)	1,031	934	10.4%	1,012

¹ Restated; see page 51, note 2.1

EBIT Buildings

(in CHF million)



1 Restated; see page 51, note 2.1

Order book enlarged and improved

As well as reaching the record level of CHF 2 billion (+10.5%) as at 30 June 2013, the order book also has a better structure. Orders are not only of a better quality, but a larger proportion of the projects were generated internally. This has a positive effect on the risk structure of orders, because a close relationship between execution and general contracting allows an optimised handling of the project. The order portfolio is also broader and better diversified than a year ago. The proportion of small and medium-sized projects has increased overall, reducing reliance on major orders.

Looking forward to optimised margins

Executing projects more efficiently also helps to improve the future margins situation. Alongside the development of risk management, this will lead to better financial results in the years to come. For 2013 as a whole, the Buildings Business Unit should exceed the 2012 results.

Highlights Buildings

- Good response: new Buildings model positioned successfully in the market and internally
- Good order book: record level maintained, quality of orders improved
- In focus: steady improvement of margin situation

Key projects**Viaducs Eaux des Fontaines, Court**

Canton Berne's civil engineering department has asked Implenla to build the "Eaux des Fontaines" viaduct for the "A16-Transjurane" motorway. The "twin" bridge is being built between Moutier and Court for a sum of CHF 27 million, and is scheduled for completion in July 2015. It is 2 x 544 metres long and is being built in sections of 57 metres. (Picture)

Inselspital Bern, Berne

Implenia is building a new CHF 10 million underground tunnel on the site of the Inselspital hospital in Berne for transporting technical goods and materials as well as patients. The tunnel, 200 metres long, 5 metres wide and more than 3 metres high, runs between 5 and 15 metres underground and links the women's clinic with the new intensive care, emergency and operations centre. Construction is due to be completed at the end of 2014.

New S-Bahn station, Champel-Hôpital

Working within a consortium with other firms as part of Swiss Federal Railway's major CEVA project in Geneva, Implenla is responsible for making the foundations of the new S-Bahn railway station at Champel-Hôpital. The CEVA (Cornavin-Eaux-Vives-Annemasse) line will link the Swiss and French rail networks with each other. CEVA thus plays a key role in the future development of the region around Geneva, Canton Vaud and the French border. The new S-Bahn link should be operational by 2017. Implenla will carry out its work in 2013 and 2014. The contract is worth CHF 14 million.

**Tunnelling & Civil Engineering Business Unit**

The end of several infrastructure projects in Switzerland, project losses in the Middle East and investments in acquisitions all burden the results at Tunnelling & Civil Engineering.

Tunnelling & Civil Engineering saw revenue fall by 12.8% to CHF 129.4 million in the first half of 2013. EBIT sank by 73.5% to CHF 4.9 million. There were three reasons for this disappointing performance. Firstly, as expected, sales volume and EBIT were hit by the ending of several major infrastructure projects in Switzerland, including the NEAT transalpine link. Such major projects only delivered CHF 13 million during the period under review compared with CHF 21 million a year previously. In an attempt to make up for the reduction in the size of the tunnelling market in Switzerland, Implenla has begun to build up its activities in other countries at an early point.

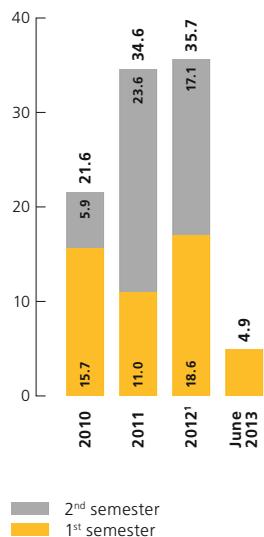
Key figures Tunnelling & Civil Engineering

	1.1.–30.6.2013	1.1.–30.6.2012 ¹	Δ	1.1.–31.12.2012 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	129,421	148,353	(12.8%)	332,635
EBIT	4,937	18,619	(73.5%)	35,695
Production output	201,498	215,181	(6.4%)	461,453
Order book	492,403	679,200	(27.5%)	605,046
Headcount (FTE)	1,023	1,027	(0.4%)	1,100

¹ Restated; see page 51, note 2.1

EBIT Tunnelling & Civil Engineering

(in CHF million)



1 Restated; see page 51, note 2.1

Secondly, the Business Unit unexpectedly recorded a negative result in the Middle East again, CHF 1.5 million worse than in the first half of 2012. This was caused by losses relating to the microtunnelling project in Muharraq. Implenla does not expect any further costs from its business in the region. Once this project is complete, Implenla will not put any further capacities into the region.

Investing in international activities

Thirdly, Implenla continued to invest in the acquisition of new infrastructure contracts, including the "Green Line" project in Qatar and in countries neighbouring Switzerland. This involved costs of CHF 3 million that were charged directly to the income statement. Implenla is currently involved in various tender processes in Germany, Austria and France, for projects including the Semmering Tunnel in Austria and the new rail tunnel between Lyon and Turin. Implenla is confident that this acquisition activity will soon bear its first fruits. At the beginning of August, it won the contract for a microtunnelling project for Hamburg's waste water system.

Highlights Tunnelling & Civil Engineering

- Declining volumes in Switzerland anticipated: early moves to expand international activities
- Middle East: no further deployment of capacities planned
- Investing in developing new markets: confidence about current project submissions in Europe

Key projects

Hauptstrasse, Waldenburg For seven weeks in July and August 2013, Implenia is giving the historical old town of Waldenburg in the Upper Baselbiet region a makeover. Access through the mediaeval town centre was blocked so that drains, cables and streets could be entirely replaced. When the work is complete, the old town will certainly have a new shine! (Picture)

Rhone water supply, HSBC Private Bank, Geneva HSBC Private Bank asked Implenia to construct a link from its premises in Geneva to the river Rhone. HSBC wants to use water from the Rhone to cool its servers and air conditioning systems. Between May and November Implenia is building a 1.2-metre wide tunnel beneath the river. It will soon be possible to transport water down four pipes to the basement floor of the HSBC building.

Resurfacing the southbound Belchen slipway of the A3 A first for Implenia: the night-time resurfacing of the southbound Belchen slipway on the A3 motorway used the "Inline Pave" technique for the first time ever. This involves two machines driving only about two metres apart. In a single pass the first machine applies the binder course and the second the surface course. Only then are the heavy rollers used to compact the surfacing. As well as saving time, this "hot-on-hot" method means that the bond between the two layers is better, increasing the durability of the road even more.

**Construction Switzerland Business Unit**

Swiss regional business performs robustly in the first half of 2013. The result confirms the durability of the improved earnings situation achieved last year.

The Swiss construction business, comprising the Construction German-speaking Switzerland and Construction French-speaking Switzerland Regions, increased output in the first half of 2013 by 4.4% to CHF 386.3 million. EBIT, at CHF –7.0 million, was around the good level recorded in the equivalent period last year. Particularly given how wet the spring was, this is a pleasing result. It should also be remembered that the first-half results are not necessarily representative of the results for the year as a whole since most of the operating income is achieved in the second half of the year.

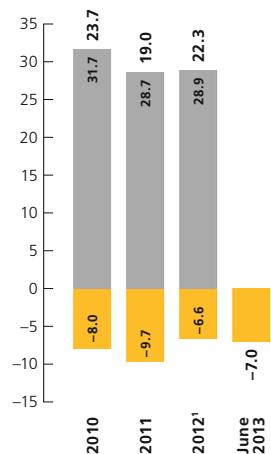
Key figures Construction Switzerland

	1.1.–30.6.2013	1.1.–30.6.2012 ¹	Δ	1.1.–31.12.2012 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	367,596	343,927	6.9%	865,549
EBIT	(7,012)	(6,637)	(5.7%)	22,295
Production output	386,324	370,108	4.4%	920,980
Order book	481,007	519,855	(7.5%)	386,053
Headcount (FTE)	3,034	3,057	(0.8%)	2,824

¹ Restated; see page 51, note 2.1

EBIT Construction Switzerland

(in CHF million)



■ 2nd semester
 ■ 1st semester

1 Restated; see page 51, note 2.1

Optimisation process continues

With a view to a sustainable increase in profitability and market impact, Implenia is constantly working on optimising its cost structures and processes. This increasingly involves the use of lean production methods. In Roads/Civil Works and in regional Building Construction, the focus is on gradually moving into parts of the Swiss market that Implenia does not already cover.

Good full-year results within reach

In the second half of 2013, we expect the Construction Switzerland business to continue the good performance of the first half-year. For the year as a whole we therefore expect a result at previous year's level.

Highlights Construction Switzerland

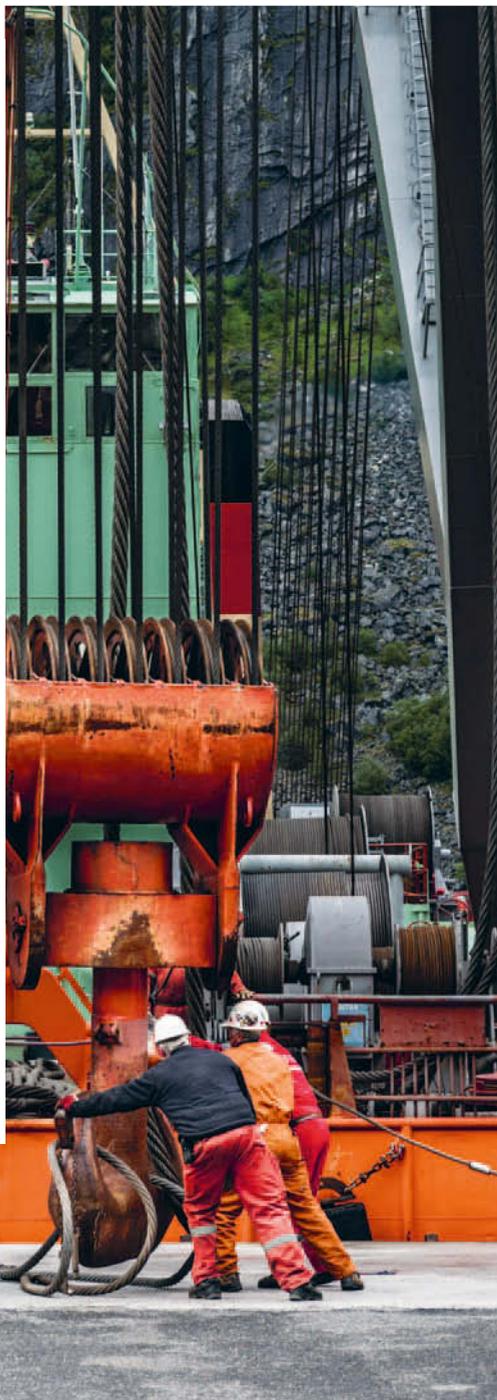
- Despite the wet spring: previous year's good results matched
- Continuous optimisation: sustainable increase in profitability and market impact
- Focus on market penetration: fill gaps in coverage in Switzerland

Key projects

Gryllefjord bridge, FV 86, Torsken, northern Norway This major bridge project involves the construction of a 315-metre box girder bridge with a steel and concrete superstructure. Steel tube piles that Implenía has driven into the sea-bed serve as the bridge's foundations. The bridge is part of a project designed to prevent rock falls, landslips and avalanches. Thanks to the protection given to this stretch of road by the bridge and an associated tunnel, accessibility to the commercial and industrial centres Gryllefjord and Torsken will be improved. (Picture)

Train depot, Lillestrøm, near Oslo This railway project in Lillestrøm outside the Norwegian capital aims to create a larger and better train depot. The improvement has been necessitated by new timetables and the introduction of new types of trains. Implenía is removing contaminated soil, installing a new rail substructure, drilling foundations, building new water and sewage infrastructure, producing pipeline castings and constructing new platforms. This will all significantly simplify maintenance works for trains.

Shooting ranges, Miljø The Norwegian Army has less need for shooting ranges than it once did and so the military authorities asked Implenía to redevelop five former ranges between 2011 and 2013. Implenía's task was to remove soil that had been contaminated, mainly by lead and antimony, add new soil and make the areas safe for use by the general public.

**Norge Business Unit**

Implenía Norge shows a strong performance, boosting growth significantly in the first half of 2013.

Implenía Norge continued on its successful path in the first half of 2013 and accelerated the pace of growth. Revenue was almost twice as high as in the equivalent period last year at CHF 159.8 million (CHF 84.4 million). EBIT rose substantially from minus CHF 0.9 million in the first half-year 2012 to plus CHF 4.7 million in the period under review. With this performance, Implenía Norge clearly exceeded the expectations formulated at the time of the acquisition in 2011.

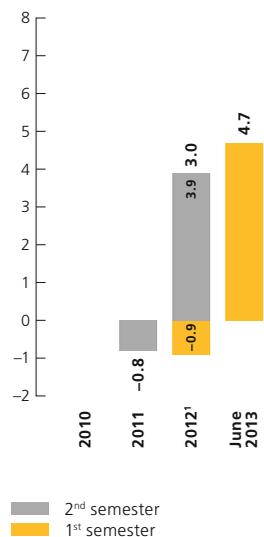
Key figures Norge

	1.1.–30.6.2013	1.1.–30.6.2012 ¹	Δ	1.1.–31.12.2012 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	159,806	84,424	89.3%	218,466
EBIT	4,686	(917)		3,003
Production output	159,806	84,424	89.3%	218,466
Order book	200,107	197,200	1.5%	251,046
Headcount (FTE)	467	306	52.6%	395

¹ Restated; see page 51, note 2.1

EBIT Norge

(in CHF million)



1 Restated; see page 51, note 2.1

Well filled order books

The good business performance was based on very successful order acquisition activity, with Implenia Norge winning further major orders during the period under review. At the beginning of July, for example, it signed a contract to build the Eidanger Tunnel, around 150 kilometres south west of Oslo. This order is worth almost CHF 100 million and represents Implenia's largest project in Norway to date. At the same time Implenia Norge has built up the structures it needs to execute the numerous new orders effectively. Its headcount increased again, from 395 at the end of 2012 to 467 as at 30 June 2013.

Norge continues on its growth path

With orders on hand of CHF 200.1 million as at the end of June 2013, Implenia Norge will be able to continue on its growth path in the second half of the year.

Highlights Norge

- Expectations clearly exceeded: sales and EBIT both increased significantly
- Major projects acquired: necessary structures for execution developed
- Full order books: growth trend continues

Being street-smart is key in road construction

Just a year after completing his apprenticeship at Implenia, young road builder Dominic Zähler (19) won bronze at the 2013 WorldSkills championship.

Fingers drumming like soft rain on the other person's forehead. With a blissful smile on her face the woman lies back and enjoys the facial massage. It might look wonderfully relaxing, but this is actually part of a brutally tough competition. At the start of July beauticians and professionals from 45 other trades met in Leipzig to battle in the 2013 WorldSkills championship. Around 1,050 people from 65 countries came to WorldSkills to find out who was the best of the best in each discipline.

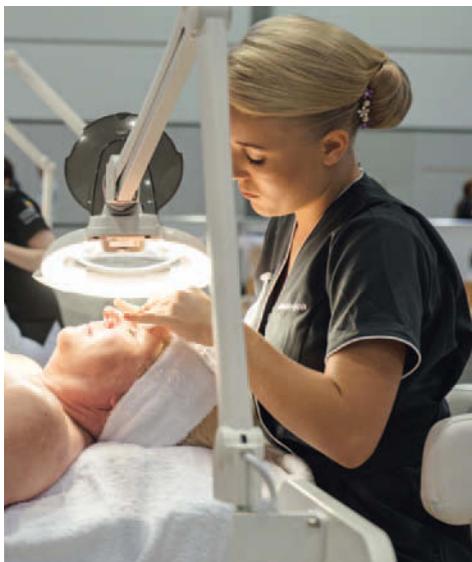
Activities outside in the exhibition centre grounds provide a dramatic contrast to the massage pampering sessions in the exhibition hall. All you can hear is the shriek of the cut-off saw as the sharp teeth of the blade remorselessly grind their way through the grey block. With head bent over a kerbstone that needs to be cut in two, you can see the veins throbbing in the competitor's temples. The summer heat doesn't help, and sweat drips off the forehead of Implenia employee Dominic Zähler.

Road building is not a job for the faint hearted. Visitors to exhibition area P3 are left in no doubt about that when they see the competitors engaged in their physical labour. Dominic now removes his bright orange ear-plugs; the saw has done its work for the time being. Together with Patrick Bürgin (20) of Ruepp AG, Ormalingen BL, Dominic is representing Switzerland in the demonstration competition for road builders.

Top athletes with brains

"We want to win," says the 19 year-old forthrightly as he reaches for the spirit level to check the position of the kerb he has just laid. You can read the tension in the two young craftsmen's faces – have they succeeded? They are competing against three other teams over four days of competition. All have to build the prescribed stretch of road, including paving stones, as precisely as possible. "You would normally have four men working on a site this big, not two," says Dominic. Despite the physical





effort, this is not all about muscle. It's also about millimetres, consistent alignment of joints, clean lines, evenness and correct measurement of lengths and heights.

“Road builders are top athletes. For over eight hours a day they are in constant motion. But they also possess a distinct spatial sense, a keen perception and great skills in mental maths,” says Jürg Stolz, Head of Industry Courses at the BFS Technical School for Traffic Infrastructure Engineering in Sursee, Canton Lucerne. He chose Dominic and Patrick to take part in WorldSkills, because they were two of



Previous page: Blow by blow: Implenia road builder Dominic Zähler lays the paving stones at WorldSkills 2013 in Leipzig. **Above left:** At the WorldSkills championship young tradespeople from a wide variety of professions, including this beautician, compete for medals. **Above right:** The international event takes place every two years. In Leipzig 1,050 participants came together from 65 countries. **Right:** The road builders competed in teams of two. The Swiss team was made up of Dominic Zähler (l.) and Patrick Bürgin (r.).

the best graduates of the class of 2012. “And they also happen to be two fine, polite young men who know how to represent their country. They both present themselves well and have good manners.”

“Other countries, other streets”

Laying paving stones is one of the jobs done by road builders in Germany. But in Switzerland it's a separate profession – so wasn't this a disadvantage for the Swiss team competing against two German teams at the World Championships? “The Germans do work fast, because they do paving more often than our two boys,” says Stolz. And the Germans already have competition experience.

Successful Switzerland

The Swiss delegation to WorldSkills came second overall in the national rankings to Korea. This is further confirmation of the strengths of the twin-track vocational training system that gives equal emphasis to theory and practice (see “Q&A”).





Matthias Forster of the “Infra Schweiz” professional association recognises other challenges for Dominic and Patrick: “In Germany they use bigger and heavier paving stones than in Switzerland – other countries, other streets. And the German paving hammer is longer, which is why Dominic brought his own hammer to WorldSkills. He works better with it.” Trade association Infra Schweiz arranged for the two Swiss road builders to participate at the invitation of the German construction industry’s association, the Zentralverband Deutsches Baugewerbe. The boys practised for the event for a whole week in Sursee. “Dominic and Patrick work very precisely, and I’m sure they will deliver a higher standard of work than the Germans,” says Forster.

“We traditionally have very good relations with Switzerland,” says Harald Schröer, Deputy Director of the Zentralverband Deutsches Baugewerbe: “We are strategic partners.” It is a thorn in his side that road building is only given a demonstration competition in Leipzig rather than counting towards each nation’s official medal tally. “Hopefully by taking part in the showcase competition the Swiss road builders will encourage other countries to send their best road builders to compete in future.” Schröer is as impressed with the Swiss men’s abilities as with the Germans’: “And may the best team win!”

Dominic and Patrick did indeed make it onto the medal rostrum. Their bronze medal behind the two German teams was the reward for four days of hard and meticulous work. And there will soon be an opportunity to move even higher up the rankings. The next European trades championship, EuroSkills, takes place in 2014 in Lille, France. And in the same year Berne will host SwissSkills. For Dominic at least the final hurrah will be at WorldSkills in 2015. Only those under 22 years of age can enter.



Previous page, left: The tools of the road builder’s trade: ruler and paving hammer. **Previous page, right:** Dominic Zähler concentrates hard on the optical level, which he uses to identify height differences and keep everything perfectly in line. **Above:** The building site is always cleaned up in the evening, so the brooms come in handy. **Right:** Good paving depends on an even layer of gravel underneath.

Apprentices at Implenia

More than 200 apprentices are currently at Implenia, preparing themselves for a wide variety of professional careers. Dominic is just one of those who completed his road building apprenticeship at Implenia. Alongside its role as a trainer, Implenia supports the BFS Technical School for Traffic Infrastructure Engineering in Sursee, Canton Lucerne, with specialist teachers and experts.





You never leave the WorldSkills family

Thorben Peper, however, tells us that “you never really say goodbye to the Skills competitions.” The German won the 2012 European road building championships in Belgium. “The atmosphere among participants is just great. When you get together with the representatives of other countries you quickly throw away any prejudices; you just exchange knowledge and ideas and have fun.” Peper has already passed the age limit, so he is in Leipzig this year as a helper for the road building competition, bringing teams the materials they need with a fork lift and a digger.

“At WorldSkills you are part of a big family,” confirms Flavio Helfenstein of Lucerne: “I’ll certainly be at WorldSkills 2015 in São Paulo, Brazil, as a visitor. I’ll make the trip from Lucerne specially.” The 24 year-old watches the Swiss road builders in Leipzig and reminisces about winning first place in car engineering at WorldSkills 2011 in London: “Everyone who gets the chance to take part in this event should grab it. You are suddenly known in your industry and can build a network of expert contacts. It helps you take an enormous leap forward.”

The road to Cape Horn

Dominic Zähler has a bit of a problem with all the hype that goes with winning a medal: “I’m not used to all that fuss,” he says modestly. In his free time he’s a Scout leader and a passionate fan of music festivals. Dominic sees his future in construction, preferably with Implenla: “In the next ten years I’d like to become a foreman and site manager.” Nobody has any doubt that he will achieve this.



Left: The prescribed stretch of road is created stone by stone, with each team following the plans as precisely as possible. **Above:** Proud CEO, proud employee: Implenla’s CEO Anton Affentranger meets Dominic Zähler in person at the company’s head office in Dietlikon to congratulate him on his achievement.

But first of all he would like to fulfil his other big road dream. “I’d like to drive a car down the whole Panamericana route from Alaska to Cape Horn at the southern tip of Chile. A stopover on Easter Island will be a must, because one of my cousins has a hotel there.” By way of thanks and recognition for his exceptional work as a road builder, Implenla is making a contribution to his travel fund. “We are very happy that a talent like Dominic Zähler is part of our road building team,” said CEO Anton Affentranger when he joined the young bronze medallist at a meet & greet session.

“Major companies like Implenía are the backbone of the training system.”

Switzerland’s vocational training system produces some amazing talent. The Swiss delegation to the WorldSkills championship came away with an outstanding second place overall. In this interview Ueli Büchi, Head of Vocational Training Policy at “Schweizerischer Baumeisterverband”, talks about the challenges of the twin-track training system.

Mr Büchi, Switzerland’s young workers came out as the best European team at the trades world championship in Leipzig. And they came second in the overall rankings behind Korea. Does this say something about the quality and effectiveness of Switzerland’s twin-track vocational training system?

Our young tradespeople are world beaters, not just at WorldSkills, but most importantly in their everyday working lives. For me this great result at the world championships is clear proof that Switzerland has a very successful model for occupational training. Rooting the training in real businesses is probably the most important ingredient.

What’s the benefit of gaining practical experience in a company while simultaneously learning the theory at school and in industry courses?

If the students are actually working at a company, the focus of the training will be on the real world of work right from the start. Once their training is complete, the young people can be useful to a company straight away – there is barely any need for an induction period. From the very first day they can deliver full value as employees.

What role do big companies like Implenía play in the twin-track training system?



“There is a massive shortage of management personnel in the Swiss construction industry.”

Ueli Büchi, Schweizerischer Baumeisterverband

There are about 2000 businesses offering training in the Swiss construction industry. But the big companies like Implenía are the backbone of the system. They manage apprentices well and because they are well known they don’t have any problem recruiting trainees. By providing high quality training the major companies make an important contribution to the whole construction industry. They help the labour market function properly, because well trained employees are always in demand. The big companies then also have a reason to hold onto these good employees and bring them on further.

Where do the challenges lie for training policy in the construction industry?

The biggest challenge lies in positioning the construction trades. Our training competes with the academic streams and their supposedly “higher value” learning. I think the phrase “higher value” is completely misplaced here. A career in construction requires logical thinking, the ability

to grasp complex processes, as well as team work and conflict management skills. And there are a wealth of excellent development and career opportunities. Mobility is becoming more important for people working in craft trades, so another challenge is to position construction careers in the international environment. Like the Bologna process for university degrees, the Copenhagen process is designed to ensure international recognition of trade qualifications in future.

What advice would you give to Implenía employee Dominic Zähler, who has just won bronze at the WorldSkills championship?

First of all I would like to congratulate Dominic on his outstanding achievement. He and his team mate Patrick Bürgin are genuine and credible ambassadors for their trade. I would advise talented young people like them to plan their future actively. There is a massive shortage of management personnel in the Swiss construction industry. Outstanding people should get further training as soon as possible – to become foremen, site managers, project managers or construction engineers; or to specialise in areas such as building protection. This applies equally to young women and young men. The construction industry has not yet properly unlocked the potential of female employees.

Many thanks for talking to us.

Interim Financial Report

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Consolidated income statements

		1.1.–30.6.2013	1.1.–30.6.2012 restated ¹
	Notes	CHF 1,000	CHF 1,000
Consolidated revenue	3	1,408,500	1,219,524
Materials and subcontractors		(916,088)	(756,228)
Personnel expenses		(363,944)	(333,988)
Other operating expenses		(79,254)	(83,662)
Depreciation and amortisation		(21,537)	(19,251)
Income from associates		2,412	2,250
Operating income	3	30,089	28,645
Financial expenses	4	(5,952)	(6,942)
Financial income	4	3,999	1,180
Profit before tax		28,136	22,883
Tax		(6,935)	(6,286)
Consolidated profit		21,201	16,597
Attributable to:			
Shareholders of Implenla Ltd		18,839	15,495
Non-controlling interests		2,362	1,102
Consolidated earnings per share (CHF)			
Basic earnings per share	13	1.03	0.85
Diluted earnings per share	13	1.03	0.85

¹ See note 2.1

The accompanying notes form part of the consolidated financial statements.

Consolidated statements of comprehensive income

		1.1.–30.6.2013	1.1.–30.6.2012 restated ¹
		CHF 1,000	CHF 1,000
Consolidated profit		21,201	16,597
Remeasurement of post-employment benefits		34,717	23,509
Income tax on remeasurement of post-employment benefits		(7,596)	(5,144)
Total items that will not be reclassified to income statement		27,121	18,365
Fair value adjustments on financial instruments		(1,500)	–
Income tax on fair value adjustments on financial instruments		117	–
Foreign exchange differences		(1,054)	(353)
Total items that will be reclassified to income statement		(2,437)	(353)
Other comprehensive income		24,684	18,012
Attributable to:			
Shareholders of Implenla Ltd		24,941	17,957
Non-controlling interests		(257)	55
Total comprehensive income		45,885	34,609
Attributable to:			
Shareholders of Implenla Ltd		43,780	33,452
Non-controlling interests		2,105	1,157

¹ See note 2.1

The accompanying notes form part of the consolidated financial statements.

Consolidated balance sheets

ASSETS	Notes	30.6.2013	31.12.2012	30.6.2012
		CHF 1,000	restated ¹ CHF 1,000	restated CHF 1,000
Cash and cash equivalents	5	441,258	537,358	370,439
Marketable securities		437	218	491
Trade receivables	6	595,788	476,069	579,434
Work in progress	7	355,805	252,461	256,863
Joint ventures	8.1	18,876	24,880	28,953
Other receivables		74,548	56,276	58,461
Raw materials and supplies		24,550	24,757	22,344
Real estate transactions	9	243,651	251,690	252,680
Accrued income and prepaid expenses		38,927	35,148	38,716
Total current assets		1,793,840	1,658,857	1,608,381
Property, plant and equipment		242,524	237,652	227,692
Investment property		16,771	16,417	18,652
Investments in associates		43,299	48,966	47,860
Other financial assets		8,973	11,629	9,865
Pension assets		314	–	–
Intangible assets		90,898	92,190	92,410
Deferred tax assets		163	8,418	20,878
Total non-current assets		402,942	415,272	417,357
Total assets		2,196,782	2,074,129	2,025,738

¹ See note 2.1

EQUITY AND LIABILITIES	Notes	30.6.2013	31.12.2012	30.6.2012
		CHF 1,000	restated ¹ CHF 1,000	restated CHF 1,000
Financial liabilities	11	3,918	4,511	4,584
Trade payables		314,237	240,706	283,730
Work in progress	7	732,652	674,850	629,445
Joint ventures	8.1	31,593	31,665	30,920
Other liabilities		79,397	66,023	60,389
Tax liabilities		36,734	40,791	29,842
Prepaid income and accrued expenses		130,840	121,773	150,239
Provisions		7,124	9,456	5,264
Total current liabilities		1,336,495	1,189,775	1,194,413
Financial liabilities	11	210,116	211,453	210,564
Other liabilities		6,906	6,953	5,188
Deferred tax liabilities		58,992	54,175	52,339
Pension liabilities		–	38,733	91,783
Provisions		24,646	24,395	26,634
Total non-current liabilities		300,660	335,709	386,508
Share capital	12	35,097	35,097	35,097
Treasury shares	12	(12,012)	(3,097)	(5,999)
Reserves		497,184	427,906	386,389
Consolidated profit attributable to shareholders		18,839	69,957	15,495
Equity attributable to shareholders		539,108	529,863	430,982
Non-controlling interests		20,519	18,782	13,835
Total equity		559,627	548,645	444,817
Total equity and liabilities		2,196,782	2,074,129	2,025,738

¹ See note 2.1

The accompanying notes form part of the consolidated financial statements.

Consolidated statements of changes in equity

	Notes	Share capital	Treasury shares	Reserves			Total shareholders' equity	Non-controlling interests	Total equity
		CHF 1,000	CHF 1,000	Capital reserves	Foreign exchange differences	Retained earnings			
Equity as at 1.1.2013 (restated)		35,097	(3,097)	112,873	(15,779)	400,770	529,863	18,782	548,645
Consolidated profit					–	18,839	18,839	2,362	21,201
Other comprehensive income					(797)	25,738	24,941	(257)	24,684
Total comprehensive income					(797)	44,577	43,780	2,105	45,885
Dividends	14	–	–	(25,746)	–	–	(25,746)	(383)	(26,129)
Change in treasury shares		–	(8,915)	36	–	(3,779)	(12,658)	–	(12,658)
Share-based payments		–	–	–	–	3,779	3,779	–	3,779
Change in non-controlling interests		–	–	–	2	88	90	15	105
Total other changes in equity		–	(8,915)	(25,710)	2	88	(34,535)	(368)	(34,903)
Total equity as at 30.6.2013		35,097	(12,012)	87,163	(16,574)	445,435	539,108	20,519	559,627
Equity as at 1.1.2012 (published)		35,097	(4,460)	131,511	(16,167)	386,894	532,875	10,653	543,528
Restatement ¹					–	(114,283)	(114,283)	2,503	(111,780)
Equity as at 1.1.2012 (restated)		35,097	(4,460)	131,511	(16,167)	272,611	418,592	13,156	431,748
Consolidated profit restated ¹					–	15,495	15,495	1,102	16,597
Other comprehensive income restated ¹					(408)	18,365	17,957	55	18,012
Total comprehensive income restated¹					(408)	33,860	33,452	1,157	34,609
Dividends		–	–	(20,052)	–	–	(20,052)	(378)	(20,430)
Change in treasury shares		–	(1,539)	716	–	(2,101)	(2,924)	–	(2,924)
Share-based payments		–	–	–	–	2,101	2,101	–	2,101
Change in non-controlling interests		–	–	–	–	(187)	(187)	(100)	(287)
Total other changes in equity		–	(1,539)	(19,336)	–	(187)	(21,062)	(478)	(21,540)
Total equity as at 30.6.2012 (restated)		35,097	(5,999)	112,175	(16,575)	306,284	430,982	13,835	444,817

¹ See note 2.1

The accompanying notes form part of the consolidated financial statements.

Consolidated cash flow statements

		1.1.–30.6.2013	1.1.–30.6.2012 restated ¹
	Notes	CHF 1,000	CHF 1,000
Consolidated profit		21,201	16,597
Tax		6,935	6,286
Financial result	4	1,953	5,762
Depreciation and amortisation		21,537	19,251
Result from sale of non-current assets		(941)	207
Income and distribution from associates		100	398
Change in provisions		(1,508)	(3,331)
Change in pension assets and liabilities		(4,330)	(5,481)
Change in net working capital			
Change in trade and other receivables		(141,401)	(43,934)
Change in work in progress (net), raw materials and supplies		(43,100)	11,965
Change in real estate transactions		7,172	(5,681)
Change in trade payables and other liabilities		88,989	(24,119)
Change in accruals and joint ventures		13,739	16,258
Interest paid		(6,951)	(6,985)
Interest received		707	608
Tax paid		(5,319)	(4,023)
Cash flow from operating activities		(41,218)	(16,221)
Investments in property, plant and equipment		(29,628)	(11,716)
Disposals of property, plant and equipment		5,127	1,595
Investments in other financial assets and associates		(1,214)	(919)
Disposals of other financial assets and associates		9,924	437
Investments in intangible assets		(106)	(3,022)
Acquisition of subsidiaries		(1,341)	–
Cash flow from investing activities		(17,238)	(13,625)

¹ See note 2.1

		1.1.–30.6.2013	1.1.–30.6.2012 restated ¹
	Notes	CHF 1,000	CHF 1,000
Increase in financial liabilities		286	1,482
Repayment of financial liabilities		(2,027)	(1,702)
Change in treasury shares		(8,879)	(823)
Dividends and par value repayment	14	(25,746)	(20,052)
Cash flow with non-controlling interests		(279)	(661)
Cash flow from financing activities		(36,645)	(21,756)
Foreign exchange differences on cash and cash equivalents		(999)	59
Change in cash and cash equivalents		(96,100)	(51,543)
Cash and cash equivalents at beginning of period	5	537,358	421,982
Cash and cash equivalents at end of period	5	441,258	370,439

¹ See note 2.1

The accompanying notes form part of the consolidated financial statements.

Notes to the consolidated financial statements of Implenla

1 General information

Implenia Ltd is a Swiss public limited company incorporated in Dietlikon, Zurich. The shares of Implenla Ltd are listed on the SIX Swiss Exchange (ISIN code CH002 386 8554, IMPN).

The German version of the financial statements is the original version. The English and French versions are non-binding translations.

The interim financial report as at 30 June 2013 was approved by the Board of Directors of Implenla Ltd on 28 August 2013. The consolidated financial statements as at 30 June 2013 have not been audited by the external auditor PricewaterhouseCoopers AG, Zurich. Unless otherwise stated, the figures in the interim financial report are given in thousands of Swiss francs.

2 Summary of significant accounting policies

These consolidated financial statements cover Implenla Ltd and its subsidiaries for the reporting period ended 30 June 2013. The consolidated financial statements were prepared in accordance with IAS 34 «Interim Financial Reporting». As the report does not contain all the notes required for the Annual Report, it should be read in conjunction with the consolidated financial statements as at 31 December 2012, which were prepared in accordance with IFRS.

Management estimates and judgements for the purposes of financial reporting affect the values of reported assets and liabilities, contingent liabilities and assets on the balance sheet date, and expenses and income during the reporting period. Actual values may differ from these estimates.

2.1 Changes to accounting policies

The accounting policies applied to the 2013 interim financial statements are identical to those applied to and described in the Annual Report 2012, except for the following new standards and amendments and interpretations to standards that were introduced for the financial year starting on 1 January 2013:

- Annual improvements 2012
- IAS 1 Presentation of financial statements (amendment)
- IAS 19 Employee benefits (revised)
- IAS 27 Consolidated and separate financial statements (revised)
- IAS 28 Investments in associates (revised)
- IFRS 10 Consolidated financial statements
- IFRS 11 Joint arrangements
- IFRS 12 Disclosure of interests in other entities
- IFRS 13 Fair value measurement

The material impact of the retroactive application of the new and revised standards and interpretations to 1 January 2012 on these consolidated financial statements is explained below.

IAS 19 Employee benefits

With the amendment to IAS 19 that entered into force on 1 January 2013, actuarial gains and losses are recognised in other comprehensive income when they are incurred. The corridor method applied previously is no longer permitted. Service cost and net interest are reported in the income statement. Net interest is calculated on the discounted net receivable or net liability and replaces the expected income on the assets as well as the interest cost for the obligations. Past service cost is immediately recognised in profit and loss. Previous unrecognised actuarial losses were recognised in equity without affecting the income statement as a pension liability on 1 January 2012.

IFRS 11 Joint arrangements

According to IFRS 11, applicable from 1 January 2013, joint arrangements that are jointly controlled must be classified either as joint operations under IFRS 11 or as joint ventures according to the equity method (IAS 28). If they have a joint activity, assets, liabilities, income and expenses must be recognised proportionately in the consolidated statements. Joint arrangements that are not jointly controlled must either be classified according to the equity method (IAS 28) or as financial instruments according to IAS 39. Joint arrangements that meet the definition of control under IFRS 10 must be included in full in the consolidated financial statements. As a number of Implenla's joint ventures meet the criteria for joint activities and joint control, the introduction of the new standards means that these joint ventures are no longer recognised in accordance with the equity method.

Notes to the consolidated financial statements of Implenla

Restatement

Effect of restatement in the consolidated income statement from 1 January to 30 June 2012:

	1.1.–30.6.2012 published	IAS 19	IFRS 11	1.1.–30.6.2012 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Consolidated revenue	1,194,699	–	24,825	1,219,524
Materials and subcontractors	(741,454)	–	(14,774)	(756,228)
Personnel expenses	(331,697)	3,781	(6,072)	(333,988)
Other operating expenses	(80,558)	–	(3,104)	(83,662)
Depreciation and amortisation	(19,006)	–	(245)	(19,251)
Income from associates	2,250	–	–	2,250
Operating income	24,234	3,781	630	28,645
Financial expenses	(6,942)	–	–	(6,942)
Financial income	1,180	–	–	1,180
Profit before tax	18,472	3,781	630	22,883
Tax	(5,333)	(827)	(126)	(6,286)
Consolidated profit	13,139	2,954	504	16,597
Attributable to:				
Shareholders of Implenla Ltd	12,541	2,954	–	15,495
Non-controlling interests	598	–	504	1,102
Consolidated earnings per share (CHF)				
Basic earnings per share	0.69	–	–	0.85
Diluted earnings per share	0.69	–	–	0.85

Effect of restatement in the consolidated statement of comprehensive income from 1 January to 30 June 2012:

	1.1.–30.6.2012 published	IAS 19	IFRS 11	1.1.–30.6.2012 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Consolidated profit	13,139	2,954	504	16,597
Remeasurement of post-employment benefits	–	23,509	–	23,509
Income tax on remeasurement of post-employment benefits	–	(5,144)	–	(5,144)
Total items that will not be reclassified to income statement	–	18,365	–	18,365
Foreign exchange differences	(353)	–	–	(353)
Total items that will be reclassified to income statement	(353)	–	–	(353)
Other comprehensive income	(353)	18,365	–	18,012
Attributable to:				
Shareholders of Implenla Ltd	(408)	18,365	–	17,957
Non-controlling interests	55	–	–	55
Total comprehensive income	12,786	21,319	504	34,609
Attributable to:				
Shareholders of Implenla Ltd	12,133	21,319	–	33,452
Non-controlling interests	653	–	504	1,157

Notes to the consolidated financial statements of Implenla

Effect of restatement on the assets in the consolidated balance sheet as at 31 December 2012:

ASSETS	31.12.2012 published	IAS 19	IFRS 11	31.12.2012 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Cash and cash equivalents	500,727	–	36,631	537,358
Marketable securities	218	–	–	218
Trade receivables	455,965	–	20,104	476,069
Work in progress	242,437	–	10,024	252,461
Joint ventures	24,177	–	703	24,880
Other receivables	43,791	–	12,485	56,276
Raw materials and supplies	24,729	–	28	24,757
Real estate transactions	251,690	–	–	251,690
Accrued income and prepaid expenses	29,359	–	5,789	35,148
Total current assets	1,573,093	–	85,764	1,658,857
Property, plant and equipment	232,387	–	5,265	237,652
Investment property	16,417	–	–	16,417
Investments in associates	48,966	–	–	48,966
Other financial assets	11,629	–	–	11,629
Pension assets	33,677	(33,677)	–	–
Intangible assets	92,690	(500)	–	92,190
Deferred tax assets	195	8,223	–	8,418
Total non-current assets	435,961	(25,954)	5,265	415,272
Total assets	2,009,054	(25,954)	91,029	2,074,129

Effect of restatement on the equity and liabilities in the consolidated balance sheet as at 31 December 2012:

EQUITY AND LIABILITIES	31.12.2012 published	IAS 19	IFRS 11	31.12.2012 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Financial liabilities	4,511	–	–	4,511
Trade payables	219,878	–	20,828	240,706
Work in progress	658,569	–	16,281	674,850
Joint ventures	29,853	–	1,812	31,665
Other liabilities	59,905	–	6,118	66,023
Tax liabilities	40,791	–	–	40,791
Prepaid income and accrued expenses	91,490	–	30,283	121,773
Provisions	5,152	–	4,304	9,456
Total current liabilities	1,110,149	–	79,626	1,189,775
Financial liabilities	208,384	–	3,069	211,453
Other liabilities	6,953	–	–	6,953
Deferred tax liabilities	60,849	(7,626)	952	54,175
Pension liabilities	–	38,733	–	38,733
Provisions	23,333	–	1,062	24,395
Total non-current liabilities	299,519	31,107	5,083	335,709
Share capital	35,097	–	–	35,097
Treasury shares	(3,097)	–	–	(3,097)
Reserves	485,837	(57,931)	–	427,906
Consolidated profit attributable to shareholders	69,087	870	–	69,957
Equity attributable to shareholders	586,924	(57,061)	–	529,863
Non-controlling interests	12,462	–	6,320	18,782
Total equity	599,386	(57,061)	6,320	548,645
Total equity and liabilities	2,009,054	(25,954)	91,029	2,074,129

Notes to the consolidated financial statements of Implenla

Effect of restatement on the assets in the consolidated balance sheet as at 31 December 2011:

ASSETS	31.12.2011 published	IAS 19	IFRS 11	31.12.2011 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Cash and cash equivalents	402,532	–	19,450	421,982
Marketable securities	516	–	–	516
Trade receivables	472,789	–	62,090	534,879
Work in progress	220,098	–	6,471	226,569
Joint ventures	33,552	–	(4,942)	28,610
Other receivables	45,285	–	14,413	59,698
Raw materials and supplies	23,398	–	389	23,787
Real estate transactions	247,047	–	–	247,047
Accrued income and prepaid expenses	24,421	–	16,474	40,895
Total current assets	1,469,638	–	114,345	1,583,983
Property, plant and equipment	225,365	–	7,460	232,825
Investment property	18,860	–	–	18,860
Investments in associates	47,169	–	–	47,169
Other financial assets	9,764	–	–	9,764
Pension assets	25,519	(25,519)	–	–
Intangible assets	90,674	–	–	90,674
Deferred tax assets	714	26,425	–	27,139
Total non-current assets	418,065	906	7,460	426,431
Total assets	1,887,703	906	121,805	2,010,414

Effect of restatement on the equity and liabilities in the consolidated balance sheet as at 31 December 2011:

EQUITY AND LIABILITIES	31.12.2011 published	IAS 19	IFRS 11	31.12.2011 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Financial liabilities	3,795	–	–	3,795
Trade payables	272,537	–	30,285	302,822
Work in progress	555,083	–	33,106	588,189
Joint ventures	49,341	–	3,320	52,661
Other liabilities	55,782	–	5,917	61,699
Tax liabilities	30,018	–	–	30,018
Prepaid income and accrued expenses	75,151	–	39,897	115,048
Provisions	5,892	–	2,360	8,252
Total current liabilities	1,047,599	–	114,885	1,162,484
Financial liabilities	205,278	–	3,679	208,957
Other liabilities	7,295	–	–	7,295
Deferred tax liabilities	57,742	(5,584)	–	52,158
Pension liabilities	–	120,773	–	120,773
Provisions	26,261	–	738	26,999
Total non-current liabilities	296,576	115,189	4,417	416,182
Share capital	35,097	–	–	35,097
Treasury shares	(4,460)	–	–	(4,460)
Reserves	502,238	(114,283)	–	387,955
Equity attributable to shareholders	532,875	(114,283)	–	418,592
Non-controlling interests	10,653	–	2,503	13,156
Total equity	543,528	(114,283)	2,503	431,748
Total equity and liabilities	1,887,703	906	121,805	2,010,414

Notes to the consolidated financial statements of Implenia

Effect in the consolidated cash flow statement from 1 January to 30 June 2012:

	1.1.–30.6.2012 published	IAS 19	IFRS 11	1.1.–30.6.2012 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Consolidated profit	13,139	2,954	504	16,597
Tax	5,333	827	126	6,286
Financial result	5,762	–	–	5,762
Depreciation and amortisation	19,006	–	245	19,251
Result from sale of non-current assets	207	–	–	207
Income and distribution from associates	398	–	–	398
Change in provisions	(1,019)	–	(2,312)	(3,331)
Change in pension assets and liabilities	(1,700)	(3,781)	–	(5,481)
Change in net working capital	–	–	–	–
Change in trade and other receivables	(39,646)	–	(4,288)	(43,934)
Change in work in progress (net), raw materials and supplies	8,896	–	3,069	11,965
Change in real estate transactions	(5,681)	–	–	(5,681)
Change in trade payables and other liabilities	(21,112)	–	(3,007)	(24,119)
Change in accruals and joint ventures	11,173	–	5,085	16,258
Interest paid	(6,985)	–	–	(6,985)
Interest received	608	–	–	608
Tax paid	(4,023)	–	–	(4,023)
Cash flow from operating activities	(15,643)	–	(578)	(16,221)
Investments in property, plant and equipment	(11,716)	–	–	(11,716)
Disposals of property, plant and equipment	1,473	–	122	1,595
Investments in other financial assets and associates	(919)	–	–	(919)
Disposals of other financial assets and associates	437	–	–	437
Investments in intangible assets	(3,022)	–	–	(3,022)
Cash flow from investing activities	(13,747)	–	122	(13,625)

	1.1.–30.6.2012 published	IAS 19	IFRS 11	1.1.–30.6.2012 restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Increase in financial liabilities	1,132	–	350	1,482
Repayment of financial liabilities	(1,702)	–	–	(1,702)
Change in treasury shares	(823)	–	–	(823)
Dividends and par value repayment	(20,052)	–	–	(20,052)
Cash flow with non-controlling interests	(661)	–	–	(661)
Cash flow from financing activities	(22,106)	–	350	(21,756)
Foreign exchange differences on cash and cash equivalents	59	–	–	59
Change in cash and cash equivalents	(51,437)	–	(106)	(51,543)
Cash and cash equivalents at beginning of period	402,532	–	19,450	421,982
Cash and cash equivalents at end of period	351,095	–	19,344	370,439

Notes to the consolidated financial statements of Implenla

2.2 Material changes in the scope of consolidation

There were no material changes in the scope of consolidation in the first half of 2013.

In the first half of 2012, Implenla AS acquired non-controlling interests in Implenla Miljøsanering AS and Lindcon AS.

2.3 Segment reporting

On 5 February 2013 Implenla introduced a new organisational structure, which also affects the segment reporting. The Group's new business segments are based on the new organisational units, for which the Group Executive Board (GEBO) and the Group Board of Directors will present a report. The Board of Directors takes on the role as the chief operating decision maker pursuant to IFRS 8. It receives regular internal reports in order to assess the Group's performance and resource allocation. The Group consists of the following segments:

2.3.1 Modernisation

This segment comprises conceptual and strategic advisory services, planning, execution and processing of modernisation construction projects. The new segment includes units from the former General Contracting/Services and Infrastructure Construction segments.

2.3.2 Development

The development segment comprises activities such as the planning and construction of real estate projects. This segment transforms visions and ideas into sustainable real estate projects and provides other real estate services. This segment replaces the former Real Estate segment.

2.3.3 Buildings

This segment comprises activities such as the planning, engineering, coordination, processing as general and total contractor, technical facility management and execution of complex construction projects using traditional construction methods. The new segment includes units from the former General Contracting/Services, Prime Buildings and Infrastructure Construction segments.

2.3.4 Tunnelling & Civil Engineering

This segment is primarily concerned with the realisation of complex construction projects for infrastructure facilities, including decontamination and maintenance, as a builder and total contractor. Its core competencies include microtunnelling, underground engineering, gallery construction for power plants, railway technology, civil engineering, bridge building, galleries, special civil engineering and hydrodynamics. The new segment includes units from the former Tunnelling and Infrastructure Construction segments.

2.3.5 Construction Switzerland

This segment is active in all areas of traditional construction. It has two sub-segments, i.e. Construction German-Speaking Switzerland and Construction French-Speaking Switzerland. This includes road building and foundation projects, commercial construction, gravel processing and surface works in Switzerland and abroad. The new segment includes units from the former Infrastructure Construction segment.

2.3.6 Norge

This segment comprises tunnelling, road building and civil engineering for all companies domiciled in Norway. It is identical to the former Norway segment.

2.3.7 Miscellaneous/Holding

This area contains all costs of Implenla that cannot be allocated to a segment. These include Group companies with no activities, holding company overheads, the material investment properties, deferred taxes recognised at Group level, and pension assets and liabilities.

Certain headquarter functions are disclosed under Miscellaneous/Holding. These include procurement, finance and controlling, investor relations, business development, human resources, IT, investment management, risk management, marketing/communication, treasury, legal services and insurance.

2.4 Fair value measurement

The carrying values of the financial instruments equal their fair value, except for the bond issue included in non-current financial liabilities. The bond for CHF 200 million was floated on 12 May 2010. The bond earns interest at 3.125% and runs for six years until maturity on 12 May 2016. The bond was floated at an issue price of 100.269% and is traded on the SIX Swiss Exchange (security number 11219351). The interest rate for calculating the amortised cost is 3.356%. At 30 June 2013, the bond's carrying value was CHF 198.8 million (31 December 2012: CHF 198.5 million) and the fair value was CHF 212.3 million (31 December 2012: CHF 212.6 million).

2.5 Seasonal fluctuation

Implenla's building production services are subject to seasonal fluctuation as building activity is more intense in the second half of the year. With the introduction of IFRS 11, a significant number of the joint ventures for the realisation of road building projects were also recognised proportionally or consolidated fully. As road building production is considerably higher in the second half of the year, revenues for these joint venture rise out of proportion for the year as a whole and intensify the effect of IFRS 11.

Notes to the consolidated financial statements of Implenia

3 Segment reporting

Segment reporting as submitted to the Board of Directors as at 30 June 2013:

	Modernisation	Development	Buildings
	CHF 1,000	CHF 1,000	CHF 1,000
IFRS revenue unconsolidated	28,808	92,324	806,387
Intragroup revenue	(10,587)	(17,451)	(80,950)
External revenues	18,221	74,873	725,437
Operating income	(603)	14,333	10,374
Current assets excl. cash and cash equivalents	21,727	239,775	535,264
Non-current assets	484	19,940	57,281
Less debt capital (excl. financial liabilities)	(24,039)	(83,120)	(704,901)
Total invested capital	(1,828)	176,595	(112,356)

¹ Including eliminations

Tunnelling & Civil Engineering	Construction Switzerland	Norge	Total of divisions	Miscellaneous/ Holding ¹	Total
CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
129,421	367,596	159,806	1,584,343	33,752	1,618,095
(19,641)	(43,073)	(13,310)	(185,012)	(24,583)	(209,595)
109,780	324,523	146,496	1,399,331	9,169	1,408,500
4,937	(7,012)	4,686	26,715	3,374	30,089
83,559	297,923	148,577	1,326,825	(5,835)	1,320,990
54,863	205,903	41,441	379,912	23,030	402,942
(104,370)	(273,230)	(166,154)	(1,355,814)	(35,715)	(1,391,529)
34,052	230,596	23,864	350,923	(18,520)	332,403

Notes to the consolidated financial statements of Implenia

Segment reporting as at 30 June 2012 (restated):

	Modernisation	Development	Buildings
	CHF 1,000	CHF 1,000	CHF 1,000
IFRS revenue unconsolidated	46,893	92,666	661,118
Intragroup revenue	(9,256)	(4,211)	(92,076)
External revenues	37,637	88,455	569,042
Operating income	(1,633)	10,573	6,808
Current assets excl. cash and cash equivalents	29,565	297,461	434,744
Non-current assets	398	–	61,268
Less debt capital (excl. financial liabilities)	(36,814)	(94,699)	(599,681)
Total invested capital	(6,851)	202,762	(103,669)

Tunnelling & Civil Engineering	Construction Switzerland	Norge	Total of divisions	Miscellaneous/ Holding ¹	Total
CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
148,353	343,927	84,424	1,377,381	29,748	1,407,129
(15,361)	(36,800)	(3,443)	(161,147)	(26,458)	(187,605)
132,992	307,127	80,981	1,216,234	3,290	1,219,524
18,619	(6,637)	(917)	26,813	1,832	28,645
89,130	267,870	21,553	1,140,323	66,699	1,207,022
48,744	197,651	33,877	341,938	75,419	417,357
(108,662)	(240,197)	(47,040)	(1,127,093)	(207,760)	(1,334,853)
29,212	225,324	8,390	355,168	(65,642)	289,526

¹ Including eliminations

Notes to the consolidated financial statements of Implenla

Reconciliation to segment reporting:

	1.1.–30.6.2013	1.1.–30.6.2012 restated
	CHF 1,000	CHF 1,000
Operating income from Miscellaneous/Holding includes:		
Amortisation of intangible assets	–	(321)
Income from defined contribution pension plans	4,330	5,481
Other expenses net	(956)	(3,328)
Total operating income Miscellaneous/Holding	3,374	1,832

Implenia Ltd is domiciled in Switzerland. Revenues from third parties in Switzerland amounted to CHF 1,209 million (previous year: CHF 1,087 million). Revenues generated abroad came to CHF 200 million (previous year: CHF 133 million). Non-current assets located in Switzerland (excluding financial assets, pension assets and deferred tax assets) as at 30 June 2013 stood at CHF 289 million (31 December 2012: CHF 284 million). Non-current assets located abroad (excluding financial assets, pension assets and deferred tax assets) stood at CHF 61 million (31 December 2012: CHF 62 million).

4 Financial expenses and income

	1.1.–30.6.2013	1.1.–30.6.2012
	CHF 1,000	CHF 1,000
Financial expenses		
Interest expenses	677	1,074
Interest on bond issue	3,332	3,325
Bank charges	310	251
Fixed costs of financial guarantees	438	605
Other financial expenses	1,069	1,301
Currency losses	126	386
Total	5,952	6,942
Financial income		
Interest income	635	608
Income from investments in associates	202	408
Other financial income ¹	2,580	18
Currency gains	582	146
Total	3,999	1,180
Financial result	(1,953)	(5,762)

¹ Other financial income for the first half of 2013 includes the sale of unlisted investments.

Notes to the consolidated financial statements of Implenla

5 Cash and cash equivalents

	30.6.2013	31.12.2012 restated
	CHF 1,000	CHF 1,000
Cash	632	397
Bank and post office accounts	440,626	536,961
Total	441,258	537,358

6 Trade receivables

	30.6.2013	31.12.2012 restated
	CHF 1,000	CHF 1,000
Third parties	525,780	427,507
Joint ventures	27,535	24,610
Associates	3,172	4,017
Related parties	275	28
Guarantee retentions	47,616	29,483
Allowance for doubtful receivables	(8,590)	(9,576)
Total	595,788	476,069

Allowance is made for receivables that are in arrears in the form of individual and collective allowances for doubtful accounts, calculated on the basis of current experience. Past experience has shown that this risk can be regarded as minor. Valuation allowances are only disclosed separately for trade receivables. For all other financial instruments, value adjustments are directly offset.

Allowance for doubtful accounts:

As at 30 June 2013, total overdue receivables amounted to CHF 177.8 million (31 December 2012: CHF 180.1 million). With regard to the trade receivables that were neither impaired nor in arrears, there were no indications on the balance sheet date that the customers would be unable to meet their financial obligations.

7 Work in progress

Work in progress includes accruals for work that has been carried out but not yet invoiced, including on-site inventories, advance payments from customers and to suppliers for work not yet carried out, accruals for outstanding invoices from suppliers and subcontractors, and provisions for losses on the order book and work in progress.

	30.6.2013	31.12.2012 restated
	CHF 1,000	CHF 1,000
Work in progress, assets	355,805	252,461
Work in progress, liabilities	(732,652)	(674,850)
Work in progress, net	(376,847)	(422,389)

	30.6.2013	31.12.2012 restated
	CHF 1,000	CHF 1,000
Work in progress, assets (services provided but not yet invoiced)	395,844	325,619
Work in progress, liabilities (services invoiced but not yet provided)	(321,945)	(355,551)
Valuation adjustment on contract costs	(9,531)	(8,379)
Contract costs in relation to future services by suppliers and subcontractors	130,542	54,544
Contract costs in relation to past services by suppliers and subcontractors	(571,757)	(438,622)
Work in progress, net	(376,847)	(422,389)

Notes to the consolidated financial statements of Implenla

8 Joint ventures

8.1 Joint ventures measured according to the equity method

Initial measurement of joint ventures is at cost. In subsequent years, the carrying amount is increased by the proportional share of profits and reduced by the proportional share of losses through the income statement. Liquidity contributions and disbursements increase or reduce the carrying amount respectively without being taken through the income statement. The resulting asset or liability is recognised in the balance sheet.

	Net asset 2013 6 months	Net asset 2012 12 months restated	Net liability 2013 6 months	Net liability 2012 12 months restated
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
As at 1.1.	24,880	28,610	31,665	52,661
Change	(6,004)	(3,730)	(72)	(20,996)
Total	18,876	24,880	31,593	31,665

The most important joint ventures, measured against Implenla's share of revenue, recognised in accordance with the equity method:

	30.6.2013	31.12.2012
	Participation Implenia	Participation Implenia
ARGE Transco Gottardo Sedrun	40.0%	40.0%
Consorzio TAT Tunnel Alp Transit Ticino	25.0%	25.0%
Groupement Marti-Implenia (Nant de Drance, Emosson)	50.0%	50.0%

8.2 Proportionally recognised and fully consolidated joint ventures

For joint ventures with joint activities (joint operations), assets, liabilities, income and expenses must be recognised proportionally in the consolidated statements. Joint ventures that meet the definition of control under IFRS 10 were included in full in the consolidated financial statements. This has the following effect on the consolidated balance sheet and income statement:

	30.6.2013	31.12.2012 restated
	CHF 1,000	CHF 1,000
Total assets	98,783	101,274
Total liabilities	(56,545)	(61,815)
Net assets	42,238	39,459

	1.1.–30.6.2013	1.1.–30.6.2012 restated
	CHF 1,000	CHF 1,000
Revenue	13,872	24,684
Expenses	(10,972)	(24,195)
Operating income	2,900	489

The most important joint ventures based on proportionally recognised revenue:

	30.6.2013	31.12.2012
	Participation Implenia	Participation Implenia
ARGE EquiTec Gotthard	50.0%	50.0%
ARGE Planzer Pratteln 2	33.0%	33.0%
ARGE WIGA	50.0%	50.0%

Notes to the consolidated financial statements of Implenia

The most important joint ventures based on fully recognised revenue:

	30.6.2013	31.12.2012
	Participation Implenia	Participation Implenia
ARGE Gate Oerlikon	78.5%	78.5%
Cons. Tunnel sous le Mont	60.0%	60.0%
ARGE Elefantentpark Holzbau	50.0%	50.0%

8.3 Joint and several liability

Unless agreed otherwise, the partners to joint ventures are joint and severally liable for the joint venture's debts.

9 Real estate transactions

	30.6.2013	31.12.2012
	CHF 1,000	CHF 1,000
Acquisition costs as at 1.1.	266,658	262,929
Additions	27,931	89,384
Disposals	(35,103)	(85,626)
Reclassifications	(937)	–
Foreign exchange differences	70	(29)
Cumulative acquisition costs	258,619	266,658
Cumulative value adjustments as at 1.1.	(14,968)	(15,882)
Additions	–	(813)
Disposals	–	1,727
Foreign exchange differences	–	–
Cumulative value adjustments	(14,968)	(14,968)
Net carrying amount	243,651	251,690

The gain on sale of real estate during the period is as follows:

	1.1.–30.6.2013	1.1.–30.6.2012
	CHF 1,000	CHF 1,000
Sale proceeds	48,462	31,554
Carrying amount of assets sold	(35,103)	(23,000)
Gain on real estate¹	13,359	8,554

¹ Excluding other expenses and income of the Development segment

Notes to the consolidated financial statements of Implenla

10 Leasing agreements where the Group is lessee

Finance leases:

	Future minimum lease payment		Net present value of minimum lease payment	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Less than 1 year	3,846	4,241	3,454	3,742
Between 2 and 5 years	7,255	9,324	6,801	8,695
Total	11,101	13,565	10,255	12,437

Operating leases:

	Future minimum lease payment	
	30.6.2013	31.12.2012
	CHF 1,000	CHF 1,000
Less than 1 year	25,283	25,771
Between 2 and 5 years	58,112	57,562
Over 5 years	11,599	10,902
Total	94,994	94,235

The subsidiaries have entered into numerous operating leases, mainly for the short-term rental of construction machinery. The total expense for operating leases was CHF 22.4 million (previous year: CHF 24.5 million).

11 Current and non-current financial liabilities

	30.6.2013	31.12.2012 restated
	CHF 1,000	CHF 1,000
As at 1.1.	215,964	212,752
Additions	286	6,048
Disposals	(2,027)	(3,272)
Change in scope of consolidation	362	–
Foreign exchange differences	(551)	436
Total	214,034	215,964

Breakdown

Bond issue	198,735	198,528
Liabilities to banks and other financial institutions	169	470
Finance lease liabilities	10,255	12,437
Other financial liabilities	4,875	4,529
Total	214,034	215,964

Implenia has a syndicated loan agreement with a cash limit of CHF 150 million and a guarantee limit of CHF 350 million. The syndicated loan agreement runs until 30 June 2017. After expiration of the bond issue (May 2016) Implenla has the right to increase the cash limit by CHF 100 million to the detriment of the guarantee limit.

In addition, Implenla has bilateral loan agreements with several banks in the amount of CHF 37 million (31 December 2012: CHF 39 million).

Non-current financial liabilities (between 1 and 5 years) include the bond issue for CHF 200 million placed on 12 May 2010. The bond pays interest at a rate of 3.125%, has a term of six years and matures on 12 May 2016.

Notes to the consolidated financial statements of Implenla

12 Share capital

	31.12.2011	Changes 2012	31.12.2012	Changes 2013	30.6.2013
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Total shares of Implenla Ltd	18,472,000	–	18,472,000	–	18,472,000
Unreserved treasury shares	179,006	(78,960)	100,046	158,256	258,302
Total shares outstanding	18,292,994	78,960	18,371,954	(158,256)	18,213,698

All shares are subscribed and fully paid up. As at 30 June 2013, all shares have voting rights and qualify for dividends, with the exception of 258,302 treasury shares (31 December 2012: 100,046).

	31.12.2011	Changes 2012	31.12.2012	Changes 2013	30.6.2013
	Par value of shares CHF 1,000				
Share capital	35,097	–	35,097	–	35,097
Treasury shares	(340)	150	(190)	(301)	(491)
Total share capital outstanding	34,757	150	34,907	(301)	34,606

As at 30 June 2013, the par value of a share amounted to CHF 1.90 (31 December 2012: CHF 1.90).

13 Earnings per share

	30.6.2013	30.6.2012 restated
Data for calculating earnings per share:		
Consolidated profit attributable to shareholders of Implenla Ltd. in CHF 1,000	18,839	15,495
Number of shares outstanding	18,213,698	18,254,906
Weighted average number of shares outstanding	18,287,587	18,264,153
Basic earnings per share (CHF)	1.03	0.85
Diluted earnings per share (CHF)	1.03	0.85

Undiluted earnings per share (EPS) are calculated by dividing the net income attributable to shareholders of Implenla AG by the weighted average number of shares outstanding during the period. The average number of treasury shares held and acquired by the Group is deducted from the number of shares outstanding.

14 Distribution of reserves from capital contributions

The Board of Directors proposed a tax-exempt distribution of reserves from capital contributions of CHF 1.40 per share for the 2012 financial year to the General Meeting held on 27 March 2013. The General Meeting approved this proposal.

15 Contingent liabilities

Together with a number of other construction companies, Implenla is currently affected by investigations by the Swiss Competition Commission in the regional road building and civil engineering markets in the cantons of Graubünden and St. Gallen (see media reports of 15 November 2012 for Graubünden and 16 April 2013 for St. Gallen). Implenla is cooperating with the Competition Commission in these investigations, which have not yet been finalised. As Management is of the opinion that it was impossible to make a reliable estimate of the outcome and amount of any fines at the time the balance sheet was drawn up, no provisions were raised.

Notes to the consolidated financial statements of Implenia

16 Free cash flow

Implenia defines free cash flow as cash flow from operating activities, less acquisitions and disposals of non-current assets. The following table provides an overview of free cash flow:

	1.1.–30.6.2013	1.1.–30.6.2012 restated
	CHF 1,000	CHF 1,000
Free cash flow		
Cash flow from operating activities	(41,218)	(16,221)
Investments in non-current assets	(30,948)	(15,657)
Disposal of non-current assets	15,051	2,032
Free cash flow before acquisition of subsidiaries	(57,115)	(29,846)
Acquisition of subsidiaries and deferred purchase price payments	(1,341)	–
Free cash flow after acquisition of subsidiaries	(58,456)	(29,846)

Free cash flow is not a financial indicator defined under IFRS and should not be interpreted as such. Free cash flow is not equivalent to cash flow from operating activities as defined under IFRS.

17 Events after the balance sheet date

There were no material events after the balance sheet date.

18 Foreign exchange rates

		Average rate		Closing rate	
		30.6.2013	30.6.2012	30.6.2013	31.12.2012
Ivory Coast/Mali	100 XOF	CHF 0.19	CHF 0.19	CHF 0.19	CHF 0.18
European Union	1 EUR	CHF 1.23	CHF 1.21	CHF 1.23	CHF 1.21
Norway	100 NOK	CHF 16.36	CHF 15.92	CHF 15.59	CHF 16.37
Sweden	100 SEK	CHF 14.42	CHF 13.57	CHF 14.11	CHF 14.06
USA	1 USD	CHF 0.94	CHF 0.93	CHF 0.95	CHF 0.91
United Arab Emirates	100 AED	CHF 25.51	CHF 25.30	CHF 25.75	CHF 24.88

LOCATIONS, CONTACTS AND KEY DATES

SWITZERLAND



NORWAY



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Key dates

Media and analysts' conference on
the 2013 full-year results –
25 February 2014
Annual General Meeting 2013 –
25 March 2014

Furthermore, Implenias has representative offices in Austria, Bahrain, Germany, on the Ivory Coast, in France, Italy, Liechtenstein, Mali, Sweden and the United Arab Emirates. Please visit www.implenia.com for location details.

Implenia on course in the first half of 2013

Implenia can report a successful first half of 2013. The Group posted good or very good results in virtually all areas of business. Tunnelling & Civil Engineering made a negative contribution to results. At the start of February we launched the “Daring to Shape our Future” project and laid the foundation to achieve our medium-term goals. Based on the high level of orders, we are confident about the 2013 financial year as a whole.

Implenia attaches a high priority to training and development. This means that we are particularly pleased that just a year after completing his apprenticeship at Implenia, young road builder Dominic Zähler (19) won bronze at the 2013 WorldSkills championship.

- Reportage on WorldSkills 2013 in Leipzig: from page 28
- Interview with Ueli Büchi of the “Schweizerischer Baumeisterverband” about the success of Switzerland’s twin-track training system: pages 38/39

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