



Implenia[®]

Implenia develops and builds the Switzerland of tomorrow

Implenia is the leading construction and construction services company in Switzerland. With its integrated business model and comprehensive portfolio of products and services, Implenla 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, Implenla 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, Implenla brings together the know-how of the following operational Business Units:

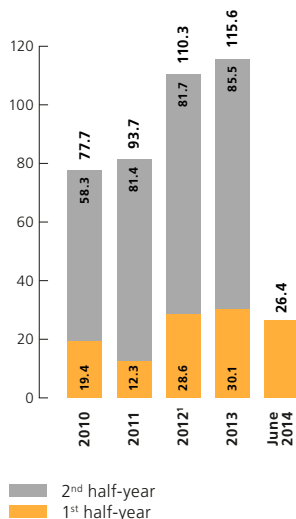
- Implenla Modernisation & Development is a one-stop-shop that brings together the Group's entire expertise in modernisation and real estate project development. The Business Unit now also includes the Wooden Construction and Engineering businesses. In the Development sector, Implenla can apply its expertise all the way through from the initial project idea to the finished property.
- Implenla Buildings offers its supra-regional customers integrated services for complex buildings, ranging from planning and coordination to the actual construction.
- Implenla Tunnelling & Civil Engineering bundles the Group's collective expertise and experience in underground construction, bridge building, power stations, foundation engineering and infrastructure renewal.
- Implenla Construction German-speaking Switzerland and Implenla Construction French-speaking Switzerland are the face of Implenla in local markets for road construction, civil engineering and regional building construction.
- Implenla 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. Implenla's head office is in Dietlikon near Zurich, and it has approximately 100 branches throughout Switzerland, as well as operational offices in Austria, Germany, Italy, Ivory Coast, Mali, Norway and Sweden. The Group currently employs more than 6900 people and generated revenue of around CHF 3.1 billion in 2013. Implenla is listed on the SIX Swiss Exchange (IMPN, CH0023868554). For further information: www.implenia.com.

KEY FIGURES

Operating income

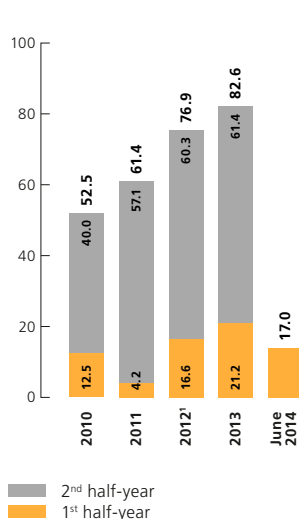
(in CHF million)



1 Restated

Consolidated profit

(in CHF million)



1 Restated

Consolidated key figures

	1.1.–30.6.2014	1.1.–30.6.2013	Δ
	CHF 1,000	CHF 1,000	
Consolidated revenue	1,413,312	1,408,500	0.3%
EBIT Business Units	20,958	26,715	(21.6%)
Miscellaneous/Holding	5,456	3,374	61.7%
Operating income	26,414	30,089	(12.2%)
Consolidated profit	17,012	21,201	(19.8%)
EBITDA	47,621	51,626	(7.8%)
Free cash flow	(62,702)	(58,456)	(7.3%)
Net cash position (as at 30.6.)	290,351	227,224	27.8%
Equity (as at 30.6.)	623,059	559,627	11.3%
Production output	1,500,607	1,505,816	(0.3%)
Order book (as at 30.6.)	3,475,323	3,242,054	7.2%
Headcount (FTE; as at 30.6.)	6,636	6,753	(1.7%)

Implenia on track overall – one-off earnings' corrections for Business Unit Buildings

One-off earnings' corrections for the Business Unit Buildings had a negative effect on the Group in the first half of 2014, leading to operating income of CHF 26.4 million, 12.2% down on the figure from last year. Changes have been made accordingly, which means that a clearly positive result can be expected for Buildings in the second half of 2014. All of the Group's other Business Units are on track, with good results matching or exceeding the equivalent period of the previous year. Thanks to a continuing positive market environment, a leading market position and full order books, Implenia is confident about the second half of 2014.

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Dear Shareholders

Implenia's results for the first half of 2014 are down on the equivalent period of the previous year owing to a set of one-off earnings' corrections for the Business Unit Buildings. All the other Business Units are well on track, posting good results that either match or exceed last year's figures. Given the changes we have made, and thanks to the sound market outlook and the stronger performance expected from Buildings in the coming months, Implenia is confident about the second half of the year. At the Group level, operating earnings for the whole of 2014 will top the CHF 100 million mark, although the prior year's record result is out of reach. The Group's good market position and full order books make us confident about business beyond this year, so the Group is confirming its medium-term EBIT target of CHF 140–150 million.

One-off corrections for Business Unit Buildings

Implenia has posted revenue of CHF 1.413 billion for the first half of 2014, practically the same as last year's figure of CHF 1.408 billion. However, the Group's operating earnings of CHF 26.4 million (–12.2%) are lower than a year ago.

This decline is due to the significantly weaker performance of the Business Unit Buildings in the first half of 2014. During this period, the introduction of new processes, rigorous application of the new risk management system and especially a change in management in the key Western Switzerland region led to a revaluation of ongoing projects. This, in turn, resulted in a set of one-off earnings' corrections. Optimised processes and strict application of the risk management system should result in a clearly positive result for Buildings in the second half of 2014.

Owing to these issues and to a lower financial result, the Implenia Group reported a year-on-year reduction in consolidated profit to CHF 17.0 million (–19.8%). Pending orders came to CHF 3.475 billion as at 30 June, which is 7.2% higher than a year ago.

Other Business Units on track

All of Implenla Group's other Business Units are on track, achieving good results for the first half that either matched or exceeded last year's level.

At the only recently founded Business Unit Modernisation & Development, both revenue and earnings were up. Implenla maintained a high rate of growth in the Modernisation business, which is well positioned to exploit opportunities in this very promising area. Project development matched the record result achieved in the equivalent period of the previous year, and made a significant contribution to the Group's earnings.

The Business Unit Tunnelling & Civil Engineering benefited from the continued good performance of tunnelling activities in Switzerland, posting a result that builds on the prior year's momentum. As already announced, now that the NEAT transalpine tunnelling work has come to an end, we can expect to see a significant fall in earnings in the second half of the year. Construction Switzerland, which includes roads and civil works as well as regional building construction, performed well. Regional business in Switzerland posted better results than a year previously, confirming its key role as the Implenla Group's backbone. The performances of the regional units in French-speaking Switzerland and the greater Zurich region were particularly good.

The Business Unit Norge has grown rapidly since it was established in 2011, and during the period under review, Implenla deliberately slowed the pace. Though the market environment remains as dynamic as before, the focus was placed clearly on building up the structures and processes required to be able to make the next growth step. Implenla Norge consciously avoided any major new project acquisitions in the first half of 2014, and as a result, earnings remained at last year's level. Given that the Norwegian krone lost around 10% of its value, this is a particularly pleasing result.

Market outlook remains promising

The Swiss construction and real estate market continues to look healthy. The fundamentals – vacancy rates, interest rates and housing demand – remain good. In the residential segment, there is an increasing shift from owner-occupied to rental property. Thanks to steady underlying demand, overall volume remains stable at a high level. Investment in the infrastructure market is also stable. With demand for refurbishment increasing, this segment should grow significantly in future. Major investments are required if quality is to be maintained at the current level, and projects like the “Energiewende” (“Energy Transition”) are to be realised successfully. Implenia sees significant opportunities in the modernisation of Switzerland’s building stock, in the densification of inner cities – through the repurposing of industrial sites, for example – and in mega trends such as “accommodation for the elderly” and “health”.

The markets outside Switzerland that are relevant to Implenia also look set for solid growth. Infrastructure construction in Norway is being supported by public sector investment in Norway’s transport infrastructure. In Austria, construction began on the major Semmering Base Tunnel project at the start of July.

Implenia mourns Arturo Henniger

Arturo Henniger, Head of Implenia’s Business Unit Tunnelling & Civil Engineering and a member of the Group Executive Board, died at the age of 57 at the beginning of August 2014, as a result of his short and severe illness. Implenia is deeply saddened. We have lost not just a skilled and experienced colleague, who helped shape the Implenia story over many years, but also a good friend. We will all miss Arturo Henniger greatly. Arturo Henniger joined Implenia’s predecessor company Zschokke-Locher in 1992. Ever since Zschokke merged with Batigroup to form Implenia in 2006, he was always a member of the Group’s most senior operational management body. René Kotacka, currently Head of Acquisitions, is taking charge of the Business Unit Tunnelling & Civil Engineering on an interim basis.

Second Sustainability Report published

Implenia is issuing its second Sustainability Report at the same time as this Half-Year Report. To make the report itself as sustainable as possible, we are only publishing it online: <http://sustainability.implenia.com>

In the two years since the first Sustainability Report, Implenia has reached many of its targets. We have continued to develop and position our portfolio of sustainable products. We have also become a more attractive employer and have made our organisation aware of the importance of an environmentally friendly approach. We have thus done the groundwork that will allow us to make further improvements in the future.

But we haven't achieved all our goals. We are not satisfied with our results in the key area of Health & Safety, and so have taken comprehensive measures to improve our performance here. On the environmental side, we aim to make a 10% cut in greenhouse gas emissions and primary energy consumption per franc of revenue by 2017, compared with 2013.

These are just some of the new goals that reflect our ambitions, our sense of responsibility and our commitment to sustainability. We strongly believe that we can only be ready for the future – as a company, as a society and as individuals – if we constantly work on the sustainability of our actions.

Confident outlook

Thanks to a continuing positive market environment, a leading market position and full order books, Implenia is confident about the second half of 2014. However, it will not be possible to make up the decline in the first six months caused by the set of one-off earnings' corrections for the Business Unit Buildings, so the record result achieved in 2013 is not within our reach. Nevertheless, the Group's operating earnings for 2014 as a whole will exceed CHF 100 million. Implenia is sticking to the medium-term EBIT target of CHF 140-150 million that it defined in 2013.

Thanks

On behalf of the Board of Directors and the Group Executive Board, we would like to thank our employees. They work hard for our company every day and they are writing Implenia's continuing story with real passion. Thanks also to our customers for the trust they have placed in us, and to you, our valued shareholders, for your loyalty and support.



Markus Dennler
Chairman of the Board of Directors



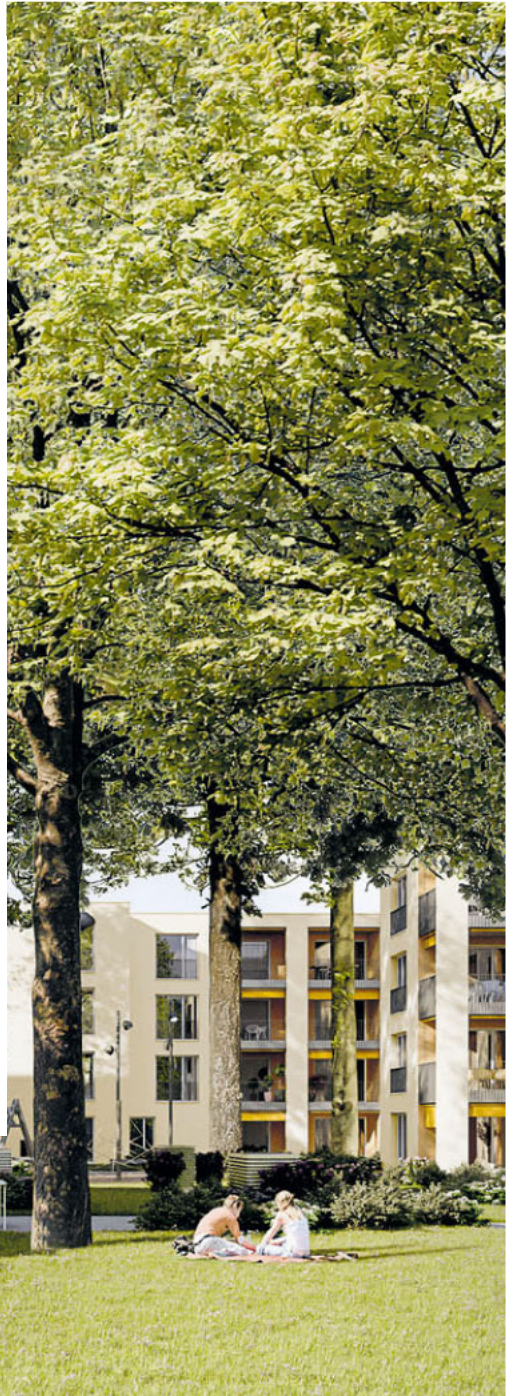
Anton Affentranger
CEO

Key projects

[Sternenfeld, Spreitenbach](#) Implenia is developing and building 105 homes that meet the Minergie-P standard at the Sternenfeld development in Spreitenbach. Five new apartment blocks are being constructed in this central location, as well as a community pavilion for private residents' events and an underground garage with 123 parking spaces. At the heart of the development, there will be a large area of parkland for relaxing, strolling and playing. The ground was broken on the project in mid-June 2014. (Picture)

[Enhancement of a residential building in Gertrudstrasse, Zurich](#) Implenia Wooden Construction has been commissioned by a private client in the Wiedikon district of Zurich to add two upper floors to a 120 year-old apartment building – and to complete the task within just under a year. The surface area of the elements used for construction totals 1160 square metres. The new storeys are being made mainly of renewable, sustainable wood.

[Plarenga-Center, Domat/Ems](#) The GVG insurance company won an investors' competition to convert a commercial property in Domat/Ems, to new use. It received major support throughout from the experts in Implenia's Service Development and General Planning departments. The Business Units Buildings and Construction Switzerland are actively involved in the ongoing work on the new build. Nearly all of Implenia's core competences have played a part in the development, planning and execution of the project.



Business Unit Modernisation & Development

Modernisation & Development had a successful first half of 2014. The Project Development business performed well again, especially in the Zurich and Lake Geneva regions. The expansion of the Modernisation business, with capabilities in the fields of conversion, refurbishment and renovation, is progressing swiftly.

The Business Unit Modernisation & Development had a very successful first half of 2014, increasing EBIT by 5.9% to CHF 15.8 million. The Development business (project development) performed well again, matching the record result achieved in the first half of 2013 with earnings of CHF 14.3 million. Its activity in the regions around Zurich and Lake Geneva was particularly dynamic. Highlights in the Zurich area during the period under review included the completion of the first tower of the major “Metropolitans” project, a residential development based around two 20-storey buildings.

Key figures Modernisation

	1.1.–30.6.2014	1.1.–30.6.2013 ¹	Δ	1.1.–31.12.2013 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	106,268	62,862	69.0%	133,181
EBIT	1,497	628	138.4%	3,660
Production output	106,292	65,271	62.8%	133,181
Order book (as at 30.6.)	199,693	108,019	84.9%	172,522
Headcount (FTE; as at 30.6.)	402	377	6.6%	397

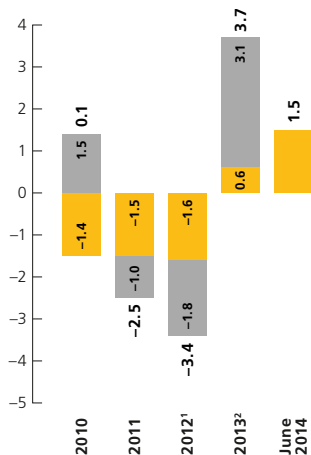
Key figures Development

	1.1.–30.6.2014	1.1.–30.6.2013	Δ	1.1.–31.12.2013
	CHF 1,000	CHF 1,000		CHF 1,000
EBIT	14,348	14,333	0.1%	36,543
Headcount (FTE; as at 30.6.)	60	53	13.2%	50

¹ See page 46, Note 3

EBIT Modernisation

(in CHF million)



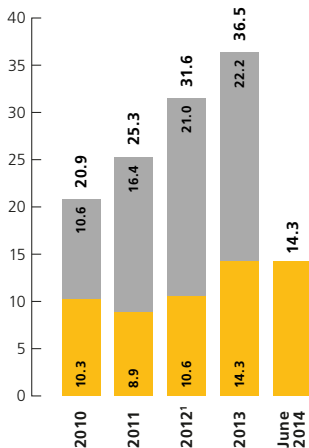
■ 2nd half-year
■ 1st half-year

1 Restated

2 See page 46, Note 3

EBIT Development

(in CHF million)



■ 2nd half-year
■ 1st half-year

1 Restated

Wooden Construction and Engineering join the Business Unit Modernisation

The Modernisation business, which now includes Wooden Construction and Engineering (formerly part of the Business Unit Buildings), made very pleasing progress. The business worked on numerous attractive projects and posted an EBIT of CHF 1.5 million, which is more than twice as high as the year before. This increase was achieved primarily by the areas that were already part of the Modernisation business last year.

Prospects for the second half of 2014 remain positive for the Business Unit Modernisation & Development.

Modernisation & Development highlights

- Confirmation: Project development matches last year's record results
- Dynamic: Modernisation working on numerous attractive projects
- Confident: Positive outlook for the second half of the year

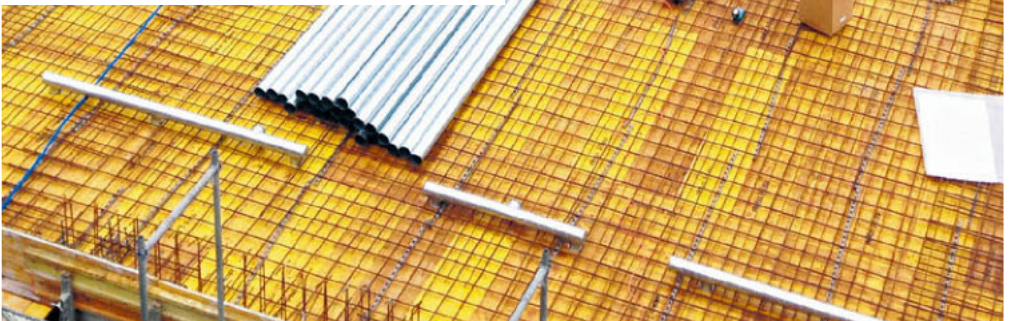
Key projects

Täfernhof, Baden The contract to build new Täfernhof 2 office block and Pneu Egger's Nord commercial building in Baden Dättwil is worth CHF 36 million. A specialist engineering technique is being used to build two underground garage floors: "white tank" treatment means these subterranean floors will be completely waterproof. Construction work is due for completion in December 2015. (Picture)

APH retirement and care home, MuttENZ

In February 2014, Implenia started work as general contractor on a new building to house the "Zum Park" care home in MuttENZ. The planned new-build has three wings and eight storeys and will provide 100 residents with accommodation, up from 74 in the old building. Construction will cost around CHF 31 million. The project is an example of how Implenia is focusing on the "accommodation for the elderly" megatrend.

Modulis Business Park, Versoix The four new office buildings with underground car parks (270 spaces) on the Route de Suisse in Versoix are being developed, planned and executed by Implenia. This project is creating 10,600 square metres of floor space and is worth CHF 57 million. The client is CSF RES Commercial, a property group run by the Credit Suisse 'Fondation de Placement', Zurich. Construction work should be finished by March 2015.



Business Unit Buildings

The Business Unit Buildings reported significantly lower earnings for the first six months of 2014 than for the same period of the previous year. This was due mainly to one-off negative influences on projects, especially in Western Switzerland.

The Business Unit Buildings, which brings together Implenla's expertise in planning, general contracting and execution of complex building projects, achieved revenue of CHF 760.2 million for the first half of 2014. EBIT came to CHF –1.2 million, down from CHF 7.0 million in the first half of 2013.

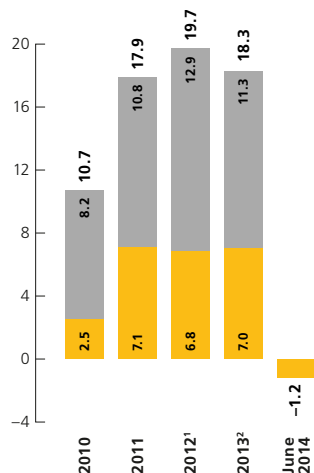
Key figures Buildings

	1.1.–30.6.2014	1.1.–30.6.2013 ¹	Δ	1.1.–31.12.2013 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	760,189	811,918	(6.4%)	1,655,267
EBIT	(1,219)	6,975		18,313
Production output	762,960	819,022	(6.8%)	1,680,043
Order book (as at 30.6.)	1,585,446	1,985,457	(20.1%)	1,816,036
Headcount (FTE; as at 30.6.)	1,237	1,218	1.6%	1,280

¹ See page 46, Note 3

EBIT Buildings

(in CHF million)



■ 2nd half-year

■ 1st half-year

1 Restated

2 See page 46, Note 3

Projects revalued

The fall in earnings is due to the fact that projects were acquired with margins that were too low, especially in the key Western Switzerland region. Insufficient discipline in execution also played a role in some cases. As a consequence of the recent change in management in the region, as well as the introduction of new processes and the rigorous implementation of the new risk management system, ongoing projects were valued more conservatively. This has led to one-off corrections in earnings.

Confident about second half

A sound market outlook combined with the measures taken – i.e. strict application of processes and risk management, and ongoing implementation of the integrated business model for building construction – means that a clearly positive result can be expected for Buildings in the second half of 2014.

Buildings highlights

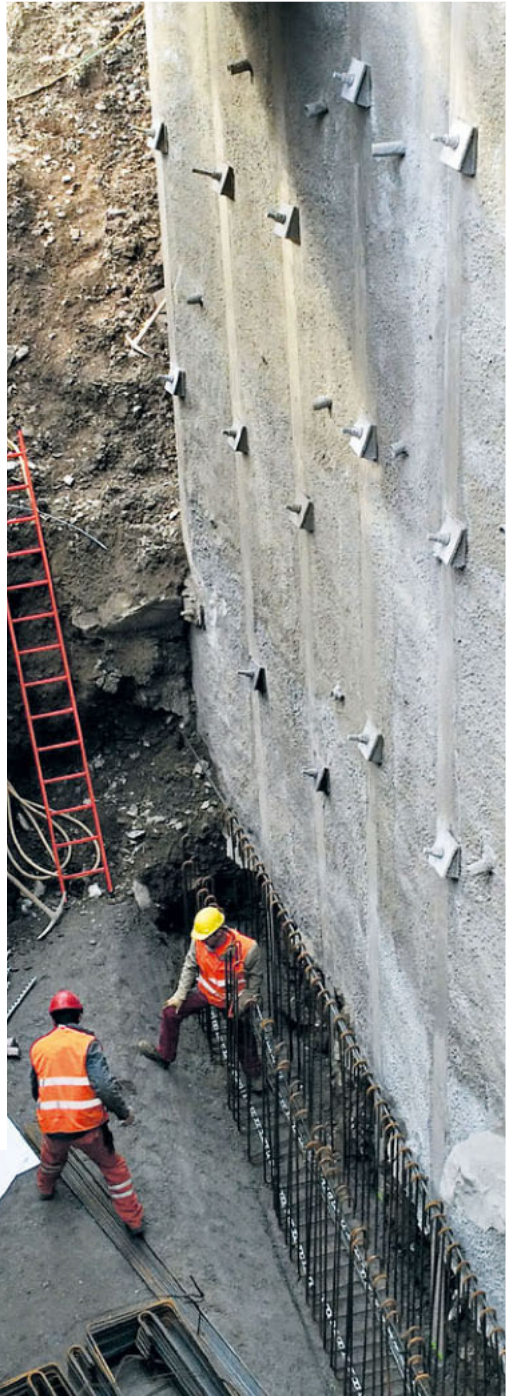
- One-off corrections in earnings: Results down on previous year
- Optimised: New processes and improved risk management
- Confident: Stronger performance expected in second half of the year

Key projects

SBB Tunnel, Saint-Maurice The 400 metre-long tunnel between Canton Vaud and Canton Valais was built during the 19th century and is now being raised in height to accommodate double-decker trains. The tunnel passes directly beneath the Château Saint-Maurice fortress. Implenia is carrying out all of the refurbishment work, which will take until December 2015. The tunnel should then open in the following spring. (Picture)

Isebek Sewer, Hamburg (D) This is Implenia's first inner city microtunnelling project in Germany: A 1430 metre-long sewer is being built at depths of up to 20 metres beneath the Hamburg district of Altona. A remote-controlled microtunnelling procedure is being used for construction. Implenia and German company Michel Bau GmbH are sharing the contract in a joint venture, with Implenia taking a 69% share of the total construction cost of CHF 21.5 million.

Lehnenviadukt, Killwangen The SBB (Swiss Railways) is building a new track between Zurich and Brugg that includes a 326 metre-long viaduct along the bank of the Limmat river. This will allow the railway lines used by goods and passenger trains to run without crossing, which will further improve the punctuality of passenger trains in the Killwangen-Spreitenbach area. The bridge is being built by Implenia for CHF 29 million. Completion is scheduled for August 2016. The work is being done in a very confined space between the river, power lines and the existing railway, which is still in use.



Business Unit Tunnelling & Civil Engineering

Tunnelling & Civil Engineering put in a very good performance in the first half of 2014 thanks mainly to the Tunnelling business in Switzerland.

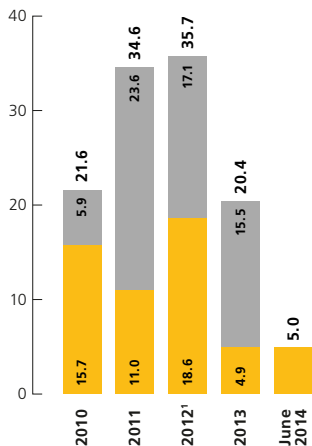
During the period under review, Tunnelling & Civil Engineering saw revenue fall slightly since a year earlier (–0.8%) to CHF 128.4 million. EBIT, at CHF 5.0 million, was, however, maintained at the previous year's level. Tunnelling activities in Switzerland continued to do very well and contributed greatly to the positive result.

Key figures Tunnelling & Civil Engineering

	1.1.–30.6.2014	1.1.–30.6.2013	Δ	1.1.–31.12.2013
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	128,429	129,421	(0.8%)	292,052
EBIT	5,027	4,937	1.8%	20,394
Production output	184,591	201,498	(8.4%)	438,208
Order book (as at 30.6.)	791,337	492,403	60.7%	414,834
Headcount (FTE; as at 30.6.)	826	1,023	(19.3%)	862

EBIT Tunnelling & Civil Engineering

(in CHF million)



2nd half-year
1st half-year

1 Restated

End of NEAT tunnelling work

As expected, no further earnings will come from NEAT transalpine tunnelling work in the second semester, so the Business Unit, as already communicated, will see a significant year-on-year fall in earnings for the remainder of the year.

Major project in Austria

Following a delay of around six months, work began on the major Semmering Base Tunnel project on 1 July 2014. These six months up to July were used for vital preparatory work at the tunnel site, so the delay has had no significant financial consequences for Implenia in the context of the project as a whole.

Tunnelling & Civil Engineering highlights

- Pleasing: Results maintained thanks to successful tunnelling activities in Switzerland
- As expected: Currently no major projects in the Swiss market
- Started: Construction work on the Semmering Base Tunnel in Austria

Key projects

Midnight Speed joint venture, Zurich Airport

Runway 14/32 at Zurich Airport is being refurbished between 10 p.m. and 6 a.m. from March until October 2014. The concrete surface of the central strip (3.3 kilometres in total) is being broken up in stages and replaced by an asphalt top layer. At 6 a.m. precisely, the runway has to be ready for the planes again. Implenia has a 50% stake in the Midnight Speed joint venture that is doing the work, and is responsible for technical management. (Picture)

Spisertor, St. Gallen Since April 2014, Implenia has been renovating the railway tracks at the Spisertor junction at the behest of Appenzell Railways. The work has to be completed within a very short period, during which trains are being replaced by buses. Another challenge is presented by the very narrow gauge of the tracks, which necessitates great precision.

Cobus car park, Geneva Airport Work began in April 2014 at Geneva's Cointrin Airport on the conversion of an existing hall into a new underground car park for buses of the 'Cobus' type. Implenia is building the new connecting tunnel that will take the buses onto the airfield. The contract is worth around CHF 4 million, and construction should be completed in mid-December 2014.



Business Unit Construction Switzerland

Swiss regional business delivered a positive performance in the first half of 2014, driven, in particular, by the Western Switzerland and Zurich regions. The result for 2014 as a whole should be better than for the previous year.

The Business Unit Construction Switzerland, which includes Road Construction, Civil Engineering and regional Building Construction, performed well in the first half of 2014, increasing its production output to CHF 396.2 million. EBIT was up from CHF –4.8 million at the end of June 2013 to CHF –3.4 million. It should be noted that most of this Business Unit's operating earnings come in the second half of the year owing to seasonal factors.

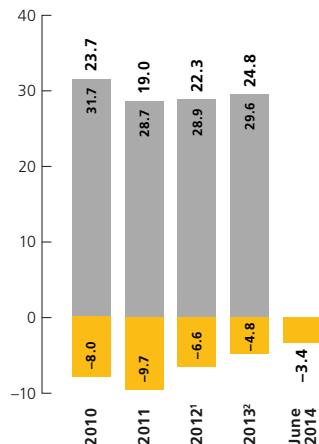
Key figures Construction Switzerland

	1.1.–30.6.2014	1.1.–30.6.2013 ¹	Δ	1.1.–31.12.2013 ¹
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	367,819	328,012	12.1%	872,182
EBIT	(3,385)	(4,844)	30.1%	24,757
Production output	396,157	347,989	13.8%	929,230
Order book (as at 30.6.)	550,302	455,796	20.7%	330,726
Headcount (FTE; as at 30.6.)	2,698	2,727	(1.1%)	2,491

¹ See page 46, Note 3

EBIT Construction Switzerland

(in CHF million)



■ 2nd half-year

■ 1st half-year

1 Restated

2 See page 46, Note 3

Backbone of the Implenla Group

The performance in the first half of 2014 underlines the stabilising role played by the Swiss regional business. Western Switzerland has performed particularly well, and Implenla also saw a healthy level of incoming orders in this region in the first six months of the year. As well as good acquisition work, this reflects the continuing health of the construction market in Western Switzerland. In the Zurich region, too, Implenla's business remained lively.

Healthy order books allow optimism

Based on the high level of pending orders (up 20.7% on 30 June 2013), the Business Unit Construction Switzerland expects business activity to remain positive in the second half of the year. The result for 2014 as a whole should significantly exceed the solid prior-year level.

Construction Switzerland highlights

- Successful: Higher output and EBIT
- Pleasing: Western Switzerland and Zurich are the main drivers
- Optimistic: 2014 result expected to be higher than previous year

Key projects

Tunnel on county road 48, Tysse

This project near the small town of Tysse, around 50 kilometres outside Bergen, involves improving and rebuilding parts of county roads 48 and 7. The work covers a section of 7.5 kilometres and includes construction of a 2.3 kilometre-long tunnel. Implenla is the general contractor for the job, which is worth more than CHF 42 million. Construction work is due to finish in June 2015. (Picture)

Arts and Design School, Oslo The renovation of the Arts and Design School in the middle of Oslo is scheduled to take around two years. Implenla Miljø is responsible for set-up and execution of the project. The construction site covers around 15,000 square metres and because it is a protected building, the renovation must preserve all the traditional structures and decorative details. Owing to the great public interest and the need to cooperate with a wide range of local partners, this is a beacon project for Implenla.

Eidanger Tunnel, Larvik This 1.5 kilometre-long tunnel is part of a new twin-track high-speed rail link between Larvik and Porsgrunn, 150 kilometres southwest of Oslo. The tunnel is one of the most important infrastructure construction projects in central Norway, not just because of its size, but also because of its complexity: unstable ground and proximity to buildings and rails present major challenges for the tunnel builders. Implenla is general contractor on the project, which is worth almost CHF 100 million, and should be finished by June 2016.



Business Unit Norge

For Implen Norge, the first six months of 2014 were a period of consolidation and investment in the structures required to secure planned further growth. Given the negative currency effect, the Business Unit did well to maintain earnings at last year's level.

Implenia Norge achieved revenue of CHF 152.1 million in the first half of 2014. EBIT, at CHF 4.7 million, was unchanged on the previous year's figure. If the negative currency effect of around 10% is excluded, the operating result was actually better than in the first half of 2013.

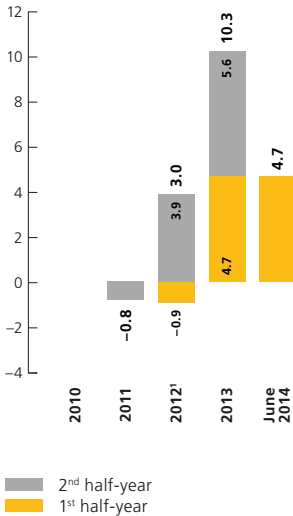
Key figures Norge

	1.1.–30.6.2014	1.1.–30.6.2013	Δ	1.1.–31.12.2013
	CHF 1,000	CHF 1,000		CHF 1,000
Revenue	152,059	159,806	(4.8%)	320,882
EBIT	4,690	4,686	0.1%	10,285
Production output	152,059	159,806	(4.8%)	320,882
Order book (as at 30.6.)	348,546	200,106	74.2%	456,019
Headcount (FTE; as at 30.6.)	513	467	9.9%	478

NORGE

EBIT Norge

(in CHF million)



1 Restated

Focus on building up structures

Having grown very strongly since it was established, the Business Unit – as announced – entered a phase of stabilisation and the pace was deliberately slowed. The focus was on creating the foundations for the next stages of growth, with Implenia Norge investing heavily in structures, processes and the necessary personnel.

Attractive market

The Norwegian market will continue to grow very dynamically in the future. Construction will still be supported by a high level of public-sector spending on transport infrastructure – including roads, bridges, tunnels and rail tracks – as part of the National Transport Plan. Having made investments in structures, processes and personnel, Implenia is confident about the onward performance of the Business Unit.

Norge highlights

- Solid and reliable: Norge performs positively
- Tempo reduced: Investment in structures, processes and personnel
- Attractive: Norwegian market set to continue dynamic growth in future



Headquarter Europe

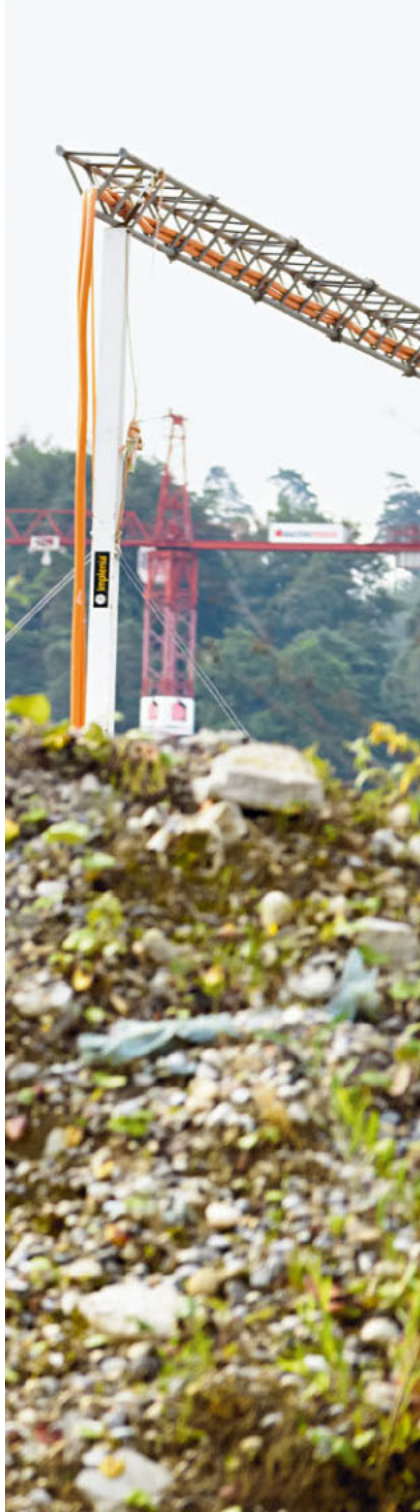
The new Sustainability Report

Implenia published its Sustainability Report for the 2012 and 2013 reporting periods at the same time as this Half-Year Report.

The Sustainability Report contains in-depth information about Implenia's activities and objectives in five key areas: sustainable products and services, attractive working environment, protecting the environment, social engagement and compliance, and financial excellence.

The Sustainability Report 2012/2013 is only available online, optimised for all devices, including laptops, tablets and smartphones, and enriched with various multimedia elements and interesting reportage. It is available online for you at:

🔗 <http://sustainability.implenia.com>



Interim financial report of the Implenla Group – Consolidated income statements 32 – Consolidated statements of comprehensive income 33 – Consolidated balance sheets 34 – Consolidated statements of changes in equity 36 – Consolidated cash flow statements 38 – Notes to the consolidated financial statements of Implenla 40



Consolidated income statements

		1.1.–30.6.2014	1.1.–30.6.2013
	Notes	CHF 1,000	CHF 1,000
Consolidated revenue	3	1,413,312	1,408,500
Materials and subcontractors		(907,861)	(916,088)
Personnel expenses		(379,512)	(363,944)
Other operating expenses		(81,618)	(79,254)
Depreciation and amortisation		(21,207)	(21,537)
Income from associates		3,300	2,412
Operating income	3	26,414	30,089
Financial expenses	4	(5,386)	(5,952)
Financial income	4	1,444	3,999
Profit before tax		22,472	28,136
Tax		(5,460)	(6,935)
Consolidated profit		17,012	21,201
Attributable to:			
Shareholders of Implenla Ltd.		14,505	18,839
Non-controlling interests		2,507	2,362
Earnings per share (CHF)			
Basic earnings per share	10	0.79	1.03
Diluted earnings per share	10	0.79	1.03

The accompanying notes form part of the consolidated financial statements.

Consolidated statements of comprehensive income

	1.1.–30.6.2014	1.1.–30.6.2013
	CHF 1,000	CHF 1,000
Consolidated profit	17,012	21,201
Remeasurement of post-employment benefits	(7,175)	34,717
Income tax on remeasurement of post-employment benefits	1,579	(7,596)
Items that will not be reclassified to the income statement in future periods	(5,596)	27,121
Fair value adjustments on financial instruments	–	(1,500)
Income tax on fair value adjustments on financial instruments	–	117
Foreign exchange differences	(890)	(1,054)
Items that will be reclassified to the income statement in future periods	(890)	(2,437)
Other comprehensive income	(6,486)	24,684
Attributable to:		
Shareholders of Implenla Ltd.	(6,489)	24,941
Non-controlling interests	3	(257)
Total comprehensive income	10,526	45,885
Attributable to:		
Shareholders of Implenla Ltd.	8,016	43,780
Non-controlling interests	2,510	2,105

The accompanying notes form part of the consolidated financial statements.

Consolidated balance sheets

ASSETS		30.6.2014	31.12.2013	30.6.2013
	Notes	CHF 1,000	CHF 1,000	CHF 1,000
Cash and cash equivalents		499,568	582,581	441,258
Marketable securities		133	111	437
Trade receivables	5	620,631	513,497	595,788
Work in progress	6	362,913	326,395	355,805
Joint ventures (equity method)		43,335	40,946	18,876
Other receivables		60,835	41,231	74,548
Raw materials and supplies		25,524	25,558	24,550
Real estate transactions	7	215,472	217,473	243,651
Accrued income and prepaid expenses		38,572	34,559	38,927
Current assets		1,866,983	1,782,351	1,793,840
Property, plant and equipment		243,562	245,291	242,524
Investment property		16,591	16,716	16,771
Investments in associates		47,961	46,268	43,299
Other financial assets		9,104	8,833	8,973
Pension assets		6,991	6,184	314
Intangible assets		90,464	90,700	90,898
Deferred tax assets		300	31	163
Non-current assets		414,973	414,023	402,942
Assets		2,281,956	2,196,374	2,196,782

LIABILITIES AND EQUITY		30.6.2014	31.12.2013	30.6.2013
	Notes	CHF 1,000	CHF 1,000	CHF 1,000
Financial liabilities	8	3,481	3,544	3,918
Trade payables		343,943	362,654	314,237
Work in progress	6	705,693	627,537	732,652
Joint ventures (equity method)		51,478	50,461	31,593
Other liabilities		85,914	80,095	79,397
Tax liabilities		33,260	37,742	36,734
Prepaid income and accrued expenses		140,787	107,789	130,840
Provisions		7,306	6,586	7,124
Current liabilities		1,371,862	1,276,408	1,336,495
Financial liabilities	8	205,736	207,968	210,116
Other liabilities		2,191	2,191	6,906
Deferred tax liabilities		55,365	56,309	58,992
Pension liabilities		1,305	–	–
Provisions		22,438	24,810	24,646
Non-current liabilities		287,035	291,278	300,660
Share capital	9	35,097	35,097	35,097
Treasury shares	9	(6,651)	(5,149)	(12,012)
Reserves		552,890	497,682	497,184
Consolidated profit attributable to shareholders		14,505	75,215	18,839
Equity attributable to shareholders		595,841	602,845	539,108
Non-controlling interests		27,218	25,843	20,519
Equity		623,059	628,688	559,627
Liabilities and equity		2,281,956	2,196,374	2,196,782

The accompanying notes form part of the consolidated financial statements.

Consolidated statements of changes in equity

		Share capital	Treasury shares	
	Notes	CHF 1,000	CHF 1,000	
Equity as at 1.1.2014		35,097	(5,149)	
Consolidated profit		–	–	
Other comprehensive income		–	–	
Comprehensive income		–	–	
Dividends	11	–	–	
Change in treasury shares		–	(1,502)	
Share-based payments		–	–	
Change in non-controlling interests		–	–	
Other changes in equity		–	(1,502)	
Equity as at 30.6.2014		35,097	(6,651)	>
Equity as at 1.1.2013		35,097	(3,097)	
Consolidated profit		–	–	
Other comprehensive income		–	–	
Comprehensive income		–	–	
Dividends		–	–	
Change in treasury shares		–	(8,915)	
Share-based payments		–	–	
Change in non-controlling interests		–	–	
Other changes in equity		–	(8,915)	
Equity as at 30.6.2013		35,097	(12,012)	>

The accompanying notes form part of the consolidated financial statements.

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Reserves			Equity attributable to shareholders	Non-controlling interests	Total equity
Capital reserves	Foreign exchange differences	Retained earnings			
CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
90,301	(19,016)	501,613	602,845	25,843	628,688
–	–	14,505	14,505	2,507	17,012
–	(893)	(5,596)	(6,489)	3	(6,486)
–	(893)	8,909	8,016	2,510	10,526
(13,224)	–	–	(13,224)	(1,400)	(14,624)
346	–	(1,348)	(2,504)	–	(2,504)
–	–	1,348	1,348	–	1,348
–	–	(641)	(641)	265	(376)
(12,878)	–	(641)	(15,021)	(1,135)	(16,156)

>

77,423	(19,909)	509,881	595,841	27,218	623,059
112,873	(15,779)	400,770	529,863	18,782	548,645
–	–	18,839	18,839	2,362	21,201
–	(797)	25,738	24,941	(257)	24,684
–	(797)	44,577	43,780	2,105	45,885
(25,746)	–	–	(25,746)	(383)	(26,129)
36	–	(3,779)	(12,658)	–	(12,658)
–	–	3,779	3,779	–	3,779
–	2	88	90	15	105
(25,710)	2	88	(34,535)	(368)	(34,903)

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87,163	(16,574)	445,435	539,108	20,519	559,627
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Consolidated cash flow statements

		1.1.–30.6.2014	1.1.–30.6.2013
	Notes	CHF 1,000	CHF 1,000
Consolidated profit		17,012	21,201
Tax		5,460	6,935
Financial result	4	3,942	1,953
Depreciation and amortisation		21,207	21,537
Result from sale of non-current assets		(97)	(941)
Income and distribution from associates		(2,190)	100
Change in provisions		(1,617)	(1,508)
Change in pension assets and liabilities		(5,000)	(4,330)
Change in net working capital			
Change in trade and other receivables		(128,795)	(141,401)
Change in work in progress (net), raw materials and supplies		44,828	(43,100)
Change in real estate transactions		1,971	7,172
Change in trade payables and other liabilities		(6,870)	88,988
Change in accruals and joint ventures (equity method)		30,233	13,739
Interest paid		(7,678)	(6,951)
Interest received		1,669	707
Tax paid		(12,253)	(5,319)
Cash flow from operating activities		(38,178)	(41,218)
Investments in property, plant and equipment		(21,858)	(29,628)
Disposals of property, plant and equipment		1,856	5,127
Investments in other financial assets and associates		(365)	(1,214)
Disposals of other financial assets and associates		942	9,924
Investments in intangible assets		(1,405)	(106)
Proceeds from sale of intangible assets		445	–
Acquisition of subsidiaries		(4,139)	(1,341)
Cash flow from investing activities		(24,524)	(17,238)

		1.1.–30.6.2014	1.1.–30.6.2013
	Notes	CHF 1,000	CHF 1,000
Increase in financial liabilities		2,533	286
Repayment of financial liabilities		(6,180)	(2,027)
Change in treasury shares		(1,156)	(8,879)
Dividends and par value repayment	11	(13,224)	(25,746)
Cash flow with non-controlling interests		(2,246)	(279)
Cash flow from financing activities		(20,273)	(36,645)
Foreign exchange differences on cash and cash equivalents		(38)	(999)
Change in cash and cash equivalents		(83,013)	(96,100)
Cash and cash equivalents at the beginning of period		582,581	537,358
Cash and cash equivalents at the end of period		499,568	441,258

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 CH0023868554, IMPN).

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

The interim financial report as at 30 June 2014 was approved by the Board of Directors of Implenla Ltd. on 20 August 2014. The consolidated financial statements as at 30 June 2014 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 2014. 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 2013, which were prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB).

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 2014 interim financial statements are identical to those applied to and described in the Annual Report 2013, except for the annual improvements 2010 to 2013 that were introduced for the financial year starting on 1 January 2014.

The annual improvements do not have any material impact on these consolidated financial statements.

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 and 2014.

2.3 Segment reporting

The Group's business segments are based on the organisational units for which reports are presented to the Group Executive Board (GEBO) and the Group Board of Directors. The Board of Directors takes on the role as the chief operating decision maker and receives regular internal reports in order to assess the Group's performance and resource allocation. The Group consists of the following segments:

Modernisation

This segment comprises conceptual and strategic advisory services, planning, execution and processing of modernisation construction projects. It includes Wooden Construction and Engineering.

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.

Buildings

This segment comprises activities such as the planning, coordination, processing as general and total contractor and execution of complex construction projects using traditional construction methods.

Tunnelling & Civil Engineering

This segment is primarily concerned with the realisation of complex construction projects for infrastructure facilities, including renovation 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.

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 civil engineering projects, commercial construction, gravel processing and surface works in Switzerland and abroad.

Norge

This segment comprises tunnelling, road building and civil engineering for all companies domiciled in Norway and Sweden.

Notes to the consolidated financial statements of Implen

Miscellaneous/Holding

This area contains all costs of Implen 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.

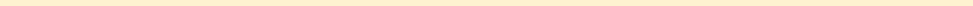
Certain headquarter functions are disclosed under Miscellaneous/Holding. These include procurement, finance and controlling, investor relations, business development, human resources, IT, investment management, risk management, marketing/communication, treasury, legal services, insurance, occupational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

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 (ISIN code CH0112193518). The interest rate for calculating the amortised cost is 3.356%. At 30 June 2014, the bond's carrying value was CHF 199.2 million (31 December 2013: CHF 198.9 million), and the fair value was CHF 210.4 million (31 December 2013: CHF 212.6 million).

2.5 Seasonal fluctuation

Implen's construction work services are subject to seasonal fluctuation as building activity is more intense in the second half of the year.



Notes to the consolidated financial statements of Implenia

3 Segment reporting

Segment reporting as submitted to the Board of Directors as at 30 June 2014:

	Modernisation	Development	Buildings	
	CHF 1,000	CHF 1,000	CHF 1,000	
IFRS revenue unconsolidated	106,268	56,248	760,189	
Intragroup revenue	(34,008)	(15,438)	(64,842)	
Consolidated revenue	72,260	40,810	695,347	
Operating income	1,497	14,348	(1,219)	>
Investments in property, plant and equipment and intangible assets	527	565	783	
Current assets excl. cash and cash equivalents	64,166	233,571	509,991	
Non-current assets (excl. pension assets)	13,441	19,544	49,655	
Less debt capital (excl. financial and pension liabilities)	(72,002)	(96,452)	(631,252)	
Invested capital	5,605	156,663	(71,606)	>

1 Including eliminations

>

Tunnelling & Civil Engineering	Construction Switzerland	Norge	Total of Business Units	Miscellaneous/ Holding ¹	Total
CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
128,429	367,819	152,059	1,571,012	13,754	1,584,766
(13,489)	(32,003)	(1,990)	(161,770)	(9,684)	(171,454)
114,940	335,816	150,069	1,409,242	4,070	1,413,312
> 5,027	(3,385)	4,690	20,958	5,456	26,414
3,522	9,882	6,461	21,740	1,523	23,263
123,857	342,442	101,377	1,375,404	(7,989)	1,367,415
58,146	207,642	42,064	390,492	17,490	407,982
(159,366)	(308,724)	(116,004)	(1,383,800)	(64,575)	(1,448,375)
> 22,637	241,360	27,437	382,096	(55,074)	327,022

Notes to the consolidated financial statements of Implenia

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

	Modernisation ¹	Development	Buildings ¹
	CHF 1,000	CHF 1,000	CHF 1,000
IFRS revenue unconsolidated	62,862	92,324	811,918
Intragroup revenue	(13,933)	(17,451)	(82,235)
Consolidated revenue	48,929	74,873	729,683
Operating income	628	14,333	6,975
Investments in property, plant and equipment and intangible assets	75	688	1,397
Current assets excl. cash and cash equivalents	53,605	239,775	530,039
Non-current assets (excl. pension assets)	11,752	19,940	50,737
Less debt capital (excl. financial and pension liabilities)	(61,350)	(83,120)	(685,367)
Invested capital	4,007	176,595	(104,591)

1 Segment adjustment in the 2014 financial year led to shifting between the segments Modernisation, Buildings and Construction Switzerland. The adjustments to EBIT amount to CHF 1.2 million for Modernisation, CHF –3.4 million for Buildings and CHF 2.2 million for Construction Switzerland.

2 Including eliminations

>

Tunnelling & Civil Engineering	Construction Switzerland ¹	Norge	Total of Business Units	Miscellaneous/Holding ²	Total
CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
129,421	328,012	159,806	1,584,343	33,752	1,618,095
(19,641)	(38,442)	(13,310)	(185,012)	(24,583)	(209,595)
109,780	289,570	146,496	1,399,331	9,169	1,408,500
> 4,937	(4,844)	4,686	26,715	3,374	30,089
4,355	19,159	2,572	28,246	1,488	29,734
83,559	271,270	148,577	1,326,825	25,757	1,352,582
54,863	201,179	41,441	379,912	22,716	402,628
(104,370)	(255,453)	(166,154)	(1,355,814)	(67,307)	(1,423,121)
> 34,052	216,996	23,864	350,923	(18,834)	332,089

Notes to the consolidated financial statements of Implenla

Reconciliation for invested capital:

	30.6.2014	30.6.2013
	CHF 1,000	CHF 1,000
Assets	2,281,956	2,196,782
Less cash and cash equivalents	(499,568)	(441,258)
Less pension assets	(6,991)	(314)
Assets of invested capital	1,775,397	1,755,210
Liabilities and equity	2,281,956	2,196,782
Less equity	(623,059)	(559,627)
Less financial liabilities	(209,217)	(214,034)
Less pension liabilities	(1,305)	–
Liabilities of invested capital	1,448,375	1,423,121
Invested capital	327,022	332,089

Operating income from Miscellaneous/Holding includes:

	1.1.–30.6.2014	1.1.–30.6.2013
	CHF 1,000	CHF 1,000
Depreciation and amortisation	(1,120)	(1,280)
Depreciation of investment property	(46)	(43)
Income from defined benefit pension plans	5,000	4,330
Other income/(expenses)	1,622	367
Operating income Miscellaneous/Holding	5,456	3,374

Consolidated revenue and non-current assets by geographical area:

Implenia Ltd. is domiciled in Switzerland. Revenues from third parties in Switzerland amounted to CHF 1,193 million (previous year: CHF 1,209 million). Revenues generated abroad came to CHF 220 million (previous year: CHF 200 million). Non-current assets located in Switzerland (excluding financial assets, pension assets and deferred tax assets) as at 30 June 2014 stood at CHF 286 million (31 December 2013: CHF 292 million). Non-current assets located abroad (excluding financial assets, pension assets and deferred tax assets) stood at CHF 64 million (31 December 2013: CHF 61 million).

4 Financial expenses and income

	1.1.–30.6.2014	1.1.–30.6.2013
	CHF 1,000	CHF 1,000
Financial expenses		
Interest expenses	428	677
Interest on bond issue	3,339	3,332
Bank charges	289	310
Fixed costs of financial guarantees	427	438
Other financial expenses	805	1,069
Currency losses	98	126
Total	5,386	5,952
Financial income		
Interest income	639	635
Income from investments	244	202
Other financial income ¹	379	2,580
Currency gains	182	582
Total	1,444	3,999
Financial result	(3,942)	(1,953)

1 Other financial income in the first half of 2013 includes the sale of an unlisted investment.

Notes to the consolidated financial statements of Implenla

5 Trade receivables

	30.6.2014	31.12.2013
	CHF 1,000	CHF 1,000
Third parties	531,224	436,404
Joint ventures (equity method)	41,703	36,533
Associates	4,211	3,211
Related parties	54	121
Guarantee retentions	52,973	47,924
Allowance for doubtful receivables	(9,534)	(10,696)
Total	620,631	513,497

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.

Overdue receivables:

As at 30 June 2014, total overdue receivables amounted to CHF 221.3 million (31 December 2013: CHF 212.7 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.

The overdue receivables include outstanding invoices to the City of Zurich for adjustments and changes to the Letzigrund stadium amounting to CHF 22.9 million. Implenla has filed a court case to demand full payment of the outstanding debts.

6 Work in progress

	30.6.2014	31.12.2013
	CHF 1,000	CHF 1,000
Work in progress, assets (services provided but not yet invoiced)	479,046	461,874
Work in progress, liabilities (services invoiced but not yet provided)	(407,267)	(337,785)
Valuation adjustment on contract costs	(9,640)	(9,948)
Contract costs in relation to future services by suppliers and subcontractors	68,316	74,321
Contract costs in relation to past services by suppliers and subcontractors	(473,235)	(489,604)
Work in progress, net	(342,780)	(301,142)
of which work in progress, assets	362,913	326,395
of which work in progress, liabilities	(705,693)	(627,537)

Notes to the consolidated financial statements of Implenia

7 Real estate transactions

	30.6.2014	31.12.2013
	CHF 1,000	CHF 1,000
Acquisition costs as at 1.1.	232,223	266,440
Additions	18,110	51,665
Disposals	(20,081)	(85,003)
Reclassifications	–	(937)
Foreign exchange differences	(30)	58
Cumulative acquisition costs as at	230,222	232,223
Cumulative value adjustments as at 1.1.	(14,750)	(14,750)
Additions	–	–
Disposals	–	–
Cumulative value adjustments	(14,750)	(14,750)
Net carrying amount	215,472	217,473

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

	1.1.–30.6.2014	1.1.–30.6.2013
	CHF 1,000	CHF 1,000
Sale proceeds	34,486	48,462
Carrying amount of assets sold	(20,081)	(35,103)
Gain on real estate¹	14,405	13,359

1 Excluding other expenses and income of the Development segment

8 Current and non-current financial liabilities

	30.6.2014	31.12.2013
	CHF 1,000	CHF 1,000
As at 1.1.	211,512	215,964
Additions	3,857	1,398
Disposals	(6,180)	(5,111)
Change in scope of consolidation	–	357
Foreign exchange differences	28	(1,096)
Total	209,217	211,512
Breakdown		
Bond issue	199,155	198,941
Liabilities to banks and other financial institutions	680	283
Finance lease liabilities	6,244	7,721
Other financial liabilities	3,138	4,567
Total	209,217	211,512
Maturity		
Less than 1 year	3,481	3,544
Between 1 and 5 years	205,736	205,690
Over 5 years	–	2,278
Total	209,217	211,512

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. To refinance the bond on expiration (May 2016), Implenia has the option to increase the cash limit by another CHF 100 million to CHF 250 million.

In addition, Implenia has bilateral loan agreements with several banks in the amount of CHF 33.2 million (31 December 2013: CHF 35 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

9 Share capital

	31.12.2012	Changes 2013	31.12.2013	Changes 2014	30.6.2014
	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	100,046	2,270	102,316	19,117	121,433
Shares outstanding	18,371,954	(2,270)	18,369,684	(19,117)	18,350,567

All shares are subscribed and fully paid up. As at 30 June 2014, all shares have voting rights and quality for dividends, with the exception of 121 433 treasury shares (31 December 2013: 102 316).

	31.12.2012	Changes 2013	31.12.2013	Changes 2014	30.6.2014
	Par value of shares CHF 1,000	Par value of shares CHF 1,000	Par value of shares CHF 1,000	Par value of shares CHF 1,000	Par value of shares CHF 1,000
Share capital	35,097	–	35,097	–	35,097
Treasury shares	(190)	(5)	(195)	(36)	(231)
Share capital outstanding	34,907	(5)	34,902	(36)	34,866

As at 30 June 2014, the par value of a share amounted to CHF 1.90 (31 December 2013: CHF 1.90).

10 Earnings per share

	1.1.–30.6.2014	1.1.–30.6.2013
Data for calculating earnings per share:		
Consolidated profit attributable to shareholders of Implenia Ltd. in CHF 1,000	14,505	18,839
Number of shares outstanding	18,350,567	18,213,698
Weighted average number of shares outstanding	18,362,793	18,287,587
Basic earnings per share in CHF	0.79	1.03
Diluted earnings per share in CHF	0.79	1.03

Undiluted earnings per share (EPS) are calculated by dividing the net income attributable to shareholders of Implenia Ltd. 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.

11 Distribution of reserves from capital contributions and par value reduction

For the 2013 financial year, the Board of Directors proposed a tax-exempt distribution of reserves from capital contributions of CHF 0.72 per share to the General Meeting held on 25 March 2014 (record date 1 April 2014) and a par value reduction of CHF 0.88 per share (record date 1 July 2014). The General Meeting approved this proposal.

12 Contingent liabilities

Together with a number of other construction companies, Implenia is currently affected by investigations by the Swiss Competition Commission in the regional road building and civil engineering markets in the cantons of Grisons and St. Gallen (see media reports of 15 November 2012 for Grisons and 16 April 2013 for St. Gallen). Implenia 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 Implenla

13 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.–30.6.2014	1.1.–30.6.2013
	CHF 1,000	CHF 1,000
Free cash flow		
Cash flow from operating activities	(38,178)	(41,218)
Investments in non-current assets	(23,628)	(30,948)
Disposal of non-current assets	3,243	15,051
Free cash flow before acquisition of subsidiaries	(58,563)	(57,115)
Acquisition of subsidiaries and deferred purchase price payments	(4,139)	(1,341)
Free cash flow after acquisition of subsidiaries	(62,702)	(58,456)

14 Events after the balance sheet date

There were no material events after the balance sheet date.

15 Foreign exchange rates

		Average rate		Closing rate	
		30.6.2014	30.6.2013	30.6.2014	31.12.2013
European Union	1 EUR	CHF 1.22	CHF 1.23	CHF 1.22	CHF 1.23
Ivory Coast/Mali	100 XOF	CHF 0.19	CHF 0.19	CHF 0.19	CHF 0.19
Norway	100 NOK	CHF 14.76	CHF 16.36	CHF 14.57	CHF 14.55
Sweden	100 SEK	CHF 13.65	CHF 14.42	CHF 13.24	CHF 13.75
USA	1 USD	CHF 0.89	CHF 0.94	CHF 0.89	CHF 0.89



LOCATIONS

Implenia has approximately 100 branches throughout Switzerland, as well as operational offices in Austria, Germany, Italy, Ivory Coast, Mali, Norway and Sweden.

For location details see the maps or visit our website at www.implenia.com.





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