



PRESS RELEASE

Implenia with successful half-year 2013 – Good to very good results in almost all Business Units | Tunnelling & Civil Engineering burdens result | Full order book and confidence for year as a whole | With new organisation on track to meet medium-term EBIT target

Dietlikon, 29 August 2013 – **Implenia got off to a good start in the first six months of 2013. Adjusted (IAS 19 and IFRS 11), the Group can match the already very solid level of last year's period both in terms of EBIT divisions and operating income. This is attributable to good or very good results in almost all divisions. Modernisation & Development was very successful in project development. Buildings had a good first half-year and recorded substantial increases in both revenue and EBIT. Profit was negatively impacted by Tunnelling & Civil Engineering due to the expected phasing out of major infrastructure projects in Switzerland, project-related losses in the Middle East and investments in the acquisition of infrastructure projects in bordering European countries. Construction Switzerland experienced robust growth in the first semester and solidified the long-term improvement in its earnings from last year's period. Norge performed well in the first six months and continued along its path of growth. With a high order backlog behind it, Implenias is confident that it will surpass its record-high profit of last year. The Group is on track to meet its medium-term EBIT target of CHF 140 to 150 million.**

Adjusted (IAS 19 and IFRS 11), Implenias, with CHF 1.408 billion (+15.5%) in revenue, can match its already very solid results from last year both in terms of EBIT divisions at CHF 26.7 million (-0.4%) and operating income at CHF 30.1 million (+5.0%). This is in spite of difficult weather conditions due to the wet spring and the negative impact from Tunnelling & Civil Engineering. Consolidated profit was substantially higher year-on-year, increasing by 27.7% to CHF 21.2 million. The order backlog at the end of June came in equal to last year's high level at CHF 3.242 billion. As of the middle of the year, Implenias employed more than 6700 employees (full-time).

Strong balance sheet

The increase in consolidated revenue led to an increase in net current assets and in invested capital. Cash outflow in the first half of the year therefore rose from approx. CHF 30 million to nearly CHF 59 million. Despite the IAS 19 deduction, equity rose above the amount as at 31 December 2012 by around 10 million and came in at CHF 559.6 million, net, on 30 June 2013. Compared with the rest of the industry, this equals a good equity ratio of 25.5%.

Modernisation & Development strong performance in project development

Modernisation & Development had a good first half of the year and increased its EBIT by 53.6% to CHF 13.7 million. In particular the Development unit (project development) was very successful and achieved a substantial increase in EBIT of 35.6%. Implenia further invested in business expansion in the future growth area of Modernisation during the reporting period. With EBIT at CHF -0.6 million, the unit is approaching break-even. The prospects for the second half of the year continue to be good. Modernisation & Development is likely to close out the full year with a result significantly higher than last year.

Buildings – a successful model for complex building construction projects

The Buildings Business Unit had a good run in the first half of the year. With revenue at CHF 806.4 million (+22.0%), its EBIT had a disproportionately high increase of 52.4% to CHF 10.4 million. Its new integrated business model with planning, general contracting and execution services for complex structural engineering under one roof was successfully positioned on the market. At CHF 2 billion (+10.5%), its order backlog as at 30 June 2013 not only broke a new record, but also exhibits a more advantageous structure. In addition to an overall better quality and a higher rate of diversification, this is in particular attributable to the larger proportion of internally generated projects. In the full year of 2013, Buildings is expected to surpass its figures from last year.

Tunnelling & Civil Engineering has a negative impact on profit

Tunnelling & Civil Engineering saw a decrease in its production output (-6.4% to CHF 201.5 million) and EBIT (-73.5% to CHF 4.9 million) in the first half of 2013. This trend is rooted in three reasons. The first is that, as expected, major Swiss infrastructure projects were phased out and this was reflected in volumes and EBIT. They contributed CHF 13 million to profits during the reporting period, following CHF 21 million last year. The second is that Implenia once again operated at a loss in the Middle East in connection with the microtunnelling project in Muharraq, which was an additional CHF 1.5 million worse year-on-year. After completing this project, Implenia will not deploy any more capacities in the Middle East region in the future. The third is that Implenia made additional investments of CHF 3 million in acquiring new infrastructure orders during the reporting period. The Group is currently participating in various tenders in Germany, Austria and France and is confident that it will soon be able to reap the first rewards. At the same time Implenia is creating a new unit in Austria which will be responsible for market development and the submission of tenders for new infrastructure projects as well as for processing them afterwards in Austria and Germany.

Robust growth in Swiss regional business

The Construction Switzerland unit, which covers the Swiss regional business in road construction and civil engineering as well as regional buildings construction, increased its production output in the first half of 2013 by 4.4 percent to

CHF 386.3 million. With EBIT at CHF -7.0 million, the unit remains on the solid level of last year's period and thus solidified the long-term improvement in its earnings. This is especially encouraging in light of the wet spring. It should be kept in mind that the half-year profit is always negative due to seasonal factors, since the majority of the operating income is realised in the second half of the year. Construction Switzerland continued to push forward with the optimisation of cost structures and processes in the reporting period. The Business Unit is expected to post an annual result at the same level as last year.

In the reporting period, the Competition Commission opened proceedings on alleged cases of anti-competitive agreements in the markets for road construction, civil works and surfacing in the Canton of St. Gallen. Implenia is fully cooperating with the competition authorities to clarify the facts of the matter. Implenia is clearly committed to free and undistorted competition and has a position of zero tolerance.

Implenia Norge develops extremely well

Implenia Norge continued its course for success in the first half of 2013. In accordance with its strategy, the Business Unit managed to nearly double its sales to CHF 159.8 million compared to previous year's period. At CHF 4.7 million, it achieved a significant increase in EBIT in comparison to the first half of 2012 (CHF -0.9 million). Implenia Norge thus exceeded the expectations formulated at the time of the acquisition in 2011. In particular the successful acquisition activities, which once again brought in several major orders during the reporting period, formed the basis for the unit's strong performance. This includes the order for the construction of the Eidanger Tunnel valued at around CHF 100 million and thus the largest project to be implemented in Norway by Implenia to date. With an order backlog of CHF 200.1 million at the end of June 2013, Implenia Norge will be able to continue the growth trend in the second half of 2013.

New organisation as the basis for our future

Implenia has been operating with a new organisational structure since the beginning of February 2013. The Group includes three Sector businesses that concentrate on complex projects for customers with cross-regional operations, and Regional business in Switzerland and Norway, which are the face of Implenia in the respective regions. Thanks to this arrangement, Implenia has created the basis for a stronger focus on its markets and customers. It has therefore set the course for the Group's successful long-term growth.

Peter Preindl, Head of Technical Support and member of the Group Executive Board, will leave Implenia on 30 September 2013 by mutual agreement. He will continue to carry out his operational functions until then. Implenia would like to thank Peter Preindl for his commitment and wishes him every success for the future. His successor will be announced in due course.

Encouraging order situation and confident outlook

Implenia is looking towards the second half of 2013 with confidence. The value of the order book ensures good visibility. Implenia is optimistic that, for the year as a whole, it will be able to surpass the previous year's record results. The Group is thus on track to meet its medium-term EBIT target of CHF 140 to 150 million.

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2013 Half-Year Report:

The Half-Year Report 2013 may be downloaded at the following link:

<http://www.implenia.com/en/media/publications/financial-publications/2013.html>

Media and analysts' conference:

Implenia will be holding a media and financial analysts' conference on the 2013 half-year results today, Thursday, 29 August 2013 at 09:00 a.m., at the construction site for the new elephant park at Zurich Zoo. The presentation will be available to download from 11.00 a.m. via the following link:

<http://www.implenia.com/en/media/publications/investor-relations.html>

Investor agenda:

- 25 February 2014: Publication of the 2013 Annual Report
- 25 February 2014: Media and analysts' conference on 2013 annual results
- 25 March 2014: 2013 Annual General Meeting 2013

Implenia is Switzerland's leading construction and construction services company. Formed in 2006 from the merger between Zschokke and Batigroup, Implenla can look back on approximately 150 years of history in the construction industry. The company brings the expertise of its highly skilled Modernisation & Development, Buildings and Tunnelling & Civil Engineering Sectors, and its Switzerland and Norway Regions under the single roof of a nationally and internationally active company. With its integrated business model and specialists operating in all its divisions, 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.

Implenia has its head office in Dietlikon near Zurich, currently employs more than 6700 people and generated a revenue of around CHF 2.7 billion in 2012. The Company is listed on the SIX Swiss Exchange (IMPN, CH0023868554). More information can be found at www.implenia.com.

Group key figures

	1.1.-30.6.2013 CHF 1,000	1.1.-30.6.2012 ¹ CHF 1,000	Δ
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%
<i>in % of revenue</i>	<i>2.1%</i>	<i>2.3%</i>	
Consolidated profit	21'201	16'597	27.7%
<i>in % of revenue</i>	<i>1.5%</i>	<i>1.4%</i>	
EBITDA	51'626	47'896	7.8%
<i>in % of revenue</i>	<i>3.7%</i>	<i>3.9%</i>	
Free cash flow	-58'456	-29'846	-95.9%
Cash and cash equivalents	441'258	370'439	19.1%
Financial liabilities	214'034	215'148	-0.5%
Net cash position	227'224	155'291	46.3%
Invested capital	332'403	289'526	14.8%
Equity	559'627	444'817	25.8%
<i>Equity ratio in %</i>	<i>25.5%</i>	<i>22.0%</i>	
Order book			
as of 30.06.2013 / 2012	3'242'054	3'283'122	-1.3%
as of 31.07.2013 / 2012	3'256'865	3'274'562	-0.5%
Production output	1'505'816	1'316'959	14.3%
Headcount (FTE)	6'753	6'322	6.8%

¹ Restated

Key figures Business Units

Modernisation & Development

Modernisation	1.1.-30.6.2013 CHF 1,000	1.1.-30.6.2012 ¹ CHF 1,000	Δ
Revenue	28'808	46'893	-38.6%
EBIT	-603	-1'633	63.1%
<i>in % of revenue</i>	<i>-2.1%</i>	<i>-3.5%</i>	
Order book	42'082	53'421	-21.2%
Headcount (FTE)	258	267	-3.4%
Development	1.1.-30.6.2013 CHF 1,000	1.1.-30.6.2012¹ CHF 1,000	Δ
EBIT	14'333	10'573	35.6%
Headcount (FTE)	53	48	10.4%

Buildings	1.1.-30.6.2013 CHF 1,000	1.1.-30.6.2012 ¹ CHF 1,000	Δ
Revenue	806'387	661'118	22.0%
EBIT	10'374	6'808	52.4%
<i>in % of revenue</i>	<i>1.3%</i>	<i>1.0%</i>	
Production output	817'150	665'493	22.8%
Order book	2'025'663	1'833'446	10.5%
Headcount (FTE)	1'031	934	10.4%

Tunnelling & Civil Engineering	1.1.-30.6.2013 CHF 1,000	1.1.-30.6.2012 ¹ CHF 1,000	Δ
Revenue	129'421	148'353	-12.8%
EBIT	4'937	18'619	-73.5%
<i>in % of revenue</i>	<i>3.8%</i>	<i>12.6%</i>	
Production output	201'498	215'181	-6.4%
Order book	492'403	679'200	-27.5%
Headcount (FTE)	1'023	1'027	-0.4%

¹ Restated

Construction Switzerland	1.1.-30.6.2013 CHF 1,000	1.1.-30.6.2012¹ CHF 1,000	Δ
Revenue	367'596	343'927	6.9%
EBIT	-7'012	-6'637	-5.7%
<i>in % of revenue</i>	<i>-1.9%</i>	<i>-1.9%</i>	
Production output	386'324	370'108	4.4%
Order book	481'007	519'855	-7.5%
Headcount (FTE)	3'034	3'057	-0.8%

Norge	1.1.-30.6.2013 CHF 1,000	1.1.-30.6.2012¹ CHF 1,000	Δ
Revenue	159'806	84'424	89.3%
EBIT	4'686	-917	
<i>in % of revenue</i>	<i>2.9%</i>	<i>-1.1%</i>	
Production output	159'806	84'424	89.3%
Order book	200'107	197'200	1.5%
Headcount (FTE)	467	306	52.6%

¹ Restated