



PRESS RELEASE

Successful 2015 for Implenia – Operating income higher than previous year on comparable basis | Significantly higher operating cash flow | Dividend payment increased to CHF 1.90 | Order book at record level | Confident outlook

Dietlikon, 23 February 2016 – **Implenia can look back on a successful fiscal year 2015. Operating income was higher than in 2014 on a comparable basis while EBITDA reached a new record level. Implenia's operating cash flow went up significantly and all investments, including the acquisition of Bilfinger Construction, were funded from ongoing business. Bilfinger Construction was successfully integrated, strengthening the Group's market presence in Europe. The Board of Directors is asking shareholders to approve an increased dividend payment of CHF 1.90 per share in total. The Group has started the current year – in which Implenia celebrates its tenth anniversary – confidently thanks to its good market position and record high order books.**

In 2015 Implenia generated consolidated revenue of CHF 3288 million, which is CHF 368.4 million more than in 2014. CHF 487.9 million of this revenue is due to the acquisition of Bilfinger Construction.

EBITDA rose by 6.7% during the period under review to CHF 161.4 million. Excluding amortisation costs for intangible assets acquired through the takeover of Bilfinger Construction (PPA), Business Unit EBIT rose 4.2% year-on-year to CHF 107.7 million. Adjusted for currency effects (like for like), this corresponds to a 5.4% increase in EBIT. On a comparable basis, Implenia Group's 2015 operating income came to CHF 102.6 million. As forecast, this is slightly higher than the prior year result. After adjusting for IAS19 variation, the 2014 figure was CHF 101.2 million. After taking into account amortisation costs of CHF 22.7 million, the Group's reported operating income was CHF 79.9 million. Negative currency effects totalled CHF 1.2 million.

The Development, Switzerland and Infrastructure segments achieved results at or above the prior-year level. Business in the Swiss home market was particularly strong. The International Segment performed below expectations.

Consolidated profit excluding PPA reached CHF 67.8 million, after CHF 73.0 million in 2014. Reported consolidated profit for 2015 was CHF 52.0 million.

Cash generated and value created

Free cash flow for 2015 came to CHF 103.6 million before the acquisition of Bilfinger Construction. This is 37.1% higher than in the previous year (2014: CHF 75.5 million). After taking the acquisition into account, there was still a positive free cash flow of CHF 16.2 million. The acquisition of Bilfinger Construction was therefore financed entirely from ongoing business.

In 2015 Implenla once again created value. Despite the costs associated with the Bilfinger Construction acquisition, it posted a high return on capital of 29.2%, which is significantly greater than the average cost of capital of 9.5%.

At the end of 2015 the Group's equity stood at CHF 623.8 million, which is roughly the same level as at end-2014 (CHF 629.8 million), even though currency effects and revaluations of pension obligations (IAS 19) reduced it by CHF 42 million. The acquisition of Bilfinger Construction increased total assets to CHF 2725 million (2014: CHF 2358 million). This reduced the equity ratio to 22.9%, compared with 26.7% at the end of 2014. Implenla still has a very solid equity base by industry standards.

Higher dividend payment

The Board of Directors is asking the General Meeting of Shareholders of Implenla Ltd., to be held on 22 March 2016, to approve the distribution of an ordinary dividend of CHF 1.80 per share (prior year: CHF 1.80), plus an anniversary dividend of CHF 0.10 per share to celebrate ten years of Implenla.

Development segment matches previous year's record result

In 2015 the Development Segment, which includes the entire Group's real estate project development activities in Switzerland, matched the previous year's record result. EBIT came to CHF 36.3 million, which is 1.7% higher than in 2014 (CHF 35.7 million). This strong result is due to the team's consistent performance, the quality of the project portfolio and the continuing dynamism of property markets in the Zurich and Lake Geneva regions. Because of all the successful projects it has started, but also because of a more cautious approach to land purchases in the current market environment, the land bank was reduced from CHF 230 to 196 million. However, the land bank still provides a solid basis for future success in the Development business.

Switzerland segment repeats prior year result and sees substantial order growth

The Switzerland Segment includes Implenla's services in the Swiss market for modernising residential and commercial properties, general and total contracting, building construction, road building and civil works. Its result for the year under review matched the previous year's level. EBIT came to CHF 38.8 million, compared to CHF

38.4 million in 2014. The segment continues to play a decisive role, contributing two-thirds of the production output of Implenias operating units. A strong performance was recorded in 2015 for the modernisation of residential and commercial buildings. Business across Switzerland's linguistic regions was satisfactory overall: while there was another sparkling performance in building construction, road building and civil works in French-speaking Switzerland, business in German-speaking Switzerland was not as dynamic. Results in our traditional general and total contractor business were below expectations. In the first six months especially, business failed to meet our targets. The performance improved in the second half of the year, but – as predicted halfway through the year – not enough to make up for the first six months. The segment's order backlog was an impressive 30.7% higher than in the previous year at CHF 2648 million. The excellent order growth seen in the first half continued during the second six months of the year.

Good performance and strong order acquisition at Infrastructure Segment

The Infrastructure Segment, which brings together Implenias capabilities in tunnelling, foundation engineering and major projects in the Company's home markets and beyond, performed well in 2015. Before deducting amortisation costs for intangible assets acquired through the takeover of Bilfinger Construction, EBIT came to CHF 17.5 million. This is 34.4% higher than in the previous year (CHF 13.0 million). Reported EBIT came to CHF 8.1 million. There were several reasons for the good operating performance. One is that Implenias tunnel construction sites in Switzerland are performing very well. Another is that the major NEAT project was completed definitively and had its final impact on the income statement. Implenias projects outside Switzerland also went well for the most part – both the ones that Implenias was already doing and the ones added to the Group's portfolio with the acquisition of Bilfinger Construction. The Infrastructure Segment acquired projects successfully in all the defined home markets in 2015, and increased the order backlog by almost 150% on a comparable basis to CHF 1603 million.

Regional variations in performance of International Segment

The International Segment, with its regional businesses in Germany, Austria, Norway and Sweden, as well as Implenias production plants outside Switzerland, posted adjusted EBIT of CHF 15.2 million, compared with CHF 16.3 million in the previous year. Amortisation costs for redetermining fair value from the acquisition of Bilfinger Construction reduced the EBIT figure by CHF 12.2 million. The fall in the value of the euro, the Norwegian krone and the Swedish krona also had a negative impact on 2015 results. Currency effects at the revenue level came to CHF 72.0 million and at the EBIT level CHF 1.1 million. Reported EBIT for fiscal 2015 was CHF 3.0 million. Business in Germany and Austria started well during the year under review and made a positive contribution to the overall result. However, business in Norway was not as good as expected, and the solid performance in Sweden was not sufficient to compensate. As announced in the middle of the year, the expansion of

operational structures and personnel in Norway weighed on results. The gravel plants in Mali and the Ivory Coast performed strongly; despite negative currency effects they increased their contribution to earnings in Swiss franc terms. Implenía was very successful at acquiring new projects in Norway and Sweden. This excellent acquisition performance is reflected in the order backlog, which at the end of December 2015 was a remarkable 166,7% higher than a year previously at CHF 879 million.

Order book at record level

At the end of 2015 the Group order book, at CHF 5134 million, was a substantial 71.0% higher than the prior-year level (end-2014: CHF 3002 million). A net CHF 349 million (net = after deduction of executed work) was due to the first-time consolidation of Bilfinger Construction. The very good organic growth in orders in the first six months accelerated in the second half of the year. The quality of the order book, as measured by pre-calculated margins, is better than it was a year previously.

Confident outlook

The volume of planned construction spending in Switzerland edged up again in the second half of 2015 after falling markedly in the previous two years. The construction industry thus consolidated its position at a high level. Various forecasts predict a slight growth in construction investment in 2016. However, political and economic uncertainties remain as a result of the “Mass Immigration Initiative” and the strength of the Swiss franc. Implenía is also optimistic about its core markets in Germany, Austria, Norway and Sweden. Judging by the various multi-year plans announced by government bodies and public sector institutions, there will be plenty of investment in infrastructure.

Thanks to the sound market prospects, Implenía is looking forward with confidence to the 2016 business year. Order books are well-filled and of good quality, which ensures a high level of visibility. Confidence is backed up by Implenía’s healthy finances and by the company’s progress during the year under review. The acquisition of Bilfinger Construction puts the Group in a stronger position in terms of technical competence and geographical reach in Europe. Furthermore, Implenía has now reached a size that enables it to realise synergy effects in Switzerland and beyond more efficiently. The Group believes it is well positioned to make full use of future opportunities and its market potential. The communicated EBIT target of CHF 140 – 150 million for the 2016/2017 period thus remains valid.

Renewal of the Board of Directors with reinforcement of construction and market expertise

The Board of Directors is continuing its process of renewal as announced. Patrick Hünerwadel and Hans-Beat Gürtler have decided not to stand for re-election at the Annual General Meeting of Shareholders on

22 March 2016. Patrick Hünerwadel is leaving after nearly 21 years on the Board of Implenía and its predecessor company Batigroup. Hans Beat Gürtler, a Member of the Board of Directors since 2010, is stepping down for health reasons. The Board would like to thank Patrick Hünerwadel and Hans-Beat Gürtler for their contributions to Implenía's successful development. The Board of Directors is proposing to the Annual General Meeting of Shareholders of 22 March 2016 that it elect three new Board Members: Laurent Vulliet (58), Professor of Soil Mechanics at the Swiss Federal Institute of Technology in Lausanne (EPFL), Ines Pöschel (47) attorney and Partner at law firm Kellerhals Carrard, and Olaf Kyrre Johansen (53), CEO of Norwegian privately owned company Norsk Mineral AS. As already communicated, Hans-Ulrich Meister is being proposed to the General Meeting of Shareholders for election as the new Chairman of the Board of Directors. With this renewal, the Board of Directors, in line with Implenía's strategic focus, is reinforcing its construction and market expertise while also taking account of the much greater importance of the European markets in which Implenía successfully operates.

Contacts for investors:

Serge Rotzer, Head of Investor Relations

Tel.: +41 58 474 07 34

Fax: +41 58 474 95 29

serge.rotzer@implenia.com

Contact for media:

Philipp Bircher, Head of Communications Group

Tel.: +41 58 474 74 77

communication@implenia.com

2015 Annual Report

The 2015 Annual Report is available as an [HTML online report](#), or can be downloaded [here](#) as a PDF.

Media and analysts' conference on the 2015 full-year results

Today, 23 February 2016, Implenía is holding an analysts' conference (8.45 – 10 a.m.; CET) and a press conference (10.30 – 11.30 a.m.; CET) on the 2015 annual results at the SIX Convention Point. The accompanying presentation will be available to download [here](#) from 8.45 a.m.

Investors' diary

22 March 2016: 2016 General Meeting

23 August 2016: Publication of 2016 half-year results

Appendix

Laurent Vulliet (born 1958, Swiss)



Laurent Vulliet has been Full Professor of Soil Mechanics at the Swiss Federal Institute of Technology in Lausanne (EPFL) since 1994, where he also teaches risk management. From 2006 to 2015, he was also manager and CEO (from 2008) of BG Ingénieurs Conseils, a Lausanne-based consultancy firm that operates internationally in the infrastructure, environment, building construction and energy sectors. He completed a degree in civil engineering at the ETH Zurich in 1980 and obtained his doctorate from the EPF Lausanne in 1986. He worked with several universities, most notably the Universities of Darmstadt and Karlsruhe in Germany, and taught for three years at the University of Arizona in Tucson, USA. In 1989, he joined De Cérenville Géotechnique SA, a geotechnology consultancy firm based in Ecublens (Switzerland), as Senior Engineer. From 2001 to the end of 2007 he was Dean of the School of Architecture, Civil and Environmental Engineering (ENAC) at EPFL. Laurent Vulliet is a member of the Swiss Academy of Engineering Sciences and the Energy Commission of Canton Vaud. He was a member of the Swiss extra-parliamentary commission on natural hazards from 1997 to 2007, and Vice President of the Swiss Society of Engineers and Architects (SIA) from 2009 to 2013. In 2008, he successfully completed the INSEAD Advanced Management Programme in Fontainebleau (France).

Ines Pöschel (born 1968, Swiss)



Ines Pöschel has been a partner at the law firm Kellerhals Carrard since 2007 and a member of the steering committee of the entire firm since 2010. Previously, she worked in various roles at well-known law firms in Switzerland and the USA, including as a lawyer at Baer & Karrer from 2002 to 2007 and as Senior Manager at Andersen Legal from 1999 to 2002. Ines Pöschel completed her law degree at the University of Zurich in 1993 and qualified to practice law as attorney-at-law in 1996. She sits on the boards of numerous companies and foundations and serves as an expert on the Federal Commercial Registry Commission. She also lectures regularly at renowned universities. Ines Pöschel specialises in corporate and capital market law, corporate governance and M&A transactions at private and listed companies.

Kyrre Olaf Johansen (born 1962, Norwegian)



Kyrre Olaf Johansen has been CEO of Norsk Mineral AS since 2013. The privately owned company is based in Norway and operates internationally in the minerals, real estate, industry, finance and renewable energy sectors. From 2008 to 2012 he was CEO of Entra Eiendom AS, a Norwegian property development company with a portfolio of some CHF 3 billion. After completing his master's degree in civil engineering in 1986 at the Norwegian University of Science and Technology in Trondheim, he worked as an engineering consultant at JKS-Consult AS. Mr. Johansen completed a "Business Candidate" degree at BI Norwegian Business School in 1989. Between 1991 and 1998, he performed various leadership roles at ABB Power Generation Ltd in Baden, Switzerland, and was responsible for the civil works for several major international projects. In 1999, he was appointed Region Head of the Norwegian branch of NCC AB, an international construction and real estate group based in Sweden. He also became CEO of the group's road construction division in the same year. From 2003 to 2008 he was CEO of Mesta AS, heading up one of the largest road construction companies in Norway. Kyrre Olaf Johansen has broad experience from various board positions in different industry segments and was a longstanding board member of the Norwegian Building and Construction Association (EBA). For many years he has been a spokesman for value-based leadership focusing on business ethics and sustainable growth. He was awarded ENOVA's Honorary Award in 2011 for this work.

Implenia, Switzerland's leading construction and construction services company, also has a strong position in the German, Austrian and Scandinavian infrastructure markets. Established in 2006, Implenia can look back on around 150 years of construction tradition. It brings the expertise of its highly skilled sectoral and regional units together under the roof of a company active throughout Europe. With its integrated business model and specialists operating in all areas of construction, the Group 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, with its headquarters in Dietlikon near Zurich, currently employs more than 8000 people around Europe and posted revenue of around CHF 3.3 billion in 2015. The company is listed on the SIX Swiss Exchange (IMPN, CH0023868554). More information can be found at www.implenia.com.

Consolidated key figures

	2015 CHF 1,000	2014 CHF 1,000	Δ	Δ like for like ³
Consolidated revenue	3,288,200	2,919,760	12.6%	15.1%
EBIT Business Units excl. PPA¹	107,724	103,407	4.2%	5.4%
<i>in % of revenue</i>	<i>3.3%</i>	<i>3.5%</i>		
EBIT Business Units	86,173	103,407	(16.7%)	(15.5%)
<i>in % of revenue</i>	<i>2.6%</i>	<i>3.5%</i>		
Miscellaneous/Holding	(6,237)	5,057	(223.3%)	(223.3%)
Operating income comparable²	102,552	101,156	1.4%	2.6%
<i>in % of revenue</i>	<i>3.1%</i>	<i>3.5%</i>		
Operating income	79,936	108,464	(26.3%)	(25.2%)
<i>in % of revenue</i>	<i>2.4%</i>	<i>3.7%</i>		
Consolidated profit excl. PPA¹	67,849	73,006	(7.1%)	(5.4%)
<i>in % of revenue</i>	<i>2.1%</i>	<i>2.5%</i>		
Consolidated profit	52,018	73,006	(28.7%)	(27.1%)
<i>in % of revenue</i>	<i>1.6%</i>	<i>2.5%</i>		
EBITDA	161,360	151,252	6.7%	9.0%
<i>in % of revenue</i>	<i>4.9%</i>	<i>5.2%</i>		
Free cash flow before acquisition of subsidiaries	103,561	75,541	37.1%	44.8%
Free cash flow	16,178	67,168	(75.9%)	(67.8%)
Cash and cash equivalents (as at 31.12.)	877,108	731,534	19.9%	21.1%
Financial liabilities (as at 31.12.)	489,002	330,057	48.2%	48.4%
Net cash position (as at 31.12.)	388,106	401,477	(3.3%)	(1.4%)
Invested capital (as at 31.12.)	273,531	224,541	21.8%	24.9%
Equity (as at 31.12.)	623,776	629,789	(1.0%)	1.2%
<i>Equity ratio in %</i>	<i>22.9%</i>	<i>26.7%</i>		
Order book (as at 31.12.)	5,133,513	3,001,753	71.0%	74.1%
Production output	3,430,459	3,087,216	11.1%	13.7%
Headcount (FTE; as at 31.12.)	7,960	6,378	24.8%	
Earnings per share (in CHF)	2.64	3.77	(30.0%)	
Gross dividend (in CHF)	1.90	1.80	5.6%	

¹ Excluding PPA from Bilfinger Construction

² Excluding PPA from Bilfinger Construction, prior year without IAS 19 variance from 2015 to 2014

³ Foreign currency adjusted

Key figures segments

Development

	2015 CHF 1,000	2014 ¹ CHF 1,000	Δ
EBIT	36,303	35,705	1.7%
Headcount (FTE; as at 31.12.)	49	54	(9.3%)

Switzerland

	2015 CHF 1,000	2014 ¹ CHF 1,000	Δ
Revenue	2,391,575	2,583,492	(7.4%)
EBIT	38,770	38,392	1.0%
<i>in % of revenue</i>	<i>1.6%</i>	<i>1.5%</i>	
Order book (as at 31.12.)	2,648,111	2,025,744	30.7%
Production output	2,463,925	2,656,683	(7.3%)
Headcount (FTE; as at 31.12.)	3,855	4,023	(4.2%)

Infrastructure

	2015 CHF 1,000	2014 ¹ CHF 1,000	Δ
Revenue	418,915	179,961	132.8%
EBIT excl. PPA²	17,497	13,019	34.4%
<i>in % of revenue</i>	<i>4.2%</i>	<i>7.2%</i>	
EBIT	8,099	13,019	(37.8%)
<i>in % of revenue</i>	<i>1.9%</i>	<i>7.2%</i>	
Order book (as at 31.12.)	1,603,166	646,532	148.0%
Production output	507,514	274,226	85.1%
Headcount (FTE; as at 31.12.)	931	517	80.1%

¹ Restated, see Annual Report 2015, page 224, note 5

² Excluding PPA from Bilfinger Construction

International

	2015 CHF 1,000	2014 ¹ CHF 1,000	Δ
Revenue	708,997	415,513	70.6%
EBIT excl. PPA²	15,153	16,291	(7.0%)
<i>in % of revenue</i>	<i>2.1%</i>	<i>3.9%</i>	
EBIT	3,001	16,291	(81.6%)
<i>in % of revenue</i>	<i>0.4%</i>	<i>3.9%</i>	
Order book (as at 31.12.)	878,596	329,477	166.7%
Production output	713,198	415,513	71.6%
Headcount (FTE; as at 31.12.)	2,096	901	132.6%

¹ Restated, see Annual Report 2015, page 224, note 5

² Excluding PPA from Bilfinger Construction