



Profit on sale of trading properties CHF million Py2 63.1 Net rental income CHF million Py2 63.1 Net income from revaluation CHF million Py2 63.1 Net income from revaluation CHF million Py2 63.1 Net income from revaluation CHF million Py2 93.3 Operating result (EBIT) CHF million Profit Py3 93.5 CHF million Profit Py3 93.5 CHF million Profit Alexandra Profit after tax not including revaluation CHF million Py3 93.5 Profit after tax not including revaluation Py3 94.8 Profit after tax not including revaluation Py3 94.9 Profit after Py3 94.9 Profit after tax not including revaluation Py3 94.9 Profit after tax not including revaluation Py3 94.9 Profit after Py3 94.9 Profit after Py3 94.9 Profit Py3 94.9 Pro				
Net rental income Net income from revaluation CHF million CHF million 79.2 (29.1) 63.1 Operating result (EBIT) CHF million 102.2 (29.8) 98.5 Profit Return on equity 2 CHF million 66.0 (6.2.6) 62.6 Return on equity 2 7.1 % (8.0)% 8.0% Profit after tax not including revaluation Return on equity not including revaluation at the side of investment properties at	Mobimo Group (consolidated)		2010	2009
Net income from revaluation CHF million 29.11 93. Operating result (EBIT) CHF million CHF million 66.0 62.6 Return on equity² 71.96 80.96 Profit after tax not including revaluation Return on equity not including revaluation³ Commercial investment properties CHF million CHF million 1,131.9 1,147.9 Residential investment properties CHF million COMMERCIAL Investment properties CHF million CHF million COMMERCIAL Investment properties CHF million CHF million CHF million COMMERCIAL Investment properties CHF million CHF million CHF million COMMERCIAL Investment properties CHF million CHF millio	Profit on sale of trading properties	CHF million	8.4	25.2
Operating result (EBIT) CHF million CHF million 66.0 62.6 Return on equity² 71.96 Return on equity² 71.96 Return on equity not including revaluation Return on equity not including revaluation³ Commercial investment properties CHF million CHF million COMMERCIAL INVESTMENT PROPERTIES CHF million CHF million COMMERCIAL INVESTMENT PROPERTIES CHF million CHF million COMMERCIAL INVESTMENT PROPERTIES CHF million CHF million CHF million COMMERCIAL INVESTMENT PROPERTIES CHF million CHF million CHS million CHF million	Net rental income	CHF million	79.2	63.1
Profit Return on equity? Profit after tax not including revaluation Return on equity not including revaluation? Profit after tax not including revaluation? Residential investment properties Residential investment properties Residential investment properties CHF million Commercial development properties CHF million Residential milion Residential milion Residential measure Resi	Net income from revaluation	CHF million	29.1 1	9.3
Return on equity2	Operating result (EBIT)	CHF million	102.2	98.5
Profit after tax not including revaluation Return on equity not including revaluation ³ Commercial investment properties Residential investment properties CHF million Residential investment properties CHF million Residential development properties CHF million Commercial development properties CHF million Residential maturity of financial liabilities Residential maturity of financial maturity of financial maturity of financial maturity of financial liabilities Residential maturity of financial	Profit	CHF million	66.0	62.6
Return on equity not including revaluation 3 Commercial investment properties Residential investment properties CHF million Commercial development properties CHF million Commercial development properties CHF million Residential development properties CHF million CHF mi	Return on equity ²		7.1 %	8.0 %
Commercial investment properties Residential investment properties CHF million COMMERCIAL C	Profit after tax not including revaluation	CHF million	44.2	55.6
Residential investment properties CHF million Commercial development properties CHF million CHF millio	Return on equity not including revaluation ³		4.8 %	7.1 %
Commercial development properties Residential development properties CHF million Residential development properties CHF million CHF millio	Commercial investment properties	CHF million	1,131.9	1,147.9
Residential development properties CHF million Total properties CHF million CH	Residential investment properties	CHF million	202.8	135.0
Total properties CHF million 2,011.9 1,877.5 Investment property vacancy rate Ø Discount rate for revaluation Ø Headcount (full-time basis)⁴ Ø Rate of interest on financial liabilities Ø Residual maturity of financial liabilities Ø Residual maturity of financial liabilities Years Equity ratio Net gearing⁵ Mobimo share No. of shares outstanding⁶ Earnings per share Earnings per share CHF Earnings per share not including revaluation Distribution² Nominal value per share CHF Share price as at 31 December CHF Dividend yield (distribution yield) Payout ratio⁰ Share capital Market capitalisation as at 31 December CHF million CHF	Commercial development properties	CHF million	253.4	211.3
Investment property vacancy rate Ø Discount rate for revaluation Ø Headcount (full-time basis) ⁴ Ø Rate of interest on financial liabilities Ø Residual maturity of financial liabilities Ø Residual maturity of financial liabilities Years Equity ratio Not of shares outstanding ⁶ Earnings per share CHF Distribution ⁷ Nominal value per share CHF Share price as at 31 December CHF Dividend yield (distribution yield) Payout ratio S.1,80,094 4.98% 4.98% 4.98% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.89% 4.90% 4.100 5.130,099 5.049,179 5.130,099 5.049,179 6.749,17			423.8	383.3
Ø Discount rate for revaluation4,90%4,98%Ø Headcount (full-time basis) ⁴64.259.3Ø Rate of interest on financial liabilities2.9%3.1 %Ø Residual maturity of financial liabilitiesYears5.15.1Equity ratio45 %48 %Net gearing ⁵92 %89 %Mobimo shareCHF13.0114.09Earnings per shareCHF13.0114.09Earnings per share not including revaluationCHF8.7012.51Distribution 7CHF9.009.00Nominal value per shareCHF190.45180.29convertible bond 8CHF199.70176.10Dividend yield (distribution yield)4.5 %5.1 %Payout ratio 969 %64 %Share capitalCHF million148.8192.0Market capitalisation as at 31 DecemberCHF million1,024.7889.9	Total properties	CHF million	2,011.9	1,877.5
Ø Headcount (full-time basis) ⁴64.259.3Ø Rate of interest on financial liabilities2.9%3.1 %Ø Residual maturity of financial liabilitiesYears5.15.1Equity ratio45 %48 %Net gearing ⁵92 %89 %Mobimo shareNo. of shares outstanding ⁴5,130,0995,049,179Earnings per shareCHF13.0114.09Earnings per share not including revaluationCHF8.7012.51Distribution ₹CHF9.009.00Nominal value per shareCHF29.0038.00NAV per outstanding share after options and convertible bond 8CHF190.45180.29Share price as at 31 DecemberCHF199.70176.10Dividend yield (distribution yield)4.5 %5.1 %Payout ratio 969 %64 %Share capitalCHF million148.8192.0Market capitalisation as at 31 DecemberCHF million1,024.7889.9	Investment property vacancy rate		5.1 %	6.7 %
Ø Rate of interest on financial liabilities2.9%3.1 %Ø Residual maturity of financial liabilitiesYears5.15.1Equity ratio45 %48 %Net gearing 592 %89 %Mobimo shareNo. of shares outstanding 65,130,0995,049,179Earnings per shareCHF13.0114.09Earnings per share not including revaluationCHF8.7012.51Distribution 7CHF9.009.00Nominal value per shareCHF29.0038.00NAV per outstanding share after options and convertible bond 8CHF190.45180.29Share price as at 31 DecemberCHF199.70176.10Dividend yield (distribution yield)4.5 %5.1 %Payout ratio 969 %64 %Share capitalCHF million148.8192.0Market capitalisation as at 31 DecemberCHF million1,024.7889.9				
Ø Residual maturity of financial liabilitiesYears5.15.1Equity ratio45 %48 %Net gearing 592 %89 %Mobimo shareNo. of shares outstanding 65,130,0995,049,179Earnings per shareCHF13.0114.09Earnings per share not including revaluationCHF8.7012.51Distribution 7CHF9.009.00Nominal value per shareCHF29.0038.00NAV per outstanding share after options and convertible bond 8CHF190.45180.29Share price as at 31 DecemberCHF199,70176.10Dividend yield (distribution yield)4.5 %5.1 %Payout ratio 969 %64 %Share capitalCHF million148.8192.0Market capitalisation as at 31 DecemberCHF million1,024.7889.9				
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Net gearing592 %89 %Mobimo shareNo. of shares outstanding65,130,0995,049,179Earnings per shareCHF13.0114.09Earnings per share not including revaluationCHF8.7012.51Distribution7CHF9.009.00Nominal value per shareCHF29.0038.00NAV per outstanding share after options and convertible bond 8CHF190.45180.29Share price as at 31 DecemberCHF199.70176.10Dividend yield (distribution yield)4.5 %5.1 %Payout ratio969 %64 %Share capitalCHF million148.8192.0Market capitalisation as at 31 DecemberCHF million1,024.7889.9	Ø Residual maturity of financial liabilities	Years	5.1	5.1
Net gearing592 %89 %Mobimo shareNo. of shares outstanding65,130,0995,049,179Earnings per shareCHF13.0114.09Earnings per share not including revaluationCHF8.7012.51Distribution7CHF9.009.00Nominal value per shareCHF29.0038.00NAV per outstanding share after options and convertible bond 8CHF190.45180.29Share price as at 31 DecemberCHF199.70176.10Dividend yield (distribution yield)4.5 %5.1 %Payout ratio969 %64 %Share capitalCHF million148.8192.0Market capitalisation as at 31 DecemberCHF million1,024.7889.9	Equity ratio		45 %	48%
No. of shares outstanding 6 Earnings per share CHF 13.01 Earnings per share not including revaluation Distribution 7 CHF 9.00 Nominal value per share CHF 9.00 NAV per outstanding share after options and che price as at 31 December CHF Dividend yield (distribution yield) Payout ratio 9 CHF CHF CHF CHF CHF CHF CHF CHF CHF CH			92 %	89%
Earnings per share Earnings per share not including revaluation Distribution 7 CHF 9.00 Nominal value per share CHF 29.00 RAV per outstanding share after options and characteristic power tible bond 8 Share price as at 31 December Dividend yield (distribution yield) Payout ratio 9 CHF 13.01 14.09 8.70 12.51 CHF 29.00 38.00 CHF 190.45 180.29 CHF 199.70 176.10 5.1 % 69% 64% CHF million 148.8 192.0 Market capitalisation as at 31 December CHF million 1,024.7 889.9	Mobimo share			
Earnings per share not including revaluation Distribution 7 CHF 9.00 9.00 Nominal value per share CHF 29.00 38.00 NAV per outstanding share after options and CHF 190.45 CHF 190.45 180.29 convertible bond 8 Share price as at 31 December CHF 199.70 Dividend yield (distribution yield) Payout ratio 9 CHF million 148.8 192.0 Market capitalisation as at 31 December CHF million 1,024.7 889.9	No. of shares outstanding 6		5,130,099	5,049,179
Distribution 7 CHF 9.00 9.00 Nominal value per share CHF 29.00 38.00 NAV per outstanding share after options and CHF 190.45 180.29 convertible bond 8 Share price as at 31 December CHF 199.70 176.10 Dividend yield (distribution yield) 4.5 % 5.1 % Payout ratio 9 69% 64% Share capital CHF million 148.8 192.0 Market capitalisation as at 31 December CHF million 1,024.7 889.9	Earnings per share	CHF	13.01	14.09
Nominal value per share NAV per outstanding share after options and CHF Share price as at 31 December Dividend yield (distribution yield) Payout ratio 9 CHF million CHF million 148.8 192.0 Market capital CHF million CHF million 1,024.7 889.9	Earnings per share not including revaluation	CHF	8.70	12.51
NAV per outstanding share after options and convertible bond 8 Share price as at 31 December CHF 199.70 176.10 Dividend yield (distribution yield) 4.5 % 5.1 % 69% 64% Share capital CHF million 148.8 192.0 Market capitalisation as at 31 December CHF million 1,024.7 889.9	Distribution 7	CHF	9.00	9.00
Convertible bond 8 Share price as at 31 December Dividend yield (distribution yield) Payout ratio 9 CHF million 148.8 192.0 Market capitalisation as at 31 December CHF million 1,024.7 889.9	Nominal value per share	CHF	29.00	38.00
Share price as at 31 December CHF 199.70 176.10 Dividend yield (distribution yield) 4.5 % 5.1 % Payout ratio 9 69% 64% Share capital CHF million 148.8 192.0 Market capitalisation as at 31 December CHF million 1,024.7 889.9		CHF	190.45	180.29
Dividend yield (distribution yield) Payout ratio 9 CHF million Market capitalisation as at 31 December CHF million 1,024.7 889.9		CHF	199.70	176.10
Payout ratio 9 69% 64% Share capital CHF million 148.8 192.0 Market capitalisation as at 31 December CHF million 1,024.7 889.9				5.1 %
Market capitalisation as at 31 December CHF million 1,024.7 889.9	· · · · · · · · · · · · · · · · · · ·			
Market capitalisation as at 31 December CHF million 1,024.7 889.9	Share capital	CHF million	148.8	192.0
Equity as at 31 December CHF million 971.3 926.9		CHF million	1,024.7	889.9
	Equity as at 31 December	CHF million	971.3	926.9

¹ CHF 23.4 million of positive revaluation income derives from operating performance, CHF 16.0 million related to investment properties under construction and CHF 7.4 million came mainly from successful letting. A further CHF 5.7 million is attributable to market-driven changes in discount rates.

² Profit in relation to average equity (equity at 1 January plus capital increase/reduction) for the period under review.

³ Profit not including revaluation (and attributable deferred tax) in relation to average equity (equity at 1 January plus capital increase/reduction) for the period under review.

⁴ Change in headcount: see Note 28.

⁵ Net financial liabilities to equity.

 $^{^{6}}$ No. of shares in issue 5,131,170 less treasury shares 1,071 = no. of outstanding shares 5,130,099.

⁷ Distribution of paid-in capital for 2010 financial year of CHF 9 per share in accordance with proposal to General Meeting of 6 April 2011.

⁸ Assuming all options granted and conversion rights are exercised.

⁹ Payout ratio = distribution ÷ earnings per share



CONTENTS



Development property

Condominium

Horgen, "Visidea I" Stockerstrasse 40 – 42



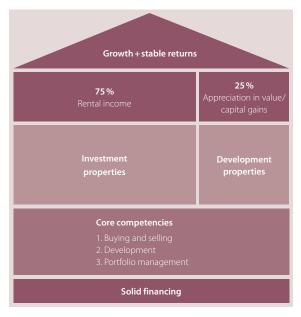
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Mobimo - a leading Swiss real estate company

Mobimo Holding AG was established in Lucerne in 1999 and has been listed on the SIX Swiss Exchange since 2005. Today Mobimo is one of the leading real estate companies in Switzerland. Following the merger with LO Holding Lausanne-Ouchy SA at the end of 2009, it now ranks as one of the biggest market players in both German-speaking and French-speaking Switzerland. Acquisitions and investments are targeted mainly in the economic areas of Zurich and Lausanne/Geneva and in the economic regions of Basel, Lucerne/Zug, Aarau and St. Gall.



Mobimo's business model sets it apart from its competitors.

Business model combines stable returns with growth

With a solid financing base and equity of not less than 40% of total assets, Mobimo plans, builds and maintains returnoriented investment properties and realises development properties offering attractive potential gains.

Based on its three core competencies – buying/selling, development and portfolio management – Mobimo has successfully built up a premium investment portfolio comprising commercial, industrial and residential properties and generating broad-based rental income with steady returns. A well stocked project pipeline provides a steady supply of new investment properties to be held in the portfolio and attractive condominium apartments which, when sold, will generate capital gains.

A premium portfolio

As at 31 December 2010, the real estate portfolio comprised 129 properties with a value of approximately CHF 2,012 million, which breaks down into CHF 1,335 million for investment properties and CHF 677 million for development properties. The portfolio mix is optimised on an ongoing basis, and the residential component is gradually being increased through the planning and construction of investment properties for the company's own property portfolio. The medium-term target is for office space, residential and other commercial usage to each account for around 30% of the portfolio.

Secure earnings

Around three-quarters of the property portfolio is invested in investment properties which are broadly diversified in terms of both location and use. The rentable area of 499,000m² provided potential rental income of some CHF 91 million p.a. as at 31 December 2010. This means that a high proportion of revenues are stable and predictable. The company's portfolio management team ensures close proximity to the market and allows the company to react swiftly to any changes in the market.

Development properties with appreciation potential

Mobimo is currently planning and realising investment and trading properties with an investment volume of roughly CHF 1,550 million, which includes the Mobimo Tower in West Zurich, the Group's biggest project at present.

Attractive distribution yield

Mobimo has consistently generated a high dividend. Since the initial public offering in 2005, CHF 9.00 has been paid out to Mobimo shareholders each year in the form of a withholding tax-exempt nominal value repayment. Over the past six years, the dividend yield (nominal value repayment) has consistently averaged in the region of 5 %, calculated on the basis of the relevant year-end share price.

GROUP STRUCTURE

Mobimo Holding AG

Share capital: CHF 148.8 million

BoD: Urs Ledermann, Daniel Crausaz, Brian Fischer, Bernard Guillelmon, Wilhelm Hansen, Paul Rambert, Peter Schaub, Paul Schnetzer, Georges Theiler

Executive Board: Dr. Christoph Caviezel, Manuel Itten,

Peter Grossenbacher, Andreas Hämmerli

External auditor: KPMG AG

Mobimo Management AG	Mobimo AG	Mobimo Finance Ltd.	LO Holding Lausanne-Ouchy SA	JJM Participations SA	O4Real AG
Share capital:	Share capital:	Share capital:	Share capital:	Share capital:	Share capital:
CHF 0.1 million	CHF 72 million	minimum capital	CHF 12 million	CHF 6 million	CHF 1 million

MILESTONES

1997

On 15 October 1997, Dr. Alfred Meili together with private banker Karl Reichmuth and other investors founded Mobimo AG, with its headquarters in Lucerne. The company's share capital was CHF 36 million, on top of which there was another CHF 36 million in the form of shareholder loans.

1999

Mobimo Holding AG, Lucerne, was founded on 27 December 1999. Its share capital amounted to CHF 73.1 million.

2000

Under a private placement in October 2000, Mobimo Holding AG's share capital was increased to CHF 181.1 million.

2005

On 23 June 2005, Mobimo Holding AG was listed on the SIX Swiss Exchange following a successful IPO, involving an issue volume of CHF 111.8 million.

2006

On 8 June 2006, Mobimo conducted a capital increase of CHF 143 million; at the end of June 2006, share capital amounted to CHF 225 million and shareholders' equity to CHF 596 million.

2007

A further capital increase of CHF 149.1 million took place on 4 June 2007. As at 30 June 2007, Mobimo's shareholders' equity stood at CHF 757 million.

2009

Mobimo Holding AG's exchange offer for LO Holding Lausanne-Ouchy SA was successfully completed on 9 November 2009; share capital was increased by CHF 26.9 million in order to carry out the exchange of shares.

2010

In June 2010, Mobimo Holding AG successfully completed a CHF 175 million convertible bond issue due on 30 June 2014.



















Urs Ledermann

Chairman of the Board of Directors

Member of the Real Estate Committee

Georges Theiler

Vice Chairman of the Board of Directors Member of the Real Estate Committee

Daniel Crausaz

Member of the Board of Directors

Member of the Audit & Risk Committee





Brian Fischer

Member of the Board of Directors

Member of the Audit & Risk Committee

Bernard Guillelmon

Member of the Board of Directors



Member of the Board of Directors

Member of the Audit & Risk Committee





Paul Rambert

Member of the Board of Directors

Member of the Real Estate Committee

Peter Schaub

Member of the Board of Directors Chairman of the Audit & Risk Committee

Paul Schnetzer

Member of the Board of Directors Chairman of the Real Estate Committee

Dr. Christoph Caviezel

Chairman of the Executive Board, CEO

Peter Grossenbacher

Member of the Executive Board, Head of Portfolio Management

Manuel Itten

Member of the Executive Board, CFO

Andreas Hämmerli

Member of the Executive Board, Head of Development

Qualitative growth

Mobimo strives to grow its real estate portfolio on a stepby-step basis. This growth takes place primarily through the construction of investment properties for the company's own portfolio as well as through the acquisition of individual properties or portfolios. Growth may also be secured via company takeovers.

The decision to grow is taken when the elements of price, location and future prospects come together in such a way as to create value for shareholders. Mobimo invests in promising locations in Switzerland. We see these primarily as the economic areas of Zurich and Lausanne/Geneva, together with those of Basel, Lucerne/Zug, Aarau and St. Gallen. Investments are only carried out in good locations.

Good portfolio mix

Over the medium term, the investment portfolio should comprise office, residential and other commercial properties, each accounting for around 30% of holdings.

Active portfolio management

The real estate portfolio is optimised and adjusted on an ongoing basis. Value is rigorously maintained and increased through the maintaining of relations with lessees, increases in the level of rental occupancy, cost optimisation and the implementation of effective marketing strategies.

Value through development

Real estate development focuses on three areas:

- the development, construction and sale of owneroccupied residential property
- the development and construction of investment properties for the company's own portfolio and for third parties
- the continued development and exploitation of proprietary real estate holdings

Following the continued expansion of real estate holdings, development properties now account for around one-quarter of the overall portfolio.

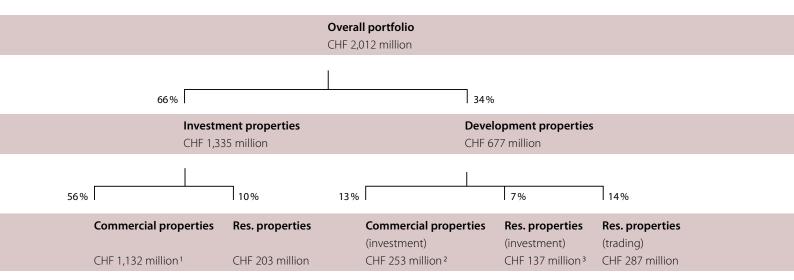
Solid financing

Mobimo can borrow on both a short- and long-term basis. Equity should amount to at least 40 % of total assets.

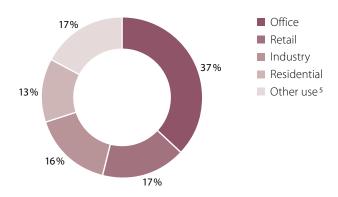
Profitable investment

The Mobimo share generates regular dividends. It is characterised by steady development in value and a high payout ratio.

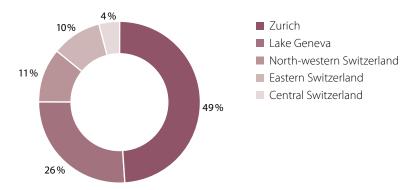
REAL ESTATE PORTFOLIO AS AT 31 DECEMBER 2010



PORTFOLIO MIX AS AT 31 DECEMBER 2010 4



BREAKDOWN OF PORTFOLIO BY ECONOMIC AREA 6



- ¹ Including properties in own use
- ² Including commercial property: Zurich, Turbinenstrasse, Hotel (Mobimo Tower); Aarau, Polygon; Lausanne, Place de l'Europe 6; and Lausanne, Rue de Genève 7 (investment properties under construction) as own-portfolio developments
- ³ Including residential properties: Horgen, Seestrasse 43–49/63-69; Lausanne, Beau-Séjour 8; and Zurich, Manessestrasse 190/192 (investment properties under construction) as own-portfolio developments
- ⁴ Breakdown of target rental income by type of use
- ⁵ Other use is mainly comprised of: hotels, catering outlets, car parks and ancillary uses.
- ⁶ Breakdown of market/carrying amounts of properties by economic area

I. Overview

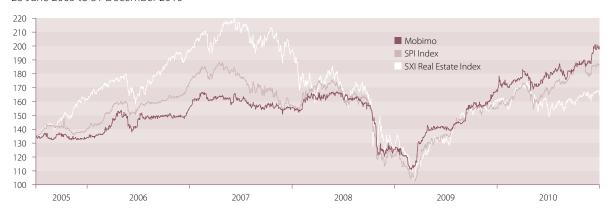
No. of shares

110. 0. 5.14.25					
No. of shares as at 31 December	2010	2009	2008	2007	2006
Share capital (in TCHF)	148,804	192,035	204,230	243,232	225,346
No. of registered shares issued	5,131,170	5,053,552	4,355,323	4,343,425	3,466,860
Nominal value per registered share (in CHF)	29	38	47	56	65
Of which treasury shares	1,071	4,373	10,000	0	0
No. of registered shares outstanding	5,130,099	5,049,179	4,345,323	4,343,425	3,466,860
Share data					
Ratios in CHF as at 31 December	2010	2009	2008	2007	2006
Earnings per share	13.01	14.09	10.37	12.88	12.62
Earnings per share not including revaluation	8.70	12.51	8.82	9.56	8.27
NAV per share, after options and convertible bond	190.45	180.29	177.37	178.95	175.91
Gross dividend ¹	9.00	9.00	9.00	9.00	9.00
Dividend yield (distribution yield)	4.5 %	5.1 %	6.4%	4.9 %	4.6%
Payout ratio ²	69%	64%	87 %	70 %	71 %
Share price					
Stock market price in CHF per share	2010	2009	2008	2007	2006
High ³	201.00	176.60	183.79	192.20	186.22
Low ³	175.90	116.30	126.29	166.16	162.09
Year-end price ³	199.70	176.10	141.50	182.00	198.00
Average no. of shares traded per day	6,780	5,920	3,370	3,047	3,137
Market capitalisation at year-end (in CHF million)	1,024,7	889.9	614.9	790.5	686.4

The registered shares of Mobimo Holding AG are traded in the main segment of the SIX Swiss Exchange in Zurich. Code: MOBN/Swiss security no.: 1110887/ISIN code: CH0011108872, Bloomberg: MOBN SW Equity/Reuters: MOBN.S The latest stock market data can be found at www.mobimo.ch

II. Share price performance

23 June 2005 to 31 December 2010



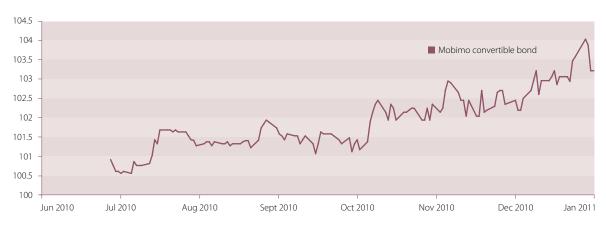
Mobimo's share price went up by 13.4% in 2010, rising from CHF 176.10 to CHF 199.70. Taking into account the distribution of CHF 9.00 per share in the form of a nominal value repayment on 12 August 2010, the Mobimo share achieved a total performance of 19% for the year as a whole. As at 31 December 2010, Mobimo's share price of CHF 199.70 was 5% above the diluted NAV (net asset value) of CHF 190.45. The liquidity of the Mobimo share and the trading volume remained positive. An average of 6,780 (prior year 5,920) shares were traded each day, generating daily revenues of around CHF 1.3 million (prior year TCHF 880). The Mobimo share generated total revenues of CHF 320 million (prior year CHF 230 million) on the SIX Swiss Exchange in 2010.

¹ Distribution of paid-in capital for 2010 financial year of CHF 9 per share in accordance with proposal to General Meeting of 6 April 2011. In previous years the dividend was paid out in the form of a nominal value repayment.

 $^{^{2}\;}$ Payout ratio = distribution \div earnings per share

³ Historical prices restated (source: Bloomberg)

III. Convertible bond



Source: Bloomberg

The convertible bonds of Mobimo Holding AG are traded on the SIX Swiss Exchange in Zurich in accordance with the Standard for Bonds. Code: MOB10/Swiss security no.: 11299133/ISIN code: CH0112991333, Bloomberg: MOBIMO Corp./Reuters: CH11299133

In June 2010, Mobimo successfully completed a CHF 175 million convertible bond issue with a coupon of 2.125 %, maturing in 2014, with a conversion price of CHF 210.37.

Published credit ratings for Mobimo: UBS: BBB stable; ZKB: BBB +.

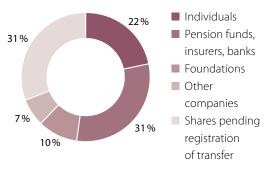
IV. Shareholders Significant shareholders

The following shareholders held more than 3 % of the share capital as at 31 December 2010:

Zuger Pensionskasse, 3.41 %, Family of Dr. Alfred Meili, 3.19%

Free float as at 31 December 2010 (as per SIX Swiss Exchange definition): 100%

Shareholder structure



V. Communication

Mobimo provides information on its business performance via annual and half-year reports prepared in English, German and French. Price-relevant facts are communicated via ad hoc notices.

Information on our company, the Mobimo share, key dates and answers to commonly asked questions can be found on the website www.mobimo.ch. The information is updated on an ongoing basis.

To protect the environment and keep costs down, print versions of Mobimo Holding AG's annual and half-year reports are only sent out by post upon request.

VI. Contact addresses and calendar

Mobimo Holding AG Dr. Christoph Caviezel, CEO Manuel Itten, CFO Tel. +41 44 397 11 86 ir@mobimo.ch

Share register

Tel. +41 44 809 58 58 info@sharecomm.ch

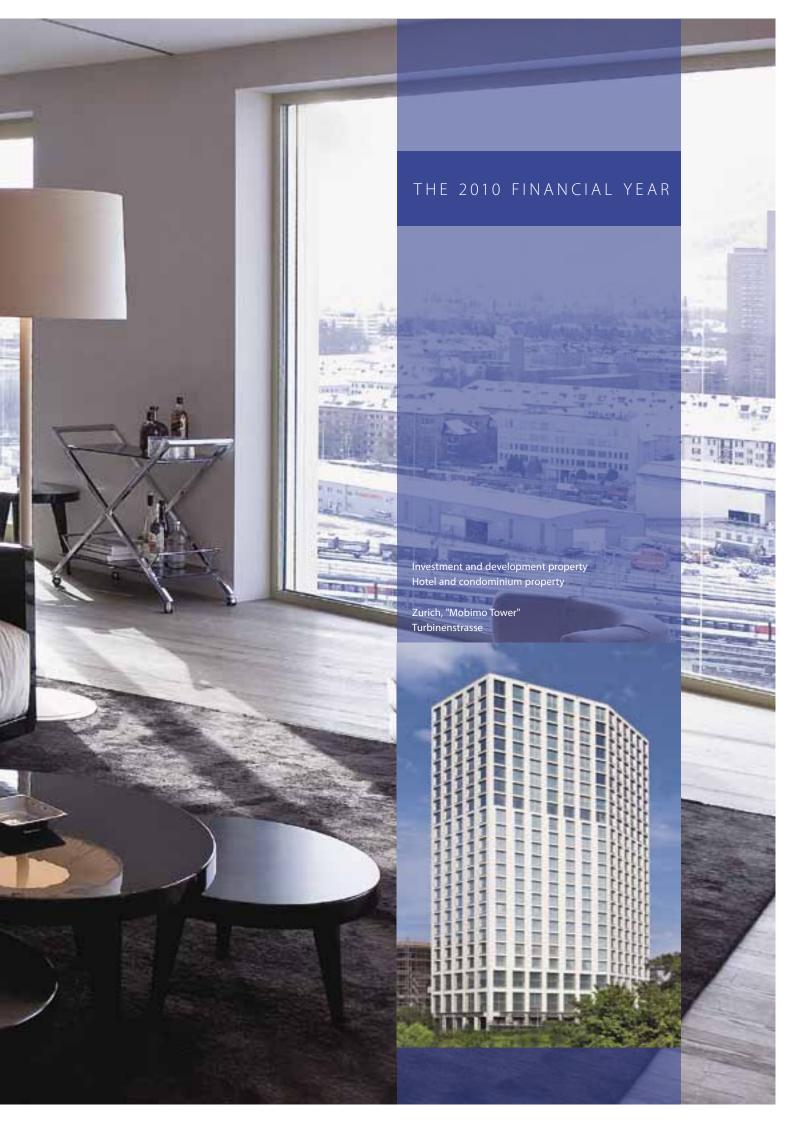
General Meeting 2011

6 April 2011, KKL Luzern

Financial reporting

2011 interim results: 25 August 2011





DEAR SHAREHOLDERS, LADIES AND GENTLEMEN,

We are delighted to present you with our Annual Report for 2010. In this Report, you will find information on how our company has performed, the progress we have made in achieving our strategic goals and on the events which will have a positive impact on our results over the next few years.

In 2010, Mobimo Mobimo achieved an operating profit of CHF 102.2 million (2009: CHF 98.5 million) and net profit of CHF 66.0 million (2009: CHF 62.6 million), with earnings per share at CHF 13.01 (2009: CHF 14.09). We therefore achieved our targets and are happy to be able to once again propose a dividend of nine Swiss francs per share (tax efficient for Swiss shareholders with shares held as part of personal assets).

Good but challenging market conditions

This solid result reflects the continued robustness of the Swiss real estate market. Demand for easily accessible and attractive office and commercial space and high-quality residential space in good locations remains high. In particular, the desire for home ownership remains as strong as ever. This is being supported by low mortgage interest rates and the comparatively minor impact in Switzerland of what is now the fading economic and financial crisis. With its range of attractive condominium properties and realistically priced rental space, Mobimo is very well positioned in the current market.

However, the office and commercial lettings and re-lettings market remains challenging. In spite of this, even for large spaces we continue to be able to either extend rental agreements or find new, solvent tenants on good terms before the end of the relevant notice periods. The "Le Flon" district of Lausanne, which was acquired by Mobimo as a result of its integration of LO Holding in 2009, also continues to attract new tenants.

The ample supply of office space in most parts of Switzerland has led to intense competition, which is making it more difficult to let vacant office and commercial space, particularly in older properties. In cases such as these, we are constantly examining and implementing development and conversion concepts that could lead to improved marketing of these properties. During the past year, for example, a former office building in Winterthur was converted into an attractive apartment building. A similar project is currently being planned in Regensdorf. The vacancy rate of our investment portfolio fell to a pleasing 5.1% (end 2009: 6.7%) and is likely to remain at around this level in 2011.

Rental income rose by 27% in 2010 to CHF 90.9 million, of which CHF 22.6 million or 25% derived from the first-time full consolidation of LO Holding.

As expected, profit on trading properties – i.e. from condominium sales – was well below the record high of the previous year, at CHF 8.4 million (2009: CHF 25.2 million). This reflected our shift in strategic focus away from condominium properties, which provide one-off capital gains on disposal, towards producing more new investment properties offering regular rental income. Mobimo is aiming to boost regular income from the rental of existing and new investment properties while also exploiting suitable opportunities for condominium development.

Mobimo well prepared for its next steps towards growth

In 2009 and 2010, Mobimo not only laid solid foundations for the next phase of organic growth, but also put the requisite development pipeline in place.

The merger with LO Holding in Lausanne has proved to be extremely fruitful in providing a platform for French-speaking Switzerland. Following a six-month integration period, the CEO role was taken over by Sonia Romano on 1 July 2010. Ms Romano already has more than ten years' experience with the Lausanne-based firm.

The most important components of our well-stocked pipeline include, in addition to LO Holding's expansion projects, the acquisition of the former Post Office site at Lausanne rail station, which was completed in the spring. A further important project is the development of the Torfeld site at Aarau rail station, whose design plan was approved by the local citizens' assembly in the summer of 2010. Finally, in October we acquired the ABC site in Zurich-West, which directly adjoins the Mobimo Tower site. We will build around 236 rental and condominium properties here over the next two years.

Adding value through development

As at the beginning of 2011, properties to the value of CHF 500 million are under construction, of which around CHF 260 million are intended for the investment portfolio and CHF 240 million for sale. In addition, the projects in the planning stage in the project pipeline involve further investments of over CHF 1 billion until 2015 (CHF 720 million investment portfolio; CHF 330 million condominiums). What all of these projects have in common is their excellent

location within the economic catchment areas of Zurich and Lausanne, in line with our strategy of raising the locational quality of our properties. In addition, the residential portion of the portfolio is expected to grow to around 20% by the end of 2011. Our portfolio, which comprised properties to the value of CHF 2,012 million at the end of the reporting period, is therefore likely to grow organically by around CHF 600 million over the foreseeable future. You can find out more about Mobimo's development business on pages 20–27.

Location and quality our top priorities

We are constantly increasing the quality of our investment portfolio through the construction of newbuilds. We implement new quality standards wherever possible, particularly as regards the efficiency efficiency of buildings. Investment in existing buildings can lead to reduced yields in the short term. However, in the medium and long term they play an important role in increasing the solidity and quality of our portfolio on a lasting basis. In parallel with this, we sell properties which no longer fit with our profile.

In terms of numbers, we bought around CHF 170 million in new properties, projects and sites, invested over CHF 100 million in developing new and existing properties and disposed of properties to the value of CHF 116 million in 2010.

This commitment to development was also reflected in our profitability. Our portfolio saw a revaluation gain of CHF 29.1 million in 2010. A significant proportion (CHF 16 million) of this came from the progress made in sites under construction such as the Mobimo Tower and the Beau-Séjour housing development in Lausanne. Another portion (CHF 7.4 million) derived from our operating performance, particularly the improvement in the level of rental occupancy of our investment portfolio. Lastly, gains of some CHF 5 million were achieved on disposals.

Mobimo continues to be solidly financed

The funds needed to realise our expansion plans are available. In June, Mobimo successfully placed a CHF 175 million convertible bond issue with a coupon of 2.125 %, maturing mid-2014, with a conversion price of CHF 210.37. This issue has significantly increased the financial scope open to the Group and has expanded Mobimo's investor base further. At the same time, as things stand today, raising this new capital via a convertible bond is an attractive option. The company's equity to total assets ratio of 45 % at year-end

remained well above the minimum level of 40 % laid down by the Board of Directors.

Profitable share

Mobimo's shares ended the year at CHF 199.70 at close of trading on 31 December 2010, which represents a premium of 5% to the NAV. This corresponds to a market capitalisation of CHF 1,025 million. Including the nominal value repayment of CHF 9.00, Mobimo shares achieved a total performance of 19% in 2010.

Outlook

We are optimistic for the 2011 financial year. Firstly we are expecting a significant rise in rental income due to the completion of large residential projects such as Beau-Séjour in Lausanne and the apartment complex in Horgen, which has recently been occupied, as well as from the opening of the hotel in the Mobimo Tower. Secondly, revenues from the property trading business should increase sharply in the second half of the year, primarily due to the transfer of ownership of the apartments in the Mobimo Tower, of which around half had already been sold by 31 December 2010. The main focus of our activities in 2011 will be the completion of construction projects, space marketing, condominium sales and the ongoing development of our well stocked project pipeline.

We would like to thank you, our shareholders, for the trust you continue to place in our company.

Urs Ledermann Chairman of the Board of Directors Dr. Christoph Caviezel Chief Executive Officer

MOBIMO RECORDS ANOTHER SOLID RESULT

Mobimo posted a solid result for the 2010 financial year and increased profit by 5% to CHF 66.0 million (2009: CHF 62.6 million; the 2009 result included a one-time effect of CHF 15.6 million relating to negative goodwill arising from the acquisition of LO Holding). Net rental income, which rose by 26% to CHF 79.2 million (2009: CHF 63.1 million), was a major contributor to this good result and reflects Mobimo's strategy of focusing increasingly on stable rental income from the investment business. The integration of LO Holding with its attractive investment properties made a significant contribution to this growth. Income from the sale of condominiums fell compared with previous year, as expected. This segment generated a profit of CHF 8.4 million (2009: CHF 25.2 million). Operating profit (EBIT) rose by 4% to CHF 102.2 million (2009: CHF 98.5 million) and therefore exceeded the CHF 100 million threshold for the first time ever.

The reported profit includes a revaluation gain of CHF 29.1 million (2009: CHF 9.3 million). The majority of the revaluation gains, CHF 16.0 million, can be attributed to properties under construction for the company's own property portfolio. The increase in rental income led to a further revaluation gain of CHF 7.5 million derived from operating performance. Finally, the average discount rate used in the revaluations fell slightly compared to the prior-year period from 4.98 % to 4.90 %, thus contributing CHF 5.6 million to the revaluation gain as a result of market conditions.

Profit not including revaluation and after tax was CHF 44.2 million, some 21% down on the prior-year figure of CHF 55.6 million (the 2009 result included a one-time effect of CHF 15.6 million relating to negative goodwill arising from the acquisition of LO Holding). The result achieved corresponds to earnings of CHF 13.01 per share (2009: CHF 14.09) and earnings before revaluation effects of CHF 8.70 per share (2009: CHF 12.51).

The total value of the portfolio exceeded the CHF 2 billion level during the reporting period for the first time, reaching CHF 2,012 million by the end of the year (2009: CHF 1,878 million). We also sold a number of properties, further increasing the quality of the portfolio. These sales also generated a profit of CHF 5.4 million.

Conservative financing structure with high equity level

Return on equity was 7.1%, down 0.9 percentage points from 8.0% in 2009, and return on equity before revaluation effects was 4.8% (2009: 7.1%). Mobimo continues to be

well capitalised with shareholders' equity of CHF 971.3 million and an equity to total assets ratio of 45 % (2009: 48 %). Mobimo's conservative financing approach is also reflected in its net gearing (ratio of net debt to shareholders' equity) of 92 % (2009: 89 %).

In order to fund its numerous projects and the expansion of its property portfolio, Mobimo successfully placed in the market a convertible bond in June 2010, with a maturity date of mid-2014, a coupon of 2.125% and a conversion price of CHF 210.37 per share (conversion premium of 13%). The bonds have a nominal value of CHF 5,000, are convertible into shares by 19 June 2014 and will be repaid at 100% (redemption price). At the same time, Mobimo took advantage of the low interest rate environment to fix its financial liabilities at lower rates. The average rate of interest on the financial liabilities fell to 2.9% (2009: 3.1%), while their average residual maturity remained unchanged at 5.1 years. Interest rates are likely to remain low in the immediate future, but rising interest rates are likely in the medium term. Mobimo is therefore protecting itself against rising interest rates.

Condominium sales normalising

After selling a record number of apartments last year, our property trading activities normalised in 2010 and fewer projects involving a transfer of ownership were completed. The main condominium sales were in the projects in Horgen, Stockerstrasse 40–42 (Visidea development), and in Winterthur, Museumstrasse 3. A total of 57 apartments were sold and ownership transferred to the buyer, and two pieces of land also transferred, generating a income of CHF 79.1 million and an average margin of 11 %.

In line with accounting rules, revenues can only be recognised when ownership of a property is transferred. Notarised sales agreements are in place for sales of other units where ownership has not yet been transferred. Mobimo is therefore anticipating additional income of around CHF 95.6 million in relation to notarised sales agreements, but this income will not be recognised in the income statement until after 2010.

The project pipeline continues to be well stocked. There are eight residential projects with a sales value of around CHF 324.5 million currently under construction or undergoing conversion.

- Adliswil, Wilacker I
- Adliswil, Wilacker II
- Adliswil, Wilacker III
- Horgen, Stockerstrasse 40 42 (Wiesental II)
- Wädenswil, Rötiboden
- Winterthur, Museumstrasse 3
- Zurich, Hinterbergstrasse
- Zurich, Turbinenstrasse trading property (Mobimo Tower)

Notarised sales agreements to the value of CHF 94.3 million had already been concluded in these newbuilds by the end of the period under review. The strategic principle that at least 30%-40% of all units should be sold before construction begins has therefore been complied with, underscoring Mobimo's impressive sales skills.

Rental income increasing further

Mobimo is aiming to continually increase its regular rental income. This approach remained successful in 2010 and net rental income rose by 25% to CHF 79.2 million (2009: CHF 63.1 million). This significant increase in rental income resulted from the first-time consolidation of LO Holding, which accounted for CHF 22.6 million. The vacancy rate for investment properties fell by 1.6 percentage points year-on-year to 5.1%. The average term remaining on rental agreements was 5.2 years at year-end and Mobimo's five largest tenants were:

- Swisscom Group
- Swiss Post
- Coop
- Rockwell Automation AG
- MIGROS Cooperative Association

The five largest tenants accounted for 21.9% of rental income.

Attractive development potential

Mobimo drives its growth through the targeted development of commercial and residential properties. Mobimo acquired two attractive sites in 2010. With the acquisition of O4Real AG in Lausanne in early 2010, Mobimo acquired a building complex with a rental area of 45,000m² on a 12,600 square metre site in an extremely central location near the rail station in Lausanne. In the autumn of 2010 a 18,540m² site in Zurich West (City West) was acquired from Coop Immobilien AG. The property is located immediately to the south of the Mobimo Tower site. At the same time an agreement was signed with Marazzi Generalunternehmung AG to develop and realise the three sites A, B and C. We plan to

construct some 236 apartments that conform to the Minergie energy conservation standard, 165 car parking spaces and around 1,500m² of commercial space here over the next two years.

These acquisitions have left Mobimo with an ample pipeline of development projects with a total investment value of some CHF 1.5 billion. We can already report marketing successes in most of the projects: as at 31 December 2010, 75% of apartments had been let in Rue Beau-Séjour, Lausanne, 44% at Rue de Genève 7, Lausanne, 100% in Europe 6, Lausanne, 99% at Seestrasse 43–49/63–69 in Horgen and 100% in the Mobimo Tower (hotel). This therefore opens up the possibility of further expanding the property portfolio by some CHF 600 million from its current volume of CHF 2 billion in the medium term.

Raising the quality of the investment portfolio

With a view to optimising the portfolio, eleven properties and smaller assignments were sold in 2010 for an overall price of CHF 116.7 million and a net profit of CHF 5.4 million. On average all of these properties were sold slightly above their market value.

The sale of these properties means that the potential target rental income of around CHF 8.5 million will no longer be collected. This effect will be more than offset by the additional potential rental income that will be generated by the numerous investment properties currently under construction. The following newbuilds for the company's own portfolio, offering potential rental income of around CHF 21 million, will be the main contributors in this regard:

- Aarau, Polygon
- Horgen, Seestrasse 43 49 / 63 69
- Lausanne, Place de l'Europe 6
- Lausanne, Rue de Genève 7
- Lausanne, Pépinière
- Zurich, City West C
- Zürich, Manessestrasse
- Zürich, Turbinenstrasse Hotel (Mobimo Tower)

ADDED VALUE THANKS TO BROAD-BASED DEVELOPMENT EXPERTISE

Development a cornerstone of our business model

Mobimo's property portfolio has grown significantly in recent years, not only in terms of size, but also in quality and thus in earnings potential. Development properties constitute an important component of this strategy and account for around a quarter of the overall property portfolio. Part of the properties we develop will be sold at a profit as condominiums, while new investment properties will be created from the remaining elements.

As we are increasingly developing for our own portfolio, regular rental income will rise in future, which will reduce the volatility of earnings. Although one-off capital gains will tend to be lower, the overall return may still increase, because the properties developed for the investment portfolio will offer both the opportunity for revaluation gains and annually recurring profits from rental.

In-house development offers additional advantages:

- Apartment sizes, floor plans and ceiling heights are designed in line with modern requirements. In the case of commercial usage, investments are only made once a rental agreement has been concluded.
- New, sustainable properties generate significantly lower maintenance and operating costs over time.

- Mobimo is relatively independent of the supply-driven market and cannot be enticed into purchasing expensive investment properties from third-party developers.
- Mobimo controls the construction process and hence costs, deadlines, quality and marketing.

Operating premises

Project development has many advantages. By designing our "own investments", we are able to obtain building costs at market prices and minimise our dependence on developers or other real estate producers. As Mobimo primarily develops properties for its own portfolio, it is in the Group's own interest to ensure that quality is as high as possible.

A high level of customer satisfaction is just as important to Mobimo, as satisfied customers are some of the best ambassadors. Sustainable products are an important part of our success. Mobimo takes a holistic approach, integrating environmental, economic, socio-cultural, functional and technical parameters. However, solid, competent work and loyal partners are also important in the success of a project. All in all, this approach creates value – both for customers and for Mobimo's shareholders.

DEVELOPMENT AND CONSTRUCTION OF INVESTMENT PROPERTIES FOR THE COMPANY'S OWN PORTFOLIO

Project pipeline

Investment properties under construction

Project pipeline

Investment properties in planning

DEVELOPMENT, CONSTRUCTION AND SALE OF CONDOMINIUMS

Project pipeline

Condominiums under construction

Project pipeline

Condominiums in planning

FURTHER DEVELOPMENT AND EXPLOITATION OF COMPANY'S OWN PROPERTY PORTFOLIO

Transformations, conversions, renovations, maintenance

Creation of high-quality investment and trading properties

Four-part process

Mobimo develops both investment properties and condominium properties for sale. Both activities break down into four phases. First, new objects are identified and purchased and a marketable product which adds value is developed. Next comes the development phase itself, which covers the period from planning up to the beginning of construction. The third element is the production phase, during which the product idea is implemented to high-quality standards subject to the predefined cost targets. In the final step, the investment properties are marketed or the apartments are sold as condominiums.

Expansion of the investment portfolio

In its investment properties business, Mobimo plans, produces and maintains properties in order to continually stock the portfolio with new properties in the three segments of office, residential and industry/retail. The basic requirement is to be able to achieve a gross yield of over 5 %. In order to reach this target, we normally prefer centrally located, well connected urban sites in well established neighbourhoods. Location is therefore the highest priority in the acquisition of new projects. The development department is also responsible for the the short- and medium-term planning of the existing property portfolio and for the planning and realisation of transformation and repositioning projects for our own properties.

In-house property management

Investment properties are looked after by an in-house team, ensuring constant portfolio optimisation and increased rental occupancy. This proximity to both the market and tenants, coupled with hands-on management, allows Mobimo to achieve its aim of preserving and increasing the value of its portfolio.

Construction and sale of condominiums

Mobimo will continue to construct condominium apartments. Our general principle is that construction should not begin until over 30% of the available units have been sold, providing increased certainty of planning. Selling the units at an early stage facilitates not only the best returns on the residential units, but also on the building land. We aim for an overall gross margin of at least 12%.

Attractive pipeline

Mobimo is currently planning and building development projects with a value of around CHF 1.5 billion. Some CHF 260 million of this figure relates to investment properties under construction in Zurich (Manessestrasse and hotel in the Mobimo Tower) and Lausanne (Rue de Genève and Rue Beau-Séjour). Condominium projects with a value of CHF 240 million are under construction at four locations: Adliswil (Wilacker), Wädenswil (Rötibodenstrasse), Winterthur (Museumstrasse) and Zurich-West (apartments in the Mobimo Tower). Further investments worth a total of over CHF 1 billion are also planned for the next five years and protected under property law. Around CHF 720 million relates to investment properties and some CHF 330 million to condominiums. The planned projects will only proceed if financing and marketing indicate that a profit is guaranteed.





CASE STUDY HORGEN

Project "Holzbach" (investment property)

Holzbach contains 80 rental apartments whose motto is "living by the water's edge". The Holzbach brook flows through the development and the site is just a stone's throw from the banks of Lake Zurich. The Holzbach development is designed in a very open and communicative style and includes a number of communal areas for residents to meet and relax together. The architecture is modern and contemporary. All the apartments in the development cover three sides of each floor. When the development was completed, all the apartments had been let.

Start of building October 2008 Ready to occupy July 2010

On offer 80 apartments; 2.5 to 5.5 rooms;

mostly 3.5 and 4.5 rooms

Project "Visidea" (condominiums)

This development with a total of 47 apartments captivates with its clean lines and modern architecture combined with fine views of the lake and a central location. Each apartment benefits from two generous balconies and well designed floorplans, which enable contemporary living. Almost all the apartments had been sold at the end of December 2010.

Start of building October 2008 Ready to occupy May 2010

On offer 47 apartments; 2.5 to 6.5 rooms;

mostly 3.5 and 4.5 rooms

Project "Sto54" (condominiums)

Four unusual condominium apartments in an elevated location with fantastic views of the lake and the surrounding countryside. The generously-sized apartments stand out for their brightness, use of space and the covered and protected balconies facing the lake. Three out of four apartments sold very quickly.

Start of building November 2008 Ready to occupy July 2010

On offer 4 apartments between 4.5 and 5.5 rooms;

mostly 4.5 rooms

Project "Wisental" (condominiums)

Forty-three attractive condominium apartments which comply with the Minergie standard are to be built on the "Wisental" site. The architects atelier ww have emulated the architectural language of the Visidea project. This creates a harmonious environment in keeping with the site's parklike character. Imaginative floor plans and a high standard of furnishing give the modern apartments an exclusive feel. Sales of the apartments are expected to commence in the spring of 2011.

Start of building approx. June 2011 Ready to occupy approx. mid-2013

On offer 43 apartments between 2.5

and 5.5 rooms

CASE STUDY CITY WEST IN ZURICH

Popular Zurich West district needs residential space

The area around Escher-Wyss-Platz and along Pfingst-weidstrasse plays an important part in the urban development plans of the city of Zurich. The Zurich municipal authorities expect several thousand jobs to be created in this area in the coming years. At the same time, the apartment vacancy rate in the city of Zurich is exceptionally low (0.7% in June 2010). This makes it attractive to launch new residential projects in the up-and-coming Zurich West (City West) district.

Mobimo owns an 18,540m² plot in Zurich West (City West) immediately to the south of the Mobimo Tower site. An agreement has been signed with Marazzi Generalunternehmung AG to realise jointly developed projects on the A, B and C sites. This will involve investments of around CHF 200 million.

Site A and B (condominiums)

Mobimo will construct around 140 condominium apartments on sites A and B and sell them in the mid-range price segment. There is a lack of alternatives available in this segment in particular, as most of the condominium projects currently in progress are in the upper price segment.

Sales launch May 2011

Start of building approx. October 2011 Ready to occupy approx. October 2013

On offer 140 apartments; 2.5 – 4.5 rooms

Site C (investment property)

Mobimo will build around 96 rental apartments on site C. By realising these rental apartments for its investment portfolio, Mobimo is continuing its planned strategic expansion of the residential component of the portfolio.

Start of building approx. June 2011 Ready to occupy approx. June 2013

On offer 96 apartments; 2.5 – 4.5 rooms















1.1 CONSOLIDATED BALANCE SHEET

All amounts in TCHF	Note	31. 12. 2010	31. 12. 2009
Assets			
Current assets			
Cash	2	92,773	27,407
Trade receivables	3	5,705	5,079
Derivative financial instruments	12	180	0
Other receivables	4	16,865	11,937
Trading properties	5	286,837	254,805
Accrued income and prepaid expenses	6	3,009	575
Assets held for sale	11	1,367	0
Total current assets		406,736	299,803
Non-current assets			
Investment properties			
– Commercial properties	7	1,234,893	1,232,806
– Residential properties	7	202,829	135,007
– Investment properties under construction	7	270,946	237,785
Property, plant and equipment			
– Owner occupied properties	8	16,409	17,107
– Other property, plant and equipment	8	875	1,052
Intangible assets	9	11,099	382
Investments in associates	10	17,841	15,297
Financial assets	11	2,952	8,765
Total non-current assets		1,757,844	1,648,201
Total assets		2,164,580	1,948,004

All amounts in TCHF	Note	31. 12. 2010	31. 12. 2009
Equity and liabilities			
Liabilities			
Current liabilities			
Current financial liabilities	12	168,996	171,342
Trade payables	13	13,929	11,404
Current tax liabilities		35,725	30,501
Derivative financial instruments	12	93	420
Other payables	14	2,177	4,708
Advance payments from buyers	15	25,158	6,957
Accrued expenses and deferred income	16	19,921	20,086
Total current liabilities		265,998	245,418
Non-current liabilities			
Non-current financial liabilities	12	815,131	674,589
Employee benefit obligation	17	2,310	2,309
Derivative financial instruments	12	8,311	6,030
Deferred tax liabilities	18	101,490	92,772
Total non-current liabilities		927,242	775,700
Total liabilities		1,193,240	1,021,118
Equity			
Share capital		148,804	192,035
Treasury shares		-183	-721
Capital reserves		391,269	370,242
Retained earnings		431,450	363,799
Total equity attributable to the shareholders of Mobimo Holding AG		971,339	925,355
. , ,		,	,
Attributable to minority interests		1	1,531
Total equity		971,340	926,886
Total equity and liabilities		2,164,580	1,948,004
rotal equity and nabilities		2,104,300	1,540,004

1.2.1 CONSOLIDATED INCOME STATEMENT

All amounts in TCHF	Note	2010	2009
Income from sale of trading properties	21	79,068	182,296
Expenses from sale of trading properties	22	-70,673	-157,073
Profit on sale of trading properties		8,395	25,223
Income from rental of properties	23	90,945	71,762
Direct expenses for rented properties	24	-11,743	-8,622
Net rental income		79,202	63,140
Gains from revaluation of investment properties		39,728	19,072
Losses on revaluation of investment properties		-10,597	-9,753
Net income from revaluation	25	29,132	9,319
Profit on sale of investment properties	26	5,437	1,690
Negative goodwill from acquisition of LO Holding Lausanne-Ouchy SA	1	0	15,633
Other income	27	6 589	4 079
Personnel expenses	28	-17,717	-14,005
Operating expenses	29	-4,575	-3,773
Administrative expenses	30	-2,940	-1,743
Earnings before interest, tax, depreciation and amortisation (EBITDA)		103,523	99,563
Lamings before interest, tax, depreciation and amortisation (EDITON)		103,323	77,303
Depreciation and amortisation	31	-1,372	-1,110
Earnings before interest and tax (EBIT)		102,151	98,453
Share of profit of associates		2,544	344
Financial income	32	652	592
Financial expense	32	-27,397	-20,822
Earnings before tax (EBT)		77,949	78,567
Tax expense	33	-11,942	-16,008
тах схрстве	33	11,272	10,000
Profit		66,007	62,559
Of which attributable to the shareholders of Mobimo Holding AG		65,995	62,549
Of which attributable to minority interests		12	10
EBITDA not including revaluation		74,391	90,244
Operating result (EBIT) not including revaluation		73,019	89,134
Earnings before tax (EBT) not including revaluation		48,817	69,248
Profit after tax not including revaluation (and attributable deferred tax)	20	44,158	55,559
Earnings pay share in CHE			
Earnings per share in CHF - including revaluation	20	13.01	14.09
- not including revaluation (and attributable deferred tax)	20	8.70	12.51
Diluted earnings per share in CHF			
- including revaluation	20	12.21	13.85
– not including revaluation (and attributable deferred tax)	20	8.29	12.30

1.2.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All amounts in TCHF	2010	2009
Profit	66,007	62,559
Cash flow hedges		
– Transfer to income statement	-323	-310
– Tax effect	71	68
Adjustment in market value AFS financial assets	975	0
Other comprehensive income/loss	724	-242
Total comprehensive income	66,731	62,317
– of which attributable to the shareholders of Mobimo Holding AG	66,719	62,307
– of which attributable to minority interests	12	10

1.3 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

				Market		Other	Total	Equity attributable to		
	Share	Treasury	Capital	value	Hedging	retained	retained	the shareholders of	Minority	Total
All amounts in TCHF	capital		reserves	reserve	reserve	earnings		Mobimo Holding AG		equity
7(II diffourits III TCI II	Сарітаі	3110103	16361 V63	reserve	Teserve	earrings	earrings	Mobilito Holding Ad	IIIterests	equity
As at 1 January 2009	204,230	-1,605	281,073	0	1,444	299,087	300,531	784,229		784,229
Profit 2009						62,549	62,549	62,549	10	62,559
Cash flow hedges										
– Transfer to										
income statement 2					-310		-310	-310		-310
Tax effect					68		68	68		68
Other comprehensive										
income/loss	0	0	0	0	-242	0	-242	-242		-242
Total comprehensive										
income/loss	0	0	0	0	-242	62,549	62,307	62,307	10	62,317
Nominal value repayment	-39,108	90						-39,018		-39,018
Capital increase	26,913	-683	88,977					115,207		115,207
Share-based payments		397	15			195	195	607		607
Current tax impact			47			766	766	813		813
Acquisition of treasury shares		-348						-348		-348
Disposal of treasury shares		1,062	58					1,120		1,120
Minority interests								<u>·</u>		
arising from acquisition									1,958	1,958
Purchase of minority interests		366	71					437	-437	0
As at 31 December 2009	192,035	-721	370,242	0	1,202	362,597	363,799	925,355	1,531	926,886
As at 1 January 2010	192,035	-721	370,242	0	1,202	362,597	363,799	925,355	1,531	926,886
Profit 2010			-			65,995	65,995	65,995	12	66,007
Cash flow hedges:								·		
- Transfer to										
income statement ²					-323		-323	-323		-323
Tax effect					71		71	71		71
Adjustment in market value										
AFS financial assets				975			975	975		975
Other comprehensive										
income/loss	0	0	0	975	-252	0	724	724		724
Total comprehensive										
income/loss	0	0	0	975	-252	65,995	66,719	66,719	12	66,731
Nominal value										
repayment	-45,725	10						-45,715		-45,715
Capital increase	2,494							2,494		2,494
Convertible bond	· · · · · · · · · · · · · · · · · · ·		4,001					4,001		4,001
Tax effect			-603					-603		-603
Share-based										
payments:										
– Board of Directors and										
management		285	2			933	933	1,221		1,221
 Acquisition of property¹ 		799	17,467					18,266		18,266
Acquisition of treasury shares		-1,939						-1,939		-1,939
Purchase of minority interests		1,287	10					1,297	-1,297	0
Squeeze-out of										
and the market of the Annual A										
minority interests			245					245	- 245	0
Share conversion after			245					245	-245	0
*		95	245 -95					245	-245	0

¹ The purchase of the property Place de la Gare, Avenue d'Ouchy 4–6 in Lausanne is described in Note 19.

 $^{^{\}rm 2}$ The cash flow hedges are described in Note 12 Financial liabilities.

1.4 CONSOLIDATED CASH FLOW STATEMENT

All amounts in TCHF	Note	2010	2009
		770.40	70.567
Earnings before tax		77,949	78,567
Negative goodwill from acquisition of LO Holding Lausanne-Ouchy SA	1	0	-15,633
Net gains from revaluation of investment properties	25	-29,132	-9,319
Share-based payments	37	1,221	607
Depreciation on property, plant and equipment	31	1,097	913
Amortisation of intangible assets	31	274	197
Profit on sale of investment properties	26	-5,437	-1,690
Loss on sales of property, plant and equipment	27	16	(
Share of profit of associates	10	-2,544	-344
Financial result	32	26,746	20,230
Change			
Trade receivables		-626	571
Trading properties		-29,058	61,389
Other receivables and accrued income and prepaid expenses		-5,894	-3,063
Employee benefit obligation		1	25
Trade payables		2,510	-2,313
Advance payments from buyers		18,201	-15,047
Other current liabilities and accrued expenses and deferred income		-8,159	8,302
Income tax paid		-3,670	-3,582
Net cash from operating activities		43,495	119,810
Cash increases from asset deal		733	
Investments in financial assets	11	-5	-2,660
Acquisition of subsidiaries, net of cash acquired	1	0	-23,149
Acquisition of investment properties	7	-96,199	-81,88
Acquisition of property, plant and equipment	8	-249	-100
Acquisition of intangible assets	9	-10,984	-26
Disposal of financial assets	11	5,426	420
Disposal of maintain assets Disposal of property, plant and equipment	8	10	(
Disposal of investment properties	7	114,158	39,64
Dividends received	,	102	80
Interest received		370	464
merestreedved		370	10
Net cash used in investing activities		13,362	-67,437
Proceeds from financial liabilities		319,659	151,49
Repayment of financial liabilities		-409,802	-129,79
Proceeds from convertible bond	19	171,179	(
Net cash from capital increases	19	2,494	(
Share capital nominal value repayment	19	-45,715	-39,018
Acquisition of treasury shares	19	-1,939	-348
Disposal of treasury shares	19	0	1,120
Interest paid		-27,367	-20,008
Net cash used in/from financing activities		8,509	-36,560
Increase/decrease in cash		65,366	15,813
microse/decrease iii casii		05,500	13,013
Cash at beginning of reporting period		27,407	11,594
Cash at end of reporting period		92,773	27,407

1.5 NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

1.5.1 Business activities

The Mobimo Group is a real estate company which operates exclusively in Switzerland. Its business activities consist of the long-term holding and managing of commercial, industrial and residential properties, the construction and selling of condominium properties and the development of commercial and residential properties.

The parent company is Mobimo Holding AG, a public limited company under Swiss law, head-quartered in Lucerne and listed on the SIX Swiss Exchange.

1.5.2 Group accounting policies

General information

The consolidated annual financial statements of Mobimo Holding AG are prepared in accordance with International Financial Reporting Standards (IFRS) and comply with legislation in Switzerland as well as with Article 17 of the Directive on Financial Reporting issued by the SIX Swiss Exchange.

Consolidation takes place on the basis of the individual annual financial statements from the Group companies. These statements are audited and drawn up in accordance with standardised guidelines. The balance sheet date is 31 December.

All amounts contained in the consolidated annual financial statements are shown in thousands of Swiss francs (TCHF), unless stated otherwise.

The consolidated annual financial statements have been prepared on the historical cost basis, with the exception of investment properties, investment properties under construction, derivatives and financial assets available for sale. These are measured at market value.

Use of estimates and assumptions and the application of judgement

In preparing the consolidated annual financial statements in accordance with IFRS, management is required to make estimates and assumptions and apply its judgement in its application of the accounting policies. This can influence reported income, expenses, assets, liabilities and contingent assets and liabilities at the time the statements are drawn up. The estimates and assumptions used are based on past experience as well as on other factors which appear plausible at that specific point in time. If actual results in the future differ from such estimates and assumptions, the initial estimates and assumptions will be adjusted in the applicable reporting period.

The main estimates and assumptions used in the measurement of assets and liabilities are described below.

Estimates and assumptions

Market values of investment properties

Mobimo holds investment properties with a carrying amount of CHF 1,709 million. The properties are measured at market value, determined on the basis of the DCF method. This method is itself based on various estimates and assumptions, which are set out in the accounting policy applicable to the properties.

A sensitivity analysis checks the impact of a reduction or increase in discount rates as part of the DCF measurement. A general reduction in the discount rate of 0.25% (average discount rate as at 31 December 2010 4.90%) would increase the market value of the investment properties as at 31 December 2010 by 5.0% or CHF 86 million. A general increase in the discount rate of 0.25% would reduce the current market value of the investment properties as at 31 December 2010 by 4.6% or CHF 78 million.

Estimates of construction costs of trading properties

Mobimo has ongoing building projects (trading properties) of CHF 287 million; the luxury apartments in the Mobimo Tower currently account for the largest share of this amount, in terms of value, at CHF 117 million. Ongoing projects are measured on the basis of the financial forecasts for the individual projects. Allowances are made for loss-making projects as soon as losses become visible. Budgeted overall costs and planned sales prices are determined on the basis of various factors and assumptions. These include past experience, project specifications for the properties, benchmark values for construction costs and other relevant factors such as the planned construction period. Financial forecasts are reviewed on an ongoing basis and adjusted where necessary.

If actual building costs and sales proceeds differ from the planned figures or if unexpected developments during the construction period make an adjustment of the investment plan necessary, an adjustment in carrying values, i.e. an adjustment in valuation allowances for loss-making projects, may become necessary.

Income taxes

Mobimo has deferred tax liabilities of CHF 101 million. Deferred taxes are almost exclusively attributable to valuation differences in respect of investment properties and investment properties under construction.

The taxation of gains from the disposal of properties is subject to a special property gains tax in various cantons. The tax rates applied depend on the length of time the property is held and can vary significantly.

In the calculation of deferred taxes on investment properties, a residual holding period is estimated for each property. Should the actual holding period for a property deviate from the estimated holding period, the amount of tax applicable at the time the property is sold may vary considerably from the deferred tax estimated.

Various property gains tax amounts due on property sales in the current and previous periods are not yet definitive as at the financial reporting date. If the definitive amounts involved are not the same as the initial calculations, this may have a material effect on the tax expense for future periods.

In August 2010, a ruling was issued at the Administrative Court of the canton of Zurich in connection with these assessments. The ruling is now pending due to an appeal to the Swiss Federal Supreme Court.

Changes in accounting policies

Mobimo has applied the following new or revised standards and interpretations for the first time in its consolidated annual financial statements for 2010.

Standard/Interpretation:

- IFRS 3 rev. Business Combinations
- IAS 27 rev. Consolidated and Separate Financial Statements
- Various amendments to IFRSs (Improvements April 2009)
- Amendments to IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items
- Amendments to IFRS 2 Group Cash-settled Share-based Payment Transactions
- IFRIC 17 Distributions of Non-cash Assets to Owners

These changes had no impact on the consolidated annual financial statements for 2010.

The following new and amended standards and interpretations have been approved, but will not take effect until a later date and have not been

applied in advance in these consolidated annual financial statements. The impact on Mobimo's consolidated annual financial statements has not

yet been systematically analysed; this means that the information provided is merely an initial estimate from Group management.

Standard/Interpretation			Entry into force	Planned application
				by Mobimo (financial year)
Amendment to IAS 32 –	Presentation – Classification of Rights Issues	*	1 February 2010	2011 financial year
Financial Instruments				
IFRIC 19	Extinguishing Financial Liabilities with Equity	*	1 July 2010	2011 financial year
	Instruments			
IAS 24 (rev. 2009)	Related Party	*	1 January 2011	2011 financial year
	Disclosures			
Amendments to IFRIC 14	IAS 19 - The Limit on a Defined Benefit Asset,	*	1 January 2011	2011 financial year
	Minimum Funding Requirements and their			
	Interaction – Prepayments of a Minimum Funding			
	Requirement			
Amendments to IFRSs (May 2010)			1 July 2010	2011 financial year
			1 January 2011	
Amendment to IFRS 7	Disclosures – Financial Instruments	*	1 July 2011	2012 financial year
Amendment to IAS 12 – Deferred Tax	Recovery of Underlying Assets	*	1 January 2012	2012 financial year
IFRS 9	Financial Instruments:	**	1 January 2013	2013 financial year
	Classification and Measurement			

Scope of consolidation and consolidation methods

Consolidated annual financial statements comprise all companies where Mobimo Holding AG has either direct or indirect control. Control means the exertion of a significant influence on the financial and operating policies of an entity so as to obtain benefits from its activities. This is the case if the Group holds more than 50% of voting rights in a company or if executive management is exercised either under a statute or agreement or on a de facto basis (see Scope of consolidation in Note 42). Group companies acquired or divested during the course of a year are consolidated from the date on which control is acquired or deconsolidated from the date on which control ceases. For fully consolidated companies, assets and liabilities as well as expenses and incomes are taken over on a 100% basis using the full consolidation method. All intragroup transactions and relationships as well as profit on intragroup transactions and balances are eliminated. Unrealised losses on intragroup transactions are also eliminated, unless there is evidence of an impairment.

Capital is consolidated at the time of acquisition using the purchase method. The purchase price of the acquired company is determined on the basis of the total market value of the acquired assets, the liabilities incurred or assumed and the equity instruments issued by the company. Transaction costs arising in connection with a company acquisition are recognised in profit or loss. Goodwill arising from a company acquisition is recognised as an asset. It corresponds to the excess of the sum of the purchase price, the contribution of the minority interests to the acquired company and the market value of the equity already owned over net assets, liabilities and contingent liabilities measured at market value. A particular option may be selected for each transaction when valuing the amount attributable to the minority interests. They may be valued either at market value or as the proportion of the minority interests in the market value of the net assets acquired. In the case of a negative difference, the remaining balance is immediately recognised in profit or loss following a further assessment of the market value of the net assets acquired. Goodwill is subject to an impairment test at least once a year, or sooner if there are indications of a decrease in value.

Minority interests are shown separately from the Group's equity. Changes in the interest that do not lead to loss of control are treated as equity transactions with owners. Any difference between the purchase price paid or the consideration received and the amount by which the minority interests are being adjusted is recognised directly in equity.

Ownership interests of between 20% and 50% in companies which Mobimo exerts a significant influence over but does not control as well as shares in joint ventures are accounted for using the equity method and recognised separately in the balance sheet. The market value of the pro-rata net assets is determined at the time of acquisition and recognised in the balance sheet together with any goodwill under Investments in associates. In subsequent reporting periods, this figure will be adjusted to reflect Mobimo's share of the additional capital and the profits generated, as well as any dividends.

- * No impact or no significant impact expected on Mobimo's consolidated annual financial statements.
- ** Impact on Mobimo's consolidated annual financial statements has not yet been reliably determined to a sufficient degree.

Ownership interests of below 20% are classified as financial assets 'available for sale' and recognised in the balance sheet at market value. Changes in market value are recognised in equity, not as income.

Foreign currency translation

The foreign currency positions contained in the individual statements from consolidated companies are translated as follows:

Foreign currency transactions are translated into Swiss francs and recognised at the exchange rate valid on the day of the transaction. Monetary assets and liabilities denominated in foreign currency are translated in the balance sheet at the closing rate. Exchange rate differences arising from retranslations or new valuations of foreign currency positions on the financial reporting date are recognised through profit or loss.

At at end 2010 Mobimo held no assets or liabilities in foreign currencies. All subsidiaries present their annual financial statements in Swiss francs, which means that consolidation produces no exchange differences.

Cash

Cash comprises cash in hand and call deposits with banks as well as fixed-term deposits with banks and short-term money market investments with a term of up to 90 days from the time of acquisition. These are reflected at nominal value.

Receivables

Receivables are measured at amortised cost, which generally equates to the nominal value, minus any necessary allowances for non-collectible receivables. Allowances are individual allowances for specifically identified positions where there are objective indications that the outstanding amount will not be collected in full.

A valuation allowance is calculated as the difference between the carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate. Valuation allowances are reversed if the increase in the recoverable value can be attributed to an event which occurred in a period following recognition of the impairment.

Trading properties

The category "Trading properties" includes properties for conversion as well as new-builds where Mobimo takes over production of condominium property in order to subsequently sell it.

Trading properties are measured at the lower of cost or market. With loss-making properties, provisions are created immediately for the final loss expected.

Investment properties

Commercial, residential and investment properties under construction

These properties are classified as investment properties under IAS 40. They are properties which have been either acquired or built by the company and which will be held and managed over a substantial period of time.

Land held for undetermined future use, investment properties under construction and properties which are being converted, renovated or developed are also classified as investment properties. These properties are initially recognised at cost including directly attributable transaction costs. After initial recognition, they are measured at market value. To this end, independent property experts Wüest & Partner conduct a valuation as at the financial reporting date. Market values are determined using the DCF method (Discounted Cash Flow). The procedure for determining market values using the DCF method is as follows: Market values do not take account of any real estate sales tax, real property gains tax or value added tax, nor do they take account of any other costs or commissions due upon any property sale. With the exception of investment properties under construction, neither future investments to enhance value nor any related additional income arising from such investments are factored in. Rental income, operating and maintenance costs, refurbishment costs and the discount rate are based on the following assumptions:

Rental income

Rents are factored into valuations on the basis of current rents and contractually agreed conditions. With leases of limited duration, the period following expiry of the lease is accounted for using the potential collectible rental income, from the current perspective, over the long term. Potential rental income in line with the market is determined on the basis of the most recent leases concluded either for the property concerned or for comparable properties in the vicinity of the property concerned as well as on the comprehensive real estate market research carried out by Wüest & Partner. Lessee options to extend a lease are taken into account when actual rents are less than the market rents determined. Rental properties that are currently vacant are incorporated into the valuation taking account of periods for finding new tenants customary for the market.

Operating and maintenance costs

Operating and maintenance costs are determined using figures from the past, the budgets approved by Mobimo and benchmarking values from Wüest & Partner.

Refurbishment costs

Refurbishment costs aimed at preserving the value of a property are determined using investment plans and construction cost analysis tools.

Discounting

Discounting is carried out for each property in accordance with location and property-specific criteria. These reflect both the location-relevant features of the macro and micro situation as well as the fundamental parameters of the current management situation. The discounting rates applied are subject to empirical measurement and verification using known change of ownership and transaction data.

Investments and revaluation

Replacement and additional investments are capitalised in properties' carrying amounts if it is likely that Mobimo will derive economic benefits from them in the future

The change in market values is reflected in profit or loss. Any deferred tax liabilities or assets are stated in the income statement as tax expense or tax income. Investment properties are not depreciated.

Property, plant and equipment

Property, plant and equipment and owner occupied properties are measured at cost minus accumulated depreciation and any accumulated impairment losses.

Components of an item of property, plant and equipment with different useful lives are recognised individually and depreciated separately.

Subsequent investments are capitalised in the carrying amount of property, plant and equipment if it is likely that Mobimo will derive economic benefits from this in the future. Maintenance and renovation costs are charged to the income statement.

Property, plant and equipment is depreciated using the straight-line method over the shorter of its estimated useful life or the term of the lease.

Useful life is as follows:

Buildings	50 years
Interior fixtures and fittings	15 years
Technical equipment	15 years
Office furnishings	8 years
Office equipment	5 years
Telephone installations	5 years
Vehicles	4 years
Hardware	3 years

Leasing

Assets and liabilities from leasing agreements are recognised in the balance sheet as finance leases if the risks and rewards incident to ownership are transferred substantially to Mobimo when the agreement is concluded. They are valued at the market value or present value, whichever is lower, of the minimum leasing payments less accumulated amortisation and any impairments. The lease instalments are divided into interest costs and principal amounts using the annuity method. The assets under lease are amortised over the shorter of their estimated useful lives or the term of the lease.

Payments for operating leases are recognised in profit or loss over the term of the lease.

Intangible assets

Goodwill from acquisitions corresponds to the excess of the sum of the purchase price, the contribution of the minority interests to the acquired company and the market value of the equity already owned over net assets, liabilities and contingent liabilities measured at market value. Goodwill is recognised at cost minus any impairment losses. It is not amortised, but subject to an annual impairment test (see Impairment).

Software and other intangible assets are measured at cost less accumulated amortisation and any additional amortisation resulting from impairment. Software is amortised over a useful life of five years.

Financial assets

Financial assets comprise long-term loans to third parties and non-consolidated equity investments. Loans are recognised at amortised cost less any valuation allowance. The valuation allowances are calculated in the same way as valuation allowances on receivables. Non-consolidated equity investments are classified as 'available for sale' and measured at market value; with the exception of impairments, changes in market value are recognised in equity, not through profit or loss. Accumulated unrealised gains/losses are reclassified in profit or loss and recognised in the financial result at the time of divestment or in the event of an impairment. Reversals of impairment losses on non-consolidated equity investments are recognised in equity, not through profit or loss.

Impairment of non-financial non-current assets

The intrinsic value of property, plant and equipment and intangible assets is assessed at least once a year. If there are indications for an impairment, an impairment test is carried out.

Recoverable amounts are calculated annually for goodwill, other intangible assets with an indefinite useful life and intangible assets not yet available for use, even if there are no indications of an impairment.

If the carrying amount of an asset or the cashgenerating unit (CGU) to which the asset belongs exceeds the recoverable amount, an impairment is recognised. The recoverable value is equal to the higher of the market value less costs to sell and the value in use. To determine the value in use, estimated future cash flows are discounted at a pre-tax rate. This pre-tax rate takes the current market value estimate of the present value of the money into consideration, as well as the risks inherent to the asset insofar as these have not already been included in the cash flow estimate.

There are no reversals of impairment losses on goodwill. Impairments on other assets are reversed if the estimates used in the calculation of the recoverable amount have changed and the impairment has decreased or been eliminated. The increase in the carrying amount is limited to the value which would have resulted if no impairment had been recorded for the asset in previous years.

Non-current assets held for sale

Non-current assets and groups of assets including directly associated liabilities ('disposal groups') are classified as 'held for sale' and presented separately in the balance sheet as separate assets or liabilities if the carrying amount is to be recovered through a sale transaction rather than through continuing use. A prerequisite for this is that the sale is highly probable and the asset is available for immediate sale in its current condition. For a sale to be regarded as highly probable certain criteria must be met; for example, the sale must be expected to take place within 12 months.

Immediately before initial classification of noncurrent assets as held for sale, carrying amounts are measured in accordance with the applicable IFRSs. After classification, all assets with the exception of investment properties measured at market value, financial assets, deferred tax assets and pension assets are measured at the lower of carrying amount and market value less costs to sell. After being classified as held for sale, assets to be depreciated will no longer be depreciated. For all other assets, measurement takes place in accordance with the applicable IFRSs, even after classification.

Trade and other short-term payables

Trade and other payables are measured at amortised cost, which generally corresponds to the nominal value of the payables.

Financial liabilities

At initial recognition, financial liabilities are recognised at market value less transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortised cost, with the difference between the amount to be repaid and the carrying amount amortised over the relevant period using the effective interest method.

Provisions

Provisions are set aside if an event which has taken place has given rise to a present legal or constructive obligation, it is probable that there will be an outflow of resources and a reliable measurement can take place.

Employee benefits

Mobimo is affiliated with a group administration plan ("Sammelstiftung") for the purposes of mandatory employee benefit insurance in accordance with the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). Employees of the LO Group were integrated into this plan with effect from 1 July 2010. The group administration plan is not fully reinsured for either the savings process or for the risks of death, disability or old age. Consequently, the employer carries all risks. The plans therefore qualify as defined benefit plans under IAS 19.

Mobimo's non-mandatory occupational benefit cover is provided via a group administration plan which is fully reinsured for the risks of death and disability. For the risks of death and disability, therefore, there is no further obligation on the part of the employer, the premium payment excepted. Nevertheless, for this plan, the employer is liable for the risk associated with the savings process (interest guarantee).

Risk insurance for non-mandatory plan insurance qualifies as a defined contribution plan under IAS 19. Employer contributions are charged to the income statement. Under IAS 19, however, the savings process for non-mandatory cover qualifies as a defined benefit basis in the same way as mandatory insurance. In such plans, the present value of the defined benefit obligation is determined using the projected unit credit method. The discount rate used for the calculation is based on the interest rate of first-class industrial bonds with nearly the same terms as the liabilities.

This method takes into account the market value of plan assets, unrealised actuarial profits and losses as well as unrealised past service costs. Pension costs associated with work performed in the reporting period (Current service cost) are recognised in profit or loss. Past service cost (the change in obligation for employee service in prior periods due to new or improved benefits) is recognised in employee benefit expense on a straight line basis until the amended benefits become vested. Actuarial and investment gains and losses from periodic recalculations are recognised in profit or loss on a straight line basis over the average period remaining provided they exceed 10% of the higher of plan assets and the benefit obligation. The anticipated long-term return on pension assets was calculated using the investment strategy applied by the pension institutions and the returns expected over the long term as at end-2010 (weighted average).

Provisions are made for deficits arising from those calculations. Surpluses are only capitalised up to a specific amount that does not exceed the sum of unrealised past service costs, unrealised actuarial losses and gains from future contribution refunds or reductions.

Share capital

The share capital is presented as equity since there is no repayment obligation and no dividend guarantee. Transaction costs incurred during a capital increase and attributable directly to the issuing of new shares are deducted from the amount of the capital increase less associated income tax.

Dividends are presented as liabilities as soon as they are approved by the General Meeting and are thus due.

Treasury shares

The costs of acquisition (purchase price and directly attributable transaction costs) of treasury shares are offset against equity. Shares which have been bought back are classified as treasury shares and deducted from equity as a negative item.

Revenue recognition

Revenues from the rental of investment properties include net rental revenues, i.e. target rental revenues less vacancy costs. In the case of rental agreements classed as operating leases, the rents are recognised on an accrual basis over the term of the lease. At present Mobimo has no rental agreements classed as finance leases.

Sales proceeds from trading properties are recognised after construction is completed when the significant risks and rewards of ownership are transferred.

Gains from the sale of investment properties correspond to the difference between net proceeds and the market value recognised. The sale is recognised when the significant risks and rewards are transferred.

Interest on borrowing

Interest on loans taken out to finance actual construction projects is capitalised over the construction period.

All other borrowing interest is recognised as an expense in the income statement using the effective interest method.

Tax

Income taxes include current and deferred income taxes. They are recognised in profit or loss, with the exception of income tax on transactions, which are recognised in other income or directly in equity. In these cases, the income tax is similarly charged to other income or directly to equity.

Current income taxes include the expected taxes payable on the relevant taxable result, calculated using the tax rates enacted or substantially enacted at the reporting date, capital gains taxes on property sales effected and any adjustments to tax liabilities or assets from previous years.

Deferred taxes are recognised for temporary differences between the respective tax bases and the amounts recognised in the consolidated balance sheet, in accordance with the balance sheet liability method. No deferred taxes will be recognised for temporary differences in the following circumstances: initial recognition of goodwill; initial recognition of assets and liabilities connected with a transaction which impacts neither the Group result nor the taxable result; interests in subsidiaries if it is probable that the temporary differences will not be reversed in the foreseeable future. Measurement of deferred taxes takes account of the point in time when the asset/liability is expected to be realised/settled and the manner in which carrying amounts are expected to be recovered or settled. The tax rates used are those that are enacted or substantially enacted at the financial reporting

Deferred tax assets can only be recognised to the extent that it is probable that future profits will be available against which the temporary differences can be utilised.

Derivative financial instruments

Derivative financial instruments may be used within the scope of ordinary business activities. Derivative financial instruments are measured at market values at initial recognition and thereafter. Gains and losses from adjustments to market values are treated as follows:

Hedging of interest rate risk on financial liabilities is classified as a cash flow hedge under certain circumstances. The effective portion of the change in derivatives' market values is recognised directly in equity via a special reserve (hedging reserve). As soon as the hedged transaction (interest payments) takes place, cumulated unrealised gains and losses are transferred to the income statement and recognised in the financial result.

Changes in market values of all other derivatives are recognised in profit or loss in the financial result

Share-based payments

Share-based payments are transactions whereby Mobimo receives goods or services in return for equity instruments such as shares or options. The Board of Directors and the Executive Board are currently subject to compensation rules under which compensation is paid partly in the form of shares. Both schemes are classified as share-based payments. The costs of share-based payments are recognised in profit or loss in personnel expenses, spread over the vesting period. The corresponding counter-posting takes place in equity. The vesting period is the period during which there is unlimited entitlement to the options granted. The valuation is based on the market value of the equity instruments as at the grant date. The grant date is the date on which both parties agree to the plan for the share-based payment and reach a joint agreement on the terms and conditions of the plan.

Earnings per share

Earnings per share are calculated from the Group result attributable to the shareholders of Mobimo Holding AG, divided by the weighted average of the number of shares outstanding during the reporting period. Diluted earnings per share additionally take account of any shares arising from the exercise of option rights.

1.5.3 Segment reporting

The management structure of the Mobimo Group and thus the internal reporting to the Group's chief operating decision maker is based on the individual divisions. The divisions themselves are structured according to the services and/or activities of the Group.

Reportable segments pursuant to IFRS 8 are the two divisions Portfolio Management and Development. The business activities of these two divisions can be described as follows:

Portfolio Management

Portfolio Management focuses on the long-term holding and managing of commercial and residential properties. This division also handles the buying and selling of investment properties.

Development

The Development division is responsible for purchasing land as well as for the construction and sale of residential property (newly constructed buildings and redeveloped buildings). It also holds land, properties under construction and completed properties which will be transferred to the investment property portfolio. These investment properties are purchased with certain construction shortcomings or substantial vacancy rates. As soon as the vacancy rate of a development property falls below 10% on a long-term basis, it is reclassified as an investment property on 1 January of the subsequent year (and is thus transferred to the Portfolio Management division). Investment properties with a long-term vacancy rate of over 10% where vacancy is unlikely to be brought below 10% on a long-term basis without significant refurbishment measures are transferred from investment properties to development properties.

The Board of Directors, which has been identified as the chief operating decision maker, monitors the results of the individual divisions on the basis of EBIT. These figures are determined using the same accounting principles as in the consolidated annual financial statements prepared in accordance with IFRS. Income tax and interest are not included in the segment results and are recognised under Reconciliation. The costs of central functions such as Finance and IT, Marketing and Communication, Legal Services and Central Services, like the expenses for the Executive Board, are attributed to the segments on the basis of usage. Other income and expenses in connection with the Board of Directors are not attributed to the segments. These are also reported under Reconciliation.

Segment assets include trading properties, investment properties, owner occupied properties and trade receivables. No other assets are attributed to the segments. Segment assets are measured in the same way as in the consolidated annual financial statements prepared in accordance with IFRS.

There were no transactions between the individual segments. Accordingly, there was no need to eliminate intersegment transactions.

Since Mobimo is active exclusively in Switzerland, revenues and non-current assets do not need to be broken down on a geographical basis.

Mobimo did not enter into any transactions with clients amounting to more than 10% of Group revenues.

A further breakdown of income from properties by sub-segment (commercial, residential and trading properties) can be found in Note 23.

Segment information 2010

	Portfolio				
All amounts in TCHF	Management	Development	Total segments	Reconciliation	Total
Income from sale of trading properties		79,068	79,068		79,068
Income from rental of properties	81,893	9,052	90,945		90,945
Net income from revaluation	14,719	14,413	29,132		29,132
Profit on sale of investment properties	5,437		5,437		5,437
Total segment income	102,049	102,533	204,582		204,582
Segment result EBIT	84,040	19,568	103,608	-1,457 ¹	102,151
Financial result					-24,202
Earnings before tax (EBT)					77,949
Tax					-11,942
Profit					66,007
Trading properties		286,837	286,837		286,837
Investment properties	1,318,305	119,417	1,437,722		1,437,722
Owner occupied properties	16,409		16,409		16,409
Investment properties under construction		270,946	270,946		270,946
Trade receivables	4,435	1,270	5,704		5,704
Total segment assets	1,339,149	678,470	2,017,619		2,017,619
Non-attributed assets				146,962	146,962
Total assets					2,164,580
Depreciation and amortisation		-121		-457	-1,372
Investments in non-current assets	118,661	67,929	186,590	11,208	197,798

¹ Reconciliation EBIT is comprised of compensation for the Board of Directors amounting to TCHF 1,885 and other revenues totalling T CHF 428.

Segment information 2009

	Portfolio				
All amounts in TCHF	Management	Development	Total segments	Reconciliation	Total
Income from sale of trading properties		182,296	182,296		182,296
Income from rental of properties	65,050	6,712	71,762		71,762
Net income from revaluation	612	8,707	9,319		9,319
Profit on sale of investment properties	1,690		1,690		1,690
Total segment income	67,352	197,715	265,067		265,067
Segment result EBIT	52,545	30,102	82,647	15,806 ¹	98,453
Financial result					-19,886
Earnings before tax (EBT)					78,567
Tax					-16,009
Profit					62,559
Trading properties		254,805	254,805		254,805
Investment properties	1,265,795	102,018	1,367,813		1,367,813
Owner occupied properties	17,107		17,107		17,107
Investment properties under construction		237,785	237,785		237,785
Trade receivables	4,962	117	5,079		5,079
Total segment assets	1,287,864	594,725	1,882,589		1,882,589
Non-attributed assets				65,415	65,415
Total assets					1,948,004
Department of the second of th	720	174	012	107	1.110
Depreciation and amortisation	-739	-174	-913	-197	-1,110
Investments in non-current assets	13,382	68,522	81,904	339	82,243

1.5.4 Notes to the consolidated annual financial statements

1. Changes in scope of consolidation

No changes were made to the scope of consolidation in 2010, with the exception of the acquisition of O4Real AG, the purchase of which does not qualify as a business combination within the meaning of IFRS 3. Further details of the acquisition of O4Real AG can be found in Note 19.

On 23 July 2009 Mobimo acquired from JBF Finance SA, Buchillon, a total of 26, 109 shares in LO Holding Lausanne-Ouchy SA, Lausanne (LO). This corresponded to approximately 21.8% of LO's share capital. LO is a real estate company listed on the SIX Swiss Exchange. It primarily holds real estate in the city of Lausanne. The purchase price amounted to CHF 1,230 per LO share, giving a total purchase price of CHF 32, 114,070. Mobimo published a public exchange offer for all publicly held registered shares in LO and and JJM Participations SA, Lausanne ("JJMP") on 9 September 2009. JJMP held 42,846 LO shares or 35.7% of LO's share capital. The company had no other business activities. By expiry of the extension period on 27 October 2009 all registered shares in JJMP were tendered to Mobimo, together with 28,402 registered shares in LO. Including the shares already held by Mobimo prior to the exchange offer, this gave Mobimo a direct and indirect interest in LO amounting to 118,690 shares, or 98.91% of LO's share capital and voting rights.

The exchange offer was settled on 9 November 2009. This date is also the date of acquisition, i.e. the date on which Mobimo assumed control of LO. The definitive exchange ratio amounted to 8.3 Mobimo shares for each LO share tendered and 26.35 Mobimo shares for each JJMP share tendered. The Mobimo shares required to settle the offer were created via a capital increase from existing authorised capital. Overall, 708, 229 registed shares in Mobimo with a nominal value of CHF 38 were issued. Of this figure, 4, 150 shares were used for the exchange of LO's holding of its own shares.

	Market value
Cash	10,834
Trade receivables	803
Other receivables	165
Accrued income and prepaid expenses	568
Investment properties	
– Commercial properties	331,804
– Residential properties	22,429
– Investment properties under construction	39,130
Property, plant and equipment	
– Owner occupied properties	3,545
– Other property, plant and equipment	124
Investments in associates	14,954
Financial assets	4,854
Current financial liabilities	-104,300
Trade payables	-4,521
Current tax liabilities	-335
Derivative financial instruments	-20
Other payables	-103
Accrued expenses and deferred income	-3,907
Non-current financial liabilities	-111,106
Employee benefit obligation	-1,177
Derivative financial instruments	-2,630
Deferred tax liabilities	-31,820
Identifiable net assets	169,291
Minority interests	-1,958
Negative goodwill from acquisition	-15,633
Purchase price including transaction costs	151,700
Purchase price settled in shares	-115,821
Unpaid transaction costs	-1,896
Cash acquired	-10,834
Net cash outflow	-23,149

The Mobimo shares issued for the settlement of the exchange offer were measured at the stock market price of CHF 164.50 as at the acquisition date. The purchase price includes transaction costs in an amount of CHF 3.8 million. In the prior period, LO had contributed CHF 1.2 million to the Group result following the purchase. If the acquisition had occurred on the earlier date of 1 January 2009, consolidated revenues would have amounted to CHF 271.8 million and the Group result to CHF 75.2 million.

The negative goodwill of CHF 15.6 million arising from the acquisition was recognised in full in profit or loss in the prior year and was presented separately. In 2010, Mobimo declared that the shares still held publicly were invalid as the result of a squeeze-out procedure; Mobimo then acquired all the newly issued shares and the LO shares were delisted. As a result of the squeeze-out, the holders of the LO Holding SA shares not yet tendered lost their position as shareholders in the company and instead acquired an entitlement to a payout of the offer price. As a result, the minority interests still held at the time the squeeze-out took effect were allocated to capital reserves. Own shares from treasury shares holdings are reserved for the fulfilment of the offer price.

2. Cash

Cash is comprised exclusively of current account deposits.

Of the CHF 92.8 million (prior year CHF 27.4 million) in cash, the entire amount is freely available. The average rate of interest applicable to cash amounted to 0.28% (prior year 0.31%).

3. Trade receivables

Total trade receivables	5,705	5,079
Less doubtful debt allowance for outstanding rent and ancillary costs	-916	-1,302
Outstanding rents and ancillary costs	5,292	6,264
Outstanding purchase prices real estate	1,329	117
	2010	2009

Outstanding purchase prices comprises the secured outstanding purchase prices from trading properties which have been completed and sold.

Outstanding rents and ancillary costs includes CHF 1.6 million (prior year CHF 2.0 million) in receivables from rent and CHF 3.7 million (prior year CHF 4.3 million) from ancillary costs; the remaining amount is attributable to other receivables from property accounts.

The ageing of receivables that are not impaired is as follows:

	2010	2009
Not past due	5,106	3,718
Up to 30 days Up to 90 days Over 90 days	397	972
Up to 90 days	9	125
Over 90 days	193	264
Total	5,705	5,079

Doubtful debt allowances for outstanding rent and ancillary costs developed as follows in the year under review:

	2010	2009
Specific valuation allowance		
As at 1 January	1,302	1,070
Acquisition of LO Holding Lausanne-Ouchy SA	0	380
Change in valuation allowance	-386	-148
As at 31 December	916	1,302

There were no general valuation allowances as at the reporting date. In the year under review, specific allowances were newly created in an amount of CHF 0.4 million (prior year CHF 0.7 million).

Based on past experience, Mobimo does not expect any additional defaulting.

4. Other receivables

Tax receivables (withholding tax and VAT) Other receivables from third parties Receivables WIR Advance payments for land purchases Receivables from associates 128	Total other receivables	16,865	11,937
Tax receivables (withholding tax and VAT) Other receivables from third parties Receivables WIR Advance payments for land purchases 7,348			
Tax receivables (withholding tax and VAT) Other receivables from third parties Receivables WIR 396	Receivables from associates	128	0
Tax receivables (withholding tax and VAT) Other receivables from third parties 8,938	Advance payments for land purchases	7,348	2,533
Tax receivables (withholding tax and VAT) 55	Receivables WIR	396	171
	Other receivables from third parties	8,938	7,864
2010	Tax receivables (withholding tax and VAT)	55	1,369
2010			
		2010	2009

Other receivables from third parties include CHF 8.8 million (prior year CHF 6.3 million) in public sector guarantees.

As at the reporting date no receivables were overdue; no valuation allowances were necessary.

5. Trading properties

	2010	2009
Land	40,342	70,815
Properties under construction	180,645	150,427
Completed real estate and development properties	65,850	33,563
Total trading properties	286,837	254,805

In accordance with the requirements of IFRIC 15, revenues and thus gains from the sale of trading properties are not recognised until the property has been completed and title has been transferred to the buyer. Trading properties are measured at cost.

Land comprises bare land and land where the demolition of an existing building and the construction of a new building is planned.

Accumulated construction costs of CHF 116.7 million relate to Zurich, Turbinenstrasse trading property (Mobimo Tower). 53 apartments were realised in the Mobimo Tower. As at the reporting date, the deeds had been signed off on 24 of them.

The following projects were completed in the course of the year: Horgen, Stockerstrasse 54 and Horgen, Stockerstrasse 40 - 42 (Wiesental I). A total of 51 apartments were completed for sale within the scope of these two projects. Of these 51 apartments, 39 had been publicly certified as at 31 December 2010.

The properties in Hinterbergstrasse in Zurich and Via Maistra in St. Moritz were purchased as conversion properties in 2010 for the construction of new condominiums.

Valuation allowances for land and properties which have not yet been sold amount to TCHF 696 (prior year TCHF 2,084).

6. Accrued income and prepaid expenses

	2010	2009
Accruals resulting from property accounts relating to third parties	2,166	373
Accruals resulting from property accounts relating to associates	31	0
Other items	812	202
Total accrued income and prepaid expenses	3,009	575

7. Investment properties

Investment properties changed as follows:

Commercial	Residential	Investment properties	2010
properties	properties	under construction	total
1,232,806	135,007	237,785	1,605,598
1,090,517	125,148	229,850	1,445,515
88 380	21.624	0	110,004
00,300	21,024	U	110,004
8,094	531	67,396	76,021
	0	0	-88,859
			,
0	0	-1,825	-1,825
6,142	36,892	-43,034	0
1 104 274	194 105	252 297	1,540,856
1,104,274	104,193	232,367	1,340,630
142,289	9,859	7,935	160,083
19,768	3,345	16,614	39,727
-9,729	-288	-579	-10,596
-21,322	0	0	-21,322
0	0	-81	-81
-388	5,718	-5,330	0
130,618	18,634	18,559	167,811
1,234,893	202,829	270,946	1,708,668
	1,232,806 1,090,517 88,380 8,094 -88,859 0 6,142 1,104,274 142,289 19,768 -9,729 -21,322 0 -388 130,618	properties properties 1,232,806 135,007 1,090,517 125,148 88,380 21,624 8,094 531 -88,859 0 0 0 6,142 36,892 1,104,274 184,195 142,289 9,859 19,768 3,345 -9,729 -288 -21,322 0 0 0 -388 5,718 130,618 18,634	properties properties under construction 1,232,806 135,007 237,785 1,090,517 125,148 229,850 88,380 21,624 0 8,094 531 67,396 0 0 -1,825 6,142 36,892 -43,034 1,104,274 184,195 252,387 142,289 9,859 7,935 19,768 3,345 16,614 -9,729 -288 -579 -21,322 0 0 0 0 -81 -388 5,718 -5,330 130,618 18,634 18,559

2009	Commercial properties	Residential properties	Investment properties under construction	2009 total
	In a late of a second	p sps sss		
Market value as at 1 January 2009	925,270	116,985	40,557	1,082,812
Acquisition costs				
As at 1 January 2009	783,023	107,388	40,630	931,041
Acquisition of LO Holding Lausanne-Ouchy SA	331,805	22,429	39,132	393,366
Increases from purchases	12,307	0	0	12,307
Increases from investments	2,174	82	67,318	69,574
Disposals	-32,744	-4,751	0	-37,495
Transfers to trading properties	-6,047	0	-2,611	-8,658
Transfers from property, plant and equipment	0	0	85,382	85,382
Cumulative acquisition costs as at 31 December 2009	1,090,518	125,148	229,851	1,445,517
Revaluation				
Total as at 1 January 2009	142,247	9,597	-73	151,771
Positive fair value adjustments	9,196	1,481	8,395	19,072
Negative fair value adjustments	-9,266	-99	-388	-9,753
Disposals	661	-1,120	0	_459
Transfers to trading properties	-550	0	0	-550
Cumulative revaluation as at 31 December 2009	142,288	9,859	7,934	160,081
Market value as at 31 December 2009	1,232,806	135,007	237,785	1,605,598
(Fire insurance value)	(1,329,980)	(137,446)	(143,196)	(1,610,622)

The following two investment properties were acquired in the year under review:

Lausanne, Place de la Gare, Avenue d'Ouchy 4/6	Commercial property
Opfikon, Farmanstrasse 47, 49	Residential property

The sale of 11 investment properties and some small land cessions for a combined price of CHF 116.7 million produced a gain of CHF 5.4 million (see Note 26). The following investment properties were divested:

Adliswil, Soodring 13/13a	Commercial property	
Buchs, Webereiweg 3; Weierweg 6	Commercial property	
Gossau, Industriestrasse 149	Commercial property	
Meggen, Neuhausstrasse 3	Commercial property	
Oberuzwil, Wiesentalstrasse 22/22a	Commercial property	
Otelfingen, Lauetstrasse 3/5/7/9/11/21/23/25/27/29/31/33/35	Commercial property	
Rapperswil-Jona, St. Gallerstrasse 23/25; Bühlstrasse 1	Commercial property	
Reinach, Hauptstrasse 13/15	Commercial property	
Winterthur, Marktgasse 34	Commercial property	
Winterthur, Im Hölderli 26	Commercial property	
Zurich, Siewerdtstrasse 105	Commercial property	

The following properties are shown under Transfers:

	from	to
Adliswil, Wilacker II (redivision of plot)	Investment properties under construction	Trading properties (land)
Horgen, Seestrasse 80 (car park)	Investment properties under construction	Commercial properties
Lausanne, Place de l'Europe 6	Commercial properties	Investment properties under construction
Zurich, Katzenbach II	Investment properties under construction	Residential properties

All costs directly attributable to the acquisition of a property (purchase price, notary's costs and change in ownership costs, buying commissions, subsequent expenditures with future economic benefits, etc.) are capitalised as acquisition costs.

Residential properties under construction at Horgen, Seestrasse 43–69; Lausanne, Rue de Genève 7; Lausanne, Rue Beau-Séjour 8 and Zurich, Manessestrasse 190/192 are accounted for under Investment properties under construction. The commercial properties under construction at Aarau, POLYGON (Industriestrasse, site 3); Lausanne, Place de l'Europe 6 and Zurich, Turbinenstrasse, hotel (Mobimo Tower) are also included under this category. The Mobimo Tower is included at a market value of CHF 111.2 million.

Accounting for investment properties is based on annual estimates of market values as at 31 December, which are carried out by an independent property expert. The market value appraisal as at 31 December 2010 was carried out by Wüest & Partner AG using the DCF method.

For the DCF valuations as at 31 December 2010, the discount rates applied averaged 4.90% (prior year 4.98%), within a range from 4.1% to 6.2% (prior year 4.2% to 6.2%).

8. Property, plant and equipment

	Owner occupied	Other	2010
2010	properties	P, P & E	total
2010	properties	Γ, Γ α Ε	totai
Acquisition values			
As at 1 January	18,906	1,773	20,679
Increases	33	216	248
Disposals	0	-144	-144
Cumulative acquisition values as at 31 December	18,939	1,844	20,783
Depreciation			
As at 1 January	-1,800	-721	-2,520
Increases	-730	-367	-1,097
Disposals	0	119	119
Cumulative depreciation as at 31 December	-2,530		-3,498
Cumulative depreciation as at 51 December	-2,330	-909	-3,496
Net carrying amount as at 31 December	16,409	875	17,284
(Fire insurance value)	(13,319)	(540)	(13,859)

Owner occupied properties include the commercial property at Küsnacht, Seestrasse. Mobimo Management AG uses this property as its administrative centre.

Other properties in this category include the commercial properties (owner occupied part only) at Lausanne, Place de l'Europe 7 and Lausanne, Rue des Côtes-de-Montbenon 16, which are used by LO Holding Lausanne-Ouchy SA as its administrative centre.

Other property, plant and equipment comprises movables, vehicles and computer hardware. Increases in Other property, plant and equipment refer primarily to computer hardware and furnishings for Mobimo Management AG's administrative centre in Küsnacht. Property, plant and equipment does not include any items under financial leasing arrangements.

	Investment properties	Owner occupied	Other	2009
2009	under construction	properties	P, P & E	total
Cost				
As at 1 January	85,382	15,339	1,751	102,472
Acquisition of LO Holding Lausanne-Ouchy SA	0	3,545	123	3,668
Additions	0	22	78	100
Disposals	0	0	-179	-179
Transfers to Investment properties under construction	-85,382	0	0	-85,382
Cumulative acquisition values as at 31 December	0	18,906	1,773	20,679
Depreciation				
As at 1 January	0	-1,211	-575	-1,786
Additions	0		-325	-914
Disposals	0	0	179	179
Cumulative depreciation as at 31 December	0	-1,799	-721	-2,521
Net carrying amount as at 31 December	0	17,107	1,052	18,159
(fire insurance value)	(0)	(13,764)	(540)	(14,304)

9. Intangible assets

	Construction		2010
2010	project	Software	Total
Cost			
As at 1 January	0	684	684
Additions	10,692	300	10,992
Disposals	0	-8	-8
As at 31 December	10,692	975	11,668
Amortisation			
As at 1 January	0	-302	-302
Additions	0	-274	-274
Disposals	0	8	8
Cumulative amortisation as at 31 December	0	-568	-568
Net carrying amount as at 31 December	10,692	407	11,099

The construction project relates to accrued external project costs for the Zurich-West (City-West) residential project. The transfer of title of the land is expected in the first quarter of 2011. This is dependent on official approval for division into lots.

		2009
2009	Software	Total
Cost		
As at 1 January	423	423
Additions	261	261
As at 31 December	684	684
Amortisation		
As at 1 January	-105	-105
Additions	-197	-197
Cumulative amortisation as at 31 December	-302	-302
Net carrying amount as at 31 December	382	382

10. Investments in associates and joint ventures

	2010	2009
Investment in Flonplex SA, Lausanne (40 % stake)	4,295	3,354
Investment in Parking du Centre SA, Lausanne (50% stake)	13,546	11,943
Total	17,841	15,297

With the acquisition of LO Holding Lausanne-Ouchy SA in 2009, Mobimo also acquired stakes in Flonplex SA and Parking du Centre SA (PC SA). Flonplex SA is a cinema operator whose majority shareholder is Pathé Schweiz AG. Parking du Centre SA is a joint venture with Vinci Park SA and is a car park operator.

Summary financial information for the 2010 financial year (basis 100 %):

	Flonplex SA	Flonplex SA	PC SA	PC SA
	2010	2009	2010	2009
Assets	26,968	27,864	56,047	54,150
Liabilities	16,230	19,479	28,956	30,264
Revenues	12,669	11,141	5,842	5,425
Profit	2,278	1,272	3,205	1,050

11. Financial assets

Financial assets can be broken down as follows:

	2010	2009
Financial assets		
Loans to third parties	314	3,184
Loans to associates	800	2,640
Non-consolidated equity investments (available for sale)	1,838	2,230
Other	0	711
Total	2,952	8,765

The non-consolidated equity investments comprise the stake in Parking Saint-François SA.

Financial assets changed as follows:

	2010	2009
Cost		
As at 1 January	8,830	1,741
Acquisition of LO Holding Lausanne-Ouchy SA	0	4,855
Additions	5	2,660
Disposals	-5,426	-426
Market value adjustment	975	0
Reclassification as assets held for sale	-1,367	0
Cumulative acquisition values as at 31 December	3,017	8,830
Valuation allowances		
As at 1 January	-65	-65
Cumulative valuation allowances as at 31 December	-65	-65
Net carrying amount as at 31 December	2,952	8,765

The stake in Olmero AG is expected to be sold in 2011 and is therefore being reclassified as assets held for sale. The value of the investment was therefore adjusted in line with the prospective sales proceeds and the income will be recognised in Other comprehensive income (total comprehensive income).

As at the reporting date, there were no overdue items apart from the impaired items in an amount of TCHF 65. Non-impaired loans were granted exclusively to borrowers with good creditworthiness. Based on past experience, Mobimo does not expect any defaulting on these loans.

12. Financial liabilities

	2010	2009
Bank current accounts	0	2,567
Building loans for trading properties	26,400	30,250
Fixed-rate mortgage amortisation due within 12 months	3,323	3,128
Mortgages due for extension or repayment within 12 months ¹	139,273	135,397
Total current financial liabilities	168,996	171,342
Mortgages	647,023	674,589
Convertible bond	168,108	0
Total non-current financial liabilities	815,131	674,589
Total financial liabilities	984,128	845,931

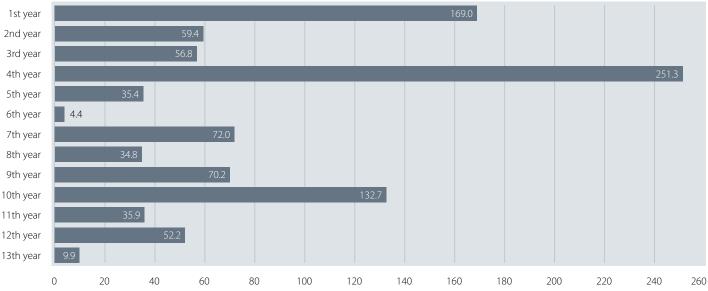
¹ inc. building loans for properties under construction

As at the reporting date, amounts due were as follows:

2010	n/a	171,342
2011	168,996	142,612
2012	59,393	58,301
2013	56,837	55,469
2014	251,293	82,135
2015	35,353	37,285
2016	4,432	3,382
2017	72,066	26,016
2018	34,839	33,789
2019	70,183	62,433
2020	132,748	73,023
2021	35,923	35,723
2022	52,165	52,021
2023	9,900	12,400
Total financial liabilities	984,128	845,931

Mortgages in an amount of CHF 139.3 million (prior year CHF 135.4 million) and due for repayment in the following year are allocated to current financial liabilities since, as at the financial reporting date, there was no formal agreement for extension beyond 2010 (or 2009 where applicable).

Maturity profile



The average residual term of overall financial liabilities amounts to 5.1 years (2009: 5.1 years).

Interest rate periods are as follows (composition until next interest rate adjustment):

	2010	2009
Up to one year	168,996	171,342
Up to 2 years	59,393	142,612
Up to 3 years	56,837	58,301
Up to 4 years	251,293	55,469
Up to 5 years	35,353	82,135
Over 5 years	412,255	336,072
Total financial liabilities	984,128	845,931

Certain mortgage interest rates were hedged in advance by means of forward rate agreements. Such forward rate agreements generally qualify as derivatives embedded in credit agreements and have to be measured at market value in accordance with IAS 39. These forward rate agreements were partly classified as cash flow hedges pursuant to IAS 39, and market value adjustments relating to the effective portion of the hedge are recognised directly in equity via a separate item (hedging reserve). When the hedged interest cash flows take place, cumulative unrealised gains or losses are transferred to the income statement. This applies until 2022. An amount of TCHF 323 (prior year TCHF 310) was reposted to the income statement in the year under review. As at 31 December 2010 and 2009 there were no derivatives used for cash flow hedges, or the term of the hedged financial liabilities had already started.

Mobimo has concluded forward rate agreements and separate interest rate hedges (swaps) for further mortgages in an amount of CHF 108.3 million (prior year CHF 118.3 million). These transactions are not classified as cash flow hedges. Consequently, market value adjustments were recognised through the income statement. The fair value of interest rate swaps not held for hedge accounting and forwards with a negative replacement value amounts to CHF –8.4 million (prior year CHF –6.4 million) and interest rate swaps with positive replacement value CHF 0.2 million.

The market value of all derivatives thus stood at a net amount of CHF -8.2 million as at 31 December 2010 (prior year -6.4 million).

In addition to mortgage liabilities, non-current financial liabilities also include a convertible bond that was issued on 30 June 2010 with the following features:

Volume CHF 175 million
Interest rate 2.125 % p.a., payable annually on 30 June, with the first payment on 30 June 2011
Term 4 years (30 June 2010-30 June 2014)
Conversion price CHF 210.37
Listing SIX Swiss Exchange
Swiss security no. 11299133

Each convertible bond has a nominal value of CHF 5,000 and can be converted up to seven trading days before the end of the term into registered shares at the conversion price of CHF 210.37 per registered share. A maximum of 831,866 registered shares may be issued at the conversion price under the convertible bond. The company has created conditional capital for the creation of the registered shares. The prospective exercise of conversion rights would dilute earnings per share. The convertible bond can, however, be redeemed early at any time if more than 85% of the original bond volume is converted and/or redeemed or, after 21 July 2013, if the closing price of Mobimo Holding AG registered shares on the SIX Swiss Exchange (SIX) is 130% or more of the conversion price over a period of 20 consecutive trading days.

A convertible bond is a compound financial instrument, into which a conversion right is embedded for the investor. Under IAS 32, convertible bonds must be split into a liability and an equity component. The early redemption options represent further embedded derivatives. However, there is no need under the provisions of IAS 39 to recognise these derivatives separately, as the options are tied closely to the economic characteristics and risks of the underlying contract, namely the bond.

On initial recognition of the convertible bond, the liability and equity components were split as follows: In a first step, the market value of the liability component was determined. This corresponds to the present value of future payments from the convertible bond (interest and principal). They were discounted at an interest rate that would apply to an identical bond with no conversion right. The difference between the market value of the liability component calculated in this way and the nominal amount was recognised as the equity components. The issuance costs were split pro rata between the liability and equity components.

The proceeds from the issue of the convertible bond totalled CHF 171.2 million: They can be derived as follows:

CHF million	30. 06. 2010
Convertible bond (liability component)	170.9
./. pro-rated issuance costs	-3.7
Convertible bond (liability component)	167.2
Equity component before issuance costs	4.1
./. pro-rated issuance costs	-0.1
./. deferred taxes on the difference between the carrying amount of the liability component and the taxable value of the convertible bond	-0.6
Equity component, net	3.4
Provisions for deferred tax	0.6
Total income from issue	171.2

The equity component remains unchanged under equity until bonds are converted. The difference between the carrying amount of the liability component and the redemption amount (CHF 175.0 million) will be amortised over the residual maturity of the convertible bond out to 2014 using the effective interest method. Deferred tax liabilities must be recognised on the difference between the taxable value of the convertible bond and the carrying amount of the liability component at the holding tax rate of 7.8% and released through the income statement over the term of the convertible bond.

In the period under review, a financial expense of CHF 2.1 million was incurred in respect of the convertible bond. In addition, CHF 0.7 million in interest from the convertible bond was capitalised on the trading properties and investment properties under construction.

Of overall financial liabilities, CHF 950.3 million bear interest at fixed rates and CHF 34.0 million bear interest at variable rates as at 31 December 2010 (taking interest rate swaps into account).

Average rates of interest were as follows:

	2010	2009
	in %	in %
Financial liabilities excluding building loans:		
- fixed rate of interest	3.03	3.53
– variable rate of interest	0.82	1.28
Building loans:		
– fixed rate of interest	1.29	-
– variable rate of interest	_	1.82
Total average rate of interest	2.93	3.06

13. Trade payables

Trade payables include payables from property accounts for advance rent payments and payables for operating costs.

14. Other payables

Total other payables	2,177	4,708
Payables to related parties	0	272
Other payables to third parties	2,177	4,149
Payables to real estate management companies	0	287
	2010	2009

15. Advance payments from buyers

Advance payments from buyers in an amount of TCHF 25,158 (prior year TCHF 6,957) represent reservation payments prior to the official certification of purchase agreements.

16. Accrued expenses and deferred income

Total accrued expenses and deferred income	19,921	20,086
Other items	10,763	8,388
Accruals for services for related parties	700	1,070
Accruals from property accounts	6,032	2,080
Accruals for construction work	2,426	8,548
	2010	2009

17. Employee benefit obligation

Plan assets and employee benefit obligations changed as follows in the year under review:

Change in benefit obligations	2010	2009
Present value of benefit obligations at the beginning of the period	17,024	9,981
Acquisition of LO Holding Lausanne-Ouchy SA	0	6,590
Employer's current service cost	641	542
Interest expenses	590	403
Employee contributions	604	499
Amounts paid	1,285	-843
Actuarial (gains) losses	1,278	-148
Present value of benefit obligations at the end of the period	21,422	17,024

Change in plan assets	2010	2009
Plan assets at market values at the beginning of the period	13,765	7,936
Acquisition of LO Holding Lausanne-Ouchy SA	0	5,414
Expected return on plan assets	541	364
Employer contributions	689	555
Employee contributions	604	499
Amounts paid	1,285	-843
Actuarial gains (losses)	-200	-160
Plan assets at market values at the end of the period	16,685	13,765

The amounts recognised in the balance sheet for the defined benefit plan are made up as follows:

2010	2009	2008	2007	2006
21,422	17,024	9,981	8,210	6,292
-16,685	-13,765	-7,936	-6,652	-4,990
4,737	3,259	2,045	1,558	1,302
-2,427	-950	-938	-440	-200
2,310	2,309	1,107	1,118	1,102
	21,422 -16,685 4,737 -2,427	21,422 17,024 -16,685 -13,765 4,737 3,259 -2,427 -950	21,422 17,024 9,981 -16,685 -13,765 -7,936 4,737 3,259 2,045 -2,427 -950 -938	21,422 17,024 9,981 8,210 -16,685 -13,765 -7,936 -6,652 4,737 3,259 2,045 1,558 -2,427 -950 -938 -440

The expense recognised for these plans in the income statement is made up as follows:

Net benefit expense recognised	2010	2009
Current service cost	641	542
Interest expense	590	403
Expected return on plan assets	-541	-364
Net benefit expense	690	581

Expected employer contributions for the 2011 financial year amount to TCHF 709.

The net obligations recognised in the balance sheet changed as follows:

Change in net benefit obligation	2010	2009
As at 1 January	2,309	1,107
Acquisition of LO Holding Lausanne-Ouchy SA	0	1,176
Company's net benefit expense	690	581
Employer contributions	-689	-555
As at 31 December	2,310	2,309

Experience gains and losses	2010	2009	2008	2007	2006
Actual return on assets	341	204	-609	248	232
Actual return on assets in %	2.0 %	2.0%	-7.7 %	3.7 %	5.0%
Difference between expected and actual return on assets	200	160	956	-31	-72
Difference between expected and actual return on assets in %	1.2 %	1.9%	12.0 %	-0.5 %	-1.0 %
Experience loss (gain) on benefit obligations	-1,066	194	-344	755	-207
Experience loss (gain) on benefit obligations in %	-5.0 %	1.8%	-3.4%	-9.2 %	-3.0 %

The actual return on plan assets amounted to TCHF 341 (prior year TCHF 204).

Plan assets can be broken down into the following categories:

	Plan assets	Expected return	Plan assets	Expected return
Investment categories	2010 in %	2010 in %	2009 in %	2009 in %
Shares	30%	6.50%	29%	6.25 %
Bonds and notes	48%	1.60%	39%	2.10%
Real estate	16%	3.50%	20%	3.90%
Alternative investments	3%	3.75 %	2%	4.20%
Other	3%	0.75 %	10 %	1.20%
Total	100%	3.90%	100%	3.80%

The following assumptions were applied to the valuation of the defined benefit plan:

	1. 1. 2011	1.1.2010
Discount rate	2.8%	3.5 %
Expected return on plan assets	3.9%	3.8%
Expected future salary increases	1.3 %	1.3 %
Expected future pension benefit increases	0.5 %	0.5 %
Expected long-term interest rate on pension assets	2.5 %	3.0%

18. Deferred tax

Deferred tax liabilities and assets are allocated to the following balance sheet items:

	20	2010		09
	Assets	Liabilities	Assets	Liabilities
Investment properties		103,091		95,915
Employee benefit obligation	490		590	
Other items	1,836	725	2,397	339
Deferred taxes on temporary differences	2,326	103,816	2,987	96,254
Tax benefit of offsettable loss carryforwards			495	
Total deferred taxes	2,326	103,816	3,482	96,254
Offset of deferred tax assets and liabilities	-2,326	-2,326	-3,482	-3,482
Deferred tax liabilities		101,490		92,772

The company holds and manages properties and is also involved in trading activities. In some cantons, gains from the sale of properties are subject to separate taxation in the form of a capital gains tax applicable to the portion of the gain in excess of the depreciation recapture. The tax rates applied vary depending on how long the respective property has been held. Capital gains tax rates contain speculation premiums and/or deductions for length of ownership, which is why the tax amount due declines as the period of ownership increases.

Deferred taxes are calculated on the basis of cantonal regulations and, in the case of properties, individually for each property. The expected residual period of ownership is estimated for each property.

Deferred tax assets for unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the tax losses can be utilised. The assets of CHF 0.5 million recognised in the prior year related to offsettable loss carryforwards in cantonal and communal taxes of CHF 2.9 million. The Group companies have no further tax loss carryforwards in the current year.

No deferred taxes were recognised for undistributed profits of subsidiaries, since no taxes are expected were a distribution to take place.

Of the change in deferred tax liabilities of CHF 8.7 million (prior year CHF 35.7 million), CHF 2.9 million (prior year CHF 3.9 million) was recognised in the income statement. Deferred taxes on the equity component of the convertible bond of CHF 0.6 million and on the relevant portion of financial instruments of CHF -0.1 million (prior year CHF -0.1 million) were recognised directly in other income. Furthermore, deferred tax liabilities of CHF 5.3 million were taken over with the acquisition of O4Real AG.

19. Equity

The Annual General Meeting of 5 May 2010 approved a capital reduction via a reduction in the nominal value of all shares from CHF 38 to CHF 29. Repayment took place on 12 August 2010.

Changes in the equity holding can be summarised as follows:

			Shares
No. of shares	Shares issued	Treasury shares	outstanding
As at 1 January 2009	4,345,323	-10,000	4,335,323
Issue of new shares for the acquisition of JJM Participations SA	295,521		295,521
Issue of new shares for the acquisition of LO Holding Lausanne-Ouchy SA	412,708	-4,150	408,558
Acquisition of treasury shares		-2,000	-2,000
Sale of treasury shares		7,000	7,000
Acquisition of minority interests settled with treasury shares		2,421	2,421
Share-based payments to Board of Directors and management		2,356	2,356
As at 31 December 2009	5,053,552	-4,373	5,049,179
Issue of shares from conditional capital for options exercised	77,618		77,618
Acquisition of treasury shares		-10,754	-10,754
Share-based payments for the acquisition of properties		4,800	4,800
Share-based payments to Board of Directors and management		1,562	1,562
Acquisition of minority interests settled with treasury shares		7,158	7,158
Shares for former LO shareholders (squeeze-out)		536	536
As at 31 December 2010	5,131,170	-1,071	5,130,099

As at 31 December 2010 share capital was CHF 148.8 million, composed of 5,131,170 registered shares with a nominal value of CHF 29 each. 1,071 treasury shares were held as at that date.

77,618 option rights were exercised in 2010.

The purchase of the property Place de la Gare, Avenue d'Ouchy 4/6 in Lausanne took place as part of the takeover of O4Real AG. The purchase does not qualify as a business combination within the meaning of IFRS 3. The purchase price of CHF 18.3 million is payable entirely in shares and will be paid incrementally depending on rents received. The transaction qualifies as a share-based payment within the meaning of IFRS 2. The purchase price was fully recognised at the time of acquisition as an increase in the capital reserves. A total of 4,800 shares had been transferred to the sellers by the reporting date.

There is also conditional share capital of a maximum of CHF 36.6 million for the issue of up to 1,260,634 fully paid-up registered shares with a nominal value of CHF 29, of which

- up to CHF 0.8 million is designated for the exercise of option rights granted to members of the Board of Directors, employees of Group companies and related parties. Shareholders' subscription rights are excluded;
- up to CHF 0.9 million is designated for the exercise of subscription rights created after 5 May 2010 under an employee share option programme. Shareholders' subscription rights are excluded;
- up to CHF 34.8 million is designated for the exercise of conversion and/or option rights connected to convertible bonds, bonds with warrants, similar bonds or other financial market instruments of the company or granted by Group companies. Shareholders' subscription rights are excluded.

Finally, authorised share capital is available allowing the Board of Directors to increase the share capital of the company by a maximum of CHF 34.8 million within two years at most via the issue of up to 1,200,000 registered shares, to be fully paid up, with a nominal value of CHF 29 per share.

The amount available for the dividend distribution is based on the earnings of Mobimo Holding AG available for distribution and is determined in accordance with the provisions of the Swiss Code of Obligations.

The Board of Directors will propose to the upcoming General Meeting of 6 April 2011 a capital reduction of CHF 46.2 million in the form of a reduction in nominal value of CHF 9 per share.

Capital structure

eupitui structure			
	Total	Number of	Nominal value
	TCHF	registered shares	per share (CHF)
S 11 124 D 1 2010			
Capital as at 31 December 2010			
Share capital	148,804	5,131,170	29
Authorised capital (until 5 May 2012)	max. 34,800	1,200,000	29
Conditional capital	max. 36,558	1,260,634	29
Changes in capital			
Share capital as at 31. 12. 2005	192,411	2,600,145	74
Share capital as at 31. 12. 2006	225,346	3,466,860	65
Share capital as at 31. 12. 2007	243,232	4,343,425	56
Share capital as at 31. 12. 2008	204,230	4,345,323	47
Share capital as at 31. 12. 2009	192,035	5,053,552	38
Share capital as at 31. 12. 2010	148,804	5,131,170	29
Authorised capital as at 31. 12. 2005	26,640	360,000	74
Authorised capital as at 31. 12. 2006	23,400	360,000	65
Authorised capital as at 31. 12. 2007	20,160	360,000	56
Authorised capital as at 31. 12. 2008	16,920	360,000	47
Authorised capital as at 31. 12. 2009	18,687	491,771	38
Authorised capital as at 31. 12. 2010	34,800	1,200,000	29
Conditional capital as at 31. 12. 2005	11,163	150,855	74
Conditional capital as at 31. 12. 2006	9,750	150,000	65
Conditional capital as at 31. 12. 2007	7,848	140,150	56
Conditional capital as at 31. 12. 2008	6,498	138,252	47
Conditional capital as at 31. 12. 2009	5,254	138,252	38
Conditional capital as at 31. 12. 2010	36,558	1,260,634	29

20. Earnings per share

Undiluted earnings per share are calculated on the basis of Group profit and the average number of outstanding shares.

Diluted earnings per share are calculated using Group profit and the average number of outstanding shares (not including treasury shares), taking into account the effect from outstanding options assuming that all options are exercised.

	2010	2009
Calculation of earnings per share		
Number of outstanding shares as at 1 January	5,049,179	4,335,323
Effect of capital increase (average)	23,700	102,839
Effect of change in holdings of treasury shares	1,353	1,503
Average number of outstanding shares	5,074,232	4,439,665
Effect of outstanding options:	3,071,232	1, 133,003
- average number of potential shares	82,106	103,403
Average number of shares which would be issued at average market value	-12,830	-25,749
- average number of potential shares from convertible bond	419,352	23,7 13
Effective number of shares as basis for calculation of diluted earnings per share	5,562,860	4,517,319
Profit in TCHF	65,995	62,549
Net income from revaluation in TCHF	-29,132	-9,319
Attributable deferred tax in TCHF	7,283	2,330
Profit not including revaluation (and attributable deferred tax) in TCHF	44,146	55,559
Effect of coupon payment on convertible bond in TCHF	2,107	
Attributable income tax in TCHF	-164	
Profit after eliminations from convertible bond in TCHF	67,938	
Profit not including revaluation or effects from convertible bond in TCHF	46,089	
Earnings per share in CHF	13.01	14.09
Diluted earnings per share in CHF	12.21	13.85
Earnings per share not including revaluation (and attributable deferred tax) in CHF	8.70	12.51
Diluted earnings per share not including revaluation (and attributable deferred tax) in CHF	8.29	12.30
Calculation of net asset value (NAV) per share		
Number of outstanding shares as at 31 December	5,130,099	5,049,179
Number of outstanding options	28,188	105,806
Number of potential shares from convertible bond	831,866	
Number of shares as basis for calculation of diluted NAV	5,990,153	5,154,985
Equity as at 31 December in TCHF	971,339	925,355
Liability component convertible bond	168,108	
Deferred taxes on convertible bond	538	
Option exercise (outstanding options x nominal value) in TCHF	817	4,021
Shareholders' equity after conversion and option exercise in TCHF	1,140,802	929,376
NAV per share in CHF	189.34	183.27
NAV per share, diluted, in CHF	190.45	180.29

21. Income from sale of trading properties

A total of 54 apartments and ancillary properties were transferred to condominium properties in 2010. The income generated was CHF 79.1 million.

22. Expenses from sale of trading properties

Expenses can be broken down as follows:

	2010	2009
Pro-rata construction costs of trading properties sold	70,065	157,059
Changes in valuation allowances	608	14
Total expenses from sale of trading properties	70,673	157,073

23. Income from rental of properties

Rental income can be broken down over the individual divisions as follows:

	2010	2009
Commercial properties	79,162	64,190
Residential properties	10,631	7,097
Income from rental of investment properties	89,793	71,287
Trading properties ¹	1,152	475
Total income from rental of properties	90,945	71,762

Rental income contains net rental income i.e. the rents received.

¹ Rental income from conversion properties

24. Direct expenses for rented properties

Total direct expenses for rented properties	11,743	8,622
Losses on receivables trading properties	-11	1
Rented trading properties	98	1,069
Investment property expense	11,656	7,552
Losses on receivables residential properties	40	31
Residential properties	1,905	1,147
Losses on receivables commercial properties	-496	532
Commercial properties	10,208	5,842
	2010	2009

Direct expenses contains all costs relating to maintenance and administration (including building superintendent remuneration) which cannot be passed on to tenants. The losses on receivables commercial properties include a reversal of provisions no longer required.

25. Net gains from revaluation

	2010	2009
Gains on valuations	39,728	19,072
Losses on valuations	-10,597	-9,753
Net gains from revaluation	29,132	9,319

In 2010 Mobimo recognised a gain of TCHF 16,035 (prior year TCHF 8,007) from the revaluation of investment properties under construction. With regard to the properties held, the gain from revaluation of CHF 13.1 million breaks down into CHF 7.5 million from operational activities and CHF 5.6 million from market-related changes in discount rates. Of the prior year figure, TCHF 5,588 can be attributed to initial measurement as at 1 January 2009.

26. Profit on disposal of investment properties

	2010	2009
Sales proceeds investment properties	116,650	40,100
Carrying amount	-110,180	-37,954
Sales costs	-1,033	-456
Profit on disposal of investment properties	5,437	1,690

In the period under review, 11 investment properties were sold and there was additional cession of land (see Note 7).

27. Other income

Total other income	6,589	4 079
Gain from sales of property, plant and equipment	2	0
Other income	939	472
Capitalised own account services	5,648	3,607
	2010	2009

28. Personnel expenses

	2010	2009
Salaries	9,580	8,313
Social security contributions	1,050	773
Defined contribution plans	139	102
Defined benefit plans	690	581
Compensation for Board of Directors	1,885	1,283
Profit-sharing and option plan	2,302	1,770
External training and education costs	135	175
Other personnel expenses	1,937	1,008
Total personnel expenses	17,717	14,005
Headcount as at 31 December (full time basis)	75.1	73.7
Average headcount (full time basis)	64.2	59.3

29. Operating expenses

	2010	2009
Room costs	66	57
Costs for investigations in connection with the acquisition of properties, sales documentation	111	171
Capital taxes	319	284
Other operating expenses	4,079	3,261
Total operating expenses	4,575	3,773

30. Administrative expenses

Consulting expense	2,046	1,275
Consulting expense in respect of related parties	368	208
Other administrative expenses	527	260
Total administrative expenses	2,940	1,743

The increase in consulting expense is primarily due to increased market activities in the field of acquisition.

31. Depreciation and amortisation

	2010	2009
Depreciation on other property, plant and equipment	367	325
Depreciation on owner occupied properties	730	588
Amortisation of intangible assets	274	197
Total depreciation and amortisation	1,372	1,110

Depreciation on other property, plant and equipment consists of ordinary depreciation for furniture, hardware and vehicles (only in 2009). Depreciation on owner occupied properties comprises ordinary depreciation for the property at Seestrasse, Küsnacht as well as the owner occupied properties at Place de l'Europe 7 and Rue des Côtes-de-Montbenon 16 in Lausanne.

32. Financial result

	2010	2009
Financial income		
Interest on bank and other deposits	261	142
Interest on loans and debt instruments	20	119
Interest on loans to associates	24	0
Total interest income	305	261
Dividend income from equity investments	101	81
Income from financial instruments (derivatives)	180	250
Other income	66	0
Total financial income	652	592
Financial expense		
Interest expense	-25,102	-19,118
Costs of financial instruments (derivatives)	-2,295	-1,704
Total financial expense	-27,397	-20,822
Total financial result	-26,745	-20,230

In the 2010 financial year, a total of CHF 2.5 million (prior year TCHF 919) in building loan interest was capitalised under trading properties and investment properties under construction. The average rate of interest on the capitalised interest amounted to 1.75% (prior year 1.82%).

33. Tax expense

Tax expense can be broken down as follows:

	2010	2009
Total current tax expense ¹	9,042	12,084
Deferred tax		
Change in deferred tax	3,312	4,967
Capitalisation of deferred tax on tax loss carryforwards 2010	495	283
Changes in tax rate on deferred tax items recognised	-907	-1,326
Total deferred tax expense	2,900	3,924
Total income tax expense	11,942	16,008

Current tax expense contains an amount of TCHF 1,396 (prior year TCHF -740) for income tax from prior periods. Enacted tax rates were used in the calculation of current income tax.

¹ Includes property gains tax of CHF 1.6 million (prior year CHF 7.6 million).

Tax expense can be analysed as follows:

	2010	2009
Group profit before tax	77,949	78,567
Applicable tax rate	25 %	25 %
Tax expense at applicable tax rate	19,487	19,642
Non-deductible expenses/income	-1,512	-2,576
Creation/reversal for prior-year current tax	-1,396	-740
Expense/income which are taxed at a lower/higher tax rate	-3,469	1,105
Impact of changes in tax rate on deferred tax items recognised	-907	-1,325
Other effects	-261	-97
Total taxes	11,942	16,008

The applicable tax rate in the year under review was a mixed rate. It takes account of the fact that gains subject to cantonal and local authority tax are currently taxed at an average rate of 22% (including direct federal tax), while property gains subject to property gains tax are taxed at rates of up to 35%.

Details on deferred tax recognised directly in other income can be found in Note 18.

34. Pledged assets/assets not freely disposable

The carrying amount of pledged assets is as follows:

	2010	2009
Trade receivables	267	8
Trading properties	116,673	141,935
Investment properties	1,594,259	1,380,881
Owner occupied properties	16,409	17,107
Carrying amount of pledged assets	1,727,608	1,539,931

This is the carrying amount of those assets which are pledged either in full or in part. These assets were effectively mortgaged in an amount of CHF 984.1 million (prior year CHF 845.9 million) - (see Note 12).

In addition, pledges also exist on future rental income from 15 properties for the purposes of securing mortgage loans.

35. Operating leases Mobimo as tenant

Obligations from non-cancellable rental and lease agreements are as follows:

	2010	2009
Rental and leasing obligations up to 1 year	71	52
Rental and leasing obligations 2 to 5 years	6	50
Rental and leasing obligations over 5 years	0	0
Total future rental and leasing obligations	77	102

These obligations relate to rented photocopying equipment and third-party leases for premises and cark park facilities.

The rental and leasing expenses charged to the income statement amounted to TCHF 69 (prior year TCH 71).

Mobimo as landlord

The future rental income set out below will be generated from non-cancellable rental agreements for investment properties:

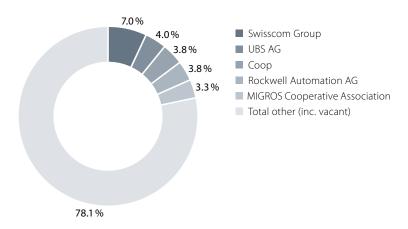
	Commercial	Residential	
2010	properties	properties	Total
Rental income within 1 year	65,109	819	65,928
Rental income within 2 to 5 years	182,136	2,305	184,441
Rental income in over 5 years	113,398	634	114,032
Total future rental income from non-cancellable rental agreements	360,643	3,758	364,401
	Commercial	Residential	
2009	properties	properties	Total
Rental income within 1 year	64,979	750	65,729
Rental income within 2 to 5 years	168,294	1,851	170,145
Rental income in over 5 years	97,163	709	97,872
Total future rental income from non-cancellable rental agreements	330,436	3,310	333,746

Rental agreements for commercial properties generally contain an index clause stating that rents may be increased on the basis of the consumer price index. Rent increases for residential properties are generally linked to the mortgage interest rate. As at 31 December 2010 72% (CHF 59.4 million) of rental income came from rental agreements with index clauses. The vast majority of these agreements contain a 100% adjustment in line with the index.

The five biggest tenants generate the following share of rental income:

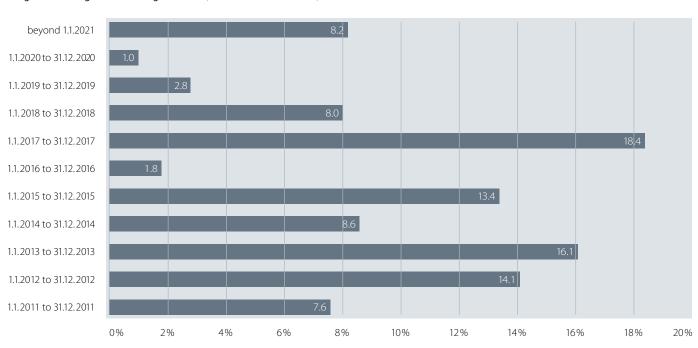
	2010	2009
Name of tenant	share in %	share in %
Swisscom Group	7.0	7.6
UBS AG	4.0	4.2
Соор	3.8	3.8
Rockwell Automation AG	3.8	3.7
MIGROS Cooperative Association	3.3	3.2

Shares of the five biggest tenants (as at 31.12.2010)



Further details of rental income can be found in Note 23.

Length of existing fixed rental agreements (as at 31 December 2010)



36. Financial risk management

36.1 General information

Through its activities, Mobimo is exposed to various financial risks: credit risk, liquidity risk and market risk. Of the various market risks, the risk of a change in interest rates is the most significant.

Risk management is assured by Internal Controlling. Internal Controlling operates in line with the principles of Mobimo's risk management concept, which is monitored by the Audit and Risk Committee. Risk management focuses on the identification, description, management, monitoring and control of credit, interest rate and liquidity risks. The Group uses derivative financial instruments to hedge certain risks.

The risk management principles and the processes applied are subject to regular review in order to take account of changes in market conditions and in the activities of the Group. The aim is to use existing training and management guidelines and processes to maintain a disciplined and constructive control environment, in which all employees can fulfil their function and exercise their duties. Risk management is part of the processes of the integrated management system.

The following paragraphs provide an overview of the exposure to each of the individual risks together with information on the objectives, policies and processes for measuring, monitoring and hedging risks and on capital management within the Group. Further information on financial risks can be found elsewhere in the Notes (see Annual financial statements of Mobimo Holding AG, "8. Risk assessment" in accordance with Article 663b section 12 Swiss Code of Obligations, page 109).

36.2 Credit risk

Credit risk is the risk that Mobimo could suffer financial losses if clients or counterparties to a financial instrument fail to fulfil their contractual obligations. Credit risk arises primarily in connection with trade receivables and cash.

In order to minimise credit risk in connection with cash, short-term bank deposits are held with first-rate institutions. With respect to trade receivables, these are receivables from property sales and from rental agreements. Credit risk is limited in relation to property sales since these sales are based on a certified purchase agreement which is regularly secured via an irrevocable promise to pay. With rental agreements, credit risk is reduced via checks of creditworthiness and monitoring of the age structure of amounts outstanding. Deposits or bank guarantees of three to six times the monthly rent are also demanded.

The maximum credit risk exposure corresponds to the carrying amounts of the individual financial assets. There are no guarantees or similar obligations which could lead to an increase in risk in excess of the carrying amounts. As at the reporting date, the maximum credit risk exposure was as follows:

	Carrying	Carrying
	amounts	amounts
	2010	2009
Cash (bank deposits)	92,773	27,407
Trade receivables	5,704	5,079
Other receivables 1	587	1,709
Accrued income and prepaid expenses ²	1,765	575
Financial assets (loans)	180	0
Derivative financial instruments	1,114	6,536
Total	102,123	41,306

36.3 Liquidity risk

Liquidity risk is the risk that Mobimo will not be able to meet its financial obligations when they become due. Investment properties are generally financed via medium to long-term loans, and condominium development properties via short-term loans. Liquidity is managed via a liquidity planning tool, combined with a mortgage database.

¹ Not including tax receivables, receivables in relation to social insurance and advance payment of preliminary contract

² Not including advance payments to general contractors.

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The table below sets out the contractual maturities (including interest) in relation to Mobimo's financial liabilities. Future variable rates of interest have been estimated using the interest rate curve as at the reporting date.

	Carrying	Contractual	1 month	1–3	3-12		Over
2010	amount	cash flows	or less	months	months	1-5 years	5 years
Non-derivative financial liabilities							
Trade payables ¹	5,163	5,163		5,163			
Other payables	579	579		579			
Accrued expenses and deferred income ²	4,229	4,229		4,229			
Financial liabilities	984,128	1,128,467	42,646	93,963	153,146	446,898	391,813
Derivative financial liabilities							
Interest rate swap	8,403	8,971	178	350	1,320	4,697	2,426
Total	1,002,501	1,147,408	42,824	104,284	154,466	451,594	394,239

2009	Carrying amount	Contractual cash flows	1 month or less	1–3 months	3–12 months	1-5 years	Over 5 years
Non-derivative financial liabilities							
Trade payables 1	7,834	7,834		7,834			
Other payables	4,708	4,708		4,708			
Accrued expenses and deferred income ²	15,161	15,161		15,161			
Financial liabilities	845,931	994,510	113,075	36,875	46,352	417,271	380,937
Derivative financial liabilities							
Interest rate swap	6,450	6,914	92	149	500	3,659	2,514
Total	880,084	1,029,127	113,167	64,727	46,852	420,930	383,451

¹ Not including rents and ancillary costs paid in advance

 $^{^{\}rm 2}$ Not including tax payables and payables in relation to social insurance

36.4 Market risks

Market risk is the risk that changes in market prices such as exchange rates, interest rates and share prices could have an impact on the profit from and market value of financial instruments held by Mobimo.

Market risks are managed in order to monitor and control such risks and to ensure that they do not develop beyond a specific extent.

Currency risk

The Group is only active in Switzerland and all business is transacted in Swiss francs.

Interest rate risk

The Group's cash is used to reduce variable-rate mortgages or is invested on a short-term basis.

The majority of interest on financial liabilities relates to loans for the financing of investment properties and development properties (trading properties). With investment properties, interest rate risk is generally addressed via the conclusion of long-term fixed-rate mortgage agreements. Where necessary, derivative financial instruments are also used to hedge interest rates. The only financing for trading properties is CHF 26.4 million of short-term building loans. Last year there was CHF 39.2 million of short-term financing for trading properties.

Based on its market assessment, Mobimo has set itself the goal of maintaining the average residual term to maturity of financial liabilities over the long term, via mortgages with long terms (up to 15 years) and derivative financial instruments.

Interest rate risk subdivides into cash flow interest rate risk, i.e. the risk that future interest payments will change as a result of fluctuations in market interest rates, and market value interest rate risk, i.e. the risk that the market value of a financial instrument will change as a result of fluctuations in market interest rates.

Further information on the interest rate profile of financial liabilities as well as forward rate agreements and interest rate swaps can be found in Note 12.

Market value sensitivity analysis for fixed-rate financial instruments

Mobimo has no fixed-rate financial assets or liabilities which are classified at market value in the income statement. Fixed-rate financial instruments are measured at amortised cost. With these positions, therefore, a change in market interest rates would have no impact on the profit for the year.

Mobimo may hold forward rate agreements and interest rate swaps measured at fair value. Changes in fair value for interest rate swaps not held for hedge accounting purposes are recognised in the financial result and therefore have no direct impact on the profit for the year. Changes in fair value for forward rate agreements used for hedge accounting purposes are recognised directly in equity.

An increase in the interest rate of 100 basis points would have increased profit by CHF 6.2 million (2009: CHF 4.6 million). A decrease in the interest rate of 100 basis points would have reduced profit by the same amount. The analysis is based on the assumption that all other variables remain unchanged.

Cash flow sensitivity analysis for variable-rate financial instruments

Mobimo is exposed to cash flow interest rate risk in its variable-rate cash components and financial liabilities. An increase in the interest rate of 100 basis points would have reduced profit by CHF 0.5 million (2009: CHF 1.4 million), whereas an equivalent decrease in the interest rate would have increased profit by the same amount. The analysis is based on the assumption that all other variables remain unchanged.

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Market values

The carrying amounts in the annual financial statements for cash, trade receivables, other current receivables and current liabilities approximate to fair value given the short terms involved.

For interest rate swaps and forward rate agreements, fair value is the present value of the forward contract.

For fixed-rate financial liabilities, fair value corresponds to the present value of the future cash flow to be discounted as at the reporting date using the market interest rate. As at the reporting date, this was CHF 53.7 million (prior year CHF 37.0 million) higher than the carrying amount. The reason for this is that, as at 31 December 2009, market interest rates were considerably lower than the level hedged. The market values of fixed-rate mortgages are based on early repayment penalties calculated by the lending banks as at the respective date.

Interest rates used in determining fair value

Rates of interest for discounting future cash flows are based on money and capital market rates as at the time of valuation plus an adequate interest spread. For 2010, the discount rates used were between 0.79% and 2.96% (prior year between 0.76% and 3.42%).

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method, as at 31 December 2010. The different levels have been defined as follows:

Level 1: quoted prices in active markets

Level 2: inputs other than quoted prices in active markets that are observable either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs that are not based on observable market data

2010	Level 1	Level 2	Level 3
Derivative financial instruments (net)	0	-8,224	0
Financial assets (assets held for sale)	0	0	1,838
Assets held for sale	0	0	1,367
2009	Level 1	Level 2	Level 3
Derivative financial instruments	0	-6,450	0
Financial assets (assets held for sale)	0	0	2,230

Mobimo does not hold any financial instruments carried at fair value which are classified as Level 1.

The fair value of the financial instruments classified as Level 3 changed as follows in 2010:

	2010	2009
As at 1 January	2,230	392
Acquisition of LO Holding Lausanne-Ouchy SA	0	1,838
Gains and losses recognised in other comprehensive income	975	0
As at 31 December	3,205	2,230

For Level 3 financial instruments, gains of TCHF 975 were recognised in other comprehensive income in 2010. See Note 11 for further details. The fair value stated would not be significantly affected by any change that could reasonably be expected in the input factors used in the valuations.

36.5 Categories of financial instruments

The table below shows the carrying amounts of all financial instruments by category:

	Carrying amount	Carrying amount
	2010	2009
Cash	92,773	27,407
Loans and receivables		
Trade receivables	5,705	5,079
Other receivables ¹	587	1,709
Accrued income and prepaid expenses ²	1,765	575
Financial assets (loans)	1,114	6,536
Total loans and receivables	101,944	41,306
Financial assets held for trading purposes		
Derivative financial instruments	180	0
Financial assets available for sale		
Assets held for sale	1,367	0
Financial assets (equity investments)	1,838	2,230
Financial liabilities measured at amortised cost		
Trade payables ³	5,163	7,834
Other payables ⁴	579	4,708
Accrued expenses and deferred income ⁴	9,296	15,161
Financial liabilities	984,128	845,931
Total liabilities measured at amortised cost	999,166	873,634
Financial liabilities held for trading purposes		
Derivative financial instruments	8,403	6,450

36.6 Capital management

The Board of Directors seeks to ensure a solid capital base. With regard to its capital structure, Mobimo aims to achieve long-term net gearing (ratio of net debt to shareholders' equity) of a maximum of 150%. In addition, equity should not drop below 40% of total assets, in accordance with investment guidelines. Mobimo continues to consistently distribute a high dividend. Over the past five years the dividend yield (nominal value repayment) has amounted to an average of 5.2% (5.0%). As at the end of 2010, the return on equity was 7.1% (8.0%) (profit in relation to average equity). The shares are characterised by a high level of stability in value, calculability and profitability in terms of net asset value (NAV).

¹ Not including tax receivables, receivables in relation to social insurance and advance payments

². Not including rental accruals and advance payments, and in 2009 excluding advance payments to general contractors

³ Not including rents and ancillary costs paid in advance

⁴ Not including tax payables and payables in relation to social insurance

37. Share-based payments

A new profit-sharing ruling has been in force for the Executive Board since 1 January 2010. This states that should a hurdle of 5 % return on equity be exceeded, shares will be granted on the basis of at least 50% of a proportion of 7% of the remaining consolidated profit for the year after deduction of the hurdle. The high water mark principle stipulates that if figures drop below the 5% hurdle, profit-sharing only becomes possible again when the difference is made up. The annual profit-sharing for the individual members of the Executive Board is limited to a maximum of 150% of fixed gross annual salary.

All the shares issued under profit-sharing arrangements are subject to a vesting period, generally of five years.

For the 2010 financial year, a total of 4,089 shares were granted to the Executive Board in the form of profit-sharing. The cost of the approved share allocation was recognised as TCHF 935, valued at the share price on 31 December 2010 of CHF 199.70 per share. Share-based compensation for the Executive Board was based on the assumption that the minimum proportion of 50% as stipulated in the compensation regulations applied.

In line with the allocation regulations applicable at the time, the Executive Board received profit-sharing in the form of options for the last time in the previous year of 2009. The Board of Directors was granted profit-sharing in the form of options for the last time in connection with the 2008 financial year.

The options issued can be broken down as follows:

	Grant date	2010	2009
– For the successful establishment of the Group	21.11.2001	13,000	13,000
– From profit-sharing 2000	21.11.2001	55,900	55,900
– From profit-sharing 2001	28.08.2002	18,725	18,725
– Special allocation Executive Board 2004	31.12.2004	2,293	2,293
– From profit-sharing 2005	01.01.2005	8,592	8,592
– From profit-sharing 2006	01.01.2006	8,322	8,322
– From profit-sharing 2007	01.01.2007	6,494	6,494
– From profit-sharing 2008	01.01.2008	1,825	1,825
– From profit-sharing 2009	01.01.2009	2,403	2,403
Total options issued		117,554	117,554
Options exercised		89,366	11,748
Expired options		0	0
Total options outstanding 31 December		28,188	105,806
Exercisable options		3,898	80,516

A new compensation system was introduced for the Board of Directors from the 2009 financial year onwards (see Corporate governance). Under the new system, the Board of Directors has not participated in the option plan since 1 January 2009. The Board of Directors now receives fixed compensation structured on a modular basis. The modules used reflect members' individual activities on the Board of Directors, thus ensuring that remuneration is in line with the level of responsibility involved and the time required. Each member of the Board of Directors may receive the compensation in cash, or partly or fully in shares in accordance with the allocation resolution. In total, compensation in the amount of TCHF 285 was paid in the form of shares (1,562 shares) in 2010.

Until 31 December 2009, the following profit-sharing ruling applied to the Executive Board and employees – and to the Board of Directors until 31 December 2008:

Until 31 December 2009, the Executive Board and employees were subject to a profit-sharing ruling which stated that should a hurdle of 5% return on equity be exceeded, options (with dilution protection) would be granted on shares in an amount of 20% of annual unrealised gains (valuation gains on properties less deferred taxes). The high water mark principle stipulated that if figures dropped below the 5% hurdle, profit-sharing only became possible again when the difference was made up. From 1 January 2006, the number of options was determined on the basis of the market value of the option using the Black Scholes model. The option plan was in force from 1 July 2000 and the regulations governing the plan were updated following the introduction of new profit-sharing regulations for employees effective 1 January 2005 and 1 January 2006. In addition, the Board of Directors and the Executive Board were granted special one-time options in 2001 for the successful establishment of the Mobimo Group.

The strike price for all options corresponds to the nominal value at the time of exercise. Following the nominal value reduction of 12 August 2010, the strike price declined from CHF 38 to CHF 29. A nominal value reduction also took place in the previous year. At that time, the strike price declined from CHF 47 to CHF 38.

All options issued are subject to individually electable vesting periods of at least three years from the issue date (21 November 2001 for the establishment of the Group and profit-sharing 2000, 28 August 2002 for profit-sharing 2001). Exercising was possible for the first time on 21 November 2004. The regulations, effective from 1 January 2006, governing option granting from the 2006 financial year onwards specify an exercise period of between the third and tenth year. The fair value for the options granted in 2009 was calculated using the Black Scholes model.

38. Capital commitments

As at 31 December 2010, capital commitments amounted to CHF 71.2 million. These commitments relate to the investment properties under construction at Zurich, Manessestrasse and the construction project (see Note 9).

39. Contingencies

There are no contingent liabilities.

40. Significant shareholders

As at the reporting date, the following shareholders hold more than 3% of the shares and options in Mobimo Holding AG:

31 December	2010	2009
Pensionskasse des Kantons Zug	3.41 %	3.80%
Family Dr. Alfred Meili	3.19%	5.62 %
Reichmuth & Co Investmentfonds AG	n/a	5.77%

41. Related parties

Related parties include shareholders who could exert a significant influence over Mobimo, the Board of Directors and management, associates, companies controlled by members of the Board of Directors of the Mobimo Group and the Mobimo pension plan. Among the companies controlled by members of the Board of Directors are Ledermann AG Beteiligungen & Immobilien, the law firm weber schaub & partner ag and Immopoly Sàrl owned by Paul Rambert. The life partner of Dr C. Caviezel is a partner in Holenstein Rechtsanwälte AG. Paul Rambert's son is a managing partner in the company OloOm Sàrl. The company provides interior design services.

In the year under review, the Board of Directors and the Executive Board received the following compensation (in TCHF):

	2010	2009
Members of the Board of Directors/Executive Board	5,505	4,243
broken down as follows		
– salaries	3,900	3,390
– social security contributions	502	312
- share-based payments	1,103	541

Within the context of the current option plan (see Note 37), options were granted to the Board of Directors and the Executive Board in the years 2000, 2001, 2004, 2005, 2006, 2007 and 2008. As a result of the new compensation system for the Board of Directors, options were only granted to the Executive Board in 2009.

Profit-sharing 2000, 2001, 2005, 2006 and special allocation 2004 93,832 options
Compensation for the successful establishment of the Group 13,000 options
Profit-sharing 2007 6,305 options
Profit-sharing 2008 1,825 options
Profit-sharing 2009 2,403 options
Profit-sharing 2010 4,089 shares

Further details of the current option plan can be found in Note 37.

Further relationships with related parties are as follows:

The income statement contains the following: legal consulting by Holenstein Rechtsanwälte AG TCHF 50 and expenses for tax consulting by the tax and law firm weber schaub & partner ag TCHF 310. TCHF 21 was paid for advisory services from Immopoly Sarl, TCHF 12 for services from OloOm Sarl and TCHF 12 for services provided in connection with property purchases by Paul Schnetzer. Dr C. Caviezel and U. Ledermann each bought an apartment in the Mobimo Tower, for CHF 2.4 million and CHF 1.3 million respectively.

The information on transparency pursuant to the Swiss Code of Obligations can be found in the notes to the annual financial statements of Mobimo Holding AG.

42. Group companies

The scope of consolidation comprises the following companies:

		Share capital	Ownership interest	Consolidation
Company	Domicile	in TCHF	in %	method
Mobimo Holding AG	Lucerne	148,804		F
Mobimo AG	Lucerne	72,000	100.00	F
Mobimo Management AG	Küsnacht	100	100.00	F
Mobimo Finance Ltd.	Jersey	Minimum capital	100.00	F
JJM Participations SA	Lausanne	6,001	100.00	F
LO Holding Lausanne-Ouchy SA	Lausanne	12,000	100.00	F
LO Immeubles SA	Lausanne	2,000	100.00	F
LO Gestion SA	Lausanne	250	100.00	F
Flon Events Sàrl	Lausanne	20	95.00	F
Parking du Centre SA	Lausanne	6,000	50.00	E
Flonplex SA	Lausanne	2,000	40.00	E
Parking Saint-François SA	Lausanne	1,150	26.521	not cons.
O4Real AG ²	Zurich	1,000	100.00	F
Olmero AG	Opfikon	208	6.44	not cons.

F = fully consolidated

E = equity valuation

not cons. = not consolidated

Scala Tower AG was merged with Mobimo AG as at 1 January 2010.

43. Events after the reporting date

The Board of Directors approved the consolidated annual financial statements for publication on 25 February 2011. These statements are also subject to approval by the General Meeting of Mobimo Holding AG on 6 April 2011.

On 9 February 2011, Mobimo purchased additional land in the form of two sites with a total area of 12,001m² in Affoltern am Albis to develop residential properties and condominiums.

No other events occurred between 31 December and the date of approval of the consolidated annual financial statements which would require adjustments to the carrying amounts of the Group's assets and liabilities as at 31 December 2010 or would require disclosure in this section.

¹ The share of voting rights is 5%.

² Addition in 2010

2.1 TRADING PROPERTY DETAILS

Location	Address	Site area in m²	Register of polluted	Built	Acquired	
			sites			
Land						
Erlenbach	Forch-/Glärnischstrasse	7,037	no		Apr 07	
Herrliberg	Rigiweg	5,082	no		Nov 08	
Weggis	Hertensteinstrasse 105	3,043	no		May 10	
		15,162				
Properties under con	struction					
Adliswil	Wilacker I	7,231	no		Dec 07	
Adliswil	Wilacker II	10,935	no		Dec 07	
Adliswil	Wilacker III	4,500	no		Dec 07	
Horgen	Stockerstrasse 40–42 (Wiesental II)	7,047	no		Nov 05	
Wädenswil	Rötibodenstrasse	3,740	no		Oct 07	
Zurich	Turbinenstrasse trading property (Mobimo Tov	ver) 1,936	no		May 08	
		35,389				
Completed propertie	es s					
Horgen	Stockerstrasse 27 – 29	5,490	no		Nov 05	
Horgen	Stockerstrasse 40 – 42 (Wiesental I)	7,633	no		Nov 05	
Horgen	Stockerstrasse 54	919	no		Nov 06	
Lucerne	Guggistrasse 10/12/12a ²	3,004	no	1979	Jul 07	
St. Moritz	Via Maistra 29	557	no		Jul 10	
Thalwil	Bergstrasse 10	2,551	no		Jun 06	
Winterthur	Museumstrasse 3 ²	2,550	no	1970	Dec 98	
Zurich	Im Brächli 5 / 7 / 9 ²	2,144	no	1955	Aug 09	
Zurich	Katzenbach I	6,530	no		Oct 04/Feb 05	
Zurich	Hinterbergstrasse ²	1,465	no		Jul 10	
Zurich	Zweierstrasse 141; Zurlindenstrasse 82 ²	880	no	1991	Feb 99	
		33,723				

¹ Status: certified purchase agreement

² Conversion properties

Sales status	Carrying amount	Realisation	Project status	Sales volumes	Description
31.12.2010 ¹	31.12.10		31.12.2010	in TCHF	
	in TCHF				
open	12,868	open	in planning	open	10 condominiums
0/8	17,610	2011/13	in planning	open	8 condominiums
open	9,864	open	in planning	open	open
	40,342			0	
8/33	15,705	2010/12	construction project	34,538	33 condominiums
0/7	12,211	2010/12	construction project	27,020	24 condominiums
open	8,409	open	construction project	18,000	3 apartment buildings
0/42	14,230	2011/13	construction project	open	42 condominiums
14/16	13,260	2010/11	construction project	24,800	16 condominiums
24/53	116,830	2008/11	construction project	175,195	53 condominiums
	180,645			279,553	
39/39	31	2007/09	for sale	41,449	39 condominiums
36/47	19,607	2008/10	for sale	62,172	47 condominiums
3/4	1,491	2009/10	for sale	9,020	4 condominiums
9/9	20	2008/11	for sale	15,936	9 condominiums
open	15,335	open	in planning	open	open
14/14	0	2007/09	for sale	19,291	14 condominiums
8/18	11,857	2010/11	for sale	20,455	18 condominiums
open	7,846	2011/12	in planning	open	open
67/67	254	2007/09	for sale	46,050	67 condominiums
0/10	9,409	2011/12	in planning	24,445	10 condominiums
21/21	0	2007/09	for sale	19,927	23 condominiums
	65,850			258,745	

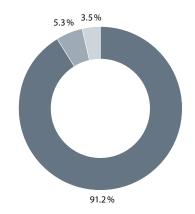
GEOGRAPHIC BREAKDOWN OF TRADING PROPERTIES

As at 31 December 2010, 20 trading properties were recognised in the balance sheet, of which

- 15 newbuild projects (prior year 15)
- 5 conversion projects (prior year 4) Most residential development properties are located in the Canton of Zurich, primarily the city of Zurich itself and the Lake Zurich region.

Percentage breakdown of carrying amounts in CHF

- Canton of Zurich
- Canton of Grisons
- Canton of Lucerne



2 PROPERTY DETAILS

	Landin	Addison	A a service of	D. He	V
Auton	Location	Address	Acquired	Built	Year
Perf	Aarau	Pahahafatrassa 102 (Madianark)	Mar 2004	1075	
Buthors (Institution) Buthor (1990
Button					1000
					1900
Belich					1005
Derkinon			· · · · · · · · · · · · · · · · · · ·		1995
Debendorf Lerzenstrasses 12 Jun 2005 1983/1996 2000 Dübendorf Sönnerstassses 5 May 7 Dec 1999 1975 2000 Dübendorf Zünkstrasse 28 Sep 2006 2008 Frenkendorf Pakstrasse 6 Nov 2005 1998 Horisau Obstrankt 1 Jul 2008 1994 Horisau Obstrankt 1 Jul 2008 1994 Horgen Seestrasse 80 Nov 2005 1998 Horgen Seestrasse 83 Nov 2005 2010/2011 Kreulingen Leuterstasses 2 Nov 2005 2010/2011 Kreulingen Leuterstasses 3 Nov 2005 2010/2011 Kreulingen Leuterstasses 2 Nov 2005 1987 Kreulingen Leuterstasses 2 Apr 2007 2007 Kreulingen Leuterstasses 2 Apr 2007 2007 Kreulingen Leuterstasses 2 Apr 2007 2007 Kreulingen Place de Sac 4 Nov 2009 1962 2000 Lausanne Plorope 8		<u> </u>			2007
Dibendorf Somentalstrasse 5					2007
Debendorf Zürchstrasse 98 Jan 2000 1985 1983 Frenkendorf Parkstrasse 2 Sep 2006 2008 Flerisaud Obstraskt 1 3u 2008 1983 Flerisau Obstraskt 1 Jul 2008 1984 Flerisau Secstrasse 80 Nov 2005 1996 Florgen Seestrasse 83 Nov 2005 2010/2011 Florgen Beatrasse 83 Nov 2005 1998 Kreudingen Haupstrasse 37 Sep 2005 1997 Kreudingen Laustrasse 2 Apr 2007 2007 Kreudingen Lengwilerstrasse 2 Apr 2007 2007 Kreudingen Place dil Kreudingen Nov 2009 <t< td=""><td></td><td></td><td></td><td></td><td>2000</td></t<>					2000
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¹ Target gross yield as at reporting date 31 December 2010 as % of market value

 $^{^{\}scriptscriptstyle 2}$ Vacancy rate as % of target rental income

Market value	Acquisition costs	Gross yield	Target rental revenues	Vacancy rate as at	Vacant area as at
in TCHF	in TCHF	in % ¹	in TCHF	31.12.2010 in % ²	31.12.2010 in %
25,500		7.7	1,971	21.2	17.7
27,130		7.2	1,967	0.0	0.0
17,580		7.5	1,317	15.4	17.9
26,760		6.0	1,606	6.3	11.3
2,884		6.4	183	0.0	0.0
13,500		7.8	1,056	10.1	5.8
11,240		6.6	742	13.5	10.7
9,778		9.5	929	31.5	33.2
26,840		6.8	1,821	17.1	16.8
21,240		6.4	1,350	0.6	0.0
7,839		5.3	415	0.0	0.0
11,040		8.4	928	4.8	3.0
16,000		6.6	1,060	7.9	10.1
7,713		6.7	513	0.2	0.0
27,650		9.8	2,723	0.0	0.0
6,412		5.0	318	48.3	68.8
11,440		6.1	698	0.0	0.0
64,780		5.6	3,646	0.7	1.3
6,406		5.1	324	0.0	0.0
37,090		8.4	3,105	20.4	22.4
88,380		2.5	2,210	0.0	0.0
4,281		4.9	210	0.0	0.0
6,820		5.4	370	0.0	0.0
21,830		6.3	1,374	0.0	0.0
9,695		7.0	676	0.0	0.0
3,944		6.0	235	0.0	0.0
5,670		6.6	374	0.0	0.0
18,700		6.1	1,149	0.0	0.0
22,250		5.9	1,307	0.0	0.0
17,520		7.7	1,345	0.7	1.8
3,156		5.3	166	0.0	0.0
10,670		8.0	853	1.3	3.7
5,734		5.4	309	0.5	0.8
7,354		7.2	531	0.0	0.0
4,054		6.3	256	0.0	0.0
1,705		4.6	79	0.0	0.0
2,057		3.6	74	0.0	0.0
4,246		7.7	328	0.0	0.0
14,580		5.2	759	4.4	9.6
11,040		6.1	670	0.0	0.0
50,440		6.2	3,146	0.0	0.0
21,160		5.5	1,172	0.0	0.0
1,126		n/a	n/a	n/a	n/a
6,261		n/a	n/a	n/a	n/a
13,000		6.5	845	18.9	25.2
29,910		6.1	1,828	0.0	0.0
28,280		5.9	1,676	1.0	2.2
10,210		4.7	479	0.0	0.0
13,830		5.2	723	0.0	0.0

2 PROPERTY DETAILS

Location	Address	Acquired	Built	Year
				renovated
Oberglatt	Aspstrasse 12	Sep 2005	1990	
Renens	Chemin de la Rueyre 116/118	Mar 2007	1989	
St. Gallen	Schochengasse 6	Feb 2004	1974	2000
St. Gallen	St. Leonhardstrasse 22	Dec 2004	1900	2002
St. Gallen	Wassergasse 42/44	Feb 2004	1966	2000
St. Gallen	Wassergasse 50 / 52	Feb 2004	1998	
Tagelswangen	Lindauerstrasse 17; Ringstrasse 30	Dec 2000	1981	2002
Winterthur	Industriestrasse 26	Oct 1999	1994	2002
Zurich	Bahnhofplatz 4	Jul 2006	1881	2002
Zurich	Friedaustrasse 17	Oct 1998	1968	
Zurich	Hardturmstrasse 3/5 (Mobimo Tower)	Nov 1999	1974	2001
Zurich	Letzigraben 134 – 136	Sep 2006	1958 / 1975	
Zurich	Rautistrasse 12	Nov 1999	1972	
Zurich	Schifflände 6; Kruggasse 1	May 1998	1950	
Zurich	Stauffacherstrasse 41	Jun 2000	1990	
Zurich	Thurgauerstrasse 23; Siewerdtstrasse 25	Mar 2002	1963 / 1968 / 1985	
Zurich	Witikonerstrasse 311/311b	Sep 1997	1992	
66	Commercial investment properties			
Aarau	Baufeld 1 – Torfeld Süd	Jun 2001 / Aug 2008	1967 / 1984	2003
Aarau	Baufeld 2 – Torfeld Süd	Oct 2006	1905/1916/	
			1929/1943/1954	
Aarau	Baufeld 3 – Torfeld Süd	Jun 2001/Oct 2006	1905/1916/1929/	
			1943 / 1954 / 1974	
Aarau	Baufeld 4 – Torfeld Süd	Jun 2001/Oct 2006/	1905/1914/1916/1929/	1994
		Feb 2009	1943 / 1954 / 1967 / 1973	
Cham	Alte Steinhauserstrasse 35	Aug 2003	1984	
Kreuzlingen	Romanshornerstrasse (land)	Nov 2006		
Kriens	Mattenhof (land)	Mar 2005		
Lausanne	Rue de Genève 19	Nov 2009	1893	
Lausanne	Rue de Genève 21	Nov 2009	1902	
Lausanne	Rue de Genève 23	Nov 2009	1915	
Lausanne	Rue des Côtes-de-Montbenon 1/3	Nov 2009	1930	
Lausanne	Rue des Côtes-de-Montbenon 5	Nov 2009	1930	
Lausanne	Rue des Côtes-de-Montbenon 11/24	Nov 2009	1935	
Lausanne	Rue des Côtes-de-Montbenon 12	Nov 2009	1918	
Lausanne	Rue des Côtes-de-Montbenon 14	Nov 2009	1963	
Regensdorf	Althardstrasse 10	Dec 2001	1900/1990	
Regensdorf	Althardstrasse 30	Dec 2001	1976	
Wohlen	Zentralstrasse 34	Dec 1998	1990	
18	Commercial development properties			
84	Total commercial properties			

¹ Target gross yield as at reporting date 31 December 2010 as % of market value

 $^{^{\}scriptscriptstyle 2}$ Vacancy rate as % of target rental income

Market value	Acquisition costs	Gross yield	Target rental revenues	Vacancy rate as at	Vacant area as at
in TCHF	in TCHF	in % ¹	in TCHF	31.12.2010 in % ²	31.12.2010 in %
24,000		7.8	1,863	5.3	4.0
12,420		6.9	862	4.8	3.9
17,010		6.3	1,070	0.0	0.0
4,184		6.3	262	14.3	15.5
14,420		6.4	917	5.0	7.9
13,130		6.0	791	0.0	0.0
6,622		9.5	627	100.0	100.0
19,290		7.2	1,393	4.7	5.0
19,110		4.7	890	0.0	0.0
8,033		6.9	552	1.9	3.2
56,760		5.7	3,246	0.0	0.0
13,810		7.2	989	4.5	1.7
19,290		6.8	1,312	2.1	0.2
6,670		4.9	330	0.0	0.0
41,600		5.7	2,382	0.3	0.0
14,100		6.5	916	2.4	6.3
8,302		6.5	537	16.2	15.5
1,115,476	991,074	6.2	68,755	5.6	7.3
11,250		8.5	960	0.0	0.0
7,210		7.2	522	70.1	15.3
22,612		6.6	1,494	0.0	0.0
17,735		6.1	1,090	2.4	3.9
5,741		9.8	563	38.2	35.2
1,884		n/a	n/a	n/a	n/a
3,187		n/a	n/a	n/a	n/a
2,757		13.9	385	12.5	18.2
2,582		12.0	309	10.4	13.5
1,933		9.4	182	0.0	0.0
603		14.2	85	11.2	0.0
251		11.2	28	0.0	0.0
731		1.7	12	0.0	0.0
1,660		8.4	140	0.0	n/a
445		8.1	36	0.0	n/a
17,930		9.8	1,759	49.7	53.5
17,070		11.7	2,004	93.2	92.4
3,836		7.9	304	23.4	28.5
119,417	113,200	8.3	9,872	35.5	28.9
1,234,893	1,104,274	6.4	78,627	9.3	11.4

Location	Address	Ownership	Site area	Register of
Location	Addiess	Ownership	in m ²	polluted sites
Aarau	Bahnhofstrasse 102 (Mediapark)	sole ownership	5,675	no
Aesch	Pfeffingerring 201	sole ownership	16,034	no details
Baden-Dättwil	Im Langacker 20/20a/22	sole ownership	8,792	no
Brugg	Bahnhofstrasse 11	condominiums (773/1,000)	2,726	no
Bülach	Bahnhofstrasse 39	sole ownership	563	no
Bülach	Schlosserstrasse 4 (Ifang)	sole ownership	4,415	no
Dierikon	Pilatusstrasse 2	sole ownership	4,436	no
Dietikon	Lerzenstrasse 12	sole ownership	3,000	yes (code D) ³
Dübendorf	Sonnentalstrasse 5	condominiums (842/1,000)	4,368	yes (code D) ³
Dübendorf	Zürichstrasse 98	sole ownership	9,719	yes (petrol station / code D) ³
Frenkendorf	Parkstrasse 2	sole ownership	4,803	no details
Frenkendorf	Parkstrasse 6	sole ownership	7,748	no details
Herisau	Obstmarkt 1	sole ownership	1,602	no
Horgen	Seestrasse 80	sole ownership	3,117	no
Horgen	Seestrasse 93	sole ownership	10,767	yes
Horgen	Seestrasse 82	sole ownership	3,117	no yes
Kreuzlingen	Hauptstrasse 37	sole ownership	1,448	no
Kreuzlingen	Leubernstrasse 3	sole ownership	32,557	no
Kreuzlingen	Lengwilerstrasse 2	sole ownership	7,027	no
Kriens	Sternmatt 6	sole ownership	28,636	no
Lausanne	Avenue d'Ouchy 4/6	sole ownership	12,609	yes ⁷
Lausanne	Flonplex	building right	1,953	yes ⁸
Lausanne	Parking du Centre	building right	5,065	yes 8
Lausanne	Place de la Gare 4	sole ownership	630	no
Lausanne	Place de la Navigation 4–6	sole ownership	567	yes ⁴
Lausanne	Place de l'Europe 7	sole ownership	213	yes ⁴
Lausanne	Place de l'Europe 8	sole ownership	1,035	yes ⁴
Lausanne	Place de l'Europe 9	sole ownership	975	yes ⁴
Lausanne	Rue de Genève 2/4/6/8	sole ownership	2,260	yes ⁴
Lausanne	Rue de Genève 17	sole ownership	2,200	yes ⁴
		·	972	
Lausanne	Rue de la Vigie 3	building right		yes ⁷ yes ⁷
Lausanne	Rue de la Vigie 5	sole ownership	852	
Lausanne	Rue des Côtes-de-Montbenon 6	sole ownership	533	yes ⁴
Lausanne	Rue des Côtes-de-Montbenon 8	sole ownership	587	yes ⁴
Lausanne	Rue des Côtes-de-Montbenon 16	sole ownership	671	yes ⁴
Lausanne	Rue des Côtes-de-Montbenon 24/26	building right	867	yes ⁸
Lausanne	Rue des Côtes-de-Montbenon 28/30	building right	1,068	yes ⁷
Lausanne	Rue du Port-Franc 9	sole ownership	995	yes ⁶
Lausanne	Rue du Port-Franc 17 (Miroiterie)	sole ownership	612	yes ⁵
Lausanne	Rue du Port-Franc 17	sole ownership	776	yes ⁵
Lausanne	Rue du Port-Franc 20; Rue de Genève 33	sole ownership	2,000	yes ⁵
Lausanne	Rue du Port-Franc 22; Rue de la Vigie 1	sole ownership	1,999	yes ⁵
Lausanne	Vallée du Flon	sole ownership	926	yes ⁷
Lausanne	Vallée du Flon (phase II)	sole ownership	5,151	yes ⁷
Lausanne	Voie du Chariat 4/6	sole ownership	500	yes ⁵
Lausanne	Voie du Chariot 4/6	sole ownership	2,614	yes ⁵
Lausanne	Voie du Chariot 5/7	sole ownership	1,042	yes ⁵
Lucerne	Alpenstrasse 9	sole ownership	569	no

³ Code D: clarification necessary within framework of building project

⁴ Site pollution unlikely – the property has to be maintained in accordance with the design plan ("Gestaltungsplan") and has been subject to comprehensive renovation over recent years

⁵ Site pollution eliminated – property rebuilt over recent years

Property	Total rentable	Office space	Sales space	Commercial space	Apartment	Other
description 9	area in m²	in %	in %	in %	space in %	in %
Com	13,246	65.7	0.0	9.0	0.7	24.6
Com	14,794	28.6	0.0	43.8	0.0	27.6
Com	9,005	24.3	28.2	20.9	1.3	25.3
Com	3,998	29.1	34.7	31.2	0.0	5.0
Com	880	62.2	18.0	0.0	0.0	19.9
Com	7,485	25.8	0.0	53.0	1.9	19.3
Com	4,331	60.0	16.1	15.4	0.0	8.5
Com	7,641	19.1	0.0	61.5	1.4	18.0
Com	8,882	45.1	0.0	43.9	0.0	11.0
Com	9,699	21.1	15.0	30.2	0.0	33.7
Com	1,533	0.0	70.3	0.0	0.0	29.7
Com	6,290	46.1	0.0	44.8	1.7	7.4
Com	5,647	52.5	9.4	0.0	0.0	38.1
Com	2,126	76.5	0.0	0.0	0.0	23.5
Com	19,099	0.0	0.0	86.4	0.0	13.6
Car park	64	0.0	0.0	0.0	0.0	100.0
Com	2,530	55.7	19.9	0.0	0.0	24.4
Com	17,588	8.9	89.2	0.0	0.0	2.0
Com	1,350	0.0	66.7	0.0	0.0	33.3
Com	27,669	26.5	3.6	47.9	1.0	21.1
Com	27,127	34.3	4.8	36.3	0.0	24.5
Building right	1,953	0.0	0.0	0.0	0.0	100.0
Building right	6,526,	0.0	0.0	0.0	0.0	100.0
Com	4,426	67.5	15.1	0.0	0.0	17.4
Com – hotel	2,800	0.0	0.0	0.0	0.0	100.0
Com – share investment prop.	806	40.4	37.5	0.0	0.0	22.1
Com	1,593	75.5	24.5	0.0	0.0	0.0
Com	3,442	43.9	31.8	0.0	0.0	24.3
Com	4,401	10.3	89.7	0.0	0.0	0.0
Com	6,646	43.6	19.1	7.2	0.0	30.0
Building right	1,840	0.0	0.0	70.7	0.0	29.3
Com	3,691	60.9	0.0	0.0	0.0	39.1
Com	2,182	0.0	18.5	63.7	0.0	17.8
Com	2,226	73.9	0.0	3.6	0.0	22.5
Com – share investment prop.	775	64.5	0.0	0.0	35.5	0.0
Building right	867	0.0	0.0	0.0	0.0	100.0
Building right	1,068	0.0	0.0	0.0	0.0	100.0
Com	1,733	21.9	20.5	42.4	0.0	15.2
Com	2,314	20.4	57.7	0.0	0.0	21.8
Com	2,142	57.9	0.0	0.0	24.9	17.1
Com	9,971	34.9	65.1	0.0	0.0	0.0
Com	4,066	81.3	8.9	0.0	0.0	9.8
Land	0	n/a	n/a	n/a	n/a	n/a
Land	0	n/a	n/a	n/a	n/a	n/a
Com	2,168	75.5	15.5	0.0	0.0	9.0
Com	5,438	32.0	65.2	0.0	0.0	2.8
Com	5,005	54.6	16.0	0.0	13.8	15.5
Res + com	1,926	55.4	12.9	0.0	21.7	10.0

⁶ Site pollution suspected but no measures expected – property has to be maintained in accordance with the design plan ("Gestaltungsplan")

 $^{^{\}rm 7}$ Site pollution suspected, measures required in newbuild plans

⁸ Building-right plots on which newbuild projects have been realised over recent years

⁹ Com = commercial; Res = residential

Location	Address	Ownership	Site area	Register of
		·	in m²	polluted sites
Neuhausen	Victor-von-Bruns-Strasse 19	sole ownership	1,597	no
Oberglatt	Aspstrasse 12	sole ownership	32,149	no
Renens	Chemin de la Rueyre 116/118	sole ownership	4,503	no
St. Gallen	Schochengasse 6	sole ownership	1,316	no
St. Gallen	St. Leonhardstrasse 22	sole ownership	219	no
St. Gallen	Wassergasse 42/44	condominiums (842/1,000)	1,714	no
St. Gallen	Wassergasse 50/52	sole ownership	1,373	no
Tagelswangen	Lindauerstrasse 17; Ringstrasse 30	sole ownership	8,953	yes (code D) ³
Winterthur	Industriestrasse 26	sole ownership	3,635	yes (code D) ³
Zurich	Bahnhofplatz 4	sole ownership	189	no
Zurich	Friedaustrasse 17	sole ownership	869	no
Zurich	Hardturmstrasse 3/5 (Mobimo Tower)	sole ownership	2,714	yes
Zurich	Letzigraben 134 – 136	sole ownership	5,003	yes
Zurich	Rautistrasse 12	sole ownership	1,894	yes (petrol station)
Zurich	Schifflände 6; Kruggasse 1	sole ownership	120	no
Zurich	Stauffacherstrasse 41	sole ownership	1,405	no
Zurich	Thurgauerstrasse 23; Siewerdtstrasse 25	sole ownership	2,657	no
Zurich	Witikonerstrasse 311/311b	sole ownership	1,846	yes (petrol station)
66	Commercial investment properties	·	283,059	× 9
			<u> </u>	
Aarau	Baufeld 1 – Torfeld Süd	sole ownership	3,774	yes (insignificant)
Aarau	Baufeld 2 – Torfeld Süd	sole ownership	12,692	yes (insignificant)
Aarau	Baufeld 3 – Torfeld Süd	sole ownership	14,249	yes (insignificant)
Aarau	Baufeld 4 – Torfeld Süd	sole ownership	13,032	yes (insignificant)
Cham	Alte Steinhauserstrasse 35	sole ownership	3,311	no
Kreuzlingen	Romanshornerstrasse (land)	sole ownership	2,180	no
Kriens	Mattenhof (land)	sole ownership	3,666	no
Lausanne	Rue de Genève 19	sole ownership	1,738	yes ⁶
Lausanne	Rue de Genève 21	sole ownership	1,440	yes ⁶
Lausanne	Rue de Genève 23	sole ownership	1,084	yes ⁶
Lausanne	Rue des Côtes-de-Montbenon 1/3	sole ownership	1,101	yes ⁷
Lausanne	Rue des Côtes-de-Montbenon 5	sole ownership	734	yes ⁷
Lausanne	Rue des Côtes-de-Montbenon 11/24	sole ownership	1,195	yes ⁷
Lausanne	Rue des Côtes-de-Montbenon 12	sole ownership	499	yes ⁷
Lausanne	Rue des Côtes-de-Montbenon 14	sole ownership	647	yes ⁷
Regensdorf	Althardstrasse 10	sole ownership	7,714	yes
Regensdorf	Althardstrasse 30	sole ownership	9,355	yes
Wohlen	Zentralstrasse 34	sole ownership	3,189	no
18	Commercial development properties		81,600	
84				
	Total commercial properties		364,659	

³ Code D: clarification necessary within framework of building project

⁶ Site pollution suspected but no measures expected – properties have to be maintained in accordance with the design plan ("Gestaltungsplan")

⁷ Site pollution suspected, measures required in newbuild plans

⁹ Com = commercial; Res = residential

Property	Total rentable	Office space	Sales space	Commercial space	Residential	Other
description ⁹	area in m ²	in %	in %	in %	space in %	in %
Com	3,130	100.0	0.0	0.0	0.0	0.0
Com	14,319	19.5	0.0	66.2	0.8	13.6
Com	4,329	67.1	0.0	0.8	0.0	32.1
Com	4,504	95.6	0.0	0.0	0.0	4.4
Com	1,073	78.7	13.0	0.0	0.0	8.4
Com	3,963	89.2	0.0	0.0	6.1	4.6
Com	3,581	73.1	0.0	0.0	0.0	26.9
Com	6,161	20.6	0.0	0.0	0.0	79.4
Com	10,844	0.0	0.8	85.4	0.0	13.8
Com	746	64.4	27.5	0.0	0.0	8.1
Com	2,559	62.5	0.0	3.5	0.0	34.0
Com	8,259	94.6	0.0	0.0	0.0	5.4
Com	6,879	16.2	0.0	39.1	1.3	43.5
Com	5,467	74.1	8.5	0.0	1.4	16.0
Com	501	60.7	17.0	0.0	0.0	22.4
Com	6,793	66.3	1.0	0.0	0.0	32.6
Com	3,907	61.1	6.3	8.2	0.0	24.4
Res + com	1,997	49.2	0.0	6.5	30.3	14.0
	360,001	36.2	13.8	26.2	1.1	22.8
	202,023					
Com	4,286	85.9	0.0	0.0	0.0	14.1
Com	5,508	30.4	1.8	43.7	6.5	17.6
Com	21,248	0.5	0.0	93.3	0.0	6.3
Com	9,878	0.0	0.0	96.8	3.2	0.0
Com	4,378	80.2	5.0	0.0	0.0	14.8
Land	0	n/a	n/a	n/a	n/a	n/a
Land	0	n/a	n/a	n/a	n/a	n/a
Com	3,373	0.0	18.1	26.6	0.0	55.3
Com	3,515	0.0	17.1	25.8	0.0	57.0
Com	2,104	0.0	0.0	0.0	0.0	100.0
Com	314	0.0	0.0	100.0	0.0	0.0
Com	272	0.0	0.0	36.4	0.0	63.6
Com	220	0.0	0.0	100.0	0.0	0.0
Com	935	0.0	0.0	21.4	0.0	78.6
Com	640	0.0	0.0	100.0	0.0	0.0
Com	13,166	38.6	29.0	0.0	0.0	32.3
Com	12,879	60.4	0.0	29.6	2.2	7.8
Com	1,567	55.3	23.9	0.0	0.0	20.7
	84,283	26.9	6.8	46.1	1.1	19.0
	444,283	34.5	12.6	30.2	1.1	21.7

2.3 RESIDENTIAL PROPERTY DETAILS

Location	Address	Acquired	Built	Year
Davadiatikan	Baltenschwilerstrasse 3/5/7/9/11/13/15/17	Oct 2007	1973 / 1980	renovated
Bergdietikon Binz	Zürichstrasse 244/246	Nov 2005	19/3/1980	1992 / 2007 1997 / 2001
Lausanne			1895	1997 / 2001
	Place de la Navigation 2	Nov 2009		
Lausanne	Avenue d'Ouchy 70	Nov 2009	1906	
Lausanne	Avenue d'Ouchy 72, 74	Nov 2009	1907	
Lausanne Lausanne	Avenue d'Ouchy 76 Rue des Fontenailles 1	Nov 2009 Nov 2009	1907 1910	
Münchwilen	Buchenacker 22/24/26/28; Unterer Buchenacker 7	Jun 2007	1994 / 1995	
Opfikon	Farmanstrasse 47 / 49	Dec 2010	2009	
- 1-			1963 / 1969	
Regensdorf	Schulstrasse 95 / 101 / 107 / 115; Riedthofstrasse 55 / 63; Feldblumenstrasse 44	Jun 2007	1903 / 1909	
Dhainfaldan		C 2006	1072	2004
Rheinfelden	Rütteliweg 8; Spitalhalde 40	Sep 2006	1972	2004
St. Gallen	Teufenerstrasse 15	Dec 2006	1900	2005
Wängi	Brühlwiesenstrasse 11a / 11b / 15a / 15b / 19a / 19b	Jun 2007	1984/1988	
Zurich	Klingenstrasse 34; Konradstrasse 68	Nov 2001	1897	1987
Zurich	Katzenbachstrasse 221 – 231	Oct 2004/Feb 2005	2009	
Zurich	Katzenbachstrasse 239	Mar 2008	1969	
Zurich	Wettingerwies 7; Zeltweg	Apr 1999	1969	2003
17	Residential investment properties			
Location	Address	Ownership	Site area in m²	Register of polluted sites
Bergdietikon	Baltenschwilerstrasse 3/5/7/9/11/13/15/17	sole ownership	11,131	no
Binz	Zürichstrasse 244/246	sole ownership	4,325	no
Lausanne	Place de la Navigation 2	sole ownership	254	yes ⁵
Lausanne	Avenue d'Ouchy 70	sole ownership	478	yes ⁵
Lausanne	Avenue d'Ouchy 72, 74	easement	0	yes⁵
Lausanne	Avenue d'Ouchy 76	sole ownership	738	yes⁵
Lausanne	Rue des Fontenailles 1	sole ownership	716	no
Opfikon	Farmanstrasse 47 / 49	sole ownership	3,840	no
Münchwilen	Buchenacker 22 / 24 / 26 / 28; Unterer Buchenacker 7	sole ownership	5,741	no
Regensdorf	Schulstrasse 95 / 101 / 107 / 115;	sole ownership	16,656	no
	Riedthofstrasse 55 / 63; Feldblumenstrasse 44			
Rheinfelden	Rütteliweg 8; Spitalhalde 40	sole ownership	14,817	no
St. Gallen	Teufenerstrasse 15	sole ownership	658	no
Wängi	Brühlwiesenstrasse 11a / 11b / 15a / 15b / 19a / 19b	sole ownership	7,412	no
Zurich	Klingenstrasse 34; Konradstrasse 68	sole ownership	361	no
Zurich		anda avvanandain	6,819	no
	Katzenbachstrasse 221 – 231	sole ownership	0,019	1.0
Zurich	Katzenbachstrasse 221 – 231 Katzenbachstrasse 239	sole ownership	1,987	no
Zurich Zurich		<u> </u>	· · · · · · · · · · · · · · · · · · ·	
	Katzenbachstrasse 239	sole ownership	1,987	no

¹ Target gross yield as at reporting date 31 December 2010 as % of market value ² Vacancy rate as % of target rental income

 $^{^{9}}$ Com = commercial ; Res = residential

Market value in TCHF	Acquisitio	on costs in TCHF	Gross yield in % 1	Target renta	al revenues in TCHF	Vacancy rate 31.12.2010 in		cant area as at . 12. 2010 in %
19,720			5.4		1,062	31.12.201011	0.4	1.1
9,238			5.8		539		n/a	1.7
4,534			6.4		291		12.0	12.2
3,796			6.1		233		0.0	0.0
1,517			8.1		124		0.0	0.0
11,160			5.6		627		0.0	0.0
1,950			6.9		135		1.1	1.3
12,590			6.2		781		0.9	0.0
21,990			5.1		1,112		0.8	0.0
18,380			6.5		1,189		0.0	0.0
17,630			6.6		1,159		2.5	0.0
3,647			5.3		194		2.8	4.5
10,730			6.6		711		5.3	4.1
6,849			5.8		399		0.0	0.0
44,370			5.6		2,485		5.5	4.2
5,100			5.8		294		3.6	0.0
9,628			5.8		560		0.0	0.0
202,829		184,195	5.9		11,893		2.4	1.6
Property	Total	1-11/2-	2-21/2-	3-31/2-	4-4 1/2-	5 or more	Total	
	Total	/ -	2-2 /2					Other forms
description ⁹	rentable	room	room	room	room	room	apartments	Other forms of use in %
description ⁹			room		room apartments		apartments	Other forms of use in %
description ⁹	rentable area in m ² 5,061	room apartments	room apartments 8	room apartments	room apartments 28	room apartments	apartments	of use in %
description ⁹ 3 Res Res	rentable area in m ² 5,061 2,461	room apartments 0 0	room apartments	room apartments	room apartments	room apartments 0 0	apartments	of use in % 3.7 4.6
description 9 3 Res Res Res + com	rentable area in m ² 5,061 2,461 1,239	room apartments 0 0 0	room apartments 8 6 2	room apartments 18 12 0	room apartments 28 12	room apartments 0 0 5	apartments 54 30 8	of use in % 3.7 4.6 8.6
description 9 3 Res Res Res + com Res + com	rentable area in m ² 5,061 2,461 1,239 1,133	room apartments 0 0 0 0	room apartments 8 6 2 0	room apartments 18 12 0 5	room apartments 28 12 1 0	room apartments 0 0 5 5	54 30 8 10	of use in % 3.7 4.6 8.6 6.8
description 9 3 Res Res Res + com Res + com Res	rentable area in m ² 5,061 2,461 1,239 1,133 979	room apartments 0 0 0 0 0	room apartments 8 6 2 0 6	room apartments 18 12 0 5 3	room apartments 28 12 1 0 3	room apartments 0 0 5 5 0	30 8 10	of use in % 3.7 4.6 8.6 6.8 0.0
description 9 3 Res Res Res + com Res + com Res Res Res + com	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517	room apartments 0 0 0 0 0 0 0 0	room apartments	room apartments 18 12 0 5 3 0	room apartments 28 12 1 0 3 0	room apartments 0 0 5 5 10	30 8 10 12	of use in % 3.7 4.6 8.6 6.8 0.0 28.0
description 9 3 Res Res Res + com	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957	room apartments 0 0 0 0 0 0 0 2	room apartments	room apartments 18 12 0 5 3 0 0	room apartments 28 12 1 0 3 0 4	room apartments 0 0 5 5 10 4	30 8 10 12 10	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0
description 9 3 Res Res Res + com Res + com Res + com Res Res + com Res Res + com Res	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957 3,598	room apartments 0 0 0 0 0 0 0 2 1	room apartments 8 6 2 0 6 0 0 13	room apartments 18 12 0 5 3 0 0 15	room apartments 28 12 1 0 3 0 4 10	room apartments 0 0 5 5 0 10 4	54 30 8 10 12 10 10 39	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4
description 9 3 Res Res Res + com Res + com Res + com Res Res + com Res Res + com Res Res + com	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032	room apartments 0 0 0 0 0 0 2 1 0 0	room apartments 8 6 2 0 6 0 0 13 4	room apartments 18 12 0 5 3 0 0 15 20	room apartments 28 12 1 0 3 0 4 10 20	room apartments 0 0 5 5 10 4 0 0	30 8 10 12 10 10 39 44	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2
description 9 3 Res Res Res + com Res + com Res + com Res + com Res Res + com Res Res + com	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957 3,598	room apartments 0 0 0 0 0 0 0 2 1	room apartments 8 6 2 0 6 0 0 13	room apartments 18 12 0 5 3 0 0 15	room apartments 28 12 1 0 3 0 4 10	room apartments 0 0 5 5 0 10 4	54 30 8 10 12 10 10 39	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4
description 9 3 Res Res Res + com Res + com Res + com Res Res + com Res Res + com Res Res + com	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032	room apartments 0 0 0 0 0 0 2 1 0 0	room apartments 8 6 2 0 6 0 0 13 4	room apartments 18 12 0 5 3 0 0 15 20	room apartments 28 12 1 0 3 0 4 10 20	room apartments 0 0 5 5 10 4 0 0	30 8 10 12 10 10 39 44	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2
description 9 3 Res Res Res + com Res + com Res + com Res = 3 Res 7 Res	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032 6,490	room apartments 0 0 0 0 0 0 0 2 1 0 9	room apartments 8 6 2 0 6 0 0 13 4 19	room apartments 18 12 0 5 3 0 0 15 20 43	room apartments 28 12 1 0 3 0 4 10 20 23	room apartments 0 0 0 5 5 0 10 4 0 0 1	54 30 8 10 12 10 10 39 44 95	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2 3.3
description 9 3 Res Res Res + com Res + com Res + com Res + com 3 Res Res + com Res A Res	rentable area in m² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032 6,490	room apartments 0 0 0 0 0 0 0 2 1 0 9	room apartments 8 6 2 0 6 0 0 13 4 19	room apartments 18 12 0 5 3 0 15 20 43	room apartments 28 12 1 0 3 0 4 10 20 23	room apartments 0 0 0 5 5 0 10 4 0 0 1	30 8 10 12 10 10 39 44 95	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2 3.3
description 9 3 Res Res Res + com Res + com Res + com Res + com Res 7 Res 2 Res Res + com	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032 6,490 5,472 1,534	room apartments 0 0 0 0 0 0 0 2 1 0 9	room apartments 8 6 2 0 6 0 0 13 4 19	room apartments 18 12 0 5 3 0 15 20 43	room apartments 28 12 1 0 3 0 4 10 20 23 46 7	room apartments 0 0 5 5 0 10 4 0 1	30 8 10 12 10 10 39 44 95	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2 3.3
description 9 3 Res Res Res + com Res + com Res + com Res + com Res Ares Ares Ares Ares Ares Ares Ares Ar	rentable area in m ² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032 6,490 5,472 1,534 4,208	room apartments 0 0 0 0 0 0 0 2 1 0 9	room apartments 8 6 2 0 6 0 0 13 4 19 30 2 6	room apartments 18 12 0 5 3 0 15 20 43 0 1	room apartments 28 12 1 0 3 0 4 10 23 46 7 21	room apartments 0 0 0 5 5 0 10 4 0 0 1	30 8 10 12 10 10 39 44 95	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2 3.3 1.2 30.6 1.0
description 9 3 Res Res Res Res + com Res + com Res + com Res Res Res A	rentable area in m² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032 6,490 5,472 1,534 4,208 1,466	room apartments 0 0 0 0 0 0 0 2 1 0 9 7 1 0 0 0 0	room apartments 8 6 2 0 6 0 0 13 4 19 30 2 6 0 0	room apartments 18 12 0 5 3 0 0 15 20 43 0 1 21 7	room apartments 28 12 1 0 3 0 4 10 20 23 46 7 21 3	room apartments 0 0 0 5 5 0 10 4 0 0 1 1 0 0 0 0 0 0 0 0 0 0 0	30 8 10 12 10 10 39 44 95 83 11 48	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2 3.3 1.2 30.6 1.0 41.7
description 9 3 Res Res Res Res + com Res + com Res + com Res Res Res + com Res Res 3 Res 2 Res Res + com 3 Res 2 Res + com Res	rentable area in m² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032 6,490 5,472 1,534 4,208 1,466 8,276	room apartments 0 0 0 0 0 0 0 2 1 0 9 7 1 0 0 0 0	room apartments 8 6 2 0 6 0 13 4 19 30 2 6 0 4	room apartments 18 12 0 5 3 0 15 20 43 0 1 7 32	room apartments 28 12 1 0 3 0 4 10 23 46 7 21 3 28	room apartments 0 0 0 5 5 5 0 10 4 0 0 1 0 0 0 0 0 5 5 5 5 5 0 0 10 5 5 5 5	30 8 10 12 10 10 39 44 95 83 11 48 10	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.4 1.2 3.3 1.2 30.6 1.0 41.7 0.0
description 9 3 Res Res Res Res + com Res + com Res + com Res Res Res Ares Ares Ares Ares Ares Ares Ares Ar	rentable area in m² 5,061 2,461 1,239 1,133 979 2,517 957 3,598 4,032 6,490 5,472 1,534 4,208 1,466 8,276 1,610	room apartments 0 0 0 0 0 0 0 0 2 1 0 9 7 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	room apartments 8 6 2 0 6 0 0 13 4 19 30 2 6 0 4 5	room apartments 18 12 0 5 3 0 15 20 43 0 1 7 32 8	room apartments 28 12 1 0 3 0 4 10 20 23 46 7 21 3 28 5	room apartments 0 0 0 5 5 5 0 10 4 0 0 1 1 0 0 0 5 5 0 0 0 0 0 0 0 0 0 0 0	30 8 10 12 10 10 39 44 95 83 11 48 10 69	of use in % 3.7 4.6 8.6 6.8 0.0 28.0 0.0 0.4 1.2 3.3 1.2 30.6 1.0 41.7 0.0 0.0

⁴ Site pollution unlikely – the property has to be maintained in accordance with the design plan ("Gestaltungsplan") and has been subject to comprehensive renovation over recent years

2.4 DETAILS OF INVESTMENT PROPERTIES UNDER CONSTRUCTION

Location	Address	Ownership	Acquired	Built	
Aarau	Polygon – Industriestrasse, Baufeld 3	sole ownership	Jun 2001	2012	
Horgen	Seestrasse 43 – 49 / 63-69	sole ownership	Nov 2005	2010	
Lausanne	Place de l'Europe 6	sole ownership	Nov 2009	1905/2011	
Lausanne	Rue de Genève 7	sole ownership	Nov 2009	1932/2011	
Lausanne	Rue Beau-Séjour 8	sole ownership	Nov 2009	2011	
Zurich	Manessestrasse 190 / 192; Staffelstrasse 1/3/5	sole ownership	Dec 2005	2011	
Zurich	Turbinenstrasse Hotel (Mobimo Tower)	sole ownership	May 2008	2011	
7	Properties under construction				

With the exception of Horgen, Seestrasse 43–49/63–69, the above investment properties are in the construction phase. Horgen, Seestrasse 43–49/63–69 was completed in the second half of 2010 and will be reclassified as residential investment properties in the coming year.

The properties at Lausanne, Place de l'Europe 6; Lausanne, Rue de Genève 7; Lausanne, Rue Beau-Séjour 8; Zurich, Manessestrasse 190/192; Staffelstrasse 1/3/5 and Zurich, Turbinenstrasse Hotel (Mobimo Tower) are due to be completed in 2011. Construction at Aarau Polygon – Industriestrasse, Baufeld 3 is scheduled to end in 2012.

2.5 DETAILS OF PROPERTIES OWNED AND USED BY MOBIMO

3	Properties				
	B				
Lausanne	Rue des Côtes-de-Montbenon 16	sole ownership	Nov 2009	1912	
Lausanne	Place de l'Europe 7	sole ownership	Nov 2009	1905	
Küsnacht	Seestrasse 59	sole ownership	Sep 2002	2006	
Location	Address	Ownership	Acquired	Built	

2.6 CO-OWNERSHIP DETAILS

Location	Address	Ownership	Acquired	Built	
 Lausanne	Flonplex	Co-ownership 40%	Nov 2009	2001	
Lausanne	Parking du Centre	Co-ownership 50%	Nov 2009	2001	
Lausanne	Parking du St. François	Co-ownership 26.5 %	Nov 2009	n/a	
3	Properties				

⁴ Code D: clarification necessary within framework of building project

⁵ Site pollution unlikely – the property must be maintained in accordance with the design plan ("Gestaltungsplan") and has been subject to comprehensive renovation in recent years

⁶ Site pollution eliminated – property rebuilt in recent years

Market value	Site area	Register of	Description of	Total rentable
in TCHF	in m ²	polluted sites	property	area in m²
914	3,840	yes (code D) ³	Com	4,215
51,920	11,361	no	Res	8,898
2,032	369	yes ⁶	Com	783
19,880	3,343	yes ⁴	Com + res	6,018
48,890	3,827	n/a	Res	10,035
36,110	2,345	no	Res	6,653
111,200	5,808	no	Hotel	13,000
270,946	28,753			49,602

Carrying amount	Site area	Register of	Description of	Total rentable
in TCHF	in m ²	polluted sites	property	area in m²
13,028	2,287	no	Com	1,884
2,521	178	yes ⁴	Com-share own-use	617
860	179	yes ⁴	Com-share own-use	288
16,409	2,644			2,789

Market value in TCHF		3	Description of property	Total rentable area in m²
9,128	0	yes ⁵	Multiplex cinema	0
27,500	0	yes ⁵	Car park	0
2,130	0	yes ⁷	Car park	0
38,758				

⁶ Site pollution suspected but no measures expected – property has to be maintained in accordance with the design plan ("Gestaltungsplan")

⁷ Site pollution suspected, measures required in newbuild plans

⁸ Building-right plots on which newbuild projects have been realised over recent years

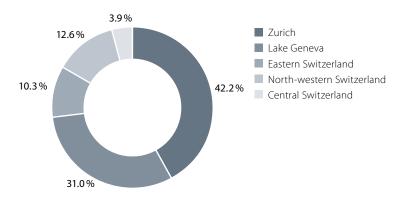
⁹ Com = commercial; Res = residential

2 PROPERTY DETAILS

2.7 BREAKDOWN OF RESIDENTIAL AND COMMERCIAL INVESTMENT PROPERTIES, COMMERCIAL DEVELOPMENT PROPERTIES AND INVESTMENT PROPERTIES UNDER CONSTRUCTION BY ECONOMIC AREA

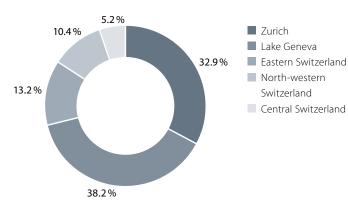
As at 31 December 2010, 108 investment properties were recognised in the balance sheet; of which

- 84 were commercial properties (prior year 96)
- 17 were residential properties (prior year 15)
- 7 were investment properties under construction (prior year 8)

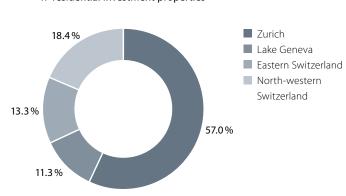


Charts: Breakdown of residential and commercial investment properties, commercial development properties and investment properties under construction by economic area

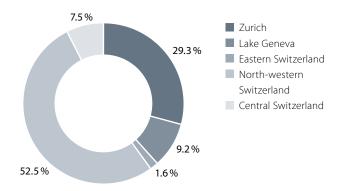
66 commercial investment properties



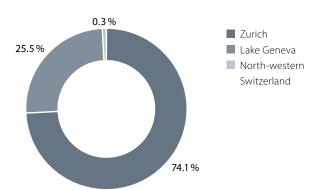
17 residential investment properties



18 commercial development properties



7 investment properties under construction



REPORT OF THE STATUTORY AUDITOR ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE GENERAL MEETING OF SHAREHOLDERS OF MOBIMO HOLDING AG, LUCERNE

As statutory auditor, we have audited the consolidated financial statements of Mobimo Holding AG, which comprise the statement of balance sheet, income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and notes (pages 30 to 98), for the year ended 31 December 2010.

Board of Directors' Responsibility

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), Article 17 of the Directive on Financial Reporting (Directive Financial Reporting, DFR) of SIX Swiss Exchange and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards as well as International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2010 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) and comply with Article 17 of the Directive on Financial Reporting (Directive Financial Reporting, DFR) of SIX Swiss Exchange as well as the Swiss law.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the board of directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Reto Benz

Licensed Audit Expert Auditor in Charge Reto Kaufmann

Licensed Audit Expert

Root/Lucerne, 25 February 2011

REPORT OF THE VALUATION EXPERT

Valuation of the properties of Mobimo Holding AG

Mandate

In accordance with your mandate, we have undertaken a valuation of those properties held for investment purposes by your company. The valuation was undertaken as per 31st December 2010 for accounting purposes. On this date, the total portfolio of either investment properties or properties under construction as investment properties totalled 108 units.

The valuations result in the following summary table for the relevant portfolio of valued properties:

		«Fair Value»		État locatif	
		au 31.12.2010	En %	au 31.12.2010	Rendement
Libellé	Nbr.	[CHF]	du total	[CHF]	brut
Investment Units – Commercial Properties	66	1'115'476'000	65.2%	68'754'633	6.2%
Development Units – Commercial Properties	18	119'416'700	7.0 %	9'872'209	8.3 %
Investment Units – Residential Properties	17	202'829'000	11.9 %	11'892'874	5.9%
All Properties in Inventory	101	1'437'721'700	84.1 %	90'519'716	6.3 %
Properties under construction	7	270'946'300	15.9%		
All Properties	108	1'708'668'000	100.0%		

The investment properties and the properties under construction have been valued as per 31st December 2010 using the "discounted cash flow" method. The properties are known to Wüest & Partner due to previous valuations, inspections carried out and documents and information made available to us. For the purposes of the update valuations Wüest & Partner was provided with current a tenant rent roll as per the date of valuation as well as the investment costs undertaken in the defined fiscal year.

It is on this basis and as an independent valuation expert that we undertook the valuation of the individual properties.

¹ The portfolio of investment properties includes, in addition to existing properties, a further seven properties under construction. These are assessed in line with the rules and guidelines of IAS/IFRS as «Investment Properties under Construction (IPUC)».

Not included in the above summary table are the three self-used operational properties (Seestrasse 59; Küsnacht, Place de l'Europe 7; Lausanne und Côte de Montbenon 16, Lausanne) as well as the properties of the affiliated companies (50 % share Parking du Centre SA [PCSA], Lausanne; 40 % Share Flonplex SA, Lausanne; 26.5 % Share Parking St. François SA, Lausanne)

Basis for the Valuations

The market values determined by us, with the valuation date of 31st December 2010, have been completed in line with the definition of "fair value" as described in the "International Financial Reporting Standards" (IFRS) in accordance with IAS 40 "Investment Properties".

The reported "fair value" does not take into account any capital gains tax, property gains tax or value-added tax as well as any other costs or commissions associated with a possible sale of the properties. In addition, no owner liabilities regarding taxes (with the exception of regular property taxes) and financing costs are included.

The determination of "fair value" for investment properties has been undertaken in line with Paragraph 51 of IAS 40, thereby excluding future value-enhancing investments such as conversions, extensions, etc., as well as the associated increases in additional income. A standard marketing period has been included in the valuation for those rental units vacant on the date of valuation.

The valuation of properties under construction is undertaken in accordance with the expanded definition of income properties in IAS 40 (expansion per 1st January 2009). Under this definition those properties, which are scheduled for later use as investment properties and which are under construction on the date of valuation, fall under the scope of IAS 40 and as such are to be accounted for at market value.

Discounting is undertaken for each property in accordance with location and real estate criteria. These reflect both the relevant spatial characteristics of the macro and micro location as well as the most important aspects of the current economic circumstances of the property.

Independence and Confidentiality

We confirm that the valuations of the Mobimo Holding AG properties have been completed in accordance with our business policies, without interference by third parties and in solely in accordance with the above-mentioned mandate.

Wüest & Partner AG Zurich, 25 February 2011

Matthias Arioli dipl. Ing. ETH/SIA, Partner Patrik Schmid

dipl. Arch. ETH / SIA, MRICS, Designated partner

Appendix 1:

DCF Valuation: Further Comments

Value Growth

The development of real estate values is influenced and determined by various fundamental factors. Amongst these variables a distinction should be made between property-specific factors (e.g. property management) and exogenous factors from the real estate and financial environment:

- Changes in the property management situation, both on the revenue side and on the cost side, will directly lead to an adjustment in the declared market value. In particular such changes include the influence of new leases and the termination of existing tenancies, changes in the vacancy situation as well as any observed changes in operating and maintenance costs.
- Extraordinary investments completed during the reporting period also have a direct effect on the property value, this due to the absence of these funds in the cashflow summary. In turn investments, if value-enhancing in character and if successfully passed on to the tenants, lead to higher rental income.
- Developments in the relevant local real estate market effect the determination of the market/ potential rents within a property.
- Changes in capital or transaction markets affect the determination of discount rates.

In addition, age related deterioration of a property is also a considerable factor effecting property values. Within a single year – should all other factors remain constant – aging alone leads to a depreciation of the building value of approximately 1 % ².

Estimation of Rental Income

The starting point for the valuations is the effective rental income, as declared in the tenant rent roll for the given valuation date as provided by the property management company. The declared rental income is included in the valuation whilst respecting the agreed terms and conditions of the respective rental contracts. The assessment of the future rental income is undertaken per rental unit within the property. An individual revenue cashflow is modelled for each rental unit, thereby taking existing tenancy agreements into account.

Following the expiry of the contracted rental period of fixed-term contracts, a current estimation of the sustainable and achievable potential market rent is adopted in the valuation. The determination of the potential market rent is based on recent contracts in the relevant property or on well-known comparable properties in the immediate neighbourhood as well as on the extensive property market research by Wüest & Partner.

The rental potentials for retail locations are verified with the help of calculations of the customary market turnover levels. For those existing leases, which include several different uses, the potential rents are calculated separately for each individual use.

So called "real" (tenant side only) renewal options are considered relevant if the actual rents are lower than the determined market rent. "Non-real" (landlord or tenant side) renewal options that provide for adjustment of rents to the future market rent levels are incorporated in the valuations as fixed-term contracts. For contracts of unlimited duration, for example for residential uses, the adjustment to the rent potential is determined in line with prevailing rental law as well as the observed tenant turnover for the property.

Operating and Maintenance Costs

The incorporated operating and maintenance costs are based on the values as provided in the property accounts for recent years as well as the property budgets as approved by MOBIMO Holding AG. This data is verified using both existing contractual arrangements from the property management as well as comparisons against benchmarks from the Wüest & Partner database pool. Based on this analysis, the anticipated future expenses for the operation and regular maintenance of the properties are modelled.

² The actual amount of age depreciation is linked in particular to the construction type, the age and the location of the property in question.

Long-term Maintenance Costs

The incorporation of short-, medium- and long-term repair costs in the DCF valuation plays a central role in the valuation process. As matter of principle the valuations reflect the investment plans as provided by MOBIMO Holding AG. The provided information is verified using specific cost benchmarks.

To determine the long-term maintenance costs Wüest & Partner implements a life-cycle approach for the long-term value conservation of existing buildings. This approach estimates the long-term investment needs for maintaining the value of the property based upon the age of the characteristic components of the property, their production costs and the current structural condition.

Discount Rate

The identification and determination of the relevant discount rates reflect a risk assessment of each property. In determining this value Wüest & Partner takes into account both property specific characteristics as well as location and market related factors. The selected discount rates are regularly empirically measured and verified using observed ownership changes and transactions.

The risk-adjusted market discount rate is broken down into individual elements in a premium-based model. The model identifies and adds various risks premiums to a risk-free base interest rate (e.g. a long-term government bond). These premiums include additions for the general real estate risk (such as property illiquidity or market risk) as well as the specific property risk (dependant upon specific characteristics of the property and the location).

Inflation

In the valuation, inflation is implicitly taken into account through the development of individual cash flows. In calculating the rental income each rental position takes into account the contractually agreed inflation adjustment or indexation rate (e.g. 80% adjustment in line with changes in the consumer price index). As rule, the full rate of inflation is applied to the operating and maintenance costs. The selected discount rate is displayed on

3 ANNUAL FINANCIAL STATEMENTS OF MOBIMO HOLDING AG

3.1 BALANCE SHEET AS AT 31 DECEMBER

All amounts in TCHF	2010	2009
Assets		
Current assets		
Cash	5,489	5,702
Trade receivables – Group	497	654
Other receivables – third parties	42	1,304
Other receivables – Group	720	0
Accrued income and prepaid expenses – third parties	33	31
Accrued income and prepaid expenses – Group	11,412	1,690
Treasury shares	183	39
Total current assets	18,377	9,420
Non-current assets		
Financial assets		
– Participations	749,791	620,177
Total non-current assets	749,791	620,177
Total assets	768,168	629,597

All amounts in TCHF	2010	2009
Equity and liabilities		
Liabilities		
Current liabilities		
Payables – Group	101	528
Payables – related parties	670	2,403
Payables – third parties	550	2,563
Accrued expenses and deferred income – third parties	2,263	351
Total current liabilities	3,584	5,845
Non-current liabilities		
Convertible bond	175 000	0
Loans from Group companies	0	36,800
Provisions	17,450	0
Total non-current liabilities	192,450	36,800
Total liabilities	196,034	42,645
Equity		
Share capital	148,804	192,035
Statutory reserves		
– General reserves	2,355	2,355
– Share premium	0	280,673
– Capital contribution reserve	292,750	0
– Reserves for treasury shares	183	721
Retained earnings		
- Balance brought forward	111,706	82,596
– Profit for the year	16,336	28,572
Total equity	572,133	586,952
Total equity and liabilities	768,168	629,597

3 ANNUAL FINANCIAL STATEMENTS OF MOBIMO HOLDING AG

3.2 INCOME STATEMENT

All amounts in TCHF	2010	2009
Income from cost charges – Group	2,767	1,602
Income from participations – Group	25,663	35,294
Income from participations – third parties	101	80
Financial income – Group	0	79
Financial income – third parties	21	2
Total income	28,551	37,057
Personnel expenses	-2,327	-1,997
Administrative expenses – related parties	-94	-111
Administrative expenses – third parties	-6,052	-5,742
Interest expense for loans – Group	-729	-482
Interest expense for convertible bond	-1 859	0
Other financial expense – third parties	-1,153	-126
Tax expense	-1	-27
Total expenses	-12,216	-8,485
Profit for the year	16,336	28,572

3.3 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. Equity

The Annual General Meeting of 5 May 2010 approved a capital reduction via a reduction in the nominal value of all shares from CHF 38 to CHF 29. Repayment took place on 12 August 2010. Share capital fell by CHF 45.7 million (prior year CHF 39.1 million) following the reduction in nominal value but increased by CHF 2.5 million (prior year CHF 0 million) as a result of options being exercised.

As at 31 December 2010 share capital amounted to CHF 148.8 million, composed of 5,131,170 registered shares with a nominal value of CHF 29 each. All outstanding shares are entitled to dividends and confer the right to vote at the company's general meetings.

2. Participations

			Share capital	Equity interest
Name	Registered office	Purpose	in TCHF	in %
Mobimo AG	Lucerne	Real estate company	72,000	100.0
Mobimo Management AG	Küsnacht	Real estate company	100	100.0
Mobimo Finance Ltd.	Jersey	Financial services	Minimum capital	100.0
LO Holding Lausanne-Ouchy SA ^{2,3}	Lausanne	Real estate group	12,000	100.0
JJM Participations SA ²	Lausanne	Holding company	6,001	100.0
O4Real AG ¹	Zurich	Real estate company	1,000	100.0
Olmero AG	Opfikon	IT	208	6.44

Scala Tower AG was merged with Mobimo AG as of 1 January 2010.

3. Conditional capital

Conditional share capital of a maximum of CHF 36.6 million is available for up to 1,260,364 fully paid up registered shares with a nominal value of CHF 29 each for the purposes of settling option exercises of the members of the Board of Directors, related parties and Group company employees.

77,618 option rights were exercised in the 2010 financial year.

4. Authorised capital

As at 31 December 2010, authorised share capital was available allowing the Board of Directors to increase the share capital of the company by a maximum of CHF 34.8 million by 22 May 2012 via the issue of up to 1,200,000 registered shares, to be fully paid up, with a nominal value of CHF 29 per share.

5. Treasury shares

As at 31 December 2010, the company held 1,071 treasury shares. In the course of the financial year, the initial holding as at 1 January of 4,373 shares (of which 223 were held by Mobimo Holding AG directly directly and a further 4,150 were held by LO Holding Lausanne-Ouchy SA) was increased through the purchase of a total of 10,754 shares at an average price of CHF 180.3. Of these shares, 4,800 were used for the acquisition of O4Real AG at a value of TCHF 867. A further 7,694 shares were used to exchange against 997 shares in LO Holding Lausanne-Ouchy SA which had not yet been offered up in the context of the exchange offer. 1,562 shares were issued in connection with the compensation of the Board of Directors.

6. Significant shareholders

(see Note 40 of the Notes to the consolidated annual financial statements)

¹ Addition in 2010

² Additions in 2009

 $^{^{\}rm 3}$ Sub-holding – see Note 42 to the consolidated annual financial statements

7. Additional information

In the year under review, the members of the Board of Directors, related parties and the Executive Board received compensation as set out below (disclosure in accordance with Article 663bis of the Swiss Code of Obligations).

		Profit-sharing Social			Payments for			
	Fees,				security	additional		
Name, function	salary	in cash	in shares	Shares	contributions	services	Total 2010	Total 2009
BoD	1,300	0	0	210	96	300	1,906	1,222
Urs Ledermann, Chairman BoD	480	0	0	0	6	80	566	480
Brian Fischer, BoD	120	0	0	0	11	28	159	120
Wilhelm Hansen, BoD	7	0	0	113	11	28	159	129
Peter Schaub, BoD	150	0	0	0	13	28	191	161
Paul Schnetzer, BoD	153	0	0	17	11	28	209	181
Georges Theiler, BoD	140	0	0	0	12	28	180	151
Daniel Crausaz, BoD	60	0	0	60	11	28	159	n/a
Bernard Guillelmon, BoD	50	0	0	20	7	28	105	n/a
Paul Rambert, BoD	140	0	0	0	10	28	178	n/a
Executive Board	1,685	613	613	0	407	0	3,318	2,923
Christoph Caviezel, CEO	703	275	275	0	168	0	1,421	1,421

Amounts equal the expense recognised in the consolidated annual financial statements of the reporting year (accrual accounting), with the exception of share-based compensation, which is disclosed at taxable value. Share-based compensation for the Executive Board was based on the assumption that the minimum ratio of 50% stipulated in the compensation regulations applies. Payments made to the Board of Directors for additional services include special compensation of TCHF 300 for the successful acquisition of LO Holding Lausanne-Ouchy SA.

As at 31 December 2010, the shareholdings of the members of the Board of Directors and the Executive Board were as set out below (disclosure in accordance with Article 663c of the Swiss Code of Obligations).

		No. of sh			
			No. of		
Name, function	issued	approved	options	Total 2010	Total 2009
BoD	23,687	0	10,743	34,430	35,088
Urs Ledermann, Chairman BoD	11,259	0	1,015	12,274	5,784
Brian Fischer, BoD	0	0	201	201	112
Wilhelm Hansen, BoD	1,726	0	201	1,927	999
Peter Schaub, BoD	200	0	201	401	8,142
Paul Schnetzer, BoD	260	0	5,878	6,138	6,321
Georges Theiler, BoD	1,672	0	2,980	4,652	5,756
Daniel Crausaz, BoD	795	0	89	884	348
Bernard Guillelmon, BoD	3,211	0	89	3,300	3062
Paul Rambert, BoD	4,564	0	89	4,653	4,564
Executive Board	6,008	4,089	1,783	11,880	7,329
Christoph Caviezel, CEO	3,950	1,835	1,065	6,850	4,515
Manuel Itten, CFO	150	1,168	191	1,509	379
Peter Grossenbacher, Head of Portfolio Management	1,908	251	275	2,434	2,183
Andreas Hämmerli, Head of Development	0	835	252	1,087	252

8. Convertible bond

A CHF 175 million convertible bond maturing on 30 June 2014 was issued on 30 June 2010. The coupon is 2.125 %. For further details, see Note 12 to the consolidated annual financial statements.

9. Risk assessment

The Board of Directors addresses its risk management responsibilities via the Audit & Risk Committee (AC). The main duty of this Committee is to support the Board of Directors by means of preparatory work, audits and clarification. The four areas where the Audit & Risk Committee is active are:

- budgeting, preparation of annual financial statements, external audit and external appraisal
- risk management and internal control system (ICS), including compliance with legislation, directives and internal guidelines (compliance)
- financing
- taxes

In the period under review, the AC worked with management to prepare a risk inventory which sets out the fundamental risks involved by risk category. For each risk, the risk owner, impact and measures implemented are analysed and then evaluated on the basis of the criteria of likelihood, financial impact and damage to reputation and image. Wherever necessary, further measures are defined for the ongoing management of the risks assessed.

10. Joint and several guarantees

Mobimo Holding AG forms a VAT group together with Mobimo AG, Mobimo Management AG, O4Real AG and JJM Participations SA, LO Holding Lausanne-Ouchy SA, LO Gestion SA, LO Immeubles SA and FLON Events Sarl. They are jointly and severally liable for liabilities arising therefrom.

3.4 PROPOSED APPROPRIATION OF PROFIT

in TCHF	2010	2009
Balance brought forward	111,706	82,596
Profit for the year	16,336	28,572
Reversal of capital contribution reserves	46,171	0
Total available to the General Meeting	174,213	111,168
The Board of Directors proposes the following appropriation of profit to the General Meeting:		
Payment of a dividend in the form of a distribution of paid-in capital of	46,171	0
Brought forward to new account	128,042	111,168
Total appropriation of profit proposed	174,213	111,168
Total distribution	46,171	0
Less share from capital contribution reserves	-46,171	0
Share from other reserves	0	0

The 1,071 treasury shares held on the reporting date are not eligible for the dividend distribution. The number of shares eligible for a dividend on the distribution date may vary due to the buying back of other treasury shares.

The Board of Directors will propose to the General Meeting the payment of a dividend of CHF 9 per share from capital contribution reserves.

3.5 REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS TO THE GENERAL MEETING OF SHARE HOLDERS OF MOBIMO HOLDING AG, LUCERNE

As statutory auditor, we have audited the financial statements of Mobimo Holding AG, which comprise the balance sheet, income statement and notes (pages 104 to 109), for the year ended 31 December 2010.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2010 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (Article 728 Code Obligations (CO) and Article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with Article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

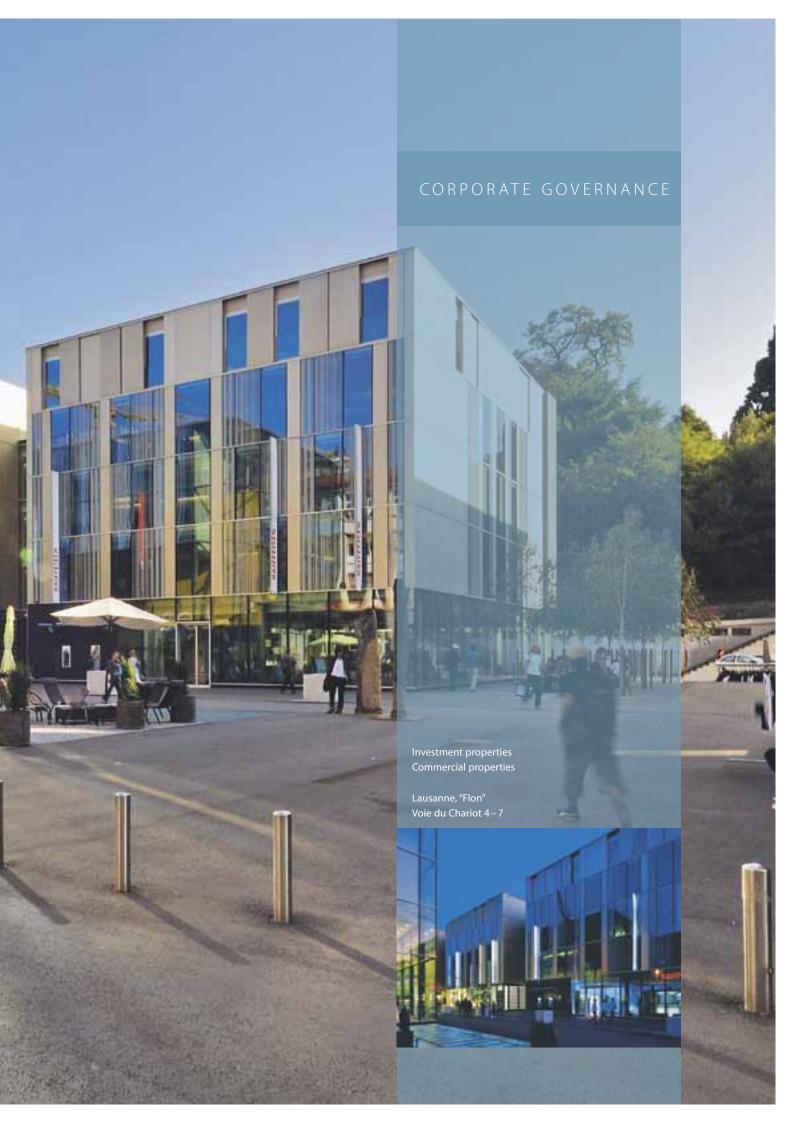
Reto Benz

Licensed Audit Expert Auditor in Charge Reto Kaufmann

Licensed Audit Expert

Root/Lucerne, 25 February 2011





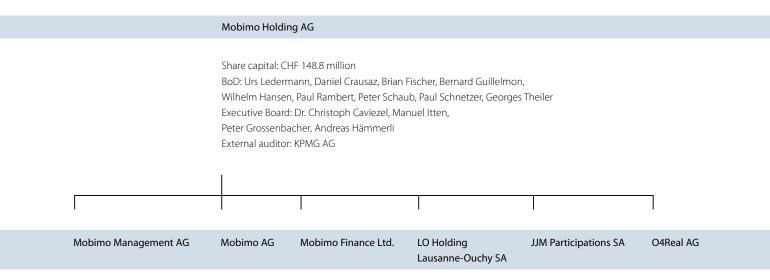
CORPORATE GOVERNANCE

The Corporate Governance report is based on the structure of the SIX guideline concerning corporate governance information (RLCG). Cross references are made to other sections of the Annual Report in order to avoid repetitions. The complete, current Articles of Association of Mobimo Holding AG are available online at www.mobimo.ch in the "Corporate Governance" section under "Investor Relations".

1 CONSOLIDATED FINANCIAL STATEMENTS

1.1 Consolidated balance sheet as at 31 December

The Mobimo Group has the following legal and 100% ownership structure:



Mobimo Holding AG, headquartered in Lucerne, is listed on the SIX Swiss Exchange. As at 31 December 2010, its market capitalisation stood at CHF 1,024.7 million with a stock exchange price of CHF 199.70.

The registered shares are traded on the main segment (security symbol: MOBN/Swiss security number: 1110887/ISIN code: CH0011108872 / Bloomberg: MOBN SW Equity).

Following the final judgement of 6 May 2010 with respect to the cancellation of the remaining publicly held shares of LO Holding Lausanne-Ouchy SA head-quartered in Lausanne, 100% of the shares of LO Holding Lausanne-Ouchy AG are owned by the Mobimo Group. The shares of LO Holding Lausanne-Ouchy SA were thus delisted in the year under review.

The key figures for the majority ownership interests in unlisted companies are shown below:

		Capital stock	Ownership interest
Company	Domicile	in TCHF	in %
Mobimo Management AG	Küsnacht	100	100.00
Mobimo AG	Lucerne	72,000	100.00
Mobimo Finance Ltd.	Jersey	Minimum capital	100.00
LO Holding Lausanne-Ouchy SA	Lausanne	12,000	100.00
LO Immeubles SA	Lausanne	2,000	100.00
LO Gestion SA	Lausanne	250	100.00
FLON Events Sàrl	Lausanne	20	95.00
JJM Participations SA	Lausanne	6,001	100.00
O4Real AG	Zurich	1,000	100.00

Mobimo AG and LO Holding Lausanne-Ouchy SA are real estate companies that buy and sell real estate, construct new buildings, conduct renovations or have renovations conducted and assess all related activities on an independent basis. They define strategies with the assistance of Mobimo Management AG, appoint the architects, engineers and consultants, develop the basic concepts, oversee the building sites and manage the services furnished by external providers.

O4Real AG is a real estate company with properties in Lausanne.

Mobimo Management AG performs general services for the other Group companies. Mobimo Finance Ltd. provides financial services for the other Group companies.

JJM Participations SA is a pure investment company that holds shares in LO Holding Lausanne-Ouchy SA.

1.2 Significant shareholders

The following shareholders hold a significant proportion of the shares and options in Mobimo Holding AG as at 31 December 2010.

Pensionskasse des Kantons Zug	3.41 %
Family of Dr. Alfred Meili	3.19%

The following reports based on Article 20 of the Swiss Federal Act on Stock Exchanges and Securities Trading (SESTA) were received during the year under review:

- Dr. Alfred Meili reported as at 8 April 2010 that Interpool Finanz AG, headquartered in Herisau, Switzerland, had left the "family of Dr. Alfred Meili" shareholder group, causing the holdings of the shareholder group, made up of 185,000 registered shares and 59,956 option rights, to fall below the 5 % threshold.
- The shareholder group Reichmuth Umbrella C Chasellas Global, Reichmuth BVG Reichmuth Alpin and Reichmuth BVG Reichmuth
- As at 16 June 2010, Mobimo Holding AG reported, in connection with the issue of the convertible bond, a holding of 328 treasury shares possessed by the company, 831,866 newly outstanding conversion rights and 78,783 outstanding call options.

Of the total 5,131,170 shares issued, 69% (3,559,626 shares) were also effectively recorded in the share register as at 31 December 2010. The proportion of shares pending registration of transfer is thus around 31%. Of the registered shares, around 94% are owned by Swiss investors; some 68% of these are held by legal entities.

In terms of the overall registered equity holding, pension funds and foundations hold a share of approximately 36%.

1.3 Cross shareholdings

There are no cross shareholdings.

2 CAPITAL STRUCTURE

2.1 Capital

The following events had an impact on capital in 2010:

- a) Nominal value repayment of CHF 9 and subsequent reduction in nominal value to CHF 29 per share
- b) Capital increase of CHF 1,026,874 in May through the issue of 27,023 new shares at a nominal value of CHF 38; capital increase of CHF 942,500 in November through the issue of 32,500 new shares at a nominal value of CHF 29; further capital increase of CHF 524,755 in December through the issue of 18,095 new shares at a nominal value of CHF 29, all resulting from the exercise of outstanding option rights

Capital as at 31 December 2009	Total (TCHF)	Number of registered shares	Nominal value per share (CHF)
Share capital	148,804	5,131,170	29.00
Authorised capital	max. 34,800	1,200,000	29.00
Conditional capital	max. 36,558	1,260,634	29.00

Changes in capital are described in Note 19 of the consolidated annual financial statements.

2.2 Authorised and conditional capital (in focus)

Authorised and conditional capital is defined in Articles 3a and 3b of the Articles of Association.

In the case of authorised capital, the Board of Directors is entitled, pursuant to Article 3a of the Articles of Association, to increase the share capital through the issue of up to a maximum of 1,200,000 fully paid-up registered shares until 5 May 2012. Increases may take place all in one go or in stages. The issue price, type of contributions, conditions governing the exercise of subscription rights, allocation of the excluded subscription rights and timing of the dividend entitlement shall be determined by the Board of Directors. The Board of Directors decides on unexercised subscription rights in the interest of the company. Once acquired, the new registered shares are subject to the restrictions on transfer set out in Article 6 of the Articles of Association. Shareholders' subscription rights are removed; the shares issued can be used only as compensation for the acquisition or financing of the acquisition of property or as compensation for the takeover or financing of the takeover of companies, parts of companies or participations. If and to the extent that the Board of Directors, exercising its powers pursuant to Article 3b of the Articles of Association (see below), issues convertible bonds, warrant bonds or similar bonds, then the Board of Directors is no longer entitled, in the applicable amount, to create new share capital through the use of authorised capital (Article 3a para. 4 of the Articles of Association).

In the convertible bond issue a total of 1,050,000 convertible bonds were listed against conditional capital; the Board of Directors can therefore still increase the

In the convertible bond issue a total of 1,050,000 convertible bonds were listed against conditional capital; the Board of Directors can therefore still increase the share capital by issuing up to 150,000 fully paid-up registered shares from authorised capital.

Pursuant to Article 3b of the Articles of Association, conditional capital may be increased through the issue of up to 1,311,229 fully paid-up registered shares, subject to the exclusion of subscription rights. Use thereof is restricted as follows: a) up to 78,783 fully paid-up registered shares through the exercise of option rights which have been granted to members of the company's Board of Directors, related parties and employees of Group companies; b) up to 32,446 fully paid-up registered shares through the exercise of option rights in connection with subscription rights for employees created after 5 May 2011; and c) up to 1,200,000 fully paid-up registered shares through the exercise of conversion rights in connection with the convertible bond issued by the company (see Note 12). The acquisition of registered shares through the exercise of option rights and the subsequent transfer of these registered shares are subject to the restrictions on transfer set out in Article 6 of the Articles of Association. The option plan effective up to 31 December 2009 is described in Note 37 to the consolidated annual financial statements.

2.3 Changes in capital

Change	Total (TCHF)	Number of registered shares	Nominal value per share (CHF)
			, ,
Share capital as at 31.12.2005	192,411	2,600,145	74.00
Share capital as at 31.12.2006	225,346	3,466,860	65.00
Share capital as at 31.12.2007	243,232	4,343,425	56.00
Share capital as at 31.12.2008	204,230	4,345,323	47.00
Share capital as at 31.12.2009	192,035	5,053,552	38.00
Share capital as at 31.12.2010	148,804	5,131,170	29.00
Authorised capital as at 31.12.2005	26,640	360,000	74.00
Authorised capital as at 31.12.2006	23,400	360,000	65.00
Authorised capital as at 31.12.2007	20,160	360,000	56.00
Authorised capital as at 31.12.2008	16,920	360,000	47.00
Authorised capital as at 31.12.2009	18,687	491,771	38.00
Authorised capital as at 31.12.2010	34,800	1,200,000	29.00
Conditional capital as at 31.12.2005	11,163	150,855	74.00
Conditional capital as at 31.12.2006	9750	150000	65.00
Conditional capital as at 31.12.2007	7,848	140,150	56.00
Conditional capital as at 31.12.2008	6,498	138,252	47.00
Conditional capital as at 31.12.2009	5,254	138,252	38.00
Conditional capital as at 31.12.2010	36,558	1,260,634	29.00

Further information on changes in capital can be found in Note 19 to the consolidated annual financial statements.

2.4 Shares and participation certificates

The share capital amounts to CHF 148,803,930 as at 31 December 2010 and comprises 5,131,170 fully paid-up registered shares with a nominal value of CHF 29, all of which are entitled to dividends and confer the right to vote. There are no preference shares or voting shares.

Mobimo Holding AG has not issued any participation certificates.

2.5 Dividend-right certificates

Mobimo Holding AG has not issued any dividendright certificates.

2.6 Restrictions on transferability and registration of nominees

Article 6 of the Articles of Association defines the restrictions on transferability. The Board of Directors may deny authorisation to transfer shares for the following reasons:

- 1. Insofar as recognising a transferee as a full share-holder may according to the information available to it hinder the company from providing proof of Swiss control as stipulated by federal laws; specifically, in accordance with the Swiss federal law pertaining to the purchase of property by persons resident abroad (BewG) of 16 December 1983, including the changes of 30 April 1997, and the Federal Council decision on measures against improper use of federal double taxation agreements of 14 December 1962.
- If, despite requests from the company, the transferee fails to expressly declare that they have acquired and intend to hold the shares in their own name and for their own account.
- 3. If, following the acquisition of the shares, the number of shares held by the transferee exceeds 5% of the total number of shares recorded in the Commercial Register. Legal entities and partnerships vested with legal capacity which are grouped together in terms of capital or voting rights, by joint management or in a similar way, as well as natural persons or legal entities and partnerships which act together in a coordinated manner with a view to circumventing the restrictions on registration, shall be deemed as one transferee as defined under these conditions.

4. As soon as and insofar as the acquisition of shares takes the total number of shares held by persons abroad as defined by the Swiss federal law pertaining to the purchase of property by persons resident abroad over one-third of the shares recorded in the Commercial Register. This restriction shall apply subject to Article 653c para. 3 of the Swiss Code of Obligations, including in the case of registered shares acquired through the exercise of subscription, option or conversion rights.

In order to ensure compliance with the thresholds indicated, prior to being entered in the share register new shareholders are scrutinised as regards their status as "Swiss citizens" pursuant to the Swiss federal law pertaining to the purchase of property by persons resident abroad. If they cannot be verified as "Swiss citizens", then provided all other conditions are met they are entered in the category "Non-Swiss", as long as the threshold of one-third of all shareholders is not exceeded and provided there is no other risk that the entry of the non-Swiss shareholder will result in the company no longer being able to furnish evidence of Swiss control.

As at 31 December 2010, 4% of shares are held by shareholders with voting rights who are classified in the share register as "Non-Swiss" according to the above definition.

The Articles of Association do not contain any provisions pertaining to the registration of nominees. The Board of Directors has laid down the following principles in the regulations governing the administration of the share register and the recognition and registration of shareholders of Mobimo AG: Nominees are registered subject to the following conditions: a) without disclosure of the name, head office/address and shareholding of those shareholders for whose account the nominee holds the shares, the nominee shall be entered in the share register as a shareholder with voting rights up to a maximum recognition threshold of 2% of the registered shares entered in the Commercial Register; b) without disclosure of the name, head office/address and shareholding, the relevant nominee may have no more than 0.25% of the share capital which is entered in the Commercial Register registered in the share register as shares with voting rights for one and the same purchaser; and c) the nominee must conclude an agreement with the company which precisely defines the applicable rights and obligations. The restrictions mentioned above also apply (5% clause and maximum ratio of non-Swiss shares without voting right restrictions). No registrations were rejected during the year under review. The Articles of Association do not contain any provisions pertaining to the revocation of statutory privileges (furthermore, none were granted) or the revocation of restrictions on transferability. As a result, the provisions of the Swiss Code of Obligations apply.

2.7 Convertible bonds and options

Convertible bond

As at the reporting date the company had issued a convertible bond with the following key features: Volume: CHF 175 million

Coupon: 2.125 % p.a., payable annually on 30 June, for the first time on 30 June 2011

Term: 4 years (30 June 2010 – 30 June 2014)

Conversion price: CHF 210.37

The convertible bonds are traded on the SIX Swiss Exchange in Zurich in accordance with the Standard for Bonds (security symbol: MOB10 / Swiss security number: 11299133/ISIN code: CH0112991333. Bloomberg: MOBIMO Corp.). Each convertible bond has a nominal value of CHF 5,000 and can be converted up to seven trading days before the end of the term into registered shares at the conversion price of CHF 210.37 per registered share (subject to any amendments in accordance with the published conditions, particularly with respect to the prevention of dilution). A maximum of 831,866 registered shares may be issued at this conversion price under the convertible bond. The company has created conditional capital for the creation of the registered shares.

The prospective exercise of conversion rights would dilute earnings per share. The convertible bond can be redeemed early at any time if more than 85 % of the original bond volume is converted and/or redeemed or, from 21 July 2013, if the closing price of Mobimo Holding AG registered shares on the SIX Swiss Exchange (SIX) is 130 % or more of the conversion price over a period of 20 consecutive trading days (see Note 12).

Options

In terms of options on Mobimo shares, as at 31 December 2010 only the 28,188 options assigned to members of the Board of Directors, third parties closely associated with them and the Executive Board of Mobimo Holding AG are outstanding. These options can be used to subscribe to the same number of fully paid-up registered shares. The details of this option are described in Note 37 of the consolidated annual financial statements.

3 BOARD OF DIRECTORS

3.1 Members of the Board of Directors

Urs Ledermann, Chairman, also Member of the Real Estate Committee

Entrepreneur,

Swiss, resides in Zollikon ZH

Urs Ledermann was born on 14 July 1955 in Brugg. After completing a commercial apprenticeship at an import/export company in 1974, he held various positions in the steel, packaging and food industries. In 1977 he founded his own firm, Ledermann AG, an HR consultancy, in Zurich. In 1990 the firm was organised as a holding company and management divided over three partners. Urs Ledermann sold his main office in Zurich in 1992 to devote his time to the five family-run offices in Geneva, Berne, St. Gallen, Lugano and Lucerne.

This was followed in 1993 by the founding of Urs Ledermann & Partner AG, a management and HR consultancy in Zurich. In 2002 Urs Ledermann sold this company to a partner; he has since concentrated on complex mandates in the real estate and banking sectors.

Today his chief professional focus is on Ledermann AG Beteiligungen & Immobilien, Zurich, which was founded in 1983 and was merged with various other family companies in the summer of 2009 to form Ledermann Immobilien AG, the family-run Cleaning Store Company AG, Zurich (a leading textile cleaning group founded in 1957), and on research, analysis, planning, buying, selling and management for his own portfolio of apartment buildings and business properties in the Zurich region.

Urs Ledermann holds various directorships both within and outside his own group of companies. In particular, he serves on the Boards of Directors of Sada AG, Zurich, and SCM Strategic Capital Management AG. He has been a member of the Board of Directors of Mobimo Holding AG since 2003. In addition, Urs Ledermann has been Chairman of the Board of Directors of LO Holding Lausanne-Ouchy SA since 17 December 2009.

Georges Theiler, Vice Chairman, also Member of the Real Estate Committee

Certified Operating Engineer, Federal Institute of Technology, Entrepreneur Swiss, resides in Lucerne

Georges Theiler was born on 20 May 1949 in Lucerne. He graduated from high school in Lucerne and studied at the Swiss Federal Institute of Technology Zurich until 1976. After two years as a consultant in the field of hospital planning, he served as Chairman of the Executive Board and member of the Board of Directors of construction company and general contractor Theiler + Kalbermatter T+K Bau AG in Lucerne, with 250 employees. This company, active in the building construction, tunnel construction, general contracting, real estate development and real estate management sectors, was sold to Batigroup AG in 1997.

Since 1997 Georges Theiler has owned GT-Consulting, which specialises in consulting and directorship mandates. Since 1995 he has represented the FDP Party in the National Council. He became a member of the Board of Directors of Mobimo Holding AG in 2000.

Daniel Crausaz

also Member of the Audit & Risk Committee

Engineer, Master of Business Administration, Swiss, resides in St-Sulpice

Daniel Crausaz was born on 28 May 1957 in Aarau. He studied engineering at the Swiss Federal Institute of Technology Lausanne and completed an MBA programme at the Faculty of Business and Economics at the University of Lausanne. He worked as an engineer for Felix Constructions SA in Bussigny from 1983 to 1985 and then for Bonnard & Gardel Ingenieurs Conseils Lausanne SA until 1989. He joined Banque Cantonale Vaudoise in 1990 and was appointed Managing Director in 1997. From 2003 Daniel Crausaz worked as an independent consultant on a number of mandates in French-speaking Switzerland. Since 2008 he has been Deputy Director of Agrifert AG, an international commodities trading firm. He has been a member of the Board of Directors of LO Holding Lausanne-Ouchy SA since 1999.

He has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009.

Brian Fischer,

also Member of the Audit & Risk Committee

Attorney-at-Law and Swiss-certified Tax Expert, Swiss, resides in Langnau am Albis ZH

Brian Fischer was born in Melbourne, Australia, on 27 January 1971. After graduating from high school in Davos in 1990, he went on to study at the University of Berne until 1996. From 1997 until the end of 2000 he was employed as a tax and legal advisor at PricewaterhouseCoopers AG.

Since 2001 he has been Head of External Asset Managers within Bank Vontobel AG's Investment Banking unit. He has been a member of the Board of Directors since 2008 and sits on the Board of Directors of Mobimo Holding AG in an independent capacity.

Bernard Guillelmon

Engineer, Masters in Energy, Master of Business Administration, dual nationality (Swiss and French), resides in Berne

Bernard Guillelmon was born on 5 November 1966 in Zurich. After high school he studied engineering at the Swiss Federal Institute of Technology Lausanne, where his special focus was microtechnology, and went on to complete a Masters in energy. He also completed the MBA programme at INSEAD in Fontainebleau with distinction. Bernard Guillelmon worked as an engineer and department head for BKW AG from 1990 to 1998. During this time, he headed up a range of complex reorganisation projects.

Following a short period as an independent consultant, he was appointed Head of Energy at Swiss Federal Railways at the beginning of 2001. He held further key positions at Swiss Federal Railways, with his last position being Deputy Head of Infrastructure and Head of Business Management. Since 1 July 2008 Bernard Guillelmon has been CEO of BLS AG. He was a member of the Board of Directors of LO Holding Lausanne-Ouchy SA from 2005 to 2009. Bernard Guillelmon is a member of the Board of Directors of JJM Holding in Lausanne and has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009.

Wilhelm Hansen,

also Member of the Audit & Risk Committee

lic. rer. pol., Management Consultant, Swiss, resides in Basel

Wilhelm Hansen was born on 30 August 1953 in Mönchengladbach in Germany. After high school, he studied economics at the University of St. Gallen HSG and the University of Basel, where he was awarded the degree rer. pol. After spending 25 years working in the area of capital investments (as an investment advisor at the former Union Bank of Switzerland, as head of the securities division at Basler Versicherungen and as co-owner of Privatbank Baumann & Cie), in 2002 he specialised as an independent management consultant in the area of organisational and strategic development and corporate governance. He also executes various mandates, including a mandate as Chairman of the Governing Board of Basellandschaftliche Kantonalbank, Vice Chairman of the Board of Directors of Scobag Privatbank AG and member of the Boards of Directors of Tareno AG and Tarimo AG. He has been a member of the Board of Directors of Mobimo Holding AG since 2008.

Paul Rambert, also Member of the Real Estate Committee

Certified Architect, ETH Zurich, Swiss, resides in Lausanne

Paul Rambert was born on 5 January 1945 in Zurich. He studied architecture at the Swiss Federal Institute of Technology, spent an additional year studying at Harvard University and held a number of key positions at Suter + Suter in Basel over many years. He was a member of the Executive Board of Zschokke AG from 1993 to 1997 and headed up LO Holding Lausanne-Ouchy SA in Lausanne between 1998 and 2009. He is active as a real estate consultant in Lausanne and Zurich through his company Immopoly GmbH.

He also holds various directorship mandates, including as Chairman of the Boards of Parking du Centre SA and Flonplex SA Lausanne and as member of the Boards of LO Holding Lausanne-Ouchy SA, Securitas AG Zollikofen and Solvalor Fund Management SA, Lausanne. He also sits on the Foundation Board of the Fondation Métropol, Lausanne, and has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009.

Peter Schaub, also Chairman of the Audit & Risk Committee

Attorney-at-Law, Swiss, resides in Uster ZH

Peter Schaub was born on 4 December 1960 in Zurich. After graduating from high school in Zurich he studied law at the University of Zurich, receiving his Masters degree in 1987. In 1987/88 he was employed as a legal advisor at the Schellenberg Wittmer law firm in Zurich, and in 1990 he obtained his licence to practice law in the Canton of Zurich. Between 1990 and 1993 he worked as a tax commissioner for the Canton of Zurich, and since 1994 he has been a partner in the tax and law firm Weber Schaub & Partner in Zurich.

He also holds various directorships mandates, including Chairman of the Board of CPH Chemie + Papier Holding AG, Perlen, and member of the Boards of UBV Uetikon Betriebs- und Verwaltungs AG, Uetikon am See, and Rüegg Cheminée AG, Zumikon. He has been a member of the Board of Directors of Mobimo Holding AG since 2008.

Paul Schnetzer, also Chairman of the Real Estate Committee

Real Estate Expert,

Swiss, resides in Herrliberg ZH

Paul Schnetzer was born on 4 February 1941 in Uzwil. After leaving school he studied business administration and received a certificate of competence as a land registrar. He managed the municipality of Eggersriet for twelve years in the capacity of full-time chairman, where his main duties included overseeing departmental organisation and overall finances.

For 16 years he was managing director of a small trust company in St. Gallen. During his work for real estate company Göhner Merkur AG in Zurich from 1996 to 2001, he played a successful role in the trading organisation and completed a challenging divestment project in close cooperation with the promotion team.

Paul Schnetzer joined Mobimo Management AG on 1 September 2002 and was promoted to CEO of the Mobimo Group on 1 July 2004. He also directly headed up the real estate purchasing division. He has in-depth expertise and extensive practical experience in all areas of the business. He has been a member of the Board of Directors of Mobimo Holding AG since 1 October 2008.

Alfred Meili is the Honorary Chairman of Mobimo Holding AG. He was the driving force behind the creation of the Mobimo Group and was Chairman of the Board of Directors until 2008.

Laurent Rivier is the Honorary Chairman of LO Holding Lausanne-Ouchy SA, where he was Chairman of the Board of Directors from 2000 to 2009. Alfred Meili and Laurent Rivier were appointed Honorary Chairmen in recognition of their services to their respective companies. The office confers neither the right to sit on the Board of Directors, nor the rights and obligations of a member of the Board of Directors, nor in particular any entitlement to directors' compensation or other remuneration.

3.2 Other activities and interests

Mobimo Holding AG has concluded special agreements with all members of the Board of Directors and Executive Board in order to avoid conflicts of interest. In these agreements, the members of the Board of Directors and Executive Board undertake, inter alia, to:

- not take up any directorship mandates with other real estate companies without the approval of the Board of Directors of Mobimo Holding AG
- keep the company informed about any offers to acquire land and property and grant the company a priority claim
- not accept any additional remuneration such as arrangement commissions

Urs Ledermann owns, both privately and through his company Ledermann Immobilien AG, a real estate portfolio focused mainly on the City of Zurich. He also has an advisory role on the Real Estate Committee of Gaydoul Group. Appropriate organisational and contractual arrangements are in place to avoid any conflict of interests.

Georges Theiler works for Implenia AG in an advisory capacity.

Wilhelm Hansen is Chairman of the Governing Board of Basellandschaftliche Kantonalbank and holds 20% of the shares in Tarimo AG, Basel. These companies hold and finance properties.

Peter Schaub is Chairman of the Board of Directors of CPH Chemie + Papier Holding AG and a member of the Board of Directors of UBV Uetikon Betriebs- und Management AG. These companies own operating and development properties (CPH) and investment properties (UBV).

Daniel Crausaz exercises directorship mandates at Cadar SA and Zimal SA.

Bernhard Guillelmon is a member of the Boards of Directors of BLS Cargo SA and RAlpin AG.

Paul Rambert is active as a real estate consultant in Lausanne and Zurich through his company Immopoly GmbH.

The other members of the Board of Directors of Mobimo Holding AG do not occupy any positions in the management and supervisory bodies of major Swiss and foreign entities or in institutions and foundations under public and private law. Moreover, the members of the Board of Directors perform no long-term management or advisory functions for key Swiss or foreign interest groups.

3.3 Cross involvements

There is no mutual participation on the Boards of Directors of listed companies.

3.4 Election and term of office

The Board of Directors of Mobimo Holding AG consists of at least three members (during the period under review, nine members following the election on 17 December 2009) and is elected for a period of one year at the General Meeting. The aim is to reduce the number of members to six over the next few years. The term of office of the members of the Board of Directors ends on the day the next General Meeting is held. They may be immediately re-elected upon expiry of their term of office.

3.5 Internal organisation

The Board of Directors constitutes itself and has nominated Urs Ledermann as its Chairman and Georges Theiler as its Vice Chairman.

The Board of Directors is quorate when the majority of its members are present and passes resolutions by the majority of the votes cast.

A total of five ordinary and four extraordinary meetings were held in 2010. The ordinary meetings generally lasted one day (one lasted two days), the extraordinary meetings for between 30 minutes and two hours. The Board of Directors was present in full at every meeting apart from three.

The CEO, CFO and the other members of the Executive Board occasionally take part in the meetings of the Board of Directors, although the Board of Directors always meets first without these persons present. The Chairman decides whether employees or other external advisors are to be included in the meeting in order to deal with specific issues. The Chairman made particular use of this facility in connection with the convertible bond issue.

The Board of Directors has two committees: the Real Estate Committee and the Audit & Risk Committee. The purpose, tasks, duties and competences of the two committees are laid down in a supplement to the organisation regulations. The Audit & Risk Committee met eight times in 2010. The Real Estate Committee met 12 times.

The Board of Directors established the Real Estate Committee to ensure that the investment and divestment targets it sets each year are implemented successfully. The competences of the Board of Directors, the Real Estate Committee and the Executive Board with respect to purchases and sales are laid down in the organisation regulations of Mobimo Holding AG and summarised below. The Real Estate Committee aims to provide the Board of Directors with as broad-based real estate know-how as possible by:

- conducting ongoing market observations
- developing the network to investors, etc., and cooperating closely with management
- providing regular information to the Board of Directors

The Real Estate Committee fulfils three functions, namely:

- deciding on property purchases and divestments for property transactions between CHF 10 and CHF 30 million
- submitting requests to the Board of Directors for transactions over CHF 30 million, which thus lie within its competences
- supervising investment and development business as well as the external appraisals to be carried out periodically

The obligations and competences assigned to the Board of Directors in accordance with the organisation regulations and the law remain with the Board of Directors as the overriding body.

The Audit & Risk Committee fulfils a supervisory function. It may request any measures it deems necessary in order to perform its duties and has direct access to all documentation, employees and the auditors. The main duty of the Audit & Risk Committee is to support the Board of Directors by means of preparatory work, audits and clarification. The four areas where the Audit & Risk Committee is active are as follows:

- budgeting, preparation of financial statements, external audit and external appraisal
- risk management and internal control system (ICS), including adherence to legislation, directives and internal guidelines (compliance)
- financing
- taxes

3.6 Approval authority regulations

The principles of top-tier management, including the allocation of authority, are defined in the company's organisation regulations. The Board of Directors is responsible for managing the company and supervising the Executive Board. It represents the company to the outside world and takes decisions on all matters which do not fall under the remit of another body within the company by law or pursuant to the Articles of Association or other regulations. In addition to its non-transferrable duties in accordance with Article 716a of the Swiss Code of Obligations, the Board of Directors also has the following duties and competences:

- a) Defining the Group policy and business policy of the Group companies (such as defining the guidelines governing the strategic focus of the Group and of the Group companies/portfolio approach)
- b) Defining and controlling the financial and investment budget of the Group companies
- c) Making fundamental decisions with regard to electing and dismissing members of the Board of Directors, Group company auditors and valuation experts
- d) Passing resolutions on founding, acquiring and disposing of Group and affiliated companies
- e) Initiating business relations between the Mobimo Group and important third parties
- f) Overseeing the measures that need to be undertaken with regard to stock exchange listings
- g) Defining the corporate identity
- h) Defining the accounting principles, including the consolidation of all financial statements
- i) Approving participation and option plans

The Executive Board manages the Group companies as BoD and/or Executive Board members in line with the approval authority regulations and local organisation regulations.

The Board of Directors of Mobimo Holding AG makes decisions on all property transactions exceeding CHF 30 million; transactions of between CHF 10 and 30 million fall under the remit of the Real Estate Committee. Operating decisions pertaining to property transactions up to an investment volume of CHF 10 million are delegated to the Executive Board.

3.7 Information and control instruments with regard to the Executive Board

The Chairman of the Board of Directors holds coordination and information meetings with the Chairman of the Board of Directors every two weeks. The Real Estate Committee generally meets every four weeks. The Chairman of the Real Estate Committee may convene additional meetings at any time. The CEO normally takes part in the meetings. Minutes are to be taken at every meeting and subsequently distributed to all members of the Board of Directors.

The Audit & Risk Committee generally meets between six to eight times a year. Topics discussed at Audit & Risk Committee meetings include the annual and semi-annual results, the reports of the external auditors and external appraisers, important technical accounting, legal, tax and regulatory issues, other necessary reports and risk management/ICS.

The Board of Directors addresses its risk management responsibilities via the Audit & Risk Committee (AC). The main duty of this Committee is to support the Board of Directors by means of preparatory work, audits and clarification. The AC liaises with management to prepare an annual risk inventory setting out significant risks by risk category. For each risk, the risk owner, impact and measures implemented are analysed and then evaluated on the basis of the criteria of likelihood, financial impact and damage to reputation and image. Wherever necessary, further measures are defined for the ongoing management of the risks assessed.

The Chairman of the Audit & Risk Committee may convene additional meetings at any time. If necessary the Audit & Risk Committee may invite members of the Executive Board, other employees, external advisors or auditors to its meetings, or request that they meet with members or advisors of the Audit & Risk Committee. The CFO normally takes part in the meetings. Minutes are to be taken at every meeting and subsequently distributed to all members of the Board of Directors.

The entire Board of Directors receives a quarterly management report informing them about the following areas: financial situation/budget achievement, risk situation, progress and planned activities of the operating and administrative areas, and personnel situation. The information relates to developments and events since the last management report together with expected developments and planned activities. The Executive Board is present during the meetings of the Board of Directors and reports on items on the agenda and/or is available for general questions and information.

A formal internal audit is not appropriate due to the size of the company. Internal control and risk management is performed by Controlling.

The implementation of regulatory and accounting changes is worked out at an early stage in cooperation with the external auditors. The external auditors and property appraisers are also consulted on a regular basis to help assess larger-scale transactions.

4 EXECUTIVE BOARD

4.1 Members of the Executive Board

Dr. Christoph Caviezel

CEO, Dr. iur., Attorney-at-Law, Swiss, resides in Zurich

Christoph Caviezel was born on 19 August 1957 in Laax in the Canton of Grisons.

After completing high school in Coire he went on to obtain a degree in law from the University of Fribourg in 1980.

He was admitted to the bar in the Canton of Grisons and obtained his Doctorate (Dr. iur.) in 1988. After a number of years as a practising Attorney-at-Law, in 1986 he was appointed Head of Real Estate at SBB in Lucerne. In 1995 he joined listed company Intershop Holding AG. He was appointed to the Board of Management in 1999 with responsibility for real estate in Switzerland. He was appointed CEO of Intershop in 2001 and also became a member of the Board of Directors in 2003.

Christoph Caviezel has been CEO of the Mobimo Group since 1 October 2008 and directly manages the Purchase and Divestment division. He sits on the Investment Committee of the Investment Foundation for Overseas Real Estate (Anlagestiftung für Immobilienanlagen im Ausland, AFIAA) in Zurich. He has also been a member of the Board of Directors of LO Holding Lausanne-Ouchy SA since 17 December 2009.

Manuel Itten

CFO, Business Administration FH, Swiss, resides in Zurich

Manuel Itten was born on 3 October 1965 in Zurich. Following basic commercial and design training and after gaining several years of professional experience, he completed a business administration degree (Business Economist HWV) at a university of applied science (Fachhochschule). After working in the audit and consulting fields, he spent several years as Head of Controlling at Livit AG.

Manuel Itten joined Mobimo in 2004. He was Head of Controlling until February 2009 and has been the company's CFO since March 2009. He has also been a member of the Board of Directors of LO Holding Lausanne-Ouchy SA since 17 December 2009.

Peter Grossenbacher

Head of Portfolio Management, Master of Advanced Studies in Real Estate Management from the Zurich Fachhochschule and Certified Real Estate Trustee (dipl. Immobilientreuhänder), Swiss, resides in Weisslingen ZH.

Peter Grossenbacher was born on 10 November 1969 in Schaffhausen. After completing his basic construction training and obtaining his site supervisor diploma, he held a number of senior positions in the construction and real estate sector. He has been with Mobimo since 2002. He spent five years in charge of the Project Management division, with primary responsibility for the development and construction of premium and ecologically-sound condominium properties in good locations. Since July 2008 he has been Head of Portfolio Management.

Andreas Hämmerli

Head of Development, Certified Architect HTL, Swiss, resides in Scheuren BE

Andreas Hämmerli was born on 22 June 1957 in Brüttelen in the Canton of Berne. After training as a Certified Architect HTL he spent 12 years in a number of positions within the architecture industry (development/project management/marketing/head of an architectural practice). He was Head of Real Estate Trading at Göhner

He was Head of Real Estate Trading at Göhner Merkur AG, where he was responsible for real estate divestment and the management and restructuring of part of the general contractor. At Livit AG he was a member of the Management Board and headed the Real Estate Consulting Switzerland division (development/real estate trading/real estate trusts and first-time letting).

Prior to joining Mobimo he was involved in the development, implementation and management of the D4 Business Center Lucerne in Root, an initiative of Suva Asset Management.

He has been Head of Development since 1 October 2008, with responsibility for all aspects of real estate development, construction and sales.

4.2 Other activities and interests

The members of the Executive Board perform no long-term management or advisory functions for key Swiss or foreign interest groups, nor do they perform any official functions or hold any political offices.

4.3 Management agreements

There are no management agreements with third parties. There is a service agreement between Mobimo AG and Mobimo Management AG.

5 COMPENSATION, PROFIT-SHARING AND LOANS

5.1 Content of and procedure for determining compensation and profit-sharing plans

In line with Article 20 of the Articles of Association, the members of the Board of Directors are entitled to receive remuneration commensurate with their activities. This remuneration is set by the Board of Directors itself. Since 2009, the compensation received by members of the Board of Directors consists solely of a fixed amount structured on a modular basis depending on the specific activities of each member. It is made up of basic compensation of CHF 70,000 per year plus fixed supplements for involvement in a Board Committee (CHF 70,000 for the IC and CHF 50,000 for the AC) and fixed supplements for the Chairman of the Board of Directors (CHF 340,000) and the Chairmen of the two Board Committees (CHF 30,000 each). This ensures that the remuneration paid to the Board of Directors is in line with the time required for their activities and the level of responsibility involved. The new remuneration structure was introduced by the Board of Directors in the form of compensation regulations established for an indefinite period. The Board of Directors made no changes to the regulations in 2010. An additional TCHF 300 was also paid to the Board of Directors in 2010 as special one-time compensation for the successful acquisition of LO Holding Lausanne-Ouchy SA. The members of the Board of Directors also participate in the long-term success of the company, as all or part of their compensation may take the form of shares in Mobimo Holding AG. The proportion of the total compensation that may take the form of shares is set by the Board of Directors on an annual basis. Shares are valued at the VWAP (volume weighted average price) applicable 20 days before the reference date. All shares issued are subject to a defined vesting period, generally five years. The Board of Directors sets the vesting period and the reference date for the shares on an annual basis (see Note 41 to the consolidated annual financial statements as well as Note 7 to the financial statements of Mobimo Holding).

A total of 1,562 shares were granted to the Board of Directors in the 2010 financial year as part of their fixed compensation. Executive Board compensation is broken down into a fixed element and a variable performance-related element based on the company's consolidated profit for the year after deduction of a hurdle (see below).

Remuneration is geared to the actual area of responsibility of each member of the Executive Board and the amount of work involved. It is set by the entire Board of Directors in line with market conditions, with particular focus on salary levels in the real estate market. These competitive remuneration systems should enable Mobimo to recruit the senior managers it wants from the relatively small pool of suitable executives and tie them to the company for the long term. The company did not employ any external remuneration consultants in the year under review.

The variable compensation element forms part of a company rule whereby 7% of Mobimo Holding AG's consolidated profit for the year, after deduction of a hurdle of 5% of the intrinsic value (net asset value, share capital, shareholder loans, open and hidden reserves), is allocated to the Executive Roard

The maximum variable compensation element for each individual member of the Executive Board is limited to 150% of fixed gross annual salary.

Executive Board members must draw at least 50% of the variable performance-related compensation element in the form of shares in Mobimo Holding AG. The corresponding shares are generally subject to a vesting period of five years that remains in effect even after the employment relationship is terminated. This should ensure that even at Executive Board level the sustainable, long-term success of the company becomes established as a key criterion for Executive Board compensation. The Board of Directors sets the reference date for the shares on an annual basis. The market value of shares is calculated as the average price of the last 20 trading days (20-day VWAP) before the reference date. The shares issued are all entitled to dividends. The number of shares assigned is calculated on the basis of the taxable value of the share (performance-related compensation to be drawn in the form of shares in CHF divided by the taxable value of the shares in CHF = number of shares). These regulations for the variable compensation payable to members of the Executive Board are valid up to and including the 2012 financial year and replace the previous profit-sharing regulations.

The share of variable compensation earmarked for other Mobimo employees is divided between them on the basis of individual performance and paid out solely in the form of cash.

Of the compensation paid to the Executive Board in the period under review, 55% took the form of fixed sums while 45% was paid as variable compensation in the form of cash and shares.

No agreements on severance compensation have been concluded with either the Board of Directors or the Executive Board.

Further information on compensation, profitsharing and loans can be found in Note 41 to the consolidated annual financial statements as well as Note 7 to the financial statements of Mobimo Holding.

6 SHAREHOLDERS' RIGHTS OF PARTICIPATION

Registration practices in relation to nominees were specified in more detail in 2010 and approved by the Board of Directors with the regulations on the administration of the Mobimo Holding AG share register (see Corporate governance, section 2.6).

6.1 Restrictions on voting rights and proxies (Articles 6 and 12 of the Articles of Association)

Only members entered in the share register are entitled to exercise their rights at the General Meeting.

The Board of Directors may refuse to approve the transfer of registered shares, insofar as recognising a transferee as a full shareholder may, according to the information available to it, hinder the company from providing proof of Swiss control as stipulated under federal law (in particular the BewG). The Board of Directors did not reject any entries in the share register in the year under review, insofar as shareholders provided the information required for entry (see above). Under Article 12 of the Articles of Association, any shareholder may be represented by another shareholder who has been granted a written proxy, the independent proxy or the proxy holder for shares.

6.2 Quorum prescribed by the Articles of Association (Articles 13 and 14 of the Articles of Association)

There is no quorum prescribed by the Articles of Association that goes beyond the statutory provisions on passing resolutions (Articles 703 and 704 of the Swiss Code of Obligations).

6.3 Convocation of the General Meeting (Articles 9 and 10)

The convocation of the General Meeting, the form of convocation and the right of shareholders to convene a General Meeting are governed by Articles 9 and 10 of the Articles of Association.

The Annual General Meeting is convened by the Board of Directors or if necessary by the auditor and is held once a year within six months of the end of the financial year. The Board of Directors may convene Extraordinary General Meetings at any time. Extraordinary General Meetings are to be convened by the Board of Directors on the basis of a resolution of the General Meeting, at the request of the auditor or if one or more shareholders who together represent at least one-tenth of the share capital request one in writing and submit the items for the agenda.

The liquidators also have the right to convene a General Meeting. Invitations to the General Meeting are issued at least 20 days prior to the date of the meeting via publication of a single notice in the Swiss Official Gazette of Commerce. Personal invitations are also sent to the shareholders entered in the share register giving the same amount of notice. The invitation must set out all the items on the agenda together with the proposals of the Board of Directors and any shareholders who have requested that a General Meeting be convened.

The annual report and auditor's report must be made available for inspection by shareholders at the company's registered office no later than 20 days prior to the General Meeting. The availability of these reports and the right of shareholders to request that copies be sent to them must be indicated in the notice of convocation of the General Meeting.

6.4 Agenda (Article 10 of the Articles of Association)

The statutory provisions set out in Article 699 of the Swiss Code of Obligations apply to the right of shareholders to propose agenda items referred to in Article 10 of the Articles of Association. Shareholders who together represent at least 10% of the company's share capital may request that the Board of Directors convene a General Meeting. Shareholders who together represent shares with a nominal value of at least CHF 1 million may request that an item be placed on the agenda.

6.5 Entries in the share register (Article 6 of the Articles of Association)

Under Article 6 of the Articles of Association anyone entered in the share register is recognised as a shareholder or usufructuary. Entry is conditional on provision of evidence that the transfer meets formal requirements and is subject to the approval of the Board of Directors. No entries are made in the share register in the 20 days prior to and the day after the General Meeting. The cut-off date for the Annual General Meeting of 6 April 2011 is 18 March 2011. The 2011 General Meeting takes place in Lucerne on 6 April 2011.

7 CHANGE OF CONTROL AND DEFENSIVE MEASURES

7.1 Obligation to make an offer

Anyone who acquires shares directly, indirectly or by mutual agreement with third parties, with the result that their total holding, including the securities they already own, exceeds the threshold of 33% of the voting rights of a listed company, whether exercisable or not, must make an offer to acquire all listed shares of said company (Article 32 of the Swiss Federal Act on Stock Exchanges and Securities Trading (SESTA)).

In view of the Swiss federal law pertaining to the purchase of property by persons resident abroad (BewG), the company has chosen not to make use of the opportunity to include an 'opting-out' or 'opting-up' clause in their Articles of Association. The legal provisions under Article 32 of SESTA governing the obligation to make a purchase offer therefore apply.

7.2 Change of control clauses

There are no change of control clauses.

8 AUDITOR

8.1 Duration of mandate and term of office of lead auditor

Since Mobimo Holding AG was established in December 1999, the company's external and Group auditor has been KPMG AG, Root/Lucerne. The external and Group auditor are appointed annually by the General Meeting. In accordance with the seven-year rotation cycle, Mr Reto Benz, Partner, has been lead auditor since the 2007 financial year.

8.2 Audit fee

KMPG received total fees of CHF 0.5 million (incl. LO Group) for services relating to the audit of the interim results and 2010 annual results.

8.3 Additional fees

KPMG received CHF 0.4 million for transaction services (primarily tax advice and due diligence) relating to the convertible bond and other mandates. Fees totalling CHF 0.5 million were also paid to the property valuer Wüest & Partner, Zurich, in the year under review.

8.4 Supervision and control instruments with regard to the auditor

- The AC reviews the annual audit plan and scope, evaluates the performance, fees and independence of the external auditor and makes recommendations to the BoD.
- The AC evaluates the classification of the risks of misstatements in the financial statements by the Executive Board and the external auditor and evaluates and monitors the implementation of countermeasures.
- The AC discusses the audited financial statements and the interim financial statements with the Executive Board and the external auditor and undertakes a critical analysis, particularly with regard to special matters. The AC decides whether the individual and consolidated annual financial statements can be submitted to the BoD for approval and publication, prior to approval and publication by the BoD.
- The AC discusses with the external auditor any significant problems arising during the audit and all management letters or other important reports on the ICS that are prepared by the external auditor or that the external auditor recommends be prepared, as well as the responses of the Executive Board to such reports, submits its own reports to the BoD, with proposals for appropriate solutions where necessary, and monitors the implementation of countermeasures.
- The AC discusses with the Executive Board and the external auditor their assessment of the general quality of the accounting policies applied by Mobimo in its financial reporting, undertakes a critical analysis thereof and submits reports to the BoD.

At the invitation of the Board of Directors, the auditor's representatives participate either in person or by phone in the meetings of the AC or Board of Directors that deal with issues in this area.

9 INFORMATION POLICY

Mobimo Holding AG provides its shareholders and the capital market with information that is open, up-to-date and as transparent as possible. The Media and Analysts' Conference on the 2010 financial results took place on 8 March 2011.

Financial reporting takes the form of semi-annual and annual reports. These are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and comply with both Swiss law and the provisions of the listing rules and additional rules for the listing of real estate companies issued by the SIX Swiss Exchange.

The company is also subject to the obligation in respect of ad hoc publicity pursuant to Article 72 of the listing rules.

Further information on the company can be found on the website www.mobimo.ch.

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