



ANNUAL REPORT 2013

MOBIMO HOLDING



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## Corporate governance

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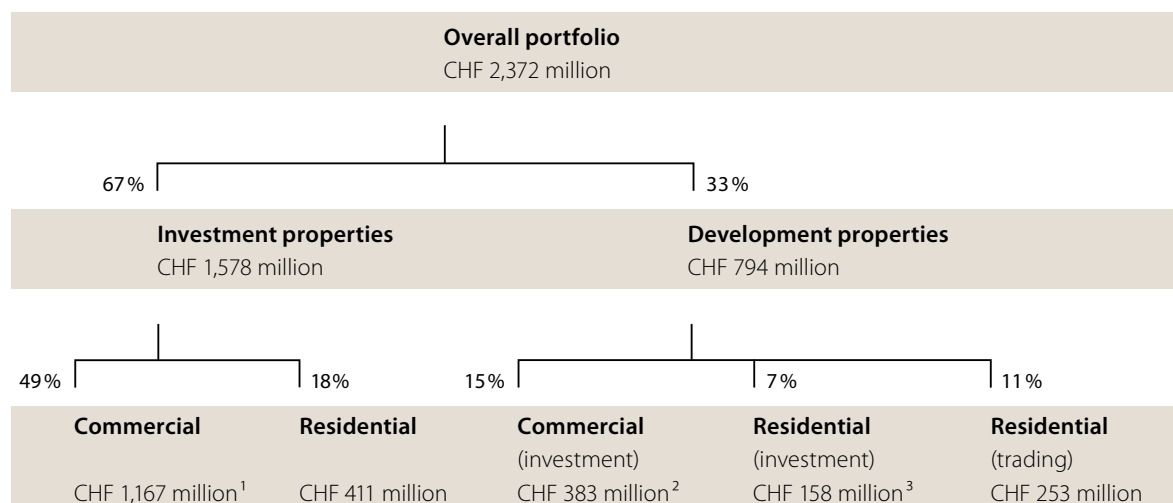
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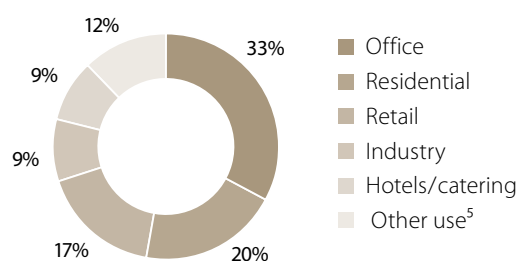
# KEY FIGURES

## Portfolio figures

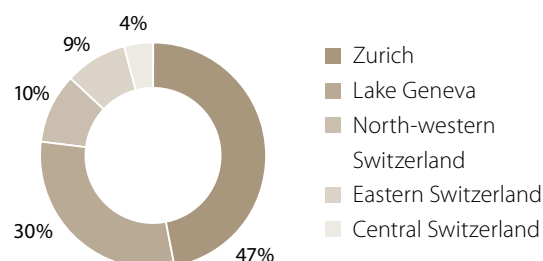


		31.12.2013	31.12.2012
Commercial investment properties	CHF million	1,167.0	1,177.2
Residential investment properties	CHF million	410.7	380.4
Commercial development properties	CHF million	383.3	328.9
Residential development properties	CHF million	410.9	468.5
Total properties	CHF million	2,371.9	2,355.0
Investment property vacancy rate		3.9 %	3.8 %
Income from rental of investment properties	CHF million	94.2	92.2
Gross yield from investment properties		5.7 %	5.8 %
Net yield from investment properties		4.6 %	4.8 %

## Rental income by type of use as at 31.12.2013<sup>4</sup>



## Breakdown of portfolio by economic area<sup>6</sup>



<sup>1</sup> Including owner-occupied properties in Küsnacht, Aarau and Lausanne

<sup>2</sup> Including commercial properties under construction (investment properties under construction) in Affoltern am Albis, Obstgartenstrasse 9; Horgen, Seestrasse 93 (Meilenwerk); Lausanne, Avenue d'Ouchy 4–6 and Lausanne, Vallée du Flon (Les Pépinières) as own-portfolio developments

<sup>3</sup> Comprising the residential properties under construction (investment properties under construction) in Affoltern am Albis, Obfelderstrasse 31–35; Regensdorf, Schulstrasse/Riedthofstrasse/Feldblumenstrasse; Lausanne, Rue Voltaire 2–12, and Zurich, Turbinenstrasse 22–32 (City West, site C) as own-portfolio developments

<sup>4</sup> Breakdown of target rental income by type of use (overall portfolio without trading properties)

<sup>5</sup> Other use mainly comprises car parks and ancillary uses

<sup>6</sup> Breakdown of fair values/carrying amounts of properties by economic area (overall portfolio)

## Mobimo financial figures

		31. 12. 2013	Restated 31. 12. 2012
Net rental income	CHF million	78.9	79.8
Net income from revaluation <sup>1</sup>	CHF million	25.2	36.9
Profit on sale of trading properties and services	CHF million	31.6	21.7
Operating result (EBIT)	CHF million	119.4	117.2
Profit	CHF million	81.6	75.9
Profit (attributable to the shareholders of Mobimo Holding AG)	CHF million	81.6	76.2
Return on equity <sup>2</sup>		7.1 %	6.7 %
Profit (attributable to the shareholders of Mobimo Holding AG) not including revaluation	CHF million	62.6	48.5
Return on equity not including revaluation <sup>3</sup>		5.4 %	4.3 %
Ø Discount rate for revaluation		4.46 %	4.63 %
Ø Rate of interest on financial liabilities		2.7 %	3.0 %
Ø Residual maturity of financial liabilities	Years	7.7	9.1
Equity ratio		46 %	48 %
Net gearing <sup>4</sup>		84 %	80 %

## Headcount

Ø Headcount (full-time basis)		90.1	82.9
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## Mobimo share figures

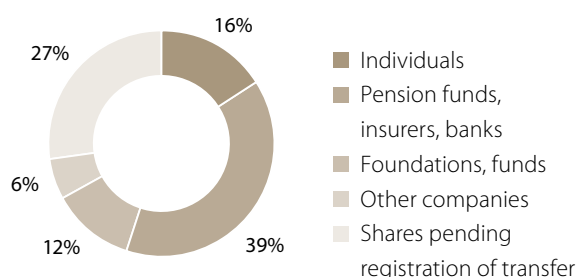
No. of shares outstanding <sup>5</sup>		6,212,330	6,200,169
Earnings per share	CHF	13.14	12.30
Earnings per share including operating revaluation, not including market-driven revaluation <sup>1</sup>	CHF	10.64	10.31
Earnings per share not including revaluation	CHF	10.09	7.83
Distribution <sup>6</sup>	CHF	9.50	9.00
Nominal value per share	CHF	29.00	29.00
NAV per outstanding share after options and convertible bond <sup>7</sup>	CHF	200.01	193.99
Share price as at 31 December	CHF	186.10	218.90
Dividend yield (distribution yield) <sup>6</sup>		5.1 %	4.1 %
Payout ratio <sup>8</sup>		72 %	73 %
Share capital	CHF million	180.2	180.1
Market capitalisation as at 31 December	CHF million	1,156.5	1,359.1
Equity as at 31 December	CHF million	1,241.1	1,199.1

## Shareholders

The following shareholders held more than 3 % of the share capital as at 31 December 2013:

- Zuger Pensionskasse: 3.38%
- BlackRock, Inc.: 3.01%

Free float as at 31 December 2013: 100%  
(as per SIX Swiss Exchange definition)



<sup>1</sup> CHF 4.5 million of the positive revaluation income is based on operating performance. Of this figure, CHF 0.5 million was generated from investment properties under construction, while CHF 4.0 million stems primarily from successful lettings. In addition, CHF 7.2 million comes from market-related adjustments and CHF 13.5 million from the first-time application of IFRS 13

<sup>2</sup> Profit (attributable to the shareholders of Mobimo Holding AG) in relation to average equity (attributable to the shareholders of Mobimo Holding AG; equity at 1 January plus capital increase/reduction) for the period under review

<sup>3</sup> Profit (attributable to the shareholders of Mobimo Holding AG) not including revaluation (and attributable deferred tax) in relation to average equity (attributable to the shareholders of Mobimo Holding AG; equity at 1 January plus capital increase/reduction) for the period under review

<sup>4</sup> Net financial liabilities in relation to equity

<sup>5</sup> No. of shares issued 6,214,478 less treasury shares 2,148 = no. of outstanding shares 6,212,330

<sup>6</sup> Distribution of paid-in capital for the 2013 financial year of CHF 9.50 per share in accordance with the proposal to the General Meeting of 25 March 2014. Some CHF 270 million is available for distribution of paid-in capital as at 31 December 2013

<sup>7</sup> Assuming all options granted and conversion rights are exercised

<sup>8</sup> Payout ratio: distribution ÷ earnings per share (for the distribution of dividends proposed for 2013 by the Board of Directors)

## ANOTHER VERY GOOD YEAR FOR MOBIMO – INCREASE IN THE DIVIDEND



Christoph Caviezel, CEO

Georges Theiler, Chairman of the Board of Directors

### DEAR SHAREHOLDERS LADIES AND GENTLEMEN

Mobimo can look back on a successful financial year in 2013. At CHF 62.6 million, or CHF 10.09 per share, net profit before revaluations (attributable to the shareholders of Mobimo Holding AG) significantly exceeded the prior year's level (CHF 48.5 million), and in doing so set a new record. Profit including revaluations totalled CHF 81.6 million (prior year: CHF 76.2 million). This pleasing earnings growth can be attributed in particular to a record number of transfers of ownership in the condominium area and the first successes in Investments for Third Parties activities. Realisation of Mobimo's many construction projects progressed according to schedule, while all new projects in the pipeline started to take shape. Due to the significant increase in investment properties, Mobimo is set to record strong growth in rental income. The Board of Directors will propose to the General Meeting to increase the dividend by 5.6% to CHF 9.50 per share.

#### **High demand for residential property**

The Swiss real estate market once again proved robust in 2013. The stable economy, immigration trends, the need for more living space and the growing number of small households were the primary reasons why demand for living space remained unflaggingly high in the main business centres, particularly in the mid-price segment. Although interest rates have gone up somewhat and stricter lending limits are in force, with banks adopting greater caution in mortgage lending and the Swiss National Bank calling for restraint to be exercised, high-quality residential property continues to be in demand. Mobimo has not been affected by the stagnation in the office space segment, particularly in central Zurich, in the wake of the relocation of major companies to the suburbs. What has been tangible, however, has been the economic pressure in the retail area. The valuations of our properties as calculated by Wüest & Partner continue to appear realistic, as is also once again clearly underlined by the gains on the sale of portfolio properties achieved in 2013.

**Brisk construction activity**

Mobimo also pressed ahead with its extensive construction programme as planned in 2013. Particular highlights were the completion of the "Am Pfingstweidpark" residential development (250 units) in Zurich and the "Wisental II" residential development (46 units) in Horgen. In Regensdorf, construction of the "Sonnenhof" housing scheme on Schulstrasse, comprising 140 residential units, has begun. Mobimo held the topping-out ceremony on the "OVA" site in Affoltern am Albis, where 90 retirement and family apartments and a care centre will soon be completed. In Aarau, where the Aeschbach district, a completely new urban area, is being created, an application for a construction permit for the first residential development has been submitted. In June, ownership transfer was completed for the plot of land on which the new high-rise office building of the GastroSocial pension fund is to be built. At the former post office site in Lausanne, the extensive renovation of the striking old post office building "Horizon 4-6" has been completed. On the other side of Lausanne's railway station, the first ground was broken for the residential development in Rue Voltaire (Petit Mont-Riond), which will offer 98 apartments. Construction work on the Flon site for the multi-purpose "Pépinières" building, which is already fully let, is also close to completion.

**Development delivers above-average contribution to income**

Income from the sale of condominiums (Trading) and services (Investments for Third Parties) totalled CHF 31.6 million, far exceeding the prior year's figure of CHF 21.7 million. Income from the sale of apartments and services for third parties totalled CHF 215 million. Our new services in the Investments for Third Parties area, which were only launched in 2012, are increasingly bearing fruit. Current projects include a residential development in Dübendorf and an office building in Langenthal.

At CHF 95.1 million (prior year: CHF 92.8 million), income from rental properties was slightly above the previous year's level. The vacancy rate continues to remain low at 3.9%. The result was still affected by slightly higher costs and lost rental income following the sale of two properties. The completion of new investment properties will be recognised in profit or loss from 2014 and lead to substantial growth in rental income.

Progress on the construction of existing projects, optimisation of rental agreements and the first-time application of IFRS 13 resulted in net income from revaluation of CHF 25.2 million (prior year: CHF 36.9 million).

**Steady progress in the pipeline**

Mobimo is set to grow further: properties for its own portfolio currently under construction have an investment volume of some CHF 290 million. Mobimo also plans further projects for its own portfolio with an investment volume in the region of CHF 780 million. The architectural competition for the residential development on the Labitzke site in Zurich-Altstetten was completed, and an attractive project, comprising 250 apartments, was presented to the public. The project is scheduled for completion in 2015/16. Construction will begin in 2014 on the "Letzihof" residential development in Zurich with 72 residential units. In Biel/Nidau, the initial results of the development plans for the former "AGGLOlac" Expo site were presented in January 2014.

**Solid financing**

The Mobimo balance sheet is extremely solid, and our business is highly predictable. Equity amounted to CHF 1,241 million at the end of the year, which corresponds to a sound equity ratio of 46%. The average residual maturity of our financial liabilities is 7.7 years and our average borrowing interest is a low 2.6 % as at the reporting date. This provides us with a high degree of flexibility in the planning and realisation of our projects. The high intrinsic value of our portfolio combined with increasing rental income will allow us to continue the attractive dividend distribution policy that we have practiced for many years.

**New Chairman of the Board of Directors**

In September 2013, the Board of Directors appointed its long-standing member and previous Vice Chairman Georges Theiler as the new Chairman of the Board of Directors. The management handover took place after Urs Ledermann announced that he would be concentrating more on his family-owned business in future. Under his stewardship, the Group's strategy was redefined in 2008 and successfully implemented. Following the end of his term of office, Urs Ledermann will not make himself available to the company for re-election. The Board of Directors and the Executive Board would like to thank him for his many years of dedicated service with Mobimo.

### Share price down despite further progress

In the year under review, Mobimo's share price suffered along with other real estate shares and funds from the persistent warnings of a real estate bubble and the associated uncertainties. Taking account of the dividend distribution of CHF 9.00, our share price had declined by 10.9% to CHF 186.10 at the end of the year. The Board of Directors is striving to ensure that it remains an attractive proposition to the company's shareholders in the future. Shareholders are now also able to vote remotely using the "Sherpany" online shareholder platform. Furthermore, we were the first Swiss real estate company to achieve the highest possible GRI ratings (from page 18) for our sustainability report. The European Public Real Estate Association (EPRA) conferred on us its "Gold Best Practice Award" for reporting, and we received the "Investora Award" from SIX for offering the best capital market information. This is an honour for us and reinforces our resolve to maintain this high level in the future.

### Outlook for 2014

We are confident as regards the continued stable and sustainable development of our company. The main focuses of our activities will remain unchanged: realising numerous construction projects, expanding our development business, space marketing, selling condominiums and the targeted optimisation of our project pipeline. In addition, we expect a marked increase in rental income starting in 2014 due to the new investment properties that are in the pipeline.

Thank you for the trust you have placed in us.



**Georges Theiler**

Chairman of the Board of Directors



**Christoph Caviezel**

CEO

## First successful deal for the Investments for Third Parties business area

In February 2013, Mobimo acquired a property located only a few minutes' walk from Olten station and directly next to the campus of the University of Applied Sciences and Arts Northwestern Switzerland, which was opened in 2013. In only ten months, Mobimo developed a legally approved project for the site with a general contractor agreement ready for signature. The AAREpark project was subsequently sold to CSA Real Estate Switzerland, an investment group of the Credit Suisse Investment Foundation. This centrally located residential and commercial property

comprises 56 small apartments and 1,745 m<sup>2</sup> of retail and office space and has an investment volume of around CHF 30 million. In keeping with the sustainability concept, the project is being realised to Minergie standards in accordance with ECO-exclusion criteria. Water is to be heated by a solar plant on the roof while showers are to be installed using waste heat recovery. With the sale of the project development, the new Investments for Third Parties business area successfully closed its first deal.



## Wind of change at the former Lausanne post office building

Mobimo is playing its part in the refurbishment of the district surrounding Lausanne railway station. With the renovation of the post office headquarters, which date back to the 1960s and today bear the name Horizon 4–6, Mobimo set the first milestone in the development of a modern business district next to the station. The fully renovated building was officially opened in September 2013, breathing new life into the post office building, which had been empty since 2010. During the redevelopment, efforts were made to take account of the former post office building's old charm. This ensured that the original structure was maintained, despite providing the building with a new face and transforming its interior. Today the building is in keeping with Minergie standards and con-

nected to the city of Lausanne's district heating network. Since September 2013, the tenants have been able to move into the approximately 7,900 m<sup>2</sup> of office and catering space located in the immediate vicinity of Lausanne railway station. In addition to office and catering space, the Horizon building also offers approximately 2,200 m<sup>2</sup> of retail space in its lower level along the Avenue d'Ouchy as well as space for studios and additional offices in the former letter post sorting hall.





## Attractive Mont-Riond Areal in Lausanne developed

In the first half of 2013, Mobimo acquired a further property in Lausanne in the very popular and quiet "sous-gare" residential district. The residential property, which was built in 1925/1926, contains 48 apartments and also houses a small area used for commercial purposes. The Rue Voltaire 2-12 plot, on which Mobimo is currently realising an attractive and modern housing development comprising 98 apartments, is located in the immediate proximity and will be ready to be occupied in mid-2015. The residential properties are linked via a generously-sized green space. Mobimo thus possesses a closed site of around 10,000 m<sup>2</sup> with primarily residential use that is located in the immediate vicinity

of Lausanne railway station. This ideal location next to the Metro line and close to Lake Geneva is a major plus point of the future residential complex. The broad range of different rental apartments and their sustained construction to Minergie standards also adds to the attractiveness of the investment. With apartments ranging from 1.5 to 5.5 rooms in size, as well as town house duplex homes, the buildings are an interesting prospect for a tenant mix comprising all age groups and will enrich the city of Lausanne.



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## Finger on the pulse of Zurich-West

With the "Am Pfingstweidpark" project, Mobimo took the opportunity to participate in the development of Zurich-West, the city's most modern urban district. In doing so, it has succeeded in incorporating the district's flair and dynamism and has implemented a development project which reflects the mood of Zurich-West. The mix of rental properties, condominium apartments and commercial space, as well as the individually designed park, reflects the district's colourful mixture of residential space, workplaces and meeting points. Together with a general contractor, Mobimo was able to incorporate its own ideas as regards sustainability and aesthetics in the project for the development of the three buildings, allowing it to also leave its mark on the district. On the former

industrial area of some 18,540 m<sup>2</sup> in size, 144 condominium apartments, 96 rental apartments and approximately 1,300 m<sup>2</sup> of commercial space have been developed to Minergie standards and connected to the city of Zurich's district heating network. A contribution has also been made to biodiversity by making efforts to attract wild bees, lizards and indigenous plants to the area. The condominium apartments in buildings A and B, which were created in 32 different layouts, have now all been sold.



## SUSTAINABLE DEVELOPMENT AND RECORD RESULT IN THE 2013 FINANCIAL YEAR

**Rise in profit to CHF 81.6 million**

Mobimo can look back on a successful financial year in 2013. The most significant increase was made in profit (attributable to the shareholders of Mobimo Holding AG) not including revaluation, totalling CHF 62.6 million (prior year: 48.5 million), which meant that the previous year's result was exceeded by 30%. With a profit of CHF 81.6 million (prior year: CHF 75.9 million), the Group generated an operating result 8% up on the previous year and thus achieved the best result to date in the company's history. The profit attributable to Mobimo shareholders of CHF 81.6 million (excluding non-controlling interests) surpassed last year's figure by 7% (prior year: CHF 76.2 million).

Earnings before tax (EBT) not including revaluation were up 29% to CHF 73.1 million (prior year: CHF 56.6 million), while EBT were up 5% to CHF 98.3 million (prior year: CHF 93.5 million). In accordance with the strategy in the 2013 financial year, the average expected holding period for an investment property when calculating the deferred taxes has been adjusted to up to 20 years. This resulted in a positive tax expense effect of CHF 1.9 million.

**EBITDA of CHF 120.9 million**

In the period under review, EBITDA not including revaluation totalled CHF 95.7 million (prior year: CHF 81.6 million) and EBIT not including revaluation amounted to CHF 94.1 million (prior year: CHF 80.3 million), which represents a 17% increase on the prior year's level. The EBITDA generated was also higher than last year at CHF 120.9 million (prior year: CHF 118.5 million), as was EBIT at CHF 119.4 million (prior year: CHF 117.2 million), which exceeded the prior-year figure by 2%.

Due to the good operational capacity utilisation, various teams and departments in the Küssnacht and Lausanne locations have been systematically strengthened. As a result, there has been an increase in the average number of FTEs to 90.1 (prior year: 82.9)

**Solid earnings per share of CHF 13.14**

The number of shares issued in the financial year increased slightly to 6,214,478 (prior year: 6,208,913) as a result of the options exercised during this period. A total of 3,730 options that may be exercised in the future following the expiry of the relevant vesting periods thus remain outstanding.

Mobimo's results for the 2013 financial year will for the first time be drawn up in compliance with the amendments to IAS19 (Employee Benefits). These have been applied retrospectively in accordance with the transitional provisions; as a result, the restated profit for the 2012 financial year declined by TCHF 145. A description of these changes and details of their impact on the prior year's figures are disclosed in the consolidated annual financial statements. The comparison with the prior year is based on the adjusted prior year's figures.

Thanks to the success enjoyed in the 2013 financial year, Mobimo has generated significantly higher earnings per share compared to the previous year. Before revaluations, earnings per share were CHF 10.09 (prior year: CHF 7.83), an increase of 29% on the previous year's level. Diluted earnings per share recorded a 26% year on year increase to CHF 9.64 (prior year: CHF 7.62), while earnings per share recorded a 7% rise to CHF 13.14 in comparison with the previous year (prior year: CHF 12.30). Diluted earnings per share were up 7% on the previous year's figure to CHF 12.34 (prior year: CHF 11.56). The attractive Mobimo dividend distribution policy can be continued in the 2013 financial year.

The net asset value (NAV) grew to CHF 199.21 (prior year: 192.84), as did the diluted NAV per share to CHF 200.01 (prior year: CHF 193.99). The Mobimo shares closed at CHF 186.10 on 31 December 2013, which was below the diluted NAV.

**Solidly financed with an equity ratio of 46%**

With an equity ratio of 46% at the end of the year (prior year: 48%), Mobimo continues to have a very solid capital base. The average residual term of financial liabilities as at 31 December 2013 was 7.7 years (prior year: 9.1 years) and therefore still in the long-term target range. The average interest rate for financial liabilities was reduced further and averaged 2.72% during the 2013 financial year, compared to 3.00% in the previous year. As at the reporting date 31 December 2013, the average interest rate was 2.64%. Mobimo will continue to use the attractive interest rate environment to keep interest rates low in the long term.

A CHF 165 million loan with a term of 5 years and an interest coupon of 1.5% was successfully taken out on 29 October 2013.

**Overall portfolio of CHF 2.37 billion**

The overall portfolio was valued at CHF 2,372 million at the end of the year (prior year: CHF 2,355 million). The portfolio of investment properties, including investment properties under construction for the company's own portfolio, increased by CHF 111 million as a result of the developments in the project pipeline. In contrast, the portfolio of trading properties fell by CHF 94 million, largely due to the transfer of ownership of the residential properties from the Horgen, Wisental II and Zurich, City West A and B projects.

Revaluation resulted in net income of CHF 25.2 million (prior year: CHF 36.9 million). The gain contains a positive effect amounting to CHF 13.5 million from the first-time application of IFRS 13. A slightly lower average discount rate of 4.46% (prior year: 4.63%) was applied to real estate valuations as at the end of the year.

**Low vacancy rate of 3.9% and an increase in rental income to CHF 95.1 million**

Income from rental properties in the 2013 financial year amounted to CHF 95.1 million (prior year: CHF 92.8 million), which equates to a 3% increase on the prior year's level. Sufficient progress had been made with the following properties under construction at the end of the year that the first rental units were able to be handed over to the tenants:

- Affoltern am Albis, Obfelderstrasse (rental apartments)
- Lausanne, Avenue d'Ouchy 4–6 (administration)
- Lausanne, Vallée du Flon (Les Pépinières)
- Zurich, Turbinenstrasse, City West, site C

The four properties have a potential rental income (target rental income) of CHF 10 million per year.

The net rental income of CHF 78.9 million (prior year: CHF 79.8 million) was on a par with the prior year due to the increase in maintenance costs and thus the slightly higher cost/income ratio of 17% (prior year: 14%). The net yield generated on the investment properties in the 2013 financial year was 4.6% (prior year: 4.8%). As at 31 December 2013, the vacancy rate remained at a very low level of 3.9% (prior year: 3.8%).

**Residential properties and services transferred to third parties for CHF 214.5 million**

Income from the sale of trading properties and services in the 2013 financial year amounted to CHF 214.5 million (prior year: CHF 152.0 million).

Net income generated from the sale of trading properties and services enjoyed a significant year on year increase of 46% and currently amounts to CHF 31.6 million (prior year: CHF 21.7 million).

The successful result is primarily due to the transfer of ownership of residential properties from the following projects:

- Zurich, Turbinenstrasse, City West (sites A and B)
- Horgen, Stockerstrasse 40–42 (Wisental II)

In 2013, a total of 194 residential properties were transferred. As at 31 December 2013, notarised sales agreements with a value of around CHF 101 million had been concluded for condominiums, which will generate proceeds when ownership of the residential properties is transferred. The implementation of all of the condominium construction projects is progressing as planned.

**Project pipeline of CHF 1.1 billion for the company's own portfolio**

The targeted development of residential and commercial properties is driving Mobimo's growth and the quality of the portfolio is being further optimised with the newly built investment properties. As at 31 December 2013, the following properties from the project pipeline for the company's own portfolio were either under construction or at the completion stage:

- Affoltern am Albis, Obstgartenstrasse (retirement apartments)
- Horgen, Seestrasse 93
- Lausanne, Vallée du Flon (Les Pépinières)
- Lausanne, Rue Voltaire 2–12
- Regensdorf, Schulstrasse 95/101/107/115; Riedthofstrasse 55/63; Feldblumenstrasse 44

The investment volume of the properties under construction totals around CHF 290 million. Furthermore, the following projects for the company's own investment portfolio with a total investment volume of CHF 780 million are being planned:

- Aarau, Aeschbach-Quartier 2
- Kriens, Mattenhof site
- Lausanne, Rue des Côtes-de-Montbenon
- Lausanne, Rue de Genève 19/21
- Lausanne, Avenue d'Ouchy 4–6
- Lausanne, Rue de la Vigie 3
- Zurich, Albulastrasse/Hohlstrasse (Labitzke site)
- Zurich, Letzigraben

The properties under construction and being planned for the company's own portfolio will create additional potential rental income of some CHF 54 million a year.

In addition to the projects being planned, Mobimo is also the development partner of the towns of Biel and Nidau for the AGGLOlac project and of the company Rheinmetall in connection with the development of a site in Zurich-Oerlikon. As part of these developments, there are additional opportunities to add attractive investment properties to the company's own portfolio.

As at 31 December 2013, the project portfolio included the following projects in the new Investments for Third Parties business area:

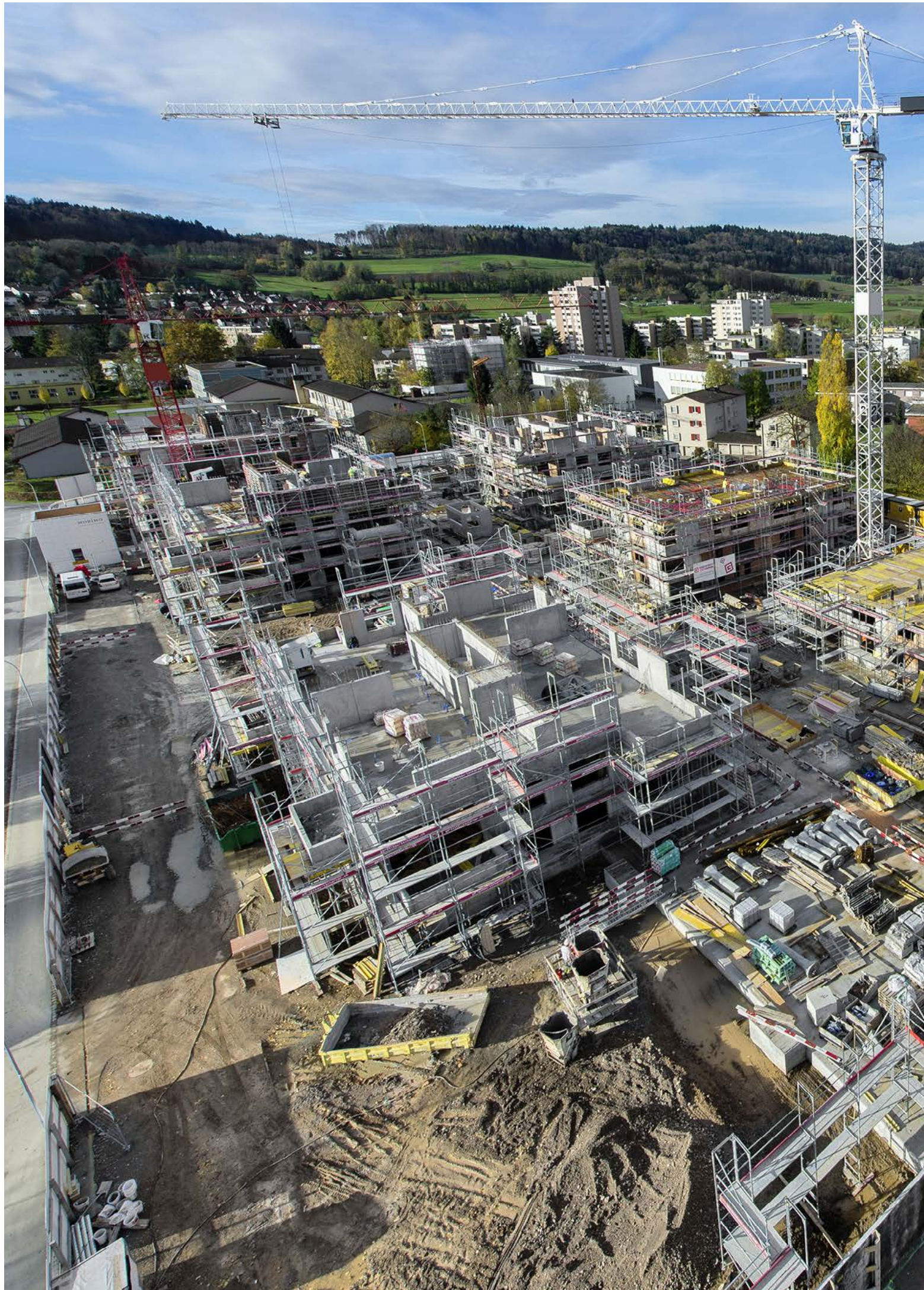
- Dübendorf, Sonnentalsstrasse 10
- Langenthal, Kühlhausstrasse (3M headquarters)

On these two sites, a residential construction project as well as a residential and commercial property will be realised together with third-party investors. The planned investment volume totals around CHF 155 million.



Manuel Itten,  
Chief Financial Officer









## ABOUT MOBIMO

Investment and development property  
Rental apartments and condominiums

Regensdorf, "Sonnenhof"  
Im Pfand 2





## 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.

## 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 return-oriented 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 that generate 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 or sold to third-party investors, along with attractive condominium apartments which, when sold, will generate capital gains.

## A premium portfolio

As at 31 December 2013, the real estate portfolio comprised 127 properties with a value of approximately CHF 2,372 million, which breaks down into CHF 1,578 million for investment properties and CHF 794 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.

## Secure income

Around three-quarters of the real estate portfolio is invested in investment properties which are broadly diversified in terms of both location and use. The rentable area of 495,000 m<sup>2</sup> generated potential rental income of some CHF 99 million p.a. as at 31 December 2013. This means that a high proportion of revenues is stable and predictable. The company's own portfolio management team ensures close proximity to the market, and this enables Mobimo to react swiftly to any changes in the market.

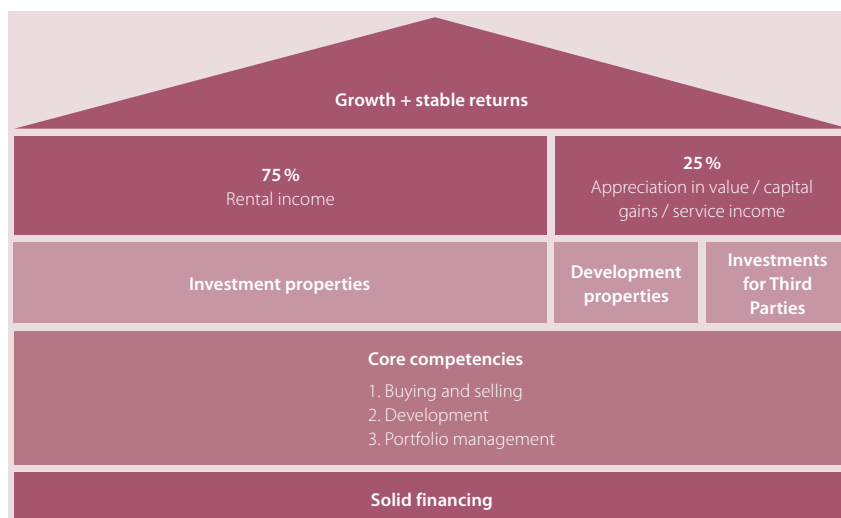
## Development properties with appreciation potential

Mobimo is currently planning and realising investment properties (CHF 1,070 million) and condominium properties (CHF 410 million) with a total investment volume of around CHF 1,480 million.

In addition to these developments, Mobimo also offers development services for third parties up to and including turn-key real estate investments for institutional and private investors. Area, site and project developments are turned into reality in a way which meets the needs of the market and is sustainable. Cooperation with partners takes a number of different forms, and is structured in line with requirements and depending on the stage reached.

## Attractive dividend 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 or capital repayment. A distribution of CHF 9.50 is planned to be paid out for the 2013 financial year. The average annual dividend yield (nominal value repayment or capital repayment) for the past five years has amounted to around 4.7%, calculated on the basis of the respective year-end price of the share.



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



**Qualitative growth**

Mobimo strives to grow its real estate portfolio on a step-by-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 achieved 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 made in sustainably good locations.

**Good portfolio mix**

Over the medium term, the investment portfolio comprises approximately one-third residential usage, one-third office usage and one-third other commercial usage.

**Active portfolio management**

The real estate portfolio is optimised and adjusted on an ongoing basis. Value is rigorously maintained and increased by cultivating relationships with lessees, ensuring a high level of rental occupancy, optimising costs and implementing effective marketing strategies.

**Value through development**

Real estate development focuses on the following areas:

- the development and construction of new investment properties for our own portfolio
- site development
- the continued development and optimisation of our own real estate holdings
- the development, construction and sale of condominium properties
- development and investments for third parties

**Sustainability**

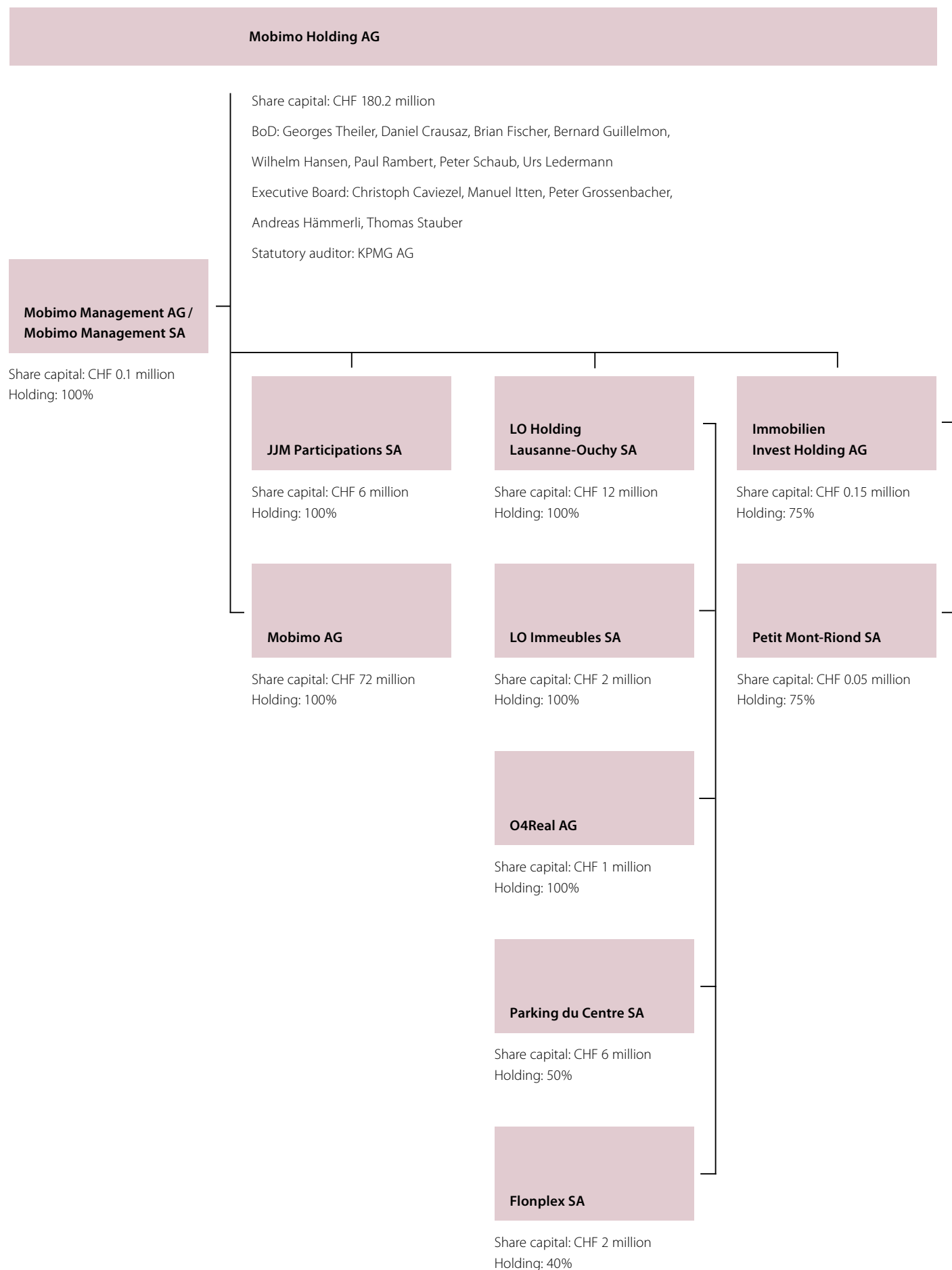
Quality of life is reflected in the design of our living, leisure and working spaces. In addition to economic aspects, Mobimo also incorporates environmental and socio-cultural factors in its activities. This results in added value for both shareholders and the users of Mobimo properties.

**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 regularly generates high dividends. It is characterised by steady value growth and an attractive payout ratio.



## 1997

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

## 1999

Mobimo Holding AG, Lucerne, is founded on 27 December 1999. Its share capital is CHF 73 million.

## 2000

Under a private placement in October 2000, Mobimo Holding AG's share capital is increased to CHF 181 million.

## 2005

On 23 June 2005, Mobimo Holding AG is listed on the SIX Swiss Exchange. The issue volume is CHF 112 million.

## 2006

On 8 June 2006, Mobimo conducts a capital increase of CHF 143 million. At the end of June 2006, its share capital stands at CHF 225 million and its shareholders' equity at CHF 596 million.

## 2007

A further capital increase of CHF 149 million takes place on 4 June 2007. As at 30 June 2007, Mobimo's shareholders' equity is CHF 757 million.

## 2008

The newly formed Board of Directors, headed by Chairman Urs Ledermann, and the Executive Board, headed by CEO Dr. Christoph Caviezel, review the company's strategy and direction.

## 2009

Mobimo Holding AG's exchange offer for LO Holding Lausanne-Ouchy SA is successfully completed on 9 November 2009. The share capital is increased by CHF 27 million in order to carry out the conversion.

## 2010

In June 2014, Mobimo Holding AG successfully completes a CHF 175 million convertible bond issue maturing on 30 June 2014.

## 2011

A further capital increase of approximately CHF 193 million is conducted on 6 December 2011. Mobimo Holding AG issues 1,028,350 new registered shares, which are traded on the SIX Swiss Exchange for the first time on 7 December 2011.

## 2013

Georges Theiler is appointed as the successor to Urs Ledermann and the experienced member of the Board of Directors assumes the role of Chairman of Mobimo Holding AG in September.

On 29 October 2013, Mobimo Holding AG issues a CHF 165 million fixed-rate bond with a coupon of 1.5% and a five-year term.





**1 Bernard Guillelmon**

Member of the Board of Directors  
Chairman of the Nomination & Compensation Committee

**2 Urs Ledermann**

Member of the Board of Directors

**3 Paul Rambert**

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

**4 Hanspeter Kaspar**

Secretary of the Board of Directors

**5 Georges Theiler**

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

**6 Wilhelm Hansen**

Member of the Board of Directors  
Member of the Audit & Risk Committee  
Member of the Nomination & Compensation Committee

**7 Daniel Crausaz**

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

**8 Brian Fischer**

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

**9 Peter Schaub**

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



**1 Manuel Itten**

Member of the Executive Board  
CFO

**2 Peter Grossenbacher**

Member of the Executive Board  
Head of Portfolio Management

**3 Christoph Caviezel**

Chairman of the Executive Board  
CEO

**4 Thomas Stauber**

Member of the Executive Board  
Head of Investments for Third Parties

**5 Andreas Hämmerli,**

Member of the Executive Board  
Head of Development









## SUSTAINABILITY REPORT

Development property  
Condominiums

Horgen, "Wisental II"  
Stockerstrasse



## INTRODUCTION – INTERVIEW WITH CHRISTOPH CAVIEZEL, CEO

**Mobimo is reporting on its sustainability performance for the third time. Your summary, Mr Caviezel?**

We have used the three and a half years to integrate sustainability into our strategy, structures and processes and into our implementation approach. We can now point to results in various areas. In 2013 we realised other real estate projects that meet stricter environmental standards and are adapted to social changes.

**Where are the biggest challenges facing the real estate sector going forward?**

Around 75 % of building stock in Switzerland is over 30 years old. Real estate consumes huge amounts of energy. It accounts for more than 42% of total Swiss consumption. Buildings generate around 35 % of greenhouse gas emissions. Today's refurbishment and development projects will impact CO<sub>2</sub> emissions and energy and water consumption in buildings for many decades. The real estate sector must commit itself urgently to the future and take on the huge responsibilities that have become pressing in our day and age.

**What does that mean for Mobimo?**

As a leading real estate company, for us sustainability should not be simply about investing in individual properties and the investment portfolio. We have to and want to demonstrate our commitment to serving the interests of society today and tomorrow, to note developments in the environmental, social, economic and political arenas and to exercise influence as appropriate. Mobimo has therefore quantified its targets for increasing energy efficiency and reducing energy consumption and emissions by 2016. The proportion of certified buildings in the portfolio is increasing every year. 94 % of new projects meet at least the Minergie standards.

**You mention building standards and certifications such as Minergie, DGNB, SGNI, BREEAM, LEED or the 2000-Watt Society. What is the value of these labels?**

The labels define a quality standard for buildings or an entire site. They represent requirements that may encompass all dimensions of sustainability. For example, we are currently developing the Aeschbach district in Aarau. Together with our partner DGNB, we have defined criteria for the entire creation of the district. In a complex, large-scale project, this will enable us to implement our quality requirements in order to create future-oriented living and working spaces with a high degree of planning reliability. In 2001, we became one of the first real estate companies to start working with labels and applying their standards, as we have done ever since.

**Your strategy is predicated on further growth. How compatible is that with sustainability?**

Mobimo has clear strategic sustainability goals and formulated specific measures to implement them. We mainly focus on forward-looking real estate and sites in central locations with very good public transport links. Sites are developed to a high standard, residential housing stock increased, social mixing promoted and energy consumption reduced. Our sustainable approach strengthens not only the image of our customers, but also our own business performance.

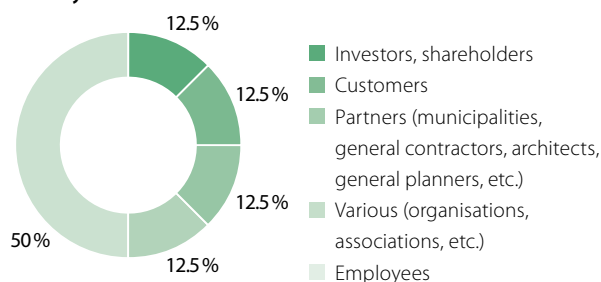
**What areas are you prioritising?**

Top priority has been given to economically sustainable success. We are a listed company. With this in mind, this year we asked key stakeholder groups – in particular shareholders and investors – for their opinion. The company's business performance is the overriding priority.

## SUSTAINABILITY REPORT

As one of Switzerland's leading real estate companies, Mobimo is conscious of the growing importance of its sustainability performance. The sustainability demands of our stakeholders – investors, shareholders, customers, partners (municipalities, general contractors, architects, general planners, etc.) and employees – are increasing as a result of broader trends such as dwindling resources, climate change and population growth. New criteria apply when it comes to evaluating the company, its real estate and its sustainability.

Survey of 20 stakeholders



### Statements from external stakeholders on Mobimo's sustainability reporting

"With regard to the referendum, this transparency can generate positive feelings towards our partner company Mobimo among the local population."

*Mayor*

"In the course of the cooperation we noticed in particular that Mobimo not only talks about labels but actually implements them as well. Mobimo is committed to sustainable systems in sociocultural districts in particular through social mixing and diversity."

*Mayor*

"Customer satisfaction is our top priority and is achieved in part by delivering high quality. This requirement is also in line with our philosophy."

*Supplier, partner*

"The GRI rating is positive. Meeting the standard is a significant step."

*Analyst, bank*

"It goes without saying that we take a keen interest in topics such as dealing with people and the environment, handling lifecycle costs, construction and operational sustainability in buildings, etc. We are also interested in whether Mobimo has integrated sustainability as a process and actually met the requirements placed on it."

*Mayor*

"Sustainability is becoming an increasingly important topic, particularly among pension funds, which invest for the long term."

*Analyst, bank*

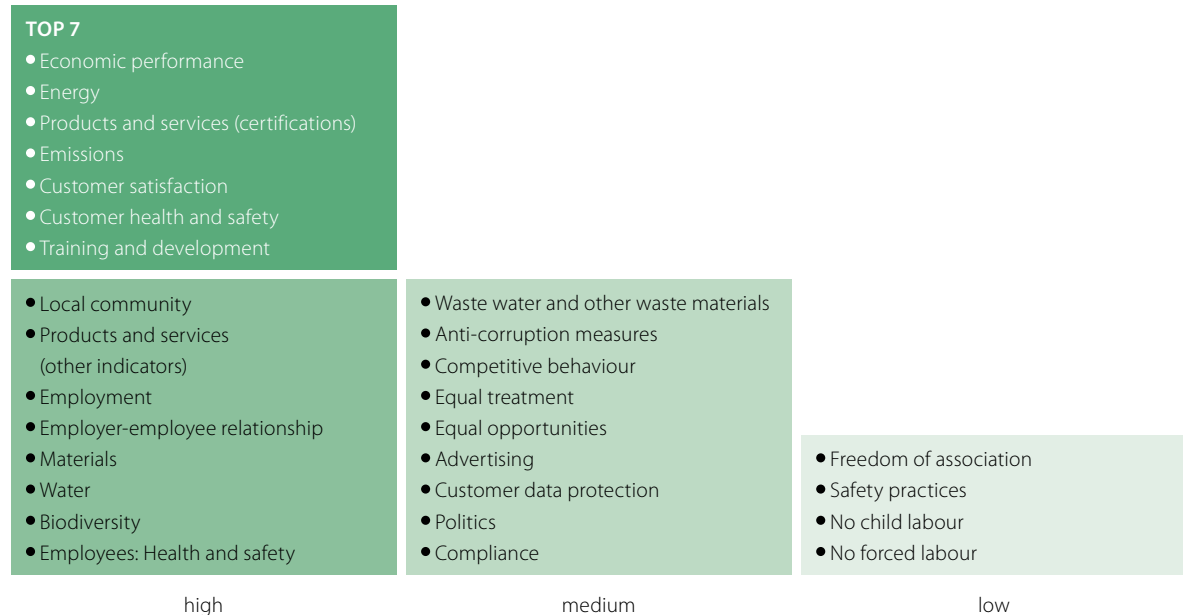
While discussions with external and internal stakeholders have shown that they still attach great importance to economic performance, decision-makers are now interested in how the company handles ESG (Environmental, Social, Governance) challenges.

Sustainability performance is measurable and has an impact on business, environmental and social aspects. It may be expressed through expected cash flows and performance, share and stakeholder value or through continuity in corporate management. It means responsible investment – with regard to purchases, development and portfolio management – and the anticipation of (avoidable) costs. With regard to environmental aspects, the main focus is on increasing the energy efficiency of real estate, using renewable forms of energy and reducing greenhouse gas emissions. Stakeholders rate Mobimo's contribution to the local communities around its sites and the value of local social and business development as a key feature of its profile. The quality of the real estate – sense of well-being, health, quality of location, architecture, etc. – and the customer relationship are the top priority for customers. The expertise and quality of our employees are crucial in allowing the company to achieve its ambitious goals and ensuring a high level of customer satisfaction. As a listed company, Mobimo attaches great importance to governance, which also includes ethics.

External and internal stakeholders are largely in agreement as regards their assessment of sustainability aspects. The main criteria for both groups are strategic relevance and achievable impact.



## Importance of sustainability aspects (external stakeholders and Mobimo)



## Sustainability – management system

Sustainability is anchored in the strategy and structures. Mobimo views sustainability as a concept that provides the real estate industry with the answer to the new, enhanced requirements in terms of environmental aspects and social changes. Real estate is Switzerland's biggest consumer of resources (> 42 % of the country's entire energy consumption). The long-term nature and social impact of decisions that are taken today are a second feature of the real estate industry.

For Mobimo, sustainability therefore means successfully striking a realistic balance between generating profits and safeguarding the future of the company, in other words preserving and enhancing value. Mobimo sees sustainability as an opportunity and integrates the environmental, social and economic dimensions into its real estate strategy with the aim of creating future-oriented living and working spaces. Corresponding objectives and measures have been defined.

The responsibility for reviewing and monitoring these lies with the Real Estate Committee, which meets regularly, and the Sustainability Committee, which meets quarterly and oversees implementation at project level. One of the meetings focuses primarily on strategic sustainability controlling. The sustainability team in charge of realisation has been institutionalised for four years. The team is made up of managers from the departments and one member of the Executive Board (Head of Development).

Mobimo is reporting on its sustainability performance in the Sustainability Report 2013. The report has been prepared in accordance with the new Global Reporting Initiative GRI G4 Guidelines and meets the requirements of the "Comprehensive" option. (2012: Level B in accordance with GRI-G3.1; In 2011: Level C in accordance with GRI-G3). Information on GRI: [www.globalreporting.org](http://www.globalreporting.org)





## ENVIRONMENT

### Environmental indicators

Sustainability performance measurement in the real estate industry is geared primarily to environmental aspects (see stakeholders). The main focus is on increasing energy efficiency, using renewable energies and reducing emissions, as well as on the materials used and biodiversity. While the chief priorities for the industry globally are waste water and other waste materials, every building in Switzerland is connected to the sophisticated public water pipe and waste system. This system optimises usage and waste disposal.

Mobimo is a growing company. There were significant portfolio changes effective as of the end of 2013 and the first quarter of 2014 (increase of more than 38,000 m<sup>2</sup> in rentable area):

Affoltern am Albis, Obfelderstrasse 31–35: around 4,700 m<sup>2</sup>  
 Affoltern am Albis, Obstgartenstrasse 9: around 8,700 m<sup>2</sup>  
 Lausanne, Vallée du Flon (Les Pépinières): around 7,500 m<sup>2</sup>  
 Lausanne, Avenue d'Ouchy 4–6: around 7,800 m<sup>2</sup>  
 Zurich, Turbinenstrasse, City West (site C): around 10,100 m<sup>2</sup>

Mobimo has been producing environmental indicators for its offices and portfolio since 2011.

Environmental indicators produced	Portfolio	Offices Küsnacht, Lausanne
Energy: building heating, cooling	●	●
Energy: electricity consumption	●	●
Emissions	●	●
Materials: water	*	●
Materials: paper	*	●
Waste: incineration (refuse)	*	●
Waste: recycling: waste paper, cardboard, PET, batteries	*	●
Decontamination as per register of contaminated sites	●	

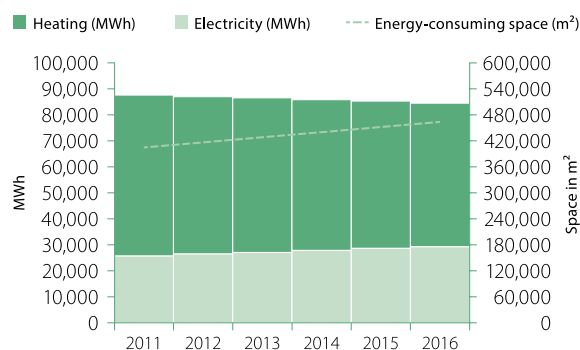
\* Responsibility of the user (tenant, buyer)

Mobimo monitors energy consumption and emissions for all investment properties in its portfolio.

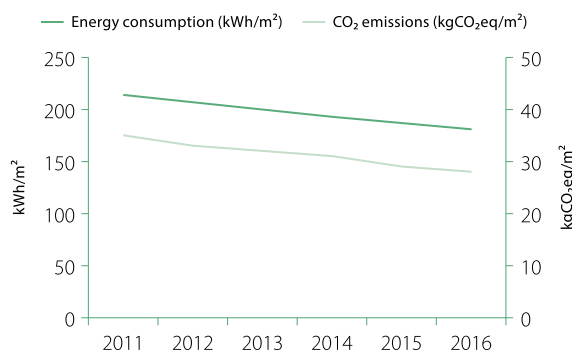
### Validated modelling tool

One of the key aims of the real estate strategy is to reduce the portfolio's energy consumption. Since Mobimo has only partial access to actual consumption figures for investment properties, energy consumption and CO<sub>2</sub> emissions are calculated with the aid of a validated modelling tool.

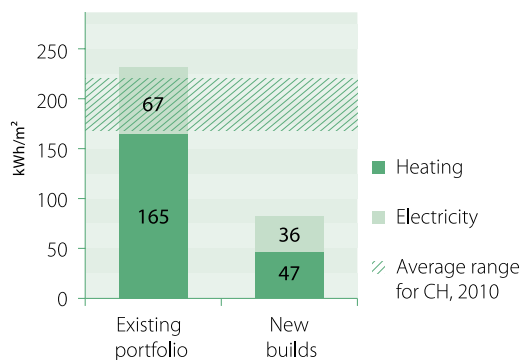
- Each investment property in the existing portfolio is assigned to a building category (e.g. office building, 1960s–80s residential building, etc.)
- Each building category is itself defined by specific energy values that illustrate the average consumption of heat energy and electricity per square metre for each building category. These energy values correspond to the average values of the Swiss building stock for the category concerned.
- More than 70% of newbuilds (built in 2009 or later) comply with Minergie requirements. The Minergie values are therefore applied for these properties.
- The overall energy consumption for heating and electricity is then calculated for each investment property based on the energy-consuming space and energy values per square metre. Energy-consuming space is estimated at an average 85% of overall usable space.



The CO<sub>2</sub> emissions are calculated on the basis of the energy consumption for heating and electricity. Specifically, the CO<sub>2</sub> emissions from heating are calculated for each investment property on the basis of the energy sources used (e.g. gas, oil or district heating) using the factors published by the Federal Office for the Environment (FOEN), while the calculation of CO<sub>2</sub> emissions from electricity consumption is based on the average Swiss consumer mix.



The analysis of all Mobimo investment properties showed that properties built in or before 2008 consume a total of more than 232 kWh per m<sup>2</sup> per year. Of this, 165 kWh/m<sup>2</sup> relates to heating and 67 kWh/m<sup>2</sup> to electricity. The newbuild properties in the portfolio, however, require just 83 kWh per m<sup>2</sup> per year. This equates to a reduction of over 65 % compared with older investment properties. With regard to heating requirements in particular, building standards such as Minergie have led to huge advances.



The chart shows electricity and heat consumption for existing buildings (built in 2008 or earlier) and newbuilds (built in 2009 or later) in the Mobimo portfolio.

Heat consumption: heating, hot water and process heat along with electricity used for heat generation (hot water, process heat).

The Swiss average value was determined using energy statistics and is based on the structure of building types in Switzerland as at 2010 (type and quantity). The different data sources used give rise to uncertainties, which are taken into account with an overall range of 25 %. The width of the bar gives an indication of this.

As the Mobimo portfolio includes a disproportionately high number of energy-intensive investment properties for commercial use in comparison with the Swiss building stock, energy consumption per m<sup>2</sup> in the portfolio is slightly higher than the Swiss average.

## Energy consumption, emissions and energy-consuming space

### The energy and emissions targets for 2016 defined in 2010 are:

- To increase energy efficiency by 16 %
- To reduce energy consumption by 4 %
- To reduce CO<sub>2</sub> emissions (Scope 1+2) by 8 %
- To increase energy-consuming space by 13 % by 2016

In 2011, Mobimo defined energy and emissions targets up to 2016. The five-year horizon ensures reliability in their formulation and achievement.

Two years have now passed since the targets were formulated in 2011. 25 % of the emissions target was achieved in the first year and 20 % in the second, making a total of 45 %. This means that Mobimo is on course to achieve its emissions target.

Environmental indicators produced	2011 (base year)	2013 (ACTUAL)	2016 (TARGET)
Energy-consuming space (m <sup>2</sup> )	401,392	422,642	454,517 (+13 %)
Energy consumption (MWh)	85,947	84,404	82,208 (-4 %)
Energy intensity (kWh/m <sup>2</sup> )	214	200	181 (-16 %)
Emissions (tCO <sub>2</sub> eq, Scope 1+2)	13,931	13,477	12,816 (-8 %)
Emissions intensity (kg CO <sub>2</sub> eq/m <sup>2</sup> )	35	32	28 (-19 %)

Verification:

*Independent Assurance Report, available on our website*

## Measures

The first, fundamentally important measure is to check the quality of land (contamination, next to delicate or sensitive ground), properties or sites prior to purchase. Where possible, Mobimo invests in central locations with good public transport links.

The ongoing adjustment and expansion of our portfolio is leading to a continuous reduction in energy consumption and CO<sub>2</sub> emissions even though the overall portfolio is growing. This reduction is achieved through the systematic implementation of Minergie or comparable building standards (the 2000-Watt Society, SGNI, DGNB, etc.) for newbuild properties. CO<sub>2</sub> emissions can also be significantly reduced through the use of renewable energy. District heating networks are used to meet heating requirements, while electricity is generated from renewable energy sources.

Properties in the portfolio are renovated sustainably as part of the ongoing modernisation cycle based on their location, quality and use. Windows, frontages, HVAC systems, building energy management systems, lighting systems, etc. are replaced or in some cases renewed. All options are examined with a view to achieving the targets set, up to and including the use of energy-efficient household devices.

Alongside purely energy-related considerations, the materials used, reduced water consumption and how waste water and other waste materials are dealt with also play a role. In this regard, Switzerland has a sophisticated infrastructure at municipal, cantonal and federal level. For Mobimo, landscaping, public transport links, car-share schemes, bicycle parking and charging stations for electric cars are all part and parcel of sustainable real estate.

Employees are constantly developing their knowledge of sustainable construction, portfolio management and property management. They are familiar with the requirements, potential solutions and technologies.

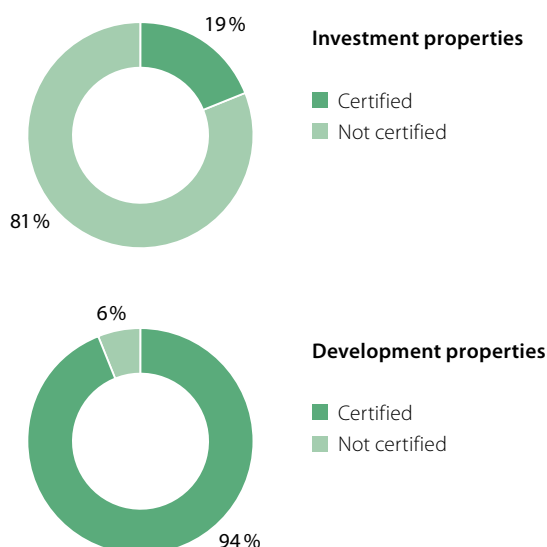
Mobimo's approach with regard to development properties is to work with partners who also actively support sustainability aims.

## Focus on certification

The certification of all new development properties ensures (with the exception of certain storage rooms) that the buildings fulfil the Minergie standard as a minimum requirement (energy efficiency). Mobimo was one of the earliest investors in Minergie-certified real estate and has included such properties in its portfolio since 2001. The portfolio is therefore optimised on an ongoing basis and its value increased in line with sustainability criteria.

The proportion of certified buildings in the portfolio is increasing every year. Based on the projects currently in the development and realisation phase (pipeline), this proportion is set to rise by an average of more than 10% annually between now and 2016. There will also be new purchases and sustainable renovations

The value of investment properties is increased in part through active management of the portfolio, in other words by analysing and rationalising it on an ongoing basis. In addition, newly added properties largely meet the latest construction standards. Building renovations also help to constantly improve the quality of the portfolio.



## Setting a good example

In its development activities, Mobimo sets itself apart through its choice of locations, overall concept, the architecture selected, the efficient use of resources, certified energy efficiency, electrobiology, feng shui, low emissions, landscaping, biodiversity, artwork on buildings and much more. Moreover, in the case of condominium projects customers are included in the construction and development process from the outset, thus becoming directly involved with the product and its quality. Mobimo's development properties create the basis for modern, healthy, responsible and natural living and working.

Implementation delivers results: the development projects following illustrate how Mobimo implements sustainability.

## OVA site, Affoltern am Albis (Development for Mobimo's investment portfolio)



### Energy

- Built to Minergie standards and in accordance with 2000-Watt Society criteria (SIA Energy Efficiency Path 2040).
- Use of CO<sub>2</sub> sensors in controlled domestic ventilation (50% reduction in operating power).
- Heat supplied via air/water heat pumps.
- Use of energy efficiency class A washing machines and driers, energy-optimised kitchen appliances.

### Materials

- Use of sustainable building materials in line with KBOB/IPB sustainable planning and building guidelines.
- Consideration of grey energy and greenhouse gas emissions (across lifecycle).

### Water

- Use of water-saving sanitation systems.
- On-site soakaway unit.

### Waste

- Waste management system meeting the requirements of the Municipality of Affoltern am Albis.

### Other

- Use of domestic plants in gardens.

### Special measures

- Reduced number of parking spaces.

## Am Pfingstweidpark property, Zurich (Development for sale as condominiums)

### Energy

- Built to Minergie standards.
- Heat supplied by district heating (local waste incineration plant).
- Use of energy efficiency class A/A++ washing machines and driers, energy-optimised kitchen appliances.

### Materials

- Use of sustainable building materials in line with KBOB/vIPB sustainable planning and building guidelines.

### Water

- Use of water-saving sanitation systems.
- Communication

### Waste

- Waste management system meeting the requirements of the City of Zurich.

### Other

- Use of largely domestic plants in the design of gardens and public spaces in collaboration with the "Grün Stadt Zürich" initiative.

### Special measures

- Flat roofs equipped with wild bee hotels.



**Wisental II property, Horgen**  
(Development for sale as condominiums)



**Energy**

- Built to Minergie standards.
- Heat supplied by "cold" district heating (local waste water treatment plants) and heating pumps.
- Use of energy efficiency class A washing machines and driers, energy-optimised kitchen appliances.

**Materials**

- Use of sustainable building materials in line with KBOB/IPB sustainable planning and building guidelines.

**Water**

- Use of water-saving sanitation systems.

**Waste**

- Waste management system meeting the requirements of the Town of Horgen.

**Other**

- Use of largely domestic plants in gardens.

**AAREpark residential and commercial property, Olten**  
(Development for third party investor)

**Energy**

- Planned to Minergie standards.
- Use of energy efficiency class A/A++ washing machines, driers and kitchen appliances.
- Compact controlled ventilation with waste heat recovery (Friap system).

**Materials**

- Use of sustainable building materials according to the ECO-exclusion criteria.
- Ceramic frontage at base level.

**Water**

- Solar plant for water heating.

**Other**

- Triple glazing.
- Glazed loggias.
- LED lighting fittings.

**Special measures**

- Shower tray with warm water recovery (Joulia system).
- Public transport links (in the immediate vicinity of Olten station).
- Reduced number of parking spaces.

### Customer behaviour

User behaviour is a challenge that has not yet been adequately aligned with the new, sustainable breed of real estate. Mobimo's customers are provided with information and documentation that includes suggestions on using their properties. Providers of household devices, HVAC systems and materials for kitchens and bathrooms attend customer events. Resource-efficient practices are incorporated into their presentations (for customers directly, and for Mobimo). A folder is left in apartments containing information for users on how best to use the rooms, devices and materials.

#### User involvement

- ✓ Events with manufacturer presentations (equipment, materials, kitchen and bathroom water technology)
- ✓ Demonstration of HVAC systems and in-property technology (by Mobimo or the installing company)
- ✓ Recommendations on resource-efficient usage
- ✓ User and maintenance instructions for technical installations
- ✓ Information on kitchen and household appliances (from manufacturers)
- ✓ Folders of information on the use of space and appliances, caretaking, waste, etc.
- ✓ On request, information from managers, caretakers or Mobimo
- ✓ 24-hour hotline

### Biodiversity

Mobimo operates exclusively in Switzerland, largely in central locations with good transport links. Our real estate locations do not border protected areas and do not threaten areas with a high level of biodiversity or any endangered and protected species.

Mobimo believes it is hugely important to maintain and use Switzerland's rich biodiversity for the well-being of its people – Mobimo's customers. As such, it takes biodiversity into account wherever possible when realising projects. Mobimo uses indigenous plant species for landscaping and restores waterways (Adliswil in 2012; Horgen in 2011). In the same vein, in 2013 Mobimo created habitats for lizards and wild bees ("hotels") on the roof of the Pfingstweid project in Zurich.

### Lausanne and Küsnacht offices

Mobimo is a growing organisation with two offices. Mobimo has been collecting various pieces of environmental data for Küsnacht and Lausanne since 2011. Due to major organisational changes (including a change of premises in Lausanne), the company initially implemented monitoring without defining specific quantitative reduction targets.

The number of employees, which is a key input, has increased by more than 10.2%. Energy consumption for heating buildings (district heating) has fallen by 4%. The main reasons for this are the reprogramming and reconfiguration of the HVAC system in Küsnacht and the higher employee density. Electricity consumption rose by 21.9%. The increase in water consumption is due to the growth of the organisation. The separation system helped significantly boost the recycling rate (by 41.7%). Improved staff awareness and knowledge is a key factor in this positive trend.

## SOCIETY

### **Sites – sustainability for the local community**

Modern society is characterised by frequent crossovers between the worlds of work, home and leisure. Mobimo has conducted studies to analyse this trend and the associated requirements in depth. It understands better than almost all other developers how to realise attractive sites for both the present and the future.

Major projects can have a marked effect on townscapes, social interaction and demographic structures. Residential and commercial buildings, restaurants, green spaces, cinemas and shopping areas combine to create an attractive whole for inhabitants, visitors and users alike. Real estate has a long lifespan, and subsequent generations should have the chance to benefit from it as well. The decisions made in the initial phase of a site project are particularly important, as they will have an environmental and social impact for decades to come. With this in mind, even before a project is launched, Mobimo liaises closely with public authorities, district associations, neighbours and other stakeholders, and this dialogue continues after the project is completed.

From a customer perspective, the attractiveness of a site is dependent on an interesting overall concept that is in keeping with the local culture and community, architectural and construction elements, parks and play areas, and a pleasant, lively atmosphere. Entertainment and leisure opportunities can act like a magnet for people from outside the local area and transform the site into an “in” place.

Mobimo's developers don't just design buildings and rooms; they bring them to life. Event managers, restaurants, bars, fitness clubs, bowling alley operators, etc. ensure that districts or sites become key meeting places. This enhances locations and townscapes, generating economic and social benefits for an entire region. Mobimo is making this a reality in places such as Flon in Lausanne, Zurich-West, and the Aeschbach district in Aarau.

The Mobimo sites are all centrally located and have good public-transport connections.

Mobimo also intends to incorporate environmental aspects, such as emissions, waste and the consumption of resources, and social aspects, such as health and security, into the development of these sites, all while meeting economic objectives.

### **Art and architecture – Mobimo & Art**

Mobimo views artwork on buildings as a social duty, and the launch of Mobimo & Art strengthens Mobimo's commitment in this area. The art projects are realised as part of building projects. An independent, heterogeneous jury selects the winning project in a special art competition. Art and architecture promote dialogue between all involved and interested parties and round off Mobimo's requirements in respect of its properties. Mobimo creates an unmistakeable environment and social value for future users and visitors.

Information: [www.mobimo-art.ch](http://www.mobimo-art.ch)

As part of its programme of cultural sponsorship, Mobimo supported the Zurich Film Festival in 2013.

The company's art sponsorship is geared primarily to promoting locations and is in line with Mobimo's fundamental sustainability concept.



## Suppliers

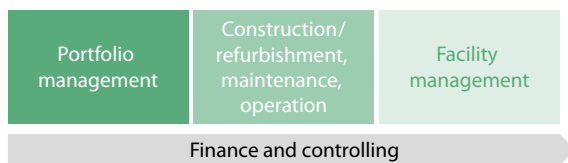
Mobimo's investment and procurement practices involve selecting suppliers and partners who meet both market criteria (quality standards, price-performance ratio) and sustainability criteria and comply with Swiss laws.

Mobimo operates in the "Switzerland" geographical area. Projects are always implemented in accordance with Swiss standards. The suppliers and partners involved generally come from the corresponding geographical development areas (100 km radius), in other words from the Zurich metropolitan area, from Central Switzerland or, in the Canton of Vaud, primarily from the Lausanne region. Suppliers are selected on the basis of criteria such as local connections, short paths (70–80% of purchases from regional and national suppliers) and compliance with Mobimo's quality and sustainability requirements. The quality of the cooperation, reliability and experience are also every bit as important.

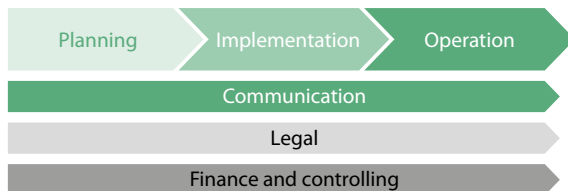
## Involvement in networks

Mobimo wants to keep on top of the market situation, participate, be informed or even play a leading role. It exchanges views and ideas with other experts in discussion forums and is an active member of various associations and organisations. These include sustainability partners (Swiss Society for Sustainable Real Estate Management, Construction Network), organisations (CDP, GRI) and platforms (Baugespräche). It is a member of the Swiss Real Estate Association (SVIT), the Association of Real Estate Investors and Managers (VIV), the Homeowners Association (HEV), the Public Private Partnership (PPP) Association and various other business organisations.

## Portfolio management – main activities



## Development – main processes



## Key suppliers to the Portfolio Management department

Developers, metalworkers, construction and environmental technology providers, tradespeople (frontages, roofs, windows, carpenters, joiners, etc.), ventilation and air conditioning technology providers, environmental service providers, building technology providers, specialist inspectors, electricity and water companies, electricians, sanitation providers, security companies, providers of locking systems, lift providers, telecoms providers, IT providers, landscape gardeners, lighting experts, door and gate providers, signwriters, interior designers, furniture providers, paper suppliers, printers, building maintenance companies, facility service providers, chimney sweeps.

## Key suppliers to the Development department

Architects, engineers, planners, general contractors, builders, sub-contractors (all trades), interior designers, lighting experts, tradespeople, building technology providers, landscape gardeners, electrobiologists, feng shui consultants, colour consultants, artists, market researchers, sociologists, marketing advisors, notaries and legal advisors.

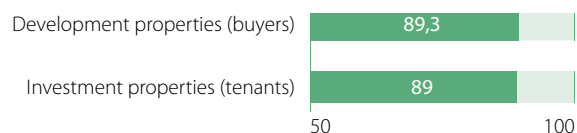
## CUSTOMERS

### Maximum customer satisfaction is the aim

Mobimo's customers include private and commercial tenants of investment properties, private purchasers of development projects, institutional investors and interested parties. The aim is to ensure their complete satisfaction.

The additional 3% increase compared with 2012 is evidence of the high level of customer satisfaction. This pleasing result is chiefly attributable to the high quality of the properties, service and customer care. Mobimo outsources its customer satisfaction surveys to an independent external partner.

### High level of customer satisfaction



### Optimised processes

With development properties, customers are integrated into the construction and development process from the outset. Mobimo has perfected the processes and paved the way for a long-term, high-quality customer relationship. Personal contact (continuity) plays a key role, and every customer's individual requirements are acknowledged and taken seriously. Mobimo offers attractive additional services such as the MOBIMO CUBE – a container with a show home – and organises events to enable future neighbours to meet each other. These events are also an opportunity to provide information on legal or construction matters. The quality of implementation is ensured through the customer surveys conducted after official certification, after the internal fixtures and fittings are selected, three months after transfer of possession and three months after the two-year acceptance.

### Top customer service

Customers of investment properties praise the customer service, expert, friendly and clearly defined contact persons and the rapid response to queries and concerns. Both commercial and private customers know "their" caretaker or manager and can contact them if necessary. Mobimo employees make regular on-site visits to commercial tenants (offices, commercial space, retail, hotels). As contact person, the caretaker provides a plan for each building setting out when and how they are contactable. As a quality assurance measure, each caretaker enters into a service level agreement. All customers can give personal feedback at any time, either directly to their customer advisor or manager, by e-mail, letter or telephone, or at a customer meeting. This support is assured thanks to Mobimo's 24-hour help desk.

The personal contact, ongoing clarification of customer requirements and rationalisation of the portfolio, which has an impact on the quality of the buildings let, means that Mobimo receives very few complaints. Those it does receive are addressed quickly and the responsibilities defined. Customers feel comfortable in the well maintained premises (inside and outside) and value Mobimo as a professional and reliable partner.

### Quality of products and services

Mobimo wins people over through its quality, and customer satisfaction is the benchmark. One way of measuring perceived quality is with the feel-good factor (affective). This is influenced by the impact of architecture and interior spaces, by the environment and by soft and subtle factors. Quality can also be measured using hard factors by identifying and evaluating snagging complaints (cognitive).

As the diagram below shows, the number of snagging complaints was reduced to a record low in 2013.

### Low snagging complaint rates

(Examples, purchase of development properties)

#### Horgen project, Wisental II

Condominiums: 43 in total

Handed over to buyers: 40 in total

Snagging complaints: 1 per apartment

#### Zurich, "Am Pfingstweidpark" project

Condominiums: 144 in total

Handed over to buyers: 143 in total

Snagging complaints: 15% of apartments: 0 snagging complaints

On average: max. 3 snagging complaints

Clearly defined quality management for development properties is implemented at building sites and in services, with an emphasis on health and safety aspects for the future users, the building site operators. Health and safety checks are carried out on products and services at all stages of the process (site preparation, development and construction, moving in, use and operation, waste disposal). In addition to the standard requirements laid down by the federal government, cantons, SUVA, SIA, police, fire service, etc., measures also comply with internal regulations. Attention is paid to sustainability criteria such as public transport links, accessibility and outdoor spaces. To test the implementation of requirements, Mobimo always builds a show home in order to gauge customer reactions and identify areas for technical improvement.

Particularly when dealing with commercial tenants in investment properties, the quality of the offering plays a decisive role, especially as a cost factor. Surveys show that tenants of office, commercial, retail and hotel space particularly appreciate Mobimo properties for their space, central location and transport connections. An attractive price/performance ratio or ancillary costs commensurate with the cleanliness, security or room climate (hot, cold) offered is another advantage.

With investment properties, Mobimo systematically ensures compliance with requirements and standards promulgated by the federal government, the cantons and organisations such as SIA and SUVA. Mobimo also defines its own standards and criteria for sustainable construction aimed at achieving steady improvements in sociocultural, technological, environmental and location-related quality aspects and process stages. Health considerations in respect of residential space are closely scrutinised and awarded the “Gutes Innenraumklima” (good indoor climate) quality seal, for example. Depending on the property, feng shui or electrobiology may also be employed.

All the labels used comply with the highest levels of quality assurance and standards.

#### **Targeted customer information and clear product communication**

Mobimo uses a range of communication tools and methods to ensure targeted customer information and clear product communication:

Brochures, advertisements, websites, platforms and face-to-face meetings with estate agents, architects and other parties are used to communicate key information and figures on properties or on materials or technologies that are subject to declaration requirements. There were no incidents or breaches of declaration requirements during the period under review. Great importance is attached to customer data protection, which is supported through the use of the latest IT technologies and suitable staff training.

Tenants are provided with full written notification of renovation plans in good time. In the case of major works, on-site information events are held. Commercial customers are always informed of changes of tenants within the building.

The Mobimo website acts as an information and marketing portal for customers and partners. It contains links to Mobimo & Art and to the Mobimo magazine.

Mobimo customers profit from a whole host of benefits: green buildings, expected increase in property values, lower operating and ancillary costs, a high quality of life, a unique and special environment thanks not least to artwork on buildings, first-class customer relationship management and professional communication.

## SHAREHOLDERS

Mobimo has been listed on the SIX Swiss Exchange since 2005. The majority of the registered shares (around 84%) are owned by Swiss investors, with most of these (around 74%) held by legal entities. Mobimo is independent of the influence of any single shareholder or group of shareholders (100% of its shares are in free float) or of the government, which holds no shares. This ensures that all shareholders are treated equally.

Shareholders benefit from Mobimo's transparent information policy. Mobimo provides information on its business performance via annual and half-year reports prepared in English, German and French. This sustainability report forms part of the annual report.

Contact with shareholders and investors is maintained through regular bilateral discussions, events and roadshows by the CEO and CFO. Price-relevant facts are communicated via ad hoc notices. Information on the company, the share price, key dates and answers to commonly asked questions can be found on the website [www.mobimo.ch](http://www.mobimo.ch). The information is updated on an ongoing basis.

#### **Stable dividend distribution**

Mobimo has consistently generated a high dividend. Since the initial public offering in 2005, CHF 9 has been paid out to Mobimo shareholders each year in the form of a withholding tax-exempt nominal value repayment or capital repayment.

Thanks to the solid earnings per share and continued positive outlook, Mobimo is very well placed to continue its attractive dividend policy in the 2014 financial year.



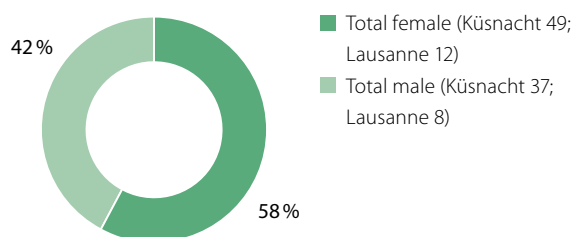
## EMPLOYEES

### Passion for real estate

Mobimo is only able to deliver its sustainability performance and achieve its targets thanks to its highly qualified employees. Expertise in and passion for real estate are the promises that Mobimo aims to live up to in the market. Its employees are the face of Mobimo projects for customers and partners.

Mobimo is a growing organisation (+10.2% in 2013). The challenge is to recruit new, expert employees, integrate them into the company and provide them with the relevant training. The aim is to ensure that employees have a broad knowledge of the company, the market and the industry and feel comfortable in their role. This is a prerequisite if Mobimo's employees are to fully express their passion for real estate, the company and its products. They represent a competitive advantage for Mobimo.

### 106 employees (headcount, +10.2%)



### A career at Mobimo

Mobimo encourages training for employees at all levels. This may take the form of financial support or time earmarked for training. In 2013, employees were released for a total of 2,212 hours of training and education as part of higher studies, professional qualifications and further development.

Career planning meetings (MBO) are held in addition to the usual employee discussions. Any job enlargement opportunities are examined and implemented.

As a rapidly growing company, Mobimo places great emphasis on integrating new employees into the existing team and providing individual support to all employees. This is achieved through regular meetings with line managers, participation in team meetings and workshops. Individual annual objectives are defined, discussed and evaluated with all employees in annual performance appraisals. These appraisals are also used to assess how satisfied employees are, to discuss their potential and to raise any concerns. Other topics discussed include customer orientation, organisation, quality of work, output, initiative, the ability to work under pressure and the level of identification with the company. The steps required for both the employee and the business to progress, such as training and development, on-the-job learning or other support measures, are also decided in these appraisal meetings.

With its flat hierarchy, Mobimo enables its employees to benefit from a high degree of independence and individual responsibility. In return, the company expects them to demonstrate individual expertise and commitment and to cooperate closely with the team and with other departments. Purposeful cross-departmental cooperation and communication, environmental awareness, rapid response times and the fostering of new and visionary ideas are also part of Mobimo's mission. Mobimo employees see each other as customers. Motivated employees have interesting career opportunities at Mobimo and the chance to implement especially attractive and challenging projects.

Mobimo also employs apprentices to develop the next generation. Three commercial apprentices were employed at Mobimo in 2013. The training given is in line with statutory requirements and also follows Mobimo's own training plan. The apprentices work in various different departments, spending a few months in each.

As well as helping new joiners and providing individual support, Mobimo also prepares employees for retirement. One year before they are due to retire, employees receive information from the HR department on the importance of the forthcoming change in their lives (insurance, pension scheme, etc.). They are also offered the chance to attend an external seminar on retirement. In certain cases, Mobimo employs specialists beyond retirement age, either on a freelance basis or on a reduced-hours contract.

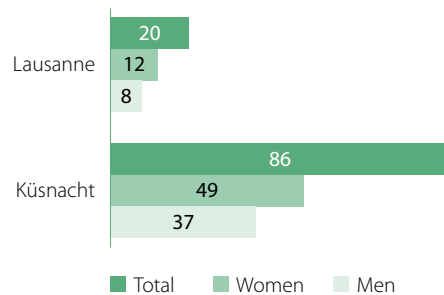
### Employee structure and corporate culture

Mobimo has two offices, in Küsnacht and Lausanne. The two regions have very different cultures, giving rise to a cooperation driven by common goals and shaped by linguistic, personal and cultural diversity. Mobimo is proud to have a corporate culture that allows all employees to develop their skills and in which appreciation and mutual respect are a given.

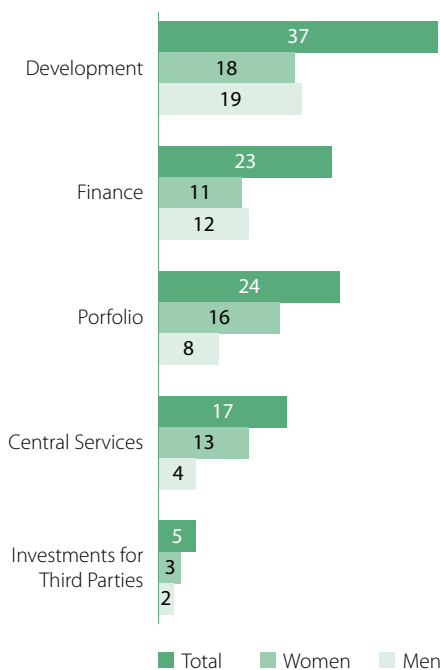
The second feature of the corporate culture is the high proportion of women in the company. Of Mobimo's 106 employees, 61 (58%) are women. Women are well represented in terms of both locations and departments. Women are under-represented at management level (BoD, EB and middle management).

The majority of employees (68%) are in the middle age bracket, from 30 to 50. The distribution above and below this segment is balanced.

#### Offices and employees



#### Departments and employees



#### Work-life balance, health and safety

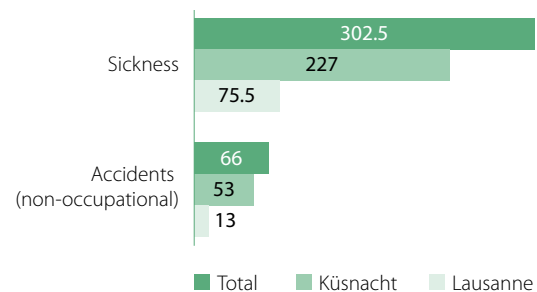
Mobimo endeavours to find solutions for its employees that take account of their individual situations, such as part-time working, job sharing, early retirement or continued employment after the official retirement age. As an example, 28% of employees (both men and women) have chosen to work part-time.

Employees are also well protected against bullying, sexual harassment and discrimination. The employee regulations and code of conduct set out a whistle-blowing framework. As in previous years, there were no cases in 2013.

The health, safety and well-being of employees is a key concern. Mobimo complies with all statutory provisions and additional recommendations (SUVA). The company invests in high-quality office facilities with an adapted HVAC system, and employees are provided with generously proportioned workstations in light and pleasant rooms. With regard to the furnishings, care was taken to foresee and prevent accident risks as far as possible. Around 50% of employees attended the emergency course offered in 2012.

There were a total of 368.5 days of absence due to illness or accident (non-occupational) in 2013, corresponding to an average of 3.41 working days per employee. Absences due to illness or accident are continuously monitored using an SAP absence system and statistical evaluations produced. Days of absence are recorded from the first day, and accidents are immediately reported to the insurance company (Zurich Insurance). Mobimo employees are offered attractive insurance solutions. There is no deduction for daily sickness benefits, and the accident insurance includes hospital treatment in a private ward.

#### Days of absence in 2013



### Attractive employer

Mobimo provides attractive employment conditions for its highly qualified employees.

The staff turnover rate of 9.26% (10 departures) is down 1.14 percentage points compared with the previous year and demonstrates just how highly employees value their career opportunities and their employer.

The company pays market-based salaries that take criteria such as education, experience, function and rank into account along with individual performance and success. Employees receive five weeks' holiday, a 13th month salary and a bonus based on the performance of the business and of the employee. Regular employee events foster the good working environment. Mobimo grants service anniversaries after 5, 10 and 15 years to reward employees' loyalty to the company.

All Mobimo employees are members of a defined-contribution pension scheme. The majority of employees enjoy the mandatory pension coverage required by law, while additional, non-statutory coverage is provided for middle managers, Executive Board members and a number of other employees. As at September 2013, the pension fund's coverage was – as in 2012 – above 100%. With the exception of assistance with training costs, all work-related benefits are also available to temporary employees, although pension provision is only provided for contracts of more than three months and maternity leave lasts only until the end of the contractual period.

Since Mobimo is not excessively large and the workforce is motivated, there is direct, personal contact and a transfer of expertise throughout the company at all times. The intranet has been used as an additional internal communication tool since 2013. 2013 saw the launch of the intranet as an additional internal communication tool, while the Mobimo magazine has provided information on Mobimo, its employees and projects from a different, personal perspective since 2012.

Category	Küsnacht	Lausanne	2013 total
Full-time jobs	63	13	76 (+8)
Part-time jobs	23	7	30 (+2)

Permanent	83	20	104 (+3)
Temporary	2	0	2 (+2)
Apprentices	3		3
Employees under 30	16	2	18 (+6)
Employees 30–50	55	17	72 (+5)
Employees over 50	15	1	16

Category	Küsnacht	Lausanne	2013 total
Departures in total/region			
Turnover: 9.26% (–1.14%)	6	4	10 (0)
Male	0	3	3
Female	6	1	7
Departures under 30 (total: 18)	1 (F)	0	1
Departures 30–50 (total: 73)	5 (F)	1 (M)	7
Departures over 50 (total: 17)	1 (M)	1	2

**The Sustainability Report 2013 has been prepared following the new G4 Global Reporting Initiative (GRI) Reporting Principles.**

**GRI confirms that the report is in accordance with the option "Comprehensive".**

**The "Materiality Matters"-Icon is on the Mobimo-Website: [www.mobimo.ch/en/portrait/nachhaltigkeit](http://www.mobimo.ch/en/portrait/nachhaltigkeit)**

### Publishing details

Management and coordination	Brigitte Ruetsch
Report	Ruetsch & Partner Consulting GmbH, Berne
Stakeholder integration study design	

"Comprehensive" report-level decisions	<b>Mobimo sustainability team</b>
Determination of sustainability aspects	Andreas Hämmerli (Executive Board Member, Head of Development)
Sustainability implementation within the departments	Mara Di Giovannantonio (Development)
Data and information	Samuel Hager (Development, Sales)
	Christine Hug (Communication)
	Mathias Humm (Portfolio Management)
	Vincenz Manser (Development, Project Management)
	Sarah Wagner (HR)

Coordination of stakeholder interviews	Martina Kertic
Stakeholder interviews	EB members
Energy consumption, emissions portfolio	sustainerv, Zurich
GRI advice	

Independent Assurance Report (limited)	EY, Zurich
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Sustainability report sign-off	Real Estate Committee, under the leadership of Paul Rambert
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THANK YOU	Special thanks goes to our external stakeholders for their valuable input into the production of Mobimo's Sustainability Report.
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Contact	Andreas Hämmerli, Member of the Executive Board of Mobimo
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An aerial night photograph of a large-scale urban development project. The image shows several multi-story buildings with modern architectural features, including balconies and large windows. Some buildings are already lit up, while others are still under construction, with visible scaffolding and construction equipment. The surrounding area includes a railway track with yellow lights and a city skyline in the background.

## FINANCIAL REPORT

Investment and development property  
Rental apartments and condominiums

Zurich, "Am Pfingstweidpark"  
Turbinenstrasse 22–56



# CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

All amounts in TCHF	Note	2013	Restated <sup>1</sup> 2012
Income from rental of properties	5	95,138	92,765
Income from sale of trading properties and services	6	214,509	151,954
Other income		602	776
<b>Revenue</b>		<b>310,249</b>	<b>245,496</b>
Gains from revaluation of investment properties	20	47,889	53,934
Losses on revaluation of investment properties	20	-22,676	-17,045
<b>Net income from revaluation</b>		<b>25,212</b>	<b>36,889</b>
<b>Profit on sale of investment properties</b>	7	<b>7,117</b>	<b>-124</b>
Direct expenses for rented properties	5	-16,230	-12,937
Direct expenses from sale of trading properties and services	6	-182,888	-130,214
<b>Direct operating expenses</b>		<b>-199,118</b>	<b>-143,151</b>
Capitalised own account services		6,922	6,053
Personnel expenses	8	-20,663	-18,137
Operating expenses	9	-6,128	-5,945
Administrative expenses	10	-2,684	-2,563
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>		<b>120,909</b>	<b>118,517</b>
Depreciation and amortisation	11	-1,551	-1,320
<b>Earnings before interest and tax (EBIT)</b>		<b>119,358</b>	<b>117,197</b>
Share of profit of equity-accounted investees		1,458	2,900
Financial income	12	4,383	825
Financial expense	12	-26,920	-27,449
<b>Financial result</b>		<b>-21,080</b>	<b>-23,723</b>
<b>Earnings before tax (EBT)</b>		<b>98,278</b>	<b>93,474</b>
Tax expense	13	-16,673	-17,579
<b>Profit</b>		<b>81,605</b>	<b>75,894</b>
Of which attributable to the shareholders of Mobimo Holding AG		81,580	76,178
Of which attributable to non-controlling interests		25	-283
EBITDA not including revaluation		95,697	81,628
Operating result (EBIT) not including revaluation		94,145	80,308
Earnings before tax (EBT) not including revaluation		73,066	56,585
Earnings per share in CHF	14	13.14	12.30
Diluted earnings per share in CHF	14	12.34	11.56

<sup>1</sup> Restatement following the first-time application of the amendments to IAS 19 (see Note 2.3 "First-time application of amendments to IAS 19 and IAS 1")



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All amounts in TCHF	Note	2013	Restated 2012
<b>Profit</b>		<b>81,605</b>	<b>75,894</b>
<b>Items that may be reclassified subsequently to income statement</b>			
– Gain/loss on financial instruments for hedge accounting	25	17,066	–1,333
– Transfer to income statement		–55	–448
– Tax effects	13/30	–3,869	397
<b>Items that will not be reclassified to income statement</b>			
– Remeasurement in staff pension schemes	29	1,697	–745
– Tax effects	30	–318	141
<b>Other comprehensive income/loss</b>		<b>14,520</b>	<b>–1,988</b>
Of which attributable to the shareholders of Mobimo Holding AG		14,520	–1,988
Of which attributable to non-controlling interests		0	0
<b>Total comprehensive income</b>		<b>96,126</b>	<b>73,907</b>
Of which attributable to the shareholders of Mobimo Holding AG		96,100	74,190
Of which attributable to non-controlling interests		25	–283

# CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

## CONSOLIDATED BALANCE SHEET

All amounts in TCHF	Note	31.12.2013	Restated 31.12.2012	Restated 01.01.2012
<b>Assets</b>				
<b>Current assets</b>				
Cash	15	203,458	97,645	252,059
Trade receivables	16	3,851	4,019	6,368
Income tax receivables		0	973	0
Other receivables	17	88,442	22,581	12,113
Trading properties	18	252,553	346,467	319,008
Accrued income and prepaid expenses	19	3,438	3,881	4,753
<b>Total current assets</b>		<b>551,741</b>	<b>475,566</b>	<b>594,301</b>
<b>Non-current assets</b>				
Investment properties				
– Commercial properties	20	1,364,288	1,367,228	1,317,333
– Residential properties	20	410,747	380,440	335,261
– Investment properties under construction	20	327,500	244,250	182,964
Property, plant and equipment				
– Owner-occupied properties	21	16,797	16,635	16,630
– Other property, plant and equipment	21	1,421	1,420	1,039
Intangible assets	22	4,884	3,626	3,524
Investments in associates	23	23,145	22,787	20,087
Financial assets	24	1,910	1,950	2,153
Derivative financial instruments	25/34	3,466	0	0
Deferred tax assets	30	2,566	5,525	4,907
<b>Total non-current assets</b>		<b>2,156,724</b>	<b>2,043,862</b>	<b>1,883,898</b>
<b>Total assets</b>		<b>2,708,466</b>	<b>2,519,428</b>	<b>2,478,199</b>

All amounts in TCHF	Note	31.12.2013	Restated 31.12.2012	Restated 01.01.w2012
<b>Equity and liabilities</b>				
<b>Liabilities</b>				
<b>Current liabilities</b>				
Current financial liabilities	25	286,612	68,739	60,867
Trade payables		12,563	19,608	14,557
Current tax liabilities		41,420	37,863	33,675
Derivative financial instruments	25/34	413	0	306
Other payables	26	2,183	1,425	154
Advance payments from buyers	27	16,468	29,022	25,430
Accrued expenses and deferred income	28	13,995	16,540	28,450
<b>Total current liabilities</b>		<b>373,655</b>	<b>173,197</b>	<b>163,439</b>
<b>Non-current liabilities</b>				
Non-current financial liabilities	25	954,508	994,169	1,001,790
Employee benefit obligation	29	1,677	3,253	3,063
Derivative financial instruments	25/34	8,927	26,825	25,052
Deferred tax liabilities	30	128,631	122,867	111,784
<b>Total non-current liabilities</b>		<b>1,093,742</b>	<b>1,147,113</b>	<b>1,141,689</b>
<b>Total liabilities</b>		<b>1,467,397</b>	<b>1,320,310</b>	<b>1,305,128</b>
<b>Equity</b>	31			
Share capital		180,220	180,058	178,933
Treasury shares		-470	-1,910	-374
Capital reserves		387,754	443,656	494,308
Retained earnings		670,074	573,847	500,204
<b>Total equity attributable to the shareholders of Mobimo Holding AG</b>		<b>1,237,577</b>	<b>1,195,652</b>	<b>1,173,071</b>
<b>Of which attributable to non-controlling interests</b>		<b>3,492</b>	<b>3,466</b>	<b>0</b>
<b>Total equity</b>		<b>1,241,069</b>	<b>1,199,118</b>	<b>1,173,071</b>
<b>Total equity and liabilities</b>		<b>2,708,466</b>	<b>2,519,428</b>	<b>2,478,199</b>



# CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

## CONSOLIDATED CASH FLOW STATEMENT

All amounts in TCHF	Note	2013	Restated 2012
Earnings before tax		98,278	93,474
Net gains from revaluation of investment properties	20	-25,212	-36,889
Share-based payments	35	1,549	1,444
Depreciation on property, plant and equipment and amortisation of lease incentives	11/20	2,081	1,142
Amortisation of intangible assets	11	248	178
Profit/loss on disposal of investment properties	7	-7,117	124
Loss on disposal/derecognition of property, plant and equipment		0	27
Share of profit of associates	23	-1,458	-2,900
Financial result	12	22,537	26,624
Changes			
Trade receivables		168	2,346
Trading properties		109,432	-14,110
Other receivables and accrued income and prepaid expenses		-67,801	-7,338
Employee benefit obligation		122	-589
Trade payables		-3,304	5,044
Advance payments from buyers		-12,555	3,593
Other liabilities and accrued expenses and deferred income		-3,316	-12,502
Income tax paid		-8,123	-8,409
<b>Net cash from operating activities</b>		<b>105,532</b>	<b>51,259</b>
Acquisition of investment properties	20	-125,513	-118,187
Acquisition of property, plant and equipment	21	-715	-896
Acquisition of intangible assets	22	-1,506	-279
Disposal of financial assets	24	40	275
Disposal of investment properties less selling costs	7/20	37,058	187
Dividends received		1,170	270
Interest received		389	655
<b>Net cash used in investing activities</b>		<b>-89,079</b>	<b>-117,976</b>
Proceeds from financial liabilities		260,608	152,352
Repayment of financial liabilities		-85,406	-149,420
Net cash from conversion of bond into registered shares		0	-71
Net cash from capital increases	31	161	241
Distribution of capital contribution reserves	31	-55,886	-55,813
Acquisition of treasury shares	31	0	-4,501
Disposal of treasury shares	31	0	897
Interest paid		-30,119	-31,382
<b>Net cash used in/from financing activities</b>		<b>89,359</b>	<b>-87,697</b>
<b>Increase/decrease in cash</b>		<b>105,813</b>	<b>-154,414</b>
Cash at beginning of reporting period		97,645	252,059
<b>Cash at end of reporting period</b>		<b>203,458</b>	<b>97,645</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All amounts in TCHF	Note	Share capital	Treasury shares	Capital reserves	Hedging reserve	Other retained earnings	Total retained earnings	Equity attributable to the shareholders of Mobimo Holding AG	Non-controlling interests	Total equity
<b>As at 31 December 2011</b>		<b>178,933</b>	<b>-374</b>	<b>494,308</b>	<b>-9,263</b>	<b>510,579</b>	<b>501,316</b>	<b>1,174,183</b>	<b>0</b>	<b>1,174,183</b>
Restatement						-1,112	-1,112	-1,112		-1,112
<b>As at 1 January 2012</b>		<b>178,933</b>	<b>-374</b>	<b>494,308</b>	<b>-9,263</b>	<b>509,466</b>	<b>500,203</b>	<b>1,173,071</b>	<b>0</b>	<b>1,173,071</b>
Profit 2012						76,178	76,178	76,178	-283	75,894
Cash flow hedges:	25									
– Change in fair value					-1,333		-1,333	-1,333		-1,333
– Transfer to income statement					-448		-448	-448		-448
Tax effects					397		397	397		397
Staff pension schemes:	29									
– Remeasurement						-745	-745	-745		-745
– Tax effects						141	141	141		141
<b>Other comprehensive income/loss</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,384</b>	<b>-604</b>	<b>-1,988</b>	<b>-1,988</b>	<b>0</b>	<b>-1,988</b>
<b>Total comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,384</b>	<b>75,573</b>	<b>74,190</b>	<b>74,190</b>	<b>-283</b>	<b>73,907</b>
Distribution of capital contribution reserves	31			-55,813				-55,813		-55,813
Capital increase		241						241		241
Conversion of convertible bond	25	885		5,239				6,124		6,124
Share-based payments:	35									
– Board of Directors and management			2,059	-69		-546	-546	1,444		1,444
Acquisition of treasury shares	31		-4,501					-4,501		-4,501
Sale of treasury shares	31		906	-9				897		897
Non-controlling interests arising from acquisition	4					0	0	0	3,749	3,749
<b>As at 31 December 2012/1 January 2013</b>		<b>180,058</b>	<b>-1,910</b>	<b>443,656</b>	<b>-10,646</b>	<b>584,493</b>	<b>573,847</b>	<b>1,195,652</b>	<b>3,466</b>	<b>1,199,118</b>
Profit 2013						81,580	81,580	81,580	25	81,605
Cash flow hedges:	25									
– Change in fair value					17,066		17,066	17,066		17,066
– Transfer to income statement					-55		-55	-55		-55
Tax effects					-3,869		-3,869	-3,869		-3,869
Staff pension schemes:	29									
– Remeasurement						1,697	1,697	1,697		1,697
– Tax effects						-318	-318	-318		-318
<b>Other comprehensive income/loss</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>13,142</b>	<b>1,379</b>	<b>14,520</b>	<b>14,520</b>	<b>0</b>	<b>14,520</b>
<b>Total comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>13,142</b>	<b>82,959</b>	<b>96,100</b>	<b>96,100</b>	<b>25</b>	<b>96,126</b>
Distribution of capital contribution reserves	31			-55,886				-55,886		-55,886
Capital increase	31	161						161		161
Share-based payments:	35									
– Board of Directors and management			1,440	-17		127	127	1,549		1,549
<b>As at 31 December 2013</b>		<b>180,220</b>	<b>-470</b>	<b>387,754</b>	<b>2,496</b>	<b>667,578</b>	<b>670,074</b>	<b>1,237,577</b>	<b>3,492</b>	<b>1,241,069</b>

### 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 management of commercial, industrial and residential properties, the construction and selling of owner-occupied residential properties and the development of commercial and residential properties.

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

### 2. Group accounting policies

#### 2.1 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 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 sums and totals of the individual positions may be larger or smaller than 100% due to rounding.

The consolidated annual financial statements have been prepared at amortised cost, with the exception of investment properties, investment properties under construction, derivatives and financial assets available for sale, which are recognised at fair value.

#### 2.2 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. In the year under review, estimates of the residual period of ownership for each investment property were changed for the calculation of deferred taxes; see the section Income taxes.

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

#### Fair values of investment properties

Mobimo holds investment properties with a carrying amount of CHF 2,103 million. The properties are measured at fair value, determined in accordance with the provisions of IFRS 13. The valuations are based on various estimates and assumptions, which are explained in Note 20 Investment properties. Note 20 also shows the sensitivity of the fair values of investment properties to a change in input factors and includes a quantitative analysis of the sensitivity of fair values to a change in the discount rate.

#### Estimates of construction costs of trading properties

Mobimo's trading properties have a carrying value of CHF 253 million. A financial forecast is drawn up for each building project in which overall costs and sales proceeds are budgeted for. 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 construction costs and sales proceeds differ from the planned figures or if unexpected developments during the construction period make an adjustment of the financial forecasts necessary, an adjustment in carrying amounts, i.e. an adjustment in valuation allowances for loss-making projects, may become necessary.

### Income taxes

Mobimo has deferred tax liabilities of CHF 128.6 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. In the year under review, the expected residual holding periods per investment property were changed as follows: In the case of commercial and residential properties, residual holding periods of five years or of ten years in the case of specific properties had been previously assumed. The tax payable on these commercial and residential properties is now calculated on the basis of a residual holding period of up to 20 years. The tax payable on investment properties under construction had previously been calculated on the basis of a residual holding period of up to ten years; one of up to 20 years is now assumed. Following the rationalisation of the portfolio carried out in previous years, the adjusted estimates of the residual holding period for each investment property reflect Mobimo's strategy. The corresponding adjustments led to a reduction of 1.6% or CHF 1.9 million in deferred taxes on investment properties, which was recognised in the income statement in the year under review.

Applying the property gains tax rates that would be payable in the event of a theoretical sale on 1 January 2014, the deferred tax liabilities would be CHF 7.8 million higher than the reported deferred tax liabilities under Note 30.

Various property gains tax amounts due on property sales in the current and previous periods are not yet definitive as at the 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.



## 2.3 Changes in accounting policies

Mobimo has applied the following new or revised standards and interpretations with effect from 1 January 2013:

IFRS 10 – Consolidated Financial Statements:

establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities

IFRS 11 – Joint Arrangements:

establishes principles for financial reporting by parties to a joint arrangement

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 13 – Fair Value Measurement

Amendments to IAS 1 – Change to the Presentation of Items of Other Comprehensive Income

Amendments to IAS 19 – Employee Benefits

IAS 28 (amended in 2011) – Investments in Associates and Joint Ventures

Amendments to IFRS 7 – Disclosures: Offsetting Financial Assets and Financial Liabilities

Amendments to IFRSs (May 2012) – Annual Improvement to IFRSs 2009–2011

With the exception of the first-time application of IFRS 13 and the amendments to IAS 19 and IAS 1, the changes had no material effect on the 2013 consolidated financial statements.

## First-time application of IFRS 13

The new standard contains guidelines for determining the fair value of assets, liabilities and equity instruments.

Fair value is defined as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants on the measurement date. For non-financial assets, management has to assume the “highest and best use” by a market participant, which may differ from its current use. The standard must be applied prospectively from 1 January 2013. For Mobimo, IFRS 13 is mainly of significance in the measurement of investment properties. Under the previous provisions of IAS 40, the effective use was decisive for the determination of the fair value of a property, with neither future capital expenditure that will improve the property or enhance its value nor the related benefits from the future expenditure being taken into account. During the valuation of the residential properties as at 31 December 2013, the highest-and-best-use approach led to an increase of CHF 9.7 million in the valuation as the option to convert the properties into condominiums was assumed. For the development properties and commercial properties, the impact of assuming changes of use was CHF 3.3 million and CHF 0.5 million respectively, whereby a total effect of CHF 13.5 million resulted.

## First-time application of the amendments to IAS 19 and IAS 1

The key changes in the revised IAS 19 are as follows: Previously, Mobimo recognised actuarial gains and losses from periodic remeasurements in profit or loss on a straight-line basis over the average remaining period of service if they exceeded 10% of the higher of assets and benefit obligations (“corridor method”). With the ending of the corridor method from 1 January 2013 onwards, actuarial gains and losses are now recognised immediately in other comprehensive income in equity. A net interest component will also be applied. This is determined by multiplying the net pension obligation by the discount rate. As the net pension obligation covers both obligations and plan assets, this approach implies a netting of interest expense and expected income from plan assets. At the same time, this means that expected income from plan assets will be at the level of the discount rate. Previously, the return on plan assets was estimated in accordance with expected income based on the respective investment portfolio.

The tables below show the effects of the first-time application of the revised standard on the income statement, statement of comprehensive income and balance sheet, including equity, in the year under review. The adoption of the revised standard had no impact on cash flow.

The first-time application of the amendments to IAS 19 and IAS 1 will take place retrospectively in accordance with the transitional provisions of the respective standards. With the change to IAS 1, a differentiation will now be made in the consolidated statement of comprehensive income as to whether the corresponding items will be reclassified to the income statement or not in a later period. These two items will be presented separately. The effect is shown in the tables designated as restatements by means of a comparison of the reported figures and the figures updated in accordance with the amended standards (restatement).

Impact on consolidated income statement	2013
Personnel expenses	-142
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>-142</b>
<b>Earnings before interest and tax (EBIT)</b>	<b>-142</b>
<b>Earnings before tax (EBT)</b>	<b>-142</b>
Tax expense	27
<b>Profit</b>	<b>-115</b>
Of which attributable to the shareholders of Mobimo Holding AG	-115
Of which attributable to non-controlling interests	0
Earnings per share in CHF	13.12
Diluted earnings per share in CHF	12.32

Impact on consolidated statement of comprehensive income	2013
<b>Items that will not be reclassified to income statement</b>	
– Remeasurement in staff pension schemes	1,697
– Tax effects	-331
<b>Other comprehensive income/loss</b>	<b>1,366</b>
Of which attributable to the shareholders of Mobimo Holding AG	1,366
Of which attributable to non-controlling interests	0
<b>Total comprehensive income</b>	<b>1,366</b>
Of which attributable to the shareholders of Mobimo Holding AG	1,366
Of which attributable to non-controlling interests	0

Impact on consolidated balance sheet	31.12.2013
Deferred tax assets	-144
<b>Total non-current assets</b>	<b>-144</b>
<b>Total assets</b>	<b>-144</b>
Employee benefit obligation	741
<b>Total non-current liabilities</b>	<b>741</b>
<b>Total liabilities</b>	<b>741</b>
Retained earnings	-596
<b>Total equity attributable to the shareholders of Mobimo Holding AG</b>	<b>-596</b>
Of which attributable to non-controlling interests	0
<b>Total equity</b>	<b>-596</b>
<b>Total equity and liabilities</b>	<b>144</b>

#### Impact of the restatement on the consolidated income statement for 2012

	Reported	Adjustment	Restated
Personnel expenses	-17,958	-179	-18,137
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>118,696</b>	<b>-179</b>	<b>118,517</b>
<b>Earnings before interest and tax (EBIT)</b>	<b>117,376</b>	<b>-179</b>	<b>117,197</b>
<b>Earnings before tax (EBT)</b>	<b>93,653</b>	<b>-179</b>	<b>93,474</b>
Tax expense	-17,613	34	-17,579
<b>Profit</b>	<b>76,039</b>	<b>-145</b>	<b>75,894</b>
Of which attributable to the shareholders of Mobimo Holding AG	76,323	-145	76,178
Earnings per share in CHF	12.33	0.02	12.30
Diluted earnings per share in CHF	11.58	0.02	11.56

#### Impact of the restatement on the consolidated statement of comprehensive income for 2012

	Reported	Adjustment	Restated
<b>Profit</b>	<b>76,039</b>	<b>-145</b>	<b>75,894</b>
Items that will not be reclassified to profit or loss			
– Remeasurement of staff pension schemes	0	-745	-745
– Tax effects	0	141	141
<b>Total comprehensive income</b>	<b>74,656</b>	<b>-749</b>	<b>73,907</b>
Of which attributable to the shareholders of Mobimo Holding AG	74,939	-749	74,190

#### Impact of the restatement on the consolidated balance sheet as at 31 December 2012

	Reported	Adjustment	Restated
Deferred tax assets	5,091	434	5,525
<b>Total assets</b>	<b>2,518,994</b>	<b>434</b>	<b>2,519,428</b>
Employee benefit obligation	957	2,296	3,253
Retained earnings	575,709	-1,862	573,847
Total equity attributable to the shareholders of Mobimo Holding AG	1,197,514	-1,862	1,195,652
Attributable to non-controlling interests	3,466	0	3,466
<b>Total equity</b>	<b>1,200,980</b>	<b>-1,862</b>	<b>1,199,118</b>
<b>Total equity and liabilities</b>	<b>2,518,994</b>	<b>434</b>	<b>2,519,428</b>

#### Impact of the restatement on the consolidated balance sheet as at 1 January 2012

	Reported	Adjustment	Restated
Deferred tax assets	4,647	259	4,907
<b>Total assets</b>	<b>2,477,939</b>	<b>259</b>	<b>2,478,199</b>
Employee benefit obligation	1,691	1,372	3,063
Retained earnings	501,316	-1,112	500,204
Total equity attributable to the shareholders of Mobimo Holding AG	1,174,183	-1,112	1,173,071
<b>Total equity</b>	<b>1,174,183</b>	<b>-1,112</b>	<b>1,173,071</b>
<b>Total equity and liabilities</b>	<b>2,477,939</b>	<b>259</b>	<b>2,478,199</b>

## Impact of the restatement on the consolidated cash flow statement for 2012

	Reported	Adjustment	Restated
<b>Earnings before tax</b>	<b>93,653</b>	<b>-179</b>	<b>93,474</b>
Change			
Employee benefit obligation	-734	145	-589
Other liabilities and accrued expenses and deferred income	-12,536	34	-12,502

## Impact of the restatement on the consolidated statement of changes in equity

	Reported	Adjustment	Restated
<b>As at 31 December 2011/1 January 2012</b>	<b>1,174,183</b>	<b>-1,112</b>	<b>1,173,071</b>
Other retained earnings	510,579	-1,112	509,466
Profit 2012	76,039	-145	75,894
Of which attributable to the shareholders of Mobimo Holding AG	76,323	-145	76,178
Staff pension schemes:			
– Remeasurement	0	-745	-745
– Tax effects	0	141	141
Other comprehensive income/loss	-1,384	-604	-1,988
Of which attributable to the shareholders of Mobimo Holding AG	-1,384	-604	-1,988
Total comprehensive income	74,656	-749	73,907
Of which attributable to the shareholders of Mobimo Holding AG	74,939	-749	74,190
<b>As at 31 December 2012/1 January 2013</b>	<b>1,197,514</b>	<b>-1,861</b>	<b>1,195,652</b>
Other retained earnings	586,355	-1,861	584,493

## 2.4 Standards/interpretations published but not yet applied

The following new and amended standards and interpretations were approved, but do not take effect until a later date. They have not been adopted in advance in these consolidated financial statements. The impact on Mobimo's consolidated financial statements has not yet been systematically analysed. Consequently, their anticipated impact as disclosed at the bottom of the table represents merely an initial estimate by the Executive Board.

Standard/Interpretation			Entry into force	Planned application by Mobimo (financial year)
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities	*	1 January 2014	2014 financial year
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets	*	1 January 2014	2015 financial year
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting	*	1 January 2014	2014 financial year
Amendments to IAS 19	Employee Contributions	**	1 July 2014	2015 financial year
Amendments to IFRSs 2010–2012	Annual Improvements to IFRSs 2010–2012 Cycle	*	1 July 2014	2015 financial year
Amendments to IFRSs 2011–2013	Annual Improvements to IFRSs 2011–2013 Cycle	*	1 July 2014	2015 financial year
IFRS 9	Financial Instruments	***	to be decided	not defined

\* No impact or no significant impact is expected on Mobimo's consolidated financial statements

\*\* Mobimo is currently analysing the impact

\*\*\* This standard will enter into force on 1 January 2017 at the earliest and the impact on the consolidated financial statements cannot yet be reliably determined



## 2.5 Summary of significant accounting principles

### Scope of consolidation and consolidation methods

The consolidated annual financial statements encompass all companies over which Mobimo Holding AG has either direct or indirect control. Control is deemed to exist where Mobimo is exposed to fluctuating income as a result of its holdings in a company and has rights over such income. Mobimo must also have the ability to influence this income through its power of disposal over the company (see scope of consolidation in Note 40). 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, liabilities, expense and income are taken over on a 100% basis using the full consolidation method. All intragroup transactions and relationships as well as interim 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 non-controlling interests to the acquired company and the market value of the equity already owned over net assets, liabilities and contingent liabilities valued at market value. A particular option may be selected for each transaction when valuing the amount attributable to the non-controlling interests. They may be valued either at market value or as the proportion of the non-controlling 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. Non-controlling interests are shown separately from the Group's equity. Changes in the interest that do not lead to loss of control are treated as transactions with equity owners. Any difference between the purchase price paid or the consid-

eration received and the amount by which the non-controlling interests are being adjusted is recognised directly in equity.

Ownership interests of between 20% and 50% in companies over which Mobimo exerts a significant influence but which it 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.

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

### Foreign currency translation

The foreign currency positions contained in the individual statements of 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. Any monetary assets and liabilities denominated in foreign currency are translated in the balance sheet at the rate on the financial reporting date. Exchange rate differences arising from retranslations or revaluations of foreign currency positions on the reporting date are recognised in the income statement.

As at the end of 2013, Mobimo held no assets or liabilities in foreign currencies. All subsidiaries present their 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 recognised at nominal value.

### Receivables

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

### Trading properties

The "trading properties" category includes properties for conversion as well as newbuilds where Mobimo assumes the production of condominiums in order to subsequently sell them. Trading properties also includes properties that Mobimo has acquired as part of projects for the "Investment for Third Parties" business area and that it intends or has contractually agreed to sell to third-party investors in the future.

Trading properties are valued at the lower of cost or market value. With loss-making properties, provisions are created immediately for the total loss expected. See also the explanations in the section entitled Use of estimates and assumptions and the application of judgement (Estimates of construction costs of trading properties).

### Investment properties

These properties are classified as investment properties under IAS 40. Mobimo differentiates between the following categories of investment property:

#### Commercial properties

These are properties that have been either acquired or built by the company and which are held and managed over a substantial period of time and which are not rented out by Mobimo to private individuals as living space. Rental agreements for commercial properties generally contain an index clause stating that rents may be increased on the basis of the consumer price index.

### Residential properties

These 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 and rented out to private individuals as living space. Rent increases for residential properties are generally linked to factors including the mortgage interest rate (reference interest rate).

In the case of mixed use, properties in the case of which more than 50% of rental income is generated from the rental of apartments are reported as residential properties and properties in the case of which more than 50% of rental income results from the rental of commercial premises are recognised as commercial properties.

### Development properties

These include properties with construction shortcomings or substantial vacancy rates, where vacancy is unlikely to be brought below 10% on a long-term basis without significant refurbishment measures. Renovation or conversion plans are developed for these properties. On the basis of these plans, the properties are either reclassified as investment properties under construction or as trading properties or revert to commercial or residential properties. Land held for undetermined future use is likewise classified as development properties.

### Investment properties under construction

Properties are classified as investment properties under construction as soon as building permission has been granted and construction is to start in the near future. Following completion, the property is reclassified as either residential or commercial property.

Investment properties are initially valued at cost at the time of initial recognition including directly attributable transaction costs. After initial recognition, they are recognised at fair value. To this end, independent property experts Wüest & Partner conduct a valuation as at the reporting date. Fair value is determined on the basis of IFRS 13 (see Note 20 Investment properties).

### Property, plant and equipment

Property, plant and equipment and owner-occupied properties are measured at cost less 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 these 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	5 years
Hardware	3 years

### Leasing

Mobimo does not possess any leasing agreements classed as finance leases.

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

### Intangible assets

Mobimo classifies the categories purchase rights/construction projects and software as intangible assets. Mobimo acquires purchase rights when it makes payments for the right to purchase a plot of land. Development services carried out by third parties and own work carried out for investment property projects where a contractual basis for the acquisition of land exists but the title to the land has not yet been transferred is reported under construction projects. The software category comprises software that has been purchased for operational purposes. Intangible assets are measured at amortised cost. Software is amortised over an estimated useful life of three to 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. Non-consolidated equity investments are classified as "available for sale" and measured at fair value; with the exception of impairments, changes in fair value are recognised in equity, not through profit or loss. If a fair value cannot be reliably defined, the non-consolidated equity investment is measured at cost.

### 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 of sustained decreases in value, an impairment test is carried out.

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

### 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 principally 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.

### 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

Financial liabilities consist of an outstanding convertible bond, a bond and mortgage-secured bank loans. In the case of long-term financial liabilities, the residual maturity is agreed as being longer than twelve months. All other agreements are classified as short term, including amortisation payments that are due within twelve months of the reporting date.

At initial recognition, financial liabilities are recognised at fair 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 being amortised over the term using the effective interest method.

Outstanding convertible bonds are recognised in the balance sheet in accordance with IAS 32 and broken down into liabilities (part of financial liabilities) and equity. The equity component corresponds to the difference between the proceeds from the issue before issue costs and the fair value of the financial liabilities as at the issue date. The issue costs are split pro rata between the liability and equity components, and are therefore offset against the convertible bond. The equity component remains unchanged. The difference between the recognised financial liability and the redemption amount will be amortised in profit or loss over the term of the convertible bond using the effective interest method.

### Derivative financial instruments

Mobimo uses derivative financial instruments (e.g. interest rate swaps and forward rate agreements) to hedge the interest rate risks of financial liabilities.

Derivative financial instruments are measured at fair value at initial recognition and thereafter. Gains and losses from adjustments to fair values are treated as follows:

The 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' fair 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 fair values of all other derivatives are recognised in profit or loss in the financial result.

### 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

Liabilities from defined-benefit plans are determined annually for each plan by setting the present value of the defined-benefit obligation 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 very similar terms to the liabilities. The market value of the plan assets is subsequently deducted. Pension costs, which are recognised in profit or loss, comprise current service cost, past service cost, gains and losses on settlement and net interest expense. Gains and losses on plan curtailments are a component of past service costs. Net interest expense corresponds to the amount that results when the discount rate is multiplied by the net benefit obligation at the beginning of the financial year. Any revaluations comprising actuarial gains and losses resulting from changes in assumptions and experience adjustments as well as investment income less contributions that are included in net interest expense are recognised in other comprehensive income.

### Equity

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 for the 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 rents lost due to vacancy rates. In the case of rental agreements classed as operating leases, the rents are recognised on an accrual basis over the term of the lease. If the tenants are provided with significant incentives (e.g. rent-free periods), the cost of such incentives is recognised over the lease term on a straight-line basis as an adjustment of the rental income. At present, Mobimo has no rental agreements classed as finance leases. In accordance with the provisions of IFRIC 15, sales proceeds from trading properties are recognised after construction is completed, at the point when control and the significant risks and rewards of ownership are transferred.

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

### Interest on borrowing

Interest on loans taken out to finance construction projects (trading properties and investment properties under construction) 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 that 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 in the tax balance sheet and the consolidated balance sheet, in accordance with the balance sheet liability method. 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 reporting date.

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 offset.

### 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 unlimited entitlement to the shares or options granted is earned. The valuation is based on the fair 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 or conversion rights.



### 3. Segment reporting

The management structure of the Mobimo Group and thus the internal reporting to the Group's key 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 is responsible for the long-term, strategic development of investment properties. The team evaluates the optimum use of residential, commercial and office properties on an ongoing basis, implements changes and handles the buying and selling of properties. This business area is also entrusted with managing and marketing investment properties and with tenant management.

#### Development

The Development division is responsible for purchasing land as well as for the construction and sale of residential property (newbuilds and redeveloped buildings) as well as for residential and commercial properties. It also holds land, investment properties under construction and completed properties which are to be transferred to the investment properties 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 reclassified from investment properties to development properties. Also included are projects from the "Investments for Third Parties" business area.

The Board of Directors, which has been identified as the key 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. The expenses in connection with the Board of Directors are not attributed to the segments, but are 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 operates 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 individual customers 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 5.

**Segment information 2013**

All amounts in TCHF	Portfolio Management	Development	Total segments	Reconciliation	Total
Income from rental of properties	84,634	10,504	95,138		95,138
Net income from revaluation	22,886	2,326	25,212		25,212
Income from sale of trading properties and services		214,509	214,509		214,509
Profit on disposal of investment properties	5,018	2,099	7,117		7,117
Other income	602	0	602		602
<b>Total segment income</b>	<b>113,140</b>	<b>229,438</b>	<b>342,578</b>		<b>342,578</b>
<b>Segment result EBIT<sup>1</sup></b>	<b>91,981</b>	<b>28,859</b>	<b>120,839</b>	<b>-1,482</b>	<b>119,358</b>
Financial result					-21,080
<b>Earnings before tax (EBT)</b>					<b>98,278</b>
Tax					-16,673
<b>Profit</b>					<b>81,605</b>
Trading properties		252,553	252,553		252,553
Investment properties	1,560,905	214,130	1,775,035		1,775,035
Owner-occupied properties	16,797		16,797		16,797
Investment properties under construction		327,500	327,500		327,500
Trade receivables	3,850	1	3,851		3,851
<b>Total segment assets</b>	<b>1,581,552</b>	<b>794,184</b>	<b>2,375,736</b>		<b>2,375,736</b>
Non-attributed assets				332,730	332,730
<b>Total assets</b>					<b>2,708,466</b>
Depreciation and amortisation	-714	-838	-1,551		-1,551
Investments in non-current assets	28,354	99,543	127,897	2,222	130,118

<sup>1</sup> The reconciliation EBIT comprises compensation for the Board of Directors

## Segment information for 2012 (restated)

All amounts in TCHF	Portfolio Management	Development	Total segments	Reconciliation	Total
Income from rental of properties	83,415	9,350	92,765		92,765
Net income from revaluation	26,169	10,720	36,889		36,889
Income from sale of trading properties and services		151,954	151,954		151,954
Profit on disposal of investment properties	-124		-124		-124
Other income	716	60	776		776
<b>Total segment income</b>	<b>110,176</b>	<b>172,084</b>	<b>282,261</b>		<b>282,261</b>
<b>Segment result EBIT<sup>1</sup></b>	<b>91,921</b>	<b>26,704</b>	<b>118,625</b>	<b>-1,428</b>	<b>117,197</b>
Financial result					-23,723
<b>Earnings before tax (EBT)</b>					<b>93,474</b>
Tax					-17,579
<b>Profit</b>					<b>75,894</b>
Trading properties		346,467	346,467		346,467
Investment properties	1,540,986	206,682	1,747,668		1,747,668
Owner-occupied properties	16,635		16,635		16,635
Investment properties under construction		244,250	244,250		244,250
Trade receivables	4,019		4,019		4,019
<b>Total segment assets</b>	<b>1,561,640</b>	<b>797,399</b>	<b>2,359,039</b>		<b>2,359,039</b>
Non-attributed assets				160,389	160,389
<b>Total assets</b>					<b>2,519,428</b>
Depreciation and amortisation	-609	-711	-1,320		-1,320
Investments in non-current assets	10,268	120,009	130,277	1,175	131,453

<sup>1</sup> The reconciliation EBIT comprises compensation for the Board of Directors

## 4. Changes in the scope of consolidation

The Olten, Aarepark property was purchased in the 2013 financial year by acquiring the shares in TRM Immobilien AG. As the purchased company did not qualify as a business within the meaning of IFRS 3, the acquisition likewise did not qualify as a business combination but represented a purchase of assets. TRM-Immobilien AG was subsequently merged with Mobimo AG.

In the prior year, a total of 113 shares were purchased in Glarus-based Immobilien Invest Holding AG, which equates to around 75.33% of this company's share capital. Immobilien Invest Holding AG holds all of the shares in Petit Mont-Riond SA, Lausanne, which owns the property at Rue Voltaire 2–12 in Lausanne. As the purchased companies did not qualify as a business within the meaning of IFRS 3, the acquisition likewise did not qualify as a business combination but represented a purchase of assets.

The property at Badenerstrasse 595 in Zurich was likewise purchased in 2012 by acquiring the shares in Ruf Immobilien AG, Ennetbürgen. As the purchased company did not qualify as a business within the meaning of IFRS 3, the acquisition likewise did not qualify as a business combination but represented a purchase of assets. Consequently, Ruf Immobilien AG was merged with Mobimo AG.

As part of a restructuring within the companies covered under the scope of consolidation, the companies FLON Events Sàrl, Lausanne, and LO Gestion SA, Lausanne, were merged in the prior year to form LO Immeubles SA, Lausanne.



## 5. Net rental income

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

	2013	2012
Commercial properties	73,691	73,152
Residential properties	20,491	19,027
<b>Income from rental of investment properties</b>	<b>94,182</b>	<b>92,179</b>
Trading properties <sup>1</sup>	956	586
<b>Total income from rental of properties</b>	<b>95,138</b>	<b>92,765</b>
Commercial properties	12,202	9,978
Losses on receivables commercial properties	389	264
Residential properties	3,335	2,568
Losses on receivables residential properties	62	31
<b>Investment property expense</b>	<b>15,987</b>	<b>12,841</b>
Rented trading properties	221	73
Losses on receivables from trading properties	22	24
<b>Net income from revaluation</b>	<b>16,230</b>	<b>12,937</b>
<b>Net rental income</b>	<b>78,909</b>	<b>79,828</b>

Rental income contains net rental income, i.e. the rents received. The year-on-year increase in 2013 was mainly attributable to the first-time letting of properties completed or acquired during the course of the prior year and in the year under review.

Direct expenses contains all costs relating to maintenance and administration (including building superintendent remuneration) which cannot be passed on to tenants. The cost/income ratio of 17% was above the prior-year figure of 14% because of higher maintenance costs.

## 6. Profit on sale of trading properties and services

	2013	2012
<b>Proceeds from sale of trading properties and services</b>	<b>214,509</b>	<b>151,954</b>
Construction costs of trading properties sold and expenses from services	181,238	129,576
Changes in valuation allowances	1,650	638
<b>Total expenses from sale of trading properties and services</b>	<b>182,888</b>	<b>130,214</b>
<b>Profit on sale of trading properties and services</b>	<b>31,621</b>	<b>21,740</b>

A total of 194 apartments were sold during the year under review. This item also includes the sale of the Aarepark project in Olten.

Further details of the trading properties sold can be found in Note 18.

<sup>1</sup> Rental income from development properties

**7. Profit on sale of investment properties**

	2013	2012
Sales proceeds investment properties	37,202	187
Carrying amount	-29,940	-311
Sales costs	-145	0
<b>Profit on disposal of investment properties</b>	<b>7,117</b>	<b>-124</b>

Further details of the trading properties sold can be found in Note 20.

**8. Personnel expenses**

	2013	2012
Salaries	12,737	11,734
Profit-sharing management/employees	2,499	2,122
Social security contributions	1,214	1,148
Defined-contribution plans	188	175
Defined-benefit plans	989	269
Compensation for Board of Directors	1,482	1,428
External training and education costs	241	143
Other personnel expenses	1,312	1,118
<b>Total personnel expenses</b>	<b>20,663</b>	<b>18,137</b>
Headcount as at 31 December (full time basis)	95,8	85,2
Average headcount (full time basis)	90,1	82,9

In the prior year, the cost of defined-benefit plans was influenced by the positive effect from CHF 0.6 million of past service costs as a result of the lowering of the conversion rate (see Note 29).

## 9. Operating expenses

	2013	2012
Room costs	143	172
Costs for investigations in connection with the acquisition of properties, sales documentation	128	121
Capital taxes	513	727
Other operating expenses	5,344	4,925
<b>Total operating expenses</b>	<b>6,128</b>	<b>5,945</b>

## 10. Administrative expenses

	2013	2012
Consulting expense	2,105	1,945
Consulting expense in respect of related parties	233	392
Other administrative expenses	345	226
<b>Total administrative expenses</b>	<b>2,684</b>	<b>2,563</b>

For further details of expense in respect of related parties, see Note 39.

## 11. Depreciation and amortisation

	2013	2012
Depreciation on other property, plant and equipment	479	359
Depreciation on owner-occupied properties	824	783
Amortisation of intangible assets	248	178
<b>Total depreciation and amortisation</b>	<b>1,551</b>	<b>1,320</b>

Depreciation on other property, plant and equipment consists of ordinary depreciation for vehicles, furniture and hardware. Depreciation on owner-occupied properties comprises ordinary depreciation on the properties at Seestrasse 59 in Küsnacht and Buchserstrasse 27 in Aarau, and for the owner-occupied parts of the properties at Rue de Genève 7 and Rue des Côtes-de-Montbenon 16 in Lausanne.

## 12. Financial result

	2013	2012
<b>Financial income</b>		
Interest on bank and other deposits	387	551
Interest on loans and debt instruments	2	104
<b>Total interest income</b>	<b>389</b>	<b>655</b>
Dividend income from equity investments	107	107
Income from financial instruments (derivatives)	3,886	0
Gains from sale of financial assets	0	58
Other income	1	5
<b>Total financial income</b>	<b>4,383</b>	<b>825</b>
<b>Financial expense</b>		
Interest expense	-26,359	-27,029
Cost of financial instruments (derivatives)	0	-135
Other financial charges	-561	-285
<b>Total financial expense</b>	<b>-26,920</b>	<b>-27,449</b>
<b>Total financial result</b>	<b>-22,537</b>	<b>-26,624</b>

In the 2013 financial year, a total of CHF 4.9 million (prior year: CHF 4.6 million) in borrowing costs was capitalised under trading properties and investment properties under construction. The average rate of interest on the capitalised interest was 2.72% (prior year: 3.00%)

## 13. Tax expense

Tax expense can be broken down as follows:

	2013	2012
<b>Total current tax expense</b>	<b>8,255</b>	<b>8,443</b>
<b>Deferred tax</b>		
Change in deferred tax	13,759	10,590
Capitalisation of deferred tax on tax loss carryforwards of the current year	-174	-196
Changes in tax rate on deferred tax items recognised	-5,167	-1,258
<b>Total deferred tax expense</b>	<b>8,418</b>	<b>9,136</b>
<b>Total income tax expense</b>	<b>16,673</b>	<b>17,579</b>

Current tax expense contains an amount of CHF 0.5 million (prior year: CHF 1.4 million) for income tax from prior periods. Enacted tax rates were used in the calculation of current income tax.

Other comprehensive income (equity) includes current tax expenditure of CHF 3.9 million (prior year: current tax income of CHF 0.3 million) from recognising the losses on financial instruments classified as cash flow hedges (swaps).

Details on deferred tax and deferred tax recognised directly in other comprehensive income can be found in Note 30.



Tax expense can be analysed as follows:

	2013	2012
Group profit before tax	98,278	93,474
Applicable tax rate	25 %	25 %
Tax expense at applicable tax rate	24,569	23,368
Non-deductible expenses	98	281
Creation/reversal for prior-year current tax	477	1,417
Utilisation of previously unrecognised tax losses	0	-213
Expense/income which are taxed at a lower/higher tax rate	-3,157	-5,553
Impact of changes in tax rate on deferred tax items recognised	-5,160	-1,258
Other effects	-154	-463
<b>Total taxes</b>	<b>16,673</b>	<b>17,579</b>

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 municipal taxes 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%.

#### 14. Earnings per share

Undiluted earnings per share are calculated on the basis of the profit attributable to Mobimo shareholders divided by the average number of outstanding shares.

Diluted earnings per share are calculated on the basis of the profit attributable to Mobimo shareholders divided by the average number of outstanding shares, taking into account the effects from all potential shares, options and conversions.

	2013	2012
<b>Calculation of earnings per share</b>		
Number of outstanding shares as at 1 January	6,200,169	6,168,351
+ Effect of capital increase (average)	3,422	25,716
+ Effect of change in holdings of treasury shares	5,257	-2,283
= Average number of outstanding shares	6,208,848	6,191,784
Effect of outstanding options:		
+ Average number of potential shares	4,835	11,548
./. Average number of shares which would be issued at average market value	-697	-1,542
+ Average number of potential shares from convertible bond	810,880	819,461
= Effective number of shares as basis for calculation of diluted earnings per share	7,023,866	7,021,251
Profit in TCHF (attributable to the shareholders of Mobimo Holding AG)	81,580	76,178
./. Net income from revaluation in TCHF (attributable to the shareholders of Mobimo Holding AG)	-25,262	-36,921
+ Attributable deferred tax in TCHF	6,315	9,230
= Profit not including revaluation (and attributable deferred tax) in TCHF	62,634	48,486
Profit in TCHF (attributable to the shareholders of Mobimo Holding AG)	81,580	76,178
+ Effect of coupon payment on convertible bond in TCHF	5,530	5,440
./. Attributable income tax in TCHF	-431	-424
= Profit after eliminations from convertible bond in TCHF	86,679	81,193
Profit not including revaluation or effects from convertible bond in TCHF	67,733	53,502
Earnings per share in CHF	13.14	12.30
Diluted earnings per share in CHF	12.34	11.56
Earnings per share not including revaluation (and attributable deferred tax) in CHF	10.09	7.83
Diluted earnings per share not including revaluation (and attributable deferred tax) in CHF	9.64	7.62
<b>Calculation of net asset value (NAV) per share</b>		
Number of outstanding shares as at 31 December	6,212,330	6,200,169
Number of outstanding options	3,730	9,295
Number of potential shares from convertible bond	810,880	810,880
Number of shares as basis for calculation of diluted NAV	7,026,940	7,020,344
Equity as at 31 December in TCHF (attributable to the shareholders of Mobimo Holding AG)	1,237,577	1,195,652
+ Liability component convertible bond	167,666	165,719
+ Deferred taxes on convertible bond	77	230
+ Option exercise (outstanding options x nominal value) in TCHF	108	270
= Shareholders' equity after conversion and option exercise in TCHF (attributable to the shareholders of Mobimo Holding AG)	1,405,429	1,361,871
NAV per share in CHF	199.21	192.84
NAV per share, diluted, in CHF	200.01	193.99

## 15. Cash

Cash is comprised exclusively of current account deposits.

The whole of the CHF 203.5 million (prior year: CHF 97.6 million) in cash is freely available. The average rate of interest applicable to cash was 0.03% (prior year: 0.05%).

## 16. Trade receivables

	2013	2012
Outstanding purchase prices real estate due from third parties	1	0
Outstanding rents and ancillary costs due from third parties	4,790	4,951
Outstanding rents and ancillary costs due from related parties	139	124
Less doubtful debt allowance for outstanding rent and ancillary costs	-1,079	-1,056
<b>Total trade receivables</b>	<b>3,851</b>	<b>4,019</b>

The age structure of receivables that are not impaired is as follows:

	2013	2012
Not past due	3,704	3,862
Up to 30 days	75	51
Up to 90 days	49	30
Over 90 days	23	76
<b>Total</b>	<b>3,851</b>	<b>4,019</b>

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

	2013	2012
<b>Specific valuation allowance</b>		
As at 1 January	1,056	914
Change in valuation allowance	23	142
<b>As at 31 December</b>	<b>1,079</b>	<b>1,056</b>

There were no general valuation allowances as at the reporting date. In the year under review, specific allowances totalling TCHF 23 (prior year: TCHF 142) were created. Based on past experience, Mobimo does not expect any additional defaults.

## 17. Other receivables

	2013	2012
Tax receivables (withholding tax and VAT)	54	1,353
Receivables WIR	325	394
Advance payments for land purchases	6,159	3,437
Receivables from related parties	57	1
Escrow property tax payments	13,137	12,918
Other receivables from third parties	68,710	4,478
<b>Total other receivables</b>	<b>88,442</b>	<b>22,581</b>

Other receivables from third parties includes CHF 66.1 million (prior year: CHF 4.3 million) in collateral in favour of cash pledged to banks.

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

# 18. Trading properties

	2013	2012
Land/development projects	89,317	81,529
Properties under construction	75,137	155,987
Completed real estate and development properties	88,099	108,952
<b>Total trading properties</b>	<b>252,553</b>	<b>346,467</b>

In the year under review, land was purchased in Olten, Aarepark, and the property AQA in Aarau (Torfeld South – Site 4) was transferred from development properties. The land in Olten, Aarepark was sold to a third-party investor during the year under review after the development of a construction project. Mobimo concluded a purchase agreement for a plot of land in Langenthal. The transfer of ownership will only be completed once building permission has been granted; the corresponding development costs have been capitalised.

Following the start of construction in the year under review, the project in Meilen, Feldgütliweg 143/145 was transferred from land to properties under construction, and the project in Zurich, Badenerstrasse 595, which had been reclassified in the prior year from a development property to a completed property, was also transferred to properties under construction. During the year under review, the projects in Horgen, Stockerstrasse 40–42 (Wisental II), Zurich Turbinenstrasse Site A and Zurich, Turbinenstrasse Site B were completed. A total of 187 apartments were completed for sale within the scope of these three projects. Ownership of 183 of these 187 apartments had been transferred as at 31 December 2013.

The properties in Uetikon, Tramstrasse 12/Bergstrasse 144/146/148 and Weggis, Luzernerstrasse 24/26 were purchased as development properties.

The last six apartments remaining in the projects completed in previous years (Adliswil, Wilacker I and Adliswil, Wilacker II) were sold in the year under review, as were four apartments in Zurich, Turbinenstrasse (Mobimo Tower) and the final apartment at Zurich, Hinterbergstrasse 53.

On trading properties, valuation allowances for properties that have not yet been sold totalled CHF 2.30 million (prior year: CHF 0.65 million). The carrying amount for these units at their estimated net selling price is CHF 10.1 million (prior year: CHF 2.3 million).

# 19. Accrued income and prepaid expenses

	2013	2012
Accruals resulting from property accounts relating to third parties	485	3,320
Accruals resulting from property accounts relating to associates	171	205
Other items	2,733	331
Other items relating to related parties	49	25
<b>Total accrued income and prepaid expenses</b>	<b>3,438</b>	<b>3,881</b>



## 20. Investment properties

Investment properties developed as follows:

2013	Commercial properties	Residential properties	Development properties	Investment properties under construction	2013 total
<b>Market value as at 1 January</b>	<b>1,160,546</b>	<b>380,440</b>	<b>206,682</b>	<b>244,250</b>	<b>1,991,918</b>
<b>Acquisition costs</b>					
As at 1 January	1,000,753	317,277	207,759	231,812	1,757,601
Increases from purchases	0	20,556	10,319	0	30,875
Increases from investments	4,295	256	10,133	76,700	91,384
Capitalisation of borrowing costs	0	0	0	2,390	2,390
Capitalisation/amortisation of lease incentives	2,469	0	0	0	2,469
Disposals	-4,574	-5,673	-13,671	0	-23,918
Transfers to trading properties	0	0	-14,257	0	-14,257
Transfers from/to property, plant and equipment	-751	0	0	0	-751
Transfers between categories	-23,051	-1,562	22,039	2,574	0
<b>Cumulative acquisition costs as at 31 December</b>	<b>979,141</b>	<b>330,855</b>	<b>222,322</b>	<b>313,476</b>	<b>1,845,793</b>
<b>Revaluation</b>					
Total as at 1 January	159,793	63,163	-1,078	12,438	234,317
Gains on valuations <sup>1</sup>	13,903	22,057	5,457	6,471	47,889
Losses on valuations <sup>1</sup>	-12,894	-181	-4,716	-4,885	-22,676
Disposals <sup>2</sup>	-2,453	-5,147	1,577	0	-6,023
Transfers to trading properties	0	0	3,236	0	3,236
Transfers between categories	12,667	0	-12,667	0	0
<b>Cumulative revaluation as at 31 December</b>	<b>171,017</b>	<b>79,892</b>	<b>-8,191</b>	<b>14,024</b>	<b>256,742</b>
<b>Market value as at 31 December</b>	<b>1,150,158</b>	<b>410,747</b>	<b>214,130</b>	<b>327,500</b>	<b>2,102,535</b>
Fire insurance value					1,751,825

<sup>1</sup> Total corresponds to "Gains from revaluation of investment properties" or "Losses on revaluation of investment properties" in the income statement and represents the unrealised gains on properties that were in the investment portfolio as at the end of the year under review

<sup>2</sup> Included as a realised gain in "Profit on disposal of investment properties" in the income statement

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2012	Commercial properties	Residential properties	Development properties	Investment properties under construction	2012 total
<b>Market value as at 1 January</b>	<b>1,116,710</b>	<b>335,261</b>	<b>200,623</b>	<b>182,964</b>	<b>1,835,558</b>
<b>Acquisition costs</b>					
As at 1 January	972,170	289,161	196,738	180,007	1,638,076
Increases from purchases	437	0	0	23,142	23,579
Increases from investments	6,007	3,824	12,961	81,233	104,025
Capitalisation of borrowing costs	0	0	0	2,674	2,674
Disposals	-256	0	0	0	-256
Transfers to trading properties	0	-9,835	0	0	-9,835
Transfers from/to property, plant and equipment	-661	0	0	0	-661
Transfers between categories	23,056	34,128	-1,939	-55,244	0
<b>Cumulative acquisition costs as at 31 December</b>	<b>1,000,753</b>	<b>317,277</b>	<b>207,759</b>	<b>231,812</b>	<b>1,757,601</b>
<b>Revaluation</b>					
Total as at 1 January	144,540	46,100	3,886	2,957	197,482
Gains on valuations	22,248	13,665	1,736	16,285	53,934
Losses on valuations	-9,744	0	-6,688	-613	-17,045
Disposals	-55	0	0	0	-55
Transfers between categories	2,804	3,398	-11	-6,191	0
<b>Cumulative revaluation as at 31 December</b>	<b>159,793</b>	<b>63,163</b>	<b>-1,078</b>	<b>12,438</b>	<b>234,317</b>
<b>Market value as at 31 December</b>	<b>1,160,546</b>	<b>380,440</b>	<b>206,682</b>	<b>244,250</b>	<b>1,991,918</b>
Fire insurance value					1,773,996

The following new plots or investment properties were acquired for CHF 30.9 million in the year under review:

Kriens, Mattenhof I (building land, additional plot of land)	Commercial development property
Lausanne, Avenue Edouard Dapples 9, 13, 15	Residential property
Lausanne, Rue des Fontenailles 1 (additional property unit)	Residential property
Zurich, Hohlstrasse 485 / 501; Albulastrasse 30-40 / 44 / 44c / 46 (additional buildings)	Commercial development property

The sale of four investment properties for a total price of CHF 37.2 million generated a gain of CHF 7.1 million (see Note 7). The following investment properties were sold:

Aarau, Site 1 – Torfeld Süd	Commercial development property
Lausanne, Rue des Côtes-de Montbenon 11 / 24	Commercial development property
Zürich, Schiffflände 6; Kruggasse 1	Commercial property
Zürich, Wettingerwies 7; Zeltweg	Residential property

The following properties are shown under Transfers:

	from	to
Aarau, Industriestrasse 28/Torfeldstrasse Parkhaus (formerly Site 3)	Commercial development properties	Commercial properties
Aarau, Site 4 – Torfeld Süd	Commercial development properties	Trading properties
Kriens, Mattenhof II (prior year: property included in Kriens, Sternmatt 6)	Commercial properties	Commercial development properties
Plot of Land from Kriens, Sternmatt 6 to Kriens, Mattenhof I	Commercial properties	Commercial development properties
Lausanne, Avenue d'Ouchy 4 – 6 (building parts)	Commercial properties	Investment properties under construction
Lausanne, Rue du Port-Franc 20; Rue de Genève 33	Commercial properties	Commercial development properties
Regensdorf, Althardstrasse 10	Commercial development properties	Commercial properties
Zurich, Letzigraben 134 – 136	Commercial properties	Commercial development properties

### Trading property details

Trading properties were measured in accordance with IFRS 13 for the first time in the 2013 financial year. Under IFRS 13, fair value is defined as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants on the measurement date. In the case of non-financial assets, management must assume the highest and best use by a market participant, which may differ from its current use (for information on how the measurement rules differ from those under IAS 40 applied up to 31 December 2012, see Note 2.3 section First-time adoption of IFRS 13). Under IFRS 13, measurement techniques are categorised into three levels in a fair value hierarchy depending on the extent to which fair value is based on observable input factors.

- Level 1: inputs that result from unadjusted, quoted prices
- 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 not based on observable market data.

The measurement of investment properties is carried out using the discounted cash flow method (DCF), according to which the property's fair value is determined by calculating the sum of net cash flows, discounted to the reporting date, that is expected to be generated in the next 100 years (valuation period). In the case of development properties and properties under construction, the construction costs still to be incurred until completion must be taken into account. The discount rate applied to each property is market-derived and risk-adjusted and is dependent on individual opportunities and risks. The fair value estimates as at 31 December 2013 and 2012 were drawn up by Wüest & Partner AG, an external, independent and certified real estate appraiser. As input factors with a material impact, such as discount rates, market rents/net sales proceeds and structural vacancy rates, generally have to be derived from information from less active markets, the valuations of all properties were categorised as Level 3.

Input factors with a material impact have been identified as market rents, vacancy rates and discount rates. In the case of properties measured on the basis of their being sold as condominiums in accordance with the assumption of the highest and best use, condominium sales prices and not market rents are the most important input factor.

Asset class / Level / Valuation method	Fair Value 2013	Non observable input factors	Ranges (weighted average) 2013
Commercial investment properties		Discount rates	3.80 % to 5.40 % (4.59 %)
Level 3		Achievable long-term market rents	CHF 109 to CHF 1.199 (CHF 225)
DCF	1,150,158	Structural vacancy rates	2.0 % to 11.0 % (4.1 %)
Residential investment properties		Discount rates	3.90 % to 4.70 % (4.11 %)
Level 3		Achievable long-term market rents	CHF 165 to CHF 406 (CHF 292)
DCF	410,747	Structural vacancy rates	1.0 % to 3.1 % (1.9 %)
Commercial development properties		Discount rates	4.00 % bis 5.60 % (4.61 %)
Level 3		Achievable long-term market rents	CHF 165 to CHF 350 (CHF 236)
DCF	214,130	Structural vacancy rates	2.0 % to 3.7 % (10.0 %)
Commercial investment properties under construction		Discount rates	4.10 % to 4.90 % (4.36 %)
Level 3		Achievable long-term market rents	CHF 205 to CHF 418 (CHF 306)
DCF	327,500	Structural vacancy rates	1.0 % bis 5.0 % (3.3 %)

In the case of properties measured on the basis of their being sold as condominiums in accordance with the assumption of the highest and best use (four residential properties), average sales proceeds of CHF 6,900 to CHF 11,600 per m<sup>2</sup> of living space have been used, after taking corresponding investments into account. An average discount rate of 4.46% (prior year: 4.63%) within a range of 3.8% to 5.6% (prior year: 3.9% to 8.0%) was applied to all DCF valuations across all investment categories as at 31 December 2013.

The current use of four commercial properties as rental properties does not correspond to highest and best use. The valuation was based on their development into owner-occupied residential property. This would result in a gain of CHF 9.7 million based on a fair value for these properties of CHF 130 million. Mobimo's strategy includes holding residential properties to generate stable, sustainable income from rent. However, Mobimo constantly reviews the current use of these and all other properties in the portfolio and develops strategies for their optimum use. As the new IFRS 13 takes into account future capital expenditure that will improve or enhance the value of the property and the associated benefits, its first-time application in respect of commercial and development properties had a total effect of CHF 3.8 million (see Note 2.3 section First-time adoption of IFRS 13).

### Sensitivity analysis

Fair value increases with lower discount rates and structural vacancy rates and with higher market rents and sales prices. The economic environment can be considered as exerting the greatest influence on input factors, with the factors outlined above influenced to varying degrees by market developments. Any increase in pressure on market rents by negative economic sentiment is usually accompanied by a rise in property vacancy rates. At the same time, low interest rates usually prevail in such market circumstances, which has a positive impact on discount rates, meaning that input factors can be expected to offset one another to some extent. Ongoing optimisation measures made to Mobimo's property portfolio (e.g. conclusion/extension of long-term rental agreements, investments in the development of rental space) provide a cushion against such short-term market shocks, which impact mainly on market rents and vacancy rates. The individual risk-adjusted discount rate of each property is, as already mentioned, in line with the return expectations of the investors or market participants in question and can only be influenced by Mobimo to a limited extent.

A sensitivity analysis checked the impact of an increase or decrease in the discount rates used in the DCF valuation. A general reduction of 0.25 percentage points (average discount rate as at 31 December 2013: 4.46%) would increase the fair value of the investment properties as at 31 December 2013 by 6.4% or CHF 135 million. A general increase of 0.25 percentage points in the discount rate would reduce the current fair value of the investment properties as at 31 December 2013 by 5.8% or CHF 122 million. Further findings from the sensitivity analysis can be found in the table below.



Change in discount rate in basis points	Change in fair value in %	Change in fair value in CHF million
-0.40	10.6 %	223
-0.30	7.8 %	164
<b>-0.25</b>	<b>6.4 %</b>	<b>135</b>
-0.20	5.1 %	107
-0.10	2.5 %	52
<b>Average discount rate as at 31 December 2013</b>	<b>0.0 %</b>	<b>-</b>
0.10	-2.4 %	-50
0.20	-4.7 %	-99
<b>0.25</b>	<b>-5.8 %</b>	<b>-122</b>
0.30	-6.9 %	-145
0.40	-9.0 %	-190

#### Further information on valuation assumptions

##### Rental income

Rents are factored into valuations on the basis of contractually agreed conditions. For rental agreements of limited duration, the potential rental income attainable over the long term, from the current perspective, is adopted in the valuation on expiry of the contractual rental period. Potential rental income that is in line with the market is determined on the basis of the most recent rental agreements 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. The plausibility of potential rental income from retail space is verified using calculations of customary market turnover figures. For existing rental agreements based on mixed usage, potential rental income is based on the separate individual forms of usage. Genuine tenants' options to extend a lease are taken into account when actual rents are less than the market rents determined. Non-genuine options where provisions are in place for rents to be adjusted in line with market rents prevailing at a specific time are incorporated into the valuations as fixed-term rental agreements, as described above. For rental agreements of unlimited duration, as is common with residential use, adjustments in line with the potential rental income calculated take account of general conditions under rental law and the specific tenant turnover of the property in question.

##### Operating and maintenance costs

In the case of operating costs it was assumed that separate ancillary cost statements are issued and that the ancillary costs are consequently passed on in full to tenants.

Maintenance costs (servicing and repairs) were calculated using a building analysis tool that determines the residual life of the individual construction components on the basis of an analysis of the building's current condition, models periodic renovations and calculates the annual annuities. The values arrived at are plausibility-tested using the cost benchmarks compiled by Wüest & Partner.

##### Construction costs (development properties and investment properties under construction)

The construction cost estimates are based on the financial forecasts for the individual projects (where available) and are independently evaluated. Where the construction costs are already secured by means of service contracts with general and full-service contractors, these are used in the measurement.

##### Discount rate

Discounting is undertaken for each property in accordance with location and property-specific criteria. These reflect both the location-relevant features of the macro and micro situation and the fundamental parameters of the current management situation. The discount rates applied are verified empirically on the basis of known changes of ownership and transaction data.

## 21. Property, plant and equipment

2013	Owner occupied properties	Other P, P & E	2013 total
<b>Acquisition values</b>			
As at 1 January	20,381	2,887	23,268
Increases	235	481	715
Disposals	0	-1	-1
Transfers from commercial property	751	0	751
<b>Cumulative acquisition values as at 31 December</b>	<b>21,367</b>	<b>3,366</b>	<b>24,733</b>
<b>Depreciation</b>			
As at 1 January	-3,746	-1,466	-5,212
Increases	-824	-479	-1,303
Disposals	0	1	1
<b>Cumulative depreciation as at 31 December</b>	<b>-4,570</b>	<b>-1,945</b>	<b>-6,515</b>
<b>Net carrying amount as at 31 December</b>	<b>16,797</b>	<b>1,421</b>	<b>18,218</b>
Fire insurance value	15,894	1,825	17,719

Owner-occupied properties include the property at Küsnacht, Seestrasse 59, and part of the property at Lausanne, Rue de Genève 7, which are used by Mobimo Management AG as its administrative premises. Also included is a room for cultural activities in the property at Lausanne, Rue des Côtes-de-Montbenon 16. The property at Aarau, Buchserstrasse 27 is now used as a project office and showroom for the "AQA" construction projects in Aarau, which is why it was reclassified from commercial properties to owner-occupied properties in the year under review. Other property, plant and equipment comprises movables, vehicles and computer hardware. Property, plant and equipment does not include any items under financial leasing arrangements.

2012	Owner occupied properties	Other P, P & E	2012 total
<b>Acquisition values</b>			
As at 1 January	19,593	2,185	21,778
Increases	128	768	896
Disposals	0	-67	-67
Transfers from commercial property	661	0	661
<b>Cumulative acquisition values as at 31 December</b>	<b>20,381</b>	<b>2,887</b>	<b>23,268</b>
<b>Depreciation</b>			
As at 1 January	-2,963	-1,146	-4,110
Increases	-783	-359	-1,142
Disposals	0	39	39
<b>Cumulative depreciation as at 31 December</b>	<b>-3,746</b>	<b>-1,466</b>	<b>-5,212</b>
<b>Net carrying amount as at 31 December</b>	<b>16,635</b>	<b>1,420</b>	<b>18,056</b>
Fire insurance value	14,159	1,825	15,984

## 22. Intangible assets

2013	Purchase options/ construction projects	Software	2013 total
<b>Cost</b>			
As at 1 January	3,053	957	4,010
Additions	406	1,100	1,506
<b>As at 31 December</b>	<b>3,459</b>	<b>2,058</b>	<b>5,517</b>
<b>Amortisation</b>			
As at 1 January	0	-384	-384
Additions	0	-248	-248
<b>Cumulative amortisation as at 31 December</b>	<b>0</b>	<b>-633</b>	<b>-633</b>
<b>Net carrying amount as at 31 December</b>	<b>3,459</b>	<b>1,425</b>	<b>4,884</b>

Purchase options/construction projects as at 1 January 2013 consisted primarily of a notarised purchase option for a plot in Merlischachen, Canton of Schwyz. The acquisitions in the year under review represent capitalised development costs for construction projects in Zurich Oerlikon for which Mobimo had concluded a purchase contract but was not yet owner of the properties in question.

2012	Purchase options/ construction projects	Software	2012 total
<b>Cost</b>			
As at 1 January	3,051	680	3,731
Additions	1	278	279
<b>As at 31 December</b>	<b>3,053</b>	<b>957</b>	<b>4,010</b>
<b>Amortisation</b>			
As at 1 January	0	-207	-207
Additions	0	-178	-178
<b>Cumulative amortisation as at 31 December</b>	<b>0</b>	<b>-384</b>	<b>-384</b>
<b>Net carrying amount as at 31 December</b>	<b>3,053</b>	<b>573</b>	<b>3,626</b>

### 23. Investments in associates and joint ventures

	2013	2012
Investment in Flonplex SA, Lausanne (40% stake)	6,615	6,625
Investment in Parking du Centre SA, Lausanne (50% stake)	16,530	16,162
<b>Total</b>	<b>23,145</b>	<b>22,787</b>

### Investments in joint ventures

Mobimo has a 50% investment in Parking du Centre SA, which is a joint venture managed in conjunction with Vinci Park SA, a car park operator in Lausanne. The company is a public limited company under Swiss law, and Mobimo therefore has a claim on a share of the company's net assets. Mobimo accounts for its investment in Parking du Centre SA using the equity method. The following is a summary of the key financial data of the joint ventures that has been adjusted to the principles of the consolidated financial statements of Mobimo.

	2013	2012
Current assets	2,613	2,100
Non-current assets	55,525	56,500
Current liabilities	1,900	1,608
Non-current liabilities	23,179	24,668
The assets and liabilities above include the following details:		
Cash and cash equivalents	2,503	1,903
Financial liabilities	17,240	18,840
Revenue	6,286	6,186
Depreciation and amortisation	-975	-200
Financial income	1	2
Financial expenses	-527	-665
Tax expense	-639	-535
Profit	1,334	2,815
Dividends received	300	0
Net assets	33,059	32,324
Proportion of the ownership interest	50%	50%
<b>Carrying amount of the interest</b>	<b>16,530</b>	<b>16,162</b>

### Investments in associates

Flonplex SA is a cinema operator in Lausanne whose majority shareholder is Pathé Schweiz AG; Mobimo holds an investment of 40%. The company is a public limited company under Swiss law, and Mobimo therefore has a claim on a share of the company's net assets. Mobimo accounts for its investment in Flonplex SA using the equity method. The following is a summary of the key financial data of Flonplex SA that has been adjusted to the principles of the consolidated financial statements of Mobimo.

	2013	2012
Current assets	2,645	4,150
Non-current assets	24,651	25,191
Current liabilities	8,647	2,639
Non-current liabilities	2,112	10,140
Revenue	11,211	12,501
Profit	1,976	3,733
Dividends received	800	200
Net assets	16,538	16,562
Proportion of the ownership interest	40 %	40 %
<b>Carrying amount of the interest</b>	<b>6,615</b>	<b>6,625</b>

### 24. Financial assets

Financial assets can be broken down as follows:

	2013	2012
Loans to third parties	40	80
Non-consolidated equity investments (available for sale)	1,870	1,870
<b>Total</b>	<b>1,910</b>	<b>1,950</b>

Non-consolidated equity investments primarily comprise the investment in Parking St-François SA.

Financial assets changed as follows:

	2013	2012
Acquisition values		
As at 1 January	1,950	2,218
Disposals	-40	-268
<b>Cumulative acquisition values as at 31 December</b>	<b>1,910</b>	<b>1,950</b>
Valuation allowances		
As at 1 January	0	-65
Disposals	0	65
<b>Cumulative valuation allowances as at 31 December</b>	<b>0</b>	<b>0</b>
<b>Net carrying amount as at 31 December</b>	<b>1,910</b>	<b>1,950</b>

As at the reporting date, there were no overdue items. Non-impaired loans were granted exclusively to borrowers with good credit quality. Based on past experience, Mobimo does not expect any defaults on these loans.



## 25. Financial liabilities

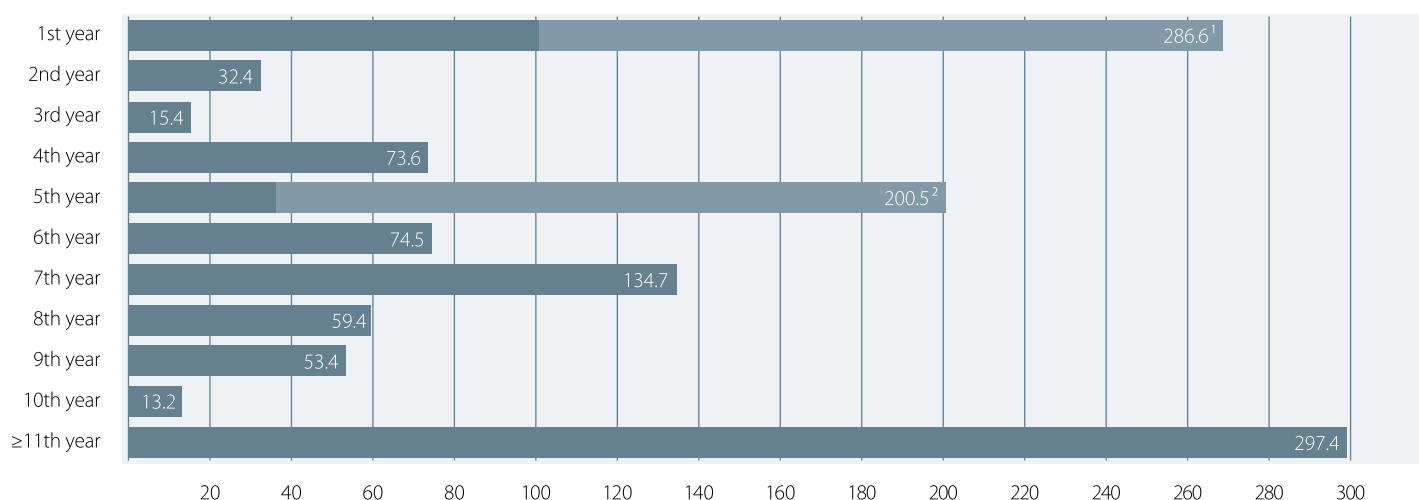
	31.12.2013	31.12.2012
Fixed-rate mortgage amortisation due within 12 months	4,010	4,551
Mortgages due for extension or repayment within 12 months <sup>1</sup>	114,937	64,188
Convertible bond	167,666	0
<b>Total current financial liabilities</b>	<b>286,612</b>	<b>68,739</b>
Mortgages	790,322	828,449
Convertible bond	0	165,719
Bond	164,186	n/a
<b>Total non-current financial liabilities</b>	<b>954,508</b>	<b>994,169</b>
<b>Total financial liabilities</b>	<b>1,241,120</b>	<b>1,062,908</b>

<sup>1</sup> Including building loans for properties under construction

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

	31.12.2013	31.12.2012
Due within first year	286,612	68,739
Due within second year	32,423	215,016
Due within third year	15,446	32,918
Due within fourth year	73,580	15,961
Due within fifth year	200,538	74,094
Due within sixth year	74,496	36,867
Due within seventh year	134,662	82,211
Due within eighth year	59,356	134,776
Due within ninth year	53,397	39,471
Due within tenth year	13,229	53,476
Due within eleventh year and longer	297,382	309,380
<b>Total financial liabilities</b>	<b>1,241,120</b>	<b>1,062,908</b>

## Maturity profile



The average residual term of overall financial liabilities is 7.7 years (prior year: 9.1 years).

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

	31.12.2013	31.12.2012
Up to one year	286,612	68,739
Up to 2 years	32,423	215,016
Up to 3 years	15,446	32,918
Up to 4 years	73,580	15,961
Up to 5 years	200,538	74,094
Over 5 years	632,521	656,179
<b>Total financial liabilities</b>	<b>1,241,120</b>	<b>1,062,908</b>

Certain mortgage interest rates were formerly partially 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 fair value in accordance with IAS 39. Some of these forward rate agreements were classified as cash flow hedges pursuant to IAS 39, and fair value adjustments relating to the effective portion of the hedge were recognised directly in equity via a separate item (hedging reserve). When the hedged interest cash flows occur, cumulative unrealised gains or losses are transferred to the income statement. This applies until 2022. An amount of TCHF 55 (prior year: TCHF 448) was reposted to the income statement in the year under review. As at 31 December 2013 and 2012 no new forward rate agreements of this kind were used for cash flow hedges, or the term of the hedged financial liabilities had already started.

Mobimo has also concluded separate interest rate hedges (swaps) for mortgages totalling CHF 208.8 million (prior year: CHF 209.0 million). Of these, CHF 129.5 million (prior year: CHF 129.7 million) are classified as cash flow hedges. Consequently, fair value adjustments were recognised under other comprehensive income in equity, and not through the income statement. The fair value of these instruments with a positive replacement value was CHF 3.5 million (prior year: CHF 0) and of those with a negative replacement value was CHF –0.6 million (prior year: CHF –14.2 million). There are also a further CHF 79.3 million (prior year: CHF 79.3 million) of interest rate hedges not classified as cash flow hedges. Fair value adjustments were thus recognised through profit or loss. The fair value of interest rate swaps not held for hedge accounting purposes with a negative replacement value is CHF –8.7 million (prior year: CHF –12.6 million). As at 31 December 2013 the fair value of all derivatives thus stood at a net figure of CHF –5.9 million (prior year: CHF –26.8 million).

<sup>1</sup> Current financial liabilities include, in addition to mortgage liabilities, the convertible bond with a carrying amount of CHF 167.7 million (nominal value: CHF 168.7 million) maturing on 30 June 2014

<sup>2</sup> Non-current financial liabilities include, in addition to mortgage liabilities, the bond with a carrying amount of CHF 164.2 million (nominal value: CHF 165 million) maturing on 29 October 2018

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 207.99, original conversion price before the capital increase of 6 December 2011 was 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 207.99. The conversion price was adjusted following the capital increase of 6 December 2011 and the resulting dilution; the original conversion price was CHF 210.37 per registered share. A maximum of 841,386 registered shares may be issued at this conversion price under the convertible bond (831,866 registered shares before the capital increase). 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.

As at the reporting date, the convertible bond was recognised as follows:

	31.12.2013	31.12.2012
Convertible bond before issuance costs	170,910	170,910
Pro-rated issuance costs	-3,732	-3,732
Amortisation of difference between liability component/ redemption amount	6,671	4,724
Conversion of bond into registered shares	-6,183	-6,183
<b>Convertible bond (liability component)</b>	<b>167,666</b>	<b>165,719</b>
Equity component before issuance costs	4,090	4,090
./ Pro-rated issuance costs	-89	-89
./ Reclassification of deferred taxes on the difference between the carrying amount and taxable value upon issue	-610	-610
<b>Equity component upon issue</b>	<b>3,391</b>	<b>3,391</b>
Increase in equity through conversion	6,183	6,183
Conversion fees and settlement of fractional amounts	-71	-71
Reversal for deferred tax upon conversion	13	13
<b>Equity component conversions</b>	<b>6,125</b>	<b>6,125</b>
Provisions for deferred tax upon issue	610	610
Cumulative reversal for deferred tax in income statement	-520	-367
Reversal for deferred tax conversion against equity	-13	-13
<b>Deferred tax liability</b>	<b>77</b>	<b>230</b>

No bonds were converted in the 2013 financial year. In addition to the nominal interest expense of CHF 3.6 million (prior year: CHF 3.5 million), the income statement includes an amortisation expense of CHF 1.9 million (prior year: CHF 1.9 million), which corresponds to an effective rate of interest of 3.34%.

In addition to mortgage liabilities, non-current financial liabilities include a bond that was issued on 29 October 2013 with the following features:

Volume: CHF 165 million	
Interest rate: 1.5 % p.a., payable annually on 29 October, with the first payment on 29 October 2014	
Term: 5 years (29 October 2013-29 October 2018)	
Listing: SIX Swiss Exchange	
Swiss security no.: 22492349	
	1.5 %-Bond
Nominal value at issuance	165,000
Proceeds from issuance	165,447
Issuance costs	-1,289
Net proceeds from issuance	164,158
Amortisation of issuance costs	28
Carrying amount 31. 12. 2013	164,186
Effective rate of interest	1.61 %

The income statement includes a nominal interest expense of CHF 0.4 million and an amortisation expense of CHF 0.03 million, which corresponds to an effective interest rate of 1.61 %.

Of overall financial liabilities, CHF 1,171.0 million (prior year: CHF 999.3 million) bear interest at fixed rates and CHF 70.2 million (prior year: CHF 63.5 million) at variable rates as at 31 December 2013 (taking interest rate swaps into account). In addition to variable rate mortgages and rollover mortgages, loans with a total maturity of less than one year (fixed advances) count as variable; property financing for construction projects is included under building loans. This does not include property financing for properties which were not yet classified as investment properties under construction at the time the financing was concluded and were reclassified as investment properties under construction during the term of the existing financing.

Average rates of interest for the period, taking interest rate swaps into account, were as follows:

	2013 in %	2012 in %
Financial liabilities excluding building loans:		
– fixed rate of interest	2,93	3,03
– variable rate of interest	0,67	–
Building loans:		
– fixed rate of interest	–	–
– variable rate of interest	0,57	0,56
<b>Total average rate of interest</b>	<b>2,72</b>	<b>3,00</b>

## 26. Other payables

In the year under review, other payables totalling CHF 2.2 million (prior year: CHF 1.4 million) included CHF 1.1 million (prior year: CHF 1.1 million) in deferred purchase price payments for the already completed acquisition of Immobilien Invest Holding AG (property at Lausanne, Rue Voltaire 2–12). The remainder relates primarily to payables in connection with social security and value added tax.

## 27. Advance payments from buyers

Advance payments from buyers of CHF 16.5 million (prior year: CHF 29.0 million) represent reserve payments from purchasers of trading properties prior to transfer of ownership.

## 28. Accrued expenses and deferred income

	2013	2012
Accruals for construction work	3,263	6,357
Accruals from property accounts	1,714	1,689
Accruals for services for related parties	690	805
Other items	8,328	7,689
<b>Total accrued expenses and deferred income</b>	<b>13,995</b>	<b>16,540</b>

## 29. Employee benefit obligations

All Mobimo employees work in Switzerland. Pension institutions in Switzerland are regulated by the Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). Consequently, Mobimo is affiliated with multi-employer plans ("Sammelstiftungen") for the purposes of mandatory (legal minimum) and non-mandatory employee benefit insurance that are organised as independent legal entities in accordance with the BVG. Participants in the plan are insured against the economic consequences of old age, disability and death. The various benefits are stipulated in regulations under which minimum BVG benefits apply. Contributions to the pension institution are paid by the employer and employees. In the case of a deficit, various measures (such as adjusting pension benefits by changing the conversion rates or by raising the amount of current contributions) may be approved.

The BVG regulates how any deficit reduction measures are to be carried jointly by the employees and the employer. As Mobimo may be consequently obliged to finance deficit reduction measures, mandatory employee benefit insurance and the savings process involved in non-mandatory employee benefit insurance qualify as defined-benefit plans under IAS 19.

With regard to non-mandatory employee benefit insurance, the risks of death and disability are fully reinsured. Risk insurance for non-mandatory employee benefit insurance qualifies as a defined-contribution plan under IAS 19. Employer contributions are charged to the income statement.

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

Change in benefit obligations	2013	2012
Present value of benefit obligations at the beginning of the period	23,956	22,397
Employer's current service cost	940	771
Interest expenses	475	598
Employee contributions	769	728
Amounts paid	-1,339	-1,386
Actuarial (gains) losses		
– Effect of changes in demographic assumptions	0	443
– Effect of changes in financial assumptions	-1,426	1,202
– Effect of experience adjustments	51	-232
Past service cost	0	-565
<b>Present value of benefit obligations at the end of the period</b>	<b>23,425</b>	<b>23,956</b>

Change in plan assets	2013	2012
Plan assets at market values at the beginning of the period	20,704	19,335
Interest income	425	535
Employer contributions	868	824
Employee contributions	769	728
Amounts paid	-1,339	-1,386
Actuarial gains (losses)		
– Return on plan assets (excluding interest income)	322	667
<b>Plan assets at market values at the end of the period</b>	<b>21,748</b>	<b>20,704</b>



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

Net liabilities for all plans	2013	2012
Present value of benefit obligations	23,425	23,956
Market value of plan assets	-21,748	-20,704
<b>Net liability</b>	<b>1,677</b>	<b>3,253</b>

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

Net benefit expense recognised	2013	2012
Current service cost	940	771
Interest expense	475	598
Interest income on plan assets	-425	-535
Recognition of past service cost	0	-565
<b>Net benefit expense</b>	<b>989</b>	<b>269</b>

The item "Recognition of past service cost" is due to the reduction in the conversion rate in the prior year.  
Expected employer contributions for the 2014 financial year are TCHF 811.

Remeasurement in other comprehensive income	2013	2012
Actuarial gains (losses)		
– Effect of changes in demographic assumptions	0	-443
– Effect of changes in financial assumptions	1,426	-1,202
– Effect of experience adjustments	-51	232
Return on plan assets (excluding interest income)	322	668
<b>Total remeasurements included in other comprehensive income</b>	<b>1,697</b>	<b>-745</b>

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

Change in net benefit obligation	2013	2012
As at 1 January	3,253	3,062
Company's net benefit expense	989	269
Employer contributions	-868	-824
Remeasurements included in other comprehensive income	-1,697	745
<b>As at 31 December</b>	<b>1,677</b>	<b>3,253</b>

Plan assets can be broken down into the following categories:

Asset classes	Plan assets 2013 in %	Market Values 2013	Plan assets 2012 in %
Shares (listed)	32 %	7,072	30 %
Bonds and notes (listed)	42 %	9,052	45 %
Real estate	16 %	3,402	16 %
Alternative investments	5 %	1,163	5 %
Other	5 %	1,058	4 %
<b>Total</b>	<b>100 %</b>	<b>21,748</b>	<b>100 %</b>

As at 31 December 2013, the plan assets did not include treasury shares or real estate in the company's own use.

The following assumptions were applied to the expense reported in the income statement and benefit obligations reported in the balance sheet:

	2013	2012
Assumptions for the expenses in the income statement:		
Discount rate	2.0 %	2.7 %
Expected future interest income on plan assets	2.0 %	2.0 %
Expected future salary increases	1.3 %	1.3 %
Expected future pension benefit increases	0.1 %	0.5 %
Longevity at age 65 for current members aged 45		
– Males	23.2	23.1
– Females	25.6	25.5
Longevity at age 65		
– Males	21.4	21.3
– Females	23.9	23.8
Assumptions for the pension liability in the balance sheet		
Discount rate	2.5 %	2.0 %
Expected future salary increases	1.3 %	1.3 %
Expected future pension benefit increases	0.1 %	0.1 %

#### Sensitivity analysis 2013

Impact on present value of benefit obligations due to the following changes:	Discount rate	Salary increases	Pension increases
Increase of 25 basis points	–2.7 %	0.2 %	0.9 %
Decrease of 25 basis points	3.2 %	–0.2 %	–0.8 %

The following future cash flows are expected for benefit obligations:

Expected cash flows of the benefit obligation	2013
Up to one year	458
Up to 5 years	2,622
Over 5 years	20,345
<b>Total</b>	<b>23,425</b>

Based on a DBO cash-flow calculation, the duration of the benefit obligation as at the reporting date was 16.8 years.

### 30. Deferred tax

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

	2013		2012	
	Assets	Liabilities	Assets	Liabilities
Investment properties		126,764		120,501
Employee benefit obligation	327		615	
Other items	2,824	3,105	5,404	3,338
<b>Deferred taxes on temporary differences</b>	<b>3,151</b>	<b>129,869</b>	<b>6,019</b>	<b>123,840</b>
Tax benefit of offsettable loss carryforwards	654		480	
<b>Total deferred taxes</b>	<b>3,804</b>	<b>129,869</b>	<b>6,499</b>	<b>123,840</b>
Offset of deferred tax assets and liabilities	-1,239	-1,239	-973	-973
<b>Deferred tax assets / liabilities</b>	<b>2,566</b>	<b>128,631</b>	<b>5,525</b>	<b>122,867</b>

Deferred taxes on investment properties are calculated on the basis of cantonal regulations and individually for each property. The residual period has been estimated for every property located in cantons that collect property gains tax, with the estimated periods tending to be longer than those recorded in the previous year. The change in the length of the estimates has had a positive effect of CHF 1.9 million (see Note 2.2 "Use of estimates and assumptions and the application of judgement – income tax"). Despite this effect, the increases in fair value and the depreciation on the amounts applicable for tax have resulted in an increase in deferred tax liabilities for investment properties.

Deferred tax assets for loss carryforwards are recognised to the extent that it is probable that future taxable profits will be available against which the loss carryforwards can be utilised. The assets of CHF 0.7 million recognised in the year under review (prior year: CHF 0.5 million) relate to offsettable loss carryforwards for direct federal, cantonal and communal taxes of CHF 2.8 million (prior year: CHF 2.0 million). There were otherwise no unrecognised loss carryforwards.

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

Of the net change in deferred tax liabilities of CHF 8.7 million, CHF 8.4 million was recognised in the income statement and CHF 0.3 million on financial instruments and employee benefit obligations was recognised directly in other comprehensive income. Deferred taxes of a net amount of CHF 1.5 million were taken over with the acquisitions of Ruf Immobilien AG and Petit Mont-Riond SA in the previous year.

### 31. Equity

The Annual General Meeting of 9 April 2013 approved a distribution from capital contribution reserves of CHF 9 per share for the 2012 financial year, which was paid on 16 April 2013. The nominal value of Mobimo shares remains at CHF 29.

Changes in the equity holding can be summarised as follows:

No. of shares	Shares issued	Treasury shares	Shares outstanding
<b>As at 1 January 2012</b>	<b>6,170,098</b>	<b>-1,747</b>	<b>6,168,351</b>
Issue of shares from conditional capital for options exercised	8,315		8,315
Issue of shares from conversion of convertible bond	30,500		30,500
Share-based payments to Board of Directors and management		9,486	9,486
Acquisition of treasury shares		-20,591	-20,591
Sale of treasury shares		4,108	4,108
<b>As at 31 December 2012</b>	<b>6,208,913</b>	<b>-8,744</b>	<b>6,200,169</b>
Issue of shares from conditional capital for options exercised	5,565		5,565
Issue of shares from conversion of convertible bond			0
Share-based payments to Board of Directors and management		6,596	6,596
Acquisition of treasury shares			0
Sale of treasury shares			0
<b>As at 31 December 2013</b>	<b>6,214,478</b>	<b>-2,148</b>	<b>6,212,330</b>

As at 31 December 2013, share capital stood at CHF 180.2 million (prior year: CHF 180.1 million) and was composed of 6,214,478 registered shares (prior year: 6,208,913) with a nominal value of CHF 29 per share. 2,148 treasury shares (prior year: 8,744) were held as at that date.

5,565 option rights (prior year: 8,315) were exercised in 2013, leading to a CHF 0.2 million increase (prior year: CHF 0.2 million) in share capital.

There is also conditional share capital of a maximum of CHF 34.1 million for the issue of up to 1,177,326 fully paid-up registered shares with a nominal value of CHF 29, of which

- up to CHF 0.1 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 33.1 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 33.1 million within two years at most (up to April 2015) via the issue of a maximum of 1,141,150 registered shares, to be fully paid up, with a nominal value of CHF 29 per share.

At CHF 33.1 million, conditional and authorised capital are linked together insofar that upon using this authorised capital, conditional capital will no longer be available in the same amount to the Board of Directors. The same applies in the reverse scenario; if this conditional capital is used, the same amount of the authorised capital will no longer be available. The amount of the authorised capital of 33.1 million available to the Board of Directors for increasing the share capital as at 31 December 2013 is thus reduced by the outstanding portion of the convertible bond of CHF 23.5 million (conditional capital).

The Board of Directors will propose to the upcoming General Meeting of 25 March 2014 a distribution of CHF 59.1 million in the form of a distribution of paid-in capital of CHF 9.50 per share.

## Capital Structure

	Total TCHF	Number of registered shares	Nominal value per share (CHF)
<b>Capital as at 31 December 2013</b>			
Share capital	180,220	6,214,478	29
Authorised capital (until 9 April 2015)	max. 33,093	1,141,150	29
Conditional capital	max. 34,142	1,177,326	29
<b>Changes in capital</b>			
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
Share capital as at 31. 12. 2011	178,933	6,170,098	29
Share capital as at 31. 12. 2012	180,058	6,208,913	29
Share capital as at 31. 12. 2013	180,220	6,214,478	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
Authorised capital as at 31. 12. 2011	33,978	1,171,650	29
Authorised capital as at 31. 12. 2012	33,093	1,141,150	29
Authorised capital as at 31. 12. 2013	33,093	1,141,150	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
Conditional capital as at 31. 12. 2011	36,252	1,250,056	29
Conditional capital as at 31. 12. 2012	34,304	1,182,891	29
Conditional capital as at 31. 12. 2013	34,142	1,177,326	29



### 32. Pledged assets/assets not freely disposable

The carrying amount of pledged assets is as follows:

	2013	2012
Trade receivables	307	92
Other receivables	66,067	4,337
Trading properties	0	104,567
Investment properties and investment properties under construction	1,849,921	1,867,613
Owner occupied properties	16,797	16,635
<b>Carrying amount of pledged assets</b>	<b>1,933,092</b>	<b>1,993,244</b>

With the exception of other receivables, this is the carrying amount of those assets which are pledged either in full or in part for the purpose of securing bank mortgage loans. These assets were encumbered with mortgages totalling CHF 909.3 million (prior year: CHF 897.2 million) (see Note 25). The item "Other receivables" comprises cash pledged to banks for the purpose of covering a promise to pay issued by the bank for the acquisition of a property.

### 33. Operating leases

#### Mobimo as tenant and lessee

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

	2013	2012
Rental and leasing obligations up to 1 year	22	24
<b>Total future rental and leasing obligations</b>	<b>22</b>	<b>24</b>

The obligations relate to third-party leases for premises and car park facilities and to rented photocopying equipment. The rental and leasing expenses charged to the income statement were TCHF 58 (prior year: TCHF 70).

#### Mobimo as landlord

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

2013	Commercial properties	Residential properties	Total
Rental income within 1 year	62,373	1,008	63,381
Rental income within 2 to 5 years	169,494	2,262	171,756
Rental income in over 5 years	104,836	2,758	107,595
<b>Total future rental income from non-cancellable rental agreements</b>	<b>336,703</b>	<b>6,029</b>	<b>342,732</b>

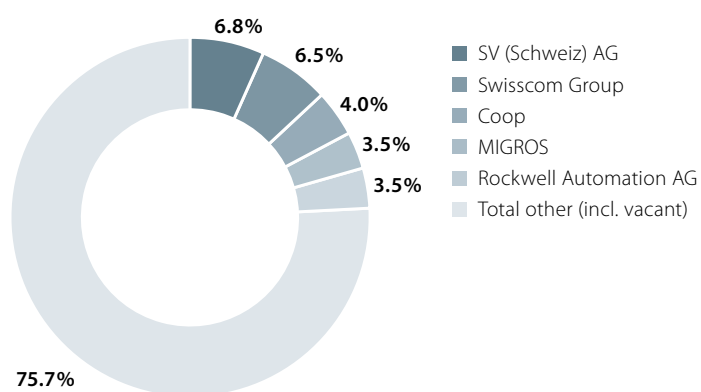
2012	Commercial properties	Residential properties	Total
Rental income within 1 year	67,342	1,930	69,272
Rental income within 2 to 5 years	198,293	3,332	201,625
Rental income in over 5 years	130,902	2,963	133,865
<b>Total future rental income from non-cancellable rental agreements</b>	<b>396,537</b>	<b>8,225</b>	<b>404,762</b>

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 factors including the mortgage interest rate (reference interest rate). As at 31 December 2013, 78.5% (CHF 70.6 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 shares of rental income:

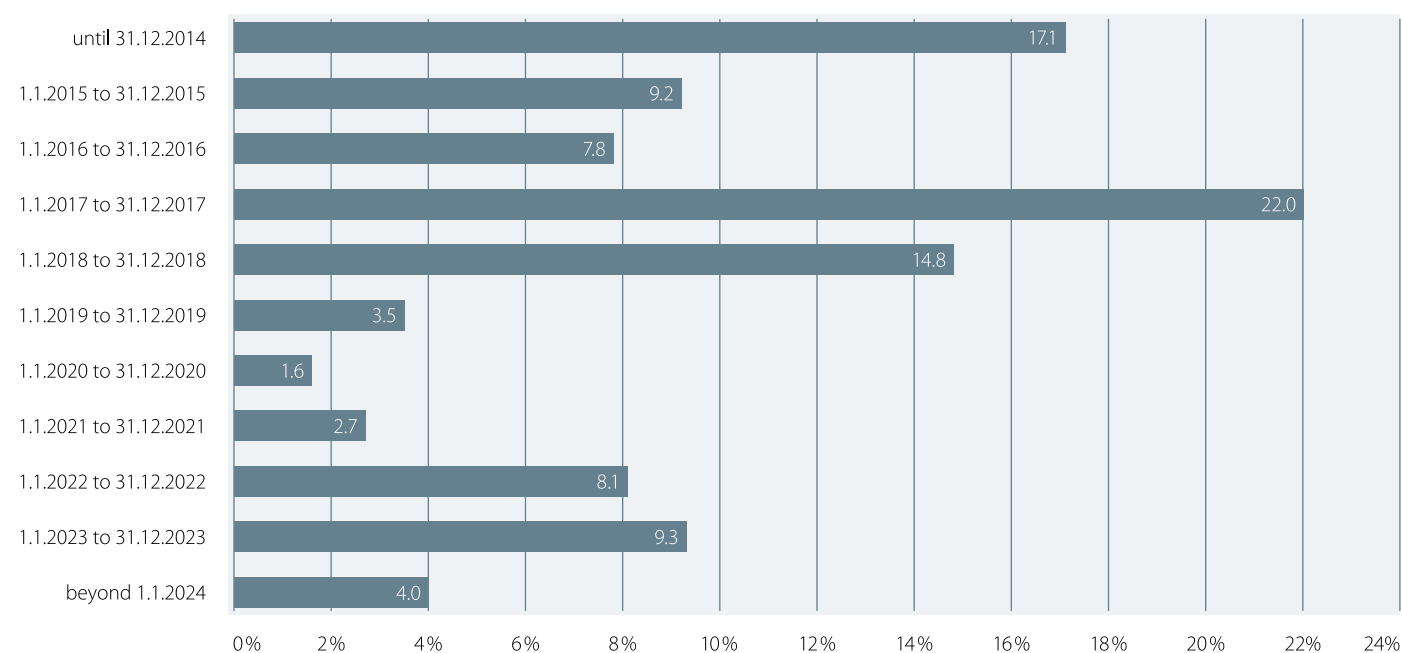
Name of tenant	31.12.2013 share in %	31.12.2012 share in %
SV (Schweiz) AG	6.8	6.1
Swisscom Group	6.5	6.5
Coop	4.0	3.8
MIGROS	3.5	3.3
Rockwell Automation AG	3.5	3.3

## Shares of the five biggest tenants (as at 31 December 2013)



Further details of rental income can be found in Note 5.

## Length of existing fixed rental agreements (as at 31 / 12 / 2013)



## 34. Financial risk management

### 34.1 General information

Through its activities, Mobimo is exposed to various financial risks, specifically credit risk, liquidity risk and market risk. Of the various market risks, interest rate risk is particularly significant.

Risk management is assured by Internal Controlling. Internal Controlling operates in accordance with the principles of Mobimo's risk management concept, which are 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 as well as on capital management within the Group. Further information on financial risks can be found elsewhere in the Notes (see Note 10 to the annual financial statements of Mobimo Holding AG, risk assessment).

### 34.2 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. Trade receivables are receivables from property sales and from rental agreements. Property sales are exposed to only limited credit risk, since these sales are based on a publicly certified purchase agreement which is regularly secured via an irrevocable promise to pay. With rental agreements, credit risk is reduced via creditworthiness checks and by monitoring 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 amounts 2013	Carrying amounts 2012
Cash (bank deposits)	203,458	97,645
Trade receivables	3,851	4,019
Other receivables <sup>1</sup>	69,074	4,736
Accrued income and prepaid expenses <sup>2</sup>	934	2,768
Derivative financial instruments	3,466	0
Financial assets (loans)	40	80
<b>Total</b>	<b>280,823</b>	<b>109,248</b>

### 34.3 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 residential development properties via short-term loans. Liquidity is managed via a liquidity planning tool, in combination with a mortgage database.

<sup>1</sup> Not including tax receivables, receivables in connection with social security and advance payments

<sup>2</sup> Not including costs paid in advance

## CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

The table below sets out the contractual maturities (including interest) of the financial liabilities held by Mobimo. Future variable rates of interest have been estimated using the yield curve as at the reporting date.

2013	Carrying amount	Contractual cash flows	1 month or less	1–3 months	3–12 months	1–5 years	Over 5 years
<b>Non-derivative financial liabilities</b>							
Trade payables <sup>1</sup>	4,116	4,116		4,116			
Other payables <sup>2</sup>	1,228	1,228		1,228			
Accrued expenses and deferred income <sup>3</sup>	11,227	11,227		11,227			
Financial liabilities	1,241,120	1,495,866	520	75,434	241,734	414,960	763,219
<b>Derivative financial liabilities</b>							
Interest rate swaps	9,340	11,361	136	429	1,636	8,001	1,159
<b>Total</b>	<b>1,267,031</b>	<b>1,523,799</b>	<b>656</b>	<b>92,434</b>	<b>243,369</b>	<b>422,961</b>	<b>764,379</b>

2012	Carrying amount	Contractual cash flows	1 month or less	1–3 months	3–12 months	1–5 years	Over 5 years
<b>Non-derivative financial liabilities</b>							
Trade payables <sup>1</sup>	10,383	10,383		10,383			
Other payables <sup>2</sup>	1,179	1,179		1,179			
Accrued expenses and deferred income <sup>3</sup>	14,181	14,181		14,181			
Financial liabilities	1,062,908	1,262,634	100	68,124	24,857	412,817	756,736
<b>Derivative financial liabilities</b>							
Interest rate swaps	26,825	27,360	331	870	3,534	15,760	6,866
<b>Total</b>	<b>1,115,476</b>	<b>1,315,737</b>	<b>431</b>	<b>94,737</b>	<b>28,391</b>	<b>428,577</b>	<b>763,602</b>

<sup>1</sup> Not including rents and ancillary costs paid in advance

<sup>2</sup> Not including tax payables and payables in connection with social security

<sup>3</sup> Not including deferred income and unused annual leave



### 34.4 Market risks

Market risk is the risk that changes in market prices such as exchange rates, interest rates and the fair value of financial instruments could have an impact on the profit from and fair 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 exceed certain levels.

#### 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 projects (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. As at the reporting date, construction financing in the amount of CHF 70.2 million (prior year: CHF 63.5 million) had been taken out on investment properties in the form of fixed advances with a term of three months, exposed to heightened interest rate risk.

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 and derivative financial instruments.

Further information on the interest rate profile of financial liabilities, forward rate agreements and interest rate swaps can be found in Note 25.

Interest rate risk can be broken down into interest-related cash flow risk, i.e. the risk that future interest payments will change as a result of fluctuations in market interest rates, and interest-related risk of a change in fair value, i.e. the risk that the fair value of a financial instrument will change as a result of fluctuations in market interest rates.

#### Fair value sensitivity analysis for fixed-rate financial instruments

Mobimo has no fixed-rate financial assets or liabilities which are classified at fair 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 the fair value of 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 the fair value of financial instruments used for hedge accounting purposes are recognised directly in equity.

An increase of 100 basis points in the interest rate would have increased the Group result by CHF 4.3 million (prior year: CHF 5.3 million) as a result of changes in fair value for swaps not held for hedge accounting purposes. Changes in the fair value of swaps held for hedge accounting purposes would have increased other income (equity) by CHF 20.5 million (prior year: CHF 24.7 million). An equivalent reduction in the interest rate would have reduced the Group result and other income by a similar amount. This analysis is based on the assumption that all other variables remain unchanged.

#### Cash flow sensitivity analysis for variable-rate financial instruments

Mobimo's variable-rate financial liabilities are exposed to interest-related cash flow risk. These liabilities generally bear interest at three-month Libor plus a margin. An increase of 100 basis points in the interest rate would negatively impact the Group result by CHF 0.7 million (prior year: CHF 0.6 million). As existing credit agreements normally include a clause according to which a minimum interest rate of 0% plus margin applies even if three-month Libor falls below 0%, a reduction in the interest rate by the same amount would have less of an impact in the opposite direction. This analysis is based on the assumption that all other variables remain unchanged.

### Measurement

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

Interest rate swaps and forward rate agreements are recognised at fair value in the balance sheet as at the reporting date. Fair value corresponds to the present value of the forward contract.

For fixed-rate financial liabilities, fair value corresponds to the time value of the future cash flows to be discounted as at the reporting date using the market interest rate. 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 of 0.55%. The discount rates used as at 31 December 2013 were between 0.64% and 2.72% (prior year: between 0.57% and 2.00%). The fair value of the convertible bond and bond corresponds to the closing prices on the stock exchange as at the reporting date.

	Carrying amount 31.12.2013	Fair Value 31.12.2013	Carrying amount 31.12.2012	Fair Value 31.12.2012
Mortgages	909,269	942,780	897,189	1,005,933
Convertible bond	167,666	170,038	165,719	177,172
Bond	164,186	167,475	n/a	n/a
	<b>1,241,120</b>	<b>1,280,293</b>	<b>1,062,908</b>	<b>1,183,105</b>

### Fair value hierarchy

The table below analyses financial instruments carried at fair value, by measurement method, as at 31 December 2013. For an explanation of the individual levels, see Note 20. Investment properties

31 December 2013	Level 1	Level 2	Level 3
Derivative financial instruments (net)	0	-5,874	0
31 December 2012	Level 1	Level 2	Level 3
Derivative financial instruments (net)	0	-26,825	0

Mobimo does not hold any financial instruments carried at fair value that would be classified as Level 1 or 3.

### 34.5 Categories of financial instruments

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

	Carrying amount 2013	Carrying amount 2012
<b>Loans and receivables</b>		
Cash	203,458	97,645
Trade receivables	3,851	4,019
Other receivables <sup>1</sup>	69,074	4,736
Accrued income and prepaid expenses <sup>2</sup>	934	2,768
Financial assets (loans)	40	80
<b>Total loans and receivables</b>	<b>277,357</b>	<b>109,248</b>
<b>Financial assets held for hedging purposes</b>		
Derivative financial instruments	3,466	0
<b>Financial assets available for sale</b>		
Financial assets (equity investments)	1,870	1,870
<b>Financial liabilities measured at amortised cost</b>		
Trade payables <sup>3</sup>	4,116	10,383
Other payables <sup>4</sup>	1,228	1,179
Accrued expenses and deferred income <sup>5</sup>	11,227	14,181
Financial liabilities	1,241,120	1,062,908
<b>Total liabilities measured at amortised cost</b>	<b>1,257,691</b>	<b>1,088,651</b>
<b>Financial liabilities held for trading purposes</b>		
Derivative financial instruments	8,720	12,605
<b>Financial liabilities held for hedging purposes</b>		
Derivative financial instruments	620	14,220

### 34.6 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 also consistently distributes a high dividend. Over the past five years, the dividend yield (capital contribution or nominal value repayment) has averaged about 4.7% (prior year: 4.9%). As at the end of 2013, the return on equity (profit divided by average equity) was 7.1% (prior year: 6.7%). The shares are characterised by a highly stable value, calculability and good profitability.

### 35. Share-based payments

The regulations governing the profit-sharing plan for the Executive Board in force since 1 January 2010 have been amended due to the expansion of the Executive Board. The amended regulations came into effect on 1 January 2012 and are now valid up to and including the 2015 financial year. The 7% share of consolidated profit for the year that exceeds a hurdle of 5% of return on equity will continue to be allocated to the Executive Board as variable remuneration. At least 50% of the variable performance-related remuneration element must be drawn in the form of shares. The high water mark principle continues to stipulate that if return on equity drops below the 5% hurdle, profit-sharing only becomes possible again once the difference has been recouped. The annual share of profits 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 2013 financial year, a total of 6,007 shares (prior year: 4,528) were allocated to the Executive Board as a share of profits. The cost of the approved share allocation was recognised as CHF 1.1 million (prior year: CHF 1.0 million), measured at the share price on 31 December 2013 of CHF 186.10 per share (prior year: CHF 218.90). Share-based compensation for the Executive Board was based on the assumption that 55% would be taken in the form of shares (prior year: 55%).

In accordance with the regulations that came into effect in the 2009 financial year, the Board of Directors receives fixed compensation structured on a modular basis. The modules used reflect members' individual activities on the Board of Directors, thus ensuring that compensation 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 of CHF 1.1 million was paid in cash (prior year: CHF 1.1 million) and CHF 0.4 million in the form of shares (1,968 shares) (prior year: CHF 0.4 million, 1,742 shares) in 2013.

Until 31 December 2009 (31 December 2008 in the case of the Board of Directors), the Executive Board and employees were subject to profit-sharing regulations 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 would only become possible again when the difference was made up. Since 1 January 2006, the number of options has been determined on the basis of the fair value of the option using the Black Scholes model. The option plan has been in force since 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. There was no nominal value reduction in the 2013 financial year, so the strike price remains unchanged at CHF 29.

All options issued are subject to individual 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). The first possible date for exercising options was 21 November 2004. The regulations in force from 1 January 2006 governing the granting of options from the 2006 financial year onwards specify an exercise period of between the third and tenth years.

The Executive Board received a share of profits in the form of options for the last time in 2009 under the former regulations. The Board of Directors was allocated a share of profits in the form of options for the last time in connection with the 2008 financial year.

<sup>1</sup> Not including tax receivables, receivables in connection with social security and advance payments

<sup>2</sup> Not including costs paid in advance

<sup>3</sup> Not including rents and ancillary costs paid in advance

<sup>4</sup> Not including tax payables and payables in connection with social security

<sup>5</sup> Not including deferred income and unused annual leave

The options issued can be broken down as follows:

	Grant date	2013	2012
– 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		113,824	108,259
Expired options		0	0
<b>Total options outstanding 31 December</b>		<b>3,730</b>	<b>9,295</b>
<b>Exercisable options</b>		<b>712</b>	<b>416</b>

### 36. Capital commitments

As at 31 December 2013, capital commitments for future construction investments in investment properties totalled CHF 57.2 million (prior year: CHF 65.7 million). The commitments related to the agreements concluded with general contractors for the investment properties under construction at Zurich, City West site C; Lausanne, Les Pépinières; Affoltern am Albis, Obstgarten/Obfelderstrasse; Regensdorf Schul-, Riedhof-, Feldblumenstrasse, Zurich, Letzigraben. There are also future commitments of CHF 110.1 million arising from the notarised agreement.

### 37. Contingencies

There are no contingent liabilities.

### 38. Significant shareholders

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

31 December	2013	2012
Pensionskasse des Kantons Zug	3.38 %	3.38 %
BlackRock, Inc.	3.01 %	3.07 %



### 39. 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 Immobilien AG, the law firm weber schaub & partner ag and Immopoly Sàrl, owned by Paul Rambert. Paul Rambert's son is a managing partner in the company Oloom Sàrl, which provides interior design services.

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

	2013	2012
Members of the Board of Directors/Executive Board	6,163	5,812
broken down as follows		
– salaries	4,029	3,910
– social security contributions	607	531
– share-based payments	1,527	1,371

The regulations governing the remuneration system for the Board of Directors were amended in 2009 and the existing option plan discontinued (see Note 35). As of the 2010 financial year, the option plan for the Executive Board was also replaced by the new profit-sharing regulations for the Executive Board (see Note 35).

EB profit-sharing/BoD compensation 2010 5,651 shares

EB profit-sharing/BoD compensation 2011 9,100 shares

EB profit-sharing/BoD compensation 2012 6,270 shares

EB profit-sharing/BoD compensation 2013 7,975 shares

Further details of the Executive Board profit-sharing regulations can be found in Note 35.

Further relationships with related parties are as follows:

The income statement includes expenses of TCHF 202 (prior year: TCHF 389) for tax consulting by the tax and legal consulting firm weber schaub & partner ag. TCHF 31 (prior year: TCHF 10) was paid for advisory services provided by Immopoly Sàrl and TCHF 30 (prior year: TCHF 11) for design advisory services provided by Oloom Sàrl. Fees of TCHF 143 (prior year: TCHF 71) were also invoiced by Immopoly Sàrl for the property Lausanne, Rue Voltaire 2–12 (Petit Mont-Riond), which had been capitalised as construction costs.

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.

#### 40. Group companies

The scope of consolidation comprises the following companies:

Company	Domicile	Share capital in TCHF	Ownership interest in %	Consolidation method
Mobimo Holding AG	Lucerne	180,220		F
Mobimo AG	Küsnacht	72,000	100.00	F
Mobimo Management AG	Küsnacht	100	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
O4Real AG	Lausanne	1,000	100.00	F
Immobilien Invest Holding AG	Glarus	150	75.33	F
Petit Mont-Riond SA	Lausanne	50	75.33	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	26,52 <sup>1</sup>	not cons.

F = fully consolidated

E = equity valuation

not cons. = not consolidated

In the prior year, Mobimo Holding AG purchased 75.33% of the shares in Immobilien Invest Holding AG, Glarus. Immobilien Invest Holding AG owns 100% of the shares in Petit Mont-Riond SA, Lausanne.

As part of restructuring efforts within the companies covered under the scope of consolidation, the companies FLON Events Sàrl, Lausanne, and LO Gestion SA, Lausanne, were merged in 2012 to form LO Immeubles SA, Lausanne.

#### 41. Events after the reporting date

The Board of Directors approved the consolidated financial statements for publication on 06 February 2014. These statements are also subject to approval by the General Meeting of Mobimo Holding AG on 25 March 2014.

No other events occurred between 31 December 2013 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 2013 or would require disclosure in this section.

## PROPERTY DETAILS

### TRADING PROPERTY DETAILS

Location	Address	Site area in m <sup>2</sup>	Register of polluted sites	Built	Acquired
<b>Building land &amp; development cost</b>					
Aarau	Site 4 – Torfeld Süd	11,105	yes (insignificant)		Jun 2001
Dübendorf	Sonnentalstrasse 10 <sup>3</sup>	11,291	no		May 2012
Herrliberg	Rigiweg <sup>3</sup>	5,082	no		Nov 2008
Langenthal	Kühlhausstrasse <sup>3</sup>	2,284	no		Mar 2014
Lucerne	Büttenenhalde	7,115	no		Dec 2011
Weggis	Hertensteinstrasse 105	3,043	no		May 2010
		<b>39,920</b>			
<b>Properties under construction</b>					
Meilen	Feldgüetliweg 143/145 (Gusto)	2,660	no		Aug 2011
Regensdorf	Im Pfand 2 (Sonnenhof)	5,082	no		Jun 2007
Zurich	Badenerstrasse 595 (Station 595)	2,389	no	1954	May 2012
Zurich	Im Brächli 5/7/9 (Collina)	2,144	no		Aug 2009
		<b>12,275</b>			
<b>Completed real estate and development properties</b>					
Aarau	Buchserstrasse 8	241	no	1907	Mar 2011
Adliswil	Wilacker I	7,231	no		Dec 2007
Egerkingen	Einschlagstrasse	8,729	no		Mar 2011
Horgen	Stockerstrasse 40 – 42 (Wisental I)	7,633	no		Nov 2005
Horgen	Stockerstrasse 40 – 42 (Wisental II)	7,047	no		Nov 2005
St. Erhard	Längmatt	4,447	no	1979	Oct 2012
St. Moritz	Via Maistra 29 <sup>2</sup>	557	no	1930	Jul 2010
Uetikon am See	Tramstrasse 12/Bergstrasse 144/146/148 <sup>2</sup>	2,634	no	1921/1924/1952/1957	Jan 2013
Weggis	Luzernerstrasse 24/26 <sup>2</sup>	9,043	no	1,895	Sep 2013
Zurich	Turbinenstrasse Site A	5,144	no		May 2011
Zurich	Turbinenstrasse Site B	5,965	no		May 2011
Zurich	Turbinenstrasse trading property (Mobimo Tower)	1,936	no		May 2008
		<b>60,607</b>			

<sup>1</sup> Status: certified purchase agreement

<sup>2</sup> Development properties

<sup>3</sup> Sale as project

Description	Sales volumes in TCHF	Project status 31.12.2013	Realisation period	Carrying amount 31.12.2013 in TCHF	Sales status 31.12.2013 <sup>1</sup>
91 condominiums	83,113	in planning	2014/2016	14,586	0/91
n/a	open	in planning	n/a	38,836	1/1
8 condominiums	open	in planning	open	17,732	1/1
n/a	open	in planning	n/a	1,002	1/1
24 condominiums	30,345	in planning	2013/2015	6,766	0/24
open	open	in planning	open	10,396	0/1
	<b>113,458</b>			<b>89,317</b>	
14 condominiums	30,290	construction project	2013/2014	14,622	3/14
45 condominiums	34,500	construction project	2013/2015	17,141	22/45
41 condominiums	52,780	construction project	2013/2014	29,634	28/61
17 condominiums	27,095	construction project	2011/2014	13,740	12/17
	<b>144,665</b>			<b>75,137</b>	
residential property	open	in planning	open	470	open
33 condominiums	34,369	for sale	2010/2012	28	33/33
4 condominiums	open	for sale	open	1,607	2/4
47 condominiums	60,192	for sale	2008/2010	6	47/47
43 condominiums	51,816	for sale	2011/2013	5,321	40/43
open	open	for sale	open	8,365	0/1
open	open	in planning	open	15,802	open
16 condominiums	24,576	in planning	2015/2016	9,129	0/16
open	open	in planning	open	4,111	open
63 condominiums	60,798	for sale	2011/2013	747	63/63
81 condominiums	76,069	for sale	2011/2013	82	81/81
53 condominiums	172,781	for sale	2008/2011	42,432	45/53
	<b>480,602</b>			<b>88,099</b>	

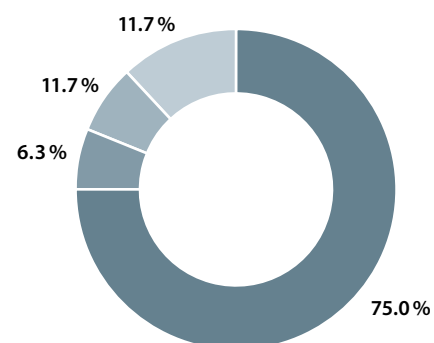
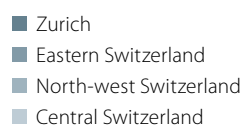
## GEOGRAPHIC BREAKDOWN OF TRADING PROPERTIES

As at 31 December 2013, 22 trading properties were recognised in the balance sheet, of which

- 19 were new-build projects (prior year: 18)
- 3 were development projects (prior year: 2)

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



# PROPERTY DETAILS

## COMMERCIAL PROPERTY DETAILS

Location	Address	Acquired	Built	Year renovated
Aarau	Bahnhofstrasse 102 (Mediapark)	Mar 2004	1975	1998
Aarau	Industriestrasse 28/Torfeldstrasse Parkhaus	Jun 2001/Oct 2006	1905/1916/1929/ 1943/1954/1974	
Aarau	Polygon – Industriestrasse 20	Jun 2001	2012	
Aesch	Pfeffingerring 201	May 2007	1973	2008
Baden-Dättwil	Im Langacker 20/20a/22	Jun 2004	1972	1988
Brugg	Bahnhofstrasse 11	Jun 2006	2005	
Bülach	Bahnhofstrasse 39	Sep 2005	1969	1995
Dierikon	Pilatusstrasse 2	May 2009	1990	2007
Dübendorf	Sonnentalstrasse 5	Mar/Dec 1999	1975	2000
Dübendorf	Zürichstrasse 98	Jan 2000	1965	1983
Herisau	Obstmarkt 1	Jul 2008	1984	2008
Horgen	Seestrasse 80	Nov 2005	1960	2000/2008
Horgen	Seestrasse 82	Nov 2005	2010/2011	
Kreuzlingen	Hauptstrasse 37	Sep 2005	1987	
Kreuzlingen	Lengwilerstrasse 2	Apr 2007	2007	
Kreuzlingen	Leubernerstrasse 3	Nov 2006	1983/2003	2003
Kreuzlingen	Romanshonerstrasse	Nov 2006	n/a	
Kriens	Sternmatt 6	Feb 2004	1986	2008
Lausanne	Flonplex	Jun 2007	n/a	
Lausanne	Parking du Centre	Nov 2009	n/a	
Lausanne	Place de la Gare 4	Nov 2009	1961	2000
Lausanne	Place de la Navigation 4 – 6	Nov 2009	1895	2002
Lausanne	Place de l'Europe 6	Nov 2009	1905	2012
Lausanne	Place de l'Europe 7	Nov 2009	1905	2001
Lausanne	Place de l'Europe 8	Nov 2009	1911	1989
Lausanne	Place de l'Europe 9	Nov 2009	1900	2002
Lausanne	Rue de Genève 2/4/5/6/8	Nov 2009	1904	2002
Lausanne	Rue de Genève 7	Nov 2009	1932	1992/2011
Lausanne	Rue de Genève 17	Nov 2009	1884	2002
Lausanne	Rue de Genève 23	Nov 2009	1915	2005
Lausanne	Rue de la Vigie 3	Nov 2009	1964	
Lausanne	Rue de la Vigie 5	Nov 2009	1963	1988
Lausanne	Rue des Côtes-de-Montbenon 6	Nov 2009	1921	2009
Lausanne	Rue des Côtes-de-Montbenon 8	Nov 2009	1946	1998
Lausanne	Rue des Côtes-de-Montbenon 16	Nov 2009	1912	2007
Lausanne	Rue des Côtes-de-Montbenon 26	Nov 2009	n/a	
Lausanne	Rue des Côtes-de-Montbenon 28/30	Nov 2009	n/a	
Lausanne	Rue du Port-Franc 9	Nov 2009	1927	2009
Lausanne	Rue du Port-Franc 11 (Miroiterie)	Nov 2009	2008	
Lausanne	Rue du Port-Franc 17 (Les Colonnades)	Nov 2009	2002	
Lausanne	Rue du Port-Franc 22; Rue de la Vigie 1	Nov 2009	2007	
Lausanne	Voie du Chariot 3	Nov 2009	2008	
Lausanne	Voie du Chariot 4/6	Nov 2009	2008	
Lausanne	Voie du Chariot 5/7	Nov 2009	2008	
Lucerne	Alpenstrasse 9	Jun 2007	1890	2001/2010
Neuhausen	Victor-von-Bruns-Strasse 19	Mar 2007	2007	

<sup>1</sup> Target gross yield as at reporting date 31 December 2013 as % of market value

<sup>2</sup> Vacancy rate as % of target rental income

Fair value in TCHF	Acquisition costs in TCHF	Gross yield in % <sup>1</sup>	Target rental revenues in TCHF	Vacancy rate as at 31. 12. 2013 in % <sup>2</sup>	Vacant area as at 31. 12. 2013 in %
28,060		7.8	2,195	5.9	6.5
31,512		5.9	1,846	0.0	0.0
24,030		5.3	1,263	0.0	0.0
23,390		8.4	1,972	0.0	0.0
17,170		7.7	1,319	27.2	31.9
27,440		5.6	1,535	0.8	0.0
3,121		5.9	183	0.0	0.0
11,100		6.6	733	12.6	10.8
27,220		6.7	1,814	1.8	2.0
21,570		6.5	1,407	0.2	0.0
16,650		6.4	1,064	10.1	16.3
8,218		6.3	517	0.2	0.0
6,600		3.6	235	0.0	0.0
11,800		5.9	698	0.0	0.0
6,386		5.0	322	0.0	0.0
66,447		5.5	3,666	0.7	1.2
1,886		4.3	80	0.0	0.0
31,240		8.8	2,749	17.6	17.4
4,714		4.5	210	0.0	0.0
7,774		5.5	428	0.0	0.0
26,810		5.6	1,489	0.0	0.2
10,580		6.4	676	0.0	0.0
5,465		5.5	298	0.0	0.0
7,986		5.7	454	0.0	0.0
7,659		4.9	374	0.0	0.0
21,560		5.8	1,249	0.0	0.0
22,900		5.7	1,307	0.0	0.0
30,800		5.2	1,614	0.0	0.0
18,860		7.2	1,366	11.3	7.3
2,435		7.5	182	0.0	0.0
6,942		6.7	464	10.7	14.3
12,240		7.0	857	0.0	0.0
7,053		5.1	358	0.0	0.0
7,860		6.8	531	0.0	0.0
4,651		5.7	263	0.0	0.0
1,764		4.5	79	0.0	0.0
2,113		3.5	74	0.0	0.0
6,167		5.5	342	0.0	0.0
11,840		5.2	612	59.9	45.2
11,660		6.2	726	0.0	0.0
22,210		5.5	1,211	0.0	0.0
14,540		5.8	850	0.0	6.1
30,300		6.1	1,863	0.0	0.0
31,100		5.4	1,673	0.0	2.7
11,960		4.7	557	0.0	0.0
12,910		5.6	725	0.0	0.0



## PROPERTY DETAILS

### COMMERCIAL PROPERTY DETAILS

Location	Address	Acquired	Built	Year renovated
Regensdorf	Althardstrasse 10	Dec 2001	1982	
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	2002/2006
St. Gallen	Wassergasse 42/44	Feb 2004	1966	2000
St. Gallen	Wassergasse 50/52	Feb 2004	1998	
Winterthur	Industriestrasse 26	Oct 1999	1994	2002
Zurich	Bahnhofplatz 4	Jul 2006	1881	2002/2005
Zurich	Friedastrasse 17	Oct 1998	1968	2013
Zurich	Hardturmstrasse 3/5 (Mobimo Tower)	Nov 1999	1974	2001/2008
Zurich	Rautstrasse 12	Nov 1999	1972	2011
Zurich	Stauffacherstrasse 41	Jun 2000	1990	2011
Zurich	Thurgauerstrasse 23; Siewerdtstrasse 25	Mar 2002	1963/1968/1985	1998
Zurich	Turbinenstrasse – Mobimo Tower Hotel	May 2008	2011	
Zurich	Witikonstrasse 311/311b	Sep 1997	1992	
<b>61</b>	<b>Commercial investment properties</b>			
Aarau	Site 2 – Torfeld Süd	Oct 2006	1905/1916/1929/1943/1954	
Kriens	Mattenhof I	Mar 2005/Feb 2013	n/a	
Kriens	Mattenhof II	Feb 2004	1986	
Lausanne	Avenue d'Ouchy 4 – 6	May 2010	1962	
Lausanne	Rue de Genève 19	Nov 2009	1893	2002
Lausanne	Rue de Genève 21	Nov 2009	1902	
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 12	Nov 2009	1918	2004
Lausanne	Rue des Côtes-de-Montbenon 14	Nov 2009	1963	
Lausanne	Rue du Port-Franc 20; Rue de Genève 33	Nov 2009	2007	
Regensdorf	Althardstrasse 30	Dec 2001	1976	
Zurich	Albulastrasse/Hohlstrasse	Apr 2010	1896/1928	
Zurich	Letzigraben 134 – 136	Sep 2006	1958/1975	
<b>14</b>	<b>Commercial development properties</b>			
<b>75</b>	<b>Total commercial properties</b>			

<sup>1</sup> Target gross yield as at reporting date 31 December 2013 as % of market value

<sup>2</sup> Vacancy rate as % of target rental income

Fair value in TCHF	Acquisition costs in TCHF	Gross yield in % <sup>1</sup>	Target rental revenues in TCHF	Vacancy rate as at 31. 12. 2013 in % <sup>2</sup>	Vacant area as at 31. 12. 2013 in %
19,550		9.5	1,852	18.6	14.7
12,550		6.8	859	0.0	0.0
17,530		6.4	1,127	0.4	1.7
4,602		5.8	266	0.0	0.0
15,760		6.2	975	12.7	13.0
13,540		6.2	834	0.0	0.0
19,800		7.5	1,480	13.9	12.6
20,800		4.4	920	0.0	0.0
12,140		5.3	638	1.5	0.0
58,620		5.5	3,226	0.1	0.0
20,450		6.7	1,366	1.6	1.5
48,960		4.9	2,386	0.0	0.0
15,000		6.4	955	0.0	0.0
135,300		4.5	6,107	0.0	0.0
8,863		6.5	574	9.5	10.4
<b>1,150,158</b>	<b>979,141</b>	<b>5.9</b>	<b>67,998</b>	<b>3.8</b>	<b>5.0</b>
11,680		0.0	0	0.0	0.0
9,897		0.0	0	0.0	n/a
6,566		2.0	134	1.1	95.8
64,110		6.2	3,965	46.2	43.1
3,535		11.2	398	14.0	18.4
3,415		9.6	329	13.5	12.5
490		17.3	85	8.1	0.0
478		5.9	28	0.0	0.0
1,717		8.1	140	0.0	0.0
882		4.1	36	0.0	0.0
41,200		6.8	2,807	39.1	46.4
14,350		14.4	2,072	91.8	99.4
40,460		0.1	38	100.0	100.0
15,350		0.0	0	0.0	0.0
<b>214,130</b>	<b>222,322</b>	<b>4.7</b>	<b>10,033</b>	<b>49.6</b>	<b>43.9</b>
<b>1,364,288</b>	<b>1,201,462</b>	<b>5.7</b>	<b>78,030</b>	<b>9.7</b>	<b>13.8</b>

# PROPERTY DETAILS

## COMMERCIAL PROPERTY DETAILS

Location	Address	Ownership	Site area in m <sup>2</sup>	Register of polluted sites
Aarau	Bahnhofstrasse 102 (Mediapark)	sole ownership	5,675	no
Aarau	Industriestrasse 28/Torfeldstrasse Parkhaus	sole ownership	13,727	yes (insignificant)
Aarau	Polygon – Industriestrasse 20	sole ownership	3,840	yes (Code D) <sup>3</sup>
Aesch	Pfeffingerring 201	sole ownership	16,034	no details
Baden-Dättwil	Im Langacker 20/20a/22	sole ownership	8,792	no
Brugg	Bahnhofstrasse 11	condo (773/1000)	2,726	no
Bülach	Bahnhofstrasse 39	sole ownership	563	no
Dierikon	Pilatusstrasse 2	sole ownership	4,397	no
Dübendorf	Sonnentalstrasse 5	condo (930/1000)	4,368	yes (code D) <sup>3</sup>
Dübendorf	Zürichstrasse 98	sole ownership	9,809	yes (petrol station)
Herisau	Obstmarkt 1	sole ownership	1,602	no
Horgen	Seestrasse 80	sole ownership	3,393	no
Horgen	Seestrasse 82	sole ownership	0	no
Kreuzlingen	Hauptstrasse 37	sole ownership	1,448	no
Kreuzlingen	Lengwilerstrasse 2	sole ownership	7,027	no
Kreuzlingen	Leubnerstrasse 3	sole ownership	25,530	no
Kreuzlingen	Romanshornerstrasse	sole ownership	2,180	no
Kriens	Sternmatt 6	sole ownership	21,191	no
Lausanne	Flonplex	sole ownership	1,953	yes <sup>8</sup>
Lausanne	Parking du Centre	sole ownership	5,065	yes <sup>8</sup>
Lausanne	Place de la Gare 4	sole ownership	630	no
Lausanne	Place de la Navigation 4 – 6	sole ownership	567	yes <sup>4</sup>
Lausanne	Place de l'Europe 6	sole ownership	369	yes <sup>4</sup>
Lausanne	Place de l'Europe 7	sole ownership	391	yes <sup>4</sup>
Lausanne	Place de l'Europe 8	sole ownership	1,035	yes <sup>4</sup>
Lausanne	Place de l'Europe 9	sole ownership	975	yes <sup>4</sup>
Lausanne	Rue de Genève 2/4/5/6/8	sole ownership	2,260	yes <sup>4</sup>
Lausanne	Rue de Genève 7	sole ownership	3,343	yes <sup>4</sup>
Lausanne	Rue de Genève 17	sole ownership	2,312	yes <sup>4</sup>
Lausanne	Rue de Genève 23	sole ownership	636	yes <sup>6</sup>
Lausanne	Rue de la Vigie 3	sole ownership	972	yes <sup>7</sup>
Lausanne	Rue de la Vigie 5	sole ownership	852	yes <sup>7</sup>
Lausanne	Rue des Côtes-de-Montbenon 6	sole ownership	510	yes <sup>4</sup>
Lausanne	Rue des Côtes-de-Montbenon 8	sole ownership	587	yes <sup>4</sup>
Lausanne	Rue des Côtes-de-Montbenon 16	sole ownership	850	yes <sup>4</sup>
Lausanne	Rue des Côtes-de-Montbenon 26	sole ownership	867	yes <sup>8</sup>
Lausanne	Rue des Côtes-de-Montbenon 28/30	sole ownership	1,068	yes <sup>7</sup>
Lausanne	Rue du Port-Franc 9	sole ownership	2,733	yes <sup>6</sup>
Lausanne	Rue du Port-Franc 11 (Miroiterie)	sole ownership	612	yes <sup>5</sup>
Lausanne	Rue du Port-Franc 17 (Les Colonnades)	sole ownership	776	yes <sup>5</sup>
Lausanne	Rue du Port-Franc 22; Rue de la Vigie 1	sole ownership	1,999	yes <sup>5</sup>
Lausanne	Voie du Chariot 3	sole ownership	500	yes <sup>5</sup>
Lausanne	Voie du Chariot 4/6	sole ownership	2,614	yes <sup>5</sup>
Lausanne	Voie du Chariot 5/7	sole ownership	1,042	yes <sup>5</sup>
Lucerne	Alpenstrasse 9	sole ownership	569	no
Neuhausen	Victor-von-Bruns-Strasse 19	sole ownership	1,596	no

<sup>3</sup> Code D: clarification necessary in the context of building projects

<sup>4</sup> 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

<sup>5</sup> Site pollution eliminated - property rebuilt in recent years

Property description <sup>9</sup>	Total rentable area in m <sup>2</sup>	Office space in %	Sales space in %	Commercial space in %	Residential space in %	Other in %
com	13,248	64.6	0.0	8.8	1.4	25.2
com	21,248	0.5	0.0	93.3	0.0	6.3
com	4,465	91.4	0.0	0.0	0.0	8.6
com	14,219	28.3	0.0	63.0	0.0	8.6
com	9,430	22.4	28.3	28.9	1.0	19.4
com	4,076	33.0	33.3	21.5	0.0	12.2
com	944	64.8	16.6	0.0	0.0	18.5
com	4,397	60.3	15.8	15.3	0.0	8.6
com	8,769	23.5	0.0	64.5	0.0	12.0
com	9,898	29.6	17.3	26.0	1.1	26.0
com	6,090	55.7	0.0	9.1	0.0	35.2
com	2,151	76.2	0.0	19.0	0.0	4.8
car park	64	0.0	0.0	0.0	0.0	100.0
com	2,792	50.2	17.9	0.0	0.0	31.9
com	1,348	0.0	66.5	0.0	0.0	33.5
com	17,822	8.8	89.3	0.0	0.0	1.9
building right	n/a	n/a	n/a	n/a	n/a	n/a
com	21,077	33.3	4.6	40.7	1.2	20.1
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	4,485	66.6	0.0	0.0	0.0	33.4
com – hotel	2,800	0.0	0.0	0.0	0.0	100.0
com – hotel	923	0.0	0.0	0.0	0.0	100.0
com	1,423	66.3	7.9	0.0	0.0	25.9
com	1,593	75.5	24.5	0.0	0.0	0.0
com	3,492	43.3	31.3	0.0	0.0	25.4
com	4,401	10.3	85.5	0.0	0.0	4.2
com – share investment prop.	5,114	12.4	27.2	0.0	20.9	39.5
com	6,680	43.4	20.8	7.2	0.0	28.6
com	2,104	0.0	0.0	0.0	0.0	100.0
com	3,104	54.9	0.0	0.0	0.0	45.1
com	3,645	61.6	0.0	0.0	0.0	38.4
com	2,188	36.9	18.4	26.7	0.0	18.0
com	2,226	73.9	0.0	3.6	0.0	22.5
com	819	66.4	0.0	0.0	33.6	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	2,309	0.0	57.9	0.0	0.0	42.1
com	2,142	57.9	0.0	0.0	24.9	17.1
com	4,066	81.3	8.9	0.0	0.0	9.8
com	2,245	72.9	14.9	0.0	0.0	12.2
com	5,438	32.0	65.2	0.0	0.0	2.8
com	5,055	54.1	15.8	0.0	13.7	16.4
res + com	1,979	12.3	13.1	0.0	64.8	9.7
com	2,806	93.8	0.0	0.0	0.0	6.2

<sup>6</sup> Site pollution suspected but no measures expected – properties must be maintained in accordance with the design plan ("Gestaltungsplan")

<sup>7</sup> Site pollution suspected, measures required in new-build plans

<sup>8</sup> Building-right plot on which new-build projects have been completed in recent years

<sup>9</sup> Com = commercial; Res = residential

## PROPERTY DETAILS

### COMMERCIAL PROPERTY DETAILS

Location	Address	Ownership	Site area in m <sup>2</sup>	Register of polluted sites
Regensdorf	Althardstrasse 10	sole ownership	7,714	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	condo (867/1000)	1,714	no
St. Gallen	Wassergasse 50/52	sole ownership	1,373	no
Winterthur	Industriestrasse 26	sole ownership	3,635	yes (code D) <sup>3</sup>
Zurich	Bahnhofplatz 4	sole ownership	189	yes
Zurich	Friedastrasse 17	sole ownership	869	no
Zurich	Hardturmstrasse 3/5 (Mobimo Hochhaus)	sole ownership	2,151	yes
Zurich	Rautstrasse 12	sole ownership	1,894	yes (petrol station)
Zurich	Stauffacherstrasse 41	sole ownership	1,405	no
Zurich	Thurgauerstrasse 23; Siewerdtstrasse 25	sole ownership	2,657	no
Zurich	Turbinenstrasse – Mobimo Tower Hotel	sole ownership	5,808	no
Zurich	Witikonstrasse 311/311b	sole ownership	1,846	no
<b>61</b>	<b>Commercial investment properties</b>		<b>207,278</b>	
Aarau	Site 2 – Torfeld Süd	sole ownership	18,526	yes (insignificant)
Kriens	Mattenhof I	sole ownership	11,649	no
Kriens	Mattenhof II	sole ownership	7,640	no
Lausanne	Avenue d'Ouchy 4 – 6	sole ownership	12,609	yes <sup>7</sup>
Lausanne	Rue de Genève 19	sole ownership	2,733	yes <sup>6</sup>
Lausanne	Rue de Genève 21	sole ownership	2,524	yes <sup>6</sup>
Lausanne	Rue des Côtes-de-Montbenon 1/3	sole ownership	1,101	yes <sup>7</sup>
Lausanne	Rue des Côtes-de-Montbenon 5	sole ownership	734	yes <sup>7</sup>
Lausanne	Rue des Côtes-de-Montbenon 12	sole ownership	499	yes <sup>7</sup>
Lausanne	Rue des Côtes-de-Montbenon 14	sole ownership	647	yes <sup>7</sup>
Lausanne	Rue du Port-Franc 20; Rue de Genève 33	sole ownership	2,000	yes <sup>5</sup>
Regensdorf	Althardstrasse 30	sole ownership	9,355	no
Zurich	Albulastrasse/Hohlstrasse	sole ownership	10,266	yes
Zurich	Letzigraben 134 – 136	sole ownership	5,003	yes
<b>14</b>	<b>Commercial development properties</b>		<b>85,286</b>	
<b>75</b>	<b>Total commercial properties</b>		<b>292,564</b>	

<sup>3</sup> Code D: clarification necessary in the context of building projects

<sup>5</sup> Site pollution eliminated – property rebuilt in recent years

<sup>6</sup> Site pollution suspected but no measures expected – properties must be maintained in accordance with the design plan ("Gestaltungsplan")

<sup>7</sup> Site pollution suspected, measures required in new-build plans

<sup>6</sup> Com = commercial; Res = residential

Property description <sup>9</sup>	Total rentable area in m <sup>2</sup>	Office space in %	Sales space in %	Commercial space in %	Residential space in %	Other in %
com	13,544	39.5	28.6	8.4	0.0	23.5
com	4,339	67.2	0.0	0.8	0.0	32.0
com	4,460	95.4	0.0	0.0	0.0	4.6
com	1,090	79.1	12.8	0.0	0.0	8.2
com	3,958	80.4	0.0	0.0	9.4	10.2
com	3,554	72.3	7.8	0.0	0.0	20.0
com	11,326	66.0	0.8	18.9	0.0	14.3
com	758	63.5	27.8	0.0	0.0	8.7
com	2,568	56.9	0.0	7.3	10.2	25.7
com	8,226	94.4	0.0	0.0	0.0	5.6
com	6,094	73.4	15.2	1.8	1.3	8.3
com	6,755	60.6	1.0	0.0	0.0	38.4
com	3,901	59.1	6.8	6.9	0.0	27.1
com – hotel	22,429	0.0	0.0	0.0	0.0	100.0
res + com	2,084	34.2	0.9	32.9	28.8	3.2
	<b>320,306</b>	<b>38.4</b>	<b>14.5</b>	<b>18.2</b>	<b>1.8</b>	<b>27.1</b>
com	17,706	20.3	11.1	0.0	68.6	0.0
land	0	n/a	n/a	n/a	n/a	n/a
com	4,839	0.0	0.0	92.3	0.0	7.7
com	25,446	20.9	15.4	47.7	0.0	16.1
com	3,374	38.1	18.1	0.0	0.0	43.8
com	3,515	36.0	17.1	0.0	0.0	46.9
com	314	0.0	100.0	0.0	0.0	0.0
com	272	0.0	36.4	0.0	0.0	63.6
com	935	0.0	68.1	21.4	0.0	10.5
com	640	0.0	100.0	0.0	0.0	0.0
com	9,971	34.9	32.3	0.0	0.0	32.8
com	12,893	61.2	0.0	29.5	2.2	7.1
com	7,604	4.4	0.0	84.2	1.2	10.2
com	6,871	0.7	0.0	52.2	1.3	45.8
	<b>94,380</b>	<b>24.6</b>	<b>12.7</b>	<b>32.4</b>	<b>13.4</b>	<b>16.9</b>
	<b>414,686</b>	<b>35.2</b>	<b>14.1</b>	<b>21.5</b>	<b>4.4</b>	<b>24.8</b>



## PROPERTY DETAILS

### RESIDENTIAL PROPERTY DETAILS

Location	Address	Acquired	Built	Year renovated
Bergdietikon	Baltenschwilerstrasse 3/5/7/9/11/13/15/17	Oct 2007	1973/1980	1992/2007
Binz	Zürichstrasse 244/246	Nov 2005	1966	1997/2001
Horgen	Seestrasse 43 – 49	Nov 2005	2011	
Horgen	Seestrasse 63 – 69	Nov 2005	2011	
Lausanne	Avenue d'Ouchy 70	Nov 2009	1906	2004
Lausanne	Avenue d'Ouchy 72/74	Nov 2009	1907	
Lausanne	Avenue d'Ouchy 76	Nov 2009	1907	2004
Lausanne	Av. Edouard Dapples 9/13/15/15a	Apr 2013	1925/1926	
Lausanne	Place de la Navigation 2	Nov 2009	1895	2004
Lausanne	Rue Beau-Séjour 8	Nov 2009	2011	
Lausanne	Rue des Fontenailles 1	Nov 2009/Nov 2013	1910/1963	1993
Münchwilen	Buchenacker 22/24/26/28; Unterer Buchenacker 7	Jun 2007	1994/1995	
Opfikon-Glattbrugg	Farmanstrasse 47/49	Dec 2010	2009	
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	Katzenbachstrasse 221 – 231	Oct 2004/Feb 2005	2009	
Zurich	Katzenbachstrasse 239	Mar 2008	1969	
Zurich	Klingenstrasse 34; Konradstrasse 68	Nov 2001	1897	1987
Zurich	Manessestrasse 190/192; Staffelstrasse 1/3/5	Dec 2005	2012	

#### 20 Residential investment properties

Location	Address	Ownership	Site area in m <sup>2</sup>	Register of polluted sites
Bergdietikon	Baltenschwilerstrasse 3/5/7/9/11/13/15/17	sole ownership	11,330	no
Binz	Zürichstrasse 244/246	sole ownership	4,025	no
Horgen	Seestrasse 43 – 49	sole ownership	6,047	no
Horgen	Seestrasse 63 – 69	sole ownership	5,307	no
Lausanne	Avenue d'Ouchy 70	sole ownership	478	yes <sup>4</sup>
Lausanne	Avenue d'Ouchy 72/74	easement	n/a	yes <sup>4</sup>
Lausanne	Avenue d'Ouchy 76	sole ownership	738	yes <sup>4</sup>
Lausanne	Av. Edouard Dapples 9/13/15/15a	sole ownership	5,246	no
Lausanne	Place de la Navigation 2	sole ownership	254	yes <sup>4</sup>
Lausanne	Rue Beau-Séjour 8	sole ownership	3,827	yes <sup>5</sup>
Lausanne	Rue des Fontenailles 1	sole ownership	853	no
Münchwilen	Buchenacker 22/24/26/28; Unterer Buchenacker 7	sole ownership	5,741	no
Opfikon-Glattbrugg	Farmanstrasse 47/49	sole ownership	3,840	no
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	7,413	no
Zurich	Katzenbachstrasse 221 – 231	sole ownership	6,137	no
Zurich	Katzenbachstrasse 239	sole ownership	1,987	no
Zurich	Klingenstrasse 34; Konradstrasse 68	sole ownership	361	no
Zurich	Manessestrasse 190/192; Staffelstrasse 1/3/5	sole ownership	2,345	no

#### 20 Residential investment properties

81,404

<sup>1</sup> Target gross yield as at reporting date 31 December 2013 as % of market value

<sup>2</sup> Vacancy rate as % of target rental income

<sup>4</sup> 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

<sup>5</sup> Site pollution eliminated – property rebuilt in recent years



Fair value in TCHF	Acquisition costs in TCHF	Gross yield in % <sup>1</sup>	Target rental revenues in TCHF	Vacancy rate as at 31. 12. 2013 in % <sup>2</sup>	Vacant area as at 31. 12. 2013 in %
23,310		4.3	1,004	4.3	5.4
10,250		5.3	541	5.0	3.7
29,210		4.7	1,364	3.3	2.4
27,220		4.7	1,276	6.7	5.6
4,873		5.8	281	0.0	0.0
2,529		5.8	146	0.0	0.0
13,580		4.9	659	0.0	0.0
19,720		4.8	955	0.0	0.0
5,523		5.4	297	0.0	0.0
81,630		5.1	4,144	0.0	1.4
3,197		5.4	171	0.0	0.0
13,290		5.9	778	6.6	6.5
23,160		4.6	1,072	1.0	0.4
18,350		5.9	1,092	9.4	5.9
4,010		4.9	196	1.8	4.3
11,685		6.1	714	5.6	4.9
51,650		4.6	2,363	7.6	5.7
5,570		5.4	302	3.6	0.0
8,680		4.7	408	0.0	0.0
53,310		5.0	2,678	11.1	10.7
<b>410,747</b>	<b>330,855</b>	<b>5.0</b>	<b>20,441</b>	<b>4.4</b>	<b>3.9</b>

Property description <sup>9</sup>	Total rentable area in m <sup>2</sup>	1 – 1 ½- room apartments	2 – 2 ½- room apartments	3 – 3 ½- room apartments	4 – 4 ½- room apartments	5 or more room apartments	Total apartments	Other forms of use in %
3 res	5,226	0	8	18	28	0	54	6.0
res	2,580	0	6	12	12	0	30	4.5
res	4,555	0	2	6	24	7	39	6.6
res	4,051	0	0	24	16	0	40	0.5
res + com	1,132	0	0	5	0	5	10	6.8
res	979	0	6	3	3	0	12	0.0
res + com	2,515	0	0	0	0	10	10	28.0
res	4,861	0	1	2	28	17	48	2.2
res + com	1,249	0	2	0	1	5	8	8.5
res	10,210	0	19	55	17	10	101	2.5
res	1,049	1	0	0	4	4	9	9.9
3 res	4,358	0	4	20	20	0	44	4.7
7 res	3,609	1	13	16	9	0	39	0.4
res	5,588	8	30	0	46	0	84	0.5
res + com	1,598	1	2	1	7	0	11	30.1
3 res	4,439	0	6	21	21	0	48	2.1
res	7,948	0	5	32	27	5	69	4.1
res	1,610	0	5	8	5	0	18	0.0
res + com	1,458	0	0	6	4	0	10	40.4
res	6,583	0	11	21	20	0	52	10.0
	<b>75,598</b>	<b>11</b>	<b>120</b>	<b>250</b>	<b>292</b>	<b>63</b>	<b>736</b>	<b>5.7</b>

<sup>9</sup> Com = commercial; Res = residential

## PROPERTY DETAILS

### DETAILS OF INVESTMENT PROPERTIES UNDER CONSTRUCTION

Location	Address	Ownership	Acquired	Built
Affoltern am Albis	Obfelderstrasse 31 – 35 (rental apartments)	sole ownership	Aug 2011	2013
Affoltern am Albis	Obstgartenstr. 9, Alte Obfelderstr. 27/29 (retirement apartments)	sole ownership	Aug 2011	2014
Horgen	Seestrasse 93 (Meilenwerk)	sole ownership	Nov 2005	1956/2015
Lausanne	Avenue d'Ouchy 4 – 6 (administration)	sole ownership	May 2010	1962/2013
Lausanne	Rue Voltaire 2 – 12	sole ownership	Oct 2012	2015
Lausanne	Vallée du Flon (Les Pépinières)	sole ownership	Nov 2009	2013
Regensdorf	Schulstrasse 95/101/107/115; Riedthofstrasse 55/63; Feldblumenstrasse 44	sole ownership	Jun 2007	2015
Zurich	Turbinenstrasse 22 – 32 (CityWest, site C)	sole ownership	Dec 2010	2013
<b>8</b>	<b>Properties under construction</b>			

All of the above investment properties are in the construction phase. Completion of the properties in Affoltern am Albis, Obfelderstrasse 31 – 35 (rental apartments), Lausanne, Avenue d'Ouchy 4 – 6 (Administration), Lausanne, Vallée du Flon (Les Pépinières) and Zurich, Turbinenstrasse 22 – 32 (City West Site C) is scheduled for the beginning of 2014. Construction of the property in Affoltern am Albis, Obstgartenstrasse 9 (retirement home) is scheduled to end at the end of 2014; in Horgen, Seestrasse 93 (Meilenwerk), Lausanne, Rue Voltaire 2 – 12 and Regensdorf, Schulstrasse 95, it is scheduled to end in 2015.

### OWNER-OCCUPIED PROPERTY DETAILS

Location	Address	Ownership	Acquired	Built
Aarau	Buchserstrasse 27	sole ownership	Oct 2006	1885
Lausanne	Rue de Genève 7	sole ownership	Nov 2009	1932
Lausanne	Rue des Côtes-de-Montbenon 16	sole ownership	Nov 2009	1912
Küsnacht	Seestrasse 59	sole ownership	Sep 2002	2006
<b>4</b>	<b>Properties</b>			

### 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	2002
Lausanne	Parking Saint-François	co-ownership 26.5%	Nov 2009	n/a
<b>3</b>	<b>Properties</b>			

<sup>4</sup> 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

<sup>5</sup> Site pollution eliminated – property rebuilt in recent years

Fair value in TCHF	Site area in m <sup>2</sup>	Register of polluted sites	Description of property <sup>9</sup>	Total rentable area in m <sup>2</sup>
22,200	5,305	no	res	4,702
46,400	3,537	no	res	8,701
31,330	10,542	yes	com	22,422
55,900	12,609	yes <sup>7</sup>	com	7,562
28,170	4,743	yes	res	8,357
35,500	2,602	no	com	7,477
24,390	16,656	no	2 res	8,967
83,610	7,431	no	res	10,104
<b>327,500</b>	<b>63,425</b>			<b>78,292</b>

Year renovated	Carrying amount in TCHF	Site area in m <sup>2</sup>	Register of polluted sites	Description of property <sup>9</sup>	Total rentable area in m <sup>2</sup>
	726	985	yes (insignificant)	own-use	399
1992 / 2011	3,713	3,343	yes <sup>4</sup>	com-share own-use	608
2007	614	850	yes <sup>4</sup>	com-share own-use	244
	11,745	2,125	no	com	2,049
	<b>16,797</b>	<b>7,303</b>			<b>3,300</b>

Fair value in TCHF	Site area in m <sup>2</sup>	Register of polluted sites	Description of property <sup>9</sup>	Total rentable area in m <sup>2</sup>
9,536	0	yes <sup>5</sup>	multiplex cinema	5,256
28,180	0	yes <sup>5</sup>	car park	0
2,516	0	yes <sup>7</sup>	car park	0
<b>40,232</b>				

<sup>7</sup> Site pollution suspected, measures required in new-build plans

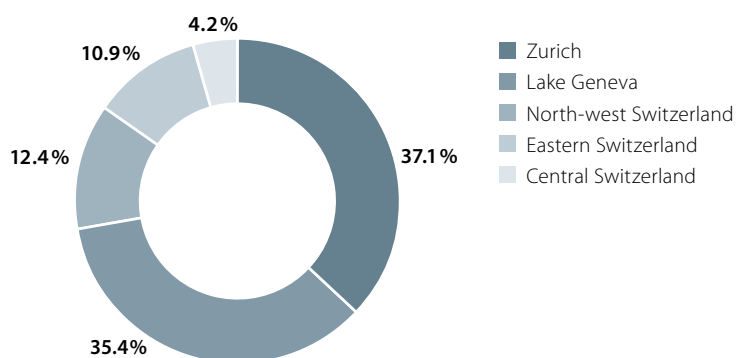
<sup>9</sup> Com = commercial; Res = residential

## PROPERTY DETAILS

### BREAKDOWN OF RESIDENTIAL AND COMMERCIAL INVESTMENT PROPERTIES AND COMMERCIAL DEVELOPMENT PROPERTIES BY ECONOMIC AREA

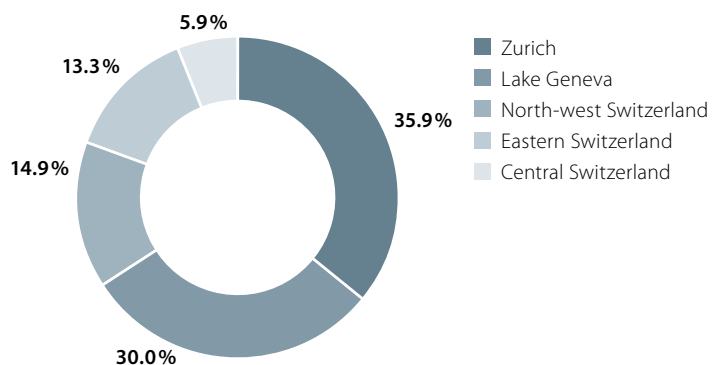
As at 31 December 2013, 103 investment properties were recognised in the balance sheet; of which

- 75 were commercial properties (prior year: 78)
- 20 were residential properties (prior year: 20)
- 8 were investment properties under construction (prior year: 8)

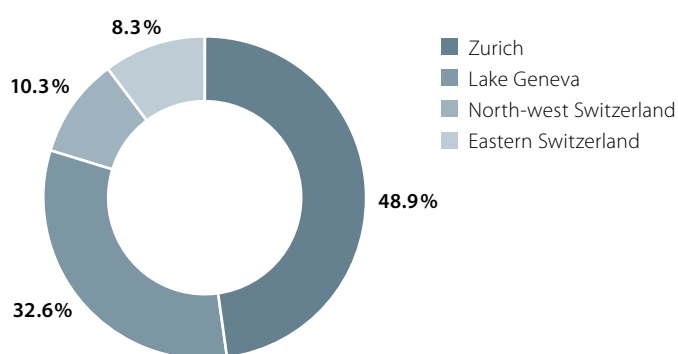


Charts: Breakdown of residential and commercial investment properties, commercial development properties and investment properties under construction by economic area

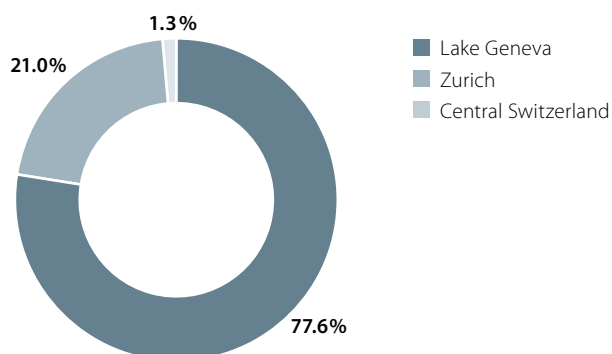
#### 61 commercial investment properties



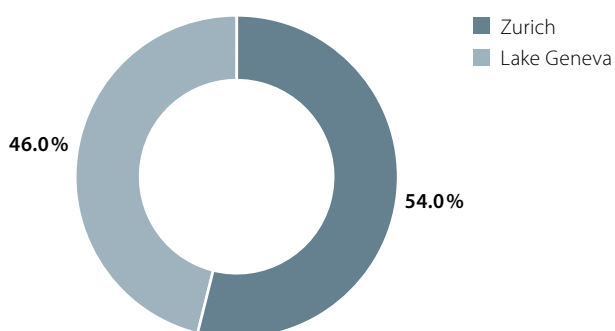
#### 20 residential investment properties



#### 14 commercial development properties



#### 8 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



### Report of the Statutory Auditor on the Consolidated Financial Statements

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 38 to 110), for the year ended 31 December 2013.

### 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 2013 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

**Kurt Stocker**

Licensed Audit Expert  
Auditor in Charge

**Reto Kaufmann**

Licensed Audit Expert

Lucerne, 6 February 2014



**Commission**

Wüest & Partner AG (Wüest & Partner) was commissioned by the Executive Board of Mobimo Holding AG (Mobimo) to perform a valuation, for accounting purposes, of the properties and property units held by Mobimo as at 31 December 2013 (reporting date). The valuation encompasses all investment properties (including development properties and investment properties under construction). Trading properties (development and sale of condominium ownership) are not part of the valuation.

**Valuation standards**

Wüest & Partner hereby confirms that the valuations were performed in accordance with national and international standards and guidelines, in particular with the International Valuation Standards (IVS and RICS/Red Book) and the Swiss Valuation Standards (SVS) as well as in accordance with the requirements of the SIX Swiss Exchange.

**Accounting standards**

The market values determined for the investment properties conform to the concept of fair value as defined in the International Financial Reporting Standards (IFRS) on the basis of revised IAS 40 (Investment Property) and IFRS 13 (Fair Value Measurement). Development properties intended for future use as investment properties and investment properties under construction are listed in Mobimo's balance sheet in accordance with IAS 40.

**Definition of fair value**

Fair value is the price that independent market operators would receive on the valuation date if an asset were sold under normal market conditions or the price that such operators would pay on the valuation date if a liability (debt) were transferred under normal market conditions (exit price).

**Transaction costs, gross fair value**

An exit price is the selling price postulated in the purchase contract upon which the parties have jointly agreed. Transaction costs, which normally consist of estate agents' commission, transaction taxes and land registry and notary fees, are not taken into account when determining fair value. This means that in line with paragraph 25 IFRS 13, fair value is not adjusted by the amount of the transaction costs incurred by the purchaser in the event of a sale (gross fair value). This is in line with Swiss valuation practice.

**Main market, active and most advantageous market**

Valuation at fair value assumes that the hypothetical transaction involving the asset to be valued takes place on the market with the largest volume and the most business activity (main market), and that the frequency and volume of transactions are adequate for there to be sufficient price information available for the market (active market). If no such market can be identified, it will be assumed that the asset is being sold on the main market, which would maximise the asset's selling price on disposal.

**Implementation of fair value  
Highest and best use**

Fair value is calculated on the basis of the best possible use of a property (highest and best use). The best possible use of a property is that which maximises its value. This assumption presupposes a use, which is technically and physically possible, legally permitted and financially realisable. As fair value is calculated on the basis of maximisation of use, the best possible use may differ from the actual or planned use. In the assessment of fair value, future investment spending for the purpose of improving a property or increasing its value will be taken into account accordingly.

**Materiality in relation to the highest and best use approach**

The use of the highest and best use approach is based on the principle of the materiality of the possible difference in value in terms of the ratio of the value of the specific property to the total real estate assets and in terms of the possible absolute difference in value. A property's potential added value within the usual estimating tolerance of a specific valuation is regarded as immaterial in this context and is therefore disregarded.

**Fair value hierarchy**

Fair value is determined according to the quality and reliability of the valuation parameters, in order of diminishing quality/reliability: Level 1 market price, Level 2 modified market price and Level 3 model-based valuation. At the same time, when a property is valued on the basis of fair value, different parameters may be applied to different hierarchies. In this context, the total valuation is classed according to the lowest level of the fair value hierarchy in which the material valuation parameters are found.

**Valuation level for property valuations**

The value of the properties of Mobimo is determined using a model-based valuation according to Level 3 on the basis of input parameters, which cannot be directly observed on the market. Here too, adjusted Level 2 input parameters are used (e.g. market rents, operating/maintenance costs, discounting/capitalisation rates, proceeds of sales of residential property). Non-observable input factors are only used where relevant observable input factors are not available.

**Valuation procedures**

The valuation procedures used are those that are appropriate under the given circumstances and for which sufficient data is available to determine fair value. At the same time, the use of relevant observable input factors is minimised, while the use of nonobservable input factors is minimized. In the case of the present valuation procedure, an income-based approach is applied, using discounted cash flow valuations, which are widespread in Switzerland.

### Significant input factors, influence on fair value

Market rents, vacancy levels and discount rates are defined as significant input factors. For properties that are valued based on sales in condominium ownership (according to the highest and best use approach) sales prices are defined as a significant input factor.

The above factors are influenced to a varying degree by market developments. If the input factors change, the property's fair value also changes. For each input factor, these changes are simulated on the basis of static sensitivity analyses. Owing to interdependence between the input factors, their effects on fair value may either offset or potentiate each other. For example, the effect of reduced market rents combined with higher vacancies and higher discount rates will have a cumulative negative impact on fair value. However, as the portfolio is diversified geographically and by properties, changes to input factors seldom exert a cumulative effect in the short term.

The economic environment may be regarded as the most important factor influencing the input factors. When negative economic sentiment exerts downward pressure on market rents, real estate vacancies usually increase. But at the same time, such market situations are usually associated with favourable (i.e. low) interest rates, which have a positive effect on discount rates. To an extent, therefore, changes to input factors offset each other. Ongoing measures to optimise the Mobimo portfolio (e.g. the conclusion or renewal of long-term rental contracts, investments in the fit-out of rental areas etc.) counter such short-term market shocks, which primarily impact on market rents and vacancy levels. As already mentioned, the individual, risk-adjusted discount rate for a property reflects the yield expectations of the respective investors/market actors; the property owner can exert only a limited influence.

### Valuation method

In valuing Mobimo's real estate holdings, Wüest & Partner applied the discounted cash flow (DCF) method, by which the market value of a property is determined as the total of all projected future (100 years) net earnings discounted to the valuation date. Net income is discounted separately for each property with due allowance for specific opportunities and threats, and adjustment in line with market conditions and risks.

### Basis of valuation

Wüest & Partner is familiar with all the properties, having carried out inspections and examined the documentation provided. The properties have been analysed in detail in terms of their quality and risk profiles (attractiveness and lettable of rented premises, construction type and condition, micro- and macro-location etc.). Currently vacant premises are valued with allowance made for a reasonable marketing period.

Wüest & Partner inspects the properties at least once every three years as well as following purchase and upon completion of larger refurbishment and investment projects.

Within the review period from 1 January 2013 to 31 December 2013, Wüest & Partner visited 35 properties belonging to Mobimo.

### Results

A total of 103 investment properties (including development properties and investment properties under construction) were valued as at 31 December 2013 by Wüest & Partner. The fair value of all 103 investment properties is estimated as at 31 December 2013 at 2,102,535,000 Swiss Francs.

### Changes during reporting period

Within the review period from 1 January 2013 to 31 December 2013, the properties «Wettingerwies 7/Zeltweg, Zurich», «Schiffände 6/Kruggasse 1, Zurich» and «Torfeld Süd, Baufeld 1, Aarau» were sold. The property «Rue des Côtes-de-Montbenon 11, Lausanne» was sold against an additional property unit of «Rue des Fontenailles 1, Lausanne» (exchange transaction). Within the review period the property «Avenue Edouard Dapples 9/13/15/15a, Lausanne» was purchased.

The property «Torfeld Süd, Baufeld 4, Aarau» was reclassified from development properties to trading properties and was therefore not valued as at 31 December 2013 by Wüest & Partner. The properties «Sternmatt 6, Schwermaterialhalle, Kriens», «Letzigraben 134/136, Zürich» and «Port-Franc 20 / Rue de Genève 33, Lausanne» were reclassified from investment properties to development properties. The properties «Althardstrasse 10, Regensdorf» and «Industriestrasse 28/Torfeldstrasse Parkhaus, Aarau» (formerly Baufeld 3) were reclassified from development properties to investment properties.

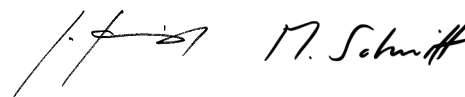
### Independence and confidentiality

Wüest & Partner performed the valuation of Mobimo's real estate holdings independently and neutrally in conformity with its business policies. It was carried out solely for those purposes specified above; Wüest & Partner shall accept no liability in respect of third parties.

### Valuation fee

The fee of the valuer's services is independent of the valuation results. The rate is based upon the numbers of the valuations performed and the lettable area of the property.

Wüest & Partner AG  
Zurich, 6 February 2014



Patrik Schmid  
Partner

Marcel Schmitt  
Manager

### Value growth

With regard to the significant input factors, the following ranges for the discount rates, achievable long-term market rents and structural vacancy rates were applied to the property valuations:

Segment Fair value hierarchy	Fair value (Swiss Francs, SF)	Input factors		Minimum	Weighted average	Maximum
<b>Commercial investment properties</b>	1,150,158,000	Discount rates (real)	Percent	3.80	4.59	5.40
Level 3		Achievable long-term market rents	SF/m <sup>2</sup> p.y.	109	225	1 199
DCF		Structural vacancy rates		2.0 %	4.1 %	11.0 %
<b>Residential investment properties</b>	410,747,000	Discount rates (real)	Percent	3.90	4.11	4.06
Level 3		Achievable long-term market rents	SF/m <sup>2</sup> p.y.	165	292	406
DCF		Structural vacancy rates		1.0 %	1.9 %	3.1 %
<b>Development properties</b>	214,130,300	Discount rates (real)	Percent	4.00	4.61	5.60
Level 3		Achievable long-term market rents	SF/m <sup>2</sup> p.y.	165	236	350
DCF		Structural vacancy rates		2.0 %	4.7 %	10.0 %
<b>Investment properties under construction</b>	327,500,000	Discount rates (real)	Percent	4.10	4.36	4.90
Level 3		Achievable long-term market rents	SF/m <sup>2</sup> p.y.	205	306	418
DCF		Structural vacancy rates		1.0 %	3.3 %	5.0 %

For properties that are valued based on sales in condominium ownership (according to the highest and best use approach), sales prices ranging between 6,900 and 11,600 Swiss francs per square metre were applied.

**The valuations were based on the following general assumptions:**

- The rent rolls from Mobimo used in the valuation are dated 31 December 2013.
- A one-phase DCF model was adopted. The valuation period extends for 100 years from the valuation date, with an implicit residual value in the 11th period.
- Discounting is based on a risk-adjusted interest rate. Rates are determined individually for each property on the basis of appropriate benchmarks derived from arm's-length transactions. They may be broken down as follows: risk-free interest rate + property risk (immobility of capital) + premium for macro-location + premium for micro-location depending on use + premium for property quality and income risk + any other specific premiums. Real discount rates range between 3.80% and 5.60% depending on the property, use and location (see table above).
- Unless otherwise stated, the valuations assume 1.0% annual inflation for income and all expenditure. Where a nominal discount rate is applied, this is adjusted accordingly.
- Credit risks posed by specific tenants are not explicitly factored into the valuation.
- Specific indexation of existing rental agreements is accounted for on an individual basis. After expiry of the contracts, an indexation factor of 80% (Swiss average) and an average contract term of 5 years are assumed.
- For existing tenancies, the timing of individual payments is assumed to comply with the terms of the lease. Following lease expiry, cash flows for commercial premises are taken to be quarterly in advance, for housing monthly in advance.
- In terms of running costs, entirely separate service charge accounts are assumed, with no tenancy-related ancillary costs to be borne by the owner.
- The maintenance (repair and upkeep) costs were calculated using a building analysis tool. This tool is used to estimate the remaining lifespan of individual components based on their present condition, to model periodic refurbishments and to calculate the associated annuity. The calculated values are plausibility tested using cost benchmarks derived from Wüest & Partner surveys.

**The following, additional assumptions were applied to the valuations of the development properties and the investment properties under construction:**

- The background data provided by Mobimo has been verified and, where appropriate, adjusted (e.g. plot ratio, lettable areas, deadlines/development process, letting/absorption).
- The valuations undergo independent earnings and cost assessment and yield analysis.
- It is assumed that construction cost certainty has been achieved through the agreement of general contracts and design-and-build contracts.
- Allowance is made in the construction costs for enabling works where these are known (e.g. remediation of contaminated sites, demolitions, infrastructure).
- The construction costs include the usual incidental costs, excl. construction financing. This is implicit in the DCF model.
- Allowance is made for value-relevant services previously provided by third parties or Mobimo, insofar as these are known.
- The posted construction costs of development properties and investment properties under construction are generally calculated inclusive of value-added tax (mainly residential use).
- The Mobimo strategy regarding project development/promotion (e.g. sale vs. renting), where deemed plausible by Wüest & Partner, is adopted in the valuation.
- The valuations contain no latent taxes.

**Mobimo EPRA key performance measures**

The Mobimo Group reports its key performance metrics in accordance with the Best Practices Recommendations of the EPRA Reporting and Accounting Committee. The EPRA Best Practices Recommendations for cost ratios are also being applied for the first time. The European Public Real Estate Association is an association of leading European property companies and is a partner of the FTSE EPRA/NAREIT index family, which added the Mobimo Holding AG share as one of its components on 20 June 2011. The figures published elsewhere by Mobimo on NAV, net initial yield and vacancy rates may deviate from the EPRA figures set out below, as Mobimo does not, for example, include the market value of trading properties, which are accounted for at cost, and bases its calculations on effective rents. However, when calculating earnings per share, Mobimo does take account of gains on the sale of trading and investment properties.

A EPRA earnings & EPRA earnings per share	2013	Restated 2012
<b>Earnings as per IFRS income statement</b>	<b>81,580</b>	<b>75,894</b>
(i) Changes in value of investment properties, development properties held for investment and other interests	-25,212	-36,889
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	-7,117	66
(iii) Profit on sale of trading properties and services adjusted	-18,008	-9,696
(iv) Tax on profits or losses on disposals	6,968	2,886
(v) Negative goodwill/goodwill impairment	n/a	n/a
(vi) Changes in fair value of financial instruments and associated close-out costs	-3,886	135
(vii) Acquisition costs on share deals and non-controlling joint venture interests	n/a	n/a
(viii) Deferred tax in respect of EPRA adjustments	7,274	9,189
(ix) Adjustments to positions (i) to (viii) in respect of joint ventures	0	-614
(x) Minority interests in respect of the above	38	-32
<b>EPRA earnings</b>	<b>41,637</b>	<b>40,939</b>
Average number of shares outstanding	6,208,848	6,191,784
EPRA earnings per share	6.71	6.61

B EPRA Net Asset Value	2013	Restated 31.12.2012
<b>NAV as per consolidated financial statements</b>	<b>1,237,577</b>	<b>1,195,652</b>
Effect of exercise of options, convertibles and other equity instruments	167,851	166,219
<b>Diluted NAV after the exercise of options, convertibles and other equity instruments</b>	<b>1,405,429</b>	<b>1,361,871</b>
<b>Include</b>		
(i.a) Revaluation of investment properties (if IAS 40 cost model is used)	n/a	n/a
(i.b) Revaluation of investment property under construction (IPUC) (if IAS 40 cost model is used)	n/a	n/a
(i.c) Revaluation of other non-current investments (owner-occupied properties)	9,818	9,560
(ii) Revaluation of tenant leases held as finance leases	n/a	n/a
(iii) Revaluation of trading properties	20,119	37,069
<b>Exclude</b>		
(iv) Fair value of financial instruments	9,340	26,825
(v.a) Deferred tax	126,065	117,342
(v.b) Goodwill as a result of deferred tax	n/a	n/a
Adjustments to (i) to (v) in respect of joint ventures	3,785	3,690
<b>EPRA NAV</b>	<b>1,571,090</b>	<b>1,556,357</b>
Diluted No. of shares outstanding	7,026,940	7,020,344
<b>EPRA NAV per share</b>	<b>223.58</b>	<b>221.69</b>



C Triple Net Asset Value (NNNAV)	2013	Restated 31.12.2012
<b>EPRA NAV</b>	<b>1,571,090</b>	<b>1,556,357</b>
(i) Fair value of derivative financial instruments	-5,874	-26,825
(ii) Fair value of financial liabilities	-33,511	-122,350
(iii) Deferred tax	-126,065	-90,424
<b>EPRA NNNAV</b>	<b>1,405,640</b>	<b>1,316,757</b>
Diluted No. of shares outstanding	7,026,940	7,020,344
<b>EPRA NNNAV per share</b>	<b>200.04</b>	<b>187.56</b>
<b>D EPRA net initial yield</b>	<b>2013</b>	<b>31.12.2012</b>
Investment properties – wholly owned	2,102,535	1,991,918
Investment properties – share of joint ventures/funds	37,716	37,915
Trading property	252,553	346,467
Less developments	-596,516	-593,904
<b>Completed property portfolio</b>	<b>1,796,288</b>	<b>1,782,396</b>
Allowance for estimated purchasers' costs	0	0
<b>Gross up completed property portfolio valuation</b>	<b>1,796,288</b>	<b>1,782,396</b>
Annualised cash passing rental income	93,900	97,233
Direct cost of investment properties	-13,481	-11,220
<b>Annualised net rents</b>	<b>80,419</b>	<b>86,014</b>
Add: additional notional rent expiration of rent free periods or other lease incentives	0	0
<b>Topped-up net annualised rent</b>	<b>80,419</b>	<b>86,014</b>
<b>EPRA net initial yield</b>	<b>4.5 %</b>	<b>4.8 %</b>
<b>EPRA "topped-up" net initial yield</b>	<b>4.5 %</b>	<b>4.8 %</b>
<b>E EPRA vacancy rate</b>	<b>2013</b>	<b>2012</b>
Estimated rental income potential from vacant space	3,476	3,388
Estimated rental income from overall portfolio	88,438	88,607
<b>EPRA vacancy rate</b>	<b>3.9 %</b>	<b>3.8 %</b>

F EPRA cost ratios	2013	2012
<b>EPRA costs</b>		
Administrative/operating expense line per IFRS income statement	12,133	9,920
Net service charge costs/fees	5,554	5,130
Management fees less actual/estimated profit element	1,712	1,511
<b>EPRA costs (including direct vacancy costs)</b>	<b>19,399</b>	<b>16,561</b>
Direct vacancy costs	1,002	585
<b>EPRA costs (excluding direct vacancy costs)</b>	<b>18,397</b>	<b>15,976</b>
<b>EPRA rental income</b>		
Gross rental income less ground rent costs	83,765	82,591
<b>Gross rental income</b>	<b>83,765</b>	<b>82,591</b>
<b>EPRA cost ratio (including direct vacancy costs)</b>	<b>23.2 %</b>	<b>20.1 %</b>
<b>EPRA cost ratio (excluding direct vacancy costs)</b>	<b>22.0 %</b>	<b>19.3 %</b>

## ANNUAL FINANCIAL STATEMENTS OF MOBIMO HOLDING AG

## BALANCE SHEET AS AT 31 DECEMBER

All amounts in TCHF	2013	2012
<b>Assets</b>		
<b>Current assets</b>		
Cash	70,784	12,229
Trade receivables – Group	10,194	10,398
Other receivables – Group	816	200
Other receivables – third parties	59	1,409
Accrued income and prepaid expenses – Group	0	13,892
Accrued income and prepaid expenses – third parties	122	61
Treasury shares	400	1,910
<b>Total current assets</b>	<b>82,375</b>	<b>40,098</b>
<b>Non-current assets</b>		
Financial assets		
– Participations	311,285	310,885
– Loans – Group	662,199	567,798
<b>Total non-current assets</b>	<b>973,484</b>	<b>878,683</b>
<b>Total assets</b>	<b>1,055,859</b>	<b>918,781</b>

All amounts in TCHF	2013	2012
<b>Equity and liabilities</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Payables – Group	209	1,519
Payables – related parties	102	250
Payables – third parties	3,717	2,976
Accrued expenses and deferred income – third parties	3,331	2,266
Convertible bond	168,655	0
<b>Total current liabilities</b>	<b>176,014</b>	<b>7,011</b>
<b>Non-current liabilities</b>		
Convertible bond	0	168,655
Bond	165,000	0
<b>Total non-current liabilities</b>	<b>165,000</b>	<b>168,655</b>
<b>Total liabilities</b>	<b>341,014</b>	<b>175,666</b>
<b>Equity</b>		
Share capital	180,220	180,058
Statutory reserves		
– General reserves	44,745	42,144
– Capital contribution reserve	269,933	325,901
– Reserve for treasury shares	400	1,910
Retained earnings		
– Balance brought forward	193,102	149,753
– Profit for the year	26,446	43,349
<b>Total equity</b>	<b>714,845</b>	<b>743,115</b>
<b>Total equity and liabilities</b>	<b>1,055,859</b>	<b>918,781</b>

## INCOME STATEMENT

All amounts in TCHF	2013	2012
Income from cost charges – Group	2,084	1,951
Income from participations – Group	15,915	31,546
Financial income – Group	17,877	17,648
Financial income – third parties	7	85
<b>Total income</b>	<b>35,883</b>	<b>51,229</b>
Personnel expenses	–1,620	–1,620
Administrative expenses – related parties	0	–3
Administrative expenses – third parties	–2,668	–1,407
Interest expense for bonds	–4,003	–3,537
Other financial expense – third parties	–116	–79
Tax expense	–1,030	–1,234
<b>Total expenses</b>	<b>–9,437</b>	<b>–7,880</b>
<b>Profit for the year</b>	<b>26,446</b>	<b>43,349</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 1. Equity

The Annual General Meeting of 9 April 2013 approved a distribution from capital contribution reserves of CHF 9 per share for the 2012 financial year, which was paid out on 16 April. The nominal value of Mobimo shares remains at CHF 29. The share capital rose by CHF 0.2 million (prior year: CHF 0.2 million) due to the exercise of options, while general reserves increased by CHF 1.0 million (prior year: CHF 1.5 million). In the previous year, share capital rose by CHF 0.9 million due to the issue of shares created through the exercise of conversion rights in connection with the convertible bond, while capital contribution reserves increased by CHF 5.5 million due to the premium relating to the exercise of conversion rights in connection with the convertible bond. There were no conversions in the year under review.

As at 31 December 2013, share capital amounted to CHF 180.2 million, composed of 6,214,478 registered shares with a nominal value of CHF 29 each. All outstanding shares are entitled to dividends and confer the right to one vote per share at the company's general meetings.

### 2. Participations

Name	Registered office	Purpose	Share capital in TCHF	Equity interest in %
Mobimo AG	Küsnacht	Real estate company	72,000	100.0
Mobimo Management AG	Küsnacht	Real estate company	100	100.0
LO Holding Lausanne-Ouchy SA <sup>1</sup>	Lausanne	Real estate group	12,000	100.0 <sup>2</sup>
JJM Participations SA	Lausanne	Holding company	6,001	100.0
Immobilien Invest Holding AG <sup>1</sup>	Glarus	Real estate group	150	75.33

### 3. Conditional capital

Conditional share capital of a maximum of CHF 34.1 million is available for up to 1,177,326 fully paid-up registered shares with a nominal value of CHF 29 each (with shareholders' pre-emptive rights excluded), of which

- up to CHF 0.1 million is designated for the exercise of option rights granted to members of the Board of Directors, employees of Group companies and related parties.
- 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.
- up to CHF 33.1 million is designated for the exercise of conversion and/or option rights relating to convertible bonds, bonds with warrants, similar bonds or other financial market instruments of the company or granted by Group companies.

In 2013, 5,565 option rights were exercised.

### 4. Authorised capital

As at 31 December 2013, authorised share capital was available, allowing the Board of Directors to increase the share capital of the company by a maximum of CHF 33.1 million by April 2015 via the issue of up to 1,141,150 registered shares, to be fully paid up, with a nominal value of CHF 29 per share.

At CHF 33.1 million, conditional and authorised capital are linked together insofar that upon using this authorised capital, conditional capital will no longer be available in the same amount to the Board of Directors. The same applies in the reverse scenario; if this conditional capital is used, the same amount of the authorised capital will no longer be available. The amount of the authorised capital share of CHF 33.1 million, the amount by which the Board of Directors is authorised to increase share capital by as at 31 December 2013, is thus reduced by the units of the convertible bond still outstanding totalling CHF 23.5 million (conditional capital).

### 5. Treasury shares

As at 31 December 2013, the company held 2,148 treasury shares. Over the course of the financial year, 6,596 shares were issued as part of remuneration for the Board of Directors and management from the initial holding of 8,744 shares as at 1 January.

<sup>1</sup> Subholding; see Note 40 to the consolidated financial statements for an overview of all Group companies

<sup>2</sup> 64.3% of this holding is held directly, and 35.7% via JJM Participations SA



## 6. Significant shareholders

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

31 December	2013	2012
Pensionskasse des Kantons Zug	3.38 %	3.38 %
BlackRock, Inc.	3.01 %	3.07 %

## 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 663 of the Swiss Code of Obligations).

Name, function	Fees, salary	Shares	Profit-sharing		Social security contributions	Payments for additional services	Total 2013	Total 2012
			in cash	in shares				
<b>BoD</b>	<b>1,128</b>	<b>309</b>	<b>0</b>	<b>0</b>	<b>58</b>	<b>0</b>	<b>1,495</b>	<b>1,428</b>
Georges Theiler, Chairman BoD <sup>1</sup>	232	0	0	0	17	0	249	181
Urs Ledermann, BoD <sup>2</sup>	438	0	0	0	0	0	438	480
Brian Fischer, BoD	28	112	0	0	10	0	150	137
Wilhelm Hansen, BoD	18	112	0	0	9	0	139	129
Peter Schaub, BoD <sup>3</sup>	150	0	0	0	0	0	150	150
Daniel Crausaz, BoD	45	85	0	0	9	0	139	129
Bernard Guillelmon, BoD <sup>4</sup>	70	0	0	0	4	0	74	74
Paul Rambert, BoD <sup>5</sup>	147	0	0	0	9	0	156	148
<b>Executive Board</b>	<b>2,213</b>	<b>0</b>	<b>688</b>	<b>841</b>	<b>549</b>	<b>0</b>	<b>4,291</b>	<b>4,039</b>
Christoph Caviezel, CEO	743	0	246	300	193	0	1,481	1,395

Amounts equal the expense recognised in the consolidated annual financial statements of the reporting year (accrual accounting), with the exception of share-based remuneration, which is disclosed at taxable value. Share-based compensation for the Executive Board was based on the assumption that a ratio of 55% as stipulated in the compensation regulations applies.

Function changes:

<sup>1</sup> Chairman since 11 September 2013; Chairman of the Real Estate Committee and the Nomination & Compensation Committee until 1 October 2013

<sup>2</sup> Chairman until 11 September 2013; Fee invoiced via Ledermann Immobilien AG and also includes administrative services provided

<sup>3</sup> Member of the Nomination & Compensation Committee since 1 October 2013

<sup>4</sup> Chairman of the Nomination & Compensation Committee since 1 October 2013

<sup>5</sup> Chairman of the Real Estate Committee since 1 October 2013

As at 31 December 2013, 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).

Name, function	No. of shares		No. Of options	Total 2013	Total 2012
	issued	approved			
<b>BoD</b>	<b>58,397</b>	<b>0</b>	<b>974</b>	<b>59,371</b>	<b>57,845</b>
Georges Theiler, Chairman BoD <sup>1</sup>	5,111	0	239	5,350	5,350
Urs Ledermann, BoD <sup>2</sup>	34,183	0	89	34,272	34,739
Brian Fischer, BoD	2,200	0	201	2,401	1,541
Wilhelm Hansen, BoD	3,893	0	89	3,982	3,267
Peter Schaub, BoD <sup>3</sup>	712	0	89	801	921
Daniel Crausaz, BoD	2,244	0	89	2,333	1,795
Bernard Guillelmon, BoD <sup>4</sup>	5,622	0	89	5,711	5,711
Paul Rambert, BoD <sup>5</sup>	4,432	0	89	4,521	4,521
<b>Executive Board</b>	<b>23,298</b>	<b>6,007</b>	<b>1,783</b>	<b>31,088</b>	<b>24,001</b>
Christoph Caviezel, CEO	9,641	2,146	1,065	12,852	9,623
Manuel Itten, CFO	5,440	1,287	191	6,918	5,454
Peter Grossenbacher, Head of Portfolio Management	5,097	858	275	6,230	5,446
Andreas Hämmerli, Head of Development	2,520	858	252	3,630	2,831
Thomas Stauber, Head of Third-Party Investments	600	858	0	1,458	647

## 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%. In 2012, bonds with a nominal value of CHF 6.3 million – 3.63% of the issue volume – were converted.

## 9. Bond

A CHF 165 million bond maturing on 29 October 2018 was issued on 29 October 2013. The coupon is 1.5%.

## 10. 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 in which the Audit & Risk Committee is active are:

- Budgeting, preparation of 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 Audit & Risk Committee 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 likelihood, financial impact and damage to reputation and image. Where necessary, further measures are defined for the ongoing management of the assessed risks.

## 11. Joint and several guarantees and undertakings

Mobimo Holding AG forms a VAT group together with Mobimo AG, Mobimo Management AG, O4Real AG, JJM Participations SA, LO Holding Lausanne-Ouchy SA, LO Immeubles SA, Immobilien Invest Holding AG and Petit Mont-Riond SA. It is jointly and severally liable for the liabilities arising therefrom.

As part of an external financing arrangement with a bank, Mobimo Holding AG provided a joint and several guarantee of CHF 20 million for a Group company. As part of another external financing arrangement, Mobimo Holding AG gave an undertaking in a letter of comfort to ensure that Mobimo AG maintains minimum equity of CHF 100 million. Moreover, Mobimo Holding AG provides joint and several guarantees to Group companies in certain construction projects for payments to contractors arising from service contracts. In addition, Mobimo Holding AG agreed to provide funds for Mobimo AG to submit bids for properties.

Function changes:

<sup>1</sup> Chairman since 11 September 2013; Chairman of the Real Estate Committee and the Nomination & Compensation Committee until 1 October 2013

<sup>2</sup> Chairman until 11 September 2013; Fee invoiced via Ledermann Immobilien AG and also includes administrative services provided

<sup>3</sup> Member of the Nomination & Compensation Committee since 1 October 2013

<sup>4</sup> Chairman of the Nomination & Compensation Committee since 1 October 2013

<sup>5</sup> Chairman of the Real Estate Committee since 1 October 2013

## PROPOSED APPROPRIATION OF PROFIT

in TCHF	2013	2012
Balance brought forward	193,102	149,753
Profit for the year	26,446	43,349
Reversal of capital contribution reserves	59,051	55,886
<b>Total available to the General Meeting</b>	<b>278,599</b>	<b>248,988</b>
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	59,051	55,886
Brought forward to new account	219,548	193,102
<b>Total appropriation of profit proposed</b>	<b>278,599</b>	<b>248,988</b>
Total distribution	59,051	55,886
./. Less share from capital contribution reserves	-59,051	-55,886

The Board of Directors will propose to the General Meeting to pay a dividend of CHF 9.50 per share from capital contribution reserves.

The final figure for the reversal/distribution of capital contribution reserves depends on the number of options exercised and the consequent number of shares with dividend entitlement issued by the date of the dividend payment. If not all exercisable options are exercised by this date, the reversal or distribution from capital contribution reserves will be correspondingly lower.

If convertible bonds are converted to shares before the date of the dividend payment, this may increase the number of shares eligible for a dividend and therefore the amount of the dividend payment too. This has not been taken into account in the proposed profit distribution.

Shares that at the time of the dividend resolution by the General Meeting were held as treasury shares are not eligible for the dividend payment.



### Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the financial statements of Mobimo Holding AG, which comprise the balance sheet, income statement and notes (pages 120 to 126), for the year ended 31 December 2013.

### 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 judgement, 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 2013 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 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

**Kurt Stocker**  
Licensed  
Audit Expert,  
Auditor in Charge

**Reto Kaufmann**  
Licensed  
Audit Expert

Lucerne, 6 February 2014

## I. Overview

### Share information

Ratios in CHF as at 31 December	2013	2012	2011	2010	2009
Share capital (in TCHF)	180,220	180,058	178,933	148,804	192,035
No. of registered shares issued	6,214,478	6,208,913	6,170,098	5,131,170	5,053,552
Nominal value per registered share (in CHF)	29	29	29	29	38
Of which treasury shares	2,148	8,744	1,747	1,071	4,373
No. of registered shares outstanding	6,212,330	6,200,169	6,168,351	5,130,099	5,049,179

### Share data

Ratios in CHF as at 31 December	2013	2012	2011	2010	2009
Earnings per share	13.14	12.30	15.46	13.01	14.09
Earnings per share not including revaluation	10.09	7.83	9.53	8.70	12.51
NAV per share, after options and convertible bond	200.01	193.99	191.41	190.45	180.29
Gross dividend <sup>1</sup>	9.50	9.00	9.00	9.00	9.00
Dividend yield (distribution yield)	5.1 %	4.1 %	4.3 %	4.5 %	5.1 %
Payout ratio <sup>2</sup>	72 %	73 %	58 %	69 %	64 %

### Share price

Stock market price in CHF per share	2013	2012	2011	2010	2009
High	221.10	228.00	223.54	200.31	175.09
Low	182.80	202.60	187.16	172.82	120.42
Year-end price	186.10	218.90	208.00	197.44	174.11
Average no. of shares traded per day	11,132	9,309	10,878	6,857	6,259
Market capitalisation at year-end (in CHF million)	1,156.5	1,359.1	1,283.4	1,024.7	889.9

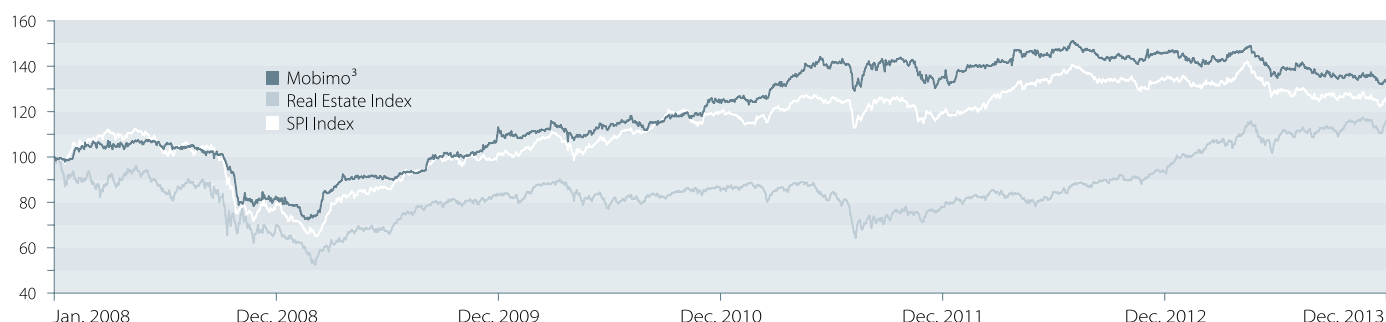
Source: SIX Swiss Exchange

The registered shares of Mobimo Holding AG are traded on the SIX Swiss Exchange in Zurich and are listed in accordance with the Standard for Real Estate Companies. Code: MOBN/Swiss security no.: 111088/ISIN code: CH0011108872/Bloomberg: MOBN SW Equity/Reuters: MOBN.S

The latest stock market data can be found at [www.mobimo.ch](http://www.mobimo.ch)

## II. Share price performance

Relative share price performance of Mobimo compared to the SPI and Real Estate Index between 1 January 2008 and 31 December 2013.



Source: SIX Swiss Exchange and Bloomberg

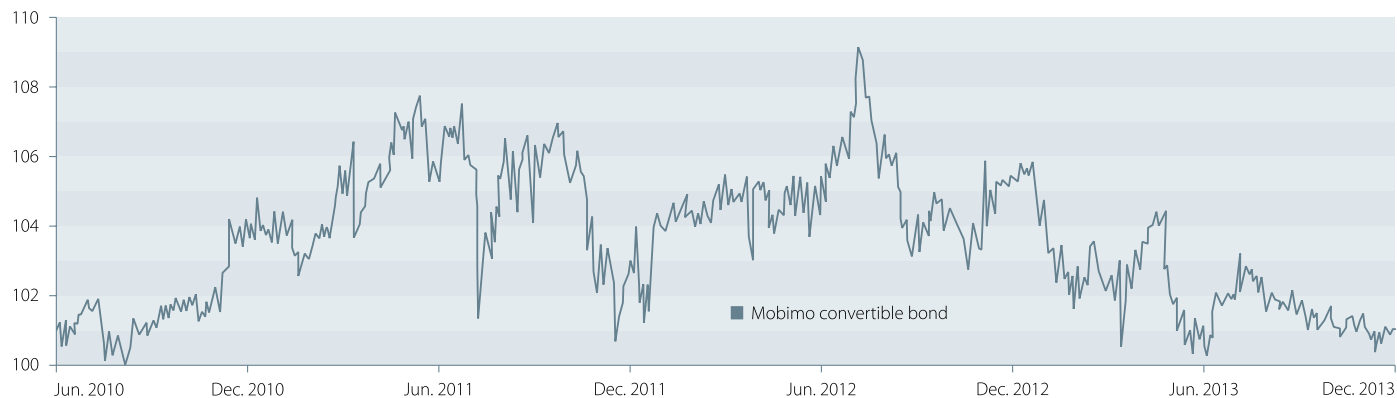
Taking account of the dividend distribution of CHF 9, our share price had decreased by 10.9% to CHF 186.10 at the end of the year. The share price was thus 7% lower than the diluted NAV (Net Asset Value) of CHF 200.01. The liquidity of the Mobimo share and the trading volume were positive. An average of 11,132 (prior year: 9,309) shares were traded each day, generating an average daily revenue of around CHF 2.2 million (prior year: CHF 2.0 million). The Mobimo share generated total revenues of CHF 558 million (prior year: CHF 510 million) on the SIX Swiss Exchange in 2013.

<sup>1</sup> Distribution of paid-in capital for 2013 financial year of CHF 9.50 per share in accordance with the proposal to General Meeting of 25 March 2014

<sup>2</sup> Payout ratio: distribution ÷ earnings per share (distribution paid out for 2013 in accordance with the proposal of the Board of Directors)

<sup>3</sup> incl. dividend

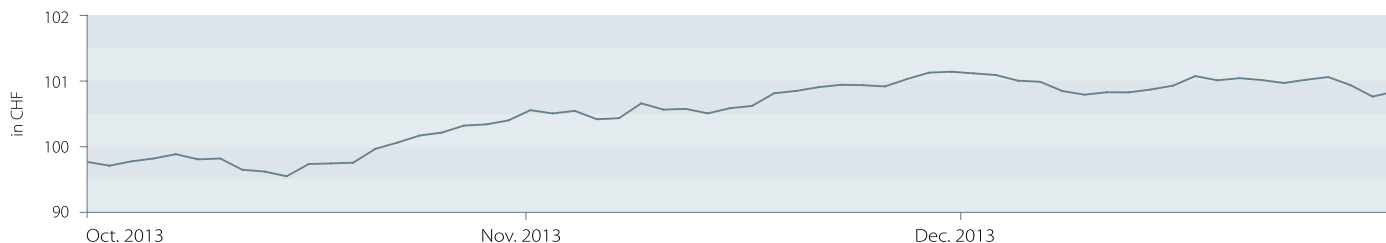
### III. Convertible bond



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 207.99 (original conversion price before the capital increase on 6 December 2011: CHF 210.37). Published credit ratings for Mobimo: UBS: BBB stable; ZKB: BBB+.

The convertible bond of Mobimo Holding AG is traded on the SIX Swiss Exchange in Zurich and is listed in accordance with the Standard for Bonds. Code: MOB10/Swiss security no.: 11299133/ISIN code: CH0112991333/Bloomberg: MOBN SW/Reuters: 5679F3.

### IV. Bond



In October 2013, Mobimo successfully issued a CHF 165-million fixed-rate bond with a coupon of 1.5% and a five-year term.

The bond of Mobimo Holding AG is traded on the SIX Swiss Exchange in Zurich and is listed in accordance with the Standard for Bonds. Code: MOB13/Swiss security no.: 224923497/ISIN code: CH0224923497/Bloomberg: MOBN SW/Reuters: 785VD6.

### 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 at [www.mobimo.ch](http://www.mobimo.ch). The information is updated on an ongoing basis. From 2014, shareholders have the option to receive their documents for the General Meeting electronically via the "Sherpany" online shareholder platform and issue proxies and instructions online.

To protect the environment, print versions of Mobimo Holding AG's annual and half-year reports are only sent out by post upon request. A summary report on the 2013 financial year is to be sent to shareholders.

### VI. Contact addresses and calendar

Mobimo Holding AG  
Christoph Caviezel, CEO  
Manuel Itten, CFO  
Tel. +41 44 397 11 59  
[ir@mobimo.ch](mailto:ir@mobimo.ch)

### Share register

Tel. +41 44 809 58 58  
[info@sharecomm.ch](mailto:info@sharecomm.ch)

### Annual General Meeting 2014

25 March 2014, KKL Lucerne

### Financial reporting for the first half of 2014

07 August 2014









## CORPORATE GOVERNANCE

Investment property  
Commercial properties  
Lausanne-Flon



A project of **MOBIMO**  
& art

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](http://www.mobimo.ch) in the "Corporate Governance" section under "Investor Relations".

## 1 GROUP STRUCTURE AND SHAREHOLDERS

### 1.1 Group structure

The majority ownership interests in unlisted companies are shown below:

Company	Domicile	Share capital in TCHF	Ownership interest in %
Mobimo Management AG	Küsnacht	100	100.00
Mobimo AG	Küsnacht	72,000	100.00
LO Holding Lausanne-Ouchy SA	Lausanne	12,000	100.00
JJM Participations SA	Lausanne	6,001	100.00
LO Immeubles SA	Lausanne	2,000	100.00
O4Real AG	Lausanne	1,000	100.00
Immobilien Invest Holding AG	Glarus	150	75.33
Petit Mont-Riond SA	Lausanne	50	75.33

Mobimo AG, LO Immeubles SA, O4Real AG and Petit Mont-Riond SA are real estate companies that manage real estate, buy and sell real estate, construct new buildings for their own or third-party portfolios, conduct or arrange renovations 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 construction sites and manage the services furnished by external providers.

Mobimo Management AG performs general services for the other Group companies.

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

Immobilien Invest Holding AG owns 100 % of the shares in Petit Mont-Riond SA.

The Group's operational structure is divided into two divisions: Portfolio Management and Development (see also the Notes to the consolidated financial statements, Note 3 Segment reporting.)

As part of its portfolio strategy, Portfolio Management focuses on the long-term holding and management of the commercial and residential properties in Mobimo's own portfolio.

Development is responsible for planning and realising commercial and residential properties for Mobimo's own portfolio or third parties. It also manages the first-time letting of completed commercial and residential properties and the sale of condominiums.

## 1.2 Significant shareholders

The following shareholders held a significant proportion of the shares and options in Mobimo Holding AG as at 31 December 2013:

Pensionskasse des Kantons Zug	3.38 %
BlackRock, Inc.	3.01 %

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:

- BlackRock, Inc. reported on 20 September 2013 that the group had fallen below the 3 % threshold (2.98 %), with a holding of 185,034 registered shares and 4 voting rights from CFDs (contracts for differences) or a total of 185,038 voting rights.
- BlackRock, Inc. reported on 10 October 2013 that the group had exceeded the 3 % threshold (3.00 %), with a holding of 186,292 registered shares and 155 voting rights from CFDs (contracts for differences) or a total of 186,447 voting rights.
- BlackRock, Inc. reported on 11 October 2013 that the group had exceeded the 3 % threshold (3.01 %), with a holding of 186,569 registered shares and 185 voting rights from CFDs (contracts for differences) or a total of 186,754 voting rights.

Of the total of 6,214,478 shares issued, some 73 % (4,555,482 shares) were also effectively recorded in the share register as at 31 December 2013. The proportion of shares pending registration of transfer is around 27 %. Of the registered shares, around 86 % are owned by Swiss investors, while some 75 % of these are held by legal entities.

In terms of the overall registered equity holding, pension funds and foundations hold a share of approximately 30 %.

## 1.3 Cross-shareholdings

There are no cross-shareholdings.

## 2 CAPITAL STRUCTURE

### 2.1 Capital

The following events had an impact on capital in 2013:

- a) Distribution of CHF 9.00 per share from capital contribution reserves
- b) Capital increases via the exercise of outstanding option rights at a nominal value of CHF 29.00 per share as follows:  
 CHF 84,767 in January via the issue of 2,923 new shares  
 CHF 37,642 in February via the issue of 1,298 new shares  
 CHF 14,906 in March via the issue of 514 new shares  
 CHF 24,070 in April via the issue of 830 new shares

Capital as at December 31 December 2013	Total (TCHF)	Number of registered shares	Nominal value per share (CHF)
Share capital	180,220	6,214,478	29.00
Authorised capital	max. 33,093	1,141,150	29.00
Conditional capital	max. 34,142	1,177,326	29.00

Further information on changes in capital can be found in Note 31 to the consolidated annual financial statements.

### 2.2 Authorised and conditional capital

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 1,141,150 fully paid-up registered shares within a period of no more than two years. 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 best interests 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 excluded; the shares issued can be used only as payment for the acquisition or financing of the acquisition of property or as payment 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). At the current conversion price, a maximum of 841,386 registered shares will be created from conditional capital in connection with the convertible bond.

Pursuant to Article 3b of the Articles of Association, conditional capital may be increased through the issue of up to 1,178,156 fully paid-up registered shares, subject to the exclusion of subscription rights. Use thereof is restricted as follows: a) up to 4,560 fully paid-up registered shares can be issued through the exercise of option rights that 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 can be issued through the exercise of option rights in connection with subscription rights for employees created after 5 May 2010; and c) up to 1,141,150 fully paid-up registered shares can be created through the exercise of conversion rights in connection with the convertible bond issued by the company (see Note 25). 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.

After the last registration of shares issued from conditional share capital in the Commercial Register on 15 April 2013, a further 830 registered shares were created through the exercise of option rights. As a result, as at the reporting date there remained 3,730 options to create registered shares from conditional capital in accordance with Article 3b (a) of the Articles of Association. The option plan effective up to 31 December 2009 is described in Note 35 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. 2009	192,035	5,053,552	38.00
Share capital as at 31. 12. 2010	148,804	5,131,170	29.00
Share capital as at 31. 12. 2011	178,933	6,170,098	29.00
Share capital as at 31. 12. 2012	180,058	6,208,913	29.00
Share capital as at 31. 12. 2013	180,220	6,214,478	29.00
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
Authorised capital as at 31. 12. 2011	33,978	1,171,650	29.00
Authorised capital as at 31. 12. 2012	33,093	1,141,150	29.00
Authorised capital as at 31. 12. 2013	33,093	1,141,150	29.00
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
Conditional capital as at 31. 12. 2011	36,252	1,250,056	29.00
Conditional capital as at 31. 12. 2012	34,304	1,182,891	29.00
Conditional capital as at 31. 12. 2013	34,142	1,177,326	29.00

Further information on changes in capital can be found in Note 31 to the consolidated annual financial statements.



## 2.4 Shares and participation certificates

Share capital stood at CHF 180,219,862 as at 31 December 2013 and comprised 6,214,478 fully paid-up registered shares with a nominal value of CHF 29.00, 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 dividend-right 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 shareholder may – according to the information available – 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 amendments of 30 April 1997, and the Federal Council decision on measures against improper use of federal double taxation agreements of 14 December 1962.
2. 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 for the purposes of 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 to 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 of restricted persons without voting rights, as long as the threshold of one-third of all shareholders is not exceeded and provided there is no other risk, such as tighter practices on the part of the licensing authority, 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 2013, 9.4 % of the shares were 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 that is entered in the Commercial Register as shares with voting rights for one and the same purchaser; and c) the nominee must conclude an agreement with the company that precisely defines the applicable rights and obligations. Nominee registrations may not in total exceed 10 % of the shares entered in the Commercial Register. Once this 10 % threshold is reached, the company may not register any further nominees. As at the reporting date nominee registrations accounted for 5.4 % of registered shares. The restrictions mentioned above also apply (5 % clause and maximum proportion 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 (and none have been granted) or the revocation of restrictions on transferability. As a result, the provisions of the Swiss Code of Obligations apply.

## 2.7 Convertible bond and options

### Convertible bond

The company issued a convertible bond with the following key features on 30 June 2010:

Volume: CHF 175 million

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

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

Conversion price: CHF 207.99 (the conversion price was adjusted after the 2011 capital increase; the conversion price before the capital increase was CHF 210.37)

Listing: SIX Swiss Exchange

Swiss security no.: 11299133 (MOB10)

ISIN code: CH 0112991333

Bloomberg: MOBN SW

Each convertible bond has a nominal value of CHF 5,000 and can be converted into registered shares up to seven trading days before the end of the term at the conversion price of CHF 207.99 per registered share (subject to any amendments in accordance with the published conditions, particularly with respect to the prevention of dilution). As at the reporting date, a maximum of 841,386 registered shares may be issued at this conversion price. 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 25).

### Options

In terms of options on Mobimo shares, as at 31 December 2013 only the 3,730 options assigned to members of the Board of Directors, related parties 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 these options are described in Note 35 to the consolidated annual financial statements.

## 3 BOARD OF DIRECTORS

### 3.1 Members of the Board of Directors

#### **Georges Theiler, Chairman**

##### **Member of the Real Estate Committee**

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

Georges Theiler was born in Lucerne on 20 May 1949. 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. The 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 been the owner of GT-Consulting in Lucerne, which specialises in consulting and directorship mandates. He represented the FDP Party in the National Council from 1995 to 2011, and was elected to the Swiss Council of States as a representative of the canton of Lucerne in 2011. He has been a member of the Board of Directors since 2000 and Chairman of the Board of Directors of Mobimo Holding AG since September 2013.

#### **Paul Rambert, Vice Chairman**

##### **Chairman of the Real Estate Committee**

Certified Architect, Swiss Federal Institute of Technology, Swiss, resides in Lausanne

Paul Rambert was born in Zurich on 5 January 1945. He studied architecture at the Swiss Federal Institute of Technology Zurich, 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.

Today, Paul Rambert works as a real estate consultant in his company Immopoly Sàrl in Lausanne. He also holds various directorships, including as Chairman of the Boards of Directors of Parking du Centre SA and Flonplex SA in Lausanne, and as a member of the Boards of Directors of LO Holding Lausanne-Ouchy SA, Securitas AG in Berne and Solvalor Fund Management SA in Lausanne (until January 2014). He also sits on the Foundation Board of the Fondation Métropol in Lausanne, and has been a member of the Board of Directors of Mobimo Holding AG since 17 December 2009.

#### **Daniel Crausaz**

##### **Member of the Audit & Risk Committee**

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

Daniel Crausaz was born in Aarau on 28 May 1957. 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. He is Deputy Director of Agrifert SA, an international commodities trading firm with its registered office in Pully, and Chairman of the Board of Directors of Agrifert Farm Inputs AG in Pully.

He has been a member of the Board of Directors of LO Holding Lausanne-Ouchy SA since 1999 and a member of the Board of Directors of Mobimo Holding AG since 17 December 2009.

#### **Brian Fischer**

##### **Member of the Real Estate 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 in Zurich. 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**

##### **Chairman of the Nomination & Compensation Committee**

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

Bernard Guillelmon was born in Zurich on 5 November 1966. After high school, he studied engineering at the Swiss Federal Institute of Technology Lausanne, specialising in microtechnology,

and went on to complete a Masters in energy. He also completed the MBA programme at INSEAD in Fontainebleau with distinction. From 1990 to 1998 Bernard Guillelmon worked as an engineer and department head for BKW AG in Berne, heading 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 in Berne, with his last positions being Deputy Head of Infrastructure and Head of Business Management. He has been CEO of BLS AG in Berne since 1 July 2008. He is also a member of the Management Board and Committee of the Swiss Public Transport Union (Verband öffentlicher Verkehr, VöV) in Berne and Chairman of the Direct Traffic (Direkter Verkehr) Finance Commission (StAD).

From 2005 to 2009, he was a member of the Board of Directors of LO Holding Lausanne-Ouchy SA. 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**

##### **Member of the Audit & Risk Committee**

##### **Member of the Nomination & Compensation Committee**

lic. rer. pol., management consultant, Swiss, resides in Basel

Wilhelm Hansen was born in Mönchengladbach, Germany, on 30 August 1953. 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 25 years working in the capital investments field (as an investment advisor at the former Union Bank of Switzerland, head of the securities division at Basler Versicherungen and co-owner of the private bank Baumann & Cie in Basel), in 2002 he specialised as an independent management consultant in the areas of organisational and strategic development and corporate governance. He also holds a number of directorships, including as a member of the Governing Board of Basellandschaftliche Kantonalbank in Liestal, Vice Chairman of the Board of Directors of Scobag Privatbank AG in Basel, and a member of the Board of Directors of Kantonsspital Baselland in Liestal. He has been a member of the Board of Directors of Mobimo Holding AG since 2008.



**Peter Schaub**

**Chairman of the Audit & Risk Committee**  
**Member of the Nomination & Compensation Committee**

Attorney at Law, Swiss, resides in Ulster ZH

Peter Schaub was born in Zurich on 4 December 1960. After graduating from high school in Zurich, he studied law at the University of Zurich, receiving his Masters degree in 1987. 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 practise law in the canton of Zurich. Between 1990 and 1993, he worked as a tax commissioner for the canton of Zurich, and has been a partner in the tax and law firm Weber Schaub & Partner in Zurich since 1994.

He has been a member of the Board of Directors of Mobimo Holding AG since 2008.

**Urs Ledermann**

Entrepreneur, Swiss, resides in Zollikon ZH

Urs Ledermann was born in Brugg on 14 July 1955. 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 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 in Zurich, which was founded in 1983 and has now been merged into Ledermann Immobilien AG in Zurich. The company focuses on research, analysis, planning, buying, selling and management for his own portfolio of apartment buildings and commercial 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, SCM Strategic Capital Management AG and Domicilium Verwaltung AG in Zurich, and is a member of the real estate committee of Gaydoul Group in Freienbach. He has been a member of the Board of Directors since 2003 and was Chairman of the Board of Directors of Mobimo Holding AG from 2008 to 2013.

**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, having previously served as Chairman of the Board of Directors from 2000 to 2009.

Alfred Meili and Laurent Rivier were both appointed Honorary Chairmen in recognition of their services to their respective companies. This office confers neither the right to sit on the Board of Directors, nor any other rights and obligations of a member of the Board of Directors, nor any entitlement to directors' compensation or other compensation.

**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:

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

Besides those listed in Section 3.1, the members of the Board of Directors hold the following positions:

**Georges Theiler** is a member of the Board of Directors of Schindler Aufzüge (Schweiz) AG in Ebikon until its General Meeting in March 2014.

**Paul Rambert** works as a real estate consultant in his company Immopoly Sàrl in Lausanne and is a member of the Board of Directors of Solvalor Fund Management SA in Lausanne (until January 2014).

**Daniel Crausaz** is a member of the Boards of Directors of Cadar SA in Fleurier, Zimal SA in Sion, Cormela SA in Meyrin, C.I.E.L. société coopérative in Lausanne, EP Electricité SA in Geneva and Plexus Cotton Ltd. in the UK.

**Bernard Guillelmon** is Chairman of the Board of Directors of BLS Cargo AG in Berne and a member of the Board of Directors of RAlpin AG in Olten.

**Peter Schaub** is Chairman of the Board of Directors of CPH Chemie + Papier Holding AG in Root and Vice Chairman of the Board of Directors of UBV Uetikon Betriebs- und Verwaltungs AG in Uetikon am See. Both these companies own operating and development properties as well as investment properties. He is also a member of the Board of Directors of Rüegg Cheminée Holding AG in Zumikon.

**Urs Ledermann** owns his own real estate portfolio focused primarily on the City of Zurich, both privately and through his company Ledermann Immobilien AG in Zurich. Appropriate organisational and contractual arrangements are in place to avoid any conflicts of interest.

Besides those listed above, the members of the Board of Directors of Mobimo Holding AG do not occupy any further positions in the management and supervisory bodies of major Swiss and foreign entities or in institutions and foundations under public or private law, and also do not carry out any further 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 and is elected for a period of one year at the General Meeting. In the year under review, the Board of Directors had eight members. The term of office of the members of the Board of Directors ends on the day the corresponding General Meeting is held. They may be immediately re-elected upon expiry of their term of office.

### 3.5 Internal organisation

In September 2013 the Board of Directors appointed Georges Theiler to succeed Urs Ledermann as Chairman of the Board of Directors and Paul Rambert as Vice Chairman.

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

A total of six ordinary meetings and two teleconference meetings were held in 2013. The meetings generally lasted one day. The Board of Directors was present in full at every meeting apart from two.

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 Board of Directors has three committees: the Real Estate Committee, the Audit & Risk Committee and the Nomination & Compensation Committee. The purpose, tasks, duties and competences of the committees are set out in a supplement to the organisation regulations.

**The Real Estate Committee** ensures that the strategic investment and divestment targets it sets each year are implemented successfully. The competences of the Board of Directors, Real Estate Committee and 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 expertise as possible by:

- Conducting ongoing market observations
- Developing the network for real estate investors, etc.

- 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 million and CHF 30 million
- Submitting requests to the Board of Directors for property transactions which have a volume of over CHF 30 million and therefore lie within its competence
- Supervising investment and development business as well as the external property 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 in which 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

**The Nomination & Compensation Committee** oversees all matters relating to compensation policy and the compensation system. This involves preparing the compensation report to shareholders and drawing up budgets for the compensation of all staff and the individual compensation paid to members of the Board of Directors and Executive Board. The Nomination & Compensation Committee is now also responsible for ensuring the optimum composition of the Board of Directors and Executive Board and organising appropriate training and development for them.

The Nomination & Compensation Committee does not have the power to make decisions, but carries out reviews, reports the results of these reviews to the Board of Directors and submits requests to the entire Board of Directors for consideration.

An external assessment of the Board of Directors' activities was carried out in 2013 in line with good governance practices. Following a selection process, the Amrop Board Consulting team was chosen to conduct the BoD assessment.

The purpose of the BoD assessment was:

- To review and increase influence
- To promote reflection and development – collectively and individually
- To exploit potential

The assessment took the form of individual meetings with all BoD members, the CEO and the Secretary to the BoD, observation of the full BoD (with the EB) and the BoD committees at work and interviews with external stakeholders (shareholders' representatives, banks, customers, etc.).

The assessment covered the following topics: size and composition of the BoD, BoD know-how, BoD diversity, roles within the BoD, leadership of the BoD and its committees, cooperation in the full BoD and between the BoD and the CEO/EB, appraisal and development of BoD members, succession planning, external perception of Mobimo and the BoD and compensation. Mobimo's BoD received a very good report overall in respect of its influence, working methods and culture. The assessment also highlighted various areas for improvement and made recommendations that were addressed in the BoD's closed-door strategy meeting in autumn 2013. Corresponding measures were taken and further development steps defined. A review of the situation and progress made is planned for 2015.

### 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 that 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-transferable 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 monitoring the financial and investment budgets of the Group companies
- c) Making fundamental decisions concerning the appointment and dismissal of members of the Board of Directors, Group company auditors and valuation experts
- d) Passing resolutions on the foundation, acquisition and disposal 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 implemented 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 million 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 regular coordination and information meetings with the CEO. The Real Estate Committee met seven times during the financial year. The Chairman of the Real Estate Committee may convene additional meetings at any time. The CEO normally takes part in the meetings. Minutes must be taken at every meeting and subsequently distributed to all members of the Board of Directors. The Board of Directors is also kept up-to-date with the latest business developments by means of monthly reports.

The Nomination & Compensation Committee met twice in 2013.

The Audit & Risk Committee met four times in the last financial year. Topics discussed at Audit & Risk Committee meetings include the annual and semi-annual results, the reports of the statutory 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. The main duty of this Committee is to support the Board of Directors by means of preparatory work, audits and clarification. The Audit & Risk Committee 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 likelihood, financial impact and damage to reputation and image. Where necessary, further measures are defined for the ongoing management of the assessed risks.

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 of or advisors to the Audit & Risk Committee. The CFO normally takes part in the meetings. Minutes must 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 statutory auditors. The statutory auditors and property valuers are also consulted on a regular basis to help assess larger-scale transactions.

## 4 EXECUTIVE BOARD

### 4.1 Members of the Executive Board

#### Christoph Caviezel

CEO, Dr. iur., Attorney at Law, Swiss, resides in Horgen ZH

Christoph Caviezel, from Laax, canton of Grisons, was born on 19 August 1957. After completing high school in Chur, 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, he was appointed Head of Real Estate at Swiss Federal Railways in Lucerne in 1986. In 1995 he joined the listed company Intershop Holding AG in Zurich, and in 1999 was appointed to the Board of Management 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 is also a member of the Boards of Directors of the following Mobimo Group companies: He has been Chairman of the Boards of Directors of

Mobimo AG and Mobimo Management AG since 25 March 2009. Since 17 December 2009, he has been a member of the Boards of Directors of LO Holding Lausanne-Ouchy SA and LO Immeubles SA, and Chairman of the Board of Directors of JJM Participations SA. He has also been a member of the Board of Directors of O4Real SA since 4 May 2010 and Chairman of the Boards of Directors of Immobilien Invest Holding AG and Petit Mont-Riond SA since 24 August 2012 and 29 August 2012 respectively. He has been Chairman of the Boards of Directors of LO Holding Lausanne-Ouchy SA and LO Immeubles SA since 3 October 2013.

He sits on the Investment Committee of the Investment Foundation for Overseas Real Estate (Anlagestiftung für Immobilienanlagen im Ausland, AFIAA) in Zurich.

#### **Manuel Itten**

CFO, Business Administration FH, Swiss, resides in Freienbach SZ

Manuel Itten was born in Zurich on 3 October 1965. Following basic commercial and design studies and after gaining several years of professional experience in a variety of management roles, he obtained a business administration degree (Business Economist HWV) from 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 in Zurich.

Manuel Itten joined Mobimo in 2004, working as Head of Controlling until February 2009 and CFO since March 2009. He has also been a member of the Boards of Directors of Mobimo AG and Mobimo Management AG since 25 March 2009. In addition, he has been a member of the Boards of Directors of LO Holding Lausanne-Ouchy SA, LO Immeubles SA and JJM Participations SA since 17 December 2009 and of O4Real SA since 4 May 2010. He has also been a member of the Board of Directors of Parking du Centre SA since 2 March 2010 and of Flonplex SA since 17 March 2010.

#### **Peter Grossenbacher**

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

Peter Grossenbacher was born in Schaffhausen on 10 November 1969. 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 industry.

Peter Grossenbacher has been the Head of Portfolio Management since July 2008 and is responsible for the strategic development, management and marketing of Mobimo's investment properties. He had previously headed up the Project Management division since 2002, with responsibility for the development and realisation of premium and environmentally sound residential properties in good locations.

#### **Andreas Hämmerli**

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

Andreas Hämmerli was born in Brüttelen in the canton of Berne on 22 June 1957. After training as a Certified Architect HTL, he spent 12 years in a number of positions within the field of architecture (development/project management/marketing/head of an architectural practice). He was Head of Real Estate Trading at Göhner Merkur AG in Zurich, where he was responsible for real estate divestment and the management and restructuring of part of the general contractor. At Livit AG in Zurich, 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.

#### **Thomas Stauber**

Head of Investments for Third Parties, Certified Civil Engineer, Federal Institute of Technology/Swiss Society of Engineers and Architects, Swiss, resides in Meilen ZH

Thomas Stauber was born in Zurich on 30 October 1964. After graduating from high school in Zurich, he obtained a degree in civil engineering from the Swiss Federal Institute of Technology Zurich (ETH Zurich) in 1989. He subsequently completed postgraduate studies in industrial management and manufacturing at the BWI Center for Industrial Management at ETH Zurich, and attended the SKU Advanced Management Program in 2002.

After working for a number of years as a project managing civil engineer, Thomas Stauber spent five years at Sony Berlin GmbH in Berlin, where he took on project owner responsibility for the technical planning and realisation of the Sony Center in Berlin's Potsdamer Platz.

He returned to Switzerland in 2000 as Head of Project Development and member of the Executive Board at the general planning firm tk3 AG in Basel. Thereafter he took on various development and management tasks as Managing Director of the general contractor Bauengineering AG in Zurich. In 2004 he joined the listed company Allreal Generalunternehmung AG in Zurich, where he was latterly a member of the Executive Board with responsibility for acquisition and project development.

He has been head of the newly created Investments for Third Parties business area since 1 November 2011, where he is responsible for the development, realisation and sale of investment properties to third-party investors. This business area is part of the Development division.

## **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 are service agreements between the Group companies and Mobimo Management AG.

## 5 COMPENSATION AND PROFIT-SHARING

The Compensation Report sets out the mechanisms used to determine compensation and profit-sharing plans. It also provides information on the compensation of the Board of Directors and Executive Board for 2013, which is also set out in the consolidated annual financial statements (Note 35 and Note 39) and the annual financial statements of Mobimo Holding AG (Note 7).

### 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 compensation commensurate with their activities. This compensation 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 Real Estate Committee and CHF 50,000 for the Audit and Risk Committee) and fixed supplements for the Chairman of the Board of Directors (CHF 340,000 until September 2013) and the Chairmen of the Board Committees (CHF 30,000 each). The members of the Nomination & Compensation Committee receive CHF 10,000, while the Chairman receives CHF 15,000. This ensures that the compensation paid to the Board of Directors is in line with the time required for their activities and the level of responsibility involved. The new compensation 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 2013.

Since Georges Theiler took office, the supplement for the Chairman of the Board of Directors has been reduced to CHF 200,000. In addition, from 2014 the members of the Nomination & Compensation Committee will receive fixed compensation of CHF 20,000 per year, while the Chairman of the committee will receive a supplement of CHF 20,000 per year. The members of the Board of Directors also have an interest 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 average price over a period of 20 days preceding the reference date, less the tax discount calculated due to the effective vesting period. 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 39 to the consolidated annual financial statements and Note 7 to the annual financial statements of Mobimo Holding AG). A total of 1,968 shares were granted to the Board of Directors in the 2013 financial year as part of their fixed compensation. The applicable tax discount to the average price over 20 days for the 2013 calculation was 25.274 %.

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).

Compensation is geared to the actual area of responsibility, professional requirements and expertise 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 compensation 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 variable compensation element forms part of a company rule whereby 7% of the proportion of consolidated profit for the year that exceeds a minimum return on equity of 5% (hurdle) is allocated to the Executive Board.

The maximum variable compensation element for each individual member of the Executive Board is limited to 150% of their fixed gross annual salary. Individual achievement of objectives is taken into account when determining the variable compensation of Executive Board members (excluding the CEO).

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 the sustainable, long-term success of the company becomes established at Executive Board level too

as a key criterion for Executive Board compensation. The Board of Directors sets the reference date for the shares on an annual basis. The fair value of shares is calculated as the volume-weighted average price of the last 20 trading days 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 (fair value of the share less the tax discount due to the effective vesting period for the shares) 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 were implemented up to and including the 2015 financial year and replaced the previous profit-sharing regulations. The company is entitled to the repayment of all variable compensation paid out on the basis of annual financial statements that do not reflect the company's actual results due to criminal activities or other forms of manipulation. The amount of the repayment entitlement corresponds to the extent of the falsification. The Board of Directors reserves the right to amend the regulations during their period of validity, should the shareholders not approve the compensation report. As of the 2013 General Meeting, the Board of Directors will hold a consultative vote on the compensation report every year.

Of the compensation paid to members of the Executive Board in the year under review, 59% took the form of fixed compensation and 41% 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.

At the 2014 General Meeting, the Board of Directors will present amendments to the Articles of Association based on the Ordinance Against Excessive Compensation in Listed Companies that came into force on 1 January 2014 to the shareholders for approval.

Further information on compensation, profit-sharing and loans can be found in Note 39 to the consolidated annual financial statements and Note 7 to the annual financial statements of Mobimo Holding AG.

## 5.2 Compensation in 2013

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 663 of the Swiss Code of Obligations).

Name, function	Fees, salary	Shares	Profit-sharing		Social security contributions	Payments for additional services	Total 2013	Total 2012
			in cash	in shares				
<b>BoD</b>	<b>1,128</b>	<b>309</b>	<b>0</b>	<b>0</b>	<b>58</b>	<b>0</b>	<b>1,495</b>	<b>1,428</b>
Georges Theiler, Chairman BoD <sup>1</sup>	232	0	0	0	17	0	249	181
Urs Ledermann, BoD <sup>2</sup>	438	0	0	0	0	0	438	480
Brian Fischer, BoD	28	112	0	0	10	0	150	137
Wilhelm Hansen, BoD	18	112	0	0	9	0	139	129
Peter Schaub, BoD <sup>3</sup>	150	0	0	0	0	0	150	150
Daniel Crausaz, BoD	45	85	0	0	9	0	139	129
Bernard Guillelmon, BoD <sup>4</sup>	70	0	0	0	4	0	74	74
Paul Rambert, BoD <sup>5</sup>	147	0	0	0	9	0	156	148
<b>Executive Board</b>	<b>2,213</b>	<b>0</b>	<b>688</b>	<b>841</b>	<b>549</b>	<b>0</b>	<b>4,291</b>	<b>4,039</b>
Christoph Caviezel, CEO	743	0	246	300	193	0	1,481	1,395

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 a ratio of 55 % (prior year: 55 %) as stipulated in the compensation regulations applies.

As at 31 December 2013, 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).

Name, function	No. of shares		No. of options	Total 2013	Total 2012
	issued	approved			
<b>BoD</b>	<b>58,397</b>	<b>0</b>	<b>974</b>	<b>59,371</b>	<b>57,845</b>
Georges Theiler, Chairman BoD <sup>1</sup>	5,111	0	239	5,350	5,350
Urs Ledermann, BoD <sup>2</sup>	34,183	0	89	34,272	34,739
Brian Fischer, BoD	2,200	0	201	2,401	1,541
Wilhelm Hansen, BoD	3,893	0	89	3,982	3,267
Peter Schaub, BoD <sup>3</sup>	712	0	89	801	921
Daniel Crausaz, BoD	2,244	0	89	2,333	1,795
Bernard Guillelmon, BoD <sup>4</sup>	5,622	0	89	5,711	5,711
Paul Rambert, BoD <sup>5</sup>	4,432	0	89	4,521	4,521
<b>Executive Board</b>	<b>23,298</b>	<b>6,007</b>	<b>1,783</b>	<b>31,088</b>	<b>24,001</b>
Christoph Caviezel, CEO	9,641	2,146	1,065	12,852	9,623
Manuel Itten, CFO	5,440	1,287	191	6,918	5,454
Peter Grossenbacher, Head of Portfolio Management	5,097	858	275	6,230	5,446
Andreas Hämmerli, Head of Development	2,520	858	252	3,630	2,831
Thomas Stauber, Head of Third-Party Investments	600	858	0	1,458	647

Function changes:

<sup>1</sup> Chairman since 11 September 2013; Chairman of the Real Estate Committee and the Nomination & Compensation Committee until 1 October 2013

<sup>2</sup> Chairman until 11 September 2013; Fee invoiced via Ledermann Immobilien AG and also includes administrative services provided

<sup>3</sup> Member of the Nomination & Compensation Committee since 1 October 2013

<sup>4</sup> Chairman of the Nomination & Compensation Committee since 1 October 2013

<sup>5</sup> Chairman of the Real Estate Committee since 1 October 2013

Based on fair value measurement under IFRS, the following compensation was reported in the consolidated annual financial statements for the Board of Directors and the Executive Board in the year under review (in TCHF):

	2013	2012
Members of the Board of Directors/Executive Board	6,163	5,812
broken down as follows		
Members of the Board of Directors		
– Fees and remuneration	1,128	1,092
– Social security contributions	58	50
– Share-based payments (at fair value)	409	380
Members of the Executive Board		
– Salaries and profit-sharing (in cash)	2,901	2,818
– Social security contributions	549	481
– Share-based payments (at fair value)	1,118	991

## 6 SHAREHOLDERS' RIGHTS OF PARTICIPATION

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

Only those persons entered in the share register are entitled to exercise their voting rights at General Meetings.

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 Swiss federal law pertaining to the purchase of property by persons resident abroad, 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.

From 2014, shareholders have the option to receive their documents for the General Meeting or issue proxies and instructions to the independent proxy representative electronically via the "Sherpany" online shareholder platform.

### 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 General Meetings (Articles 9 and 10 of the Articles of Association)

The convocation of General Meetings, 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 Annual 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. The Board of Directors has defined this approval authority in regulations governing the administration of the share register and transferred responsibility for recognising and entering shareholders of Mobimo Holding AG to the Audit & Risk Committee. The Audit & Risk Committee has subsequently delegated all decisions that have no impact on stock exchange reporting thresholds or concern members of the Board of



Directors or Executive Board to the CFO. No entries are made in the share register from a maximum of 20 days before until the day after the General Meeting. Prior to the Annual General Meeting on 25 March 2014, the share register will be closed for entries from 14 March 2014 onwards. The 2014 General Meeting takes place in Lucerne on 25 March 2014.

## 6.6 Compensation report

The Board of Directors has decided to provide the shareholders with a compensation report each year as part of the annual report and hold an annual consultative vote on the report irrespective of whether or not there have been significant changes compared with the previous year.

## 6.7 Contributions to social and political organisations

Following a consultative vote, the 2013 General Meeting approved the contributions made to social and political organisations in 2012 and authorised a budget of up to CHF 100,000 for contributions in 2013.

# 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 its 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 statutory and Group auditor has been KPMG AG, Lucerne. The statutory and Group auditor are appointed annually by the General Meeting. In accordance with the seven-year rotation cycle, Kurt Stocker, Partner, took over as lead auditor from the 2013 financial year.

## 8.2 Audit fee

KPMG received total fees of CHF 0.4 million for services relating to the audit of the interim results and 2013 annual results (including the LO Group).

## 8.3 Additional fees

KPMG was paid CHF 0.2 million for advisory services (primarily tax advice and due diligence). Fees totalling CHF 0.4 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 Audit & Risk Committee reviews the annual audit plan and scope, evaluates the performance, fees and independence of the statutory auditor and makes recommendations to the BoD.
- The committee evaluates the classification of the risks of misrepresentations in the financial statements by the Executive Board and the statutory auditor, and evaluates and monitors the implementation of countermeasures.
- The committee discusses the audited annual financial statements and the interim financial statements with the Executive Board and the statutory auditor and undertakes a critical analysis, particularly with regard to special matters. The committee decides whether the individual and consolidated financial statements can be submitted to the BoD for approval and publication, prior to approval and publication by the BoD.
- The committee discusses with the statutory auditor any significant problems arising during the audit and all management letters or other important reports on the ICS that are prepared by the statutory auditor or that the statutory 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 committee discusses with the Executive Board and the statutory 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 statutory auditor's representatives participate either in person or by phone in the meetings of the Audit & Risk Committee 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 2013 financial results takes place on 13 February 2014.

Financial reporting takes the form of semi-annual and annual reports. The consolidated annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the consolidated interim financial statements in accordance with International Accounting Standard 34 (IAS 34) on interim financial reporting. They 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 about the company can be found on the website [www.mobimo.ch](http://www.mobimo.ch).

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