

# 2016

## Half-Year Report

---

# Contents

---

<b>Key Facts in a Nutshell</b>	<b>3</b>
<b>Letter to Shareholders</b>	<b>6</b>
<b>Financial Report</b>	<b>8</b>
<b>General Property Details</b>	<b>28</b>
<b>Contact/Agenda/Imprint</b>	<b>32</b>

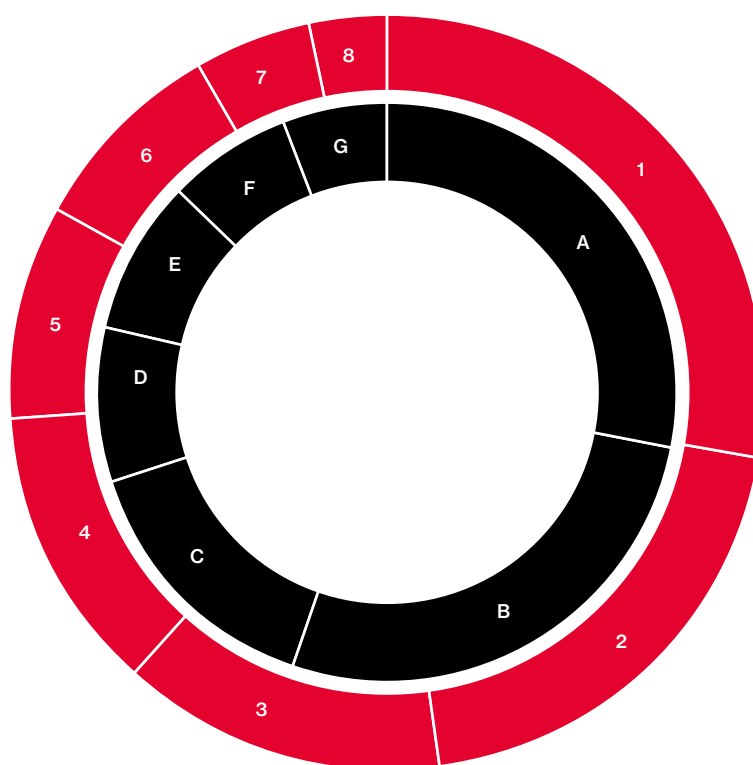
# Key Facts in a Nutshell

## Market value of real estate investments by type of use as at 30.06.2016

1	Industry, commercial	27.8%
2	Residential	20.2%
3	Retail	13.7%
4	Office	12.4%
5	Distribution, logistics	9.2%
6	Building land	8.5%
7	Residential and commercial	5.0%
8	Other	3.2%

## Market value of real estate investments by canton as at 30.06.2016

A	Aargau	28.3%
B	Zurich	27.0%
C	Zug	14.9%
D	Solothurn	8.6%
E	Geneva	8.6%
F	Baselland	6.8%
G	Other	5.8%

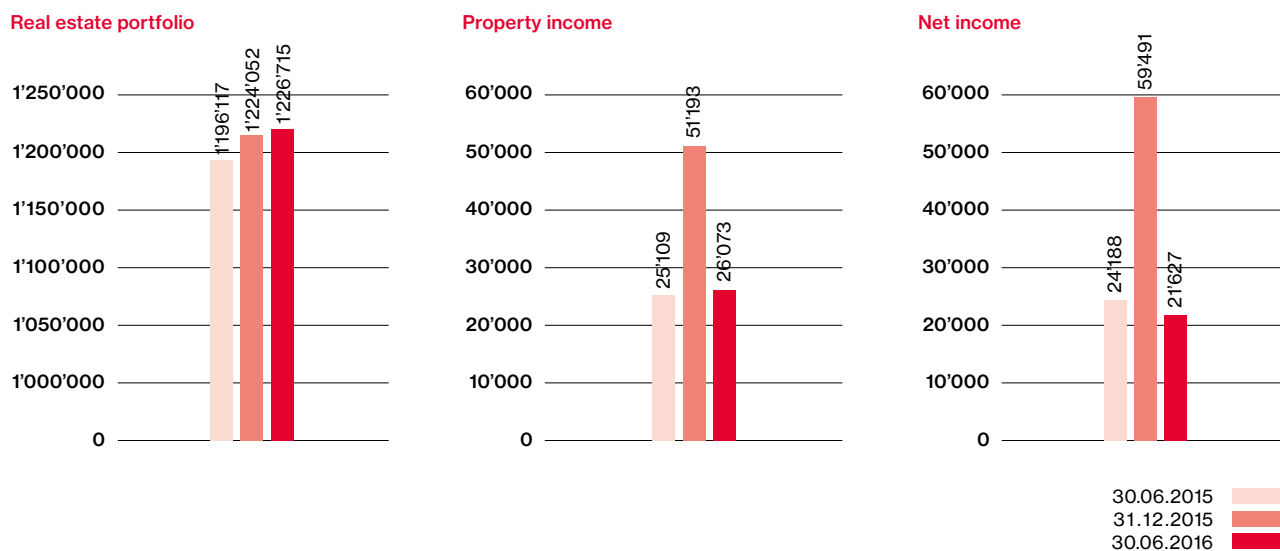


by type of use ■  
by canton ■

# 94%

of HIAG Immobilien's real estate portfolio is situated in the regions Aargau, Zurich, Zug, Solothurn, Geneva and Basel.

## Real estate, property income, net profit (in TCHF)



## Key financial figures

in TCHF	30.06.2016	30.06.2015
Property income	26'073	25'109
Revaluation of investment properties	7'395	15'245
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	24'027	30'354
Net income	21'627	24'188
Cash flow from operating activities incl. sale of promotion	22'225	20'863

	30.06.2016	31.12.2015
Cash and cash equivalents in TCHF	36'750	52'351
Shareholders' equity in TCHF	702'602	708'721
Equity ratio	54.6%	54.4%
LTV ratio	37.0%	36.8%
Balance sheet total in TCHF	1'285'814	1'303'087
Employee headcount	46	47
- thereof building maintenance and administration	17	17

## Key portfolio figures

	30.06.2016	31.12.2015
Real estate portfolio in TCHF	1'226'715	1'224'052
Yielding portfolio in TCHF	714'398	717'017
Property development portfolio in TCHF	512'316	507'035
Real estate portfolio (number of real estate properties)	113	115
Number of redevelopment properties	52	54
Investments in real estate in TCHF	34'407	80'375
Annualised rental income in CHF million	51.5	51.4
Vacancy rate for investment properties	11.3%	11.1%
Vacancy rate for investment properties undergoing repositioning <sup>1</sup>	32.0%	32.4%
Vacancy rate for redevelopment properties	18.6%	19.3%

<sup>1</sup> Properties Mandachstrasse 50–56 ZH, Lorzenparkstrasse 2–16 ZG and Sternenfeldpark 14 BL

## EPRA figures

in TCHF	30.06.2016	30.06.2015
EPRA Earnings	14'488	12'744

	30.06.2016	31.12.2015
EPRA NAV	765'303	771'883
EPRA equity ratio	59.5%	59.2%
EPRA vacancy rate	15.1%	15.0%
EPRA vacancy rate excl. investment properties undergoing repositioning <sup>1</sup>	11.3%	11.1%

<sup>1</sup> Properties Mandachstrasse 50–56 ZH, Lorzenparkstrasse 2–16 ZG and Sternenfeldpark 14 BL

## Key figures per share

in CHF	30.06.2016	30.06.2015
Earnings per share	2.70	3.02
Earnings per share without revaluation of properties	1.78	1.12
Earnings per share without revaluation of properties incl. revaluation of promotion	1.95	1.58

	30.06.2016	31.12.2015
Shareholders' equity (NAV) per outstanding registered share, before deferred taxes	95.69	96.49
Shareholders' equity (NAV) per outstanding registered share, after deferred taxes	87.83	88.59

---

# Letter to Shareholders

---

Dear shareholders,

HIAG Immobilien has continued on a successful course, increasing property income by 3.8% to CHF 26.1 million in the first half of 2016 (30 June 2015: CHF 25.1 million). Earnings per share rose by 23.4% from CHF 1.58 to CHF 1.95 prior to revaluation and taking into account promotion projects. In addition, the HIAG family gained a new member: with the creation of HIAG Data in the second half of the year, HIAG launched an infrastructure platform for IT service providers, offering responses to future demands in terms of the Internet of Things and Industry 4.0.

Condominium project sales have also been successful in Baar and Windisch, enabling HIAG to largely reach the planned net proceeds for 2016. Balance sheet footings were strengthened again with the successful issuing of another bond for CHF 115 million and the weighted average term for external financing increased substantially to 3.1 years (previous year: 2.1 years). Great progress was made in the redevelopment portfolio, particularly in Meyrin, Biberist and Cham, which is reflected in the corresponding revaluation effects. With an after-tax return of 3.2% at the half-year mark, a solid foundation has been laid for a dividend payout of 4.0% from NAV for the 2016 business year.

## Robust development of property income

Property income increased by 3.8% to CHF 26.1 million compared to the previous year, which is primarily due to the new tenants in Füllinsdorf and more surface area being taken on in rental contracts in Biberist. Operating income prior to revaluation was up 1.8% to CHF 26.7 million compared to the previous year (30 June 2015: CHF 26.2 million). With earnings per share (prior to value adjustments and taking into account the value effects from promotion projects) amounting to CHF 1.95 (30 June 2015: CHF 1.58), the cash contribution from the result was significantly improved. Earnings on the EPRA (European Public Real Estate Association) basis increased by 13.7% to CHF 14.5 million compared to the previous year.

## Improved financing structure

With the issuing of a 7-year bond for CHF 115 million, the weighted term was extended by about 50% to 3.1 years, with a consistently low average interest rate of 1.03% for financial liabilities. The loan-to-value ratio (LTV ratio) was 37.0% (31 December 2015: 36.8%). Even after a dividend payout of CHF 3.5 per share or CHF 28 million on 19 April 2016, the equity ratio on an EPRA basis rose to 59.5% (31 December 2015: 59.2%).

## Successful project sales

In Windisch, the sales phases of Project Stegbünt (100%) and Spinnerei III (96%) were largely completed at the Kunzareal site. The high-quality positioning of Project Feinspinnerei, 44% of which has been sold more than one year prior to completion, underscored the fact that Unterwindisch is viewed as an attractive residential quarter. With a current sales level of 76%, the project The Cloud in Baar will give rise to a considerable return on investment starting in the middle of 2016.

## Considerable development progress in Biberist, Cham and Meyrin

In Biberist, the framework building permits became legally valid. The high-bay warehouse can therefore be recommissioned and the rental contract signed last year can take effect. Starting from the end of 2016, additional annualised property income of approximately CHF 1.0 million will thus be recorded. In Meyrin, the new EMEA headquarters of HP Inc. and Hewlett Packard Enterprise is being built with 8'300 m<sup>2</sup> of usable area. It has already been completely sold. The handover is planned for the third quarter of 2017. At the Cham Nord site, a valuable anchor tenant was gained for the quarter with the construction of a private education and training building for elite athletes. This will pave the way for the creation of about 200 apartments; the building permit for the project is targeted for 2017. The building permits for the "Walzmühle" construc-

tion and the central building in Frauenfeld already became legally valid. In Bremgarten, the first redevelopment phase for the Jeld-Wen Schweiz headquarters was completed. The first hall has already been delivered, and the handover of the new office building will take place in October 2016.

### Major rental contracts signed

New long-term rental contracts were signed with Coop and Doka Schweiz AG. The rental contracts with Coop in Aathal (ZH) and with Doka Schweiz AG (ZH) in Niederhasli have been contingently signed and are linked to legally valid building permits. In Niederhasli, the municipality is examining the possibility of adding floors to a commercial zone to create a denser residential area as part of an upgrade of the area around the train station. Meanwhile, the feasibility of the project for Doka Schweiz is currently unpredictable.

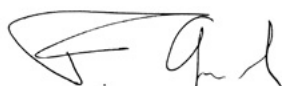
### The HIAG family expands with HIAG Data

HIAG has already redeveloped several complex industrial infrastructures, and has dealt intensively with the future demands of the Internet of Things and Industry 4.0 in recent years. Similarly to the provision of space for its tenants, HIAG plans to make a physical platform available to IT service providers throughout Switzerland in order to provide them with the best “location” to implement their cloud-based business models. With this goal in mind, HIAG Immobilien created the fully owned subsidiary HIAG Data, which implements this strategy based on the network of HIAG sites.

HIAG Data has positioned itself as an infrastructure provider solely offering an intelligent IT infrastructure platform. This platform is composed of a carrier-independent fibre optic cable network throughout Switzerland as well as the anchor sites of Biberist and Menziken, in addition to IT infrastructure that allows for flexible scaling of computing and storage capacities based on open source technology and Microsoft Azure. The platform solution will set new standards in terms of speed, reliability, security and scalability.

### Future prospects

The real estate market continues to be marked by a record-low interest rate environment that is primarily driving the investments of institutional investors, leading to increased supply. This can be observed especially in the rental market. At the same time, we are seeing transaction prices that are far above the commercial values of independent real estate appraisers. This offers opportunities that we only want to seize for non-strategic objects based on our long-term strategy. HIAG is still actively examining acquisition opportunities. However, due to the size of the existing redevelopment pipeline, HIAG does not feel compelled to make compromises regarding project profitability. We are convinced that sustainable site and location redevelopment will continue to create quality and will help us to successfully position high quality projects tailored to each location.



Dr. Felix Grisard  
President of the Board of Directors



Martin Durchschlag  
Chief Executive Officer

---

# Financial Report

## Consolidated Half-Year Financial Statements

### 30 June 2016 (with Swiss GAAP FER)

---

## Consolidated Balance Sheet

in TCHF		30.06.2016	31.12.2015
Cash and cash equivalents		36'750	52'351
Trade receivables		2'656	1'574
Receivables from related parties / shareholders		-	8'767
Other current receivables		4'578	5'550
Tax receivable		10	-
Other current financial assets		5'819	5'990
Properties for sale	1	103'199	118'732
Prepayments and accrued income		2'805	1'502
<b>Current assets</b>		<b>155'817</b>	<b>194'466</b>
Real estate properties	1	1'123'516	1'105'320
Other property, plant and equipment		1'858	1'823
Intangible fixed assets		203	7
Financial assets		1'305	1'306
Financial assets from related parties/from shareholders		3'115	165
<b>Non-current assets</b>		<b>1'129'997</b>	<b>1'108'621</b>
<b>Total assets</b>		<b>1'285'814</b>	<b>1'303'087</b>



in TCHF		30.06.2016	31.12.2015
Current financial liabilities	2	77'560	8'870
Trade payables		3'517	4'741
Other current liabilities		10'269	8'945
Current provisions		527	193
Tax liabilities		-	186
Accrued liabilities and deferred income		8'325	7'223
<b>Current liabilities</b>		<b>100'198</b>	<b>30'158</b>
Non-current financial liabilities	2	413'260	493'389
Other non-current liabilities		4'750	4'750
Non-current provisions		2'050	2'858
Deferred taxes		62'955	63'211
<b>Non-current liabilities</b>		<b>483'014</b>	<b>564'208</b>
<b>Total liabilities</b>		<b>583'212</b>	<b>594'366</b>
Share capital		8'000	8'000
Capital reserves		77'794	105'794
Retained earnings		616'808	594'927
<b>Shareholders' equity</b>	8	<b>702'602</b>	<b>708'721</b>
<b>Total liabilities and shareholders' equity</b>		<b>1'285'814</b>	<b>1'303'087</b>

## Consolidated Income Statement

in TCHF		30.06.2016	30.06.2015
Property income	3	26'073	25'109
Revaluation of properties	4	7'395	15'245
Other operating income		579	1'074
<b>Total operating income</b>		<b>34'048</b>	<b>41'428</b>
Personnel expenses		-4'061	-3'831
Maintenance and repairs		-1'828	-2'237
Insurance and fees		-479	-572
Energy costs and building maintenance		-1'229	-1'504
General operating expenses		-393	-423
Office and administrative expenses		-1'019	-1'429
Marketing and selling expenses		-324	-436
Rent and leases		-689	-642
<b>Total operating expenses</b>		<b>-10'021</b>	<b>-11'074</b>
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>		<b>24'027</b>	<b>30'354</b>
Amortisation		-137	-229
<b>Earnings before interest and taxes (EBIT)</b>		<b>23'890</b>	<b>30'125</b>
Financial income		307	197
Financial expenses	5	-2'598	-2'414
<b>Earnings before taxes (EBT)</b>		<b>21'599</b>	<b>27'908</b>
Taxes	7	28	-3'720
<b>Net income for the period</b>		<b>21'627</b>	<b>24'188</b>
Undiluted earnings per share (in CHF)	8	2.70	3.02
Diluted earnings per share (in CHF)	8	2.70	3.02

## Consolidated Cash-Flow Statement (condensed)

in TCHF	30.06.2016	30.06.2015
Cash flow from operating activities	14'603	9'961
Cash flow from investment activities	9'023	-16'844
Cash flow from financing activities	-39'227	-28'914
Increase/decrease in cash and cash equivalents	-15'601	-35'786
Cash and cash equivalents at 01.01.	52'351	62'155
Increase/decrease in cash and cash equivalents	-15'601	-35'786
Cash and cash equivalents at 30.06.	36'750	26'369

There were no non-cash investment or financing activities.

## Statement of Shareholders' Equity

	Share capital <sup>1</sup>	Treasury shares <sup>2</sup>	Capital reserves <sup>3</sup>	Consolidated reserves <sup>4</sup>	Shareholders' equity
<b>Shareholders' equity at 01.01.2015</b>	<b>8'000</b>	<b>-</b>	<b>132'195</b>	<b>535'379</b>	<b>675'574</b>
Share-based compensation programmes <sup>4</sup>	-	-	-	245	245
Dividend payment	-	-	-26'400	-	-26'400
Translation differences	-	-	-	11	11
Net income for the period	-	-	-	24'188	24'188
<b>Shareholders' equity at 30.06.2015</b>	<b>8'000</b>	<b>-</b>	<b>105'795</b>	<b>559'823</b>	<b>673'618</b>
<b>Shareholders' equity at 01.01.2016</b>	<b>8'000</b>	<b>-</b>	<b>105'794</b>	<b>594'927</b>	<b>708'721</b>
Share-based compensation programmes <sup>4</sup>	-	-	-	254	254
Dividend payment	-	-	-28'000	-	-28'000
Net income for the period	-	-	-	21'627	21'627
<b>Shareholders' equity at 30.06.2016</b>	<b>8'000</b>	<b>-</b>	<b>77'794</b>	<b>616'808</b>	<b>702'602</b>

<sup>1</sup> On 30 June 2016 share capital consisted of 8'000'000 registered shares at a nominal value of CHF 1 per share.

<sup>2</sup> During the business year 2015, 5'114 shares of HIAG Immobilien Holding AG were purchased by the company for a total amount of TCHF 459. These 5'114 shares were sold to Group employees, primarily the Executive Board, for the Long Term Incentive Plan. The company held no treasury shares as at 30 June 2016.

<sup>3</sup> The non-distributable legal reserves came to TCHF 1'400 (31. December 2015: TCHF 1'400).

<sup>4</sup> See paragraph 6 of the Notes to the Consolidated Financial Statements.

## Notes to Consolidated Financial Statements

### Accounting Principles

The present, unaudited Consolidated Financial Statements were prepared in accordance with the Swiss GAAP FER 31 “Additional Recommendations for Publicly Traded Companies”, which allows a shortening in the presentation and disclosure in the financial statements in comparison with the year-end financial statements, and present a true and fair view of the assets, financial position and results of operations. The comprehensive Swiss GAAP FER rules were applied. The consolidation and accounting policies applied to the present Consolidated Financial Statements are unchanged from those applied to the 2015 Consolidated Financial Statements.

The Consolidated Financial Statements are presented in Swiss francs (CHF). All figures are presented in thousands of Swiss francs (TCHF) unless indicated otherwise.

The consolidated annual financial statements are available in German and English. Should there be any linguistic discrepancies, the German version shall prevail.

### Scope of Consolidation

The Consolidated Financial Statements comprise all subsidiaries of HIAG Immobilien Holding AG in which the Company directly or indirectly holds more than 50% in the form of voting rights or share capital. Full consolidation is applied, which means that 100% of the assets, liabilities, expenses and income of the companies to be consolidated are assumed and all intercompany items are eliminated.

Associated companies, in which HIAG Immobilien Holding AG holds direct or indirect participations of 20% to 50% of voting rights or share capital are consolidated according to the equity method. Participations below 20% are not consolidated and are included in the Consolidated Balance Sheet under Financial assets at acquisition cost minus any operationally necessary value adjustment.

The balance sheet date for all companies is 31 December.

Company	Share capital in TCHF	Stake 2015 <sup>1</sup> in %	Stake 2014 <sup>1</sup> in %	Location
HIAG Immobilien Schweiz AG	11'000	100	100	Baar
HIAG AG	150	100	100	Basel
B-Immobilien GmbH <sup>2</sup>	–	–	100	Monheim (Germany)
HIAG Immobilien AG	5'000	100	100	St. Margrethen
HIAG Immobilien Léman SA	1'000	100	100	Aigle
Léger SA	400	100	100	Lancy
Weeba SA	100	100	100	Lancy
Pellarin-Transports SA	50	100	100	Lancy
Streiff AG <sup>3</sup>	–	–	100	Seegräben
Promo-Praille SA	200	100	100	Lancy
HIAG Immobilien Menziken AG	100	100	100	Menziken
HIAG Data AG	100	100	100	Zurich
Trans Fiber Systems SA	107	100	100	Menziken
Swiss Datagrid AG	400	100	100	Zurich

<sup>1</sup> Voting rights and share capital

<sup>2</sup> The company B-Immobilien GmbH was liquidated during the business year.

<sup>3</sup> The company Streiff AG was merged with HIAG Immobilien Schweiz AG during the business year (merger agreement dated 17 May 2016).

HIAG AG performs services in the areas of employee pension funds and human resources. The purpose of HIAG Data AG and Swiss Datagrid AG is the provision of IT infrastructure in form of a physical platform available to IT service providers. All other companies are real estate companies within the scope of HIAG Immobilien's strategy with the purposes of maintaining, developing and selling properties.

### Consolidation Method

Capital consolidation is based on the purchase method, in which the acquisition costs of an acquired company are offset against the net assets, which were newly measured at the time of acquisition in accordance with group-wide accounting standards. The difference rising from the purchase price and the newly valued net assets of the acquired company is termed goodwill or badwill. Goodwill is recognised as retained earnings with no effect on profit and loss. In the event of offsetting against retained earnings, the effects of a theoretical capitalisation and amortisation for the estimated useful life of the acquisition are disclosed separately in the notes. Any badwill is charged to the retained earnings or recorded as provisions. The initial consolidation takes effect with the transfer of control over the acquired companies.

### Changes in the Scope of Consolidation

Besides the liquidation of B-Immobilien GmbH, no change in the scope of consolidation took place during the reporting period.

## Significant Accounting and Valuation Policies

### General Information

HIAG Immobilien Holding AG's Consolidated Financial Statements are prepared in accordance with the Swiss Accounting and Reporting Recommendations (Swiss GAAP FER).

Due to rounding off to the nearest thousand CHF, adding up the individual items may result in rounding differences over the reported item totals.

### Real Estate Properties

The portfolio is broken down into the following categories:

- Undeveloped lands
- Properties
- Properties currently under development
- Properties held for sale

#### General

All real estate properties were measured at fair value on the basis of the discounted cash flow method (DCF) in accordance with Swiss GAAP FER 18. The residual value method is used to ascertain the fair value for undeveloped properties. The current values are assessed and updated every six months by an independent expert. The properties are inspected at least every three years. No scheduled depreciation is carried out. Increases and decreases in value are reported under "Revaluation of properties". The expected additional expenses linked to environmental risks are assessed by an independent environmental expert based on historical and technical investigations and subtracted from the fair value of the properties. Interest on construction loans is capitalised. Other borrowing costs are recorded as financing costs. The portfolio does not include any properties used by HIAG Immobilien itself.

The valuation methodology applied to the present Consolidated Financial Statements is unchanged from that applied to the 2015 Consolidated Financial Statements.

#### Properties

Properties are broken down into "Yielding properties" and "Redevelopment properties". "Yielding properties" are those properties for which no development is planned. "Redevelopment properties" describes properties that are to undergo development in the medium term and/or for which development planning is currently under way.

#### Properties currently under development

Properties that are under development at the time the balance sheet is drawn up are grouped under the item "Properties currently under development". They are reported as "Properties currently under development" from the time the initial work is contracted until the development project is completed and/or is ready for occupation.

Properties held for sale

**“Properties held for sale”** describes residential projects where individual units are undergoing development and are marketed as condominiums as well as non-strategic properties that are up for sale.

### Property Income

Property income includes rental income after deduction of vacancy losses, proceeds from the sale of electricity from owned power stations and losses in earnings such as rental income losses. Rental income is recorded in the Income Statement when the rent is due.

### Events after the Balance Sheet Date

On 31 May 2016 HIAG Immobilien Holding AG successfully issued a fixed-rate bond amounting to CHF 115 million with a coupon of 1.00% and a maturity of seven years. This transaction has been recorded in the second halfyear 2016 as the proceeds were received only at the beginning of July 2016. The proceeds are to be used primarily for the repayment of bank financing.

## Notes to the consolidated Financial Statements

### 1 Real Estate Properties

	Undeveloped land	Properties	Properties currently under development	Total real estate properties
<b>Balance at 01.01.2015</b>	<b>72'095</b>	<b>983'899</b>	<b>95'110</b>	<b>1'151'104</b>
Reclassifications	-	-19'123	19'123	-
Additions	895	47'722	31'758	80'375
Disposals	-	-7'638	-20'675	-28'314
Revaluation of properties	4'681	2'699	24'064	31'444
Change of costs for environmental risks	-	-10'658	100	-10'558
<b>Balance at 31.12.2015</b>	<b>77'671</b>	<b>996'901</b>	<b>149'480</b>	<b>1'224'052</b>
Reclassifications properties held for sale	-	-4'048	-114'684	-118'732
<b>Balance after reclassification as at 31.12.2015</b>	<b>77'671</b>	<b>992'853</b>	<b>34'796</b>	<b>1'105'320</b>
<b>Balance at 01.01.2016</b>	<b>77'671</b>	<b>996'901</b>	<b>149'480</b>	<b>1'224'052</b>
Additions	47	5'313	29'048	34'407
Disposals	-	-4'266	-34'895	-39'161
Revaluation of properties	4'228	-614	3'334	6'948
Change of costs for environmental risks	419	-10	59	468
<b>Balance at 30.06.2016</b>	<b>82'365</b>	<b>997'324</b>	<b>147'026</b>	<b>1'226'715</b>
Reclassifications properties held for sale	-	-838	-102'361	-103'199
<b>Balance after reclassification as at 30.06.2016</b>	<b>82'365</b>	<b>996'486</b>	<b>44'665</b>	<b>1'123'516</b>

In the period under review, all properties were appraised by Wüest & Partner AG. The discount rates used for the property appraisals fluctuated within a corridor of 2.5% to 7.0% as of the balance sheet date (31 December 2015: 2.5% to 7.0%).

The expected additional expenses linked to environmental risks were analysed by Ecosens AG on the basis of historical and technical investigations and recorded as at the reporting date in the amount of TCHF 25'028 (31. December 2015: TCHF 25'496) under "Real estate properties. Environmental risks are evaluated on an ongoing basis. New findings from historical and technical investigations were taken into account as at the reporting date and led to a decrease in costs for environmental risks of TCHF 468 during the period under review (31 December 2015: decrease recognised in the income statement of TCHF 206). A discount rate of 2.5% was applied as at 31 December 2015 (31 December 2014: 2.5%).

In some cases, the effective acquisition costs or the investments cannot be reliably ascertained as the time of acquisition dates far back in the past. For this reason, the decision was not to report the acquisition values in these cases.



New additions in 2016 came to TCHF 34'407 resulting from investments in 57 sites. The largest investments were made in Baar (TCHF 18'232 for the project The Cloud), Meyrin (TCHF 3'928 for the new headquarter of HP), Windisch (TCHF 3'511 mainly for the project Feinspinnerei), Bremgarten (TCHF 3'725 for the headquarter of Jeld-Wen) and Biberist (TCHF 1'708 mainly for the high-bay warehouse).

Disposals amounting to TCHF 39'161 concerned the sale of condominiums at The Cloud project in Baar (TCHF 30'070), the Spinnerei III, Stegbünt and Feinspinnerei projects in Windisch (TCHF 7'851) and the sale of two properties in Seegräben and Diesbach for TCHF 1'240.

**Properties held for sale**

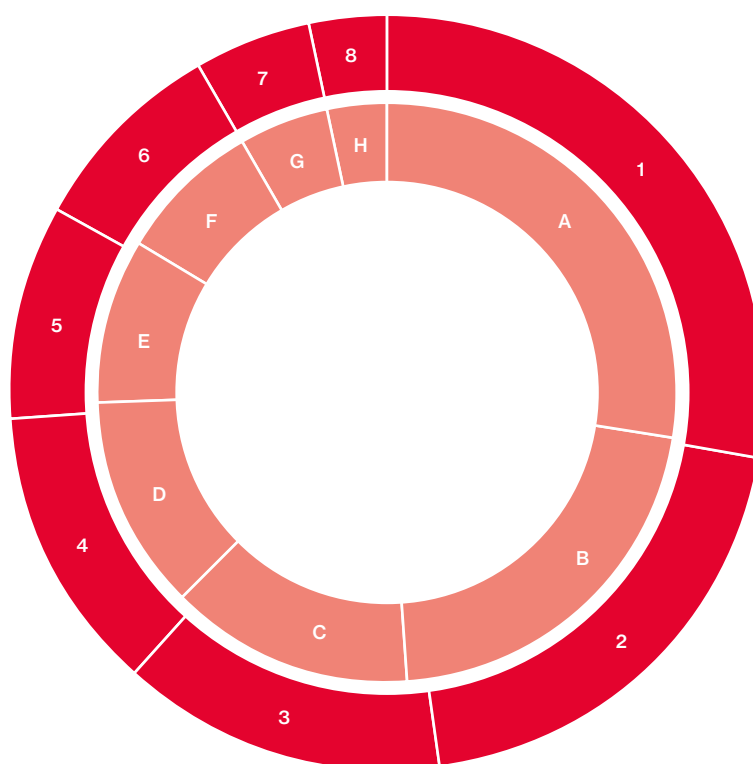
	30.06.2016	31.12.2015
Project Stegbünt	-	2'416
Project Spinnerei III	1'091	4'924
Project The Cloud	85'320	97'060
Project Feinspinnerei	15'950	12'700
Property Aretshalden 30	838	1'292
Property Hauptstrasse 25	-	340
<b>Total</b>	<b>103'199</b>	<b>118'732</b>

As at the balance sheet date, condominiums in Windisch (Project Spinnerei III and Project Feinspinnerei) and Baar (Project The Cloud), as well as a property in Seegräben (Aretshalden 30) were for sale. The Aretshalden 30 property was sold on 14 July 2016 for TCHF 838.

Following remaining payments in relation of the promotion units sold that are secured with bank payment commitments are opened as at 30 June 2016:

	30.06.2016	31.12.2015
Project Stegbünt	-	1'026
Project The Cloud	37'030	41'240
Project Feinspinnerei	2'870	1'270
<b>Total</b>	<b>39'900</b>	<b>43'536</b>

## Market value of real estate properties according to use



2016 ■  
 2015 ■

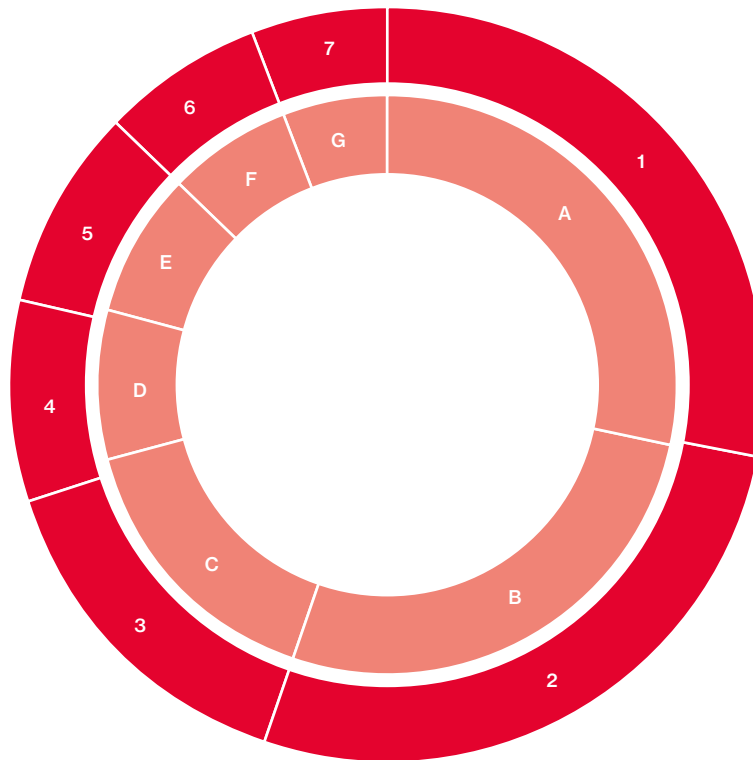
### At 30.06.2016

1	Industry, Commercial	27.8%
2	Residential	20.2%
3	Retail	13.7%
4	Office	12.4%
5	Distribution, Logistics	9.2%
6	Building land	8.5%
7	Residential, Commercial	5.0%
8	Other	3.2%

### At 31.12.2015

A	Industry, Commercial	27.7%
B	Residential	21.3%
C	Retail	13.6%
D	Office	12.0%
E	Distribution, Logistics	9.0%
F	Building land	8.0%
G	Residential, Commercial	5.0%
H	Other	3.3%

## Market value of real estate properties according to canton



2016 ■  
 2015 ■

### At 30.06.2016

1	Aargau	28.3%
2	Zurich	27.0%
3	Zug	14.9%
4	Solothurn	8.6%
5	Geneva	8.6%
6	Baselland	6.8%
7	Other	5.8%

### At 31.12.2015

A	Aargau	28.6%
B	Zurich	26.8%
C	Zug	15.7%
D	Solothurn	8.2%
E	Geneva	8.1%
F	Baselland	6.8%
G	Other	5.8%

## 2 Current and Non-current financial liabilities

	30.06.2016	31.12.2015
Non-current liabilities to banks	313'260	393'389
Bonds	100'000	100'000
<b>Total</b>	<b>413'260</b>	<b>493'389</b>

Financing with a remaining maturity of more than one year as at the reporting date is recorded under "Non-current financial liabilities". This amounted to TCHF 413'260 (31 December 2016: TCHF 493'389) as at the reporting date.

Most of the bank financing is secured by mortgages.

The loan-to-value ratio ([cash and cash equivalents + financial liabilities]/real estate value) was 37% (31 December 2015: 37%) and the debt ratio calculated at fair value (financial liabilities/real estate value) was 31% (31 December 2015: 32%).

The average interest rate paid for financial liabilities came to 1.03% (30 June 2015: 1.04%). Financial liabilities to be repaid within a period of 12 months amounted to TCHF 77'560 (31 December 2015: TCHF 8'870) and are classified as "Current financial liabilities". This amount includes bank liabilities, which get repaid by 31 December 2016 with the cash from the bond issued in July 2016 (TCHF 71'840).

Benchmarks	Bond July 2015
Amount	TCHF 100'000
Maturity	6 years (01.07.2015 – 01.07.2021)
Interest rate	1.00%
Listing	SIX Swiss Exchange
Security number	28'460'739
ISIN	CH0284607394

### Conditions of financial liabilities as at 30.06.2016

Item	Book value	Currency	Due date	Interest rate
Liabilities to banks	390'820	CHF	See chart "Due date in TCHF as at 30.06.2016"	Between 0.6% and 2.95%
Bonds	100'000	CHF	01.07.2021	1.0%
Loans from third parties	4'500	CHF	31.12.2019	3.0%
<b>Total</b>	<b>495'320</b>			

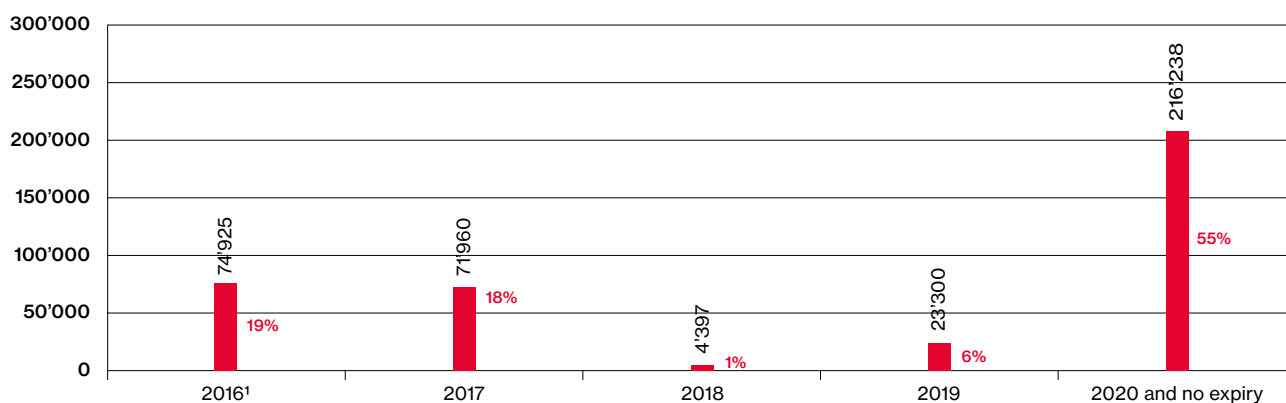
Financial liabilities are recorded and valued at nominal value.

Conditions of financial liabilities as at 31.12.2015

Item	Book value	Currency	Due date	Interest rate
Liabilities to banks	402'259	CHF	See chart "Due date in TCHF as at 31.12.2015"	Between 0.5% and 2.95%
Bonds	100'000	CHF	01.07.2021	1.0%
Loans from third parties	4'500	CHF	31.12.2019	3.0%
<b>Total</b>	<b>506'759</b>			

Financial liabilities are recorded and valued at nominal value.

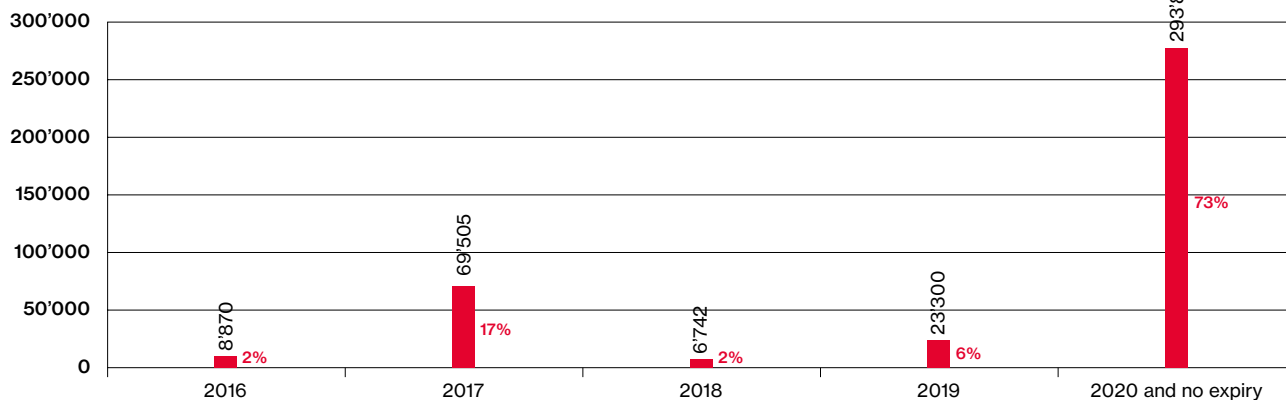
Due dates of the liabilities to banks in TCHF as at 30.06.2016



Total: TCHF 390'820 = 100%

<sup>1</sup> thereof TCHF 71'840 repayment due to bond July 2016

Due dates of the liabilities to banks in TCHF as at 31.12.2015



Total: TCHF 402'259 = 100%

**Interest rates were fixed as follows as at 30 June 2016  
(until the next interest rate adjustment):**

Up to one year including building loan	286'573	73%
2017	69'325	18%
2018	4'397	1%
2019 and longer	30'525	8%
<b>Total</b>	<b>390'820</b>	<b>100%</b>

**Interest rates were fixed as follows as at 31 December 2015  
(until the next interest rate adjustment):**

Up to one year including building loan	300'937	75%
2017	69'505	17%
2018	842	0%
2019 and longer	30'975	8%
<b>Total</b>	<b>402'259</b>	<b>100%</b>

### 3 Property Income

	30.06.2016	30.06.2015
Rental income excl. lump sum charges	25'089	24'077
Lump sum charges	645	606
Other property income	394	424
Decrease in income	-55	2
<b>Total</b>	<b>26'073</b>	<b>25'109</b>

The item "Other property income" includes the sale of electricity from owned power stations in the amount of TCHF 383 for 2015 (30.06.2015: TCHF 424).

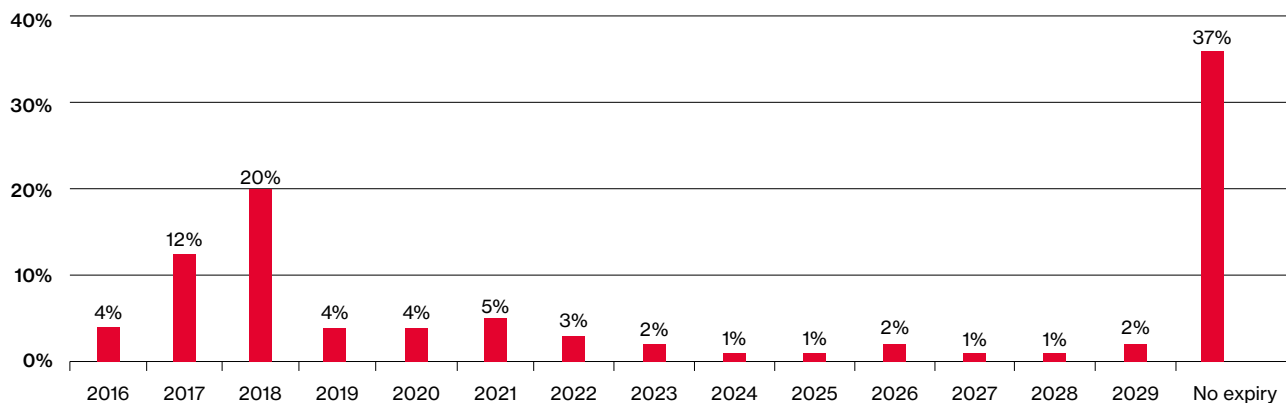
#### Most important tenants

HIAG Immobilien's five most important tenants measured according to property income were (in alphabetical order): Athleticum Sportmarkets AG, Doka Schweiz AG, Hewlett-Packard, Kuratle HIAG Handel AG and Otto's AG.

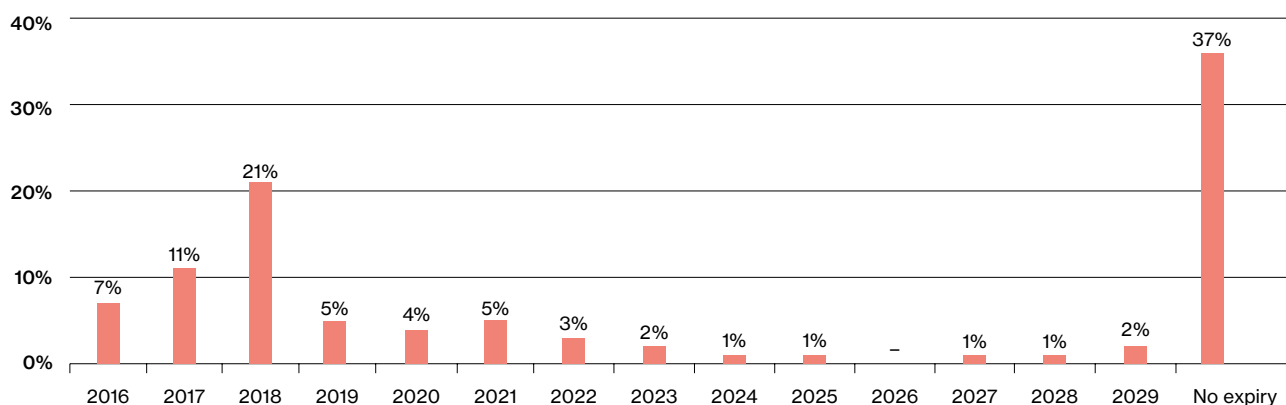
Share of property income represented by (%):	30.06.2016	30.06.2015
The largest tenant	5%	5%
The three largest tenants	14%	13%
The five largest tenants	20%	20%
The ten largest tenants	34%	34%

The overview of the expiry profile of rental agreements shows when the agreements can be terminated at the earliest.

Overview of expiry profile of rental agreements as at 30.06.2016



Overview of expiry profile of rental agreements as at 31.12.2015



Vacancy rate

	30.06.2016	31.12.2015
Yielding properties	11.3%	11.1%
Yielding properties undergoing repositioning <sup>1</sup>	32.0%	32.4%
Redevelopment properties	18.6%	19.3%
<b>Total portfolio</b>	<b>15.9%</b>	<b>16.0%</b>

<sup>1</sup> Properties Mandachstrasse 50–56 ZH, Lorzenparkstrasse 2–16 ZG and Sternefeldpark 14 BL

#### 4 Revaluation of Properties (net)

	30.06.2016	30.06.2015
Positive adjustments	19'682	15'489
Negative adjustments	-14'476	-7'867
Adjustments to properties to be sold	1'722	7'732
Adjustments of costs for environmental risks	468	-109
<b>Total</b>	<b>7'395</b>	<b>15'245</b>

The most significant adjustments as at 30 June 2016 were carried out in connection with the properties in Biberist (TCHF 4'009), Meyrin (TCHF 1'842), Cham (TCHF 1'604), Kleindöttigen (TCHF -1'631) and Birsfelden (TCHF -1'136). Out of a total of 119 properties, 65 underwent positive adjustments, while 54 properties were affected by negative adjustments.

#### 5 Financial Expenses

	30.06.2016	30.06.2015
Interest expenses	1'909	2'290
Interest expenses bond	500	-
Bank fees and bank interest	84	57
Other interest expenses <sup>1</sup>	106	67
<b>Total</b>	<b>2'598</b>	<b>2'414</b>

<sup>1</sup> In 2016 contains proportional issuing costs of the bond (TCHF 29), which gets amortized over the maturity of the bond in the income statement.

The average interest rates paid for financial liabilities came to 1.03% (2015: 1.04%). The fluctuation corridor for interest rates was between 0.6% and 2.95% (2015: between 0.50% and 4.0%). Interest rates for construction loans concerning site development projects amounting to TCHF 236 were capitalised (2015: TCHF 218).



## 6 Share-Based Compensation

For the Management Board, there is a variable component in the form of Long Term Incentive Plans (LTIP). The time period of the current LTIP is five years (2014–2018). For the CEO and CFO, variable compensation is calculated under the LTIP based on the return on equity of the Group. For members of the Extended Executive Board (site developers and the head of portfolio management), the LTIP is calculated based on revaluation of properties of the real estate portfolio of the HIAG Immobilien Group during the relevant time period. Incidentally, the same rules apply with regard to share and cash components, which are explained below. The threshold for the incentive based on return on equity is an average ROE of 6% with an upper limit of 13% over the time period of the LTIP. The threshold for the incentive based on revaluation of the real estate portfolio is an average annual property revaluation of CHF 10 million (cumulated CHF 50 million) with a cumulative upper limit of CHF 70 (cumulative upper limit of CHF 350 million) for the entire relevant time period. The bonus envelope for the Management Board under the current LTIP is limited to a total of CHF 14 million. The upper limit represents a participation of approximately 2.8% of the value created for the shareholders. Fifty percent of the incentive is set aside annually in the form of restricted employee shares. The basis for calculation is the average return or increase in value as at the end of the respective year starting from the beginning of the calculation period applying the high water mark principle. The shares may be acquired by the members of the Management Board with a retention period of five years from the date of acquisition; these acquired shares are non-forfeitable. Shares are allocated according to the proportional incentive programme for members of the Management Board at a discount of 25.274%. The share component under the LTIP can be paid from the contingent capital or from the company's own holdings of treasury shares. The other 50% of the LTIP is the cash component. It is paid out only if the member of the Management Board in question is regularly employed as at 30 June 2019.

The LTIP portion has an impact of TCHF 387 on 2016 net income (2015: TCHF 436), of which the cash component constitutes TCHF 133 (2015: TCHF 191) (with provisions as the corresponding opposite item) and the share component TCHF 254 (2015: TCHF 245) (with shareholders' equity as the corresponding opposite item).

The accumulated provision for the cash component, which gets paid in the year 2019, amounts to TCHF 1'050 as at 30 June 2016 (31 December 2015: TCHF 858).

## 7 Taxes

	30.06.2016	30.06.2015
Income taxes	-43	-32
Deferred taxes	256	-6'903
Capitalisation of tax losses carried forward	2'393	3'215
Use of capitalised tax losses carried forward	-2'578	-
<b>Total</b>	<b>28</b>	<b>-3'720</b>

In the period under review TCHF 256 of provisions for deferred taxes were reversed (2015: increase of TCHF 6'903).

As at 30 June 2016, TCHF 2'393 of economic benefit from tax losses carried forward were capitalised, as it is probable that they could be offset with future taxable profits. The capitalisation reflects the profit expected under the accounting principles of the Swiss Code of Obligation for the next 12 months, from the significant entities of the group. Out of the capitalised tax losses carried forward as at 31 December 2015 TCHF 2'578 were used in the first half year 2016.

The entities of the group dispose as at financial statement date of non capitalised tax losses carried forward amounting overall to TCHF 24'431 (31. December 2015: TCHF 40'774). The potential tax reductions made possible by these loss carry forwards came to TCHF 3'452 as at 30 June 2016 (31 December 2015: TCHF 5'779).

## 8 Shareholders' Equity

### Composition of share capital

	Nominal value CHF	30.06.2016	31.12.2015
Registered shares	1.00	8'000'000	8'000'000
<b>Total</b>		<b>8'000'000</b>	<b>8'000'000</b>

On 30 June 2016, share capital consisted of 8'000'000 registered shares at a nominal value of CHF 1. Each share is entitled to one vote. Pursuant to Article 3 of the Articles of Incorporation, the Board of Directors is authorised to increase the share capital of the company by a maximum of TCHF 1'600 until 19 April 2018. As at 30 June 2016, conditional share capital came to TCHF 1'400. As at 30 June 2016, no rights had been exercised.

The non-distributable legal reserves came to TCHF 1'400 (31 December 2015: TCHF 1'400).

### Earnings and shareholders' equity (NAV) per share

in CHF	01.01.2016–30.06.2016	01.01.2015–30.06.2016
Net income	21'627	24'188
Time-weighted average number of shares outstanding	8'000'000	8'000'000
Earnings per average registered share outstanding	2.70	3.02
Undiluted earnings per share	2.70	3.02
Diluted earnings per share	2.70	3.02

in CHF	30.06.2016	31.12.2015
Shareholders' equity (NAV) per outstanding registered share, before deferred taxes	95.69	96.49
Shareholders' equity (NAV) per outstanding registered share, after deferred taxes	87.83	88.59

As at 30 June 2016 as well as 31 December 2015 there were no dilutive effects.

## 9 Segment Reporting

The main business activities of the group include the management of the yielding properties and redevelopment activities. Consequently, reporting is broken down according to the segments "Yielding portfolio" and "Redevelopment portfolio". The auxiliary activities with regard to the management, asset management and technical administrative management of the pension fund "HIAG Pensionskasse", as well as human resources services rendered to third parties are disclosed under the separate segment "Services". The costs of central functions such as finance, and expenditures in connection with the Board of Directors are disclosed in the segment "Corporate", while expenditures in connection with the Executive Board are listed under the segments according to their purpose. Furthermore, general company expenditure, such as auditing costs, taxes on capital, etc. are also disclosed under the segment "Corporate".

As HIAG Immobilien Holding is active exclusively in Switzerland, no geographical segment information is provided.

### Segments 1 January 2016 to 30 June 2016

	Yielding portfolio	Redevelopment portfolio	Services	Corporate	Group
Property income	20'378	5'695	–	–	26'073
Other operating income	79	102	398	–	579
Revaluation of properties	–3'327	10'722	–	–	7'395
<b>Total operating income</b>	<b>17'130</b>	<b>16'519</b>	<b>398</b>	<b>–</b>	<b>34'047</b>
<b>Total operating expenses</b>	<b>5'210</b>	<b>2'941</b>	<b>394</b>	<b>1'475</b>	<b>10'020</b>
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	11'920	13'578	4	–1'475	24'027
<b>EBITDA before revaluation of properties</b>	<b>15'247</b>	<b>2'856</b>	<b>4</b>	<b>–1'475</b>	<b>16'632</b>

### Segments 1 January 2015 to 30 June 2016

	Yielding portfolio	Redevelopment portfolio	Services	Corporate	Group
Property income	19'567	5'542	–	–	25'109
Other operating income	–	550	524	–	1'074
Revaluation of properties	1'185	14'060	–	–	15'245
<b>Total operating income</b>	<b>20'752</b>	<b>20'152</b>	<b>524</b>	<b>–</b>	<b>41'428</b>
<b>Total operating expenses</b>	<b>4'519</b>	<b>4'378</b>	<b>519</b>	<b>1'658</b>	<b>11'074</b>
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	16'233	15'774	5	–1'658	30'354
<b>EBITDA before revaluation of properties</b>	<b>15'047</b>	<b>1'714</b>	<b>5</b>	<b>–1'658</b>	<b>15'109</b>

# General Property Details (at 30 June 2016)

## Yielding Portfolio

Property ID	Canton	Municipality	Property	Main use <sup>1</sup>	Market value (CHFm)	Full occupancy property rent (CHFm)	Annualised property rent (CHFm)	Occupancy rate (%)	Net site area (m <sup>2</sup> )	Year of construction	Year of construction 2 <sup>3</sup>	Partial renovation	Discount factor (%)
10101	ZH	Dietikon	Riedstrasse 3	Retail	52.2	3.0	2.8	94.0%	13,690	1982	2002	2007	4.6
10102	ZH	Dietikon	Riedstrasse 5	Retail	44.8	2.2	2.2	100.0%	13,500	1982	–	1993	4.6
10103	ZH	Dietikon	Riedstrasse 7–9	Retail	30.0	1.6	1.4	90.6%	10,543	1982	–	–	4.6
10104	ZH	Dietikon	Riedstrasse 11	Others	0.3	0.0	0.0	100.0%	930	–	–	–	4.4
10201	AG	Kleindöttingen	Industriestrasse 39–41	Industrial	29.5	1.4	1.3	98.1%	65,356	1997	2007	–	5.1
10202	AG	Kleindöttingen	Industriestrasse 14/20/26/30/34/46	Industrial	33.4	2.1	1.9	91.7%	38,314	1971	2012	–	5.0
10203	AG	Kleindöttingen	Industriestrasse 3	Logistics	19.3	1.5	0.7	45.9%	14,517	1971	1999	2008	5.3
10204	AG	Kleindöttingen	Hauptstrasse 70	Industrial	2.1	0.3	0.3	85.7%	6,625	1961	1977	–	5.7
10207	AG	Kleindöttingen	Industriestrasse 21	Industrial	5.1	0.7	0.4	61.8%	12,849	1969	1974	–	5.7
10301	ZH	Niederhasli	Mandachstrasse 50–56	Office	45.1	3.3	2.4	70.8%	10,918	1992	2007	–	4.8
10302	ZH	Niederhasli	Stationstrasse 25	Logistics	20.9	1.4	1.3	91.5%	16,691	1991	–	–	4.8
10303	ZH	Niederhasli	Stationstrasse 32	Industrial	8.3	0.7	0.7	100.0%	16,122	1955	2001	–	5.2
10502	TG	Ermatingen	Hauptstrasse 189	Logistics	4.0	0.4	0.4	100.0%	12,257	1994	–	–	5.4
10601	BL	Füllinsdorf	Wölferstrasse 27/27a	Logistics	13.3	1.0	0.6	61.2%	16,000	1971	1983	2015	5.4
10701	GE	Carouge	Rue Baylon 13–15	Logistics	19.3	1.8	1.4	73.8%	10,871	1970	2003	–	5.1
10801	BS	Riehen	Plot no. 1700	Others	2.1	0.2	0.2	100.0%	5,485	–	–	–	2.8
12801	SG	St. Margrethen	Plot no. 2957	Others	3.0	0.1	0.1	100.0%	13,880	–	–	–	3.0
13401	AG	Klingnau	Weierstrasse 5 / Kanalstrasse 8	Industrial	16.1	1.0	1.0	100.0%	12,984	1965	2008	–	4.8
13402	AG	Klingnau	Industriestrasse 7	Industrial	5.4	0.4	0.3	72.6%	5,529	1955	–	–	5.6
13403	AG	Klingnau	Industriestrasse 4/10, Brühlstrasse 46–50	Industrial	13.3	0.9	0.8	82.2%	13,009	1955	2008	–	5.1
13404	AG	Klingnau	Brühlstrasse 33–41	Industrial	4.1	0.4	0.2	67.9%	6,170	1953	1955	–	5.4
13405	AG	Klingnau	Schützenmattstrasse 7, Parkstrasse 14	Industrial	4.4	0.4	0.2	49.2%	11,035	1949	1961	–	5.7
13406	AG	Klingnau	Parkstrasse 15–29	Residential	26.8	1.2	1.1	94.0%	13,071	1999	2008	–	3.5
13407	AG	Klingnau	Parkstrasse 7–13	Residential	12.0	0.6	0.5	91.5%	6,075	1999	2008	–	3.6
18101	ZG	Cham	Lorzenparkstrasse 2–16	Res. mixed	50.1	3.4	2.4	70.5%	13,537	2008	–	–	4.7
30001	ZH	Aathal	Zürichstrasse 66–80	Residential	4.0	0.3	0.3	98.7%	7,861	1870	1915	1988	4.3
30002	ZH	Aathal	Zürichstrasse 50–62/192	Res. mixed	1.7	0.2	0.2	100.0%	6,639	1849	1880	1985	4.5
30401	ZH	Aathal	Zürichstrasse 13–25	Retail	36.4	2.4	1.9	78.4%	16,597	1862	2014	–	4.7
30402	ZH	Aathal	Gstaldenstrasse 5	Industrial	4.3	0.4	0.3	84.9%	16,250	1960	1964	–	5.1
30404	ZH	Aathal	Zürichstrasse 1–7	Residential	1.2	0.1	0.1	99.6%	4,343	1900	–	1995	4.1
30501	ZH	Aathal/Wetzikon	Agricultural land / land without use	Others	1.6	–	–	–	196	–	–	–	2.5
30601	ZH	Aathal	Zürichstrasse 34	Res. mixed	0.2	0.0	0.0	100.0%	257	1860	–	1990	4.8
30802	ZH	Wetzikon	Zürcherstrasse 130–132/131–133	Residential	0.8	0.1	0.1	97.9%	0	1839	–	2003	4.2
30901	ZH	Wetzikon	Grundstrasse 6–10	Residential	1.0	0.1	0.1	98.0%	1,745	1895	–	1990	3.8
30902	ZH	Wetzikon	Schulhausstrasse 42–44	Residential	1.6	0.1	0.1	100.0%	2,076	1840	–	1982	3.9
30904	ZH	Wetzikon	Usterstrasse 128	Residential	4.5	0.2	0.2	100.0%	1,569	1870	2007	–	3.5
30905	ZH	Wetzikon	Haldenstrasse 20	Residential	3.0	0.2	0.2	98.5%	1,741	1971	–	1991	3.3
30909	ZH	Wetzikon	Florastrasse 9	Residential	5.8	0.3	0.3	99.6%	1,899	1990	–	–	3.7
30910	ZH	Wetzikon	Usterstrasse 88–104	Residential	0.7	0.1	0.1	99.0%	2,078	1791	–	1990	4.2
32102	AG	Windisch	Spinnereistrasse 10–12/15	Residential	34.1	1.4	1.3	95.0%	5,122	2014	–	–	3.5
32106	AG	Windisch	Dorfstrasse 69	Office	8.5	0.5	0.4	87.4%	2,466	1959	–	2008	5.0
32108	AG	Windisch	Spitzmattstrasse 6	Others	16.3	1.4	1.3	97.4%	5,115	1960	–	2003	5.4
33101	ZH	Wädenswil	Seestrasse 205/219, Bürglistrasse 43	Industrial	12.0	0.9	0.9	100.0%	11,105	1916	–	–	4.0
35001	GL	Diesbach	Legler Fabrik	Industrial	–0.6	0.0	0.0	84.4%	9,890	1910	1996	–	4.6
35002	GL	Diesbach	Hauptstrasse 38–40	Office	0.4	0.0	0.0	50.6%	7,683	1961	1970	–	5.0
35004	GL	Diesbach	Power plant	Others	10.3	0.8	0.8	100.0%	–	1996	–	2015	4.7
36110	SO	Biberist	MEG Emenkanal, land	Others	–0.2	–	–	–	–	–	–	–	5.0
36112	SO	Biberist	Power plant	Others	3.2	0.3	0.3	100.0%	–	1984	–	–	4.7
36201	SO	Biberist	Herrenweg 1–7	Residential	1.7	0.1	0.1	100.0%	7,500	1920	–	–	4.0
36202	SO	Biberist	Derendingerstrasse 18–40, Herrenweg 6	Residential	4.1	0.3	0.3	97.4%	16,394	1920	–	–	4.1
36203	SO	Biberist	Herrenweg 4/8/10, Derendingerstrasse 16	Residential	2.4	0.0	0.0	100.0%	–	1928	–	1992	4.4
60101	BS	Basel	Rosentalstrasse 27	Residential	4.6	0.2	0.2	100.0%	574	1938	–	–	3.4
60301	BL	Birsfelden	Weidenweg 8–10	Residential	11.3	0.6	0.5	97.5%	3,798	1989	–	–	3.7
60302	BL	Birsfelden	Hauptstrasse 84–88	Residential	10.0	0.6	0.5	86.8%	1,787	1989	–	–	4.3
60401	BL	Birsfelden	Sternenfeldpark 14	Office	21.9	1.7	1.0	57.2%	3,554	2009	–	–	5.1
60402	BL	Birsfelden	Langenhagstrasse 6/10/18	Logistics	12.8	0.9	0.9	100.0%	8,383	1960	2006	–	4.8
60601	SO	Gempen	Schartenhof	Others	2.7	0.0	0.0	100.0%	2,331	1950	–	2006	2.6
62001	BL	Allschwil	Binningerstrasse 87–89	Industrial	5.0	0.4	0.4	100.0%	1,999	1809	1957	–	4.4
70001	AG	Brunegg	Industriestrasse 1	Logistics	17.4	1.4	1.4	100.0%	15,293	1974	1985	2001	4.7
70401	AG	Buchs	Fabrikweg	Retail	4.6	0.4	0.4	100.0%	18,211	1988	–	2007	5.0
Total			Total		714.4	46.1	39.1	84.9%	544,414				

<sup>1</sup> Others refer to land, building rights, parking, official use, power plant; Res. mixed refers to properties with residential and commercial use.

<sup>2</sup> Net site area does not include agricultural land and land without utilisation (total approximately 1 million m<sup>2</sup>).

<sup>3</sup> Second building phase.

Yielding Portfolio

Ownership (%)	Register of polluted sites (KbS)	Compulsory surveillance	Obligatory remediation	Lettable area (% m <sup>2</sup> )							Full occupancy property income (CHF 1'000)							
				Resi-dential	Office	Retail	Industry / Logistics	Storage	Others	Total	Resi-dential	Office	Retail	Industry / Logistics	Storage	Others	Total	
Sole ownership	100%	Yes	-	-	-	13%	37%	8%	5%	38%	17,003	-	0.4	1.3	0.2	0.1	1.0	3.0
Sole ownership	100%	No	-	-	-	7%	80%	-	13%	-	9,240	-	0.1	1.9	-	0.0	0.2	2.2
Sole ownership	100%	No	-	-	-	-	94%	-	6%	-	11,854	-	-	1.3	0.1	0.1	0.1	1.6
Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
Sole ownership	100%	Yes	No	No	-	20%	-	79%	1%	-	16,113	-	0.2	-	0.8	0.0	0.4	1.4
Sole ownership	100%	Yes	No	No	-	14%	-	68%	17%	-	17,006	-	0.4	-	1.6	0.0	0.1	2.1
Sole ownership	100%	Yes	No	No	-	19%	-	74%	7%	-	15,461	-	0.4	-	1.1	0.1	0.0	1.5
Sole ownership	100%	No	-	-	-	-	-	83%	17%	-	4,775	-	0.0	-	0.3	0.0	0.0	0.3
Sole ownership	100%	No	-	-	-	6%	-	48%	39%	6%	11,359	-	0.1	-	0.5	0.1	0.0	0.7
Sole ownership	100%	No	-	-	-	41%	24%	22%	12%	-	19,187	-	0.6	0.7	1.4	0.4	0.3	3.4
Sole ownership	100%	No	-	-	-	-	-	100%	-	-	7,883	-	-	-	1.3	-	0.1	1.4
Sole ownership	100%	No	-	-	8%	11%	-	31%	50%	-	4,608	-	-	-	0.3	-	0.4	0.7
Sole ownership	100%	No	-	-	-	-	-	-	100%	-	3,301	-	-	-	0.3	-	0.1	0.4
Sole ownership	100%	No	-	-	-	4%	-	10%	86%	-	13,723	-	0.1	-	0.1	0.8	0.0	1.0
Building right	100%	No	-	-	-	10%	-	89%	1%	-	10,749	-	0.2	-	1.5	0.0	0.0	1.8
Building right	100%	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.2
Building right	100%	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1
Sole ownership	100%	No	-	-	-	10%	-	75%	15%	-	9,015	-	0.1	-	0.9	-	0.0	1.0
Sole ownership	100%	Yes	No	No	-	4%	-	90%	5%	-	5,914	-	0.0	-	0.4	0.0	0.0	0.4
Sole ownership	100%	Yes	No	No	-	3%	-	73%	23%	-	10,428	-	0.1	-	0.8	0.0	0.0	0.9
Sole ownership	100%	No	-	-	-	11%	-	43%	46%	-	5,741	-	0.1	-	0.3	0.0	0.0	0.4
Sole ownership	100%	Yes	No	No	-	7%	-	43%	51%	-	5,526	-	0.0	-	0.3	0.0	0.0	0.4
Sole ownership	100%	No	-	-	91%	-	-	-	-	9%	6,309	1.1	-	-	-	-	0.1	1.3
Sole ownership	100%	No	-	-	92%	-	-	-	-	8%	2,911	0.5	-	-	-	-	0.1	0.6
Sole ownership	100%	No	-	-	38%	26%	-	23%	6%	7%	14,812	1.2	1.3	-	0.6	0.1	0.3	3.5
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	2,139	0.3	-	-	-	0.0	0.0	0.3
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	1,096	0.1	-	-	-	-	0.0	0.1
Sole ownership	100%	Yes	No	No	2%	29%	36%	3%	18%	11%	13,757	0.0	0.5	0.7	0.3	0.4	0.4	2.3
Sole ownership	100%	No	-	-	-	-	-	-	100%	-	4,753	-	-	-	-	0.3	0.1	0.3
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	729	0.1	-	-	-	-	0.0	0.1
Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sole ownership	100%	No	-	-	66%	-	-	34%	-	-	94	0.0	-	-	0.0	-	-	0.0
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	551	0.1	-	-	-	-	0.0	0.1
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	433	0.1	-	-	-	-	0.0	0.1
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	500	0.1	-	-	-	-	0.0	0.1
Sole ownership	100%	No	-	-	98%	-	-	-	-	2%	1,065	0.2	-	-	-	-	0.0	0.2
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	904	0.2	-	-	-	-	0.0	0.2
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	1,347	0.3	-	-	-	-	0.0	0.3
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	627	0.1	-	-	-	-	0.0	0.1
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	5'317	1.4	-	-	-	-	-	1.4
Sole ownership	100%	No	-	-	-	89%	-	-	10%	1%	3,147	-	0.4	-	-	0.0	0.1	0.5
Sole ownership	100%	No	-	-	2%	-	-	-	-	98%	8,380	0.0	-	-	-	-	1.4	1.4
Sole ownership	100%	Yes	No	No	-	3%	-	67%	30%	-	11,986	-	0.1	-	0.6	0.2	0.0	0.9
Sole ownership	100%	No	-	-	-	-	-	100%	-	-	170	-	-	-	0.0	-	-	0.0
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	200	0.0	-	-	-	-	-	0.0
Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8	0.8
Sole ownership	100%	No	No	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sole ownership	100%	No	No	No	-	-	-	-	-	-	-	-	-	-	-	-	0.3	0.3
Sole ownership	100%	Yes	No	No	100%	-	-	-	-	-	1,732	0.1	-	-	-	-	-	0.1
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	2,610	0.2	-	-	-	-	0.0	0.3
Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	1,121	0.2	-	-	-	-	-	0.2
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	1,976	0.4	-	-	-	-	0.1	0.5
Sole ownership	100%	No	-	-	28%	24%	19%	11%	18%	-	3,157	0.2	0.2	0.1	0.1	0.0	0.1	0.6
Sole ownership	100%	Yes	No	No	-	58%	-	42%	-	-	10,165	-	0.9	-	0.5	0.1	0.2	1.7
Sole ownership	100%	Yes	No	No	-	14%	-	82%	5%	-	6,992	-	0.2	-	0.7	0.0	0.0	0.9
Sole ownership	100%	No	-	-	100%	-	-	-	-	-	162	0.0	-	-	-	-	0.0	0.0
Sole ownership	100%	No	-	-	11%	16%	-	73%	-	-	2,443	0.1	0.1	-	0.2	-	0.0	0.4
Sole ownership	100%	No	-	-	-	12%	-	74%	14%	-	10,635	-	0.2	-	1.1	0.1	0.0	1.4
Building right	100%	No	-	-	-	39%	-	61%	-	-	4,950	-	0.2	-	0.2	-	-	0.4
					12%	14%	11%	40%	17%	6%	326,056	6.9	6.9	6.1	16.3	2.8	7.1	46.0

## Redevelopment Portfolio

Property ID	Canton	Municipality	Property	Main use <sup>1</sup>	Market value (CHFm)	Full occupancy property rent (CHFm)	Annualised property rent (CHFm)	Occupancy rate (%)	Net site area (m <sup>2</sup> )	Year of construction	Year of construction <sup>2,3</sup>
10208	AG	Kleindöttingen	Plot no. 420	Others	9.9	–	–	–	43,400	–	–
10304	ZH	Niederhasli	Plot no. 3131	Others	4.1	–	–	–	12,000	–	–
10501	TG	Ermatingen	Hauptstrasse 181/185	Logistics	5.2	0.4	0.4	100.0%	12,125	1968	1997
12802	SG	St. Margrethen	Altfeldstrasse West	Industrial	8.8	0.4	0.2	39.6%	38,741	1951	–
12803	SG	St. Margrethen	Altfeldstrasse Ost	Industrial	4.2	0.3	0.2	63.0%	31,710	1937	–
13408	AG	Klingnau	Weierstrasse 8	Others	0.9	–	–	–	2,144	–	–
16101	ZG	Baar	Ibelweg 18	Residential	85.3	–	–	–	9,218	2015	–
18102	ZG	Cham	Plot no. 2794	Others	7.7	–	–	–	6,514	–	–
18103	ZG	Cham	Plot no. 3195	Others	39.4	0.0	0.0	100.0%	26,231	–	–
20101	VS	St-Maurice	Bois-Noir	Industrial	1.6	0.3	0.3	100.0%	33,281	1960	1970
22101	VD	Aigle	Route Industrielle 18	Logistics	3.1	0.2	0.2	100.0%	11,410	1991	–
22201	GE	Vernier	Chemin de la Verseuse 1–3	Industrial	5.7	0.0	0.0	100.0%	4,507	1964	–
22301	GE	Lancy	Route des Jeunes 20–26	Industrial	18.0	0.5	0.5	95.4%	8,783	1960	–
26101	AG	Bremgarten	Luzernerstrasse 48–50	Industrial	17.6	0.7	0.7	100.0%	20,613	1962	1983
29001	GE	Meyrin	Route du Nant d'Avril 150	Office	34.9	2.5	2.4	95.7%	34,547	1981	–
29002	GE	Meyrin	Route du Nant d'Avril 150	Office	27.1	–	–	–	8,418	2015	–
30101	ZH	Aathal	Plot no. 3990	Others	1.3	0.1	0.1	100.0%	8,163	–	–
30201	ZH	Aathal	Zürichstrasse 27/33–39, Gstalderstrasse 4	Residential	6.1	0.2	0.2	99.3%	23,938	1850	1870
30403	ZH	Aathal	Gstalderstrasse 3	Res. mixed	0.9	0.1	0.0	8.3%	1,067	1870	–
30602	ZH	Aathal	Chälenweg 1/11/164, Aretsh. 1–7/11–21/158	Residential	2.4	0.2	0.2	99.7%	10,069	1440	–
30603	ZH	Aathal	Zürichstrasse 22–24	Res. mixed	2.0	0.2	0.2	76.0%	3,567	1870	1860
30701	ZH	Seegräben	Aretshaldenstrasse 30	Residential	0.8	–	–	–	,733	1700	1850
30801	ZH	Wetzikon	Usterstr. 200–202/206, Zürichstr. 119–121	Industrial	6.4	0.6	0.3	48.0%	14,653	1872	1900
30906	ZH	Wetzikon	Schönaustrasse 5–13	Residential	5.0	0.3	0.2	69.2%	17,055	2016	–
30907	ZH	Wetzikon	Schönaustrasse 9	Others	19.9	0.1	0.0	58.7%	8,267	2016	–
30908	ZH	Wetzikon	Weststrasse 26–28	Residential	1.9	0.0	0.0	100.0%	1,908	1800	1896
31501	TG	Frauenfeld	Walzmühlestrasse 47	Res. mixed	2.0	0.1	0.0	10.6%	4,564	1926	–
31502	TG	Frauenfeld	Walzmühlestrasse 49	Res. mixed	1.6	0.1	0.0	12.7%	2,043	1922	–
31503	TG	Frauenfeld	Walzmühlestrasse 51	Res. mixed	3.5	0.2	0.2	82.9%	10,863	1832	–
31504	TG	Frauenfeld	Walzmühlestrasse Parking	Res. mixed	1.4	0.0	0.0	84.2%	3,340	–	–
31601	NE	Neuchâtel	Rue du Plan 30	Industrial	15.8	1.2	0.8	68.0%	11,397	1963	1967
31701	SO	Dornach	Weidenstrasse 50	Industrial	29.7	0.2	0.2	84.1%	136,685	1895	–
32103	AG	Windisch	Kunzareal – Feinspinnerei	Residential	16.0	–	–	–	2,081	2015	–
32104	AG	Windisch	Spinnereistrasse 6	Residential	1.1	–	–	–	8,400	2014	–
32105	AG	Windisch	Kunzareal – Zentrum West	Industrial	1.1	0.1	0.1	100.0%	2,481	1827	–
32107	AG	Windisch	Kunzareal – Heinrich	Others	0.7	0.1	0.1	77.6%	3,252	1960	1890
34001	AG	Brugg	Wildschachenstrasse 12–14	Office	5.0	0.6	0.5	94.7%	11,080	1960	–
34002	AG	Brugg	Wildschachenstrasse 6	Industrial	18.2	1.3	1.0	77.1%	33,505	1960	–
36101	SO	Biberist	Fabrikstrasse 2–8	Office	3.2	0.4	–	0.0%	22,524	1937	–
36102	SO	Biberist	Fabrikstrasse 14–34	Industrial	15.0	–	–	–	44,000	1972	–
36103	SO	Biberist	Fabrikstrasse 57–115	Industrial	10.6	0.7	0.7	100.0%	40,000	1946	1990
36104	SO	Biberist	Fabrikstrasse 36–38	Logistics	14.3	0.5	0.4	78.1%	23,000	1991	1991
36105	SO	Biberist	Fabrikstrasse 1–29	Industrial	4.6	0.2	0.2	100.0%	19,000	1932	–
36106	SO	Biberist	Fabrikstrasse 3–35	Industrial	1.8	–	–	–	18,962	1903	1947
36107	SO	Biberist	Fabrikstrasse 31–77	Industrial	1.0	–	–	–	16,000	1946	1939
36108	SO	Biberist	Fabrikstrasse Insel	Others	3.3	0.3	0.3	100.0%	60,400	1991	–
36109	SO	Biberist	Derendingerstrasse 27–29	Others	7.6	–	–	–	44,183	–	–
36204	SO	Biberist	plot no. 944, 1172, 1179	Others	0.5	–	–	–	–	–	–
40101	AG	Menziken	Hauptstrasse 85	Others	11.1	–	–	–	9,611	1911	–
61101	BL	Aesch	Industriestrasse 45–61	Industrial	9.1	0.8	0.8	97.6%	35,932	1900	–
72001	AG	Hausen	Hauptstrasse 96	Others	9.5	–	–	–	27,235	2017	–
72002	AG	Lupfig	Hauptstrasse 98–100	Others	4.3	–	–	–	34,933	2018	1940
<hr/>											
Total				Total	512.3	14.1	11.4	81.4%	1018,533	–	

1 Others refer to land, building rights, parking, official use, power plant, datacenter; Res. mixed refers to properties with residential and commercial use.

2 Net site area does not include agricultural land and land without utilisation (total approximately 1 million m<sup>2</sup>).

3 Second building phase.

4 According to the Masterplan as at December 2012 between 120'000 and 130'000 m<sup>2</sup> could be developed, only 40'000 m<sup>2</sup> have been planned as of June 30, 2016.

Redevelopment Portfolio

Partial reno- vation	Discount factor (%)	Ownership (%)	Register of polluted sites (KbS)	Compulsory surveillance	Obligatory remediation	Effective area to be developed (m²)								
						Residential (sale)	Residential (rent)	Office	Retail	Industry/ Logistics	Storage	Others	Total	
-	3.8	Sole ownership	100%	No	-	-	3,500	14,500	-	-	19,992	-	-	37,992
-	4.5	Sole ownership	100%	No	-	-	-	-	-	-	7,800	-	-	7,800
-	5.4	Sole ownership	100%	No	-	-	-	-	-	826	-	11,107	-	11,933
-	2.5	Sole ownership	100%	No	-	-	-	-	-	-	12,500	-	6,000	18,500
-	2.5	Sole ownership	100%	Yes	No	No	-	-	-	-	-	-	-	-
-	4.2	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
-	2.5	Condominium	100%	No	-	-	12,208	-	-	-	-	-	-	12,208
-	2.5	Sole ownership	100%	No	-	-	-	-	21,000	2,000	-	-	-	23,000
-	2.5	Sole ownership	100%	No	-	-	11,000	11,000	2,700	2,200	-	-	-	26,900
-	5.8	Sole ownership	100%	Yes	No	No	-	-	-	12,600	7,470	-	-	20,070
2014	5.2	Sole ownership	100%	No	-	-	-	-	252	1,532	766	-	-	2,550
-	4.6	Sole ownership	100%	No	-	-	-	-	3,049	-	4,466	739	-	8,254
-	4.2	Building right	100%	Yes	No	No	-	-	25,701	-	-	-	21,243	46,945
-	4.8	Sole ownership	100%	Yes	No	No	-	-	2,485	-	10,866	-	-	13,351
-	4.4	Building right	100%	No	-	-	-	-	24,210	-	23,700	-	-	47,910
-	3.4	Building right	100%	No	-	-	-	-	8,264	-	-	-	-	8,264
-	5.0	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
1990	4.5	Sole ownership	100%	No	-	-	-	-	-	4,080	-	-	-	4,080
1993	5.3	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
1988	4.7	Sole ownership	100%	Yes	No	No	-	-	-	-	-	-	-	-
1989	4.9	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
-	2.5	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
1993	5.5	Sole ownership	100%	Yes	No	No	1,900	298	1,669	1,569	-	772	-	6,208
1943	4.2	Sole ownership	100%	No	-	-	6,282	-	-	-	120	-	740	7,142
-	2.5	Sole ownership	100%	Yes	No	No	8,727	-	-	-	-	-	-	8,727
-	4.2	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
-	4.2	Sole ownership	100%	Yes	No	No	1,515	-	-	623	-	423	-	2,561
-	4.6	Sole ownership	100%	Yes	No	No	-	1,545	1,348	-	350	61	-	3,304
-	4.0	Sole ownership	100%	Yes	No	No	4,246	-	-	-	-	-	171	4,417
-	4.8	Sole ownership	100%	Yes	No	No	-	-	6,263	-	-	-	-	6,263
2015	4.7	Sole ownership	100%	Yes	No	No	-	-	-	3,200	-	-	-	3,200
-	5.0	Sole ownership	100%	Yes	No	No	-	20,000	10,000	-	10,000	-	-	40,000
-	2.5	Condominium	100%	No	-	-	3,001	-	-	-	-	-	-	3,001
-	2.5	Condominium	100%	No	-	-	-	-	-	-	-	-	-	-
-	4.1	Sole ownership	100%	No	-	-	-	-	2,437	-	-	-	-	2,437
-	4.6	Sole ownership	100%	No	-	-	-	-	-	-	-	-	3,252	3,252
-	4.7	Sole ownership	100%	Yes	No	No	-	-	3,439	-	-	313	-	3,752
-	5.1	Sole ownership	100%	Yes	No	No	-	-	-	13,520	-	-	-	13,520
-	7.0	Sole ownership	100%	No	-	-	-	-	-	-	-	-	1,416	1,416
-	6.0	Sole ownership	100%	No	-	-	-	-	-	-	30,954	15,000	-	45,954
-	5.6	Sole ownership	100%	No	-	-	-	-	-	-	33,952	14,000	-	47,952
-	4.5	Sole ownership	100%	Yes	No	No	-	-	386	-	4,457	6,804	1,900	13,547
-	5.9	Sole ownership	100%	No	-	-	-	-	-	-	-	20,110	-	20,110
-	6.0	Sole ownership	100%	No	-	-	-	-	-	-	5,257	22,010	-	27,267
-	6.1	Sole ownership	100%	No	-	-	-	-	-	-	11,000	-	-	11,000
-	5.6	Sole ownership	100%	No	-	-	-	-	-	-	17,700	-	-	17,700
-	2.5	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
-	2.5	Sole ownership	100%	No	-	-	-	-	-	-	-	-	-	-
-	7.0	Sole ownership	100%	Yes	No	No	-	-	-	-	-	-	10,200	10,200
-	5.0	Sole ownership	100%	Yes	No	No	-	-	27,000	-	27,000	-	-	54,000
-	4.8	Sole ownership	100%	Yes	No	No	-	-	4,320	-	11,990	-	-	16,310
-	4.8	Sole ownership	100%	Yes	Yes	Yes	-	-	2,600	-	13,500	-	-	16,100
						52,379	47,343	147,123	42,150	253,840	91,339	44,922	679,097	

## Contact

HIAG Immobilien  
Aeschenplatz 7  
4052 Basel  
T +41 61 606 55 00

HIAG Immobilien  
Löwenstrasse 51  
8001 Zürich  
T +41 44 404 10 30

HIAG Immobilier  
Rue François-Bonivard 10  
1201 Genève  
T +41 22 304 10 30

**Investor Relations**  
Martin Durchschlag  
CEO  
T +41 61 606 55 00

Laurent Spindler  
CFO  
T + 41 61 606 55 00

investor.relations@hiag.com

**Press**  
Frank Butz  
Director of Communication  
T +41 61 606 55 22  
www.hiag.com

## Stock Exchange Trading

Registered shares:  
HIAG Immobilien Holding AG  
Ticker symbol SIX Swiss  
Exchange: HIAG  
ISIN: CH0239518779

## Agenda

**20 March 2017**  
Release of results from the annual  
results 2016, media conference

**20 April 2017**  
General Assembly

## Imprint

**Publisher**  
HIAG Immobilien Holding AG

**Concept and design**  
schneitermeier AG, Zürich

---

The Half-Year Report is published in English and German. In the event of any linguistic discrepancies, the German version shall prevail.

---