

Corporate Governance

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**Transparency
creates trust
for a prosperous
future.**

Corporate Governance

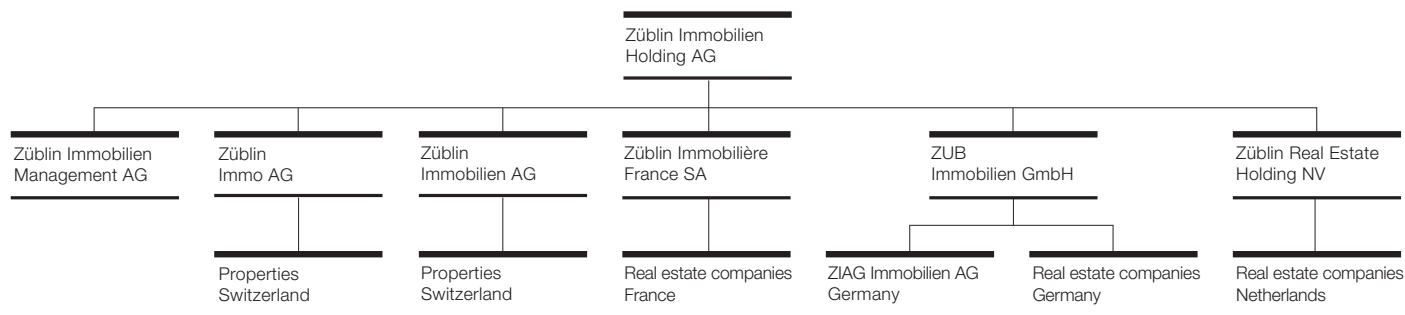
Transparency creates trust. Züblin views Corporate Governance as the way in which the management of the Company is organized so as to achieve a balance between efficient decision-making processes, transparency and control. This enables the Company to protect the interests of its shareholders, while generating added value for all stakeholders, thereby underpinning the Company's success in the long term. Züblin has been in compliance with the Swiss Code of Best Practice for Corporate Governance since 1 July 2002 and meets the requirements laid down in the "Directive on Information Relating to Corporate Governance" of SIX Swiss Exchange.

Züblin Group
Annual Report 11_12

The Year in Review
Letter to Shareholders
Newtime
Portfolio
Energy efficiency
Corporate Governance
Financial Report

1. Group structure and shareholders

1.1 Group structure
1.1.1 Overview



Ownership stakes

Züblin Immobilien Holding AG directly or indirectly holds 100% of all companies with the exception of the French subsidiary Züblin Immobilière France SA of which it holds 46.5% on a fully diluted basis as of 31 March 2012.

1.1.2 Listed companies

Holding company: Zurich-based Züblin Immobilien Holding AG, the holding company of the Züblin Group, is listed on the SIX Swiss Exchange (Ticker symbol: ZUBN, ISIN CH0021831182) and had a market capitalization of CHF 150.5 million as of 31 March 2012.

Listed shareholding: Züblin Immobilière France SA, 20–26 boulevard du Parc, 92200 Neuilly-sur-Seine, is listed on Euronext in Paris (Ticker symbol: ZIF, ISIN FR0010298901). Züblin Immobilien Holding AG held 46.5% of Züblin Immobilière France SA as of 31 March 2012 assuming full conversion of the 2% Mandatory Convertible Securities held by Montalcino S.à.r.l., a company controlled by the Forum Group. As of 31 March 2012, Züblin Immobilière France SA had a market capitalization of EUR 17.5 million.

1.1.3 Non-listed shareholdings

All other Group companies are shown in detail on pages 150 and 151.

1.2 Significant shareholders

Number of shares registered in the commercial register as of 31 March 2012: 59 724 486

Züblin Immobilien Holding AG
is aware of the following share-
holders with holdings exceeding
a disclosure threshold:

	31.3.2012	Disclosure under SESTA
Bruin I, S.à.r.l., Luxembourg ¹	12.16%	12.16% on 17.11.2010
Forum European Realty Income L.P., Cayman ¹	7.68%	7.68% on 17.11.2010
Total	19.84%	19.84% on 17.11.2010
Lamesa Holding SA, Panama	10.14%	10.03% on 23.3.2012
SUVA, Lucerne	8.22%	7.13% on 28.11.2007
Barron Investments Limited, Guernsey	6.83%	7.29% on 7.1.2011
Ausgleichsfonds der AHV, Geneva	3.41%	3.26% on 5.1.2011

¹ These shareholders together form a group with a total holding of 19.84%. There are no shareholders agreements. The companies are represented on the Board of Directors by Andrew N. Walker.

Shareholders as of 31 March 2012

	Number of shareholders	%	Number of shares	%
Registered shares				
1 to 100	150	8%	8 197	0%
101 to 1000	654	36%	385 396	1%
1001 to 10 000	829	45%	2 891 323	5%
10 001 to 100 000	156	9%	4 819 537	8%
100 001 to 1 791 734	38	2%	11 811 370	19%
1 791 735 (3%) and more	6	0%	28 466 222	48%
Total registered	1 833	100%	48 382 045	81%
Non-registered			11 342 441	19%
Total shares			59 724 486	100%
Registered shareholders				
Individuals	1 610	88%	5 442 342	12%
Legal entities	223	12%	42 939 703	88%
Total registered	1 833	100%	48 382 045	100%

1.3 Cross-shareholdings

There are no cross-shareholdings with other companies.

2. Capital structure

2.1 Share capital as of 31 March 2012

Ordinary capital	CHF 59 724 486.00 Divided into 59 724 486 registered shares with a nominal value of CHF 1.00 per share.
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The registered shares are unitary shares, giving all shareholders the same rights in the Company's capital and the same participation rights. There are no restrictions on transferability. Only shareholders listed in the share register may exercise their participation rights. Shareholders are listed with voting rights in the share register if they explicitly declare that they have acquired the shares in their own name and for their own account. The voting and other rights of treasury shares are suspended.

The shares take the form of book-entry securities, and are not documented in a multiple share document, in certificates, in an individual share document or in any other form. Shareholders are not entitled to request delivery of a share certificate, but may request confirmation of their status as a shareholder from the Company at any time. The Company maintains a book-entry security ledger in accordance with Art. 973c of the Swiss Code of Obligations.

For the exact wording of the regulations, please refer to the Company's articles of association, which are available on the Company's website www.zueblin.ch or can be ordered directly from the Company.

2.2 Authorized and conditional capital

As of 31 March 2012, the Company had no authorized or conditional share capital.

2.3 Changes in share capital in the past three years

Financial year 2009/2010

10.11.2009

Capital increase in the amount of CHF 52 906 975.55
by conversion of the 6.25% Mandatory Convertible Securities 2004–2009

2.2.2010

Capital reduction in the amount of CHF 367 305 588.90
through a par value reduction of CHF 6.15 per share and subsequent transfer into special free reserves

Financial year 2010/2011

None

Financial year 2011/2012

None

2.4/2.5 Shares and participation certificates/Profit-sharing certificates

The 59 724 486 registered shares referred to in section 2.1 on page 61 are fully paid up. Each share entitles the holder to receive dividends. Voting rights are explained in section 6 on page 72. There are no preferential rights or similar entitlements.

As of 31 March 2012, there were no participation or profit-sharing certificates outstanding.

2.6 Limitations on transferability and nominee registrations

The Company's shares are freely transferable without any restrictions. A share register is maintained for the registered shareholders, which records the first and last names, address and nationality (registered office in the case of legal entities) of the shareholders and beneficiaries. Only those listed in the share register are recognized by the Company as shareholders or beneficiaries.

Purchasers of registered shares or a usufruct to registered shares will, on request, be listed in the share register as shareholders or beneficiaries with voting rights if they make an explicit declaration that they have acquired the shares or the usufruct to the shares in their own names and for their own account. If the purchaser is not prepared to make this declaration, the Board of Directors may refuse registration with voting rights. This restriction on registration also applies to shares which are subscribed or acquired by exercising a subscription, option or conversion right.

2.7 Convertible bonds and options

As of 31 March 2012, there were no convertible bonds or options of Züblin Immobilien Holding AG outstanding. With respect to the 2% Mandatory Convertible Securities of the subsidiary Züblin Immobilière France SA, please refer to note 21 on page 138 of the financial report.

3. Board of Directors

The Board of Directors determines the Company's guiding principles and strategic direction. It is the Company's ultimate governing body and is therefore responsible for overseeing Group Management. There were no changes in the composition of the Board of Directors during the financial year 2011/2012.

As of 31 March 2012, all members of the Board of Directors were independent with the exception of Andrew N. Walker.

The following list provides an overview of the members of the Board of Directors as of 31 March 2012.

3.1/3.2 Members of the Board of Directors/Other activities and interests

	Member since	Elected until	Committees
<p>Pierre N. Rossier, Chairman 1944, Swiss national, degree in business administration Delegate of the Board of Directors, Rossier, Mari & Associates AG, Zurich Board of Directors, Weka Business Media AG, Zurich Board of Directors, Titan Executive Search Ltd, Zurich Board of Directors, ZfU – International Business School AG, Thalwil</p>	1998	2012	A
<p>Christian Bubb, Vice-Chairman 1943, Swiss national, degree in engineering from ETH Zurich Board of Directors, CC Trust Group AG, Zug Board of Directors, Gerancag AG Chur, Chur Chairman of the Board of Directors, Piora Holding AG, Opfikon Board of Directors, Fischer Architekten Zug AG, Zug</p>	2009	2014*	B
<p>Gerold Bühler, member 1948, Swiss national, degree in economics President of economiesuisse Vice-Chairman, Georg Fischer AG, Schaffhausen Vice-Chairman, Swiss Life, Zurich Board of Directors, Bank Sal. Oppenheim jr. & Cie. (Schweiz) AG, Zurich Board of Directors, Cellere AG, St. Gall</p>	2005	2013	A, B
<p>Andrew N. Walker, member 1962, British national Various mandates as Board member of Forum Group companies as well as directorships of the following companies Affine S.A., Paris New River Retail Limited, London Roxhill Developments Limited, United Kingdom Representative of Bruin I, S.à.r.l., Luxembourg and Forum European Realty Income L.P., Cayman</p>	2005	2014	A
<p>Dr. Markus Wesnitzer, member 1963, German national, doctorate in politics and economics</p>	2006	2012	B

A = Member of Nomination and Compensation Committee

B = Member of Audit Committee

* = Will step down in 2013 due to reaching the age limit

Pierre N. Rossier

After working as an auditor at Arthur Andersen & Co for several years, Pierre N. Rossier joined the Experta Group in 1978 as a member of senior management and head of the Trust Department. He was Chief Executive Officer of the Experta Group from 1986 to 1994. Between 1992 and 1994, he was also Chairman and Delegate of the Board of Directors of Experta Treuhand AG. He has been Delegate of the Board of Directors of Rossier, Mari & Associates AG, Investment Consultants, Zurich, since 1994.

Christian Bubb

After completing his engineering degree at the ETH (Swiss Federal Institute of Technology) in Zurich, Christian Bubb joined the Geneva-based Zschokke Group in 1971 and assumed the operational leadership of the group in 1994. Since the merger of Zschokke with Batigroup in the spring of 2006, he has acted as CEO of the combined group Implenia, the largest construction services provider in Switzerland. At the end of January 2009, he handed over his operational responsibilities at Implenia to his successor.

Gerold Bühler

After having graduated in economics, Gerold Bühler worked in the finance division of Union Bank of Switzerland between 1973 and 1990, latterly as a member of management of the bank's asset management company. Between 1991 and 2000, he was a member of the Executive Committee of Georg Fischer AG with responsibility for finance. Since then he has been working as a business consultant. He is also president of economiessuisse.

Andrew N. Walker

After qualifying as a chartered surveyor with CB Richard Ellis in London, Andrew N. Walker worked for a number of investment banks in London and Tokyo as a securities analyst for European and Japanese listed real estate companies. In 1996 he joined Security Capital Group, where he was responsible for acquisitions of companies for a pan-European fund investing in private and listed real estate companies in Europe. He was also managing director of a number of private real estate companies belonging to the fund. Following the sale of Security Capital Group to GE Capital in 2002, he founded Forum Partners, an international real estate investment company, where today he is managing director with responsibility for its European activities.

Dr. Markus Wesnitzer

After completing his studies in economics in Germany and the USA, Markus Wesnitzer worked in various areas of the mail order and retailing businesses of Quelle AG. From 1996 onwards he was responsible for the real estate division of Schickedanz Holding in Fürth, Germany. He joined the Management Board of ICN Immobilien Consult Nuremberg in 2000 and since then has been in charge of acquisitions as well as commercial and technical management of the property portfolio. ICN is a family office which manages a real estate portfolio with an emphasis on office and retail space in major German cities.

None of the Directors has ever held any executive office within the Züblin Group, nor do they have any major business relationships with the Group. For further information please see note 24 "Related parties", page 144, in the notes to the consolidated financial statements of the Züblin Group.

3.3 Elections and terms of office

The members of the Board of Directors are elected individually at the Company's Annual General Meeting for a term of three financial years. Reelection is staggered in accordance with the expiration of the terms of office. As a self-constituting body, the Board of Directors elects its Chairman and Vice-Chairman from among its members. As a rule the members of the Board of Directors step down when they reach the age of 70. The Züblin Immobilien Holding Board of Directors is currently made up of five non-executive directors. There are currently no interlocking memberships on other Boards of Directors.

3.4 Internal organizational structure

3.4.1 Allocation of responsibilities within the Board of Directors

The Board of Directors is a self-constituting body and has appointed Pierre N. Rossier as its Chairman and Christian Bubb as its Vice-Chairman. The role of Delegate of the Board of Directors does not exist. A division of responsibilities within the Board of Directors is not envisaged.

3.4.2 Membership of the Board committees, their responsibilities and powers

The two Board committees (Audit Committee and Nomination and Compensation Committee) are made up of non-executive members of the Board of Directors and take decisions on the basis of majority votes. The task of the committees is to prepare the groundwork for decisions by the full Board of Directors, to report to the full Board or to submit proposals to the full Board.

Audit Committee

The Chairman of the Audit Committee is Gerold Bühler. The other members are Christian Bubb and Dr. Markus Wesnitzer. The Audit Committee supervises Group Management with regard to implementation of corporate strategy, compliance with statutory and other regulations, internal regulations and directives, and risk management. It also supervises the auditors, and reviews the results of the annual audit as well as the accounting principles and financial control mechanisms.

Nomination and Compensation Committee

The Chairman of the Nomination and Compensation Committee is Andrew N. Walker. The other members are Pierre N. Rossier and Gerold Bühler. The Nomination and Compensation Committee lays down the principles for the compensation of the Board of Directors and Group Management including the defining of the personal goals of Group Management which are the basis for the Operating Performance Bonus. It is also responsible for the appointment and dismissal of the members of Group Management and Board members of subsidiary companies.

3.4.3 Work methods of the Board of Directors and its committees

The Board of Directors convenes as often as business requires. On average, its meetings last five hours. The Board of Directors is quorate when a majority of its members are present. Decisions are taken by majority vote. In the event of a tied vote, the Chairman has the casting vote. Extraordinary meetings of the Board of Directors or conference calls are convened in between if required and decisions are taken by circular resolution. Minutes are taken of Board meetings and conference calls; decisions taken by circular resolution are recorded in the minutes of the following meeting. In financial year 2011/2012, the Board of Directors met seven times for an ordinary meeting. In addition, four extraordinary meetings of the Board of Directors were held by circular resolution, and there were three conference calls. Group Management usually participates in the meetings of the Board of Directors.

Meetings of the Audit Committee take place primarily in preparation for the annual and semi-annual reports or if particular transactions so require. In financial year 2010/2011, the Audit Committee met twice for a three-hour session.

Meetings of the Nomination and Compensation Committee are held primarily with regard to setting the compensation for the Board of Directors and Group Management. In financial year 2011/2012, the Nomination and Compensation Committee met twice for a one-hour session.

3.5 Definition of areas of responsibility

The organization of the Board of Directors and Group Management is governed by the organization regulations of 16 February 2011 and is reproduced in summary form below.

The non-transferable duties of the Board of Directors are listed in detail in the articles of association under article 16 (available on the Company's website www.zueblin.ch or directly from the Company). In its role as the Company's ultimate governing body, the Board of Directors is responsible for:

- maintaining overall oversight of the Company and laying down its organizational structure
- structuring accounting, financial planning and financial control
- appointing and dismissing members of the Company's management and persons empowered to represent the Company and stipulating their signature powers
- supervising and overseeing the activities of Group Management, appointing and dismissing members of Group Management including with regard to their compliance with the law, articles of association, regulations and directives
- preparation of the annual report and the Annual General Meeting and subsequent implementation of its resolutions

The processes applying to the purchase of real estate are dealt with separately. The Board of Directors has drawn up guidelines for these purchases, which govern investment targets, performance and quality specifications. The Board of Directors takes all decisions on the purchase and sale of real estate on the basis of proposals from Group Management if the investment represents 20% or more of the value of the portfolio held in the relevant country. Decisions on investments accounting for less than 20% of a country's portfolio are taken at local board level. The approval of the Board of Directors is always required in cases when an acquisition is connected with a capital increase or the issuance of a bond.

All other duties, in particular the management of the ongoing operating business, are the responsibility of Group Management. Group Management submits a budget with a three-year business plan (including a budget for property renovations) to the Board of Directors every year and is responsible for implementing it once it has been agreed. Regulations governing approval limits also stipulate which financial decisions can be taken by Group Management and which have to be submitted to the Board of Directors.

3.6 Information and control instruments vis-à-vis Group Management

Group Management submits regular structured reports to the Board of Directors. The flow of information between the Board of Directors and Group Management is also assured by virtue of the fact that Group Management usually attends the meetings of the Board of Directors.

The following are available to the Board of Directors as information and control instruments:

- Group consolidation including comparison with previous year and budget as well as an analysis of any deviations (quarterly management information system)
- Reports on investment activities (every two months)
- Reports on financing activities including cash management (every two months)
- Detailed reports from Group Management on business performance by country, in particular the asset management activities (bi-monthly property management information system)
- Risk management system (quarterly risk sensitivity analysis broken down into property market and financing risks. For further information on risk management, please refer to the consolidated financial statements, pages 105 to 110.)
- ICS – Internal control system (risk-optimized processes and controls)

Due to its size the Company does not have an internal audit function. If any reviews or investigations are required Züblin therefore commissions these from third parties or the external auditors, although there were no instances of this during the reporting year.

4. Group Management

4.1/4.2 Members of Group Management/Other activities and interests

Bruno Schefer, CEO

(1953) Businessman, Swiss national, citizen of Teufen (Canton of Appenzell), resident in Herrliberg. Chief Financial Officer (CFO) of the Züblin Group since 1999, and appointed Chief Executive Officer (CEO) on 9 July 2004.

Bruno Schefer completed his commercial apprenticeship in 1972 and obtained a diploma in business administration from Kaderschule Zurich in 1976. Between 1972 and 1987, Bruno Schefer worked in several European countries for Schweiz Versicherung, a subsidiary of Swiss Re. From 1987 to 1998 he was a partner at SIS, a service company operating in the insurance sector. He was also involved in the restructuring of the former Züblin construction group between 1997 and 1998. Bruno Schefer has been a member of the Supervisory Board of Bayerische Gewerbebau AG, a listed German real estate company based in Munich, since 2008. Bruno Schefer does not exercise any significant functions in addition to his activities for the Züblin Group.

Thomas Wapp, CFO

(1972) Certified Public Accountant, Swiss national, citizen of Wartau (Canton of St. Gall), resident in Weiningen. He became Head of Reporting and Chief Accounting Officer at Züblin in 2008 before being designated Chief Financial Officer (CFO) on 16 September 2010.

After completion of his studies in business administration at the University in Lausanne, Thomas Wapp was employed as an auditor at Ernst & Young AG, Zurich from 2001 to 2008. In 2005 he successfully qualified as a Certified Public Accountant. Thereafter he was responsible for auditing listed companies in the industrial sector. Thomas Wapp does not exercise any significant functions in addition to his activities for the Züblin Group.

Pierre Essig, CEO France

(1960) French national, Chief Executive Officer (CEO) of Züblin Immobilière France SA since March 2006.

After graduating from the Ecole Supérieure de Commerce in Lyon, Pierre Essig worked for the accounting firm Frinault Fiduciaire for two years. In 1987 he moved to Société Générale, where he was responsible for various projects in France and Asia (e.g. Japan and Singapore). He was a Director of the M&A department of Société Générale from 1997 and was promoted to Managing Director of the bank in 2001. During this time he was involved in various real estate and financing transactions. In 2003 Pierre Essig was recruited by Deutsche Bank and assumed responsibility for the French real estate corporate finance department. He opened the consulting company Egirem Conseil et Associés in March 2005. Pierre Essig does not exercise any significant functions in addition to his activities for the Züblin Group.

4.3 Management contracts

There are no management contracts with companies outside the Group.

5. Compensation, shareholdings and loans

5.1 Content and method of determining the compensation and the share option programs

5.1.1 Method of determining the compensation

The Board of Directors sets the annual compensation for the members of the Board of Directors and Group Management on the basis of a proposal submitted by the Nomination and Compensation Committee. For the Board of Directors, compensation consists of a fixed remuneration amount. For Group Management, compensation is comprised of a base salary, together with additional compensation linked to personal performance and the achievement of business targets. The members of Group Management have a pension entitlement linked to their base salary; apart from this they have no further entitlement to benefits from the pension fund. For more information, in particular the detailed breakdown of total compensation by compensation category, please refer to note 25 "Compensation of the members of the Board of Directors and Group Management" on pages 145 and 146 in the notes to the consolidated financial statements of the Züblin Group.

The compensation of the Board of Directors and Group Management for the financial year 2011/2012 will again be put to an advisory vote at the Annual General Meeting on 29 June 2012.

5.1.2 Additional compensation

By paying Group Management additional performance-related compensation Züblin Immobilien Holding AG intends to create a financial incentive for management to act in accordance with the Company's values and principles and achieve the Company's targets. This in turn aligns the interests of Group Management with those of the shareholders.

Additional compensation is capped at 50% of base salary and comprises two equal components.

Operating Performance Bonus

The Operating Performance Bonus amounts to a maximum of 25% of base salary and is paid out if the officer has met its individual performance targets approved by the Board of Directors. However, the bonus is not paid if the operating cash flow before taxes, excluding gains/losses on sales of investment properties, is below the amount budgeted for the year. The budget is adjusted if there are changes as a result of acquisitions or sales of investment properties. The Board of Directors may not authorize the payment of a bonus if the Company makes an overall loss. The Operating Performance Bonus is paid in cash. In financial year 2011/2012, the operating cash flow was in line with the budget. Some of the individual performance targets were met and the members of Group Management received a proportionate Operating Performance Bonus based on the targets that were achieved.

Return on Equity Bonus

The Return on Equity (ROE) Bonus amounts to a maximum of 25% of base salary and is paid if the Group's ROE, including all changes in market value of investment properties, as well as gains/losses on sales of investment properties, is equal to or greater than the ROE target set by the Board of Directors. If the minimum ROE threshold is met, one sixth of the ROE bonus of 25%, or 4.2% of base salary, will be paid out. The maximum ROE bonus of 25% of base salary is paid out if the minimum ROE threshold is exceeded by five percentage points. The ROE Bonus is paid in shares which are blocked for three years. In financial year 2011/2012 the budgeted ROE was not achieved and consequently no ROE Bonus was paid out.

5.1.3 Notice periods and severance payments for Group Management

The employment contracts of the members of Group Management include the following periods of notice and severance payments:

Bruno Schefer (CEO): The notice period is one year. The severance payment in the event of termination of the contract by the employer without fault on the part of the employee is one year's pay including additional compensation, based on the average of the last two full financial years prior to termination of the contract.

Thomas Wapp (CFO): The notice period is six months. The employment contract does not provide for any severance payment.

Pierre Essig (CEO France): As a managing director in France Pierre Essig is subject to the status "Mandataire social". This status is excluded from the normal employment regulations in France and in particular does not envisage a notice period. As a result the position can be terminated at any time. The Company has therefore taken out an insurance policy which covers 80% of the annual base salary of Pierre Essig in the event the position is terminated by the Company; this is in effect equivalent to a notice period of ten months.

6. Shareholders' participation rights

6.1 Voting rights and representation restrictions

The registered shares of Züblin Immobilien Holding AG are unitary shares, giving all shareholders the same participation rights. Every share whose holder or beneficiary is listed in the share register as a shareholder with voting rights has one vote. There are no restrictions on voting rights.

Shareholders in Swiss stock companies enjoy a range of participation and protective rights. The protective rights include, among other things, the right to information and the right of inspection (Art. 696, 697 Swiss Code of Obligations/CO), the right to initiate a special audit (Art. 697a CO), the right to convene a General Meeting (Art. 699/III CO), the right to put items on the agenda of the General Meeting (Art. 699/III CO), the right to challenge resolutions made by the General Meeting (Art. 706 CO) and the right to sue for damages (Art. 752 ff. CO). Participation rights primarily include the right to attend the Annual General Meeting, freedom to express an opinion, and the right to vote (Art. 694 CO). The articles of the Swiss Code of Obligations can be found at www.admin.ch, while the articles of association of Züblin Immobilien Holding AG are available at www.zueblin.ch.

6.2 Statutory quorums

There are no statutory quorums that go beyond the statutory provisions on the passing of resolutions (Art. 703 and 704 CO).

6.3 Convocation of the Annual General Meeting

The Annual General Meeting is held within six months of the end of the financial year. The Annual General Meeting is convened, the agenda drawn up and the resolutions passed in accordance with statutory regulations.

6.4 Inclusion of items on the agenda

Shareholders who individually or jointly represent at least 0.25 percent of the share capital at the time of the request may request in writing, citing the motion for discussion, that certain issues be included on the agenda of the Annual General Meeting. Shareholders who individually or jointly hold shares with a nominal value of at least CHF 1 000 000 at the time of the request also have a right to request that items be included on the agenda. The request for inclusion of items on the agenda and the proposed motions must be submitted to the Board of Directors no later than 45 days before an Annual General Meeting.

6.5 Registration in the share register

The invitation to the Annual General Meeting will be sent to shareholders at least 20 days in advance. The cut-off date for registration in the share register with regard to taking part in the Annual General Meeting will be notified to shareholders in the invitation to the Annual General Meeting.

The cut-off date for the 23rd Annual General Meeting, to be held on 29 June 2012, is 25 June 2012.

7. Changes of control and defence measures

7.1 Duty to make an offer

Under Art. 32 para. 1 of the Swiss Federal Act on Stock Exchange and Securities Trading (SESTA), anyone whose direct or indirect shareholdings exceed 33 $\frac{1}{3}$ % of the voting rights is required to make a public tender offer for the Company. The Company's articles of association contain neither an "opting-out" nor an "opting-up" clause. Under Art. 29 of SESTA, if a public takeover offer has been made, the Board of Directors is required to provide shareholders with the information required to assess the offer. Moreover, the Board of Directors may not carry out any transactions that would have a significant impact on the assets or liabilities of the Company during this period. This restriction does not apply to resolutions of the Annual General Meeting. The provisions of SESTA can be viewed at www.admin.ch.

7.2 Change of control clauses

No member of the Board of Directors or Group Management has a change of control clause in their contracts.

**8. Auditors and independent
real estate appraisers**

Auditors

8.1 Duration of the mandate and term of office of the lead auditor

8.1.1 Date of assumption of the existing mandate

Ernst & Young AG, Zurich, has audited the Züblin Group and Züblin Immobilien Holding AG since 1998.

8.1.2 Date on which the lead auditor responsible for the existing auditing mandate took up office

Daniel Zaugg has been the lead auditor since the financial year 2008/2009. The auditors are appointed by the Annual General Meeting for a period of one year.

8.2 Audit fees

The fees paid to Ernst & Young AG in financial year 2011/2012 were CHF 536 873.

8.3 Additional fees

There were no additional fees paid to Ernst & Young AG in financial year 2011/2012.

8.4 Informational instruments pertaining to the external audit

The Board of Directors performs its monitoring and control function with respect to the external auditors through the Audit Committee, which meets at least twice a year.

The Audit Committee maintains direct contact with the auditors and exchanges information with them on all matters within the ambit of the Audit Committee. The Audit Committee is also responsible for monitoring the performance of the external auditors and reviews their independence on an ongoing basis. In addition, the Audit Committee also monitors whether, and how, Group Management implements measures that have been adopted on the basis of findings by the external auditors. The Audit Committee can also task the statutory auditors with additional audit duties, particularly with regard to specified key risks.

The external auditors notify the Audit Committee of their findings with regard to the semi-annual and annual reports in the form of a management presentation and report twice a year. The audit results are examined and discussed in detail with the external auditors. These results form the basis for improvements to internal procedures and auditing processes.

The Audit Committee reports to the Board of Directors on the discussions that the Committee has held with the external auditors and informs it of the most important findings and action taken.

During financial year 2011/2012, representatives of the external auditors participated in two of the meetings convened by the Audit Committee at its invitation. These meetings were held with Group Management. There were no indications that the independence of the external auditors is in any way compromised.

Based on a proposal by the external auditors, the level of the audit fee for financial year 2011/2012 was reviewed by the Audit Committee and a proposal submitted to the full Board of Directors that it be accepted.

The Board of Directors and the Audit Committee last carried out a review of the selection of the external auditors in financial year 2004/2005. At the time three globally operating audit companies were asked to submit a tender. In addition to the usual assessment criteria such as the level and price of the services, a local presence on the part of the audit company and experience in the sector were crucial factors in the re-selection of Ernst & Young.

Independent real estate appraisers

The open market value of each property in the Züblin portfolio is calculated by external, independent specialists on 30 September (semi-annual report) and 31 March (annual report). This procedure complies with the regulations laid down in IAS 40 (Investment Property), which is applied by the Züblin Group. Since 30 September 2009, the lead appraisers for the Group are Wüest & Partner AG, Zurich. Wüest & Partner (W&P Immobilienberatung GmbH in Germany) performed the valuations of the Swiss and German portfolios directly and coordinated the valuations in France and the Netherlands. BNP Paribas Real Estate performed the valuations in France, while in the Netherlands the valuations were prepared by Troostwijk Taxaties BV. The international specialists employed by us all use the discounted cash flow method for their valuations. In this procedure the present value of the property is established by calculating or estimating future income and expenditure, and then discounting these over a forecast period. During financial year 2011/2012, the fees for the annual appraisals were CHF 167 314 for Wüest & Partner AG, CHF 36 005 for BNP Paribas Real Estate and CHF 35 197 for Troostwijk Taxaties BV. In addition to the valuation services, only the BNP Paribas Group Germany through BNP Paribas Real Estate Property Management GmbH performed property management services for the Company and received fees of CHF 672 959 in financial year 2011/2012.

9. Information policy

Züblin Immobilien Holding AG is committed to ensuring that its shareholders and the capital markets receive open, up-to-date and transparent information. The main vehicles for disseminating information are the annual and semi-annual reports, the corporate website www.zueblin.ch, press releases, the results presentation for the media and analysts and the Annual General Meeting. The main dates for the release of this information are printed on the first page of this annual report. As a listed company, Züblin Immobilien Holding AG is required under the Listing Rules of the SIX Swiss Exchange (www.six-exchange-regulation.com) to disclose information that may affect its share price.

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10. Significant changes since the balance sheet date

None.