

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 economiesuisse.

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.