

Weak Euro impacts half-yearly results

## **Hapimag: New city residences in Dresden and Lisbon**

**Baar, 12 August 2010 – Hapimag, the leader in the European market for timeshare rights of residence, posted a significant improvement in its sales results on the Swiss market in the first half of the year. Total sales revenue remained practically unchanged at EUR 80.4 million (2009: EUR 81.9 million). In a difficult environment, the occupancy rate for all resorts dropped slightly to 68% compared to the previous year (71%). The effect of this development was that operating profits for the first six months were EUR -0.7 million (against EUR 2.2 million in 2009). The portfolio of resorts is set to be expanded with new addresses in Dresden (D), Lisbon (PT) and on the Ligurian coast (IT).**

At EUR 80.4 million, the total sales of the Hapimag Group in the first six months of the year were practically maintained at the level of the previous year (EUR 81.9 million). Sales from catering developed very positively, increasing by a total of 7.5% to EUR 5.5 million thanks to targeted measures at all 56 resorts and residences. At EUR -0.7 million, the operating result was lower than in the previous year (EUR 2.2 million in 2009) due to lower occupancy rates in Spain, Portugal and Greece. The consolidated result suffered under the weakening Euro, reaching EUR -1.9 million by mid-year (EUR 2.1 million in 2009).

Sales of shares have increased compared to the previous year. A total of around 2400 shares were sold across all markets (1650 in previous year). Sales were particularly positive in Switzerland, with revenue of EUR 1.8 million (+ 12%).

Uncertain future prospects in various European countries and the flight ban due to the volcanic eruption in April reduced the occupancy rate in the Hapimag resorts from 70.7% to 67.9%. This mainly affected the classic flight destinations in Spain, Portugal and Greece, while the resorts and residences in Italy and Switzerland saw increases.

### **Opening of Dresden city residence**

Construction of the city residence in Dresden on the site of the British Hotel, which was destroyed in 1945, is proceeding as planned. The building in the old town with its baroque colossal façade will be finished in the coming months and is scheduled for opening in November 2010.

### **New resort project in Liguria**

In spring 2010, Hapimag signed a provisional agreement to buy a first-class plot of land in Liguria (IT). The resort project includes 110 apartments, a building with bistro, pool and wellness facilities, as well as direct access to the sea from the property. With this planned resort on the Ligurian Coast, Hapimag will be adding to its current portfolio of 56 addresses in one of the most popular tourist regions of Italy.

### **Land purchase in Lisbon**

In mid-July Hapimag purchased a plot of land on the Rua Sao Jose in close proximity to the pedestrian zone in Portugal's capital city of Lisbon, with the intention of building a city residence with 27 apartments in this central location. A demolition and building permit has been issued for the existing building, which is no longer habitable. The 450 square metre garden on the plot will, however, be retained to give the property special charm. After Albufeira (Algarve), the city residence in Lisbon will be the second Hapimag address in Portugal, supplementing Hapimag's portfolio of addresses as another top destination. The construction work should be started by spring 2011 at the latest.

### **The Hapimag company**

Hapimag is a services company in the individual leisure and lifestyle sector and was founded in 1963. As the leading European company offering rights of residence, Hapimag provides around 140 000 members with access to an economically and ecologically sustainable platform with 56 addresses at top locations in 16 countries. Members, as co-owners, have at their disposal over 5300 apartments rent-free for individual use, complemented with location-specific gastronomy, wellness, cultural and infrastructural offers. The company employs approximately 1400 people (full-time) and in 2009 generated an operating income of EUR 172 million. Hapimag AG is a joint-stock company according to Swiss law and is based in Baar/ZG (CH). [www.hapimag.com](http://www.hapimag.com)

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