Report of the statutory auditor

with financial statements as of 31 March 2017 of

Steiner AG, Zurich

EY
Building a better
working world

Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone +41 58 286 31 11
Fax +41 58 286 30 04
www.ey.com/ch

To the General Meeting of

Steiner AG, Zurich

Zurich, 21 April 2017

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of Steiner AG, which comprise the balance sheet, profit and loss account, cash flow statement and notes, for the year ended 31 March 2017.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 March 2017 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Christian Krämer
Licensed audit expert
(Auditor in charge)

Marc Rüegsegger
Licensed audit expert

Enclosures

- Financial statements (balance sheet, profit and loss account, cash flow statement and notes)
- Proposed appropriation of available earnings

STEINER

STEINER AG ZURICH

BALANCE SHEET AS AT 31 MARCH, 2017

	Ref.	31.03.2017		31.03.2016	
		CHF	INR Lacs	CHF	INR Lacs
ASSETS					
Current assets					
Cash and cash equivalents	3.1	93'555'446	60'540	82'630'803	56'486
Accounts receivables third	3.2	11'644'868	7'535	4'419'784	3'021
Other accounts receivables					
- Shareholdings		8'223'923	5'322	7'999'928	5'469
- Third parties		9'374'444	6'066	11'536'578	7'886
Receivables from projects, net	3.3	213'533'780	138'178	133'973'936	91'585
Real estate projects, net	3.4	69'617'859	45'050	64'079'392	43'805
Prepayments of subcontractor project costs	3.5	39'835'965	25'778	20'711'910	14'159
Prepaid expenses		-1'626'270	-1'052	2'307'988	1'578
Total current assets		**444'160'015**	**287'417**	**327'660'319**	**223'989**
Non-current assets					
Non-current marketable securities		841'110	544	530'909	363
Participations	3.6	19'022'831	12'310	19'321'692	13'208
Loans to					
- Shareholdings		7'476'944	4'838	8'699'039	5'947
Other financial assets third		1'916'671	1'240	1'920'632	1'313
Property, plant and equipment		7'613'437	4'927	8'959'980	6'125
Intangible assets		3'488'075	2'257	3'754'744	2'567
Total non-current assets		**40'359'068**	**26'116**	**43'186'996**	**29'523**
TOTAL ASSETS		**484'519'083**	**313'533**	**370'847'315**	**253'512**
EQUITY AND LIABILITIES					
Liabilities					
Trade payables					
- Third		73'209'502	47'374	36'245'112	24'777
- Shareholdings		1'444'248	935	-	-
Prepayments from projects, net	3.3	96'750'322	62'607	75'032'424	51'292
Current interest-bearing liabilities					
- Shareholdings		1'033'282	669	1'026'074	701
- Current borrowings third		5'140'000	3'326	5'320'000	3'636
Current non-interest-bearing liabilities					
- Third parties		5'417'098	3'505	1'774'008	1'213
Accruals of subcontractor project costs	3.5	173'637'882	112'361	140'965'113	96'364
Other accruals		10'415'809	6'740	10'921'158	7'467
Total current liabilities		**367'048'142**	**237'517**	**271'283'889**	**185'450**

13.04.2017

Initialed for purpose of identification
April 21. 2017
EY Ernst & Young Ltd Zurich, Switzerland

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Non-current interest-bearing borrowings					
- Shareholdings		13'951'144	9'028	7'804'700	5'335
- Participants		10'000'000	6'471	10'000'000	6'836
- Bodies (subordinated)	3.7	20'000'000	12'942	20'000'000	13'672
Provisions	3.8	18'559'443	12'010	18'514'468	12'656
Total non-current liabilities		62'510'587	40'451	56'319'168	38'499
Total liabilities		**429'558'729**	**277'968**	**327'603'057**	**223'949**
Equity					
Share capital		40'000'000	25'884	40'000'000	27'344
Statutory capital reserves		8'600'000	5'565	8'600'000	5'879
Cumulative losses					
Loss carried forward from previous year		-5'355'742	-3'466	-5'971'982	-4'081
Profit for the period		11'716'096	7'581	616'240	421
Cumulative gains/losses		6'360'354	4'115	-5'355'742	-3'660
Total equity		54'960'354	35'564	43'244'258	29'563
TOTAL EQUITY AND LIABILITIES		**484'519'083**	**313'532**	**370'847'315**	**253'512**

13.04.2017

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April 21. 2017
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Zurich, Switzerland

STEINER

STEINER AG ZURICH

PROFIT AND LOSS ACCOUNT 2016/17

	Ref	01.04.2016 - 31.03.2017		01.04.2015 - 31.03.2016	
		CHF	INR Lacs	CHF	INR Lacs
REVENUE					
Gross sales general contracting and real estate development		807'318'256	522'416	624'498'344	426'908
Revenue deductions		-	-	-13'000	-9
Net sales		807'318'256	522'416	624'485'344	426'899
Other operating income		385'301	249	1'931'016	1'320
Operating income		**807'703'557**	**522'665**	**626'416'360**	**428'219**
EXPENSES					
Material costs		691'169'281	447'256	531'456'769	363'304
Personnel expenses		82'568'996	53'430	71'319'739	48'754
Distribution expenses		512'087	331	700'252	479
Administration expenses		2'777'157	1'797	4'803'887	3'285
Other operating expenses	3.9	16'215'975	10'493	14'356'150	9'814
Depreciation		2'181'100	1'411	2'245'536	1'535
		795'424'596	514'718	624'882'333	427'171
Profit before interest and taxes (EBIT)		**12'278'961**	**7'947**	**1'534'027**	**1'048**
Financial Expenses		-3'623'800	-2'345	-5'012'183	-3'426
Financial Income		5'961'687	3'858	6'375'378	4'358
Impairment losses from valuation of participations		-2'971'312	-1'923	-1'313'001	-898
Gains from valuation of participations		155'000	100	-	-
Ordinary profit before taxes		**11'800'536**	**7'637**	**1'584'221**	**1'082**
Extraordinary expenses		-84'440	-55	-966'017	-660
Profit before taxes		**11'716'096**	**7'582**	**618'204**	**422**
Current income taxes		-	-	-1'964	-1
PROFIT FOR THE PERIOD		**11'716'096**	**7'582**	**616'240**	**421**

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STEINER AG ZURICH

CASH FLOW STATEMENT 2016/17

	01.04.2016 - 31.03.2017		01.04.2015 - 31.03.2016	
	CHF	INR Lacs	CHF	INR Lacs
Profit before interest and taxes (EBIT)	12'278'961	7'947	1'534'027	1'048
Extraordinary expenses	-84'440	-55	-966'017	-660
Profit before interest and taxes (EBIT) after extraord. expenses	**12'194'521**	**7'892**	**568'010**	**388**
Depreciation	2'181'100	1'411	2'245'536	1'535
Increase (+) / Release (-) of allowance for doubful accounts	-	-	13'000	9
Increase (+) / Release (-) of provisions	95'975	62	-249'478	-171
Profit (-) / Loss (+) on disposal of fixed assets	-	-	-254'099	-174
Cash flow from operating activities before change in net working capital	**14'471'596**	**9'365**	**2'322'969**	**1'587**
Decrease (+) / Increase (-) of accounts receivables	-7'225'084	-4'675	3'690'460	2'523
Decrease (+) / Increase (-) of other accounts receivables	-1'895'941	-1'227	2'222'726	1'519
Decrease (+) / Increase (-) of receivables / prepayments from projects, net	-57'841'946	-37'430	27'159'897	18'567
Decrease (+) / Increase (-) of real estate projects, net	-5'538'467	-3'584	7'217'653	4'935
Decrease (+) / Increase (-) of prepaid expenses and subcontractor project costs	-15'615'797	-10'105	-8'695'308	-5'944
Increase (+) / Decrease (-) of trade payables	38'408'638	24'854	-12'083'860	-8'261
Increase (+) / Decrease (-) of other current liabilities and accruals	35'812'554	23'174	-55'833'998	-38'168
Financial expenses paid	-2'656'000	-1'719	-4'052'100	-2'770
Taxes paid	3'980'904	2'576	2'998'197	2'050
Financial income received	250'000	162	810'000	554
Cash flow from operating activities	**2'150'457**	**1'391**	**-34'243'364**	**-23'408**
Dividends received	3'600'000	2'330	3'900'000	2'666
Investment in property, plant and equipment and intangible assets	-569'779	-369	-2'138'000	-1'462
Proceeds from sale of property, plant and equipment and intangible assets	-	-	1'242'100	849
Investment in participations	-1'444'248	-935	-450'000	-308
Proceeds from sale of securities	-	-	10'060'000	6'877
Investment in loans and other financial assets	-649'400	-420	-298'429	-204
Repayment of loans and other financial assets	2'189'993	1'417	10'747'237	7'347
Cash flow from investing activities	**3'126'566**	**2'023**	**23'062'908**	**15'765**
Proceeds from current and non-current borrowings	5'827'620	3'771	-	-
Repayment of current and non-current borrowings	-180'000	-116	-5'979'953	-4'088
Cash flow from financing activities	**5'647'620**	**3'655**	**-5'979'953**	**-4'088**
INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS	**10'924'643**	**7'069**	**-17'160'409**	**-11'731**
Cash and cash equivalents as at 01.04.	82'630'803	53'470	99'791'212	68'217
Cash and cash equivalents as at 31.03.	93'555'446	60'540	82'630'803	56'486

13.04.2017

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April 21, 2017

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STEINER AG ZURICH
NOTES TO FINANCIAL ACCOUNTS AS AT 31ST MARCH 2017

1. Applicable accounting law

These financial statements have been prepared in accordance with the provisions on commercial accounting laid down in articles 957 – 963b Swiss Code of Obligations.

2. Significant Accounting Policies (not regulated in the Swiss Code of Obligations)

Revenue from General Contracting and Receivables/prepayments from projects, net

Long-term contracts for the construction of third-party real estate are accounted for using the percentage of completion (PoC) method, whereby external and internal costs and estimated profits are taken into account. The degree of completion is determined on the basis of the work performed on the construction site. The different excecuted activities of the project are measured based on availble units (e.g. m, m2, m3, kg) in comparison to the estimated total quantities needed for the completion (surveys of the work performed-method). With the application of the surveys of the work performed-method, the difference between contract costs incurred and contract costs recognised (billed) is accrued in prepayments of subcontractor project cost respectively accruals of subcontractor project cost. Anticipated losses from construction contracts are covered in full by valuation allowances.
Customer contracts in progress are shown as an asset in the balance sheet under "Receivables from projects, net", or as a liability under "Prepayments from projects, net". If the prepayments received from customers exceed the project receivables, these are shown under liabilities; otherwise, these are shown under assets. These positions comprise the total contract costs incurred (actual and accrued), including a share of the profit, less customer prepayments and allowances for expected losses.

Revenue from real estate development and Real estate projects, net

Revenue from the sale of real estate projects is realized on the transfer of title or the transfer of material risks and rewards to the purchaser. Real estate Investor Projects and Condominium Projects on third party land are accounted for as construction contracts based on percentage of completion (PoC). Accordingly the revenue and the gains of the development are recognized along the construction of the building. The separate sale of project development rights and plans is accounted for as sale and the revenue and gains are realized at the time of the transfer of risks and rewards.
Real estate projects, net are valued based on the lower of the construction cost and the sale price until the project is handed over to the purchaser by means of the transfer of title or the transfer of material risks and rewards. Undeveloped land, land rights and development rights (including development costs) are valued at the lower of construction costs or acquisition costs and expected net selling price.

3. Details to Balance Sheet and Profit an Loss account

3.1 Cash and cash equivalents

For payments of various projects bank accounts of CHF 74'953'418 (previous year CHF 72'797'537), which can only be used for payments for these projects, exist.

3.2 Details trade receivables

Part of the accounts receivables has been offset with receivables from projects, net and with prepayments from projects, net
The netting is as follows:

		31.03.2017	31.03.2016
Accounts receivables before netting	CHF	160'942'729	90'553'164
Netting with receivables/prepayments from projects, net	CHF	-149'027'861	-85'863'380
Allowance for doubtful accounts	CHF	-270'000	-270'000
Accounts receivables as shown in the balance sheet	CHF	11'644'868	4'419'784

3.3 Receivables / Prepayments from projects, net

Receivables from projects, net as well as prepayments from projects, net, as per 31 March 2017 contain claims of CHF 35.7 Mill. (previous year CHF 38.3 Mill.) and amendments / variations of CHF 27.2 Mill. (previous year CHF 30.8 Mill.), whose recoverability, however, from today's point of view, is estimated to be likely by the management. Depending on the outcome of negotiations and final settlements with clients and subcontractors the expected results from these projects can improve or deteriorate.

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April 21, 2017
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Zurich, Switzerland

3.4 Real estate projects, net

		31.03.2017	31.03.2016
Projects in progress	CHF	21'808'723	16'498'485
Land reserves	CHF	48'745'136	48'516'907
Property held for sale	CHF	414'240	414'240
Valuation allowances	CHF	-1'350'240	-1'350'240
Prepayments	CHF	-	-
Real estate projects, net as shown in the balance sheet	CHF	69'617'859	64'079'392

3.5 Prepayments and accruals of subcontractor project costs

Prepayments of subcontractor project costs as well as accruals of subcontractor project costs as per 31 March 2017 contain claims from subcontractors of CHF 18.4 Mill. (previous year CHF 18.7 Mill.) are uncertain and were recongized from today's point of view, is estimated to be likely by the management. Depending on the outcome of negotiations and in favour of Steiner, whose recoverability, however, final settlements with clients and subcontractors the expected results from these projects can improve or deteriorate.

3.6 Ownership of participations

	Currency	Nominal capital	Share in Capital and Voting rights
As at 31.03.2017			
Steiner Promotions et Participations SA, Tolochenaz	CHF	3'000'000	100%
VM + ST AG, Zurich	CHF	1'000'000	100%
Steiner Deutschland GmbH, Paderborn (Germany)	EUR	10'227'000	100%
Steiner Léman SAS, Archamps (France)	EUR	150'000	100%
Steiner India Ltd, Mumbai (India)	INR	71'639'130	100%
Eurohotel SA, Geneva	CHF	100'000	95%
Evostate AG, Zurich	CHF	100'000	30%
MCR Corp. Real Estate AG, Tolochenaz (subsidiary of Evostate AG)	CHF	100'000	30%
Projektentwicklungsges. Parking Kunstmuseum Basel AG, Basel	CHF	2'200'000	39%
As at 31.03.2016			
Steiner Promotions et Participations SA, Tolochenaz	CHF	3'000'000	100%
VM + ST AG, Zurich	0	1'000'000	100%
Steiner Deutschland GmbH, Paderborn (Germany)	EUR	10'227'000	100%
Steiner Léman SAS, Archamps (France)	EUR	225'000	100%
Steiner India Ltd, Mumbai (India)	INR	71'639'130	100%
Eurohotel SA, Geneva	CHF	100'000	95%
Evostate AG, Zurich	CHF	100'000	30%
MCR Corp. Real Estate AG, Tolochenaz (subsidiary of Evostate AG)	CHF	100'000	30% (indirect)
Projektentwicklungsges. Parking Kunstmuseum Basel AG, Basel	CHF	2'200'000	39%

3.7 Non-current borrowings

Mr. Peter Steiner and Steiner AG signed a subordination agreement for the non-current borrowing of CHF 20'000'000.

3.8 Provisions

		31.03.2017	31.03.2016
Warranty provisions	CHF	16'174'999	16'818'026
Other provisions	CHF	2'384'444	1'696'442
Provisions as shown in the balance sheet	CHF	18'559'443	18'514'468

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Zurich, Switzerland

3.9 Other operating expenses

		2016-17	2015-16
Rent including operating lease	CHF	5'607'232	5'610'278
Insurance costs	CHF	643'121	636'732
Maintenance and repair	CHF	2'318'938	1'898'869
Other operating expenses	CHF	7'646'684	6'210'271
Total operating expenses	CHF	16'215'975	14'356'150

4. Others

Assets pledged to secure debts		31.03.2017	31.03.2016
Carrying amount of mortgaged cash and cash equivalents	CHF	1'799'983	1'800'039
Carrying amount of mortgaged real estate projects, net	CHF	11'209'432	11'209'432

Non-capitalized financial leasing commitments

Total Leasing commitments	CHF	20'745'955	17'100'346

Number of full-time equivalents on annual average

In current year as well as in previous year, the number of full-time equivalents on annual average is more than 250.

Indemnities, guarantees and pledgings

Letter of comfort for			
- Shareholding	CHF	425'000	425'000

Letter of comfort for financial support to Steiner India Ltd

Steiner India Ltd is financially over-indebted. The equity of Steiner India Ltd amounts to CHF -2'938'233 (previous year CHF -2'420'539)

Steiner AG has signed an agreeement to give financial support to Steiner India Ltd for at least 12 months.

Subordination agreement			
- Shareholding	CHF	1'117'365	1'101'365

The subordiantion amounts to CHF 1'117'365 as per 5 April 2017.

Consortium Agreement

As per 7 June 2012 an agreement between a group of Swiss commercial banks and Steiner AG was signed. As per 30 July 2013 a second amendment agreement was signed, with extension of the duration till 07 June 2015.

As per 22 May 2015 a restatement of the agreement was signed. The conditions to which Steiner AG can use guarantee limits are regulated in this restatement. The following financial covenants are in place:

- Consolidated equity
- EBIT margin
- Cash

Steiner AG shall be entitled to request an extension of the initial final maturity (31 August 2017) for a period of 12 months and deliver such extension request no earlier than 5 months and no later than 4 months prior to initial final maturity.
Accordingly Steiner AG has sent the application for extension of the facilitites for another 12 months. Management is confident of getting the extension.

As per balance sheet date, Steiner AG was not in breach of these financial covenants.

INR-figures

The conversion to the INR-figures (balance sheet, profit and loss account and cash flow statement) was performed with the following foreign exchange rate:

CHF/INR: 64.71 (prior year 68.36).

All INR-figures are for informational purpose only.

Initialed for purpose of identification
April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

Audit Conclusion

with consolidated financial statements as of 31 March 2017 of

Steiner AG, Zurich

EY
Building a better working world

Ernst & Young Ltd
P.O. Box
CH-8010 Zurich

Phone
Fax
www.ey.com/ch

Dear Sirs,

We have audited the accompanying consolidated financial statements of Steiner AG, ("the Company") and its subsidiaries, associates and joint ventures (hereinafter collectively referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Profit and Loss Statement, the Consolidated Cash Flow Statement and the Notes to the Consolidated Financial Statements for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Steiner AG prepares its financial statements in accordance with the Swiss GAAP FER Accounting Manual which was approved by the BoD on 16 January 2015. The Ind AS financial statements are prepared based on reconciling items from Swiss GAAP FER Accounting Manual to Ind AS.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statements in accordance with the Swiss GAAP FER Accounting Manual and the reconciling items from Swiss GAAP FER Accounting Manual to Ind AS.

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

Opinion
In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, associates and joint ventures as noted below, the consolidated financial statements according to Swiss GAAP FER Accounting Manual and the reconciling items from Swiss GAAP FER Accounting Manual to Ind AS are free from any material misstatements.

Restriction of Use
This report is intended solely for the use of Walker Chandiok & Co LLP in connection with the audit of the consolidated financial statements of Hindustan Construction Company Limited and should not be used for any other purposes.

Ernst & Young Ltd

Christian Krämer
Licensed audit expert
(Auditor in charge)

Marc Rüegsegger
Licensed audit expert

Place: Zurich, Switzerland
Date: 21 April 2017

Enclosures
- Financial Report of the Steiner-Group Ind AS (Consolidated Balance Sheet, Consolidated Profit and Loss Statement, Consolidated Cash Flow Statement and Notes to the Consolidated Financial Statements) as per 31 March 2017

Steiner Group

Consolidated Interim Financial Statements
Indian Accounting Standards (IND AS)

as per 31 March 2017

Confidential

Initialed for purpose of identification
April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

Steiner AG

Consolidated Balance Sheet as at 31.03.2017

CHF Million

Particulars	Note No.	31.03.2017	31.03.2016	01.04.2015
1	2	3	4	5
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	1	7.81	9.02	11.69
(b) Investment Property	1	0.30	0.30	0.30
(c) Other Intangible Assets	1	3.50	3.77	2.19
(d) Financial Assets				
(i) Investments	2	3.54	6.60	17.87
(ii) Loans	3	2.51	2.01	1.96
(e) Deferred Tax Assets (net)		4.05	8.31	8.02
Total Non-Current Assets		**21.70**	**30.01**	**42.03**
(2) Current Assets				
(a) Inventories	4	297.53	218.71	277.87
(b) Financial Assets				
(i) Investments	5	0.52	0.46	-
(ii) Trade Receivables	6	11.64	4.45	8.11
(iii) Cash and Cash equivalents	7	95.63	87.08	102.57
(iv) Others	8	55.77	40.03	22.90
(c) Current Tax Assets (Net)	9	1.03	5.01	8.01
Total Current Assets		**462.11**	**355.74**	**419.46**
Total Assets		**483.80**	**385.76**	**461.49**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	10	40.00	40.00	40.00
(b) Other Equity	11			
Reserves & Surplus		(7.96)	(17.57)	(15.17)
Other Reserves		7.26	6.96	7.06
Equity attributable to equity holders of the parent		**(0.70)**	**(10.61)**	**(8.11)**
Non-controlling interests		(0.05)	(0.05)	(0.05)
Total Equity		**39.25**	**29.34**	**31.84**
LIABILITIES				
(1) Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	12	30.00	30.00	30.00
(b) Provisions	13	22.73	30.47	29.02
(c) Other Non-Current Liabilities	14	0.80	0.84	0.76
Total Non-Current Liabilities		**53.53**	**61.31**	**59.78**
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	12.91	13.09	18.77
(ii) Trade payables	16	256.61	188.35	258.53
(iii) Other financial liabilities (other than those specified in item ©	17	0.68	0.35	0.38
(b) Other Current Liabilities	18	113.74	86.54	85.32
(c) Provisions	19	7.09	6.78	6.87
Total Current Liabilities		**391.02**	**295.11**	**369.87**
Total Equity and Liabilities		**483.80**	**385.76**	**461.49**

Initialed for purpose of identification
April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

Ajay Sirohi
Chief Financial Officer

Julia Cvitanic
Company Secretary

Zurich dated: *21 April, 2017*

Ajit Gulabchand
Chairman

Rajgopal Nogja
Managing Director

Anil Singhvi
Director

Peter Steiner
Director

Andreas Schmid
Director

Peter F. Braunwalder
Director

Zurich dated: 21 April, 2017

STATEMENT OF CHANGE IN EQUITY

Steiner AG

Statement of Change in Equity for the period ended 31.03.2017

CHF Million

NOTE 10

A Equity Share Capital

Balance at beginning of reporting period	Changes in Equity Share Capital during the Year	Balance at end of reporting period
40.00	-	40.00

NOTE 11

B Other Equity

	Share Application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Effective position of Cash Flow Hedges	Revaluation Surplus	Exchange differences on transacting the financial statements of a foreign operation	**Total**	Non-Controlling Interest	**Total Equity**
			Capital Surplus	Securities Premium Reserve	Other Reserves (pl.specify nature)	Retained Earnings (Profit & Loss)						
Balance at beginning of the reporting period (01.04.2015)	-	-	-	8.60		(15.17)			(1.54)	**(8.11)**	(0.05)	**(8.16)**
Profit & Loss for the year				-		(4.95)			(0.10)	**(5.05)**	-	**(5.05)**
Total Comprehensive Income for the year - Fair Valuation-Investments				-		0.01			-	**0.01**		**0.01**
Total Comprehensive Income for the year - Actuarial valuation of Pension benefits				-		2.54			-	**2.54**		**2.54**
Balance at end of the reporting period (31.03.2016)	-	-	-	**8.60**	-	**(17.57)**	-	-	**(1.64)**	**(10.61)**	**(0.05)**	**(10.66)**

Initialed for purpose of identification
April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

	Share Application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Effective position of Cash Flow Hedges	Revaluation Surplus	Exchange differences on transacting the financial statements of a foreign operation	Total	Non-Controlling Interest	Total Equity
			Capital Surplus	Securities Premium Reserve	Other Reserves (pl.specify nature)	Retained Earnings (Profit & Loss)						
Balance at beginning of the reporting period (01.04.2016)	-	-	-	8.60	-	(17.57)	-	-	(1.64)	**(10.61)**	(0.05)	**(10.66)**
Profit & Loss for the year				-		3.19			0.30	**3.48**		**3.48**
Total Comprehensive Income for the year - Fair Valuation-Investments				-		0.11			-	**0.11**		**0.11**
Total Comprehensive Income for the year - Actuarial valuation of Pension benefits			-	-		6.31			-	**6.31**		**6.31**
Balance at end of the reporting period (31.03.2017)	-	-	-	**8.60**	-	**(7.96)**	-	-	**(1.34)**	**(0.70)**	**(0.05)**	**(0.75)**

Steiner AG

Statement of Consolidated Profit and Loss statement for the period ended *CHF Million*

	Particulars	Note No.	01.04.2016 - 31.03.2017	01.04.2015 - 31.03.2016
I	Revenue from Operations	20	820.64	636.75
II	Other Income	21	0.48	1.95
III	**Total Income (I+II)**		**821.13**	**638.70**
IV	**EXPENSES**			
	Cost of materials consumed		701.00	532.89
	Change in Inventories of finished goods, Stock-in-Trade and Work-in-progress		4.59	8.28
	Employee benefits expense	22	80.68	75.63
	Finance Costs	23	3.12	3.04
	Depreciation and Amortization expense		2.25	2.29
	Other expenses	24	24.15	23.85
	Total expenses (IV)		**815.79**	**645.98**
V	**Profit / (Loss) before exceptional items and tax (III-IV)**		**5.33**	**(7.28)**
VI	Exceptional Items		(0.08)	(0.97)
VII	**Profit / (Loss) before tax (V-VI)**		**5.25**	**(8.25)**
VIII	Tax expense :			
	(1) Current tax		-	-
	(2) deferred tax		(2.49)	1.02
IX	**Profit / (Loss) for the period from continuing operations (VII - VIII)**		**2.76**	**(7.23)**
X	**Share of Profit / (Loss) of Associates**		**0.42**	**2.28**
XI	**Less: (Profit) / Loss Transferred to Minority Shareholders**		-	-
XII	**Profit/(loss) for the period (IX+X+XI)**		**3.19**	**(4.95)**
XIII	**Other Comprehensive Income**	25		
	A (i) Items that will not be reclassified to profit or loss		6.31	2.54
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		0.41	(0.09)
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XIV	**Total Comprehensive Income for the period (XII + XIII) (Comprising Profit/(loss) and Other Comprehensive Income for the period)**		**9.91**	**(2.50)**
	Atributable to Shareholders of Steiner AG		9.91	(2.50)
	Atributable to Minority Shareholders		-	-
XV	Earnings per Equity share (for continuing operation)			
	(1) Basic		247.64	(62.38)
	(2) Diluted		247.64	(62.38)
XVI	Earnings per Equity share (for discontinued & continuing operations)			
	(1) Basic		247.64	(62.38)
	(2) Diluted		247.64	(62.38)

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Director

Peter Steiner
Director

Andreas Schmid
Director

Peter F. Braunwalder
Director

Zurich dated: 21 April, 2017

Due to rounding, the numbers presented throughout this document do not necessarily correspond exactly with the totals.

Initialed for purpose of identification
April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

STEINER AG

Consolidated Cash Flow Statement for the period ended 31.03.2017

CHF Million

	Particulars		01.04.2017 - 31.03.2017	01.04.2015 - 31.03.2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit before tax		5.79	(5.96)
	Adjustments for :			
	Depreciation / Amortisation	2.25		2.29
	Increase (+) / release (-) of provisions	(0.01)		(0.06)
	Financial expenses	3.37		3.04
	Financial income	(0.57)		(1.22)
	Share in income of associates	(0.43)		(2.27)
	Decrease in retirement pension surplus	0.75		4.62
	Profit/(Loss) on disposal of fixed assets	-		(0.25)
			5.36	-
	Operating cash flow before working capital changes		**11.15**	**0.17**
	Adjustments for :			
	Trade receivables	(7.19)		3.66
	Receivables on projects	(65.08)		31.38
	Prepayments on projects	23.33		2.99
	Prepayments and accruals of subcontractor project costs	17.55		(70.59)
	Change in Inventories (change in real estate projects)	(10.49)		27.17
	Other accounts receivable and prepaid expenses	(2.11)		(2.72)
	Trade payables	36.73		(10.82)
	Other current liabilities and accruals	0.69	(6.58)	(3.68)
	Cash Generated from operations		**4.56**	**(22.43)**
	Direct Taxes paid / received		3.98	3.00
	NET CASH FLOW IN OPERATING ACTIVITIES		**8.54**	**(19.43)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Investments in property, plant and equipment (note 1)	(0.27)		(0.05)
	Proceeds from sales of property, plant and equipment	-		1.37
	Investments in intangible assets	(0.44)		(2.14)
	Sale Dominicé	-		10.70
	Repayments of financial assets	-		-
	Investments in financial assets	(0.51)		(1.02)
	Investments in associates	-		(0.45)
	Dividends received	3.60		3.90
	Interest received	0.28		0.86
	NET CASH FROM INVESTING ACTIVITIES		**2.66**	**13.16**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from current and non-current borrowings	-		-
	Repayment of current and non-current borrowings	(0.24)		(5.68)
	Interest paid	(2.41)		(3.55)
	NET CASH FROM FINANCING ACTIVITIES		**(2.65)**	**(9.23)**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		**8.55**	**(15.51)**
	CASH AND CASH EQUIVALENTS AS AT 01.04.2016 / 01.04.2015 (OPENING BAL.)		**87.08**	**102.57**
	Unrealised foreign exchange gain/(loss) - cash and cash equivalents		0.00	0.01
	CASH AND CASH EQUIVALENTS AS AT 31.03.2017 / 31.03.2016 (CLOSING BAL.)		**95.63**	**87.08**

Initialed for purpose of identification

April 21, 2017

EY Ernst & Young Ltd Zurich, Switzerland

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Managing Director

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Director

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Director

Zurich dated: 21 April, 2017

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April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

Notes to the Consolidated Financial Statements

Details to the Consolidated Balance Sheet

CHF Million

		31-Mar-17		31-Mar-16		01-Apr-15
NON-CURRENT ASSETS						
1 Property, Plant and Equipment - PI see separate enclosure		**7.81**		**9.02**		**11.69**
1 Investment Property		**0.30**		**0.30**		**0.30**
1 Other Intangible Assets - PI see separate enclosure		**3.50**		**3.77**		**2.19**
2 Investments - Non Current						
a Investments in Equity Instruments						
(a) Investment in Associate Companies (unquoted)						
(i) Evostate AG - 30 shares of CHF 1000 each, fully paid (same in PY)	0.91		**5.52**		**7.09**	
(ii) MCR Managing Corp- 30 shares of CHF 1000 each (PY NIL)	1.45					
(ii) Projektentwicklungsges. Parking AG Basel 850 shares of CHF 1000 each (PY 390 shares of CHF 1,000 each)	0.54		**0.56**		**0.17**	
(b) Other Investments (unquoted):						
(i) Radio- und Fernsehgenossenschaft Zürich-Schaffhausen 1 Share of CHF 50 each (Same in PY)	0.00 *		0.00 *		0.00	
(ii) Opernhaus Zürich AG 10 Equity Shares of CHF 900.00 each, fully paid (same in PY)	0.00		0.01		0.01	
(iii) Genossenschaft Theater für den Kt. Zürich 1 Share of CHF 300 each (same in PY)	0.00 *		0.00 *		0.00	
(iv) Betriebsges. Kongresshaus Zürich AG 30 Equity Shares of CHF 1'000.00 each, fully paid (same in PY)	0.04		0.04		0.06	
(v) AG Hallenstadion Zürich 10 Equity Shares of CHF 100.00 each, fully paid (same in PY)	0.00		0.00		0.00	
(vi) MTZ Medizinisches Therapiezentrum Heilbad St. Moritz AG 50 Equity Shares of CHF 1'000.00 each, fully paid (same in PY)	0.05		0.05		0.05	
(vii) DOMINICE SWISS PROPERTY FUND 1000 fund units, fully paid	-		-		10.06	
(c) Other Investments (quoted):						
(i) Mobimo Holding AG 720 Equity Shares of CHF 29.00 each, fully paid (same in PY)	0.19		0.16		0.17	
(ii) Goldbach Media AG 6'000 Equity Shares of CHF 1.25 each, fully paid (same in PY)	0.21		0.14 *		0.11 *	
(iii) MCH Group AG 2'100 Equity Shares of CHF 10.00 each, fully paid (same in PY)	0.15		0.13		0.14	
		3.54		**6.60**		**17.87**
		-		-		-
Total		3.54		**6.60**		**17.87**

Disclosures:	Market value	Book value	Market value	Book value	Market value	Book value
i aggregate amount of quoted investments	0.54	0.54	0.43	0.43	0.42	0.18
ii aggregate amount of unquoted investments,		2.99		6.18		17.36
iii aggregate provision for diminution in value of investments,		-				

Note: * represents amount less than CHF 5'000

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April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

			31-Mar-17		31-Mar-16		01-Apr-15
3 Loans - Non Current							
(a) **Security Deposits**							
(i) Secured - considered good			-		-		-
(ii) Unsecured - considered good			2.51		2.01		1.96
	Total		2.51		2.01		1.96
CURRENT ASSETS							
4 Inventories							
a Land - held as Stock-in-trade			71.97		71.16		85.06
b Work In Progress			18.11		14.88		21.62
c Finished Units			0.04		0.04		0.23
Less: Advances Received / Other Recoveries			-		(9.51)		(3.21)
d Receivables from projects, net							
Costs incurred and profits / losses recognised		4'492.38		2'456.94		2'282.18	
less progress payments from clients		(4'284.97)	207.41	(2'314.82)	142.12	(2'108.01)	174.17
	Total		297.53		218.71		277.87
(Receivables from projects include 9.1 MCHF from related parties)							
5 Current Investments							
a Investments in Mutual Funds (Liquid Funds);			0.52		0.46		-
			-		-		-
	Total		0.52		0.46		-
Disclosures:		Market value	Book value	Market value	Book value	Market value	Book value
i aggregate amount of quoted investments		0.52	0.52	0.46	0.46	-	-

Initialed for purpose of identification

April 21, 2017

EY Ernst & Young Ltd Zurich, Switzerland

		31-Mar-17		31-Mar-16		01-Apr-15
6 Trade Receivables - Current						
a Outstanding more than 6 months						
Secured, considered good		-		-		
Unsecured, considered good		1.56		3.00		2.12
Doubtful						
Gross amount	0.90		0.90	-	0.87	
less allowance for doubtful debts	(0.27)		(0.27)		(0.26)	
		0.63		0.63		0.61
		2.19		**3.63**		**2.73**
b Others						
Unsecured, considered good		9.45		0.82		5.38
Doubtful		-		-		
		9.45		**0.82**		**5.38**
Total		**11.64**		**4.45**		**8.11**
7 Cash and bank balance						
a Cash and Cash Equivalent						
i Balances with Banks						
- freely available	20.65		14.27		35.20	
- only available for payments of specific projects	74.95		72.80		67.35	
		95.61		87.07		102.55
ii Cheques on hand		-		-		-
iii Cash in hand		0.02		0.01		0.01
b Bank Deposits more than 3 months less than 12 months		-		-		0.01
Total		**95.63**		**87.08**		**102.57**
8 Other Current Assets						
(i) WIR-Cheques		0.56		0.02		1.11
(ii) Prepaid expenses		47.67		32.51		13.16
(iii) Other Receivables						
Social security receivable		1.18		1.06		0.79
Withholding tax receivable		0.02		0.02		0.02
VAT-Receivables		0.02		2.62		0.06
Other receivables - third		6.32		3.80		7.76
Total		**55.77**		**40.03**		**22.90**
9 Current Tax Assets (Net)						
Income tax receivables		1.03		5.01		8.01
Total		**1.03**		**5.01**		**8.01**

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EY Ernst & Young Ltd
Zurich, Switzerland

		31-Mar-17	31-Mar-16	01-Apr-15
	EQUITY			
10	**Share Capital**			
a	Authorised Share Capital:			
	40,000 Equity Shares of CHF 1,000 each	40.00	40.00	40.00
	(previous year 40,000 Equity Shares of CHF 1,000 each)			
b	Issued, Subscribed and fully paid:			
	40,000 Equity Shares of CHF 1,000 each	40.00	40.00	40.00
	(previous year 40,000 Equity Shares of CHF 1,000 each)			
	Note: All Equity Shares fully paid up.			
c	Number of Shares outstanding as on 01.04.2016 / 01.04.2015:	40'000	40'000	40'000
	Further issue during the period	-	-	-
	Reduction during the period	-	-	-
	Number of Shares outstanding as on 30.06.2016 / 31.03.2016	40'000	40'000	40'000
d	Holding of Share Capital:			
	Shares held by HCC Mauritius Enterprises Ltd.- Holding Company	26'400	26'400	26'400
	Shares held by HCC Mauritius Investment Ltd.- Holding Company	13'600	13'600	13'600
e	Shareholding of more than 5%:			
	HCC Mauritius Enterprises Ltd - 66%. Number of Shares held	26'400	26'400	26'400
	HCC Mauritius Investment Ltd - 34%. Number of Shares held	13'600	13'600	13'600
		40'000	40'000	40'000
f	Information for 5 years immediately preceding date of Balance Sheet			
i	Aggregate number and class of Shares allotted as fully paid up, pursuant to contracts, without payment being received in Cash.	n/a	n/a	n/a
ii	Aggregate number and class of Shares allotted as fully paid up, by way of Bonus Shares.	n/a	n/a	n/a
iii	Aggregate number and class of shares bought back	n/a	n/a	n/a

g Rights to shares

The Company has only one class of equity shares having a par of value of CHF 1'000 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in CHF. The dividend proposed by the Board of Directors is subject to the apporoval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferencial amounts. The distribution will be in proportion to the no. of equity shares held by the shareholder.

		31-Mar-17	31-Mar-16	01-Apr-15
11	**Other Equity (after Minority Interest)**- Pl refer Change in Equity Statement	(0.75)	(16.64)	(13.73)
	NON-CURRENT LIABILITIES			
12	**(I) Borrowings : Secured**			
	(II) Borrowings: Unsecured			
a	Loans and advances from related parties	30.00	30.00	30.00
		30.00	30.00	30.00
	Total	30.00	30.00	30.00

The subordinated loan of CHF 20.0 Mill. was granted by Mr. Peter Steiner. In 2016/17, the interest rate was 5.75% (previous year 5.75%). In 2010/11, HCC Mauritius Enterprises Ltd granted a loan of CHF 10.0 Mill. which is only subordinated to banks. The lender HCC Mauritius Enterprises Ltd was replaced (with the same amount and the same conditions) in January 2014 with the lender HCC Mauritius Investment Ltd. In 2016/17 the interest rate was 1.20% (previous year 1.20%).

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April 21, 2017

EY Ernst & Young Ltd Zurich, Switzerland

		31-Mar-17	31-Mar-16	01-Apr-15
13 Provisions - Long Term				
a Provision for Employee benefits (including employee jubilee benefits)		11.85	19.20	17.44
b Warranty provisions		10.87	11.27	11.58
Total		**22.73**	**30.47**	**29.02**
14 Other Non-Current Liabilities				
a Provision for Administration costs - Pension Fund		0.80	0.79	0.71
b Other provisions		-	0.05	0.05
		0.80	**0.84**	**0.76**
CURRENT LIABILITIES				
15 (I) Borrowings - Secured				
a Loans repayable on demand				
- From Banks	12.91		13.09	18.77
- From Other Parties	-		-	-
		12.91	13.09	18.77
Total		**12.91**	**13.09**	**18.77**
Details of Securities as per 31.03.2017				
i Secured by first charge by way of a mortgage on land in favour of Basellandschaftliche Kantonalbank (Project "Vista Nobile", CHF 7.77 Mill.)				
ii Secured by first charge by way of a mortgage on land in favour of Neue Aargauer Bank (Project "BASF Wädenswil", CHF 5.28 Mill.)				
(II) Borrowings - Unsecured		-	-	-
Total		**12.91**	**13.09**	**18.77**

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			31-Mar-17		31-Mar-16		01-Apr-15
16	**Trade Payables - Current**						
a	Third Parties		78.32		43.45		55.71
b	Group Companies and related parties		2.50		1.44		-
c	Accrual of subcontractor invoices according to POC-Method		128.02		100.82		194.24
d	Accrued liabilities		47.78		42.64		8.58
			256.61		**188.35**		**258.53**
17	**Other Financial Liabilities**						
a	Interest accrued but not due on borrowings		0.68		0.35		0.38
			0.68		**0.35**		**0.38**
18	**Other Current Liabilities**						
a	Interest accrued but not due on borrowings		-		-		-
b	Interest accrued and due on borrowings		-		-		-
c	Prepayments on projects, net (see also note 15)						
	Costs incurred and profits / losses recognised	4'553.43		(1'322.07)		(852.02)	
	less progress payments from clients	(4'444.27)	109.16	1'406.26	84.19	933.24	81.22
d	Income tax payables		-		-		-
e	Other current liabilities		4.58		2.35		4.10
	Total		**113.74**		**86.54**		**85.32**

Accrual of subcontractor invoices according to POC-Method as per 31 Mar,2017 contain claims from and to subcontractors. Thereof as per 31 Mar, 2017 CHF 18.4 Mill (previous year CHF 18.7 Mill.) are uncertain and were recognized in favor of Steiner, whose recoverability, however, from today's point of view, is estimated to be likely by the management. Depending on the outcome of negotiations and final settlements with clients and subcontractors the expected results from these projects can improve or deteriorate.

		31-Mar-17	31-Mar-16	01-Apr-15
19	**Provisions - Short Term**			
a	Provision for employee benefits	0.30	0.24	0.14
b	Warranty provisions	5.66	6.00	6.10
c	Non-income tax provisions	0.21	0.21	0.21
d	Provision for Income Tax	0.24	0.24	0.24
e	Other Provisions (incl.admin.costs pension funds)	0.67	0.09	0.19
	Total	**7.08**	**6.78**	**6.87**

Receivables from projects, net as well as prepayments on projects, net, as per 31 Mar,2017 contain unconfirmed claims of CHF 35.7 Mill. (previous year CHF 38.3 Mill.) and amendments / variations of CHF 27.2 Mill. (previous year CHF 30.8 Mill), whose recoverability, however, from today's point of view, is estimated to be likely by the management. Depending on the outcome of negotiations and final settlements with clients and subcontractors the expected results from these projects can improve or deteriorate.

Contingent Liabilities and commitments
(to the extent not provided for)

		31-Mar-17	31-Mar-16	01-Apr-15
i	**Contingent Liabilities**			
a	Claims against the Company not acknowledged as Debt	31.44	30.96	26.69
b	Guarantees issued by Banks and Insurance companies for projects	290.20	266.44	205.89
c	Other money for which Company is contingently liable	-	-	
		321.64	**297.40**	**232.58**

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Note 3 : Property, Plant and Equipment

CHF Million

Particulars	Light Vehicles	Furniture and Office Equipments	Computers	Total	Intangible Assets: Computer Software	Intangible Assets: Total	Investment Property (Land Reserve)
Gross block				-		-	
As at 1 April 2014	0.14	17.81	1.80	19.75	3.15	22.90	0.30
Additions	-	1.37	-	1.37	1.26	2.63	-
Addition on account Exchange fluaculation	-	0.02	-	0.02	-	0.02	-
Deductions/ disposals	-	(0.14)	-	(0.14)	-	(0.14)	
As at 31 March 2015	**0.14**	**19.06**	**1.80**	**21.00**	**4.41**	**25.41**	**0.30**
Additions	-	0.04	-	0.04	2.14	2.18	-
Addition on account Exchange fluaculation	-	-	-	-	-	-	-
Deductions/ disposals	-	(1.37)	-	(1.37)	-	(1.37)	
As at 31 March 2016	**0.14**	**17.73**	**1.80**	**19.67**	**6.55**	**26.22**	**0.30**
Additions	-	0.30	-	0.30	0.44	0.74	-
Addition on account Exchange fluctuation	-	-	-	-	-	-	-
Deductions/ disposals				-	-		
As at 31 Mar 2017	0.14	18.03	1.80	**19.97**	**6.99**	**26.96**	**0.30**
Accumulated depreciation / amortisation and impairment losses							
Balance as at 1 April 2014	0.14	5.28	1.80	7.22	1.58	8.80	-
Depreciation/ amortisation charge	-	2.23	-	2.23	0.64	2.87	-
Add currency flucutaiton	-	-	-	-	-	-	-
Accumulated depreciation/ amortisation on disposals		(0.14)	-	(0.14)	-	(0.14)	
Balance as at 31 March 2015	**0.14**	**7.37**	**1.80**	**9.31**	**2.22**	**11.53**	-
Depreciation/ amortisation charge	-	1.73		1.73	0.56	2.29	-
Add currency flucutaiton	-	-	-	-	-	-	-
Accumulated depreciation/ amortisation on disposals	-	(0.39)		(0.39)	-	(0.39)	-
As at 31 March 2016	**0.14**	**8.71**	**1.80**	**10.65**	**2.78**	**13.43**	-
Depreciation/ amortisation charge	-	1.53		1.53	0.72	2.25	-
Add currency flucutaiton	-	-		-	-	-	-
Accumulated depreciation/ amortisation on disposals	-			-	-	-	-
As at 31 Mar 2017	**0.14**	**10.24**	**1.80**	**12.18**	**3.50**	**15.68**	-
Net block				-		-	
As at 31 March 2015	-	11.69	-	**11.69**	2.19	**13.88**	**0.30**
As at 31 March 2016	-	9.02	-	**9.02**	3.77	**12.79**	**0.30**
As at 31 March 2017	-	7.79	-	**7.79**	3.50	**11.28**	**0.30**

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Details to the Consolidated Income Statement *CHF Million*

		01.04.2016 - 31.03.2017	01.04.2015 - 31.03.2016
20	**Revenue**		
a	Contract Revenue from Projects	820.75	625.41
b	Project Revenue from Real Estate Condominium Developments	(0.1)	11.34
c	Other Operating Revenues	-	-
		820.64	**636.75**
21	**Other Income**		
a	Interest Income	0.14	0.30
b	Dividend Income from long term investments	(0.0)	0.07
c	Other Non-operating income	0.34	1.33
d	Profit from Sale of Fixed Asset	-	0.25
		0.48	**1.95**
22	**Employee Benefits Expense**		
i	Salaries and Wages	68.51	63.36
ii	Social security	5.81	5.31
iii	Contributions to pension funds	6.36	6.96
		80.68	**75.63**
23	**Finance Costs**		
a	Interest expense	1.47	1.52
b	Other borrowing costs	1.66	1.52
		3.12	**3.04**
24	**Other expenses**		
a	Insurance	0.66	0.64
b	Professional	0.64	0.43
c	Auditor's remuneration :		
	Audit fees	0.40	0.36
	Taxation Matters	0.04	0.05
d	Provision for doubtful debts	-	0.01
e	Operating leases and rent	5.70	5.68
f	Recruitment costs and Other personnel expenses	3.19	2.59
g	Selling and distribution expenses	0.51	0.70
h	Stationer and Postage	0.36	0.56
i	Administration expense	1.71	4.52
j	Maintenance and repair	2.32	1.90
k	Directors' sitting fees	1.00	0.98
l	Other operating expenses	7.68	6.25
m	Applicable net gain/loss on foreign currency transactions	(0.07)	(0.82)
		24.15	**23.85**
25	**Other Comprehensive Income (OCI)**		
A	**(i) Items that will not be reclassified to profit or loss**	-	-
	(a) Changes in revaluation surplus		
	(b) Remeasurement of defined benefit plans-actuarial valuation(Net of DTA)	6.31	2.54
B	**(i) Items that will be reclassified to profit or loss**	-	-
	(a) Exchange difference in translating the financial statements of a foreign operation	0.30	(0.10)
	(c) Fair Valuation - Other Investments	0.11	0.01
		6.72	**2.45**

	31.03.2017	31.03.2016
Minimum Lease Rental Payments		
Payable not later than 1 year	5.38	4.43
Payable later than 1 year and not later than 5 years	14.75	14.13
Later than 5 years	0.61	2.97

	31.03.2017	31.03.2016
Disclosure		
Interest expense from loans which is directly attributable to real estate or TC/GC-projects is capitalized as a part of the construction cost.	NIL	NIL

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Notes to the Consolidated Financial Statements

Criteria for preparation of consolidated financial statements

1 Steiner AG has prepared the consolidated financial statements to provide the financial information of its activities along with its Subsidiaries as a single entity. They are collectively referred as "Group" herein.

The consolidated financial statements are prepared by :

i) Consolidating its accounts with financial statements of its Subsidiaries.

ii) Applying the equity method of accounting for its investee companies in which it holds between 20 and 50 percent of the equity share capital. Joint operations are included using proportionate-consolidation as per revised IND AS 111.

iii) Foreign subsidiaries financials are prepared in compliance with the local laws and applicable accounting standards, necessary adjustments for differences in the accounting policies whereever applicable have been made in the consolidated financial statements.

iv) Financial Statements of overseas non-integral operations are translated as under
i) Assets and Liabilities at the rate prevailing at the end of the year
ii) Revenues and expenses, including depreciations and amortisation at yearly average exchange rate prevailing during the year
Exchange differences arising on translation of non-integral foreign operations are accumulated in the foreign currency translation reserve account until the disposal.

2 Method of Consolidation

The consolidated financial statements have been prepared by the Company in accordance with the requirements of IND Accounting Standard (IND AS) 110 - "Consolidated Financial Statements" , IND Accounting Standard (IND AS) 28 - "Accounting for Investments in Associates " and IND Accounting Standard (IND AS) 111 - "Joint Arrangements".

The period-end balances and the common transactions with the Subsidiaries are eliminated in full
Because of comparability, due to some reclasses in the balance sheet and P/L, the previous year figures were presented accordingly.
Due to rounding, the numbers do not necessarily correspond exactly with the totals

Significant Accounting Policies and Notes

1. Basis of Accounting and use of Estimates

All estimates and assumptions are re-evaluated on an on-going basis and are based on historical experience as well as expectations regarding future events which appear reasonable under the given circumstances.

2. Revenue from Total and General Contracting

Long-term contracts for the construction of third-party real-estate are accounted for using the percentage of completion (POC) method, whereby external and internal costs and estimated profits are taken into account. The degree of completion is determined on the basis of the work performed on the construction site. The different excecuted activities of the project are measured based on availble units (e.g. m, m2, m3, kg) in comparision to the total quantities needed for the completion (surveys of the work performed-method).
With the application of the surveys of the work performed-method, the difference between contract costs incurred and contract cost recognised (billed) is accrued in prepaid expenses respectively accruals.
Contract costs are recognized as an expense in the period in which they are incurred. Contracts and groups of contracts for which the degree of completion or the outcome cannot be reliably estimated are capitalized only to the extent of the amount of the contract costs that are likely to be recoverable. Anticipated losses from construction contracts are covered in full by valuation allowances. In accounting for contracts in progress, contractual revenue comprises the contractually agreed revenue and amendments / variations and claims that have been confirmed by the customer or for which payment is considered highly probable.
In the case of TC/GC work on own properties, only costs (including own work and interest incurred, excluding profit share) which have actually been incurred until the transfer of the risks and rewards to the customer are capitalized.

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3. Revenue from real estate development

Revenue from the sale of real estate projects is realized on the transfer of title or the transfer of material risks and rewards to the purchaser.

Real Estate Investor Projects are accounted for as construction contracts based on percentage of completion (POC). Accordingly revenue and the gains of development is recognised along the construction of the building.

The separate sale of project development rights and plans is accounted for as sale and the revenue and gains are realised at the time of the transfer of risks and rewards.
Real Estate Development projects with multiple buyers (i.e. condominium projects) are accounted for according to the specific guidance note of IND AS. E.g. revenue is only recongnised if the POC is above 25% maximum to the extent of revenue based on cost-to-cost method.

4. Financial expenses/capitalised Interest

Interest expense is recognized directly in the income statement as an expense for the period to which it relates. Interest expense which is directly attributable to real estate or TC/GC-projects is capitalized as a part of the construction cost. Thereby the interest expense actually incurred is capitalized, as borrowing takes place for each individual project.

5. Financial Assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset

6. Receivables/Liabilities from Projects

Customer contracts in progress are shown as an asset in the balance sheet under "Receivables from projects, net", or as a the liabilities side under "Liabilities from projects, net". If the prepayments received from customers exceed the project receivables, these are shown under liabilities; otherwise, these are shown under assets.
These positions comprise the total contract costs incurred (actual and accrued), including a share of the profit, less customer prepayments and allowances for expected losses.

7. Real estate projects

Real estate projects are valued based on the lower of the construction cost and the sale price until the project is handed over to the purchaser by means of the transfer of title or the transfer of material risks and rewards. Borrowing costs relating to real estate projects with duration of more than one year are capitalized over the entire duration of the project if the development costs are allowed for capitalization. Payments by customers for a specific project are offset against the construction cost as the customers have generally already notarially signed the purchase contract. Undeveloped land (inc. development costs) and finished units which are held for sale are valued at the lower of construction costs and net selling price.

8. Property, plant and equipment

IT, furnishings, tenant fit-out and equipment as well as motor vehicles are recognized in the balance sheet at acquisition cost less accumulated depreciation and any allowances necessary due to impairment. Depreciation is on a straight line basis over the estimated useful life. Depreciation rates are between 5% (for certain elements of tenant fit-out) and 33%.

9. Investments

Investments in associates in which the Steiner-Group exercises significant influence, but does not have control (generally 20% to 50% of the voting rights), are recognized in the consolidated financial statements using the equity method. As per revised IND AS 111, Joint operations are consolidated using proportionate consolidation.
Under the equity method, investments in associates are recognized in the balance sheet at cost and subsequently adjusted to reflect the changes in the Group's share of the net assets of the associate. Any goodwill connected with the associate is included in the carrying amount of the investment and not depreciated. The income statement includes the Group's share in the income of the associate. Changes recognized directly in the equity of the associate are recognized by the Group in proportion to its investment and reported under the statement of changes in equity as appropriate. Gains and losses from transactions between the Group and associates are eliminated according to the share in the investment in the associate.

Investments, which are readily realisable and inteded to be held for not more than one year from the date on which such investments are made, are classified as current investements. All other investements are classsified as non-currrent investement. Current investment are carried in the financial statements at lower of cost or fair value determined on an individual investement basis. Non-current Investments are carried at cost, provisions for diminution in value is made to recognise a decline other than temporary in the value of the investments.

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10. Post-employment benefits plan

Based on their characteristics, the post-employment benefit plans of the Steiner-Group qualify as defined benefit plans under IND AS 19. The projected unit credit method is used for the calculation of the net present value of the defined benefit obligation (or 'DBO'). For the purposes of determining the DBO, this method takes account of the years served to date, with an additional unit being added to the DBO each year.

For active plan participants, the defined benefit obligation is thus equal to the net present value of the post-employment defined benefits, taking into account future salary and pension increases as well as the rate of employee turnover. For retirees, the defined benefit obligation is equal to the net present value of current pensions, taking into account future pension increases.

The total defined benefit obligations are compared to the fair value of the plan assets. Any surplus is recognised as an asset up to the benefit of the Group. Any shortfall is reported in the balance sheet as a liability. Actuarial gains and losses are accounted through Other Comprehensive Income Statement (OCI).

11. Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank, postal giro and cash in hand as well as any time deposits with a maturity of less than tree months. These are stated at nominal value.

12. Earning per share

Basic and diluted earning per share is calculated by diving the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period.

There are no differences between basic and diluted earning per share since there is no dilutive potential.

13. Deferred taxes

Deferred taxes are accounted using the Balance Sheet approach, which focus on temporary differences at the reporting date between the tax bases of assets and liabilities. Deferred tax is measured using the applicable local tax rates.

Available loss carry forwards and tax credits are only recognized as deferred tax assets to the extent that it is virtually certain that there will be sufficient future taxable profit against which the loss or credit carry forwards can be utilized. The Company reassesses the non-recognized loss carry forwards and reviews the carrying amounts of the deferred tax assets each year at the balance sheet date.

14. Provisions

The measurement of provisions is based on the best possible estimate, taking into account related risks and uncertainties. The provisons are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

15. Contingent Liabilities

Possible obligations for which an outflow of resource is considered unlikely are not recognized in the balance sheet. However, contingent liabilities are disclosed in the notes at each balance sheet date.

16. Segment Reporting

The Company has a single segment namely "Building Construction". Therefore, the Company's business does not fall under different business segments as defined by IND AS 108 - "Operating Segments".

17. List of Subsidiaries considered for Consolidatio

Name of Subsidiary	Country of Incorporation	% Holding	Relationship
Steiner Promotions et Participations SA, Tolochenaz	Switzerland	100%	Subsidiary
Eurohotel SA, Geneve	Switzerland	95%	Subsidiary
VM + ST AG, Zürich	Switzerland	100%	Subsidiary
Steiner (Deutschland) GmbH, Paderborn	Germany	100%	Subsidiary
Steiner Léman SAS, Archamps	France	100%	Subsidiary
SNC Valleiry Route de Bioux, Archamps	France	100%	Subsidiary
Steiner India Ltd., Mumbai	India	100%	Subsidiary

Note : During the current year, Steiner Valleiry is merged with Steiner Leman, as part of restructuring process

Name of Associates	Country of incorporation	% Holding	Relationship
Evostate AG, Zurich	Switzerland	30%	Associates
MCR Managing Corporate Real Estate AG, Zurich	Switzerland	30%	Associates
Projektentwicklungsgesellschaft Parking Kunstmuseum Basel AG, Basel	Switzerland	39%	Associates

Note: MCR Associates is now a direct Associate of Steiner AG

Name of Joint Operations			
ARGE Prime Tower, Zurich	Switzerland	45%	Joint operations

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18. a. Deferred Tax Asset is comprised as follows:

	31.03.2017	31.03.2016 (CHF Million)	01.04.2015
Deferred Tax Asset (Liability) on Pension Liability	1.91	3.51	3.21
Deferred Tax Asset on tax loss	2.13	4.81	4.81
Total Net Asset	**4.05**	**8.31**	**8.02**

NOTE : Deferred tax asset recognised on unabsorbed losses by Steiner AG is expected to be adjusted against future taxable income during the time limit under the applicable Income Tax Law.

18. a. Tax Expense:

Income tax expense	**Year ended 31.03.17**	**Year ended 31.03.16**
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Defered Tax		
Decrease (increase) in deferred tax assets	2.68	(1.02)
(Decrease) Increase in deferred tax liabilities	(0.20)	-
Total deferred tax expense	**2.49**	**(1.02)**

Reconciliation - Tax Expenses

Earnings before taxes of continued operations	5.79	(5.97)
Earnings before taxes of discontinued operations	-	-
Total earnings before taxes	**5.79**	**(5.97)**
Expected tax rate	22%	22%
Expected tax expense	**1.27**	-
Unrecognized losses from the current financial year	-	0.88
Utilization of unrecognized loss carryforwards from prior years	(0.28)	(0.85)
Capitalization of tax losses	0.19	-
Non taxable expenses / income 1)	0.47	0.12
Other effects (incl DTA / DTL - OCI & Profit & Loss a/c)	0.84	(1.17)
Total actual income taxes	**2.49**	**(1.02)**

19. Warranty provisions: *CHF Million*

After the handover of the building there is a warranty liability, which lasts between 2 and 10 years, depending on the building and its components. During construction the warranty provision is recorded based on past experience and, in general, remains unchanged during construction. Actual warranty costs are recorded against the warranty provision of projects in warranty phase (pool approach). As per closing date, future warranty costs are estimated and if needed the warranty provisions are increased or released. The subsequent major cash flows of remaining provisions will take place over next five years.

	31.03.2017	31.03.2016 (CHF Million)	01.04.2015
Short term warranty provisions at the beginning of the period	6.00	6.10	6.83
Long term warranty provisions at the beginning of the period	11.27	11.58	15.47
Total warranty provisions at the beginning of the period	**17.27**	**17.68**	**22.30**
Additions	8.45	7.18	4.56
Use	(5.55)	(7.69)	(9.18)
Release	(3.64)	-	-
Total warranty provisions at the end of the period	**16.53**	**17.17**	**17.68**
thereof Short term warranty provisions at the end of the period	5.66	6.00	6.10
thereof Long term warranty provisions at the end of the period	10.87	11.27	11.58

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20. Provisions

in CHF Mill.	Balance 31.03.2016	Increase	Release	Utilisation	Fx.Diff.	Balance 31.03.2017
Analysis by risk groups						
Warranty provisions	17.3	8.4	-3.6	-5.5	0.0	16.5
Other provisions	0.8	0.7	-0.1	0.1	-0.1	1.4
Total provisions	**18.1**	**9.2**	**-3.8**	**-5.5**	**-0.1**	**17.9**
of which total short-term provisions	**6.0**					**7.2**
Expected maturity within 2 - 5 years	6.4					8.3
Expected maturity over 5 years	5.7					2.4
of which total non-current provisions	**12.1**					**10.7**

in CHF Mill.	Balance 31.03.2015	Increase	Release	Utilisation	Fx.Diff.	Balance 31.03.2016
Analysis by risk groups						
Warranty provisions	17.7	7.2	0.0	-7.6	0.0	17.3
Other provisions	0.8	0.0	0.0	0.0	0.1	0.8
Total provisions	**18.5**	**7.2**	**0.0**	**-7.6**	**0.1**	**18.1**
of which total short-term provisions	**6.2**					**6.0**
Expected maturity within 2 - 5 years	7.1					6.4
Expected maturity over 5 years	5.2					5.7
of which total non-current provisions	**12.3**					**12.1**

21. Disclosure relating to Employee Benefits - IND AS 19

Steiner Foundation

The objective of the Steiner Foundation is to pay voluntary benefits to relieve the economic conse-quences of old age, death and disability and, in cases of particular hardship, the consequences of sickness, accident or unemployment. It can make contributions or payments to the Steiner-Group Switzerland Pension Plan.

	31.03.2017	31.03.2016
A Expenses recognised during the year		
Current Service Cost	5.75	6.28
Interest Cost	0.05	0.10
Administration expenses	0.45	0.41
Employers contributions made	(5.42)	(2.18)
Expenses recognised in the P&L Account	**0.84**	**4.60**
Actuarial (gains) and losses	(8.09)	(3.26)
Defined benefit cost recognised in OCI	**(8.09)**	**(3.26)**
B Net Liability recognised in the Balance Sheet		
Present value of obligation	5.47	10.36
Add : provision for separated employees	3.22	5.58
Total	**8.69**	**15.94**
Add: Liability for Steiner Germany	2.44	2.56
Total Pension Liability	**11.13**	**18.50**
C Change in present value of obligation		
Present value of obligation at the beginning of the year	159.91	157.05
Current Service cost	5.75	6.28
Interest Cost	0.63	1.07
Contribution by plan participants	4.75	1.57
Benefits paid	(10.41)	(9.94)
Net Actuarial gain/(loss) recognised dunring the year	(2.30)	3.87
Present value of obligation at the end of the year	**158.33**	**159.90**
whereof due to active member	*100.28*	*103.29*
whereof due to pensioners	*58.03*	*56.62*
D Actuarial assumptions :		
1 Discount rate	0.60%	0.40%
ii Salary escalation rate over long term	0.50%	0.50%
iii Mortality rate	BVG 2015 (GT)	BVG 2015 (GT)
iv Turnover rates	BVG 2015	BVG 2015
v Retirement rates	65(M) / 64(F)	65(M) / 64(F)
E Overview of Plan Assets		
Pension Fund (Pensionskasse der Steiner AG)		
Assets in insurance contracts	116.22	111.21
Additional assets in pension fund	9.62	9.61
Liabilities and deferrals	(0.35)	(0.48)
Total plan assets in pension fund	**125.49**	**120.35**
Welfare fund (Stiftung der Steiner AG)		
Total assets in welfare fund	24.78	23.85
Liabilities and deferrals	(0.61)	(0.22)
Total plan assets in welfare fund	**24.17**	**23.63**
F Sensitivities (change in DBO)		
Discount rate +0.1%	(2.30)	(2.30)
Discount rate -0.1%	2.38	2.62
Salary increase rate +0.5%	1.79	1.75
Salary increase rate -0.5%	(1.69)	(1.65)

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22. Interests in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement. The Company classifies its Joint Arrangements as Joint Operations.

The Company recognises its direct right to assets, liabilities, revenue and expenses of Joint Operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Sensitivity Analysis

Interest

The operating profits and cash flows of the Steiner-Group are exposed to interest rate risk due to fluctuations in interest rates on the capital market. Interest rate risk affects in particular the financial investments and the current and non-current borrowings (information on these items is given in the notes). Changes in interest rate risk are supervised on an ongoing basis.

The table below illustrates how sensitive profit before taxes and capitalized real estate projects (regarding project financing) are to a potential movement in the interest rate, assuming all other variables remain constant. Movements in the interest rate associated with project financing which has been capitalized for real estate projects have a delayed impact on profit before taxes and equity.

in CHF Mill		2016/17	2015/16
Increase in interest rate by 15 basic points (0.15%)	Effect on profit before tax	0.07	0.07
Increase in interest rate by 10 basic points (0.10%)	Effect on profit before tax	0.05	0.05

Foreign exchange risk

Steiner-Group is primarily active in Switzerland. Foreign exchange risks arise from fluctuations in value between the Euro and Indian Rupees against the CHF. However, most transactions by the subsidiaries in Germany and India are executed in the functional currency. There is also a foreign exchange risk on non-current intra-group loans and on the share of investment, although these movements in the exchange rate are recognized directly as comprehensive income. Foreign exchange risk is constantly monitored and hedged as required, for example, by means of forward exchange contracts.

The table below illustrates how sensitive profit before taxes and equity are to a potential movement of the Euro and Indian Rupees (INR), assuming all other variables remain constant.

in CHF Mill.		2016/17	2015/16
Increase of EUR by 5%	Effect on profit before tax	0.15	0.16
	Effect on Equity	0.58	0.59
Reduction of EUR by 5%	Effect on profit before tax	(0.15)	(0.16)
	Effect on Equity	(0.58)	(0.59)

in CHF Mill.		2016/17	2015/16
Increase of INR by 5%	Effect on profit before tax	0.01	0.01
	Effect on Equity	0.34	0.34
Reduction of INR by 5%	Effect on profit before tax	(0.01)	(0.01)
	Effect on Equity	(0.34)	(0.34)

Credit risk

Credit risk relates in particular to trade receivables (customers) and trade payables (suppliers) from current projects. In view of the customer portfolio of the Steiner-Group, there is no significant con-centration of risk. At Group level, there is also no significant dependence on sub-contractors. There is, however, a counterparty risk from the bankruptcy of sub-contractors. With respect to counterparty risk (creditworthiness and default risk), the Group has implemented a credit risk management procedure, together with a related allowance policy, whereby project management and the Controlling department review open positions on an ongoing basis and recognize impairments as appropri-ate. When granting loans to third parties (for example to project companies or to third parties), collateral in the form of borrower's notes is usually requested.

The maximum credit risk corresponds to the carrying amounts recognized in the balance sheet and the notes.

Liquidity risk

Liquidity is controlled and managed on an ongoing basis both at Group level and project level. The aim in TC/GC-projects is always to finance construction costs, own work and profit shares by means of prepayments from customers.

Capital management

Target in the capital management is to show a reasonable consolidated equity (incl. subordinated and shareholders loans).

Equity is managed by the reported profit, dividend payments and capital increases or reductions. Steiner-Group defines capital as reported equity including minorities and shareholder loans.

Deposits in Indian Rupees in Bank

W.r.t. to the notification issued by the Ministry of Corporate Affairs, dated 30th March, 2017, The company hereby discloses that there was neither any opening balance in cash in hand in Indian Rupees as on 08th November, 2016 nor any transaction in Indian Rupees has been placed in cash upto 30th December, 2016 or during the year.

Investment properties/land reserves

Investment property is property held to earn rentals and for capital appreciation rather than for sale in the ordinary course of business. This also includes property that is being constructed or developed for future use as investment property as well as land reserves held for a currently undetermined future use. The valuation at the time of initial recognition is based on acquisition costs, including directly attributable transaction costs. After the initial recognition, the fair value model is applied. Changes in market value are taken to the income statement considering deferred taxes.

Disclosure in accordance with Accounting Standard - 18 "Related Party Transactions".

A Names of Related Parties & Nature of Relationship

	Names of Related Parties	Nature of Relationship
1	ARGE Prime Tower, Zürich	Joint-Operations
2	Evostate AG, Zürich	Associate
3	MCR Managing Corp. Real Estate AG, Tolochenaz	Associate
4	Projektentwicklungsges. Parking Kunstmuseum AG, Basel	Associate
5	Stiftung der Steiner AG (Steiner pension foundation)	Related party

B Key Management Personnel

i) Ajit Gulabchand, Chairman
ii) Rajgopal Nogja, Managing Director
iii) Daniel Ducrey, CEO
iv) Karsten Hell, COO TC/GC
v) Ajay Sirohi, CFO
vi) Michael Schiltknecht, Head RED

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C **Transactions with Related parties**

CHF Million

	01.04.2016 - 31.03.2017	01.04.2015 - 31.03.2016
Total of salaries and wages including bonuses and directors' fees paid out to the Board of Directors and Group Management	3.91	4.57
Contributions to post-employment benefit plans	0.36	0.49
Total compensation paid to the Board of Directors and Group Management	**4.27**	**5.06**

	Relation	Name	31.03.2017	31.03.2016	01.04.2015	
Assets:						
	Associates	Evostate	3.65	2.02	7.73	Receivables from projects, net
	Related parties	Lavasa Corp	9.74	11.87	4.17	Receivables from projects, net
	Related parties	Highbar Tech Ltd	0.27	2.33	0.87	Capitalized costs in Property, Plant and Equipment
Liabilities:						
	Related parties	Lavasa,HCC	0.59	0.98	-	Trade payables
	Associates	Evostate	1.44	0.23	0.10	Prepay. from projects/Payables
	Shareholders	HCC Mauritius	10.00	10.00	10.00	Subordinated loan
	Related parties	P.Steiner	20.00	20.00	20.00	Subordinated loan
	Related parties	P.Steiner	0.66	0.51	1.03	Accrued interests and costs
	Shareholder	HCC Mauritius	1.74	2.46	0.42	Accrued interests and costs
Revenue from:			**01.04.2016 - 31.03.2017**	**01.04.2015 - 31.03.2016**	**01.04.2014 - 31.03.2015**	
	Associates	Evostate	1.22	0.73	7.26	Revenue real estate development
	Related parties	Lavasa	2.36	6.62	18.13	Revenue from projects
Expense from:						
	Associates	Evostate	(0.15)	(1.36)	(0.84)	Costs real estate development
	Associates	Steiner Pension Found.	(0.16)	(0.55)	-	Costs real estate development
	Related parties	P.Steiner	(1.15)	(1.15)	(1.15)	Interest on subordinated loan
	Shareholders	HCC Mauritius	(0.12)	(0.12)	(0.36)	Interest on subordinated loan
	Related parties	P.Steiner	(0.90)	(0.90)	(0.90)	Other operating expenses
	Shareholders	HCC Mauritius	(1.50)	(2.10)	(3.01)	Other operating expenses

Earnings per share (EPS):

			31.03.2017	31.03.2016	01.04.2015
	Basic & Diluted EPS				
A	Profit computation for basic earnings per share of CHF 1000 each				
	Net Profit as per profit & loss account available for Equity Share holders	(CHF)	**9'905'563**	**(2'495'094)**	**1'670'000**
B	Weighted average number of Equity shares for EPS computation	(Nos.)	40'000	40'000	40'000
C	EPS (weighted average)				
	Basic & Diluted EPS (not annualised)	(CHF)	**247.64**	**(62.38)**	**41.75**

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Interest in Subsidiaries, Associates and joint Operations

Subsidiaries

Name of the entity	Country of Incorporation	% of Ownership interest held by the group*			% of Ownership interest held by non controlling interests			Principal actvities
		31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015	
Steiner Promotions et Participations SA, Tolochenaz	Switzerland	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	Real Estate Development
Eurohotel SA, Genf	Switzerland	95.0%	95.0%	95.0%	5.0%	5.0%	5.0%	Real Estate Development
VM + ST AG, Zürich	Switzerland	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	Real Estate Development
Steiner (Deutschland) GmbH, Paderborn	Germany	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	Real Estate Development
Steiner Léman SAS, Archamps	France	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	Real Estate Development
SNC Valleiry Route de Bloux	France	-	100.0%	100.0%	-	0.0%	0.0%	Real Estate Development
Steiner India Ltd, Mumbai	India	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	Real Estate Construction

Note 1: During the current year SNC Valleiry was merged with Steiner Léman, as part of financial restructuring process for Steiner Léman

Joint Operations

Name of the entity	Nature of Entity	% of Ownership interest held by the group*			Name of the Ventures' Partners	Principal actvities
		31.03.2017	31.03.2016	01.04.2015		
ARGE Prime Tower	Consortium ("ARGE")	45.0%	45.0%	45.0%	Losinger Marazzi	Real Estate Construction

Associates

Name of the entity	Country of Incorporation	% of Ownership interest held by the group*			Carrying Amount (CHF Million)			Principal actvities
		31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015	
Evostate AG	Switzerland	30.0%	30.0%	30.0%	0.9	5.5	7.1	Holding Co - Real Estate business
MCR Managing Corp. Real Estate	Switzerland	30.0%	-	-	1.5	-	-	Real Estate Development
Projektentwicklungsges. Parking Kunstmuseum AG	Switzerland	38.6%	38.6%	38.6%	0.5	0.6	0.2	Real Estate Development

Note 1 : Accounting method : Equity Accounting for all Associates
Note2 : Until Mar-2016 MCR was an Associate of Evostate with holding of 30%

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Steiner AG

Reconciliation : Net Profit between IND AS and IGAAP : 31.03.2016

	Mill.CHF
Net Profit & Loss as per IGAAP : 31.03.2016	**-0.98**
Adjustment: Fair valuation of investments - earlier at cost, now fair value	-0.08
Deferred Tax on IC eliminations - earlier bridge now reversed (IND AS in line with FER)	-0.03
Actuarial Valuation of Pension benefits (IND AS 19)	-4.98
DTA- Pension actuarial valuation	1.12
Net Profit & Loss as per new IND AS : 31.03.2016	**-4.95**

Reconciliation : Equity between IND AS and IGAAP :

	Mill.CHF
Group Equity as per IGAAP : 31.03.2016	**50.30**
Adjustment: Fair valuation of investments - earlier at cost, now fair value	0.25
Actuarial Valuation of Pension benefits (IND AS 19)	-27.18
DTA - Pension Actuarial valuation	5.97
Revised Equity as per new IND AS : 31.03.2016	**29.34**
Group Equity as per IGAAP : 31.03.2015	**51.38**
Adjustment: Fair valuation of investments - earlier at cost, now fair value	0.33
Deferred Tax on IC eliminations - earlier bridge now reversed (IND AS in line with FER)	0.03
Actuarial Valuation of Pension benefits (IND AS 19)	-25.47
DTA - Pension Actuarial valuation	5.57
Revised Equity as per new IND AS : 31.03.2015	**31.84**

CHF Million

Steiner AG	IGAAP	Adjustments	IND AS	IGAAP	Adjustments	IND AS
Balance Sheet - Movement ; IGAAP - IND AS		31.03.2016			31.03.2015	
ASSETS						
Non-current assets						
Property, Plant and Equipment	9.02	-	9.02	11.69	-	11.69
Investment Property	0.30	-	0.30	0.30	-	0.30
Other Intangible Assets	3.77	-	3.77	2.19	-	2.19
Financial Assets	-	-	-	-	-	-
(i) Investments	6.35	0.25	6.60	17.54	0.33	17.87
(ii) Trade Receivables	-	-	-	-	-	-
(iii) Loans	2.01	-	2.01	1.96	-	1.96
(iv) Others	-	-	-	-	-	-
Deferred Tax Assets (net)	2.34	5.97	8.31	8.02	-	8.02
Other Non-current Assets	11.24	(11.24)	-	10.88	(10.88)	-
Total Non-Current Assets	**35.03**	**(5.02)**	**30.01**	**52.58**	**(10.55)**	**42.03**
Current Assets						
Inventories	218.69	-	218.69	277.85	-	277.85
Financial Assets	-	-	-	-	-	-
(i) Investments	0.46	-	0.46	-	-	-
(ii) Trade Receivables	4.45	-	4.45	8.11	-	8.11
(iii) Cash and Cash equivalents	87.08	-	87.08	102.56	-	102.56
(iv) Bank Balances other than (iii) above	-	-	-	-	-	-
(v) Others	9.61	30.43	40.04	10.81	12.09	22.90
Current Tax Assets (Net)	5.01	-	5.01	2.41	5.60	8.01
Other Current Assets	-	-	-	-	-	-
Total Current Assets	**325.30**	**30.43**	**355.73**	**401.74**	**17.69**	**419.43**
Total Assets	**360.33**	**25.41**	**385.74**	**454.32**	**7.14**	**461.46**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	40.00	-	40.00	40.00	-	40.00
Other Equity	10.30	(20.96)	(10.66)	11.38	(19.54)	(8.16)
	50.30	**(20.96)**	**29.34**	**51.38**	**(19.54)**	**31.84**
LIABILITIES						
Non-current Liabilities						
Financial Liabilities	-	-	-	-	-	-
(i) Borrowings	30.00	-	30.00	30.00	-	30.00
(ii) Trade payables	-	-	-	-	-	-
(iii) Other financial liabilities - Financial Guarantee Obligation	-	-	-	-	-	-
Provisions	14.98	15.94	30.92	14.87	14.59	29.46
Deferred Tax Liabilities (Net)	-	-	-	-	-	-
Other Non-Current Liabilities	0.84	-	0.84	0.76	-	0.76
Total Non-Current Liabilities	**45.82**	**15.94**	**61.76**	**45.63**	**14.59**	**60.22**
Current Liabilities						
Financial Liabilities	-	-	-	-	-	-
(i) Borrowings	13.09	-	13.09	18.77	-	18.77
(ii) Trade payables	57.11	30.42	87.53	52.20	12.09	64.29
(iii) Other financial liabilities (other than those specified in item ©	0.35	-	0.35	0.38	-	0.38
Other Current Liabilities	187.43	-	187.43	279.72	-	279.72
Provisions	6.24	-	6.24	6.24	-	6.24
Current Tax Liabilities (Net)	-	-	-	-	-	-
Total Current Liabilities	**264.21**	**30.42**	**294.64**	**357.31**	**12.09**	**369.40**
Total Equity and Liabilities	**360.33**	**25.41**	**385.74**	**454.32**	**7.14**	**461.46**
	0.00	0.00	0.00	0.00	-0.00	0.00

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Disclosures as required by Indian Accounting standard (Ind AS) 101 First time adoption of Indian accounting standard

The company has prepared its financial statements in accordance with accounting standard notified under section 133 of the companies act 2013, read together with paragraph 7 of the companies (Account) rules, 2014 (Indian GAAP). Accordingly company has prepared its financial statements to comply with Ind As for the year ended 31 March 2017, together with comparative date as and for the year ended 31 March 2016 as decsribed in the summary of significant accounting policies In preparing these financial statements, the companies opening balance sheet was prepared as at 1st april 2015, the comapnies date to transition to Ind As These notes explains the principal adjustemtns made by the company in restating its Indian GAAP financial statements, including the Balance Sheet as at 1st April 2015 and financial statement as and at for the year ended 31st March 2016

Exemptions:

The company has elected to apply previous GAAP carrying amount of its Property Plant & Equipment, Investment Property, Investments in subsidaries, associates and joint venture as deemed cost as on the date of transition to Ind AS

Estimates:

The estimates at 1 April 2015 and as at 31 march 2016 are consistant with those made for the same dates in accordance with Indian GAAP (after adjustment to reflect and differences if any, in accounting policies).

Notes for reconcillation

1 **Investments**

In case of quoted investments mark to market value has been adopted. Gain\loss is recognised to opening reserve on 01.04.2015. In subsequent years it is recognised through Other Comprehensive income.

2 **Deferred Tax Assets**

Deferred Tax Asset has been re-calculated on Revised Pension Liability based on Actuarial valuation as per IND AS 19

3 **Pension Liability - IND AS 19**

Actuarial valuation for Pension Liability has now been considered. Accordingly the Pension Asset from IGAAP is removed and Net Liability as per valuation report has been shown in the Balance Sheet

Pension Benefits IND AS 19 - Disclosure

Balance Sheet	**31.03.2015**	**31.03.2015**	**31.03.2017**
Pension Asset GAAP/FER	10'880	11'240	11'561
Pension Liability IND AS (act.val)	(14'589)	(15'940)	(8'686)
Impact - Equity (reduced) (Temp.Diff)	**25'469**	**27'180**	**20'247**
Pension Liability Steiner AG	**(14'589)**	**(15'940)**	**(8'686)**

4 **Other Current Assets & Trade Payables**

No Netting of sub-contractors accruals and prepaid under IND AS

Previously under IGAAP - these were netted and disclosed

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Profit and Loss statement movement - IGAAP - IND AS

	Particulars	01.04.2015 -31.03.2016 IGAAP	Adjustments	IND AS
I	Revenue from Operations	636.75	-	636.75
II	Other Income	2.04	(0.08)	1.96
III	**Total Income (I+II)**	**638.79**	**(0.08)**	**638.71**
IV	**EXPENSES**			
	Cost of materials consumed	532.89	-	532.89
	Purchase of Stock -in-Trade	-	-	-
	Change in Inventories of finished goods, Stock-in-Trade and Work-in-progress	8.28	-	8.28
	Employee benefits expense	70.66	4.97	75.63
	Finance Costs	3.04	-	3.04
	Depreciation and Amortization expense	2.29	-	2.29
	Other expenses	23.85	0.01	23.86
	Total expenses (IV)	**641.01**	**4.98**	**645.99**
V	**Profit / (Loss) before exceptional items and tax (I-IV)**	**(2.21)**	**(5.06)**	**(7.27)**
VI	Exceptional Items	(0.97)	-	(0.97)
VII	**Profit / (Loss) before tax (V-VI)**	**(3.18)**	**(5.06)**	**(8.24)**
VIII	Tax expense :			
	(1) Current tax	-	-	-
	(2) deferred tax	1.04	(0.03)	1.01
IX	**Profit / (Loss) for the period from continuing operations (VII - VIII)**	**(2.14)**	**(5.09)**	**(7.23)**
X	**Share of Profit / (Loss) of Associates**	**2.28**		**2.28**
XI	**Less: (Profit) / Loss Transferred to Minority Shareholders**	-		-
XII	Profit / (Loss) from discontinued operations	-		-
XIII	Tax expense of discontinued operations			
XIV	**Profit / (Loss) from discontinued operations (after tax) (X-XI)**	-		-
XV	**Profit/(loss) for the period (IX + XII)**	**0.14**		**(4.95)**
XVI	**Other Comprehensive Income** 1			
	A (i) Items that will not be reclassified to profit or loss	-		2.54
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss	-		(0.09)
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XVII	**Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit/(loss) and Other Comprehensive Income for the period)**	**0.14**		**(2.50)**

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Notes to the consolidated financial statements for the year ended March 31, 2017
Fair Value Measurements

Classification of financial instruments — *CHF Million*

Particulars	31.03.2017	31.03.2016	01.04.2015
Financial Assets			
At Amortised Cost			
Investments	3.52	6.64	17.69
Trade Receivables	11.64	4.45	8.11
Loans given	2.51	2.01	1.96
Cash and Cash equivalents	95.63	87.08	102.57
Other receivables and prepaid	55.77	40.03	22.90
At Fair Value through Profit & Loss (Quoted Investments)	0.54	0.43	0.18
Total of Financial Assets	**169.61**	**140.63**	**153.41**
Financial Liabilities			
At Amortised Cost			
Borrowings	42.91	43.09	48.77
Trade payables related party	2.50	1.44	-
Trade payables others	254.12	186.91	258.53
Interest on borrowings	0.68	0.35	0.38
Total of Financial Liabilities	**300.20**	**231.79**	**307.68**

Note 30 - Fair Value Hierarchy :
(a) Fair value hierarchy - Recurring fair value measurements

Particulars	31.03.2017	31.03.2016	01.04.2015
Financial Assets			
At Fair Value through Profit & Loss			
Level - 1	0.54	0.43	0.18
Total of Financial Assets	**0.54**	**0.43**	**0.18**

(b) Fair value hierarchy - Assets and liabilities which are measured at amortised cost for which fair values are disclosed

Particulars	31.03.2017	31.03.2016	01.04.2015
Financial Assets			
Level - 3			
Investments	3.52	6.64	17.69
Trade Receivables	11.64	4.45	8.11
Loans given	2.51	2.01	1.96
Cash and Cash equivalents	95.63	87.08	102.57
Other receivables and prepaid	55.77	40.03	22.90
Total of Financial Assets	**169.07**	**140.21**	**153.23**
Financial Liabilities			
Level - 3			
Borrowings	42.91	43.09	48.77
Trade payables related party	2.50	1.44	-
Trade payables others	254.12	186.91	258.53
Interest on borrowings	0.68	0.35	0.38
Total of Financial Liabilities	**300.20**	**231.79**	**307.68**

Recognised fair value measurements

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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Statement containing silent features of the financial statement of Subsidaries

In CHF Million

Sr. No	2. Name of the subsidiary	3. Reporting period	4. Reporting currency /Exchange rate	5. Share capital	6. Reserves & surplus	7. Total assets	8. Total Liabilities	9. Investments	10. Turnover	11. Profit before taxation	12. Provision for taxation	13. Deferred Tax	13. Profit after taxation	14. Proposed Dividend
1	Eurohotel	01.04.2016 to 31.03.2017	CHF	0.10	(1.20)	0.01	1.11	0.00	0.00	-0.01	0.00	0.00	-0.01	0.00
2	VM&ST	01.04.2016 to 31.03.2017	CHF	1.00	0.03	1.03	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
3	SPP	01.04.2016 to 31.03.2017	CHF	3.00	0.20	18.36	15.17	0.00	0.00	-0.26	0.00	0.00	-0.26	0.00
4	Steiner Germany	01.04.2016 to 31.03.2017	CHF	10.96	(2.89)	11.43	3.36	0.03	5.86	0.09	0.00	0.00	0.09	0.00
5	Steiner Léman	01.04.2016 to 31.03.2017	CHF	0.24	(0.13)	0.17	0.05	0.00	0.01	1.05	0.00	0.00	1.05	0.00
6	Steiner India	01.04.2016 to 31.03.2017	CHF	2.29	(5.23)	12.31	15.25	0.37	7.80	-0.40	0.00	0.00	-0.40	0.00
1	Evostate	01.04.2016 to 31.03.2017	CHF	0.10	8.60	8.71	0.01	0.00	0.00	19.82	-0.01	0.00	19.81	0.00
2	MCR	01.04.2016 to 31.03.2017	CHF	0.10	4.74	14.25	9.41	0.00	7.98	1.19	0.28	0.00	1.47	0.00
3	Parking, Basel	01.04.2016 to 31.03.2017	CHF	2.20	(0.81)	3.27	1.88	0.00	0.00	-0.04	0.00	0.00	-0.04	0.00

All entities have been considered in reporting currency - CHF

Cl.rate euro	1.072
Cl.rate INR	0.015

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Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

CHF Million

Name of Associates	Evostate AG	MCR Corp.	Parking, AG Basel
1. Latest audited Balance Sheet Date	31-Mar-17	31-Mar-17	31-Mar-17
2. Shares of Associate/Joint Ventures held by the company at the year end.			
-No.	30	30	850
-Amount of Investment in Associates/Joint Venture	0.91	1.45	0.54
-Extend of Holding %	30.00%	30.00%	38.60%
3. Description of how there is significant influence	Significant Influence over Share Capital	Significant Influence over Share Capital	Significant Influence over Share Capital
4. Reason why the associate/joint venture is not consolidated.	Consolidated	Consolidated	Consolidated
5. Networth attributable to Shareholders as per latest audited Balance Sheet	3.02	4.84	1.39
6. Profit / Loss for the year			
i. Considered in Consolidation	19.81	1.47	(0.04)
i. Not Considered in Consolidation	-	-	-

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Disclosure mandated by Schedule III by way of additional information *CHF Million*

Name of Entity	Net assets (Total assets - Total Liablities)		Share in profit or loss	
	Amount	As % of consolidated Net Asset	Amount	As % of consolidated Profit or Loss
Consolidated	**39.25**		**9.91**	
Parent Company				
Steiner AG	59.44	151.45%	10.23	103.28%
Subsidiaries				
Eurohotel	(1.10)	-2.81%	(0.01)	-0.14%
VM&ST	1.03	2.62%	-	0.00%
SPP	3.20	8.14%	(0.26)	-2.57%
Steiner Germany	8.07	20.57%	0.09	0.93%
Steiner Léman	0.11	0.29%	1.05	10.61%
Steiner India	(2.94)	-7.49%	(0.40)	-4.05%
Associates				
Evostate	8.70	22.16%	19.81	200.00%
MCR	4.84	12.34%	1.47	14.86%
Parking, Basel	1.39	3.54%	(0.04)	-0.41%

Initialed for purpose of identification
April 21, 2017
EY Ernst & Young Ltd Zurich, Switzerland

Report of the statutory auditor

with consolidated financial statements as of 31 March 2017 of

Steiner AG, Zurich

EY
Building a better working world

Ernst & Young Ltd
Maagplatz 1
P.O. Box
CH-8010 Zurich

Phone +41 58 286 31 11
Fax +41 58 286 30 04
www.ey.com/ch

To the General Meeting of

Steiner AG, Zurich

Zurich, 21 April 2017

Report of the statutory auditor on the consolidated financial statements

As statutory auditor, we have audited the accompanying consolidated financial statements of Steiner AG, which comprise the consolidated income statement, consolidated balance sheet, consolidated cashflow statement, consolidated statement of changes in equity and notes to the consolidated financial statement, for the year ended 31 March 2017.

Board of Directors' responsibility
The Board of Directors is responsible for the preparation of these consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements for the year ended 31 March 2017 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Christian Krämer Licensed audit expert (Auditor in charge)	Marc Rüegsegger Licensed audit expert

Enclosure

- Consolidated financial statements (consolidated income statement, consolidated balance sheet, consolidated cashflow statement, consolidated statement of changes in equity and notes to the consolidated financial statements).

Steiner-Group

Financial Statements
Swiss GAAP FER

as per 31 March 2017

Confidential

Initialed for purpose of identification
April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

Index of Content

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April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

Steiner-Group
Consolidated Income Statement

in CHF Mill.	Ref.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Net revenue	1	**820.7**	**649.7**
Other operating income	1	0.3	1.6
Operating income	1	**821.0**	**651.3**
Subcontracting expenses and project related services	2	-702.9	-551.2
Personnel expenses	3	-83.7	-74.2
Other operating expenses	4	-19.9	-21.1
Operating expenses		**-806.5**	**-646.5**
Share in income of associates and joint ventures	18	0.4	2.3
Operating profit before depreciation, interests and taxes of continued operations		**14.9**	**7.1**
Amortisation / depreciation of tangible and intangible assets		-2.2	-2.3
Operating profit before interests and taxes of continued operations		**12.7**	**4.8**
Extraordinary expenses	5.1	-0.1	-1.0
Financial expenses	5	-3.4	-3.5
Financial income	5	0.6	1.7
Earnings before taxes of continued operations		**9.8**	**2.0**
Income taxes	6	-2.7	-0.1
Group result		**7.1**	**1.9**
Group result attr. to the shareholders of Steiner AG	7	7.1	1.9
Group result attr. to non-controlling shareholders		-	-
Earnings per share in CHF (*undiluted and diluted*)	7	**177.5**	**47.5**

Due to rounding, the numbers presented throughout this document do not necessarily correspond exactly with the totals.

13.04.2017

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April 21, 2017
EY Ernst & Young Ltd
Zurich, Switzerland

Steiner-Group

Consolidated Balance Sheet

in CHF Mill.	Ref.	31.03.2017		31.03.2016	
Assets					
Cash and cash equivalents	8	94.0		85.4	
Marketable securities	8	0.5		0.5	
Trade receivables	9	11.6		4.4	
Receivables from projects, net	10	217.2		145.6	
Prepayments of subcontractor project costs	11	35.8		20.7	
Real-estate projects, net	12	93.8		87.7	
Income tax receivable	13	1.0		5.0	
Other accounts receivables and prepaid expenses	14	11.3		9.6	
Total current assets		**465.2**	**93.8%**	**358.9**	**90.8%**
Property, plant and equipment	15	7.8		9.0	
Investment properties / land reserves	16	0.3		0.3	
Financial assets	17	3.2		2.5	
Investment in associates and joint ventures	18	4.1		7.2	
Intangible assets	19	3.5		3.8	
Deferred tax assets	27	0.0		2.4	
Assets from pension institutions	20	11.6		11.2	
Total non-current assets		**30.5**	**6.2%**	**36.4**	**9.2%**
Total Assets		**495.7**	**100.0%**	**395.3**	**100.0%**
Liabilities and equity					
Trade payables	21	81.5		44.3	
Prepayments from projects, net	22	96.7		75.1	
Accruals of subcontractor project costs	11	173.6		141.0	
Other current liabilities and accruals	23	15.3		13.7	
Current borrowings	24	12.9		13.1	
Short-term provisions	25	6.2		6.0	
Total current liabilities		**386.2**	**77.9%**	**293.2**	**74.2%**
Non-current provisions	25	15.9		16.2	
Non-current borrowings	24	30.0		30.0	
Deferred tax liabilities	27	0.4		0.0	
Total non-current liabilities		**46.3**	**9.3%**	**46.2**	**11.7%**
Total liabilities		**432.5**	**87.3%**	**339.4**	**85.9%**
Share capital	26	40.0		40.0	
Capital reserves	26	8.6		8.6	
Group reserves	26	14.6		7.3	
Total equity of shareholders of Steiner AG		**63.2**		**55.9**	
Non-controlling interests		0.0		0.0	
Total equity including non-controlling interests		**63.2**	**12.7%**	**55.9**	**14.1%**
Total liabilities and equity		**495.7**	**100.0%**	**395.3**	**100.0%**

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Zurich, Switzerland

Steiner-Group
Consolidated Cashflow Statement

in CHF Mill.		01.04.16 - 31.03.17	01.04.15 - 31.03.16
Cash flow from operating activities			
Earnings before taxes of continued operations		9.8	2.0
Depreciation / Amortisation of tangible and intangible assets	15 / 19	2.2	2.3
Increase (+) / release (-) of provisions		0.1	-
Financial expenses	5	3.4	3.0
Financial income	5	-0.6	-1.2
Share in income of associates and joint ventures		-0.4	-2.3
Profit and Loss from disposal of fixed assets		-	-0.3
Increase in assets from pension institutions	20	-0.4	-0.3
Cash flow from operating activities before changes in net working capital of continued operations		**14.1**	**3.2**
Decrease (+) / increase (-) in trade receivables		-7.2	3.7
Increase (+) / decrease (-) in receivables from projects, net		-71.4	27.9
Increase (+) / decrease (-) in prepayments from projects, net		21.7	-0.0
Decrease (+) / increase (-) in prepayments and accruals of subcontractor project costs		17.5	-66.0
Decrease (+) / increase (-) in real-estate projects, net		-5.9	17.6
Decrease (+) / increase (-) in other accounts receivable and prepaid expenses		-2.0	2.3
Increase (+) / decrease (-) in trade payables		36.6	-10.7
Increase (+) / decrease (-) in other current liabilities and accruals		1.1	-0.2
Interest paid		-2.4	-3.6
Taxes paid / received		4.0	3.0
Interest received		0.3	0.9
Cash flow from operating activities of continued operations		**6.4**	**-21.9**
Dividends received		3.6	3.9
Investments in property, plant and equipment	15	-0.3	-
Proceeds from sales of property plant and equipment		-	1.4
Investments in intangible assets	19	-0.4	-2.2
Investments in associates and joint ventures		-	-0.5
Investments in financial assets		-0.5	-
Sale of Dominicé		-	10.7
Decrease / increase in marketable securities and deposits over 3 months		-0.1	-0.6
Cash flow from investing activities of continued operations		**2.3**	**12.7**
Repayment of current and non-current borrowings		-0.2	-6.1
Cash flow from financing activities of continued operations		**-0.2**	**-6.1**
Exchange rate differences on cash and cash equivalents		-0.0	-
Deacrease / Increase of cash and cash equivalents		**8.6**	**-15.3**
Cash and cash equivalents at 01.04.		85.4	100.7
Cash and cash equivalents at 31.03.	8	94.0	85.4

0.0 represents amount less than CHF 50000

13.04.2017

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Zurich, Switzerland

Steiner-Group

Consolidated Statement of Changes in Equity

in CHF Mill	Shareholder Steiner AG						
	Share Capital	Capital Reserve	Retained Earnings	Transl.Difference	Total	Non-Controlling Interests	Total Equity
Balance as per 31.03.2015	40.0	8.6	6.9	-1.4	**54.1**	-	**54.1**
Group Result	-	-	1.9	-	**1.9**	-	**1.9**
Currency Translation differences	-	-	-	-0.1	**-0.1**	-	**-0.1**
Balance as per 31.03.2016	40.0	8.6	8.8	-1.5	**55.9**	-	**55.9**
Group Result	-	-	7.1	-	**7.1**		**7.1**
Currency Translation differences	-	-	-	0.2	**0.2**		**0.2**
Balance as per 31.03.2017	40.0	8.6	15.9	-1.3	**63.2**	-	**63.2**

Notes to the Consolidated Financial Statements

Financial Year

The financial year of the company starts from 1 April and ends on 31 March. This is in line with ultimate parent's financial year.

Business Activities

The Steiner Group was founded in 1915 and is one of the leading real estate providers in the Swiss real estate market. Steiner AG, headquartered at Hagenholzstrasse 56, CH-8050 Zurich, is the parent company.

The parent companies of Steiner AG are HCC Mauritius Enterprise Ltd (Republic of Mauritius) and HCC Mauritius Investment Ltd (Republic of Mauritius). The ultimate parent is Hindustan Contruction Company Ltd (India).

As developer, total or general contractor, the Steiner-Group supports the life cycle of real estate: from development to completion and all the way to refurbishment and renovation.

Criteria for Preparation of Consolidated Financial Statments:

The consolidated financial statements of the Steiner-Group have been prepared in accordance with the entire existing guidelines of Swiss GAAP FER (Generally Accepted Accounting Principles; FER = Fachempfehlung zur Rechnungslegung). The consolidated financial statements are prepared in accordance with uniform corporate accounting principles.

The financial statements have been prepared on the basis of historical cost, with the exception of financial instruments, which have been measured at fair value, and receivables and prepayments from projects, for which the percentage of completion (PoC) method has been used. The consolidated financial statements are prepared in CHF. All amounts are in millions unless otherwise indicated.

The consolidated financial statements were approved by the Board of Directors on 21 April 2017.

Consolidation Principles

The consolidated financial statements are based on the individual financial statements of Steiner AG and its subsidiaries.

Business combinations are accounted for using the acquisition method. Capital consolidation is based on the acquisition method, whereby the acquisition costs of a Corporate Company are eliminated at the time of acquisition against the fair value of net assets acquired, determined according to uniform corporate accounting principles. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or uniform accounting principles.

All intra-group transactions and balances are eliminated in the course of consolidation

List of Subsidiary Companies included in Consolidation are:

Company	Currency	Nominal capital		Shareholding	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
Switzerland					
Steiner Promotions et Participations SA, Tolochenaz	TCHF	3'000	3'000	100.0%	100.0%
Eurohotel SA, Genf	TCHF	100	100	95.0%	95.0%
VM + ST AG, Zürich	TCHF	1'000	1'000	100.0%	100.0%
Germany					
Steiner (Deutschland) GmbH, Paderborn	TEUR	10'226	10'226	100.0%	100.0%
France					
Steiner Léman SAS, Archamps	TEUR	225	225	100.0%	100.0%
SNC Valleiry Route de Bloux, Archamps	TEUR	-	1	-	100.0%
India					
Steiner India Ltd, Mumbai	TINR	71'639	71'639	100.0%	100.0%

Note : During the year SNC Valleiry Route de Bloux was merged with Steiner Léman, as part of financial restructuring process for Steiner Léman

The following companies are included in the consolidated financial statements using the equity method:

Company	Currency	Nominal capital		Shareholding	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016
Switzerland					
Evostate AG, Zürich	TCHF	100	100	30.0%	30.0%
MCR Managing Corp. Real Estate AG, Tolochenaz	TCHF	100	100	30.0%	30.0%
Projektentwicklungsges. Parking Kunstmuseum AG, Basel	TCHF	2'200	2'200	38.6%	38.6%

Note : MCR Managing Corp. is now a direct associate of Steiner AG (previous year - it was an associate of Evostate AG)

Initialed for purpose of identification

April 21, 2017

EY Ernst & Young Ltd Zurich, Switzerland

Foreign Currency Translation

The consolidated financial statements are presented in CHF, which is also the functional currency of Steiner AG. Each subsidiary determines its own functional currency. All balance sheet and income statement items in foreign currencies have been translated into the respective functional currency.

Transactions in foreign currencies are translated at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated at the year-end exchange rate and the exchange gains and losses are recognized in profit or loss. Non-monetary assets and liabilities are translated at the historical exchange rate.

In the financial statements of all subsidiaries with a functional currency other than CHF, balance sheet items are translated at the year end rate and income statement items are translated at the annual average rate. The resulting exchange differences are recognized directly in equity. The same applies to exchange differences arising from intercompany equity-like loans. These exchange differences are derecognized through the income statement at the time of the disposal of the subsidiary or the repayment of the loan.

The following exchange rates were used for the translation into CHF:

	31.03.2017	31.03.2016
EUR		
Year end rate (balance sheet)	1.0660	1.0910
Average annual rate (income statement)	1.0829	1.0753
INR		
Year end rate (balance sheet)	0.01529	0.01459
Average annual rate (income statement)	0.01474	0.01490

Significant Estimates and Assumptions

All estimates and assumptions are re-evaluated on an ongoing basis and are based on historical experience as well as expectations regarding future events which appear reasonable under the given circumstances. The estimates derived from this will only seldom correspond to actual future developments. Significant estimates and assumptions which could cause volatility with regard to the carrying amounts of assets and liabilities in the next financial year are explained below.

Long-term contracts

Under Swiss GAAP FER 22 long-term contracts are valued on the basis of project forecasts. Contractual revenue from service contracts includes the contractually agreed revenue (contract price) and amendments / variations that have been confirmed by the customer. Additional amendments / variations and claims which were under negotiation when the balance sheet was being prepared and which are considered likely to be recoverable are also taken into account.

One valuation risk therefore lies in correctly estimating contractual revenue (including amendments / variations and claims). Particularly the results of negotiations for amendments that have been included but not yet agreed and for claims are difficult to estimate; for detailed information, see Note 11.

The other important valuation risks lie in correct and complete forecasting of the construction cost of each individual project as well as in the accurate estimation of the percentage of completion, which is determined on surveys of the work performed on site.

The Steiner-Group practices project-specific risk management, with the objective of reflecting risks appropriately in the valuations of long-term contracts.

Real Estate Projects

According to Swiss GAAP FER 17 the valuation of real estate projects and the included land reserves are generally based on lower of the construction cost (respectively the acquisition cost) and the expected selling price. In contrast to long-term contracts, the fundamental estimates and risks relate to the determination of the expected selling price.

The inherent uncertainty with respect to real estate projects lies in the determination of the expected future selling price. Real estate projects include capitalized development costs. The recoverability of these costs depends on the success of the respective development projects.

Deferred tax assets

The deferred tax assets contain capitalized loss carry forwards. The inherent uncertainty relates to the recoverability of the capitalized loss carry forwards through future profits.

Warranty provisions

To cover the warranty risks of TC/GC projects, warranty provisions for the 2 to 10 year warranty period are built. The levels of warranty provisions are based on values from past experience. Depending on the development of the warranty costs these provisions can be too high or too low.

Significant Accounting Policies

Revenue from Total and General Contracting (TC/GC)

Long-term contracts for the construction of third-party real-estate are accounted for using the percentage of completion (POC) method, whereby external and internal costs and estimated profits are taken into account. The degree of completion is determined on the basis of the work performed on the construction site. The different excecuted activities of the project are measured based on availble units (e.g. m, m2, m3, kg) in comparison to the estimated total quantities needed for the completion (surveys of the work performed method). With the application of the surveys of the work performed-method, the difference between contract costs incurred and contract costs recognised (billed) is accrued in prepayments of subcontractor project cost respectively accruals of subcontractor project cost.

Contract costs are recorded as an expense in the period in which they are incurred. Contracts and groups of contracts for which the degree of completion or the outcome cannot be reliably estimated are capitalized only to the extent of the amount of the contract costs that are likely to be recoverable. Anticipated losses from construction contracts are covered in full by valuation allowances. In accounting for contracts in progress, contractual revenue comprises the contractually agreed revenue and amendments / variations and claims that have been confirmed by the customer or for which payment is considered highly probable.

In the case of TC/GC work on own properties, only costs (including own work and interest incurred, excluding profit share) which have actually been incurred until the transfer of the risks and rewards to the customer are capitalized.

Revenue from construction contracts is recognized gross, i.e. costs incurred and the proportionate profit share based on construction progress is shown as sales. Work by sub-contractors and interest incurred are recognized as third-party services.

Revenue from real estate development

Revenue from the sale of real estate projects is realized on the transfer of title or the transfer of material risks and rewards to the purchaser.

Real Estate Investor Projects and Condominium Projects on third party land are accounted for as construction contracts based on percentage of completion (POC). Accordingly the revenue and the gains of the development are recognized along the construction of the building. The separate sale of project development rights and plans is accounted for as sale and the revenue and gains are realized at the time of the transfer of risks and rewards.

Financial expense/capitalized interest

Interest expense is recognized directly in the income statement as an expense for the period to which it relates. Interest expense which is directly attributable to real estate or TC/GC-projects is capitalized as a part of the construction cost after finalisation of development. Thereby the interest expense actually incurred is capitalized, as borrowing takes place for each individual project.

Cash and cash equivalents

Cash and cash equivalents comprise cash, postal giro and bank balances as well as any time deposits with a maturity of less than three months. These are stated at nominal value. Interest from postal giro and bank accounts is credited to the income statement in the period in which it relates.

Marketable Securities

Securities are measured at their fair value. Changes in fair value are recognized in profit or loss in the financial statements. Securities are recognized on the trade date. Derecognition takes place when the right to receive future cash flows has expired or is transferred to a third party and the Steiner-Group has handed over control and substantially all risks and rewards related to the investment.

Trade receivables

Receivables are measured at nominal value less allowances for doubtful debts. An impairment will be recognized on trade receivables through use of an allowance account if there are objective indications (such as probability of insolvency or significant financial difficulties on the part of the debtor) that not all amounts due will be received according to the invoicing conditions agreed on originally. Receivables are derecognized when they are classified as uncollectible.

Receivables/prepayments from projects, net

Customer contracts in progress are shown as an asset in the balance sheet under "Receivables from projects, net", or as a liability under "Prepayments from projects, net". If the prepayments received from customers exceed the project receivables, these are shown under liabilities; otherwise, these are shown under assets. These positions comprise the total contract costs incurred (actual and accrued), including a share of the profit, less customer prepayments and allowances for expected losses (see Revenue from TC/GC contracts).

Prepayments/accruals of subcontractor project costs

With the application of the surveys of the work performed-method, the difference between contract costs incurred and contract costs recognised (billed) is accrued in prepayments of subcontractor project costs or (if contract cost recognized are higher than costs incurred) in accruals of subcontractor project costs.

Real estate projects

Real estate projects are valued according to Swiss GAAP FER 17 based on the lower of the construction cost and the sale price until the project is handed over to the purchaser by means of the transfer of title or the transfer of material risks and rewards. Borrowing costs relating to real estate projects with duration of more than one year are capitalized if the development costs are allowed for capitalization. Payments by customers for a specific project are offset against the construction costs as the customers have generally already notarially signed the purchase contract. Undeveloped land, land rights and development rights (including development costs) and rented properties which are held for sale are valued at the lower of construction costs or acquisition costs and expected net selling price. Land reservation fees and exclusive development rights are capitalized, if the reservation and the rights last over one year and the project plan shows a positive margin.

Property, plant and equipment

IT, furnishings, tenant fit-out and equipment as well as motor vehicles are recognized in the balance sheet at acquisition costs less accumulated depreciation and any allowances necessary due to impairment. Depreciation is on a straight line basis over the estimated useful life. Depreciation rates are between 5% (for certain elements of tenant fit-out) and 33%.

Investment properties/land reserves

Investment property is property held to earn rentals and for capital appreciation rather than for sale in the ordinary course of business. This also includes property that is being constructed or developed for future use as investment property as well as land reserves held for a currently undetermined future use. The valuation at the time of initial recognition is based on acquisition costs, including directly attributable transaction costs. After the initial recognition, the fair value model is applied. Changes in market value are taken to the income statement considering deferred taxes.

Financial assets

Financial assets primarily comprise loans receivable and other investments. Loans are stated at amortized costs (using the effective interest rate method) less any impairment. Other holdings and long-term investments with a share of less than 20% of voting rights are recognized in the balance sheet at fair value or, if not available, at cost of acquisition less any impairment.

Purchases of financial assets are recognized on the date on which the Steiner-Group enters into a commitment to purchase the asset (trade date). Derecognition of a financial asset takes place when the right to receive future cash flows from the investment has expired or has been transferred to a third party and the Steiner-Group has handed over control and substantially all risks and rewards related to the asset.

Investments in associates and joint ventures

Investments in associates and joint ventures in which the Steiner-Group exercises significant influence, but does not have control (generally 20% to 50% of the voting rights), are recognized in the consolidated financial statements using the equity method.

Under the equity method, investments in associates and joint ventures are recognized in the balance sheet at cost and subsequently adjusted to reflect the changes in the Group's share of the net assets of the associate/joint venture. Any goodwill connected with the associate/joint venture is included in the carrying amount of the investment and not amoritized. The income statement includes the Group's share in the income of the associate/joint venture.

Changes recognized directly in the equity of the associate/joint venture are recognized by the Group in proportion to its investment and reported under the statement of changes in equity as appropriate. Gains and losses from transactions between the Group and associates/joint ventures are eliminated according to the share in the investment in the associate.

The financial statements of the associates and joint ventures are prepared on the same balance sheet date as the financial statements of the Steiner-Group, either the associates or joint ventures have the same business year or an interim closing was prepared. Adjustments to match with Group accounting policies are made as required.

Intangible assets

Intangible assets are identifiable, non-monetary assets without physical substance used to provide services, to be rented to third parties, or for the purposes of the Group's own use. The duration of amortization of Software is three years to seven years depending on the use (straight line basis).

Asset from pension institutions and provisions from pension plans

Employee benefit plans in the Steiner-Group comply with the legislation in force in each country. These plans are usually organized as foundations that are financially independent of the Steiner-Group. Pension funds are generally financed by employee and employer contributions. The economical impact of the employee benefit plans is assessed each year. Surpluses or deficits are determined by means of the annual statements of the particular benefit plan which are based on Swiss GAAP FER 26.

An economical benefit is capitalized if the surplus may be used to reduce the employer contributions and such use is intended. If employer contribution reserves exist, they are also capitalized. An economical obligation from a pension plan is recognized as a provision if the requirements to record a provision are met. Changes in the economical benefit or economical obligation, as well as the contributions incurred for the period, are recognized in "Personnel expenses" in the income statement.

Borrowings

The initial recognition of borrowings occurs as soon as the Group enters into an agreement. The borrowings are initially recorded at fair value of the consideration received, less transaction costs. The borrowings are subsequently measured at amortized cost using the effective interest rate method.

A borrowing is derecognized when it has been discharged, cancelled or it expires.

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EY Ernst & Young Ltd
Zurich, Switzerland

Deferred taxes

Deferred taxes are measured using the liability method for the temporary differences existing on balance sheet date. Deferred tax reflects the income tax consequences of temporary differences resulting from the application of the Group's measurement rules to the assets and liabilities, compared to local tax rules. Deferred tax is measured using the applicable local tax rates.

Available loss carry forwards and tax credits are only recognized as deferred tax assets to the extent that it is likely that there will be sufficient future taxable profit against which the loss or credit carry forwards can be utilized. The Company reassesses the non-recognized loss carry forwards and reviews the carrying amounts of the deferred tax assets each year at the balance sheet date.

Current and deferred taxes are recognized directly in the income statement when the taxes relate to items which have been included directly in the income statement in the current period or in a prior period.

Provisions

Provisions are set up for all legal or constructive obligations or impending losses identified at the balance sheet date. The measurement of provisions is based on the best possible estimate, taking into account related risks and uncertainties.

Contingent liabilities

Possible obligations for which an outflow of resource is considered unlikely are not recognized in the balance sheet. However, contingent liabilities are disclosed in the notes at each balance sheet date.

Financial risk management

As a Total Services Contractor (real estate development, general contracting and facility management) the Steiner-Group is exposed to financial risks, which relate primarily to development and realization. In order to identify and supervise these project risks, the Steiner-Group has introduced a risk policy and a risk management process. The risk policy contains guidelines for the Board of Directors in the form of risk limits for individual business transactions. The risk management process ensures adherence to these limits and identifies and supervises project risks on an ongoing basis. The company is also exposed to foreign exchange, credit, interest rate and liquidity risks as described below.

The Steiner-Group's main financial liabilities are borrowings, trade payables and other liabilities. The borrowings are largely liabilities to banks for project financing. Financial assets comprise cash and cash equivalents, securities, trade receivables, other accounts receivables and financial assets.

There were no significant changes in the objectives of financial risk management in 2016/17 and 2015/16.

Foreign exchange risk

Steiner-Group is primarily active in Switzerland. Foreign exchange risks arise from fluctuations in value between the Euro and Indian Rupees against the CHF. However, most transactions by the subsidiaries in Germany and India are executed in the functional currency. There is also a foreign exchange risk on non-current intra-group loans and on the share of investment, although these movements in the exchange rate are recognized directly in equity. Foreign exchange risk is constantly monitored and hedged as required, for example, by means of forward exchange contracts.

Credit risk

Credit risk relates in particular to trade receivables (customers) and trade payables (suppliers) from current projects. In view of the customer portfolio of the Steiner-Group, there is no significant concentration of risk. At Group level, there is also no significant dependence on sub-contractors. There is, however, a counterparty risk from the bankruptcy of sub-contractors. With respect to counterparty risk (creditworthiness and default risk), the Group has implemented a credit risk management procedure, together with a related allowance policy, whereby project management and the Controlling department review open positions on an ongoing basis and recognize impairments as appropriate. When granting loans to third parties (for example to project companies or to third parties), collateral in the form of borrower's notes is usually requested.

The maximum credit risk corresponds to the carrying amounts recognized in the balance sheet and the notes.

Interest risk

The operating profits and cash flows of the Steiner-Group are exposed to interest rate risk due to fluctuations in interest rates on the capital market. Interest rate risk affects in particular the financial investments and the current and non-current borrowings (information on these items is given in the notes). Changes in interest rate risk are supervised on an ongoing basis.

Liquidity risk

Liquidity is controlled and managed on an ongoing basis both at Group level and project level. The aim in TC/GC-projects is always to finance construction costs, own work and profit shares by means of prepayments from customers.

Furthermore, future movements in liquidity are anticipated by means of cash-flow forecasts, enabling action to be taken early in the event of over- or under-funding. Over-funding is mainly invested in money market securities or repayements of loans. Project financing is taken up and current bank limits drawn down in the event of under-funding. In additional liquidity is constantly monitored on a rolling four-week basis.

Capital management

Target in the capital management is to show a reasonable consolidated equity (incl. subordinated and shareholders loans).

Equity is managed by the reported profit, dividend payments and capital increases or reductions. Steiner-Group defines capital as reported equity including minorities and shareholder loans.

Notes to the Consolidated Financial Statements
Details to the Consolidated Income Statement

1 Net Revenue

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Net revenue TC/GC (Total Contractor / General Contractor)	775.6	590.9
Net revenue RED (Real Estate Development)	169.8	145.1
Net revenue Others / Elimination	-124.7	-86.3
Net revenue	**820.7**	**649.7**
Other operating income	0.3	1.6
Operating income	**821.0**	**651.3**
Net revenue Switzerland	813.5	624.4
Net revenue India	7.5	11.2
Net revenue France	0.0	14.1

The most significant part of the revenue is accounted for under the percentage of completion (POC) method.

2 Total subcontracting expenses and project related services

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Subcontracting expenses and project related services	**-707.6**	**-548.5**
Change in real estate projects	-2.5	-9.8
Use and release of project-related provisions and change in recognized future project losses	7.2	7.1
Total subcontracting expenses and project related services	**-702.9**	**-551.2**

Change in real estate projects includes the disposal of land (including land and development rights) as well as the additions and disposals of projects in progress.

Total subcontracting expenses and project related services cover the subcontractors work carried out for real estate development projects and TC/GC-projects as well as project specific commission expenses (see Note 5).

3 Personnel expenses

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Wages and salaries (including bonuses)	-69.5	-64.3
Social security and pension expenses	-11	-7.3
Other personnel expenses	-3.2	-2.6
Total personnel expenses	**-83.7**	**-74.2**
Number of employees as at 31.03. (full-time equivalent)	612.0	632.8
Average number of employees (full-time equivalent)	622.4	624.3

In the social security and pension expenses of CHF -11 Mill. (previous year CHF -7.3 Mill.) CHF +0.4 Mill. (previous year CHF +0.3 Mill.) relate to the increase of capitalized economic benefits of the pension institutions (see Note 20); and in FY 2015-16 CHF +2.9 Mill. related to a contribution refund from Pensions Fund of Steiner AG (see Note 14).

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4 Other operating expenses

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Rents, leasing	-5.7	-5.7
Maintenance, repairs	-2.3	-1.9
Administration expense	-3.1	-5.9
Distribution expense	-0.5	-0.7
Miscellaneous operating expense	-8.3	-6.9
Total other operating expenses	**-19.9**	**-21.1**

Miscellaneous operating expenses include mainly lump sum expenses and variable expenses from employees of the Steiner-Group, like car allowance etc.

In the administration expenses auditor's fees of CHF –0.4 Mill. are recognized, thereof –0.3 Mill. for audit services and thereof –0.1 Mill for non-audit services (previous year auditor's fees of CHF –0.4 Mill., thereof –0.3 Mill. for audit services and thereof –0.1 Mill for non-audit services).

5 Financial expenses and financial income

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Financial expenses		
Interest expenses (banks, loans, mortgages,related party)	-1.5	-1.5
Realized and unrealized exchange losses	-0.2	-0.5
Bank charges and commission for syndicate agreement	-1.7	-1.5
Total financial expense	**-3.4**	**-3.5**
Financial income		
Interest income (banks, loans, mortgages)	0.1	0.3
Realized and unrealized exchange gains	0.3	1.3
Other financial income	0.2	0.1
Total financial income	**0.6**	**1.7**

As per 7 June 2012 an agreement between a group of Swiss commercial banks and Steiner AG was signed. As per 22 May 2015 the agreement was restated with extending the duration till 31 August 2017 (with an option to extend for one year) (see Note 32).

As per the current agreement, the company has a guarantee facility of CHF 210 Mill. (previous year CHF 210 Mill.) The commissions for guarantees drawn amounted in the reporting year to 0.75% (previous year 0.6%).

During the business year commissions of CHF 2.6 Mill. on borrowings were capitalized. In previous year commissions of CHF 1.7 Mill. were capitalized.

5.1 Extraordinary expenses

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Extraordinary expenses	-0.1	-1.0
Total Extraordinary and expenses	**-0.1**	**-1.0**

The extraordinary expenses are due to restructuring changes in the management board of Steiner AG. As per 24 April 2015 the previous CEO left the company and the new CEO was named by Steiner AG.

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6 Income taxes

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Current income taxes	0.0	0.0
Income taxes from previous years	0.0	0.0
Deferred income taxes	-2.7	-0.1
Total income taxes	**-2.7**	**-0.1**
See Note 13 for further explanations regarding income tax.		
Earnings before taxes of continued operations	9.8	2.0
Earnings before taxes of discontinued operations	0.0	0.0
Total earnings before taxes	**9.8**	**2.0**
Expected tax rate	22.0%	20.0%
Expected tax expense	**-2.2**	**-0.4**
Unrecognized losses from the current financial year	0.0	-0.9
Utilization of unrecognized loss carryforwards from prior years	0.3	0.9
Capitalization of tax losses	-0.2	0.0
Non taxable expenses / income [1]	-0.5	-0.1
Other effects	-0.1	0.4
Total actual income taxes	**-2.7**	**-0.1**
thereof disclosed in the consolidated income statement	-2.7	-0.1

1) The non taxable income and expenses relate mainly to shares in the profit and loss of associated companies and Joint Ventures, in whose profit or loss the taxes are already contained

The applied tax rate of 22% (previous year 22%) for companies in Switzerland is based on the weighted average of tax rates of individual cantons.

The expected tax rate of 22.0 % results from the weightage of the profit considering all group companies and from losses of foreign subsidiaries whose average tax rate is higher than in Switzerland.

For details for the capitalization of tax losses, please see Note 27.

7 Earnings per share

		01.04.16 - 31.03.17	01.04.15 - 31.03.16
Total number of shares issued	Number	40'000	40'000
Group net result attr. to the shareholders of Steiner AG	CHF Mill.	7.1	1.9
Earnings per share (undiluted/diluted)	**CHF**	**177.50**	**47.50**

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Details to the Consolidated Balance Sheet

8 Cash and cash equivalents and marketable securities

in CHF Mill.	31.03.2017	31.03.2016
Cash and bank	94.0	85.4
Total cash and cash equivalents	**94.0**	**85.4**
Current investments/securities with a maturity of more than 90 days	0.5	0.5
Total marketable securities	**0.5**	**0.5**

Bank accounts of CHF 74.9 Mill. (previous year CHF 72.8 Mill.) exist for payments of various projects and can only be used for payments for these projects.

9 Accounts receivables

in CHF Mill.	31.03.2017	31.03.2016
Accounts receivables from third parties	11.9	4.7
Allowance for doubtful accounts	-0.3	-0.3
Total accounts receivables	**11.6**	**4.4**

Accounts receivables are non-interest-bearing and are generally payable within 30 to 90 days. As at the balance sheet date, receivables from third parties have the following age structure:

in CHF Mill.	Total	Not yet due	Up to 30 days	30-90 days	90-180 days	Over 180 days
31.03.2017	**11.6**	6.1	1.7	0.5	1.1	2.2
31.03.2016	**4.4**	0.6	0.3	0.7	0.9	1.9

The allowance for doubtful accounts is calculated by reviewing individual receivable balances. In the reporting year the allowance for doubtful accounts did not change. (previous year - No change).

10 Receivables from projects, net

in CHF Mill.	31.03.2017	31.03.2016
Costs incurred, inc. proportional profit and expected losses	3'206.3	2'507.9
Customer prepayments	-2'989.1	-2'362.3
Total receivables from projects, net	**217.2**	**145.6**

Receivables from projects, net as well as Prepayments from projects, net, as per 31 March 2017 contain unconfirmed claims of CHF 35.7 Mill. (previous year CHF 38.3 Mill.) whereas CHF 34.5 Mill. (previous year CHF 34.5 Mill.) are on account of the legal claim against PSP/Löwenbräu Kunst AG,where the company filed a legal case and is confident of recovering this amount. In addition amendments / variations not yet agreed with clients of CHF 27.2 Mill. (previous year CHF 30.8 Mill.),whose recoverability, however, from today's point of view, is estimated to be likely by the management.

Depending on the outcome of negotiations and final settlements with clients and subcontractors the expected results from these projects can improve or deteriorate.

11 Prepayments and Accruals of subcontractor project costs

in CHF Mill.	31.03.2017	31.03.2016
Prepayments of subcontractor project costs	35.8	20.7
Accruals of subcontractor project costs	-173.6	-141.0

Prepayments of subcontractor project costs as well as Accruals of subcontractor project costs as per 31 March 2017 contain claims from and to subcontractors. Thereof as per 31 March 2017 CHF 18.4 Mill. (previous year CHF 18.7 Mill.) are uncertain an were recognized in favour of Steiner, whose recoverability, however, from today's point of view, is estimated to be likely by the management. Depending on the outcome of negotiations and final settlements with clients and subcontractors the expected results from these projects can improve or deteriorate.

12 Real estate projects, net

in CHF Mill.	31.03.2017	31.03.2016
Projects in progress	21.8	16.5
Land reserves including land and development rights	72.0	73.4
Properties held for sale	0.4	0.4
Valuation allowances	-0.4	-2.6
Total real-estate projects, net	**93.8**	**87.7**

13 Income tax receivable

in CHF Mill.	31.03.2017	31.03.2016
Deposits of Real Estate Capital Gains Tax	1.0	5.0
Total Income tax receivable	**1.0**	**5.0**

Income Tax receivable from Real Estate Capital Gain Tax of CHF 4.0 Mill. has been received during the year.

14 Other accounts receivables and prepaid expenses

in CHF Mill.	31.03.2017	31.03.2016
WIR checks	0.6	0.0
VAT receivable	0.0	2.6
Other accounts receivables	7.4	3.8
Other prepaid expenses	3.3	3.2
Total other accounts receivables and prepaid expenses	**11.3**	**9.6**

In current financial year other accounts receivables of CHF 1.6 Mill. (previous year CHF 1.6 Mill.) relate to payments made to securities accounts for future Real Estate Developments.

As per 18 June 2015 the Board of Foundation of the Pension Fund of Steiner AG decided to refund contributions of total CHF 5.8 Mill. 50% (CHF 2.9 Mill.) of this refund is in favour of the employer (Steiner AG) and 50% (CHF 2.9 Mill.) in favour of the employees. The whole amount was set-off with contributions, so the net receivable amounted to CHF 0.0 Mill. as of 31 March 2016. The contributions in favour of Steiner AG of CHF 2.9 Mill. were recognized in the income statement 2015-16 as a reduction of personal expenses.

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15 Property, plant and equipment

in CHF Mill.	Machines, equipment, IT
Cost of acquisition	
Balance as on 01.04.2015	21.4
- Additions 2015/16	0.0
- Disposals 2015/16	-1.4
- Fx-difference	0.0
Balance as on 31.03.2016	**20.0**
- Additions 2016/17	0.3
- Disposals 2016/17	0.0
- Fx-difference	0.0
Balance as on 31.03.2017	**20.3**
Accumulated depreciation	
Balance as on 01.04.2015	-9.7
- Additions 2015/16	-1.7
- Disposals 2015/16	0.4
- Fx-difference	0.0
Balance as on 31.03.2016	**-11.0**
- Additions 2016/17	-1.5
- Disposals 2016/17	0.0
- Fx-difference	-0.0
Balance as on 31.03.2017	**-12.5**
Property, plant & equipment, net 31.03.2017	**7.8**
Property, plant & equipment, net 31.03.2016	9.0

16 Investment properties / land reserves

in CHF Mill.	
Balance as on 31.03.2017	0.3
Balance as on 31.03.2016	0.3

The valuation of Investment properties / land reserves was carried out internally. The properties / land reserves do not generate rental income. As at 31 March 2017 and as at 31 March 2016, only land reserves are held.

17 Financial assets

in CHF Mill.	**31.03.2017**	**31.03.2016**
Long-term marketable securities and funds	0.8	0.6
Other non-current financial assets	2.4	1.9
Total financial investments	**3.2**	**2.5**

The fair values differ only insignificantly from the carrying amounts since the interest rates are variable and in line with market rates.

18 Investments in associates and joint ventures

The investments in associates and Joint Ventures (JV) amount to CHF 4.1 Mill. (previous year CHF 7.2 Mill.) of which all are invested in Switzerland.

Key figures for joint ventures (ARGE Prime Tower) and associates are as follows:

in CHF Mill.	Net revenue 2016/17	Net Income 2016/17	Net operating assets 31.03.2017	Non-current assets 31.03.2017	Non-current liabilities 31.03.2017
Associates and joint ventures of					
- Steiner-Group Switzerland	8.0	6.3	20.5	0.0	3.8
Total	**8.0**	**6.3**	**20.5**	**0.0**	**3.8**

in CHF Mill.	Net revenue 2015/16	Net Income 2015/16	Net operating assets 31.03.2016	Non-current assets 31.03.2016	Non-current liabilities 31.03.2016
Associates and joint ventures of					
- Steiner-Group Switzerland	42.6	7.8	23.4	0.0	1.0
Total	**42.6**	**7.8**	**23.4**	**0.0**	**1.0**

19 Intangible assets

in CHF Mill.	Software
Cost of acquisition	
Balance as on 01.04.2015	4.6
- Additions 2015/16	2.2
- Disposals 2015/16	0.0
- Fx-difference	0.0
Balance as on 31.03.2016	**6.8**
- Additions 2016/17	0.4
- Disposals 2016/17	0.0
- Fx-difference	0.0
Balance as on 31.03.2017	**7.2**
Accumulated depreciation	
Balance as on 01.04.2015	-2.4
- Additions 2015/16	-0.6
- Disposals 2015/16	0.0
- Fx-difference	0.0
Balance as on 31.03.2016	**-3.0**
- Additions 2016/17	-0.7
- Disposals 2016/17	0.0
- Fx-difference	0.0
Balance as on 31.03.2017	**-3.7**
Intangible assets, net 31.03.2017	**3.5**
Intangible assets, net 31.03.2016	**3.8**

The duration of amortization of Software is three to seven years (straight line basis).

20 Asset from pension institution

The Group has two post-employment benefits plans in Switzerland (the Steiner-Group Switzerland Pension Plan, with two integrated different plans, and the Steiner Foundation) and one in Germany.

Pension fund of Steiner AG (Switzerland)

The Steiner-Group Switzerland Pension Plan is intended to provide statutory and additional benefits for the employees of Steiner AG and its subsidiary companies on a defined benefit basis. It offers members pension benefits plus life and disability insurance. Contributions to the savings insurance and risk insurance plans are made in equal parts by employees and employers according to the plan's statutes. Other costs are borne by the Steiner Foundation. The Steiner-Group Switzerland Pension Plan is collectively reinsured with Swiss Life Zurich. Senior management are additionally insured with Zurich Life for retirement benefits and against death or disability. One-third of the costs of this senior management insurance scheme are financed by employees and two-thirds by the employer.

Foundation of Steiner AG (Switzerland)

The objective of the Steiner Foundation is to pay voluntary benefits to relieve the economic consequences of old age, death and disability and, in cases of particular hardship, the consequences of sickness, accident or unemployment. It can make contributions or payments to the Steiner-Group Switzerland Pension Plan.

Pension plan Steiner (Deutschland) GmbH

The defined benefit plan in Germany has been closed. The obligations are limited to the accrued benefits of former employees or people resigned and pension payments. The plan has no assets segregated from the company. The obligations are presented in the provisions.

Economical Benefit / Obligation and pension expenses

in CHF Mill.	Surplus / Deficit		Economical part of the Steiner-Group		Change of economical part recognized in the period as personnel expenses	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	2016/17	2015/16
Patronal fund (Steiner Foundation)	23.1	22.4	11.6	11.2	0.3	0.3
Pension plan Steiner (Deutschland) GmbH	-2.4	-2.6	-2.4	-2.6	0.2	-0.3
Total assets from pension institutions and pension plans, net	**20.7**	**19.8**	**9.2**	**8.6**	**0.5**	**0.0**
Thereof in asset from pension institutions			11.6	11.2		
Thereof in provisions			-2.4	-2.6		

in CHF Mill.	Pension Contributions of Steiner-Group during		Change of economical part recognized in the period as personnel expenses		Pension benefit expenses within personnel expenses	
	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16
Patronal fund (Steiner Foundation)	0.0	0.0	0.3	0.3	0.3	0.3
Pension plan Steiner (Deutschland GmbH)	-0.1	-0.1	0.2	-0.3	0.1	-0.4
Pensions fund of Steiner AG	-5.4	-2.0	0.0	0.0	-5.4	-2.0
Total	**-5.5**	**-2.1**	**0.5**	**0.0**	**-5.0**	**-2.1**

The surplus of the patronal fund of Steiner AG is based on the financial statements of this foundation as per 31 December 2016, which were not yet approved by the Board of Foundation. See also Note 14 regarding the contribution refund in the current year.

21 Trade payables

Trade payables are non-interest-bearing and are generally payable within 30 to 90 days.

in CHF Mill.	31.03.2017	31.03.2016
Trade payables with final acceptance	80.1	44.3
Trade payables related party	1.4	-
Total trade payables	**81.5**	**44.3**

22 Prepayments from projects, net

in CHF Mill.	31.03.2017	31.03.2016
Costs incurred, incl. proportional profit and expected losses	-1'358.3	-1'293.2
Customer prepayments	1'455.0	1'368.3
Total prepayments from projects, net	**96.7**	**75.1**

See Note 10 regarding claims and amendments / variations.

23 Other current liabilities and accruals

in CHF Mill.	31.03.2017	31.03.2016
Accruals	10.7	11.3
Other current liabilities	4.6	2.4
Total other current liabilities and accruals	**15.3**	**13.7**

24 Current and non-current borrowings

in CHF Mill.	31.03.2017	31.03.2016
Building loans from third parties secured by mortgages	12.9	13.1
Total current borrowings	**12.9**	**13.1**
Subordinated loan of related party	20.0	20.0
Subordinated loan (subordinated to banks) of shareholder	10.0	10.0
Total non-current borrowings	**30.0**	**30.0**

Details of building loans secured by mortgages	Carrying amount in CHF Mill. 31.03.2017	31.03.2016	Actual interest rate in %
Building loan Switzerland	7.8	7.8	1.10%
Building loan Switzerland	5.1	5.3	1.00%
Total building loans secured by mortgages	**12.9**	**13.1**	

The building loans for real estate development projects are recognized under current borrowings, since the pledged assets are recognized under current assets.

The fair value of borrowings does not differ significantly from the carrying amount, since the interest is at variable rates and any fixed interest rates reflect the current market conditions as they are only fixed for less than one year.

The subordinated loan of CHF 20.0 Mill. was granted by Mr. Peter Steiner. In 2015/16, the interest rate was 5.75% (previous year 5.75%). In 2010/11, HCC Mauritius Enterprices Ltd granted a loan of CHF 10.0 Mill. which is only subordinated to banks. The lender HCC Mauritius Enterprices Ltd was replaced (with the same amount and the same conditions) in January 2014 with the lender HCC Mauritius Investment Ltd. In 2016/17 the interest rate was 1.20% (previous year 1.20%).

25 Provisions

in CHF Mill.	Balance 31.03.2016	In-crease	Re-lease	Utili-zation	Fx Diff.	Balance 31.03.2017
Analysis by risk groups						
Warranty provisions	16.8	8.4	-3.6	-5.4	0.0	16.2
Provisions for other taxes	0.4	0.0	0.0	0.0	0.0	0.4
Provisions for pension obligations	2.6	0.0	-0.1	0.0	0.0	2.5
Other provisions	2.4	0.7	-0.1	0.1	0.0	3.1
Total provisions	**22.2**	**9.1**	**-3.8**	**-5.3**	**-0.1**	**22.1**
of which total short-term provisions	**6.0**					**6.2**
Expected maturity within 2 - 5 years	10.5					8.9
Expected maturity over 5 years	5.7					7.0
of which total non-current provisions	**16.2**					**15.9**

Warranty Provisions

After the handover of the building there is a warranty liability, which lasts between 2 and 10 years, depending on the building and its components. During construction the warranty provision is recorded based on past experience and, in general, remains unchanged during construction. Actual warranty costs are recorded against the warranty provision of projects in warranty phase (pool approach). As per closing date, future warranty costs are estimated and if needed the warranty provisions are increased or released. The subsequent major cash flows of remaining provisions will take place over next five years.

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Provisions for other taxes

The tax provisions cover the risks of future tax liabilities resulting from past events (e.g. real estate capital gains taxes).

Provisions for pension obligations

These provisions relate to the pension obligations in Steiner (Germany) (see Note 20 of Financial Statements).

Other Provisions

Other provisions include provisions for remediance and demolition costs from sold real estate projects, jubilee provisions and outsourcing costs for the pension of Steiner (Germany) GmbH, which are not included in the provisions for pension obligations and therefore not considered under Swiss GAAP FER 16. The cash flows are expected in the next five years.

26 Equity / Share premium

The share capital of Steiner AG is composed as follows

	in CHF Mill.	numbers	in CHF Mill.
Status as per 31.03.2017	8.6	40'000	40.0
Status as per 31.03.2016	8.6	40'000	40.0

All issued registered shares are fully paid in and have equal rights in respect of dividend distributions and capital repayment. The sum of non-distributable reserves contained in capital reserves in Steiner AG amounts CHF 8.6 Mill. (previous year CHF 8.6 Mill.). These are legal reserves formed in accordance with legal requirements. In certain other group companies there are non-distributable reserves.

27 Deferred taxes

Deferred taxes relate to the following items:

in CHF Mill.		
Deferred taxes on balance sheet items	**31.03.2017**	**31.03.2016**
Non-current assets	-2.5	-2.4
Loss carryforwards	2.1	4.8
Net asset	**-0.4**	**2.4**
Recognized in the balance sheet as follows		
Deferred tax assets	-0.4	2.4
Net asset	**-0.4**	**2.4**

Individual Group companies have tax loss carry forwards which they can set off against taxable profits in future periods. The tax loss carry forwards have the following expiry dates (see Note 6 concerning capitalized deferred taxes on loss carry-forwards)

in CHF Mill.		
Tax loss carryforwards	**31.03.2017**	**31.03.2016**
Total tax loss carryforwards	23.7	99.4
of which capitalized as deferred tax assets	-9.7	-21.8
Unrecognized tax loss carryforwards	**14.0**	**77.6**
These have the following expiry dates:		
- Expiry in 1 year	4.5	66.7
- Expiry in 2 - 4 years	1.0	1.7
- Expiry in 5 - 7 years	1.1	1.3
- No expiry date	7.4	7.9

The tax losses carried forward which will expire in the next year relate mainly to Steiner AG.

As per 31 March 2017 the deferred tax asset of capitalized tax losses carried forward was reduced by CHF 2.7Mill. (previous year CHF 0 Mill) and amounts to CHF 2.9 Mill (previous year CHF 4.8 Mill) which consider tax losses of CHF 9.7 Mill. weighted with the tax rate of 22%, on the basis of the profitability of the group in the last 2 - 3 years and the positive Budget forecast.

28 Dividends

No dividend will be proposed nor paid out on the basis of the current Financial Statements. In the previous year no dividends were paid out.

29 Transactions with related parties

in CHF Mill.	01.04.16 - 31.03.17	01.04.15 - 31.03.16
Total of salaries and wages including bonuses and directors' fees paid out to the Board of Directors and Group Management	3.9	4.6
Contributions to post-employment benefit plans	0.4	0.5
Total compensation paid to the Board of Directors and Group Mana	**4.3**	**5.1**

In 2016/17, continued salary payments equal to CHF 0.1 Mill. (previous year CHF 1 Mill.) contractually due until the end of the notice period agreed under the terms of the employment contract were paid to employees who had stepped down from Group Management. These salary payments are disclosed as extraordinary expenses.

in CHF Mill.		**31.03.2017**	**31.03.2016**	Type of transaction
Assets:				
	Associates	3.6	2.0	Receivables from projects, net
	Related parties	9.7	11.9	Receivables from projects, net
	Related parties	0.3	2.3	Capitalized costs in Intangible assets
	Related parties	0.0	0.3	Prepaid expenses
Liabilities:				
	Related parties	4.3	0.9	Trade payables & Pre-payments
	Associates	0.0	0.2	Prepayments from projects, net
	Shareholders	10.0	10.0	Subordinated loan (only to banks)
	Related parties	20.0	20.0	Subordinated loan
	Related parties	0.7	0.7	Accrued interest and costs
	Shareholder	1.7	2.5	Accrued interest and costs
		01.04.16 - 31.03.17	**01.04.15 - 31.03.16**	
Revenue from:				
	Associates	1.2	0.7	Net revenue
	Related parties	2.4	6.6	Net revenue
Expense from:				
	Associates	0.1	1.4	Subcontracting Costs
	Related parties	0.2	0.6	Subcontracting Costs
	Shareholders	0.1	0.1	Interest on loans (only subordinated to banks)
	Related parties	1.2	1.2	Interest on subordinated loan
	Shareholders	1.5	2.1	Other operating expenses
	Related parties	1.5	1.1	Other operating expenses

Transactions with related parties are carried at arm's length.

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Zurich, Switzerland

30 Future minimum payments under operating leases

Future minimum payments under operating leases in the total amount of CHF 20.7 Mill. (previous year CHF 21.5 Mill.) occur from operating leasing-contracts (equipment and rents), which are split as follows:

in CHF Mill.	31.03.2017	31.03.2016
Future minimum payments within 1 year	5.4	4.4
Future minimum payments within 2 - 5 years	14.7	14.1
Future minimum payments after more than 5 years	0.6	3.0
Total	**20.7**	**21.5**

The future minimum rental receivables from sub-rental agreements are as follows:

in CHF Mill.	31.03.2017	31.03.2016
Future minimum payments within 1 year	0.0	0.0
Total	**0.0**	**0.0**

31 Assets pledged as collateral for own liabilities

	31.03.2017		31.03.2016	
in CHF Mill.	Carrying amount 1)	Commitment	Carrying amount 1)	Commitment
Cash and cash equivalents	1.8	1.8	1.8	1.8
Real estate projects, net	28.9	12.9	28.9	13.1

1) Book value of assets impacted by commitments

Bank accounts exist for payments of various projects of CHF 74.9 Mill. (previous year CHF 72.8 Mill.) which are not freely available and can only be used for payments related to these projects

Mortgage bonds in the amount of CHF 12.9 Mill. (prior year CHF 13.1 Mill.) were pledged as security for credit lines. The group companies have entered into various positive and negative commitments (financial covenants, etc.).

32 Consortium agreement

As per 7 June 2012 an agreement between a group of Swiss commercial banks and Steiner AG was signed. As per 30 July 2013 a second amendment agreement was signed, with extension of the duration till 7 June 2015.

As per 22 May 2015 a restatement of the agreement was signed. The conditions to which Steiner AG can use guarantee limits are regulated in this restatement. The following financial covenants are in place:

- Consolidated equity
- EBIT margin
- Cash

Steiner AG shall be entitled to request an extension of the initial final maturity (31 August 2017) for a period of 12 months and deliver such extension request no earlier than 5 months and no later than 4 months prior to initial final maturity.
Accordingly Steiner AG has sent the application for extension of the facilitites for another 12 months. Management is confident of getting the extension.

As per balance sheet date, Steiner AG was not in breach of these financial covenants.

33 Subsequent events

No material subsequent events occurred after the balance sheet date.

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