

## Press release

### **Mobimo achieves 2018 half-year results in line with expectations**

- Mobimo achieved solid half-year results, with profit of CHF 37.9 million. As expected this was lower than in the previous year (first half of 2017: CHF 63.3 million).
- Rental income fell slightly year-on-year to CHF 54.7 million (first half of 2017: CHF 56.4 million) due to a number of disposals, while the vacancy rate remained at practically the same low level of 5.1%.
- Net income from revaluation was CHF 17.7 million (first half of 2017: CHF 30.6 million), mainly due to the successful development of investment properties for the company's own portfolio.
- Earnings per share amounted to CHF 6.04 in the first half of 2018 (first half of 2017: CHF 10.03).

**Lucerne, 3 August 2018 – Mobimo posted a solid result for the first half of 2018. This was driven by stable rental income and positive net income from revaluation, which resulted mainly from the successful realisation of development properties for the company's own portfolio. The completion of current projects and the integration of Immobiliengesellschaft Fadmatt AG will substantially expand the portfolio of investment properties and ensure higher rental income from the second half of 2018.**

In line with expectations, the result for the first half of 2018 was below that of the same period of last year, which was characterised in particular by a strong boost in income from revaluation and especially high income from the sale of properties. The profit attributable to the Mobimo shareholders was CHF 37.6 million including revaluation (first half of 2017: CHF 62.4 million), and CHF 24.4 million excluding revaluation (first half of 2017: CHF 40.1 million). EBIT amounted to CHF 57.3 million (first half of 2017: CHF 92.9 million). Excluding revaluation, EBIT was CHF 39.6 million (first half of 2017: CHF 62.3 million). This operating result led to earnings per share of CHF 6.04 (first half of 2017: CHF 10.03) and CHF 3.92 per share excluding revaluation (first half of 2017: CHF 6.46).

### **Further portfolio optimisation and a low vacancy rate**

Rental income fell slightly year-on-year to CHF 54.7 million (first half of 2017: CHF 56.4 million) due to changes in the portfolio. As part of the portfolio optimisation, six smaller residential properties in the greater Geneva area and two commercial properties in Lucerne and Neuhausen were sold. This resulted in profit on disposal of investment properties of CHF 6.8 million (first half of 2017: CHF 17.8 million). The vacancy rate as at 30 June 2018 remained virtually unchanged at 5.1% (31 December 2017: 4.9%). This low level was attributable to efficient and customer-oriented

management and active portfolio management. The situation in the Flon district in Lausanne is particularly pleasing, where various contracts were successfully renewed in the tenth year after completion of the majority of the properties.

#### **Progress made on the major construction sites**

The major Mobimo construction sites in Zurich, Aarau, Kriens and Lausanne are making good progress. At the Labitzke site in Zurich, whose overall 277 rental apartments had already been let long before completion, most of the residents moved into their apartments in the second quarter. The building constructed for a third party was also handed over. The 167 newly constructed rental apartments in the Aeschbachquartier in Aarau will be ready for occupancy in the course of the second half of the year, and marketing activities are now in full swing. At the Mattenhof site in Kriens, Mobimo is developing an attractive mix of rental apartments and office and commercial spaces, which will be ready from spring 2019.

#### **Integration of Immobiliengesellschaft Fadmatt AG**

Mobimo achieved a major success in the negotiations with Immobiliengesellschaft Fadmatt AG, which has an attractive portfolio of residential properties in the cantons of Zurich and Schaffhausen worth approximately CHF 289 million. Mobimo has submitted a friendly takeover offer to the company's shareholders that came into effect after the balance sheet date – provided all necessary conditions are fulfilled – and is expected to be completed on 22 August. Around 50% of the purchase price will be paid in the form of new shares created from Mobimo's authorised capital. The integration of the Fadmatt properties into Mobimo's portfolio will result in additional target rental income of more than CHF 10 million per year.

#### **Significant growth in rental income by the end of 2019**

Thanks to the completion of residential and commercial spaces at the Labitzke site in Zurich, the Seehallen in Horgen, the Aeschbachquartier in Aarau and the Mattenhof in Kriens, with a further boost coming from smaller projects and the integration of the extensive Fadmatt portfolio, Mobimo expects rental income to increase by around CHF 27 million in 2019 compared to 2017. This represents an increase of around 24%.

#### **High demand for condominiums in Aarau**

Income from development projects and sale of trading properties was CHF 31.9 million in the first half of 2018 (first half of 2017: CHF 91.2 million). This resulted in profit on development projects and sale of trading properties of CHF 3.9 million (first half of 2017: CHF 13.3 million). The sale of ten condominiums was notarised during the reporting period. Most of the condominium notarisations related to six residential properties in the Aarau, Site 4 (Torfeld Süd) project. Since Mobimo is applying IFRS 15 from the 2018 financial year onwards, revenue from condominium sales will be

recognised from the date specified on the publicly notarised purchase contract. The revenue was previously only realised at the point that ownership was transferred.

#### **Own development ensures revaluation income**

The revaluation of investment properties and properties under construction resulted in net income from revaluation of CHF 17.7 million (first half of 2017: CHF 30.6 million). The highest contribution to revaluation income came from investment properties under construction for the company's own portfolio, totalling CHF 18.0 million (first half of 2017: CHF 23.8 million).

#### **Outlook**

The Swiss economy continues to grow and interest rates remain low – both of which are good conditions for the continuation of the positive growth recorded in the real estate sector. The market is becoming more challenging, however. While the situation in the office segment has eased slightly, there are signs of saturation following intensive residential construction activity, particularly in peripheral areas. Mobimo is very well positioned to be successful in this environment. The Board of Directors and the Executive Board are convinced that the company will continue to deliver a good performance in the second half of the year and beyond. Mobimo will remain a share with an attractive distribution.

The 2018 financial year, and also 2019/2020, will be marked by the completion of major projects. Accordingly, Mobimo is focusing on their successful completion and smooth transition to the portfolio. The company's growth and the significant new additions to the portfolio call for strict cost management and efficient marketing – while maintaining a low vacancy rate. As usual, Mobimo will seize opportunities in the Development for Third Parties business area after careful risk assessment. This also applies to the production of condominiums, which will take place selectively and only in segments and locations where demand is high. In terms of our portfolio, the focus will be on continuously increasing rental income through focused optimisation and on ensuring customer satisfaction.

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**Detailed reporting:** You can find the report on the first half-year 2018 on our website [www.mobimo.ch](http://www.mobimo.ch).

**A media and analysts' conference call will take place today at 10 a.m.:**

Christoph Caviezel (CEO) and Manuel Itten (CFO) will present the 2018 half-year results.

Dial-in number: +41 44 580 72 69 | Conference-ID: 8563303

Please use the following link to view a live broadcast of the presentation:

<https://webcasts.egs.com/mobimo20180803de/no-audio>

**A conference call in English will be held today at 2 p.m.:**

Dial-in number: +41 44 580 72 06 / Conference ID: 2431430

The corresponding presentation can be viewed by clicking the following link:

<https://webcasts.egs.com/mobimo20180803en/no-audio>

**If you have any questions, please contact:**

Mobimo Holding AG

Dr. Christoph Caviezel, CEO

Manuel Itten, CFO

+41 44 397 11 95

[ir@mobimo.ch](mailto:ir@mobimo.ch)

[www.mobimo.ch](http://www.mobimo.ch)

**About Mobimo:**

Mobimo Holding AG was established in Lucerne in 1999 and has been listed on the SIX Swiss Exchange since 2005. With a real estate portfolio with a total value of more than CHF 2.8 billion, the Group is one of the leading real estate companies in Switzerland. The portfolio comprises investment and development properties in first-class locations in German-speaking Switzerland and French-speaking Switzerland. Mobimo generates stable rental income with its residential and commercial properties, while its development expertise and full pipeline allows it to create value enhancement potential in its own portfolio and for third parties. The investment volume of development properties for its own portfolio totals around CHF 1.0 billion. Mobimo has a stable business model, pursues a sustainable strategy and provides its shareholders with an attractive return.

# Selected key figures for the first half of 2018

Mobimo recorded a solid result in the first half of the year. Rental income was down slightly from the prior-year level due to a number of individual disposals. Net income from revaluation was largely generated by developments for the company's own portfolio. Despite the disposals, the value of the portfolio increased slightly due to investments in investment properties under construction.

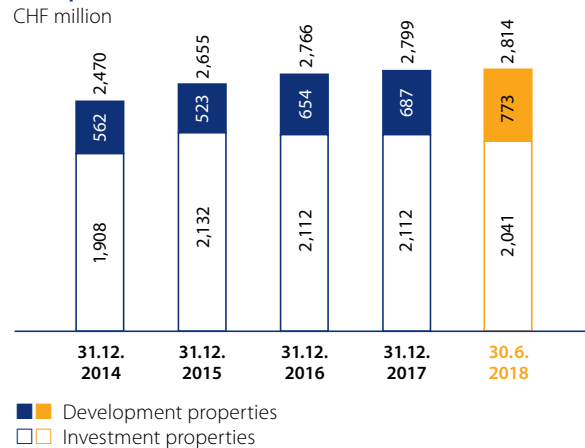
## Profit

CHF million  
HY|2017: 63.3

37.9

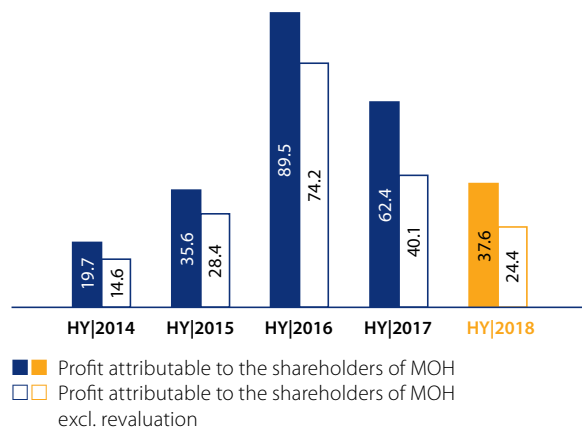
## Total portfolio value

CHF million



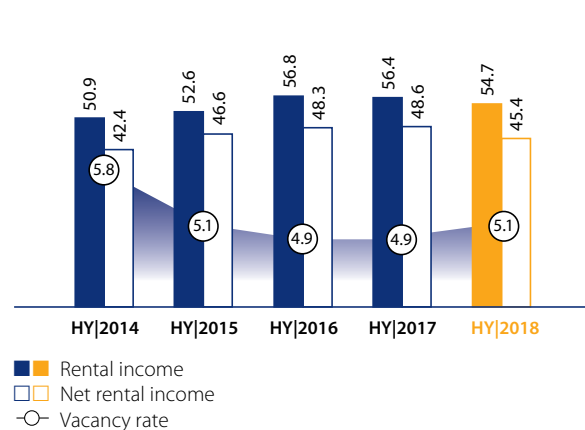
## Profit attributable to the shareholders of MOH including and excluding revaluation

CHF million



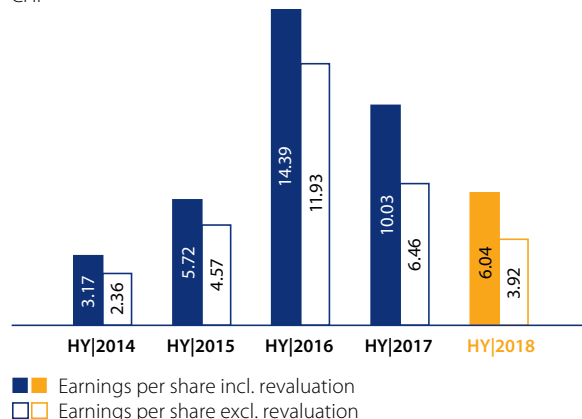
## Rental and net rental income and vacancy rate

CHF million/%



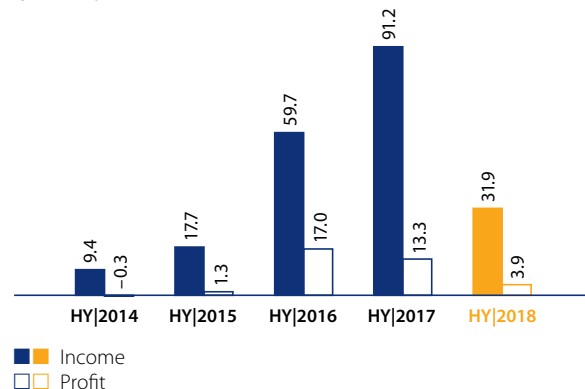
## Earnings per share including and excluding revaluation

CHF



## Income and profit on development projects and sale of trading properties

CHF million



Result	Unit	HY 2018	HY 2017	Change in %
Net rental income	CHF million	45.4	48.6	-6.5
Profit on development projects and sale of trading properties	CHF million	3.9	13.3	-70.9
Profit on disposal of investment properties	CHF million	6.8	17.8	-62.0
Net income from revaluation	CHF million	17.7	30.6	-42.1
Operating result (EBIT)	CHF million	57.3	92.9	-38.3
Operating result (EBIT) excluding revaluation	CHF million	39.6	62.3	-36.5
Profit	CHF million	37.9	63.3	-40.1
Profit attributable to the shareholders of MOH	CHF million	37.6	62.4	-39.8
Profit attributable to the shareholders of MOH excluding revaluation	CHF million	24.4	40.1	-39.3

Balance sheet	Unit	30.6.2018	31.12.2017	Change in %
Assets	CHF million	3,160.8	3,195.7	-1.1
Equity	CHF million	1,379.8	1,399.1	-1.4
Equity ratio	%	43.7	43.8	-0.2
Return on equity	%	5.5	7.0	-21.4
Return on equity excluding revaluation	%	3.6	5.5	-34.5
Interest-bearing liabilities	CHF million	1,507.9	1,512.8	-0.3
Ø Rate of interest on financial liabilities (for the period)	%	2.12	2.17	-2.3
Ø Residual maturity of financial liabilities	years	6.0	6.5	-7.7
Net gearing	%	93.2	91.2	2.2

Portfolio	Unit	30.6.2018	31.12.2017	Change in %
Overall portfolio	CHF million	2,814	2,799	0.5
Investment properties	CHF million	2,041	2,112	-3.3
Development properties	CHF million	773	687	12.4
Gross yield from investment properties	%	5.1	5.1	0.0
Net yield from investment properties	%	4.0	4.0	0.0
Investment property vacancy rate	%	5.1	4.9	4.1
Ø Discount rate for revaluation (nominal)	%	4.1	4.1	0.0
Ø Capitalisation rate (real)	%	3.6	3.6	0.0

EPRA	Unit	HY 2018	HY 2017	Change in %
EPRA profit	CHF million	24.1	25.2	-4.1
EPRA NAV per share	CHF	255.09	255.87	-0.3
EPRA rental increase like for like	%	0.0	-0.1	nmf
EPRA vacancy rate	%	5.1	4.9	4.1

Headcount	Unit	30.6.2018	31.12.2017	Change in %
Ø Headcount (full-time basis for the period)	Number	145.9	137.3	6.3
Headcount (full-time basis)	Number	149.9	141.4	6.0

Share	Unit	HY 2018	HY 2017	Change in %
Shares outstanding <sup>1</sup>	Number	6,216,367	6,217,669	0.0
Nominal value per share	CHF	23.40	29.00	-19.3
NAV per share (diluted)	CHF	219.47	217.66	0.8
Earnings per share	CHF	6.04	10.03	-39.8
Earnings per share excluding revaluation	CHF	3.92	6.46	-39.3
Distribution per share <sup>2</sup>	CHF	10.00	10.00	0.0
Share price as at 30.6.	CHF	245.00	269.00	-8.9

<sup>1</sup> No. of shares issued 6,218,170 less treasury shares 1,803 = no. of outstanding shares 6,216,367.

<sup>2</sup> Distribution of CHF 10.00, of which CHF 4.40 as a distribution from the capital contribution reserves and CHF 5.60 in the form of a nominal value reduction, for the 2017 financial year according to the decision of the General Meeting of 27 March 2018. Some CHF 27.5 million was available for distribution from capital contribution reserves as at 31 December 2017, CHF 27.4 million of which was distributed.