

Press release

Mobimo can look back on satisfactory results for 2019

- » Rental income was up 10% year on year at CHF 125.0 million (prior year: CHF 114.1 million).
- » The vacancy rate as at 31 December 2019 was once again low, at 3.8% (31 December 2018: 2.9%).
- » Profit was CHF 103.1 million (prior-year: CHF 90.3 million).

Lucerne, 7 February 2020 – Mobimo recorded a significant rise in rental income. Net income from revaluation was once again positive. The total value of Mobimo’s real estate portfolio grew to just under CHF 3.3 billion in the year under review. As announced last autumn, development projects and sale of trading properties made only a small contribution to income.

Mobimo can look back on a satisfactory performance overall in 2019. The year was dominated by the opening of two major districts in German-speaking Switzerland – the Aeschbachquartier in Aarau and the Mattenhof in Kriens – and the transition in the company’s operational and strategic management. The total portfolio value grew as planned to just under CHF 3.3 billion (prior year: CHF 3.1 billion). The profit attributable to the shareholders of Mobimo Holding AG was CHF 103.2 million and CHF 61.7 million excluding revaluation (prior year: CHF 90.6 million and CHF 59.2 million respectively). The net income from revaluation arising from the company’s development activities was CHF 16.0 million (prior year: CHF 23.2 million). The Board of Directors will once again propose a distribution of CHF 10.00 per share to the Annual General Meeting.

Growth and improvement in quality

2019 was a positive year for the company’s rental business. Several properties, including the Seehallen commercial property in Horgen and the investment properties in the Aeschbachquartier, were transferred from the development pipeline to the portfolio, further increasing its quality. Mobimo also almost completed construction work at the Mattenhof in Kriens in the second half of the year, and the Moxy Hotel in Lausanne was handed over to the tenant SV Hotel on schedule shortly before the end of the year. In line with expectations, rental income increased significantly year on year from CHF 114.1 million to CHF 125.0 million. The direct cost/income ratio for rented properties was lower than in the prior year, at 15% (prior year: 18%). This resulted in a 14% increase in net rental income to CHF 106.7 million (prior year: CHF 94.0 million). The vacancy rate remained low, at 3.8% (prior year: 2.9%), due in particular to the successful first-time letting of the new additions to the portfolio outlined above. The occupancy rate for commercial and residential space is now over 90% in the Aeschbachquartier as at the beginning of the year and currently 70% at the Mattenhof (based on target rental income), with the positive trend set to continue.

Sustainability highlights

There were a number of sustainability highlights in 2019. Mobimo opened the Aeschbachquartier, the first district in Switzerland certified according to German Sustainable Building Council (DGNB) criteria. At the Mattenhof, heating and cooling is largely CO₂-neutral thanks to the use of solar power and an innovative integrated system (known as an “anergy” system). And at Seehallen Horgen, the building’s own photovoltaic system supplies solar power to tenants. The Mobimo portfolio was once again awarded Green Star certification by the Global Real Estate Sustainability Benchmark (GRESB).

Low income from development projects and sale of trading properties

As announced last autumn, profit from development projects and sale of trading properties was lower in the year under review, at CHF 3.0 million (prior year: CHF 6.2 million), due to delays in two projects in the development activities for third parties business. In view of the well-stocked pipeline, Mobimo expects development projects and sale of trading properties to make more substantial contributions to income again over the next few years. The acquisition of three plots of land in the year under review, one in central Zurich, one on the outskirts of the city and one in a preferred location in central Switzerland, merits a mention in this regard. These are suitable for conversion into mid-priced condominiums, a segment that is much in demand. Work on the construction of 30 condominiums on the land in Meggen acquired in 2017 is due to start in the first half of 2020. This year will be a key year for one of the projects in the long-term pipeline, with voters in Biel/Bienne and Nidau set to decide in June 2020 on the parameters for the realisation of the Agglolac project. Agglolac is a major district development, with Mobimo providing expert and financial support to the two towns.

Recent and forthcoming management changes

Daniel Ducrey has been CEO of Mobimo since the beginning of April 2019, while the long-standing Head of Property Management, Christoph Egli, also joined the Executive Board on the first of August. The transition to the next generation has also started in the Board of Directors: Peter Schaub took over from Georges Theiler as Chairman, and Bernadette Koch and Dr. Christoph Caviezel were elected as new members of the Board. Wilhelm Hansen agreed to extend his term of office in view of his fellow Board member Peter Barandun’s decision to step down with effect from the 2019 Annual General Meeting. He will definitely not be standing for re-election at the Annual General Meeting on 31 March 2020. The Board of Directors would like to thank him for his huge commitment over many years and for the role he has played in the company’s success. The Board of Directors will propose Dr. Martha Scheiber (Swiss national, born in 1965) to the shareholders as his successor. Until 2019, Dr. Scheiber was Head of Asset Management and a member of the Executive Board of Pax Holding, where her responsibilities included overseeing the insurer’s real estate portfolio. A notable event after the reporting date was the decision by Executive Board member Manuel Itten to leave Mobimo in summer 2020 to pursue a new entrepreneurial challenge. The Board of Directors and Executive Board regret the departure of the long-standing Chief Financial Officer and would like to take this early opportunity to thank him for his tremendous service.

Outlook

After completing some major construction projects in the past two years, Mobimo's focus is now on its investment portfolio. The company is aiming to further strengthen its rental income base through customer-oriented management, active portfolio management and efficient marketing. Another key area of focus is the company's own development activities, which have demonstrated in the past their ability to add value with projects such as the Labitzke site and the Aeschbachquartier. And it is through this added value that the company wishes to differentiate itself going forward. Mobimo will maintain strict cost management in all its activities. The economic outlook remains generally stable with a positive trend. Mobimo is well positioned both operationally and strategically, and both the Board of Directors and the Executive Board are therefore confident about 2020.

The Alternative Performance Measures document, available at www.mobimo.ch > Investors > Investor services > Glossary, includes explanations of key indicators that are not defined under IFRS, EPRA guidelines, SIA (Swiss Society of Engineers and Architects) standard D 0213, Corporate Governance Best Practice Recommendations or other standards.

Detailed reporting:

» **The Annual Report 2019 is available at www.mobimo.ch.**

For security reasons, our website www.mobimo.ch is only displayed with Internet Explorer version 11 and Windows 10 or higher. Please use the latest versions of alternative browsers such as Google Chrome, Firefox, Edge, Safari or Opera for unrestricted viewing of the website.

» **A media and analysts' conference with Daniel Ducrey (CEO) and Manuel Itten (CFO) will take place today at 10.00 a.m.**

A webcast of the conference is available on our website at:

<https://webcasts.egs.com/mobimo20200207de>

» **A telephone conference in English with Daniel Ducrey (CEO) and Manuel Itten (CFO) will take place today at 2.00 p.m.**

Dial-in data: +41 44 580 72 06 | Conference ID: 7191004

Link to the presentation for call participants (no audio signal):

<https://webcasts.egs.com/mobimo20200207en/no-audio>

Link to the webcast with audio signal and slides:

<https://webcasts.egs.com/mobimo20200207en>

Selected key figures 2019

2019 was a satisfactory year for Mobimo. The company recorded a marked rise in rental income. As announced in autumn 2019, development projects and sale of trading properties made only a small contribution to income. Net income from revaluation was positive once again.

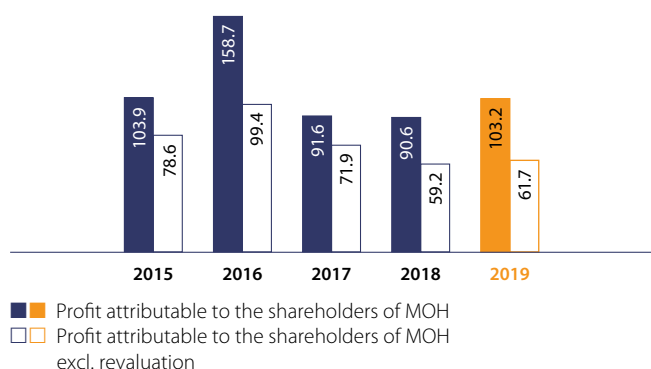
Profit

CHF million
2018: 90.3

103.1

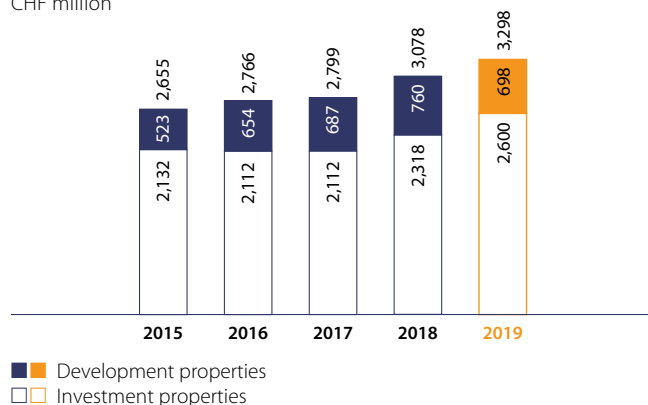
Profit attributable to the shareholders of MOH including and excluding revaluation

CHF million



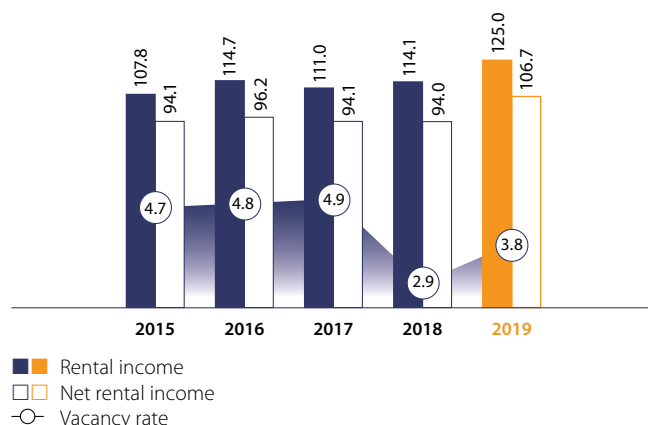
Total portfolio value

CHF million



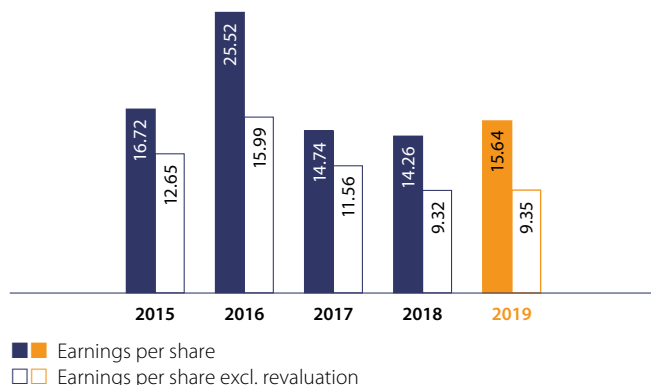
Rental and net rental income and vacancy rate

CHF million/%



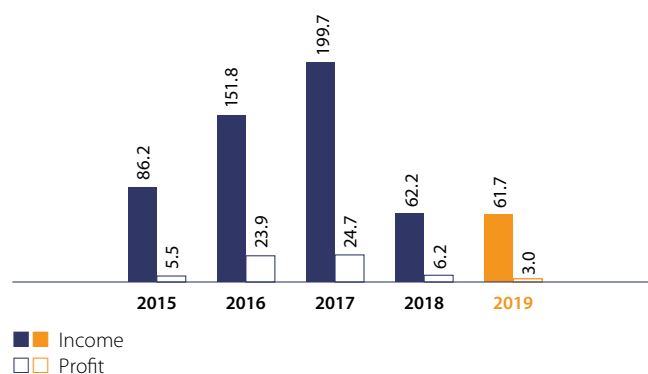
Earnings per share including and excluding revaluation

CHF



Income and profit on development projects and sale of trading properties

CHF million



As a result of rounding, the sums and totals of individual positions may be larger or smaller than the sums and totals arrived at by adding the positions together, or larger or smaller than 100%.

The "Definition of Alternative Performance Measures" document, available at www.mobimo.ch > Investors > Investor services > Glossary, includes definitions of performance measures that are not defined under IFRS, EPRA, SIA (Swiss Society of Engineers and Architects) standard D 0213, Corporate Governance Best Practice Recommendations or other standards.

Result	Unit	2019	2018	Change in %
Net rental income	CHF million	106.7	94.0	13.5
Profit on development projects and sale of trading properties	CHF million	3.0	6.2	-51.3
Profit on disposal of investment properties	CHF million	6.4	29.0	-78.0
Net income from revaluation	CHF million	51.5	42.0	22.8
Operating result (EBIT)	CHF million	134.0	133.6	0.3
Operating result (EBIT) excluding revaluation	CHF million	82.5	91.7	-10.0
Profit	CHF million	103.1	90.3	14.2
Profit attributable to the shareholders of MOH	CHF million	103.2	90.6	13.8
Profit attributable to the shareholders of MOH excluding revaluation	CHF million	61.7	59.2	4.3

Balance sheet	Unit	2019	2018	Change in %
Assets	CHF million	3,450.8	3,365.2	2.5
Equity	CHF million	1,532.3	1,513.5	1.2
Equity ratio	%	44.4	45.0	-1.3
Return on equity	%	7.1	6.6	7.6
Return on equity excluding revaluation	%	4.2	4.3	-2.3
Interest-bearing liabilities	CHF million	1,594.4	1,540.7	3.5
Ø Rate of interest on financial liabilities (for the period)	%	1.82	2.01	-9.5
Ø Residual maturity of financial liabilities	years	5.3	6.1	-13.1
Net gearing	%	101.1	91.7	10.3

Portfolio	Unit	2019	2018	Change in %
Overall portfolio ¹	CHF million	3,297.7	3,077.9	7.1
Investment properties ¹	CHF million	2,600.1	2,318.1	12.2
Development properties ²	CHF million	697.6	759.8	-8.2
Gross yield from investment properties	%	4.5	4.6	-2.2
Net yield from investment properties	%	3.7	3.7	0.0
Investment property vacancy rate	%	3.8	2.9	31.0
Ø Discount rate for revaluation (nominal)	%	3.8	3.9	-2.6
Ø Capitalisation rate (real)	%	3.3	3.4	-2.9

EPRA	Unit	2019	2018	Change in %
EPRA profit	CHF million	60.2	49.4	21.8
EPRA NAV per share	CHF	272.30	267.70	1.7
EPRA rental increase like for like	%	-0.1	0.6	nmf
EPRA vacancy rate	%	3.8	2.9	31.0

Headcount	Unit	2019	2018	Change in %
Headcount (full-time basis)	Number	161.5	157.3	2.7
Of which headcount Mobimo FM Service AG (full-time basis)	Number	39.1	32.9	18.8

Share	Unit	2019	2018	Change in %
Shares outstanding ³	Number	6,597,165	6,596,614	0.0
Nominal value per share	CHF	23.40	23.40	0.0
NAV per share (diluted)	CHF	232.26	228.48	1.7
Earnings per share	CHF	15.64	14.26	9.7
Earnings per share excluding revaluation	CHF	9.35	9.32	0.3
Distribution per share ⁴	CHF	10.00	10.00	0.0
Share price as at 31.12.	CHF	288.50	234.00	23.3

¹ Incl. owner-occupied properties and excl. tenant improvements (see Note 24 on page 98 in the Annual Report 2019).

² Excluding right-of-use assets.

³ No. of shares issued 6,601,547 less treasury shares 4,382 = no. of outstanding shares 6,597,165.

⁴ Distribution for the 2019 financial year of CHF 10.00 per share by means of a capital value repayment in accordance with the proposal to the Annual General Meeting of 31 March 2020.

If you have any questions, please contact:

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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 approximately CHF 3.3 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 0.7 billion. Mobimo has a stable business model, pursues a sustainable strategy and provides its shareholders with an attractive return.