

Press release

Business update regarding the impact of the coronavirus crisis on Mobimo

- » No impact on residential portfolio (just under 40% of rental income from investment properties)
- » Hotels/catering establishments most severely affected (10% of rental income)
- » Substantial relief for small businesses and catering establishments thanks to rent waivers
- » No delays in construction projects

Lucerne/Küsnacht, 4 June 2020 – Despite the coronavirus crisis, it has largely been business as usual for Mobimo. Defining and implementing measures to support affected commercial tenants has been a key priority over the past few weeks.

Mobimo's agile business model is proving its worth in the current crisis situation. Thanks to its position as a broadly diversified real estate company, Mobimo has essentially coped well over the past few months, which have been dominated by the coronavirus crisis. Most departments have been able to continue operating as normal, with the majority of employees working from home. In addition to usual day-to-day business activities, the main focus has been on defining and implementing support measures for commercial tenants affected by the lockdown.

Publication of half-year results on 31 July 2020

The following statements are a business update following an extraordinary and unexpected phase. The company will be able to provide more comprehensive statements when the half-year results are published on 31 July 2020. Mobimo can continue to look to the future with confidence thanks to its high-quality investment portfolio, broad-based development pipeline in terms of usage, high level of digitalisation and solid balance sheet.

Almost 40% of rental income from residential usage

As at the end of 2019, Mobimo had a highly diversified investment portfolio comprising 59 commercial properties and 41 residential properties with a market value of CHF 2.6 billion. Residential properties account for 47% of the investment portfolio in terms of value and contribute 39% of rental income. The majority of apartments are in the mid to low-price segment. For more than 60% of apartments, the rent is less than CHF 2,000. As a result, the coronavirus crisis will have hardly any impact on the residential portfolio.

Impact of the lockdown on commercial usage

Mobimo generates a little over 20% of its rental income from investment properties with types of use that have been affected by the lockdown, such as retail, hotels and catering. Hotels and catering establishments in particular (which account for 10% of rental income from the investment portfolio) have been severely affected. Among retailers (some 11% of rental income), the lockdown has chiefly affected non-food providers, who account for around 80% of the category. Office and commercial spaces have been only marginally affected. Office use accounts for a considerable proportion (around 35%) of rental space in the Quartier du Flon district. Beyond this type of use, which has been virtually unaffected, the lockdown in the Quartier du Flon district has been particularly noticeable in relation to ground floor tenants (retailers and catering establishments). Most businesses – both in Lausanne and in Mobimo's other major districts and properties – have now reopened.

Support for catering establishments and small businesses in particular

Mobimo has been working with affected tenants since mid-March to develop sustainable support measures. The measures agreed to date provide relief for small businesses and catering establishments in particular. Mobimo is waiving the rent for April and May for commercial tenants whose net rent is less than CHF 5,000 and who reopened on 27 April. Catering establishments in major districts are also being granted a two-month rent waiver, as are restaurants or cafés in other properties whose net rent is less than CHF 5,000. Individual agreements are being discussed with numerous tenants – including those renting large spaces – that take their specific circumstances, financial strength and future prospects into account. Discussions have been and continue to be extremely constructive. The loss of rental income due to the coronavirus crisis is expected to reach high single-digit millions of francs. Only a small part of this amount concerns waivers that have already been agreed with tenants. It also includes a much larger figure relating to future agreements in the course of ongoing negotiations.

Slowdown in first-time letting of commercial space

While there has been almost no drop-off in demand in the residential market, with the last apartment in the Aeschbachquartier being let at the beginning of April, interest in commercial space is more cautious. The transfer of the properties in the mixed-use Mattenhof district in Kriens to the investment portfolio at the beginning of 2020 and the above-mentioned stagnation in the commercial sector are expected to lead to an increased vacancy rate of around 5.5% by the middle of the year, up from 3.8% as at 31 December 2019. The trend for the vacancy rate and rental income going forward will be heavily dependent on the general economic environment.

Continued healthy demand for condominiums and developments for third parties

The coronavirus crisis has not led to any significant delays in Mobimo's construction projects. Construction work on the 30 condominiums in Meggen also began on schedule in May 2020. 40% of the

apartments and 100% of the commercial space have already been reserved. Mobimo does not currently anticipate any radical changes in demand for condominiums in the mid-price segment. Nor has there been any drop-off in demand for development services for third parties.

Further information:

» A **telephone conference in German** with CEO Daniel Ducrey will take place **today at 10.00 a.m.**
Dial-in data: +41 43 547 80 45 | Conference ID: 448145

» A **telephone conference in English** with CEO Daniel Ducrey will take place **today at 11.30 a.m.**
Dial-in data: +41 44 580 72 30 | Conference ID: 887914

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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 nearly 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 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.