

## Press release

### **Mobimo reports a positive half-year result**

- » Rental income totalled CHF 60.1 million (first half of 2019: CHF 60.9 million).
- » Profit amounted to CHF 41.7 million (first half of 2019: CHF 43.5 million) including revaluation.
- » Net income from revaluation totalled CHF 25.1 million (first half of 2019: CHF 18.8 million).

**Lucerne/Küsnacht, 31 July 2020 – Thanks to its position as a broadly diversified real estate company, Mobimo has coped quite well over the past few months. In spite of the support measures for the tenants affected by the coronavirus crisis, rental income was almost on par with the previous year at CHF 60.1 million. Net income from revaluation was once again positive. The vacancy rate in the investment portfolio rose in line with expectations to 5.5%**

Despite the coronavirus-related challenges that we had to face, Mobimo has coped quite well over the past few months and can report a positive half-year result thanks to its position as a broadly diversified real estate company. The company recorded EBIT of CHF 65.8 million (first half of 2019: CHF 55.4 million), or CHF 40.8 million excluding revaluation (first half of 2019: CHF 36.6 million). Profit amounted to CHF 41.7 million (first half of 2019: CHF 43.5 million) including revaluation and CHF 21.5 million (first half of 2019: CHF 28.5 million) excluding revaluation. Unlike in the previous year, the result includes virtually no positive non-recurring effects from deferred tax.

### **Pleasing revaluation income**

Net income from revaluation totalled a pleasing CHF 25.1 million (first half of 2019: CHF 18.8 million). Thanks to its diversification and the large residential component, Mobimo's real estate portfolio was able to easily absorb the market corrections, particularly in the Hotel segment. The residential construction project in the Zurich-Manegg development area made a substantial contribution to the revaluation income. We decided not to realise the added value generated by the recently approved construction project in the transaction market. Instead, we will transfer the project to the investment portfolio and thus reinforce our rental income base. The property with 157 apartments as well as a municipal nursery school on the ground floor will be ready for occupation in the beginning of 2023.

### **Rental income stagnation due to the coronavirus crisis**

In the first half of 2020, the rental income from the Mattenhof development in Kriens was included in the result for the entire period. In addition, all of the apartments in the Aeschbachquartier in Aarau have been leased since the start of April. Nevertheless, the coronavirus crisis has resulted in below-target income from the rental of properties, totalling CHF 60.1 million (first half of 2019: CHF 60.9 million). Mobimo set out appropriate support measures for those of its tenants that were affected by

the lockdown. This resulted in the difference between the actual rental income collected as at 30 June 2020 and the amount contractually owed being CHF 4.4 million. An amicable agreement was reached at the end of June 2020 with the vast majority of the tenants affected by the lockdown. However, a bit more time is needed to find a solution for a small number of tenants with larger contract volumes. For these pending cases, the expected rent waivers in the first half of the year were anticipated on a best-estimate basis.

### **Momentum continues to build on the market**

As expected, the vacancy rate rose from 3.8% to 5.5%, due in particular to the transfer of the Mattenhof development to the investment portfolio in early 2020. We are generally confident as regards the vacancy rate going forwards, as our marketing activities have identified that demand remains mostly intact. In the first six months of 2020, the Marketing team continued to conclude contracts, even for commercial-use spaces.

The cost/income ratio arising from direct expenses for rented properties remained at the same level as in the previous year at 14%. The value of Mobimo's overall portfolio as at 30 June 2020 was just under CHF 3.4 billion (31 December 2019: CHF 3.3 billion). The investment portfolio's average gross yield remains unchanged at 4.5%.

### **Pipeline on track**

Profit from development projects and the sale of trading properties is at a similar level to the previous year's figure (CHF 2.4 million), standing at a modest CHF 2.7 million. The contribution to the result from development activities for third parties will become more substantial again in the near future, as there are investment properties for third parties worth approximately CHF 800 million in the development pipeline. After a period of restraint, Mobimo now has a presence on the condominium market with a number of attractive projects. Mid-July, the foundation stone was laid for 30 apartments in Meggen on the shores of Lake Lucerne, with these set to be ready for occupation in the first quarter of 2022. Construction work will start in the coming year on a number of projects in premium residential locations around the city of Zurich, specifically in Maur, Horgen and Dübendorf. Work is also being carried out on two condominium projects in the city of Zurich: one on Letzigraben and the other – a replacement building for a property in our portfolio – in Seebach. There is also a further condominium project in Oberägeri in the canton of Zug. Despite the coronavirus crisis, good progress has also been made on the projects for the company's own portfolio. In this pipeline, three properties are under construction and eight properties are in the planning phase, with a total investment volume of CHF 520 million.

### **Comfortable financial position**

With an equity ratio of 42.3% as at 30 June 2020 (31 December 2019: 44.4%), Mobimo continues to have a solid capital base. The company's financial liabilities consist of listed bonds with a volume of

CHF 949 million and mortgage-secured borrowing of CHF 861 million. In the middle of February, Mobimo issued a bond with very attractive conditions – the CHF 220 million fixed-rate bond has a coupon of 0.25% and a term of eight years. The average interest rate for financial liabilities was 1.62% in the first half of 2020, compared with 1.82% in 2019. The average residual maturity of financial liabilities as at the reporting date was 5.3 years and was therefore still within the targeted range, as it was at the end of 2019. The net loan to value (LTV) stands at 47.0% (31 December 2019: 46.9%) and the interest coverage factor remains unchanged at 2.9.

### **Moving forward into the future with a new management structure**

In the first half of 2020, Manuel Itten, CFO, and Marc Pointet, Head of Mobimo Suisse romande, left Mobimo to take on new professional challenges. The new CFO as of autumn 2020 will be Stefan Hilber. Since the departure of Marc Pointet, the activities in French-speaking Switzerland have been organised in the same way as in German-speaking Switzerland and are being overseen by a member of the Executive Board. In January 2021, Gerhard Demmelair will assume responsibility for the Portfolio and Transactions business area, which has up to now been headed by CEO Daniel Ducrey. At the Annual General Meeting of 31 March 2020, the shareholders elected Dr. Martha Scheiber to the Board of Directors as a new member. She succeeds Wilhelm Hansen who, as announced, did not stand for re-election following many years of service. Dr. Christoph Caviezel also stepped down as a member of the Board of Directors at the end of April 2020, after being appointed to the Board of Directors of another listed real estate company in the spring. The Board of Directors would like to thank everyone departing the company for their huge contribution and wish them all the best for the future. We look forward to working together with our new colleagues on the Board of Directors and the Executive Board.

### **Outlook and thank you**

The world in the summer of 2020 is dominated by the coronavirus crisis and major uncertainty, raising concerns about the future of society and the economy. Nevertheless, we are confident that the real estate market will generally remain attractive for investors. Mobimo continues to be in a healthy position thanks to its multifaceted investment portfolio, diversified development pipeline and the attractive price-performance ratio of its properties. We are closely monitoring further economic developments and will also make selective and targeted changes to the portfolio, where necessary.

The dedication shown by our employees over the course of this challenging six-month period has been impressive. We would like to say a special thank you to the colleagues in German- and French-speaking Switzerland who worked as part of a task force to realise sustainable support measures for tenants affected by the lockdown.

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**Detailed reporting:**

» You can find the **Half-Year Report 2020** on <https://www.mobimo.ch/en>

» A **telephone conference in German** with CEO Daniel Ducrey will take place today at 10.00 a.m.

Dial-in data: +41 44 580 72 69 | Conference ID: 8576087

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

<https://webcasts.egs.com/mobimo20200731de/no-audio>

Link to the webcast with audio signal and slides: <https://webcasts.egs.com/mobimo20200731de>

» A **telephone conference in English** with CEO Daniel Ducrey will take place today at 2.00 p.m.

Dial-in data: +41 44 580 10 22 | Conference ID: 3647890

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

<https://webcasts.egs.com/mobimo20200731en/no-audio>

Link to the webcast with audio signal and slides: <https://webcasts.egs.com/mobimo20200731en>

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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 roughly CHF 3.4 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 0.5 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 2020

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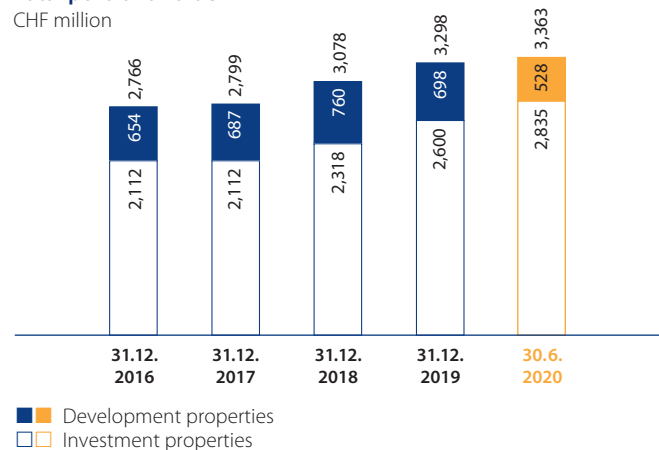
## Profit

CHF million  
HY|2019: 43.5

41.7

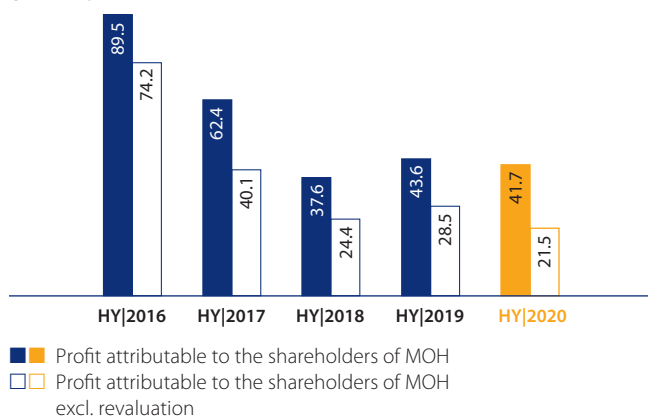
## Total portfolio value

CHF million



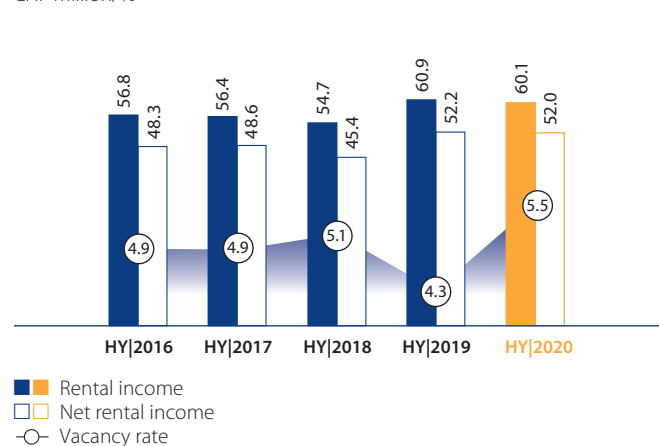
## Profit attributable to the shareholders of MOH including and excluding revaluation

CHF million



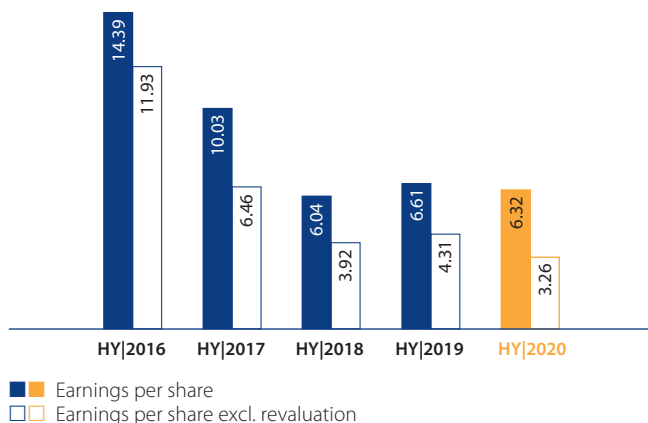
## Rental and net rental income and vacancy rate

CHF million/%



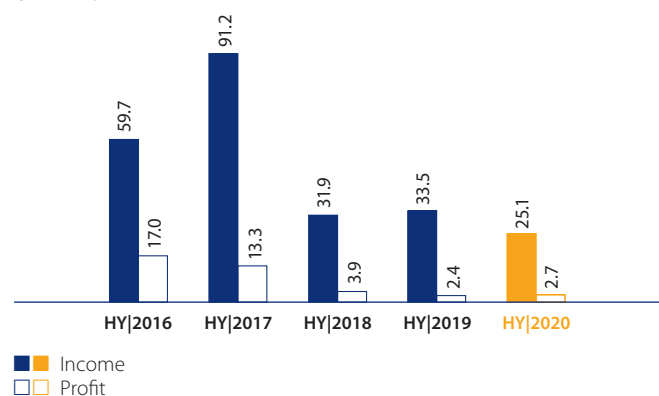
## Earnings per share including and excluding revaluation

CHF



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

CHF million



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](http://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	HY 2020	HY 2019	Change in %
Net rental income	CHF million	52.0	52.2	-0.4
Profit on development projects and sale of trading properties	CHF million	2.7	2.4	12.0
Profit on disposal of investment properties	CHF million	1.5	0.0	nm
Net income from revaluation	CHF million	25.1	18.8	33.5
Operating result (EBIT)	CHF million	65.8	55.4	18.8
Operating result (EBIT) excluding revaluation	CHF million	40.8	36.6	11.2
Profit	CHF million	41.7	43.5	-4.1
Profit attributable to the shareholders of MOH	CHF million	41.7	43.6	-4.3
Profit attributable to the shareholders of MOH excluding revaluation	CHF million	21.5	28.5	-24.4
<b>Balance sheet</b>				
	Unit	30.6.2020	31.12.2019	Change in %
Assets	CHF million	3,709.2	3,450.8	7.5
Equity	CHF million	1,570.0	1,532.3	2.5
Equity ratio	%	42.3	44.4	-4.7
Return on equity	%	5.4	7.1	-23.9
Return on equity excluding revaluation	%	2.8	4.2	-33.3
Interest-bearing liabilities	CHF million	1,809.7	1,594.4	13.5
Ø Rate of interest on financial liabilities (for the period)	%	1.62	1.82	-11.0
Ø Residual maturity of financial liabilities	years	5.3	5.3	0.0
Net gearing	%	100.7	101.1	-0.4
<b>Portfolio</b>				
	Unit	30.6.2020	31.12.2019	Change in %
Overall portfolio <sup>1</sup>	CHF million	3,362.7	3,297.7	2.0
Investment properties	CHF million	2,834.6	2,600.1	9.0
Development properties <sup>2</sup>	CHF million	528.1	697.6	-24.3
Gross yield from investment properties	%	4.5	4.5	0.0
Net yield from investment properties excluding Covid-19 effect <sup>3</sup>	%	3.6	3.7	-2.8
Investment property vacancy rate	%	5.5	3.8	44.7
Ø Discount rate for revaluation (nominal)	%	3.8	3.8	0.0
Ø Capitalisation rate (real)	%	3.3	3.3	0.0
<b>EPRA</b>				
	Unit	HY 2020	HY 2019	Change in %
EPRA profit	CHF million	24.1	34.4	-29.9
EPRA NAV per share <sup>4</sup>	CHF	276.37	263.04	5.1
EPRA rental increase like for like	%	0.2	-0.1	nm
EPRA vacancy rate	%	5.5	4.3	27.8
<b>Headcount</b>				
	Unit	30.6.2020	31.12.2019	Change in %
Headcount (full-time basis)	Number	159.4	161.5	-1.3
Of which headcount Mobimo FM Service AG (full-time basis)	Number	40.9	39.1	4.6
<b>Environment</b>				
	Unit	2019	2018	Change in %
Energy intensity	kWh/m <sup>2</sup>	152	120	26.7
Emissions intensity	kg CO <sub>2</sub> eq/m <sup>2</sup>	25	20	25.0
<b>Share</b>				
	Unit	HY 2020	HY 2019	Change in %
Shares outstanding <sup>5</sup>	Number	6,599,117	6,598,215	0.0
Nominal value per share <sup>6</sup>	CHF	23.40	23.40	0.0
NAV per share (diluted)	CHF	237.90	223.30	6.5
Earnings per share	CHF	6.32	6.61	-4.4
Earnings per share excluding revaluation	CHF	3.26	4.31	-24.4
Distribution per share <sup>6</sup>	CHF	10.00	10.00	0.0
Share price as at 30.6.	CHF	274.00	259.50	5.6

<sup>1</sup> Incl. owner-occupied properties, excl. owner-occupied tenant improvements and excl. right-of-use assets.

<sup>2</sup> Excluding right-of-use assets.

<sup>3</sup> Covid-19 annualised rent waivers are eliminated from net yield excl. Covid-19 effect (see Note 5 on page 20). Taking into account the annualised rent waivers, net yield incl. Covid-19 effect is 3.3%.

<sup>4</sup> According to EPRA BPR, new NAV figures must be published from the 2020 financial year (see EPRA performance figures on pages 49 and 50).

To ensure comparability, the NAV figures EPRA NAV and EPRA NNNNAV are again shown in 2020 (see page 51), but will no longer need to be disclosed from 2021.

<sup>5</sup> No. of shares issued 6,601,547 less treasury shares 2,430 = no. of outstanding shares 6,599,117.

<sup>6</sup> Planned distribution for the 2019 financial year of CHF 10.00 per share by means of a capital value repayment in accordance with the decision of the Annual General Meeting of 31 March 2020 (see Note 11 on page 29).