

Press release

Mobimo posts solid results for the first half of 2019

- » Profit for the first half of 2019 was CHF 43.5 million (first half of 2018: CHF 37.9 million).
- » At CHF 60.9 million, rental income broke through the CHF 60 million mark for the first time (first half of 2018: CHF 54.7 million).
- » The vacancy rate as at 30 June 2019 was a low 4.3% (30 June 2018: 5.1%).
- » The net income from revaluation of CHF 18.8 million (first half of 2018: CHF 17.7 million) was again mainly attributable to operating activities.

Lucerne, 2 August 2019 – Mobimo generated rental income of over CHF 60 million for the first time in the first half of 2019, representing an increase of 11%. The net income from revaluation of CHF 18.8 million mainly stems from operating activities and reflects the value added by Mobimo's own development projects. Profit came in at a solid CHF 43.5 million.

Mobimo posted solid results overall for the first half of 2019. EBIT came to CHF 55.4 million (first half of 2018: CHF 57.3 million), or CHF 36.6 million excluding revaluation (first half of 2018: CHF 39.6 million). Profit was CHF 43.5 million (first half of 2018: CHF 37.9 million). The profit attributable to the shareholders of Mobimo Holding AG was CHF 43.6 million including revaluation and CHF 28.5 million excluding revaluation (first half of 2018: CHF 37.6 million and CHF 24.4 million respectively). This corresponds to increases of 16% and 17% respectively. Mobimo recorded earnings per share of CHF 6.61 including revaluation (first half of 2018: CHF 6.04) and CHF 4.31 excluding revaluation (first half of 2018: CHF 3.92). The profit includes a positive special effect relating to deferred taxes.

Increase in rental income thanks to own development activities

At CHF 60.9 million, rental income broke through the CHF 60 million mark for the first time (first half of 2018: CHF 54.7 million), rising by more than 11%. As forecast, this growth was driven by the integration of the portfolio of Immobiliengesellschaft Fadmatt AG in 2018 and by three new additions resulting from Mobimo's own development activities. The Labitzke site in Zurich, which contains 201 apartments, has been fully let since completion in mid-2018. The occupancy rate for the residential units and commercial space on Site 2 of the Aeschbachquartier in Aarau is also approximately 85%, just a few months after the opening. Seehallen Horgen – a property used as a commercial and service centre, which has been reopened following a light renovation – also contributed to the growth in rental income. The vacancy rate for the entire portfolio is 4.3% (30 June 2018: 5.1%). The change since the end of last year (31 December 2018: 2.9%) is mainly because the Seehallen Horgen and Aeschbachquartier properties have been added to the portfolio before being fully let. The cost/income ratio arising from direct expenses for rented properties was 14% (first half of 2018: 17%). The value of

Mobimo's overall portfolio as at 30 June 2019 was just under CHF 3.2 billion (31 December 2018: CHF 3.1 billion). The portfolio's average gross yield from investment properties remains unchanged at 4.6%. The average number of full-time-equivalent positions (FTEs) rose to 161.3 in the first half of 2019 (31 December 2018: 149.0) after the Mobimo FM Services facility management company expanded its operations into French-speaking Switzerland.

A full pipeline and a focus on marketing

The pipeline for Mobimo's own portfolio is well stocked, with an investment volume of around CHF 710 million. It currently comprises five investment properties that are under construction and eight that are at the planning stage. The gradual completion of properties with different forms of use will significantly strengthen the rental income base over the coming years. Mobimo expects target rental income to grow by over 10% compared with end-2018, in the absence of any sales. The official opening of Mattenhof in Kriens – the second major development in German-speaking Switzerland after the Aeschbachquartier – is scheduled for the second half of 2019. Marketing of the 26,000 m² of commercial and office space and the 129 apartments has gathered considerable momentum as construction work nears completion. In Lausanne's Flon district, the newly constructed Moxy Hotel will start operating this year. Its 113 rooms will be ready in time for the opening of the Winter Youth Olympic Games in January 2020. The medal ceremonies for athletes from all over the world will take place in the popular Flon district.

Profit from development and trading property business in line with previous year

At CHF 2.4 million, profit on development projects and sale of trading properties was in similarly low territory to the previous year (CHF 3.9 million). The contribution from development activities for third parties, which by its nature is more volatile, is expected to be substantially higher in the second half of 2019. The role of condominium development is becoming more significant again in the current market environment following a quieter phase: plans for 30 condominium units in Meggen are the furthest advanced. Further projects, e.g. in Dübendorf and Arlesheim, are in preparation. The full takeover of BSS&M Real Estate AG, previously a two-thirds holding, with effect from 27 June 2019 further strengthens the base for the earnings contribution from development activities for third parties. Other positives in this regard are the definitive purchase of land for a housing development on the outskirts of the City of Zurich (Obere Allmend Manegg) and the positive outcome of a popular vote in the municipality of Köniz near Berne on the transfer of land covered by building rights to a non-profit housing association and to Mobimo. As at 30 June 2019, the pipeline comprised condominium projects at the planning stage with an investment volume of around CHF 220 million and developments of investment properties for third parties at the construction and planning stages with an investment volume of around CHF 880 million.

Net income from revaluation mainly linked to operational factors

The net income from revaluation of CHF 18.8 million (first half of 2018: CHF 17.7 million) was again mainly attributable to operating activities. Construction progress and the completion of development projects for Mobimo's own portfolio resulted in a positive revaluation effect of CHF 11.7 million, reflecting the high value added by Mobimo's development activities. Optimisations of the real estate portfolio also contributed CHF 7.1 million to the positive result. Mobimo did not buy or sell any investment properties during the reporting period. If and when further attractive opportunities arise in the transaction market in future, Mobimo will, as usual, be able to use these to further optimise the portfolio.

Financial position

With an equity ratio of 44.0% as at 30 June 2019 (31 December 2018: 45.0%), Mobimo continues to have a solid capital base. The company's financial liabilities consist of listed bonds with a volume of CHF 729 million and mortgage-secured borrowing of CHF 815 million. The average interest rate for financial liabilities decreased considerably again in the first half of 2019, coming in at 1.88%, compared with 2.01% in 2018. The average interest rate on the reporting date of 30 June 2019 was also significantly lower, at 1.73% (31 December 2018: 1.90%). The average residual maturity of financial liabilities as at the reporting date was 5.6 years (31 December 2018: 6.1 years), and was therefore still within the targeted range. The long-term financing and solid capital base form an excellent foundation for continued qualitative growth and for investment in the projects in the pipeline. The gross loan-to-value ratio (LTV) fell further, standing at 48.5% as at 30 June 2019 (31 December 2018: 50.0%).

New Chairman of the Board of Directors and CEO

Chairman of the Board of Directors Peter Schaub and CEO Daniel Ducrey have held the top strategic and operational positions at Mobimo since the Annual General Meeting at the start of April 2019. Georges Theiler and Peter Barandun, formerly members of the Board of Directors, and Thomas Stauber, formerly a member of the Executive Board, stepped down from their roles in the first half of 2019. In April 2019, the shareholders elected the long-standing CEO Christoph Caviezel to the Board of Directors. The co-founder and managing director of BSS&M Real Estate AG, Danilo Menegotto, also handed over responsibility for the company to his successor Patrick Felber in the first half of the year. The Board of Directors would like to thank all these men for their successful endeavours on Mobimo's behalf. Christoph Egli, who has been Head of Property Management for many years, joined the Executive Board on 1 August 2019. This reflects the importance of the customer-focused and efficient management of the Mobimo portfolio, which has grown to approximately CHF 3.2 billion.

Outlook

Sentiment in the Swiss real estate market remains positive. The economic outlook is generally good, and interest rates remain at record lows. Demand for housing remains high in Switzerland's urban centres. Commercial space at reasonable prices is being quickly absorbed too, as the example of

Seehallen Horgen illustrates. The transaction market is still lively. In this environment, Mobimo's Board of Directors and Executive Board are confident that the company is well positioned with its portfolio and pipeline. In the coming months, Mobimo will focus on duly completing major projects such as Mattenhof and ensuring their smooth transition into the portfolio. The vacancy rate is expected to remain low thanks to customer-focused management of the properties in the portfolio and a big push in the marketing of new projects. Mobimo will also press ahead with digitalisation at all levels of the company, especially in contact with tenants, to achieve ongoing improvements in efficiency and service quality.

Detailed reporting:

» You can find the **Half-Year Report 2019** on <https://www.mobimo.ch/en>

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

Dial-in data: +41 44 580 72 69 | Conference ID: 5848055

Link to the presentation for call participants (no audio signal): <https://webcasts.egs.com/mobimo20190802de/no-audio>

Link to the webcast with audio signal and slides: <https://webcasts.egs.com/mobimo20190802de>

» A **telephone conference in English** with CEO Daniel Ducrey and CFO Manuel Itten 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/mobimo20190802en/no-audio>

Link to the webcast with audio signal and slides: <https://webcasts.egs.com/mobimo20190802en>

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 3.2 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.

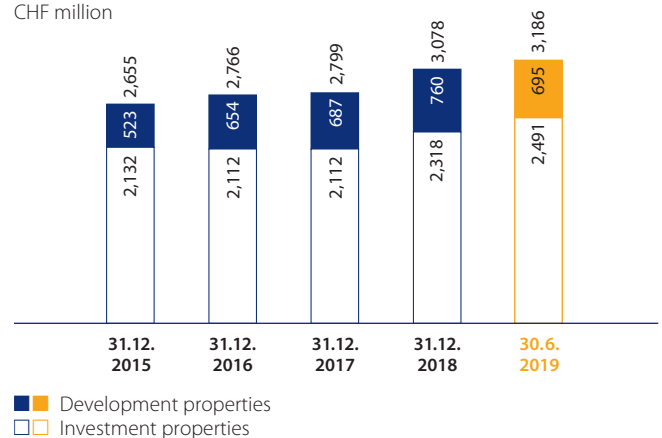
Selected key figures for the first half of 2019

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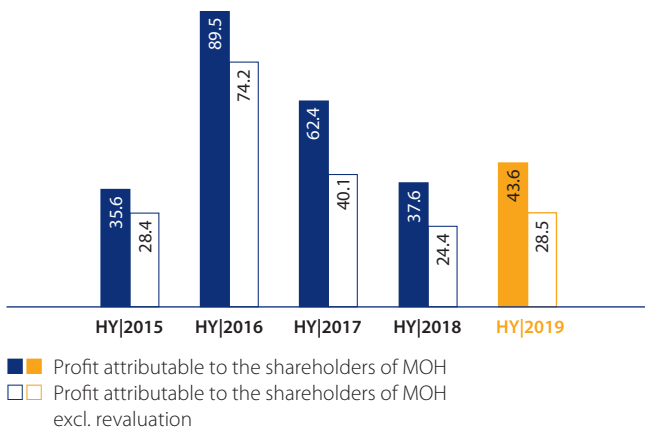
Profit
CHF million
HY|2018: 37.9

43.5

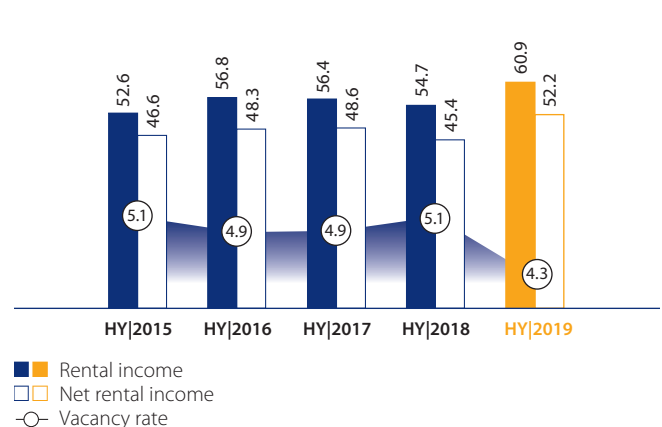
Total portfolio value
CHF million



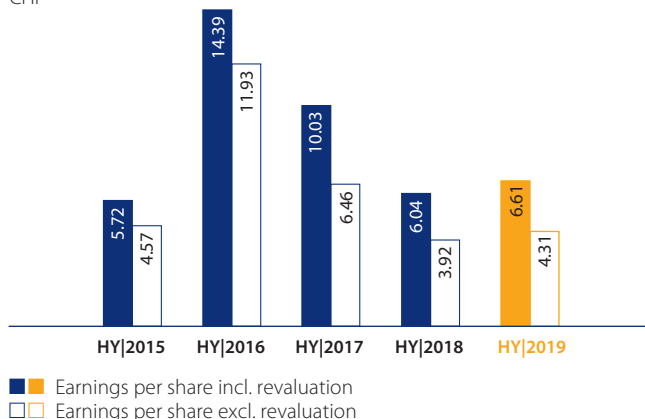
Profit attributable to the shareholders of MOH including and excluding revaluation
CHF million



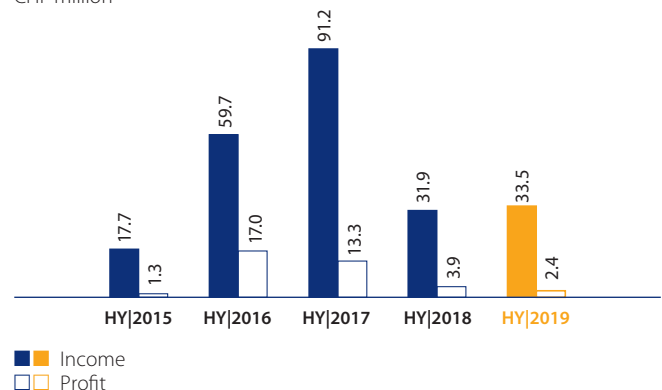
Rental and net rental income and vacancy rate
CHF million/%



Earnings per share including and excluding revaluation
CHF



Income and profit on development projects and sale of trading properties
CHF million



Result	Unit	HY 2019	HY 2018	Change in %
Net rental income	CHF million	52.2	45.4	15.0
Profit on development projects and sale of trading properties	CHF million	2.4	3.9	-37.3
Profit on disposal of investment properties	CHF million	0.0	6.8	-100.0
Net income from revaluation	CHF million	18.8	17.7	6.1
Operating result (EBIT)	CHF million	55.4	57.3	-3.2
Operating result (EBIT) excluding revaluation	CHF million	36.6	39.6	-7.4
Profit	CHF million	43.5	37.9	14.8
Profit attributable to the shareholders of MOH	CHF million	43.6	37.6	16.0
Profit attributable to the shareholders of MOH excluding revaluation	CHF million	28.5	24.4	16.8

Balance sheet	Unit	30.6.2019	31.12.2018	Change in %
Assets	CHF million	3,345.2	3,365.2	-0.6
Equity	CHF million	1,473.4	1,513.5	-2.7
Equity ratio	%	44.0	45.0	-2.2
Return on equity	%	5.9	6.6	-10.6
Return on equity excluding revaluation	%	3.9	4.3	-9.3
Interest-bearing liabilities	CHF million	1,544.2	1,540.7	0.2
Ø Rate of interest on financial liabilities (for the period)	%	1.88	2.01	-6.5
Ø Residual maturity of financial liabilities	years	5.6	6.1	-8.2
Net gearing	%	101.9	91.7	11.1

Portfolio	Unit	30.6.2019	31.12.2018	Change in %
Overall portfolio	CHF million	3,186.0	3,077.9	3.5
Investment properties	CHF million	2,491.0	2,318.1	7.5
Development properties	CHF million	695.0	759.8	-8.5
Gross yield from investment properties	%	4.6	4.6	0.0
Net yield from investment properties	%	3.8	3.7	2.7
Investment property vacancy rate	%	4.3	2.9	48.3
Ø Discount rate for revaluation (nominal)	%	3.9	3.9	0.0
Ø Capitalisation rate (real)	%	3.4	3.4	0.0

EPRA	Unit	HY 2019	HY 2018	Change in %
EPRA profit	CHF million	34.4	24.1	42.3
EPRA NAV per share	CHF	263.04	255.09	3.1
EPRA rental increase like for like	%	-0.1	0.0	nmf
EPRA vacancy rate	%	4.3	5.1	-15.7

Headcount	Unit	30.6.2019	31.12.2018	Change in %
Ø Headcount (full-time basis for the period) ¹	Number	161.3	149.0	8.3
Headcount (full-time basis)	Number	158.9	157.3	1.0

Share	Unit	HY 2019	HY 2018	Change in %
Shares outstanding ²	Number	6,598,215	6,216,367	6.1
Nominal value per share	CHF	23.40	23.40	0.0
NAV per share (diluted)	CHF	223.30	219.47	1.7
Earnings per share	CHF	6.61	6.04	9.4
Earnings per share excluding revaluation	CHF	4.31	3.92	9.9
Distribution per share ³	CHF	10.00	10.00	0.0
Share price as at 30.6.	CHF	259.50	245.00	5.9

¹ This includes an average of 35.9 employees of Mobimo FM Service AG (31 December 2018: average of 26.7 employees).

² Number of shares issued 6,601,547 less treasury shares 3,332 = number of outstanding shares 6,598,215.

³ Distribution of capital contribution reserves for the 2018 financial year of CHF 10.00 per share in accordance with the decision of the General Meeting of 2 April 2019. Some CHF 84.7 million was available for distribution from capital contribution reserves as at 31 December 2018, CHF 66.0 million of which was distributed. CHF 18.8 million was still available as at 30 June 2019.