

**Press release****Zurich, 29 August 2019****Substantially increased Net Asset Value**

- Revenue rises to CHF 99 million in first half of 2019
- Distinctive growth by 92% of operating profit (EBIT) to CHF 56 million
- Net profit excluding revaluation effect of CHF 34 million (+72%)
- Substantial increase in group profit to CHF 112 million (prior year: CHF 22 million)
- Positive one-off tax effect of CHF 61 million boosts net profit and equity
- Like-for-like rental income up 0.7% - vacancy rate reduced to 2.1%
- Real Estate Services with EBIT margin of 8.3% - on track to meet target
- Marked increase in NAV per share to CHF 52.47 (+14.3%)

Investis has posted a very good performance for the first half of 2019. Its success in the **Properties** segment was based on another organic increase in rental income, as well as on further positive revaluation effects and disposal gains. The **Real Estate Services** segment increased its EBIT margin to a healthy 8.3%. This puts Investis on course to meet all the targets set for 2019. Group profit had a CHF 61 million boost from the release of deferred taxes that resulted from implementation in Geneva of the TRAF tax law change. Earnings per share came to CHF 8.80 (previous year: CHF 1.70).

**Positive revenue growth in both segments**

Investis Group increased its revenue by 0.8% to CHF 98.6 million in the first half of 2019 (previous year: CHF 97.9 million).

The **Properties** segment saw revenues go up again by 4.0% to CHF 28.1 million (PY: 27.0 million).

This pleasing increase resulted from a like-for-like increase in rental income of 0.7%, acquisitions and continued successful vacancy management (reduced vacancy rate to 2.1%). Annualised full occupancy property rent came to CHF 56.6 million.

Within the **Real Estate Services** segment, Property Management generated growth of 1.6%. This gratifying revenue growth came in spite of the completion of the sale of Régie du Rhône Crans-Montana SA at the end of February 2019. Rents under management went up again to CHF 1.76 billion (per 31.12.2018: CHF 1.74 billion).

Facility Services recorded a slight decline in revenues of 2.0%, mainly because of a streamlining of mandates.

**Healthy operating profit – in line with the target set for services business**

Operating profit (EBIT) stood at CHF 56.0 million, an increase of 91.7%. This good result was achieved thanks to improved operational earnings at both segments. Real Estate Services increased its EBIT margin to a gratifying 8.3%. The successful restructurings are, as forecast, bearing fruit. Consequently, this segment is also on course to achieve its target margin by the end of the year. Investis continues to press ahead systematically with the digital transformation of its business model.

Thanks to higher rental income and a slightly lower real-term average discount rate of 3.44%, revaluation gains were significantly higher at CHF 27.6 million than in the previous year (CHF 2.7 million). The sale of individual properties generated disposal gains of CHF 6.7 million.

**Financial result**

**Financial expenses** went up slightly owing to the renewal of the bond falling due in February. The average interest rate remains low at 0.6% (previous year: 0.5%).

**Financial income** came to CHF 5.0 million, which is significantly higher than in the previous half-year (CHF 0.1 million). This income includes gains from the sale of Régie du Rhône Crans-Montana SA, and the effect of reducing the stake in Polytech Ventures Holding SA.

**Income taxes**

Following the implementation of the TRAF tax reform in the Canton of Geneva from 2020, CHF 61 million of deferred tax liabilities could be released. This positive one-off effect led to total net tax income for the first half of CHF 53.2 million (previous year: tax expense of CHF 5.8 million). Investis expects an average tax rate of 15% from 2020.

**Net Profit**

Net profit came to CHF 111.9 million (previous year: CHF 21.7 million) and earnings per share to CHF 8.80 (previous year: CHF 1.70). Net profit before revaluation effects<sup>1</sup> went up to CHF 33.8 million (prior year CHF 19.7 million).

**Very solid balance sheet with a conservative loan-to-value of 42%**

Total assets came to CHF 1.4 billion as at 30 June 2019, with a very comfortable equity ratio of 46.4% (31.12.2018: 41.3%). The portfolio value was estimated at CHF 1,340 million and comprised 154 properties with 2,872 residential units at cut-off date. In relation to the portfolio value, the loan-to-value amounted to a conservative 42% (interest-bearing debt of CHF 562 million). Following the substantial release of CHF 61 million of deferred tax, this balance sheet item fell to CHF 119 million (31.12.2018: CHF 178 million).

Net asset value (NAV) per share went up significantly to CHF 52.47 (31.12.2018: CHF 45.89).

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<sup>1</sup> The share of the deferred tax release referring to earlier revaluation gains has also been considered.

**Subsequent events**

Investis sold Régie du Rhône SA on 8 August 2019. In 2018, this subsidiary generated revenue of CHF 20 million with 155 employees. Investis will focus its Property Management activities on its national Privera brand. At the same time, Investis acquired a portfolio of six residential properties in Geneva for CHF 62 million. These have an annualised full occupancy property rent of CHF 2.89 million.

**Market environment and outlook for 2019**

The Investis portfolio is mainly made up of mid-priced residential properties in central locations in the Lake Geneva region. Its concentration in this region is the Investis Group's USP. These residential properties remain in high demand thanks to continuing positive net migration into this region coupled with demographic change and a low proportion of new builds in central locations. The highly regulated market keeps new investment at a low level, which also has a positive effect on demand.

Investis plans to maintain its sustainable expansion by acquiring investment properties in attractive locations with a focus on the Lake Geneva region.

The environment remains challenging for the Real Estate Services segment. However, Investis believes that economic conditions remain advantageous and that further growth impulses in both activities will have a positive effect on the Group's results.

Investis will reach all the medium-term objectives set at the time of the IPO in June 2016 by the end of 2019.

## Reporting

The 2019 Half-Year Report is available at <https://reports.investisgroup.com/19/hyr> and on our website [www.investisgroup.com](http://www.investisgroup.com) under Investors / Reporting.

There will be a conference call on the half-year results for the media and analysts (in English) today at 11 a.m. Following the presentation of the half-year results, Stéphane Bonvin (CEO) and René Häsler (CFO) will be available to answer questions.

The dial-in numbers are as follows:

+41 (0)58 310 50 00 (Europe)

+44 (0)207 107 06 13 (UK)

+1 (1)631 570 56 13 (USA)

Please dial in 5 minutes prior to the start of the conference call. The accompanying presentation is also available on our website from 7 a.m. under Investors / Reporting (<https://www.investisgroup.com/nc/en/investors/>).

Interested parties are also invited to follow the media and analysts conference call via live webcast on our website ([www.investisgroup.com](http://www.investisgroup.com)) under Investors / Reporting.

## Agenda

25 March 2020	Publication of 2019 annual results
28 April 2020	2020 Annual General Meeting
27 August 2020	Publication of half-year results 2020

## Contact

### Investor Relations/Media

Laurence Bienz

Telefon: +41 58 201 72 42, E-Mail: [laurence.bienz@investisgroup.com](mailto:laurence.bienz@investisgroup.com)

## About Investis Group

Founded in 1994, Investis Group is a leading residential property company in the Lake Geneva region and a national real estate services provider active in the two synergetic segments of Properties and Real Estate Services. The portfolio of Investis Properties consists almost exclusively of residential properties located in the Lake Geneva region and was valued at CHF 1,340 million as at 30 June 2019. Investis Real Estate Services is active throughout Switzerland with well-known local brands. For further information: [www.investisgroup.com](http://www.investisgroup.com)

## SELECTED KEY FIGURES

Investis financial key figures		30.06.2019	31.12.2018	30.06.2018
Revenue	CHF 1,000	98,615	197,491	97,852
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	22,879	39,724	19,637
EBIT	CHF 1,000	56,007	74,575	29,211
Net profit	CHF 1,000	111,903	54,376	21,706
Net profit excluding revaluation effect	CHF 1,000	33,804	35,576	19,663
Funds from operations (FFO) <sup>2)</sup>	CHF 1,000	-532	61,145	26,089
<b>Total assets</b>				
Total assets	CHF 1,000	1,448,884	1,423,653	1,362,172
<b>Interest-bearing financial debt</b>				
Interest-bearing financial debt	CHF 1,000	562,231	545,631	533,727
<b>Gross LTV</b>				
Gross LTV		42%	41%	41%
<b>Deferred tax liabilities</b>				
Deferred tax liabilities	CHF 1,000	119,164	177,639	170,071
<b>Shareholders' equity</b>				
Shareholders' equity	CHF 1,000	672,704	588,511	555,662
<b>Equity ratio</b>				
Equity ratio		46.4%	41.3%	40.8%
<b>Number of employees</b>				
<b>Headcount (as at period end)</b>				
Headcount (as at period end)		1,387	1,391	1,399
<b>FTE (full-time equivalent, average over the period)</b>				
FTE (full-time equivalent, average over the period)		1,156	1,169	1,162

1) EBITDA before revaluations/disposals is defined as operating profit before depreciation and amortisation (EBITDA) less income from revaluations and income from disposal of investment properties.

2) FFO is defined as cash flow from operating activities + changes in properties held for sale + interest received less interest paid.

Data per share		30.06.2019	31.12.2018	30.06.2018
<b>Share ratios</b>				
Share capital	CHF 1,000	1,280	1,280	1,280
Number of registered shares issued		12,800,000	12,800,000	12,800,000
Nominal value per share	CHF	0.10	0.10	0.10
<b>Share data</b>				
NAV per share	CHF	52.47	45.89	43.34
NAV per share excluding deferred taxes with regard to properties	CHF	61.62	59.59	56.48
Earnings per share (basic/diluted)	CHF	8.80	4.27	1.70
<b>Share price</b>				
Share price – high	CHF	69.60	67.80	67.80
Share price – low	CHF	60.20	56.60	59.00
Share price at end of period	CHF	68.00	61.80	59.60
Average number of shares traded per day		5,359	1,762	1,844
Market capitalisation at end of period	CHF 1,000	870,400	791,040	762,880

INVESTIS GROUP  
 HALF-YEAR REPORT 2019

Properties key figures		30.06.2019	31.12.2018	30.06.2018
Residential investment properties	CHF 1,000	1,157,912	1,146,271	1,113,964
Commercial investment properties	CHF 1,000	101,240	102,729	103,674
Investment properties under construction	CHF 1,000	16,699	25,073	16,933
Undeveloped plots of land	CHF 1,000	-	1,673	1,673
Properties held for sale	CHF 1,000	45,340	69,476	52,489
Investment in real estate company	CHF 1,000	18,486	-	-
Total property portfolio	CHF 1,000	1,339,677	1,345,221	1,288,732
Total buildings		154	157	159
Total residential units		2,872	2,911	2,911
Average discount rate		3.44%	3.49%	3.58%
Revenue	CHF 1,000	28,050	54,983	26,970
Like-for-like rental growth		0.7%	1.7%	1.0%
EBITDA before revaluations/disposals	CHF 1,000	18,118	34,953	17,473
EBIT	CHF 1,000	52,440	71,864	28,035
Annualised full occupancy property rent	CHF million	56.6	57.7	57.2
Annualised property rent	CHF million	55.4	56.0	55.8
Vacancy rate		2.1%	2.9%	2.5%
Real Estate Services key figures		30.06.2019	31.12.2018	30.06.2018
Rents under management	CHF billion	1.76	1.74	1.68
Revenue	CHF 1,000	73,569	147,832	73,168
Of which property management		54%	54%	53%
Of which facility services		45%	46%	47%
Of which other		1%	0%	0%
EBIT	CHF 1,000	6,078	7,701	3,650
EBIT margin		8.3%	5.2%	5.0%