

INVESTIS

REAL ESTATE GROUP

HALF-YEAR
REPORT
2016



Selected Key Figures

Investis financial key figures		30.06.2016	31.12.2015	30.06.2015
Revenue	CHF 1,000	79,321	157,371	77,411
EBITDA before revaluations/disposals	CHF 1,000	13,000	29,886	14,701
EBIT	CHF 1,000	29,693	60,208	28,305
Net profit	CHF 1,000	19,688	44,569	18,799
Funds From Operations (FFO) ¹⁾	CHF 1,000	9,837	20,483	6,179
Total assets	CHF 1,000	1,138,336	984,451	966,143
Mortgages	CHF 1,000	331,941	336,105	335,144
Share capital	CHF 1,000	1,280	1,000	1,000
Total shareholders' equity	CHF 1,000	562,990	427,411	404,251
Equity ratio		49.5%	43.4%	41.8%
Number of employees				
Headcount (as at period end)		1,127	1,082	1,063
Ø FTE (full-time equivalents average of the period)		889	855	832
Investis share figures				
Outstanding shares		12,800,000		
Nominal value per share	CHF	0.10		
NAV per outstanding share	CHF	41.43		
NAV per outstanding share not including deferred tax with regard to investment properties	CHF	52.03		
Share price as at 30 June	CHF	57.30		
Market capitalisation as at 30 June	CHF 1,000	733,440		

1) FFO is defined as Cash flow from operating activities + investments in properties held for sale + interest received less interest paid.

Properties key figures		30.06.2016	31.12.2015	30.06.2015
Residential investment properties	CHF 1,000	766,399	745,866	725,523
Commercial investment properties	CHF 1,000	76,111	81,045	63,961
Investment properties under development	CHF 1,000	5,508	3,507	1,388
Undeveloped plots of land	CHF 1,000	12,292	12,235	12,110
Properties held for sale	CHF 1,000	14,236	14,116	14,606
Total properties portfolio	CHF 1,000	874,545	856,769	817,589
Total buildings ¹⁾		122	124	121
Total residential units		2,219	2,220	2,193
Revenue	CHF 1,000	20,180	40,760	20,521
EBITDA before revaluations/disposals	CHF 1,000	12,210	25,011	13,146
EBIT	CHF 1,000	29,758	56,906	27,560

1) a building is considered as one building if it has an individual house number

Real Estate Services key figures		30.06.2016	31.12.2015	30.06.2015
Revenue	CHF 1,000	68,717	131,256	62,829
of which property management		55%	55%	55%
of which facility management		31%	31%	31%
of which construction management		14%	14%	14%
EBIT	CHF 1,000	1,451	6,201	1,842
EBIT margin		2.1%	4.7%	2.9%

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Report to the shareholders

Dear Shareholders
Ladies and Gentlemen

Investis looks back on an eventful first half of 2016, the highlight of which was the successful IPO of Investis Holding SA on 30 June 2016 – a further milestone in the firm's corporate history. Entering the capital market and thereby expanding the shareholder base have provided Investis Group with a solid foundation, enabling it to accelerate its current growth. This in turn allows the Group to consolidate its leading position in the residential property sector of the Lake Geneva region and the Swiss real estate services market. Despite the challenging conditions that prevailed in the first half of the year, Investis recorded a very solid business performance, as expected.

Higher operating profit underscores solid business development

Investis reported consolidated revenues of CHF 79.3 million in the first half of 2016, an increase of 2.5% compared with the prior year (CHF 77.4 million). Operating expenses were impacted by the ongoing expansion of real estate services, of which some will not have an effect on revenues until the second half of the year. In view of the IPO, steps were also taken to align the Corporate Center with the new requirements, including the opening of a Shared Service Center at the beginning of the year for administrative functions within the Group. Due to these investments, operating expenses rose to a total of CHF 66.3 million, from CHF 62.7 million in the prior year. Higher like-for-like rental income (+1%), coupled with lower interest rates, resulted in revaluation gains of CHF 16.7 million.

Investis improved its operating profit (EBIT) by 4.9% to CHF 29.7 million (prior year CHF 28.3 million). Net profit amounted to CHF 19.7 million, an increase of 4.7% (prior year CHF 18.8 million) after deduction of the financial result and income taxes.

As expected, Investis put in a very solid performance in the first half of the year. The results reflect the Group's balanced and sustainable business model based on the two synergetic segments Properties and Real Estate Services. Investis continues to benefit from high demand for residential property in the medium price range in the region of Lake Geneva, while the ongoing consolidation of Real Estate Services provides it with further opportunities for growth. In terms of real estate services, we have been able to continuously increase our market share in recent months.

Value of property portfolio increases

At mid-year, the property portfolio consisted of 122 properties and 2,219 rental units. In the first six months the portfolio's value rose to CHF 875 million (CHF 857 million as at 31 December 2015), primarily as a result of investments and revaluation gains.

Following several strategic disposals rental income was CHF 20.2 million, just 1.7% lower compared with the prior year (CHF 20.5 million). On a like-for-like basis, however, rental income was up 1.0%. As before, the majority of the portfolio's properties are located in the Lake Geneva region. Residential properties continue to account for more than 90% of the portfolio. The Properties segment reported an operating profit (EBIT) of CHF 29.8 million, an increase of 8.0% compared with the prior year (CHF 27.6 million). It maintained an extremely low vacancy rate relative to the rest of the industry at 3.2% in the period under review.

Strong revenue growth in Real Estate Services

Revenues in the Real Estate Services segment showed a very positive development, with an increase of 9.4% to CHF 68.7 million. The three business activities contributed to this pleasing growth in nearly equal measure. Property Management (share of revenues 55%) reported a 7.8% increase in revenues, while Facility Management (31%) and Construction Management (14%) achieved 9.7% higher revenues respectively. The various mandates won in Property and Facility Management will only partly impact income during the course of the second half of the year. Additional needed resources were made available, resulting in an increase in headcount to 1,112 employees (prior year 1,047) and consequently higher personnel expenses, which caused operating profit (EBIT) to decline to CHF 1.5 million. The rents under management by the Property Management activity rose from CHF 1.4 billion (as at 31 December 2015) to CHF 1.5 billion.

Solid balance sheet together with improved equity capital base

Total assets amounted to CHF 1.1 billion, which represents an increase of 15.6%. Of this, 77% is tied up in the property portfolio, which is financed primarily through mortgages in the amount of CHF 332 million. The Loan-To-Value (LTV) ratio was at 38%. As at the balance sheet date, deferred tax liabilities stood at CHF 136 million (+2.5%). After the capital increase of CHF 148.4 million, the equity ratio rose from 43.4% (as at 31 December 2015) to 49.5%. Together with the low LTV ratio, the high equity ratio forms a strong foundation for the further development of Investis. As the IPO closing took place after the balance sheet date on 4 July, the capital increase proceeds were recognised in other receivables.

Successful IPO

The IPO of Investis Holding SA on 30 June 2016 expanded the Group's shareholder base. Institutional investors from Switzerland and abroad as well as domestic private investors demonstrated their confidence in the business model and growth opportunities of Investis. Of the 12,800,000 available shares, 2,800,000 were placed at an issue price of CHF 53. The sole shareholder sold an additional 280,000 shares within the overallotment option. Together this amounts to a free float of 24.1%. Founder and CEO Stéphane Bonvin holds the remaining 75.9%. After the share price rose to CHF 57.30 on the first day of trading, market capitalisation was CHF 733 million as at 30 June 2016. The accounting net asset value (NAV) per share as at the end of June was CHF 41.43 (CHF 52.03 not including deferred tax with regard to investment properties).

Gradual implementation of growth strategy

As announced on the occasion of the IPO, the proceeds of the latter will be utilised to make attractive investments in the Properties as well as for acquisitions in the Real Estate Services segment. In July the minority shareholding in Investis Patrimoine SA was acquired as announced and the loan repaid. The Properties segment also purchased nine properties for a total purchase price of around CHF 65 million. Construction on two investment properties will also be completed in the second half of the year. Annualised full occupancy rental income in the Properties segment will increase to CHF 46.2 million through these purchases and building completion. In the Real Estate Service segment, several acquisitions are currently under negotiation.

Investis expects business development to continue to be solid. Barring exceptional circumstances, Investis expects EBITDA (before revaluations and disposals) to remain in the range of the prior year. The announced dividend payment of CHF 30 million for financial year 2016 is confirmed.

On behalf of the Board of the Directors and the Group Executive Board of Investis Holding SA, we would like to give our special thanks to our new shareholders for placing their trust in us. We would also like to thank our employees for their great commitment and loyalty. We look forward to writing the next chapter in the Investis success story together with our shareholders, business partners and employees.



Riccardo Boscardin
Chairman of the
Board of Directors



Stéphane Bonvin
CEO

Financial report

Consolidated income statement (condensed)

In CHF 1,000		1st half 2016	1st half 2015
Revenue	1, 2	79,321	77,411
Total operating income		79,321	77,411
Direct expenses	1	-12,342	-13,461
Personnel expenses	1	-43,536	-39,895
Other operating expenses	1	-10,442	-9,354
Total operating expenses		-66,321	-62,710
Operating profit before revaluations, disposal of investment properties, depreciation and amortisation		13,000	14,701
Income from revaluations	7	16,738	13,378
Income from disposal of investment properties	3	907	1,135
Operating profit before depreciation and amortisation		30,646	29,214
Depreciation and amortisation		-953	-909
Operating profit (EBIT)		29,693	28,305
Financial income		172	675
Financial expense		-3,958	-4,318
Financial result		-3,786	-3,643
Profit before Tax		25,908	24,662
Income taxes		-6,220	-5,863
Net profit		19,688	18,799
Of which attributable to Investis Holding SA shareholders		17,498	17,684
Of which attributable to non-controlling interests		2,190	1,115
Earnings per share in CHF (basic/diluted)	4	1.37	1.77

The disclosures in the notes form an integral part of the consolidated financial statements.

Consolidated balance sheet (condensed)

In CHF 1,000		30.06.2016	31.12.2015
Cash and cash equivalents		40,713	47,983
Securities		4,606	2,028
Trade receivables		14,258	17,663
Other receivables	5	152,706	1,160
Properties held for sale	6	14,236	14,116
Prepaid expenses and accrued income		11,850	4,747
Total current assets		238,369	87,698
Investment properties			
- Residential properties	7	766,399	745,866
- Commercial properties	7	76,111	81,045
- Properties under development	7	5,508	3,507
- Undeveloped plots of land	7	12,292	12,235
Tangible fixed assets		5,079	5,012
Intangible fixed assets		979	1,267
Financial assets of related parties and shareholder		30,664	44,993
Other financial assets		2,742	2,624
Deferred tax assets		194	204
Total non-current assets		899,967	896,753
Total assets		1,138,336	984,451

The disclosures in the notes form an integral part of the consolidated financial statements.

In CHF 1,000		30.06.2016	31.12.2015
Current financial liabilities	8	5,929	5,558
Trade payables		3,485	3,907
Other liabilities		44,119	36,436
Accrued expenses		28,924	15,072
Total current liabilities		82,457	60,973
Mortgages	8	331,014	335,685
Other non-current financial liabilities	8	23,356	25,039
Provisions		2,661	2,804
Deferred tax liabilities		135,859	132,539
Total non-current liabilities		492,889	496,067
Total liabilities		575,346	557,039
Share capital		1,280	1,000
Retained earnings		529,078	395,852
Equity attributable to the shareholders of Investis Holding SA		530,358	396,852
Non-controlling interests		32,632	30,559
Total shareholders' equity		562,990	427,411
Total shareholders' equity and liabilities		1,138,336	984,451

The disclosures in the notes form an integral part of the consolidated financial statements.

Consolidated statement of cash flows (condensed)

In CHF 1,000	1st half 2016	1st half 2015
Cash flow from operating activities		
Net profit	19,688	18,799
Financial result and income taxes	10,006	9,506
Operating profit (EBIT)	29,693	28,305
Income from revaluations	-16,738	-13,378
Depreciation and amortisation	953	909
Income from disposal of investment properties	-907	-1,135
Other non-cash expenses and income	-139	447
Change in net-current-assets		
Trade receivables	3,405	6,837
Other receivables and prepaid expenses	-8,598	-8,997
Investments in properties held for sale	-120	-10,321
Trade liabilities	-422	-1,494
Other liabilities and accrued expenses	6,124	2,827
Income taxes paid	-121	-4,300
Net cash from operating activities (cash flow)	13,128	-301
Cash flow from investing activities		
Investments in properties	-14,043	-10,431
Divestments of properties	6,183	32,453
Purchase of tangible assets	-677	-939
Disposal of tangible assets	0	393
Purchase of intangible assets	-55	-45
Acquisition of subsidiaries, net of cash acquired	0	-4,304
Decrease in financial investments (net)	14,211	-9,548
Interest received	171	344
Net cash from investing activities	5,790	7,922
Cash flow from financing activities		
Share capital increase	280	0
IPO costs	-535	0
Repayment of current financial liabilities	-136	-6,813
Repayments of non-current financial liabilities	-5,847	21,316
Distribution to shareholder	-16,250	-2,500
Distribution to non-controlling interests	-117	-767
Interests paid	-3,582	-4,185
Net cash used in financing activities	-26,187	7,050
Net change in cash and cash equivalents	-7,270	14,671
Cash and cash equivalents at beginning of period	47,983	53,344
Cash and cash equivalents at end of period	40,713	68,016

The disclosures in the notes form an integral part of the consolidated financial statements.

Statement of changes in equity (condensed)

In CHF 1,000	Share capital	Retained earnings		Total equity attributable to shareholders of Investis Holding SA	Non-controlling-interest	Total shareholders' equity
		Goodwill recognised	General reserves			
Equity as at 31.12.2014	1,000	-50,313	414,694	365,381	28,347	393,728
Net profit			17,684	17,684	1,115	18,799
Distribution to shareholders			-7,300	-7,300	-767	-8,067
Acquisition of participation groupe companies		-210	0	-210	0	-210
Equity as at 30.06.2015	1,000	-50,523	425,078	375,556	28,694	404,251
Equity as at 31.12.2015	1,000	-50,527	446,379	396,852	30,559	427,411
Net profit			17,498	17,498	2,190	19,688
Capital increase	280		140,728	141,008		141,008
Distribution to shareholders			-25,000	-25,000	-117	-25,117
Equity as at 30.06.2016	1,280	-50,527	579,605	530,358	32,632	562,990

The disclosures in the notes form an integral part of the consolidated financial statements.

Significant accounting and valuation policies

General information

Investis Holding SA (ultimate parent company) is based in Zurich, Switzerland. Its shares are traded on the SIX Swiss Exchange since 30 June 2016 (IREN). The unaudited consolidated financial statements, prepared as at 30 June 2016, include Investis Holding SA and all its direct or indirect subsidiaries (Investis Group) and its shareholdings in associated companies and joint ventures.

The business activity of the Investis Group includes, the long-term holding of residential and commercial properties as well as comprehensive real estate services in the areas of property management, facility management and construction management.

Principles

The unaudited consolidated financial statements of Investis Holding SA have been prepared in accordance with Swiss GAAP FER as a whole and the special provisions for real estate companies specified in Art. 17 of the SIX Swiss Exchange's Directive on Financial Reporting, and give a true and fair view of the assets, liabilities and earnings of Investis Holding SA.

The consolidation and accounting policies applied to the present consolidated financial statements are unchanged from those applied to the 2015 consolidated financial statements.

Swiss GAAP FER 31 regulations with regard to interim financial reporting were applied for the first time to these half-year financial statements dated 30 June 2016. These interim financial statements do not contain all information and disclosures required for annual financial reporting and should therefore be read in conjunction with the consolidated financial statements as at 31 December 2015. The new recommendations of the Swiss GAAP FER Framework concerning revenue recognition as well as those in Swiss GAAP FER 3 and 6, which entered into force as of 1 January 2016, have been adopted. The revised principles concerning revenue recognition had no impact on the disclosures in the consolidated balance sheet and income statement.

Real estate valuation method and technique

The properties held for investment purposes were valued on the basis of the fair value assessments (update valuations) performed by a recognized independent real estate expert (Wüest & Partner AG) as at 30 June 2016 using the DCF (discounted cash flows) method. The valuation method and technique applied for the half-year financial statements for 2016 are unchanged from the previous year.

Scope of consolidation

On 7 June 2016, the Investis Holding SA, Zurich was incorporated and registered in the commercial register of the Canton of Zurich on 8 June 2016 with a share capital of CHF 1,000,000 divided into 10,000,000 registered shares with a nominal value of CHF 0.10 each. The share capital was paid-up by the contribution in kind of 1,000,000 registered shares in Investis Investments SA (former Investis Holding SA), Lens, the former ultimate parent company of Investis Group.

There were no business combinations in the first half-year 2016. In May 2016 100% of the shares on Ooh networks Sàrl, Lens was sold for CHF 0.02 million.

In the first half-year 2015 two companies were acquired, La Pomardière SA and IMHOFF.CH Sàrl. These transactions resulted in a cash outflow of CHF 4.3 million.

In CHF 1,000	2016		2015	
	Acquisitions	Disposals	Acquisitions	Disposals
Cash and cash equivalents	0	24	0	0
Trade and other current receivables	0	0	93	0
Investment properties	0	0	5,126	0
Trade and other current liabilities	0	4	63	0
Non-current liabilities	0	0	1,062	0
Net assets acquired/disposed	0	20	4,094	0
Goodwill (recognised in equity)	0		210	
Purchase/selling price	0	20	4,304	0
Cash and cash equivalents acquired/disposed	0	24	0	0
Unpaid purchase price consideration	0	0	0	0
Purchase price consideration for acquisitions in prior years	0		0	
Cash outflow on acquisitions	0		4,304	
Cash outflow from disposals		-4		0

Notes to the consolidated financial statements

1. Segment reporting

1st half 2016 In CHF 1,000	Properties	Real Estate Services	Corporate	Eliminationen	Investis Group
Total revenues¹⁾	20,180	68,717	0	-9,576	79,321
Direct expenses	-7,004	-14,902	0	9,564	-12,342
Personnel expenses	-167	-42,292	-1,078	0	-43,536
Other operating expenses	-799	-9,344	-312	13	-10,442
Total operating expenses	-7,970	-66,537	-1,390	9,576	-66,321
EBITDA before revaluations and disposals	12,210	2,180	-1,390	0	13,000
Income from revaluations	16,738	0	0	0	16,738
Income from disposal of investment properties	907	0	0	0	907
EBITDA	29,856	2,180	-1,390	0	30,646
Depreciation and amortisation	-98	-729	-126	0	-953
Operating profit (EBIT)	29,758	1,451	-1,516	0	29,693
Total segment assets as at 30 June 2016²⁾	890,296	68,490	189,393	-9,843	1,138,336
Total segment liabilities as at 30 June 2016²⁾	17,755	56,152	511,283	-9,843	575,346
Headcount as of 30 June 2016	3	1,112	12	0	1,127
FTEs as of 30 June 2016	3	892	11	0	906
average FTEs	3	875	11	0	889

1) The revenue is generated exclusively in Switzerland.

2) The assets and liabilities shown under "Corporate" include the corporate items from the statement of financial position and the financial assets/liabilities which are not segment specific and tax assets/liabilities of the Investis Group.

1st half 2015 In CHF 1,000	Properties	Real Estate Services	Corporate	Eliminationen	Investis Group
Total revenues¹⁾	20,521	62,829	29	-5,968	77,411
Direct expenses	-6,943	-12,414	0	5,896	-13,461
Personnel expenses	-228	-38,777	-890	0	-39,895
Other operating expenses	-205	-9,053	-168	72	-9,354
Total operating expenses	-7,375	-60,244	-1,058	5,968	-62,710
EBITDA before revaluations and disposals	13,146	2,585	-1,030	0	14,701
Income from revaluations	13,378	0	0	0	13,378
Income from disposal of investment properties	1,135	0	0	0	1,135
EBITDA	27,659	2,585	-1,030	0	29,214
Depreciation and amortisation	-99	-742	-68	0	-909
Operating profit (EBIT)	27,560	1,842	-1,097	0	28,305
Total segment assets as at 30 June 2015²⁾	855,126	65,520	51,732	-6,236	966,143
Total segment liabilities as at 30 June 2015²⁾	11,953	53,941	502,233	-6,236	561,892
Headcount as of 30 June 2015	3	1,047	13	0	1,063
FTEs as of 30 June 2015	3	803	13	0	818
average FTEs	5	815	12	0	832

1) The revenue is generated exclusively in Switzerland.

2) The assets and liabilities shown under "Corporate" include the corporate items from the statement of financial position and the financial assets/liabilities which are not segment specific and tax assets/liabilities of the Investis Group.

2. Revenue from letting of properties

Duration of existing fixed leases of commercial properties:

in CHF millions	Annualised rental income	
	30.06.2016	31.12.2015
less than one year	0.8	0.9
1 - 2 years	0.2	0.7
2 - 3 years	-	0.3
3 - 4 years	-	-
4 - 5 years	0.4	-
5 - 6 years	0.6	0.2
more than 7 years	1.0	1.0

Most important tenants of Investis Group

The five most important tenants measured according to property income were (in alphabetical order):

As of 30.06.2016: Brandt SA, Globe Plant & Cie SA, Hospice Général, Valotel Management (Rothrist) AG and Valotel Management (Sion) SA.

As of 31.12.2015: Globe Plant & Cie SA, Hospice Général, RRG Léman SA, Valotel Management (Rothrist) AG and Valotel Management (Sion) SA.

Share of annualised rental income by (%):	30.06.2016	31.12.2015
The most important tenant	1.1%	1.2%
The second to the fifth most important tenants	3.3%	2.9%
The five most important tenants	4.4%	4.1%

3. Income from the sale of investment properties

In CHF 1,000	1st half 2016	1st half 2015
Sales proceeds, net	9,583	32,453
Investment costs	-3,286	-19,386
Gross profit	6,297	13,067
Accumulated valuation gains	-5,390	-11,932
Net profit	907	1,135
Of which profits on disposal of residential properties	0	1,135
Of which profits on disposal of commercial properties	907	0

For details of the investment properties sold see note 6.

4. Earnings per share and net asset value

Earnings per share are calculated by dividing the net income by the number of outstanding shares entitled to dividends. All new shares are entitled to full dividend rights. For both periods under review there were no dilutive effects.

Earnings per share

		30.06.2016	30.06.2015
Net profit attributable to Investis Holding SA shareholders	in CHF 1,000	17,498	17,684
Number of shares ¹⁾		12,800,000	10,000,000
Earnings per share (undiluted/diluted)	in CHF	1.37	1.77

Net asset value per share

		30.06.2016	31.12.2015
Equity attributable to the shareholders of Investis Holding SA at end of period	in CHF 1,000	530,358	396,852
Number of shares ²⁾		12,800,000	10,000,000
NAV per share (undiluted/diluted)	in CHF	41.43	39.69

Net asset value not including deferred taxes with regard to investment properties

		30.06.2016	31.12.2015
Equity attributable to the shareholders of Investis Holding SA at end of period	in CHF 1,000	530,358	396,852
Deferred taxes with regard to investment properties		135,684	132,413
Net asset value not including deferred taxes with regard to investment properties		666,042	529,265
Number of shares ²⁾		12,800,000	10,000,000
NAV per share not including deferred taxes with regard to investment properties (undiluted/diluted)	in CHF	52.03	52.93

- 1) In order to enhance the comparability the numbers of shares as of 30.06.2015 reflects the number of shares of Investis Holding SA as at 7 June 2016 when it was incorporated. The numbers of shares of Investis Investments SA (formerly Investis Holding SA) amounted as at 30 June 2015 to 1,000,000 pieces which resulted in earnings per share of CHF 17.68).
- 2) In order to enhance the comparability the numbers of shares as of 31.12.2015 reflects the number of shares of Investis Holding SA as at 7 June 2016 when it was incorporated. The numbers of shares of Investis Investments SA (formerly Investis Holding SA) amounted as at 31 December 2015 to 1,000,000 pieces which resulted in a NAV per share of CHF 396.85).

5. Other receivables

The other receivables include as at 30 June 2016 the net proceeds from the capital increase which was closed on 4 July 2016.

6. Properties held for sale

In CHF 1,000	1st half 2016	1st half 2015
Acquisition values as at 01.01.	14,116	9,805
Increases from purchases	120	10,321
Reclass	-	-5,520
Acquisition values as at 30.06.	14,236	14,606

In the first half of 2015, "Route de Grinchon" in Bluche VS, a property previously held for sale was transferred into the investment property portfolio and reclassified as residential property.

7. Investment properties

In CHF 1,000	Residential properties	Commercial properties	Properties under development	Undeveloped plots of land	Total investment properties
Market value as at 01.01.2015	723,161	63,575	1,025	12,085	799,846
Acquisition values as at 01.01.2015	278,513	43,994	1,025	12,085	335,617
Acquisition of participation in group companies	5,126				5,126
Increases from purchases	9,452	57	896		10,405
Capitalisation of borrowing costs				26	26
Disposals	-19,386				-19,386
Reclass	5,520				5,520
Acquisition costs as at 30.06.2015	279,225	44,051	1,921	12,111	337,307
Revaluation as at 01.01.2015	444,648	19,581			464,229
Gains on valuations	15,698	584			16,282
Losses on valuations	-2,116	-255	-533		-2,904
Disposals	-11,932				-11,932
Revaluation as at 30.06.2015	446,298	19,910	-533	0	465,675
Market value as at 30.06.2015	725,523	63,961	1,388	12,110	802,983
Market value as at 01.01.2016	745,866	81,045	3,507	12,235	842,653
Acquisition values as at 01.01.2016	285,621	57,471	4,073	12,235	359,400
Acquisition of participation in group companies					0
Increases from purchases	2,833	4,800	1,905		9,538
Capitalisation of borrowing costs				57	57
Disposals	-187	-3,099			-3,286
Acquisition costs as at 30.06.2016	288,267	59,172	5,978	12,292	365,709
Revaluation as at 01.01.2016	460,245	23,574	-566	0	483,253
Gains on valuations	21,370	279	96	0	21,745
Losses on valuations	-3,470	-1,537	0	0	-5,007
Disposals	-13	-5,377			-5,390
Revaluation as at 30.06.2016	478,132	16,939	-470	0	494,601
Market value as at 30.06.2016	766,399	76,111	5,508	12,292	860,309

Increases from purchases consisted of value-enhancing renovations of CHF 2.7 million (first half 2015 CHF 2.5 million) and purchases and investments amounting to CHF 6.9 million (first half 2015: CHF 8.0 million).

In the 1st half 2016 one residential property (Route du Pont du Diable 7 in Lens) and two commercial properties (Chocolatière 21 in Echandens, C.-F. Ramuz 106 in Pully) were sold. In the 1st half 2015 three residential properties (Moulins 127-129 and Moulins 131-133 in Yverdon-les-Bains, Pontarlier 1/Ancienne-Poste 36 in Vallorbe) were sold.

The valuation of investment properties was carried out by Wüest & Partner AG in accordance with national and international standards and guidelines.

8. Financial liabilities

In CHF 1,000	30.06.2016	31.12.2015
Amortisation obligations on mortgages	927	420
Loans from third parties	5,002	5,138
Current financial liabilities	5,929	5,558
Mortgages	331,014	335,685
Loans from third parties	23,356	25,039
Non-current financial liabilities	354,370	360,723
Total financial liabilities	360,299	366,281

Mortgages and fixed advances that are not repaid within 12 months but renewed are reported under "Non-current financial liabilities" to reflect the economic reality. Mortgages due for repayment within the next 12 months are reported under short-term financial debt.

Investment properties in the amounts of CHF 362.9 million (31.12.2015: CHF 365.4 million) were pledged to secure long-term financial debt.

As at balance sheet date, amounts fall due as follows:

In CHF 1,000	30.06.2016	31.12.2015
Rollover mortgages	253,360	252,633
Due within the first year ¹⁾	43,935	39,479
Due within the second year	20,750	29,805
Due within the third year	3,640	0
Due within the fourth year	8,105	12,038
Due within the fifth year and longer	2,151	2,151
Total mortgages	331,941	336,105
Loans from third parties ²⁾	28,358	30,177
Total loans from third parties and current accounts with banks	28,358	30,177
Total financial liabilities	360,299	366,281

1) Mortgages with a maturity within the first year are reported under non-current liabilities as an extension is intended.

2) The loans from third parties contain unsettled purchase prices paid for acquisitions of CHF 15 million (31.12.2015: CHF 15 million) which are being amortised annually by CHF 5 million. The remaining loans from third parties have no fixed maturity.

Interest maturity periods are as follows (composition until next interest rate adjustment):

In CHF 1,000	Interest rates		
	as of 30.06.2016	30.06.2016	31.12.2015
up to one year		185,599	180,709
up to 2 years		19,625	28,680
up to 3 years		0	0
up to 4 years		54,225	0
over 5 years		72,491	126,716
Total mortgages	0.6% - 3.7%	331,941	336,105
Loans from third parties		28,358	30,177
Total loans from third parties and current accounts with banks	0.0% - 0.25%	28,358	30,177
Total financial liabilities		360,299	366,281

The weighted average interest costs for all mortgages amounted to 2.0% (2015: 2.2%).

9. Events after the balance sheet date

On 4 July 2016 the capital increase of 2,800,000 shares in connection with the initial public offering was completed. The gross proceeds amounting to CHF 148.4 million.

On 21 July 2016, Investis Investments SA (a subsidiary of the Company) has signed and closed a share purchase agreement according to which it has acquired the 49% minority stake in Investis Patrimoine SA for CHF 30.8 million. In addition, it has paid CHF 10.6 million for the loan payable by Investis Patrimoine SA. The total consideration for the minority stake buyout and the loan repayment hence amounts to CHF 41.4 million.

The Board of Directors approved the consolidated financial statements for publication on 12 September 2016.

No other events occurred between 30 June 2016 and the date of approval of the consolidated interim financial statements which would require adjustments to the carrying amounts of the Group's assets and liabilities as at 30 June 2016 or would require disclosure in this section.

Properties portfolio

Information on investment categories as at 30.06.2016

In CHF million	Fair value	Annualised full occupancy property rent ¹⁾	Vacancy rate in %
Residential properties	766.4	37.8	3.5%
of which in canton of Geneva	522.7	25.9	2.9%
of which in canton of Vaud	217.5	11.0	1.0%
of which in other cantons	26.2	0.9	51.8%
Commercial properties	76.1	4.0	0.0%
of which in canton of Geneva	40.1	1.9	0.0%
of which in canton of Vaud	36.0	2.1	0.0%
Properties under development	5.5		
of which in canton of Geneva	0.0		
of which in canton of Vaud	0.0		
of which in other cantons	5.5		
Undeveloped plots of land	12.3		
of which in canton of Geneva	0.0		
of which in canton of Vaud	0.0		
of which in other cantons	12.3		
Total investment properties	860.3	41.8	3.2%
Properties held for sale	14.2		
of which in canton of Geneva	0.0		
of which in canton of Vaud	14.2		
of which in other cantons	0.0		
Total properties portfolio	874.5		

1) including rental income from group companies

Development properties as at 30.06.2016

Canton	Location	Address	Book Value (CHF million)	Built	Project- description	Projectstatus 30.06.2016	Realisation period ⁴	Ownership ⁶	Site area in sqm	Total lettable area				
										Total in sqm	Residen- tial in %	Commer- cial in %	Retail in %	Other in %
Development properties held for sale														
VD	Lausanne	Les Logis de Prilly ¹	0.7	-	163 condominiums	construction project	2016-2018	J (1/6)	15,125	11,666	100%	-	-	-
VS	Lens	Le Prado ²	3.1	2015	6 condominiums	for sale	-	S (50%)	1,317	1,043	96%	-	-	4%
Investment properties under development														
VS	Chermignon	Les Ardoises ³	5.5	-	24 condominiums	construction project	2016	S	5,150	1,350	100%	-	-	-
Undeveloped plots of land														
BE	Saanen	Saanen	8.2	-	open	in planning	open (2019)	S	3,356	-	-	-	-	-
VS	Hérémente	Hérémente ²	4.1	-	open	in planning	2016-2026 ⁵	S (50%)	25,088	-	-	-	-	-

1) Site area and lettable area for Les Logis de Prilly correspond to 100% of the project

2) The Group owns 50% in the subsidiary and applied JV accounting. Sqm information relates to 100% of the property.

3) Yielding property under construction.

4) Future dates indicate planned completion of the development project.

5) According to the current planning stage, the first building may be completed in the course of 2018, while the completion of the whole project is planned for 2026.

6) S = Sole Ownership / J = Joint Ownership

Contact and financial calendar

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Financial calendar

22 March 2017
27 April 2017

Annual results 2016
Ordinary Annual General Meeting 2017

Share data

ISIN	CH 0325094297
Swiss security no.	32509429
Ticker symbol	IREN
Bloomberg	IREN SE
Reuters	IREN.S
Type of security	Registered share
Trading currency	CHF
Listing	SIX Swiss Exchange
Index	SPI, SXI Real Estate Shares
No. of registered shares outstanding	12'800'000
Nominal value in CHF	0.10

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