

**Press release****Zurich, 25 March 2020****Excellent result – all IPO objectives achieved ahead of time**

- Revenue of CHF 188 million – Net profit tripled
- Excellent increase in operating earnings to CHF 47 million (+17%)
- Real Estate Services achieves its IPO target with EBIT margin of 8.4%
- Net profit excluding revaluation effect doubled to CHF 70 million
- Dividend of CHF 2.35 per share proposed

Investis can look back on an excellent year. The Properties segment saw a further organic increase in rental income and expanded its portfolio through targeted investments in prime locations. Meanwhile, the plan to concentrate the Real Estate Services segment on two brands was completed successfully, and the segment established its profitability in the high single-digit range. The overall net profit of CHF 173 million can be attributed to an excellent operational performance, a positive one-off effect from the implementation of the tax reform in Canton Geneva (TRAF), disposal gains and revaluation effects. Net asset value (NAV) per share excluding deferred taxes with regard to properties increased considerably to CHF 67.61 (CHF 59.59).

**Investis increases profitability of both segments**

Revenue came to CHF 188 million in 2019 (previous year: CHF 197 million). The decrease is due to sales made during the year and to further streamlining of mandates in the Real Estate Services segment. EBITDA before revaluations and disposal gains rose by a healthy 17% to CHF 46.7 million (CHF 39.7 million). Including revaluations and gains from disposals, as well as gains from the sale of Real Estate Services subsidiaries the EBIT was 71% higher at CHF 127.2 million (CHF 74.6 million).

**Properties: Rental income rises to CHF 57 million**

Investis posted a very good result in its Properties segment. It also made significant additional investments in the portfolio (CHF 134 million, prior year CHF 242 million). Rental income increased in the year under review by 4% to CHF 57.0 million (CHF 55.0 million), which is equivalent to a 0.4% rise (1.7%) on a like-for-like basis.

Segment EBIT was CHF 102.5 million (CHF 71.9 million). This excellent result includes revaluation effects of CHF 56.6 million as well as disposal gains of CHF 8.2 million from the sale of individual properties.

The portfolio value amounted to CHF 1,438 million at the end of the year, an increase of 6.9% (CHF 1,345 million); this is based on an annualised full occupancy property rent of CHF 61.2 million (CHF 57.7 million). The vacancy rate stayed low at 3.2% (2.9%). On the balance sheet date, the portfolio comprised 170 properties with 3,049 residential units.

**Real Estate Services segment: IPO targets achieved – concentration on two brands**

The Real Estate Services segment generated revenue of CHF 136.0 million, which is 8% down on the previous year's CHF 147.8 million. Both activities were streamlined and now operate under one brand each: Privera for Property Management and hauswartprofis / conciergepro for Facility Services. The disposed subsidiaries contributed revenue of CHF 20.6 million in 2019.

**Property Management** sold both Régie du Rhône subsidiaries. Rents under management fell to CHF 1.41 billion as a result (CHF 1.74 billion). Privera posted healthy organic growth of 2.3% for the year under review.

**Facility Services** streamlined its portfolio over the course of the year, selling its Synergie, Chauffage-Assistance and Clim-Assistance subsidiaries.

The Real Estate Services Segment's operating profit (EBIT) rose significantly, by 49% to CHF 11.5 million (CHF 7.7 million). The EBIT margin came to 8.4% (5.2%), surpassing the defined target.

**EBIT**

Thanks to higher cash flows from properties and a slightly lower weighted average real discount rate of 3.43% (6 basis points lower than previous year), revaluation gains stood at CHF 56.6 million. The sale of individual properties generated disposal gains of CHF 8.2 million (CHF 12.8 million). In addition, a gain from the disposal of subsidiaries in the Real Estate Service Segment of CHF 18.2 million was achieved. All in all, this resulted in an excellent EBIT of CHF 127.2 million (CHF 74.6 million).

**Financial result**

**Financial income** came to CHF 5.8 million, a substantial rise on the prior year's CHF 0.1 million. This income includes predominately the positive impact of reducing the stake in Polytech Ventures Holding SA.

**Financial expenses** went up from CHF 3.9 million in the previous year to CHF 5.2 million owing to a new bond issue and the renewal of the bond that fell due in February 2019.

**Income taxes**

Following implementation of the TRAF tax reform in Canton Geneva, CHF 61 million of deferred tax liabilities were released in May 2019. This positive one-off effect led to total net tax income for 2019 of CHF 45.0 million (previous year: tax expense of CHF 16.4 million). An average tax rate of 16% is expected for 2020.

**Net profit**

Net profit came to an excellent CHF 172.8 million (CHF 54.4 million) and earnings per share to CHF 13.59 (previous year: CHF 4.27). Net profit excluding revaluation effects doubled to 69.5 million (CHF 35.6 million).

Net asset value (NAV) per share excluding deferred taxes with regard to properties increased year-on-year to CHF 67.61 (previous year: CHF 59.59).

### **Very solid balance sheet – stronger equity ratio of 47%**

Total assets came to CHF 1.57 billion as at 31 December 2019, with a comfortable equity ratio of 47% (41%). The significant deferred tax liabilities came to CHF 127 million (previous year CHF 178 million). The real estate portfolio was worth CHF 1.44 billion at the end of the year (CHF 1.35 billion), giving a loan-to-value of 46% in relation to interest-bearing financial liabilities or 42% after considering the excess cash at the end of the year. In addition, all mortgages were paid back during the financial year. As of the balance sheet date, there was no third-party collateral charged against the real estate portfolio, and all promissory notes were held by Investis itself.

### **2020 Annual General Meeting of Shareholders**

The AGM 2020 will take place as planned on 28 April 2020 under extraordinary conditions. However, in accordance with the requirements as defined in the Ordinance 2 of the Federal Council of Switzerland, regarding measures to prevent coronavirus (COVID-19) (COVID-19-Ordinance 2), **shareholders will not be allowed to attend the event in person.**

Shareholders are requested to vote their shares in advance by giving a power of attorney to the independent proxy. The AGM will neither have any addresses by the Chairman and senior management, nor a webcast. It will only allow the independent proxy on behalf of the shareholders to vote on the proposals of the Board of Directors. These measures have been taken to protect the health of shareholders, of Investis employees and employees of third-party providers.

At the AGM 2020, shareholders will be asked to approve a dividend of CHF 2.35 per share, half of which would be in the form of a repayment from capital contribution reserves. This corresponds to a pay-out ratio of 17.4%. All members of the Board of Directors and the Compensation Committee are making themselves available for re-election.

### **Market environment and outlook for 2020**

The Swiss economy performed positively again in 2019. In the global competition to attract international companies, Switzerland – in the Lake Geneva region but also elsewhere – did well. The residential property market around Lake Geneva continued to benefit from this. Ongoing migration coupled with demographic change and a low proportion of new build properties in central locations mean there is still a strong demand for mid-market rental apartments. This is having a positive effect on the rent situation and vacancy rates. We expect only apartment rents in or close to urban centers to increase. The microlocation, especially the quality of public transportation network, is a decisive factor when choosing an apartment, i.e. city centers are benefiting from accessibility and rental preferences.

The foundations have been laid in the Real Estate Services segment for profitable business going forward. In both areas, the focus is on revenue growth coupled with profitability.

Investis plans to maintain its expansion through targeted acquisition of investment properties in attractive locations with a focus on the Lake Geneva Region.

## Reporting

The 2019 Annual Report is available at <https://reports.investisgroup.com/19/ar> and on our website at [www.investisgroup.com/en](http://www.investisgroup.com/en) under Investors / Reporting. Under the section «Alternative Performance Measures» of the Annual Report 2019, key indicators that are not defined by Swiss GAAP FER are explained.

A conference call on the annual results for media and analysts (in English) will be held today at 10.00 a.m. Following the presentation of the annual results, Stéphane Bonvin (CEO) and René Hasler (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 7.00 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

28 April 2020	Ordinary Annual General Meeting 2020
27 August 2020	Publication of the half-year results 2020

## Investor & Media relations

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## About Investis Group

Founded in 1994, Investis group is a leading real-estate company in the Lake Geneva region and a national real estate services provider active in the two segments of Properties and Real Estate Services. The portfolio of Investis consists almost exclusively of residential properties with apartments in the mid-price segment in the Lake Geneva region and was valued at CHF 1,438 million as at 31 December 2019. Investis Real Estate Services is active throughout Switzerland with well-known brands.

For further information: [www.investisgroup.com](http://www.investisgroup.com)

## SELECTED KEY FIGURES

Investis financial key figures		31.12.2019	31.12.2018
Revenue	CHF 1,000	187,509	197,491
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	46,665	39,724
EBIT	CHF 1,000	127,159	74,575
Net profit	CHF 1,000	172,825	54,376
Net profit excluding revaluation effect <sup>1)</sup>	CHF 1,000	69,535	35,576
Funds from operations (FFO) <sup>1)</sup>	CHF 1,000	16,093	61,145
<b>Total assets</b>			
Total assets	CHF 1,000	1,565,564	1,423,653
<b>Interest-bearing financial liabilities</b>			
Interest-bearing financial liabilities	CHF 1,000	660,000	545,631
<b>Gross LTV <sup>1)</sup></b>			
Gross LTV <sup>1)</sup>		46%	41%
<b>Deferred tax liabilities</b>			
Deferred tax liabilities	CHF 1,000	127,197	177,639
<b>Shareholders' equity</b>			
Shareholders' equity	CHF 1,000	739,981	588,511
<b>Equity ratio</b>			
Equity ratio		47.3%	41.3%
<b>Number of employees</b>			
<b>Headcount (as at period end)</b>			
Headcount (as at period end)		1,229	1,391
<b>FTE (full-time equivalent, average over the period)</b>			
FTE (full-time equivalent, average over the period)		1,081	1,169
<b>Data per share</b>			
<b>Share data</b>		31.12.2019	31.12.2018
<b>Share capital</b>			
Share capital	CHF 1,000	1,280	1,280
<b>Number of registered shares issued</b>			
Number of registered shares issued		12,800,000	12,800,000
<b>Nominal value per share</b>			
Nominal value per share	CHF	0.10	0.10
<b>NAV per share <sup>1)</sup></b>			
NAV per share <sup>1)</sup>	CHF	57.74	45.89
<b>NAV per share excluding deferred taxes with regard to properties <sup>1)</sup></b>			
NAV per share excluding deferred taxes with regard to properties <sup>1)</sup>	CHF	67.61	59.59
<b>Earnings per share (basic/diluted)</b>			
Earnings per share (basic/diluted)	CHF	13.59	4.27
<b>Gross dividend <sup>2)</sup></b>			
Gross dividend <sup>2)</sup>	CHF	2.35	2.35
<b>Dividend yield <sup>1,2)</sup></b>			
Dividend yield <sup>1,2)</sup>		2.9%	3.8%
<b>Payout ratio <sup>1,2)</sup></b>			
Payout ratio <sup>1,2)</sup>		17.4%	55.4%
<b>Share price</b>			
<b>Share price – high</b>			
Share price – high	CHF	81.60	67.80
<b>Share price – low</b>			
Share price – low	CHF	60.20	56.60
<b>Share price at end of period</b>			
Share price at end of period	CHF	81.20	61.80
<b>Average number of shares traded per day</b>			
Average number of shares traded per day		4,497	1,762
<b>Market capitalisation at end of period</b>			
Market capitalisation at end of period	CHF 1,000	1,039,360	791,040

Properties key figures		31.12.2019	31.12.2018
Residential investment properties	CHF 1,000	1,260,330	1,146,271
Commercial investment properties	CHF 1,000	127,713	102,729
Investment properties under construction	CHF 1,000	8,765	25,073
Undeveloped plots of land	CHF 1,000	-	1,673
Properties held for sale	CHF 1,000	40,965	69,476
Total property portfolio	CHF 1,000	1,437,774	1,345,221
Total buildings		170	157
Total residential units		3,049	2,911
Average discount rate		3.43%	3.49%
Revenue	CHF 1,000	56,980	54,983
Like-for-like rental growth <sup>1)</sup>		0.4%	1.7%
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	37,768	34,953
EBIT	CHF 1,000	102,549	71,864
Annualised full occupancy property rent	CHF million	61.2	57.7
Annualised property rent	CHF million	59.2	56.0
Vacancy rate		3.2%	2.9%
Real Estate Services key figures		31.12.2019	31.12.2018
Rents under management	CHF billion	1.41	1.74
Revenue	CHF 1,000	135,967	147,832
Of which property management		51%	54%
Of which facility services		48%	46%
Of which other		1%	0%
EBIT	CHF 1,000	11,489	7,701
EBIT margin		8.4%	5.2%

- 1) The section "Alternative Performance Measures" includes definitions of performance measures that are not defined under Swiss GAAP FER.  
2) Intended distribution per share 2019 in accordance with the proposal to the Annual General Meeting of 28 April 2020.