

**Press release****Zurich, 24 March 2021****Excellent results for 2020 – Increased dividend**

- **Increase in valuation by CHF 79 million underlines the portfolio quality**
- **Like-for-like rental increases by +1.6%**
- **Real Estate Services with increased EBIT margin of 8.6%**
- **Net profit excluding revaluation effect of CHF 45 million**
- **Gross LTV reduced to low 37.6%**
- **Increased NAV per share of CHF 74.80 excluding deferred taxes**

**Statement from Stéphane Bonvin, CEO Investis Group:**

«In a year as challenging and unpredictable as 2020, we proved the strength of the Investis business model. We can look back on an excellent year. But it is what is behind these numbers and successes that makes me really proud of Investis. We have done our utmost to keep our employees safe, healthy, and committed, while also implementing new ways of working. I believe that in future, change will remain the only constant in the real estate business. We are well positioned for the current year, as we continue to absorb and deal with the challenges of the COVID-19 pandemic.»

**Very good earnings situation under difficult conditions**

The Group achieved revenues of CHF 179 million in 2020 (prior year: CHF 188 million). This net-decrease of 4.7% is due to our exit from the serviced apartments business and to the sale of Real Estate Services subsidiaries in financial year 2019. EBITDA before revaluations and disposal gains was CHF 46 million (CHF 47 million). Higher cash flows from properties and lower discount rates led to revaluation gains of CHF 79 million. The average weighted discount rate for the entire portfolio was 3.15% on a real basis at the end of 2020. The sale of individual properties generated gains of CHF 14 million. This resulted in an excellent EBIT of CHF 136 million (CHF 127 million), an increase of 7.1%. This positive underlying trend can be attributed to a professional crisis management and the strong market position we enjoy in both segments.

The **Properties** segment achieved revenue of CHF 58 million, an increase of 1.6%. Like-for-like rental income performed very well, rising +1.6%. This segment achieved an outstanding EBIT of CHF 131 million (CHF 103 million), which represents an increase of 27.3%. This notable result includes revaluation effects of CHF 79 million as well as income from disposal of properties of CHF 14 million.

The portfolio was valued at CHF 1,490 million at the end of the year, an increase of 3.6%. This resilient portfolio is comprised of 167 buildings with 3,006 residential units. The vacancy rate fell to 3.0% (previous year: 3.2 %). Annualised full occupancy property rent as per 31.12.2020 was CHF 58.6 million (CHF 61.2 million). The decrease is due to the sale of mainly commercial properties in the second half of the year. Following these sales, residential properties now make up 95% of the total portfolio.

The **Real Estate Services segment** generated revenue of CHF 125 million, an increase of CHF 9 million compared with the sales-adjusted figure for the previous year (decline in revenue by CHF 21 million). Privera and hauswartprofis both achieved organic growth. This revenue growth was partly due to various acquisitions. In the Property Management segment, rents under management amounted to CHF 1.42 billion (31.12.2019: CHF 1.41 billion).

Operating profit (EBIT) in this segment came to CHF 10.8 million (CHF 11.5 million). In a challenging market environment, extra personnel had to be taken on for the additional pandemic-related services that were needed. It was not quite possible to maintain the previous year's EBIT margins for either of the two main activities. However, thanks to new activities the overall EBIT margin improved by 0.2 percentage points to 8.6%.

## Financial result

**Financial income** stood at CHF 0.5 million. The equivalent figure of CHF 5.8 million in 2019 included the positive effect of reducing the stake in Polytech Ventures Holding SA. Due to reduced financial debt **financial expenses** decreased to CHF 4.0 million (CHF 5.2 million).

## Income taxes

The tax rate was a low 14.4% (previous year: tax income). The prior-year figures were affected by the implementation of the TRAF tax reform in Canton Geneva: CHF 61 million of deferred tax liabilities were released, leading to a net tax income of CHF 45 million in 2019.

## Net profit

Net profit was an excellent CHF 114 million (2019: CHF 173 million / 2018: CHF 54 million), which is equivalent to CHF 8.91 per share (2019: CHF 13.59 / 2018: CHF 4.27). Net profit excluding revaluation effect came to CHF 45 million. The comparative figures from 2019 were boosted by the one-time release of tax liabilities and the proceeds from sales of subsidiaries.

## Very solid balance sheet – gross LTV below 38%

Total assets came to CHF 1.56 billion as at 31 December 2020, with a very comfortable equity ratio of 53% (47%). Bonds worth CHF 100 million that fell due in June 2020 were repaid. Deferred tax liabilities increased to CHF 138 million (CHF 127 million).

The property portfolio, which is focused on residential properties in central locations, was valued CHF 1.49 billion at the end of financial year 2020 (CHF 1.44 billion). In relation to interest-bearing financial liabilities this resulted in a loan-to-value of less than 38% (46%). The property portfolio remains unencumbered, and all mortgage notes are held by Investis itself.

Net asset value (NAV) per share excluding deferred taxes with regard to properties increased year-on-year to an excellent CHF 74.80 (CHF 67.61).

### **2021 Annual General Meeting**

The 2021 Annual General Meeting will take place on 27 April 2021, though once again with special restrictions. In accordance with Ordinance 3 on Measures to Combat Coronavirus (Covid-19 Ordinance 3), which the Federal Council has extended until 31 December 2021, the General Meeting will again **take place without public attendance**.

Shareholders are requested to cast their votes in advance by sending their voting instructions to the independent proxy holder. Neither the Chairman of the Board of Directors or Group Management will be making a speech. The event will not be broadcast. Only the independent proxy holder will be allowed to cast votes on behalf of shareholders. These measures are being taken to protect the health of shareholders, employees and external service providers.

At the General Meeting, Investis shareholders will be asked to approve an increased dividend of CHF 2.50 per share, half of which would be in the form of a repayment from capital contribution reserves. This represents a dividend payout ratio of 28.2%.

Following a tender process, the Board of Directors has decided to propose to the General Meeting that KPMG be elected as auditors.

### **Market environment and outlook for 2021**

Although the impact of the COVID-19 crisis posed multiple challenges to the economy, the likes of which are rarely seen, the residential property market remained relatively unaffected. Some segments of the real estate industry were certainly hurt – particularly commercial property and the hotel segment, but the Swiss housing sector, which is a stable anchor for the property market, was only marginally affected by the coronavirus crisis. Neither did COVID-19 trigger a flight from the cities, despite tales of how the pandemic was supposedly making urban centres less appealing. And there was no sign of a trend towards more ownership: the increase in property searches was just as strong for rental property as for owner-occupied homes.

95% of the Investis portfolio is made up of residential property with mid-priced apartments in central locations in the Lake Geneva region. Its focus on this region is the Investis Group's USP. Average rents in Geneva have gone up by 2% in the last 12 months (to CHF 2,350). Average rents in the city of Lausanne are stable at CHF 1,650 per month, only slightly higher than the Swiss average (CHF 1,597). The highly regulated market keeps new investments at a low level, so demand remains high. It is still unclear how the current phenomenon of working from home will impact the size and location of apartments. Investis believes that despite everything, people will still want to live close to city centres.

Immigration into Switzerland remains an important driver of demand and of vacancy rates. According to the Federal Office of Statistics, net migration into Switzerland continues to be positive at +11.6% per

end-of 2020. Migration flows were subject to strong fluctuations last year. These fluctuations should stabilise as soon as the COVID-19 situation is under control.

Investis plans to maintain its expansion through targeted acquisitions in attractive locations, with a focus on the Lake Geneva region. Profitable revenue growth in both activities within the Real Estate Services segment remains the priority coupled with selective acquisitions.

Investis believes that in times of uncertainty, companies with a low debt ratio and a stable balance sheet, including low average borrowing costs, will remain in favour of capital markets. Despite COVID-19 and helped by a low interest rate environment that seems to be continuing for the time being, we think that demand for residential properties in central locations in Switzerland will remain healthy, as will demand for providers of high-quality real estate services.

## Reporting

The 2020 Annual Report is available at <https://reports.investisgroup.com/20/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 2020, 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 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 7.00 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](#):

<https://78449.choruscall.com/dataconf/productusers/investisir/mediaframe/43199/indexl.html>

## Agenda

27 April 2021                      Ordinary Annual General Meeting 2021

1 September 2021                Publication of the half-year results 2021

## Investor & Media relations

Laurence Bienz, Head Investor & Media Relations

Tel.: +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 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 1,490 million as at 31 December 2020. 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		31.12.2020	31.12.2019
Revenue	CHF 1,000	178,689	187,509
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	45,523	46,665
EBIT	CHF 1,000	136,216	127,159
Net profit	CHF 1,000	113,596	172,825
Net profit excluding revaluation effect <sup>1)</sup>	CHF 1,000	45,083	69,535
Funds from operations (FFO) <sup>1)</sup>	CHF 1,000	37,423	16,093
<b>Total assets</b>			
Total assets	CHF 1,000	1,555,986	1,565,564
<b>Interest-bearing financial liabilities</b>			
Interest-bearing financial liabilities	CHF 1,000	560,000	660,000
<b>Gross LTV <sup>1)</sup></b>			
Gross LTV <sup>1)</sup>		38%	46%
<b>Deferred tax liabilities</b>			
Deferred tax liabilities	CHF 1,000	137,752	127,197
<b>Shareholders' equity</b>			
Shareholders' equity	CHF 1,000	821,952	739,981
<b>Equity ratio</b>			
Equity ratio		52.8%	47.3%
<b>Number of employees</b>			
<b>Headcount (as at period end)</b>			
Headcount (as at period end)		1,321	1,229
<b>FTE (full-time equivalent, average over the period)</b>			
FTE (full-time equivalent, average over the period)		1,034	1,081
<b>Data per share</b>			
<b>Share data</b>			
Share capital	CHF	1,280,000	1,280,000
Number of registered shares issued		12,800,000	12,800,000
Nominal value per share	CHF	0.10	0.10
<b>NAV per share <sup>1)</sup></b>			
NAV per share <sup>1)</sup>	CHF	64.13	57.74
NAV per share excluding deferred taxes with regard to properties <sup>1)</sup>	CHF	74.80	67.61
Earnings per share (basic/diluted)	CHF	8.91	13.59
Gross dividend per share <sup>2)</sup>	CHF	2.50	2.35
Dividend yield <sup>1,2)</sup>		2.7%	2.9%
Payout ratio <sup>1,2)</sup>		28.2%	17.4%
<b>Share price</b>			
Share price – high	CHF	91.60	81.60
Share price – low	CHF	70.20	60.20
Share price at end of period	CHF	91.40	81.20
Average number of shares traded per day		2,488	4,497
Market capitalisation at end of period	CHF million	1,170	1,039

Properties key figures		31.12.2020	31.12.2019
Residential investment properties	CHF 1,000	1,365,595	1,260,330
Commercial investment properties	CHF 1,000	75,153	127,713
Investment properties under construction	CHF 1,000	27,706	8,765
Properties held for sale	CHF 1,000	21,501	40,965
Total property portfolio	CHF 1,000	1,489,955	1,437,774
Total buildings		167	170
Total residential units		3,006	3,049
Average discount rate		3.15%	3.43%
Revenue	CHF 1,000	57,869	56,980
Like-for-like rental growth <sup>1)</sup>		1.6%	0.4%
EBITDA before revaluations/disposals <sup>1)</sup>	CHF 1,000	37,226	37,768
EBIT	CHF 1,000	130,593	102,549
Annualised full occupancy property rent	CHF million	58.6	61.2
Annualised property rent	CHF million	56.8	59.2
Vacancy rate		3.0%	3.2%
Real Estate Services key figures		31.12.2020	31.12.2019
Rents under management	CHF billion	1.42	1.41
Revenue	CHF 1,000	124,605	135,967
of which property management		48%	51%
of which facility services		52%	48%
of which other		0%	1%
EBIT	CHF 1,000	10,763	11,489
EBIT margin		8.6%	8.4%

- 1) The section "Alternative Performance Measures" includes definitions of performance measures that are not defined under Swiss GAAP FER.
- 2) Intended distribution 2020 in accordance with the proposal to the Annual General Meeting of 27 April 2021.