

Corporate Communications

Zurich, 2 September 2024 – 07.00 a.m. | Ad hoc announcement pursuant to Art. 53 LR

Strong result – Portfolio expansion on track

- **Revenue up 1.5% to CHF 117 million**
- **Excellent 1.8% like-for-like increase in rental income**
- **Real Estate Services segment sold successfully on 24.6.2024 – CHF 122 million profit from disposal**
- **NAV per share of CHF 107.92** excluding deferred taxes with regard to properties
- **LTV remains very low at 18.7%**

Stéphane Bonvin, CEO of Investis Group said: “We are very pleased with our strong performance in the first half of 2024. Ever since we went public, we have consistently developed and expanded our service business to significantly increase its profitability. In 2016, shortly after our IPO, this segment reported an EBIT margin of 2.9%. Over the years, we have significantly increased our EBIT margin through operational improvements, the placement of qualified professionals in key roles, and focused acquisitions. In June, this successful segment was sold to a new owner.

In the Properties segment, we were able to acquire some outstanding real estate. Lower interest rates have revived the property market. We are currently laying a solid foundation for future growth and profitability, supported by an excellent balance sheet with low leverage. This will further accelerate our future growth.”

Group revenue rose 1.5% to CHF 117 million (prior year: CHF 115 million). In the Properties segment, revenue increased by 7.7% thanks to acquisitions and rent increases. The Real Estate Services segment posted revenue of CHF 90 million as at the sale date 24 June 2024. Group EBITDA before revaluations and disposal gains was CHF 26 million (CHF 25 million).

The average real discount rate increased slightly to 2.99% (2.97% as at 31.12.2023). While the discount rate remained virtually unchanged, rental income from existing properties continued to rise steadily. This resulted in revaluation gains of CHF 4.5 million (devaluation of CHF 48.8 million). The combined effect of these revaluation gains with the income from disposal of the Real Estate Services segment produced a positive operating result (EBIT) of CHF 151 million (CHF –26 million) for the first half of 2024. Five properties were acquired by the reporting date of 30 June 2024 with a gross rental income of CHF 3.6 million.

Excellent operating performance by both segments

The **Properties** segment achieved revenue of CHF 28 million (CHF 26 million). Like-for-like rental income increased by +1.8%, for residential properties +2.0% rise. This improvement is due partly to rent increases on existing tenancy agreements, which are still being implemented continuously (the vast majority of leases are linked to the consumer price index), and partly to changes in tenants. The latter remains in the double-digit range at 11%. The vacancy rate was kept low at 1.0% (0.9% as at 31.12.2023). Gross rental income as at 30.6.2024 was up 7.0% to CHF 62.0 million (CHF 57.9 million as at 31.12.2023). EBITDA before revaluations reached CHF 17.9 million (CHF 16.5 million). The portfolio appreciation totalled CHF 4.5 million (devaluation of CHF –48.8 million as of 30.6.2023). As a result, the segment posted an EBIT of CHF 22.4 million (CHF –32.2 million).

Revenue in the **Real Estate Services** segment as at the sale date of 24.6.2024 came to CHF 90 million, with an EBIT margin of 9.8%. The sale of this segment resulted in a gain of CHF 122.2 million.

This led to a very pleasing EBIT for the group of CHF 150.9 million (CHF –25.9 million).

Financial result

The net financial result amounted to CHF –3.5 million (CHF –0.7 million). Financial expenses in the prior year still had the benefit of a very low interest rate bond (coupon 0.05%) that was due for repayment in October 2023.

Net profit

Net profit excluding revaluation effect reached an excellent CHF 139.1 million. The net profit came to CHF 143.0 million, or CHF 11.21 per share.

Very solid financial position – LTV of 18.7%

Total assets came to CHF 1.7 billion as at 30 June 2024, with a further strengthened and very comfortable equity ratio at 72% (31.12.2023: 64%). The property portfolio was valued at CHF 1,605 million. On the balance sheet date, it comprised 162 buildings with 2,599 residential units. In relation to the value of the property portfolio, the loan-to-value (LTV) is very conservative at 18.7% (interest-bearing financial liabilities of CHF 300 million). Deferred tax liabilities amounted to CHF 142 million (CHF 141 million as at 31.12.2023).

The net asset value (NAV) per share excluding deferred taxes with regard to properties was increased to CHF 107.92 on the reporting date (31.12.2023: CHF 91.68).

Transactions after the balance sheet date

In July/August 2024, four additional properties were acquired and a purchase agreement was signed for another property. The purchase price for all properties amounts to CHF 159 million and the total gross rental income will rise by CHF 10.8 million.

On 16 August 2024, a CHF 100 million bond with a coupon of 1.45% and a maturity date of 16 October 2026 was successfully placed.

Market environment and outlook for 2024

The housing market in Switzerland has noticeably tightened in recent years. Ongoing demographic trends will continue to absorb new construction activity and keep vacancies low, maintaining the potential for further rent growth. Quoted rents in the Lake Geneva region are expected to increase by around 4.0% by the end of 2024, which is the average growth rate in Switzerland.

Between 2007 and 2017, Switzerland's population expanded by around 12%, while the housing supply only increased by 1.4% (Source: FSO). This imbalance has grown ever since as immigration has increased sharply, particularly in the Cantons of Geneva and Vaud.

According to average demographic scenarios, Switzerland's population will grow by >1 million people over the next 30 years. The canton of Geneva is forecasted to have the highest population growth of all cantons by 30% by 2050. The proportion of pensioners will rise sharply. A demographic aging similar to that in Japan is expected. Older people prefer smaller apartments in urban areas with good public transport links and proximity to medical and care facilities. This creates higher demand for smaller city apartments (Investis' core market).

90% of the Investis investment portfolio consists of centrally located, mid-priced residential properties in the Lake Geneva region. This particular focus is the Investis Group's USP. The vacancy rate in Geneva remains very low at 0.46%. Despite a slight increase from 0.38% in 2022 due to developments in Praille, Acacias and Vernets, it is still well below the national average of around 1.15%. Geneva is also the most densely populated city in Switzerland, with 12,796 inhabitants per km². Basel, Zurich and Lausanne have about half as many inhabitants per km².

In summary, the real estate market in Switzerland, and especially in French-speaking Switzerland, is structurally characterised by steady population growth, rising numbers of households, more jobs, higher overall income levels, a low vacancy rate and a scarce supply of housing. The continued rise in demand, particularly for Swiss residential properties, underlines the intrinsic value of Investis' real estate portfolio.

Investis is confident for the current year. The rental potential remains high despite steady rent increases. The low LTV creates opportunities to optimise the existing portfolio further through targeted acquisitions. A good operating performance is expected for the full year 2024.

Agenda

19 March 2025	Publication of 2024 annual results
6 May 2025	2025 Annual General Meeting
27 August 2025	Publication of 2025 half-year results

Further information

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Report and presentation are available

2024 Half-Year Report: <https://reports.investisgroup.com/24/hyr>

Presentation: <https://www.investisgroup.com/en/investors/reporting>.

Today, 9am (CEST) Conference call/webcast – Pre-registration required [here](#)

About Investis Group

Founded in 1994, Investis Group is a leading real estate company in the Lake Geneva region.

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 1,605 million as of 30 June 2024.

INVESTIS has been listed on the SIX Swiss Exchange since June 2016 (symbol: IREN, security number: 32509429, ISIN CH0325094297). For further information: www.investisgroup.com

SELECTED KEY FIGURES

INVESTIS FINANCIAL KEY FIGURES

CHF 1,000	30.06.2024	31.12.2023 restated	30.06.2023 restated
Revenue	116,537	231,530	114,779
EBITDA before revaluations/disposals ¹⁾	26,361	50,062	24,649
EBIT	150,850	-1,487	-25,928
Net profit	142,981	-5,402	-24,429
Net profit excluding revaluation effect ¹⁾	139,102	35,548	17,446
Funds from operations (FFO) ¹⁾	23,900	40,612	18,088
Total assets ²⁾	1,707,347	1,609,590	1,561,438
Total property portfolio	1,604,885	1,518,026	1,460,011
Interest-bearing financial liabilities	300,000	397,000	364,000
Gross LTV ¹⁾	18.7%	26.2%	24.9%
Deferred tax liabilities	141,917	140,839	137,180
Shareholders' equity ²⁾	1,236,035	1,029,243	1,010,216
Equity ratio ²⁾	72.4%	63.9%	64.7%
Number of employees			
Headcount at end of period	20	2,305	2,347
FTE (full-time equivalent, average over the period)	1,579	1,600	1,561

DATA PER SHARE

CHF	30.06.2024	31.12.2023 restated	30.06.2023 restated
Share capital	1,280,000	1,280,000	1,280,000
Number of registered shares issued	12,800,000	12,800,000	12,800,000
Nominal value per share	0.10	0.10	0.10
NAV per share ^{1,2)}	96.80	80.71	79.22
NAV per share excluding deferred taxes with regard to properties ^{1,2)}	107.92	91.68	89.89
Earnings per share (basic/diluted)	11.21	-0.42	-1.91
Share price – annual high	102.00	101.50	101.50
Share price – annual low	92.00	89.60	89.80
Share price at end of period	101.00	97.60	91.80
Average number of shares traded per day	2,125	3,115	2,678
Market capitalisation at end of period (CHF million)	1,293	1,249	1,175

PROPERTIES KEY FIGURES

CHF 1,000	30.06.2024	31.12.2023	30.06.2023
Residential investment properties	1,430,495	1,361,482	1,341,014
Commercial investment properties	166,874	147,012	106,347
Investment properties under construction	282	263	263
Properties held for sale	7,234	9,269	12,386
Total property portfolio	1,604,885	1,518,026	1,460,011
Total buildings	162	152	149
Total residential units	2,599	2,477	2,450
Average discount rate (real)	2.99%	2.97%	2.84%
Revenue	28,190	53,077	26,166
Like-for-like rental growth ¹⁾	1.8%	3.1%	2.5%
EBITDA before revaluations/disposals ¹⁾	17,923	33,691	16,547
EBIT	22,431	-13,868	-32,202
Gross rental income (CHF million)	62.0	57.9	54.5
Net rental income (CHF million)	61.3	57.4	54.0
Vacancy rate	1.0%	0.9%	1.0%

REAL ESTATE SERVICES KEY FIGURES

CHF 1,000	30.06.2024	31.12.2023	30.06.2023
Revenue	89,948	181,696	90,222
of which property management	31%	33%	34%
of which facility services	69%	67%	66%
EBIT	8,783	17,914	8,906
EBIT margin	9.8%	9.9%	9.9%
Rents under management (CHF billion)	-	1.53	1.54

- 1) The section "Alternative Performance Measures" includes definitions of performance measures that are not defined under Swiss GAAP FER.
- 2) 2023 figures restated (Note 4.4).