

# Information for investors and analysts

## Details of the share and distribution to shareholders

In 2016, an overall performance of 17.5% was achieved with the Allreal share, based on the market price of 31 December 2016. This performance comprises the increase in share price (13.2%) and the distribution to shareholders (4.3%).

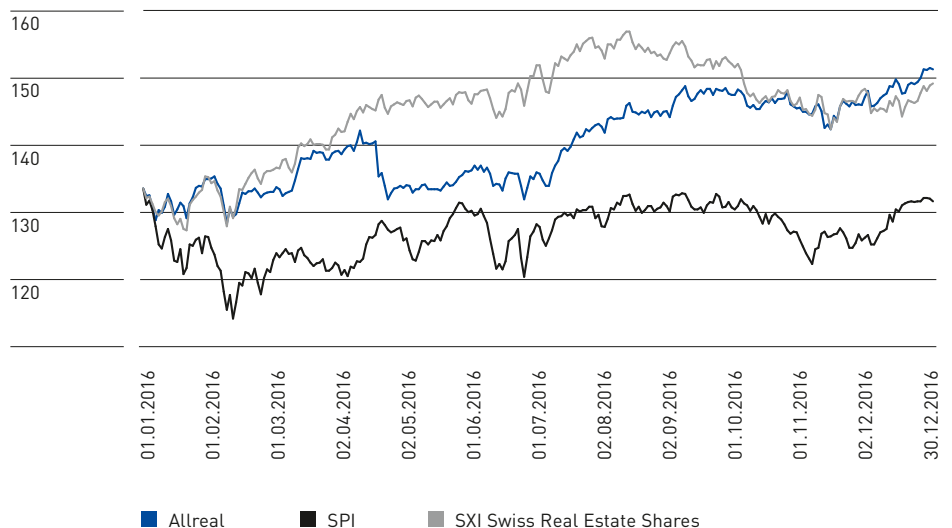
In the past three years, investors obtained an annualised overall performance of 15.5% (2014), 1.5% (2015) and 17.5% (2016) with the Allreal share, corresponding to an average constant return of 12.6% p.a.

On 31 December 2016, the Allreal Group's market capitalisation stood at CHF 2410.3 million. As at the balance sheet date, consolidated equity came to CHF 2086.8 million, resulting in a premium (difference between the market price and equity per share) of 15.5% (31.12.2015: 6.6%).

The Board of Directors will propose to the annual general meeting of 21 April 2017 an unchanged distribution of CHF 5.75 per registered share in the form of a repayment of reserves from contribution of capital ("capital contribution principle").

The distribution amounts to 81.7% of the net profit excl. profit from revaluation effect, corresponding to a cash yield of 3.8%, based on the closing price of the registered share on 31 December 2016.

Share price (indexed)  
January 2016 to December 2016



## Key share data

		2016	2015
Issued share capital on 31 December	CHF million	797.1	797.1
Approved capital on 31 December	CHF million	50.0	100.0
Conditional capital on 31 December	CHF million	134.8	134.8
Issued shares on 31 December	number	15 942 821	15 942 821
Treasury shares on 31 December	number	12 000	33 220
Outstanding shares on 31 December <sup>1</sup>	number	15 930 821	15 909 601
Annual average of outstanding shares <sup>2</sup>	number	15 928 818	15 907 369
Market price high	CHF	152.10	149.20
Market price low	CHF	128.20	126.60
Market price on 31 December (tax value)	CHF	151.30	133.60
Market capitalisation on 31 December <sup>3</sup>	CHF million	2 410.3	2 125.5
Average trading volume per day (on-exchange)	number of shares	13 386	14 224

<sup>1</sup> Number of shares issued minus treasury shares

<sup>2</sup> Average outstanding shares according to IAS 33

<sup>3</sup> Market price on 31 December multiplied by number of outstanding shares on 31 December

## Share statistics

Share type	Registered share
Par value per share	CHF 50
Securities number	883 756
SIX symbol	ALLN
ISIN	CH0008837566
Bloomberg	ALLN SW
Reuters	ALLN. S
Ex date	25 April 2017
Record date	26 April 2017
Payment date	as from 27 April 2017

## Shareholder structure as at 31 December 2016

Number of shares	Number of shareholders	Number of shares	%
> 478 284 shares (>3%)	6	4 365 701	27.4
100 001–478 254 shares	21	4 444 429	27.9
10 001–100 000 shares	127	2 437 137	15.3
1001–10 000 shares	406	1 198 197	7.5
1–1000 shares	2 984	712 107	4.4
<b>Total registered</b>	<b>3 544</b>	<b>13 157 571</b>	<b>82.5</b>
Not registered		2 785 250	17.5
<b>Total shares</b>		<b>15 942 821</b>	<b>100</b>

51.0% of the share capital is owned by pension funds and insurance companies and 9.1% by natural persons. A further 22.4% is owned by other legal entities as well as investment funds, foundations and banks. 17.5% of the share capital has not been submitted for registration in the share register. Foreign investors own 5.5% (registered shares).

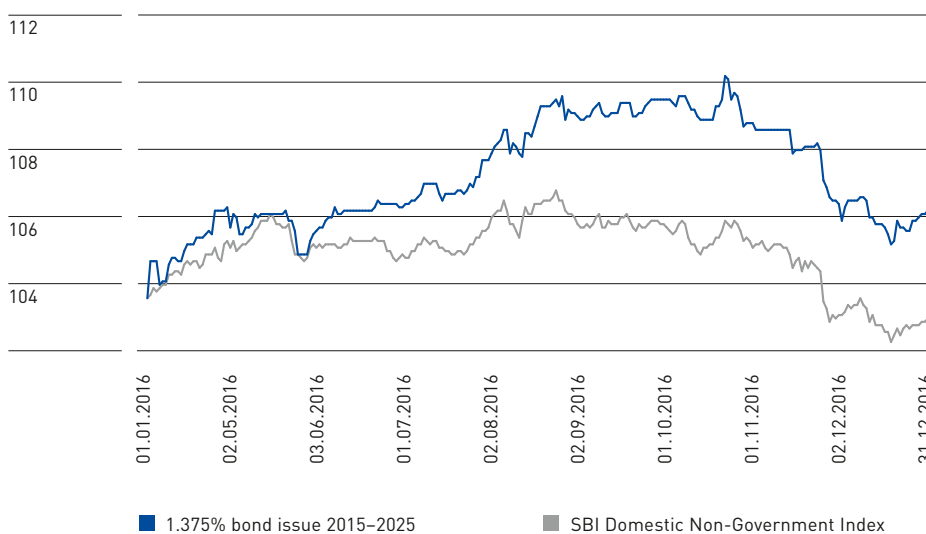
### 1.375% bond issue 2015–2025

Allreal Holding AG issued a fixed-rate bond of CHF 100.0 million in the second quarter of 2015. CHF 100.5 million accrued to the company from the issue of the 1.375% bond 2015–2025 with payment date 31 March 2015 after deduction of issuing costs.

Further information on the bond issue can be found on page 98 of the Annual Report or in the issue prospectus of 27 March 2015.

		2016	2015
Market price high	%	110.15	106.85
Market price low	%	103.55	100.90
Market price on 31 December	%	106.40	103.35
Average volume per recorded trading day (on-exchange)	CHF million	0.13	0.15

Price of 1.375% bond issue 2015–2025 (in percent)  
January 2016 to December 2016



Amount of bond	CHF 100 million
Type of bond	Bearer bond
Par value/denomination	CHF 5 000
Issue price	100.910%
Coupon	1.375% p.a., payable annually on 31 March
Maturity	10 years
Repayment	on 31 March 2025 at par
Securities number	27 334 783
SIX symbol	ALL15
ISIN	CH0273347838

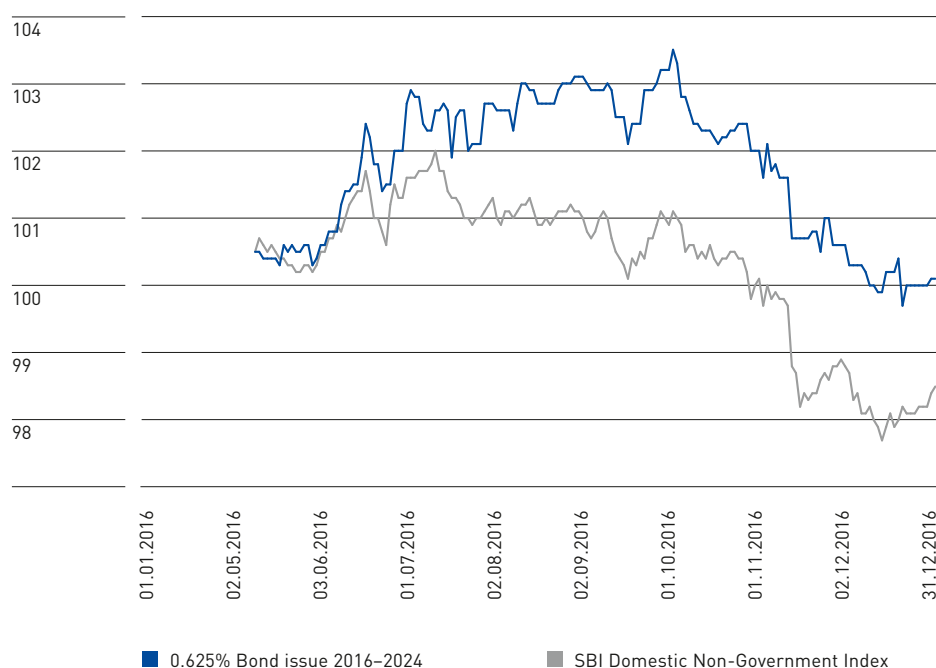
### 0.625% bond issue 2016–2024

Allreal Holding AG issued a fixed-rate bond of CHF 150.0 million in the second quarter of 2016. CHF 149.4 million accrued to the company from the issue of the 0.625% bond 2016–2024 with payment date 12 May 2016 after deduction of issuing costs.

Further information on the bond issue can be found on page 98 of the Annual Report or in the issue prospectus of 9 May 2016.

		2016
Market price high	%	103.50
Market price low	%	99.65
Market price on 31 December	%	100.00
Average volume per recorded trading day (on-exchange)	CHF million	0.14

Price of 0.625% bond issue 2016–2024 (in percent)  
May 2016 to December 2016



Amount of bond	CHF 150 million
Type of bond	Bearer bond
Par value/denomination	CHF 5 000
Issue price	100.000%
Coupon	0.625% p.a., payable annually on 10 May
Maturity	8 years
Repayment	on 10 May 2024 at par
Securities number	31 251 727
SIX symbol	ALL16
ISIN	CH0312512723

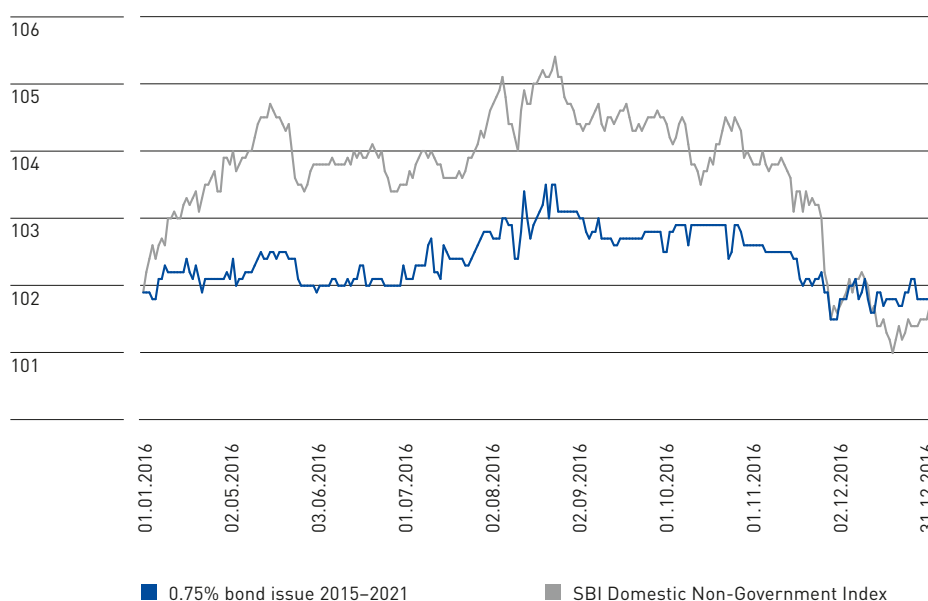
### 0.75% bond issue 2015–2021

Allreal Holding AG issued a fixed-rate bond of CHF 120.0 million in the second quarter of 2015. CHF 120.5 million accrued to the company from the issue of the 0.75% bond 2015–2021 with payment date 31 March 2015 after deduction of issuing costs.

Further information on the bond issue can be found on page 98 of the Annual Report or in the issue prospectus of 27 March 2015.

		2016	2015
Market price high	%	103.50	103.00
Market price low	%	101.45	100.65
Market price on 31 December	%	101.80	101.90
Average volume per recorded trading day (on-exchange)	CHF million	0.07	0.11

Price of 0.75% bond issue 2015–2021 (in percent)  
January 2016 to December 2016



Amount of bond	CHF 120 million
Type of bond	Bearer bond
Par value/denomination	CHF 5 000
Issue price	100.910%
Coupon	0.75% p.a., payable annually on 31 March
Maturity	6 years
Repayment	on 31 March 2021 at par
Securities number	27 334 782
SIX symbol	ALL151
ISIN	CH0273347820

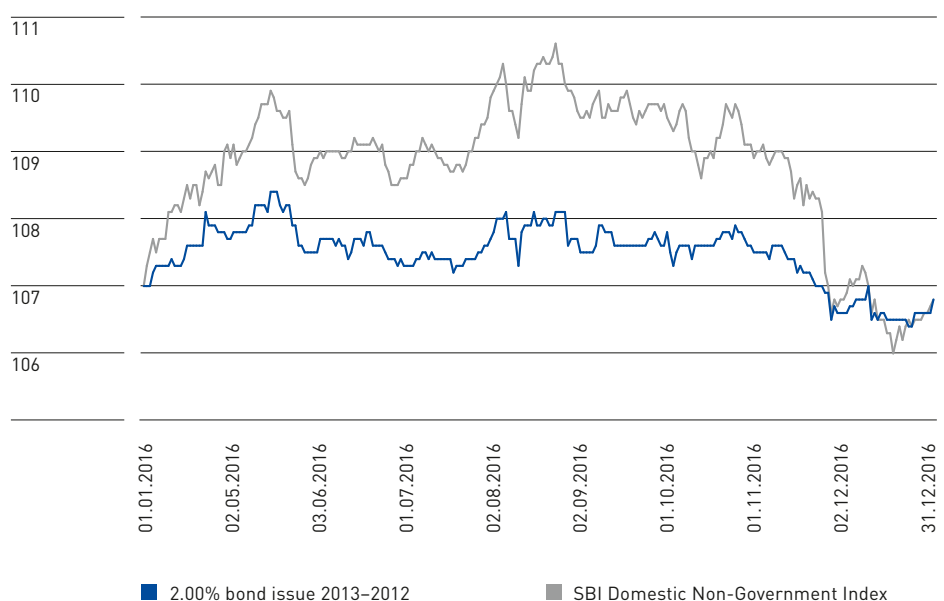
### 2.00% bond issue 2013–2020

Allreal Holding AG issued a fixed-rate bond of CHF 150.0 million in the third quarter of 2013. CHF 148.9 million accrued to the company from the issue of the 2.00% bond 2013–2020 with payment date 23 September 2013 after deduction of issuing costs.

Further information on the bond issue can be found on page 99 of the Annual Report or in the issue prospectus of 12 September 2013.

		2016	2015
Market price high	%	108.40	109.75
Market price low	%	106.35	105.20
Market price on 31 December	%	106.60	106.95
Average volume per recorded trading day (on-exchange)	CHF million	0.12	0.13

Price of 2.00% bond issue 2013–2020 (in percent)  
January 2016 to December 2016



Amount of bond	CHF 150 million
Type of bond	Bearer bond
Par value/denomination	CHF 5 000
Issue price	100.311%
Coupon	2.00% p.a., payable annually on 23 September
Maturity	7 years
Repayment	on 23 September 2020 at par
Securities number	22 213 665
SIX symbol	ALL13
ISIN	CH0222136654

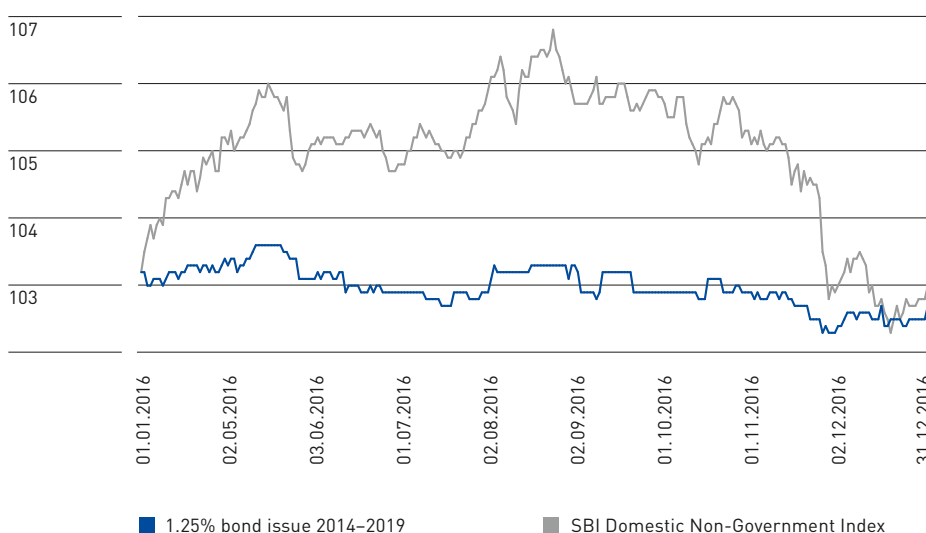
### 1.25% bond issue 2014–2019

Allreal Holding AG issued a fixed-rate bond of CHF 125.0 million in the second quarter of 2014. CHF 124.6 million accrued to the company from the issue of the 1.25% bond 2014–2019 with payment date 2 April 2014 after deduction of issuing costs.

Further information on the bond issue can be found on page 99 of the Annual Report or in the issue prospectus of 31 March 2014.

		2016	2015
Market price high	%	103.60	104.70
Market price low	%	102.25	101.80
Market price on 31 December	%	102.70	103.20
Average volume per recorded trading day (on-exchange)	CHF million	0.10	0.08

Price of 1.25% bond issue 2014–2019 (in percent)  
January 2016 to December 2016



Amount of bond	CHF 125 million
Type of bond	Bearer bond
Par value/denomination	CHF 5 000
Issue price	100.486%
Coupon	1.25% p.a., payable annually on 2 April
Maturity	5 years
Repayment	on 2 April 2019 at par
Securities number	23 427 444
SIX symbol	ALL14
ISIN	CH0234274444

## Additional information on valuation

		2016	2015
Invested capital <sup>1</sup>	CHF million	3 652.9	3 729.5
Average invested capital	CHF million	3 691.2	3 701.1
Return on invested capital (ROIC) <sup>2</sup>	%	4.9	4.8
Average investment real estate portfolio	CHF million	3 549.9	3 519.4
Interest coverage ratio <sup>3</sup>		4.8	4.3
Payout ratio <sup>4</sup>	%	81.7	83.6
Overall performance <sup>5</sup>	%	17.5	1.5
Absolute performance <sup>6</sup>	%	13.2	-2.6
Relative performance <sup>7</sup>	%	14.6	-5.3
Earnings yield <sup>8</sup>	%	7.2	5.7
Price/earnings ratio (P/E ratio) <sup>9</sup>		13.9	17.4
Market to book value <sup>10</sup>		115.5	106.6
Average EV/EBITDA excl. earnings from revaluation		21.7	21.7
EV/invested capital	%	109.2	104.8
Free float <sup>11</sup>	%	65.0	65.0

<sup>1</sup> All assets minus non-interest bearing liabilities and deferred tax credits

<sup>2</sup> EBIT excl. revaluation gains in percent of average invested capital

<sup>3</sup> EBITDA excl. revaluation gains divided by net financial expense

<sup>4</sup> Payout to shareholders in percent of net profit excl. revaluation effect

<sup>5</sup> Payout to shareholders plus price change in percent of price as at 1 January

<sup>6</sup> Change in price in percent of price 1 January

<sup>7</sup> Absolute performance minus percentage change in SPI since 1 January

<sup>8</sup> Net profit divided by market capitalisation

<sup>9</sup> Market price on 31 December divided by earnings per share incl. revaluation effect

<sup>10</sup> Market capitalisation divided by equity

<sup>11</sup> Issued shares minus shares tied under the pooling agreement



## Information on investment real estate

	City of Zurich		Rest of Canton of Zurich		Other regions		Total real estate	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>Residential real estate</b>								
Number	6	5	10	10	4	4	20	19
Living space '000 m <sup>2</sup>	22	20	86	86	18	18	126	124
Vacancy rate <sup>1</sup> %	4.7	13.2	1.6	2.7	1.8	3.3	2.4	5.0
Rental income CHF million	7.3	6.0	20.4	20.5	5.0	5.0	32.7	31.5
Earnings on property <sup>2</sup> CHF million	6.4	5.1	17.9	17.9	4.1	4.0	28.4	27.0
Gross return %	4.2	4.1	4.4	4.6	4.9	5.2	4.4	4.6
Net yield <sup>3</sup> %	3.7	3.4	3.9	4.0	4.0	4.2	3.9	3.9
Acquisition value CHF million	143.0	120.4	331.1	331.1	84.3	84.3	558.4	535.8
Market value CHF million	204.6	155.3	494.4	462.7	106.8	101.6	805.8	719.6
Average market value per property CHF million	34.1	31.1	49.4	46.3	26.7	25.4	40.3	37.9
Change in market value <sup>4</sup> CHF million	22.3	5.3	31.7	21.8	5.2	4.9	59.2	32.0
<b>Commercial real estate</b>								
Number	18	21	14	15	7	7	39	43
Floor space '000 m <sup>2</sup>	304	319	200	203	52	52	556	574
Vacancy rate <sup>1</sup> %	4.4	7.0	8.0	11.2	6.3	4.6	5.7	8.0
Rental income CHF million	83.2	85.6	42.0	40.7	15.4	17.1	140.6	143.4
Earnings on property <sup>2</sup> CHF million	71.4	68.2	36.0	32.7	13.1	15.2	120.5	116.1
Gross return %	5.2	5.1	5.3	5.2	5.3	5.4	5.3	5.2
Net yield <sup>3</sup> %	4.5	4.1	4.5	4.2	4.5	4.9	4.5	4.2
Acquisition value CHF million	1 569.6	1 622.6	798.5	822.6	303.3	303.0	2 671.4	2 748.2
Market value CHF million	1 629.5	1 655.6	784.1	808.7	285.6	291.4	2 699.2	2 755.7
Average market value per property CHF million	90.5	78.8	56.0	53.9	40.8	41.6	69.2	64.1
Change in market value <sup>4</sup> CHF million	32.9	-12.7	-7.7	-12.6	-6.1	-4.7	19.1	-30.0
<b>Investment real estate under construction</b>								
Number	1	2	1	-	-	-	2	2
Land area '000 m <sup>2</sup>	11	13	11	-	-	-	22	13
Acquisition value CHF million	42.3	36.8	11.9	-	-	-	54.2	36.8
Market value CHF million	59.6	49.9	9.9	-	-	-	69.5	49.9
Change in market value <sup>4</sup> CHF million	8.6	13.8	-1.9	-	-	-	6.7	13.8
Investment volume CHF million	74.5	96.0	38.5	-	-	-	113.0	96.0

<sup>1</sup> In percent of target rental income, cumulative as at cut-off date

<sup>2</sup> Rental income minus real estate expenses

<sup>3</sup> Rental earnings in percent of continued market value on 1 January

<sup>4</sup> From revaluation 31 December 2016 versus 31 December 2015

## Multi-year overview

Key financial figures (in CHF million)	2016	2015	2014	2013	2012
Total sales	671.7	793.9	1 036.4	1 242.3	1 086.1
Earnings from rental and sale of investment real estate	154.5	164.2	137.2	146.2	122.1
Earnings from real estate management services	4.7	6.1	6.6	6.8	4.4
Earnings from Projects & Development division	84.0	78.8	102.8	110.7	115.8
Completed project volume Projects & Development division	493.7	612.9	870.6	1 087.0	939.6
Operating profit (EBIT) incl. revaluation gains	265.6	193.2	170.9	192.8	161.7
Operating profit (EBIT) excl. revaluation gains	180.6	177.4	176.8	184.7	169.9
Net profit incl. revaluation effect	173.6	121.9	104.4	121.8	97.5
Net profit excl. revaluation effect	112.2	109.7	109.1	116.1	104.6
Cash flow from operating activities	246.7	33.7	158.5	157.6	72.2
Cash flow from investing activities	17.2	22.7	-198.5	-116.3	-203.2
Cash flow from financing activities	-265.9	-64.9	46.9	-42.4	85.2
Total assets as at 31 December	3 992.9	4 136.0	4 108.2	3 994.7	3 928.4
Market value of investment real estate on 31 December	3 574.5	3 525.2	3 513.6	3 445.8	3 159.0
Balance sheet value development real estate as at 31 December	165.7	295.5	301.2	382.5	594.8
Net yield investment real estate (%)	4.4	4.2	4.5	4.8	4.9
Operating margin Projects & Development division (%)	41.0	27.4	44.9	40.8	46.7
Average interest rate on financial liabilities (%)	1.67	2.15	1.93	2.13	2.13
Average remaining term of financial liabilities (months)	36	52	50	56	54
Return on equity incl. revaluation effect (%)	8.5	6.2	5.3	6.3	5.5
Return on equity excl. revaluation effect (%)	5.9	5.9	5.4	6.2	6.0
Share of equity on 31 December (%)	52.3	48.2	47.6	49.3	48.6
Net gearing on 31 December (%)	75.7	88.0	87.9	80.8	80.6
Market capitalisation on 31 December	2 410.3	2 125.5	2 185.5	1 964.7	2 248.3
<b>Share (in CHF)</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Earnings per share incl. revaluation effect	10.90	7.66	6.56	7.66	6.30
Earnings per share excl. revaluation effect	7.04	6.89	6.85	7.29	6.76
Payout per share	5.75 <sup>1</sup>	5.75	5.50	5.50	5.50
Net asset value (NAV) per share before deferred taxes on 31 December	140.90	132.95	129.10	130.90	125.80
Net asset value (NAV) per share after deferred taxes on 31 December	131.00	125.35	122.55	123.80	119.70
Market price high	152.10	149.20	138.20	141.60	149.40
Market price low	128.20	126.60	120.20	120.80	134.00
Market price on 31 December	151.30	133.60	137.10	123.50	141.10
Cash yield payout (%)	3.8	4.3	4.0	4.5	3.9
Payout ratio (%)	81.7	83.6	80.4	75.6	83.4

<sup>1</sup> Proposal of the Board of Directors to the annual general meeting of 21 April 2017 by means of repayment of reserves from contribution of capital

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# Glossary of real estate terms

<b>Acquisition costs</b>	Sum of all costs arising from acquisition of a property (purchase price, notary and ownership transfer costs, commissions) and/or effective cost price of own construction, plus cost of value-increasing investments and general refurbishments.
<b>Gross return</b>	Calculated from target rental income in percent of continued market value as at 1 January.
<b>Earnings from sale Investment real estate</b>	Difference between effective sale price (sales proceeds) and most recently reported market value, with due allowance for transaction costs in connection with sale and any cash-out guarantees granted to seller.
<b>Collection losses and loss of income as a result of rent-free periods</b>	Sum of all rental default losses and expenses in connection with rebates offered to existing or future tenants, rent-free periods, etc., plus revenue losses due to floor space vacancies during alterations.
<b>Investment volume</b>	Total site and construction costs (incl. capitalisable company-produced assets and building loan interest) at cost.
<b>Vacancy rate</b>	Aggregate of all rental losses due to unlet/vacant premises in percent of target rental income.
<b>Earnings on property</b>	Rental income minus expenses for management, operation, maintenance, repairs and value-maintaining refurbishments. Denotes real estate earnings before tax and borrowing costs (EBIT).
<b>Market value</b>	Estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller after proper marketing, where each party had acted independently, knowingly and without compulsion.  Market value is normally estimated by means of the discounted cash flow (DCF) method, with no allowance made for transaction costs.
<b>Rental income</b>	Sum of all revenue achieved in period under consideration (target rental income) minus ground rent, vacancy losses and collection losses.
<b>Net yield</b>	Calculated from target rental income in percent of continued market value as at 1 January.
<b>Revaluation effect</b>	Higher or lower valuation of investment real estate (yield-producing properties and investment real estate under construction), compared to previous year's balance sheet cut-off date, resulting from revaluation by external real estate valuer, with allowance for resulting changes in deferred taxes (difference between market and acquisition value).
<b>Target rental income</b>	Sum of all revenue potentially achievable in period under consideration in case of full letting, before deduction of ground rent, vacancy losses and collection losses.

<b>Maintenance and repair expenses</b>	Sum of all costs borne by owner that arise from reinstatement of a property to or maintenance of a property in its required condition. This also includes all servicing costs.
<b>Administrative and operating expenses</b>	Sum of all costs incurred by owner through use of a property, excluding maintenance and repair expenses. Administrative and operating expenses also include all ancillary costs that are not recoverable from tenants, e.g. due to specific provisions in rental contract.

The definitions of the above terms are based on Document D 0213 "Financial Benchmarks for Real Estate" ("Finanzkennzahlen für Immobilien") issued by SIA (Swiss Society Engineers and Architects) and SVIT (Swiss Real Estate Association), 2005 edition.

# Organisation and schedule

## Structure and addresses

**Allreal Holding AG**  
**Allreal Finanz AG**  
 Grabenstrasse 25, CH-6340 Baar

**Allreal Home AG**  
**Allreal Office AG**  
**Allreal Toni AG**  
**Allreal Vulkan AG**  
**Allreal West AG**  
**Apalux AG**  
**Hammer Retex AG**  
 Eggbühlstrasse 15,  
 CH-8050 Zurich

**Allreal Generalunternehmung AG**  
 Eggbühlstrasse 15, CH-8050 Zurich  
 Zieglerstrasse 53, CH-3007 Bern  
 Sinslerstrasse 67, CH-6330 Cham  
 Gaiserwaldstrasse 14, CH-9015 St. Gallen

**Hammer Retex AG**  
 Sinslerstrasse 67, CH-6330 Cham

**Bülachguss AG**  
 Solistrasse 25, CH-8180 Bülach

## Organisation chart

**Allreal Group**  
 Roger Herzog

**Finance & Controlling**  
 Thomas Wapp  
 [as from 1 April 2017]

**Investments/Divestments**  
 Hans Engel

**Internal owner organisation**  
 Angelo Moser

**Communications**  
 Matthias Meier

**HR**  
 Barbara Tomezzoli

**Real Estate**  
 Alain Paratte

**Projects & Development**  
 Roger Herzog

**Project Development**  
 Nigel Woolfson

**Realisation**  
 Management team

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## Schedule

Annual general meeting 2017  
 21 April 2017, 4 p.m.  
 Kaufleutensaal  
 Pelikanplatz  
 CH-8001 Zurich

Half-year results 2017  
 29 August 2017

Annual results 2017  
 27 February 2018

Annual general meeting 2018  
 20 April 2018

Half-year results 2018  
 28 August 2018

### **Share register**

Responsibility for address changes and other changes in the share register lies with:

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### **Reporting by financial analysts**

The Allreal Group is valued and analysed by the following banks, among others:

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**The interactive Annual Report is available online in German and English at <http://ir.allreal.ch/en>**

Shareholders who, in place of the full Annual Report, wish to receive the Annual Report in short form or opt not to receive any reports at all and would only like to be sent the invitation to the annual general meeting may notify the company accordingly at any time.