Details of the share and distribution to shareholders

In 2018, an overall performance of –3.3% was achieved with the Allreal share, based on the market price of 31 December 2018. This performance comprises the decrease in share price (–7.1%) and the distribution to shareholders (3.8%).

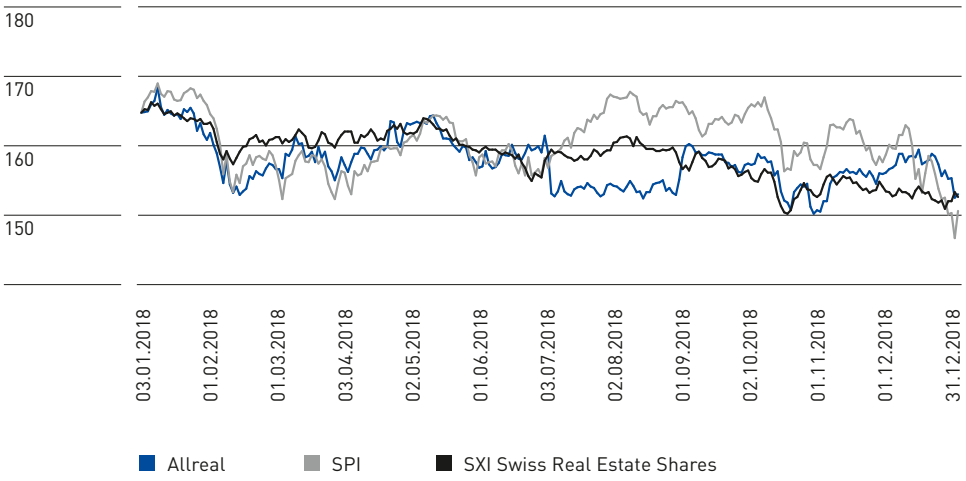
In the past three years, investors obtained an annualised overall performance of 17.5% (2016), 12.7% (2017) and –3.3% (2018) with the Allreal share, corresponding to an average constant return of 9.4% p.a.

On 31 December 2018, the Allreal Group's market capitalisation stood at CHF 2,432.1 million. As at the balance sheet date, consolidated equity came to CHF 2,218.8 million, resulting in a premium (difference between the market price and equity per share) of 9.6% (31.12.2017: 21.9%).

The Board of Directors will propose to the annual general meeting of 12 April 2019 an unchanged distribution of CHF 6.50 per registered share in the form of a nominal value reduction.

The distribution amounts to 94.6% of the Real Estate division's operating net profit excluding profit from revaluation effect, corresponding to a cash yield of 4.2%, based on the closing price of the registered share on 31 December 2018.

Share price (indexed)
January 2018 to December 2018



Key share data

		2018	2017
Issued share capital on 31 December	CHF million	15.9	797.1
Approved capital on 31 December	CHF million	1.0	50.0
Conditional capital on 31 December	CHF million	2.7	134.8
Issued shares on 31 December	number	15 942 821	15 942 821
Treasury shares on 31 December	number	57 055	29 528
Outstanding shares on 31 December[1]	number	15 885 766	15 913 293
Annual average of outstanding shares[2]	number	15 887 988	15 928 874
Market price high	CHF	168.10	187.80
Market price low	CHF	149.50	146.80
Market price on 31 December (tax value)	CHF	153.10	164.80
Market capitalisation on 31 December[3]	CHF million	2 432.1	2 622.5
Average trading volume per day (on-exchange)	number of shares	20 616	25 766

[1] Number of shares issued minus treasury shares
[2] Average outstanding shares according to IAS 33
[3] Market price on 31 December multiplied by number of outstanding shares on 31 December

Share statistics

Share type	Registered share
Nominal value per share	CHF 1.00
Securities number	883 756
SIX symbol	ALLN
ISIN	CH0008837566
Bloomberg	ALLN SW
Reuters	ALLN. S
Ex date	16 April 2019
Record date	17 April 2019
Payment date	18 April 2019

Shareholder structure as at 31 December 2018

Number of shares	Number of shareholders	Number of shares	%
> 478 284 shares (> 3%)	6	3 859 089	24.2
100 001–478 284 shares	17	3 914 783	24.6
10 001–100 000 shares	105	3 269 226	20.5
1001–10 000 shares	387	1 040 823	6.5
1–1000 shares	2 579	565 318	3.5
Total registered	**3 094**	**12 649 239**	**79.3**
Not registered		3 293 582	20.7
Total shares		**15 942 821**	**100.0**

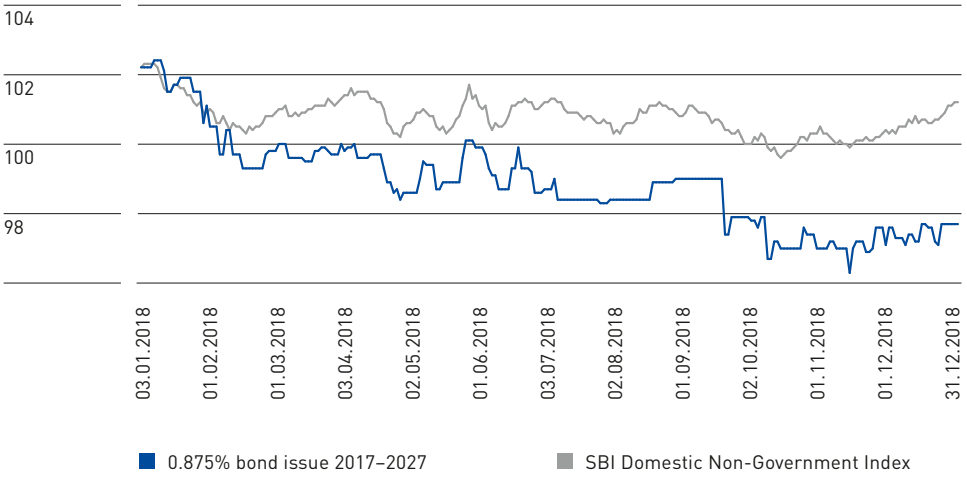
45.9% of the share capital is owned by pension funds and insurance companies and 7.9% by natural persons. A further 25.5% is owned by other legal entities as well as investment funds, foundations and banks. 20.7% of the share capital has not been submitted for registration in the share register. Foreign investors own 7.9% (registered shares).

0.875% bond issue 2017–2027

Allreal Holding AG issued a fixed-rate bond of CHF 160.0 million in the first quarter of 2017. CHF 160.3 million accrued to the company from the issue of the 0.875% bond 2017–2027 with payment date 30 March 2017 after deduction of issuing costs.

		2018	2017
Market price high	%	101.35	102.70
Market price low	%	96.30	99.85
Market price on 31 December	%	97.70	102.20
Average volume per recorded trading day (on-exchange)	CHF million	0.10	0.21

Price of 0.875% bond issue 2017–2027 (in percent)
January 2018 to December 2018



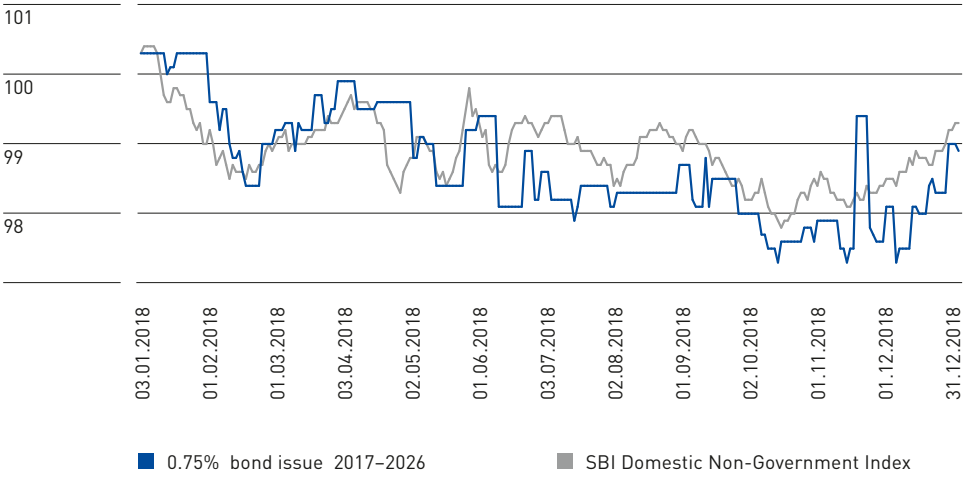
Amount of bond	CHF 160 million
Type of bond	Bearer bond
Par value/denomination	CHF 5000
Issue price	100.550%
Coupon	0.875% p.a., payable annually on 30 March
Maturity	10 years
Repayment	on 30 March 2027
Securities number	35 767 611
SIX symbol	ALL171
ISIN	CH0357676

0.75% bond issue 2017–2026

Allreal Holding AG issued a fixed-rate bond of CHF 150.0 million in the fourth quarter of 2017. CHF 149.9 million accrued to the company from the issue of the 0.75% bond 2017–2026 with payment date 19 June 2017 after deduction of issuing costs.

		2018	2017
Market price high	%	100.30	101.10
Market price low	%	97.25	100.30
Market price on 31 December	%	98.90	100.30
Average volume per recorded trading day (on-exchange)	CHF million	0.21	0.47

Price of 0.75% bond issue 2017–2026 (in percent)
January 2018 to December 2018



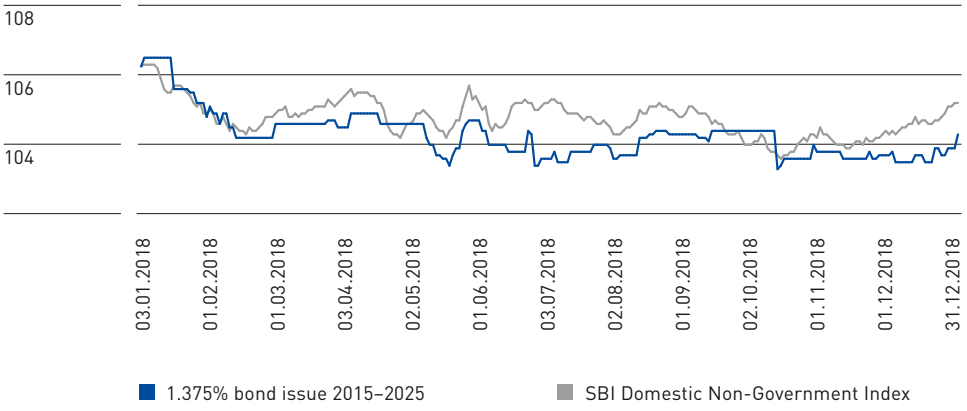
Amount of bond	CHF 150 million
Type of bond	Bearer bond
Par value/denomination	CHF 5000
Issue price	100.298%
Coupon	0.75% p.a., payable annually on 19 December
Maturity	8.5 years
Repayment	on 19 December 2026
Securities number	35 347 622
SIX symbol	ALL171
ISIN	CH0373476222

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.

		2018	2017
Market price high	%	106.45	107.00
Market price low	%	103.30	105.05
Market price on 31 December	%	104.25	106.25
Average volume per recorded trading day (on-exchange)	CHF million	0.13	0.12

Price of 1.375% bond issue 2015–2025 (in percent)
January 2018 to December 2018



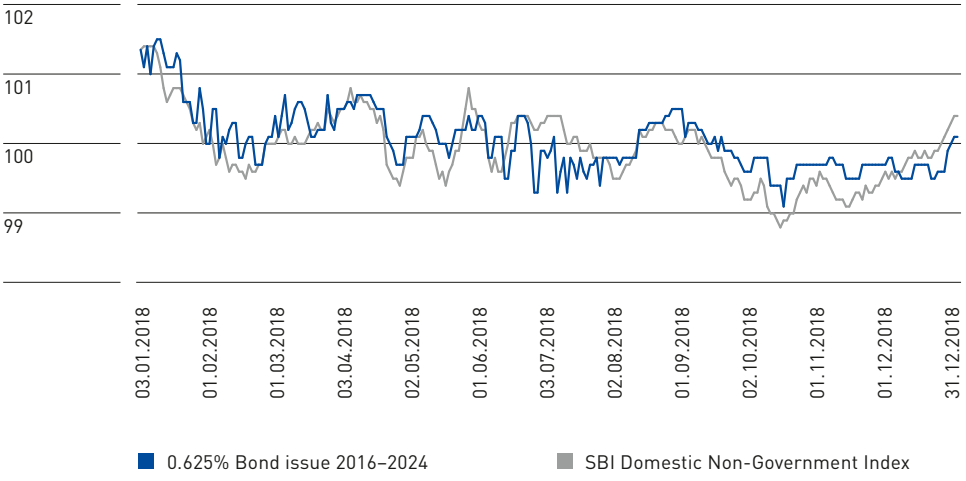
Amount of bond	CHF 100 million
Type of bond	Bearer bond
Par value/denomination	CHF 5000
Issue price	100.910%
Coupon	1.375% p.a., payable annually on 31 March
Maturity	10 years
Repayment	on 31 March 2025 at par
Securities number	27334783
SIX symbol	ALL15
ISIN	CH0273347838

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.

		2018	2017
Market price high	%	101.45	101.50
Market price low	%	99.10	99.50
Market price on 31 December	%	100.05	101.35
Average volume per recorded trading day (on-exchange)	CHF million	0.09	0.08

Price of 0.625% bond issue 2016–2024 (in percent)
January 2018 to December 2018



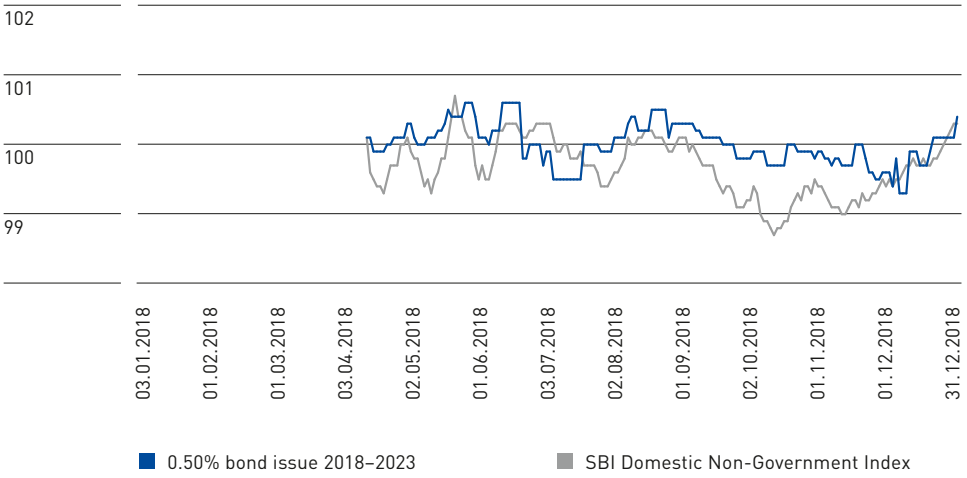
Amount of bond	CHF 150 million
Type of bond	Bearer bond
Par value/denomination	CHF 5000
Issue price	100.000%
Coupon	0.625% p.a., payable annually on 10 May
Maturity	8 years
Repayment	on 10 May 2024 at par
Securities number	31 251 272
SIX symbol	ALL16
ISIN	CH0312512723

0.50% bond issue 2018–2023

Allreal Holding AG issued a fixed-rate bond of CHF 125.0 million in the first quarter of 2018. CHF 124.7 million accrued to the company from the issue of the 0.50% bond 2018–2023 with payment date 19 April 2018 after deduction of issuing costs.

		2018
Market price high	%	100.60
Market price low	%	99.15
Market price on 31 December	%	100.35
Average volume per recorded trading day (on-exchange)	CHF million	0.23

Price of 0.50% bond issue 2018–2023 (in percent)
April 2018 to December 2018



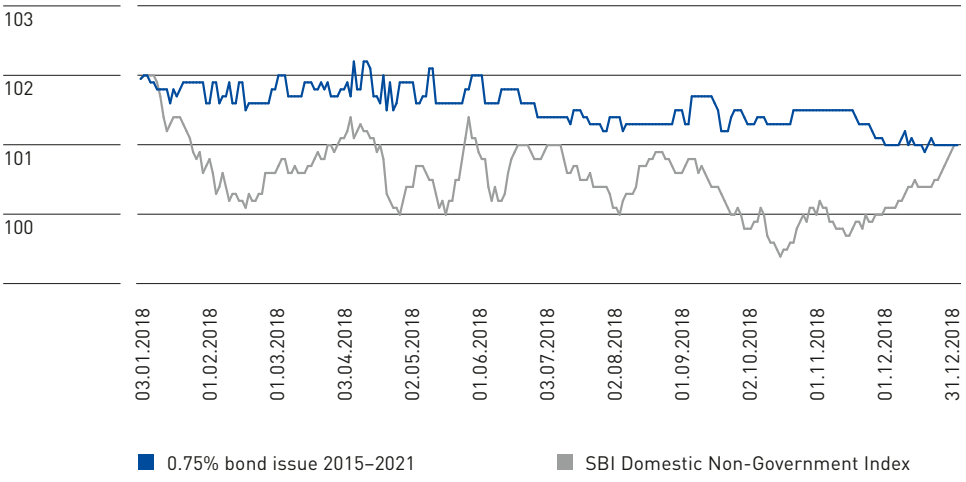
Amount of bond	CHF 125 million
Type of bond	Bearer bond
Par value/denomination	CHF 5000
Issue price	100.123%
Coupon	0.50% p.a., payable annually on 19 April
Maturity	5 years
Repayment	on 19 March 2023
Securities number	37 347 662
SIX symbol	ALL18
ISIN	CH0373476628

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.

		2018	2017
Market price high	%	102.25	102.70
Market price low	%	100.90	101.40
Market price on 31 December	%	101.00	101.95
Average volume per recorded trading day (on-exchange)	CHF million	0.12	0.13

Price of 0.75% bond issue 2015–2021 (in percent)
January 2018 to December 2018



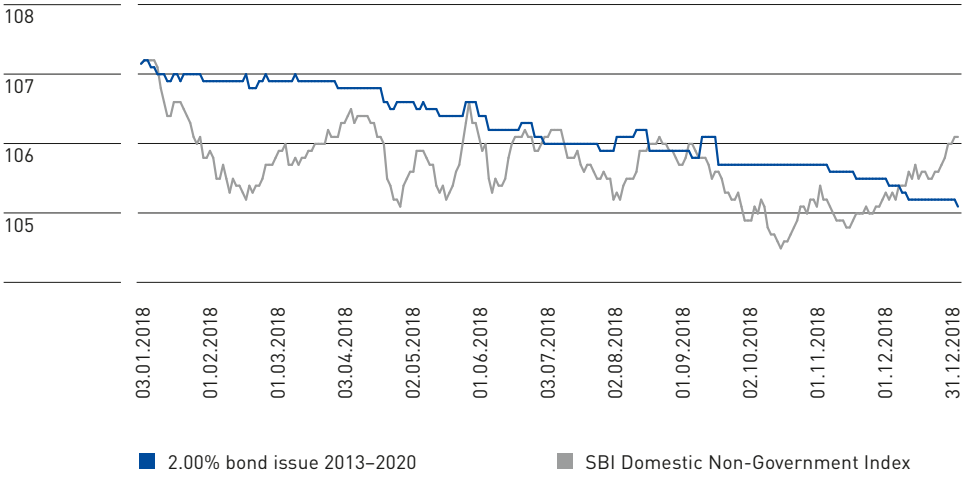
Amount of bond	CHF 120 million
Type of bond	Bearer bond
Par value/denomination	CHF 5000
Issue price	100.910%
Coupon	0.75% p.a., payable annually on 31 March
Maturity	6 years
Repayment	on 31 March 2021 at par
Securities number	27 334 782
SIX symbol	ALL151
ISIN	CH0273347820

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.

		2018	2017
Market price high	%	105.20	106.80
Market price low	%	103.10	105.10
Market price on 31 December	%	103.10	105.15
Average volume per recorded trading day (on-exchange)	CHF million	0.21	0.16

Price of 2.00% bond issue 2013–2020 (in percent)
January 2018 to December 2018



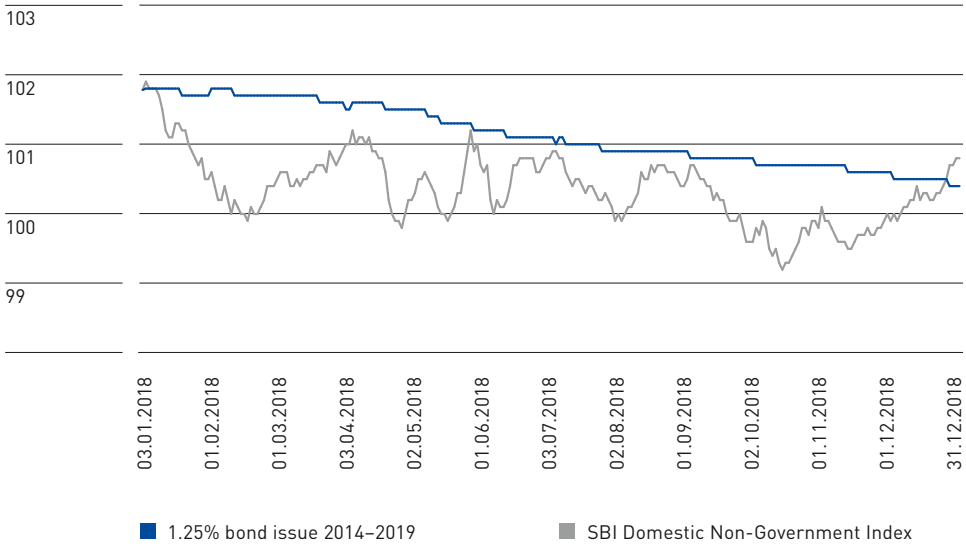
Amount of bond	CHF 150 million
Type of bond	Bearer bond
Par value/denomination	CHF 5000
Issue price	100.311%
Coupon	2.00% p.a., payable annually on 23 September
Maturity	7 years
Repayment	on 23 September 2020 at par
Securities number	22 213 665
SIX symbol	ALL13
ISIN	CH0222136654

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.

		2018	2017
Market price high	%	101.79	102.70
Market price low	%	100.40	101.73
Market price on 31 December	%	100.42	101.78
Average volume per recorded trading day (on-exchange)	CHF million	0.27	0.17

Price of 1.25% bond issue 2014–2019 (in percent)
January 2018 to December 2018



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

		2018	2017
Invested capital[1]	CHF million	4 273.0	4 040.4
Average invested capital	CHF million	4 156.7	3 846.7
Return on invested capital (ROIC)[2]	%	4.2%	4.3
Average investment real estate portfolio	CHF million	4 058.3	3 765.6
Interest coverage ratio[3]		6.1	6.0
Payout ratio[4]	%	94.6	98.7
Overall performance[5]	%	–3.3	12.7
Absolute performance[6]	%	–7.1	8.9
Relative performance[7]	%	1.5	–11.0
Earnings yield[8]	%	6.6%	4.9
Price/earnings ratio (P/E ratio)[9]		15.1	20.3
Market to book value[10]		109.6	121.9
Average EV/EBITDA excl. earnings from revaluation		25.5	25.6
EV/invested capital	%	104.5	111.3
Free float[11]	%	89.4	89.4

[1] All assets minus non-interest bearing liabilities and deferred tax credits
[2] EBIT excl. revaluation gains in percent of average invested capital
[3] EBITDA excl. revaluation gains divided by net financial expense
[4] Payout to shareholders in percent of net profit excl. revaluation effect
[5] Payout to shareholders plus price change in percent of price as at 1 January
[6] Change in price in percent of price 1 January
[7] Absolute performance minus percentage change in SPI since 1 January
[8] Net profit divided by market capitalisation
[9] Market price on 31 December divided by earnings per share incl. revaluation effect
[10] Market capitalisation divided by equity
[11] With effect from 31.12.2017: issued shares minus the shares committed under the pool agreement; with effect from 31.12.2018: minus the shares held by Helvetia Group

Information on investment real estate

		City of Zurich		Rest of Canton of Zurich		Other regions		Total real estate	
		2018	2017	**2018**	2017	**2018**	2017	**2018**	2017
Residential real estate									
Number		6	6	11	10	4	4	21	20
Living space	'000 m²	22	22	93	86	18	18	133	126
Vacancy rate[1]	%	0.9	2.1	4.0	1.3	1.4	2.0	2.9	1.6
Rental income	CHF million	8.3	8.1	20.5	20.5	5.0	5.0	33.7	33.6
Earnings on property[2]	CHF million	7.6	6.6	15.5	16.6	4.2	4.1	27.4	27.3
Gross return	%	3.9	3.9	4.0	4.1	4.5	4.7	4.1	4.2
Net yield[3]	%	3.6	3.2	3.1	3.4	3.8	3.9	3.3	3.4
Acquisition value	CHF million	144.0	143.8	375.0	331.1	84.3	84.3	603.3	559.2
Market value	CHF million	224.9	212.0	569.2	495.4	116.7	110.9	910.8	818.4
Average market value per property	CHF million	37.5	35.3	51.7	49.5	29.2	27.7	43.4	40.9
Change in market value[4]	CHF million	12.9	6.8	28.3	1.1	5.7	4.1	46.9	12.0
Commercial real estate									
Number		19	19	16	16	9	8	44	43
Floor space	'000 m²	317	317	226	226	90	68	633.548	611
Vacancy rate[1]	%	0.6	1.2	2.8	4.6	4.3	6.2	1.8	2.8
Rental income	CHF million	89.7	85.5	51.5	43.9	19.8	16.2	161.1	145.6
Earnings on property[2]	CHF million	80.6	76.7	46.0	36.1	18.3	14.5	144.9	127.3
Gross return	%	5.1	5.2	5.4	5.5	5.0	5.3	5.2	5.3
Net yield[3]	%	4.6	4.6	4.8	4.5	4.6	4.8	4.7	4.6
Acquisition value	CHF million	1 608.7	1 642.4	987.4	986.8	531.6	419.7	3 127.7	3 048.9
Market value	CHF million	1 773.6	1 758.8	956.7	961.0	460.7	393.0	3 191.0	3 112.8
Average market value per property	CHF million	93.3	92.6	59.8	60.1	51.2	49.1	72.5	72.4
Change in market value[4]	CHF million	48.5	34.0	–4.9	–20.7	–44.1	–8.9	–0.5	4.4
Investment real estate under construction									
Number		2	0	0	1	–	–	2	1
Land area	'000 m²	9	0	0	11	–	–	9	11
Acquisition value	CHF million	47.1	0.0	0.0	27.2	–	–	47.1	27.2
Market value	CHF million	58.1	0.0	0.0	25.4	–	–	58.1	25.4
Change in market value[4]	CHF million	14.2	5.3	0.0	0.1	–	–	14.2	5.4
Investment volume	CHF million	120.1	0.0	0.0	38.5	–	–	120.1	38.5

[1] In percent of target rental income, cumulative as at cut-off date
[2] Rental income minus real estate expenses
[3] Rental earnings in percent of continued market value on 1 January
[4] From revaluation 31 December 2018 versus 31 December 2017

Multi-year overview

Key financial figures (in CHF million)	**2018**	2017	2016	2015	2014
Total sales	549.9	603.4	671.7	793.9	1 036.4
Earnings from rental and sale of investment real estate	172.2	154.6	154.5	164.2	137.2
Earnings from real estate management services	3.2	4.2	4.7	6.1	6.6
Earnings from Projects & Development division	52.6	66.7	84.0	78.8	102.8
Completed project volume Projects & Development division	351.9	420.0	493.7	612.9	870.6
Operating profit (EBIT) incl. revaluation gains	235.6	187.5	265.6	193.2	170.9
Operating profit (EBIT) excl. revaluation gains	175.0	165.7	180.6	177.4	176.8
Net profit incl. revaluation effect	161.0	129.2	173.6	121.9	104.4
Net profit excl. revaluation effect	115.6	113.3	112.2	109.7	109.1
Cash flow from operating activities	82.6	172.2	246.7	33.7	158.5
Cash flow from investing activities	–135.4	–372.8	17.2	22.7	–198.5
Cash flow from financing activities	55.3	217.3	–265.9	–64.9	46.9
Total assets as at 31 December	4 609.5	4 359.6	3 992.9	4 136.0	4 108.2
Market value of investment real estate on 31 December	4 159.9	3 956.6	3 574.5	3 525.2	3 513.6
Balance sheet value development real estate as at 31 December	147.6	116.5	165.7	295.5	301.2
Net yield investment real estate (%)	4.4	4.3	4.4	4.2	4.5
Projects & Development division (%)	13.0	13.1	10.3	10.4	8.4
Average interest rate on financial liabilities (%)	1.48	1.53	1.67	2.15	1.93
Average remaining term of financial liabilities (months)	52	49	36	52	50
Return on equity incl. revaluation effect (%)	7.3	6.0	8.5	6.2	5.3
Return on equity excl. revaluation effect (%)	5.9	5.9	5.9	5.9	5.4
Share of equity on 31 December (%)	48.1	49.3	52.3	48.2	47.6
Net gearing on 31 December (%)	91.5	87.2	75.7	88.0	87.9
Market capitalisation on 31 December	2 432.1	2 622.5	2 410.3	2 125.5	2 185.5

Share (in CHF)	**2018**	**2017**	2016	2015	2014
Earnings per share incl. revaluation effect	10.13	8.11	10.90	7.66	6.56
Earnings per share excl. revaluation effect	7.28	7.11	7.04	6.89	6.85
Payout per share[1]	6.50[1]	6.25	5.75	5.75	5.50
Net asset value (NAV) per share before deferred taxes on 31 December	152.85	146.45	140.90	132.95	129.10
Net asset value (NAV) per share after deferred taxes on 31 December	139.65	135.15	131.00	125.35	122.55
Market price high	168.10	187.80	152.10	149.20	138.20
Market price low	149.50	146.80	128.20	126.60	120.20
Market price on 31 December	153.10	164.80	151.30	133.60	137.10
Cash yield payout (%)	4.2	3.8	3.8	4.3	4.0
Payout ratio (%)[2]	94.6	98.7	98.0	95.9	107.3

[1] Proposal of the Board of Directors to the annual general meeting of 12 April 2019
[2] In percent of the Real Estate division's Net profit excl. revaluation effect