

Press release

Fribourg, 21 April 2021

Infracore SA – Company specialized in healthcare infrastructure – Annual Report 2020

Infracore has increased its rental income to CHF 57.2 million and its EBITDA margin to 94.4%

Infracore achieved a satisfactory result in 2020 with rental income up by 24.2% to CHF 57.2 million (2019: CHF 46.1 million) following the acquisitions of properties in Geneva and Bern as well as major renovations in Rothrist. In 2020, Infracore granted a rent waiver to its main tenant Swiss Medical Network, in the context of the federal ban on elective surgery during spring 2020. Rental income after the Covid-19 rent reduction amounted to CHF 48.4 million (2019: CHF 46.1 million).

In a stable market environment, revaluation gains amount to CHF 1.7 million (2019: CHF 4.2 million). Efficient structures, a lower real estate cost/income ratio and reduced administration costs resulted in an EBITDA (before Covid-19 reduction) of CHF 54.0 million (2019: CHF 45.4 million), corresponding to a margin of 94.4% (2019: 98.6%). When considering the rent reductions, EBITDA reached CHF 45.2 million and remained stable compared to 2019. Net profit amounted to CHF 34.0 million (2019: CHF 31.6 million). Infracore will distribute a slightly higher dividend of CHF 2.75 per share.

Change in shareholder structure

In late 2020, Medical Properties Trust, Inc. (MPT), a New York Stock Exchange-listed company specialized in acquiring and managing healthcare facilities, increased its stake in Infracore by acquiring the 30% stake held by Baloise Group. Part of the share-capital was converted into non-voting equity shares, in order to maintain the shareholder balance between MPT and AEVIS VICTORIA SA (AEVIS). As a result, Infracore is now jointly controlled by its two shareholders.

High-yielding asset portfolio further enhanced

Infracore's portfolio was further strengthened in December 2020 with the acquisition of the Privatklinik Belair building in Schaffhausen (rental area: 3'303 sqm). Infracore's portfolio now consists of 39 high-quality properties (development projects included) on 17 sites, representing a rental surface of 184'199 sqm. As at 31 December 2020, the portfolio was valued at CHF 1.1 billion. Over the past twelve months, revaluation gains amounted to CHF 1.7 million (2019: CHF 4.2 million). All properties are in very good condition, with no capex backlog. Most of the buildings are leased under very long-term indexed leases with a WAULT (weighted average unexpired lease term) of 23.2 years. The current vacancy rate of 1.0% is only temporary and due to renovation works in some buildings.

Strong financial position

Total assets increased slightly to CHF 1.1 billion, while long-term financial liabilities, mainly mortgages and a CHF 100 million bond, reached CHF 517.3 million. The terms of the bond were improved (reduction of the interest rate to 1.3% as of 01.01.2021 and extension of the maturity date to 31.12.2023), which will allow Infracore to reduce its financial costs and increase its flexibility. The equity ratio increased to 43.8% (2019: 43.6%) and the loan-to-value ratio remained low at 47.0%. Net asset value before deferred taxes amounted to CHF 593.3 million (2019: CHF 589.0 million).

Distribution to shareholders

The Board of Directors proposes a distribution to the shareholders of CHF 31.9 million, or CHF 2.75 per share.



Outlook 2021

It is estimated that over CHF 20 billion will have to be invested in the Swiss hospital landscape over the next few decades. Infracore will continue to pursue its growth strategy in Switzerland, both in the private and in the public sector (through public-private partnerships). With its know-how in hospital renovations and conversions, its financial strength and its broad network, Infracore is uniquely positioned. Infracore's rental income is expected to increase slightly in 2021 and EBIT excluding revaluations should be in excess of CHF 50 million.

The Annual Report 2020 can be downloaded with the following link:

https://www.infracore.ch/_media/2021/04/ar_2020.pdf

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About Infracore SA

Infracore SA is a company dedicated to hospital and health infrastructures. Its real estate portfolio consists of 39 quality properties (development projects included) situated on 17 prime locations across Switzerland, representing a total rental surface of 184'199 sqm. The market value of Infracore's portfolio is estimated at CHF 1.1 billion. Infracore is positioning itself as a partner of public or private institutions for real estate investments and intends to play a key role in the reshaping of the Swiss hospital landscape. **www.infracore.ch**